

CHAPTER 05

SPECIAL PAYS FOR MEDICAL OFFICERS

0501 VARIABLE SPECIAL PAY

050101. Entitlement

A. Active Duty for at Least One Year

An officer of the medical corps of the Army or the Navy or an officer of the Air Force designated as a medical officer who is on active duty under a call or order to active duty for a period of at least one year is entitled to special pay as provided in this section and sections 0502 through 0504.

B. Active Duty Less than One Year in Support of Persian Gulf Conflict. Any officer of the medical corps of the Army or the Navy or an officer of the Air Force designated as a medical officer who served on active duty in support of the Persian Gulf Conflict may be entitled to special pay benefits for medical officers. See Part 8, Chapter 63, Health Care Officers on Active Duty in Support of the Persian Gulf Conflict, to determine eligibility and entitlement.

C. Effective 5 December 1991, the following categories of medical officers on active duty less than one year, other than active duty for training are eligible to receive special pay provided under this section, in the same manner as a regular medical officer.

1. Reservists called to active duty for more than 30 days but less than one year, other than active duty for training.

2. Active duty medical officers involuntarily retained under 10 U.S.C. 12305 (reference (c)).

3. Active duty medical officers who voluntarily agree to remain on active duty for less than one year when officers are involuntarily retained on active duty under 10 U.S.C. 12305 (reference (c)), or the Secretary of Defense determines that special circumstances justify the payment of special pay under this subparagraph.

4. Retirees recalled to active duty for more than 30 days under 10 U.S.C. 688 (reference (c)).

D. Payment of special pay authorized by subparagraph 050101C may be made on a monthly basis, prorating for partial months when appropriate. The officer shall refund any amount received in excess of the amount that corresponds to the actual period of active duty served by the officer.

050102. Rates Payable. The monthly rates payable are:

A. If the officer is an intern . . . \$100.00

B. If the officer has less than 6 years' creditable service and is not an intern 416.66

C. If the officer has 6 but less than 8 years' creditable service 1000.00

D. If the officer has 8 but less than 10 years' creditable service. 958.33

E. If the officer has 10 but less than 12 years' creditable service. 916.66

F. If the officer has 12 but less than 14 years' creditable service. 833.33

G. If the officer has 14 but less than 18 years' creditable service. 750.00

H. If the officer has 18 but less than 22 years' creditable service. 666.66

I. If the officer has 22 or more years' creditable service 583.33

J. If the officer is serving in a pay grade above O-6, regardless of years of creditable service
583.33

050103. Special Provisions

A. A medical officer is entitled to variable special pay if an ordered tour of less than one year is amended to require continuous active duty for one year or more. Entitlement begins on the date the amending orders are issued to extend the tour to one year or more.

B. Entitlement to this variable special pay is in addition to any other pay and allowances of the officer.

050104. Creditable Service Defined. Use creditable service to compute the medical officer's entitlement to variable special pay. Creditable service includes:

A. All periods of internship and residency training successfully completed while not on active duty; and

B. All periods of internship and residency training not completed, if they were terminated or interrupted as the result of military operational requirements; and

C. All periods of active service in the medical corps of the Army or Navy, as an officer of the Air Force designated as a medical officer, or as a medical officer of the Public Health Service.

NOTE: Internship or residency in a foreign medical facility, which is not acceptable under the credentialing criteria of an American Medical or Osteopathic Specialty Examining Board, may not be included in the computation of creditable service.

0502 BOARD CERTIFIED PAY

050201. Entitlement. Medical officers as defined in paragraph 010501 are entitled to board certified pay for active duty when they meet the requirements of this section.

050202. Rates Payable. The monthly rates payable are:

A. If the officer has less than 10 years' creditable service \$208.33

B. If the officer has 10 but less than 12 years' creditable service 291.66

C. If the officer has 12 but less than 14 years' creditable service 333.33

D. If the officer has 14 but less than 18 years' creditable service 416.66

E. If the officer has 18 or more years' creditable service 500.00

050203. Special Provisions

A. A medical officer is entitled to board certified pay if:

1. Entitled to variable special pay (section 0105); and

2. Board certified (paragraph 050205).

B. Entitlement to this board certified pay is in addition to any other pay and allowances of the officer.

050204. Creditable Service Defined. See paragraph 050104.

050205. Board Certified Defined. A medical officer is considered board certified if:

A. Certified by an American Medical or Osteopathic Specialty Examining Board. (American medical or osteopathic examining boards are those recognized by the American Board of Medical Specialties and the Advisory Board for Osteopathic Specialists; listings of the recognized certifying boards are published annually in the Directory of Residency Training Programs, published by the American Medical Association, and the American Osteopathic Association Yearbook and Directory of Osteopathic Physicians.); or

B. Board certification equivalency has been established for specialties unique to military medicine for which there is a formal postgraduate medical training program of not less than 2 academic years. Successful candidates will receive a certificate of board certification equivalency.

0503 ADDITIONAL SPECIAL PAY

050301. Entitlement. Medical officers as defined in paragraph 050101 are entitled to additional special pay when they meet the requirements of this section and the requirements of the administrative regulations of the Service concerned.

050302. References

A. Army: DA Msg 041500Z Nov 88, as amended by DA Msg 201300Z Dec 89 (reference (k)).

B. Navy: SECNAVINST 7220.75 Series (reference (l)).

C. Air Force: AFR 36-4 (reference (j)).

050303. Eligibility Criteria. To qualify for additional special pay under this section, a medical officer must:

A. Not be undergoing internship or initial residency training; and

B. Sign an agreement to remain on active duty for at least one additional year from the effective date of the agreement. For medical officers on active duty less than one year in support of the Persian Gulf Conflict, see part 8, chapter 63 to determine eligibility and entitlement.

C. Effective 5 December 1991, the following categories of medical officers on active duty less than one year, other than active duty for training are eligible to receive special pay provided under this section.

1. Reservists called to active duty for more than 30 days but less than one year, other than active duty for training.

2. Active duty medical officers involuntarily retained under 10 U.S.C. 12305 (reference (c)).

3. Active duty medical officers who voluntarily agree to remain on active duty for less than one year when officers are involuntarily retained on active duty under 10 U.S.C. 12305 (reference (c)), or the Secretary of Defense determines that special circumstances justify the payment of special pay under this subparagraph.

4. Retirees recalled to active duty for more than 30 days under 10 U.S.C. 688 (reference (c)).

050304. Creditable Service Defined. See paragraph 050104.

050305. Rates Payable

A. If eligible under subparagraphs 050303A and B, a medical officer is entitled to additional special pay of \$15,000 for each 12 month period.

B. If eligible under subparagraph 050303C, a medical officer is entitled to a monthly pro rata portion of the annual additional special pay.

050306. Time of Payment

A. Pay additional special pay annually at the beginning of each 12 month period, starting with the effective date of the written agreement.

B. For medical officers eligible under subparagraph 050303C, pay a pro rata portion of the applicable annual amount for additional special pay as a monthly entitlement. If service during any month is less than a full month, prorate the additional special pay on a daily basis.

050307. Termination, Recoupment and Refund of Unearned Additional Special Pay

A. The Secretary of the military department concerned may terminate at any time an officer's entitlement to additional special pay. If entitlement is terminated, recoup the unearned additional special pay on a pro rata basis (based on 360 days per year), subject to C below.

B. If an officer enters internship or initial residency training or does not serve on active duty for the period of the agreement, recoup the unearned additional special pay on a pro rata basis (based on 360 days per year), subject to C below.

C. Recoupment of unearned additional special pay is not required when the officer's failure to complete the period of active duty specified in the agreement is due to:

1. Death or disability that is not the result of misconduct or willful neglect and not incurred during a period of unauthorized absence;

2. Separation from military service by operation of laws or regulations of DoD or Service regulations, when approved by the Secretary of the military department concerned; or

3. In other cases, when the Assistant Secretary of Defense for Health Affairs (ASD(HA)) determines recoupment is not in the best interest of the government.

D. Effective 1 October 1985, a discharge in bankruptcy that is entered less than 5 years after the termination of an additional special pay agreement does not discharge the medical officer from a debt arising under the terminated additional special pay agreement.

E. Medical officers on active duty for more than 30 days but less than one year, other than active duty for training, who do not serve the full term of active duty that corresponds to a monthly amount must refund any amount received in excess of the amount that corresponds to the actual period of active duty.

0504 INCENTIVE SPECIAL PAY

050401. Authorization. Medical officers as defined in paragraph 050101 may be authorized incentive special pay when they meet the requirements of the administrative regulations of the Service concerned.

★050402. References

A. Army: DA Msg 251350Z Jul 95 (reference (n)).

B. Navy: CNO Msg 212325Z Aug 95 (reference (l)).

C. Air Force: HQ AFMPC letter, 16 Aug 1995 (reference (m)).

050403. Eligibility Criteria. To be eligible for incentive special pay under this section, a medical officer must:

A. Not be undergoing medical internship or initial residency training; and

B. Be serving in pay grade O-6 or below; and

C. Sign an agreement to remain on active duty for at least one year. For medical officers on active duty less than one year in support of the Persian Gulf Conflict, see part 8, chapter 63 to determine eligibility and entitlement. The effective date of the agreement will be as prescribed in regulations issued by the Secretary concerned and will be included in the agreement; and

D. Be determined by the military department concerned to be:

1. Fully qualified in a medical specialty designated as critical and practicing in that specialty a substantial portion of the time, or

2. Assigned to a position as the sole professional resource in the officer's category, or

3. Assigned to a position which has limited professional growth opportunities because of the nature of practice in the assignment, or

4. Isolated from medical educational opportunities, or

5. Lacking any opportunities to interact with the medical community, or

6. Affected by other similar factors. Such determinations will be approved by the Secretary concerned or the Secretary's designee.

E. Effective 5 December 1991, the following categories of medical officers on active duty for less than one year, other than active duty for training, are eligible to receive special pay provided under this subparagraph.

1. Reservists called to active duty for more than 30 days but less than one year, other than active duty for training.

2. Active duty medical officers involuntarily retained under 10 U.S.C. 12305 (reference (c)).

3. Active duty medical officers who voluntarily agree to remain on active duty for less than one year when officers are involuntarily retained on active duty under 10 U.S.C. 12305 (reference (c)), or the Secretary of Defense determines that special circumstances justify the payment of special pay under this subparagraph.

4. Retirees recalled to active duty for more than 30 days under 10 U.S.C. 688 (reference (c)).

★050404. Creditable Service Defined. See paragraph 050104.

050405. Amount Payable

A. Effective 1 October 1992, an officer authorized incentive special pay may be paid an amount not to exceed \$36,000 per year.

B. For medical officers eligible under the provisions of subparagraph 050403E, pay a monthly pro rata portion of the applicable annual amount, under regulations prescribed by the Secretary concerned. Prorate on a daily basis when service during any month is less than a full month.

★050406. Time of Payment.

A. Pay incentive special pay in a lump sum at the beginning of the 12-month period for which the officer is entitled to such payment or on a monthly basis when the officer is entitled under paragraph 050403E. Prorate on a daily basis when service during any month is less than a full month.

B. DoD policy generally precludes payment of ISP during the fiscal year in which the qualifying residency training is completed. This policy presents an injustice when the training is completed out of the normal cycle (at a time other than the end of June). In cases where the reason for this out of cycle completion is not the fault of the medical officer, the Surgeon General is delegated the authority to waive DoD policy and grant ISP. The effective date for ISP shall be calculated from the completion date of the qualifying training plus three months.

C. Medical officers who enter into a MSP contract at the rates authorized 1 October 1995, may enter into an ISP contract during FY 96 at the amount listed for the same specialty as the MSP contract. An officer must sign a new MSP contract with an equal or longer obligation in order to receive any future increase in ISP rates.

★050407. Termination, Recoupment, and Refund of Unearned Incentive Special Pay

A. The Secretary of the military department concerned, or designee, may terminate at any time an officer's entitlement to incentive special pay because of unprofessional conduct or medical incompetence, under pertinent departmental directives. If entitlement is terminated, recoup the

unearned incentive special pay on a pro rata basis (based on 360 days per year), subject to C below.

B. If an officer does not serve on active duty for the period of the agreement, is promoted to O-7, or enters internship or initial residency training, recoup the unearned incentive special pay on a pro rata basis (based on 360 days per year), subject to C below.

C. Recoupment of unearned incentive special pay is not required when the officer's failure to complete the period of active duty specified in the agreement is due to:

1. Death or disability that is not the result of misconduct or willful neglect and not incurred during a period of unauthorized absence;

2. Separation from military service by operation of laws or regulations of DoD or Service regulations, when approved by the Secretary of the military department concerned; or

3. In other cases, when the Assistant Secretary of Defense for Health Affairs (ASD (HA)) determines recoupment is not in the best interest of the government. under the terminated incentive special pay agreement.

D. Effective 1 October 1985, a discharge in bankruptcy that is entered less than 5 years after the termination of an incentive special pay agreement does not discharge the medical officer from a debt arising under the terminated incentive special pay agreement.

E. Medical officers on active duty other than active duty for training under the provisions of subparagraph 050403E who do not serve the full term of active duty that corresponds to a monthly amount must refund any amount received in excess of the amount that corresponds to the actual period of active duty.

★F. With approval by the Secretary of the Service concerned, or designee, a medical officer with an existing single-year ISP contract may terminate that contract on or after 1 October 1995, in order to enter into a new single-year contract only when the new contract will result in a higher ISP rate than the ISP contract being terminated. NOTE: This provision is not intended

to allow medical officers to arbitrarily terminate an agreement solely for the purpose of changing the anniversary date to coincide with an Additional Special Pay agreement or a resignation/release from active duty.

0505 INTERSERVICE TRANSFERS

050501. Entitlement Policy. The following instructions apply to the interservice transfers of medical officers serving under additional special pay agreements and incentive special pay agreements:

A. The gaining Service will determine the special pay status of the transferred officer.

B. Gaining Service approval of the interservice transfer will convey approval of any special pay agreement(s) then in effect.

C. Gaining and losing Services will prorate payments of special pay to the transferred officer based on effective date of the interservice transfer.

0506 SPECIAL PAY FOR ACTIVE DUTY OF RESERVE MEDICAL OFFICERS

050601. Entitlement. A Reserve officer of the Army or Navy in the Medical Corps or a Reserve officer of the Air Force designated as a medical officer who is on active duty for less than 1 year is entitled to special pay at the monthly rate of \$450.

050602. Active Duty of 1 Year or More. A Reserve medical officer who is on active duty for 1 year or more or whose orders are amended to require continuous active duty for 1 year or more (from date of amendment) is entitled to the special pays provided in sections 0501 through 0504 of this chapter, if otherwise qualified.

050603. Active Duty for More Than 30 Days But Less Than One Year, Other Than Active Duty for Training

A. If otherwise qualified, medical officers involuntarily retained under 10 U.S.C. 12305 (reference (c)), or recalled to active duty under 10 U.S.C. 688 (reference (c)), or medical officers who voluntarily agree to remain on active duty when other officers are involuntarily retained pursuant

to 10 U.S.C. 12305 (reference (c)), or when the Secretary of Defense determines that special circumstances justify payment of special pay under this subparagraph, are entitled to the special pays provided in sections 0501 through 0504 of this chapter. Payment of special pays pursuant to this paragraph shall be paid on a monthly basis at a monthly pro rata portion of the annual amount. If service during any month is less than a full month, prorate on a daily basis.

B. Medical officers who receive special pay under this paragraph are not entitled to special pay under paragraph 050601 for the same period of time. No dual compensation is permitted. Any payment made under paragraph 050601 for the same period shall be recouped before special pay under this paragraph is authorized.

0507 MEDICAL OFFICER RETENTION BONUS (MORB)

050701. Entitlement. For the period 1 January 1989 through 30 September 1990 only, medical officers who are fully qualified in a designated specialty and who meet the provisions of this section are eligible to enter into a written agreement for medical officer retention bonus (MORB). A medical officer who enters into a MORB agreement and who also enters into an incentive special pay (ISP) agreement under section D of this chapter may not be paid more than \$16,000 ISP during each year of the MORB agreement.

050702. References

A. Army: DA Message 051300Z Feb 90 as amended by DA Message 071200Z Feb 90 (reference (p)).

B. Navy: SECNAVINST 7220.75 Series (reference (l)).

C. Air Force: HQ AFMPC/SGYF Messages 122200Z, Jan 89 and 311800Z, Mar 89 and HQ AFMPC/DPMMF Message 092205Z, Feb 90 (reference (o)).

050703. Special Provisions. To be eligible for the MORB, a medical officer must:

A. Be serving in pay grade O-6 or below;

B. Have at least 8 years creditable service as defined in paragraph 050104 or have completed any active duty service commitment incurred for medical education and training;

C. Have completed initial residency training (or will complete before 1 October 1991) and not be pursuing a medical residency or fellowship subsequent to completing initial residency training.

D. Agree to remain on active duty for at least 2 years, but not more than 4 years.

050704. Payments and Rates Payable

A. MORB is payable in equal annual installments. The initial installment is payable upon execution of the MORB agreement. Thereafter, annual installments are payable on the anniversary of the agreement.

B. Officers with a training obligation under subparagraph 050703C must understand that they might receive one or more MORB installments before their MORB active duty commitment begins. See also subparagraph 050703D.

C. The officer's specialty group and the length of the MORB agreement determine the amounts payable. DoD Instruction 1340.13, "Medical Officer Retention Bonus (reference (r))," lists the specialties and the amounts.

050705. Recoupment of Unearned MORB. The provisions of paragraph 050406 apply to unserved portions of MORB agreements.

0508 MULTI-YEAR SPECIAL PAY (MSP)

★050801. Authorization and Entitlement. Medical officers who are fully qualified in a designated specialty and who meet the provisions of this section are eligible to enter into a written agreement for Multi-Year Special Pay (MSP). Subject to acceptance by the Secretary of the Service concerned, or designee, a medical officer with an existing MORB or MSP contract may terminate that contract in order to enter into a new MSP contract, with an equal or longer obligation, at the MSP annual rate in effect at the time of execution of the new MSP contract. Any unearned

portion of the terminated contract shall be recouped. The earliest effective date for existing contracts under this authority is 1 October 1992.

★050802. References

A. Army: DA Msg 251350Z Jul 95 (reference (n)).

B. Navy: CNO Msg 212325Z Aug 95 (reference (l)).

C. Air Force: HQ AFMPC letter, 16 Aug 1995 (reference (m)).

050803. Eligibility Criteria. A medical officer who is below the grade of O-7 is eligible for MSP when the officer:

A. Has at least eight years of creditable service or has completed any active duty service commitment incurred for medical education and training; and

★B. Has completed specialty qualification (or is scheduled to complete initial residency training before 1 October 1995); and

C. Executes a written agreement to remain on active duty for two, three, or four years, that is accepted by the Secretary of the military department concerned (or designee).

★D. The Secretary concerned, or designee may, based on Service unique requirements, decline to offer MSP to any specialty that is otherwise eligible or restrict the length of an MSP contract for a specialty to less than four years.

050804. Service Obligation. Active duty service obligations for MSP will be established as follows:

A. The officer must sign a written agreement to stay on active duty for either two, three, or four years, as applicable. The duration of the agreement will determine the amount payable.

B. Obligation for MSP begins after the obligation incurred for medical education and training and/or previous multi-year pay agreements, such as MORB, current at the time of agreement execution, expire.

C. Obligation for additional special pay, incentive special pay, promotion, PCS, and other miscellaneous obligations may be paid back concurrently with the MSP obligation.

050805. Payments and Rates Payable

★A. Annual payment amounts for multi-year contracts are published by the military departments in conjunction with DoD Directive 1340.13, "Special Pay for Medical Corps Officers (reference (r))." Subspecialties of a primary specialty are included with the primary specialty except for subspecialties of general surgery, internal medicine, and pediatrics. Medical officers may be paid at the rate for any specialty for which they are currently credentialed; however, the MSP and ISP specialty must be the same.

★B. Payment is due upon acceptance of the agreement by the Secretary of Service concerned, or designee. Thereafter, payments are due on the anniversary date of the effective date of the agreement for the term of the agreement (i.e., two, three, or four years).

C. The Assistant Secretary of Defense for Health Affairs, in consultation with the military departments, will reassess the assignment of specialties to each category every two years and direct changes as appropriate to support desired staffing levels.

050806. Recoupment.

A. The provisions of paragraph 050406 apply to unserved portions of MSP agreements. However reduce the amount to be recouped by an amount equal to any reduction taken under subparagraphs 350702F or 350802D.

★B. MSP payments for officers promoted to O-7 will be recouped on a pro rata basis from the effective date of the promotion to O-7.