

8. Disability Benefits

As a member of the Defined Benefit Program, you have disability protection under one of the CalSTRS disability benefit programs. There is the Disability Allowance Program, Coverage A, and the Disability Retirement Program, Coverage B. [See the topic, Coverage A or Coverage B](#), on page 69 to learn which coverage you have.

You may receive disability benefits if you meet both of these conditions:

- You meet the eligibility requirements, including age, service credit, and timelines for application and medical documentation.
- You meet the CalSTRS definition of *disabled* and have a medically determinable physical or mental impairment that prevents you from performing your usual job, from performing your usual duties with reasonable accommodations, or from performing duties in a comparable level position. The impairment must be permanent or expected to last at least 12 continuous months. A comparable level position is one for which you are qualified or can—with education, training or experience—become qualified in a reasonable period of time.

Before Filing a Disability Application

As soon as you start to consider applying for a disability benefit, learn about the choices available to you. For instance, if you return to work and later retire, your benefit will be calculated differently than if you had not received disability benefits, perhaps resulting in a lower benefit.

A CalSTRS benefits counselor can provide details to help you make an informed



decision. For instance, if you are age 55 or older and have 25 years or more of service credit, you may want to consider a service retirement instead of a disability benefit. When scheduling an interview, inform our scheduling coordinator that you wish to discuss a disability application.

For a list of benefits counseling locations and telephone numbers, [see Section 4](#), Building Your Financial Future.

As a member of the Defined Benefit Program, you have disability protection under one of the CalSTRS disability benefit programs.

Reasonable Accommodation

Sometimes adjustments in your work environment can enable you to continue working. Making such adjustments is known as reasonable accommodation. CalSTRS may require you to request reasonable accommodation from your employer as a condition for receiving a disability benefit. Federal and state laws require employers to make reasonable accommodations for employees.

If you have questions about reasonable accommodation, contact your school district or call us at 800-228-5453.

Steps in the Disability Application Process

You should consult a CalSTRS benefits counselor before beginning the disability application process. However, if you cannot talk with a counselor right away, do not delay submitting your application. The receipt date of the application can affect your eligibility and/or benefit effective date. You can talk to a benefits counselor anytime during the process and withdraw your application later, if necessary. Steps in the disability application process include:

1. Request a disability application packet from CalSTRS.
2. Submit the completed application and any pertinent documents to CalSTRS in person or by mail. If mailing, consider a traceable delivery method such as certified mail, with proof of delivery.

Remember, the date that your application is received at CalSTRS may establish your benefit effective date. If approved, your disability benefit will go into effect on whichever of the following dates occurs later:

- » The first day of the month in which we receive your application.
- » The day after the last day of compensation for which you were paid.

3. CalSTRS receives and acknowledges receipt of your disability application and other documents you submit.
4. CalSTRS reviews your application and eligibility status and mails requests for medical and other required documents to you.
5. CalSTRS waits to receive your information and sends follow-up requests for missing or additional documents.
6. CalSTRS verifies the employment information provided in your completed application.
7. CalSTRS notifies you if an independent medical examination or independent vocational evaluation must be scheduled.
8. CalSTRS reviews all the information submitted and determines whether you qualify for disability benefits.
9. CalSTRS sends you written notification of the decision.

Filing a Disability Benefit Application

How to File

You will find the application to apply for disability benefits and related forms online at www.CalSTRS.com (select *Forms and Publications* under *Tools*), or call us at 800-228-5453 to request them.

You can apply for service retirement and disability at the same time if you are otherwise eligible to service retire. This will enable you to receive a monthly retirement income while your disability application is being evaluated.

When to File

You can submit a disability application while you are working or receiving sick leave or differential pay benefits from your employer. Your benefit effective date cannot be earlier than the first day of the month in which CalSTRS receives your application, but must be later than the last day of service for which you are paid.

You should apply for disability benefits before you exhaust other benefits available to you.

You can file an application if you are not working, provided you meet one of the following conditions:

- You have applied within four months of terminating your CalSTRS-covered employment and four months of your last day of work unless termination was due to a change of position and subsequent election of membership in the California Public Employees' Retirement System and you are not yet vested in that system.
- You have applied within four months of your last day of actual performance of service if you are on a personal leave of absence.
- You have applied within 12 months of your last day of actual performance of service if you are on an employer-approved leave to study at an approved college or university.
- You have been physically or mentally incapacitated from performance of service and the incapacity has been continuous from your last day of actual performance of service.

For more information, visit us at www.CalSTRS.com, call us at 800-228-5453 or ask your CalSTRS benefits counselor during your interview. We also encourage conservators, guardians or others caring for a physically or mentally incapacitated CalSTRS member to contact us to inquire whether the member qualifies for disability benefits.

Time Frame for Processing an Application

Processing time varies from one to five months depending on individual cases. Medical information, including additional professional opinions, may be required to make a final determination. You can help us by submitting a complete and properly signed application, including relevant physician and hospital reports, and promptly providing any other required documentation.

Do not hold your application while waiting for your medical documents. Submit it as soon as possible. You may submit the medical documents later.

NOTE

Information to Provide

If you believe you are eligible to file for disability benefits, you will need to provide information, including medical records, hospital reports and employer-related information. You are responsible for submitting the medical documents and for any fees charged for providing information to us.

If additional medical information is necessary, an independent medical examination may be scheduled. We will notify you if this is necessary and pay for the examination and any reasonable related costs.

Independent Vocational Evaluation

An independent vocational evaluation may be required to determine if you can perform your essential core duties at a comparable level. Duties of a comparable level are defined as any job that you may be qualified to perform that will provide earnings of 66⅔ percent or more of your indexed final compensation.

The independent vocational evaluation usually begins with an interview with a vocational consultant. The consultant will discuss your job history and residual functional capabilities and limitations. Your employer may be interviewed to determine if your job can be modified and to see if reasonable accommodation would allow you to continue working.

Notification

We will notify you in writing after we reach a decision on your disability application.

Approval

If we approve your disability application and you are still working, you must cease employment before we can begin paying your benefits. We will notify your employer that your application was approved.

If you do not stop working within 90 days after having been notified of the approval, we will reverse the approval and reject your application.

You should receive your first disability payment within 45 days after we receive all necessary information. The payment will include any retroactive disability payment amounts due.

After receiving this first payment, you will receive a regular disability payment on or about the first day of each month.

Prescribed Treatment Program

If your disability is amenable to treatment that could allow you to perform your usual duties or those of a comparable level, you may be required to participate in a prescribed treatment program developed by your attending physician.

Limited-Term Disability Benefits

If your condition is expected to improve with mental, physical or vocational rehabilitation, you may be approved for limited-term disability benefits. These benefits are granted for a specific time period; however, we can renew them if your condition does not improve.

Vocational Rehabilitation Program

The CalSTRS Rehabilitation Program may provide services to members receiving a disability benefit.

If we determine you are a potential candidate for the Rehabilitation Program, a vocational consultant will conduct an independent vocational evaluation to assess your current capabilities and limitations. The consultant will also discuss your career interests and help you develop a rehabilitation plan with the goal of helping you return to comparable level employment.

You are required to make a good faith effort in developing a rehabilitation plan. Upon development and approval of your plan, we will pay reasonable costs for tuition, fees, books and materials related to a college or vocational training program, transportation, job placement assistance and other activities that prepare you to return to comparable level employment.

If your medical condition worsens and you cannot continue your vocational rehabilitation program, your benefit will not be terminated.

Disapproval

If your disability application is not approved, we will send you a letter explaining the reason and your right to reapply, request a review or appeal.

Reapply

If eligible, you will be told that you can reapply and submit additional information that supports your original application. Your benefit effective date will then be based on the date we receive your second application or your last day of compensation, whichever is later.

Executive Review

If eligible, you will be told that you can request an Executive Review of your application. An Executive Review is an internal, higher level review of your application and the original decision.

Right to Appeal

If you are not satisfied with the outcome of the Executive Review, you may request an administrative appeal. The following identifies who will hear the appeal:

- **Office of Administrative Hearings**
Appeals are processed through the Office of Administrative Hearings, a governmental agency independent of CalSTRS. You may represent yourself or hire an attorney to represent you at the hearing. An administrative law judge will hear all evidence related to the case and issue a proposed decision to the Teachers' Retirement Board.
- **Teachers' Retirement Board**
The board can adopt or reject the decision of the administrative law judge, or hear the case themselves. If you are dissatisfied with the decision of the Teachers' Retirement Board, you can appeal its decision to Superior Court.

Service Retirement

Pending Disability Eligibility

If you are applying for a disability benefit, you may be eligible to receive a service retirement benefit while your application for disability benefits is being evaluated. Please contact us at 800-228-5453 for instructions on how to apply, the forms to use and important considerations about this program.

If your application for disability is approved, you will be paid the difference between your service retirement benefit and your disability retirement benefit.

Information to Consider Before Filing for Service Retirement While Your Disability Application is Being Evaluated

- You will remain retired from service if your application for disability is not approved and the disapproval is later than the last day of the month that your service retirement begins.
- The election that you make for your service retirement benefit will continue in effect if your application for disability is not approved. For example, if you elect a Member-Only Benefit and begin receiving a service retirement benefit, your Member-Only Benefit will continue.
- If your application for disability is not approved and you remain on service retirement, you will not be eligible to reapply for a disability benefit unless you terminate your service retirement and return to CalSTRS-covered employment and earn a year of service credit. In that case, any physical or mental conditions known to exist when you return to active membership may be considered pre-existing conditions and you would not be able to apply for a disability benefit for those conditions if they remain substantially unchanged.

You can appeal a denial of disability benefits. If your appeal is successful, then you will be awarded disability benefits.

Effect on Service Retirement

If you receive a service retirement benefit while your disability application is being evaluated, you will not:

- Be eligible to receive a partial lump-sum payment under service retirement.
- Be eligible to participate in the Early Retirement Limited Term Reduction Program.
- Receive credit for unused sick leave before a decision is made regarding your application for disability. If your application for disability is not approved, your service retirement benefit will be recalculated to include your eligible unused sick leave, adjusted to the effective date of your service retirement.

Benefits to Survivors

If you receive a service retirement benefit while your disability application is being evaluated, and you die before the determination of your eligibility for disability, any subsequent benefits payable will be based on your service retirement elections.

If you are approved for disability benefits and die before receiving notification of your approval, any subsequent benefits will be paid as if you had died while receiving the disability benefit.

Coverage A or Coverage B

You are protected for disability under either the Disability Allowance Program, Coverage A, or the Disability Retirement Program, Coverage B.

If you became a CalSTRS member after October 15, 1992, you are protected under Coverage B. If you were a CalSTRS member before 1992, you remain in Coverage A unless you elected Coverage B before April 1993.

To confirm which disability coverage you have, check your *Retirement Progress Report* or call us at 800-228-5453.

Coverage A— Disability Allowance Program

The information in this section is for individuals who became members of CalSTRS before October 15, 1992, and did not elect Coverage B before April 1993. If you elected

Coverage B, see [Coverage B–Disability Retirement Program](#) later in this section.

If you receive a disability benefit under Coverage A, the disability benefit will continue to be paid as long as you remain disabled or until you reach age 60.

At age 60, your disability benefit will end and you will be eligible to apply for service retirement. Your disability benefit may continue beyond age 60 only if you have eligible dependent children and remain disabled. For a definition of eligible dependent children, see [the glossary](#).

Eligibility Requirements

To qualify for a disability benefit, you must meet the following requirements:

- You must be under age 60.
- You must have five or more years of credited service. (If you were the victim of an unlawful act on the job, you may qualify for one year of service credit. For more information, contact us.)
- Your last five years of credited service must have been performed in California. Four of the five years of credit must be for actual performance of creditable service. At least one year of service credit must have been following a service retirement, or following the most recent refund of your accumulated contributions, if applicable.

Calculating Coverage A–Disability Allowance

Most disability benefits under Coverage A are 50 percent of final compensation.

Final compensation for a full-time employee with fewer than 25 years of credited service is generally the highest average annual monthly earnable compensation during any period of three consecutive years (36 consecutive months). For a member with 25 or more years of credited service, final compensation is the highest 12 consecutive months.

For periods of part-time employment such as hourly, substitute, daily salaries and percentage contracts, final compensation will, in most cases, be computed using actual salary

earned during that period. For more information, visit www.CalSTRS.com or contact us.

If you are approved to receive a disability benefit under Coverage A, you will receive the balance of your Defined Benefit Supplement account. If your balance is \$3,500 or more, you can choose from one of several annuities. You can learn more about your [Defined Benefit Supplement account](#) in Section 6, Your Retirement Benefit.

Other Benefits That Affect Your CalSTRS Disability Benefit

Your monthly CalSTRS disability benefit, including the amount received for an eligible dependent child, will be reduced by the full amount paid or payable from other public systems, including:

- Workers' compensation
- Social Security disability
- Federal military disability
- Income protection plans—if premiums were paid by your school employer, not you—and any other disability program financed with public funds

Benefit Increase for Eligible Dependent Children

If you have eligible dependent children, you will receive an additional 10 percent of final compensation for each child, up to a maximum of four children. The maximum benefit you can receive is 90 percent of your final compensation.

A child is your dependent if, on your effective date of the disability benefit, he or she is:

- Not married or registered as a domestic partner, is your natural, adopted or stepchild, and is not adopted by anyone other than your spouse or registered domestic partner,
- Born within the 10-month period beginning on your benefit effective date of your disability benefit,
- Under age 22, and
- Financially dependent on you.

When your child reaches age 22, marries, registers as a domestic partner or dies, your monthly benefit will be reduced by that child's portion.

Coverage A— Disability Allowance Examples

Your final compensation must be determined before your monthly disability benefit can be calculated. Service credit is not a factor in the determination of your disability benefit, except when determining the monthly benefit under Coverage A when you have fewer than 10 years of service credit and you are between the ages of 45 and 60.

Disability Allowance

More than 10 years of service, with children

Charles is granted disability benefits with a benefit effective date of July 1. He has 14 years of service credit. Charles has one child eligible for benefits and he receives \$300 a month from workers' compensation.

Alternative Formula

Fewer than 10 years of service, with children

Sharon is granted disability benefits with a benefit effective date of January 1. She has service credit of 8.072 years and is between age 45 and 60. She has two eligible children and receives \$300 a month from workers' compensation.

Earnings Limits

You are allowed to earn income while you are receiving a disability benefit. We recognize that it can be helpful for you to begin with part-time or limited employment as you return to teaching or other employment.

The law establishes two separate earnings limits for members receiving a disability benefit: a single-month earnings limit and a six-month earnings limit. Both limits apply to all earned income. The earnings limits are initially based on your final compensation. In subsequent years an index factor, developed from the average salary increase of all CalSTRS active members, is used to determine indexed final compensation. Indexed final compensation serves as a measure of current salaries.

Disability Allowance—More Than 10 Years

Step A: Final Compensation

Highest 36 consecutive months average annual earnable compensation	
7/1/07 to 6/30/08 (12 months)	\$52,430
7/1/06 to 6/30/07 (12 months)	\$49,850
7/1/05 to 7/1/06 (12 months)	\$47,700
Final Compensation	
\$149,980 (36 months total) ÷ 36 months	= \$4,166.11

Step B: 50% Formula

1. Final Compensation x 50%	
\$4,166.11 x 50%	\$2,083.06
2. Eligible dependent children (1 child @ 10%)	
10% x \$4,166.11	+ \$416.61
3. Monthly benefit before offset for other public benefit	
\$2,083.06 + 416.61	= \$2,499.67
4. Less benefit payable from another public system (workers' compensation)	- \$300.00
5. Adjusted Monthly Benefit	= \$2,199.67

Disability Allowance—Fewer Than 10 Years

Step A: Final Compensation

Highest 36 consecutive months average annual earnable compensation	
7/1/07 to 12/31/07 (6 months)	\$25,950
7/1/06 to 6/30/07 (12 months)	\$49,256
7/1/05 to 6/30/06 (12 months)	\$46,624
1/1/05 to 6/30/05 (6 months)	\$17,265
Final Compensation	
\$139,095 (36 months total) ÷ 36 months	= \$3,863.75

Step B: 50% Formula

Number of years of service credit 8.072	
1. Service Credit x 5% x Final Compensation	
8.072 x 5% x \$3,863.75	\$1,559.41
2. Eligible dependent children	
2 x 10% x \$3,863.75	+ \$772.75
3. Monthly benefit before offset for other public benefit	
\$1,559.41 + \$772.75	= \$2,332.16
4. Less benefit payable from other public system (workers' compensation)	- \$300.00
5. Adjusted Monthly Benefit	= \$2,032.16

Single-Month Earnings Limit

Margaret has a base disability benefit of \$1,500 and employment earnings of \$2,075 in a single month. Her employment earnings plus her disability benefit exceed 100 percent of her indexed final compensation (\$3,100).

\$1,500	Disability benefit and COLAs
+ 2,075	Monthly employment earnings
= 3,575	Total monthly income
- 3,100	Indexed final compensation
= \$475	Overpayment, which will be recovered by CalSTRS

Six-Month Earnings Limit

Bob earns \$2,075 monthly from employment earnings over any continuous six-month period.

\$3,100.00	Indexed final compensation
x .66667	66⅔%
x 6	(months)
= \$12,400.06	6 months earnings limit
<hr/>	
\$2,075.00	Monthly employment earnings
x 6	Months
= \$12,450.00	6 mos. employment earnings
- \$12,400.06	6 mos. earnings limit
= \$49.94	Earnings in excess of 6 months earnings, which will be recovered by CalSTRS

Single-Month Earnings Limit

Your disability benefit including cost of living adjustments and excluding any child's portion or offsets for other public benefits plus your earnings from all employment is compared to your indexed final compensation. A comparison is made to determine if your earnings have exceeded the single-month earnings limit.

If your earnings exceed the limit, the excess amount is considered an overpayment and CalSTRS must collect it back at the rate of 5 percent of future benefits until paid in full.

Six-Month Earnings Limit

CalSTRS makes a separate calculation that compares your earnings to 66⅔ percent of your indexed final compensation.

If your average earnings over a continuous six-month period exceed 66⅔ percent of your indexed final compensation, you are no longer considered disabled. Your disability benefit will be terminated, effective on the first day of the month following the six-month period. Any benefit payments made after this termination date will be recovered by CalSTRS from the total benefit or any subsequent benefits.

Periodic Review of Status

CalSTRS will periodically review your medical and vocational status for continuing eligibility. This review will include:

- Medical reports from your doctor
- Your annual earnings from all employment
- An annual inquiry regarding other disability benefits

The Employment Development Department, your employer, and when necessary, your tax returns, may provide verification of the earnings you report to us.

You should notify us if you:

- Return to employment or become self-employed.
- Change your address.
- Receive a change in benefits from another public agency or the benefits end.
- Have a child who marries, becomes a registered domestic partner or dies.

Be sure to keep us informed of events that may affect your benefit eligibility so that overpayment of benefits does not occur.

Preretirement Election of an Option

An option is a plan feature that allows you to choose to distribute your disability benefit over your lifetime *and* the lifetime of one or more other people. An option provides a reduced disability benefit based on a percentage of the Member-Only Benefit level.

A preretirement election of an option is available if you want to ensure a monthly lifetime income to another person should you die prior to retirement. For more information about preretirement election of an option, [see the topic, Protecting Your Survivor with a Lifetime Benefit](#), in Section 6, Your Retirement Benefit.

You are not required to change or cancel a preretirement election of an option to be eligible for a disability benefit. In addition, after reaching age 55, you may make a preretirement election of an option while receiving a disability benefit. A benefit under the Family Allowance Program will not be payable if there is a preretirement election of an option in effect. Instead, your option beneficiary will receive a lifetime benefit. For an explanation of the Family Allowance Program, [see Section 9](#), Survivor Benefits.

Transitioning to Service Retirement

When You Reach Age 60

Approximately six months before your 60th birthday, we will notify you of the pending termination of your disability benefit and your eligibility to apply for service retirement. The notification will include an estimate of the Member-Only service retirement benefit you are eligible to receive and a *Service Retirement Application*.

Before calculating your service retirement benefit, we will project your service credit through the duration of your disability. The final compensation used for your disability benefit will be projected forward at the rate of 2 percent per year. Your retirement benefit will be calculated using your actual and projected service credit and projected final compensation. You will receive either the

service retirement benefit or the disability benefit you had been receiving prior to your 60th birthday, whichever is less.

You may also elect to modify your service retirement benefit by naming an option beneficiary. If you have a preretirement election of an option on file, you may change your option election when you transition to service retirement. However, if you do make a change, your service retirement benefit will be reduced for life.

To learn more, go to www.CalSTRS.com or call us at 800-228-5453.

Coverage B— Disability Retirement Program

The information in this section is for those individuals who became members on or after October 15, 1992, and for members who elected Coverage B before April 1993.

You will not receive service credit while you receive a disability retirement benefit. Your benefit will continue to be paid as long as you remain disabled, without respect to age. If we determine you are no longer disabled, or you return to full-time or comparable-level employment, your disability retirement will be terminated.

Effect on Service Retirement

If you return to active service as a CalSTRS Defined Benefit member, or if your disability retirement is terminated, your service retirement benefit calculation will be adjusted to account for the time you received a disability retirement benefit. As noted above, you do not receive service credit for the time you receive a disability retirement benefit.



Eligibility Requirements

To apply for a disability retirement benefit, you must meet the following requirements:

- You must have five or more years of credited service. (If you were the victim of an unlawful act on the job, you may qualify for one year of service credit. For more information, contact us.)
- Your last five years of credited service must have been performed in California. Four of the five years of credit must be for actual performance of creditable service. At least one year of service credit must have been earned:
 - » After receiving a disability benefit,
 - » Following a service retirement, or
 - » Following the most recent refund of your accumulated contributions.

There are no age restrictions.

Option Beneficiary

An option is a plan feature that allows you to choose to distribute your disability retirement benefit over both your lifetime and the lifetime of one or more other people. An option provides a reduced disability benefit based on a percentage of the Member-Only Benefit level.

Option factor tables for disability are not included in this handbook. Please contact a CalSTRS benefits counselor for an estimate of your benefit and the benefit of your beneficiary or beneficiaries under each of the options.

Calculating Coverage B— Disability Retirement

A disability retirement benefit is 50 percent of your final compensation. This is also referred to as the Member-Only Benefit. A Member-Only Benefit is usually the highest monthly CalSTRS benefit you can receive. If you should die, your Member-Only Benefit will stop. It does not provide for a monthly income to a survivor after your death. If you elect an option beneficiary, your disability retirement will be a reduced amount and will provide a monthly income for your beneficiaries should you die while receiving the benefit.

Final compensation for a full-time employee with 25 years of service credit is the member's highest average monthly earnable compensation during any period of one year (12 consecutive months) of credited service. For

those with fewer than 25 years of service credit, final compensation is the member's highest average monthly earnable compensation during any period of three consecutive years (36 consecutive months). One-year final compensation for members with fewer than 25 years of service credit as well as nonconsecutive final compensation may be available under your bargaining agreement. For information, see [Final Compensation](#) in Section 6.

For periods of part-time employment such as hourly, substitute, daily salaries and percentage contracts, final compensation will in most cases be computed using actual salary earned during that period. For more information, visit www.CalSTRS.com or contact us.

Defined Benefit Supplement Distribution

If you are approved to receive a disability benefit, you will receive the balance of your Defined Benefit Supplement account. If your balance is \$3,500 or more, you can choose from one of several annuities. You can learn more about your Defined Benefit Supplement account in [Section 6, Your Retirement Benefit](#).

Workers' Compensation

If you receive both a CalSTRS disability retirement benefit and a disability benefit under a workers' compensation program for the same impairment, your CalSTRS benefit will be reduced by an amount equal to your workers' compensation benefit.

Increased Benefit for Eligible Dependent Children

If you have eligible dependent children, each child's portion will be 10 percent of your final compensation up to 40 percent. If you have more than four children, each child will share equally in the maximum benefit of 40 percent. The maximum benefit you can receive, including portions for eligible dependent children, is 90 percent of your final compensation.

Your child is eligible if, on the effective date of your disability retirement, he or she is all of the following:

- Your natural, adopted or stepchild, and is not adopted by anyone other than your spouse or registered domestic partner.

- Born no later than 10 months after the effective date of your disability benefit.
- Under age 21.
- Financially dependent on you.

When your child reaches age 21 or dies, your monthly benefit will be reduced by that child's portion. Your children's CalSTRS benefits are not affected if you receive other benefits.

Calculation Example

Your final compensation must be determined before your monthly benefit can be calculated. Service credit is not a factor in determining your disability retirement benefit.

Your Member-Only Benefit will be adjusted depending on the disability retirement option you have selected.

Disability Retirement Calculation

Jack is granted disability benefits with an effective date of September 1. He has three eligible dependent children. Jack has elected to receive a Member-Only Benefit. He is not eligible for workers' compensation.

Step A: Final Compensation

36 consecutive months earnable compensation	
7/1/08-8/31/08 (2 months)	\$5,727.30
7/1/07-6/30/08 (12 months)	\$33,099.00
7/1/06-6/30/07 (12 months)	\$30,375.60
9/1/05-6/30/06 (10 months)	\$24,908.30

Final Compensation \$94,110.20 (36 months total) ÷ 36 months = \$2,614.17

Step B: Calculate Disability Retirement Benefit

1. Final Compensation x 50%		
= Member-Only Benefit (\$2,614.17 x 50%)		= \$1,307.09
2. Benefit payable from workers' compensation		- \$0.00
3. Number of eligible children (3 x 10% x \$2,614.17)		+ \$784.25
4. Adjusted Monthly Benefit		= \$2,091.34

Earnings Limit

You are allowed to earn money after you begin receiving a disability retirement benefit. We recognize that it can be helpful to begin with limited employment as you return to teaching or other employment. However, your earnings from all types of employment, including self-employment, are subject to an earnings limit, unless you are participating in an approved CalSTRS rehabilitation plan.

How Much You Can Earn and Still Receive a Disability Retirement Benefit

Your CalSTRS disability retirement benefit will be reduced dollar-for-dollar by the total amount of earnings from all employment in excess of the 12-month calendar year limit. You will be required to provide us with an annual report of your gross earnings from all employment. The Employment Development Department and your employer will verify your reported earnings.

The 2008 calendar year earnings limit is \$25,050. The limit is determined early each calendar year.

Periodic Review of Status

CalSTRS will periodically review your medical and vocational status to determine your continuing eligibility. This review will include:

- Medical reports from your doctor.
- Your annual earnings from all employment, if any.
- An annual inquiry about other disability benefits.

You should notify CalSTRS if you:

- Return to employment or become self-employed.
- Change your address.
- Receive a change in benefits you receive from workers' compensation.

It is important that you keep us informed of events that may affect your benefit eligibility so that overpayment of benefits does not occur. If you do not respond to requests for information, we may terminate your benefits.