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 Commissioned Corps of the U.S. Public Health Service (Corps) for temporary promotion to the Assistant Surgeon General (ASG or “flag”) grade.

2. APPLICABILITY: This Instruction applies to all 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), Deputy Surgeon General (DSG), the Chief Medical Officer of the U.S. Coast Guard (Coast Guard), and other positions that have been deemed flag grade positions by 42 USC §§206 and 207.

   2-2. This Instruction does not apply to positions or promotions that 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 appointed as O-7 or O-8 flag grade officers (see CC23.4.6, “Chief Professional Officer Nomination”).

   2-4. This Instruction does not apply to positions in non-HHS organizations except positions within the Department of Defense (DoD), the U.S. Coast Guard (Coast Guard), and Federal Bureau of Prisons (BoP), that merit the designation as flag grade billets (See 42 U.S.C. §207(e), 42 U.S.C. §250, and 42 U.S.C. §253). These organizations may propose flag grade billets for consideration as necessary to meet their organizational mission.

3. AUTHORITY:

   3-1. 42 U.S.C. §202, “Administration and Supervision of Service”


   3-3. 42 U.S.C. §207, “Grades, ranks, and titles of commissioned corps”
3-4. Reorganization Plan No. 3 of 1966, dated 24 June 1966

3-5. The authority to establish policy and procedures for the designation of temporary flag grade positions has been delegated to the ASH as part of the general authority to administer the Corps. The authority to create temporary flag grade positions resides with the ASH and may not be further delegated. The authority to approve the selection and promotion of officers to flag grade positions pursuant to 42 U.S.C. §206(b) and (c) has been retained by the Secretary of HHS (Secretary).

3-6. 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 one (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, 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 only 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 officers, serving in approved Designated Flag Grad Positions in the grade of O8 and above, shall not exceed one-half the number of flag officers serving in approved Designated Flag Grade Positions in the grade of O7. (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 Corps and exceptions to grade limitations.)

4. PROPOSENT: The proponent of this Instruction is the Assistant Secretary for Health (ASH). The responsibility for assuring the day-to-day management of the Corps is the Surgeon General (SG).

5. SUMMARY OF REVISIONS AND UPDATES: This is the first issuance of this Instruction in the electronic Commissioned Corps Issuance System (CCIS) and replaces CC23.4.7, “Flag Grade Officer Selection and Assignment,” dated 1 February 2005.

5-1. Only positions encumbered by an eligible O-6 officer may be considered for designation as a Designated Flag Grade Position.

5-2. Encumbered positions put forth by the agencies are reviewed by one board resulting in one list to the Secretary through the ASH.

5-3. Agencies must submit a statement certifying that proposed positions are at the executive level.

5-4. Allows the addition of a member of the SES to serve as part of the Flag Board at the SG’s discretion.

5-5. Authorizes the SG to define and refine the factors used to evaluate both positions and officers.

5-6. Adjusts the time-in-service requirement to 12 years in the Corps and includes a time-in-grade requirement of 3 years as an O-6 to be eligible for promotion to the O-7 grade.

5-7. Removes the requirement for officers being considered for a flag grade promotion to agree to serve an additional 3 years in the Corps before seeking to retire on a voluntary basis.
5-8. Requires Regional Health Administrator positions to undergo review by the Flag Board for designation as a Designated Flag Grade Position.

5-9. Eliminates the segregation of positions as being at either the O-7 or O-8 grade.

6. POLICY:

6-1. Definitions.

a. 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. A billet description is often generic in nature and may encompass the duties of multiple assignments throughout the Department.

b. Position: A specific and unique assignment within an Agency.

c. Flag Grade: The flag grades are temporary grades above the O-6 grade.

d. Proposed Flag Grade Position: A position submitted by an OPDIV/STAFFDIV 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 executive level authorities and responsibilities which would otherwise be filled by a civilian at the executive level, a General/Admiral Officer in the military services, an Ambassador in the Foreign Service, or equivalent.

e. Designated Flag Grade Position: A temporary position that the ASH determines has an executive level of complexity, responsibility, and importance to merit designation as a temporary position at the O-7/O-8 grades.

f. Flag Grade 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 Corps officer, who are at the O-9 and O-10 grades, respectively.

6-2. General.

a. Billets designated as flag grade billets prior to the effective date of this policy shall be designated as O-6 grade positions, except that any position encumbered by an officer who meets the eligibility criteria in Section 6-4.a. shall be designated as an executive level O-6 grade position. When an executive O-6 grade position created under this subsection is vacated, it shall revert to an O-6 grade position. This provision does not apply to positions encumbered by a flag grade officer on the effective date of this policy; such positions shall be Designated Flag Grade Positions.

b. 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.

c. At least once per year, the Director, Division of Commissioned Corps Personnel and Readiness (DCCPR), shall request that OPDIV/STAFFDIV Heads to which Corps officers are assigned submit their organization’s Proposed Flag Grade Positions and the officers occupying those positions which:
(1) Are encumbered by an officer of the O-6 grade who meets the eligibility criteria for flag grade promotion and the submitting official supports the incumbent’s potential promotion to flag grade; and

(2) Are encumbered by a CPO who holds the O-7 or O-8 flag grade through appointment and promotion pursuant to the provisions of CC23.4.6; the submitting official requests the designation of the proposed position as a Designated Flag Grade Position; and the submitting official also supports the incumbent retaining the flag grade beyond their term as CPO. Such officers must also meet the eligibility criteria for flag grade promotion in Section 6-4.

d. At least once per year, the Director, DCCPR, shall request that OPDIV/STAFFDIV Heads 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 flag grade.

6-3. Flag Board. All officers proposed for promotion to flag grade and the positions they encumber must be reviewed and recommended by the Flag Board.

a. The Flag Board shall consist of the SG, or his/her designee, and four 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. The SG may appoint up to one member of the Senior Executive Service (SES) whose level is equivalent to the appointed Corps members of the Board.

b. The SG, or his/her designee, shall serve as the Flag Board chairperson.

c. Only the SG, or the DSG if serving as the SG’s designee, may serve as a member of the Flag Board more frequently than every other year.

d. No officer appointed to the Flag Board may participate in the discussion of a position or promotion consideration of an officer which may raise a conflict of interest. If a board member does not self-recuse 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.

6-4. Eligibility Criteria for Flag Grade Promotion.

a. To be considered for promotion to an O-7 flag grade, an officer must at the time that the Flag Board convenes:

(1) Be a member of the Regular Corps;

(2) Have served in the temporary or permanent O-6 pay grade for a minimum of three years as of 1 January of the year in which the Flag Board meets;

(3) Have completed at least 16 years of active-duty service in the Uniformed Services;
(4) Have completed at least 12 years of active-duty service in the Corps; and

(5) Meet current professional licensure and force readiness standards.

b. An O-7 flag grade officer who is nominated by his/her OPDIV/STAFFDIV Head will be considered by a Flag Board for promotion to the O-8 flag grade after completing 3 years of service at the O-7 grade. The officer must continue to meet the current professional licensure and force readiness standards.

6-5. Evaluation of Flag Grade Positions.

a. In addition to information requested by the Director, DCCPR, 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 executive level if occupied by a civilian or General/Admiral 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 6-4.

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 determination regarding whether the position qualifies for designation as a Designated Flag Grade Position.

(1) If the Flag Board determines that a position qualifies as a Designated Flag Grade Position, the Board shall review and rank the officer who encumbers the position in accordance with Section 6-6. If the officer is not subsequently promoted to the flag grade, the position will be designated as an executive level O-6 position until the next annual meeting of the Flag Board.

(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.
6-6. Ranking of Officers for Flag Grade Promotion.

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

   (1) Leadership attributes;
   (2) Performance;
   (3) Training, education, and/or experience; and
   (4) Activities related to the Department and the Corps demonstrating executive leadership. For consideration for promotion to the O-8 flag grade, uniformed service leadership must be demonstrated at the O-7 flag grade.

b. 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 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 flag grade along with a recommendation to designate that officer’s current position as a Designated Flag Grade Position.

c. The Flag Board will submit a separate rank ordered list of eligible officers recommended for promotion to the O-8 flag grade.

6-7. Approval of Flag Grade Positions and Selection and Promotion to Flag Grades.

a. The ASH will determine which positions to approve as Designated Flag Grade Positions and recommend to the Secretary the promotion of the incumbent officers. However, three of the authorized flag positions, as determined in accordance with Section 3-6, will be held in reserve for use by the ASH and/or Secretary as they deem appropriate.

b. The ASH may, at any time, direct the SG to reconvene the Flag Board to review a Designated Flag Grade Position(s). If, based on this 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 6-8.b.(3).

c. Officers will be promoted on the first day of the month following Secretarial approval.
6-8. Reassignment of Flag Grade Officers.

a. If an OPDIV/STAFFDIV Head proposes the reassignment of a flag grade officer, the request will be reviewed by the ASH 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 to the Secretary, with the recommended grade, for final approval.

(3) Flag grade promotions in the Corps are temporary promotions and officers may hold a flag grade only while serving in a Designated Flag Grade Position. Therefore, if the reassignment of a flag grade officer to a non-flag grade position is approved by the Secretary, the officer automatically reverts to his/her 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, DCCPR.

(1) Minor modifications that do not change the nature, magnitude, or scope of the position (e.g., reorganizations) may be approved by the Director, DCCPR in consultation with the Surgeon General.

(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. Such review should be accomplished during the annual review of Designated Flag Grade Positions.

(3) If it is determined that the changes would render a position encumbered by a flag grade officer as no longer qualified as 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 his/her highest non-flag pay grade. This situation involving a specific flag grade officer and assigned position will still count against the 1% cap on the total number of approved flag grade positions.

c. Officers holding a flag grade may be detailed to an agency within the Federal government, pursuant to CCD 121.04, when it is in the best interests of HHS and the Corps, as determined by the Secretary. The ASH shall review such proposed details and make recommendations to the Secretary, who is the approving authority for all such details. This situation involving a specific flag grade officer and assigned position will still count against the 1% cap on the total number of approved flag grade positions.
d. An OPDIV/STAFFDIV Head may, with the approval of the ASH, 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. The requirement for ASH 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). While serving in such temporary assignments, the officer's position of record will remain as an approved Designated Flag Grade Position. This situation involving a specific flag grade officer and assigned position will still count against the 1% cap on the total number of approved flag grade positions.

6-9. Mandatory Retirement of Flag Grade Officers.

a. Officers at the O-7 flag grade shall be involuntarily retired upon completing 33 years of creditable service for purposes of determining retirement eligibility ("active-duty service").

b. Officers at the O-8 flag grade shall be involuntarily retired upon completing 36 years of active-duty service.

c. The ASH may waive the mandatory retirement provisions for flag grade officers if deemed to be in the best interest of the Department and the Corps.

7. RESPONSIBILITIES:

7-1. The authority to approve the selection, promotion, and reassignment of flag grade officers 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 Corps.

7-3. The SG is responsible for the day-to-day operations of the Corps and for providing general direction and leadership to flag grade officers regarding Corps matters. The SG is responsible for establishing Personnel Operations Memoranda (POM) and any additional guidance to implement this Instruction.

7-4. The Director, DCCPR, 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 providing general Corps leadership and serving as an example of integrity, service and excellence.

8. HISTORICAL NOTES: This is the first issuance of this Instruction within the CCIS.