

ILL HEALTH RETIREMENT BENEFITS

The first part of the ill health procedure is a medical determination of whether you meet the requirements of the pension scheme for the release of benefits. An Independent Medical Advisor must certify that you are,

(a) permanently incapable of performing the duties of your own job (*permanent means at least until Normal Pension Age (NPA)*). NPA is linked to your State Pension Age but with a minimum of age 65, and

(b) incapable of taking up gainful employment immediately (gainful employment means any job for more than 30 hours per week over a period of twelve months).

If both conditions above are satisfied then your benefits can be released. The assessment is failed if either of the above is not satisfied and benefits will be preserved until normal retirement age.

Once the above has been established the second part of the process is for the Independent Medical Advisor to recommend to your employer that you are allocated to one of three tiers of benefits as follows,

Tier 1 **Not able to take up gainful employment before Normal Pension Age.**

This is the maximum level of benefit for members who are unlikely to be able to work 30 hours per week in any capacity ever again. The benefits payable are based on the membership you would have achieved had you carried on working until Normal Pension Age.

Tier 2 **Capable of taking up gainful employment between three years and Normal Pension Age.**

This level of benefit applies if you are not fit enough to take up gainful employment within three years but would be able to do so before you reach NPA. The benefits payable under this tier are based on your membership to the date of retirement plus 25% of the period from that date to NPA.

PART-TIME MEMBERS

The enhanced periods to NPA under Tier 1 and Tier 2 above are based on proportion of hours worked at the date of leaving. For example a fifty-five year old with a NPA of 65, who works 50% of whole time who is certified as Tier 1 would be awarded 5 years enhancement (10 years to age sixty-five x 50%)

However the Independent Medical Advisor is also required to consider whether the member had reduced their contractual hours due to the condition for which they are now being retired. This information will be provided from your HR records. Where this is certified the final period of part-time membership is disregarded both in the calculation of the basic benefits and the calculation of the enhanced period. For example had the member in the above example only worked the last year at part-time their membership would be calculated as if they had always been whole time and

the enhanced period would be based on the full ten years not the reduced five.

Tier 3
Capable of taking up gainful employment within three years.

This is the lowest level of benefit for the member who is not capable of gainful employment immediately but will be capable within three years. This is a temporary benefit payable for a maximum of three years based on the membership you have built up at the date of retirement. If you take up gainful employment during the three year period the pension is stopped and any overpayment from the date you took up employment would be recovered. There is a medical review at eighteen months at which the pension could be stopped, continued for a further eighteen months or upgraded to Tier 2 if your condition has worsened.

MULTIPLE EMPLOYMENTS

If you are building up pension rights in a number of different jobs each job will be assessed individually for ill health retirement. Depending on your condition the tasks you are required to perform could be quite different and your ability to perform them may vary greatly. Therefore it is entirely possible that you could be granted ill health retirement from one job but not another.

SERIOUS ILL HEALTH

If you are diagnosed with a life threatening illness with a short life expectancy the procedure for ill health retirement can be accelerated without the need for many of the forms and processes that would usually be required. All that would be required would be confirmation of your illness from your medical specialist. Your employer knows about this and would put this into operation as soon as you informed them.

