



FROM THE DESK OF

JOHN BRAGG
LABOR MEMBER



U.S. Railroad Retirement Board

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Disability Annuities for Railroad Employees

The Railroad Retirement Act provides disability annuities for railroaders who become totally or occupationally disabled. Medicare coverage before age 65 is also available for totally disabled employees and those suffering from ALS (Amyotrophic Lateral Sclerosis) or chronic kidney disease.

The following questions and answers describe these disability benefits, their requirements, and how to apply for them.

1. How do railroad retirement eligibility provisions for total disability and occupational disability differ?

A **total** disability annuity is based on **disability for all regular work** and is payable at any age to employees with at least 10 years (120 months) of creditable railroad service and, under certain conditions, to employees with 5 to 9 years of creditable railroad service, if at least 5 years were performed after 1995.

An **occupational** disability annuity is based on **disability for the employee's regular railroad occupation** and is payable at age 60 if the employee has at least 10 years (120 months) of railroad service, or at any age if the employee has at least 20 years (240 months) of service. A **"current connection" with the railroad industry is also required for an occupational disability annuity**. A current connection is the term the Railroad Retirement Board (RRB) uses to describe a railroad employee's maintenance of a relationship to the railroad industry. It is demonstrated by an employee having earned 12 months in a 30-month period as explained below. The current connection determination is made when an employee files for a railroad retirement annuity. Once a current connection is established at the time that the annuity begins, an employee never loses it, no matter what kind of work is performed thereafter.

The current connection requirement is normally met if the employee worked for a railroad in at least 12 of the 30 months immediately preceding the employee's annuity beginning date.

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, the current connection requirement may still be met. This 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. 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, can break a current connection.

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2. Under what conditions can disabled employees with 5 to 9 years of railroad service be eligible for railroad retirement disability annuities?

Employees with 5 to 9 years of railroad service, **if at least 5 years were after 1995**, may qualify for an annuity based on total, but not occupational, disability if they have a disability insured status under social security law. A disability insured status is generally established when an employee has social security or railroad retirement earnings credits in 20 calendar quarters in a period of 40 consecutive quarters ending in, or after, the quarter in which the disability began.

Unlike the two-tier annuities payable to an employee with at least 10 years (120 months) of service, disability annuities payable to employees who have 5 to 9 years of service are initially limited to a tier I social security equivalent benefit; a tier II component is not payable in these cases until the employee attains age 62. The employee's tier II component will be reduced for early retirement in the same manner as the tier II component of an employee who retired based on age, rather than disability, at age 62 with less than 30 years of service.

3. How do the standards for total disability and occupational disability differ?

An employee is totally disabled if medical evidence shows a physical and/or mental impairment preventing the performance of **any** regular and gainful work. An employee is occupationally disabled if a physical and/or mental impairment prevents the performance of the duties of the employee's **regular railroad occupation**, even though the employee may be able to perform other kinds of work. An employee's regular occupation is generally that particular work performed for hire in more calendar months, which may or may not be consecutive, than any other work during the last five years; or that work performed for hire in at least one-half of all the months, which must be consecutive, in which the employee worked for hire during the last 15 years.

4. How does the amount of a railroad retirement disability annuity compare to a social security disability benefit?

Disabled railroad workers retiring directly from the railroad industry at the end of fiscal year 2024 were awarded almost \$3,915 a month on average, while awards for disabled workers under social security averaged \$1,700.

5. When is early Medicare coverage available for the disabled?

In general, Medicare coverage before age 65 may begin after a disabled employee annuitant has been entitled to monthly benefits based on total disability for at least 24 months and has a disability insured status under social security law. There is no 24-month waiting period for those who have ALS (Amyotrophic Lateral Sclerosis), also known as Lou Gehrig's disease. The fact that an employee is **initially** awarded an occupational disability annuity does not preclude early Medicare coverage, if the employee's physical and/or mental condition is such that the employee is ultimately determined to be totally disabled.

Medicare coverage based on permanent kidney failure requiring dialysis or a kidney transplant is available not only to employee annuitants, but also to employees who have not retired but

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meet certain minimum service requirements. It can also be available to spouses and dependent children. For those suffering from chronic kidney disease, coverage may begin with the third month after dialysis treatment begins, or earlier under certain conditions. The Social Security Administration (SSA) usually has jurisdiction of Medicare for those eligible based on permanent kidney failure.

6. Do railroad retirement disability annuity eligibility requirements include a waiting period like the one required for social security disability benefits?

Yes. A five-month waiting period beginning with the month after the month of the disability's onset is required before railroad retirement disability annuity payments can begin. However, an applicant need not wait until this five-month period is over to file for an annuity.

An employee can be in compensated service while filing a disability application provided that the compensated service is not active service and terminates within 90 days from the date of filing. When an employee files a disability application while still in compensated service, it will be necessary for the employee to provide a specific ending date of the compensation.

Compensated service includes not only compensation with respect to active service performed by an employee for an employer, but also includes pay for time lost, wage continuation payments, certain employee protection payments, and any other payment for which the employee will receive additional creditable service.

7. What documentation is required when filing for a railroad retirement disability annuity?

Employees filing for disability annuities are required to submit medical evidence supporting their claim. Applicants should be prepared to furnish dates of hospitalization, names and dosages of medication, names of doctors, and other pertinent information. Applicants may also be asked to take special medical examinations given by a doctor named by the RRB. If a disability applicant is receiving workers' compensation or public disability benefits, notice of such payments must be submitted.

Sources of medical evidence for railroad retirement disability purposes may include, but are not limited to, the applicant's railroad employer, personal physician and hospital, SSA or the agency paying workers' compensation or public disability benefits. Proof of age, proof of any military service credit claimed, and a description of past work activity will also be required. Applicants may also wish at this time to submit proof of marriage(s) and proof of age for any dependents, if applicable, to expedite the process for filing for spouse annuities.

8. What is the best way to apply for a railroad retirement disability annuity or early Medicare coverage?

Applications for railroad retirement disability annuities are generally filed at one of the RRB's field offices, with a traveling RRB representative at a customer outreach program service location, or by telephone and mail. However, railroad employees who want to file applications for early Medicare coverage based on kidney disease must do so at an SSA office, rather than with the RRB.

To expedite filing for a railroad retirement disability annuity, disabled employees or a family member should call 1-877-772-5772, write, or send a secure message to their local field office to

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schedule an appointment. (To send a secure message, individuals should access **Field Office Locator** at **RRB.gov** and click on the link at the bottom of their local office's page.) For the appointment, applicants should bring any medical evidence they possess including any medical records they can secure from their treating sources, such as their regular physician. RRB personnel can assist disabled employees with their applications and advise them on how to obtain additional medical evidence required, or other necessary documents or records.

9. Can an annuitant continue to receive an employee disability annuity even if they work after their annuity beginning date?

It is always important to remember that an annuitant may not receive an annuity from the RRB for any month during which they perform work for a railroad employer. It should also be noted that the earnings rules that apply to disability annuitants are more stringent than those applied to annuitants who retire based on age and service. Disability annuities are not payable for any month in 2025 in which the annuitant earns more than \$1,260 in any employment or net self-employment, exclusive of disability-related work expenses. Withheld payments will be restored if earnings for the year are less than \$15,750 after deduction of disability-related work expenses. Failure to report such earnings could involve a significant penalty charge.

These disability work restrictions cease upon a disabled employee annuitant's attainment of full retirement age, which varies depending on the annuitant's year of birth. These work restrictions apply even if the annuitant had 30 years of service. Earnings deductions continue to apply, regardless of age, to annuitants working for their last pre-retirement nonrailroad employer.

If a disabled annuitant works before full retirement age, this may also raise a question about the possibility of that individual's recovery from disability, regardless of the amount of earnings. Consequently, **any earnings must be reported promptly** to avoid overpayments, which are recoverable by the RRB and may also include severe financial penalties.

10. Does employment with a rail labor organization affect eligibility for a disability annuity?

Yes. Payment of an employee's disability annuity cannot begin earlier than the day after the employee stops working in compensated service for any railroad employer, including labor organizations. Such work includes service for **more than \$24.99 in a calendar month** to a local lodge or division of a railway labor organization. Also, work by a local lodge or division secretary collecting insurance premiums, **regardless of the amount of salary**, is considered railroad work, and, therefore, no annuity is payable for any month in which such activity occurs.

11. Does an employee have to relinquish employment rights to receive a disability annuity?

No. However, a disability annuitant under full retirement age must relinquish employment rights for a *supplemental railroad retirement annuity* to be paid or for an eligible spouse to begin receiving an annuity.

12. How can individuals get more information about disability annuities?

More information is available by calling an RRB office toll-free at 1-877-772-5772. RRB field offices also offer in-person service. While persons seeking in-office assistance are encouraged to schedule an appointment with their local field office by calling the agency's toll-free number, those without appointments will not be refused service. However, they may be asked to schedule an appointment for a later time if there is no immediate availability. Individuals should bring a photo ID when visiting a field office. Office addresses can be found by visiting RRB.gov and clicking on Field Office Locator or by calling 1-877-772-5772. RRB field offices are generally open Monday through Friday from 9:00 a.m. to 3:00 p.m., except for federal holidays. Individuals can also send a secure message to their local RRB field office by accessing Field Office Locator and clicking on the link at the bottom of their local office's page.

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