

# Disability Benefits

If you become ill or injured, TRS can help.

Nonoccupational and occupational disability benefits are available to you when you are unable to work.

If you are receiving nonoccupational or occupational disability benefits, or a disability retirement annuity, you may be gainfully employed within certain limits that are detailed in this chapter.

You do not need to resign to become eligible for nonoccupational or occupational disability benefits. Members also accrue service credit while receiving both types of benefits.

Any disability benefit or disability retirement annuity payments may be electronically deposited into your bank account through direct deposit. For more information, see “Direct Deposit” under “Applying for and Receiving Retirement Benefits” on page 18.

## Nonoccupational disability benefits

### Eligibility

If you are a full-time teacher, you must have three years of service credit, have become disabled while teaching (or within 90 days of teaching), and use all accumulated sick time to qualify for nonoccupational disability benefits.

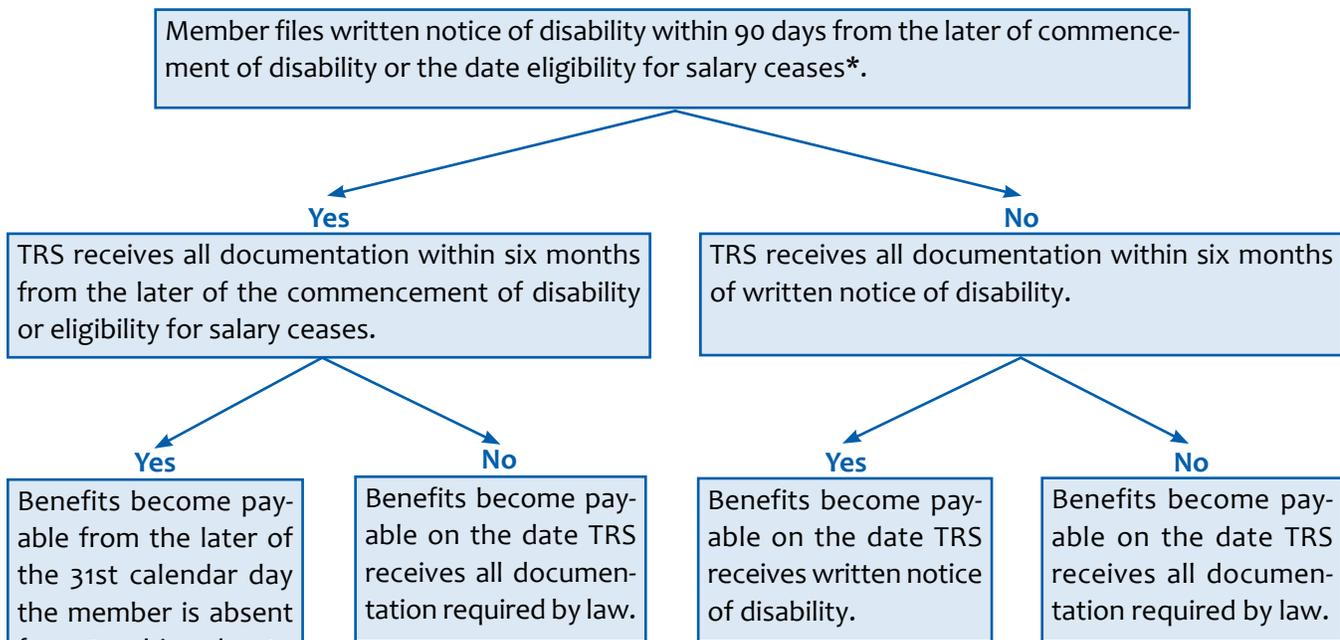
### Effective date

If you are a part-time or substitute teacher, you are eligible for disability benefits if you have three years of service credit and have worked as a teacher for at least 340 hours in either the school year in which the disability occurs or the preceding school year. Your disability must have occurred within 90 days of your last day of teaching.

Service credit under the State Employees’ Retirement System of Illinois (SERS), the State Universities Retirement System (SURS), and the Illinois Municipal Retirement Fund (IMRF) count toward your eligibility for a disability benefit and the total period during which the disability benefit is payable unless such service is concurrent with your TRS service.

### Application procedures

Approximately one month before your accumulated sick leave expires, you must notify us in writing and request a disability application packet. Your request should include your name, Social Security number, current address, date, type of disability and due date if pregnant. Forms must be completed by you, your employer, and two state-licensed physicians (one physician in cases of pregnancy). The physicians’ reports must be based on examinations that occurred within 90 days of your last day of teaching.



\* Eligibility for salary ceases is equal to the later of the date last worked plus 31 days or when sick leave days are completely exhausted.

\*\* If sick leave is not paid by the employer, the date sick leave would have been exhausted had the member been paid by the employer.

When an individual is employed under an agreement for fewer than 12 full months, neither the 31-day requirement nor the sick leave utilization requirement is satisfied during periods not covered by the agreement.

### **Benefit amount**

Your nonoccupational disability benefit is equal to 40 percent of the greater of the contract rate in effect at the time the benefit becomes payable or the contract rate on the date your disability began. If you are a noncontractual teacher, we use an annualized salary rate based on your actual earnings to determine your benefit.

On Jan. 1 following the fourth anniversary of the effective date of your disability benefit, your monthly benefit will increase 7 percent. Thereafter, your benefit increases by 3 percent of the current benefit each Jan. 1.

### **Employment limitations**

As a recipient of a disability benefit, you are prohibited from full-time teaching and gainful employment. "Gainful employment" is defined as earning more than \$10,000 per year or the proportional ratio if less than a calendar year while in receipt of a disability or occupational disability benefit.

If you exceeded the earnings limitation of \$10,000 per calendar year or the proportional ratio if less than a calendar year, your disability benefits will be terminated. You will be required to repay TRS any disability benefits you receive after the termination date if your benefit is terminated.

### **Duration of benefits**

Nonoccupational benefits cease if you:

- resume teaching ("Law allows limited, part-time teaching;" see page 28);
- engage in or are able to engage in gainful employment;
- are no longer disabled;
- have received benefits for a period equal to one-fourth of your service credit;
- request termination of the benefit; or
- become eligible and apply for a disability or age retirement annuity.

Temporary disability benefits due to pregnancy expire six weeks following a normal delivery, or eight weeks following a Cesarean delivery. However, if complications

arise during pregnancy or delivery, the disability period may be extended. With the submission of appropriate medical documentation, the member may remain on disability until she no longer qualifies for benefits.

If a disability benefit is discontinued because you

resume teaching in a non TRS-covered position or are otherwise gainfully employed and you are disabled again due to the same cause within 90 days, the benefit will resume at the previous rate once we receive written notification and verification of your disability and you are no longer receiving salary.

You may be eligible to

transfer from a nonoccupational disability benefit to a disability retirement annuity or an age retirement annuity. The effective date of the retirement annuity is the first day of the month after we receive your disability retirement annuity application form or age retirement annuity application form. Please refer to the eligibility requirements on page 27 and "Retirement Benefits" on page 13.

## **Occupational disability benefits**

### **Eligibility**

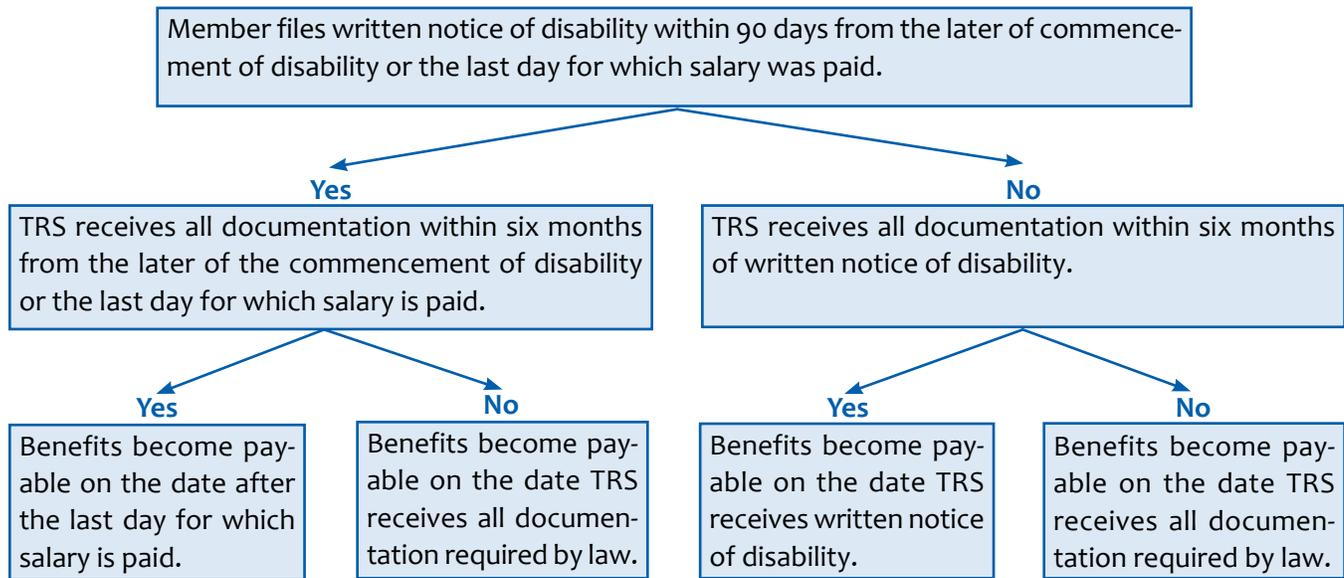
No minimum service requirement must be met before you are eligible to receive occupational disability benefits. However, you must be working in a TRS-covered position and have been disabled due to a duty-related injury or illness as determined by the Illinois Industrial Commission or your employer's workers' compensation insurance carrier to be eligible for this benefit. If you are a part-time or substitute teacher, you are also eligible for occupational disability benefits.

### **Application procedures**

To receive a benefit, notify us in writing that you are seeking an occupational disability benefit and request a disability application packet. We will require verification that the disability was duty-related from you, your employer, and two state-licensed physicians. Each physician's report must be based on an examination that occurred within 90 days of your last day of teaching. In addition, we must receive a copy of the adjudication by the Illinois Industrial Commission or the award by the insurance carrier with which your employer has a workers' compensation policy with a finding that the disability was employment-related.



## Effective date



## Benefit amount

Your occupational disability benefit is equal to 60 percent of the greater of the contract rate in effect at the time the benefit becomes payable or the contract rate on the date your disability began. This benefit is reduced by any amounts you receive under workers' compensation. Once workers' compensation benefits expire, we will pay the full 60 percent if you remain eligible for the benefit.

On Jan. 1 following the fourth anniversary of the effective date of your disability benefit, your monthly benefit will increase by 7 percent. Thereafter, your benefit increases by 3 percent of the current benefit each Jan. 1.

## Employment limitations

As a recipient of a disability benefit, you are prohibited from full-time teaching and gainful employment. "Gainful employment" is defined as earning more than \$10,000 per year or the proportional ratio if less than a calendar year while in receipt of a disability or occupational disability benefit.

If you exceeded the earnings limitation of \$10,000 per calendar year or the proportional ratio if less than a calendar year, your disability benefits will be terminated. You will be required to repay TRS any disability benefits you receive after the termination date if your benefit is terminated.

## Duration of benefits

Occupational disability benefits cease when you:

- resume teaching ("Law allows limited, part-time teaching;" see page 28);
- engage in or are able to engage in gainful employment;
- are no longer disabled;
- request termination of the benefit; or
- become eligible and apply for an age retirement annuity.

If the disability benefit is discontinued because you resume teaching in a non TRS-covered position or are otherwise gainfully employed and you are disabled again due to the same cause within 90 days, the benefit will resume at the previous rate once we receive written notification and verification of your disability and you are no longer receiving salary.

You may be eligible to transfer from an occupational disability benefit to an age retirement annuity if you meet age and service credit requirements. The effective date of the retirement annuity is the first day of the month after we receive your age retirement annuity application form. (See "Retirement Benefits," page 13, for the eligibility requirements for an age retirement annuity.)

You may choose to take a nonoccupational benefit even if you have an employment-related disability. This election cannot be changed at a later date.

## **Disability retirement annuity**

### **Eligibility**

If you remain disabled after the nonoccupational disability benefit eligibility period has expired, you are eligible for either a disability retirement annuity or an age retirement annuity (if you meet the age and service credit requirements). You may switch to either a disability retirement annuity or an age retirement annuity (if you meet the requirements) at any time while you are receiving a nonoccupational disability benefit. (See “Retirement Benefits,” page 13, for information about an age retirement annuity.) No service credit is earned while you are receiving a disability retirement annuity.

### **Application procedures**

When the eligibility period for nonoccupational disability benefits is due to expire, we will notify you. Before the benefit expires, you may either send us a letter or call us to request a transfer to a disability retirement annuity or an age retirement annuity.

### **Effective date**

The disability retirement annuity is effective:

- the day following the last day for which disability benefits are payable or
- the first of the month after we receive your completed disability retirement annuity application form.

### **Benefit amount**

Your disability retirement annuity is the greater of:

- 35 percent of the greater of your last annual contract salary or your annual contract rate on the date your disability began (we use an annualized salary rate based on actual earnings for noncontractual teachers);
- the amount computed by the retirement formula reduced by 0.50 percent for each month you are under age 60 with less than 20 years of service credit; or
- the amount computed by the retirement formula reduced by the 0.50 percent for each month you are under age 55 with 20 years of service credit; or

- the amount computed by the retirement formula with no reduction if you are age 55 or older with at least 20 years of service credit.

Your initial benefit will be increased by the amount of any annual increases that you have been granted while you were receiving a nonoccupational disability benefit.



### **Employment limitations**

While you are receiving a disability retirement annuity, you may not be employed by any other public or private school, college, or university in a teaching position, including subbing and tutoring.

However, gainful employment in any area other than teaching is permitted or in any area of TRS-covered or SURS-covered employment as indicated under “Law allows limited, part-time teaching.” The combined income from the disability retirement annuity and the earnings from the nonteaching occupation cannot exceed the salary rate upon which the annuity was based. If you have earnings above this limit, your disability retirement annuity may be reduced or suspended. If your earnings from a nonteaching occupation exceed the salary rate upon which your disability retirement annuity

benefit was based, your benefit will be terminated including Teachers’ Retirement Insurance Program (TRIP) insurance.

For those returning to employment in any area other than teaching, the salary rate for purposes of this calculation will increase 15 percent after you have received a disability retirement annuity for 10 years.

### **Duration of benefits**

The disability retirement annuity will continue until:

- your disability ceases or
- you resume teaching (“Law allows limited, part-time teaching;” page 28) or
- you are eligible and apply for an age retirement annuity.

If you resume teaching in a non TRS-covered position after receiving a disability retirement annuity and are disabled again for the same cause within 90 days, the benefit will be reinstated at the previous rate after we receive your completed disability benefit application form and required medical documentation. In this case, benefits will begin the day following the last day for which you are paid by your employer.

## **Annual increases**

Your disability retirement annuity will increase annually beginning the Jan. 1 following the fourth anniversary of the date you were granted a disability benefit.

If the first annual increase follows the fourth anniversary of the date you were granted a disability benefit, the increase will be 7 percent of the current annuity.

After the initial increase, your annuity will increase by 3 percent of the current benefit each Jan. 1.

## **Law allows limited, part-time teaching**

The law allows individuals who have received TRS disability benefits **for one year or more** to return to teaching if their medical conditions improve, allowing part-time work.

On a limited basis, you may tutor, substitute, or part-time teach for a TRS-covered or SURS-covered employer without loss of your disability benefit as long as your combined earnings from your teaching and your disability benefit do not exceed 100 percent of the salary rate upon which the benefit was based.

Part-time is defined as “employed for fewer than four clock hours per day or fewer than five days per week.”

For those returning to teaching with a TRS-covered or SURS-covered employer, the salary rate for purposes of this calculation will not increase.

If you exceed the salary rate upon which your benefit was based, your benefit will cease including Teachers’ Retirement Insurance Program (TRIP) insurance.

You may not teach for any employers not covered by TRS or SURS. This includes tutoring and substitute work.

If you plan to return to teaching on a limited basis, you must contact us to request a Limited Return to Work Program Certification form. This form must be completed and returned to us prior to your return to teaching. We will acknowledge receipt of the form and confirm your eligibility.

This law applies to all members receiving nonoccupational disability benefits, occupational disability benefits, and disability retirement annuities.

## **Medical examinations**

To substantiate your continued eligibility for any type of disability benefits, we may require additional medical examinations and request medical and other records. The frequency of re-examination is governed by individual circumstances; however, you must have medical examinations at least once a year while you are receiving nonoccupational or occupational disability benefits. If you are receiving a disability retirement annuity, periodic medical examinations may be required. If you do not submit to medical examinations or provide the necessary information, your benefits will be suspended.