



## Disability retirement or wage-loss compensation?

**T**he previous two Compensation Department articles focused on vocational rehabilitation and wage-earning capacity. As a result of those articles, some questions have been raised about disability retirement as an option for carriers who may be affected by management's NRP.

First, we will look at who may be qualified for disability retirement. If you are disabled during the course of your federal career, and as a Civil Service Retirement System (CSRS) employee you have completed at least five years of federal civilian service, or as a Federal Employees Retirement System (FERS) employee you have completed at least 18 months of federal civilian service, you may be entitled to a disability annuity. You must have become disabled for "useful and efficient service" in both your current position and any other vacant position at the same grade or pay level for which you are qualified for reassignment. To qualify for disability retirement, the disability does *not* have to be caused or related to an on-the-job injury. On the other hand, having an accepted OWCP claim does *not* automatically make you eligible for a disability retirement.

There are time limits for requesting a disability retirement. The Office of Personnel Management (OPM) requires that you, your guardian or other interested person must apply before your separation from service or within one year of your separation. The application must be received by OPM within one year from the date of your separation. This time limit can be waived only in instances involving incompetency.

**An individual cannot receive both OWCP and OPM benefits simultaneously.** When a claimant is entitled to disability benefits under the Federal Employees' Compensation Act (FECA) and annuity benefits from OPM under CSRS or FERS, the employee must make an election between OWCP benefits and OPM benefits. The employee has the

right to elect the monetary benefit that is the more advantageous. This policy also applies to re-employed annuitants. If any payments have been received from OPM, however, those payments must be repaid in full either directly by the employee or by OWCP from the FECA payments due, before the employee may begin receiving OWCP benefits. If OPM benefits are elected, the employee is entitled to have medical expenses for treatment of the accepted condition(s) paid by OWCP. There is no prohibition against receiving OWCP benefits concurrently with benefits from the Thrift Savings Plan, but early withdrawal penalties may apply.

**Because of the NRP, more and more carriers are being** told that there is no work available within their medical restrictions. While the NALC continues to grieve possible violations of 546 of the *ELM* based on the facts of each case, we may not prevail in every single one of those grievances. Therefore, some of the carriers directly affected by NRP may soon be facing possible vocational rehabilitation and potentially a wage-earning capacity (WEC) determination by OWCP. As discussed in last month's article, a WEC determination can, in some cases, cause a reduction in wage-loss compensation benefits. So, if a carrier has been given a WEC determination and is unable to find compatible work in their commuting area, a disability retirement may be a better option.

**This article is only a brief overview of disability retire-**ment. Each case is different and each carrier must weigh all of their own personal circumstances before making any decisions about retirement. The NALC Retirement Department is available to help members with any specific retirement questions. You may also find these websites a useful source of information: [nalc.org/depart/retire/index.html](http://nalc.org/depart/retire/index.html) and [opm.gov/retire/index.aspx](http://opm.gov/retire/index.aspx). ☒

**The NALC's Compensation Department is unable to respond to inquiries from individual letter carriers. NALC members with questions about workers' compensation must contact their local branch representatives, who, in turn, can seek needed assistance from their National Business Agent's office.**