



## MSPB decision recalculates carrier annuity

**T**he Merit Systems Protection Board (MSPB) recently issued a decision that may have a substantial impact on city letter carriers throughout the country. While the basis of the decision is addressed in the OWCP column in this month's *Postal Record* by Assistant to the President for Compensation Ron Watson, I will address here what impact the decision will have on our members.

The MSPB decision emanated from an appeal of a letter carrier in Massachusetts. Simply stated, the Office of Personnel Management (OPM) had taken the position that when injured employees returned to work for less than eight hours per day, they were working in a "part-time" status. As such, OPM would allow retirement credit only for the time actually being worked and not those hours reimbursed through the Department of Labor (OWCP) as wage-loss compensation benefits. Many letter carriers have been denied proper retirement benefits over the years based on this position.

In the case at hand, the letter carrier returned to duty for less than eight hours. The rest of the hours in his day were being paid through the Department of Labor, Office of Workers' Compensation Programs. The carrier involved had worked that schedule from 1993 until he applied for retirement in 2002. Prior to 1993 the carrier had been in a limited duty status. The Office of Personnel Management (OPM) in calculating his retirement benefits reduced his annuity based on its position that the time was to be considered "part-time" service rather than full time. It is unclear as to what period of time the actual calculation was based on, but it possibly could have been figured on a salary schedule in existence 10 years before his retirement! The financial impact of that decision could be quite considerable.

**I am happy to say that the MSPB decision reversed the position of OPM. In the award, the Board ordered OPM to recompute the carrier's annuity and give him credit for "full-time" service for the entire period of time (nearly nine years) previously considered as "part-time" service.**

While there has been no official appeal of this case by the Office of Personnel Management (OPM) as of this writ-

ing, nobody will be surprised to see a request for reconsideration of the decision. The OPM serves the entire federal workforce. Other federal agencies are equally impacted by this decision. The effect of this decision could be quite overwhelming considering the many thousands of injured employees across the federal workforce.

There are numerous city letter carriers who have contacted NALC's retirement and workers' compensation offices for information on this subject. On each occasion they were told that this case existed and we were awaiting the decision of the Board. Now that the Board has issued a ruling on the matter, those carriers should begin to gather the documentation necessary to request that OPM recompute their annuity. Those carriers who have found themselves in similar circumstances after being injured on duty should pay close attention to the estimated annuity they are provided prior to retiring. Since the Postal Service maintains a position similar to that of the NALC, the final calculation from OPM should also be examined carefully to determine if proper credit was given.

**If you are directly affected by this decision, you should write to the Office of Personnel Management, Retirement Operations Center, Boyers, PA 16017 and ask to have your annuity recalculated based on this decision. You should include your Civil Service annuity (CSA) number as well as detailed information on the time of service that was disallowed as well as evidence to support your position.**

While there are many different scenarios that could play out, there could be a substantial difference in the amount of the annuity you are currently receiving and the amount of that annuity when proper credit is given. ☒

**NALC Retirement Department**  
**Toll-free number: 1-800-424-5186**

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**If your question concerns hospitalization and you are a  
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