

APPLICATION OUTCOMES FOR DISABILITY BENEFITS, 2016

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.^a An employee is considered totally disabled if medical evidence shows that a permanent physical or mental condition exists which prevents 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.^b 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.

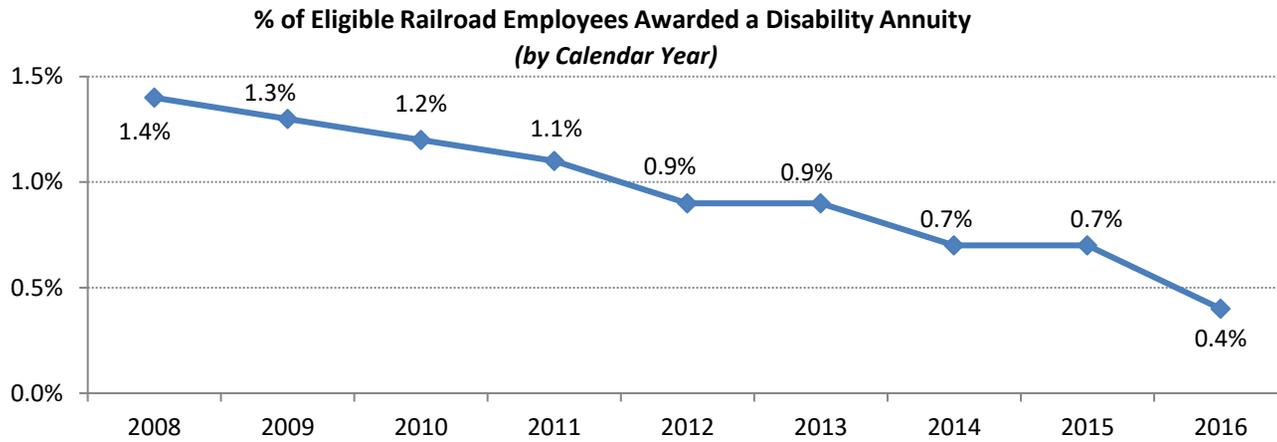
An application for an employee disability annuity is also an application for a period of disability, known as a disability freeze, under the Social Security Act. The standards for disability freeze determinations follow social security law and are comparable to the criteria for total disability. An employee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

For calendar year 2016, there were 253,000 active railroad employees of which 185,000 were eligible for a disability annuity on the basis of years of railroad service. Of these eligible employees, 0.4 percent were awarded disability benefits. The annual percent of eligible employees awarded disability benefits will change as pending cases are adjudicated. The 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 annuity.

^a 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.

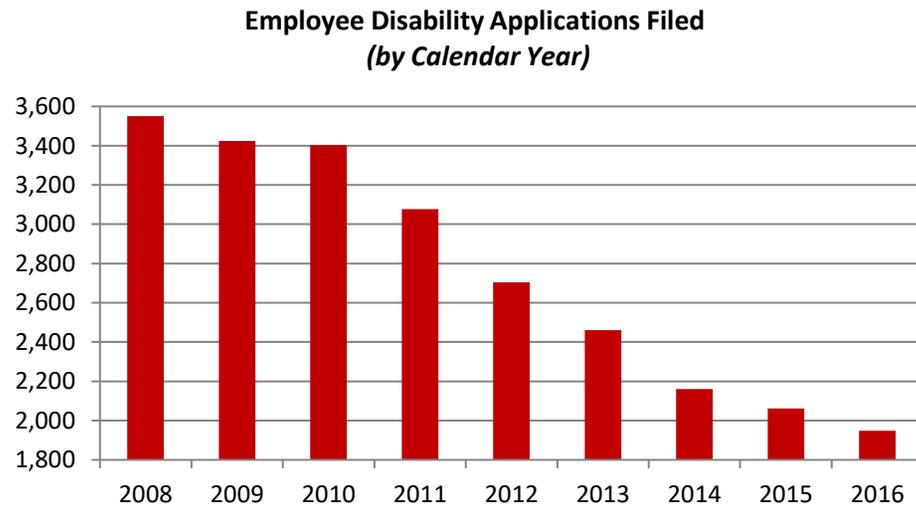
^b The current connection alternative generally applies if the employee did not have any regular employment outside the railroad industry after the end of the last 30-month period which included 12 months of railroad service and before the month the annuity begins or the date of death. Full or part-time work for a non-railroad 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/sites/default/files/2017-05/QA1511.pdf>.



Note: The figures in the chart above may change because some decisions for certain years have not been made yet. Data is from the December 2017 Retirement Master Benefit File.

As illustrated by the chart below, employee disability applications have decreased from 3,550 applications filed in calendar year 2008 to 1,948 applications in calendar year 2016, a 45.1 percent decline.



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 children over age 18 if the child became totally disabled before age 22.

Eligibility for survivor disability 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 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 annuitant types 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.^c

Both of these disabled widow(er) annuitant types have 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.

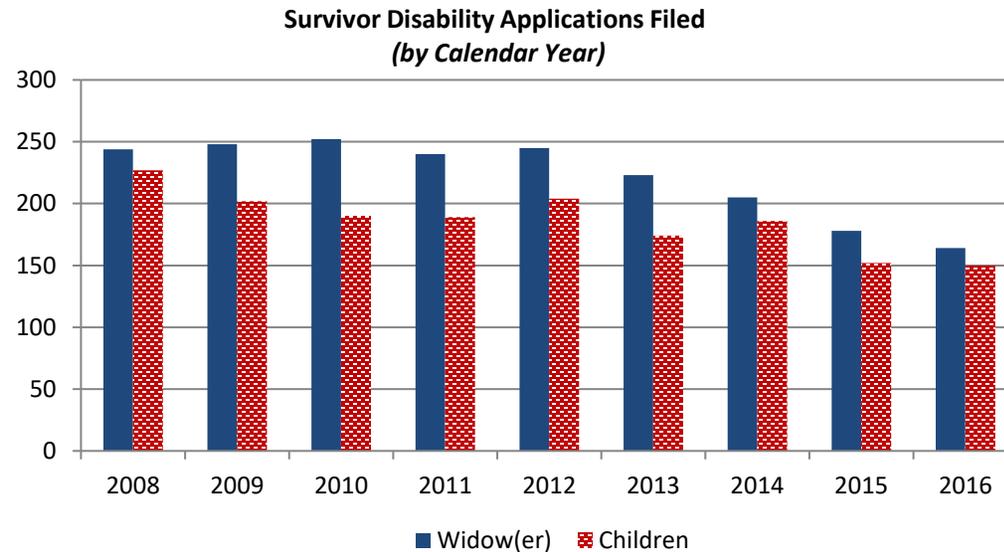
A disabled surviving divorced spouse may qualify if she or he was married to the employee for a period of at least 10 years immediately before the date the divorce became final, and is unmarried, or remarried under certain conditions.

^c 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 164 applications in calendar year 2016, a 32.8 percent decline. Adult children's disability applications have also decreased from 227 applications filed in calendar year 2008 to 150 applications in calendar year 2016, a 33.9 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 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. 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 December 31, 2017 for applications filed during calendar years 2008 through 2016.

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Table 1: Outcomes of Disability Applications at All Adjudicative Levels
 Calendar Year of Applications, 2008-2016
 Workers

Calendar Year	Total Applications	Pending	Technical Denials ^b	Total Disability								Occupational Disability					
				Denials ^c	Allowances		Freeze Determinations for Allowances ^a				Denials ^c	Allowances		Freeze Determinations for Allowances ^a			
					Number	Rate ^d	Number	Percent ^e	Number	Percent ^e		Number	Percent ^e	Number	Percent ^f		
2008	3,550	0	19	187	1,068	85.1%	894	83.7%	174	16.3%	40	2,236	98.2%	1,737	77.7%	499	22.3%
2009	3,423	0	24	177	1,147	86.6%	989	86.2%	158	13.8%	40	2,035	98.1%	1,639	80.5%	396	19.5%
2010	3,403	0	29	189	1,178	86.2%	1,013	86.0%	165	14.0%	39	1,968	98.1%	1,612	81.9%	356	18.1%
2011	3,077	0	26	196	1,087	84.7%	957	88.0%	130	12.0%	39	1,729	97.8%	1,413	81.7%	316	18.3%
2012	2,704	0	15	183	952	83.9%	833	87.5%	119	12.5%	25	1,529	98.4%	1,320	86.3%	209	13.7%
2013	2,461	0	19	162	924	85.1%	800	86.6%	124	13.4%	51	1,305	96.2%	1,097	84.1%	208	15.9%
2014	2,161	0	34	163	843	83.8%	749	88.8%	94	11.2%	39	1,082	96.5%	924	85.4%	158	14.6%
2015	2,060	2	33	170	814	82.7%	718	88.2%	96	11.8%	28	1,013	97.3%	863	85.2%	150	14.8%
2016	1,948	131	55	111	657	85.5%	443	67.4%	214	32.6%	25	969	97.5%	648	66.9%	321	33.1%

NOTE: 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, 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. 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 denied for non-medical reasons.

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

d. 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 allowances.

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

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through December 31, 2017. Additional disability applications and decisions have been added to the ATS due to improvements in data processing.

Table 2: Outcomes of Disability Applications at the Initial Adjudicative Level
 Calendar Year of Applications, 2008-2016
 Workers

Calendar Year	Total Applications	Pending	Technical Denials ^b	Total Disability							Occupational Disability						
				Denials ^c	Allowances		Freeze Determinations for Allowances ^a				Denials ^c	Allowances		Freeze Determinations for Allowances ^a			
					Number	Rate ^d	Number	Percent ^e	Number	Percent ^e		Number	Percent ^e	Number	Percent ^f		
2008	3,550	0	19	369	886	70.6%	769	86.8%	117	13.2%	65	2,211	97.1%	1,725	78.0%	486	22.0%
2009	3,423	0	24	375	949	71.7%	842	88.7%	107	11.3%	53	2,022	97.4%	1,635	80.9%	387	19.1%
2010	3,403	0	29	368	999	73.1%	884	88.5%	115	11.5%	50	1,957	97.5%	1,605	82.0%	352	18.0%
2011	3,077	0	26	346	937	73.0%	847	90.4%	90	9.6%	55	1,713	96.9%	1,403	81.9%	310	18.1%
2012	2,704	0	15	291	844	74.4%	762	90.3%	82	9.7%	37	1,517	97.6%	1,313	86.6%	204	13.4%
2013	2,461	0	19	272	814	75.0%	725	89.1%	89	10.9%	80	1,276	94.1%	1,092	85.6%	184	14.4%
2014	2,161	0	34	258	748	74.4%	684	91.4%	64	8.6%	49	1,072	95.6%	921	85.9%	151	14.1%
2015	2,060	2	33	236	748	76.0%	671	89.7%	77	10.3%	31	1,010	97.0%	861	85.2%	149	14.8%
2016	1,948	131	55	132	636	82.8%	433	68.1%	203	31.9%	26	968	97.4%	648	66.9%	320	33.1%

NOTE: 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, 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. 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 denied for non-medical reasons.

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

d. 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 allowances.

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

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through December 31, 2017. Additional disability applications and decisions have been added to the ATS due to improvements in data processing.

Table 3: Outcomes of Disability Applications at the Reconsideration Adjudicative Level
 Calendar Year of Applications, 2008-2016
 Workers

Calendar Year	Total Applications	Pending	Total Disability								Occupational Disability							
			Denials ^b	Allowances		Freeze Determinations for Allowances ^a		Non-Freeze		Denials ^b	Allowances		Freeze Determinations for Allowances ^a		Non-Freeze			
				Number	Rate ^c	Number	Percent ^d	Number	Percent ^e		Number	Rate ^c	Number	Percent ^d	Number	Percent ^e		
2008	314	0	221	59	21.1%	49	83.1%	10	16.9%	18	16	47.1%	7	43.8%	9	56.3%		
2009	308	0	225	65	22.4%	49	75.4%	16	24.6%	10	8	44.4%	3	37.5%	5	62.5%		
2010	270	0	209	39	15.7%	33	84.6%	6	15.4%	16	6	27.3%	4	66.7%	2	33.3%		
2011	261	0	194	43	18.1%	35	81.4%	8	18.6%	18	6	25.0%	3	50.0%	3	50.0%		
2012	206	0	164	26	13.7%	22	84.6%	4	15.4%	9	7	43.8%	3	42.9%	4	57.1%		
2013	230	0	154	30	16.3%	21	70.0%	9	30.0%	35	11	23.9%	1	9.1%	10	90.9%		
2014	192	1	139	27	16.3%	19	70.4%	8	29.6%	22	3	12.0%	2	66.7%	1	33.3%		
2015	160	4	121	27	18.2%	19	70.4%	8	29.6%	5	3	37.5%	2	66.7%	1	33.3%		
2016	86	11	55	12	17.9%	5	41.7%	7	58.3%	7	1	12.5%	0	0.0%	1	100.0%		

NOTE: 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, 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. 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 denied for not meeting the medical criteria for disability.

c. 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 allowances.

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

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through December 31, 2017. Additional disability applications and decisions have been added to the ATS due to improvements in data processing.

Table 4: Outcomes of Disability Applications at the Hearings and Appeals or Above Adjudicative Levels
 Calendar Year of Applications, 2008-2016
 Workers

Calendar Year	Total Applications	Pending	Total Disability							Occupational Disability						
			Denials ^b	Allowances		Freeze Determinations for Allowances ^a		Non-Freeze		Denials ^b	Allowances		Freeze Determinations for Allowances ^a		Non-Freeze	
				Number	Rate ^c	Number	Percent ^d	Number	Percent ^e		Number	Percent ^d	Number	Percent ^e		
2008	160	0	27	123	82.0%	76	61.8%	47	38.2%	1	9	90.0%	5	55.6%	4	44.4%
2009	172	1	34	133	79.6%	97	72.9%	36	27.1%	0	5	100.0%	1	20.0%	4	80.0%
2010	167	0	18	140	88.6%	96	68.6%	44	31.4%	4	5	55.6%	3	60.0%	2	40.0%
2011	146	0	26	107	80.5%	74	69.2%	33	30.8%	3	10	76.9%	7	70.0%	3	30.0%
2012	116	2	27	82	75.2%	49	59.8%	33	40.2%	0	5	100.0%	4	80.0%	1	20.0%
2013	137	2	34	80	70.2%	54	67.5%	26	32.5%	3	18	85.7%	4	22.2%	14	77.8%
2014	109	9	16	68	81.0%	45	66.2%	23	33.8%	9	7	43.8%	1	14.3%	6	85.7%
2015	66	8	19	39	67.2%	28	71.8%	11	28.2%	2	0	0.0%	0	0.0%	0	0.0%
2016	15	1	5	9	64.3%	5	55.6%	4	44.4%	0	0	0.0%	0	0.0%	0	0.0%

NOTE: 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, 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. 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 denied for not meeting the medical criteria for disability.
- c. 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 allowances.
- e. Non-freeze percents are determined by dividing non-freeze decisions by associated allowances.

SOURCE: Railroad Retirement Board, Application Tracking System. Decisions through December 31, 2017. Additional disability applications and decisions have been added to the ATS due to improvements in data processing.

Table 5: Outcomes of Disability Applications at All Adjudicative Levels
 Calendar Year of Applications, 2008-2016
 Survivors

Calendar Year	Total Applications	Pending	Technical Denials ^a	Medical		Allowance Rate ^c
				Denials ^b	Allowances	
Widow(er)s						
2008	244	0	7	29	208	87.8%
2009	248	0	10	32	206	86.6%
2010	252	0	7	34	211	86.1%
2011	240	0	5	31	204	86.8%
2012	245	0	8	37	200	84.4%
2013	223	0	9	38	176	82.2%
2014	205	0	4	36	165	82.1%
2015	177	3	4	18	152	89.4%
2016	164	25	7	31	101	76.5%
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	0	5	51	148	74.4%
2013	173	1	6	30	136	81.9%
2014	185	0	8	37	140	79.1%
2015	152	5	3	34	110	76.4%
2016	150	31	3	32	84	72.4%

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

a. Applications denied for non-medical reasons.

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

c. 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 December 31, 2017.

Table 6: Outcomes of Disability Applications at the Initial Adjudicative Level
 Calendar Year of Applications, 2008-2016
 Survivors

Calendar Year	Total Applications	Pending	Technical Denials ^a	Medical		Allowance Rate ^c
				Denials ^b	Allowances	
Widow(er)s						
2008	244	0	7	48	189	79.7%
2009	248	0	10	50	188	79.0%
2010	252	0	7	44	201	82.0%
2011	240	0	5	45	190	80.9%
2012	245	0	8	44	193	81.4%
2013	223	0	9	44	170	79.4%
2014	205	0	4	45	156	77.6%
2015	177	3	4	26	144	84.7%
2016	164	25	7	34	98	74.2%
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	0	5	52	147	73.9%
2013	173	1	6	32	134	80.7%
2014	185	0	8	44	133	75.1%
2015	152	5	3	36	108	75.0%
2016	150	31	3	34	82	70.7%

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

a. Applications denied for non-medical reasons.

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

c. 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 December 31, 2017.

Table 7: Outcomes of Disability Applications at the Reconsideration Adjudicative Level
 Calendar Year of Applications, 2008-2016
 Survivors

Calendar Year	Total Applications	Pending	Medical		Allowance Rate ^b
			Denials ^a	Allowances	
Widow(er)s					
2008	30	0	20	10	33.3%
2009	34	0	20	14	41.2%
2010	25	0	19	6	24.0%
2011	21	0	15	6	28.6%
2012	19	0	15	4	21.1%
2013	21	0	19	2	9.5%
2014	16	0	15	1	6.3%
2015	12	0	7	5	41.7%
2016	11	2	7	2	22.2%
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	19	0	18	1	5.3%
2013	10	0	9	1	10.0%
2014	20	0	17	3	15.0%
2015	15	2	11	2	15.4%
2016	14	4	9	1	10.0%

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

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

b. 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 December 31, 2017.

Table 8: Outcomes of Disability Applications at the Hearings and Appeals or Above Adjudicative Levels
 Calendar Year of Applications, 2008-2016
 Survivors

Calendar Year	Total Applications	Pending	Medical		Allowance Rate ^b
			Denials ^a	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	0	1	8	88.9%
2015	4	1	0	3	100.0%
2016	1	0	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	11	1	6	4	40.0%
2015	0	0	0	0	0.0%
2016	1	0	0	1	100.0%

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

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

b. 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 December 31, 2017.