



# KANSAS

JACK RICKERSON, DIRECTOR

DEPARTMENT OF ADMINISTRATION  
DIVISION OF PERSONNEL SERVICES

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## MEMORANDUM

**TO:** HR Directors  
**FROM:** Jack Rickerson  
**DATE:** April 29, 2005  
**SUBJECT:** Rehabilitative Employment

We have recently learned that our disability benefit package offered through the Kansas Public Employees Retirement System has a provision for a "rehabilitative employment benefit". This is an important discovery that offers hope for employees with temporary disabilities, and offers agencies a flexibility that may help retain their investment in employees who become disabled and who can, within a year of the date they begin drawing disability benefits, return to work on a part-time basis. This capability provides the opportunity for employees who have been approved for disability and who have not been terminated from employment to transition back into the work setting with a lessening (instead of a complete loss) of disability benefits.

Rehabilitative employment is defined as work in any gainful occupation that is performed on a part-time (less than 25 hours per week) basis.

### **The Process:**

- ❖ Employee receives a doctor's statement indicating the employee is released for rehabilitative employment.
- ❖ Employee and the agency develop a work schedule and work duties that can be done in less than 25 hours per week.
- ❖ Employee contacts DCG Resources Options (Plan Administrator) at 877-202-5300.

### **Effects on Benefit Payment:**

- ❖ During the first four continuous months of rehabilitative employment, the monthly long term benefit will be reduced by 50% of the gross income received from the rehabilitative employment.
- ❖ During the next five continuous months, the monthly long term benefit will be reduced by 100% of the gross income received from rehabilitative employment.
- ❖ Rehabilitative employment benefits will never be less than the \$100 minimum long term disability benefit.

**The Termination of All Long Term Disability Benefits Occur When:**

- ❖ The employee completes nine continuous months of rehabilitative employment; or
- ❖ The employee resumes full-time employment; or
- ❖ The employee is no longer eligible for benefits.

Prior to this discovery, we have all managed with the thinking that long term disability was an all or nothing package. We see this capability as an important step towards managed care, even if it is the employee who is doing the managing.

If you need assistance as you work with KPERS and/or the long term disability providers, please contact Lois Ryan at (785) 296-4274.

cc: Glenn Deck  
Judy Lambert