NHS Pensions - Mental Health Officer (MHO) status (1995 Section only)

History of Mental Health Officer status

Mental Health Officer (MHO) status is a historical provision that was introduced to compensate members caring for patients suffering from mental health disorders.

It was a continuation of arrangements which existed prior to the formation of the NHS in 1948, when treatment for mental health patients was different to today.

Abolition of MHO status

MHO status was abolished for all new entrants to the NHS Pension Scheme after 6 March 1995 and for those previously holding the status who have a break in pensionable employment of any one period of five years or more.

MHO status does not apply in the 2008 Section or the 2015 Scheme.

Eligibility following a break

In pensionable employment on 6 March 1995
If a member was in pensionable employment (contributing to the Scheme) on 6 March 1995 as an MHO, they will qualify for MHO status on rejoining the Scheme in employment which attracts the status, as long as they do not have a break in pensionable employment of any one period of five years or more. This is the case even if they subsequently receive a refund of contributions, transfer benefits out of the Scheme, or retire.

Not in pensionable employment on 6 March 1995
If a member had deferred benefits as an MHO member on 6 March 1995 they will qualify for MHO status on rejoining the Scheme in employment which attracts the status, as long as they do not have a break in pensionable membership of any one period of five years or more.

Note: If the member had transferred benefits out of the Scheme, received a refund, or retired as a Special Class member prior to 6 March 1995 then they are not eligible for the status on returning to pensionable employment.

Benefits

Members who have 20 years MHO membership can:

- retire from age 55 without any reduction to benefits, providing they are still in pensionable MHO employment on the day before they retire.
- count each complete year of MHO membership, after accruing 20 years, as 2 years for benefit purposes, known as ‘doubling’.

**Transition to the 2015 Scheme**

MHO membership counting towards doubling will cease when a member moves over to the 2015 Scheme.

1995 Section members holding MHO status who either move straight into the 2015 Scheme or do so following the end of a period of Tapered Protection and who do not exceed a break of five years or more, will have a final salary link for the purpose of the 1995 Section pension benefits. If the final salary link is maintained and the criteria to retire at age 55 for MHO purposes is met, the 1995 Section benefits can be claimed once all NHS employment ends. Any 2008 Section or 2015 Scheme benefits would be calculated as normal and, if being paid before the Normal Pension Age, would attract an actuarial reduction.

Although MHO status is not applicable to 2015 Scheme membership, it will still need to be recorded to establish possible early retirement criteria for those members who hold preserved rights in the 1995 Section. Employers will need to continue to accurately record MHO status and retention of MHO status in these circumstances. The same processes and forms used for protected 1995 members will continue to apply.

**Eligibility**

In order to be considered for MHO status a member must spend all, or almost all, of their time in the direct treatment or care of those suffering from mental disorders. Doctors and nurses who are identified by their employer as working with mentally disordered patients will be granted MHO status automatically if they satisfy the membership criteria. Other grades may be accepted on investigation.

It is therefore important that an employer notifies NHS Pensions on joining of any member they believe may satisfy the criteria for MHO status.

**Part time membership**

Previously a member had to be whole time to qualify for MHO status. However, part time members may now be granted the status in certain circumstances. MHO status may be backdated to 8 April 1976 for part timers who made a valid application to an Employment Tribunal and for those members who were contributing to the Scheme on 14 January 1999. A member who was not in pensionable employment on 14 January 1999, but subsequently rejoined the Scheme after that date will still be entitled to have MHO status considered for current and future periods of part time membership, subject to fulfilling the other criteria.

**MHO work done outside the NHS**

Some periods of work with mental health patients which do not count towards a member’s pension may count towards the 20 years required to double membership. This includes:
• membership no longer reckonable in the NHS Pension Scheme, for example membership refunded or transferred out of the Scheme
• work with mental health patients outside the NHS (including some work in government approved premises outside the UK).

When considering whether this membership counts towards a member’s doubling date, doubling cannot commence from a date prior to entry to the NHS Pension Scheme or prior to age 50.

A member should contact NHS Pensions if they believe they have membership which may count towards their doubling date. They should include documentary evidence, such as job descriptions, person specifications or letters of appointment, to enable NHS Pensions to investigate further.

Retention of MHO status

Historically, following management restructuring within the NHS, representations were made to allow Scheme members who were appointed to posts which, although within nursing, were managerial in character, to retain MHO status. Guidelines were developed to enable employers to make decisions on retention of MHO status.

Criteria for retention of MHO status

When considering whether a member is entitled to retain MHO status they must have clear line management responsibility for ward nursing staff and consequently a responsibility for the treatment or care of patients suffering from mental health disorders.

Entitlement to retain the status will be strengthened if a member’s responsibilities include setting and monitoring standards of psychiatric nursing and development and training of nursing staff under their control.

Retention of MHO status applies to those working in mental health trusts and units catering primarily for patients suffering from mental health disorders. Those who are employed in units which do not cater primarily for those with mental health disorders will not normally be allowed to retain MHO status.

A member must have held the status in the post directly before the post in which they wish to ‘retain’ the status.

Retention of MHO status cannot usually be considered when a member’s previous job was not within nursing. This is because the grades of staff they are managing do not always automatically qualify for MHO in their own right.

Decision making

The decision about whether a member can retain MHO status can be made by the employer for a member who is appointed to any nursing post up to and including the grade of Director of Nursing (or equivalent) only. Members above this grade will not normally be allowed to retain the status as it is extremely unlikely they will fulfil the criteria.

Where an employer makes a decision that a member can retain MHO status, the guidelines above must be adhered to. NHS Pensions expect employers to compare the role where
retention is being requested with the previous roles to assess any significant parallels. How the member has demonstrated the criteria for retention must be recorded so evidence can be provided to NHS Pensions if requested.

The employer should notify NHS Pensions that they have considered the member for retention of MHO status. The member should not be notified of the decision on retention until the employer receives confirmation from NHS Pensions that this has been accepted.

If an employer has any doubts about whether a particular member can retain MHO status they must contact NHS Pensions providing copies of the current and former job descriptions together with any other information considered relevant to the application.

Should an employer believe a specific member above the grade of Director of Nursing exceptionally warrants the status, they must contact NHS Pensions providing the supporting information detailed above.

Investigations into retention of MHO status should be made at the time a member commences the role. NHS Pensions would not expect these investigations to be commenced just prior to retirement.

When deciding whether a member can retain MHO status it is also important to remember that consideration is being given to whether the particular member can retain MHO status in that role. This does not necessarily mean that MHO status would apply automatically to any other member subsequently undertaking the role.

In all cases of retention NHS Pensions maintain the right to make the final decision.

**MHOs restriction of membership**

A member with MHO status is restricted to 40 years pensionable membership at age 55 and 45 years overall.

When the maximum 45 years pensionable membership is reached before age 60, an MHO must continue to pay contributions until age 60, unless they opt out of the Scheme or retire and claim their pension benefits.

Where maximum 45 years pensionable membership is reached after age 60 but before 65, a member must stop paying contributions when 45 years pensionable membership has been achieved.

All MHOs must cease paying contributions at age 65 regardless of the amount of pensionable membership they have achieved.

In all cases pension benefits are not payable until a member leaves NHS employment and retires or on reaching age 75* whichever is earlier.  
*70 on or before 31 March 2008.
**Alternative benefit calculation**

Benefits are usually based on pensionable pay up to the date contributions stopped. However, the NHS Pension Scheme regulations allow for an alternative calculation for MHOs who cease to be pensionable, but have continued to work in the NHS before taking retirement benefits.

In these circumstances, if more beneficial, the regulations allow benefits to be calculated using straight membership (no doubled years) and a later pensionable pay figure. The later pensionable pay figure and the straight membership total would be assessed at whichever of the following events happened first:

- retirement
- reaching upper pensionable age 65
- death
- the achievement of 45 years actual membership (not including doubled years).

If benefits using this method are more beneficial, then the regulations also allow outstanding contributions to be deducted from the retirement or death benefit lump sum.

**Process for applying for MHO status**

- Confirm relevant MHO eligibility criteria will be met.
- Telephone our customer contact centre to confirm whether the status is already recorded on our records.
- Refer to the Pension Scheme Forms page and individual form instructions on our website.

**Note:** The joiner form will ask if MHO status should apply but you should still complete one of the application forms summarised below.

**Members**

SM MHO – Provided for member enquires and includes MHO Form A and MHO Form B

Members should query MHO status direct with the relevant employer where possible by completing MHO Form A. MHO Form B should be used to contact NHS Pensions if the employer is not known or when non pensionable employment is being queried.

**Employer application forms**

SM333 – An application form to request MHO status for the automatic grades (nurses capacity 01 and hospital doctors’ capacity 03).

SM215 – An application form to request MHO status specifically for a trainee or qualified Clinical Psychologist.
SM1 – An application form to request MHO status for all other grades that are not an automatic grade or Qualified Clinical Psychologist.

SMR – An application form to request ‘Retention’ of MHO and or Special Class (SC) status for a nurse manager. This form can be used where the employer has either made the decision or requires NHS Pensions help with decision making.

Separate forms will be required for any successive change in job role.