

MANUAL: Personnel
Chapter Series CC--Commissioned Corps Personnel Manual
Part 2--Commissioned Corps Personnel Administration

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Public Health Service

Chapter CC25--Performance Evaluation and Career Development
Subchapter CC25.2--Career Development
Personnel 5--Senior Commissioned Officer Student Training
and Extern Program (Senior COSTEP)

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Section A. Purpose and Scope

This INSTRUCTION describes the Public Health Service (PHS) Senior Commissioned Officer Student Training and Extern Program (Senior COSTEP). It states the responsibilities for the conduct of the program, the eligibility requirements for participation, the application and selection procedures, and the entitlements of individuals participating in the program.

Section B. Authority

Senior COSTEP is established under the authority of Section 218(a) of the PHS Act (42 U.S.C. 218). The active duty obligations incurred by officers pursuant to extramural training and the payments required for failure to fulfill such obligations are authorized under Section 218(b) of the PHS Act. Regulations governing the training of PHS commissioned officers are prescribed in INSTRUCTION 1, Subchapter CC45.2, "Training," of this manual.

Section C. Description of the Program

Senior COSTEP is established to attract qualified students in accredited programs leading to a commissionable degree to careers in PHS. (See INSTRUCTION 4, Subchapter CC23.3, "Appointment Standards and Appointment Boards.") Through this program, students may be appointed and placed on active duty as commissioned officers in the reserve corps during their senior (last) year of study. Students receive full pay and allowances as Ensigns (pay grade O-1) and must agree, that upon completion of training, they will serve on active duty as PHS commissioned officers for two times the period of training supported by PHS.

Section D. Eligibility

1. To be eligible for appointment to Senior COSTEP, an applicant must:
 - a. Be a citizen of the United States;
 - b. Meet the medical standards prescribed for appointment to active duty as a career officer;
 - c. Meet the age requirement and other appointment standards as specified in INSTRUCTION 4, Subchapter CC23.3, of this manual;
 - d. Be enrolled in good standing in a school in his/her professional discipline; be eligible to enroll in the senior (last) year of such school; and begin formal studies required as part of the curriculum for the senior (last) year on the date of entry on active duty;
 - e. Agree, in writing, to serve on active duty as a commissioned officer with PHS for twice the period of training sponsored by PHS as stated in Section E, below, and in Exhibit I, form PHS-6371, "Senior Commissioned Officer Student Training and Extern Program (COSTEP) Agreement;" and

- f. Be free of any obligation or commitment that would conflict with extended active duty as a commissioned officer in PHS, such as Reserve Officers' Training Corps or any other military reserve program, or other educational financial assistance (stipend or scholarship), public or private whose terms could result in a conflict.

Section E. Obligation

1. The period of training sponsored by PHS includes all supported training received regardless of the location of training prior to receiving a commissionable degree. Active duty in a PHS intramural graduate medical education (GME-1) or residency program will not count toward this required active duty. Active duty in a residency program conducted in a non-PHS facility, including extramural components of PHS intramural training programs, will not count toward satisfying any part of the officer's service obligation. The obligations resulting from Senior COSTEP and extramural residency training (in the case of physicians) will be served consecutively, starting with the obligation resulting from Senior COSTEP (see INSTRUCTION 2, Subchapter CC25.2, "Active Duty Obligation (ADO) Subsequent to Extramural Training," of this manual.) However, the period of active duty obligation resulting from participation in Senior COSTEP is also applicable to any Selective Service obligation.
2. Officers who fail to fulfill the service obligation incurred as a result of PHS supported training shall be obligated to pay PHS an amount equal to twice the total amount of the following: any compensation paid or obligated in connection with the training, including but not limited to pay, allowances, special pays, travel, transportation, and shipment of household goods; and, if applicable, tuition, fees, and other training expenses. Payment in full shall be due on the date of the officer's separation from the PHS Commissioned Corps. In conformity with the Treasury Fiscal Requirements Manual, late charges may be assessed for payments made after the due date on amounts owed the U.S. Government. Furthermore, the officer's commission will be terminated and he/she will not be authorized travel and transportation allowances or lump-sum payment or transfer of unused annual leave in connection with his/her separation.
3. An officer is not entitled to travel entitlements or the shipment of household goods if he/she separates from active duty before completing 24 months of active duty or before completing his/her service obligation, whichever is later. Active duty time for this purpose is calculated from the date the officer is called to extended active duty for training.

Section F. Assignment Subsequent to Initial Residency Training

Upon completion of the initial residency training, a medical officer will be placed in an assignment (other than training) for a minimum of 2 years before being permitted to pursue any additional graduate medical education or residency unless a determination is made by the Surgeon General that this requirement should be waived in the best interest of PHS.

Section G. Application

1. Application. A special application packet for Senior COSTEP must be used exclusively to apply for appointment under the program. It will be furnished, upon request, to each prospective applicant. Requests should be addressed to:

Division of Commissioned Personnel/OD
ATTN: Senior COSTEP
5600 Fishers Lane, Room 4A-15
Rockville, MD 20857-0001

2. Forwarding Applications. Forms in the packet, including the applicant's form PHS-50, "Application for Appointment as a Commissioned Officer," must be received by the Division of Commissioned Personnel (DCP), Office of the Surgeon General (OSG), at the address below not later than December 31 preceding commencement of the final year of academic study.

Division of Commissioned Personnel/TAB
ATTN: Senior COSTEP
5600 Fishers Lane, Room 4-20
Rockville, MD 20857-0001

Section H. Selection

1. Selection will be made on the basis of the qualifications of the applicant and the expected needs of PHS. Applicants will be asked to indicate their professional plans and assignment preferences. PHS will attempt to match these plans and preferences with available staffing opportunities in agencies served by PHS Commissioned Corps officers.
2. Selection is contingent upon meeting all applicable appointment standards (see INSTRUCTION 4, Subchapter CC23.3).
3. Selection will be made by the officials of the sponsoring PHS programs. Program officials will not make any commitments to the applicant regarding his/her selection for appointment. DCP will notify the applicant on or before June 15 of his/her selection or nonselection to the program, and secure acceptance of appointment, when appropriate.
4. Prior to appointment to the PHS Commissioned Corps, the applicant must sign a Senior COSTEP agreement (see Exhibit I) which sets forth his/her active duty obligation to PHS incurred pursuant to participation in the Senior COSTEP program and the payments required for failure to fulfill the active duty obligation.

Section I. Appointment

1. The selectee will be called to active duty by official personnel orders issued by DCP. He/she will be called to "active duty for training" effective the first day on which formal studies begin for the senior (last) year. Appointment is as an Ensign (pay grade O-1) in the reserve corps with full pay and allowances for this grade.
2. All Senior COSTEP officers will be placed on limited tours of active duty to include the projected period of obligated service.
3. Assignment "into long-term training" and "out of long-term training into a payback assignment" will be effected by two (2) separate personnel orders. The initial "into training" personnel order (form PHS 1662) will specify the field of training, the location of the training facility (complete address), the date upon which the training will commence, name and commercial phone number of the preceptor, and the local mailing address for the Senior COSTEP officer. The "out of long-term training" personnel order (form PHS 1662) must include a training end date. The two forms are due in DCP by June 10 of each year. All Senior COSTEP participants will be called to active duty from the school in which they are enrolled. There will be no travel or transportation authorized upon call to duty into training.
4. Senior COSTEP officers cannot be called to active duty on a weekend or a holiday or the 31st of the month.
5. All Junior COSTEP participants who are selected and choose to accept an appointment in the Senior COSTEP program will be required to end their Junior COSTEP tour in one month and be appointed as a Senior COSTEP no earlier than the following month.

Section J. Entitlements During Training

1. The entitlements of officers while participating as students in the Senior COSTEP program are the same as other officers serving on active duty, except that:
 - a. Officers called to active duty for training are not eligible for disability retirement or severance pay provisions.
 - b. Senior COSTEP officers earn annual leave at the same rate as other active duty officers; however, annual leave will not be charged during authorized school vacations or breaks. Duty hours are those hours of scheduled class work and the hours necessary for class preparation. Travel during school vacations or breaks will be considered travel during nonduty hours, and the Government will bear no responsibility for travel expenses incurred incident to such travel unless it directs the officer to travel. Breaks from school in excess of 30 days must be communicated to the officer's preceptor so that appropriate assignment to duty may be made. During such duty assignments, no additional obligation will be incurred and such time cannot be used to pay back any previously incurred obligation.

- c. Senior COSTEP officers are not eligible for special pays.
2. Although Senior COSTEP officers are in training status, they are covered by the same travel and transportation regulations as other officers. Specifically, when they are required by their PHS supervisor to undergo temporary duty (TDY) assignments away from their permanent duty stations, they are entitled to TDY travel payments.

Section K. Entitlements and Special Pays
After Completion of Training

1. Entitlements

- a. Variable Special Pay (VSP) for medical officers is for those officers who have satisfactorily completed medical school (or School of Osteopathic Medicine) and have satisfactorily completed an internship of one year. VSP for dental officers is only for those officers who have satisfactorily completed dental school and are serving on active duty for not less than 1 year. The rates of VSP and additional conditions are contained in INSTRUCTION 1, Subchapter CC22.2, "Monthly Special Pays for Medical, Dental, Optometry, and Veterinary Officers," of this manual.
- b. Board Certified Pay (BCP) for medical and dental officers is authorized for medical and dental officers who have received speciality board certification and who are serving on active duty for not less than 1 year. For additional information see INSTRUCTION 1, Subchapter CC22.2, of this manual.

2. Special Pays

a. Medical Officers

- (1) Retention Special Pay (RSP);
- (2) Medical Retention Bonus (MRB);
- (3) Incentive Special Pay - Specialty (ISP-S);
- (4) Incentive Special Pay - Hardship (ISP-H);
- (5) Incentive Special Pay - Research (ISP-R).

b. Dental Officers. Additional Special Pay (ASP).

c. Nursing Officers. Nurse Special Pay - Accession Bonus and Nurse Anesthetist.

d. Engineering Officers. Engineering and Scientific Career Continuation Pay (ESCCP).

- e. Scientific Officers. Engineering and Scientific Career Continuation Pay (ESCCP).
3. For specific policies, requirements, and rates for the above, see INSTRUCTIONS 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11, Subchapter CC22.2, of this manual.

Section L. Licensure Fees

PHS cannot pay State licensure fees for commissioned officers unless such payment is expressly authorized by statute. This prohibition applies even though State licensure is required for extended active duty in the PHS Commissioned Corps. The officer is responsible for payment of all State licensure fees.

Section M. Responsibilities

1. Senior COSTEP Participant. The participant is responsible for completing all necessary forms, including the agreement to serve his/her repayment obligation, obtaining appropriate licensure within 1 year of graduation (except for nurses who must obtain licensure within 6 months), and for achieving and maintaining the desired level of performance.

NOTE: The following applies to Nurse Senior COSTEP participants:

- a. Upon graduation, unlicensed nurses will be placed into a supervised intramural training billet that does not accrue further obligation. This will prevent any additional Senior COSTEP training obligation after graduation.
- b. Permit a 6-month period (supervised intramural training billet) for the graduate to obtain licensure. During the 6-month period, the officer would remain at the temporary grade of O-1 until licensure is obtained.

Upon receipt of licensure, the officer would receive a maximum of 4 years training and experience for the nursing curriculum and pre-licensure period, and be promoted to the temporary grade of O-2.

- c. If the officer has not obtained licensure at the end of the initial 6-month period, he/she will be inactivated for an additional 6-month period during which his/her training obligation debt is deferred, i.e., declared on the personnel order, but not referred to the Health Resources and Services Administration (HRSA) fiscal services office for collection. If the officer achieves licensure, he/she will be recalled to active duty. Otherwise;
- d. If at the end of the 6-month period of inactive status, if the officer remains unlicensed, his/her commission will be terminated and DCP will initiate debt collection.

2. Sponsoring Program. The sponsoring program is responsible for obligating necessary funds for the period the officer is in training, initiating any contract with the training institution, providing and supporting a position to be encumbered by the officer while serving his/her payback obligation, and for identifying an appropriate supervisor/preceptor who will assume responsibility for time and leave records for payroll purposes and reviewing transcripts each grading period.
3. Division of Commissioned Personnel. DCP is responsible for determining the basic eligibility of applicants for the program. This includes determining whether other educational financial assistance is compatible with participation, notifying the applicant that he/she has been selected or not selected for the program prior to the time to register for his/her senior (last) school year, and assuming certain administrative responsibilities for officers while they are participating in the program as students.

Section N. Optional Payment of Tuition, Fees,
and Necessary Expenses

Payment of Tuition and Fees. Decisions to defray such costs are a matter that rests between the sponsoring program and the potential participant. If the sponsoring program elects to defray some or all of the costs of tuition and fees, the program must initiate a basic training contract with the school and forward it to DCP. DCP will assure that all such contracts are issued by PHS procurement subsequent to the sponsoring program's request for a contract.

Section O. Procedures

1. A memorandum (Request for Basic Training Contract) is prepared by the sponsoring program.
2. The memorandum and form PHS-1881-1, "Basic Training Contract," are then forwarded through DCP for submission to the PHS procurement office to establish a formal written contract between PHS and the university involved.
3. PHS procurement signs the form PHS-1881-1 and sends it to the university to obtain the necessary signature.
4. The PHS procurement office assigns the appropriate contract number for each university involved and notifies DCP of these contract numbers.
5. DCP notifies each sponsoring program involved of the contract number, so that form PHS-1881-2, "Order Pursuant to Basic Training Contract," can be prepared by the program. (Form PHS-1881-2 obligates the monies (tuition and fees) for an academic year of training for a student.)
6. Depending on funding availability, on an annual basis, the sponsoring program will prepare a memorandum requesting a training contract and form PHS-1881-2 to obligate funds (tuition and fees), and to document student's time spent in training. The sponsoring program must submit form PHS-1881-2

through the immediate supervisor and agency finance office for accounting authorization. Form PHS-1881-2 is then submitted to the university for signature. The university will then return the form to the sponsoring program for final distribution. One copy of the form is returned to DCP for accountability and tracking purposes.

7. For the training contract to become effective, form PHS-1881-2 must be issued to the school selected by the agency sponsoring the student's training. After being signed by the appropriate university official, the Order becomes a procurement document authorizing payment by PHS of tuition and other fees and charges, including those for student health services, registration, laboratory, and library use. Although some schools may require payment of a standard fee for student health services, participants in Senior COSTEP will be expected to use PHS or Uniformed Services facilities for their health services. Payments under any training contract will be made directly to the school by the sponsoring program. However, in the event that a student is required to pay the tuition and fees and/or other costs because of delay in issuance of the Order, the sponsoring program will arrange for reimbursement to be made directly to the student.
8. Payment for Other Necessary Expenses. At the option of the sponsoring program, officers participating in Senior COSTEP may be reimbursed for other necessary expenses connected with their studies such as textbooks, materials, and supplies. If the sponsoring program elects to defray such expenses, the payment and the amount prescribed will be authorized by personnel order and paid by the sponsoring PHS organization to the appropriate payee.

Section P. Uniforms

Senior COSTEP officers are not generally required to wear the PHS uniform and thus are not entitled to receive the one-time lifetime \$250 uniform allowance. However, the Director, DCP, may direct a Senior COSTEP officer to wear the uniform pursuant to INSTRUCTION 2, Subchapter CC26.3, "Directive to Wear the Public Health Service Uniform," of this manual. If the Senior COSTEP officer is directed to wear the uniform by the Director, DCP, the officer will be paid a uniform allowance pursuant to INSTRUCTION 3, Subchapter CC22.4, "Uniform and Equipment Allowance," of this manual.

Section Q. Privacy Act Provisions

Personnel records are subject to the Privacy Act of 1974. The applicable systems of records are 09-37-0002, "PHS Commissioned Corps General Personnel Records, HHS/OASH/OSG"; 09-37-0003, "PHS Commissioned Corps Medical Records, HHS/OASH/OSG"; 09-37-0008, "PHS Commissioned Corps Unofficial Personnel Files and Other Station Files, HHS/OASH/OSG"; and 09-90-0017, "Pay, Leave, and Attendance Records, HHS/OS/ASPER."

EXHIBIT I

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE

SENIOR COSTEP AGREEMENT

A. I understand that the Public Health Service (PHS) policy prohibits acceptance of contributions to salary, from whatever source, by active-duty officers, unless the contributions are accepted to the benefit of the Government and are deposited to the Miscellaneous Receipts of the Treasury of the United States. Further, with regard to the training I am to receive, I have read and agree to the following:

I voluntarily agree to serve on active duty with the PHS Commissioned Corps for a period that is twice the length of the training period for which I receive support from PHS as a participant in the Senior Commissioned Officers Student Training and Extern Program (Senior COSTEP).

My active-duty Senior COSTEP obligation shall commence immediately upon cessation of my participation in the Senior COSTEP training program. Failure to fulfill my active-duty obligation shall subject me to the penalties set forth in Paragraph B below. (See Commissioned Corps Personnel Manual, INSTRUCTION 5, Subchapter CC25.2).

B. I understand that if I fail to complete an active-duty obligation with the PHS Commissioned Corps incurred as a result of my Senior COSTEP training as set forth in Paragraph A. above, I shall be obligated to pay PHS an amount equal to twice the total amount of the following: Any compensation paid or obligated in connection with the training, including but not limited to pay, allowances, special pays, travel, transportation, and shipment of household goods; and, if applicable, tuition, fees, and other training expenses. Under Department of the Treasury regulations, late charges may be assessed for payments made after the due date on amounts owed to the U.S. Government. Furthermore, I understand that if I fail to fulfill an active-duty obligation incurred pursuant to my participation in Senior COSTEP training under this agreement, PHS will deny lump-sum payment of unused annual leave to my credit; divest me of any entitlements to travel and transportation allowances and travel time which may otherwise be authorized in connection with separation from the PHS Commissioned Corps; withhold my final pay and allowances to satisfy any indebtedness to the Government; and deny my request for a commission in the inactive reserve.

C. Field of study or specialty: _____

TYPE OR PRINT NAME _____

SIGNATURE (IN INK) _____

SOCIAL SECURITY NUMBER _____

DATE _____

Return this signed form to: Division of Commissioned Personnel/OSG
ATTN: SENIOR COSTEP
Parklawn Building, Room 4-35
5600 Fishers Lane
Rockville, MD 20857-0001

SEE PRIVACY ACT STATEMENT ON REVERSE

PHS-6371
(5/92)

OFFICIAL PERSONNEL FOLDER

EXHIBIT I (continued)

Privacy Act Statement for
Senior Commissioned Officer Student Training and Extern Program Agreement (Senior COSTEP)
Form PHS-6371

This statement is provided pursuant to the Privacy Act of 1974 (5 U.S.C.552a). Our authority to collect this information is 37 U.S.C. 403; 42 U.S.C. 202 et seq.; and Executive Order 9397, "Numbering System for Federal Accounts Relating to Individual Persons."

The information provided will become part of record systems 09-37-0002, "PHS Commissioned Corps General Personnel Records," HHS/OASH/OSG.

The information you provide on these forms is used to determine whether the training you request will be sponsored by the Public Health Service (PHS). This form also serves as a record of the service agreement you willingly incur in return for PHS-sponsored training. This information will be used only as necessary in personnel administration processes carried out in accordance with established regulations and published notices of systems of records. Copies of these systems may be obtained by contacting the office to which you submit this form.

Effects of Nondisclosure: Disclosure of the Social Security Number (SSN) is mandatory under provisions of Executive Order 9397 to obtain benefits and services as or on behalf of a commissioned officer. The SSN is also used to distinguish a record from those of commissioned officers who may have similar names and dates of birth. If you do not provide the information requested you will not be considered for PHS-sponsored training.