**Section 1540.80 Disability Claims**

a) Nonoccupational Disability and Temporary Disability

1) Any member of the State Employees' Retirement System (SERS) claiming benefits for nonoccupational disability or temporary disability shall file at the Springfield Office of SERS a written application on forms prescribed by the Board.

2) If a member makes a payment of contributions to SERS in order to establish sufficient credit to qualify for a nonoccupational disability benefit, payment of the benefit shall accrue as of the latter of the 31st day of absence from work (including any periods of the absence for which sick pay was received), the day after the member is last entitled to receive compensation (including any sick pay), or the date of payment to SERS. The date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment). If a member is receiving a nonoccupational disability benefit, and incurs a concurrent sickness or condition that is severe enough to disable the member past the period in which the member is disabled from the original sickness or condition, the nonoccupational benefit would continue uninterrupted and the member would not be required to obtain a new leave of absence or incur a new 30 day waiting period. A benefit will continue uninterrupted in the manner described only if the member is otherwise eligible for the benefit and a licensed healthcare professional's report is provided and supports the disabling sickness or condition.

3) If a member makes a payment of contributions to SERS in order to establish sufficient credit to qualify for a temporary disability benefit, payment of the benefit shall accrue as of the latter of the 31st day after the member is last entitled to receive compensation or the date of payment to SERS. The date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment).

4) If a member who is receiving a nonoccupational or temporary disability benefit wishes to make a payment of contributions to extend the period of eligibility for receipt of the benefit, the request to make the payment must be received at the Springfield Office of SERS before the period of eligibility terminates and the date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment).

5) If a member requests to have service credits under the State Universities Retirement System (SURS) or the Teachers' Retirement System of the State of Illinois (TRS) considered for the purposes of determining nonoccupational or temporary disability benefit eligibility under Section 14-124 or 14-123.1 of the Illinois Pension Code, or for purposes of calculating the total period of time for which benefit will be paid, SERS shall not include in its calculations any credits accrued under Article 15 or 16 of the Code that have been forfeited by acceptance of a refund or applied toward a retirement annuity and that have not been restored or otherwise reestablished in accordance with the requirements of those Articles of the Code. Credits accrued under Article 15 or 16 of the Code that have been forfeited by acceptance of a refund or applied toward a retirement annuity, and that have not been restored or otherwise reestablished in accordance with the requirements of those Articles of the Code, shall not be considered for purposes of determining eligibility for a nonoccupational or temporary disability benefit under Section 14-124 or 14-123.1 of the Illinois Pension Code (Code) [40 ILCS 5] or in determining the total period of time for which such a benefit is payable.

6) The System may deem the requirement of Section 14-124(4) of the Code to be satisfied with respect to a member if the member who is applying for a nonoccupational disability benefit is eligible to be granted a leave of absence for disability but, before the leave could be granted, upon medical examination, the member is found to be permanently and totally incapacitated to perform the duties of the member's position.

b) Occupational Disability

Any member of SERS claiming benefits for occupational disability shall file at the Springfield Office of SERS a written application on forms prescribed by the Board.

c) Licensed Healthcare Professionals

Before an occupational, nonoccupational or temporary disability benefit can be approved, one statement must be received from a licensed healthcare professional attesting to the disability. An additional statement from a second licensed healthcare professional may be required by the disability examiner assigned to the case, depending on the nature of the disabling condition.

d) Report of Licensed Healthcare Professionals

1) All reports provided to the System by a licensed healthcare professional shall contain, among other things, the date and place of the first examination by the licensed healthcare professional, the cause and nature of the member's disability, information regarding surgical work or laboratory tests performed for the member, the date of last examination by the licensed healthcare professional, prognosis regarding the member's disability, an estimate of the probable length of the member's disability, and the licensed healthcare professional's license number.

2) All licensed healthcare professional's reports shall be signed by a licensed healthcare professional or by medical records personnel employed by or acting pursuant to the direction of the licensed healthcare professional.

e) Suspension and Termination for Gainful Employment

The occupational, non-occupational, and temporary disability benefits that are payable to members under Article 14 of the Illinois Pension Code are subject to suspension and termination for gainful employment in accordance with Section 1540.85.

f) Investigation of Claims

1) The SERS Board of Trustees recognizes its obligation to provide a systematic program for the continued investigation, control and supervision of disability claims.

2) Each disability benefit recipient is required to provide a current medical examination report every 6 months to substantiate continued disability. In order to substantiate the member's continued eligibility for disability benefits, the Disability Claims Examiner may require that the member submit to independent medical examinations and may request additional medical statements; hospital records; activity inspection reports; Department of Employment Security Earning Statements; Social Security benefit payment information; income tax records; or other pertinent information, all as deemed reasonable and necessary by the Examiner. SERS may waive the medical examination report requirement for cases in which the evidence supports that a member is permanently disabled and that the member will never be able to return to their former position.

3) Failure of a disability benefit recipient to submit to an independent medical examination, to cooperate with an activity inspection, or to provide the information required shall result in suspension of benefit payments.

4) Any benefit suspended as a result of a medical examination will be suspended on the last day of the month in which the claim is reviewed by the Executive Committee.

5) The System may direct a covered employee who is receiving a nonoccupational or temporary disability benefit from the System and who is eligible under the federal Social Security Act (42 U.S.C. 7) for a disability benefit before attaining the Social Security full retirement age to file a claim for benefits under the federal Social Security Act so that the amount of the Social Security offset to the System-provided disability benefit can be calculated as provided in Sections 14-123.1 and 14-125 of the Code. If an employee does not file a claim for Social Security benefits within 30 days after receiving written direction from the System to do so, then the payment of the System-provided disability benefit shall be suspended until the member files such a claim.

6) Any person who applies for or who is receiving disability benefits and knowingly makes to SERS any false statement, falsifies or permits to be falsified any record submitted to SERS, or omits pertinent information in an attempt to defraud SERS, shall have the benefit suspended until the correct information has been provided to SERS.

A) If the correct information that is provided does not substantiate eligibility for the disability benefit payments, then the benefit shall be terminated.

B) If it is determined that the person omitted pertinent information and the correct information that is provided supports that the individual is gainfully employed, then the process prescribed in subsection (e) shall determine if the benefit payments shall resume.

C) If it is determined that the person knowingly made to SERS a false statement, or falsified or permitted to be falsified any record submitted to SERS, in an attempt to defraud SERS and the correct information that is provided supports that the individual is gainfully employed, then the benefit shall be terminated.

g) A disability benefit claim will be processed after the date that the final payroll payment received by the member has been posted to SERS' accounting database.

h) When calculating the amount of a nonoccupational, occupational, or temporary disability benefit under Section 14-123, 14-123.1, or 14-125 of the Code, the "date of disability" or "time disability occurred" is the date the member is removed from payroll by virtue of being placed on disability leave.

i) When calculating the final average compensation of a disability benefit claim, the calculation shall include the actual compensation received during the month in which the member left the regular payroll.

j) Any individual receiving an occupational disability benefit under Section 14-123 of the Code who remains disabled at the end of the month in which that benefit ceases under paragraph (3) or (4) of Section 14-123 shall become entitled to a retirement annuity and have the minimum period of service prescribed for the receipt of such annuity waived as described in that Section. The disability benefit described in this subsection (j) applies regardless of whether the member first became a member on or after January 1, 2011.

k) In accordance with Section 14-125.1 of the Code, occupational and nonoccupational disability benefits will be increased by 7% or 3% of the original fixed amount on January 1 following the fourth anniversary of the granting of the benefit. For purposes of section 14-125.1 of the Code and this subsection (k), "the fourth anniversary of the granting of the benefit" means that a member receives disability benefit payments for 48 consecutive months without an interruption due to suspension.

l) Definitions

As used in this Section:

"Code" means the Illinois Pension Code [40 ILCS 5].

"Full retirement age" means the age at which an individual is eligible to receive full Social Security retirement benefits.

"The duties of the member's position" means the duties of the member's position as of the date the member's name is removed from the payroll without regard to subsequent changes in the duties of the position, availability of the position, or the member's right to return to the position.

"Licensed healthcare professional" means any individual who is licensed by the Department of Financial and Professional Regulation as a physician under the Medical Practice Act of 1987 [225 ILCS 60], as a physician assistant under the Physician Assistant Practice Act of 1987 [225 ILCS 95], as a psychologist under the Clinical Psychologist Licensing Act [225 ILCS 15], or as an advanced practice registered nurse under the Nurse Practice Act [225 ILCS 65] or who is licensed or otherwise credentialed by the licensing body of another state as a physician, physician assistant, clinical psychologist, or advanced practice registered nurse under the laws of that state.

"Licensed healthcare professional's license number" means the unique license number, registration number, or other identifier issued by the federal Centers for Medicare and Medicaid Services, the Department of Financial and Professional Regulation, or the licensing body of another state to an individual who is licensed or otherwise credentialed by the Department of Financial and Professional Regulation or the licensing body of another state, as a licensed healthcare professional.

"Member", for purposes of Sections 14‑123, 14‑123.1, and 14‑124 of the Code, means an employee in active service at the time of incurring a disabling condition.

(Source: Amended at 48 Ill. Reg. 7844, effective May 7, 2024)