



CCI 322.03  
EFFECTIVE DATE: 25 March 2024

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**By Order of the Assistant Secretary for Health:**

**ADM Rachel L. Levine, M.D.**

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SUBJECT: Flag Grade Positions and Promotion

1. **PURPOSE:** This Instruction sets forth the policies governing the regular and timely identification of temporary positions that provide the appropriate level of complexity, responsibility, and importance to merit designation as flag grade positions, and the identification of officers appointed in the U.S. Public Health Service (USPHS) Commissioned Corps who will be recommended for temporary promotion to the Assistant Surgeon General (ASG or “flag”) grade.

Flag grade positions provide officers for the proper staffing of the USPHS Commissioned Corps as a commonality for leadership in organizational lines. The strength of the USPHS Commissioned Corps is found in identifying similar functions and efficiencies across a diversity of individual agencies while providing a governance framework for the Secretary of the Department of Health and Human Services (Secretary, HHS or Department).

2. **APPLICABILITY:** This Instruction applies to all USPHS Commissioned Corps officers with the following exceptions:
  - 2-1. This Instruction does not apply to the selection and assignment of the Assistant Secretary for Health (ASH), Surgeon General (SG), and the Chief Medical Officer of the U.S. Coast Guard (Coast Guard).
  - 2-2. This Instruction does not apply to positions encumbered by non-career Public Health Service (PHS) officers or the promotion of such officers when the position and promotion have been exempted by direction of the ASH or the Secretary.
  - 2-3. This Instruction does not apply to the selection, assignment, and retirement of Chief Professional Officers (CPO) who are mandated by statute to be assigned as O-7 or O-8 flag grade officers (see Commissioned Corps Instruction (CCI) [322.04](#), “Chief Professional Officer Nomination”). However, an officer who holds a flag grade that is a direct result of an assignment as CPO may have the position that they encumber, concurrent with the duties of CPO, considered for designation as a flag grade position and may compete for and be approved for promotion to the flag grade in accordance with this Instruction if the designation and promotion are warranted.
  - 2-4. This Instruction does not apply to positions in non-HHS organizations; however, the ASH, with approval by the Secretary, may assign flag grade officers to positions within non-HHS Federal Executive Departments (e.g., the Department of Defense (DoD), U.S. Coast Guard, and Federal Bureau of Prisons (BoP) (see 42 U.S.C. § 207(e), 42 U.S.C. § 250,

and 42 U.S.C. § 253)) that merit such assignments. Except as specified in this Instruction, a Flag Board reviews these positions, to ensure that the positions warrant the assignment of a flag grade officer, and officers who encumber such positions for promotion to the O-7 and/or O-8 grade unless the officer already holds such grade. Additionally, the HHS Office of the General Counsel (OGC) Ethics Division will continue to review and clear officers who are assigned to these non-HHS organizations.

3. AUTHORITY:

- 3-1. [42 U.S.C. § 202](#), “Administration and Supervision of Service”
- 3-2. [42 U.S.C. § 206](#), “Assignment of officers”
- 3-3. [42 U.S.C. § 207](#), “Grades, ranks, and titles of commissioned corps”
- 3-4. [5 C.F.R. Chapter XVI, Subchapter B](#), “Office of Government Ethics, Government Ethics”
- 3-5. [Reorganization Plan No. 3 of 1966](#) and [31 Federal Register 8964](#), “Interim Organization and Delegation of Functions,” dated 24 June 1966; Memo to the ASH memo July 24 2003 Delegation of Authorities Relating to the USPHS Commissioned Corps
- 3-6. Commissioned Corps Directive (CCD) [124.01](#), “Retirement”
- 3-7. [CCD 121.01](#), “Titles”

4. PROPONENT: The proponent of this Instruction is the Assistant Secretary for Health (ASH). The Surgeon General (SG) and Deputy Surgeon General (DSG) are responsible for providing supervision of activities relating to the day-to-day operations of the USPHS Commissioned Corps. The Director, Commissioned Corps Headquarters (CCHQ), under the supervision and guidance of the DSG, provides overall management of USPHS Commissioned Corps personnel operations and processes.

5. SUMMARY OF REVISIONS AND UPDATES: This Instruction amends CCI 322.03, “Flag Grade Positions and Promotion,” dated 6 April 2022. These changes:

- 5-1. Adjust eligibility to clarify that officers nominated for a flag grade promotion must meet the eligibility criteria during the Flag Promotion Year (i.e., the period that that runs from 1 July of one calendar year through 30 June of the following year) instead of meeting the eligibility criteria as of 30 June.
- 5-2. Adjust the active-duty Uniformed Service requirement to 18 years in place of 22 years of uniformed service and 20 years of commissioned service and adjusts active-duty USPHS Commissioned Corps requirement from 14 years to 12 years. Also authorize, with ASH approval, nominations of officers who have 16 or 17 years of uniformed service and specifies that the Secretary will determine the promotion effective date of such officers.
- 5-3. Remove the requirement that an officer must serve in a proposed flag grade position for a minimum of 12 months before being eligible for nomination for a flag promotion.
- 5-4. Eliminate the photograph requirements.
- 5-5. Eliminate the authority to frock officers.
- 5-6. Authorize the Director, CCHQ, in certain circumstances, to submit a previously Designated Flag Grade Position that has been vacated.

- 5-7. Clarify the process for creating positions and assigning flag grade officers in non-HHS organizations.
- 5-8. Add in Section 4. that the DSG provides supervision and guidance to the Director, CCHQ.

## 6. POLICY:

## 6-1. General.

- a. The number of officers who may serve in temporary flag grade positions pursuant to 42 U.S.C. § 206(c)(1) at any given time is limited by 42 U.S.C. § 206(c)(2) to 1 percent of the highest number, during the ninety days preceding such day, of officers of the Regular Corps on active duty. If, on any day, the number of such special temporary positions exceeds such 1 percent limitation, then, for a period of not more than one year after such day, the number of such special temporary positions shall be reduced for purposes of complying with such 1 percent limitation. The USPHS Commissioned Corps will only reduce this number by the resignation, retirement, death, or transfer to a position of a lower grade, of any officer holding any such temporary position. Officers in flag grade positions specifically exempted by statute shall not be included in this determination. In addition, the total number of flag grade officers, serving in approved Designated Flag Grade Positions in the grade of O-8 and above, shall not exceed one-half the number of flag grade officers serving in approved Designated Flag Grade Positions in the grade of O-7. (See 42 U.S.C. § 206(c) and 42 U.S.C. § 207(e) and (f) for guidance on computing the authorized strength of the USPHS Commissioned Corps and exceptions to grade limitations.)
- b. Flag Positions in non-HHS Organizations.
  - (1) DoD, Coast Guard, and BoP. The USPHS Commissioned Corps has long-standing partnerships with the BoP, Coast Guard, and DoD, and the assignment of a flag grade officer to these non-HHS organizations is warranted to provide public health leadership as well as oversight of USPHS Commissioned Corps' activities within these organizations. The positions to which a flag grade officer is assigned in these organizations must be at an executive level that provides supervision of the programs that are the responsibility of the Department and the USPHS Commissioned Corps (e.g., Assistant Director, Deputy Assistant Director, or Chief Medical Officer, BoP; Coast Guard Chief Medical Officer, executive level policymaking positions within DoD).
  - (2) Other non-HHS Organizations. Although the USPHS Commissioned Corps does not normally assign flag officers to organizations other than those outlined in Section 6-1.b.(1), the Secretary of another Federal Executive Department may submit a Proposed Flag Grade Position for designation as a Designated Flag Grade Position. If the ASH designates the position as a Designated Flag Grade Position, the Secretary may assign a flag grade officer to that position to meet an urgent public health need or if the assignment furthers the mission of the Department and the USPHS Commissioned Corps.
  - (3) Before a flag grade officer may be assigned to a position in BoP, DoD, Coast Guard, or another non-HHS organization, the position must be reviewed by the Flag Board in accordance with this Instruction to ensure that the position warrants the assignment of a flag grade officer to encumber the position.
  - (4) The assignment of a flag grade officer to BoP, DoD, Coast Guard, or another non-HHS organization, as well as officers proposed for flag grade in such organizations, are subject to the provisions of this Instruction and the provisions of the Memorandum of Agreement between HHS and the respective organizations.
  - (5) Flag grade officers assigned to BoP, DoD, Coast Guard, or another non-HHS organization continue to count towards the 1 percent limitation outlined in Section 6-1.a., except for the Coast Guard Chief Medical Officer and up to 3 flag

grade officers who are assigned to duty and are serving in a policymaking position in DoD as determined by the HHS Secretary.

- c. Flag grade officers must comply with all ethics requirements, as outlined in 5 C.F.R. Chapter XVI, Subchapter B, including the annual submission requirements. Officers who fail to submit and/or obtain a favorable ethics clearance may be subject to disciplinary actions in accordance with [CCD 111.02](#), "Disciplinary Action."
- d. When a flag grade officer vacates a Designated Flag Grade Position, the position shall be removed from the list of Designated Flag Grade Positions and designated as an O-6 grade position. However, the Director, CCHQ, may submit such a position to the ASH for redesignation as a Designated Flag Grade Position without a new review by a Flag Board provided that there have been no modifications to the position that appear to change the nature, magnitude, or scope of the position.
- e. The SG will review the current distribution and profile of flag grade officers needed for operational force readiness and response requirements. If additional flag grade officers are warranted to meet the Department's and USPHS Commissioned Corps' mission, the Director, CCHQ, shall request that Operating Division/Staff Division (OPDIV/STAFFDIV) Heads submit their organization's Proposed Flag Grade Positions and the officers occupying those positions for the following:
  - (1) Positions that are encumbered by an officer of the O-6 grade who meets the eligibility criteria for flag grade promotion and the OPDIV/STAFFDIV Head supports the incumbent's potential promotion to flag grade; and
  - (2) Positions that are encumbered by a CPO who holds a statutory O-7 or O-8 grade, who was promoted to the flag grade in accordance with CCI 322.04, "Chief Professional Officer Nomination," who was not previously reviewed by a Flag Board (i.e., was not approved for promotion in accordance this Instruction), and the OPDIV/STAFFDIV Head supports the incumbent retaining a flag grade beyond their term as CPO. In such circumstances:
    - (a) The OPDIV/STAFFDIV Head must request the designation of the position, which the officer encumbers concurrent with the CPO duties, as a Designated Flag Grade Position.
    - (b) The officer who encumbers the position must meet the eligibility criteria for flag grade promotion in Section 6-3.
    - (c) The officer must compete for and be approved for promotion to the O-7 grade. The officer must hold this status for 3 years before being eligible to be nominated for promotion to the O-8 grade (i.e., the officer may be nominated for the O-8 grade 3 years after the date the Secretary approves their promotion to the O-7 grade based on a review of the Flag Board).
    - (d) The Flag Board may recommend to the ASH that the officer's previous service at the flag grade as CPO counts towards the 3 years of service as an O-7 required for eligibility for the O-8 grade, provided that the officer continuously encumbered the position and the Flag Board determines that both the position and the officer warrant such retrospective qualification. In such circumstances, if the ASH approves the position and the Secretary approves the retention of the officer at the O-7 grade, the OPDIV/STAFFDIV Head may nominate the officer for promotion to the O-8 grade during a subsequent year's Flag Board review provided the officer meets the eligibility criteria.

- f. Based on the SG's review noted in Section 6-1.e., if additional flag grade officers are warranted at the O-8 grade to meet the Department's and USPHS Commissioned Corps' mission, the Director, CCHQ, shall request that OPDIV/STAFFDIV Heads (and, if applicable, the Secretary of another Federal Department) to which officers holding the O-7 grade are assigned submit their organization's rank ordering of such officers nominated for promotion to the O-8 grade if warranted.
  - g. Flag grade officers are subject to reassignment as recommended by the ASH, with approval by the Secretary, to meet the public health needs of the Nation or to address or accomplish a particular mission of HHS.
- 6-2. Flag Board. All officers proposed for flag grade promotion and the positions they encumber must be reviewed and recommended by the Flag Board. The Flag Board also reviews and makes recommendations regarding officers recommended for retention on active duty beyond the mandatory flag retirement provisions in Section 6-9.
- a. The Flag Board will consist of at least three members who are appointed by the SG and must be flag grade officers at least equivalent to the rank to which officers under consideration may be promoted or retained on active duty. The SG will also appoint at least two members of the Senior Executive Service (SES) whose level is equivalent to the appointed USPHS Commissioned Corps members of the Board. The SG will also appoint alternate member(s) of the Board in the event that a member recuses themselves or is not available. The Deputy Surgeon General (DSG) will serve as an alternate member of the Board when an appointed member of the Board (or alternate) is unavailable for a particular meeting of the Flag Board.
  - b. The most senior individual (flag grade officer or SES member) will serve as the Flag Board chairperson.
  - c. No officer appointed to the Flag Board may participate in the discussion of a position, promotion consideration, or retention on active duty of an officer which may raise a conflict of interest. If a board member does not self-recuse in cases where a conflict of interest or an appearance of a conflict may be present, the chairperson shall decide whether the relationship is substantial enough to warrant exclusion of the affected board member from considering the position or the officer.
- 6-3. Eligibility Criteria for Flag Grade Promotion. An officer must meet the criteria outlined in this Section in order for an OPDIV/STAFFDIV Head to nominate the officer for promotion to a flag grade. An officer must meet these criteria during the Flag Promotion Year, which begins on 1 July of the calendar year in which the Flag Board convenes and ends on 30 June of the following year (e.g., for a Flag Board convened during calendar year 2025, the Flag Promotion Year is from 1 July 2025 to 30 June 2026).
- a. To be nominated for promotion to an O-7 flag grade an officer must:
    - (1) Be a member of the Regular Corps;
    - (2) Have served in the O-6 pay grade for a minimum of 3 years;
    - (3) Have completed at least 18 years of active-duty service in the Uniformed Services. However, with prior ASH approval, an OPDIV/STAFFDIV Head may nominate an officer who has 16 or 17 years of active-duty service in the Uniformed Services if:

- (a) The officer received at least two early promotions (i.e., Exceptional Proficiency Promotion (EPP) or a Below the Zone (BTZ) promotion) in their USPHS Commissioned Corps career; or
    - (b) The officer has encumbered an executive level position (as defined in Section 6-4.) for one consecutive year or more that includes the 12 months prior to the Flag Promotion Year.
  - (4) Have completed at least 12 years of active-duty service in the USPHS Commissioned Corps;
  - (5) Have a satisfactory performance evaluation; have no history of adverse actions in their USPHS Commissioned Corps records; and meet the USPHS Commissioned Corps' conditions of service (e.g., deployment readiness, weight standards, and health standards). For the purpose of determining if an officer meets the deployment readiness requirement, an officer is not eligible if:
    - (a) They are marked as "Not Qualified" in any month in the 12 months preceding the month in which the flag board is held or marked as "Not Qualified" in the month the flag board is held (i.e., must have 13 consecutive months marked as "Qualified"); or
    - (b) They are marked as "Not Qualified" more than 5 times in the previous 5 years.
  - (6) Agree to serve 3 additional years in the USPHS Commissioned Corps after promotion to the flag grade before seeking to retire on a voluntary basis.
- b. To be nominated for promotion to the O-8 flag grade an O-7 grade officer must complete 3 years of service at the O-7 grade during the Flag Promotion Year during which the officer is nominated. The officer also must continue to meet the USPHS Commissioned Corps' conditions of service (e.g., deployment readiness as outlined in Section 6-3.a.(5), weight standards, health standards); have a satisfactory performance evaluation; have no history of adverse actions in their USPHS Commissioned Corps records; and agree to serve 3 additional years in the USPHS Commissioned Corps after promotion to the O-8 grade before seeking to retire on a voluntary basis.
- 6-4. Evaluation of Flag Grade Positions.
- a. In addition to information requested by the Director, CCHQ, the OPDIV/STAFFDIV Head must submit a statement that certifies that the proposed position is executive level in nature and otherwise would be filled by an individual at the senior executive level if occupied by a civilian or flag officer if occupied by a non-PHS Uniformed Service member.
  - b. The Flag Board shall only evaluate Proposed Flag Grade Positions whose incumbents meet the eligibility criteria for flag grade promotion in Section 6-3.
  - c. The Flag Board shall evaluate the Proposed Flag Grade Positions using the factors in this subsection. The SG will provide guidance on these factors, as well as

establish additional factors as necessary. The factors will include at least the following:

- (1) Nature of the position;
- (2) Magnitude of responsibilities; and
- (3) Significance of actions and decisions.

d. The Flag Board will make a recommendation to the ASH regarding whether the position qualifies for designation as a Designated Flag Grade Position.

- (1) If the Flag Board determines that a position may qualify as a Designated Flag Grade Position, the Board shall review and rank the officer who encumbers the position in accordance with Section 6-5. If the officer is not subsequently promoted to the flag grade, the position will remain as an O-6 position.
- (2) If the Flag Board determines that a position does not qualify as a Designated Flag Grade Position, the Board will not review the incumbent for promotion to flag grade and will take no further action. Such positions are ineligible to be submitted for review by future Flag Boards unless there is a substantial increase in the responsibilities and/or scope of the position. The SG, or designee, shall determine whether changes in such a position warrant further consideration by a Flag Board.

#### 6-5. Evaluation of Officers for Flag Grade Promotion.

a. When the Flag Board evaluates an officer for promotion to flag grade, its members will consider the precepts in this subsection. The SG will provide guidance on these precepts, as well as establishing additional precepts as necessary. The precepts will include at least the following:

- (1) Leadership attributes and demonstrated experience as a leader within the OPDIV/STAFFDIV and within the USPHS Commissioned Corps.
- (2) Level, magnitude, and breadth of Departmental and USPHS Commissioned Corps experience.
- (3) Activities related to the Department and the USPHS Commissioned Corps demonstrating executive leadership.
- (4) For consideration for promotion to the O-8 grade, the Flag Board will review the officer's position to ensure the responsibilities warrant the O-8 grade and will also evaluate whether the officer has demonstrated Uniformed Service leadership at the O-7 grade.
- (5) The officer's history of compliance with the USPHS Commissioned Corps' conditions of service.

b. The Flag Board may conduct an interview of an officer, in accordance with guidance provided by the SG or DSG, prior to forwarding a recommendation to promote the officer. In addition, the Secretary, ASH, SG, or their designees may conduct separate interviews of those officers recommended for promotion by the Board.



- c. The Flag Board will review and rank order the officers who encumber the Proposed Flag Grade Positions that the Board has determined meet the standards to be recommended for a Designated Flag Grade Position. The Board will make a recommendation based on the qualifications of each officer to serve at the flag grade. The Board will submit to the ASH for review and approval a rank ordered list of the officers recommended for promotion to the O-7 grade along with a recommendation to designate that officer's current position as a Designated Flag Grade Position.
- d. The Flag Board will submit a separate rank ordered list of eligible officers recommended for promotion to the O-8 grade.
- e. The Flag Board's recommendation must include a specific recommendation regarding whether the ASH should excuse significant lapses by an officer in meeting the USPHS Commissioned Corps' conditions of service requirements (e.g., weight standards, health standards) and/or erratic compliance and provide the rationale for the Board's recommendation.
- f. Officers must submit certification that they are in compliance with the retention weight standards as outlined in Appendix B, which the Flag Board will evaluate as the last step of their evaluation of the officers they review for flag grade promotion. This last step occurs after the flag board reviews the proposed flag grade positions and after it initially reviews the officers who encumber the positions it recommends as outlined in Section 6-4.c. and d. If, based on their review of this information, the Flag Board determines that the officer should not be promoted, it must note its reasons for the non-recommendation with the Flag Board's recommendations for promotion.

6-6. Approval of Flag Grade Positions and Selection and Promotion to Flag Grades.

- a. The ASH is the final approval authority for Designated Flag Grade Positions. However, three of the authorized flag grade positions, as determined in accordance with Section 6-1.a., will be held in reserve for use by the ASH and/or Secretary as they deem appropriate (e.g., for non-career PHS officer appointments).
- b. Designated Flag Grade Positions may be reviewed by the Flag Board every three years as deemed necessary by the SG. The ASH may also, at any time, direct the SG to convene a Flag Board to review a Designated Flag Grade Position(s). If, based on either review, the ASH makes a determination that a position no longer qualifies as a flag grade position, the position will be considered a "change to a position encumbered by a flag grade officer" and subject to Section 6-7.b.(3).
- c. The ASH will recommend to the Secretary the promotion of officers who encumber the approved Designated Flag Grade Positions. Officers will be promoted as follows:
  - (1) Officers with 18 or more years of active-duty uniformed service are promoted on the first day of the month following Secretarial approval (or specific date approved by the Secretary) and receipt of an ethics clearance from OGC Ethics (based on the officer's financial disclosure report), whichever is later.
  - (2) Officers with less than 18 years of active-duty uniformed service (i.e., the officer was nominated for a flag promotion in accordance with Section 6-3.a.(3)(a) or (b) prior to meeting the 18 years of active duty

uniformed service) are promoted on a specific date determined by the Secretary or upon receipt of an ethics clearance from OGC Ethics (based on the officer's financial disclosure report), whichever is later.

- (3) In the event there is a significant decline in the active-duty strength after the SG's recommendation and the Secretary's approval which results in a lack of available flag grade positions, when sufficient flag grade positions become available the USPHS Commissioned Corps will promote an officer on the first day of the month after the month in which sufficient flag grade positions are available based on the active duty strength (unless the Secretary has approved a later date). If more than one officer is impacted by this situation, the officers are promoted in the following order:
  - (a) The officer who was reviewed by an earlier Flag Board is promoted prior to the officer reviewed by a Flag Board that met at a later date;
  - (b) The officer with the earlier seniority credit date is promoted prior to the officer with a more recent seniority credit date;
  - (c) The officer with more years of active service in the USPHS Commissioned Corps is promoted prior to the officer with fewer years of such service; and
  - (d) The officer with more years of active service at any rank in the uniformed services is promoted prior to the officer with fewer years of such service.

#### 6-7. Reassignment of Flag Grade Officers.

- a. If an OPDIV/STAFFDIV Head proposes the reassignment of a flag grade officer, the ASH will review the request in consultation with the SG.
  - (1) The SG may convene a Flag Board to make a recommendation regarding whether the position qualifies as a Designated Flag Grade Position.
  - (2) If in concurrence with the reassignment, the ASH will forward the request and recommended grade to the Secretary for final approval.
  - (3) Prior to, or within 90 days after, issuing personnel orders to permanently reassign the officer, OGC Ethics must clear the officer for the proposed position.
  - (4) Flag grade promotions in the USPHS Commissioned Corps are temporary promotions and officers may hold a flag grade only while serving in a Designated Flag Grade Position. Therefore, if the USPHS Commissioned Corps reassigns a flag grade officer to a non-flag grade position, the officer automatically reverts to their highest non-flag pay grade.
- b. Changes and/or proposed changes to a position encumbered by a flag grade officer must be submitted to the Director, CCHQ.
  - (1) Minor modifications that do not change the nature, magnitude, or scope of the position (e.g., reorganizations) may be approved by the Director, CCHQ, in consultation with the SG.

- (2) Modifications that appear to change the nature, magnitude, or scope of the position require the position to be resubmitted for Flag Board review to make a recommendation regarding whether the position continues to qualify as a Designated Flag Grade Position. CCHQ will consult with OGC Ethics to determine whether OGC Ethics must provide a new clearance for the officer if the Flag Board recommends that the position continues to qualify as a Designated Flag Grade Position.
- (3) If it is determined that the changes would render a position encumbered by a flag grade officer no longer qualified to be a Designated Flag Grade Position, the position will remain a Designated Flag Grade Position for a period of not more than one year, after which the position shall become an O-6 position and the officer will automatically revert to their highest non-flag pay grade. Such officers are required to file an OGE Form 278e, "Executive Branch Personnel Public Financial Disclosure Report," Termination report within 30 days from the date of the position becoming an O-6 position.

c. Temporary Assignments.

- (1) Within the OPDIV/STAFFDIV/non-HHS Organization. An OPDIV/STAFFDIV/non-HHS organization Head may, with the approval of the DSG, temporarily assign a flag grade officer to a temporary/acting position within their organization. The assignment must be equivalent to a flag grade position (e.g., at the executive level) and must be for the good of the Service. Such temporary assignments shall not exceed a total of one year unless approved by the Secretary. The requirement for DSG and/or Secretarial approval does not apply to acting positions that are a normal responsibility of the position (e.g., a Deputy assuming, in an acting capacity, the duties of the principal).
- (2) Outside of the OPDIV/STAFFDIV/non-HHS Organization. An OPDIV/STAFFDIV/non-HHS organization Head may, with the approval of the DSG, temporarily assign a flag grade officer to a temporary/acting position outside of the OPDIV/STAFFDIV/non-HHS organization with the concurrence of the outside OPDIV/STAFFDIV/non-HHS organization. The assignment must be equivalent to a flag grade position (e.g., at the executive level) and must be for the good of the Service. Such temporary assignments shall not exceed a total of 179 days unless approved by the Secretary.
  - (a) The assignment may be non-reimbursable if the assignment is within the mission of the officer's OPDIV/STAFFDIV/non-HHS organization and furthers the intent of the OPDIV/STAFFDIV/non-HHS organization appropriations.
  - (b) The assignment must be reimbursable if the assignment does not further the intent of the officer's OPDIV/STAFFDIV/non-HHS organization appropriations.
- (3) Deployments.
  - (a) Urgent or Emergency Public Health Care Need. The DSG may deploy a flag grade officer in response to an urgent or emergency public health care need, as determined by the Secretary in

accordance with 42 U.S.C. § 204a and CCD 121.02, "Deployment and Readiness."

- (b) Intra-Agency Responses. An OPDIV/STAFFDIV Head may, with the approval of the DSG, utilize a flag grade officer for a short-term intra-agency response that is within the OPDIV/STAFFDIV and that does not exceed 60 days. Responses that exceed a total of 60 cumulative days (including renewals of the response) require ASH approval.
  - (c) Responses Outside of the OPDIV/STAFFDIV. An OPDIV/STAFFDIV Head may, with the approval of the DSG, utilize a flag grade officer for a short-term response that is outside of the OPDIV/STAFFDIV and that does not exceed 60 days. However, responses that are to the White House or Congress require the Secretary's approval, and responses that exceed a total of 60 cumulative days (including renewals of the response) require ASH approval.
- (4) Details. The Secretary has retained the authority to detail flag grade officers to non-HHS organizations under 42 U.S.C. § 215. Therefore, the Secretary may temporarily detail a flag grade officer to a non-HHS organization. This subsection does not apply to assignments associated with a deployment as outlined in Section 6-7.c.(3).
- (5) Except for deployments under Section 6-7.c.(3), the DSG will convene a Flag Board to review a temporary assignment to make a recommendation whether the assignment is equivalent to a flag grade position. While serving in a temporary assignment under this Section, the officer's position of record will remain as an approved Designated Flag Grade Position. When a flag grade officer is temporarily assigned to another position, the DSG, ASH, or Secretary (as applicable), may temporarily assign another flag grade officer to the flag grade officer's temporarily vacated position. Except for a temporary assignment as authorized in this Section, the USPHS Commissioned Corps may not assign a flag grade officer to a position that is encumbered by another officer or civilian employee (temporary assignments are authorized when an encumbered position is vacant due to an illness, temporary assignment of the incumbent, etc.).
- d. If the USPHS Commissioned Corps reassigns a flag grade officer to a position that the OPDIV/STAFFDIV/non-HHS organization Head does not request to be considered as a Designated Flag Grade Position or if an officer who holds the O-8 grade is reassigned to an O-7 grade position, the day prior to the reassignment:
- (1) Reassignment to a Non-Flag Position. The officer's current position will be removed from the list of Designated Flag Grade Positions and designated as an O-6 grade position and the officer automatically reverts to their highest non-flag pay grade. Such officers are required to file an OGE Form 278e, "Executive Branch Personnel Public Financial Disclosure Report," Termination report within 30 days from the date they transfer out of the flag grade position. Except in extraordinary circumstances, as approved by the SG, the officer shall become ineligible for future consideration for a flag grade promotion.

- (2) Reassignment of an O-8 Grade Officer to an O-7 Grade Position. The officer's current position will be removed from the list of Designated Flag Grade Positions and designated as an O-6 grade position and the officer automatically reverts to the O-7 grade. A Flag Board may reconsider such an office for promotion to the O-8 grade if the officer is later reassigned to an O-8 grade position and the OPDIV/STAFFDIV/non-HHS organization Head nominates the officer for promotion to the O-8 grade.

6-8. Flag Grade Officer Performance Evaluations.

- a. The SG will, in consultation with the OPDIV/STAFFDIV Head, or designee, develop a performance review process for flag grade officers that will be used in lieu of the annual Commissioned Officers' Effectiveness Report (COER). The COER will continue to be used to evaluate flag officers until the SG develops the performance review process for flag grade officers.
- b. The annual performance review process developed by the SG shall include an evaluation of a flag officer's contribution in achieving the USPHS Commissioned Corps' mission, the SG's initiatives, and the mission of the OPDIV/STAFFDIV/non-HHS organization to which the officer is assigned.
- c. The Director, CCHQ, will forward to the ASH the name of any flag officer who receives an unsatisfactory performance evaluation to determine the officer's suitability for retention as a flag officer.

6-9. Flag Grade Officer Separation/Retirement.

- a. A flag grade officer who either retires or separates from service is required to file an OGE Form 278e, "Executive Branch Personnel Public Financial Disclosure Report," Termination Report within 30 days from the date of separation/retirement. The flag grade officer is eligible to file the Termination Report within 15 days of the separation/retirement. An Ethics Official must assign the Termination Report to the departing flag officer on the Integrity.gov system. Failure to file the OGE Form 278e Termination Report will result in an automatic late filing penalty of \$200 as well as other possible civil penalties and criminal penalties.
- b. An officer who holds the O-7 grade must retire, if not earlier retired, on the first day of the month after the month in which the officer completes 33 years of active-duty service.
  - (1) If the officer has served at least 3 years at the O-7 grade, the Director, CCHQ, shall retire the officer and will submit notification to the ASH and the ASH will notify the Secretary that a flag grade officer has retired under this Subsection.
  - (2) If the officer has not served at least 3 years at the O-7 grade, the Director, CCHQ, shall submit a recommendation to the ASH who will make a recommendation to waive the 3-year requirement to the Secretary and, if the Secretary waives the 3-year requirement, the Director, CCHQ, will retire the officer.
- c. An officer who holds the O-8 grade must retire, if not earlier retired, on the first day of the month after the month in which the officer completes 36 years of active-duty service.

- (1) If the officer has served at least 3 years at the O-8 grade, the Director, CCHQ, shall retire the officer and will submit notification to the ASH and the ASH will notify the Secretary that a flag grade officer has retired under this Subsection.
  - (2) If the officer has not served at least 3 years at the O-8 grade, the Director, CCHQ, shall submit a recommendation to the ASH who will make a recommendation to waive the 3-year requirement to the Secretary and, if the Secretary waives the 3-year requirement, the Director, CCHQ, will retire the officer.
- d. CCHQ may retire a flag grade officer who holds the O-7 or O-8 grade and who is requesting retirement before completion of 33 or 36 years of active-duty service, respectively, on the first day of any month following approval of the officer's request for retirement by the Secretary.
- e. An officer subject to retirement under Section 6-9.b. and c. who is serving in the O-7 or O-8 grade may have their retirement deferred by the Secretary if deemed to be in the best interest of the Department and the USPHS Commissioned Corps. Such period will not exceed 2 years for an O-7 grade officer and 4 years for an O-8 grade officer:
- (1) The Flag Board will make a recommendation to the ASH after considering the OPDIV/STAFFDIV Head's recommendation for retention on active duty; the position the officer encumbers; the needs and mission requirement(s) of HHS and the USPHS Commissioned Corps; the effect of the officer's retirement on continued and effective operation of the USPHS Commissioned Corps and the OPDIV/STAFFDIV to which the officer is assigned.
  - (2) The ASH will make a recommendation to the Secretary after considering the Flag Board's recommendation, the length of the requested deferment, the effect of the deferment on force management considerations, and other factors as determined by the ASH.
- f. Disciplinary Actions.
- (1) Absent a waiver approved by the SG or designee in accordance with policy (see [CCI 241.01](#), "Readiness and Duty Requirements," Personnel Operations Memorandum (POM) [821.75](#), "Readiness Compliance," [CCI 221.02](#), "Medical Readiness," and [POM 821.66](#), "Retention Weight Standards"), a flag grade officer who meets any of the reasons outlined in [CCI 382.03](#), "Involuntary Termination of Commission," for a referral to an Involuntary Termination Board (ITB) shall have their records referred to an appropriate action as outlined in Section 6-9.f.(3).
  - (2) A flag grade officer who is issued a Letter of Reprimand (LOR), placed into an Absent Without Leave (AWOL) status, or who fails to submit and/or obtain a favorable ethics clearance shall have their records referred to an appropriate action as outlined in Section 6-9.f.(3).
  - (3) The appropriate action for a flag grade officer is as follows:
    - (a) A flag grade officer who fails to submit required documents to OGC Ethics and/or obtain a favorable ethics clearance shall be retired from active duty within 6 months of confirmation of such

issues. A flag grade officer who is not eligible for retirement based on years of service will, upon approval by the Secretary, automatically revert to their highest non-flag pay grade upon the date of the Secretary's decision. However, if the failure to obtain a favorable ethics clearance is related to the officer's misconduct, the officer shall be referred to either an Involuntary Termination Board (ITB – if they have less than 20 years of service) or Board of Inquiry (BOI – if they have 20 or more years of service) (see [CCI 382.03](#), "Involuntary Termination of Commission," or [CCD 111.02](#), "Disciplinary Action").

- (b) A flag grade officer who has a medical condition that prevents them from meeting a condition of service shall be referred to a Medical Review Board (MRB) in accordance with [CCI 221.02](#), "Medical Readiness" (see also [CCI 393.01](#), "Medical Review Board").
  - (c) A flag grade officer who has less than 20 years of creditable service for retirement shall have their records referred to either an ITB or BOI (see [CCI 382.03](#), "Involuntary Termination of Commission," or [CCD 111.02](#), "Disciplinary Action").
  - (d) A flag grade officer who has 20 or more years of creditable service for retirement shall have their records referred to either a Retirement Board or BOI (see [CCI 385.01](#), "Involuntary Retirement (20 Years)" or [CCD 111.02](#), "Disciplinary Action"). In addition to the recommendations authorized in [CCI 385.01](#), a Retirement Board may recommend a reduction in the officer's grade.
- (4) A recommendation by an ITB or Retirement Board to reduce a flag grade officer's grade, with or without retention on active duty, requires approval by the Secretary. An officer whose grade is reduced and who is retained on active duty is no longer eligible for a future consideration for a flag grade promotion.
- 6-10. Director, CCHQ, Selection and Assignment. The Director, CCHQ, is a flag grade position at the O-8 grade, and therefore does not require a Flag Board's review of the position. When a vacancy is anticipated or occurs:
- a. The SG, or designee, will solicit nominations of candidates. A nomination of an officer may be made by a CPO or OPDIV/STAFFDIV/non-HHS organization Head to which an officer is assigned. The SG may also authorize the self-nomination of officers and the nomination from other individuals. Nominated officers must be at the O-6 grade or flag grade, and must meet the criteria in Section 6-3.a.(1) through (5); however, a nominated officer may be within 1 year of meeting the time-in-grade and time-in-service requirements.
  - b. The SG will convene a Flag Board to review the nominated officers. At least one of the two SES members of the Flag Board must be a Human Resource Director or Chief Human Capital Officer (CHCO). The Flag Board will rank the nominated officers in accordance with Section 6-5, except that Subsections 6-5.b.(4), 6-5.d, and 6-5.e. do not apply.
  - c. The Flag Board will review and rank order the officers and will make a recommendation based on the qualifications of each officer to serve as the

- Director, CCHQ. The Board will submit to the SG a rank ordered list of the officers recommended to encumber the position.
- d. The SG will submit his/her recommended selection to the ASH along with the rank ordered list provided by the Flag Board.
  - e. The ASH will review the recommended selection and, if he/she concurs, will do one of the following:
    - (1) For an officer who holds the O-8 grade the ASH will forward the recommended selection to the Secretary for final approval, with the recommendation to reassign the officer to the Director, CCHQ, position at the O-8 grade.
    - (2) For an officer who holds the O-7 grade the ASH will forward the recommended selection to the Secretary for final approval, with the recommendation to reassign the officer to the Director, CCHQ, position at the O-7 grade. The SG may nominate such an officer for the O-8 grade after the officer meets the eligibility criteria outlined in Section 6-3. (At the discretion of the ASH, the SG may nominate an officer who holds a flag grade as a result of an assignment as CPO for the Dental, Nurse, Engineer, or Pharmacy categories for the O-8 grade upon completing a combined total of 3 years at the O-7 grade).
    - (3) For an officer who holds the O-6 grade the ASH will approve the selection. Such an officer may be nominated for a flag grade promotion in accordance with this Instruction when they meet the eligibility criteria outlined in Section 6-3.a.
  - f. Prior to issuing personnel orders to permanently reassign an officer, OGC Ethics must clear the officer for the Director, CCHQ, position.
  - g. Upon completing the assignment as Director, CCHQ, the USPHS Commissioned Corps may reassign an officer who previously held the flag grade as a result of an assignment as CPO for the Dental, Nurse, Engineer, or Pharmacy categories in accordance with Section 6-7. to another flag grade position without an additional review by a Flag Board for promotion purposes (i.e., assignment as Director, CCHQ, through the procedures described in this Section serves as the officer's flag promotion "in their own right").
  - h. An officer who is currently serving as a CPO will have their assignment as CPO terminated upon reassignment as Director, CCHQ. The SG may assign such officer for no more than 4 months, or may assign another officer for no more than 6 months, as acting CPO pending the assignment of a new CPO.
- 6-11. Deputy Surgeon General (DSG) Selection and Assignment. The DSG is a flag grade position at the O-8 grade, and therefore does not require a Flag Board's review of the position. When a vacancy is anticipated or occurs:
- a. The SG will convene a panel of senior executives (see Section 6-11.b.) to review all current flag grade officers, including those who hold a flag grade as a result of an assignment as CPO for the Dental, Nurse, Engineer, or Pharmacy categories. This panel will not review:
    - (1) The ASH or flag grade officers that are in the immediate Office of the ASH (OASH) unless the ASH authorizes their review (i.e., the panel will not



review the Principal Deputy ASH (PDASH) and Senior Advisor to the ASH, but will review OASH office directors and other OASH flag grade officers); and

- (2) A flag grade officer who does not meet the criteria for promotion to the O-8 grade in Section 6-3.b. However, the requirement to have held the O-7 grade for at least 3 years does not apply, though the panel may consider the amount of time served as an O-7 when reviewing such an officer.
- b. The panel of senior executives will include the PDASH (unless the PDASH is a flag grade officer and the ASH has approved their review by the panel), a senior executive appointed by the ASH (which may be a flag grade officer that reports to the ASH provided the panel will not review the officer), and no less than two SES members appointed by the SG (at least one of which must be a Human Resource Director or CHCO).
- c. The panel of senior executives will review and rank order the officers and will make a recommendation based on the qualifications of each officer to serve as the DSG. The panel will submit to the SG a rank ordered list of the officers recommended to encumber the position.
- d. The SG will submit his/her recommended selection to the ASH along with the rank ordered list provided by the panel.
- e. The ASH will review the recommended selection and, if he/she concurs, will forward the recommended selection to the Secretary for final approval with the recommendation to reassign the officer to the DSG position at the O-8 grade.
- f. If an officer is promoted as a result of their selection, he/she will be promoted on the effective date of the reassignment, which must be after Secretarial approval.
- g. Prior to issuing personnel orders to permanently reassign the officer, OGC Ethics must clear the officer for the DSG position.
- h. Upon completing the assignment as DSG, the USPHS Commissioned Corps may reassign an officer who previously held the O-7 grade in accordance with Section 6-7. to another flag grade position at the O-8 grade without an additional review by a Flag Board for promotion purposes (i.e., assignment as DSG through the procedures described in this Section serves as the officer's flag promotion "in their own right").
- i. An officer who is currently serving as a CPO will have their assignment as CPO terminated upon reassignment as the DSG. The SG may assign such officer for no more than 4 months, or may assign another officer for no more than 6 months, as acting CPO pending the assignment of a new CPO.
- j. If the SG position is vacant, the Acting SG may initiate the panel review process, but may not make the selection. The initial selection must be made by the SG who is appointed by the President with the advice and counsel of the Senate.
- k. Because the Reorganization Plan No. 3 of 1966 abolished the office held by the DSG, the DSG position is no longer a statutorily created position under 42 U.S.C. § 206(a). On 24 June 1966, the Secretary administratively reinstated the office held by the Deputy Surgeon General (31 Fed. Reg. 8964 (1966)).

Therefore, the DSG position is not statutorily exempted from the 1 percent limitation outlined in Section 6-1.a.

7. RESPONSIBILITIES:

- 7-1. The authority to approve the selection, promotion, and reassignment of flag grade officers pursuant to 42 U.S.C. § 206(b) and (c) has been retained by the Secretary.
- 7-2. The authority to designate temporary flag grade positions has been delegated to the ASH and may not be re-delegated. The authority to establish policy and procedures for the designation of flag grade positions and the nomination of officers for flag grade promotion has been delegated to the ASH as part of the general authority to administer the USPHS Commissioned Corps.
- 7-3. The SG and DSG are responsible for providing general direction and leadership to flag grade officers regarding USPHS Commissioned Corps matters. The SG is responsible for establishing Personnel Operations Memoranda (POM) and any additional guidance to implement this Instruction.
- 7-4. The Director, CCHQ, is responsible for managing the Flag Board process.
- 7-5. OPDIV/STAFFDIV Heads are responsible for assuring that flag grade officers within their respective programs are utilized in an appropriate manner.
- 7-6. Flag grade officers are responsible for:
  - a. Adhering to the guidelines and procedures listed in this Instruction;
  - b. Providing general USPHS Commissioned Corps leadership and serving as an example of integrity, service and excellence;
  - c. Using the following titles in official written correspondence or for identification purposes:
    - (1) When using the USPHS Commissioned Corps title: Assistant Surgeon General or ASG for medical officers who hold the O-7 and O-8 grades; Assistant Surgeon General or ASG with an added parenthetical category designator (e.g., Assistant Surgeon General (dental), ASG (engineer)) for non-medical officers who hold the O-7 and O-8 grades; Deputy Surgeon General or DSG when serving as the DSG at the O-8 grade; Surgeon General or SG when serving as the SG at the O-9 grade; and Assistant Secretary for Health or ASH when serving as the ASH at the O-10 grade.
    - (2) When using the naval title: Rear Admiral (Lower Half) or RDML while holding the O-7 grade, Rear Admiral (Upper Half) or RADM while holding the O-8 grade, Vice Admiral or VADM while holding the O-9 grade, and Admiral or ADM while holding the O-10 grade.

8. HISTORICAL NOTES: This is the fourth issuance of this Instruction within the electronic Commissioned Corps Issuance System.

- 8-1. CCI 322.03, "Flag Grade Positions and Promotion," dated 6 April 2022.
- 8-2. CCI 322.03, "Flag Grade Positions and Promotion," dated 18 November 2021.
- 8-3. CCI 322.03, "Flag Grade Positions and Promotion," dated 20 February 2015.

- 8-4. Commissioned Corps Personnel Manual (CCPM) CC23.4.7, "Flag Grade Officer Selection and Assignment," dated 1 February 2005.

## Appendix A

## Definitions

- a. Active-Duty Service. Service that is creditable for purposes of determining retirement eligibility.
- b. Billet. A Uniformed Service specific manpower description, which is assigned qualifiers, that define the duties, tasks, and functions to be performed and the specific skills and skill level required to perform the delineated functions.
- c. Designated Flag Grade Position. A temporary position that the ASH determines has a senior executive level of complexity, responsibility, and importance to merit designation as a temporary position at the O-7/O-8 grades.
- d. Flag Grade. The flag grades are temporary grades above the O-6 grade.
- e. Flag Grade Officer/Flag Officer. An officer who encumbers a Designated Flag Grade Position and has been approved by the Secretary to hold the O-7 or O-8 grade; as well as the SG and ASH, when encumbered by a PHS officer, who are at the O-9 and O-10 grades, respectively.
- f. OPDIV/STAFFDIV Head. The Director, Administrator, Commissioner, or Assistant Secretary of an HHS OPDIV; Assistant Secretary or Director of an HHS STAFFDIV; Commandant of the Coast Guard; and Director, BOP. Within DoD, the Secretaries of the Military Department for the military services; Joint Chief of Staff for Combatant Commands; and Under Secretaries of Defense, or equivalent, for the Defense Agencies and DoD Field Activities.
- g. Non-career PHS Officer. An officer who is called to active duty into a position that is traditionally temporary and political in nature (e.g., positions that require appointment by the President and confirmation by the Senate).
- h. Non-HHS Organization Head. The Secretary of another Federal Executive Department.
- i. Position. A specific and unique assignment within an Agency.
- j. Proposed Flag Grade Position. A position submitted by an OPDIV/STAFFDIV/non-HHS organization Head for consideration, in accordance with procedures contained herein, to be approved by the ASH as a Designated Flag Grade position. Such temporary positions, in general, are associated with senior executive level equivalent authorities and responsibilities which would otherwise be filled by a civilian at the senior executive level, a flag officer in the military services, or an Ambassador in the Foreign Service.
- k. Uniformed Service Bearing. Having or projecting a commanding presence, proper uniform wear, and a professional image that brings credit upon oneself and the USPHS Commissioned Corps.

Appendix B

The officer must submit certification that they meet retention weight standards:

	Name:	First M.I. Last
	Rank:	CAPT/RDML
	Category:	Category Name
Compliant with Retention Weight Standards:		Yes/No
Officer Signature/Date:		