

Retirement/Pension Information

This article, printed for the convenience of our members, was received from the State Retirement Agency, and includes information about the pension enhancement passed by the 2006 Maryland General Assembly. Every effort has been made to provide accurate and factual information, but interpretations of law and administrative rulings vary. Before making important decisions pertaining to your retirement, MSEA advises you to discuss the matter with a counselor at the Maryland State Retirement Agency at 410/625-5555 or 800/492-5909, or visit their website, www.sra.state.md.us.

Please note that this section applies to education support professionals as well as teachers, with a few exceptions. Most ESP members are in the state retirement or pension systems as a member of their local governmental units. ESPs in Baltimore City, Baltimore County, Charles, Montgomery, and Wicomico are covered by retirement plans through their local school systems. If you work in one of those systems, please contact your district's personnel office for more information.

Teachers' Pension System

During the 2006 legislative session, the General Assembly passed legislation creating the Alternate Contributory Pension System (ACPS). The ACPS is an enhancement of the benefit of those in the Teachers' Contributory Pension System (TCPS). The enhanced benefit increases the current multiplier in the benefit formula from 1.4 percent to 1.8 percent of salary for Pension System participants. This increase is applied retroactively to years of service from July 1, 1998 forward.

For service credit earned before July 1998, ACPS members will continue to calculate their benefit for this service using the 1.2 percent multiplier. Full service pension allowances are calculated using the average of the highest three consecutive years of salary multiplied by the number of years and months of accumulated creditable service.

Service Pension Allowances

ACPS members are eligible for full service pension allowances upon accumulating 30 years of eligibility service regardless of age. Absent 30 years of eligibility service, members must meet one of the following conditions to be eligible for full service pension allowances:

- age 62 & five years of eligibility service
- age 63 & four years of eligibility service
- age 64 & three years of eligibility service
- age 65 or older, & two years of eligibility service

For ACPS members, full service pension allowances equals:

- 1.2% of AFS for service accrued prior to July 1, 1998, plus
- 1.8% of AFS for service accrued on and after July 1, 1998.

Allowances for members who fail to make all required contributions are reduced by the actuarial equivalent of the total unpaid contributions plus interest to date of retirement. Service is accrued based on a full normal school year (ten months).

Member Contributions

The bill also increased the employee contribution from 2 percent of salary to 5 percent of salary. As of July 1, 2008, all members of ACPS are required to contribute 5 percent of earnable compensation.

Optional Forms of Payment

Option 1 Payment guarantees cash reserve equal to excess of present value of pension allowance at date of retirement minus total amount of payments (less COLAs) made to date of death.

Option 2 100% joint and survivor annuity.

Option 3 50% joint and survivor annuity.

Option 4 Payment guarantees a minimum return of members' accumulated contributions.

Option 5 100% joint and survivor annuity with adjustment to maximum benefit if beneficiary predeceases retiree.

Option 6 50% joint and survivor annuity with adjustment to maximum benefit if beneficiary predeceases retiree.

Except for a spouse or disabled child, the beneficiary designated under Options 2 or 5 cannot be more than 10 years younger than the retiree (IRS regulation).

Legislation enacted during the 2006 session creating the ACPS did not affect any other features of the Pension System benefits, such as COLAs, early retirement, accidental/ordinary disability, etc. For information on these features, please consult the State Retirement Agency or Randal Mickens at MSEA, 410/263-6600 ext. 3628.

Teachers' Retirement System

The Teachers' Retirement System (TRS) was established on August 1, 1927, and is administered in accordance with the State Personnel and Pensions Article of the Annotated Code of Maryland. Prior to January 1, 1980, membership in the TRS was a condition of employment for state and local teachers and certain board of education, public library, and community college employees.

Effective December 31, 1979, the TRS was effectively closed to new membership when the Teachers' Pension System (TPS) was established. Individuals who were members of the TRS on December 31, 1979 continued their TRS membership unless, or until, they elect to transfer to the newly created pension system.

Service Retirement Allowances

TRS members are eligible for full service retirement allowances upon attaining age 60 or upon accumulating 30 years of eligibility service regardless of age.

Full service retirement allowances equal $1/55$ (1.818 percent) of the highest three years' average final salary (AFS) multiplied by the number of years and months of accumulated creditable service. Allowances for members who fail to make all required contributions are reduced by the actuarial equivalent of the total unpaid contributions plus interest to date of retirement. Service is accrued based on a full normal school year (ten months).

Member Contributions

All member contributions to the TRS are based on a specified percentage of annual earnable compensation. Members who elected in 1984 to receive unlimited future cost of living adjustments (COLA) contribute 7 percent. This option is referred to as Selection A (Unlimited COLA).

Members who elected in 1984 to receive limited future COLAs contribute 5 percent. This option is referred to as Selection B (Limited COLA).

The member contribution rate for all other TRS members is the same as for members of the ACPS, under an option that provides a two-part benefit calculation upon retirement. This option is referred to as Selection C (Combination Formula).

Optional Forms of Payment

Same as for Teachers' Pension System. See above.

For more information

For more information regarding your retirement and pension benefits, please contact the State Retirement Agency at 410/625-5555 or 800/492-5909. There is also a wealth of information on the State Retirement Agency's website, which can be found at www.sra.state.md.us. For pension and retirement questions at MSEA, please contact Randal Mickens at 410/263-6600 ext. 3628.

Cost of Living Adjustments

Retirement allowances for ACPS members are adjusted each year based on the Consumer Price Index. COLAs are effective July 1 of each year and are compounded annually. The System limits the increase a retiree may receive to a maximum of 3 percent.

Social Security

Summary of Benefits

This brief summary describes your benefits under the Social Security and Medicare programs, which include hospital and medical insurance as well as retirement, disability, and survivors' benefits.

What You Pay

In 2011, you will pay a Social Security tax of 4.2 percent of the first \$106,800 of your earnings, plus a Medicare tax of 1.45 percent of all that you earn. Your employer will pay a tax of 6.2 percent. In 2012, you will also pay 6.2 percent.

Applying for Benefits

You are entitled to a retirement benefit if you are fully insured, are at least age 62, and file a claim with a Social Security office. Generally, application can be made by internet at www.socialsecurity.gov, by telephone, mail, or in person. The people at Social Security will tell you what documents you need to provide for the type of benefit you are claiming and, if need be, will help in completing the application form.

You should talk to a Social Security representative in the year before the year you plan to retire. Prompt filing is important. Delay may mean fewer payments because retirement benefits may be paid for up to only six months retroactively. It may be to your advantage to start your retirement benefits before you actually stop working.

Even if you don't plan to retire, it is important to contact Social Security two or three months before you or your spouse reaches age 65 to arrange for Medicare insurance coverage. If you wait until the month you reach 65 or later, you may lose two or three months of protection.

Payoff on Retirement

If you retire in 2011 at age 66 and you have earned the maximum amount each year used to figure benefits, the highest monthly benefit you can receive is \$2,346.

You can retire as early as age 62, but this will permanently reduce your benefit, even for years after you reach age 65 and 8 months. You will get about the same total sum over your lifetime, but in smaller amounts to account for the longer period you will get them.

If you work past age 66, your benefits (and your dependent surviving spouse's benefits) will be increased by a certain percentage (see "Work After Retirement" and Table 2). These

increases will be added in automatically until you reach age 70, when full benefits are payable without regard to earnings.

If you are not yet eligible to retire, you can request an estimate of your future benefits (see "How to Get Your Benefit Estimate"). Note that if you were born after 1937, your full retirement age will be more than 65. You can still receive reduced benefits at age 62, but the reduction will be larger than it is now.

Tax on Benefits

Some people who get Social Security will have to pay taxes on their benefits. You will be affected only if you have substantial income in addition to your Social Security benefits. If you file a federal tax return as an "individual" and your combined income is between \$25,000 and \$34,000, you may have to pay taxes on 50 percent of your benefits. If your combined income is above \$34,000, up to 85 percent of your benefits may be subject to income tax. If you file a joint return, you may have to pay taxes on 50 percent of your benefits if you and your spouse have a combined income that is between \$32,000 and \$44,000. If your combined income is more than \$44,000, up to 85 percent of your benefits may be subject to income tax. If you are married and file a separate return, you probably will pay taxes on your benefits. For more information about the taxation of your Social Security benefits, you can call the IRS at 1-800-829-3676 to ask for a copy of Publication 554, "Older Americans' Tax Guide," and Publication 915, "Social Security and Equivalent Railroad Retirement Benefits," or visit www.irs.gov.

If You Become Disabled

If you should become severely disabled, you and your dependents can start drawing monthly Social Security benefits (after a five-month waiting period) just as if you reached full retirement age. However, you must be under full retirement age and insured for disability benefits, and you must apply for disability benefits. Note that your total family benefit is limited to the smaller of 85 percent of your average indexed monthly earnings or 150 percent of your PIA. Other provisions that may affect benefit amounts are discussed under "Retirees—How Your Benefits Are Calculated." The time element in applying for disability benefits is very important—a delay of over 12 months beyond the waiting period in making application may result in your losing benefits. To be eligible, you need medical proof showing that you are unable to perform any substantial work for pay because of a severe physical or mental disability, and that the disability has lasted, or is expected to last, 12 months or more or will result in death. (Generally, a job that pays more than \$940 per month is considered substantial work. However, a

job that pays \$300 per month could be considered substantial work if you submit evidence that area workers who are not disabled do a similar amount and quality of work or your work is clearly worth more than \$940, based on pay scales in your community.) You must be “fully insured” and have had 5 years (20 credits) of coverage in the last 10 years before your disability. Workers who become disabled between the ages of 24 and 31 can qualify for disability benefits if they worked half the time between age 21 and the time they became disabled. Persons disabled before age 24 are eligible if they have earned six credits in the three-year period ending when the disability started. Workers disabled and recovered before age 31 and again disabled after age 31 may be eligible if they worked half the time after age 21 through the calendar quarter of their second disability, excluding the first period of disability. The minimum number of quarters generally required under this alternate test is 6. Special rules apply for disabled blind people.

When you apply for disability benefits, you will be considered for vocational rehabilitation services by an agency in your state. If your application is approved, you will not be paid disability benefits if, without good cause, you refuse counseling, training, or other services offered to you by the state vocational rehabilitation agency. If you return to work in spite of your impairment, your benefits will continue during a trial work period of up to nine months (not necessarily consecutive, but within a five-year period) to test your ability to work. You must have net earnings of more than \$670 in a month to count that month in the trial work period. If you are able to do substantial work after nine months of trial work, your benefits will continue for an adjustment period of three additional months. If you complete the nine-month period and again become unable to continue working within the next 36 months, your benefits can be restarted automatically.

If you become disabled within five years after you return to work, you can begin receiving benefits again without serving another five-month waiting period, provided that your second disability is expected to last 12 months or more. This also applies to individuals who were entitled to benefits as a disabled surviving spouse or as a person disabled before age 22 who becomes disabled again within seven years after benefits end.

Survivor Benefits

Monthly survivor benefits are available if you are insured by Social Security when you die (regardless of your age). Call the Social Security office for details.

How Your Benefits Are Determined

The monthly benefit you and eligible members of your family will receive is determined by the Social Security Administration. Determining this amount involves your

earnings record, when you become eligible for benefits (the year you reach age 62, become disabled, or die), the age at which your benefits begin, and your family situation.

Current Workers— How Your Benefits Are Estimated

The Personal Earnings and Benefit Estimate Statement lists your earnings record and provides an estimate, in today’s dollars, of the benefits for which you and your family might qualify upon retirement or if you should die or become disabled.

Your estimated benefits are figured by the method used to calculate actual benefits discussed under “Retirees” above (i.e., your PIA is computed from your average earnings, then the percentages shown in Table 1 are applied to the PIA to derive the monthly benefit amounts shown in the Statement).

Bear in mind that the Statement is not a decision on a claim for Social Security benefits. You do not qualify for any of these benefits unless you apply for them, have all the Social Security credits you need, and meet all other requirements. The actual number of Social Security credits and the benefit estimates shown on the Statement may change. The Social Security Administration will determine the exact amount of your Social Security benefits, if any, when you apply.

If any of the information you submitted is wrong, the Social Security credits shown and the benefits estimated in the Statement may also be wrong. Social Security bases your benefit estimate in part on your future average yearly earnings. The accuracy of your prediction of earnings will affect the accuracy of your benefit estimate.

How to Get Your Benefit Estimate

To get your Personal Earnings and Benefit Estimate Statement, call or stop by your nearest Social Security Office and ask for Form 7004. You may also make your request through the internet at www.socialsecurity.gov or call at 800/772-1213.

In filling out the form, pay special attention to the instructions for question 9. Stamp and mail the completed form to the address shown for the Social Security office for your state. You also can complete the form online and transmit it. Your statement should arrive within four to six weeks.

Age To Receive Full Social Security Benefits

(Called “full retirement age” or “normal retirement age.”)

Note: If you qualify for benefits as a Survivor, your full retirement age may be different.

Year of Birth*	Full Retirement Age
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

**If you were born on January 1st of any year you should refer to the previous year.*

Medicare Part A—Hospital Insurance

What It Covers

Hospital care, for up to 90 days for each benefit period (but you pay for the first \$1,132 of the hospital bill and an additional \$283 for each day over 60 until you reach day 91). After day 91, you pay the first \$565 per day until day 151. Starting on day 151, you pay all the costs. A benefit period begins when you enter the hospital and ends after you have remained out of the hospital (or out of a skilled nursing facility) for 60 consecutive days. Care includes semi-private room and board (private rooms only when medically necessary); use of operating and recovery rooms; regular duty nursing services; radiological services; hospital costs for anesthesia services; drugs; blood transfusions (but you pay the costs of the first 3 pints of blood or provide replacement); medical supplies and appliances; rehabilitation services; and psychiatric hospital care for a lifetime total of 190 days.

It Does Not Cover

Your doctor's bill (but see Part B); psychiatric hospital care over a 190-day lifetime maximum; cost of private duty nurses, convenience items and custodial care; or items or services not reasonable or necessary.

You Become Eligible

Whether you are working or retired, you are eligible for Part A benefits at age 65 if you are entitled to monthly Social Security or railroad retirement benefits, are insured under Social Security or railroad retirement, or have worked long enough in federal, state, or local government employment to be insured for Medicare purposes. Your spouse, at age 65, is also eligible. Employers with 20 or more employees are required to offer workers age 65 or

older (and spouses age 65 or older married to workers of any age) the same health benefits offered to younger workers. You may accept or reject the employer's health plan. If you accept it, Medicare will become the secondary health insurance payer. If you reject the employer plan, Medicare will remain the primary health insurance payer.

Individuals age 65 who are not eligible under these rules may enroll for Part A benefits by paying the full cost of coverage (\$248 per month for individuals with 30 or more quarters but fewer than 40 quarters of Medicare-covered employment; \$450 per month for those with fewer than 30 quarters or no quarters of Medicare-covered employment).

Medicare Part B—Medical Insurance

What It Covers

"Welcome to Medicare" Physical Exam is covered if it occurs within the first six months that you have Part B.

Services of physicians, including diagnosis, therapy, surgery, consultation, and home, office, and institutional calls, services and supplies ordinarily furnished in a doctor's office, such as services of an office nurse and drugs that cannot be self-administered.

Certain other services are also covered. Contact your provider for information.

Outpatient hospital services for diagnosis and treatment, such as care in an emergency room or outpatient clinic; and outpatient services including surgery, physical therapy, speech pathology, and those furnished in a comprehensive outside rehabilitation facility.

Additional medical services, including diagnostic X-ray, laboratory, and other tests; X-rays and radiation treatments; certain ambulance services; surgical dressings and splints, casts, and similar devices; purchase or rental of durable medical equipment used in the patient's home; prosthetic devices (other than dental) that replace all or part of an internal organ; braces and artificial legs, arms, and eyes; supplies for care of a colostomy; renal dialysis treatment; pneumococcal, influenza, and hepatitis B vaccines; immunosuppressive drugs for up to 18 months after an organ transplant; pap smears; mammography screening (if age 65 or older or disabled); and blood transfusions, but you pay the cost of the first 3 pints or provide replacement. Mental health care questions should be addressed to your carrier.

Home health services are covered under Part B only if you do not have Part A coverage (see Part A coverage).

Diabetes Screening coverage for individuals that have any of the following: high blood pressure, dyslipidemia (history of abnormal cholesterol and triglyceride levels), obesity, or a history of high blood sugar. Up to two screenings a year are covered. You pay nothing.

Cardiovascular Screening every five years.

What It Pays

Medicare generally pays 80 percent of the approved amount for covered services after you pay an annual \$155 deductible. You are responsible for paying the other 20 percent of deductible charges and for permissible physician charges in excess of the Medicare-approved amount, plus all charges not covered by Medicare. Physicians who do not accept assignment of Medicare claims can charge the lower of the prevailing rate or 15 percent more than the Medicare-approved amount for a covered physician service. There is no deductible for mammography screening, only a 20 percent co-pay. Starting in 2005, Part B will cover more preventable services, including preventative physical exams as well as cardiovascular and diabetes screening tests.

- For visits to a doctor or other health care provider to **diagnose** your condition, or to **monitor** or **change** your prescriptions, you pay 20 percent of the Medicare-approved amount.
- For outpatient treatment of your condition (such as counseling or psychotherapy), you pay 45 percent in 2010 (which is lower than in 2009) of the Medicare-approved amount. This copayment amount will continue to decrease over the next 4 years.

The Part B deductible applies for both visits to diagnose or monitor your condition as well as treatment.

Note: Inpatient mental health care is covered under Part A hospital stays.

It Does Not Cover

Routine foot care; eye exams to determine the need for eyeglasses; eyeglasses or fitting expenses (except prosthetic lenses); hearing aids or fitting expenses; cosmetic surgery (except in repair of an injury).

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Your 2011 Part B Monthly Premium is:
\$85,000 or less	\$170,000 or less	\$96.40 if beneficiary had SSA withhold in 2009 \$110.50 if beneficiary was new in 2010 and had SSA withhold \$115.40 for all others
\$85,001- \$107,000	\$170,001- \$214,000	\$161.50 (increased by \$46.10 due to IRMAA)
\$107,001- \$160,000	\$214,001- \$320,000	\$230.70 (increased by \$115.30 due to IRMAA)
\$160,001- \$214,000	\$320,001- \$428,000	\$299.90 (increased by \$184.50 due to IRMAA)
Greater than \$214,000	Greater than \$428,000	\$369.10 (increased by \$253.70 due to IRMAA)

Beneficiaries who are married but file a separate tax return from their spouse and lived with his or her spouse at some time during the taxable year:	Your 2010 Monthly Premium is:
\$85,000 or less	\$96.40 if beneficiary had SSA withhold in 2009 \$110.50 if beneficiary was new in 2010 and had SSA withhold \$115.40 for all others
\$85,001-\$129,000	\$299.90 (increased by \$184.50 due to IRMAA)
Greater than \$129,000	\$369.10 (increased by \$253.70 due to IRMAA)

Changes to Medicare Part B

Part B deductible

- 2010 \$162 (Note: You pay 20 percent of the Medicare-approved amount for services after you meet the \$135.00 deductible.)
- Indexed Annually

Medicare Part C-Managed Care

Better known as Medicare Advantage, is an alternative to coverage under Medicare Parts A and B.

Medicare Part D-Prescription Drugs

Enacted as part of the the Medicare Prescription Drug, Improved and Modernization Act of 2003. The benefit started on January 1, 2006.

This plan is structured very differently from Medicare Parts A & B. Through this plan, many companies compete for enrollees. The benefit does not come directly from Medicare.

Plan highlights for 2011 include:

- \$310 deductible
- The beneficiary then pays a copayment and the plan pays a copayment until combined amount plus deductible reaches \$2,840.
- The beneficiary then enters another deductible known as the donut hole, in which they pay the full cost of the drugs until total out-of-pocket expenses reach \$4,550. Starting in 2011, the beneficiary will get a 50 percent discount on covered name brand prescription drugs.
- After the beneficiary has spent \$4,550 in out-of-pocket expenses they reach catastrophic coverage. At this state, one pays a small copayment for each drug.

Starting in 2011, due to changes in Medicare (all parts) you will pay no deductible or copay for most preventative services.

Workers' Compensation for School Employees

All school employees in Maryland are covered by Workers' Compensation insurance from the first day of employment. This insurance covers employees while working on behalf of the employer. There is no cost to the school employee. Boards of education are required to purchase this insurance to cover their employees. If a board of education fails to purchase this insurance, the Uninsured Employers' Fund will provide coverage to an employee. If there is a possibility that a Workers' Compensation injury has occurred, the school employee should immediately report the injury to the school employee's supervisor and then contact their local MSEA field representative for further assistance.

A claim should be filed within 60 days after an injury; however, a claim may be filed up to two years after an injury under certain circumstances. A claim is usually filed by the employee or the employee's attorney. Just because the school employee has prepared an incident report does not mean that a claim has been filed. The employee must file his/her own claim with the Workers' Compensation Commission. Once a claim has been filed, the Commission will send to the employee a "Notice of Employee's Claim" that shows the claim information. This information may also be obtained online at www.wcc.state.md.us. The employee can also call the Workers' Compensation Commission at 800/492-0479 and enter his/her social security number at the appropriate prompt. Your local association can help you with this process, including recommending an experienced Workers' Compensation attorney.

Reasons for Payment

To be eligible for benefits, an employee must sustain an accidental injury or occupational disease arising out of and in the course of his or her employment. An accidental injury is an injury that one gets as a result of his or her employment. A disease is considered an occupational disease if it is a disease that would normally be expected to be contracted from the work environment, and does actually result from the work environment. Repetitive motion injuries are often considered occupational diseases.

Summary of Compensation Benefits

There are many benefits that an employee may receive if he or she is found to be eligible. These benefits include, but are not limited to, medical benefits, Temporary Disability benefits, and Permanent Disability benefits.

All reasonable and necessary medical treatments that are needed because of the injury or occupational disease are covered for the remainder of the employee's life.

1. Temporary Disability

Temporary Disability is disability paid while the employee is healing. This healing period lasts until the employee is to the point of maximum medical improvement (MMI). This occurs when the employee's doctors say that he or she has recovered as much under their care as possible and release the employee from active care.

Temporary Disability comes in two forms: (1) Temporary Total Disability (TTD) and (2) Temporary Partial Disability (TPD).

TTD occurs when the employee's doctor tells the employee that he or she cannot go to work and that he or she should stay home and recuperate. Benefits are paid to the employee at two-thirds of the employee's average weekly wage for the 13 weeks prior to the employee's injury. This amount cannot exceed the state average weekly wage (\$920 in 2010). The employee will continue to receive this until the employee's doctor says he or she can return to work in some capacity. By law, the first three days of TTD are not paid until the employee is off for a minimum of 14 days.

TPD occurs when the employee's doctor says that he or she can work with limitations, and because of this he or she can't earn the previous average weekly wage. In this case, the benefits paid are one-half of the difference between the employee's weekly earnings and the employee's average weekly wage up to one-half of the state average weekly wage for the year of injury.

If the employee's doctor releases the employee to work with restrictions, and the employer cannot provide a job that the employee can perform under the doctor's restrictions, the employee is eligible for TTD payments.

For either TTD or TPD, each time the employee sees his or her doctor he or she should get a doctor's disability statement written by the doctor. Without this, the employee's benefits will not be paid.

Any monetary benefits may be paid throughout the employee's life if medically necessary, so long as there is not more than a five-year gap in payments.

2. Permanent Disability

Once the employee has reached maximum medical improvement (MMI), it is time to have his or her permanent disability evaluated. Under Workers' Compensation law, different parts of the body have different values, expressed in weeks of compensation. These values are listed in the Workers' Compensation statute. Any part of the body that is not listed in the statute is worth 500 weeks. Most notably, backs and necks are not listed, and, thus, are worth 500 weeks.

The permanent disability that the employee suffered as a result of his or her injury is evaluated by a doctor of his or her choice and a doctor of the insurer/employer's choice. These ratings determine the amount of permanent disability that the employee will receive. There are three levels of Permanent Partial Disability: (1) under 75 weeks; (2) 75 weeks to under 250 weeks; and (3) 250 weeks or greater. The amount of weeks the employee gets for his or her injury determines the rate at which he or she is paid for each week. The year of the injury also determines the amount of compensation. For example, if the employee were injured in 2008, he or she would receive \$114.00 per week for each week less than 75 weeks, \$293.00 per week if the number of weeks falls between 75 and 249, and \$658.00 per week for more than 250 weeks, and for 2009 those rates are \$130.00, \$307.00, and \$690.00, respectively.

For example, if the employee injured his or her back and it is found to be 10 percent disabled as a result of this injury in 2008, he or she will receive compensation for 50 weeks (10 percent of 500 = 50). A 50-week injury will pay the employee \$114.00 for 50 consecutive weeks. If the employee is found to be 20 percent disabled, he or she will get \$293.00 per week for 100 weeks.

The figures become more complicated past 249 weeks. The employee's attorney will explain this to the employee, if necessary.

If the employee is permanently totally disabled as a result of his or her injuries, he or she is entitled to lifetime disability payments. The loss of, or total loss of use of, both hands, arms, legs, eyes, or any combination of these is considered permanently totally disabling. These injuries do not have to be suffered in the same accident in order to be permanently disabling under the law. The employee's lawyer will explain these benefits, as well as any other benefits for total disability. Additionally, if the employee experiences a worsening of his/her condition after having his/her permanent disability evaluated, then the employee can be re-evaluated by the Workers' Compensation Commission, so long as this worsening condition occurs within five (5) years of the date of the last payment received from the Workers' Compensation insurer or employer.

3. Other Benefits

Other benefits include vocational rehabilitation and death and funeral benefits. Vocational rehabilitation is assistance in finding a new occupation in the event that the employee can no longer perform his or her occupation because of his or her injuries. This benefit is to insure that the employee may return to some type of gainful employment if at all possible. An employee who is receiving vocational rehabilitation services, as part of a vocational rehabilitation plan approved by the Workers' Compensation Commission, is entitled to compensation as if temporarily totally disabled.

Benefits paid to the employee are not taxable. However, these benefits may be reportable, so the employee should keep a complete record of payments to him or her, as if they were paychecks.

If a school employee decides to take disability retirement as a result of his or her workers' compensation injuries, payments made to the employee for disability retirement will be set off against any permanent disability benefits that he or she receives as a result of his or her Workers' Compensation Claim. The employee will get either the full Workers' Compensation permanent disability benefits or the full disability retirement benefits, whichever is greater, until one or the other ends.

Miscellaneous Matters

MSEA does not provide an attorney to represent school employees before the Workers' Compensation Commission because the law prohibits the association from paying the attorney's fees on behalf of the employee. However, MSEA and your local representatives will assist you in locating suitable counsel. As with many areas of the law, Workers' Compensation law is highly specialized. Remember, Workers' Compensation is similar to defending a traffic ticket. Most claims are not accepted by the workers' compensation insurer as being valid. If the employee's claim is contested, it is particularly helpful to have the assistance of an attorney, since the employer will be represented by an attorney. MSEA highly recommends that each employee who wishes to make a Workers' Compensation Claim be represented by an attorney.

Further information may be obtained by contacting:
Workers' Compensation Commission
10 East Baltimore Street
Baltimore, MD 21202-1641
410/767-0900 or 800/492-0479
<http://www.wcc.state.md.us>