

# Disability Retirement

## CHECKLIST FOR EMPLOYERS

Use this checklist to help counsel employees about disability retirement. For more information, see [VRS Plan 1](#) and [VRS Plan 2](#) on the VRS website.

### ✓ Prepare to counsel the employee

Use myVRS Navigator to review the employee's record and determine eligibility for unreduced or reduced retirement.

Review coverage of applicable benefits, such as life insurance, health insurance credit, long-term care insurance and distribution eligibility from the Commonwealth of Virginia 457 Deferred Compensation Plan and Virginia Cash Match Plan.

Determine if the employee has unused sick leave.

Determine if the employee is in an agreement to purchase VRS prior service credit or has service available to purchase.

Review the employee's record to ensure any active duty military leave periods have been credited to the employee.

### ✓ Counsel the employee

Advise the employee that before the effective date of retirement (regardless of the date of disability retirement approval) the employee must be separated from all VRS-covered full-time and part-time positions in order to receive a lifetime monthly retirement benefit.

If the employee holds multiple jobs, inform them that:

- They must terminate work in any non-covered position with the same employer from whom they are retiring.
- They must terminate work in any position (including with non-VRS employers) where their duties are the same or similar to the duties of the position from which they are retiring.

#### Review return-to-work considerations:

The employee cannot return to work in any position, regardless of the employer, if the job duties are the same or similar to the duties they were found to be disabled from performing.

If the employee returns to work in a full-time position with any VRS-participating employer, the lifetime monthly retirement benefit will cease and the employee will become an active VRS member.

If the employee plans to return to work in a non-covered part-time position with any employer participating in VRS:

- The duties of the new position cannot be similar to the duties of the position from which the employee retired.
- The employer must comply with Internal Revenue Service (IRS) rules regarding return-to-work. See the [Disability Retirement](#) chapter of the Employer Manual for more information.

Retired state employees may return to work in non-covered part-time positions with other state agencies after a full calendar month break in service during a normal work period. However, the job duties cannot be the same or similar to those they have been found to be disabled from performing.

### ✓ Submit the application

#### Items the employee completes:

**Note:** It is important to provide all required documents with the application. Until all required documents are received, VRS cannot submit the employee's file to the Medical Board, which will delay a determination in the case and, if approved, the first payment.

The employee submits the [Application for Disability Retirement \(VRS-6\)](#) and the Informed Consent and Authorization (included in the VRS-6) to VRS. VRS recommends the employee also submit an [Application for Service Retirement \(VRS-5\)](#) at the same time.

The employee designates their defined benefit and life insurance beneficiaries in myVRS (or submits a Designation of Beneficiary (VRS-2)). The employee should also log into their DCP Account to verify that their deferred compensation beneficiaries are current. If beneficiaries are not designated, the order of precedence is in effect by law.

The employee submits the following forms to VRS as applicable:

[Explanation of Disability \(VRS-6A\)](#)

[Request for Income Tax Withholding \(VRS-15\)](#)

[Authorization for Direct Deposit of Monthly Benefit \(VRS-57\)](#) and a voided check. After the employee receives their first payment, they can use myVRS to manage bank account information. The application cannot be processed without the VRS-57.

[State Health Benefits Program Enrollment Form for Retirees, Survivors and LTD Participants](#)

The employee's physician completes the [Physician's Report \(VRS-6B\)](#) and sends it directly to VRS at the address on the form.

If the disability is work-related, the employee submits copies of the accident report and the workers' compensation award to VRS.

### ✓ Submit the application

#### Items the employer completes:

The employer submits the [Employer Information for Disability Application \(VRS-6D\)](#) to VRS.

The employer human resource office submits the employee's job description (required for both work-related and non-work-related disability retirement). VRS cannot submit the employee's file to the Medical Board without the job description.

### ✓ Complete the retirement process

Either the employee or the employer mails the original Application for Disability Retirement and all other required documents to VRS. Photocopies are not allowed. VRS recommends the application be faxed to VRS in the case of life-threatening illness.

When the employee's retirement is approved, the employer receives a secure message to certify the retirement online and to separate the employee in myVRS Navigator if the employee is currently in a covered position or has been within the last 12 months.

The employee should check myVRS to ensure they have used an email address accessible after retirement. Once VRS issues the first benefit payment, myVRS will switch from active member information to retiree information. An employee who does not set up the account while employed may set it up after retiring using information VRS will provide by mail. myVRS allows the retiree to:

- Update address and contact information
- View the amount of the HIC
- View COLA information
- View benefit payment information
- Print income verification
- Update the payment destination
- Manage health insurance premiums
- View tax information
- View the value of life insurance
- Manage beneficiaries