Wisconsin Retirement System Disability Programs

Administered by the Wisconsin Department of Employee Trust Funds

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Disability Retirement Annuity

Wis. Stat. § 40.63, Wis. Admin Code § ETF 50

- Available to all WRS employees who meet the service requirements and who are under their Normal Retirement Age (NRA) under the WRS.
- Individual must be unable to engage in any substantial gainful activity* by reason of a medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

*As defined under ETF 50.32 (3) of the Wisconsin Administrative Code.

Duty Disability Benefits

Wis. Stat. § 40.65, Wis. Admin. Code § ETF 52

- An income replacement program that is available to all WRS protective occupation participants (e.g., police officers, fire fighters, correctional officers).
- Completely funded by the employer.
- Individual must be permanently disabled by a work-related injury or disease, making them incapable of working full protective duty in their position.
- Income from a variety of sources will reduce Duty Disability benefits.

Comparison of Benefit Programs

Benefit Amounts

Disability Retirement	Duty Disability
• Annuity based on formula calculation with addition of "assumed service" (service earned had they worked until their NRA).	• 75-80% of salary on the date the employee qualified for the benefit; may be reduced if they have more than 25 years of service. • Benefit is non-taxable.

Service Requirement

Disability Retirement	Duty Disability
• 0.50 years of service in 5 of the last 7 years prior to their application date (or a total of 5 years of service in the last 7 years). • **Exception:** If they do not meet the service requirement, but their disability is work-related, they are eligible to apply if application is received within 2 years of last day worked.	• None.

Definition of Disability

Disability Retirement	Duty Disability

• The inability to engage in any Substantial Gainful Activity (SGA) due to a physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.
 	
• **Exception:** "Special" disability for protective occupation employees. If they have 15+ years of service and became disabled between ages 50-55, they only must be disabled from their protective occupation.
	• They are injured while performing duty or contract a disease due to their occupation.
	
	• Disability is likely to be permanent.
	
	• Disability causes one of the following for the employee:
	  ○ Need to retire from their job
	  ○ Pay or position to be reduced
	  ○ To be assigned to light duty
	  ○ Promotional opportunities to be adversely affected

Requirements for Approval

Disability Retirement	Duty Disability
• Two qualifying medical reports. • Employer statement indicates that medical issues were a contributing factor as to why the employee is terminating/has terminated employment.	• Two qualifying medical reports. • Employer certification indicates that the employee has a work-related illness/injury and that they are not contesting. • See additional requirements on next slide pertaining to "Extraordinary Stress Standard".

Extraordinary Stress Standard

Duty Disability

- If the injury/illness is non-traumatic in nature, the employer also must complete questions on the employer certification pertaining to "Extraordinary Stress Standard", per Wisconsin Supreme Court Decision - *School Dist. No. 1, Village of Brown Deer v. DILHR, 62 Wis. 2d 370, 215 N.W.2d 373 (1974):*

  "Mental injury non-traumatically caused must have resulted from a situation of greater dimensions than the day-to-day emotional strain and tension which all employees must experience. Only if the fortuitous event unexpected and unforeseen [the accident or accidental result] can be said to be so out of the ordinary from the countless emotional strains and differences that employees encounter daily without serious mental injury will liability under ch. 102, Wis. Stats., be found."

Offsets – Reductions to Benefits

Disability Retirement	Duty Disability
• None.	• Social Security benefits. • Workers Comp benefits. • Unemployment Comp. • WRS benefits (§ 40.63 Disability Retirement, LTDI, Retirement, Separation). • Earnings (including self-employment).

Length of Time Benefits Payable

Disability Retirement	Duty Disability
• Lifetime, as long as they remain disabled up until NRA.	• Lifetime.

Termination of WRS Employment Required

Disability Retirement	Duty Disability
• Yes. • Employee can be on LOA while benefit is pending but must terminate WRS employment before benefit can be formally approved.	• No.

Death Benefits

Disability Retirement	Duty Disability
• Yes, depending on annuity option selected on application.	• Possibly, if employee dies of same disability for which they were approved for Duty Disability benefits.

Health Insurance

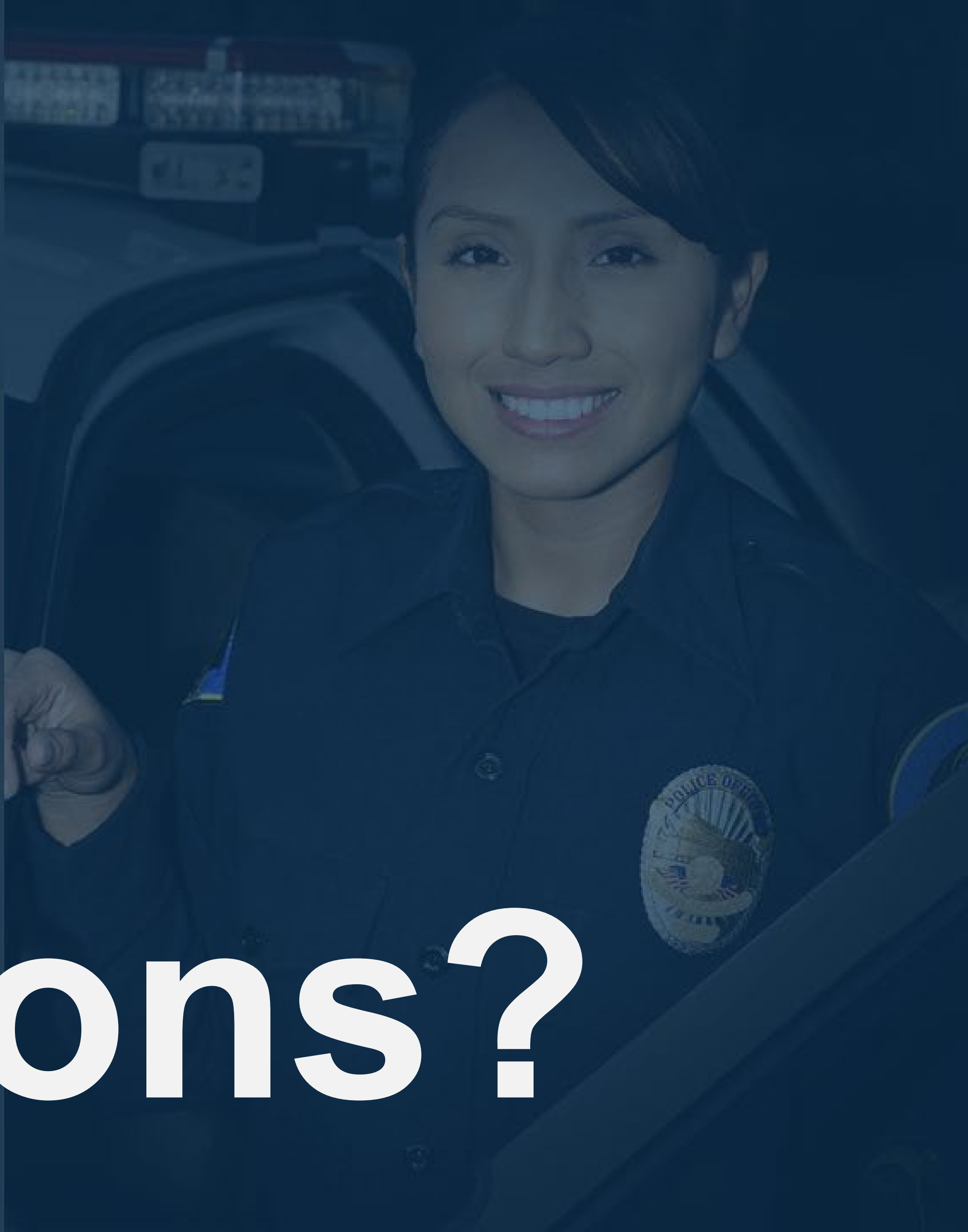
Disability Retirement	Duty Disability
• If covered under the Group Health Insurance Program, administered by ETF, immediately prior to termination of employment, employees may be eligible to continue coverage. • Employees are responsible for paying premiums.	• If on LOA and covered under the Group Health Insurance Program, administered by ETF, employees must continue to pay monthly premiums through employer while duty disability application is being processed. • After benefit application is approved, employees will receive information on continuing health insurance based on status of their coverage at the time of approval. The Insurance carrier will bill them for premiums.

Annual Requirements (Post-Approval)

Disability Retirement	Duty Disability
• Statement of Annual Earnings (ET-5905) required until NRA. • Medical recertification may be required to provide annual medical evidence of continued disability. May continue until NRA.	• Annual income review required with a copy of previous year’s Federal income tax return as well as an Annual Income Statement (ET-5910). • There are no medical recertification requirements due to permanent nature of disability.

Suspension or Termination of Benefits

Disability Retirement	Duty Disability
• Benefits are suspended if annual earnings limit is exceeded. • If a protective employee and qualified under "special" provisions, there is no annual earnings limit. The benefit will be suspended upon re-employment in a law enforcement or firefighting position. • Benefits will be terminated if the annual medical recertification indicates they are able to perform activities in any occupation that would exceed the annual earnings limit.	• Benefits are terminated if the member neglects to submit information requested by ETF and/or they submit false information.



Questions?

Contact Us

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Thank you

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