

POLICEMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO



Participant Handbook



The Retirement Board of the
Policemen's Annuity and Benefit Fund of Chicago

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The content of this handbook will be updated with changes in legislation and the Fund's policies and procedures.

This Participant Handbook is current as of:

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INTRODUCTION

Mission Statement & History

The mission of the Policemen's Annuity and Benefit Fund of Chicago ("PABF") is to provide retirement, survivors, and disability benefits to sworn members of the Chicago Police Department, their spouses, and children.

PABF's authority, duty, and responsibility is governed by state statute and administered in compliance with Act 5 of the Illinois Pension Code. The Fund was first created in 1887 through an act of the Illinois legislature. In 1922, the laws governing police pensions were significantly restructured and re-codified forming the statutory basis under which the Fund is currently administered. The Fund's authority, duties, and responsibilities derive from the statutory language of the Pension Code and is administered pursuant to those statutes by the Retirement Board of Trustees ("The Board").

The PABF is a single employer, defined benefit pension plan. A defined benefit pension plan guarantees a specific retirement benefit amount for each participant predetermined by a formula based on the employee's earnings history, tenure of service, and age. The Fund is a qualified 401(a) plan under the Internal Revenue Code.

This handbook contains general information and a summary of benefits for participants of the Policemen's Annuity and Benefit Fund of Chicago. The benefits are granted under the authority of the Illinois Pension Code, 40 ILCS, Act 5, Articles 1, 1A, and 5.

FUND ADMINISTRATION

The Board (40 ILCS 5/5-178 – 181)

The Board is composed of 8 trustees: 4 of whom are elected and 4 of whom are appointed by the Mayor of the City of Chicago. The elected trustees include one active police officer from each rank of patrolmen, sergeant, lieutenant or above, and one annuitant. The Board elects one trustee as President, one as Vice President, and one as Recording Secretary.

The Board of Trustees administers benefits, manages the Fund's assets, and employs staff members. All members of the Board of Trustees are fiduciaries with respect to the Fund and are statutorily mandated to discharge their duties as such solely in the interest of the Fund's participants and beneficiaries. The Board is required by law to hold regular meetings each month and submit a detailed report of the affairs of the Fund to the State and to the City Council of Chicago each year.

The Board, among its many other duties, is required by law to:

- consider and approve all applications for annuity and benefits
- invest the assets of the Fund pursuant to statutory regulations
- develop rules and regulations for the proper conduct of the affairs of the Fund
- conduct an annual audit of the accounts of the Fund by a certified public accountant
- employ an enrolled actuary to provide an annual actuarial statement

The Board appoints an Executive Director to oversee all administrative functions and supervise office staff. The Executive Director ensures all Board decisions and policies are implemented and properly executed.

The Fund supports diversity and equal opportunity in all aspects of Fund operations. The Board is committed to having staff, service providers and an investment portfolio that represents a variety of backgrounds, perspectives, and skills. The Board believes that the more inclusive the Fund is, the better it is for its members and for the community.

PARTICIPANT DOCUMENTATION

In order to receive benefits from the PABF, it is necessary for participants to submit the following documentation to the Fund:

- A certified or original copy of the spouse or civil union partner's birth certificate.
- A certified or original copy of a marriage certificate or certificate representing a valid civil union.
- A certified or original birth certificates and formal notices of legal adoption of all children.
- Documentation attesting to the disability of any permanently disabled child.
- Certified or original copies of divorce decrees or death certificates from any previous marriages of the participant and spouse.

CONTRIBUTIONS

Employee (40 ILCS 5/5-169, 170, 167.1, 171)

Every sworn police officer (Tier 1 & Tier 2) contributes 9% of their salary, including duty availability, to the pension fund. The employee contribution is divided as follows:

- 7% for the employee annuity
- 1.5% for the widow annuity
- 0.5% for the automatic annual increase in annuity

In addition, every sworn police officer contributes \$2.50 per month (\$1.25 per pay period) to defray the cost of the ordinary death benefit.

Employer (40 ILCS 5/5-168)

The City of Chicago is required to contribute an actuarial determined amount to the Fund that is equal to and no less than the normal cost to the Fund and is sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2055. Beginning in tax levy year 2020 the actuarial determined contribution is updated annually and is documented in the Fund's annual actuarial report.

REFUNDS

Refund of Employee Contributions (40 ILCS 5/5-163)

A participants that withdraws before the age of 50 and a participant with less than 10 years of service that withdraws before age 57 is entitled to a refund of contributions including 1 ½% simple interest.

A participants that is age 50 and eligible for a minimum formula annuity is not eligible for a refund of contributions.

In the event of a participant's death, the employee annuity and widow contributions in excess of the sum received by annuity or benefit shall be refunded to the participant's children. If no children or descendants exist, the refund shall be paid to the estate of the participant.

Refund of Widow's Annuity Contributions (40 ILCS 5/5-165)

A participant who is unmarried at the time of retirement is entitled to a refund of contributions for the spousal annuity including 3% compounded interest. The widow of a participant who received a spousal refund is not eligible for a widow's annuity, unless:

- the amount of the refund is repaid including 3% compounded interest within one year after the date of marriage, and
- the date of marriage is one year prior to the date of death.

CREDIT FOR OTHER SERVICE (CFOS)

Credit for Other Service (40 ILCS 5/5-214)

An active participant who has served with the CPD for at least 3 years, may be eligible to purchase service credit for various purposes for under state law for service prior to becoming a member or subsequent thereto for time periods specified in the statute.

Prior Law Enforcement Service (40 ILCS 5/5-214.2)

An active participant may be eligible to purchase service credit for prior service with Illinois municipal law enforcement agencies, as a law enforcement officer with any agency of the US government, and other certain law enforcement agencies as the statute permits.

An active participant who was hired prior to the bill's effective date, August 11, 2009, had until August 11, 2010 to make a formal application in order to satisfy the one year deadline.

An active participant who became a member of the Fund after the effective date, August 11, 2009, may apply for credit within 2 years after his or her hire date and must provide the statutorily required contributions to the Fund within 5 years after the date of application.

Military

Prior to Employment with CPD (40 ILCS 5/5-214.3)

Active participants who served in the Armed Forces of the United States prior to employment with the CPD may be eligible to purchase up to 2 years of service credits, in 1 month increments, for pension purposes.

While on Leave of Absence from CPD (40 ILCS 5/5 -212)

Active participants who served in the Armed Forces of the United States while on leave of absence from the CPD may be eligible to purchase service time for annuity purposes prior to retirement. To receive credit, the participants must pay into the Fund the same amount that would have been deducted from their salary had they been active officers. There is no interest charged to purchase these credits.

Credit for Service in the Chicago Fire Department (40 ILCS 5/5-213)

The PABF is a reciprocal fund with the Firemen's Annuity and Benefit Fund of Chicago (FABF). Active participants may transfer contributions earned in the FABF to the PABF for the purpose of annuity service credit. The participant must apply to the PABF and provide payment of all statutorily required contributions.

RETIREMENT BENEFITS

Tier 1 Retirement Benefits

A police officer who started working for the CPD prior to January 1, 2011 is considered a "Tier 1" participant in the pension fund pursuant to Article 5 of the Illinois Pension Code.

Minimum Formula Annuities (40 ILCS 5/5-127)

A participant having at least 20 years of service shall receive an annuity equal to 50% of the final average salary, plus an additional 2.5% of average salary for each year of service or fraction thereof beyond 20 years of service, however the annuity may not exceed 75% of such average salary.

The final average salary is the highest 4 consecutive years of the last 10 years of service. A participant may withdraw with 20 years of service regardless of age.

The annuity payment will begin when the participant attains 50 years of age and has withdrawn from service. This service is reduced by any lost time at date of withdrawal.

Withdrawal at Mandatory Retirement Age (40 ILCS 5/5-129.1)

An active participant who is required to withdraw from service at the mandatory retirement age of 63 and has at least 10 but less than 20 years of service credit may elect to receive an annuity equal to 30% of average salary for the first 10 years of service plus 2% of average salary for each completed year of service or fraction thereof in excess of 10, but not to exceed a maximum of 48% of average salary.

The final average salary is the highest 4 consecutive years of the last 10 years of service.

A participant whose retirement annuity is calculated under this section shall qualify for the automatic annual increase in annuity.

Withdrawal Before Age 50, 10 or More but Less than 20 Years of Service (40 ILCS 5/5-130)

A participant who withdraws from service with at least 10 but less than 20 years of service may receive a money purchase annuity equal to the sum of accumulated age and service contributions (7% of your pensionable salary) plus 10% of the city age and service contributions for each completed year of service after the first 10 years. The sum of the contributions are divided by a factor that is determined by the participant's age at date of retirement and then converted into an annuity. The participant may also elect to receive a refund of contributions including 1.5% interest.

Automatic Annual Increase in Annuity for Tier 1 Participants (40 ILCS 5/5-167.1)

Participants Born Before January 1, 1966

Tier 1 participants born before January 1, 1966, retiring with at least 20 years of service will receive an increase of 3% based on their originally granted annuity beginning on the later of the 1st of the month after the participant reaches age 55 or the 1st of the month after the participant has been retired at least one year. This annuity shall be increased by an additional 3% of the originally granted annuity each January 1st thereafter continuing for their lifetime.

Participants Born on or After January 1, 1966

Tier 1 participants born on or after January 1, 1966 will receive an increase of 1.5% based on their originally granted annuity beginning on the later of the 1st of the month after the participant reaches age 60 or the 1st of the month after the participant has been retired at least one year. This annuity shall be increased by an additional 1.5% of the originally granted annuity each January 1st thereafter for a maximum of 20 increases or 30%.

Tier 2 Retirement Benefits

A police officer who started working for the CPD on or after January 1, 2011 is considered a "Tier 2" participant in the pension fund pursuant to Article 5 of the Illinois Pension Code.

Monthly Retirement Annuity (40 ILCS 5/5-238)

Tier 2 participants who have withdrawn from service, attained age 50 or more, and have 10 or more years of service, shall receive a Tier 2 Monthly Retirement Annuity. The calculation of a Monthly Retirement Annuity is equal to 2.5% of average salary for each year of service, subject to an annuity reduction factor of one-half of 1% for each month that the participant's age at retirement is under age 55.

The final average salary is the highest 8 consecutive years of salary of the last 10 years of service. This service is reduced by any lost time at date of withdrawal. Monthly retirement annuities shall not exceed 75% of the final average salary.

For Tier 2 participants, the annual salary shall not exceed \$106,800; however, that amount shall be increased annually by the lesser of 3% including all previous adjustments or 1/2 of the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1st including all previous adjustments. The annual salary cap for 2020 is \$115,928.92.

Automatic Annual Increase (40 ILCS 5/5-167.1)

The monthly annuity of a Tier 2 participant shall be increased on the January 1st occurring on or after the participant reaches age 60, or the 1st anniversary of the annuity start date. This annuity shall be increased each January 1st thereafter.

Each annual increase shall be calculated at 3% or one-half of the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12-month period ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u decreases, then the annuity shall not be increased.

DEPENDENT BENEFITS

Ordinary Death Benefit (40 ILCS 5/5-153)

The Fund pays an ordinary death benefit to the designated beneficiary or beneficiaries of deceased participants.

The benefit is between \$6,000 and \$12,000. If an active officer's death is before age 50, the benefit is \$12,000. After the age of 50, the benefit is reduced by \$400 for each year the officer remains in active service but not reduced below \$6,000.

If the death results from injury in the performance of an act or acts of duty prior to retirement, the amount of benefit payable is \$12,000.

A participant must apply for their annuity within 60 days of their resignation date to be eligible for the ordinary death benefit in retirement.

If the officers' death occurs while in receipt of a retirement annuity, the benefit is \$6,000.

Widow's Annuity

Eligibility Requirements

Eligibility for widow and surviving spouse annuities require the spouse be married for at least one year to the Active/Retired participant at the date of death. The one year requirement does not apply when an officer dies in the line of duty. In accordance with Illinois law, civil union partners are eligible for the same benefits as widows and spouses of participants.

Marriage on Disability or Retirement (40 ILCS 5/5-146)

A widow who marries a participant in receipt of disability benefits may be eligible for a widow's annuity provided they were married for at least one year prior to the participant's death.

The widow of a participant who receives a refund of contributions for widow's annuity at the time of retirement is not eligible for widows benefits unless the refund is repaid to the Fund, with interest at a rate of 3% per year compounded annually, from the date of the refund to the date of repayment. The marriage must exist for at least one year prior to the participant's death for a spouse to become eligible for benefits. Benefits commence upon death of the participant and receipt of the repayment.

Widow's Annuities Benefit Tiers

Tier 1 widow's annuities are for widows of participants who first become a police officer under this Article before January 1, 2011.

Tier 2 widow's annuities are for widows of participants who first become a police officer under this Statute on or after January 1, 2011.

Minimum Widows Annuities (40 ILCS 5/5-167.4)

Beginning January 1, 2017, the minimum widow's annuity payable to any person who is entitled to receive a widow's annuity under this Article is 125% of the Federal Poverty Level.

Widow's Annuity – Death from injury in the Performance of Acts of Duty - Compensation & Supplemental Annuity (40 ILCS 5/5-144)

If an officer's death is the result of an injury incurred in the performance of an act or acts of duty, the officer's widow is entitled to an initial annuity equal to 75% of the salary the member would have ordinarily been paid at time of death.

The widow's annuity (75% of the member's current salary) will be revised at any salary increase and longevity raise the member would have been entitled to if they would have been in active discharge of their duties until reaching the age 63.

Once the widow's annuity reaches the member's 63 birthday, the widow's annuity will remain fixed until the widow's death.

An act of duty is defined in the pension code as any act of police duty inherently involving special risk, not ordinarily assumed by a citizen in the ordinary walks of life or or any act of heroism performed in the city having for its direct purpose the saving of the life or property of a person other than the policeman.

Widow's Annuity – Death in Service - Non-Duty Related

Tier 1 Widow (40 ILCS 5/5-136.1)

If the deceased member was an active member at the time of his death and had at least 1 1/2 years of creditable service, the widow's annuity will be the greater of:

- 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his death; or
- 50% of the retirement annuity the deceased member would have been eligible to receive if he had retired from service on the day before his death; or

This annuity is fixed at the time of the member's death and does not increase.

Tier 2 Member (40 ILCS 5/5-238)

If the deceased member was an active police officer with at least 1 ½ but less than 10 years of service at the time of death, the Tier 2 surviving spouse's annuity will be 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his death.

If the deceased policeman was not receiving an earned annuity but had at least 10 years of service at the time of death, the Tier 2 surviving spouse's will be the greater of:

- 30% of the annual maximum salary attached to the classified civil service position of a first class patrolman at the time of his death; or
- 66 2/3% of the Tier 2 monthly retirement annuity that the deceased policeman would have been eligible to receive.

The surviving spouse's annuity will increase by 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the Consumer Price Index for All Urban Consumers (CPI-U) for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted Tier 2 surviving spouse's annuity. The increase will take effect on the January 1 next occurring after the:

- Recipient of the Tier 2 surviving spouse's annuity reaches age 60; or
- First anniversary of the Tier 2 surviving spouse's annuity start date, whichever is later, and on each January 1 thereafter.

Widow's Annuity –Members That Die After Retirement

Tier 1 Widow (40 ILCS 5/5-136.1)

If the deceased member was receiving a retirement annuity at the time of his death, the widow's annuity will be equal to 50% of the member's annuity. This annuity is fixed at the time of the member's death and does not increase. The widow's annuity will cease upon the widow's death.

Tier 2 Widow (40 ILCS 5/5-238)

If the deceased member was receiving an earned annuity at the date of his or her death, the Tier 2 surviving spouse's annuity will be 66 2/3% of the policeman's earned annuity at the date of death.

This surviving spouse's annuity will increase by 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the Consumer Price Index for All Urban Consumers (CPI-U) for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted Tier 2 surviving spouse's annuity. The increase will take effect on the January 1 next occurring after the:

- Recipient of the Tier 2 surviving spouse's annuity reaches age 60; or
- First anniversary of the Tier 2 surviving spouse's annuity start date, whichever is later, and on each January 1 thereafter.

Child's Annuity (40 ILCS 5/5-151)

A child's annuity shall be provided for unmarried natural or adopted children of police officers, payable monthly, from the date of the police officers parent's death until the child's attainment of age 18 except as limited by the provisions of Section 5-152.

The amount of the Child's Annuity is equal to:

- 10% of the annual maximum salary attached to the classified civil service position of a first class patrolman for each child as set by the statute; or
- 15% of the annual maximum salary attached to the classified civil service position of a first class patrolman on the date of the officer's death while no widow or widower shall survive.

Family Maximums:

- The combined annuities for the family of a member whose death resulted from an act of duty, shall not exceed the salary that would ordinarily have been paid to him if he had been in the active discharge of his duties.
- The combined annuities for the family of a member whose death resulted from any cause other than the performance of an act of duty, shall not exceed an amount equal to 60% of the salary that would ordinarily have been paid to him if he had been in the active discharge of his duties.

If the child is disabled (and the disability manifests prior to age 18), benefits may be available in the same manner as child's annuity benefits and are payable to the parent of such child as the natural guardian, a court appointed guardian, or a special needs trust. Benefits terminate at death, if that the child is no longer disabled because of the handicap, or if the child marries.

For the purposes of this subsection, "disability" means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

Parent's Annuity (40 ILCS 5/5-152.1)

A parent's annuity may be available to the natural parent or parents of a member as a result of the member's death if there is no surviving spouse or child entitled to an annuity. In order to award a parent's annuity, the Board must receive satisfactory proof that the member was contributing to the support of the parent or parents at the time of death. Upon proving support, each eligible surviving parent's annuity will be 18% of the current annual salary attached to the classified position held by the member at the time of death or withdrawal from service.

DISABILITY BENEFITS

Active members are eligible to apply for duty, occupational or ordinary disability benefits after their medical time expires and they are removed from the CPD payroll due to a medical leave of absence. While on disability, participants are treated as though they are still active members for retirement and dependent annuity purposes pursuant to the Illinois Pension Code.

When members begin receiving a disability benefit, they must comply with Board policies and statutory requirements related to the benefit. Failure to comply may result in suspension and/or termination of a disability benefit.

Duty Disability (40 ILCS 5/5-154)

Duty disability may be awarded if a member becomes disabled as the result of an injury incurred in the performance of an act of duty. An act of duty is defined by statute as *"any act of police duty inherently involving a special risk, not ordinarily assumed by a citizen in the ordinary walks of life..."* It is important to note that there is a distinction between becoming injured while in performance of an "act of duty" and becoming injured while at work. Not all injuries sustained in the ordinary course of a work day qualify as injuries occurring in the performance of an act of duty.

A duty disability benefit award is 75% of the members salary at the time the disability is allowed unless the disability resulted from any physical defect or mental disorder or any disease which existed at the time the injury was sustained. In those cases, the duty disability benefit shall be limited to 50% of the member's salary. This benefit also entitles the member to

a child's disability benefit of \$100 per month for each natural or legally adopted, unmarried child under the age of 18 years old.

If a member is receiving a duty disability benefit and believes his or her disability is of such a nature as to render the member totally disabled for any service of a remunerative character, that member may apply for a total and permanent disability benefit. This benefit is 75% of the member's salary at the time of removal from the police department payroll.

The duty disability benefit award is tax-free. Also, the City of Chicago will provide the member with free medical insurance coverage from the time he or she is awarded disability benefits. Any officer in receipt of a duty disability benefit is eligible to receive this benefit until such time he or she is found fit for duty, or until age 63 under the mandatory retirement rules of the department, at which time the officer would be eligible to apply for their pension.

[Occupational Disease Disability \(40 ILCS 5/5-154.1\)](#)

Occupational disease disability (heart) may be awarded to a member who has suffered a heart attack or any other disabling heart disease. The member must have at least 10 years of service in order to be eligible for this benefit.

An occupational disease disability award is 65% of the member's salary at the time the disability occurs. This benefit also entitles the recipient to a child's disability benefit of \$100 per month for each natural or legally adopted, unmarried child under the age of 18 years old.

The occupational disease disability benefit award is tax-free. Also, the City of Chicago will provide the member with free medical insurance coverage when he or she is awarded occupational disability benefits.

Any member in receipt of an occupational disease disability benefit is eligible to receive this benefit until such time he or she is found fit for duty, or until age 63 under the mandatory retirement rules of the department, at which time the officer would be eligible to apply for his or her pension.

[Ordinary Disability \(40 ILCS 5/5-155\)](#)

Ordinary disability benefits may be awarded to a member who becomes disabled as the result of any cause other than duty or occupational disease disabilities. The ordinary disability benefit award is 50% of the officer's salary at the time disability occurs. Officers awarded an ordinary disability benefit are eligible for 1 year for every 4 years of service, with the maximum amount being 5 years.

If awarded ordinary disability, there are no eligible children's benefits available. Unlike the other categories of disability benefits, ordinary disability benefit payments are taxable by the federal government. Also, the City of Chicago Benefits Office will offer health insurance at a cost for members receiving ordinary disability benefits. Should the member choose the health

insurance coverage, he or she will be required to make those premium payments directly to the Benefits Office.

Proof of Disability – Physical Examinations (40 ILCS 5/5-156)

Participants receiving disability benefits shall be examined at least once a year, or longer periods as determined by the Board, by a Board appointed physician. However, the Board has the right to request an examination of any disability participant as deemed necessary.

In cases where the Board requests an applicant to get a second opinion, the applicant must select a physician from a list of qualified licensed and practicing physicians who specialize in the various medical areas related to duty injuries and illnesses, as established by the Board. The Board may require other evidence of disability.

As part of the re-examination process, all disability participants who are working outside of CPD must submit a job description. When a disability ceases, the Board shall discontinue payment of the benefit.

Applying for Disability Benefits

Every active officer is entitled to 365 days of medical time for each injury on duty and 365 medical days within a two-year period. While on the medical roll, a member should prepare for the possibility of applying for disability benefits and begin the disability application process within 2 months prior to expiring the 365 days of medical time. The following steps need to be completed in the order listed:

1. Contact the CPD Medical Services Section and notify them of your intention to apply for disability benefits.
2. Complete a PAR Form and medical records release form allowing the Medical Section to copy and send your medical file to the Fund.
3. Contact the Pension Fund and notify the disability manager of your intention to apply for disability benefits.
4. Complete your application with the Fund after the disability manager contacts you to notify you that the Fund has received your medical files.
5. Attend an appointment for examination by a Fund physician.

Once the Fund receives all medical documentation from the Fund physician, the member will be scheduled for a hearing before the Board of Trustees. After the disability hearing, the Board will vote whether to grant or deny the disability benefit application.

Please note if you apply for disability benefits, there will be a period of time when you are without income. That time period will be at least 6 weeks but could be up to several months. It is important to know that signing the PAR Form to take a leave of absence and the disability application does not lock a member into the disability process. Any officer may rescind the PAR Form and disability application, and the claim for disability benefits will be terminated.

HEALTH INSURANCE

The Fund serves only as a conduit to collect and forward payment of premiums authorized by the participant from the participant's benefit check to eligible health care plans. The authorization forms necessary to process such payment of health care premiums are available on the Fund's website at www.chipabf.org.

All questions concerning eligibility or plan coverage should be directed to the healthcare plan provider.

Healthcare Insurance Premium Deduction

As an eligible "retired public safety officer" as defined by the IRS within the Pension Protection Act of 2006, Fund annuitants may deduct up to \$3,000 per year from their taxable income for healthcare premiums paid directly from retirement assets.

At the annuitant's request, the Fund will deduct a specified monthly healthcare insurance premium amount from the annuitant's monthly annuity benefit, and pay such amount to a designated healthcare insurance provider as authorized by an annuitant member. The amount excluded from income is the smaller of the amount of the premiums or \$3,000. It is important to note that this tax treatment is afforded only to the retired member and not a surviving spouse.

If you have questions about the deduction, please contact the Fund office to discuss the Fund's requirements for the process.

Please be advised:

1. Premium payments made by the Fund to the annuitant's healthcare insurance provider will begin the first (1st) month after the Fund receives a fully completed and signed form, provided the completed and signed form is returned to the Fund's office by the fifteenth (15th) of the month. Annuitants are responsible for making all premium payments to his/her healthcare insurance provider until the Fund approves and processes the completed and signed form. Incomplete and/or unsigned forms will not be processed and the annuitant will be notified they must resubmit the form prior to the Fund processing any premium payment to his/her healthcare insurance provider. Annuitants should be aware that certain Insurance carriers will not accept payments from third parties such as PABF.
2. The Fund will pay the annuitant's healthcare insurance premium directly to the designated healthcare insurance provider on the last business day of each month regardless of the premium due date.
3. If an annuitant's monthly healthcare premium exceeds his/her monthly annuity benefit, the annuitant cannot participate in this process, and the annuitant is advised to contact his/her healthcare insurance provider to discuss his/her payment options.

4. Annuitants are responsible to advise the Fund in writing, of any changes in the amount of the Premiums to be paid by the fifteenth (15th) day of the month that the payment is made. Unfortunately, many Insurance companies will not provide timely premium notices directly to the Fund to allow for changes in the amount of premium to be paid.

Healthcare Subsidy Eligibility

Pursuant to Court order and current law, all eligible City of Chicago employee annuitants (both current and future employee annuitants, but not spousal or child annuitants) of the Fund are entitled to receive a health insurance premium subsidy of:

1. \$55 per month if the annuitant is not qualified to receive Medicare benefits; or
2. \$21 per month if the annuitant is qualified to receive Medicare benefits.

To be eligible:

- Annuitant must have retired on or after August 23, 1989;
- Annuitant must have been hired prior to June 30, 2003; and
- Annuitant must participate in a group healthcare plan* for which the PABF deducts the health insurance premiums from the annuitant's monthly annuity.
- *Current group healthcare plans include: (i) the Blue Cross/Blue Shield plans sponsored by the City of Chicago; (ii) the Aetna plans sponsored by the Fraternal Order of Police Chicago Lodge 7; and (iii) the United American Insurance Co. plans sponsored by the Chicago Police Sergeants' Association.

All eligible subsidy payments will be included in the annuitant's respective monthly annuity payment. If you have any questions regarding the healthcare subsidy, please contact the Fund at hcsubsidy@chipabf.org or Angela at 312-676-0417.

MILITARY BENEFITS

Veterans' Rights (40 ILCS 5/1-118)

The Fund shall comply with the requirements of the federal Uniformed Services Employment and Reemployment Act (USERRA), and the federal Heroes Earnings Assistance and Relief Tax Act (HEART).

Uniformed Services Employment and Reemployment Act – USERRA

This Act provides that certain veterans are not required to pay interest on employee contributions attributable to periods in which they served in the military, provided that the contributions are paid within a prescribed period of time. Interest for in-service military time

will begin to accrue on the earlier of (1) 5 years after returning to active duty or (2) 3 times the length of time they were away.

If the pension contributions associated with these available service credits is not paid, the periods served in the military will not be counted toward overall service for pension purposes. A refund of the partial contributions made during these periods would be issued at the time of your retirement.

Heroes Earnings Assistance and Relief Tax – HEART

The Fund shall comply with all of the requirements of the HEART Act for members who die or become disabled while serving in the military. The HEART Act (section 104) allows members who leave their jobs for active military service, to keep to their employer provided death and disability benefits. Employers will be required to treat workers as if they were rehired the day before they died or became disabled thereby ensuring that the worker was covered by the plan at the time of death or disability.

RETIREMENT APPLICATION PROCEDURES

1. Approximately 30 days prior to your retirement date let us know you plan to retire by sending an email to retirement@chipabf.org or calling 312-744-3891.
2. Provide the following information to the Fund (unless previously provided):
 - A printed copy of your Personnel Action Request (PAR) form (aka the “Retirement Submission Receipt”). The status **must** be approved and form **must** be signed by you and your Commanding Officer.
 - Documentation of life changes including certified copies of:
 - marriage certificates
 - birth certificates
 - divorce decrees
 - death certificates
 - Social Security Numbers for all dependents who will continue on your healthcare coverage.
 - A valid email address.
3. Once the Fund receives all the above information, you will receive a prepared Retirement Application by email. Upon receipt of the application, you will need to sign it, have it notarized and return it to the Fund as soon as possible.

FREQUENTLY ASKED QUESTIONS

General / Miscellaneous

How do I contact the Fund?

The Fund is located at 221 N LaSalle St, Suite 1626, Chicago, IL 60601. The main phone number is 312-744-3891. The phone numbers and email address of staff can be found on the [Fund Directory](#).

What type of retirement plan is this?

The PABF is a single employer, defined benefit pension plan. A defined benefit pension plan guarantees a specific retirement benefit amount for each participant predetermined by a formula based on the employee's earnings history, tenure of service, and age. The Fund is a qualified 401(a) plan under the Internal Revenue Code.

How is the plan funded?

The plan is funded through three sources: employer contributions, employee contributions, and investment returns.

Every sworn police officer (Tier 1 & Tier 2) contributes 9% of their salary, including duty availability, to the pension fund. The employee contribution is divided as follows:

- 7% for the employee annuity
- 1.5% for the widow annuity
- 0.5% for the automatic annual increase in annuity

According to the pension code, beginning in tax levy year 2020 the City is required to contribute an actuarial determined amount to the Fund. This amount shall be equal to and no less than the normal cost to the Fund and is sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2055. The actuarial determined contribution is updated annually and is documented in the Fund's annual actuarial report.

Who manages investments for the Fund?

NEPC is the investment consultant for the Fund. According to the pension code, a RFP (Request For Proposal) for an investment consultant shall be conducted every three years. A list of individual firms, hired by the Board of Trustees to manage investments for the Fund can be found in the Investment Section of the Fund's website.

Are audits ever performed on the Fund?

In compliance with state statute, the Fund's records are audited every year by an independent auditor. Mitchel Titus is the Fund's current auditor, and more than 10 years of Audited Financial Statements can be found in the Fund Records section on the Fund's website.

How do I address the Board?

In accordance with the Open Meetings Act, 5 ILCS 120/2.06(g), the policy of the PABF Board allows any person to present comments before the Board. The public comment section is limited to 30 minutes overall, with each individual allow a maximum of 3 minutes to speak. It is recommended that any individual who wants to offer public comment notify the Fund's Executive Director at least three business days prior to the meeting.

How do I get another copy of my annual contribution statement?

The contribution statements are printed and mailed by Northern Trust Bank and cannot be re-issued. The Fund can provide you with an alternative form of payment verification upon request.

How do I update my beneficiary?

You can download the Death Benefit Directive form at (link) and return to the Fund through email to retirement@chipabf.org, regular mail or by dropping it off at the office. If you are unsure of your listed beneficiaries or need assistance please contact the Fund.

Active Members

How many years of service do I need in order to retire?

Once you have accrued a minimum of 20 years of service credit with the Fund, you are eligible to receive what is referred to as a "Formula Annuity" at retirement. However, the Fund advises officers to work at least one full pay period past their anniversary date to ensure they have accounted for any lost time.

If I have less than 20 years of service, am I still eligible to receive a monthly annuity?

Yes. If you have less than 20 years of service credit with the Fund but more than 10 years of service, you are eligible to receive what is referred to as a "Money Purchase Annuity" at retirement.

If I have less than 10 years of service, am I still eligible to receive a monthly annuity?

No. If you have less than 10 years of service credit with the Fund, you are not eligible for an annuity at retirement. You will need to apply to the Fund to receive his or her contributions in a lump sum payment.

How is the Formula Annuity calculated?

The "Formula Annuity" is calculated by multiplying 2.5% times the member's average salary of the 4 highest consecutive annual salaries within the last 10 years of service. That amount is then multiplied times the number of years of service, or fraction thereof, but capped at 75% of the officer's salary at retirement.

If I have 19 years and 1 day of service, does that round up to 20 years of service, thereby making me eligible for the Formula Annuity?

No. You must have completed 20 years of service, after all lost time is taken into consideration, before becoming eligible for a Formula Annuity.

How is the Money Purchase Annuity calculated?

A Money Purchase Annuity is calculated by taking the sum of your accumulated pension contributions (7% out of your pensionable salary) plus 10% of the city's contribution toward your pension for each year or partial year of service beyond 10 years. The sum of the contributions is divided by a factor at your date of retirement (or age 50 if you terminated prior to that time) and are then converted into an annuity.

Is there a significant financial difference in my annuity if I retire with 19 years, 11 months versus retiring with 20 years?

Yes. Currently, an officer who retires after accruing 20 full years of service credit will receive a Formula Annuity of approximately \$2,000 per month more than an officer who retires with only 19 years and 11 months and receives a Money Purchase Annuity. In addition, the officer receiving a Money Purchase Annuity will NOT be eligible for future cost of living annual increases. Instead, the officer will receive a refund of the amount contributed for that purpose calculated as ½% of his or her total pensionable earnings, without interest, contributed to the Fund while active.

What if I am being mandatorily retired and have between 10 and 20 years of service?

In this situation, you will receive an annuity calculated by multiplying 30% time your average salary for the 4 highest consecutive years of the last 10 years of service, plus 2% for each completed year of service or fraction thereof in excess of 10, with a cap of 48% of your average salary.

Does lost time affect my years of service?

Yes. Any lost time you incur must be deducted from your years of service credit. Please contact the Fund to request a manual review of your lost time at least 90 days BEFORE you submit your PAR form through the CLEAR system to the CPD. Once you submit your CLEAR form, you MAY not be able to rescind your retirement.

Am I eligible for healthcare when I retire?

Your age at retirement along with your status in the City of Chicago health insurance plan determine whether you are eligible to participate in the City of Chicago health insurance for retired police officers. You will find detailed information on the Planning for Retirement page. (link to Planning for Retirement page?)

How do I get another copy of my annual contribution statement?

The contribution statements are printed and mailed by Northern Trust Bank and cannot be re-issued. The Fund can provide you with an alternative form of payment verification upon request.

Can I use deferred compensation funds to purchase prior service credits?

Yes. Current federal law allows fund-to-fund transfer or rollover of 457 deferred compensation plan assets to this Fund to purchase service credits.

If I am divorced, is my ex-spouse entitled to any benefits?

The Fund does not provide legal advice about division of marital and retirement assets. However, this Fund is subject to Qualified Illinois Domestic Relations Orders ("QILDRO") pursuant to the Illinois Pension Code. A QILDRO may require this Fund to pay all or a portion of a participant's retirement benefits to an "alternate payee". An alternate payee is usually a participant's former spouse, but may also be a current spouse, child or other dependent of the participant. Participants with questions about a QILDRO should discuss it with their attorney. The Fund has the required forms available on our website ([link to forms](#)) or upon request.

Are pension deductions taken on all wages paid to participants?

Pension deductions are taken only on the annual salary attached to the permanent career service rank held by the participant including payments for Duty Availability, or the salary attached to the exempt rank position held by the participant.

Can participants take a loan out against their contributions?

The Illinois Pension Code does not permit participant loans or partial withdrawals. Only participants who are no longer employed by the City or the Board may be eligible to receive a distribution from the Fund.

Why are you withholding money for a spouse if I am not married?

The Illinois Pension Code requires contributions towards a widow's annuity regardless of your marital status while you are a member. If you do not have an eligible spouse on your retirement date, these contributions will be refunded to you.

How do I apply for a refund?

If you are seeking a refund of your contributions, please contact the Fund and request a refund application. In addition to submitting the application for refund, you will be required to provide written confirmation from the CPD of your resignation or termination.

What if a participant dies before collecting retirement benefits equivalent to or greater than the contributions made by the participant? What happens to the contributions?

In general, retired participants will collect an amount greater than their contributions within two to three years of retirement. However, in the event a retired member dies before all accumulated contributions are paid to him or her, the remaining contributions will be refunded to his or her spouse, children, the participant's estate as named in either a Will, Small Estate Affidavit, or Letters of Office. Participants should consult with their personal attorney to discuss this issue.

PLANNING FOR RETIREMENT

When should I contact the Fund about my planned retirement?

You should contact the fund by phone (312) 235-4596 or email retirement@chipabf.org no later than 30 days prior to your retirement date.

How do I request an estimate of my retirement annuity?

For your convenience, a retirement benefit calculator is available on the website (link) and Fund staff is always available to talk by phone (312) 235-4597 or email benefits@chipabf.org with questions concerning your benefits. You may also request a detailed written estimate of benefits based on a specific anticipated date of retirement, preferably within two years of your planned retirement. Any estimates are not binding on the Fund and should not be conclusively relied upon.

How do I begin the formal retirement process?

Once you determine your retirement date based upon your estimated benefits as of that date, accounting for all lost time. You will need to contact the CPD Personnel Division and complete a Personnel Action Request (PAR) form, also known as the Retirement Submission Receipt. The form must be approved and signed by you and your commanding officer.

After you complete the process with the CPD, please review the Planning for Retirement page (link) and contact the Fund at (312) 235-4596 or email retirement@chipabf.org to complete an application for retirement benefits.

Should participants provide any information to the Fund upon retirement?

Yes. Please review the Planning for Retirement page (link) and contact the Fund at (312) 235-4596 or email retirement@chipabf.org to submit documents in advance of retirement or to complete an application for retirement benefits.

When can I expect to receive my first retirement annuity payment?

Your date of retirement impacts when you can expect your first annuity payment. If you retire prior to the 15th of the month, you can expect to receive your first payment approximately 6 weeks after your retirement date. If you retire on or after the 15th of the month, you can expect to receive your first payment 10 weeks after your retirement date.

The Fund cannot calculate a final benefit amount until it receives from the City of Chicago the data from your final payroll. Upon receipt of final payroll data, staff finalizes your annuity calculation and provides it to the Board for its next monthly Board meeting. The Board reviews and approves applications once a month at its regularly scheduled Board meetings, generally the third or fourth Thursday of every month. Retirement Benefits are always paid on the last business day of each month.

Retired Members

Are participant's retirement benefits subject to state income tax?

Retired participants who are Illinois residents do not pay state income tax on retirement income. Participants who reside in other states should consult their income tax professional to determine the taxability of benefits in their home state.

Are participant's retirement annuity benefits subject to federal income tax?

Retirement benefits are subject to federal income tax. However, participant contributions made prior to January 1, 1982 were taxed as income at the time you the participant received that payroll and are non-taxable as distributed by the Fund as retirement income. Each year a portion of retirement income will be considered non-taxable (excluded) until those contributions are exhausted. Participants receive a 1099R in January stating the amount of their taxable benefit.

If a participant paid into social security, is her or she entitled to receive social security benefits as well pension benefits?

Social Security benefits may be reduced for participants entitled to receive pensions from State and Municipal pension plans. Participants should review the Social Security Administration [Windfall Elimination Provision](#) and contact the Social Security administration to determine eligibility for benefits.

I am about to turn 65 years old, what do I need to do?

In order to be eligible for Medicare benefits at age 65, you need to apply for those benefits 3 months before your 65th birthday at www.medicare.gov.

What if the spouse of a participant dies or the participant is divorced after retirement? Can participants receive a refund of the contributions made for spousal annuity?

In both scenarios, the contributions made on the spouse's behalf are not refundable to the participant.

What if a participant becomes disabled and cannot handle their affairs while in receipt of a benefit?

If a participant becomes disabled, the Board has the ability to approve payment of benefits to the individual(s) legally authorized to care for the participant. In general, the Board will approve payment of benefits to persons legally authorized to care for the disabled participant after the Fund receives a valid executed power of attorney and a physician's letter confirming the participant is disabled. Certain other instances may require that a Court ordered Guardianship on behalf of a participant be established.

How can I get a verification letter of the pension that I receive?

You should contact the Fund at 312-235-4596 or by email retirement@chipabf.org for a letter verifying your pension benefits.

How do I change my federal tax withholding?

You may change your election by completing a Form W-4P from the IRS. Each state handles withholding differently so please contact the Fund to see what withholding options are available for your state.

How do I change my address with PABF?

Retirees can complete the change of address form (link) listed in the Forms page and submit it to the Fund by mail or email to retirement@chipabf.org. Active officers must change their address directly with the CPD.

How do I obtain a certified copy of a birth certificate, death certificate, divorce decree, marriage or civil union license?

In order to receive certified copies of these documents, you will need to contact the department of vital records for the county in which the event(s) took place. For those that took place in Cook County, information on how to request the documents can be found at www.cookcountyclerk.com.

Divorce / QILDRO

How do I get a copy of my divorce decree?

If your divorce took place in Cook County, you can obtain a copy of your divorce decree by contacting the Cook County Clerk of the Court at 312-603-6300, www.cookcountyclerkofcourt.org

If my divorce settlement states my alternate payee or ex-spouse should receive a portion of my benefits, do I still need a QILDRO?

Yes, the Fund cannot pay an alternate payee or ex-spouse without a QILDRO.

Can I submit a Qualified Domestic Relations Order (QDRO) or Qualified Illinois Domestic Relations Order (QILDRO) addressed to PABF?

No, the Fund does not accept Qualified Domestic Relations Orders or Qualified Illinois Domestic Relations Orders addressed to PABF. Participants must use PABF approved QILDRO forms and Consent Form found here (link).

Can my alternate payee receive benefits before me?

No. The Fund cannot pay your alternate payee before you apply for and receive the benefit for which the QILDRO applies.

Do I have to sign a Consent form?

If you became a participating member of the Fund prior to July 1, 1999, a signed irrevocable Consent Form is required to implement the QILDRO. However, if you became a participating member after July 1, 1999, then you acknowledge the QILDRO as a condition of your employment and a Consent Form is not required to implement the QILDRO.

Is an uncertified QILDRO (not filed stamped by the Circuit Court Clerk) acceptable?

No. The QILDRO must be certified by the Circuit Court Clerk in order to be accepted by the Fund.

Disability

When am I eligible to receive a disability benefit?

A member is eligible to receive a disability benefit through the Fund once the member has exhausted all of his or her Chicago Police Department (CPD) medical time and CPD has removed the member from the payroll due to a medical leave of absence.

Are there different types of disability benefits?

Yes. The Illinois Pension Code includes three categories of disability benefits referred to as: Duty disability, Occupational Disease disability (Heart), and Ordinary disability.

How do I apply for a disability benefit?

A member seeking a disability benefit should contact the PABF Disability Manager, Bob Crawford, at 312-676-0428 or by email at bob@chipabf.org to complete an application. After the application is completed, the Board's medical management service will set up an Independent Medical Examination (IME) for the applicant.

How is a decision made about my disability benefit application?

The Board will review the completed disability application, including all supporting documents and the IME before making a decision regarding the application at a monthly Board meeting. At that time, the Board may vote to award the benefit, deny the benefit, or determine the applicant needs to appear before the Board for a full hearing on his or her application prior to making a determination of award.

How long will it take to get a decision on my disability application?

It may take up to several months for a member to receive a decision on his or her application. A member should start his or her application process 2 months prior to expiring the 365 days of medical time.

How does a disability benefit affect my pension status?

If the Board grants a disability benefit, the member on disability is treated as though he or she is an active member for retirement and dependent annuity purposes pursuant to the Illinois Pension Code.

Can the Board terminate my disability benefit?

Yes. In order to continue receiving a disability benefit, the member will need to be found disabled by a physician for the Board on a yearly basis. While a member remains disabled, he or she must comply with the disability provisions within the Illinois Pension Code and adhere to the Board policies. A member's failure to comply with either the statutory requirements or the Board policies may result in that member's disability benefit being suspended and/or terminated.

When is a member eligible for a disability benefit?

Duty Disability: An active member is eligible to apply for a duty disability benefit if he or she becomes disabled as the result of an injury that occurred in the performance of an act of duty.

Occupational Disease Disability: An active member is eligible to apply for an occupational disease disability if the he or she has at least 10 years of service and suffers a heart attack or any other disabling heart disease.

Ordinary Disability: An active member is eligible to apply for ordinary disability benefits if he or she becomes disabled as the result of any cause other than an act of duty or occupational disease.

How do I know whether I will receive a duty disability award of 75% or 50% of my salary?

If the Board determines the member's injury occurred in the performance of an act of duty where no preexisting condition relating to the injury existed, the member may be eligible to receive disability benefits at 75% of the member's current salary.

If the Board determines the member's injury occurred in the performance of an act of duty where a preexisting condition relating to the injury existed, the member may be eligible to receive disability benefits at 50% of the member's current salary.

What is considered an act of duty?

An act of duty is defined by statute as "any act of police duty inherently involving a special risk, not ordinarily assumed by a citizen in the ordinary walks of life..." It is important to note that there is a distinction between becoming injured while in performance of an "act of duty" and becoming injured while at work. Not all injuries sustained while working qualify as injuries occurring in the performance of an act of duty.

If I am awarded a duty disability benefit, how much will I receive?

Duty Disability: A duty disability benefit will either be equal to 75% or 50% of the member's salary at the time the disability is allowed. Duty disability benefit shall be payable until the policeman becomes age 63 or would have been retired by operation of law. Thereafter the policeman shall receive the annuity provided in accordance with the other provisions of the Illinois Pension Code.

Occupational Disease Disability: The occupational disease benefit shall be 65% of the salary attached to the rank of the officer at the time of their removal from the police department payroll. The occupational disease disability benefit is payable during the period of disability until the police officer attains age 63 or compulsory retirement age, whichever occurs later; thereafter the police officer shall receive the benefits provided under the other provisions of the Pension Code.

Ordinary Disability: The ordinary disability benefit shall be 50% of the officer's salary at the time disability occurs. Officers awarded an ordinary disability benefit are eligible for 1 year of benefits for every 4 years of service, with a maximum of 5 years of benefits.

[Does a disability award include a separate benefit for my children?](#)

Duty Disability: A member who is awarded a duty disability benefit will also be entitled to children's disability of \$100.00 per month for each natural or legally adopted, unmarried child under the age of 18. However, the total amount of the children's disability shall not exceed 25% of the officer's salary.

Occupational Disease Disability: A member who is awarded an occupational disease disability benefit will also be entitled to children's disability of \$100.00 per month for each natural or legally adopted unmarried child under the age of 18. However, the total amount of the children's disability shall not exceed 25% of the officer's salary.

Ordinary Disability: No. There are no eligible children's benefits with an ordinary disability award.

[Do I have to pay taxes on my disability benefit?](#)

Duty Disability: No. A duty disability benefit is tax-free.

Occupational Disease Disability: No. An occupational disease disability benefit is tax-free.

Ordinary Disability: Yes. An ordinary disability benefit is subject to federal taxes.

[What happens to my medical insurance while I am receiving a disability benefit?](#)

Duty Disability: A member who is awarded a duty disability benefit will be provided with free medical insurance coverage by the City of Chicago from the time the disability benefits are awarded.

Occupational Disease Disability: A member who is awarded an occupational disease disability benefit will be provided with free medical insurance coverage by the City of Chicago from the time the disability benefits are awarded.

Ordinary Disability: A member who is awarded an ordinary disability benefit may continue to pay for his or her medical insurance through the City of Chicago Benefits Management Office. The member will be required to make premium payments directly to the Benefits Management Office, as there is no payroll deduction for this plan.

[Required Legal Documentation](#)

[Does the Fund require any personal documentation identifying spouses and children?](#)

For the protection of a participant's family, it is very important for participants to submit original or certified marriage certificates, children's birth certificates (if under age 18 or

handicapped) the divorce decrees or death certificates which may have terminated a previous marriage by the participant or the participants spouse. Upon request, this Fund will make copies and return the originals to you. If you need to obtain copies of these certificates the following agencies can assist you:

To obtain a birth, death, or marriage certificate on file in Cook County.

Contact the Cook County Clerk's Office at 312-603-7795, www.cookcountyclerk.com

To obtain a copy of a divorce decree, contact:

Contact the Cook County Clerk of the Court at 312-603-6300, www.cookcountyclerkofcourt.org

RELATED ORGANIZATIONS & CONTACT NUMBERS

Chicago Fraternal Order of Police Local 7

1412 W. Washington Blvd.

Chicago, IL 60607

(312) 733-7776

www.Chicagofop.org

Retired Chicago Police Association

5310 N. Harlem Ave.

Chicago, IL 60656

(773) 763-5310

<https://www.retiredchicagopoliceassoc.com/>

Chicago Police Department

3510 S. Michigan Ave.

Chicago, IL 60653

- Human Resources
(312) 745-5300
- Medical Section
(312) 745-5000
- Duty & Occupational Bills:
(312) 746-6971

Benefits Management Office

333 S. State St. - Room 400 Chicago, IL 60604

(877) 299-5111

www.cityofchicagobenefits.org

Chicago Patrolmen's Credit Union

1407 W. Washington Blvd.

Chicago, IL 60607

312-726-8814

<https://www.cpdfcu.com>

Nationwide Retirement Solutions Deferred Compensation

205 W. Randolph -Suite 1540

Chicago, IL 60606

Chicago Office: (312) 443-1975

National Office: (877) 677-3678

www.nationwide.com

BC/BS Medical Plan

(as of January 1, 2018)

(877) 566-8520 (Medicare)

(800) 292-6398 (Non-Medicare)

Aetna Medical Plan

(as of January 1, 2018) (312) 248-6508 (Medicare) (877) 660-7919 (Medicare)

Met Life

(800) 942-0854

Retiree Vision/Dental Benefits Liaison (312) 454-6023 – Jack Burns

Prudential Financial Life Plan Management

P.O. Box 13676 Philadelphia, P A 19176

(800) 778-3827

Davis Vision Care

PPO: (800) 999-5431

HMO Advantage: (877) 393-8844

HMO Perform: (888) 884-8428

www.davisvision.com

Dental Care Compbenefits/Humana One

(800) 837-2341

www.compbenefits.com/custom/citvofchicago

Social Security Administration

North -4849 N. Milwaukee Ave.

Downtown -77 W. Jackson Blvd.

South -8658 S. Sacramento

For other locations: (800) 772-1213 Medicare Information: (800) 633-4227

www.ssa.gov

State of Illinois Benefits

Attorney General

Line of Duty Compensation Act Claims 100 W. Randolph, 10th Floor

Chicago, IL 60601 www.cyberdriveillinois.com

Click departments/court_of_claims

(312) 814-6125

Veterans Administration

2122 West Taylor Street Chicago, IL 60612

(800) 827-1000

Veterans Affairs Insurance Center

(800) 669-8477

Memorial Program Service (Headstone)

(800) 697-6947

Firemen's Annuity and Benefit Fund of Chicago

20 S. Clark St.

Chicago, IL 60603

(312) 726-5823

www.fabf.org

Municipal Employees' Annuity and Benefit Fund of Chicago (MEABF)

321 N. Clark Street, Suite 700

Chicago, IL 60654-4767

(312) 236-4700

<https://www.meabf.org/>

Laborers' & Retirement Board Employees' Annuity and Benefit Fund of Chicago

321 N. Clark St. Suite 1300

Chicago, IL 60654

(312) 236-2065

<http://www.labfchicago.org>



Policemen's Annuity & Benefit Fund of Chicago

PLANNING FOR RETIREMENT

APPLICATION

1. Approximately 30 days prior to your retirement date let the Fund know you plan to retire by sending an email to retirement@chipabf.org or calling 312-744-3891.
2. Provide the following information to the Fund (unless previously provided):
 - A printed copy of your Personnel Action Request (PAR) form (aka the "Retirement Submission Receipt"). The status **must** be approved and form **must** be signed by you and your Commanding Officer.
 - Documentation of life changes including certified copies of:
 - marriage certificates
 - birth certificates
 - divorce decrees
 - death certificates
 - Social Security Numbers for all dependents who will continue on your healthcare coverage.
 - A valid email address.
3. Once the Fund receives all the above information, you will receive a prepared Retirement Application by email. Upon receipt of the application, you will need to sign it, have it notarized and return it to the Fund as soon as possible.

HEALTH INSURANCE

HEALTH INSURANCE OPTIONS AT RETIREMENT:

- **Retiring before age 55:** Members are eligible to continue their City of Chicago health insurance at their own expense for up to 18 months through PHSA/COBRA. For more information, contact the City of Chicago Benefits Management Office www.cityofchicagobenefits.org or 1-877-299-5111.

For FOP members and Sergeants, Lieutenants and Captains (retired prior to January 1, 2021):

- **Retiring at age 55 through age 59:** Members are eligible to continue their City of Chicago health insurance, including covered dependents, at a cost of 2% of their annuity. This insurance ends when the member reaches the age for full Medicare eligibility, typically the 1st of the month prior to the retiree's 65 birthday.

- **Retiring at 60 through age 63:** Members are eligible to continue their City of Chicago health insurance, including covered dependents, at no cost. This insurance ends when the member reaches the age for full Medicare eligibility, typically the 1st of the month prior to the retiree's 65 birthday.

For Sergeants, Lieutenants and Captains (retired after January 1, 2021):

- **Retiring at age 55 through age 59:** Members are eligible to continue their City of Chicago health insurance, including covered dependents, at a cost of 3.5% of their annuity. This insurance ends when the member reaches the age for full Medicare eligibility, typically the 1st of the month prior to the retiree's 65 birthday.
- **Retiring at age 60 through age 62:** Members are eligible to continue their City of Chicago health insurance, including covered dependents, at a cost of 1.5% of their annuity. This insurance ends when the member reaches the age for full Medicare eligibility, typically the 1st of the month prior to the retiree's 65 birthday.
- **Retiring at 63:** Members are eligible to continue their City of Chicago health insurance, including covered dependents, for free. This insurance ends when the member reaches the age for full Medicare eligibility, typically the 1st of the month prior to the retiree's 65 birthday.

HEALTH INSURANCE OPTIONS AT THE AGE FOR FULL MEDICARE ELIGIBILITY

Members who are Medicare eligible, have several plans available to them. The Fund simply serves as a conduit to collect and forward payment of premiums authorized by the member from the participant's benefit check to most health care plans. Please see 2021 Healthcare Resources document for additional information.



Policemen's Annuity & Benefit Fund of Chicago

APPLICATION FOR DISABILITY BENEFITS CHECKLIST

While on the medical roll officers should prepare for the possibility of applying for disability benefits. Officers should start the disability application process with at least 2 months prior to expiring the 365 days of medical time. The following steps need to be completed:

- ☐ Contact the CPD Medical Services Section and notify them of your intention to apply for disability benefits.
- ☐ Complete and sign a PAR Form and medical records release form allowing the Medical Section to copy and send your medical file to the Pension Fund.
- ☐ After signing the required documents, contact the PABF at 312-744-3891 or by email at bob@chipabf.org to notify the Disability Manager of your intention to apply for disability benefits.
- ☐ Complete your application with the Fund after the disability manager contacts you to notify you that the Fund has received your medical files.
- ☐ Attend the Independent Medical Exam (IME) with a PABF physician at the date and time scheduled for you by the Fund.
- ☐ Attend your scheduled disability hearing in front of the PABF Board and await the Board's decision.

Please note if you apply for disability benefits, there will be a period of time when you are without income. That time period will be at least 6 weeks but could be up to several months. It is important to know that signing the PAR Form to take a leave of absence and the disability application does not lock a member into the disability process. Any officer may rescind the PAR Form and disability application, and the claim for disability benefits will be terminated.



Policemen's Annuity & Benefit Fund of Chicago

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