

# Enhanced annuity for FERS retirees who received workers' compensation



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**I** previously wrote about the enhanced annuity for Federal Employees Retirement System (FERS) employees in my January and November 2019 *Postal Record* columns. Since then, the Retirement Department has fielded many inquiries regarding this topic from members, and in multiple instances helped ensure that the enhanced annuity was properly provided. This column will address how retiring employees can determine if they are entitled to receive annuity enhancement, as well as how those who already are retired can determine whether their annuity was enhanced where applicable.

**If you have never heard about an enhanced annuity** before, you are not alone. Annuity enhancement applies only to FERS employees who are injured on the job and receive wage-loss compensation from the Office of Workers' Compensation Programs (OWCP). While receiving wage-loss compensation, an injured employee is unable to contribute to Social Security and the Thrift Savings Plan (TSP). As FERS was designed around Social Security and TSP benefits, an employee who misses out on these two components would not get the full benefit that was intended when FERS was created. But a 2003 law fixed this problem by providing additional annuity to offset the Social Security and TSP losses (enhanced annuity).

To be eligible, a FERS employee must have cumulative periods of leave without pay (LWOP) while performing no work and receiving OWCP benefits totaling two months or more. Continuation of Pay (COP) periods are not included in this total because there is no loss to Social Security or TSP benefits when receiving full pay from the Postal Service.

No action on the part of the retiring employee is required for the enhanced annuity computation to be applied; it should be automatic. However, you can review your service records (such as your RTR report) to identify any possible discrepancies.

**If you already are retired and met the criteria above** for entitlement to an enhanced annuity, you may want to do some legwork by compiling relevant documents and performing a math calculation to ensure that you are receiving the benefit to which you are entitled.

Take a look at your *Retirement Benefits Booklet*, mailed to you from the Office of Personnel Management (OPM) when you retired. This book will tell you the amount of your basic benefit (annuity), total federal service and the high-3 average salary. If you no longer have your annuity booklet, you can request a duplicate via OPM's Services Online at [servicesonline.opm.gov](http://servicesonline.opm.gov), by writing to OPM or by emailing [retire@opm.gov](mailto:retire@opm.gov).

FERS employees who retire with a full, immediate annuity receive 1 percent of their high-3 average salary per year of service (retiring after age 62 with 20 years of service yields 1.1 percent). Multiply your years of service, 1 percent (0.01), and your high-3 average salary listed in your annuity booklet to determine your annuity before applying the enhanced annuity. Now compare your calculation to the gross benefit listed in the Annuity Booklet. If they are the same, that indicates that you are not receiving an enhanced annuity.

How much should you be getting? The enhanced annuity provides for an additional 1 percent for the aggregate time of the qualifying period.

For example, multiply a qualifying period of exactly two months (2/12 of a year) by 1 percent (0.01) and a high-3 average salary of \$64,308, which yields an additional benefit of \$107.18 per year, or about \$8.93 a month.

**If you have determined that you are not receiving an** enhanced annuity, you will want to establish your aggregate time receiving OWCP benefits. An easy way to do this is to register with OWCP Connect (go to [owcpconnect.dol.gov/owcplugin](http://owcpconnect.dol.gov/owcplugin) for a Department of Labor web portal). OWCP Connect allows you to see all of the hours of compensation paid in claims from 2002 onward. Confirm that your total time receiving wage-loss compensation exceeds two months (approximately 347 hours).

Next, find out what service credit the Postal Service certified to OPM when you retired, on Standard Form 3107-1, Certified Summary of Federal Service. If you received a completed copy of your retirement application, start by checking there. Otherwise, you will have to write or email OPM and request a file copy of your completed Certified Summary of Federal Service. While you are at it, request the worksheet used to calculate your annuity, too.

**If you discover that you have not received the** enhanced annuity, or have received less than you are entitled to, please reach out to my office for additional guidance. The Retirement Department can be reached at 800-424-5186 Monday, Wednesday and Thursday from 10 a.m. to 12 p.m. and 2 p.m. to 4 p.m., or by calling 202-393-4695 Monday through Friday from 9 a.m. to 4:30 p.m. (Eastern time).