

MEDICAL RETIREMENT PROCEDURE

1. Scope

BT's medical retirement procedure sets out the steps for determining the appropriateness of medical retirement with consequential eligibility for health related benefits payable from the BT Pension Scheme (BTPS) and the BT Retirement Saving Scheme (BTRSS), provided the employee is not covered by a PHI policy e.g. former Syntegra Limited Flexible Pension Plan members. Such benefits are only payable to BTPS/BTRSS members when the company has decided to terminate their service on grounds of impaired capability due to ill health and a valid medical retirement certificate has been issued.

2. Roles and Responsibilities

All BT People

Have a responsibility to:

- Take suitable and sufficient action on the advice of their own medical advisers to remedy any health problems that they may develop.
- Co-operate with the company and its advisers (e.g. OHS) to identify health related obstacles to regular and efficient working and to implement reasonable adjustments to overcome these.
- Accede to reasonable requests to undergo health assessments and to approach their own medical advisers for information which would help determine whether medical retirement is appropriate.
- Complete and return all appropriate documentation in a timely manner.

First Line Managers

Have a responsibility to:

- Ensure that they themselves and those they manage understand the company policies on Managing Effective Attendance and linked procedures when dealing with cases of impaired capability due to ill health.
- As soon as practicable when termination on grounds of impaired capability due to ill health is being considered, take appropriate advice on eligibility for health related pension benefits.
- Inform individuals of progress at all key stages of this procedure and of the support available from the unions where appropriate.
- Offer the opportunity of contacting the Employee Assistance Programme (EAP) and any other support which may be available through the company.
- Complete and return all appropriate documentation in a timely manner.

Second Line Managers

Have a responsibility to:

- Ensure that they themselves and those they manage understand the company policies on Managing Effective Attendance and linked procedures when dealing with cases of impaired capability due to ill health.
- Ensure in each case where the recommendation to dismiss is supported, and the individual is a BTPS/BTRSS member, that recent advice has been sought from OHS Core on eligibility for medical retirement benefits.
- Ensure that an estimate of pension benefits has been obtained from Accenture HR Services on a "subject to check" basis and made available to the individual.
- Decide whether to progress medical retirement on behalf of the company when the qualifying certificate has been issued by the OHS.
- Advise individuals of their rights of appeal to a higher authority.
- Complete and return all appropriate documentation in a timely manner.

Third Line Managers

Have a responsibility to:

- Hear and determine any appeals against the second line manager's decision.
- Ensure appeals against refusal to support medical retirement are forwarded to OHS Core.
- Consider the recommendations made by the Chief Medical Officer (CMO) in determining the outcome of the appeal.
- Provide the individual with a response to any points made on appeal and an explanation of the decision.

Chief Medical Officer (CMO)

Has a responsibility to:

- Review cases recommended by the OHS for the payment of health related pension benefits from the BTPS or BTRSS to ensure consistency of medical judgement and probity.
- Countersign medical retirement certificates to allow medical retirement and therefore payment of health related pension benefits from the BTPS or BTRSS.
- Review medical evidence in appeals against refusal to support medical retirement.
- Forward appeal cases to an independent medical assessor when he/she has previously had material input to the case or is unable to consider the appeal within a reasonable timescale.
- Recommend to the Third Line Manager whether the criteria for the issue of a medical retirement certificate are met in appeal cases.
- Provide a written explanation for the rationale underpinning recommendations in appeal cases.

Accenture HR Services

Can provide the following support to BT Managers:

- Case manage the progress of all cases to final conclusion.
- Assist with preparation of OHS referrals.
- Provide draft letters and work with the manager on the production of final documents.
- Provide pension estimates.

Occupational Health Services (OHS)

Occupational health services are provided for BT through external specialist providers. The OHS Core comprises occupational physicians and nurses dedicated to servicing the requirements of BT - they have received special training in BT's activities, policies and procedures to enable them to discharge this role effectively. The OHS Network comprises a much larger number of OH professionals who are suitably qualified and experienced to provide work related health advice but their knowledge of BT is necessarily less comprehensive.

OHS can provide the following support to BT Managers:

- Undertake health assessments and, with consent, approach individuals' own medical advisers for information.
- Provide advice on appropriateness of medical retirement with consequential eligibility for health related pension benefits.
- Issue medical retirement certificates to allow medical retirement and therefore payment of health related pension benefits from the BTPS or BTRSS.
- Process appeals against refusal to support medical retirement by assembling the medical evidence and forwarding to BT's CMO for review.

3. Medical retirement procedure - Key steps

Medical retirement applies only where an individual is dismissed on the grounds of impaired capability due to ill health where the criteria for the immediate payment of certain pension benefits are also met.

The decision to dismiss is therefore an essential precursor to formal consideration of whether health related pension benefits can be paid, though it is usually in the interests of both the company and the individual to have established likely eligibility in advance of the decision meeting.

Stage 1 - Decision to terminate

Consideration of impaired capability due to ill health may arise in the course of [attendance](#), performance or [disciplinary](#) procedures. If it becomes clear that any significant impairment is likely to be long term then the [Managing Changing Capabilities](#) procedure should be implemented and termination should only be considered when alternative means of resolution cannot be achieved. Such action necessarily requires careful consideration with appropriate input from designated managers and advised by Accenture HR Services and the OHS.

Decisions to dismiss on the grounds of impaired capability due to ill health must be taken in line with the Managing Effective Attendance policy and the [Attendance](#) and [Managing Changing Capabilities](#) procedures.

Stage 2 – Referral to OHS

Both the BTPS and the BTRSS allow access to health related benefits when a member is medically retired under this procedure. Authority for judging whether the medical criteria are met is vested in the BT Group Chief Medical Officer (CMO) who delegates this authority on a day to day basis to named authorised OHS Core accredited specialists in [occupational medicine](#).

Consequently, once it seems likely that a decision will be made to terminate the services of a BTPS/BTRSS member on the grounds of impaired capability due to ill health, a referral must be made to the OHS. Referrals should be initiated with sufficient time allowed to establish eligibility for medical retirement benefits in advance of any decision meeting. The referral must confirm that termination is being considered, that no reasonable adjustments to accommodate impaired capability can be made and that no suitable alternative duties are available. A suitable and sufficient description of the individual's duties must be provided and specific guidance must be sought on whether the medical retirement criteria are likely to be met. This referral is required unless a contemporaneous (within 3 months of notification of the termination date) written decision on eligibility for medical retirement from one of the authorised OHS Core accredited specialists is already held.

Stage 3 - Assessment of eligibility for medical retirement benefits

In most cases a recent assessment of the occupational health aspects of the case will have been carried out in order to help resolve employment issues. Frequently the information gathered in this way will be suitable and sufficient for the OHS Core to determine whether the medical retirement criteria are met. However in some cases it may be necessary to obtain fresh information through an occupational health assessment by the OHS Network and/or from other health professionals. Such additional information would be required to clarify clinical aspects of the case and any opinions on eligibility for medical retirement expressed by a member's own doctors or non-authorised OHS health professionals will be taken into account but may not be accepted.

On the basis of the evidence gathered in this way the authorised OHS Core specialist will provide a clear decision to the referring manager on whether the relevant medical retirement criteria are likely to be met and, if so, will issue a medical retirement certificate. This certificate must normally be countersigned by BT's CMO for quality assurance and probity purposes. In exceptional cases a medical retirement certificate may be actioned on the basis of one signature only provided it is annotated as follows:

In view of the gravity of the medical situation sole authorisation is exceptionally given for medical retirement. Full certification will follow as soon as is practicable.

4. Criteria for medical retirement benefits

BTPS

The same criteria are applied for accessing medical retirement benefits under Sections A, B and C though the [benefits](#) themselves vary. In order to qualify a certificate must be issued by an authorised OHS Core accredited specialist in occupational medicine stating that an individual is:

permanently incapable of giving regular and effective service in the duties of his/her position by virtue of ill health.

- *Permanently* means to the normal pensionable age for that person (currently usually 60 years)
- *Incapable* means unable to work despite the individual's best efforts, which would include co-operation with any reasonable proposal for medical or surgical treatment
- *Regular and effective service* means meeting acceptable standards of attendance and performance
- *Duties of his/her position* means the substantive post, as reasonably adjusted, and suitable alternative work which is available
- *By virtue of ill health* means that the foregoing is all a direct consequence of a recognised clinical illness, disability or injury for which there is objective medical evidence

The judgement applied is on a balance of probabilities.

BTRSS

Medical retirement benefits have been set at two levels. In order to qualify for medical retirement a certificate must be issued by an authorised OHS Core accredited specialist in occupational medicine stating that an individual is either:

Standard Level – ***permanently incapable of giving regular and effective service in the duties of his/her position by virtue of ill health.***

The interpretation is identical to that for the BTPS.

Or

Enhanced Level – ***permanently incapable of giving regular and effective service in any capacity by virtue of ill health.***

- *In any capacity* means any paid work (in BT or elsewhere) which the individual might reasonably be expected to undertake.

The interpretation is otherwise the same as that for the BTPS.

The judgement applied for both criteria is on a balance of probabilities. Payment of benefits is dependent upon acceptance by BT's insurers.

5. Special circumstances

Serious ill health commutation

If a BTPS or BTRSS member is suffering from a serious illness with a short life expectancy, the OHS Core may recommend full commutation of the pension. The implications of this option as opposed to remaining in employment should be discussed with the individual or his/her family wherever practicable. Serious ill health commutation can only be considered once it has been established that the medical retirement criteria are met. Under these circumstances, it may be in the member's BEST interest NOT to be offered full Pay in Lieu of Notice as Accenture HR Services need time to process the commutation on ill-health grounds option whilst the individual

remains a contributing member of the BTPS. This is an Inland Revenue requirement. Further guidance is available from Accenture HR Services via the Customer Reception Unit Manager at the Pension Centre. For BTRSS members full commutation is determined by Standard Life as issuer of the BTRSS personal pension.

BTPS Section C members - incapacity review

Under the rules of Section C of the BTPS an ill-health pension may be suspended or reduced, at the Trustees' absolute discretion, until Normal Retirement Age if an individual recovers sufficiently and begins paid work again. The OHS Core specialist may therefore recommend to the Trustees periodic reviews in cases where the medical retirement criteria are met only on a narrow balance of probabilities.

6. Right of Appeal

An individual has a right of appeal to a higher authority (third line manager) against refusal to support medical retirement. The appeal may be made by the individual personally or by a 'friend' (as defined in the [Attendance procedure](#)). The appeal authority is a senior line manager (normally minimum level three).

BTRSS members may also appeal against the level of award if they believe that they should qualify for the Enhanced rather than the Standard provision.

The procedure for appeals against termination of employment on the grounds of impaired capability due to ill health is described in the Attendance Procedure and can be accessed [here](#).

Time limits for appeals

Notice of the intention to appeal must be given within **five working days** of receipt by the individual of the decision to refuse medical retirement. At the same time the individual must state whether it is intended to make the appeal via a trade union. If it is, the union must provide, within **a further ten working days**, a statement that it is preparing to make an appeal on the employee's behalf. Any notification of appeal must indicate that fresh medical evidence is being sought to support the appeal and this evidence must then be submitted within **twelve weeks**. The notice period will not be extended but an appeal may still be heard after the last day of service to which any additional benefits will be backdated if the appeal is successful.

Medical evidence for appeal

All appeals against the refusal to grant medical retirement must be supported by new written medical evidence (i.e. reports which were not considered in making the original decision). BT will not meet any costs incurred by the appellant in obtaining fresh medical evidence. The individual will, however, be provided with a statement of the main features of his/her duties. Medical evidence in support of an appeal must take the form of a complete and detailed medical report including information about capability and incapacity together with anticipated timescales for the latter. Any opinions offered should be supported by objective medical evidence. Extracts from medical reports will not be accepted. Individuals are also encouraged to submit a personal statement setting out their own views on why they feel they meet the medical retirement criteria.

Any medical evidence produced in support of an appeal must be referred in the first instance to the OHS where it will be dealt with by an OHS Core specialist. Where an employee or his/her doctor wishes, the evidence may be sent direct to the OHS Core on a "medical in confidence" basis. The OHS Core is required to confirm that the documentation submitted does constitute new medical evidence, to ensure that documentary evidence of the decision to dismiss (including the outcome of any appeal against termination) is available, to assemble this with the original copies of all medical case papers previously considered and forward the assembled file to the BT Chief Medical Officer (CMO) for a final determination on application of the medical criteria. The appeal authority must be advised by the OHS Core as soon as is practicable of any

deficiencies in the evidence presented so that they can be remedied within the established time limits.

The appeal process

This is a "papers only" review of all the evidence presented. The CMO will consider all the papers and advise the appeal authority whether the medical criteria are met and consequently recommend whether the appeal against refusal of medical retirement should be upheld or denied. If the CMO has previously had material input to the case, or is unable to consider the appeal within a reasonable timescale, he/she will seek and be bound by the opinion of an alternate independent senior occupational physician. This advice, from the CMO or alternate, will be presented in writing and will outline the key medical evidence considered and explain the rationale of the recommendation made - this document should be forwarded to the appellant by the appeal authority with notification of the decision.

The appeal decision is final though, in exceptional circumstances, the BT Grievance Procedure may apply if the criteria for high level review are met. If the appeal is successful a medical retirement certificate will be issued in the normal way.

7. Access to Documents

The individual or his/her authorised representative will, on request, be given access to BT papers held in his/her OHS record in accordance with the Data Protection Act and, if applicable, the Access to Health Records Act.

8. Related Procedures

BT's policies and procedures covering:

[Attendance](#)

Performance

[Discipline](#)

[Managing Changing Capabilities](#)

[Sick Pay](#)

[Grievance](#)

9. Procedure Replaced by this Document

This procedure replaces the medical retirement components of the **Long Term Illness Procedure - PNL/EMP/K045**