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|  | Division: | Human Resources (HR) |
| | Title: | Standard Operating Procedures |
| | Procedure: | Disability Retirement (Faulkenbury) |
| | Original Effective Date: | 5/17/05 |
| | Revised Effective Date: | |

Procedure:

Note: A North Carolina Supreme Court ruling rendered under the Faulkenbury Class Action Lawsuit affects the calculation of disability benefits for some members of the Teachers' and State Employees' Retirement System. Under the provisions of the Supreme Court Decision, a member who was vested in the Teachers' and State Employee's Retirement System prior to January 1, 1988, must have an opportunity of choosing benefits as provided under the Disability Income Plan in the form of Short-term and Long-term Disability payments, or a disability retirement benefit calculated on the basis of a statutory formula with service projected to age 65 or to the earliest unreduced retirement date depending on the date the member became vested, with no offset for Social Security benefits. In order to comply with the requirements of the Supreme Court Decision, the Retirement System provides appropriate information to each employee approved for long-term benefits who is eligible under the provisions of the lawsuit prior to payment of the long-term disability benefits.

1. It is recommended that anyone applying for disability retirement (Faulkenbury) go through his/her employer and apply for short-term first and then apply for long-term at the end of the short-term period.
2. At the time the long-term disability is approved, any member that qualifies for the Disability Retirement will automatically be given a comparison by the Retirement Division of the benefits between the NC Disability Income Plan and Faulkenbury.
3. The member will then make the determination of which plan to choose.
4. The member may apply directly for the disability retirement (Faulkenbury) without going through the short-term disability period. The following forms are submitted to the Retirement System, 325 N. Salisbury St. Raleigh, NC 27603-1385:
 - Application for Retirement (Form 6)
 - Authorization for Direct Deposit (Form 170)
 - Health Insurance Enrollment (Form HM)
 - Medical Report (Form 7A)
 - Job Description
 - Timesheet