

## Disability Retirement Frequently Asked Questions



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**Introduction:**

An employee who experiences a disability that is expected to last one year or more may be approved to receive a disability retirement annuity. Annuities for disability protect an employee who is no longer able to provide useful and efficient service in his or her current grade or pay level because of a medical condition. Disability retirement should be a last resort and is appropriate only when reasonable efforts to preserve the person's employment have failed. The agency must assist the employee in filing an application to send to the Office of Personnel Management (OPM). Employees may separate and file up to one year with OPM. Annuities for disability are determined by the retirement system and criteria requirements outlined within the following frequently asked questions.

**Civil Service Retirement System – (CSRS)****1. What requirements must I meet to be eligible for disability retirement?**

You must have become disabled while in a position covered under CSRS. You may retire on disability annuity at any age provided you have at least 5 years of **creditable civilian service** and meet the OPM criteria for being disabled.

**2. What is “creditable civilian service”?**

“Creditable civilian service” for this purpose includes:

- (1) Service that is **subject to CSRS deductions** even if a refund has been received and not redeposited;
- (2) Service that is subject to social security (FICA) taxes and reduced CSRS deductions even if a refund has been received and not repaid;
- (3) Nondeduction service (i.e., temporary, intermittent), whether or not a deposit for such service is made; and
- (4) Military service that interrupts civilian service and is followed by reemployment in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).  
Contact your human resources office’s representative to verify creditable civilian service.

**3. Is my military service creditable for retirement purposes?**

Generally, in addition to the required creditable civilian service, active duty military service is credited.

If you are retired from the military, you cannot receive credit for any of the military service unless you waive your military retired pay. A disability annuitant may not receive credit for military service in the disability annuity compensation if you are receiving a pension or compensation from the Department of Veterans Affairs in lieu of military retired or retainer pay. Accordingly, you must **waive military retired pay** and renounce certain types of VA benefits paid in lieu of military retired pay in order to receive credit.

If you were hired prior to October 1, 1982, military service is credited without a deposit required. If you choose not to make a deposit for this service, at age 62 OPM will check for Social Security eligibility. If eligible for a Social Security benefit, OPM will reduce your annuity computation by subtracting the military service from the overall length of service.

If you were first hired on or after October 1, 1982, you **must** make a deposit in order to receive credit for military service.

If you are retired military based on a service-connected disability incurred in combat; or caused by an instrumentality of war and incurred in the line of duty; or that was awarded under Title 10, Chapter 67, you are not required to waive your military retirement. You are subject to the deposit rules as stated above.

#### **4. What criteria are used to determine if I am eligible for disability retirement?**

The following criteria must be met for an employee to qualify as a disability annuitant:

- (1) Medical condition results in service deficiency affecting attendance, conduct or performance;
- (2) Medical condition will continue for at least 1 year;
- (3) Medical condition defined as a health impairment from disease or injury
- (4) Relationship between the service deficiency and the medical condition caused the service deficiency.
- (5) No reasonable accommodation can be made;
- (6) Reassignment is not available within the commuting area at the same grade or pay level;

#### **5. What is a “reasonable accommodation”?**

Reasonable accommodation is **an effort by the employer** to adjust the work or work site that would allow you to continue to work. Some examples of a reasonable accommodation are:

- (1) Modifying the work site;
- (2) Adjusting work schedules;
- (3) Restructuring the job;
- (4) Modifying equipment or devices;
- (5) Providing personal assistants, interpreters or readers; and
- (6) Reassigning or retraining the employee

**6. How is “commuting area” determined?**

Commuting area is defined as the vicinity and surrounding localities, in which individuals live and reasonably can be expected to travel to and from their place of employment.

*Note: The commuting area is determined by the human resources office and is already established.*

**7. What happens if I refuse reassignment?**

If the agency locates one or more vacant positions at the same grade or pay level and in the same commuting area for which you are qualified for reassignment, the agency will notify OPM of your refusal. OPM will not approve an application for disability retirement if you refuse a reasonable offer of reassignment.

**8. Can my employing office place me in a position at a lower grade or pay?**

You may decline an offer of a position at a lower grade or pay level without affecting your eligibility for disability retirement. Pay retention may be offered at the agencies’ discretion.

**9. What must be included in my medical documentation?**

The medical documentation must include, but is not limited to the following:

- (1) Comprehensive history of the specific medical condition;
- (2) Diagnosis;
- (3) Clinical findings from the most recent evaluation;
- (4) Assessment of the current clinical status and plans for future treatment;
- (5) Estimate of expected date of full or partial recovery;
- (6) Effect on life activities both on and off the job;
- (7) Explanation of conclusion that the condition has not become static or well stabilized;
- (8) Likelihood that the individual is or is not expected to experience sudden or subtle incapacitation;
- (9) Duty restrictions/accommodations are or are not warranted; or
- (10) Medical basis for indication of injury or harm if carrying out the duties of the position.

**10. Must the disabling condition be the result of an on-the-job injury or disease?**

No. It makes no difference whether the medical condition occurred on or off-the-job. However, you must be disabled for useful and efficient service. For example, you must be unable to meet the requirements of your position because of the medical condition.

**11. Who determines if I am disabled for useful and efficient service?**

OPM will make a determination based on information provided by you and your employing office.

**12. What does “useful and efficient service” mean?**

It means that you are performing the critical elements of your position at an acceptable level or ability to perform at that level. It also means that your conduct and attendance are satisfactory.

**13. How do I apply for disability retirement?**

You must complete SF 3112, Documentation in Support of Disability Retirement Application and the SF 2801, Application for Immediate Retirement, Civil Service Retirement System (CSRS). Attach all required medical documentation to support your claim. CSRS Offset applicants must also apply for social security disability benefits and provide OPM a receipt or a notice of approval/disapproval of disability benefits from the Social Security Administration. Further, if you have Federal Employees Group Life Insurance (FEGLI) coverage and have met the requirements to continue FEGLI into retirement, you must complete SF 2818, Continuation of Life Insurance Coverage. The following forms should also be submitted with your package; if applicable:

- (1) SF-1199A, Direct Deposit Form
- (2) DD-214, Copy of military discharge (if applicable)
- (3) Copy of request to waive your military retired pay (if applicable)
- (4) W4-P, Federal Tax Withholding Form

**14. If, due to circumstances beyond my control, I become unable to complete and file a disability application, may someone else submit an application on my behalf?**

Yes. A court-appointed guardian, spouse, or other member of the immediate family, who has assumed responsibility for you, may file your disability application. The human resources office may complete the disability application under certain conditions. See CSRS/FERS Handbook, Chapter 60, Section 60A3.1-2, Part A for more information on disability applications filed by the human resources office.

**15. What is the time limit for filing an application for disability retirement?**

You must file an application with OPM either before you separate from federal service or within 1 year after the date of your separation.

**16. Once I submit my application for disability retirement to my employing office, what is the process?**

Your human resources office will review your application to ensure it is complete and includes appropriate supporting documentation. If available, an agency medical examiner will review this documentation and your position description to determine if you are unable to perform the duties of your position. Your employing agency will attempt to provide reasonable accommodation. Your retirement package will then be sent, through payroll, to OPM for review and a decision. The availability of all required medical information would expedite the adjudication process. OPM will send you an acknowledgement letter with your retirement claim number, which will begin with a Civil Service Account Number (CSA)". Receipt of this letter means your application has been received and will be reviewed to determine your eligibility for disability retirement. Any inquiries before you receive this acknowledgment and claim number should be addressed to your employing agency.

**17. How will I be notified of OPM's decision?**

After OPM reviews your application, they will notify both you and your agency of their decision by letter.

**18. When does my disability annuity commence?**

Your annuity commences on the day after you separate, or the day after your last day in pay status.

**19. Can I receive both a disability retirement and a Voluntary Separation Incentive Payment (VSIP)?**

No, an employee who is eligible for disability retirement is not eligible for a VSIP. An employee who has filed an application for disability retirement and wants to withdraw it may do so, if not yet separated from the employing agency. In cases where OPM has already approved the application, the employee would be eligible for disability retirement upon separation from service and, therefore, not eligible for the VSIP even if the application is withdrawn. Under the retirement law, a former employee may file for disability retirement within 1 year after separation from service. In any case in which this occurs, OPM will notify the former employing agency upon approval of an application for disability retirement. OPM's approval of the disability application constitutes a finding that the individual would have been eligible for disability retirement at the time of separation, the individual was ineligible for the VSIP and the agency should then recover any VSIP it had paid.

## Federal Employees Retirement System – (FERS)

Information outlined in the CSRS section above applies to all employees except for questions 1, 2, and 13 which apply only to CSRS employees. This section addresses those questions as they apply to FERS employees.

### 1. What requirements must I meet to be eligible for disability retirement?

You must have become disabled while in a position covered under FERS. You may retire on disability at any age if you have at least 18 months of creditable civilian service and meet the criteria for being disabled.

### 2. What is “creditable civilian service”?

“Creditable civilian service” for this purpose includes:

- (1) Service that is subject to FERS deductions, unless it has been refunded;
- (2) Service that was subject to FICA taxes and reduced CSRS deductions, if all CSRS deductions were not refunded;
- (3) Nondeduction service (i.e., temporary or intermittent) performed prior to Jan 1, 1989, if a deposit is made; and
- (4) Military service that interrupts civilian service and is followed by reemployment in accordance with the provisions of the Uniformed Service Employment and Reemployment Act (USERRA).

See your human resources office’s representative to verify creditable civilian service.

***NOTE: Service listed as creditable under CSRS is creditable for FERS purposes if there is a CSRS annuity component, and the service was performed before you were first covered by FERS.***

### 3. Is my military service creditable for retirement purposes?

Generally, in addition to the required creditable civilian service, active duty military service is credited if a deposit is made. If you are retired from the military, you cannot receive credit for military service unless you waive your military retirement pay and make the deposit. You may not receive credit for military service in the disability annuity computation if you are receiving a pension or compensation from the Department of Veterans Affairs in lieu of military retired or retainer pay. Accordingly, you must waive military retired pay and renounce certain types of VA benefits paid in lieu of military retired pay and make a deposit in order to receive credit.

If you are retired military based on a service-connected disability incurred in combat; or caused by an instrumentality of war and incurred in the line of duty; or that was awarded under Title 10, Chapter 67, you are not required to waive your military retirement. A deposit will be required.

#### **4. How do I apply for a disability retirement?**

You must complete SF 3112, Documentation in Support of Disability Retirement Application, along with SF 3107, Application for Immediate Retirement, Federal Employees Retirement System (FERS). Attach all required medical documentation to support your claim. You must also apply for Social Security disability benefits and provide OPM a receipt or a notice of approval/disapproval of disability benefits from the Social Security Administration. Further, if you have FEGLI coverage and have met the requirements to continue FEGLI into retirement, you must complete SF 2818, Continuation of Life Insurance Coverage. The following forms should also be submitted with your package; if applicable:

- (1) SF 1199A, Direct Deposit Form
- (2) DD-214, copy of military discharge (if applicable)
- (3) Copy of request to waive retired military pay (if applicable)
- (4) W4-P, Federal Tax Withholding Form

Under the FERS law, entitlement to Social Security disability benefits affects an individual's eligibility to the OPM-administered disability program. To improve disability claims processing and shorten processing times, OPM and the Social Security Administration (SSA) have teamed together to adopt a cooperative nationwide program called the Federal Medical Evidence of Record Program (FEDMER). As a FERS employee, you are now able to apply for a disability retirement and Social Security Benefit at the same time. Under FEDMER, both OPM and SSA will receive the same medical records at the time of application. Once a decision is made by either OPM or SSA, they will contact the other with the determination. CSRS-Offset employees and employees receiving benefits from the Office of Workers' Compensation Program (OWCP) are not eligible to participate in the FEDMER. See your human resources office representative for more information on the FEDMER program.