

PENSION POINTERS



The Pension Board Decides Disability: Illinois Supreme Court Reaffirms Pension Boards' Authority Over Independent Physicians

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A November 2025 decision by the Illinois Supreme Court has reaffirmed a principle that downstate firefighters' pension funds already know well: the pension board, not its independent medical examiners, has the final word on whether an officer or firefighter is disabled.

In *Moreland v. Retirement Board of the Policemen's Annuity and Benefit Fund of the City of Chicago*, 2025 IL 131343, a Chicago police officer was injured in an on-duty traffic accident. After years of treatment, surgery, and medical leave, the officer applied for duty disability benefits. The pension board appointed an orthopedic surgeon to conduct an independent medical evaluation. The surgeon concluded that the officer had reached maximum medical improvement and could return to full, unrestricted duty. However, the officer's treating physician opined that the officer was permanently disabled and could not safely carry or discharge a weapon. The pension board voted to deny the officer's application, crediting the surgeon's opinion.

Separately, the Chicago Police Department declined to reinstate the officer because he was not fit for duty. This left him denied by both the department and the Board. The appellate court reversed, holding that *Moreland* was trapped in a "catch-22" and that the pension board was therefore required to award him benefits. The Illinois Supreme Court disagreed. The Supreme Court first reaffirmed a principle well known to downstate firefighters' pension funds: the pension board, not independent medical examiners, decides whether there is a disability. Like Article

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4 of the Illinois Pension Code, proof of a Chicago police officer's disability must be "furnished to the board by at least one licensed and practicing physician appointed by the board." The pension board argued that because its appointed surgeon found the officer was not disabled, his disability claim necessarily failed—even though his treating opined otherwise.

The Supreme Court disagreed. Relying on *Wade v. City of North Chicago Police Pension Board*, 226 Ill. 2d 485 (2007), the Court held that the Pension Code only requires that the board receive an opinion on the applicant's disability status from at least one board-appointed physician before awarding a pension. The statute does not require that opinion to be favorable. The pension board remains the ultimate arbiter of disability and retains discretion to credit non-appointed physicians over its own appointed doctor.

The Supreme Court then turned to the officer's "catch-22" argument: the pension board was required to award a disability pension because the Chicago Police Department refused to reinstate him. The Supreme Court rejected that argument, too. While it seems strange that an officer could simultaneously be not "disabled" within the meaning of the Pension Code and also not fit for duty, the Supreme Court explained that the standard for dismissing an unfit officer is *lower* than the one governing the award of a disability pension. Indeed, the legislature vested decisions about fitness for duty and disability pension eligibility to

separate agencies with different missions. Holding otherwise and embracing the "catch-22" analysis advanced by the appellate court would mean that any officer denied reinstatement by his employer is automatically entitled to a disability pension, regardless of the medical evidence. The Supreme Court found nothing in the statute supporting that result.

Ultimately, *Moreland* does not break any new ground for Article 4 pension funds. Appellate court decisions have already established that the pension board is the finder of fact on disability—a board-appointed physician's opinion is important evidence, but it does not automatically control the outcome. In fact, the board may credit a treating physician's testimony if it finds it more persuasive, provided it adequately explains its reasoning in a written decision. Furthermore, the "catch-22" of not being "disabled" under the Pension Code while also being unfit for duty is statutorily permitted. Therefore, an employer's decision not to reinstate an officer does not, standing alone, entitle that officer to a disability pension.

Funds facing these issues are encouraged to obtain legal advice before, during, and after the disability hearing process, not only to ensure procedural compliance, but to build a written record that will withstand administrative review. Accordingly, if you have any questions about *Moreland* or disability pension applications, we recommend you partner with your attorneys. ■