

**Employer Announcement #84
PERS Disability and Employer Reporting
(Replaces Employer Announcement #31)**

Tier One/Tier Two Disability Retirement

Non-duty disability requirements for Tier One/Tier Two members are:

- ten or more years of qualifying service as a Tier One/Tier Two member; **and**
- must be totally, not partially, disabled; **and**
- anticipate being unable to perform any work for which qualified for a minimum of ninety (90) consecutive days.

Duty disability requirements for Tier One/Tier Two members are:

- membership must be established as a Tier One/Tier Two member; **and**
- must be totally, not partially, disabled; **and**
- anticipate being unable to perform any work for which qualified for a minimum of ninety (90) consecutive days, **and**
- work duties were the material contributing cause of the injury or disease.

Tier One/Tier Two Member Application Guidelines

It is best if the member applies as soon as he/she is physically off the job due to the disability; however, the member may apply within five years of separation from active service if:

- the disabling condition has been continuous from the date of separation to the date of PERS disability application; **and**
- the member must not have withdrawn his/her Tier One/Tier Two member account; **and**
- the member must not have worked in any capacity, including non-PERS employment or self-employment, from the date of separation from PERS-covered employment to the date of application for PERS disability retirement.

Members may apply as soon as they are physically off the job (not going to the job site or office or working from home)

Members may apply during the 90-consecutive-day period and can be on paid leave (vacation or sick leave) or non-paid leave (FMLA or LWOP).

Please direct your employees to the PERS customer service line to request a current disability application. Questions regarding PERS disability can be answered by Customer Service at 888-320-7377.

PERS disability is not impacted in any way by Social Security disability or long-term/short-term disability insurance. Acceptance by other programs does not mean acceptance of a PERS disability claim. Members may want to contact their long-term/short-term disability company to determine if receipt of PERS disability benefits will impact their insurance.

After PERS disability receives the member's application, PERS requests information from the medical providers listed on the application. PERS then requests by mail a personnel file from the

member's most recent employer. The request is for a copy of the employee's personnel and medical file for two years prior to his/her last day worked (last day physically on the job), any workers' compensation claim filings, a copy of the member's position description, and any copies of vocational evaluations or rehabilitation information you may have. Routine payroll records are **not** required.

PERS will send a Disability Employment Status Request electronically to the employer at the time of application.

PERS will notify the employer by mail if the member was approved or denied for disability retirement.

If the member's application is approved, PERS asks the employer electronically for the Last Day Paid Leave information. This information is entered into the employer Work List queue and the employer will be asked to process and return the form as quickly as possible. Separation dates will need to be posted before PERS can calculate the member's disability benefit.

The disability retirement date is the first of the month following any month in which the member received pay from the employer.

When a member is approved for Tier One/Tier Two disability retirement, he/she receives a packet of forms in the mail. This is considered the disability **benefit** application. Once PERS receives this from the member and the requested information from the employer, the benefit can be calculated, and benefits can start if the member is no longer receiving any type of paid leave.

The member's disability claim will be periodically reviewed until regular retirement age (58 for Tier One and 60 for Tier Two).

ONLY Tier One/Tier Two disability retirees may return to part-time work or engage in a 90-day return to work trial. OPSRP disability benefit recipients CANNOT do any type of work (PERS-covered, non-PERS-covered, or self-employment) while receiving an OPSRP disability benefit.

Disabled members return to part-time work

Tier One/Tier Two members may work while on disability retirement. There is a limit of 599 hours per calendar year in a PERS-covered position. Employers would use DTL1 status code 11 upon starting work. Wages earned in this limited employment would be reported using DTL2 wage code 07, with no contributions.

A monthly benefit will be adjusted by any gross income paid to the member that, when added to the members gross disability retirement benefit, exceeds the member's gross monthly salary at the time he/she retired on disability.

Employers and disabled employees must keep careful track of the hours and must not exceed 599 hours in a calendar year. If exceeded, the year becomes qualifying, the disability benefits will be

discontinued, and the member will be invoiced for all disability benefits paid for the calendar year.

90-Day Return to Work Trial

If the member has not been medically released by his/her doctor but he/she would like to try to return to work full time, PERS provides a 90-day return to work trial period. The member would notify PERS that he/she would like to return to work. The disability benefits would be discontinued during the 90-day trial, but the claim would remain open. The employer reports nothing during the 90-day trial period.

PERS will send a form by mail to the employer toward the end of the 90-day trial period. The form must be completed regardless of the outcome of the 90-day trial period, successful or unsuccessful. The employer will complete this form **after** the 90 days have elapsed, including start and end dates of the trial period, and return it to PERS.

If the 90-day trial period is unsuccessful, PERS must receive supporting medical documentation from a required specialist before reinstating the member's disability benefit payments. The employer should submit DTL1-11/New Hire for retiree with hour limit with a status date the same as the start date of the 90-day trial service period. DTL2-07/Retiree Wage records should then be submitted for all pay periods back to the hire date as a working retiree.

If the 90-day trial is successful, the disability claim will be closed, and the member's account will be returned to its value at the time the member retired on disability. PERS will initiate steps to move the individual from disability retirement status to inactive member status. Effective date of inactive member status will be the start date of the 90-day trial period. PERS will then contact the employer and request submission of a DTL1-01/New Hire with a status date the same as the start date of the 90-day trial service period. DTL2-01/Regular Wage records, with contributions, should then be submitted for all pay periods back to the hire date as an active service member.

OPSRP Disability Program (Employed after 1/1/2004)

The member must have been an **active** OPSRP Pension Program member when he/she became disabled and must be totally, not partially, disabled and unable to perform any work for which qualified for an extended duration to be eligible for OPSRP disability. OPSRP has two categories of disability: non-duty and duty.

Non-duty disability requirements for OPSRP members

The member:

- must have 10 or more years of retirement credit in the OPSRP Pension Program;
- be totally, not partially, disabled; and
- anticipate that he/she will be unable to perform any work for which qualified for a minimum of 90 consecutive days.

Duty disability requirements for OPSRP members

The member:

- must have established membership in the OPSRP Pension Program;
- be totally, not partially, disabled;
- anticipate that he/she will be unable to perform any work for which qualified for a minimum of 90 consecutive days; and
- his/her work must have been the material contributing cause of the injury or disease.

OPSRP Member Application Guidelines

If the member became disabled as an **active** member (still employed in a PERS-covered position), the member may apply within five years from his/her last date of work for the PERS-covered employer if:

- the disabling condition must have been **continuous** from the last day worked to the date of PERS disability application; **and**
- the member must not have terminated membership; **and**
- the member must not have worked in any capacity, including non-PERS employment or self-employment, during this time.

Members may apply as soon as they are physically off the job (not going to the job site or office or working from home).

Members may apply during the 90-consecutive-day period and can be on paid leave (vacation or sick leave) or non-paid leave (FMLA or LWOP).

Please direct your employees to the PERS customer service line to request a current OPSRP Disability Application. Questions regarding OPSRP disability can be answered by Customer Service at 888-320-7377.

OPSRP disability is not impacted in any way by Social Security disability or long-term/short-term disability insurance. Acceptance by other programs does not mean acceptance of a PERS disability claim.

After PERS OPSRP disability receives the member's application, information is requested from the medical providers listed on the application. At this time, PERS will request by mail a personnel file from the member's most recent employer. The request is for a copy of the employee's personnel and medical file for two years prior to his/her last day worked (last day physically on the job), any workers' compensation claim filings, a copy of the member's position description, and any copies of vocational evaluations or rehabilitation information you may have. Routine payroll records are **not** required.

PERS will send a Disability Employment Status Request electronically at the time of application.

PERS will notify the employer by mail if the member was approved or denied for OPSRP disability.

If the member is approved, PERS will request the Last Day Paid Leave electronically. This information will be entered in the employer Work List queue, and the employer will be asked

to process and return the form as quickly as possible. Separation dates will need to be posted prior to PERS being able to calculate the member's disability benefit.

The disability retirement date is the first of the month following any month in which the member received pay from the employer.

When a member is approved for OPSRP disability, he/she receives a packet of forms in the mail. This is considered the Disability Benefit Application. Once PERS receives the application back from the member along with the information from the employer, the benefit can be calculated, and benefits can be started.

The member's disability claim will be periodically reviewed until regular OPSRP retirement age (65 for general service and 60 for police officers and firefighters).

OPSRP disability payments will continue as long as the member meets PERS disability criteria, dies, or reaches normal OPSRP Pension Program retirement age. Normal OPSRP retirement age is 65 for general service and 60 for police officers and firefighters. Once the member reaches normal retirement age, he/she must file an application for OPSRP Pension Program service retirement if he/she wants to receive his/her pension at that time. PERS will notify the member four months before the date he/she reaches normal OPSRP retirement age and will then provide the member with an application for OPSRP service retirement if he/she is ready to retire.

Members on OPSRP disability may not work while receiving OPSRP disability benefits.

In compliance with the Americans with Disabilities Act, PERS will provide this document in an alternate format upon request. To request this, contact PERS at 888-320-7377 or TTY 503-603-7766.