

Life Plans

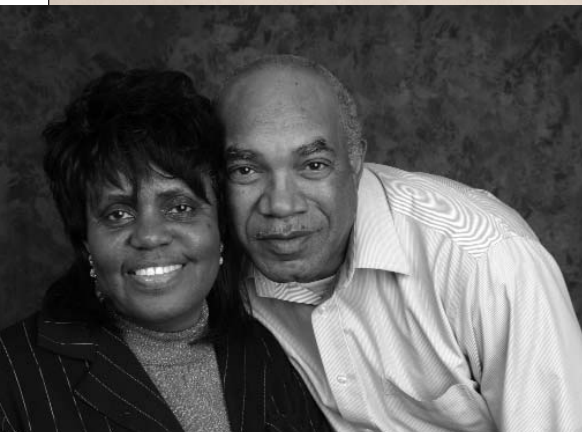


UNDERSTANDING DISABILITY BENEFITS

The Chicago Teachers' Pension Fund can help secure your future if you suffer from a permanent disability and are no longer able to work. This brochure outlines the options and benefits provided by duty disability benefits and disability retirement pensions.

Life Plans

THE BASICS



The Chicago Teachers' Pension Fund (CTPF) offers two types of disability benefits:

- **Duty disability benefit:** available for contributors who become permanently incapacitated for duty while under age 65. The disability must be the result of injuries sustained or a hazardous condition encountered in the performance or in the scope of one's duties, and not the result of the contributor's own negligence.
- **Disability retirement pension:** available for contributors with at least 10 years of service credit.

Duty Disability Benefit

Should you qualify for a duty disability benefit, CTPF will pay 75% of your salary and you continue to earn service credit. At age 65, your duty disability benefit will cease and you will receive a regular pension based on the service acquired through that date.

To apply for a duty disability benefit you must be under age 65 and injured on the job. You must file a claim with the Illinois Workers' Compensation Commission. Within 6 months of the date of settlement you must send a copy of the final settlement to CTPF.

To qualify, at least two physicians appointed by the CTPF Board of Trustees (CTPF Board) and your own physician must certify your disability claim. The CTPF Board will review the physicians' reports and vote to approve or deny your duty disability application.

Disability Pension

If your injuries do not occur on the job and you have at least 10 years of service credit, you may qualify for a disability retirement pension (disability pension). Under CTPF rules you must be wholly and permanently incapacitated from your duties as certified by your own physician and by two physicians appointed by the CTPF Board. Being wholly and permanently disabled means you can no longer perform your duties and are not expected to ever be able to perform them again. You must submit an application for a disability pension within three years from the date of your last CTPF contribution. Applications submitted after that date will be denied.

How to Apply

Upon request, the disability department can provide the disability application packet containing:

- Application for Disability Retirement Pension
- Employment Restriction Form
- Personal Physician Report – a doctor’s statement indicating the nature of the disability and verifying that the disability permanently incapacitates you and prevents you from returning to work
- supplemental forms and a HIPAA Release Form granting CTPF permission to access your medical records

Upon receipt of your medical records, CTPF or its Independent Medical Evaluator will contact you to schedule two additional appointments with CTPF-appointed doctors.

STEP 1

Your medical records are provided to two physicians appointed by the CTPF Board for an assessment. You meet both physicians for an examination.

Each physician will make an independent determination. However, if the two physicians disagree, a third physician will perform an additional independent assessment.

STEP 2

The medical assessments are provided to the CTPF Board for a decision.

STEP 3

Based on the physicians' findings, the CTPF Board either approves or denies your eligibility for a benefit. If approved, your disability benefit or pension shall be effective the day following your resignation from employment.

If the CTPF Board finds you do not meet the criteria, your application will be denied and you will be informed in writing of the decision. The review and approval process can take up to five months.

Calculating the Duty Disability Benefit

The duty disability benefit is 75% of your salary at the date of disability. Your CTPF benefit will be offset by any amount you receive from the Illinois Workers' Compensation Commission. The benefit is payable until you reach age 65, at which time you will be entitled to a service retirement pension. While receiving the duty disability benefit, you continue to earn pension credit toward your service retirement.



EXAMPLE

After 10 years of teaching, Sean, at age 47, was injured on the job and certified as “wholly and permanently disabled.” His salary at the date of disability was \$65,000.

Upon approval of his disability application, the CTPF Board approved Sean’s duty disability benefit of \$48,750 annually (75% of \$65,000). His duty disability benefit will be paid until Sean reaches age 65. At that time, Sean’s service credit will total 28 years (10 years + 18 years earned while receiving the duty disability benefit), and his service retirement pension will be calculated as follows:

$2.2\% \times 28 \text{ years of service credit} \times \$62,000 \text{ (best 4-year average annual salary)} = \$38,192^+$

Calculating a Disability Pension

If the CTPF Board approves your disability pension, the amount you receive depends on the combination of your salary, your service credit, and your age.

If you have 10 years or more of service credit when you are disabled, your pension is calculated:

$2.2 \times \text{best 4-year average annual salary} \times \text{years of service}^+$

A disability pension is payable for your lifetime, provided you remain totally and permanently disabled. Should your medical condition improve and you are able to return to duty, your disability pension payments would immediately cease.

Your pension is protected against inflation with a 3% annual increase that is applied every January. You qualify for the annual increase once you turn age 61 or one year after your pension begins, whichever is later.

⁺*assumes the 2.2 upgrade has been paid.*

Cancellation of a Disability Benefit

Your duty disability benefit or disability pension will terminate if you are no longer incapacitated or if you are reemployed. Periodically, the CTPF Board will require that your eligibility for disability benefits be recertified.

Health Insurance Benefits

CTPF provides a comprehensive program of health care coverage for retirees and their dependents. Our Life Plans booklet *Understanding Health Insurance* provides information on CTPF-sponsored health insurance plans, COBRA, Medicare, and the CTPF health insurance rebate program.

Survivor and Death Benefits

Upon your death, CTPF provides benefits to your eligible spouse and minor children. Find out more about survivor and death benefits and your responsibilities regarding identifying eligible beneficiaries by referring to the brochure *Understanding Survivor and Death Benefits*, or by contacting Member Services.



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