

MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

3199 "M" Street

Merced, California 95348

Phone: 209-725-3636 Fax: 209-725-3637

Email: Mcera@co.merced.ca.us

Website: www.mcera.merced.ca.us

DISABILITY

If you are a contributory member of Merced County Employees' Retirement Association (MCERA), and you have an illness or injury that is permanent and severe enough to force you to stop working, you may apply for a disability retirement. After review of medical documentation and other evidence, the Board of Retirement will decide whether you are capable of substantially performing the duties of your position and, if you are not, will grant you a disability retirement.

Who may apply for a disability retirement?

Service-Connected Disability:

If you are a contributory member to retirement, you may apply for a service-connected disability retirement any time during your County employment. A service-connected disability is when a member becomes permanently ill or injured as a result of his or her job duties. The employment must substantially contribute to the permanent incapacity. Safety members may qualify for certain presumption benefits such as cancer or heart trouble.

Nonservice-Connected Disability:

If you are a contributory member, you may apply for a nonservice-connected disability retirement after completing at least five (5) years of continuous County/reciprocal retirement service credit. A nonservice-connected disability is when a member's permanent illness or injury is not related to his or her employment.

May another person file an application for me?

Yes. The head of your department, a member of the Board of Retirement, or any other person may file an application on your behalf.

When should an application be filed?

- You should apply when you have **medical proof** that your medical condition prevents you from permanently performing your regular job duties.
- You may apply while you are still employed.
- You may apply within four (4) months after you have separated from employment.
- You may apply any time after you have separated from employment if (1) you have been continuously disabled since your separation, (2) you can substantiate that you could not have known, with medical certainty, that your condition was permanent, and (3) MCERA's ability to investigate your application has not been impaired because of an unreasonable delay in filing the application.

- You may **not** apply if you have withdrawn your retirement contributions. Withdrawing contributions forfeits any rights to retirement benefit, whether disability related or regular service.

How do I apply?

You may request a disability retirement application by calling MCERA at (209) 725-3636. We strongly recommend that you speak with an MCERA staff member regarding the process as you may be eligible to receive a regular service retirement pending the decision for a disability retirement.

At the time of application, you will be asked to identify any other treating physicians you have seen and to sign a medical release form for MCERA's investigation. The medical reports are provided by you and/or are obtained through the disability review process.

How is my eligibility to receive a disability retirement determined?

- The medical advisor to the board of retirement reviews all the medical evidence, and may refer the applicant to an independent medical evaluation (IME), before making a recommendation.
- Should the application continue to a formal hearing, the Board of Retirement will then review pertinent medical reports and records to determine if you are permanently incapacitated.

How long does the determination of disability take?

This depends entirely on the complexity of the claim, the timeliness of the responses to the Retirement Office's requests for information and whether the case is referred for hearing.

Do I need an attorney to help me?

- A disability application may be filed with or without the assistance of an attorney. Staff members of MCERA will **NOT** give any legal advice. It is your decision whether or not to hire an attorney.
- Any applicant is entitled, at his/her expense, at any and all stages of proceedings, to obtain the services of an attorney or other representative for assistance.

May I receive a service retirement allowance while waiting for the Board of Retirement to decide upon my application?

- Yes, possibly, if a decision has not been made by the Board of Retirement after you have filed your application, and you would otherwise be eligible to receive a regular service retirement regardless of whether you are disabled.
- If you are found disabled by the Board your retirement allowance will be adjusted retroactive to the effective date for the disability retirement.

Could there be any consequences if I take a service retirement allowance pending the Board of Retirement's decision?

- Yes. If you are **not** ultimately found to be disabled, you are nonetheless service retired. The employer considers you retired from employment. Any resumption of employment status is an issue to be determined between you and the employer.
- If the retired member should die before a final determination is made by the Board concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of the retirement service.
- If you do **not** take a service retirement, pending the Board of Retirement's decision, and you are not found to be disabled, you may have the right to be reinstated by your employer. For more information on reinstatement you will need to contact HR.

If my application is approved, when will my disability retirement allowance become effective?

- Your disability retirement allowance will become effective the date you filed your application with the Board of Retirement; or
- The day following the last day of your regular compensation, whichever is later.
- You and your personnel officer or payroll clerk should determine if it is to your advantage to use your paid sick leave before receiving your disability retirement allowance.

When will I receive my first check?

Usually within 60-days after the Board of Retirement approves your application or within 60 days of your last date of paid compensation, whichever is later.

How much money will my retirement allowance be?

- The amount of money you receive for service-connected disability retirement is a minimum of 50% of your final compensation.
- The amount of money you receive for a nonservice-connected disability retirement is based on your age and how many years you have contributed to your retirement plan. It is generally equal to 1/3 of your final compensation although it could be more, or less, depending on your age and years of service.
- If you are eligible to receive a service retirement allowance and the amount of that allowance would be greater than the service-connected or nonservice-connected disability retirement allowance, you will receive the greater service retirement allowance.

Will my retirement allowance ever change?

- Yes, only if you are a Tier 1 member. Your retirement allowance is adjusted every April 1 to reflect changes in the Consumer Price Index. Your allowance may increase no more than 3%.
- No, if you are a Tier 2 member. Your retirement allowance will not ever be adjusted.

Will I still be eligible for medical and dental insurance?

You may be eligible for medical and dental insurance. Please contact Risk Management at 209-385-7356 to determine eligibility.

May I continue to work for the County if I am found to be disabled?

No. If you are granted a disability retirement you may not return to work for an MCERA participating employer under any circumstances other than a juror, unless section 31725.65 or 31730 apply. Contact an MCERA staff member for more information.

May I obtain employment other than County employment if I am found to be disabled?

Yes. You may obtain full or part-time employment in another occupation outside an MCERA participant employer. It will not affect your retirement benefits.

Can my disability retirement be cancelled at a later date?

Yes. If you are under age 55, MCERA can require you to submit to a medical reevaluation. If the Board of Retirement determines you are no longer disabled, your disability retirement can be cancelled and you will be placed on a reemployment list by your former employer. Disability payments will not be cancelled until you have been reinstated.

Is it to my advantage to purchase or “buy back” credit for my previous service?

- Possibly. Purchasing credit for previous service could increase your service-connected or nonservice-connected disability retirement allowance.
- If you have less than five (5) years of retirement service credit, “buying back” credit for your previous service may allow you to become eligible to apply for nonservice connected disability retirement.
- You should contact staff at MCERA to determine if it would help you to receive credit for your previous service.

If I have reciprocity with the Public Employees’ Retirement System and/or any other 37 Act county, do I need to advise the other system(s) of my disability retirement?

Yes. You must advise the other retirement system(s) when you file your application for

disability retirement and retire from all systems concurrently.

Is my retirement allowance reported to the IRS?

- All disability retirement pay is reported to the state and federal governments during the years in which you receive it.
- You may be eligible to exclude a portion of your service-connected disability retirement allowance from being taxed.
- You are advised to contact your own tax consultant to determine the taxable portion of your retirement allowance. MCERA will not provide you with any tax advice.

Are taxes withheld from my retirement allowance?

Yes, if you choose to. You have the option not to have any taxes withheld but you may be liable at the end of the year.