

## APPLICATION OUTCOMES FOR DISABILITY BENEFITS, 2015

### EMPLOYEE

Railroad retirement employee disability awards are based either on total disability or on occupational disability. A total disability annuity is based on disability for all employment and is payable at any age to employees with at least 10 years of service. Employees with less than 10 years of railroad service, but at least 5 years of service after 1995, may qualify on the basis of total disability if they also meet certain social security earnings requirements.<sup>a</sup> An employee is considered totally disabled if medical evidence shows that a permanent physical or mental condition exists which prevent the performance of any regular work. A condition is considered to be permanent if it has lasted or may be expected to last for at least 12 months.

An occupational disability annuity is based on disability from the employee's regular railroad occupation and is payable to employees with a current connection with the rail industry at age 60, if the employee has 10 years of service, or at any age, if the employee has at least 20 years of service. An employee who worked for a railroad in at least 12 months in the 30 months immediately preceding the month his or her railroad retirement annuity begins will meet the current connection requirement. If an employee does not qualify for a current connection on this basis, but has 12 months of service in an earlier 30-month period, he or she may still meet the current connection requirement.<sup>b</sup> An employee is considered occupationally disabled if medical evidence shows that a permanent physical or mental condition exists which prevents the performance of his or her regular railroad occupation. An employee considered occupationally disabled for work in his or her regular railroad occupation may be able to perform other kinds of work.

An application for an employee disability annuity is also an application for a period of disability, also known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower Federal income taxes on his or her annuity.

For calendar year 2015, there were 271,000 active railroad employees of which 181,500 were eligible for a disability annuity on the basis of years of railroad service. Of these eligible employees, approximately 0.5 percent were awarded disability benefits. This percent of eligible employees awarded disability benefits has steadily decreased from 1.4 percent in calendar year 2008. The chart below displays this decline of eligible railroad employees who were awarded a disability.

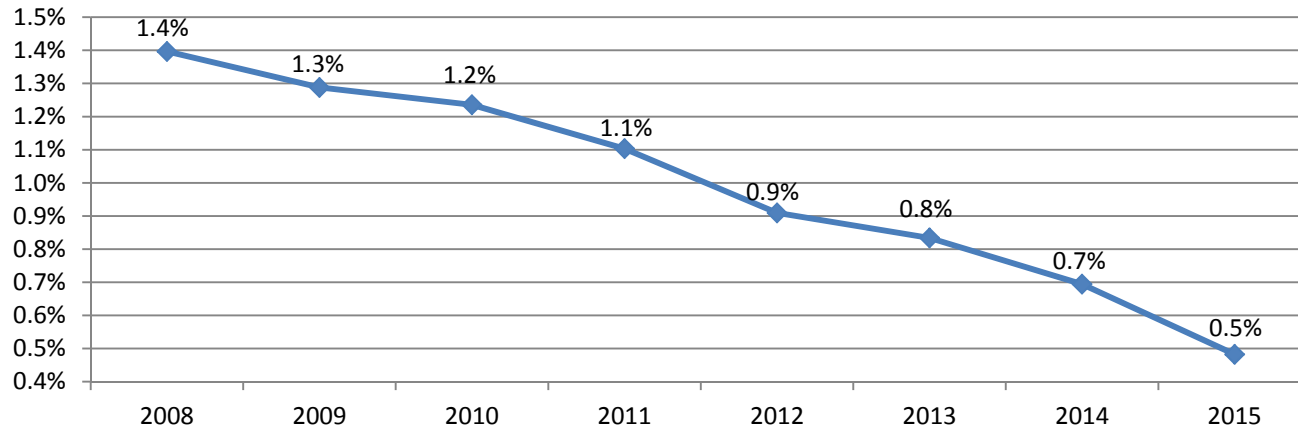
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<sup>a</sup> Ordinarily, an employee disability annuity is comprised of a Tier I component and a Tier II component. However, if a total disability annuity is payable to an employee with less than 10 years of service, the Tier II component is not payable until the employee attains age 62.

<sup>b</sup> The current connection alternative generally applies if the employee did not have any regular employment outside the railroad industry after the end of the last 30-month period which included 12 months of railroad service and before the month the annuity begins or the date of death. Full or part-time work for a nonrailroad employer in the interval between the end of the last 30-month period including 12 months of railroad service and the month an employee's annuity begins, or the month of death if earlier, can break a current connection. For additional information on current connection see -

[https://www.rrb.gov/pdf/opa/pub\\_1511.pdf](https://www.rrb.gov/pdf/opa/pub_1511.pdf).

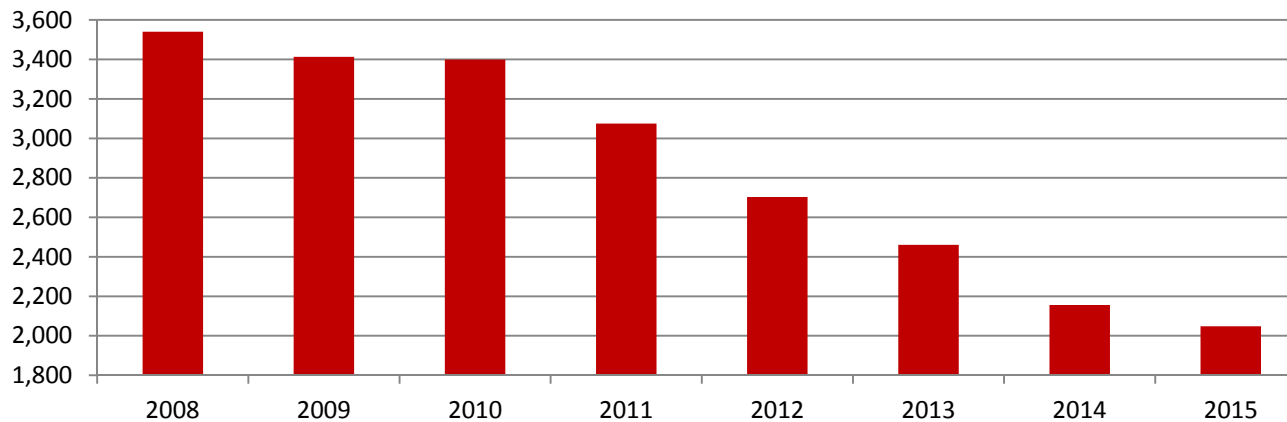
**% of Eligible Railroad Employees Who Were Awarded a Disability  
(by Calendar Year)**



**Note:** The figures in the chart above may change since some decisions for certain years have not been made yet. Source: Numbers provided by the Bureau of the Actuary. Data is from the December 2016 Retirement Master Benefit File.

As illustrated by the chart below, employee disability applications have decreased from 3,540 applications filed in calendar year 2008 to 2,048 applications in calendar year 2015, over a 42.1 percent decline.

**Employee Disability Applications Filed in Year  
(by Calendar Year)**



Source: Table 1

## SURVIVOR

Annuities are payable to surviving widow(er)s, children, and certain other dependents. The Railroad Retirement Board (RRB) pays survivor disability annuities to:

- Widow(er)s, Remarried Widow(er)s, and Surviving Divorced Spouses ages 50 to 59 who are totally disabled and unable to work in any regular employment; and
- Unmarried disabled child over age 18 if the child became totally disabled before age 22.

Eligibility for survivor benefits depends on whether or not the railroad employee was "insured" under the Railroad Retirement Act at the time of death.

An employee is insured if he or she has at least 120 months (10 years) of railroad service, or 60 months (5 years) performed after 1995, and a "current connection" with the railroad industry as of the month the annuity begins or the month of death, whichever occurs first.

If a deceased employee was not so insured, jurisdiction of any survivor benefits payable is transferred to the Social Security Administration (SSA) and any survivor benefits are paid by that agency instead of the RRB. Regardless of which agency has jurisdiction, the deceased employee's railroad retirement and social security credits will be combined for the purpose of survivor benefit computations.

### **Disabled Widow(er), Remarried Widow(er), Surviving Divorced Spouse**

These survivor annuities include the widow(er)s, remarried widow(er)s, and surviving divorced spouses payable at ages 50 to 59 if they are totally disabled and unable to work in any regular employment. The disability for each of these type annuitants must have begun within 7 years after the railroad employee's death or within 7 years after the termination of an annuity based on caring for a child of the deceased employee. In most cases, a 5-month waiting period is required after the onset of disability before a disability annuity can begin. These annuitants are entitled to the portion of a survivor annuity equivalent to a social security benefit<sup>c</sup>.

Each of these groups of disabled widow(er) type annuitants has different requirements concerning marriage to the employee, as well as any remarriages. Generally, the widow(er) must have been married to the employee for at least 9 months prior to death, unless she or he was the natural or adopted parent of their child, the employee's death was accidental or while on active duty in the U.S. Armed Forces, the widow(er) was potentially entitled to certain railroad retirement or social security benefits in the month before the month of marriage, or the marriage was postponed due to State restrictions on the employee's prior marriage and divorce due to mental incompetence or similar incapacity.

A disabled surviving divorced spouse may qualify if she or he was married to the employee for a period of at least 10 years immediately before the date the divorce became final, and is unmarried or remarried under certain conditions.

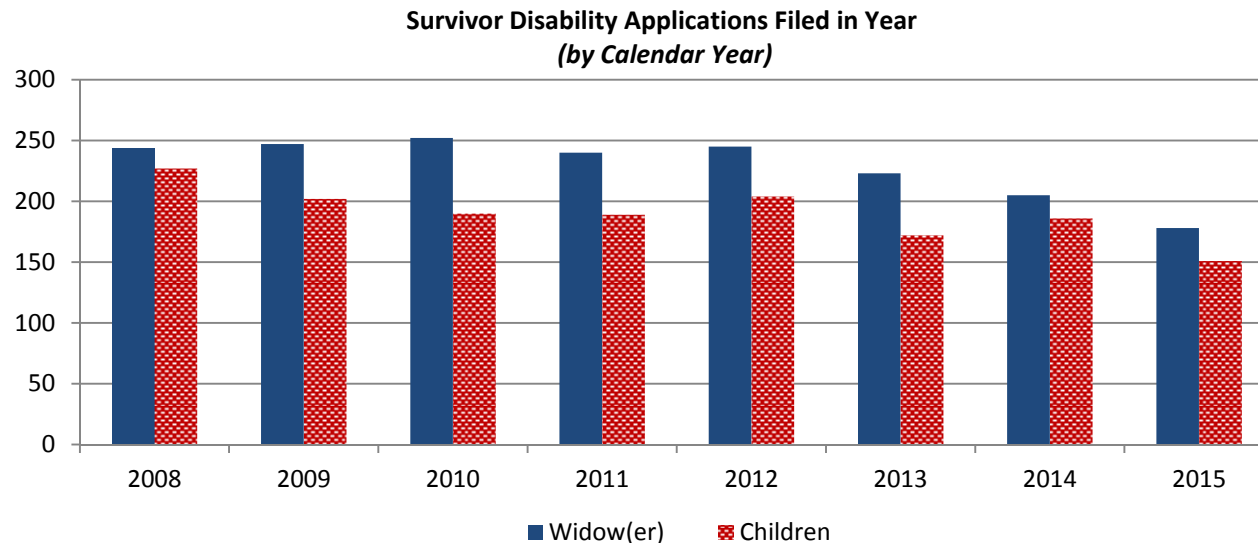
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<sup>c</sup> Survivor disability annuities, like retirement annuities, consist of Tier I and Tier II components. Tier I is based on the deceased employee's combined railroad retirement and social security credits, and is generally equivalent to the amount that would have been payable under social security. Tier II amounts are percentages of the deceased employee's Tier II amount. **NOTE:** The surviving divorced spouse and remarried widow(er) are only entitled to Tier I not Tier II.

## Disabled Adult Child

Survivor annuities are also payable to an unmarried disabled child over age 18 if the child became totally disabled before age 22.

As illustrated by the chart below, widow(er)s' disability applications (includes widow[er]s, remarried widow[er]s, and surviving divorced spouses) have decreased from 244 applications filed in calendar year 2008 to 178 applications in calendar year 2015, about a 27.1 percent decline. Adult children's disability applications have also decreased from 227 applications filed in calendar year 2008 to 151 applications in calendar year 2015, almost a 33.5 percent decline.



Source: Table 5

Tables 1-8 provide data on the application outcomes for disability benefits at different levels of adjudication (initial, reconsideration, hearings and appeals, and above) for the employee and survivor disability benefits. New for this year are Tables 5-8 which provide data on the outcomes of applications for survivor disability benefits. These tables are derived from the Application Tracking System which is maintained by the Office of Programs. Each year this report will be updated to include data from the previous year. The data in these tables is reported by the disability application filing year and includes decisions through the administrative appeals process. The administrative appeals process is defined as all adjudicative levels subsequent to the initial level. For this report, the decisions are through February 2, 2017 for applications filed during calendar years 2008 through 2015.

**Released: February 2017**

Table 1: Outcomes of Disability Applications at All Adjudicative Levels  
 Calendar Year of Applications, 2008-2015  
 Workers

Calendar Year	Total Applications	Pending	Technical Denials <sup>b</sup>	Total Disability								Occupational Disability							
				Denials <sup>c</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>				Denials <sup>c</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>					
					Number	Rate <sup>d</sup>	Number	Freeze		Non-Freeze		Number	Rate <sup>d</sup>	Number	Freeze		Non-Freeze		
							Number	Percent <sup>e</sup>	Number	Percent <sup>e</sup>				Number	Percent <sup>e</sup>	Number	Percent <sup>f</sup>		
2008	3,540	0	20	183	1,061	85.3%	892	84.1%	169	15.9%	39	2,237	98.3%	1,751	78.3%	486	21.7%		
2009	3,413	0	22	172	1,144	86.9%	987	86.3%	157	13.7%	40	2,035	98.1%	1,653	81.2%	382	18.8%		
2010	3,399	0	29	186	1,177	86.4%	1,011	85.9%	166	14.1%	38	1,969	98.1%	1,623	82.4%	346	17.6%		
2011	3,075	0	26	197	1,083	84.6%	954	88.1%	129	11.9%	38	1,731	97.9%	1,422	82.1%	309	17.9%		
2012	2,703	0	15	181	949	84.0%	824	86.8%	125	13.2%	24	1,534	98.5%	1,322	86.2%	212	13.8%		
2013	2,461	1	19	167	918	84.6%	793	86.4%	125	13.6%	50	1,306	96.3%	1,100	84.2%	206	15.8%		
2014	2,156	0	34	182	819	81.8%	724	88.4%	95	11.6%	40	1,081	96.4%	915	84.6%	166	15.4%		
2015	2,048	85	34	187	724	79.5%	605	83.6%	119	16.4%	24	994	97.6%	776	78.1%	218	21.9%		

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

a. An application for an employee disability annuity is also an application for a period of disability, also known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower Federal income taxes on his or her annuity. Pending, denied, and cancelled disability freeze applications are included as non-freeze determinations.

b. Applications were denied for non-medical reasons.

c. Applications were denied for not meeting the medical criteria for disability.

d. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

e. Freeze percents are determined by dividing freeze decisions by associated allowance decisions.

f. Non-freeze percents are determined by dividing non-freeze decisions by associated allowance decisions.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.

Table 2: Outcomes of Disability Applications at the Initial Adjudicative Level  
 Calendar Year of Applications, 2008-2015  
 Workers

Calendar Year	Total Applications	Pending	Technical Denials <sup>b</sup>	Total Disability								Occupational Disability							
				Denials <sup>c</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>				Denials <sup>c</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>					
					Number	Rate <sup>d</sup>	Number	Percent <sup>e</sup>	Non-Freeze	Number		Percent <sup>e</sup>	Number	Percent <sup>e</sup>	Number	Percent <sup>f</sup>			
2008	3,540	0	20	356	888	71.4%	770	86.7%	118	13.3%	60	2,216	97.4%	1,739	78.5%	477	21.5%		
2009	3,413	0	22	364	952	72.3%	843	88.6%	109	11.4%	52	2,023	97.5%	1,649	81.5%	374	18.5%		
2010	3,399	0	29	361	1,002	73.5%	885	88.3%	117	11.7%	49	1,958	97.6%	1,616	82.5%	342	17.5%		
2011	3,075	0	26	342	938	73.3%	849	90.5%	89	9.5%	54	1,715	96.9%	1,412	82.3%	303	17.7%		
2012	2,703	0	15	285	845	74.8%	755	89.3%	90	10.7%	36	1,522	97.7%	1,315	86.4%	207	13.6%		
2013	2,461	1	19	270	815	75.1%	720	88.3%	95	11.7%	79	1,277	94.2%	1,095	85.7%	182	14.3%		
2014	2,156	0	34	254	747	74.6%	678	90.8%	69	9.2%	47	1,074	95.8%	913	85.0%	161	15.0%		
2015	2,048	85	34	211	700	76.8%	591	84.4%	109	15.6%	27	991	97.3%	775	78.2%	216	21.8%		

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

a. An application for an employee disability annuity is also an application for a period of disability, also known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower Federal income taxes on his or her annuity. Pending, denied, and cancelled disability freeze applications are included as non-freeze determinations.

b. Applications were denied for non-medical reasons.

c. Applications were denied for not meeting the medical criteria for disability.

d. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

e. Freeze percents are determined by dividing freeze decisions by associated allowance decisions.

f. Non-freeze percents are determined by dividing non-freeze decisions by associated allowance decisions.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.

Table 3: Outcomes of Disability Applications at the Reconsideration Adjudicative Level  
 Calendar Year of Applications, 2008-2015  
 Workers

Calendar Year	Total Applications	Pending	Total Disability								Occupational Disability							
			Denials <sup>b</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>				Denials <sup>b</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>					
				Number	Rate <sup>c</sup>	Number	Percent <sup>d</sup>	Number	Percent <sup>e</sup>		Number	Percent <sup>d</sup>	Number	Percent <sup>e</sup>				
2008	294	1	207	57	21.6%	49	86.0%	8	14.0%	16	13	44.8%	7	53.8%	6	46.2%		
2009	296	0	218	61	21.9%	47	77.0%	14	23.0%	9	8	47.1%	3	37.5%	5	62.5%		
2010	262	0	205	36	14.9%	30	83.3%	6	16.7%	15	6	28.6%	4	66.7%	2	33.3%		
2011	256	0	191	42	18.0%	33	78.6%	9	21.4%	17	6	26.1%	3	50.0%	3	50.0%		
2012	199	0	158	26	14.1%	22	84.6%	4	15.4%	8	7	46.7%	3	42.9%	4	57.1%		
2013	226	2	151	29	16.1%	21	72.4%	8	27.6%	33	11	25.0%	1	9.1%	10	90.9%		
2014	186	2	135	26	16.1%	16	61.5%	10	38.5%	21	2	8.7%	1	50.0%	1	50.0%		
2015	135	37	71	20	22.0%	10	50.0%	10	50.0%	4	3	42.9%	1	33.3%	2	66.7%		

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

a. An application for an employee disability annuity is also an application for a period of disability, also known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower Federal income taxes on his or her annuity. Pending, denied, and cancelled disability freeze applications are included as non-freeze determinations.

b. Applications were denied for not meeting the medical criteria for disability.

c. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

d. Freeze percents are determined by dividing freeze decisions by associated allowance decisions.

e. Non-freeze percents are determined by dividing non-freeze decisions by associated allowance decisions.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.

Table 4: Outcomes of Disability Applications at the Hearings and Appeals or Above Adjudicative Levels  
 Calendar Year of Applications, 2008-2015  
 Workers

Calendar Year	Total Applications	Pending	Total Disability								Occupational Disability					
			Denials <sup>b</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>				Denials <sup>b</sup>	Allowances		Freeze Determinations for Allowances <sup>a</sup>			
				Number	Rate <sup>c</sup>	Number	Percent <sup>d</sup>	Number	Percent <sup>e</sup>		Number	Rate <sup>c</sup>	Number	Percent <sup>d</sup>	Number	Percent <sup>e</sup>
2008	147	0	22	116	84.1%	73	62.9%	43	37.1%	1	8	88.9%	5	62.5%	3	37.5%
2009	164	1	28	131	82.4%	96	73.3%	35	26.7%	0	4	100.0%	1	25.0%	3	75.0%
2010	167	2	18	139	88.5%	96	69.1%	43	30.9%	3	5	62.5%	3	60.0%	2	40.0%
2011	143	2	26	103	79.8%	72	69.9%	31	30.1%	2	10	83.3%	7	70.0%	3	30.0%
2012	110	6	21	78	78.8%	47	60.3%	31	39.7%	0	5	100.0%	4	80.0%	1	20.0%
2013	134	14	27	74	73.3%	52	70.3%	22	29.7%	1	18	94.7%	4	22.2%	14	77.8%
2014	100	31	12	46	79.3%	30	65.2%	16	34.8%	6	5	45.5%	1	20.0%	4	80.0%
2015	40	25	11	4	26.7%	4	100.0%	0	0.0%	0	0	0.0%	0	0.0%	0	0.0%

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

a. An application for an employee disability annuity is also an application for a period of disability, also known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. Also, an employee granted a disability freeze may qualify for early Medicare coverage and lower Federal income taxes on his or her annuity. Pending, denied, and cancelled disability freeze applications are included as non-freeze determinations.

b. Applications were denied for not meeting the medical criteria for disability.

c. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

d. Freeze percents are determined by dividing freeze decisions by associated allowance decisions.

e. Non-freeze percents are determined by dividing non-freeze decisions by associated allowance decisions.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.



Table 5: Outcomes of Disability Applications at All Adjudicative Levels  
 Calendar Year of Applications, 2008-2015  
 Survivors

Calendar Year	Total Applications	Pending	Technical Denials <sup>a</sup>	Medical		Allowance Rate <sup>c</sup>
				Denials <sup>b</sup>	Allowances	
Widow(er)s						
2008	244	0	7	29	208	87.8%
2009	247	0	10	31	206	86.9%
2010	252	0	7	34	211	86.1%
2011	240	0	5	31	204	86.8%
2012	245	1	7	36	201	84.8%
2013	223	1	9	37	176	82.6%
2014	205	0	4	38	163	81.1%
2015	178	12	4	23	139	85.8%
Adult Children						
2008	227	0	6	51	170	76.9%
2009	202	0	4	42	156	78.8%
2010	190	0	8	48	134	73.6%
2011	189	0	3	35	151	81.2%
2012	204	1	5	50	148	74.7%
2013	172	1	6	29	136	82.4%
2014	186	0	8	39	139	78.1%
2015	151	16	4	27	104	79.4%

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

- a. Applications were denied for non-medical reasons.
- b. Applications were denied for not meeting the medical criteria for disability.
- c. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.

Table 6: Outcomes of Disability Applications at the Initial Adjudicative Level  
 Calendar Year of Applications, 2008-2015  
 Survivors

Calendar Year	Total Applications	Pending	Technical Denials <sup>a</sup>	Medical		Allowance Rate <sup>c</sup>
				Denials <sup>b</sup>	Allowances	
Widow(er)s						
2008	244	0	7	48	189	79.7%
2009	247	0	10	49	188	79.3%
2010	252	0	7	44	201	82.0%
2011	240	0	5	45	190	80.9%
2012	245	1	7	43	194	81.9%
2013	223	1	9	43	170	79.8%
2014	205	0	4	45	156	77.6%
2015	178	12	4	26	136	84.0%
Adult Children						
2008	227	0	6	60	161	72.9%
2009	202	0	4	47	151	76.3%
2010	190	0	8	53	129	70.9%
2011	189	0	3	39	147	79.0%
2012	204	1	5	51	147	74.2%
2013	172	1	6	31	134	81.2%
2014	186	0	8	44	134	75.3%
2015	151	16	4	27	104	79.4%

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates.

- a. Applications were denied for non-medical reasons.
- b. Applications were denied for not meeting the medical criteria for disability.
- c. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017.

Table 7: Outcomes of Disability Applications at the Reconsideration Adjudicative Level  
 Calendar Year of Applications, 2008-2015  
 Survivors

Calendar Year	Total Applications	Pending	Medical		Allowance Rate <sup>b</sup>
			Denials <sup>a</sup>	Allowances	
Widow(er)s					
2008	30	0	20	10	33.3%
2009	33	0	19	14	42.4%
2010	24	0	18	6	25.0%
2011	21	0	15	6	28.6%
2012	18	0	14	4	22.2%
2013	21	0	19	2	9.5%
2014	16	0	15	1	6.3%
2015	13	3	8	2	20.0%
Adult Children					
2008	25	0	22	3	12.0%
2009	20	0	18	2	10.0%
2010	16	0	16	0	0.0%
2011	19	0	16	3	15.8%
2012	18	0	17	1	5.6%
2013	10	0	9	1	10.0%
2014	20	2	17	1	5.6%
2015	9	3	6	0	0.0%

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates

a. Applications were denied for not meeting the medical criteria for disability.

b. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017

Table 8: Outcomes of Disability Applications at the Hearings and Appeals or Above Adjudicative Levels  
 Calendar Year of Applications, 2008-2015  
 Survivors

Calendar Year	Total Applications	Pending	Medical		Allowance Rate <sup>b</sup>
			Denials <sup>a</sup>	Allowances	
Widow(er)s					
2008	12	0	3	9	75.0%
2009	7	0	3	4	57.1%
2010	6	0	2	4	66.7%
2011	10	0	2	8	80.0%
2012	4	0	1	3	75.0%
2013	7	0	3	4	57.1%
2014	9	2	1	6	85.7%
2015	2	1	0	1	100.0%
Adult Children					
2008	9	0	3	6	66.7%
2009	6	0	3	3	50.0%
2010	10	0	5	5	50.0%
2011	5	0	4	1	20.0%
2012	5	0	5	0	0.0%
2013	4	1	2	1	33.3%
2014	9	1	4	4	50.0%
2015	0	0	0	0	0.0%

NOTES: Applications may be pending for recent years which will result in changes to decisions and rates

a. Applications were denied for not meeting the medical criteria for disability.

b. Yearly allowance rates (percent) are determined by dividing medical allowances by all medical decisions. Medical decisions are the sum of denials plus allowances.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through February 2, 2017