

Appeals court eases disability retirement rules for federal employees

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By Drew Friedman – May 20, 2026

Some federal employees may now have an easier time qualifying for disability retirement benefits, following a recent precedential decision from the U.S. Court of Appeals for the Federal Circuit.

In April, [the court ruled](#) that federal employees' disability retirement applications cannot be denied solely based on a lack of "objective" medical evidence. The ruling applies in cases where federal employees have already been removed from their jobs due to a "medical inability to perform."

Objective documentation, like lab tests or prescription lists, can support an argument but cannot be the sole basis for denying claims, the court said. "Subjective" medical evidence, like a diagnosis based on self-described symptoms, must also be considered. If employees' disability retirement claims rely on subjective evidence, they won't automatically be denied benefits.

The decision last month overturned a 2024 ruling from the Merit Systems Protection Board, which had upheld the Office of Personnel Management's denial of a disability retirement application from a former OPM employee in 2016.

"[The new decision] helps protect employees in a lot of ways for disability retirement applications," said Christopher Bonk, partner at Gilbert Employment Law and attorney for the OPM employee. "If somebody is in a position where they're not able to put forward copious notes and lists and present all that to OPM as part of a disability retirement application, they're not going to be penalized for it."

The appeals court's ruling may be especially critical in cases involving federal employees with psychological disabilities.

"In most situations where a disability is less physically obvious, there's a reliance — reasonably so — on subjective medical evidence," Bonk said. "Pure objective medical evidence is not always going to be the full story there."

Federal employees can qualify for [disability retirement](#) if they cannot continue working due to a long-term disability,

while also meeting other stringent eligibility requirements. In most cases, federal employees must prove their eligibility to receive disability retirement benefits. OPM reviews all federal employee applications for disability retirement benefits.



But if employees have already been removed from their jobs for a "medical inability to perform," they are presumed eligible for the benefits. A rule known as the Bruner presumption lets federal employees in that situation qualify for disability retirement benefits without needing to further prove their case. The burden of proof then falls to OPM to bring forth evidence showing an employee does not qualify.

The April appeals court decision involves the case of Tracey Garland, a former OPM employee whose disability retirement application was rejected despite being removed from her position in 2016 due to a disability. Garland had been diagnosed by a psychiatrist with major depression, anxiety and insomnia.

OPM, at the time, said because there was no objective medical documentation showing that Garland had a disability, she was not entitled to disability retirement benefits. OPM argued that subjective documentation from the employee's psychiatrist did not meet the eligibility requirements.

"It was a really unusual and surprising outcome," Bonk said. "OPM itself separated her for having a disability but then turned around saying she hadn't shown that she has a medical condition that caused a disability."

After OPM rejected her disability retirement application, Garland appealed her case to the MSPB. In 2024, an administrative judge ruled in favor of OPM and upheld the application denial. Garland then filed a petition for review, eventually leading to the appeals court's precedential decision reversing the MSPB ruling.

Bonk said the April decision "reinforces a guardrail for individuals who are moving forward with disability retirement applications — it helps protect them from an improper denial."

