

**CCPM Pamphlet No. 24  
November 2003**

**INFORMATION ON  
COMMISSIONED OFFICERS RETIREMENT**

*A Guide for Commissioned Officers  
of the Public Health Service*



**U.S. Department of Health and Human Services  
Public Health Service Commissioned Corps  
Division of Commissioned Personnel**

**STATEMENT OF PURPOSE**

This pamphlet provides the basic information you need to know at the time of retirement from active duty as a Public Health Service (PHS) Commissioned Corps officer.

Topics are grouped into sections according to when you need to think about a particular topic in order to make the best decision related to your retirement. If there are other individuals in your life, such as a spouse, parent, or children, who will be affected by your retirement, you may wish to have them review this material as well. Some of the information provided may be more applicable to them than it is to you—for example, information on the Survivor Benefit Plan (SBP).

Even after you retire, the Division of Commissioned Personnel (DCP), will be available to help you with your PHS benefits, pay, and related questions. If you have questions about retirement or other information contained in this pamphlet, phone the PHS Commissioned Corps Retirement Coordinator, DCP, at 301-594-2963 (or toll-free at 1-877-INFO DCP, listen to the prompts, select option #1, and dial the last 5 digits of the phone number—42963). You may also reach the Retirement Coordinator, DCP, by mail at:

Division of Commissioned Personnel  
ATTN: Retirement Coordinator/CB  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857-0001

The DCP Web site address is: <http://dcp.psc.gov>. This site contains the Commissioned Corps Personnel Manual (CCPM), PHS forms, publications/pamphlets, etc., as well as links to other Web sites.

If any information in this booklet is in conflict with the CCPM, the Joint Federal Travel Regulations (JFTR), or any other Federal law or regulation, the latter shall be the controlling authorities.

**TABLE OF CONTENTS**

<b>I.</b>	<b>APPLYING FOR RETIREMENT</b> .....	1
<b>II.</b>	<b>EFFECTING RETIREMENT</b> .....	3
	Submitting form PHS-1373, "Separation of Commissioned Officer" .....	3
	Exit Physical Examination .....	4
	Home of Selection .....	4
	Terminal Leave and Lump-Sum Leave Payment .....	5
	Transfer of Pay Account .....	5
	Thrift Savings Plan .....	5
	Survivor Benefit Plan (SBP) Election .....	6
	Surrender Identification (ID) Cards .....	6
<b>III.</b>	<b>TRAVEL AND TRANSPORTATION</b> .....	6
	Home of Selection .....	7
	Time Limit for Travel and Shipment of Household Goods .....	7
	Travel Allowances for You and Your Dependents .....	8
	Your Travel .....	8
	Your Dependents' Travel .....	8
	Circuitous Travel .....	9
	Claiming Reimbursement for Travel .....	9
	Shipment of Household Goods .....	9
	Maximum Weight Allowance and Other Limitations .....	10
	Storage of Household Goods .....	10
	Temporary Storage .....	10
	Non-temporary Storage .....	11
	Shipment of Private Automobile .....	12
<b>IV.</b>	<b>BENEFITS IN RETIREMENT</b> .....	12
	<u>Medical Care for You and Your Dependents</u> .....	12
	Uniformed Services Medical Treatment Facilities .....	12
	TRICARE .....	12
	Who is Eligible for TRICARE? .....	13
	Medicare .....	13
	Supplemental Insurance .....	13
	Use of Military Facilities .....	13
	Space-Available Travel .....	13
	<u>The Survivor Benefit Plan</u> .....	14
	Automatic Enrollment .....	14
	Opportunity to Terminate SBP Coverage .....	14
	SBP is a Tax-Deferred Annuity .....	14
	Guaranteed Level of Income .....	14
	SBP Costs and Eligible Beneficiaries .....	14
	The Annuity .....	15
	Offset .....	15
	Beneficiary Becomes Ineligible .....	16
	Active-Duty Death .....	16
	No Dependents .....	16
	Service-Connected Deaths .....	16
	How to Enroll in SBP .....	17
	Evaluate Your Circumstances Before Deciding About SBP .....	17
	Supplemental Coverage .....	17
	Premiums .....	17
	Annuities .....	17

TABLE OF CONTENTS (CONTINUED)

Department of Veterans Affairs Benefits . . . . . 18

    VA Hospitals . . . . . 18

    Life Insurance . . . . . 18

    Application . . . . . 18

    Disability Compensation . . . . . 18

    Educational Assistance . . . . . 19

    Old GI Bill . . . . . 19

    Veterans Educational Assistance Program . . . . . 19

    Montgomery GI Bill . . . . . 19

    Home Loan Guarantee . . . . . 19

    Death Benefits . . . . . 20

    Dependency and Indemnity Compensation (DIC) . . . . . 20

**V. EMPLOYMENT AND POLITICAL ACTIVITY** . . . . . 20

    Seeking Employment Before Retirement . . . . . 20

    Employment After Retirement . . . . . 21

    Political Activity After Retirement . . . . . 23

**VI. ASSISTANCE AFTER RETIREMENT** . . . . . 23

**VII. SOCIAL SECURITY** . . . . . 23

**VIII. FORMER SPOUSES' PROTECTION ACT** . . . . . 24

    Division of Retired Pay . . . . . 24

    Direct Payment to the Former Spouse . . . . . 24

    Survivor Benefit Plan . . . . . 25

    Medical Care and Base Privileges . . . . . 25

**IX. SURVIVOR BENEFITS AND ASSISTANCE** . . . . . 26

    Benefits Charts . . . . . 27

    Benefits Charts (Continued) . . . . . 28

---

## Commissioned Officers Retirement Guide

---

### I. APPLYING FOR RETIREMENT

There are three categories of retirement:

- Category A Non-disability retirement with 20 or more years of active service, but less than 30 years of active service. Officers in this category should follow the procedures listed below.
- Category B Non-disability retirement with 30 or more years of active service. Officers in this category should *not* follow the procedures listed below. These officers will receive a memorandum with a complete application package prior to the end of their 30<sup>th</sup> year of active service.
- Category C Disability retirement. Officers in this category should contact the Medical Affairs Branch (MAB), Division of Commissioned Personnel (DCP), for instructions regarding applying for this category of retirement. MAB can be reached at 1-800-368-2777.

The following procedures regarding applying for retirement apply only to officers in Category A above:

- (1) A memorandum from the officer requesting retirement, with a cover memorandum from the officer's Agency/ Operating Division (OPDIV)/ Program's channels, should be addressed to the Director, DCP, and sent to the following address:

Division of Commissioned Personnel  
ATTN: Retirement Coordinator/CB  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857-0001

NOTE: Please refer to item 8 below regarding deadlines for the memorandum to be received in DCP.

- (2) The memorandum from the officer must include the following: a requested date of retirement (NOTE: by law, the date for a non-disability retirement date must be the first day of a month), reason(s) for retirement, Public Health Service (PHS) serial number, pay grade, and signature. Suggested wording for a voluntary retirement request is as follows:

"Having completed (insert number) years of active service, I request to be retired effective on the first day of (insert month and year). My reason(s) for retirement is/are (insert reason). To my knowledge, I am (am not) financially indebted to the Government."  
(NOTE: If knowledge of indebtedness exists, indicate the amount of indebtedness and the schedule established for repayment.)

- (3) The officer's memorandum is given to his/her supervisor, who will send it with a memorandum from the supervisor to the address shown above.
- (4) The supervisor's memorandum should address the following:
  - (a) Recommendation for approval/disapproval of the officer's request. If disapproval, an alternate retirement date should be provided;
  - (b) Availability of a suitable replacement;
  - (c) Availability of other assignments for which there is a need for this officer;

**Commissioned Officers Retirement Guide**

---

- (d) Whether the officer's retirement is in the interest of national/international health, i.e., the officer is requesting retirement to accept a position in an academic field, with a State or local health department, or international organization; and
  - (e) Any extreme personal hardship potentially affecting the performance of the officer if he/she remains on active duty, therefore, indicating the officer's retirement will be in the best interest of the Public Health Service (PHS).
- (5) The supervisor's memorandum will be routed through program channels. The complete program response and the officer's original request will be forwarded through the respective Agency/ OPDIV/ Program Commissioned Corps Liaison to obtain the endorsement of the head of the respective Agency/ OPDIV/ Program staff office and/or regional office. The sponsoring organization will address the overall effect of the officer's retirement on that organization and provide explicit recommendations for approval/disapproval.
- (6) The organization's response must contain the signatures of the heads of the officer's program and of the respective Agency/ OPDIV/ Program staff office and/or regional office. *Responses that are simply initialed and do not include a recommendation for approval/disapproval by the organization will be returned for appropriate endorsements.*
- (7) Assuming all material is complete, DCP sends the package to a Retirement Board that makes a recommendation to the Director, DCP, regarding the retirement request. The Director, DCP, then makes his/her recommendation and forwards the package to the Surgeon General for final decision. If the retirement request is approved, the officer will receive a package of retirement forms described in "Section II. Effecting Retirement," of this pamphlet.
- (8) Officers should pay careful attention to the chart below which provides deadlines for material from the officer/program to be received in DCP. The deadlines are based on what month an officer wishes to retire and which boards recommend retirements for that month.

The Retirement Board meets the first Thursday of the board months:

<u><b>Board Month</b></u>	<u><i>First day to retire from board month</i></u>	<u><i>The latest date to retire from board month</i></u>
February	March 1	August 1
April	May 1	October 1
June	July 1	December 1
August	September 1	February 1
October	November 1	April 1
December	January 1	June 1

Original requests for voluntary retirement **must** be received in Division of Commissioned Personnel, ATTN: Retirement Coordinator/CB, Room 4-50, 5600 Fishers Lane, Rockville, MD 20857-0001, **no later than:**

- January 5 for February Board
- March 5 for April Board
- May 5 for June Board
- July 5 for August Board
- September 5 for October Board
- November 5 for December Board

**II. EFFECTING RETIREMENT**

The procedure for actually effecting your retirement is the same for all officers, regardless of whether you retire with 20 or 30 years of service. The procedure involves completing the appropriate forms, the most important of which is form PHS-1373, "Separation of Commissioned Officer," and submitting the forms through administrative channels to the Division of Commissioned Personnel (DCP) for action. NOTE: Many Public Health Service (PHS) forms are available on the DCP Web site at: <http://dcp.psc.gov/DCPForms.asp>.

**Submitting form PHS-1373, "Separation of Commissioned Officer"**

Complete part A of form PHS-1373; give the form to your supervisor to complete part B; forward the form to your Agency/Operating Division (OPDIV)/Program's administrative/fiscal officer to complete part C; and then forward the completed form (with original signatures) to DCP (see address on page 1). Form PHS-1373 provides DCP with information needed to issue your retirement personnel order.

You must submit the original of your completed PHS-1373 so that it is received in DCP no later than 30 days prior to the last day you will be physically present at your duty station. This deadline ensures that you will have your retirement personnel orders sufficiently in advance of the date you plan to actually stop working, so that you may begin terminal leave, arrange to ship your household goods, and actually perform travel incident to your retirement. Failure to comply with the deadline may result in denial of your claim for lump-sum leave payment for unused annual leave, and divestment of travel and transportation allowances otherwise due upon retirement. Administrative officials should retain a photocopy of the completed form PHS-1373 for their records.

The following forms and document must be submitted to DCP in addition to form PHS-1373 in order to effect your retirement. Most of these forms are available on the DCP Web site at: <http://dcp.psc.gov/DCPForms.asp>.

<i>Form Number</i>	<i>Form Title</i>
PHS-5150 *	"Survivor Benefit Plan (SBP) Election Certificate"
SF-1199A *	"Direct Deposit Sign-Up Form"
Form W-4 *	"Employees Withholding Allowance Certificate"
PHS-6353-1 *	"Request for Voluntary State Income Tax Withholding from Retired Pay"
PHS-6363 *	"Request to Establish/Change Mailing Address"
Memorandum **	"Home of Selection Upon Retirement" (This memorandum is included in the 'Retirement Packet' sent by DCP's PHS Commissioned Corps Retirement Coordinator.)
PHS-31 ***	"Officer's Leave Record"

- These forms may be submitted along with form PHS-1373, or they can be submitted separately, **BUT THEY MUST BE RECEIVED IN DCP PRIOR TO YOUR DATE OF RETIREMENT.**
- \*\* Regarding the "Home of Selection Upon Retirement" memorandum. If, at the time of retirement, you have not decided upon your home of selection, you may defer its designation until a later date using the secretarial process, if needed.
- \*\*\* Form PHS-31 is submitted after retirement.

## **Commissioned Officers Retirement Guide**

---

All information pertaining to retirement, including form PHS-1373 must be submitted to:

Division of Commissioned Personnel  
ATTN: Retirement Coordinator  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857-0001  
Phone: 301-594-2963 (or toll-free at 1-877-INFO DCP, listen to the prompts,  
select option #1, and dial the last 5 digits of the phone number—42963)

### **Exit Physical Examination**

Officers should have a complete retirement physical examination within the 6-month period prior to their retirement. Officers can waive the physical examination by executing the waiver on form PHS-1373, "Separation of Commissioned Officer." It is the officer's responsibility to forward a copy of the physical examination to the Medical Affairs Branch, DCP, (see address below) at least 60 days before his/her retirement date. In cases when the officer is retiring with less than 60 days notice, the 60-day receipt prior to retirement policy for physical examinations is automatically waived. The Medical Affairs Branch, DCP, will review retirement physical examinations and notify the officer if additional information is required.

The physical examination documents your health status at the time of retirement. In the event you apply for Department of Veterans Affairs (VA) benefits, entry and exit physical examinations may be necessary in order to document service-connected medical conditions. VA benefits include disability compensation, health care, and survivor benefits for service-connected diseases or injuries. It is important, therefore, that any disease or injury incurred while on active duty be documented in your central DCP medical file.

THE FACT THAT YOU HAVE MEDICAL PROBLEMS WILL NOT NECESSARILY QUALIFY YOU FOR DISABILITY RETIREMENT. TO BE ELIGIBLE FOR DISABILITY RETIREMENT, YOU MUST BE FOUND PHYSICALLY INCAPABLE OF PERFORMING THE DUTIES OF YOUR GRADE AND OFFICE. However, a medical condition that does not qualify you for disability retirement from the Public Health Service (PHS) Commissioned Corps may nonetheless qualify you to receive disability compensation from the VA. VA disability compensation is discussed later in this pamphlet.

Included in your 'Retirement Packet'—which is sent to you from the Retirement Coordinator, DCP—will be specific information from the Medical Affairs Branch, DCP, about making arrangements for the physical examination.

If you become ill or are hospitalized after undergoing the physical examination, but before the effective date of your retirement, the Medical Affairs Branch, DCP, should be notified immediately by phone or in writing at:

Division of Commissioned Personnel  
ATTN: Medical Affairs Branch  
5600 Fishers Lane, Room 4C-04  
Rockville, MD 20857-0001  
Phone: 301-594-3297 (or toll free at 1-800-368-2777 – select option #3)

### **Home of Selection**

The Government will pay for the cost of transporting you, your dependents, and your household goods to your home of selection. You have one (1) year from the date of retirement in which to designate your home of selection. If you have not yet decided upon your home of selection at the time you submit your form PHS-1373, indicate that fact in the appropriate block on the form. Later, when you have decided and notified DCP by the "Home of Selection Upon Retirement" memorandum, your retirement personnel order will be amended to authorize travel and transportation to the home you selected.



**Terminal Leave and Lump-Sum Leave Payment**

Terminal leave is any annual leave taken after you submit form PHS-1373. It must be requested and approved in advance of submitting form PHS-1373, and can be for single days, clusters of days, or for a large block of time through the date you actually retire. There are two restrictions on how terminal leave may be taken:

- (1) You can be granted no more leave than your actual leave balance; and
- (2) Like all annual leave, it may be granted or denied by your leave-granting authority based on the needs of the Agency/OPDIV/Program to which you are assigned.

Form PHS-31, "Officers Leave Record," must be audited and certified by your leave maintenance clerk and countersigned by your leave-granting authority. **Form PHS-31 must be submitted to DCP by your leave maintenance clerk or your leave-granting authority only.** At no time should the officer have possession of his/her form PHS-31. Form PHS-31 should be attached to a photocopy of the completed form PHS-1373, and submitted to DCP after the officer's retirement date. You will be charged for all approved terminal leave unless:

- (1) The approved leave was revoked by the leave-granting authority because of program staffing needs;  
or
- (2) You became ill while on terminal leave.

In either case, DCP must be notified immediately so that appropriate adjustment may be made to form PHS-31. Certification of illness from a physician is required for each day of terminal leave which you request to be charged to sick leave.

If you will have annual leave to your credit on the date of retirement, after all terminal leave has been subtracted, you will receive a lump-sum payment for the unused balance, not to exceed a maximum of 60 days total lifetime payment after **February 9, 1976**. The lump-sum leave payment includes only Basic Pay, Basic Allowance for Housing, and Basic Allowance for Subsistence.

**Transfer of Pay Account**

When you change from active to retired status, your active-duty pay account will be closed and a new retirement account will be established. Therefore, you must re-designate your Federal and State income tax withholding. Use Form W-4, "Employee's Withholding Allowance Certificate," for Federal income tax, and PHS-6353-1, "Request for Voluntary State Income Tax Withholding from Retired Pay," for State income tax. Also, complete a new SF-1199A, "Direct Deposit Sign-Up Form," to have your monthly retired pay deposited directly into your bank account, and designate a new address to which you want your statements of earnings sent by completing form PHS-6363, "Request to Establish/Change Mailing Address." NOTE: These forms are available on DCP's Web site: <http://dcp.psc.gov/DCPForms.asp>.) **Allotments from retired pay are limited to Veterans Group Life Insurance, TRICARE Dental, and Commissioned Officers Association dues.** Any allotment being made from your active-duty pay will cease with issuance of your final active-duty paycheck. Therefore, you must make arrangements to pay any insurance premiums due after the date of your retirement.

**Thrift Savings Plan**

If you are enrolled in the Thrift Savings Plan (TSP), upon your retirement you have several withdrawal options. You can choose to receive a single payment, a series of monthly payments, or a TSP annuity. You can have the TSP transfer all or a part of single payment, or, in some cases, a series of monthly payments, to a traditional Individual Retirement Account (IRA) or to an eligible employer plan. You may also leave all or a

portion of your account in the TSP when you retire.

For more information regarding TSP withdrawal, visit [www.tsp.gov](http://www.tsp.gov) and view the **Uniformed Services** section.

**Survivor Benefit Plan (SBP) Election**

You must complete and submit form PHS-5150, "Survivor Benefit Plan Election Certificate," (available at: <http://dcp.psc.gov/DCPForms.asp>) prior to the date of your retirement. The cost of the SBP will be deducted from your retired pay prior to any tax withholding. If you fail to submit form PHS-5150 and you have a spouse and/or dependent children, you will be enrolled automatically in SBP at the maximum level of coverage.

**Surrender Identification (ID) Cards**

Upon retirement, you and your dependent(s) must surrender all identification (ID) cards and you will be issued new ID cards showing your retired status. You should apply for the new ID card from the issuing authority of the activity to which you are assigned at the time of retirement. Complete DD Form 1172, "Application for Uniformed Services Identification Card DEERS Enrollment," (available at: <http://dcp.psc.gov/DCPForms.asp>) for your dependents' cards. After retirement, you and your dependents may apply for re-issuance of expiring ID cards at the nearest Uniformed Services facility, including those of the Army, Navy, Air Force, Marine Corps, and Coast Guard, or you may obtain new cards by mail from:

Division of Commissioned Personnel  
ATTN: ID Cards  
5600 Fishers Lane, Room 4-20  
Rockville, MD 20857-0001  
Phone: 301-594-3393 (or toll-free at 1-877-INFO DCP, listen to the prompts,  
select option #1, and dial the last 5 digits of the phone number—43393)

Enrollment in DEERS (Defense Enrollment Eligibility Reporting System) will be maintained and updated at the same time you have your ID cards issued.

**III. TRAVEL AND TRANSPORTATION**

**Home of Selection**

As a general rule, upon retiring from the PHS Commissioned Corps you are entitled to travel and transportation allowances from your last permanent duty station, from a designated place in the Continental United States (CONUS), from storage, or any combination thereof, to the member's home of selection. A home of selection means a place selected by you upon retirement to establish a bona fide residence. It must be the place where you actually intend to reside. You may select a home anywhere in the contiguous United States, the home of record (HOR) outside the United States, the place outside the United States from which the member was initially called or ordered to active duty, or any other place as long as the cost does not exceed an amount payable had the member selected a home at a CONUS location specified by the member.

**Exceptions:**

If you are retired and concurrently recalled to active duty, no travel and transportation benefits will be authorized at that time. Travel to your home of selection will be authorized when you are ultimately released from active duty to retired status.

If you are retired for reasons other than physical disability and have less than 8 years of continuous active duty at the time of retirement, you are entitled only to travel and transportation allowances to your home of record, as recorded at the time of your last entry on active duty, or to the place from which you were

called to active duty.

Before you may receive travel allowances or ship your household goods to your home of selection, your original retirement personnel orders—or an amendment thereto—must authorize travel to your specified home of selection. Your ‘Retirement Packet’—which is sent to you from the Retirement Coordinator, DCP—includes the “Home of Selection Upon Retirement” memorandum for designating your home of selection. (See the “Effecting Retirement” section of this pamphlet for information about procedures to follow when designating a home of selection.)

If you plan to travel to your home of selection at or shortly after retirement, complete the “Home of Selection Upon Retirement” memorandum designating your selected home and attach it to your form PHS-1373 requesting retirement. If, at the time of retirement, you have not decided upon your home of selection, you may defer its designation until a later date. Your initial retirement personnel orders will not authorize travel or shipment of household goods, but you may place your household goods in non-temporary storage at point of origin, if required. When DCP ultimately receives your memorandum designating your home of selection, your retirement personnel orders will be amended to authorize travel and transportation of household goods.

**NOTE:** Do not travel or ship household goods until you receive orders.

Your designated home of selection is irrevocable once you have submitted and received travel allowances for your travel, or for your dependents' travel, or if you have shipped household goods.

**NOTE:** You have one (1) year from the date of retirement in which to designate your home of selection. Please see \*\* on page 3.

**Time Limit for Travel and Shipment of Household Goods**

Your travel and your dependents' travel must be completed to your home of selection within one (1) year from the effective date of your retirement. If such travel is not performed before the first anniversary of your retirement, the right to travel allowances is forfeited. Dependents who travel to a home other than the member's home of selection, are entitled to dependents' travel and transportation allowances for the travel actually performed up to the entitlement for travel from the permanent duty station, or place to which dependents were last transported at Government expense, to the member's home of selection. The aforementioned dependents' travel to a home other than the member's home of selection must begin within one (1) year after the member's retirement date. The shipment of your household goods must be turned over for transportation within one (1) year following termination of active duty. The exceptions to this rule are as follows:

- (1) If, on the day of your retirement, you are undergoing hospitalization or medical treatment which prevents you from traveling to your home of selection, you and your dependents' travel and transportation entitlement may be extended for a period of one (1) year after the date of termination of the hospitalization or medical treatment; or
- (2) If, at the time prior to the first anniversary of your retirement, you are required to undergo hospitalization or medical treatment which prevents you from traveling to your home of selection, you and your dependents' travel and transportation entitlement may be extended beyond the one (1) year time limit for a period equal to the period of the hospitalization or medical treatment; or
- (3) If on the day of your retirement, you are undergoing education or training to qualify for acceptable civilian employment; or
- (4) If you begin an education or training program during the 1-year period following retirement, or during the longer period authorized/approved in (1) or (2) above; or

## **Commissioned Officers Retirement Guide**

---

- (5) If an unexpected event beyond your control occurs which prevents you from moving to the home of selection within the specified time limit (must be in the best interest of the Service, or substantially to the member's benefit and not more costly or adverse to the Service).

A request for an extension of the one (1) year time limit for the above exceptions must be sent to DCP and approved by the Director, DCP, after concurrence of your program officials. A request for an extension of the one (1) year time limit in regards to (1) and (2) above must also be accompanied by a signed statement from your physician:

- (1) Showing the inclusive dates of hospitalization or treatment; and
- (2) Confirming that you were unable to travel to your home of selection because of your medical condition. If approved, extension of the time limit will be reflected in an amendment of your retirement personnel orders.

### **Travel Allowances for You and Your Dependents**

The information in this section applies only to travel between a last permanent duty station and home of selection in the 48 contiguous United States. It does not apply to travel between the 48 contiguous United States, Alaska, Hawaii, or overseas. If your home of selection is outside the 48 contiguous United States, contact your Agency/OPDIV/Program's shipping officer for additional information regarding your travel, transportation, and shipment of your household goods. For travel information, please see DCP's Web site: <http://dcp.psc.gov> click on 'Services' and then click on 'Travel and Transportation Information.'

**NOTE:** Wherever reimbursement for personally procured commercial transportation is mentioned in the following paragraphs, it should be understood that only travel over direct routes is payable at Government expense, and that first-class air travel is not authorized.

### **Your Travel**

You may receive one of the following travel allowances for travel you actually perform at the time of retirement:

- a monetary allowance in lieu of transportation (MALT) plus a per diem allowance. The MALT is paid at an authorized rate per mile; or
- reimbursement for the actual cost of travel performed by common carrier at personal expense, plus a per diem allowance.

### **Your Dependents' Travel**

Your dependents are authorized travel from your last permanent duty station, or other place to which last transported at Government expense, to the same place to which you are authorized travel. You may receive one of the following:

- a MALT at an authorized rate per mile plus a per diem; or
- reimbursement for the cost of personally procured common carrier transportation plus a per diem.

**NOTE:** The MALT rates described above depend on the number of travelers.

**Circuitous Travel**

You and your dependents may travel by other than a usually traveled direct route from your last permanent duty station to your home of selection for personal convenience. In that case you will receive no more than what you would have received had you traveled by direct route.

If your dependents are not at your last permanent duty station or other authorized point of origin for travel, you may personally procure their transportation and be reimbursed for that amount of travel not to exceed what it would have cost to use direct routes.

A GOVERNMENT TRANSPORTATION REQUEST (GTR) WILL NOT BE ISSUED FOR YOUR TRAVEL OR YOUR DEPENDENTS TRAVEL IF YOUR LAST DUTY STATION AND YOUR HOME OF SELECTION ARE BOTH LOCATED WITHIN THE 48 CONTIGUOUS UNITED STATES.

**Claiming Reimbursement for Travel**

In order to receive payment of the travel allowance for yourself and your dependents, you must sign and complete SF-1012, "Travel Voucher," (for *your* travel) and form PHS-2988, "Voucher for Reimbursement for Travel (Dependents of PHS Commissioned Officers)," These forms are included in your 'Retirement Packet,' and are also available on the DCP Web site at: <http://dcp.psc.gov/DCPForms.asp>. The original and two photocopies of each of the forms must be submitted to the administrative officer at your last duty station for completion and submission to the fiscal office responsible for payment. One copy of the forms may be retained for your files. If possible, have your travel vouchers signed and completed before you depart your last duty station, so that they can be held until you complete the travel and then can provide your date of arrival at your home of selection.

DO NOT CLAIM DISLOCATION ALLOWANCE. THIS ALLOWANCE IS NOT PAYABLE UPON RETIREMENT.

**Shipment of Household Goods**

Your entitlement to travel to your home of selection also includes entitlement to ship your household goods to your home of selection. The maximum time limit for shipping household goods is discussed in this section.

You may ship your household goods at any time after you receive your retirement personnel orders, provided that you have designated your home of selection and your retirement personnel orders specifically authorize travel to the home of selection. If you did not designate your home of selection for inclusion in your original retirement personnel orders, you may not ship your household goods until the personnel orders are amended authorizing travel to your home of selection. In the meantime, however, you may place your household goods in non-temporary storage at point of origin, if you desire.

Specific information about shipment of household goods is outlined in the Commissioned Corps Personnel Manual (CCPM) Pamphlet No. 11, "Information on Shipment of Household Goods," which is included in your 'Retirement Packet' and is available on DCP's Web site at: <http://dcp.psc.gov> click on 'Services' and then click on 'Travel and Transportation Information.' The shipping officer serving your Agency/OPDIV/Program or nearest to your last duty station is responsible for issuing a Government Bill of Lading (GBL) to the commercial carrier who will transport your household goods. Shipping officers at field stations are listed in CCPM Pamphlet No. 11.

Arrangements for your shipment will be made by the appropriate shipping officer upon receipt of form PHS-4013-1, "Application for Shipment of Household Goods (Commissioned Officers)." This form is included in your 'Retirement Packet' and is also available at: <http://dcp.psc.gov/DCPForms.asp>. CAUTION: Do not wait until the last minute to contact the shipping officer—shipping space on a commercial carrier may not be

---

## Commissioned Officers Retirement Guide

---

available on short notice. Also, DO NOT ARRANGE FOR YOUR SHIPMENT DIRECTLY WITH A COMMERCIAL CARRIER. If your goods are not shipped on a GBL, you are liable for the shipping costs at rates charged the general public, and you may only be reimbursed for the part of the costs equal to the charge which would have been made if the shipment were made at reduced Government rates.

### **Maximum Weight Allowance and Other Limitations**

The total weight of all household goods shipped under your retirement personnel orders is subject to the maximum weight allowance prescribed for your pay grade on the effective date of your retirement. The permanent change of station weight allowance table, shown in CCPM Pamphlet No. 11, is applicable. In the event that you exceed your weight allowance, the fiscal officer responsible for paying the commercial carrier for shipping costs will bill you for the excess costs involved.

Under your retirement personnel orders, you are entitled to shipment of your household goods in one lot from your last duty station to your home of selection. While you may ship a part of your goods and leave the remainder in storage for later shipment before the time limit expires, you are liable for any cost in excess of a one-lot shipment to your home of selection.

If all or part of your household goods are located at some other authorized place at the time you receive your retirement personnel orders, e.g., at a previous duty station or in storage elsewhere at Government expense, the goods may be shipped direct to your home of selection. You are not liable for excess cost for this separate lot of household goods as long as the total weight of all of your goods is not in excess of your prescribed weight allowance.

You may ship a part of your household goods to a place other than your home of selection. However, the total cost of shipments may not exceed the cost which would have been incurred had all of your goods been shipped to your home of selection.

If you plan to reside for more than one (1) year after retirement in the vicinity of your last duty station, you are entitled to local drayage of household goods to another residence, if desired. However, it should be pointed out that by using your shipping entitlement for drayage, you cannot later ship your household goods to a home of selection. There is one exception to this rule. If you are residing in Government quarters which you must vacate at the time of your retirement, your household goods may be drayed locally to a private residence and later shipped to a home of selection. The one (1) year time limit applying to shipment of household goods also applies to local drayage.

### **Storage of Household Goods**

Two types of storage are authorized in connection with retirement—temporary storage or non-temporary storage. The two types of storage are distinguished by the time limit allowed and the place of storage.

#### **Temporary Storage**

This type of storage is authorized on a GBL by the shipping officer in conjunction with the actual shipment of household goods. Temporary storage may occur at the origin of the shipment or at destination, or both. Normally, temporary storage at Government expense may not exceed a total of 90 days. Under certain conditions, the time limit may be extended to 180 days (maximum) by the Director, DCP.

There are some advantages in requesting temporary storage rather than non-temporary storage.

### Non-temporary Storage

You may request the shipping officer to have all or part of your household goods packed, drayed, and placed in non-temporary storage **IN THE VICINITY OF YOUR LAST DUTY STATION, OR THE PLACE WHERE YOUR GOODS ARE LOCATED AT THE TIME YOUR RETIREMENT PERSONNEL ORDERS ARE RECEIVED.** If, however, your last permanent duty station is in Alaska, Hawaii, or elsewhere overseas, your household goods may be shipped to, and placed in non-temporary storage at the nearest port of entry in the 48 contiguous United States, pending subsequent shipment to your home of selection. Non-temporary storage may occur at any time after you receive your retirement personnel orders—even though your home of selection has not been designated. In fact, you are entitled to non-temporary storage whether or not you ever intend to ship your household goods to a home of selection.

The time limit for non-temporary storage is one (1) year from the date of retirement. Your household goods must be en route to your home of selection BEFORE the time limit expires unless an extension to ship your household goods has been requested through the secretarial process through DCP. Keep in mind; there is NO mechanism to extend your one (1) year of non-temporary storage entitlement except as follows:

- (1) If, on the day of your retirement, you are undergoing hospitalization or medical treatment and non-temporary storage is authorized, that entitlement would then expire one (1) year after either the date of discharge from the hospital or termination of medical treatment, whichever is later; or
- (2) If, at the time prior to the first anniversary of your retirement, you are required to undergo hospitalization or medical treatment, the member is entitled to non-temporary storage until one (1) year after the date of retirement plus a period equal to the period of hospitalization or treatment occurring within that year. Non-temporary storage in excess of this total time is at the member's expense.
- (3) If on the day of your retirement, you are undergoing 'education or training' or have 'other deserving cases,' you may be continued in non-temporary storage with the Government acting as the member's agent for the period of the extension, provided:
  - (a) Continued storage is authorized/approved through the secretarial process, and
  - (b) The member agrees to pay all costs for non-temporary storage for any period in excess of one (1) year from the date of termination of active service, or the longer period authorized in (1) or (2) above.

If you wish to store your household goods at the time of your retirement, and you do not plan to move into your retirement home until shortly before the one (1) year time limit expires, your goods may be in non-temporary storage at Government expense for the entire period.

Under no circumstance may non-temporary storage be authorized at the destination of your home of selection. Moreover, household goods which are placed in non-temporary storage at your last duty station MAY NOT be placed in any kind of storage at the destination of shipment except under the most extenuating circumstances. The Joint Federal Travel Regulations (JFTR) only permit temporary storage from non-temporary storage at destination when all of the following conditions exist:

- (1) It is necessary because of conditions beyond your control;
- (2) such conditions arise after shipment from non-temporary storage; and
- (3) the temporary storage at destination is authorized or approved by the Director, DCP.

---

## **Commissioned Officers Retirement Guide**

Therefore, if you request non-temporary storage at your last duty station, do not request shipment of goods to your home of selection until you are sure that they may be delivered directly into your home. If the time limit is about to expire on the shipment of your goods, but you are not yet ready to take delivery at your home, you may request shipment but you must pay for any storage required after arrival of the household goods at the destination.

Any portion of a member's household goods that is not placed in non-temporary storage may be placed in temporary storage as part of the household good transportation entitlement.

### **Shipment of Private Automobile**

If your last permanent duty station is located in the United States, and the designated home of selection in your retirement personnel orders is in Alaska, Hawaii, or elsewhere outside the 48 contiguous United States, your vehicle may be shipped from the waterport nearest your home of selection.

The shipment of a private automobile must be authorized in your retirement personnel orders, if you are eligible. You should indicate your desire to ship a vehicle in your request for retirement. Contact the designated shipping officer for additional information. More information about automobile shipment is included in CCPM Pamphlet No. 11 which is included in your 'Retirement Packet' and is available on DCP's Web site at: <http://dcp.psc.gov> click on 'Services' and then click on 'Travel and Transportation Information.'

## **IV. BENEFITS IN RETIREMENT**

### **MEDICAL CARE FOR YOU AND YOUR DEPENDENTS**

#### **Uniformed Services Medical Treatment Facilities**

You and your dependents will continue to be eligible for medical care in Uniformed Services Medical Treatment Facilities (MTFs) after you retire, but your care will be provided on a space-available basis. Active-duty personnel have first priority. However—as a retiree—you are eligible to enroll and participate in TRICARE, which is the military health system managed care program.

#### **TRICARE**

TRICARE Standard (formally called CHAMPUS) is a cost-sharing program whereby you obtain medical care in the private sector and are reimbursed for a portion of the cost when you submit a claim for reimbursement to the appropriate TRICARE contractor. TRICARE coverage is similar to that provided by most health insurances, but you pay no monthly premium to participate. The best source of information about TRICARE is the TRICARE Web site at: [www.tricare.osd.mil](http://www.tricare.osd.mil).

TRICARE is the name of the Department of Defense's regional managed health care program for Service families. Under TRICARE, you will generally have three choices of ways to get your health care:

- TRICARE Prime (there is a fee for retirees)
- TRICARE Extra
- TRICARE Standard (formerly called CHAMPUS)



**Who is Eligible for TRICARE?**

Retirees and their dependents (under the age of 18, or age 23 if a full time student) enrolled in the Defense Enrollment Eligibility Reporting System (DEERS) are eligible for TRICARE. Additional information concerning TRICARE may be obtained by calling 1-888-DOD-LIFE or 1-888-363-5433, or accessing the TRICARE Web site at: [www.tricare.osd.mil](http://www.tricare.osd.mil).

**Medicare**

At age 65 you become eligible for Medicare benefits. You must sign up for Medicare several months prior to your 65th birthday in order to have coverage upon reaching age 65. Medicare is also a cost-shared program sponsored by the Federal Government, and you must pay a monthly premium for Medicare - Part B in order to participate in TRICARE. You remain eligible for care at MTFs, on a space-available basis, even after you become eligible for Medicare.

**Supplemental Insurance**

Because both TRICARE and Medicare are cost-sharing programs, you may spend much more for medical care when you are retired than you do while on active duty. TRICARE representatives strongly advise Uniformed Services retirees to obtain TRICARE/Medicare supplemental insurance upon retirement. These supplemental policies generally pay for those portions of your medical expenses not covered by the two main programs. Many organizations sell these supplemental policies. While the PHS Commissioned Corps cannot endorse any of the policies currently on the market, several Service organizations which represent retirees provide low-cost, high-coverage policies that compliment TRICARE and Medicare fully. A few of the better-known Service organizations are listed below. Be sure to check on supplemental policies in the private sector as well.

Military Officers Association of America  
201 N. Washington Street  
Alexandria, VA 22314-2539  
Phone: 703-549-2311

National Association for Uniformed Services  
5535 Hempstead Way  
Springfield, VA 22151  
Phone: 703-750-1342

**Use of Military Facilities**

As a PHS Commissioned Corps retiree, you and your eligible dependents are authorized the use of various facilities on military installations. This privilege may include authority to patronize commissaries, post and base exchanges, military theaters, officer messes, and similar facilities. The availability of these facilities to retirees varies widely at different installations. The local installation commander generally determines whether base facilities can accommodate both PHS active-duty and retired personnel. Always check on the availability of these privileges before attempting to use them, as you risk embarrassment to the local commander, yourself, and PHS if you do not.

**Space-Available Travel**

You may use military aircraft on a space-available basis as a retiree, but you will be accorded a lower priority than active-duty personnel. Contact your local Air Mobility Command for guidance on retirees and dependent travel outside of the United States.

## **THE SURVIVOR BENEFIT PLAN**

The Survivor Benefit Plan (SBP) allows you to provide an immediate annuity, paid by the Department of Defense, to your spouse, eligible children, or in some cases to a third party, upon your death. If you decline SBP upon retirement, your retired pay stops upon your death and no ongoing payments to your survivors will be made. A member may decline the maximum SBP coverage, so long as the spouse concurs. Form PHS-5150, "Survivor Benefit Plan Election Certificate," must be utilized. Failure to submit form PHS-5150 prior to the effective date will result in the withholding of SBP premiums based on 100 percent of your retired pay. Form PHS-5150 is available at: <http://dcp.psc.gov/DCPFForms.asp>.

### **Automatic Enrollment**

You are automatically enrolled in SBP at the time you retire unless you decline enrollment or have no eligible spouse or child beneficiaries. If you have an eligible spouse at the time of retirement, your spouse must concur in any election of less than maximum coverage. If your spouse does not concur, you will be enrolled for maximum coverage. However, it is preferred that the spouse concur no matter what election is made. If you have no eligible beneficiaries when you retire, you can enroll after retirement if you acquire eligible beneficiaries. If you decide not to participate in SBP at the time you retire, and you have an eligible spouse or children, you are barred from future participation in SBP.

### **Opportunity to Terminate SBP Coverage**

Section 641, Public Law 105-85, provides for a one (1) year period, beginning 2 years after commencement of retired pay, during which SBP participants may choose to discontinue participation in the plan. Written concurrence of the spouse is required. Once participation is discontinued under these provisions, no benefits under SBP may be paid, and no refund of any premiums properly collected shall be made.

### **SBP Is a Tax-Deferred Annuity**

The cost to you to provide SBP coverage for your family is deducted from your gross retired pay before Federal or State income tax is withheld. The average cost of providing the maximum annuity is 6.5 percent. When your survivor starts to receive the annuity, Federal taxes will be withheld.

### **Guaranteed Level of Income**

SBP allows you to provide a guaranteed minimum level of income to your survivors. Other types of supplemental income from the Federal Government also may be available to your survivors, such as Social Security benefits or Dependency and Indemnity Compensation (DIC) from the VA. However, even when no other income is available, you are assured that your survivors will have the SBP annuity.

### **SBP Costs and Eligible Beneficiaries**

The SBP cost and annuity are calculated on a 'base amount' that you select. The base amount you select can range from \$300 up to the full value of your monthly retired pay. You can elect one of the following beneficiary classes:

**Commissioned Officers Retirement Guide**

<b><i>Eligible Beneficiary Elections</i></b>	<b><i>Monthly Cost</i></b>
Spouse only coverage	*The cost is a flat 6.5 percent of the amount elected (6.5 x base amount)
Former spouse coverage	Same as above
Children up to age 18, or age 23 if enrolled in full-time school, or permanently incapacitated	An actuarial charge based on the age of the youngest child and the retiree's age at the time of retirement, regardless of how many children you have
Spouse and child coverage or former spouse and child coverage	The spouse/former spouse cost plus the child cost
Insurable interest person	10 percent of your full retired pay, plus 5 percent for each 5 years your beneficiary is younger than you, up to a maximum cost of 40 percent of retired pay

\* Each time there is a cost of living adjustment for retired pay, the SBP premium is increased by the same percentage.

**The Annuity**

The monthly annuity paid to your beneficiaries is 55 percent of the base amount you elected. The SBP annuity is paid monthly to beneficiaries; there is no authority for a lump-sum payout. The annuity is increased by cost-of-living adjustments (COLA) at the same time and in the same amount as COLA increases for retired pay. At age 62, the annuity payable to a spouse is decreased to 35 percent of the base amount.

If you provided coverage to both your spouse and children, the total annuity is still 55 percent of the base amount you elected. Even though providing spouse and child coverage does not increase the total annuity paid each month, it does have the advantage of ensuring that if your spouse becomes ineligible to receive SBP because of his/her remarriage before age 55 or death, the annuity will continue to be paid on behalf of the eligible children. If you provide coverage to a handicapped child incapable of self-support, the payments will continue for the life of the child.

**Offset**

Previously, an offset used to apply to SBP benefits. Because the formula used to compute the offset was very complicated, it was difficult to predict the value of the annuity at the time the offset would begin. However, the SBP law was revised in 1985 to eliminate the offset. In its place a uniform reduction in the annuity at age 62 was created. This change makes it possible to predict the value of the annuity over time. If an officer was eligible to retire at the time the offset was eliminated or an annuitant was receiving an annuity at that time, the annuity can be computed using the formula with the offset if it results in a higher annuity value.

### **Beneficiary Becomes Ineligible**

Whenever a beneficiary becomes ineligible, the cost to you is suspended. However, you do not receive a refund for the amounts you have paid because you remain eligible to enroll a new beneficiary at a later date. For example, if you divorce your spouse, you can stop SBP spouse coverage because you no longer have an eligible spouse. You can provide SBP coverage to the former spouse if provided in the divorce decree. If you are required to provide SBP coverage to your former spouse, any new spouse becomes ineligible for SBP coverage. If you are not required to provide your former spouse coverage, when you remarry, your new spouse will be an eligible SBP beneficiary. Upon remarriage, the new spouse becomes eligible for SBP coverage on the 12<sup>th</sup> month of marriage. Form PHS-5150 (available at: <http://dcp.psc.gov/DCPForms.asp>) must be submitted to DCP during the 12<sup>th</sup> month of marriage. Failure to submit the necessary paperwork during the 12<sup>th</sup> month will result in no future SBP coverage for the new spouse. Coverage of a new child is immediate.

Once a beneficiary begins receiving an SBP annuity, the annuity continues throughout the beneficiary's life unless the beneficiary becomes ineligible to receive the annuity or the entire amount of the annuity is offset by an award of DIC from the VA. In the case of a spouse, ineligibility occurs if the spouse remarries prior to age 55. At that time the SBP annuity payment to the spouse is suspended. If the remarriage terminates, the SBP annuity is reinstated. Payment of the SBP annuity also stops when there is no spouse and the last dependent child becomes ineligible because of age, unless the child was permanently incapable of self support due to a handicap before that time.

### **Active-Duty Death**

If you die on active duty, your survivors will be paid an SBP annuity just as if you had enrolled in SBP at retirement. The death will be handled like a medical disability retirement. The value of the annuity will be 55 percent of the retired pay you would have received had you retired on the day you died, or 35 percent if your spouse is age 62 or older. In the event you and your spouse die in a common accident, the SBP annuity will be paid to your dependent children.

### **No Dependents**

If you have no eligible spouse or dependent children when you retire, you may elect to participate in SBP on behalf of someone who has a bona fide financial interest in your continued life, referred to as an insurable interest election, or on behalf of a former spouse (see the "Former Spouses' Protection Act" section of this pamphlet). In most cases a person with an insurable interest would be a blood relative, such as a mother, father, brother, sister, nephew, or niece. The cost for providing coverage to blood relatives will be more expensive than the cost for spouse or children. It is 10 percent of your full retired pay, plus an additional 5 percent for each full 5 years the beneficiary is younger than you. The total cost cannot exceed 40 percent of your retired pay. If you marry, have, or adopt a child after making an insurable interest election, you may change coverage to protect the new spouse or child, provided you notify DCP within one (1) year of acquiring the spouse or child.

### **Service-Connected Deaths**

When a member of the Uniformed Services dies as a result of a service-connected cause, either while on active duty or in retirement, certain members of his or her family may be eligible for DIC monthly compensation from the VA. If you elect coverage under the SBP and your spouse is entitled to DIC payments, the monthly SBP annuity will be reduced by the amount of the DIC payment. The amount attributable to DIC is non-taxable. If this happens, the amount that was deducted from your retired pay that relates to the cost of that part of the SBP annuity not being paid will be refunded to the surviving spouse.

**How to Enroll in SBP**

As long as you are on active duty, you are automatically covered by SBP. Prior to your retirement date, you must complete form PHS-5150 (available at: <http://dcp.psc.gov/DCPForms.asp>). Your spouse must also sign form PHS-5150 to indicate his/her concurrence. Remember that by law, enrollment in SBP is automatic on the date of retirement if you have not declined coverage. So if you fail to submit form PHS-5150, you are automatically enrolled in SBP at the maximum amount.

However, we ask that you submit form PHS-5150 to DCP even if you are electing the full amount of SBP coverage. After retirement, SBP deductions will be made from your retired pay. If your SBP beneficiaries change, by divorce, death, or because a child becomes ineligible, you must notify DCP of the change so that we can recompute, or suspend the cost to you.

**Evaluate Your Circumstances Before Deciding About SBP**

SBP is an annuity program. It is not an investment that will appreciate. It is not an insurance program that accumulates a cash value. The sole purpose of SBP is to provide your survivors with income based on the amount of SBP coverage you elect.

**Supplemental Coverage**

A surviving spouse's or former spouse's monthly SBP annuity is calculated at 55 percent of the base amount until age 62, when payments are subject to reduction. Members who elect maximum (full) coverage under basic SBP (their base amount is their gross retired pay), may also enroll in the Supplemental Survivor Benefit Plan (SSBP) to increase their survivors' post-age 62 annuities by 5, 10, 15, or 20 percent of their retired pay—thereby providing a total annuity equal to 40, 45, 50, or 55 percent of their monthly gross retired pay. SSBP coverage is not automatic. Participation in SSBP is totally voluntary and requires an affirmation election by the member. Spousal concurrence is not required if a member does not elect SSBP coverage.

**Premiums**

Premiums for SSBP benefits are based on the member's age at the time the election becomes effective. Once SSBP premiums are established, they will be treated in the same manner as SBP premiums; increased by the same percentage as SBP premiums; and suspended whenever SBP premiums are suspended.

**Annuities**

Annuities for SSBP coverage are payable only when the spouse or former spouse reaches age 62 or older. However, they are payable even though the basic SBP benefit may have been reduced or eliminated through the dollar-for-dollar offset that results when DIC is payable from the VA. The benefits payable are 5 percent, 10 percent, 15 percent, or 20 percent of the member's retired pay, according to the level of benefits elected.

**DEPARTMENT OF VETERANS AFFAIRS BENEFITS**

Based on your career with the PHS Commissioned Corps, you and your dependents are eligible for a variety of benefits from the VA.

**VA Hospitals**

If you have a service-connected disability and require hospitalization, you are eligible for care from VA hospitals and treatment facilities on a priority basis. You may also obtain health care for non-service-connected disabilities from VA facilities on a space-available basis as a beneficiary of the PHS Commissioned Corps. Dependents are not eligible to use VA medical facilities.

**Life Insurance**

Most active-duty officers maintain VA life insurance called Servicemembers' Group Life Insurance (SGLI). At the time of retirement, your SGLI coverage continues for 120 days without further cost to you. During this period you have the option of converting your SGLI coverage into an equal, or lesser, amount of Veterans' Group Life Insurance (VGLI). VGLI is a renewable lifetime term life insurance sponsored by VA. It has no loan, cash, or paid-up insurance value. Policies are issued in multiples of \$10,000 increments up to the maximum coverage.

**Application**

If you want VGLI coverage, you must submit your application with the first premium and proof of service within 120 days following retirement to:

Office of Servicemembers' Group Life Insurance (OSGLI)  
P.O. Box 5000  
Millville, NJ 08332-9928

You may phone 1-800-419-1473, between 8 a.m. and 5 p.m. Eastern Time, for additional information. If you are totally disabled (physical or mental disability which prevents you from engaging in gainful employment) you may apply within one (1) year from date of retirement or the date you cease to be totally disabled, whichever is earlier. Proof of your total disability will be required.

**Disability Compensation**

The VA pays disability compensation to veterans with service-connected disabilities, based on the percentage of the disability as determined by VA and whether the disability was incurred during wartime or peacetime. Do not confuse VA disability compensation with PHS Commissioned Corps disability retired pay. Just because you do not qualify for disability retirement from the PHS Commissioned Corps does not mean you will not be eligible for disability compensation from VA. VA does not necessarily give an individual the same disability rating as that given by the Corps for a given disability.

Members are encouraged to apply for VA disability compensation within one (1) year from the date of retirement. You should check into your eligibility for VA compensation as soon as possible after retirement. You make application at the VA regional office nearest your home. Upon your application, VA will request a copy of your PHS Commissioned Corps medical records for evaluation and may require you to have further examinations before making a determination.

---

## Commissioned Officers Retirement Guide

Even if you do not qualify for disability compensation immediately, you may qualify in the future if the condition deteriorates, or if you should die from the service-connected condition, your survivors may be eligible for DIC each month. By making application at the time of retirement, you establish a complete medical record with VA that will facilitate any future claims by you or your survivors.

If you are awarded VA disability compensation, you must waive an equal amount of the retired pay you receive from the PHS Commissioned Corps. This is to your advantage, because the total dollar amount you receive monthly will remain the same while you will gain a tax advantage because the portion received from VA will be tax exempt. Waiving your PHS Commissioned Corps retired pay does not forfeit any rights, benefits, or privileges to which you may be entitled as a retired Corps officer.

### **Educational Assistance**

VA sponsors several educational assistance programs. Your eligibility for these programs depends upon when you initially entered on active duty with a Uniformed Service, such as the PHS Commissioned Corps.

### **Old GI Bill**

If you came on active duty prior to January 1, 1977, you were covered under the 'Old GI Bill.' This was a non-contributory program in which you could receive up to 45 months of payments from VA while enrolled in educational programs approved for VA benefits. The 'Old GI Bill' is no longer in effect. However, if you were covered by this program, served at least 1 day between October 19, 1984 and June 30, 1985, and stayed on active duty through June 30, 1988, you are entitled to half of the monthly entitlement that you would have received under the 'Old GI Bill' in addition to the full amount available under the Montgomery GI Bill for full-time student status.

### **Veterans Educational Assistance Program**

If you initially came on active duty with a Uniformed Service from January 1, 1977 through June 30, 1985, you are eligible for Veterans Educational Assistance Program (VEAP) benefits if you made contributions to that program. The VA will match your contributions on a 2-for-1 basis, up to your maximum contribution of \$2,700. This would provide a maximum VEAP benefit of \$8,100 to be used in educational programs approved for VA benefits. You have until 10 years following your retirement from the PHS Commissioned Corps in which to use these benefits.

### **Montgomery GI Bill**

If you initially came on duty with a Uniformed Service on or after July 1, 1985, you are eligible for benefits under the Montgomery GI Bill if you made contributions to that program. For current benefit rates, refer to the VA Web site at: [www.gibill.va.gov](http://www.gibill.va.gov).

**NOTE:** Uniformed Service members eligible for VA educational benefits have 10 years from the date of separation from active duty in which to use their education benefits.

### **Home Loan Guarantee**

VA guarantees loans for the purchase, refinancing, constructing, repairing, or improving a home. The VA guarantees part of the total loan so a veteran may obtain a mortgage on a house, condominium, or manufactured home with competitive interest rates. VA does not require down payments in connection with guaranteed loans. If you used your home loan benefit earlier and have subsequently paid off the loan, you may be eligible to have this benefit reinstated. Contact the VA for detailed information regarding home loans.

**Death Benefits**

VA provides several death and survivor benefits for which PHS Commissioned Corps officers and their dependents may be eligible:

- (1) PHS Commissioned Corps officers and their dependents are eligible for burial in a VA National Cemetery at no cost, and VA will provide the grave marker, or its monetary equivalent (as determined by VA); and
- (2) If the PHS Commissioned Corps officer died from a service-connected disability, VA will pay a small share of the cost of the funeral and burial expenses.

**Dependency and Indemnity Compensation (DIC)**

The surviving spouse and/or children of an officer who dies from a service-connected disability, while on active duty or in retirement status, will be eligible for monthly, tax exempt, DIC. The eligible surviving spouse will receive a monthly DIC payment which is generally increased by a COLA each year, regardless of the deceased member's pay grade. DIC is paid as long as the spouse does not remarry. Once forfeited because of remarriage, DIC will not be reinstated.

Because all of these benefits are provided by VA, only VA can provide you with definitive information about your eligibility/entitlement to them. It is best for you to direct your questions to the VA office nearest your home by calling 1-800-827-1000, by writing to VA for copies of pamphlets on these subjects, or by visiting VA's Web site at: <http://www.va.gov>.

**V. EMPLOYMENT AND POLITICAL ACTIVITY**

**Seeking Employment Before Retirement**

You are entitled to engage in a job search for future employment outside the Government. However, as a PHS Commissioned Corps officer you may be disqualified from working on matters that affect a prospective employer financial interest. Therefore, before making the first contact with a prospective employer (e.g., personal contact, submission of resume) you should contact your Agency/OPDIV/Program's Deputy Ethics Counselor or the Department of Health and Human Services (HHS) Office of General Counsel Ethics Division for any applicable rules and regulations.

If you have already begun seeking or negotiating for subsequent non-Federal employment, you must recuse yourself immediately from participating in any official matter that involves the prospective employer as an identified party, such as a grant, contract, audit, or investigation. The recusal also must extend to any particular matter of general applicability that affects the discrete industry, economic sector, or other defined class of organizations in which the prospective employer operates, such as a legislative initiative, regulatory proposal, or policy determination that affects the prospective employer as a member of such class (See 5 CFR Part 26354, Subpart F). Certain exceptions, not discussed, may apply in limited circumstances. Therefore, you should contact your Agency/OPDIV/Program's Deputy Ethics Counselor or the HHS Office of General Counsel Ethics Division if you have any questions.



**Employment After Retirement**

As a retired officer you may accept civilian employment with the Federal Government as well as in the private sector. However, there are several restrictions that apply to the type of employment you may accept, and the type of work that you may perform. Some of these restrictions are as follows.

Restrictions applicable to all officers:

Article 1, Section 9, Clause 8 of the Constitution of the United States places a restriction on your employment by a foreign government because of your status as a retired officer of the United States;

18 US Code 207(a)(1) Permanent Ban on "Switching Sides." Former employees are subject to a lifetime ban on communicating to or appearing before the Government on behalf of their new employer or anyone else regarding specific party matters in which they participated personally and substantially during their entire Government service;

18 US Code 207(a)(2) Two-Year Official Responsibility Provision. For 2 years after termination of their Federal employment, former employees may not make representational communications to or appearances before the Government regarding specific party matters that were pending under their official responsibility during their last year of Government service;

18 US Code 207(b) One-Year Ban on Trade or Treaty Negotiation Activities. Former employees who participated in ongoing trade or treaty negotiations on behalf of the United States within the year preceding their departure cannot, for one (1) year, represent, aid, or advise anyone based on information exempt from disclosure to which the employees had access;

18 US Code 203 Compensation Limitation. Former Federal employees may not share in any bonus, profit sharing, or similar compensation derived from fees earned by the employee's new firm or partnership for representational services before the Government that were rendered during the former employee's period of Government service;

41 US Code 423(a) Disclosure of Procurement Information. Former employees may not knowingly disclose contractor bid or proposal information or source selection information to anyone not authorized to receive such information; and

41 US Code 423(d) One-Year Ban on Contractor Compensation. Employees who worked on a contract in excess of 10 million dollars cannot receive compensation from that contractor within one (1) year after the employee: (1) served as a contracting officer, member of a source selection board, or chief of a technical evaluation team; (2) served as a program manager, deputy program manager, or administrative contracting officer; or (3) personally made certain decisions such as approving an award, modification, task or delivery order, establishing overhead, or settling a claim.

Restrictions applicable to officers at the pay grade of O-7 or above:

18 US Code 207(c) One-Year "Cooling-Off" Period. Former 'senior' employees may not, for one (1) year after completing their Government service, knowingly make, with the intent to influence, any communication to or appearance before any officer or employee of their former agency on behalf of anyone seeking official action. Except for PAS (Presidential Appointments) officials, who are prohibited from contacting the entire Department, "former agency" means the OPDIV where the employee worked (or Office of the Secretary, if employed in a STAFFDIV or the Program Support Center).

## Commissioned Officers Retirement Guide

---

The restrictions in 18 US Code 207(c) do not apply to acts done in carrying out official duties as an employee of and on behalf of: (1) a State or local government, or an agency or instrumentality thereof; (2) an accredited, degree granting institution of higher education; or (3) a non-profit hospital or medical research organization. Other exceptions may apply for certain types of testimony, statements of special knowledge, and scientific or technological information, and for certain contacts made on behalf of international organizations or political campaign organizations. Therefore, if you have any questions, you should contact your Deputy Ethics Counselor at the Agency/OPDIV/Program from which you retired or the HHS Office of General Counsel Ethics Division.

### Restrictions on working for a foreign government:

As indicated above, Article 1, Section 9, Clause 8 of the Constitution of the United States places a restriction on your employment by a foreign government because of your status as a retired officer of the United States. However, this does not mean that you cannot work with a foreign government after you retire. It only means that you must obtain approval prior to doing so. In some cases, what seems like a private organization may in fact be an organizational component of a foreign government. For example, some educational institutions appear independent, but are actually funded entirely by a foreign government. Therefore, it is best to check into this matter beforehand to prevent the loss of your retired pay.

To obtain information and approval concerning employment with a foreign government, please contact:

Division of Commissioned Personnel  
ATTN: Policy Coordination Section/OD  
5600 Fishers Lane, Room 4-04  
Rockville, MD 20857-0001

Provide the Policy Coordination Section (PCS) with information concerning the type of employment you are considering, the amount of compensation, the source of the compensation, the actual employer, the anticipated duration of employment, and information concerning whether or not you must pledge allegiance or accept citizenship in the foreign country.

If it appears that there might be some involvement by the foreign government, a PCS staff member will ask you to submit a formal request for approval of the contemplated employment. The PCS will forward your request, with a recommendation concerning its disposition, to the Department of State. You will then be notified of the disposition of your request. Acceptance of employment with a foreign government without advance approval may result in loss of retired pay. Procedures for obtaining approval for employment by an Agency or instrumentality of a foreign government are stated in Subchapter CC26.9, INSTRUCTION 1, "Civil Employment by a Foreign Government of Retired Regular Reserve Corps Officers and Inactive Reserve Corps Officers," of the CCPM which is available on the DCP Web site at: <http://dcp.psc.gov>.

### Resources for questions on post-employment restrictions:

- HHS Office of General Counsel Ethics Division.
- Deputy Ethics Counselor at the Agency/OPDIV/Program from which you retired.
- Division of Commissioned Personnel's Web site at: <http://dcp.psc.gov>.
- Office of Government Ethics' Web site at: <http://www.usoge.gov> contains laws and regulations which pertain to post-employment restrictions. The Web site also contains a cross-reference to applicable HHS regulations.

**Political Activity After Retirement**

There are no statutes or regulations that prohibit an officer from supporting a political party, engaging in partisan political activity, or becoming a candidate for public office in the United States after retirement. Nevertheless, if you have any concerns you should contact the Deputy Ethics Counselor at the Agency/OPDIV/Program from which you retired or the HHS Office of General Counsel Ethics Division.

**VI. ASSISTANCE AFTER RETIREMENT**

During the retirement process you will be working with the Retirement Coordinator, DCP. It would be helpful for you to submit a memorandum to be placed in your official personnel folder in which you designate the individual who will act as your personal representative in the event you become incapable of acting on your own behalf, or upon your death. Please include the individual's full name, relationship to you (spouse, attorney, friend, etc.), mailing address and phone number.

At the time of your death, your survivors or other personal representative should contact DCP's Survivor Benefit/Casualty Assistance Officer, as soon as possible. Survivors will receive counseling about available benefits and procedures to claim them. As part of your personal papers and your will, you should indicate that your survivors, executor, or other personal representative should contact DCP's Survivor Benefit/Casualty Assistance Officer at:

Division of Commissioned Personnel  
ATTN: Survivor Benefit/Casualty Assistance Officer/CB  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857-0001  
Phone: 301-594-2963 (or toll free at 1-800-638-8744)

**VII. SOCIAL SECURITY**

PHS Commissioned Corps officers were included in the Social Security program on a contributory basis effective January 1, 1957. If you were on active duty prior to that time, you will also be granted additional Social Security wage credits. (Free wage credits of \$160 were granted for each month of active military service during the period from September 16, 1940 through December 31, 1956.) Officers receive the free wage credits for active service in the PHS Commissioned Corps during:

- (1) the period from July 29, 1945 through December 31, 1956; and
- (2) the period from September 16, 1940 through July 28, 1945, for service while detailed to a branch of the Armed Forces. There is no offset of retired pay based upon Social Security entitlement.

Your eligibility for, and the amount of benefits under, the Social Security program can be determined only by the Social Security Administration. More detailed general information on Social Security benefits is given in the booklet, "Your Social Security," by the Social Security Administration. A copy of this and other related publications may be obtained at any of the Social Security Administration offices located throughout the United States. You may also visit the Social Security Administration's Web site at: <http://www.ssa.gov> or phone 1-800-772-1213.

**VIII. FORMER SPOUSES' PROTECTION ACT**

The Former Spouses' Protection Act (FSPA) was enacted in 1982 to provide certain benefits to the former spouses of Uniformed Services personnel upon divorce. PHS Commissioned Corps officers are subject to this law. The FSPA contains four main provisions:

**Division of Retired Pay**

FSPA provides that a State Court, in accordance with State law, may award the former spouse of a PHS Commissioned Corps officer a portion of the officer's disposable Corps retired pay as alimony, child support, or simply as a property settlement incident to a divorce. The Court may order this division even though the officer is not yet retired nor eligible to receive retired pay.

By law, only disposable retired pay may be divided by a court and paid to the former spouse by the Corps. Disposable retired pay is gross retired pay, minus Federal income tax, minus other amounts owed to the United States minus the cost of providing an SBP annuity to the former spouse. There is no authority for the Corps to withhold income tax on behalf of the former spouse from that portion of the retired pay that he/she is to receive. The only income tax that may be withheld is tax for the retired Corps officer. For divorces which were final on or after February 5, 1991, disposable retired pay is not computed by subtracting Federal tax.

The Court must specify the amount awarded to the former spouse, which may be expressed as a dollar amount or as a fixed percentage of disposable retired pay. The Court should also specify the length of time for which the former spouse is to receive this payment. In any event, the payment to the former spouse from retired pay will cease upon the officer's death, or upon the death of the former spouse, with no continuing payment to the estate.

**Direct Payment to the Former Spouse**

If the marriage of the former spouse and Corps officer lasted for at least 10 years, which were concurrent with 10 years the officer served on active duty, the former spouse may request direct payment of the applicable portion of retired pay to him/her from the Corps. To take advantage of this benefit, the former spouse should apply to the Corps for payment by *writing* to:

Division of Commissioned Personnel  
ATTN: Compensation Branch  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857-0001

The former spouse must also provide the Compensation Branch, DCP, with a certified copy of the final divorce decree, proof of the dates of marriage, the beginning and ending dates of member's service, and current addresses and phones numbers for both parties.

If the Corps is unable to make the Court-ordered payment directly to the former spouse because the Court order is inconsistent with the law, the officer must make the payment to the former spouse directly. If such a problem arises, the Corps will notify both the officer and former spouse of the problem and how it could be corrected so that the Corps may pay the former spouse directly.

**Survivor Benefit Plan**

As explained earlier in this pamphlet, at the time of retirement every officer has the option to provide an annuity through the SBP that will be payable upon the officer's death to a designated beneficiary. A State Court may order an officer to elect the former spouse as his/her SBP beneficiary, or the officer may make this election voluntarily. Election of a former spouse bars election of a current or future spouse unless the court order ordering the election is amended to permit a change from the former spouse to a current/future spouse.

In addition to electing a former spouse as an SBP beneficiary pursuant to a Court order, the officer and the former spouse may enter into a voluntary written agreement in which they both agree that the former spouse will receive the SBP annuity upon the officer's death. This designation may be changed only if both the former spouse and the officer enter into a new voluntary written agreement in which the former spouse agrees to being removed as the officer's SBP beneficiary. If the former spouse remarries prior to age 55, he/she will lose eligibility as an SBP beneficiary by law, regardless of what is contained in a Court order or the voluntary agreement between the retiree and former spouse.

The cost of providing the SBP annuity comes from the officer's retired pay before Federal taxes are withheld. The annuity is taxed when the former spouse receives it. The amount of SBP coverage to be provided must be designated by the officer at the time he/she designates the former spouse as his/her beneficiary. The cost to the officer is based on the level of coverage provided. If the officer provides the maximum amount of coverage, the cost will be 6.5 percent of his/her monthly retired pay. The annuity payable to the former spouse can be as much as 55 percent of the officer's gross retired pay, depending on the level of coverage selected by the officer.

**Medical Care and Base Privileges**

During the divorce process, the spouse of a Corps officer remains eligible for the PHS Commissioned Corps dependent's identification and privilege card (ID card). Thus, the spouse can continue to use military medical treatment facilities and TRICARE under the Uniformed Services Health Benefits Program, as well as using base exchanges, commissaries, and related benefits that are authorized by the ID card. When the divorce becomes final, the former spouse must return the old ID card to the Corps immediately. He/she may be issued a new ID card as a former spouse, allowing retention of these same benefits, provided the following eligibility criteria have been met:

- (1) The former spouse and the officer were married for 20 consecutive years, and the officer served on active duty with a Uniformed Service for 20 years;
- (2) The former spouse remains unmarried; and
- (3) The former spouse does not have employer-sponsored health insurance.

In addition, the marriage of the former spouse to the officer must have been concurrent with either 20 or 15 years the officer served on active duty, which will determine the duration of the benefit as explained below:

- (1) If the former spouse and the officer were married for 20 consecutive years which were concurrent with 20 years the officer served on active duty, the former spouse is eligible for the benefits described above for the remainder of his/her lifetime provided eligibility criterions are continuously met.

---

## Commissioned Officers Retirement Guide

- (2) If the period during which the officer served on active duty is concurrent with at least 15 years of marriage to the former spouse, and the divorce decree was final before April 1, 1985, the former spouse may receive medical care benefits under the Uniformed Services Health Benefits Program. By qualifying under this provision, the former spouse is entitled to these benefits for life, provided the former spouse meets the other eligibility criteria set forth above. Under this category, the former spouse is not eligible to use commissaries, post exchanges, and other base privileges.
- (3) If the period during which the officer served on active duty is concurrent with at least 15 years of marriage to the former spouse, and the divorce was final April 1, 1985, or later, the former spouse may receive medical care benefits under the Uniformed Services Health Benefits Program for 2 years from the effective date of the divorce.

A former spouse who meets the eligibility criteria for the medical care benefits and/or other benefits available through the ID card, under any category described above, may apply for these benefits directly by sending a letter and/or application form (DD Form 1172, "Application for Uniformed Services Identification Card DEERS Enrollment," (available on the DCP Web site at: <http://dcp.psc.gov/DCPForms.asp>.) to:

Division of Commissioned Personnel  
ATTN: DEERS Section/OSB  
5600 Fishers Lane, Room 4-20  
Rockville, MD 20857-0001

The letter and/or application form should be accompanied by copies of the marriage certificate, the final divorce decree, and a statement that the former spouse is not remarried and does not have employer-sponsored health insurance. It is not necessary to obtain approval or consent from the officer to whom the former spouse was married in order to obtain these benefits.

The law concerning a former spouse's eligibility for medical care and use of other military facilities is contained in Title 10 U.S.C. section 1072(2)(F) and 1086. Additional details are also contained in Subchapter CC29.2, INSTRUCTION 2, "Uniformed Services Identification and Privilege Cards; Dependents and Former Spouses," of the CCPM which is available on the DCP Web site at: <http://dcp.psc.gov>.

### **IX. SURVIVOR BENEFITS AND ASSISTANCE**

Death and survivor benefits are available to you and your dependents from three sources in the Federal Government: The PHS Commissioned Corps, the VA, and the Social Security Administration (SSA). The benefits available from the Corps depend upon your status at the time of death, that is, whether you are on active duty or have actually retired. The following charts identify the various benefits.

**Commissioned Officers Retirement Guide**

**BENEFITS CHART**

<b>ANNUITIES</b> - Generally payable to surviving spouse and/or dependent children.			
<u>AGENCY SOURCE</u>	<u>TYPE OF BENEFIT</u>	<u>ACTIVE-DUTY DEATH</u>	<u>RETIREE DEATH</u>
Corps	Survivor Benefits Annuity	Yes, automatic, unless death is caused by willful misconduct	Yes, if elected at retirement
VA	Dependency and Indemnity Compensation	Yes, unless death is caused by willful misconduct	Yes, if VA finds death was service-connected
SSA	Spouse's Benefit	Yes, at age 62 if spouse does not have higher benefit based on own work record	Yes, at age 62 if spouse does not have higher benefit based on own work record

<b>FUNERAL AND BURIAL EXPENSES</b> - Generally payable to surviving spouse, children, parents, or other next of kin.			
<u>AGENCY SOURCE</u>	<u>TYPE OF BENEFIT</u>	<u>ACTIVE-DUTY DEATH, BUT OFFICER IS RETIREMENT ELIGIBLE</u>	<u>RETIREE DEATH</u>
Agency/ OPDIV/ Program	Shipment of remains to place of burial (restrictions apply to retiree benefit)	Yes	Only if death occurs at Uniformed Services Medical Treatment Facility while hospitalized
Agency/ OPDIV/ Program	Cost of funeral and burial, up to \$6,900 if burial is in a private cemetery or \$5,550 if burial is in a VA National Cemetery	Yes	No
VA	Up to \$300 toward burial expenses	No	Yes, if receiving or eligible to receive VA compensation
VA	Free grave marker furnished by VA, or equivalent	Yes	Yes
SSA	\$255 to spouse toward funeral expenses	Yes	Yes

**Commissioned Officers Retirement Guide**

**BENEFITS CHARTS (Continued)**

<b>OTHER SURVIVOR BENEFITS - Generally available only to spouse and dependent children.</b>			
<u>AGENCY SOURCE</u>	<u>TYPE OF BENEFIT</u>	<u>ACTIVE-DUTY DEATH, BUT OFFICER IS RETIREMENT ELIGIBLE</u>	<u>RETIREMENT ELIGIBLE</u>
Corps	Continued use of Uniformed Services Medical Treatment Facilities, TRICARE, commissaries, and related privileges through ID cards	Yes	Yes
Corps	Death gratuity - \$12,000 plus 6 months Basic Allowance for Housing	Yes	No
Agency/ OPDIV/ Program	Travel of dependents and shipment of household goods one (1) year time limit	Yes	No, unless death occurs within one (1) year of retirement and no home of selection was made and no travel or shipment occurred
VA	Life Insurance (SGLI/VGLI)	Yes, if a participant	

###