



FACT SHEET

Retirement at 20 Years: Basics on Health Care and Disability

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Background

This fact sheet summarizes basic information on healthcare and disability compensation for PHS officers who retire voluntarily after 20 years of active duty; it is not intended to be a comprehensive guide to retirement. For more detailed information, please visit the PHS Separations Information website [here](#) or contact a Separations Counselor at PHSCCSeparations@hhs.gov.

Eligibility

Voluntary retirement from the USPHS is based on:

- ▶ Retirement Credit Date– must serve at least 20 years of creditable service, at least 10 of which are in USPHS
- ▶ Fulfillment of all terms under special pay contract, if applicable

Highlights

Healthcare Benefits

- ▶ For members and family age < 65 years and not eligible for Medicare, TRICARE Prime and Select plans are available
 - Tricare [Prime](#): Managed care option
 - Annual enrollment required, fee \$289.08 individual/\$578.16 family
 - Annual deductible \$0 for in-network care
 - Generally no out of pocket costs if care received at Military Treatment Facility
 - Out of pocket costs depending on service, in or out of network provider, etc.
 - Referral required for specialty care
 - Tricare [Select](#): A fee-for-service plan in CONUS only (Tricare Select Overseas program exists for OCONUS)
 - Annual enrollment required, no fee
 - Annual deductible \$150 individual/\$300 family
 - Out of pocket [costs](#) depending on service, in or out of network provider, etc.
- ▶ TRICARE [For Life](#): Essentially a Medicare supplement for TRICARE members eligible for Medicare
 - At age 65, retiree no longer eligible for main TRICARE options listed above
 - No fee or enrollment involved but must be enrolled in Medicare Part B
 - Medicare is primary and TFL is secondary payer, thus minimizing out-of-pocket expense
- ▶ [US Family Health Plan](#): Specially legislated TRICARE Prime option available only in specific [locations](#)
 - Designated providers participate through a contract with the Department of Defense
 - Available to retirees and to family members meeting eligibility criteria (listed on website)
 - Only available to retirees < 65 yrs unless enrolled before turning 65 and before 2012. Otherwise must use Tricare for Life.
- ▶ Unmarried dependent child's eligibility for TRICARE coverage:
 - Eligible until age 21 (age 23 if full-time student) or beyond if child has mental or physical incapacity
 - Certain dependents may extend TRICARE coverage until age 26 with the premium-based TRICARE [Young Adult](#) program.
 - Remain eligible after parents divorce or remarry
 - Stepchildren lose eligibility after divorce unless adopted by officer prior to divorce
- ▶ VA Healthcare: Full range of health care depending on [eligibility](#), as determined by application
 - Family members eligible in rare [circumstances](#)
 - No enrollment fee, premiums, or deductible
 - Meets minimum essential coverage standard

Dental Benefits

- ▶ Tricare Retiree Dental Plan
 - Available to retirees and eligible family members
 - Enrollment with initial 12-month commitment required, then month-to-month
 - Monthly premium – amount varies by area, deducted from retirement pay
 - 100% coverage for cleanings & exams; cost-share for most other services
 - 12 month waiting period for major dental services (prosthodontics, implants)
- ▶ VA Dental Care
 - Provides one-time transitional care for veterans who apply within 90 days after separation if dental care not provided by service within 90 days before separation.
 - Full or limited care available depending on eligibility/service-connected disability.
 - See [Dental Benefits for Veterans](#) for details.

Department of Veterans Affairs Disability Compensation

- ▶ Tax free monetary benefit paid to eligible disabled veterans
- ▶ Eligibility: discharge status other than dishonorable with a compensable service-connected disability
- ▶ Service-connected disability – due to injury or disease incurred or aggravated while on active duty
 - Some conditions (e.g., hypertension) are “presumed” service-connected if diagnosed within one year after retirement.
 - For some conditions definitive diagnosis not needed to make disability claim.
- ▶ Disability Rating: Determined by VA from medical record documents and pre-retirement physical exam
 - Ratings ≥ 10%: eligible for compensation, amount is determined by rating
 - Ratings ≥ 30%: also eligible for additional allowances for dependents
 - May appeal initial rating within 1 year of retirement
- ▶ Normally concurrent retirement pay and disability compensation prohibited, but may be allowed under a special DoD program (Concurrent Retirement and Disability Pay)
 - Application for program not necessary, it is built in to the VA application process
 - Officer must be rated greater than 50% disabled
 - This amount is taxable

Resources

- ▶ https://dcp.psc.gov/ccmis/separations/ASSIGNMENTS_separations_m.aspx - PHS Separations Information website, a very important resource
- ▶ https://dcp.psc.gov/ccmis/separations/ASSIGNMENTS_seminar_m.aspx - PHS retirement seminar
- ▶ http://www.tricare.mil/LifeEvents/InjuredonAD/TransitionVA/Retiring.aspx?sc_database=web - TRICARE information for retirees
- ▶ http://www.va.gov/opa/publications/benefits_book/benefits_chap02.asp - VA benefits information for service-connected disabilities

Note: Feedback and suggestions for this fact sheet are welcome and may be sent to PPACBenefitsSC@gmail.com.

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