354.48 PERMANENT DISABILITY BENEFITS.

Subdivision 1. **Age and service requirements.** A member who is totally and permanently disabled, who has not reached the normal retirement age as defined in section 354.05, subdivision 38, and who has at least three years of credited allowable service at the time that the total and permanent disability begins is entitled to a disability benefit based on this allowable service in an amount provided in subdivision 3. If the disabled member's teaching service has terminated at any time, at least two of the required three years of allowable service must have been rendered after last becoming a member.

Subd. 2. **Applications; accrual.** (a) A person described in subdivision 1, or another person authorized to act on behalf of the person, may make written application on a form prescribed by the executive director for a total and permanent disability benefit only within the 18-month period following the termination of teaching service.

(b) The benefit accrues from the day following the commencement of the disability or the day following the last day for which salary is paid, whichever is later, but does not begin to accrue more than six months before the date on which the written application is filed with the executive director. If salary is being received for either annual or sick leave during the disability period, the disability benefit accrues from the day following the last day for which this salary is paid.

Subd. 3. **Computation of benefits.** (a) The disability benefit granted to members covered under section 354.44, subdivision 6, must be computed in the same manner as the annuity provided in section 354.44, subdivision 6. The disability benefit is the formula annuity without the reduction for each month the member is under normal retirement age when the benefit begins to accrue as defined by the law in effect on the last day for which salary is paid.

(b) For the purposes of computing a retirement annuity when the member becomes eligible, the amounts paid for disability benefits must not be deducted from the individual member's accumulated deductions. If the disability benefits provided in this subdivision exceed the monthly average salary of the disabled member, the disability benefits must be reduced to an amount equal to the disabled member's average salary.

Subd. 3a. **Optional annuity election.** A disabled member may elect to receive the normal disability benefit or an optional annuity as provided in section 354.45, subdivision 1. The election of an optional annuity shall be made prior to commencement of payment of the disability benefit and shall be effective and shall begin to accrue on the same date the disability benefit begins to accrue.

Subd. 4. **Determination by executive director.** (a) The executive director must have the member examined by a licensed physician and any one or more medical providers.

(b) The medical providers selected under paragraph (a) must make written reports to the executive director concerning the member's disability, including expert opinions as to whether or not the member is permanently and totally disabled within the meaning of section 354.05, subdivision 14.

(c) The executive director must also obtain written certification from the last employer stating whether or not the member was separated from service because of a disability that would reasonably prevent further service to the employer and as a consequence the member is not entitled to compensation from the employer.

(d) If, upon the consideration of the reports required under paragraph (b) and any other evidence presented by the member or by others interested therein, the executive director finds that the member is totally and permanently disabled, the executive director must grant the member a disability benefit.

(e) An employee who is placed on leave of absence without compensation because of disability is not barred from receiving a disability benefit.

Subd. 4a. MS 1981 Supp [Repealed, 1982 c 578 art 3 s 19]

Subd. 5. [Repealed, 1991 c 340 s 34]

Subd. 6. **Regular physical examinations.** At least once each year during the first five years following the allowance of a disability benefit to any member, and at least once in every three-year period thereafter, the executive director may require the disability benefit recipient to undergo an expert examination by one or more medical providers engaged by the executive director. If an examination indicates that the member is no longer permanently and totally disabled or that the member is engaged or is able to engage in a substantial gainful occupation, the association must discontinue payments of the disability benefit. The payments must be discontinued as soon as the member is reinstated to the payroll following sick leave, but payment may not be made more than 60 days after the medical provider or medical providers engaged by the executive director find that the person is no longer permanently and totally disabled.

Subd. 6a. **Medical adviser; duties.** The executive director may contract with an accredited independent organization specializing in disability determinations, licensed physicians, or physicians on the staff of the commissioner of health as designated by the commissioner, to be the medical adviser to the executive director. The medical adviser shall designate licensed physicians who shall examine applicants for disability benefits. The medical adviser shall pass upon all expert reports based on any examinations performed in order to determine whether a teacher is totally and permanently disabled as defined in section 354.05, subdivision 14. The medical adviser shall also investigate all health and medical statements and certificates by or on behalf of a teacher in connection with a disability benefit, and shall report in writing to the director setting forth any conclusions and recommendations on all matters referred to the medical adviser.

Subd. 7. **Partial reemployment.** If the disabled person resumes a gainful occupation in which earnings are less than the person's salary at the date of disability, the amount of earnings plus the disability benefit originally granted may not exceed the salary at the date of disability. If the sum of earnings plus the disability benefit originally granted exceeds the salary at the date of disability, the amount of excess earnings must be deducted from the disability benefit payable during the following calendar year. The provisions of this subdivision shall not prohibit the executive director from making a determination that a member is no longer totally and permanently disabled or that the member is engaged or is able to engage in a substantial gainful occupation based on the results of the regular physical examinations required by subdivision 6 or any other physical examinations required by the board. Payment of the disability benefit provided in this subdivision during a period of partial reemployment shall be discontinued if the executive director finds that the member is no longer totally and permanently disabled.

Subd. 8. **Refusal of examination.** If any disabled person refuses to submit to a medical examination as required under this section, payments by the association must be discontinued and all rights of the member in any disability benefit must be revoked by the executive director.

Subd. 9. **Return to teaching service.** Any person receiving a disability benefit who is restored to active teaching service shall have deductions taken for the retirement fund.

Subd. 10. **Retirement status at normal retirement age.** (a) No person is entitled to receive both a disability benefit and a retirement annuity provided by this chapter.

(b) The disability benefit paid to a person hereunder must terminate at the end of the month in which the person attains the normal retirement age. If the person is still totally and permanently disabled at the

beginning of the month next following the month in which the person attains the normal retirement age, the person must be deemed to be on retirement status and, if the person had elected an optional annuity under subdivision 3a, must receive an annuity in accordance with the terms of the optional annuity previously elected, or, if the person had not elected an optional annuity under subdivision 3a, may elect to receive a straight life retirement annuity equal to the disability benefit paid before the date on which the person attains the normal retirement age or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later, or may elect to receive an optional annuity as provided in section 354.45, subdivision 1.

(c) Election of an optional annuity must be made within 90 days of the normal retirement age or the five-year anniversary of the effective date of the disability benefit, whichever is later.

(d) If an optional annuity is elected, the election is effective on the date on which the person attains the normal retirement age or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later. The optional annuity begins to accrue on the first day of the month next following the month in which the person attains the normal retirement age or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later.

Subd. 11. **Postretirement adjustment eligibility.** A disability benefit under this section is eligible for postretirement adjustments under section 356.415.

History: *Ex1957 c 16 s 10; Ex1959 c 50 s 15; 1961 c 597 s 3; 1963 c 845 s 7; 1969 c 485 s 22,23; 1973 c 728 s 21; 1974 c 289 s 33-35; 1975 c 306 s 20,21; 1975 c 359 s 23; 1981 c 68 s 25,26; 1981 c 160 s 8-10; 1981 c 224 s 113,114; 1982 c 578 art 3 s 4,19; 1984 c 564 s 34,35; 1Sp1985 c 7 s 19-21; 1986 c 444; 1987 c 259 s 37; 1987 c 284 art 6 s 8; 1987 c 372 art 9 s 26; 1989 c 319 art 2 s 18,19; art 13 s 64-66; 1990 c 570 art 12 s 36; 1991 c 340 s 21-25; 1993 c 307 art 5 s 3,4; 1994 c 528 art 3 s 23; 1995 c 141 art 3 s 20; 2000 c 461 art 3 s 37; 2002 c 392 art 11 s 52; 2004 c 267 art 8 s 26-30; 2007 c 134 art 2 s 40; 2009 c 169 art 1 s 66; art 4 s 26,27; 2014 c 296 art 13 s 18; 2015 c 68 art 13 s 35; 2018 c 211 art 11 s 10; 2022 c 65 art 5 s 10-12; 2026 c 106 art 3 s 6,7*