



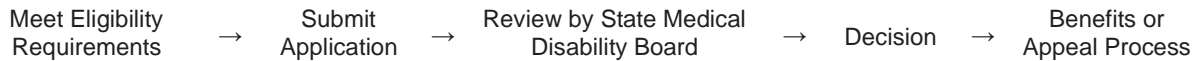
LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

Disability Retirement

Fact Sheet – 16

Disability Retirement is a benefit offered to our members who are not eligible for Regular Service Retirement (RSR) and become disabled on a permanent basis and are no longer able to perform their regular job duties as outlined in their official job description.

Disability Application Process



Disability Eligibility Requirements

Unless the applicant has 20 years of service credit and is not eligible for a regular service retirement, he/she must

- have earned 5 years of service credit if the membership began prior to July 1, 2006
- have earned 10 years of service credit if the membership began on or after July 1, 2006
- be an active member of LSERS
- prove the disabling condition occurred during the active membership period

Submit Disability Retirement Application

The member is responsible for all costs related to the application submission process.

- [Form 12](#) Application for Disability Retirement - This form must be completed by the member.
- [Form 12B](#) Supervisor Statement of Disability - This form must be completed by the member's supervisor and a copy of their official job description must be attached.
- [Form 12C](#) Physician Report of Disability - This form must be completed by a specialist in the field you are claiming disability.
- A copy of all medical records related to the claim

Review by State Medical Disability Board (SMDB)

LSERS is responsible for the cost of the medical review and examination, if necessary. The application and medical records will be forwarded to a member of the SMDB, who will make a determination as to whether or not the member is able to perform their regular job duties and the disability is likely to be permanent. A medical examination may be required. When the review process is complete, the member of the SMDB will render a decision.

Decision and Processing

- If the SMDB confirms the disability, LSERS will notify the member and employer that the benefits are awarded. A monthly benefit will begin once all information is received from the employer and member.
- If the SMDB decision is denial, LSERS will notify the member of their right to appeal the decision by submitting a request in writing within 30 days. The member is responsible for the cost of medical reviews during the appeals process and will be reimbursed if the initial decision is overturned.

Re-Examinations after Disability Retirement

A disability retiree may be required to furnish a re-examination report each year for the first 5 years after disability benefits begin and once every 3 years thereafter until age 60. In April of each year, LSERS will send a [Form 12C – Physician Report of Disability](#) to the disability retiree, which must be completed by their attending physician and returned to LSERS within 60 days to avoid suspension or possible cancellation of benefits. If the physician certifies the retiree is no longer disabled, the medical information will be forwarded to the SMDB for review. If the SMDB agrees that the retiree is no longer disabled, benefits will be cancelled. The retiree will have a right to appeal.

Earnings after Disability Retirement

A disability retiree may be gainfully employed but not in a position similar to the one from which they retired. Additionally, there is a limit to the amount which may be earned. To avoid reduction or suspension of benefits the

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total annual earned income, including the LSERS disability benefit, cannot exceed the final average compensation (FAC) used to calculate the disability benefit. This limit may change from year to year, as adjusted by the Consumer Price Index. In February of each year, LSERS will send a Disability Earnings Statement to the disability retiree, which must be completed and returned to LSERS by May 1st. If the reported income exceeds the limit, LSERS will require repayment of the excess earnings, and may reduce/suspend the disability benefit to collect overpayments or prevent further overpayments if the over earnings continue. Please contact LSERS immediately if over earnings is expected.

Benefits received from the Social Security or Veteran's Administration are not counted against the allowable earnings limitation.

Disability Conversion to Regular Service Retirement (RSR)

If a disability retiree remains disabled until such time as they reach RSR eligibility, they may convert from a disability retiree to a regular service retiree, and there may be a change in benefit amount based on the tier of membership.

If a member converts to regular retirement, they will no longer be required to furnish updated medical information or annual earnings statements. If a disability retiree is converted to RSR, the status will be changed and a portion of their monthly benefit may become tax free income which may slightly reduce the taxable income reported on the Form 1099-R.

Please refer to the chart below for further details.

	Membership prior to 9/3/1989	Membership 9/3/1989 - 6/30/2006	Membership 7/1/2006 - 6/30/2010	Membership on or after 7/1/2010
Eligibility Requirement	5 years ¹	5 years ¹	10 years ¹	10 years ¹
Benefit Calculation	Greater of 1 or 2: 1. Highest 36-month average compensation x 2.5 % x years of service, or 2. Highest 36-month average compensation x 33 1/3 %	Greater of 1 or 2: 1. Highest 36-month average compensation x 2.5 % x years of service or 2. Highest 36-month average compensation x 33 1/3 %	Highest 60-month average compensation x 3 % x years of service	Highest 60-month average compensation x 2.5 % x years of service (Member allowed Option Election)
Conversion Regular Service Retirement	Disability retiree must be converted to RSR upon becoming eligible (years of service at time of retirement + years of service while receiving disability benefit) Note: 10 years at age 60, 25 years at age 55, or 30 years at any age Benefit will not be recalculated/changed.	Disability retiree must be converted to RSR upon becoming eligible (years of service at time of retirement + years of service while receiving disability benefit) Note: 10 years at age 60, 25 years at age 55, or 30 years at any age Benefit will be processed with the same procedure as RSR; however, the Maximum Benefit cannot be less than Disability Benefit.	Disability retiree may choose to convert to RSR upon becoming eligible (years of service at time of retirement + years of service while receiving disability benefit) Note: 10 years at age 60, 25 years at age 55, or 30 years at any age Benefit will be processed with the same procedure as RSR.	Disability retiree may choose to convert to RSR upon age 60 or age 62 if membership began on or after 7/1/2015 Benefit will be processed with the same procedure as RSR.

¹ Credit earned while receiving Workers' Compensation or on extended, special, or advanced leave cannot be used to meet eligibility requirement.