



NEWS TO USE

A newsletter for PERSI employers

September 2013

- Comparing PERSI and Social Security Disability
- IRIS Update
- Editor's Note



PERSI DISABILITY RETIREMENT VS. SOCIAL SECURITY DISABILITY

Members sometimes have questions about qualifying for PERSI disability retirement versus qualifying for disability under the Social Security Administration's program. These programs are different, and qualifying for one does not guarantee a member will qualify for the other.

PERSI DISABILITY RETIREMENT

For PERSI purposes, "disabled" means the member is prevented from engaging in any occupation or employment for compensation or profit as a result of bodily injury or disease, regardless of the cause (occupational or non-occupational). It also means the member will likely remain disabled permanently and continuously for the rest of his/her life. (Exclusion: disabilities arising from service in the armed forces of any country other than the United States or from intentionally self-inflicted injuries.)

Applying the Disability Standard

Section 59-1302(12), Idaho Code, is used by PERSI when considering a member's disability retirement application. It states that substantially all avenues of employment must be reasonably closed if the applicant is permanently prevented, due to bodily injury or disease, from performing every substantial and material duty of any occupation for which the applicant is reasonably qualified by education, training or experience.

Burden of Proof

It is the member's responsibility to establish that he/she meets the definition of disabled and, in all likelihood, will remain that way for the rest of his/her life. The member must also prove he/she met the definition of disabled on or before the date of his/her last contribution (PERSI Disability Rule 300). PERSI Disability Rule 302 defines "likely" to mean "with reasonable medical certainty." As a result, a member is generally required to provide objective medical evidence that he/she meets the disability standard.

Hireability of Applicant (Rule 303).

The inability of an applicant to secure employment in and around the area where he/she resides is **not** considered in determining whether he/she is disabled. If the applicant is able to perform every substantial and material duty of **any jobs existing in the economy** for which he/she is reasonably qualified by education, training or experience, he/she will not be considered disabled regardless of other factors that might affect the applicant's ability to actually secure employment (e.g., employer decisions and practices, no open positions or the applicant is not selected for a position).

Time Limits for Filing for PERSI Disability Retirement

PERSI members applying for disability retirement benefits have one year from the date of their last contribution to file a disability retirement application. *Applying for disability retirement merely initiates the process, it does not guarantee approval. (Section 59-1352 (3), Idaho Code)*

Employees who believe they meet the PERSI disability standards should call PERSI at 1-800-451-8228 or 208-334-3365 (Boise area) for information about the application process. Please encourage such employees to read the PERSI Disability Brochure (www.persi.idaho.gov/documents/Disability_Benefits.pdf) first.

SOCIAL SECURITY DISABILITY

The definition of disability for Social Security Administration (SSA) purposes is also based on a person's inability to work. Under SSA rules you are considered disabled if:

- You cannot do work you did before;
- It is determined you cannot adjust to other work because of your medical condition(s); AND
- Your disability has lasted or is expected to last for at least one year or result in death.

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Much like PERSI, Social Security pays only for total disability. No benefits are payable for partial disability or for short-term disability. (SSA disability rules assume working families have access to other resources to provide support during periods of short-term disabilities, including workers' compensation, insurance, savings and investments.)

Definition of SSA Disability

SSA law defines disability as the inability to engage in any *substantial gainful activity* (SGA) by reason of any medically determinable physical or mental impairment(s) that has lasted or can be expected to last for a continuous period of not less than 12 months or which is expected to result in death.

Most disability claims are initially processed through a network of local SSA field offices and state agencies, called Disability Determination Services. (PERSI claims process through a third-party administrator.)

Disability Determination

SSA's regulations provide for disability evaluation under a procedure known as the "sequential evaluation process." This process requires sequential review of the claimant's current work activity, the severity of his or her impairment(s), a determination of whether his/her impairment(s) meets or medically equals conditions on an SSA list of medical conditions, the claimant's residual functional capacity, his /her past work, and his/her age, education, and work experience. If a person's condition is severe, but not the same or equal to the severity of a medical condition on the list, then SSA must determine

whether it interferes with the individual's ability to do the work he/she did previously or his/her ability to adjust to new work.

Substantial Gainful Activity

The term "substantial gainful activity" (SGA) is used to describe a level of work activity and earnings.

- Work is "substantial" if it involves doing significant physical or mental activities or a combination of both. For work activity to be substantial, it does not need to be performed on a full-time basis. Work activity performed on a part-time basis may also be SGA.
- "Gainful" work activity includes:
 - > Work performed for pay or profit; or
 - > Work of a nature generally performed for pay or profit; or
 - > Work intended for profit, whether or not a profit is realized.

SGA is one of the factors used to decide if a claimant is eligible for disability benefits. SSA offers an online Disability Brochure (www.ssa.gov/pubs/EN-05-10029.pdf), which your employees might find useful if they believe they qualify for Social Security disability benefits.

Applying for SSA Disability Benefits

There are two ways to apply for SSA disability benefits: Apply online at www.ssa.gov or call 1-800-772-1213 to make an appointment at a local SSA office or to arrange for SSA to take claim information over the telephone.

Source: SSA website



Seventy-five West Central Idaho employers successfully completed their training on schedule. These are usually smaller employers who roll forward data from month-to-month; hence they are known at PERSI as "Roll Forward"

employers. Training will continue for this group until March 2014.

A File Specification document has been made available to employers who electronically transmit files to PERSI. These are generally larger employers (e.g., BSU). Known as "uploaders," these employers have begun a certification process so they can use IRIS. Each employer must show it can electronically submit transmittal files according to IRIS specifications.

Note: This is my final *News To Use* newsletter. For nearly nine years, it has been my pleasure to write articles designed to help you understand PERSI so you are better equipped to assist your employees and process payroll transmittals. Thank you for your support and kind words about the newsletter over the years... it has meant a lot to me. My replacement will continue to keep you informed.

Editor, Patrice Perow