

MANUAL: Personnel  
Chapter Series CC--Commissioned Corps Personnel Manual  
Part 2--Commissioned Corps Personnel Administration

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Public Health Service

Chapter CC22--Pay and Allowance Administration  
Subchapter CC22.2--Special Pays  
Personnel INSTRUCTION 5--Incentive Special Pay - Hardship (ISP-H)

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### Section A. Purpose and Scope

This INSTRUCTION states the conditions and circumstances under which medical officers of the Public Health Service (PHS) Commissioned Corps may be paid incentive special pay for serving at hardship sites. This INSTRUCTION also states the procedures for processing ISP contracts. The purpose of ISP-H is to aid PHS in recruiting and retaining medical officers at designated hardship sites.

### Section B. Authority

Medical officers in the Armed Forces are authorized ISP by 37 U.S.C. 302(b)(1). Section 208(a)(2) of the PHS Act (42 U.S.C. 210(a)(2)) specifies that medical and dental officers on active duty in the PHS Commissioned Corps are authorized special pay in the same amounts as, and under the same terms and conditions which apply to, the special pay paid to commissioned medical and dental officers of the Armed Forces under Chapter 5 of Title 37, U.S. Code. Regulations implementing this authority are contained in INSTRUCTION 1, Subchapter CC42.2, "Special Pays: Variable Special Pay (VSP), Board Certified Pay (BCP), Retention Special Pay (RSP), and Incentive Special Pay (ISP)," of this Manual.

### Section C. Definitions

For the purpose of this INSTRUCTION, the following definitions shall apply:

1. Medical Internship. The first year of graduate medical training, whether a formal internship or the first year of residency training, including, in the case of Doctors of Osteopathic Medicine, both osteopathic internships and medical internships.
2. ISP Contract. A written agreement, which has been signed and notarized, under which an officer agrees to remain on active duty for at least one year, beginning on the effective date of the agreement. An agreement to serve under the ISP-H Program will be executed in triplicate on Form PHS-6300, "Medical Officers Incentive Special Pay (ISP) Contract" (see Exhibit I).
3. Fully Trained in an ISP Specialty. For the purposes of ISP, "fully trained in a medical specialty" is defined as satisfactory completion of an accredited residency training program approved by the Accreditation Council for Graduate Medical Education or the Advisory Board for Osteopathic Specialists of the American Osteopathic Association. The Bureau of Health Professions, Health Resources and Services Administration, PHS, will verify whether the officer meets the requisite criteria to be considered "fully trained in a medical specialty."

4. Isolated/Hardship/Hard-to-Fill Locations.

- a. Locations designated by the Surgeon General (SG) where ISP-H has been authorized to be paid to alleviate the shortage or to increase the retention of active duty medical officers. Once designated, locations will remain designated for a period of at least four years (See Exhibit II).
- b. Category Designation/Priority:
- (1) Category A - Isolated hardship locations as defined for the Commissioned Corps Isolated Hardship Service Award (see Section E, INSTRUCTION 2, Subchapter CC27.1, "Commissioned Officers' Recognition Program; Description and Criteria").
  - (2) Category B - Sites and medical specialties designated by SG as hard-to-fill based on support documentation from agencies, i.e.,
    - (a) billet requiring board eligible or board certified physicians;
    - (b) support of difficulty to fill;
    - (c) vacant at least one year; and
    - (d) number of declinations to accept.
  - (3) ISP Board - An ISP Board may be convened to prioritize the proposed sites and specialties for Category B. Based on ISP Board priorities, ISP will be paid within the funding limits.

5. PHS Agency Head. The head of the PHS agency.

6. Call to Active Duty For Not Less Than One Year. An order to active duty by personnel order which specifies either:

- a. No terminal date for the tour of duty; or
- b. A terminal date for the tour of active duty that is at least one year after the effective date of call to active duty.

Section D. Eligibility

To be eligible for ISP-H a medical officer must:

1. Be entitled to Retention Special Pay (RSP) under 37 U.S.C. 302(a)(4);
2. Be in pay grade 0-6 or below;

3. Not be undergoing medical internship as defined in Section C.1. above;
4. Not be serving obligated service pursuant to participation in a PHS-supported scholarship or training program;
5. Be eligible to remain on active duty for a period of at least one year from the effective date of the ISP contract or the duration of the multiple-year contract;
6. Be assigned as a clinician to a duty station which has been designated by the SG as a Category A or Category B location/specialty;
7. Be board certified as defined in Section C.3., INSTRUCTION 1, Subchapter CC22.2, "Monthly Special Pays for Medical, Dental, Optometry, and Veterinary Officers," of this Manual, or fully trained as defined in Section C. above;
8. Hold a current, valid license to practice medicine or osteopathy (see INSTRUCTION 4, Subchapter CC26.1, "Professional Licensure and Certification Requirements for Health Care Providers in the Public Health Service") and documentation is on file in the officer's official personnel folder; and
9. Execute an ISP contract to remain on active duty for at least one year at the ISP-H designated duty station.

#### Section E. Responsibilities

1. Surgeon General (SG) or His/Her Designee. The SG, or his/her designee, is responsible for:
  - a. Recertifying annually that medical officers receiving ISP-H continue to meet the eligibility requirements specified in Section D. above;
  - b. Issuing implementing instructions for administering the ISP-H Program;
  - c. Recommending regulatory changes in the ISP-H program to the Secretary of Health and Human Services; and
  - d. Determining those locations which are to be classified as isolated/-hardship/hard-to-fill.
2. PHS Agency Head. The head of each PHS agency is responsible for identifying to the SG, by June 1 of each year, those locations within his/her agency which he/she deems appropriate to be classified as isolated/-hardship/hard-to-fill. The agency must justify these requests by submitting at least the following data by location:
  - a. Number of medical officer positions authorized by each personnel system

- (Civil Service and commissioned corps);
- b. Number of medical officers assigned within each personnel system;
  - c. Length of service of medical officers (civilian and commissioned corps) currently assigned at the requested location;
  - d. Recruitment trends for each location over the past three years, e.g., number of medical officer applicants, reasons for not accepting positions; reasons for leaving, etc.;
  - e. Availability of medical educational opportunities for the officer;
  - f. Availability of housing;
  - g. Availability of uniformed services medical facilities; and
  - h. Adequacy of education facilities for dependents.

The agency head may petition the SG to consider removal of a site from either Category A or Category B for payment of ISP-H. Officers will be permitted to complete existing contracts if a site is removed from Category A or Category B.

#### Section F. Rate of Incentive Special Pay-Hardship

1. The annual amount of ISP-H to which a medical officer is entitled shall be based on the length of contract and the rates applicable to isolated/-hardship/hard-to-fill locations as shown below:

<u>Locations</u>	1-year contract annual rate	2-year contract annual rate
Category A	\$8,000	\$16,000
Category B	\$4,000	\$ 8,000

2. Upon acceptance of a written agreement by SG, or his/her designee, the total amount payable under the agreement becomes fixed for the length of the contract.
3. Annual payments will be withheld if documentation of current licensure is not on file in the Division of Commissioned Personnel, Office of the Surgeon General.
4. A two-year contract may be extended in one-year increments. The officer may be eligible for the higher rate of ISP-H provided he/she remains at the same duty station. (See Section G.2 or 3)

#### Section G. Termination of ISP-H

1. ISP-H will be terminated on the earliest of the following dates:

- a. Effective date of transfer to a duty station not designated as an isolated/hardship/hard-to-fill location;
  - b. Release from active duty; or
  - c. Completion of the contract period if the location is removed from the designated list during the contract year.
2. An officer who is transferred to a location not designated as an isolated/hardship/hard-to-fill location or does not serve on active duty for the entire contract period for which he/she received ISP-H shall refund that portion of the ISP-H payment which represents 1/360th of that payment for each day of the period not served in an ISP-H site. Note that the additional amount for multiple year contracts (\$8,000 for Category A and \$4,000 for Category B sites) is NOT prorated if the contract is terminated early.
  3. If an officer transfers to another Category A or Category B site while under an ISP contract, the current contract will be terminated effective the date of transfer. If a new contract is executed for a like duration as the previous contract, the pro rata adjustment without penalty will be collected from the payment for the new contract. However, if a new contract is not executed, penalties for early termination described in 2. above shall apply.
  4. An officer who is relieved from active duty prior to the expiration of the ISP contract may be divested of entitlements for travel and transportation allowances, shipment of household goods, and transfer of/or payment of unused annual leave upon release from active duty.
  5. Officers who are under contract prior to the date of this INSTRUCTION may terminate their current contract and execute a new contract with an effective date no earlier than the first day of the month following the month in which this regulation is approved. There will be a pro rata payback for the unused portion of the prior contract deducted from the payment under the new contract.

#### Section H. Involuntary Termination of ISP Contracts

The same criteria and procedures for termination of RSP contracts shall apply for involuntary termination of ISP contracts as defined in Section L, INSTRUCTION 3, Subchapter CC22.2, "Retention Special Pay."

#### Section I. Privacy Act Provisions

Payroll records are subject to the Privacy Act of 1974. The applicable systems of records are 09-37-0002, "PHS Commissioned Corps Personnel Records, HHS/OASH/OSG," and 09-90-0017, "Pay, Leave, and Attendance Records, HHS/OS/ASPER."

EXHIBIT I

EXHIBIT II