



DISABILITY RETIREMENT

Presented by:

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Disability Retirement

What is disability retirement?

Disability retirement is a retirement option that is intended for employees who's careers have been cut short due to injury or illness.

Applicant receives the GREATER of either...

- Regular service retirement
- Disability retirement

Disability Retirement

Disability Retirement Eligibility

- Applicant must be a contributory retirement plan member (retirement plans A, B, C, D, or G).
- Applicant must be permanently incapacitated from performing their usual and customary duties.

Disability Retirement

Service Connected Disability (SCD):

- Must be permanently incapacitated
- Injury or illness must have a real and measurable connection to employment.
- Eligible from 1st day of employment.
- 50% of Final Average Compensation (FAC), tax free.
- 50% medical subsidy based on completed years of service.
 - 25+ years of service = 100% subsidy.

Disability Retirement

Nonservice Connected Disability (NSCD):

- Must be permanently incapacitated
- Injury or illness that is unrelated to employment.
- Eligible after obtaining 5 years of service credit.
- Up to 33.3% of salary, and is taxable.
- No medical subsidy if member has less than 10 years of service credit.

The Process

Step 1: Application

Step 2: Discovery

Step 3: Independent Medical Examination

Step 4: Board Preparation

Step 5: Board Decision

The Process

Step 1: Application

The image displays a collection of forms for the LACERA Disability Retirement process. The primary form is the 'APPLICATION FOR DISABILITY RETIREMENT', which includes fields for personal information, employment history, and a declaration of eligibility. A 'PHYSICIAN STATEMENT FOR DISABILITY RETIREMENT' form is also shown, intended for completion by a medical professional. A 'DISABILITY RETIREMENT ELIGIBILITY & APPLICATION INSTRUCTION' document provides detailed guidelines for applicants. A 'BUSINESS REPLY MAIL' label is affixed to the forms, indicating that postage will be provided by the agency. The forms are set against a background of a window with a grid pattern.

LACERA Disability Retirement

The Process

Step 1: Application



Key Components:

- Obtain an application packet either in person, by mail, or from LACERA.com.
- Complete ALL forms, including signatures and dates where specified.
- Submit completed application forms to LACERA.

NOTE: Incomplete applications will be RETURNED.

The Process

Step 1: Application



Types of Applications:

Employee Disability Retirement Package (11 documents)

Employer Disability Retirement Package (3 documents)

Required forms NOT in the employer application packet:

- Physician Statement
- Authorization to Obtain and Release Records and Information
- Missed Medical Appointment Acknowledgement
- Claims Against Third Parties

The Process

Step 1: Application

Employer Filed Applications:



When Applying on behalf of the employee, be as thorough as possible:

Class specification, list of usual and customary duties, physical demands (current RU-91)

Duties the employee can no longer perform (can be discussed during IPM)

Written documentation of the department's efforts to accommodate

If applying for a supplemental disability allowance:

Identified position the employee is willing to accept

Class Specification (for both original and new positions)

List of usual & customary duties for identified position

The Process

Step 1: Application



Application Review (LACERA Intake Unit):

- Review application
- Preliminary eligibility assessment
- Obtain required forms from employee
- Creation of case file

The Process

Step 1: Application



Common Reasons for Rejections:

- Incomplete application
- Applicant is not permanently incapacitated
- Physician statement provided for condition outside of medical specialty
- Application is untimely
- Original signatures not provided

The Process

Step 2: Discovery



LACERA Disability Retirement

The Process

Step 2: Discovery



Key Components:

- Obtain Records
 - Medical Records
 - Employment Records (personnel and health & safety)
- Conduct Applicant Interview
- Obtain Witness Statements
 - Supervisors, coworkers, and Return-to-Work Coordinators

The Process

Step 2: Discovery



Applicant Interview:

- Nature of Disability
- Occupational History
- Current Job Duties, and Physical Requirements
- Past Medical History
- History of Present Injury/Illness and Treatment
- Current Symptoms/Complaints
- Non-Industrial Factors

The Process

Step 2: Discovery



Witness Statements:

- Confirm “Actual job duties”
- Frequency of movements
- Ability to perform duties
- Statement regarding accommodation (RTW Coordinator)

The Process

Step 3: Independent Medical Examination



LACERA Disability Retirement

The Process

Step 3: Independent Medical Examination



Key Components:

- Records are assembled for review by panel doctor
- Appointment is schedule
- The applicant/attorney is notified in writing of the examination date, time and location.
- A report of the doctor's findings are provided to LACERA within 30 days of the appointment.

The Process

Step 3: Independent Medical Examination



Panel Physician Guidelines:

Panel doctors are provided with uniform guidelines for their reports. Each report must answer these core questions.

1. Is the applicant disabled from the duties in their class spec?
2. Is the applicant disabled from their usual and customary duties?
3. If the applicant is disabled, was it caused by their employment?

The Process

Step 3: Independent Medical Examination



Supplemental Disability Allowance:

If the applicant has applied for a supplemental disability allowance, the panel doctor must evaluate the duties of the applicant's ORIGINAL position as well as the NEW position.

The Process

Step 3: Independent Medical Examination



The Doctor's Report:

- Permanently disabled.
- Permanently disabled, but could continue working if certain work restriction were accommodated by the employer.
- Temporarily disabled, and could improve with time and treatment.
- Not permanently disabled (i.e., it's too early to tell)
- Not disabled.

The Process

Step 4: Board Preparation



The Process

Step 4: Board Preparation



Key Components:

- LACERA's Disability staff will submit cases to the Board of Retirement for review prior to the next scheduled Board of Retirement meeting.
- Notification letters are sent to the applicant and the applicant's attorney specifying the date and time of the Board meeting in which the applicant's case will be decided.

The Process

Step 5: Board Decision



LACERA Disability Retirement

The Process

Step 5: Board Decision



Key Components:

- Cases are heard by the Board of Retirement in closed session.
- Applicant and the applicant's attorney are notified in writing of the Board's decision.
- If granted, LACERA's Claims Processing Division will contact the member within 45 days to determine retirement effective date.
- If denied, the applicant has **30 days to appeal.**

The Process

Step 5: Board Decision

LACERA Los Angeles County Employees Retirement Association

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If you're an employee of the County of Los Angeles, LACERA is your retirement association. And lacera.com is your online repository of retirement resources.

Online and off, we make it easy to connect with us:

- **Call:** 800-786-6464 (toll-free); 626-564-6132 (local); 1-626-564-6132 (international)
- **Email:** welcome@lacera.com
- **Visit:** 300 N. Lake Ave., Pasadena, CA 91101
- **Send mail:** P.O. Box 7060, Pasadena, CA 91109-7060
- **Manage your LACERA account:** My LACERA, your private office on lacera.com

WHAT'S NEW

Direct Deposit
9-11-14 Minutes: IBL and OOC
Updated: Planning for Retirement and Beneficiary sections
RFI: U.S and Non-U.S. Activist Equity Investment Management Services
BOR: Disability Board Actions 10-7-14
9-3-14 Minutes: DBS and BOR
10-9-14 Agendas: BOR, IBL and OOC
BOR 10-7-14 Agenda
10-8-14 Agendas: BOI, Public/Private Equity and Portfolio Risk

LACERA Disability Retirement



**Reasonable
Accommodation
&
Supplemental Disability
Allowance**



Reasonable Accommodation

When the panel doctor issues work restrictions, the LACERA investigator will contact the department via the Return-to Work Coordinator to see if the department can provide *reasonable* permanent accommodation.



Reasonable Accommodation

Examples of reasonable accommodation:

- Delegating problem tasks to others
- Changing the work location
- Providing ergonomic furniture, tools and technology
- Reducing time devoted to certain job tasks
- Reporting to a new supervisor
- Switching assignments with a co-worker

Reasonable Accommodation

If the department can accommodate the work restrictions, the Return-to-Work coordinator provides LACERA with a written response detailing how the department will accommodate the applicant.

New: Accommodation Form

Considerations:

- The applicant remains in the same job item and salary, performing their essential job duties.
- If the department can accommodate, the Board of Retirement can find that the applicant is NOT permanently incapacitated.
- Employee does not have to consent.

Reasonable Accommodation

If the department can NOT accommodate the work restrictions, the Return-to-Work coordinator provides LACERA with a written response detailing why the department cannot accommodate the applicant.

New: Accommodation Form



Supplemental Disability Allowance

The Supplemental Disability Allowance allows the County to retain experienced yet incapacitated employees in County positions.

The allowance is intended to mitigate a possible reduction in salary when an employee is placed in a NEW position.

Also Known as a “Salary Supplement”

The **Supplemental Disability Allowance** is commonly referred to as the **Salary Supplement** in LACERA member materials, including the Summary Plan Description (Plan Books)

Supplemental Disability Allowance

Contingent on:

- The offer of a permanent position with a **lower salary** schedule which accommodates the employee's permanent work restrictions.
- The acceptance of this position by the employee.

The Disability Retirement Services Division works closely with County Departments' Human Resources managers and Return to Work Coordinators to facilitate a better awareness of the Salary Supplement options



Supplemental Disability Allowance

The applicant's future earnings are based on:

- The salary of the ORIGINAL position.
- Whether the applicant was granted an SCD or NSCD by the Board of Retirement.
- The salary of the NEW position which the department has offered and the applicant has accepted.

Supplemental Disability Allowance

Applicant's Future Earnings (Example):

	Scenario 1	Scenario 2	Scenario 3
ORIGINAL position monthly salary	\$7,000	\$7,000	\$7,000
Max Supplemental Disability Benefit (50% original position monthly salary)	\$3,500	\$3,500	\$3,500
NEW position monthly salary	\$5,500	\$3,500	\$2,000
Actual Supplemental Benefit	\$1,500	\$3,500	\$3,500
Applicant's NEW monthly income (Cannot exceed original position monthly salary)	\$7,000	\$7,000	\$5,500



How can YOU help?

How can you help?

LACERA relies on its partnership with RTW Coordinators to process applications timely.

- Complete the accommodation form
- Provide witness contacts
- Respond to employment records requests
- Document permanent work restrictions
- Document efforts to provide accommodation
- Document the proceedings of interactive process meetings



QUESTIONS?

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