

FACT SHEET FOR HEALTH PROFESSIONS SPECIAL PAY (HPSP)

This document will review Health Professions Special Pay (HPSP) for the US Public Health Service Commissioned Corps and provide instruction on how to apply for HPSP during the 2018 implementation.

For the last 30 years, PHS Officers have been authorized Special, Incentive and Bonus Pays under Title 37 of the US Code (USC). Effective January 28, 2018, the Commissioned Corps of the U.S. Public Health Service (Corps) must transition to the Health Professions Special Pays (HPSP) in accordance with Title 37 U.S.C §335 (aka Consolidation of Special Pays (CSP)).

In 2008, Congress amended Title 37 to consolidate and simplify special pays for the uniformed services. Title 37 U.S.C. §1001 requires the Secretary of the Department of Health and Human Services (HHS) to “as far as practicable, conform to regulations” relating to pay and allowances for members of the armed services. As such, on January 22, 2013, the Secretary issued Commissioned Corps Directive ([CCD](#)) [151.05](#), “Health Professions Special Pays,” which authorized the Assistant Secretary for Health (ASH) to establish the new rates for special pays, as well as, the transition schedule from the legacy pays.

HPSP is designed to compensate Uniformed Service members for training or skills, which required additional education, and are necessary to accomplish the mission of the service. As officers begin to examine their future, offering incentives such as HPSP help retain those professionals with experience and training in our system.

Before completing any HPSP agreement, carefully read the following information and instructions. Failure to complete the agreement in accordance with these instructions may result in late payment or nonpayment of HPSP.

It is an officer’s responsibility to determine which compensation package is best suited for their particular situation. No One in Compensation, DCCPR, the Liaisons, the CPOs or otherwise, can tell you what is best for you, so please review this information carefully.

EFFECTIVE DATE OF HPSP AGREEMENTS - 2018

The effective date of 2018 HPSP agreement will begin on 01-28-2018. This is the date the HPSP service obligation begins. The effective date of the initial agreement will be determined as follows:

1. Implementation date of 01-28-2018
2. Entry on active duty
3. A later date specified on the HPSP agreement

GENERAL INFORMATION

1. PHS directive for HPSP - [CCD 151.05](#) Health Professions Special Pays (HPSP), is published in the Commissioned Corps Issuance System (CCIS). It is to your advantage to be familiar with the policies and procedures set forth in the personnel issuances.
2. To be eligible for HPSP, an officer must:
 - a. Be entitled to basic pay under 37 USC 204
 - b. Be under a call to active duty for a period of not less than 1 year.
 - c. Be serving in a designated health profession specialty or skill.
3. Officers must have a current valid license, as determined by the category specifications listed in Policy: [Inst 251.01: -- Professional Licensure/Certification](#)
4. Officers must sign and submit an HPSP agreement for each of the HPSP authorities for which the officer is applying. The agreement is a formal statement that specifies the period of obligated service, the specialty under which the officer is applying for payment, and the officer's certification of understanding and compliance with the conditions of HPSP. The agreement is binding and will continue in force until its terms and conditions are fulfilled. The HPSP agreement becomes a legal and binding agreement only after Compensation, Division of Commissioned Corps Personnel and Readiness (DCCPR), processes orders and payment is issued in consideration of the obligation to the PHS. NO other agency or office has the authority to make the agreement binding.
5. Officers applying for Retention Bonus (RB) and Incentive Pay (IP), will have the obligation (RB/IP combination) for 2, 3, or 4 years, run concurrently. Although the IP is a 1-year agreement, the rate of IP is locked in for the duration of the RB agreement when executed simultaneously.
6. If applying for RB and/or IP in a specialty based on a qualifying degree, documentation of the specialty is not required to be submitted with the agreement. Any specialty, which requires additional criteria obtained after the qualifying degree, such as an accredited residency program or professional board, must be submitted with the agreement. Agreements submitted without complete documentation will be held for payment until all such required documents have been received. If there is a delay in submitting all documentation (such as an expiring license), forward the agreement(s) through the agency, to preserve the effective date, with a note stating that the required documents are forthcoming,
7. By signing the HPSP agreements and accepting the payment of HPSP, officers are voluntarily agreeing to remain on active duty as a PHS Commissioned Officer, beginning with the effective date of the agreement, for the number of year(s) indicated on the agreement. The effective date of the HPSP agreement cannot be changed once it is in effect.

INFORMATION ON HEALTH PROFESSIONS SPECIAL PAY AUTHORITIES

The following HPSP agreements are currently authorized for Corps officers. A separate agreement is required for each of the pays.

[BOARD CERTIFICATION INCENTIVE PAY \(BCIP\)](#) is authorized for an officer in the Regular Corps who is board certified in a designated health profession specialty. Please refer to the list of [specialty boards and the certifications](#) offered by each. Officers who are board certified should submit a certificate or congratulatory letter from the specialty board concerned, which indicates that the officer has satisfied all board certification requirements, and is considered by the specialty board to be fully board certified. In addition to the general conditions stated above, officers must provide documentation of the board certification with the agreement.

Maintenance of Certification (MOC) requirements. If a professional certifying board has an MOC process and deems if the MOC is not completed annually, that the holder is no longer certified, it is a requirement to submit the current MOC status, as well as the current certification. This will allow verification of both the start date of certification, as well as current certification status.

[INCENTIVE PAY \(IP\)](#) is a 1-year agreement for officers who are health professionals in a specialty listed under the [HPSP Rate Schedule](#) as determined by the ASH. The IP payment is authorized as an annual amount paid in 12 monthly installments. Documentation of the specialty training or board certification must be submitted with the IP agreement if the specialty is not a qualifying degree.

[RETENTION BONUS \(RB\)](#) is a multi-year agreement with a service obligation for 2, 3, or 4 years for officers who are health professionals in a specialty listed under the [HPSP Rate Schedule](#), as determined by the ASH. The RB payment is authorized as an annual lump sum amount paid at the beginning of each of the installment years. Documentation of the specialty training or board certification must be submitted with the RB agreement if the specialty is not a qualifying degree. If submitting both the RB and the IP, only one set of documentation should be included.

INSTRUCTIONS FOR COMPLETING THE HPSP AGREEMENT

1. Read the agreement carefully, including the Privacy Act Statement on the reverse side of the form.
2. The HPSP agreement consists of:
 - a. IDENTIFICATION – Fill in full name, grade and PHS serial number on the first line on the front of the agreement. Fill in the name of the PHS component or other Federal agency to which assigned or detailed, duty station phone number, and social security number on line 2.
 - b. LENGTH OF AGREEMENT – Check the number of years (either 1, 2, 3, or 4 years) for the service obligation to be in effect.
 - c. CONDITIONS OF AGREEMENT – The agreement must include the following terms to be

specified by the officer:

- i. Date the service obligation is to begin
 - ii. The officer's category and specialty (which must be in the category the officer is appointed)
- d. **CERTIFICATION** - If you agree to the terms and conditions of the HPSP agreement, sign and date the agreement.
3. Submit the original agreement to the immediate supervisor. Retain a copy of the agreement to verify, if necessary, that the agreement was completed on a certain date. Failure to submit the agreement in accordance with these procedures will delay payment or result in nonpayment.
 4. The immediate supervisor will sign and forward the agreement through the normal supervisory channels to the PHS component head or other Federal agency to which the officer is assigned or detailed. The head of the PHS component, or a designated official at the headquarters level, must certify the agreement before it will be accepted by DCCPR.

If the agreement is approved, personnel orders will be issued authorizing BCIP, IP, and/or RB. If the personnel order is processed on or before the 17th of the month, the HPSP will usually be included in that month's pay. Personnel orders dated after the 17th of the month generally indicate that HPSP will be included in the next month's pay. Please note that all special pays are taxable income.

OFFICERS IN EXISTING CONTRACT UNDER THE LEGACY PAYS

Officers are being given an opportunity to renegotiate from existing legacy contracts into HPSP agreements to take advantage of financial gain. Officers must understand that the legacy contract service obligation that they previously agreed to, will remain in place. If an officer chooses to take advantage of a higher rate HPSP agreement, the obligation from the legacy contract will remain in place and will be clearly stated on the HPSP personnel order. Renegotiation into a higher rate, short-term agreement does not eliminate the existing obligation.

STAYING IN THE LEGACY CONTRACTS - If a Recertification has previously been submitted for an existing legacy contract, do not submit another one. Instead, send an email to CompensationBranch@psc.hhs.gov, with a CC to the agency liaison, indicated the desire to remain on the legacy contract. The email must include a statement of understanding that the monthly legacy pays of Variable Special Pay (VSP) and Board Certified Pay (BCP) are NOT a part of the contract and will not be issued in conjunction with the remaining installments. Additionally, the email must indicate that any renegotiation to the new HPSP authorities may not be accomplished while receiving the legacy contracts, and that the effective date of the HPSP will be no earlier than the date of the last payment of the legacy contract.

RENEGOTIATION INTO HPSP – Officers who have received money under a legacy contract and who wish to renegotiate into the HPSP agreement(s), must repay any unearned portion of the contract. If the amount of the repayment is less than the first payment of the new HPSP agreement, the total amount of the repayment will be collected from the initial HPSP payment. If the repayment is more than the first payment (including retroactive amounts) the full amount of the first payment will be

applied to the repayment amount and each subsequent payment of the HPSP, thereafter, will be applied to the repayment balance until it is paid in full. Once the previous contract repayment has been collected, the HPSP installment payments will be available. This will be reflected on the personnel orders and on the monthly payroll advice.

If you have any additional questions about HPSP, the agreement, or other related matters, contact the appropriate office for the PHS component or other Federal agency to which you are assigned or detailed, as listed in the [Commissioned Corps Agency Liaison](#) list.