

# Military Handbooks

FREE Military Handbooks for Active and Retired U.S. Military Personnel



# 2014

## United States Military Handbook

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## Introduction

*"The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the Veterans of earlier wars were treated and appreciated by their country."* George Washington

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Ever since the founding of our country, over 230 years ago, Americans have proudly stepped forward in times of peace and war to wear their country's uniform. They have, through great personal sacrifice, protected the freedoms established by the Founders of our great nation. Our valiant men and women in uniform today continue this tradition as we fight a worldwide war on terror.

A grateful nation owes them more than a debt of gratitude and respect. As George Washington observed, it is in the nation's best interest to care for those who were willing to enter harm's way for the sake of their nation and the freedom it exists to safeguard.

It is the purpose of this handbook to help keep our promise to those loyal and trustworthy men and women of the United States Armed Forces. To help honor their service and sacrifice, its goal is to provide a better understanding of the ins-and-outs of the broad range of benefits and services that have earned.

This handbook is presented in three main sections:

1. Pay, Allowances and Retirement
2. Healthcare, Survivors Benefits and Social Security
3. Veterans' Benefits and Programs

We hope that you find this *2014 United States Military Handbook* helpful, and we wish you the very best in your military career.

– *The Military Handbooks Staff*

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## Military Pay

Understanding military pay is the first step in making sure you receive what you are entitled to. Unfortunately, the military compensation system – with over 70 different kinds of pay and allowances – is highly complex. The good news is that everything you need to know is found right here in this handbook.

### Annual Pay Adjustment

Generally speaking, annual military pay raises are linked to the increase in private sector wages. Beginning with the January 1, 2000 pay raise, annual pay raises through 2006 were one-half percent above private-sector average increases as measured by the Employment Cost Index (ECI). This was an important change. Since passage of a 1990 law, the annual military pay raise was capped at one-half percent below private-sector growth unless specifically granted a larger increase by Congress. The FY2000 National Defense Authorization Act directed that pay raises for 2000 through 2006 would automatically be one-half percent above the private-sector wage increases. Since 2007, pay raises have been equal to the increase in the ECI. In January 2009, the military pay raise was 3.9% (ECI) while in January 2010, the military pay raise was 3.4% (ECI). Pay raises may exceed these automatic levels if authorized and funded by Congress.

However, current laws governing annual pay raises no longer guarantee that military pay will be automatically set above civilian average pay increases. This means military pay raises are determined according to the National Defense budget.

### Frequently Asked Questions

#### How are annual pay raises determined?

ECI is the Employment Cost Index, which is a measure of the increase in private-sector wages and salaries. It is calculated by the Department of Labor's Bureau of Labor Statistics and updated every three months. President Obama has informed Congress that there will be a cap of 1% on 2014 pay raise versus the 1.8% raise set by the ECI. **(Verified 11-15-13)** To view this year's Military Pay Table, visit: <http://www.dfas.mil/militarymembers.html>

#### Does this affect Federal civilians?

The provision for future military pay increases above ECI does not necessarily pertain to Federal civilian employees. The pay 2013 tables for Federal civilians may be seen at the Office of Personnel Management web site: <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/#url=2013> **(Verified 11-15-13)**.

#### Do these future pay raises affect retirees?

No. Retiree Cost-of-Living Adjustments (COLAs) are based on the increase of inflation, which is measured by the Consumer Price Index (CPI), not ECI.

#### What's the difference between CPI (used for retiree increases) and ECI (used for active duty raises)?

CPI, Consumer Price Index, measures inflation. The purpose of using CPI is to generally preserve the purchasing power of retired pay. ECI, Employment Cost Index, measures private-sector wage increases.

#### What is the effect of the executive ceiling upon the pay raises?

Pay is still capped for some individuals by law to certain executive pay levels. The cap for basic pay for O-7 to O-10 is limited to Level II of the Executive Schedule. Basic pay for O-6 and below is limited to Level V of the Executive Schedule.

### Managing Your Pay: The myPay System

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Thanks to technology, you now have much greater ability to manage your pay. The agency responsible for paying America's service members is the Defense Finance and Accounting Service (DFAS). On its Web site, this agency provides a secure site where you can establish an account that you can use to access your latest personal pay information and keep your pay account up to date. You can manage your pay information, leave and earning statements, W-2's and more.

The Web site where you can create an account is at <https://mypay.dfas.mil/mypay.aspx>.

### **Combined Federal Campaign (CFC) Extended**

myPay users will be able to make CFC contributions in myPay through midnight eastern time on 01/11/2014. Beginning 01/12/2014, those who still wish to make a CFC contribution should contact a CFC key worker to complete the paper CFC Donor Pledge Card form. CFC key workers will accept pledge card forms through 1/15/2014.

### **Setting Up Your Browser:**

#### **1) Which browsers can I use to access this site?**

- Netscape version 6.1 or later on Windows
- Internet Explorer version 6.0 or later on Windows
- Browsers Blocked from accessing myPay:
  1. Netscape version 6.0 on ALL Operating Systems
  2. Netscape versions prior to 6.1 on ALL Operating Systems
  3. Internet Explorer before version 5.0 on ALL Operating Systems
  4. All browsers without 128-bit encryption on ALL Operating Systems
- Browsers Which May Be Used to Access myPay, But for Which No Support Will be Provided by myPay:

All other 128-bit encryption browsers not in the supported or blocked groups above may be used to access myPay. However, **no** support will be provided by myPay if there are problems with the browser interacting with myPay.

**NOTE:** If you are using special interpretive software, such as a screen reader, in addition to your browser, you should set the special software to read forms ("forms mode"). If you do not have "forms mode" turned on, you may not be able to change data items in the myPay online forms. For some software, you can turn "forms mode" on by pressing the ENTER or RETURN key. Check your software's online help for instructions.

#### **2) Can I use the browser provided by my Internet Service Provider?**

If you are using a web browser provided by your Internet service provider or online service, you might not be able to use the full security capabilities of myPay. (Examples of service providers are America On-Line, CompuServe, and The Microsoft Network.)

DFAS recommends that you use the official Microsoft Internet Explorer, available from [www.microsoft.com](http://www.microsoft.com), or Netscape Navigator, available from <http://netscape.aol.com/>. myPay only supports browsers with JavaScript and strong encryption enabled.

#### **3) What is 128-bit encryption?**

In order to use the myPay Web site, you must use a web browser that supports Secure Socket Layers (SSL) protocol with 128-bit encryption software (strong encryption) and JavaScript enabled. This prevents information from being read by others on the Internet while it is being transmitted between your web browser and the myPay Web site. 128-bit encryption is the highest level of encryption available.

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#### 4) How do I know if I have 128-bit encryption?

Because browsers vary, you should see your system administrator, check the manual, use the help option, or call/e-mail your browser vendor's technical support group to verify that you have 128-bit encryption. If you are unable to use 128-bit encryption, use the myPay Interactive Voice Response System (IVRS) toll free at 1-877-363-3677, or **commercial** at (478) 757-3119. (You cannot reach a customer service representative at these numbers.)

#### 5) Where can I get a 128 bit browser?

Microsoft Internet Explorer is available from [www.microsoft.com](http://www.microsoft.com).

#### 6) How do I enable JavaScript?

Since directions for enabling JavaScript vary across browsers, you should see your system administrator, check the manual, use the help option, or call/e-mail your browser vendor's technical support group for instructions and support in enabling JavaScript.

#### 7) What is cache (or caching)?

Browsers can automatically store/save (cache) pages displayed on your monitor to your hard drive. Caching (automatically saving pages to your hard drive) can allow others to see your personal information if they have access to your machine. When you are operating in the SSL mode, some browsers allow you to set the cache to be cleared (deleted) upon exiting the browser. If possible, you should set the cache to be cleared upon exiting the browser when using myPay.

#### 8) How do I set the browser cache to clear upon exiting?

Since directions for clearing the cache vary across browsers, you should see your system administrator, check the manual, use the help option, or call/e-mail your browser vendor's technical support group for instructions and support in setting the browser cache to clear upon exiting. Caching cannot be disabled in every browser, and disabling the caching feature may prevent you from printing your LES.

### Getting Connected

#### 9) How do I access myPay?

**If you do not have a myPay PIN; proceed to FAQ # 34 for instructions on how to obtain a PIN.**

You can use the Internet or touch-tone telephone to access myPay. On the Internet, you can reach the myPay Web site at:

1. <https://mypay.dfas.mil> or
2. <http://www.dfas.mil> (click on myPay).

NOTE: Web TV users should access myPay through the <http://www.dfas.mil> site, or go directly to the myPay home page at <https://mypay.dfas.mil/mypay.aspx>. Enter your SSN or Alternate ID and PIN and click on the GO button, your SSN or Alternate ID and PIN will disappear, please scroll down the page for the Main Menu Selections. You will be able to click on any of the items listed on the menu.

Using a touch-tone telephone, contact myPay at:

0. If you are calling from the continental U.S., call toll-free at 1-877-363-3677
1. If you are calling from outside of the continental U.S., call **commercial** at (478) 757-3119.

For security reasons, DO NOT use a cellular phone when calling myPay. You cannot reach a customer service representative at the myPay telephone number.

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For additional information or assistance, contact the DFAS Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or call **commercial** at (216) 522-5096, or use the **Defense Switching Network (DSN)** at 580-5096. The Customer Support Unit is available Monday through Friday, from 7 A.M. till 6:30 P.M. Eastern Standard time. You may also contact your customer service representative (see FAQ #19).

#### **10) Why do I keep getting a "Domain Not Found" error?**

Check that you are typing <https://mypay.dfas.mil/> for the URL (location). Also, there could be a problem with the domain service or the connection link you are using.

#### **After Accessing the Site:**

#### **11) What do I do with Pop-Up Blockers?**

Internet Explorer browser users can eliminate the pop-up blocker problem by following these steps:

1. Click on the "Tools" menu
2. Click on "Internet Options"
3. Click the "Security" tab
4. Click the "Trusted Sites" icon
5. Click the "Sites" button
6. Copy [https://mypay.dfas.mil](https://mypay.dfas.mil/) into the zone field
7. Click the "ADD" button
8. Click the "OK" button

Mozilla browser users can eliminate the pop-up blocker problem by following these steps:

1. Click on the "Tools" menu
2. Choose "Options"
3. Click on the "Web Features" category
4. Click "Add Site"
5. Copy [https://mypay.dfas.mil](https://mypay.dfas.mil/) into the "Add Web Site" field

You can also temporarily disable some pop-up blockers by holding down the CTRL key while you click on the GO button. This will usually disable most pop-up blockers.

#### **12) Why isn't my pay system accessible?**

First, verify that your pay system is available (see FAQ #20). If your pay system is available but is still not listed your account may not be online due to account maintenance, recent transfer or retirement.

#### **13) Why can't I enter my full Social Security Number (SSN)?**

Dashes and special characters are not allowed. Type only the numbers in your Social Security Number.

NOTE: If you are using special interpretive software, such as a screen reader, you should set the special software to read forms ("forms mode"). If you do not have "forms mode" turned on, you may not be able to change data items in the myPay online forms. For some software, you can turn "forms mode" on by pressing the ENTER or RETURN key. Check your software's online help for instructions.

#### **System Privacy**

#### **14) How private is my data in myPay?**

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In order to protect our customer's privacy, myPay masks Passwords. myPay also masks the first five positions of the SSN on the display and print of pay account statements and travel vouchers. The advantage of using the On-Screen Keyboard, with keys that display in random order each time you log on, is that others are deterred from learning your Password.

**Privacy Act Statement:** The information you provide to the myPay system is covered by the Privacy Act of 1974. To receive a copy of the Privacy Act Statement for the actions you enter into the system, please see your Local Finance Office or your Customer Service Representative.

**AUTHORITY:** Title 5 U.S.C. Chapters 53, 55 and 81; Title 10 U.S.C. Chapters 11, 61-73; Title 37 U.S.C.; GAO Manual for Guidance of Federal Agencies, Title 6, Chapter 4, para. 4.2.B.2; and E.O. 9397

**PRINCIPAL PURPOSES:** Information is collected to allow Army, Navy and Air Force active and reserve military paid by the Defense Joint Military Pay System (DJMS); active and reserve Marines paid by the Marine Corps Total Force System (MCTFS); civilians paid by the Defense Civilian Pay System (DCPS); and retirees/annuitants paid by the Defense Retiree/Annuitant Pay System (DRAS) to execute changes to certain payroll information and to validate the employee in the event he/she needs to reestablish a Password.

**ROUTINE USES:** Payroll data will be disclosed to financial institutions or other entities as designated by the employee to receive such information.

**DISCLOSURE:** Voluntary. However, if the employee fails to provide the information requested, DFAS will not be able to process the request. DFAS is authorized to collect and use this information based on the myPay Privacy Act systems notice that is published in the Federal Register, (71 FR 34898, June 16, 2006). The system identifier is T 7336.

## System Security

### 15) How secure is my data on myPay?

This is a Department of Defense (DOD) computer system. This computer system, which includes all related equipment, software, networks, and network devices, is provided only for official U.S. Government business.

DOD computer systems may be monitored by authorized personnel to ensure that their use is authorized to manage the system, to facilitate protection against unauthorized access, and to verify security procedures. During these activities, information stored on this system may be examined, copied and used for authorized security purposes, and data or programs may be placed into this system. Use of this or any other DOD interest computer system constitutes consent to monitoring at all times.

The unique combination of Login ID, Password / PIN used to access myPay makes myPay as secure as using an automated teller machine (ATM) at a bank. myPay users must use a browser with Secure Socket Layers (SSL) protocol with 128-bit encryption software (strong encryption). This combination prevents information from being retrieved by someone else while it is being transmitted.

While myPay uses a variety of security features to protect your data in our system, it is also important that you do everything you can to protect data from being compromised or captured on your computer, especially when using personal computers at home. Here are several things you should consider to protect your data not only when using myPay, but any electronic commerce activity (e.g. on-line banking, credit card purchases, etc.):

1. Install operating system and application software (e.g. Internet Explorer) updates regularly. Many of these updates are issued to fix security problems which have been identified.
2. Install and use anti-virus software and personal firewalls. Keep this software updated. The correct use of these programs can help protect your system from being compromised by malicious software (e.g. software which can capture information processed on your computer, etc). The DOD CERT makes this type of software available for DOD active employees (military and civilian) at: [a.www.jtfgno.mil](http://a.www.jtfgno.mil)

(This link can only be used from a Department of Defense computer)

3. Do not store your various User-IDs and passwords in files on your computer. If someone gains access to your computer this is the type of information they look for and would aid them in accessing your account.
4. After using your browser (e.g. Internet Explorer, etc) to access a site where you process sensitive information (e.g. myPay, your bank account, etc.) close all of your browser windows and restart a new browser session. Sometimes the browser can hold that information in memory (e.g. cache, etc) and some web sites know where to look to find it.
5. Be very careful when installing software that gives others access to your computer. Remote service software or peer-to-peer software used for file sharing can create unintended openings into your computer that outsiders can use if the software is not configured correctly.

## System Availability

- 1) myPay has periods of unavailability due to scheduled DFAS pay system maintenance windows, as shown below. All times are Eastern Time.**

Pay System	Days	Times (Eastern Time)
All	Daily (Except Saturday and Sunday)	12:00 A.M. - 1:00 A.M.
All Marine Corps	Every Friday for LES and W-2	10:00 P.M.- 4:00 A.M. (SAT.)
	Every Friday for Transactions	11:00 P.M.-8:00 A.M. (SAT.)

- 2) Where can I find more information about the Defense Finance and Accounting Service (DFAS)?**

You can access the DFAS web page at: [www.dfas.mil](http://www.dfas.mil) for more information.

## About myPay

- 3) What is myPay?**

myPay is an innovative, automated system that puts you in control of processing certain discretionary pay data items without using paper forms. You can also get your pay and tax statements, and travel advice of payment using myPay.

- 4) Why should I use myPay?**

- myPay saves time. myPay eliminates the need to write letters or fill out forms by letting you make your own changes immediately with user-friendly technology.
- myPay is convenient. You can access myPay nearly 24 hours a day, 7 days a week to change or review your current information, or to check your most recent pay statement.
- myPay is reliable. myPay has the same procedural checks for accuracy as the paper forms.

- 5) When is myPay available?**

myPay is available nearly 24 hours a day, 7 days a week. Refer to FAQ # 16 for the exceptions to this availability.

- 6) Which pay changes can I make using myPay?**

You can change a variety of discretionary payroll items. You can get a current list of the items you can change from myPay, your servicing payroll office, or your customer service representative.

- 7) When will my changes be effective?**

Upon completion and acceptance of a change, myPay will display a "NO LATER THAN" date. Your change will be effective on or before the date myPay displays.

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**Annuitants, Military (all services & components), Civilians and Retirees:** You can verify the change to your account by accessing myPay three to seven business days after you make the change, or by contacting your customer service representative (see FAQ #19).

**8) How will I know that my change was made?**

In keeping with government streamlining efforts and to reduce the use of paper, myPay takes advantage of existing technology and is paperless, so **you will not receive any written confirmation.** However, myPay displays a "NO LATER THAN" date **before and after** your change is accepted. Any change you make to your account should be posted no later than this date. You must receive this notification message to ensure that your action has been accepted. If your change does not appear on your account by then, contact your customer service representative. If you have a registered email address, an email notification will be sent when the transaction is sent to your pay system for processing.

- **Military (Active and Reserve), and Civilians:** You may check your Leave and Earnings Statement (LES) to verify that your change was processed.
- **Annuitants:** You will receive a pay statement in the mail each time you make a change to your account.
- **Retirees:** If you make a change to your allotments or federal tax withholding amount, you will receive a Retiree Account Statement (RAS) in the mail reflecting the change in your net pay unless you have elected to receive your RAS electronically.

**9) Reserved for future use.**

**10) I am in a tax exempt status. How does this affect changes I wish to make to my federal taxes?**

- **Civilians:** If you filed a W-4 to be in a tax-exempt status, you are not allowed to make federal tax changes.
- **All Military Members except for Cadets/Midshipmen and Retirees:** With the exception of special statuses, you are allowed to make federal tax exemption changes using myPay.

**11) I entered an amount in the federal tax additional withholding amount block. How much money will actually be deducted from myPay each payday?**

- **Civilians:** The amount that will be deducted each pay period will be the additional amount entered in addition to the tax withholding based on your current filing status (marital status and exemptions).
- **All Other Employees/Members except for Former Spouse and Cadets/Midshipmen:** The amount you enter will be deducted each month, (one-half each payday if you have two paydays per month) in addition to the tax withholding based on your current filing status (marital status and exemptions).

**12) Can I change my financial allotments?**

- All Active Military Members, Military Retirees, and Civilians: You can change your direct deposit financial allotments using myPay.

**Warning: Court /support agencies require a case number for payment transactions. You cannot enter a case number and additional information using myPay. Please see your service payroll representative to change any court ordered child/alimony support payments.**

- Annuitants, Former Spouse and Cadets/Midshipmen: This option does not apply to you.

**13) Is there a maximum amount for my financial allotments (including new allotments and increases)?**

- myPay allows eligible employees/members to start or increase a financial allotment for any amount as long as it does not exceed the amount of available net pay.

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Civilian employees should determine their net pay amount before starting any allotments to ensure that existing allotments are not affected by any new allotments.

#### 14) How many financial allotments can I start?

- **Active Duty Members and Retirees:** You are limited by DoD regulations in the number of allotments that you can start.

**Warning: Court /support agencies require a case number for payment transactions. You cannot enter a case number and additional information using myPay. Please see your service payroll representative to start any court ordered child/alimony support payments.**

- **Civilians:** myPay will allow you to start a maximum of seven financial allotments.
- **Annuitants, Former Spouse and Cadets/Midshipmen:** This option does not apply to you.

#### 15) What should I do if I find out the change I made on myPay was incorrect or was not the change that I wanted to make?

Any changes you make using myPay can be corrected using myPay at any time. Please submit your change only once. The change will post according to your pay system's update schedule.

#### 16) What information do I need to be able to use myPay?

The first time you access myPay you will still need to enter your Social Security Number (SSN) or Login ID and PIN. You will be prompted to create a Login ID (if you are using your SSN) and a Password. The Login ID and Password will be entered on the home page. You may use an On-Screen Keyboard for additional security. Depending on what you want to do in myPay, you may need additional information.

**When a military member retires or transfers to the reserves, the retiree or reserve member may continue to use the same Password that they used while on active duty to access their myPay retired or reserve pay account information.**

### Login ID

#### 17) What is my Login ID?

Your Login ID will be 6-129 positions of your choosing, containing letters, numbers, and certain special characters. The Login ID will not be masked. You might want to use your email address for your Login ID or some other combination of characters that you will remember.

- You cannot use 9 numbers for the Login ID.
- The Login ID may not contain spaces.
- The Login ID must not be less than 6 characters and no more than 129 characters.
- For a Login ID using an email address, the email address can be no more than 129 positions.
- You will not be allowed to use the same Login ID that someone else is using.
- The Login ID may contain alphabetic (letters) and/or numeric characters and may also contain the following special characters:

@ (at sign)  
\_ (underscore)  
- (dash)  
. (Period)  
' (Apostrophe)

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If you were given a Limited Access Password by a myPay customer, you will also be provided your own Login ID from the myPay customer once they have established one for you.

### **18) What can I do if I forget my Login ID?**

There is a "Forgot Your Login ID" link on the home page. When you click on it you will be provided instructions to retrieve your Login ID. You will be asked to enter your previously registered email address and Social Security Number and then your Login ID will be emailed to you. If you do not have a registered email address, you will be asked for your Social Security Number and Password.

### **About your myPay Password**

#### **19) How do I get a Password**

If you do not know, have not received or have suspended your temporary or customized Password, you can reset your myPay Password online by correctly replying to 3 of the 8 Security Questions you have set up, after clicking on the "Forgot or Need a Password" hyperlink on the myPay home page

Before you set up the questions, or if you fail to correctly answer the questions, you may request a new temporary Password.

Security Restrictions allow Passwords to be emailed only to addresses that have been pre-registered from the appropriate administrator or to a pre-defined Personal Email address you provided previously in myPay.

If you do not have a pre-registered email address, you can request that a password be mailed to you. The new temporary Password will be mailed to your address of record in your pay system. Password letters will be mailed within two business days. Delivery time will vary based upon your location and postal service volume. If you do not receive your Password letter within ten business days, please verify your mailing address with your pay system.

If we cannot mail/email a new random temporary Password to you, the screen will display other procedures for obtaining a new Password.

If you need additional assistance with obtaining a Password, please contact the Customer Support Unit Toll Free at 1-888-DFAS411 or 1-888-332-7411, Commercial 216-522-5096 or Defense Switching Network (DSN) at 580-5096.

#### **20) What may I use for a Password**

The myPay has changed to a stronger password.

The Password must:

- be 15 to 30 characters in length
- contain at least two UPPERCASE letters (A-Z)
- contain at least two lowercase letters(a-z)
- contain at least two numbers (0-9)
- contain at least two of the following special characters: # @ \$ ^ ! \* + = \_ %
- change at least four characters from the previous password.

The PASSWORD CANNOT:

- contain spaces
- be one of your last 10 previous passwords

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Your PASSWORD will expire in 60 days. Avoid creating passwords that use:

- Dictionary words in any language
- Personal Information. Your name, birthday, driver's license, passport number, or similar information.
- Sequences or repeated characters: Examples: 12345678, 2222222, abcdefg, or adjacent letters on your keyboard (qwerty).

## 21) Can I change my Password or PIN?

Yes. You can change your Password or PIN at any time. Click on the Personal Settings page for the Change Password and Change PIN options.

## On-Screen Keyboard

### 22) What is an On-Screen Keyboard?

The On-Screen Keyboard is one of many Security features myPay has introduced to protect your data in our system. The advantage of using the On-Screen Keyboard, with keys that display in random order each time you log on, is that others are deterred from learning your Password.

When Java-Script is enabled, each time you arrive at myPay and enter your Login ID, you will be presented with the option to use the On-Screen Keyboard to enter your Password. You'll use your mouse with the On-Screen Keyboard to enter the characters contained in your Password.

To log in to myPay using the On-Screen Keyboard with a mouse:

1. Type your Login ID under Account Access on the myPay Home Page and click on On-Screen Keyboard hyperlink.
2. Next, click on the appropriate numbers, letters and special characters of your Password using the On-Screen Keyboard. Your Password will be masked in the text box. When you have finished, click the "Accept/Submit" button. Remember to select the Uppercase/Lowercase button when appropriate
3. If you enter an incorrect number, letter or special character using the On-Screen Keyboard, click on the On-Screen Keyboard Backspace button to erase the last position entered. If you want to clear all the numbers/letters/special characters that you have entered, click on the Clear button on the On-Screen Keyboard. You can also tab to the On-Screen Keyboard Backspace button. Clear or UPPERCASE/lowercase button and select the button by pressing the space bar.

### If the On-Screen Keyboard is not visible on the home page, please try the following steps:

1. Go to the Internet Browser Tool Bar
2. Select TOOLS
3. Click on INTERNET OPTIONS
4. Click on GENERAL TAB
5. At Temporary Internet Files Section, Click on DELETE FILE (a new box appears)
6. Click on DELETE ALL OFFLINE CONTENT
7. Click on OK (this step clears cached memory and removes all old internet files)
8. From the Internet Browser's Tool Bar, Click on TOOLS
9. Click on INTERNET OPTIONS
10. Click on the ADVANCED TAB
11. Scroll down to SECURITY
12. Check the option to EMPTY TEMPORARY INTERNET FILES FOLDER when browser is closed.
13. Click on OK
14. Close the browser

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15. Now reopen the browser and the On-Screen Keyboard will appear.

## Limited Access Password

### 23) What is a Limited Password?

The Limited Access Password may be given to one or multiple individuals along with a Login ID to view your pay and tax statements without allowing them to create any pay changes. You may establish a Limited Access Password and Login ID by clicking on the Personal Settings Page option on the main menu, then selecting the Limited Access option. You may delete users' Limited Access at any time. If the user suspends their Limited Access Password you must establish a new Limited Access Password and provide that new Password to the user.

### 24) What may I use for Limited Access Login ID and Password?

The Limited Access Login ID must not match your Login ID. The other requirements for a Limited Access Login ID are the same as for your Login ID. The requirements for the Limited Access Password are the same as for your Password except that the Limited Access Password cannot match either your Login ID or the Limited Access Login ID. The Limited Access Password will expire every 60 days and the individual that you have given it too will be prompted to change it when they access myPay and the password has reached its 60 day expiration. The LIMITED ACCESS PASSWORD must:

- be at least 15 to 30 characters in length
- contain at least two UPPERCASE letters (A-Z)
- contain at least two lowercase letters (a-z)
- contain at least two numbers (0-9).
- contain at least two of the following special characters: # @ \$ ^ ! \* + = \_ %
- change at least four characters from the previous password

The PASSWORD CANNOT:

- contain spaces
- be one of the last 10 previous passwords

The password will expire in 60 days.

## Email Addresses

### 25) Why am I prompted to review my email address?

You will be prompted to review your email address(es) yearly so that we know your email address is correct.

DFAS strives to notify customers of issues related to your pay account and most importantly we want to be able to send you a password if you need your password reset.

### 26) How do I correct my workplace email address if it is invalid or identified as a multiple?

DFAS has a workplace email address on file for you that cannot be used because it was registered to you in error by your email administrator. Please contact your Email Administrator if you have questions and to correct your email address. You may select Email Address on the Main Menu to review the email addresses and providers of those addresses that we have on file for you

If you are a Veterans Affairs employee and your email address is incorrect, you will need to contact your local Human Resources office and they will update your email address.

If you have an email address that is USMC.mil, AF.mil, or Navy.mil, Army.mil or DFAS.mil, you may also add a valid .mil workplace email address as your personal email address if it is not posted to your myPay account. If your workplace email address is invalid or already in use:

- To correct your ID/CAC card email address, please contact your RAPIDS Station point of contact, Personnel Center or the DMDC Help Desk at (800) 538-9552 to have your record corrected.
- To correct a Defense Information Systems Agency (DISA) email address, go to [www.disa.mil](http://www.disa.mil), click on "My Profile". Updating it there will update it in myPay approximately the first of each month.
- To correct an Army AKO email address (us.army.mil), contact your local site's email administrator or go to [www.us.army.mil](http://www.us.army.mil). myPay updates these email addresses weekly.
- To correct a DFAS.mil, contact your local site's email administrator. myPay updates these email addresses weekly.
- To correct an AF.mil email address, contact your local site's email administrator. myPay updates these email addresses weekly.
- To correct a Department of Energy (DOE) email address, access DOE's Employee Self Service (ESS) site to make that change. myPay updates email addresses weekly from that site.

## Assistance/Customer Support

### 27) What kind of help does the DFAS Centralized Customer Support Unit provide?

For problems using myPay, or with your myPay PIN, contact the DFAS Centralized Customer Support Unit toll-free at 1-888-DFAS411 or 1-888-332-7411 or **commercial** at (216) 522-5096 or **Defense Switching Network (DSN)** at 580-5096. This support line is available Monday through Friday, 8:00 A.M. to 5:00 P.M. Eastern Standard Time.

The Centralized Customer Support Unit can provide assistance on how to use the options available to you in myPay. The Centralized Customer Support Unit will also provide support for establishing and changing your PIN.

For ALL other payroll information please contact your servicing pay office or your customer service representatives.

### 28) Who can help me with my pay account?

Questions concerning SPECIFIC PAY ACCOUNT INFORMATION should be directed to the servicing payroll office or to your normal customer service representative as follows:

Civilian Employees	Your local Customer Service Representative
<b>Military Retirees</b>	1-800-321-1080
<b>Annuitants</b>	1-800-321-1080 (US) or (216) 522-5955 (Outside US)
<b>Military Former Spouses</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096
<b>Military Members:</b>	
<b>U.S. Air Force Active</b>	Your Local Finance Office
<b>U.S. Air Force Reserves</b>	Your Local Reserve Center Finance Office
<b>U.S. Army Active</b>	Your servicing Defense Military Pay Office or Finance Battalion
<b>U.S. Army Reserves</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096 or your administrative unit
<b>U.S. National Guard</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096 or your administrative unit
<b>U.S. Army Separates</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096
<b>U.S. Marine Corps Active</b>	Your Local Admin Office
<b>U.S. Marine Corps Reserves</b>	Your Local Admin Office
<b>U.S. Navy Active</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096 or your Local Personnel Support Detachment
<b>U.S. Navy Reserves</b>	1-888-DFAS411 or 1-888-332-7411, DSN 580-5096 or your Local Reserve Personnel Support Detachment
<b>NAF Employee</b>	Your local administrative office.

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Travel voucher status is available at 1-888-332-7366 (option 1) or DSN 699-0300 for OCONUS travelers.

Military Retirees that are in a non-pay status due to a VA Waiver or Combat Pay can still access myPay but will have limited options available. Questions should be referred to the customer service previously listed.

## **LES or Pay Statement display and delivery**

### **29) May I view and print my Leave and Earning Statement (LES) or Pay Statement online?**

All Active/Reserve Military and Civilians: You can view and print your Leave and Earnings Statement (LES) on-line. You may access your LES from the "Main Menu" by clicking on the Leave and Earnings Statement (LES) option. If you have trouble reading the graphic version of your LES, you can click on the "Text Version" link. The text version of your LES lists all your LES pay data items in a single column.

Your LESs will remain available for a temporary period of time after your separation.

**For Non Appropriated Fund employees:** Your last 26 LESs will remain available until they have cycled off through normal monthly updates.

**For Army, Navy and Air Force (Active):** Your last 12 LESs will remain available until they have cycled off through normal monthly updates, or you have separated from military service.

**For Army, Navy, and Air Force (Reserve):** Your LESs for the last 13 months will remain available until they have cycled off through normal monthly updates.

**For Marines (Active and Reserve):** Your last 12 LESs will remain available until they have cycled off through normal monthly updates.

**For Civilians:** Your last 26 LESs will remain available until they have cycled off through normal pay period updates.

**Annuitants and Retired Military:** You can view and print your account statements on-line. If you have trouble reading the graphic version of your account statement, you can click on the "Text Version" link. The text version of your account statement lists all of your pay data items information in a single column.

**Former Spouses:** You can view and print your Pay Statements on-line. You may access your Pay Statement from the "Main Menu" by clicking on the Payment Information option. If you have trouble reading the graphic version of your Pay Statement, you can click on the "Text Version" link. The text version of your Pay Statement lists all of your pay data items information in a single column.

### **30) Will I continue to receive my hard copy Leave and Earnings Statement (LES) or Pay statement?**

Service or Agency Policy will determine if delivery of your hard copy Leave and Earnings Statement (LES) or pay statement will remain the same. However, if you like viewing and printing your LES electronically, you can use myPay to stop the delivery of your hard copy LES or pay statement. (Not available for Former Spouses)

### **31) How do I stop delivery of my hard copy LES or Pay statement?**

You will find the option to stop the hard copy delivery of your LES or pay statement on the Main Menu. (Not available for Former Spouses)

### **32) Once I have elected to stop hard copy delivery, can I start it back up later?**

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Yes. Using the same process described above, you can re-start the hard copy delivery of your LES or pay statement. Service or Agency Policy will determine if delivery of your hard copy Leave and Earnings Statement or pay statement will resume.

**33) Can I print my LES or Pay Statement?**

Yes. There are instructions under Help on how to print your LES or Pay Statement.

**34) I am having problems printing my LES or Pay Statement. What should I do?**

DFAS recommends that you select the Printer Friendly Version of your LES if you desire to print or save your LES. It requires Adobe Acrobat Reader. Often, Acrobat Reader is already added to web browsers. If you don't have Adobe Reader and applicable security policies allow you to install it, it can be downloaded at <http://www.adobe.com/products/reader.html>.

If you prefer the HTML version, you can print it. However, you may have to make adjustments to your margins in your browser Page Setup for optimal printing of the HTML version. If your LES or Pay Statement is cut off at any margin, go to the **myPay Home Page** to adjust the margins of your browser. Once the **myPay Home Page** is opened, access the "File" dropdown menu and select "Page Setup". Within the "Page Setup" window, adjust the left and right margins to .25 inches and the top and bottom margins to .5 inches. If that does not solve the problem, click on the View menu, Select "Text Size", and click on medium. If you continue to have the problem after following the above instructions, click on the Tools menu, select "Internet Options", click the General Tab, click the Fonts button, select "Latin Based", select "Arial Narrow" or "New Times Roman" and click OK and click OK.

For all other printing issues, please contact the DFAS Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or **commercial** at (216) 522-5096, or **Defense Switching Network (DSN)** at 580-5096.

**35) Can I save my LES or Pay Statement as a file on a disk, instead of printing it?**

We recommend that you select the Printer Friendly Version of your LES if you desire to print or save your LES. It requires Adobe Acrobat Reader. Often, Acrobat Reader is already added to web browsers. If you don't have Adobe Reader and applicable security policies allow you to install it, it can be downloaded at <http://www.adobe.com/products/reader.html>.

If you prefer the HTML version and you are using Internet Explorer version 5.0 or higher, you can save your LES or Pay Statement as an HTML file on a disk or your hard drive by using the Save Option button displayed above your LES or Pay Statement. Follow the screen instructions displayed by your browser.

**Tax Statements**

**36) May I view and print my tax statement on-line?**

This option is available to view and print your tax statements.

You may also view and print your Travel W-2 (Do-It-Yourself, Permanent Change of Station, and Temporary Duty) and Miscellaneous W-2 (loan repayments, suggestions awards, referral bonuses and back pay).

These options are not available for Former Spouses.

The Travel and Miscellaneous W-2 options are not available for Broadcasting Board of Governors, Department of Energy, and Environmental Protection Agency, Health and Human Services, Veterans Affairs and Non-Appropriated Fund employees.

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**For Active/Reserve Military:** You may view, print and save your W-2 Wage and Tax Statement on-line. You may access your W-2 from the "Main Menu" by clicking on the Tax Statement (W-2) option. If you have trouble reading the graphic version of your W-2, you can click on the "Text Version" link. The text version of your W-2 lists all your W-2 data items in a single column.

Army Active, Army Reserve and Army Guard soldiers are able to view, print and save their Student Loan Repayment Program (SLRP) tax statements on myPay.

**Annuitants:** You can view, print and save your tax statement. The tax statement displayed on myPay is the end of year tax statement. Additionally, if the tax statement displayed is incorrect, please contact your customer service representative.

**For Civilians:** You can view, print and save your tax statement. The tax statement displayed on myPay is the end of year tax statement. Additionally, if the tax statement displayed is incorrect, please see your customer service representative.

**Non Appropriated Fund employees:** You can view, print and save your tax statement. You may access your W-2 from the "Main Menu" by clicking on the Tax Statement (W-2) option. Any corrected tax statements issued will not be reflected in myPay. Additionally, if the tax statement displayed is incorrect, please see your installation representative

**Retirees:** You can view, print and save your tax statements. The tax statement displayed on myPay is the end of year tax statement. Additionally, if the tax statement displayed is incorrect, please contact your customer service representative.

## All

DFAS recommends you use the Printer Friendly version of your tax statement. For Printer Friendly information, please see FAQ # 54.

If Acrobat Reader is not available to you or you prefer HTML, you can print the HTML version of your tax statement. Follow these instructions. The appearance of the tax statement varies according to the Browser used and your PC's resolution. You will have to adjust your Page Setup for the best printing results. For Internet Explorer, begin with setting the Top and Bottom margins at ".50" inches and the Right and Left margins at ".25" inches. For printing the W-2C on Internet Explorer, begin with setting the Top and Bottom margins at ".80" inches and the Right and Left margins at ".25" inches.

For Internet Explorer if you see a URL, page number, etc. on your printed copy, use Page Setup to clear out the Header and Footer information. Most Browser defaults are set to capture this information so that when an individual prints from the Internet, they will know where the printed data came from. Finally, if you do not want to print the "Back" and "Print" buttons on an extra page, count the number of W-2/W-2C Forms displayed. For every 2 forms displayed there will be one print page. Example, if you have 4 W-2 Forms displayed, the current setup will print 2 on page 1, 2 on page 2, and the Buttons on page 3. So if you set the print range to print only pages 1 through 2, you save a page that contains only the 2 buttons.

Before filing your tax return, carefully separate the copies printed on a single page. When filing your tax return, you are **not** required to include/send the instructions on the back of the tax statement.

**For all other printing issues, please contact the DFAS Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or commercial at (216) 522-5096, or Defense Switching Network (DSN) at 580-5096.**

**You will be able to access myPay and view your W-2 for one (1) year after you are no longer in a pay status or separated.**

### 37) How do I stop delivery of my hard copy W-2?

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Most users have the option on the Tax Statement screen as well as on the main menu. Exceptions are Annuitants, Army Student Loan Repayment Program participants, and Travel/Miscellaneous W-2 recipients, for whom there is no option to turn on/off hard copies.

Changing your election to electronic processes the transaction for your pay system that will turn off the hard copy delivery of your Tax Statement.

**38) Once I have elected to stop hard copy of delivery of my W-2, can I start it back up later?**

Annually during the period December 1 through January 31, no change can be made to the W-2 delivery method. Using the same process described above, you can make changes to the W-2 delivery method outside of the above "no change" period.

Changing your election to hard copy processes the transaction for your pay system that will re-start the hard copy delivery of your Tax Statement.

**Printer Friendly Version**

**39) How do I use the Printer Friendly Versions for my account and tax statements?**

DFAS recommends that you use the Printer Friendly Version of your account and tax statements. The Printer Friendly Version of your account and tax statements is available by clicking the "Printer Friendly" button. It requires Adobe Acrobat Reader. Often, Acrobat Reader is already added to web browsers. If you don't have Adobe Reader and applicable security policies allow you to install it; it can be downloaded at <http://www.adobe.com/products/reader.html>.

Some Internet Explorer users may encounter one of the following problems when they attempt to use the Printer Friendly Version. Some may see a File Download dialog box and others may see an error message, "Internet Explorer cannot download...". Both conditions can be addressed by following these steps:

1. Click the Tools Menu at the top of your Internet Explorer browser.
2. Click "Internet Options".
3. Click the Advanced tab.
4. Scroll down until you find the "Do not save encrypted pages to disk".
5. Remove the checkmark from the box adjacent to that text.
6. Click the Apply button.
7. Click the OK button.

Before filing your tax return, carefully separate the copies printed on a single page. When filing your tax return, you are **not** required to include/send the instructions on the back of the tax statement.

For all other printing issues, please contact the DFAS Centralized Customer Support Unit at 1-888-DFAS411 or 1-888-332-7411, or commercial at (216) 522-5096, or Defense Switching Network (DSN) at 580-5096.

**Thrift Savings Plan (TSP)**

**40) What TSP transactions can be made via myPay?**

TSP via myPay is available only to Active/Reserve Military Members, Health and Human Services (HHS) employees, Environmental Protection Agency (EPA) employees and Veterans Affairs (VA) employees.

**The following transactions can be made:**

- 
- If you are eligible, you can start, change or stop your TSP at any time throughout the year. If you make a financial hardship withdrawal, you may not make contributions for six months following withdrawal.

#### **41) When can I sign up for the TSP?**

If you are eligible, you can sign up to contribute to the TSP at any time. Roth TSP elections for Air Force, Army and Navy will be accepted on and after October 1, 2012.

#### **42) Where can I get a TSP form?**

Changes to your TSP can be made through myPay and do not require a form. However, if you prefer to submit a paper form (available on the TSP Web site, at ([www.tsp.gov](http://www.tsp.gov) ) or if you are interested in a loan, you must contact your servicing personnel-payroll office.

#### **43) What is the percentage of contribution that I can elect?**

Select the TSP option from your Main Menu and refer to the information provided on the TSP page for your service.

**For Marines contributing to TSP:** when you reach the IRS maximum amount for the year, the TSP contribution will be automatically suspended. No action is necessary. January of the following year, your TSP contributions will be unsuspended and contributions will automatically begin again. No action is necessary.

*Internal Revenue Code section 402(g) and section 415(c) may limit your annual contributions. See the *Summary of the Thrift Savings Plan for the Uniformed Services* for more information about these statutory limitations.*

#### **44) How can I make fund allocation changes?**

myPay does not allow you to change the investment of your contributions. To change the investment of your contributions, you may visit the TSP web site at <http://www.tsp.gov>. For more information on changing your TSP contributions, see the [Retirement Thrift Investment Board \(FRTIB\) website](#).

### **Direct Deposit**

#### **45) What are the different types of Direct Deposit categories?**

NET PAY EFT: Your Current Direct Deposit Information for your Paycheck.

TRAVEL EFT: Your Current Direct Deposit information for your Travel Pay (Army Active and Reserve only).

MISCELLANEOUS EFT: Your Current Direct Deposit information for your Miscellaneous Reimbursements (Army Active and Reserve only).

All EFT options provide the capability to View/Change the Financial Institution, account type and account number.

If you are starting or changing a Direct Deposit and your new routing transit number (RTN) does not work, please verify the number with your financial institution. If the number is valid, please notify the DFAS Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or **commercial** at (216) 522-5096, or **Defense Switching Network (DSN)** at 580-5096 of the discrepancy.

### **Savings Bonds**

#### **46) How do I purchase Savings Bonds in myPay and how do I request Bonds held in safekeeping?**

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Effective September 30, 2010, the Department of Defense no longer sells U.S. Savings Bonds through payroll deduction. You no longer can purchase Savings Bonds using the myPay Savings Bond option.

If you wish to start or continue purchasing Savings Bonds through payroll deduction, you must establish an account through <http://www.treasurydirect.gov/>. Then you may use myPay to start an allotment to **TreasuryDirect** by clicking on the allotment option at the Main Menu.

#### **INFORMATION FOR BONDS HELD IN SAFEKEEPING FOR MILITARY MEMBERS:**

All bonds being held in safekeeping as of the above date for ACTIVE DUTY MEMBERS will continue to be held until they are requested.

The request must include the service member's name, complete Social Security Number, a valid address where the member would like the bonds to be mailed, a daytime telephone number, and the member's dated signature. The request must indicate that the member wants the bonds released from safekeeping. Thirty days must be allowed before a member can claim non-receipt of a bond.

**Navy** members may submit their signed request in writing or by fax to:

DFAS-Cleveland Center  
ATTN: CODE JDCAB  
1240 East 9th Street  
Cleveland, OH 44199

**FAX:** 216-522-6358 OR DSN 580-6358  
**PHONE VOICE:** 216-522-5880  
**DSN VOICE:** 580-5880

**Marine Corps** members may submit their signed request in writing or by fax to:

DFAS-Cleveland Center  
ATTN: CODE JDCAB  
1240 East 9th Street  
Cleveland, OH 44199-2055

**FAX:** 216-522-6358 OR DSN 580-6358  
**PHONE VOICE:** 216-522-5880  
**DSN VOICE:** 580-5880

**Army** members may submit their signed request in writing, fax, or by email to:

Center Collection Mailbox  
3801 Center Collection  
P.O. Box 269490  
Indianapolis, IN 46226-9490

**FAX:** 317-212-4339 or DSN 699-4339  
**PHONE VOICE:** 317-212-8539  
**DSN VOICE:** 699-8539  
**EMAIL:** [dfas-incdsbonds@dfas.mil](mailto:dfas-incdsbonds@dfas.mil)

**Air Force** members may submit their signed request in writing, fax, or by email to:

Center Collection Mailbox  
3801 Center Collection

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P.O. Box 269490  
Indianapolis, IN 46226-9490

**FAX:** 317-212-4339 or DSN 699-4339

**PHONE VOICE:** 317-212-8539

**DSN VOICE:** 699-8539

**EMAIL:** [dfas-incdsbonds@dfas.mil](mailto:dfas-incdsbonds@dfas.mil)

## State Taxes

### 47) What type of state tax changes may I make in myPay?

If you have a state tax option, and your state taxing authority has an agreement with the Department of Defense, you will be able to use myPay to change your state tax withholding.

For Civilians, you now have the option to change your state taxing authority. You must select a state from the drop down menu.

Military (Active and Reserve), you will not be permitted to add or change a state tax authority. To change your state tax authority you must see your customer service representative or local finance office.

## Travel Advice of Payment (AOP)

### 48) What is Travel Advice of Payment (AOP)?

The Travel Advice of Payment (AOP) option provides myPay users with the capability to view and print their processed TDY Travel Vouchers on-line.

Travel voucher status is available at 1-888-332-7366 (option 1) or DSN 699-0300 for OCONUS travelers.

For travel vouchers submitted to Air Force Finance Offices, contact your local FSO instead for your voucher status.

### 49) May I view and print my Travel Advice of Payment (AOP) statement on-line?

You may access your AOP from the "Main Menu" by clicking on the "Travel Voucher Advice of Payment" AOP option. If you have any trouble printing your Travel AOP, refer to the suggestions in FAQ #42.

In general, DFAS Indianapolis processes vouchers for Army military and civilian employees, while DFAS Cleveland processes vouchers for Navy and Marine Corps military and civilian employees, DFAS Columbus processes vouchers for DFAS civilians and civilian employees from other Defense Agencies. Air Force vouchers are processed by the Air Force. Effective August 2013, Air Force vouchers paid through the Reserve Travel System are available on myPay.

Effective September 19, 2005, Defense Travel System (DTS) vouchers are available for the Air Force, Army, Navy, Marines and Civilians. The AOP produced by DTS currently does not contain a breakdown of the daily Per Diem amounts and the Reimbursable Expenses.

If you need more information about which Center pays your voucher, or if you have questions about whether or not your voucher will be available based on the voucher number, please contact your local travel office.

### 50) Will all of my Travel Advice of Payment (AOP) statements be available?

NO. myPay will make travel vouchers available for six months from the date the voucher was paid. Once a voucher is older than six months, that particular voucher will not be available in myPay.

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Although the vast majority of vouchers processed by DFAS-Indianapolis and DFAS-Columbus are available, there are some "rare" travel vouchers that will not be on line for these centers.

### **Savings Deposit Program**

#### **51) Who should I contact if I have questions about my Savings Deposit Program (SDP) account statement or 1099-INT?**

Contact the Centralized Customer Support Unit toll free at 1-888-DFAS411 or 1-888-332-7411, or **commercial** (216) 522-5096, or **Defense Switching Network (DSN)** 580-5096 (8:00 A.M. – 5:00 P.M. / Eastern time)

#### **52) Who is eligible to participate in the Savings Deposit Program?**

Members of the Armed Forces serving in specified combat zones or in support of a contingency operation are authorized to make deposits. Service members must be in receipt of Hostile Fire Pay and be deployed for at least 30 consecutive days or at least 1 day in each of 3 consecutive months. Contact your Finance Office to verify your eligibility.

#### **53) How may contributions be made?**

Members may contribute up to 100% of their disposable (net) pay. Contributions may be made either by a savings allotment with a unique bank routing number, or by cash (or check) deposit. Make the deposit or start the allotment at your local pay office. When reviewing your statement, keep in mind that there may be a delay in the posting of cash deposits.

#### **54) What is the maximum that I may deposit?**

There is no limit on the amount that may be contributed; however no interest is paid on amounts exceeding \$10,000.00. If you are depositing by allotment it will not stop automatically when the balance reaches \$10,000.00. You must monitor the balance. You may request the allotment be stopped. Army, Navy, Air Force, and Marine members may also stop their SDP allotment in myPay from within the SDP Withdrawal Request option.

#### **55) What is the interest rate?**

The interest rate is 10% annually, earned at 2.5% per quarter. No interest is paid on amounts exceeding \$10,000.00. Deposits made by the 10th of a month will earn interest from the 1st of that month. Deposits made after the 10th accrue interest from the first day of the following month. Your account will continue to earn interest for 90 days after leaving the combat zone. Combat zone departure must be posted in order for interest accrual to be correctly stopped.

#### **56) Is interest taxable?**

Yes, the interest is taxable. Combat zone rules do not apply. No federal or state tax is withheld. A 1099-INT is issued no later than January 31st for Savings Deposit Program interest. If you do not receive your 1099-INT in the mail you may contact Customer Support to request that it be reissued to you.

#### **57) How may I withdraw the money in my account?**

### **Non-myPay Applications**

#### **58) What do I do if other non-myPay applications/systems require me to use my SSN and myPay PIN, instead of my myPay Login ID and Password?**

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Some non-myPay applications may continue to require you to enter a current SSN and myPay PIN combination for authentication even if you have already established a new Login ID and password. You may establish or change your myPay PIN at any time using the myPay website. First log into myPay using your myPay Login ID and Password, then from the myPay main menu under the Personal Setting Page option, click on the Change PIN for use on systems other than myPay Web.

**59) What if I do not know or have forgotten my PIN?**

If you do not know or have forgotten your PIN, you may establish a new myPay PIN using the myPay website. First log into myPay using your myPay Login ID and Password, then from the myPay main menu under the Personal Setting Page option, click on the Change PIN for use on systems other than myPay Web.

**60) If I lock myself out while trying to use my SSN/PIN combination on a non-myPay website or other application, will I be locked out of the myPay website? How do I get my PIN account unsuspended?**

If you suspend your PIN using a non-myPay application, wait 24 hours and then try again. You will still be able to log into myPay Web with your Login ID and Password. Once logged in, you may reset/change your PIN. (First log into myPay using your myPay Login ID and Password, then from the myPay main menu under the Personal Setting Page option, click on the Change PIN for use on systems other than myPay Web.)

**Logging Into myPay Using the On-Screen Keyboard Without a Mouse**

**61) How do I use the On-Screen Keyboard without a mouse?**

The On-Screen Keyboard is one of many Security features myPay introduced to protect the security and privacy of your data in our system. The advantage of using the On-Screen Keyboard, with keys that display in random order each time you log on, is that others with potentially malicious intent are deterred from learning your Password.

When you arrive at myPay and enter your Login ID, you will be presented the option to use the On-Screen Keyboard to enter your Password.

To log in to myPay using the On-Screen Keyboard without a mouse:

1. Type your Login ID under Account Access on the myPay Home Page, and then press the hyperlink for the On-Screen Keyboard.
2. You must rely on the “Tab” key and the “Space Bar” to enter your Password. You Cannot use the arrow keys to make selections or move around within the On-Screen Keyboard. With some assistive software there may also be browser access keys built into the application that can help speed up your data entry (see specifics on access keys below).
  - a. To start entering your password using the On-Screen Keyboard, use the Tab key to move through the keys until you arrive at the first number, letter or special character of your password. Press the Space Bar to select. The first position of your password will appear (masked) in the text box.
  - b. The cursor will return to the first number in the first row of the On-Screen keyboard after selecting each character.
  - c. Tab to each subsequent number, letter or special character of your password, and then press the Space Bar to select.
  - d. After entering your complete password using the On-Screen Keyboard, press the Tab key to go to the “Accept/ Submit” button. Press the Space Bar to select, or use the built in access key combination of ALT 6 (if available) to submit your password.

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e. In order to ensure all special character buttons are read back to users of Jaws for Windows, the punctuation must be set to "all". This allows for all of the keys on the On-Screen Keyboard to speak. If Jaws punctuation is set to "some" or "none" then keys such as "!" and "\_" will not speak, often all that is said is "button." To set punctuation to all in Jaws the steps are as follows:

- (1) Bring up "Jaws options" with an "insert+v" key.
- (2) Either arrow down to punctuation level or press the letter <p> until you come to punctuation.
- (3) If you enter an incorrect number, letter or special character using the On-Screen Keyboard, tab to the On-Screen Keyboard Backspace button and then press the Space Bar to select it to erase the last position entered.

If you want to clear all the numbers/letters/characters you entered, tab to the Clear button on the On-Screen Keyboard and select it by pressing the space bar.

- (4) The "Return" key will exit from Jaws Options.

3. If you enter an incorrect number, letter or special character using the On-Screen Keyboard, tab to the On-Screen Keyboard Backspace button and then press the Space Bar to select it to erase the last position entered. If you want to clear all the numbers/letters/characters you entered, tab to the Clear button on the On-Screen Keyboard and select it by pressing the space bar.

### **Using Access Keys to Speed Up Data Entry**

If your browser supports access keys you can use them to more easily navigate through the On-Screen keyboard. Access keys allow you to quickly jump to specified rows within the On-Screen Keyboard instead of tabbing completely through the keyboard to enter your password. The following are commonly found access keys:

- Alt 1: jump to row containing randomly presented Numeric Characters 1 thru 0.
- Alt 2: jump to row containing randomly presented Symbolic Characters, i.e., !, =, -, etc.,. This row also contains the Backspace and Clear keys and Uppercase/Lowercase key.
- Alt 3: jump to first row containing randomly presented Alpha Characters.
- Alt 4: jump to second row containing randomly presented Alpha Characters.
- Alt 5: jump to third row containing randomly presented Alpha Characters.
- Alt 6: Submits your password after you finish entering all characters.

## **Printing and Saving your LES Without Using a Mouse**

### **62) How do I print and save my LES without using a mouse?**

There are several options available to save your LES to your computer within myPay without using a mouse. Near the beginning of browser screens displaying your LES, you'll find buttons labeled as Save, Print and Printer Friendly Version.

#### **SAVE Button**

After tabbing to the Save Button and then pressing Enter the 'Save As' dialog box appears. This gives you the option of saving your LES to your computer as a HTML or text file. Users with screen reader software such as JAWS For Windows can use the application to read back the LES saved as either HTML or text.

#### **PRINT Button**

Provides normal functionality to print your LES on an available printer.

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## **PRINTER FRIENDLY VERSION Button**

Pressing Enter on the Printer Friendly Version Button gives you several options to consider. If you have the Adobe accessibility turned on in Adobe Acrobat, the program will try to read the LES. Acrobat may or may not display the “Reading untagged Document” Dialog box. If you want to print your LES you need to answer cancel to this dialog. Acrobat will then go ahead and display the LES on your screen without performing the accessibility features of the program. Users of Jaws for Windows may hear the words “document not available.” In fact the LES is really on the screen at this time. To go ahead and print, select print (Alt f) from the dropdown menu or just press (Ctrl + p). The windows printer dialog will appear. Select OK and your LES will print.

## **SmartDocs Notifications**

### **63) Beware of email Scams.**

Customers should be aware of a scam in which recipients receive an email that claims to come from the Defense Finance and Accounting Service (DFAS). The email states that the customer's password has been established or changed with an attachment that contains malicious software (malware) that infects the intended victim's computers. To avoid malware do not click on any links, or open any attachments. Be vigilant and update your computer with antivirus software and patches.

DFAS does send notifications when a Password has been established or changed in myPay from SmartDocs@dfas.mil. Emails from SmartDocs@dfas.mil do not contain attachments of any kind. Ensure that when you receive an email from DFAS that the email is being sent to an email address that you have registered with DFAS.

## **myPay Mobile**

### **64) What do I need to get started using the myPay mobile site?**

You only need two things to get started:

- A mobile phone with a web browser. Phones that work best with the myPay mobile capability include the iPhone, Android (DROID), Blackberry and other Windows mobile devices.
- A myPay user account and the same Login ID and password you currently use to manage your myPay account on your computer.

Not enrolled? Go online to <https://mypay.dfas.mil/mypay.aspx> and click on the “Create an Account” link in the LOG IN section on the left side of the screen. Follow the instructions for creating your Login ID and Password.

### **65) Is there a special URL for the mobile site?**

Simply visit <https://mypay.dfas.mil>. We can automatically detect if you are using your iPhone, Android, Blackberry or other Windows mobile device, and will load a mobile version of the site.

### **66) What is the mobile site?**

The myPay mobile capability makes it possible for you to manage your account on the go, by making key information and capabilities accessible from a mobile phone.

### **67) Will myPay have an Application (APP) Download?**

Not at this time. There are a limited number of SmartPhones that offer Application download capabilities. Since myPay services over 6 million customers, the Mobile capability offers the ability for a wider range of users to access myPay via the SmartPhone.

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### **68) How can I manage my account on the mobile site?**

The mobile site delivers key account information to your fingertips. On your mobile phone, you will be able to instantly access:

- Your pay statements (Leave and Earnings, Retiree Account Statement, etc.)
- Access to the myPay full Site for transactions (Change Allotment, etc.) and tax statements (W-2, 1099)

### **69) What devices can I use to access the mobile site?**

The mobile site can be accessed from mobile phones that support a mobile browser. Phones that work best with the myPay mobile capability include the iPhone, Android (DROID), Blackberry and other Windows mobile devices. Please reference your mobile phone's user manual to learn more about using your web browser on your mobile phone. In addition, make sure that your mobile phone has cookies enabled.

The Apple iPod touch® can also access the mobile site, as long as you are connected to a Wi-Fi network.

### **70) Which carriers support the mobile site?**

You can access the mobile site from almost any carrier network. Using a mobile web browser may require a data plan. Please contact your carrier for specific pricing information for your data plan.

### **71) Can I access the mobile site while travelling abroad?**

Yes, but be aware of roaming fees. Please contact your carrier for specific pricing information.

### **72) What is my myPay mobile site Login ID and Password?**

Use the same Login ID and Password you use to access <https://mypay.dfas.mil> on the computer. If you do not have a Login ID and Password, or you have forgotten your Login ID or Password, go online to <https://mypay.dfas.mil>, click on the applicable link in the LOG IN section on the left side of the screen and follow the instructions.

### **73) How is the mobile site different from the regular site?**

The homepage has been optimized for your mobile phone and key account information and management options are delivered in an easy to read format.

### **74) How secure is my information?**

myPay Mobile uses the same security standards as our myPay full site:

- 128-bit encryption to protect your sensitive information
  - Uses firewall and intrusion detection software to block outsiders
  - Features internationally recognized security standards
- To protect all data sent to and from myPay, your information is transmitted using end-to-end encryption and is not cached.

However, please note that myPay does not operate or control, and thus cannot guarantee, the wireless networks used to access the mobile site. Carrier protocols may vary. Check with your wireless service provider for information about their privacy and security practices.

Note: NEVER store confidential information (i.e., myPay Password) on the mobile device and NEVER divulge the Password to others.

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### **75) Why won't the mobile site load on my mobile device?**

Please check your reception level. A low reception level could cause spotty or extremely slow access—or even prevent you from accessing the mobile site at all.

If you are on a BlackBerry® device, try using “Internet Browser” instead of the default “BlackBerry Browser.”

If your reception is fine, another possibility is that we are experiencing a technical problem on our end. Please call the DFAS Customer Care Center at 1-888-332-7411 if you wish to check the status of the mobile site, or need further help to access your account.

Also, the problem could be with your mobile device. Please contact your carrier for specific information.

### **76) Which browser should I use on a BlackBerry® device?**

Please use the “Internet Browser” that is pre-installed on the device. To make it your default browser, select Options > Advanced Options > Browser. Then choose Internet Browser.

Most BlackBerry devices use the “BlackBerry Browser” by default, which is not compatible with many firewalls. Using it could prevent you from accessing the mobile site.

### **77) Why am I having trouble entering my Login ID and Password?**

#### **SmartCard Login**

#### **78) What is SmartCard Login?**

SmartCard Login allows military members, military retirees who are Department of Defense (DoD) contractors and have been issued a SmartCard, DoD civilian employees, and Department of Health and Human Services (HHS) and Veterans Administration (VA) employees to log in to myPay using their DoD Common Access Card (CAC) or HHS or VA Personal Identity Verification (PIV), also known as SmartCards. When using SmartCard Login, these customers do not need to enter a Login ID and Password.

#### **79) What if I don't have a CAC or PIV?**

You can still access myPay using your Login ID and Password.

#### **80) How do I register my CAC or PIV?**

Follow these easy step-by-step instructions:

- You will need a computer with a SmartCard reader.
- Ensure your CAC or PIV is in the computer and select the “SmartCard Login” button on the myPay home page at <https://mypay.dfas.mil>.
- Select the certificate associated with your CAC or PIV. Select only one certificate if two or more are displayed
- You will be prompted to enter the Personal Identification Number (PIN) associated with your CAC or PIV. Enter your PIN and select “OK”
- DoD CAC users will then be asked to enter their Social Security Number (SSN) twice.
- After entering their PIN, HHS and VA PIV users will be advised they must self-register. Please refer to FAQ #100.
- Your SmartCard registration will be confirmed. You may use it to log in the next time you access myPay. (Note: the name displayed is the name registered on your CAC or PIV)
- If you do not yet have a Login ID, you will be prompted to enter a Login ID and Password

- 
- Select “Main” to continue

### **81) What if my SSN does not match the pre-registered information?**

For DoD CAC users, myPay performs a database check at the Defense Manpower Data Center (DMDC).

If you receive the error your SSN does not match the information, please contact your RAPIDS Station Point of Contact, your Personnel Center or the DMDC Help Desk at (800) 538-9552 to have your records corrected.

To locate the nearest ID card office you can use the [RAPIDS Locator Web site](#).

You can still access myPay using your Login ID and Password until the records are corrected.

This information is not applicable for HHS and VA PIV users.

### **82) What if I don't know my CAC or PIV PIN or my CAC or PIV is Expired or Revoked?**

For DoD CAC users, please contact your RAPIDS Station Point of Contact, your Personnel Center or the DMDC Help Desk at (800) 538-9552 to have your records corrected.

You can still access myPay using your Login ID and Password until the records are corrected.

To locate the nearest ID card office you can use the [RAPIDS Locator Web site](#).

HHS PIV users:

- General questions about PIV SmartCards and HSPD-12: Contact [HSPD-12@HHS.gov](mailto:HSPD-12@HHS.gov).
- AMS Login: Contact the ONE DHHS Help Desk at 1-888-ONE-DHHS (1-888-663-3447).
- PIV SmartCard: Contact your local security office for issuance or troubleshooting.
- SmartCard Reader: Contact your local IT Service Desk or go to the "Need Help?" link on the AMS login page to access IT Service Desk contact information.

VA PIV users:

- General questions about VA PIV SmartCards: Contact the VA Information Technology Support Desk at 1-888-596-4357 for hardware or software problems.
- VA HSPD-12 PMO INTRANET: [vawww.va.gov/pivproject](http://vawww.va.gov/pivproject)
- FREQUENTLY ASKED QUESTIONS: <http://va.gov/PIVPROJECT/faq.asp>
- PIV SYSTEM TECHNICAL SUPPORT: 1-916-692-7460 (option 2); [pivhelprequests@va.gov](mailto:pivhelprequests@va.gov)
- SmartCard Reader: Contact your local IT Service Help Desk

### **83) What if I am a new employee?**

If you are a new employee/member your myPay account may not be established. If you enter myPay with your DoD or HHS or VA SmartCard and your account is not established you will be advised to try your SmartCard again in 30-45 days.

### **84) Why do I have to setup a Login ID and Password if I access myPay using my DoD CAC,HHS or VA PIV?**

You will still need a Login ID and Password if you access myPay from a computer or mobile phone that is not SmartCard enabled.

### **85) What happens if myPay does not have my DoD CAC, HHS or VA PIV information?**

If you select “SmartCard Login” button and myPay does not have your CAC or PIV, you will be advised to access myPay using your Login ID and Password and given the option to self-register your CAC or PIV.

- Enter your myPay Login ID and Password
- The Self-Registration screen will display your name.
  - If the name is NOT yours, you should exit the system immediately.
  - If the name is yours, select “Yes” to register your SmartCard
- Your SmartCard is registered and you may use it the next time you access myPay
- Select “Main” to continue.

### Military Pay Tables

The agency responsible for paying America’s service members is the Defense Finance and Accounting Service (DFAS).

#### Military Pay Tables – 1949 to 2013

To find pay table for the past 50+ years, visit: <http://www.dfas.mil/militarymembers/payentitlements/militarypaytables.html>

On August 30, 2013, President Obama informed Congress that he will be exercising his powers as President to cap the military's pay at one-percent for 2014. Congress can still override the President's cap and send him the 1.8% per current Title 37 mandate; however, Congress would need to find the additional funding required to make this a reality, and finding the additional \$580 million will be difficult with the state of today's economy.

The basic pay charts below are for active and reserve components of the United States Army, Navy, Marines, Air Force, Coast Guard and National Guard for the calendar year 2014, beginning January 1st if approved. The pay rates are monthly amounts rounded to the nearest U.S. dollar.

#### 2014 Proposed Base Pay for Enlisted Members

Pay-Grade	Less-than-2	Over-2	Over-3	Over-4	Over-6
E-9	-	-	-	-	-
E-8	-	-	-	-	-
E-7	\$2,752	\$3,004	\$3,119	\$3,272	\$3,391
E-6	\$2,381	\$2,620	\$2,735	\$2,848	\$2,965
E-5	\$2,181	\$2,327	\$2,440	\$2,555	\$2,735
E-4	\$2,000	\$2,102	\$2,216	\$2,328	\$2,427
E-3	\$1,805	\$1,919	\$2,035	\$2,035	\$2,035
E-2	\$1,717	\$1,717	\$1,717	\$1,717	\$1,717
E-1	\$1,532	\$1,532	\$1,532	\$1,532	\$1,532
Pay-Grade	Over-8	Over-10	Over-12	Over-14	Over-16
E-9		\$4,837	\$4,946	\$5,084	\$5,247
E-8	\$3,959	\$4,134	\$4,243	\$4,373	\$4,514
E-7	\$3,595	\$3,710	\$3,914	\$4,084	\$4,200
E-6	\$3,228	\$3,331	\$3,530	\$3,591	\$3,636
E-5	\$2,923	\$3,076	\$3,095	\$3,095	\$3,095
E-4	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427
E-3	\$2,035	\$2,035	\$2,035	\$2,035	\$2,035
E-2	\$1,717	\$1,717	\$1,717	\$1,717	\$1,717
E-1	\$1,532	\$1,532	\$1,532	\$1,532	\$1,532

<b>Pay-Grade</b>	<b>Over-18</b>	<b>Over-20</b>	<b>Over-22</b>	<b>Over-24</b>	<b>Over-26</b>
<b>E-9</b>	\$5,411	\$5,674	\$5,896	\$6,129	\$6,487
<b>E-8</b>	\$4,768	\$4,896	\$5,115	\$5,237	\$5,536
<b>E-7</b>	\$4,324	\$4,372	\$4,532	\$4,619	\$4,947
<b>E-6</b>	\$3,687	\$3,687	\$3,687	\$3,687	\$3,687
<b>E-5</b>	\$3,095	\$3,095	\$3,095	\$3,095	\$3,095
<b>E-4</b>	\$2,427	\$2,427	\$2,427	\$2,427	\$2,427
<b>E-3</b>	\$2,035	\$2,035	\$2,035	\$2,035	\$2,035
<b>E-2</b>	\$1,717	\$1,717	\$1,717	\$1,717	\$1,717
<b>E-1</b>	\$1,532	\$1,532	\$1,532	\$1,532	\$1,532

**Proposed 2014 Base Pay for Warrant Officers**

<b>Pay-Grade</b>	<b>Under-2</b>	<b>Over-2</b>	<b>Over-3</b>	<b>Over-4</b>	<b>Over-6</b>
<b>W-5</b>	-	-	-	-	-
<b>W-4</b>	\$4,003	\$4,306	\$4,430	\$4,552	\$4,761
<b>W-3</b>	\$3,656	\$3,808	\$3,964	\$4,016	\$4,179
<b>W-2</b>	\$3,235	\$3,541	\$3,635	\$3,700	\$3,910
<b>W-1</b>	\$2,840	\$3,145	\$3,227	\$3,401	\$3,607
<b>Pay-Grade</b>	<b>Over-8</b>	<b>Over-10</b>	<b>Over-12</b>	<b>Over-14</b>	<b>Over-16</b>
<b>W-5</b>	-	-	-	-	-
<b>W-4</b>	\$4,968	\$5,178	\$5,494	\$5,771	\$6,034
<b>W-3</b>	\$4,502	\$4,837	\$4,995	\$5,178	\$5,366
<b>W-2</b>	\$4,236	\$4,397	\$4,557	\$4,751	\$4,903
<b>W-1</b>	\$3,909	\$4,051	\$4,248	\$4,442	\$4,595
<b>Pay-Grade</b>	<b>Over-18</b>	<b>Over-20</b>	<b>Over-22</b>	<b>Over-24</b>	<b>Over-26</b>
<b>W-5</b>		\$7,118	\$7,479	\$7,748	\$8,046
<b>W-4</b>	\$6,249	\$6,459	\$6,768	\$7,022	\$7,311
<b>W-3</b>	\$5,704	\$5,933	\$6,070	\$6,215	\$6,413
<b>W-2</b>	\$5,041	\$5,205	\$5,314	\$5,400	\$5,400
<b>W-1</b>	\$4,736	\$4,907	\$4,907	\$4,907	\$4,907

Sources: <http://usmilitary.about.com/od/payandbenefits/a/Fy2014ProposeMilPayEnl.htm>  
<http://usmilitary.about.com/od/payandbenefits/a/FY2014ProposedMilPayRatesWO.htm>

## Allowances

### Basic Allowance for Subsistence (BAS)

BAS is meant to offset costs for a member's meals. This allowance is based in the historic origins of the military in which the military provided room and board (or rations) as part of a member's pay. This allowance is not intended to offset the costs of meals for family members.

Beginning on January 1, 2002, all enlisted members get full BAS, but pay for their meals (including those provided by the government). This is the culmination of the BAS Reform transition period.

Because BAS is intended to provide meals for the service member, its level is linked to the price of food. Therefore, each year it is adjusted based upon the increase of the price of food as measured by the USDA food cost index. This is why the increase to BAS will not necessarily be the same percentage as that applied to the increase in the pay table, as annual pay raises are linked to the increase of private sector wages.

2012-2014 BAS (Basic Allowance for Subsistence) Comparison				
Year	Proposed Increase	Actual Increase	Enlisted BAS	Officers BAS
2014	3.40%	N/A	N/A	N/A
2013	3.40%	1.09%	\$352.27	\$242.60
2012	3.40%	7.20%	\$348.44	\$239.96

Read more: <http://militarybenefits.info/2014-bas-basic-allowance-for-subsistence-rates/#ixzz2kw8U7vSr>

### Basic Allowance for Housing (BAH)

BAH is an allowance to offset the cost of housing when you do not receive government-provided housing. Your BAH depends upon your location, pay grade and whether you have dependents. BAH rates are set by surveying the cost of rental properties in each geographic location. The rates are established such that members in each pay grade, independent of location, pay approximately the same out-of-pocket costs. Therefore, BAH rates in high-cost areas will be much greater than those in low-cost areas. BAH rates are explained at <https://www.defensetravel.dod.mil/site/bah.cfm> and service members can calculate their BAH payment here: <http://www.defensetravel.dod.mil/site/bahCalc.cfm>

Additionally, there are different types of BAH to compensate for special situations.

### BAH Levels and Increases

The Secretary of Defense announced a major FY2001 Budget initiative to eliminate out-of-pocket costs for off-base housing in the United States. This action reduced service members' out-of-pocket costs for housing from an average of 18.8 percent of monthly housing costs in 2000 to 15 percent in 2001, with continued reductions each year thereafter. Average out-of-pocket costs were entirely eliminated in 2005.

Average rental costs in particular locations fluctuate, both up and down. Until 2005 when the transition from the old Basic Allowance for Quarters and Variable Housing Allowance (BAQ/VHA) to BAH is complete, BAH rates did not decrease at any location. Beginning in 2006, BAH rates for an area may follow both the increases and decreases of average rental costs, but no individual's rate will decrease

### Different Types of BAH

There are several types of BAH to satisfy various housing situations that occur among military members. In general, the amount of BAH you receive depends on your location, pay grade, and whether you have dependents. Under most circumstances, you receive BAH for the location where you are assigned, not where you live. Additionally, you may be

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entitled to some BAH amounts if you are residing separately from your dependents. This occurs in situations involving unaccompanied overseas tours or having a dependent child that resides with a former spouse. The rules regarding these situations can become quite complex. Consult your Finance Office if you are in one of these situations. Each type of BAH is described below.

### **BAH With Dependents and BAH Without Dependents**

A member with permanent duty within the 50 United States, who is not furnished government housing, is eligible for Basic Allowance for Housing (BAH), based on the member's dependency status at the permanent duty ZIP Code. A member stationed overseas, including U.S. protectorates, who is not furnished government housing, is eligible for Overseas Housing Allowance (OHA) based on the member's dependency status. If a member is serving an UNACCOMPANIED overseas tour, the member is eligible for BAH at the "with dependents" rate, based on the dependent's US residence ZIP Code, plus OHA at the "without dependents" rate, if the member is not furnished government housing overseas.

### **Partial BAH**

A member without dependents who is living in government quarters is entitled to a Partial BAH.

### **BAH II (Reserve Component/Transit)**

BAH-II (RC/T) is the housing allowance for members in particular circumstances, for example, reservists on active duty less than 30 days. It also applies when a member is in transit from selected areas where no prior BAH rate existed. It does not vary by geographic location. BAH-II (RC/T) was set based on the old Basic Allowance for Quarters (BAQ), which was based on the national average for housing. BAH-II is published annually and is determined by increasing the previous year's table by the percentage growth of housing costs.

### **BAH-Diff**

BAH-DIFF is the housing allowance amount for a member who is assigned to single-type quarters and who is authorized a basic allowance for housing solely by reason of the member's payment of child support. A member is not entitled to BAH-DIFF if the monthly rate of that child support is less than the BAH-DIFF. BAH-DIFF is determined by the SECDEF and was equal to the *difference* between BAH-II with dependents and BAH-II without dependents in 1997 for the member's grade. BAH-Diff is published annually and is determined by increasing the previous year's table by the percentage growth of the military pay raise. For more information contact your finance office or consult Section 260416, Chapter 26 FMR.

### **Frequently Asked Questions**

#### **1) Who is eligible for BAH?**

A member assigned to permanent duty within the 50 United States, who is not furnished government housing, is eligible for a Basic Allowance for Housing (BAH), based on the member's dependency status at the permanent duty station ZIP Code. A member stationed overseas (except in Hawai'i and Alaska), including U.S. protectorates, who is not furnished government housing, is eligible for an Overseas Housing Allowance (OHA) based on the member's dependency status. If a member is serving an UNACCOMPANIED overseas tour, the member is eligible for BAH at the 'with dependents' rate, based on the dependent's U.S. residence ZIP Code, plus FSH at the OCONUS PDS, if the member is not furnished government housing overseas.

#### **2) Where can I look up my rates and learn more about Basic Allowance for Housing?**

Go to the [BAH Calculator page](#).

#### **3) I looked up the current year BAH amount for my grade and ZIP Code, and it's less than I was getting last year. Am I going to lose money?**

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No. BAH rate protection keeps an individual from having a reduction in BAH as long as the individual maintains "uninterrupted eligibility"[see below] for BAH. This means an individual is authorized the 1 January rate for the individual's grade and location or the housing allowance being paid on 31 December of the previous year, whichever is larger.

**4) Can I ever lose rate protection?**

Three separate circumstances may lead to a change in your status that "interrupts your eligibility" for the allowance, and then, only if the published allowance for your grade and location is less than what you are getting now.

First, and most common, a decrease will occur when you PCS to a location where the cost of housing is less than your current duty station. At the new duty station you will get a lower housing allowance, but you should be no worse off, because the allowance is driven by the housing costs there.

Second, if you are demoted, your housing allowance reverts to the then-current published table of allowances for your lower grade. Promotions will not lower your housing allowance.

Third, if your dependency status changes (from with-dependents to without-dependents, or vice versa), your housing allowance is determined by your new dependency status, and the then-current published table of allowances for your grade.

**5) If, in a given year, I lose rate protection, am I protected from further decreases in the following year(s)?**

Yes. An individual is authorized the larger of:

1. the January 1 published BAH for grade and location;  
or
2. the housing allowance being paid on December 31.

**6) Does rate protection keep me from getting rate increases?**

No. An individual is authorized the larger of:

1. the January 1 published BAH for grade and location;  
or
2. the housing allowance being paid on December 31.

**7) If I get promoted, do I get the "protected" BAH amount for my new pay grade?**

No. If you are promoted, your BAH rate is the then-current published BAH for your new (higher) grade, with the following exception. If you get promoted, and are in a location where the current published BAH for your new grade is lower than the BAH amount you were receiving before, you continue to receive the higher BAH amount.

**8) Will I see big changes in housing allowances on January 1?**

Typically changes in housing allowances are modest. Allowances reflect the costs associated with household rental. Generally, rental prices change between 2%-5% from year to year, with "hot" markets changing 5%-10%. Housing allowances typically change accordingly.

**9) I still have some out-of-pocket expenses.**

Yes, that will be true for one half of the members at a location, but the other half will have out-of-pocket expenses that are less! This is what is meant by median. For a given individual, actual out-of-pocket expense is higher or

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lower based on the actual housing choice. For example, if a member lives in a 3-bedroom townhouse with lease and utilities that cost \$1,200, and the median cost for that dwelling in the area is \$1,100 that member has out-of-pocket expenses that are \$100 more than the typical out-of-pocket expense for that grade. The opposite is true for an individual who chooses to occupy a less expensive residence. Only for the member whose housing costs are exactly at the median will out-of-pocket expenses be the same for a given pay grade and dependency status in any location in the United States.

**10) The BAH for my grade doesn't begin to cover my mortgage payment.**

BAH is based on rental data. Homeowners' monthly mortgage payments are not used in the computation because the monthly cash outlays of homeowners are not a good indicator of the economic costs of home ownership. The variables needed to compute this include such difficult to measure factors as the expected appreciation in the value of the residence, the amount of down payment, the opportunity costs of interest from down payments, settlement costs, and the tax savings due to the interest payments deduction. Therefore, BAH reflects the current rental market conditions not the historical circumstances surrounding various mortgage loans.

**11) What is the source of BAH Rental data?**

Current data is obtained from multiple sources, employing a "checks and balances" approach to ensure reliability and accuracy of data. Current residential vacancies, identified in local newspapers and real estate rental listings, are an important, but not the only source of data. Vacancies are selected at random, and subjected to a multi-tiered screening process to ensure accuracy and reliability. Telephone interviews establish the availability and exact location of each residential unit sampled. The sample is designed to obtain a statistical confidence level of 95% or higher. Yellow page listings of apartments and real estate management companies are also used to identify units for rental pricing. It is not uncommon for real estate professionals in a certain locality to be consulted to obtain important confirmation and additional sources of data. Where available, fort/post/base housing referral offices are also contacted to tap local military expertise and gain insights into the local concerns of our members. Finally, DOD and the Services conduct on-site evaluations at various locations to confirm and ensure reliability and accuracy of the cost data. Future enhancements include examining potential uses of the Internet as well as housing data available from other government agencies.

**12) What steps do you take to ensure reliability and accuracy of the data?**

In selecting specific units to measure, a multi-tiered screening process is employed to ensure that the units and neighborhoods selected are appropriate. Every property to be used is verified by telephone to ensure the correct rent and addresses are captured. The property address is mapped to ensure it falls within the boundaries of the housing area being sampled. In order to avoid sampling high-crime or other undesirable neighborhoods, Military Housing Offices (MHO) have the ability to exclude certain areas from data collection. In areas where the MHO has not identified exclusions, an income screening process, to identify appropriate neighborhoods, is used. For example, 3- and 4-bedroom single-family units are priced to set the rates for senior enlisted/officers, so 3- and 4-bedroom single family units are selected in neighborhoods where the typical civilian income is in the same range as senior enlisted/officers. When 1-bedroom apartments (junior single enlisted) neighborhoods are priced, focus is on where the typical civilian income is consistent with the income level that is typical for these grades. For comparison purposes, civilian salary equals the sum of military basic pay, average BAH, BAS, plus the tax advantage of the untaxed allowances.

**13) What is included in median housing costs?**

Current market rent, average utilities and renters insurance.

**14) How often is housing data collected?**

Data is collected annually, in the spring and summer when housing markets are most active.

**15) What types of residences are included in the data collection?**

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Data include apartments, town homes/duplexes, as well as single-family rental units of various bedroom sizes.

**16) Does family size make a difference?**

No. Although BAH distinguishes between with-dependents and without-dependents, the with-dependents compensation is based on comparable civilians using average family size.

**17) In determining the income of comparable civilians is military family income considered, which includes the income of the working spouse (if any)?**

No. Military members should not be put in a situation where spouses are required to work, so in considering the military, Regular Military Compensation that equals the sum of military basic pay, BAH, BAS, plus the tax advantage of the untaxed allowances is used.

**18) Does BAH guarantee that my residence matches what I could get if I lived in government quarters?**

No. BAH is based on civilian standards, considering the housing choices made by civilians of comparable income.

**19) What are the civilian housing standards used?**

These are income-based, minimum housing standards used to establish the link between housing cost and pay grade. Of course, members are not limited to the standard, and are free to choose where and how they will live. Actual member choices, however, will no longer influence the calculation of rates.

**20) Why is BAH based on my duty location? Why not use my residence location?**

The policy decision to use duty location as a basis for BAH is based on the desire to compensate members for the typical housing cost within a "reasonable commuting distance" from the member's duty location. Once the duty station is known, the BAH compensation is fixed, regardless of where the member lives. If the member's residence location was used as a basis for the allowance, there is the concern that this would cause members to choose their residence location based on BAH. In some cases, this may lead to some members choosing to live further from their duty station, simply to receive higher BAH. In other cases, when members commute to lower cost areas, members would find their BAH to be lower, even though their commuting expenses are higher. The Services decided to base the allowance on the duty location with the full knowledge that members would still be free to live where they choose, but that this decision would not affect the BAH amount.

Geographically separated families (geographic bachelors) are normally eligible for BAH based on the member's duty station. Each Service budgets for support of a certain number of members and families at each location. If a growing number of people decide to leave their families in Washington, or Tampa while the member PCS's to Mt Home or Ft. Hood that could skew the budget and service support planning for these locations. Also, a fundamental philosophy of military service is that members, with their families, create a better work environment and esprit de corps when they can be active participants in the local base and community. In certain circumstances, with specific approval of the Secretary of the Service concerned, a member may be granted an exception to receive BAH based on the dependent's location. For example if a member has a sick child that requires medical attention only available in a certain location (say Walter Reed Army Medical Center in Washington DC), and the member receives PCS orders, the member might leave the family in Washington and request BAH eligibility for that location. Such exceptions do not ordinarily apply to spousal employment or other personal choices.

**21) If people choose to live further away to reduce their housing expense, does that lower BAH for everyone else?**

No. Members' expenses are no longer used to calculate BAH.

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**22) Why does someone living in another city get more BAH than I do, when it seems to me that housing is more expensive here?**

Accurately determining if one location has more expensive rental markets than another is a scientific and statistical exercise. Sometimes, individuals rely on limited personal experience or newspaper and magazine articles to make that judgment.

**23) The cost of living here is high; I have no commissary, exchange, or hospital--I need more BAH.**

BAH is designed to address the cost of housing in each area. The CONUS COLA program addresses non-housing costs of living. The fundamental goal of CONUS COLA is to compensate for high cost of living and is payable to Uniformed Service members based on duty stations in the Continental U.S (i.e., the 48 contiguous states and DC). CONUS COLA is based on grade and dependency status (with or without), and specifically considers the availability of commissary, exchange, and hospital facilities, because members without this infrastructure tend to have a higher cost of living. It should be noted, however, that lack of such infrastructure does not, by itself, qualify an area for CONUS COLA

**24) How do you geographically define a locality?**

For the purpose of defining the term, "locality," used as the basis for calculating local housing costs, the Uniformed Services have concurred in aggregating individual ZIP Codes into groups called Military Housing Areas (MHAs). An MHA includes rental markets, generally within twenty miles or one hour's drive in rush hour traffic, surrounding a duty station or a metropolitan area. The principal goal of defining an MHA based on reasonable commuting distance is that members ought to receive a BAH sufficient to permit the typical member to live a reasonable distance from his or her duty station. Of course, each member is free to choose a neighborhood that suits individual needs, e.g., amenities, schools, and public transportation. Operationally, a MHA is defined as a collection of ZIP Codes. There are about 350 geographic MHAs in the United States, named for the installation or the nearest city (e.g., Fort Hood, Castle AFB, Washington, D.C., and Denver).

**25) Who actually collects your data for you?**

Robert D. Niehaus, Inc. (RDN) is employed to collect the nation-wide housing cost data that are used to compute BAH. Established in 1983, RDN is a professional economic and public policy consulting firm located in Santa Barbara, California. The firm specializes in applied analysis of military housing, water resources, environmental resources, industry economics, and community socioeconomic issues. RDN possesses many years of experience with DoD military housing projects and housing market research.

**Please note: RDN does not determine BAH policy. All inquiries should be directed, via your chain of command, to the Compensation Director of your Service.**

**26) What method do you use to calculate BAH in places without directly-collected cost data?**

**27)** BAH is defined for every location in the United States, even though some locations may have no military population. This is because BAH rates must be available should a member ever establish eligibility in that location. It is not cost effective to collect rental data for all such locations. To handle this situation, these areas are combined with other areas of similar cost for which RDN cost data is available. Pooling the data in this manner gives us sufficient data necessary to attain statistically reliable housing costs and BAH rates. Comparable housing costs are determined using Fair Market Rents (FMRs) published annually for all counties by the Department of Housing and Urban Development. After grouping or pooling the data, the result is a set of counties with comparable housing costs and BAH rates called a County Cost Group (CCG). There are 39 separate CCGs, each with similar housing cost. Each group includes a statistically sufficient quantity of cost data to calculate average housing costs by size and type of dwelling for that group of counties. Although roughly half the U.S. counties (about 1,500) are in County Cost Groups, these counties contain less than two percent of the uniformed services' population eligible to receive BAH.

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**28) My wife and I are both service members, and we have two children. Why is it that only one of us can collect full rate BAH and the other single BAH? Why couldn't we each claim one child and collect full with-dependent BAH?**

The rules governing allocation of dependents for BAH are specified in the JFTR, Chapter 10. The rules reflect both the law and policy of the Services.

**29) What is BAH-Diff?**

BAH-DIFF is the housing allowance amount for a member who is assigned to single-type quarters and who is authorized a BAH solely by reason of the member's payment of child support. A member is not authorized BAH-DIFF if the monthly rate of that child support is less than the BAH-DIFF amount. The BAH-DIFF amounts, originally calculated in 1997, are updated annually based on changes in the Basic Pay tables. For more information contact your servicing finance office or consult JFTR, par. U10008.

**30) I am divorced with children, what is my BAH allowance?**

It depends on whether or not you have legal and physical custody of your children, pay child support, and/or live in single-type government quarters. If you have legal and physical custody of your children, then you are authorized BAH at the with-dependent rate if not assigned adequate family-type government quarters. If your former spouse has custody and you are paying adequate child support (at least in an amount of your BAH-DIFF rate) you are authorized BAH at the with-dependent rate if not in government quarters or BAH-DIFF if assigned single-type government quarters.

**31) I am a Service member who is divorced from another Service member and shares legal custody of the child/children with the former spouse. May both members receive BAH with dependents?**

No, both members may not receive a housing allowance based on the same dependent. When the former spouses share legal and physical custody of the child, each parent is authorized BAH at the with-dependent rate during the period the child is actually in the parent's physical custody. Both parents may not receive a housing allowance for the child during the same period. The rules governing member to member BAH are found in the JFTR, Chapter 10 - Part C.

**32) May I receive BAH if I am a Service member divorced from another Service member and do not have legal or physical custody of the child/children, but I am required to pay the former spouse child support?**

No, A member is not authorized BAH or OHA solely on the basis of the member's child support payment when the child/children is/are in another active duty member's custody (including a former spouse), who is assigned to government owned/leased family-type quarters (does not include privatized quarters) or is in receipt of a with dependent housing allowance on behalf of the child/children. For more information, see JFTR, pars. U10120, U10122, U10124, U10126 and U10206.

### **Tax Advantages**

A substantial, but often unseen and overlooked, aspect of military pay is certain built-in tax advantages. Most allowances are tax-exempt. Additionally, certain hardship circumstances will change normally taxable pay into tax-exempt.

### **Tax-Exempt Allowances**

While all pays are taxable, most allowances are tax-exempt. The primary allowances for most individuals are BAS and BAH, which are tax-exempt. CONUS COLA is one allowance that is taxable. A law change mandated that every allowance created after 1986 would be taxable. CONUS COLA was authorized in 1995 and, thus became, the first taxable

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allowance. Tax savings can be significant as BAS and BAH averages over 30% of a member's total regular cash pay. In addition to being tax-exempt from Federal and State taxes, these allowances are also excluded from Social Security taxes.

### **Explanatory Example**

(Note: using hypothetical pay, allowance and tax rates)

Consider a member who is married and has 1 child (family size is 3). Her annual cash pay is:

Basic Pay	\$29,008.80
BAH	\$11,196.00
BAS +	\$ 2,899.20
Total	\$43,104.00

The Federal Income Tax for this person is estimated as \$1,223.82 given a family with 3 persons taking the standard deduction for married taxpayers filing a joint return.

The net take-home pay after tax is:

Total Cash Pay	\$43,104.00
Federal Taxes -	\$1,223.82
Net Take-home Pay	\$41,880.18

This person is in the 15% tax bracket and so if taxed on the allowances would pay another \$2,114.28 in taxes. But, in order to take home \$41,880.18 after tax, we have to add the extra taxes that would be paid on that amount and so on until we added a total of \$2,487.36.

Therefore, the salary equivalent or RMC for this person is:

Total Cash Pay	\$43,104.00
Tax Advantage +	\$2,487.36
RMC	\$45,591.36

If all the pay were taxed, the member could pay \$3,711.18 federal income tax:

RMC	\$45,591.36
Federal Income Tax -	\$3,711.18
Net Take-home Pay	\$41,880.18

,and still have the same after tax take home pay.

In personalizing the tax advantage, you have to consider other factors, such as state and local taxes, spousal income, and other income. Suppose this family has an additional \$24,000 in taxable income (spouse earnings plus interest earnings in a savings account.) so their total income is \$67,104.00. Add on living in Virginia with a tax bracket of 6% and federal bracket of 15% or 21% total.

Their tax advantage is \$5,054.40.

The Regular Military Compensation calculator (<http://militarypay.defense.gov/pay/calc/index.html>) can be personalized with your situation to estimate your tax advantage.

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## **Combat Zone Exclusions**

Being assigned to or working in a combat zone triggers another tax advantage. Earnings received while in the combat zone are excluded from taxable income. This exclusion is unlimited for enlisted members and warrant officers and is limited to limited to the maximum enlisted pay amount for officers. If you spend a single qualifying day in the combat zone, your pay for the entire month is excluded from taxable income.

Bonuses and special pays are also excluded from taxable income if within the previously stated limitations and earned in the same month in which you served in a combat zone. For example, an enlisted reenlistment bonus is excluded from taxes if the member reenlists in the same month in which the member served in a combat zone. Since there is no limitation on amounts excluded for enlisted members, the entire reenlistment bonus would be excluded. As another example, an officer's flight pay would also be excluded from taxable income, but only up to the point which basic pay and the flight pay do not exceed the maximum enlisted pay amount. The Career Status Bonus received by members who may choose between High-3 and CSB/REDUX retirement plans and who elect the CSB/REDUX retirement plan also falls in this category. To be considered "earned" in the combat zone, the CSB/REDUX election must be accepted by the Service and considered final in the month in which the member was in the combat zone.

## Retirement

Service members who remain on active duty or serve in the Reserves or Guard for a sufficient period of time may retire and receive retired pay. Retirees also retain the privilege to use base facilities, such as the Commissary and gym. Those members who entered Service on or after August 1, 1986, and who will qualify for an active duty retirement, may choose between two of the current three systems. Members who become disabled while on duty may be medically retired and receive a disability retirement. Additionally, all retirees may choose to participate in the Survivor Benefit Plan or the Reserve Components Survivor Benefit Plan, which protects the retiree's family financially in the event of his or her death. Social Security will likely provide additional retirement benefits to retirees beginning, for most persons, after turning 62.

### Active Duty Retirement

Members who remain on active duty for 20 or more years are eligible for retirement. There are three non-disability retirement systems currently in effect. These are Final Pay, High-3 Year Average, and Military Retirement Reform Act of 1986 (more commonly referred to as REDUX). REDUX was revised by the FY2000 National Defense Authorization Act—a \$30,000 Career Status Bonus (CSB) was added for those who accept the REDUX retirement system. Individuals formerly under REDUX may now choose between the High-3 and CSB/REDUX systems. The date you first entered the military determines which retirement system applies to you and whether you have the option to choose your retirement system.

### Which System

To decide which system applies to you, you must determine the date that you **FIRST** entered the military. This date is called the DIEMS (Date of Initial Entry to Military Service) or DIEUS (Date of Initial Entry to Uniformed Services). The date you first entered the military is the first time you enlisted or joined the active or reserves. This date is fixed – it does not change. Departing the military and rejoining does not affect your DIEMS.

Some individuals have unique circumstances that complicate determining their DIEMS. Here are a few examples:

- The DIEMS for Academy graduates who entered the Academy with no prior service is the date they reported to the Academy, not the date they graduated.
- Beginning an ROTC scholarship program or enlisting as a Reserve in the Senior ROTC program sets the DIEMS, not the graduation or commissioning date.
- Members who entered the military, separated, and then rejoined the military have a DIEMS based on entering the first period of military service.
- The DIEMS for members who enlisted under the delayed entry program is when they entered the delayed entry program, not when they initially reported for duty.
- For those who joined the Reserves and later joined the active component, their DIEMS is the date they joined the Reserves.

Be aware that your pay date may be different than your DIEMS. Also, your DIEMS does not determine when you have enough time in the service to retire---it only determines which retirement system applies to you.

Not all services have their DIEMS dates properly defined in their personnel records. If you have unusual circumstances and are unsure of when your DIEMS date is or believe your records show an incorrect DIEMS date, contact your personnel office to discuss your particular situation.

Now, based upon the date you initially entered the military, you can determine which retirement system applies to you.

Retirement System	Criteria to Receive
Final Pay	Entry before September 8, 1980

High-3	Entry on or after September 8, 1980, but before August 1, 1986 OR Entered on or after August 1, 1986, AND did not choose the Career Status Bonus and REDUX retirement system
CSB/REDUX	Entered on or after August 1, 1986, AND elected to receive the Career Status Bonus (if you do not elect to receive the Career Status Bonus, you will be under the High-3 retirement system)

### Final Pay Retirement System

Final Pay applies to those who entered the Service before September 8, 1980.

Each year of service is worth 2.5% toward the retirement multiplier. Hence, 2.5% x 20 years = 50% and 2.5% x 30 years = 75%. The longer an individual stays on active duty the higher the multiplier and the higher the retirement pay, up to the maximum of 75 percent.

Years of service	20	21	22	23	24	25	26	27	28	29	30
<b>High-3</b>	50%	52.5%	55%	57.5%	60%	62.5%	65%	67.5%	70%	72.5%	75%

This multiplier is applied against the final basic pay of the individual's career. Also, remember only basic pay is used in retirement calculations in all retirement systems. Allowances and special pays do not affect retired pay.

Cost of Living Adjustments (COLAs) are given annually based on the increase in the Consumer Price Index (CPI), a measure of inflation. Under the Final Pay System, the annual COLA is equal to CPI. This is a different index than the one used for active duty annual pay raises. The index used for active duty pay raises are based upon average civilian wage increases. Thus, retirement pay COLAs and annual active duty pay raises will differ.

### High-3 Year Average Retirement System

This system applies to members who first entered Service after September 8, 1980, but before August 1, 1986. It also applies to individuals who entered on or after August 1, 1986, who do not elect the REDUX retirement system with the Career Status Bonus at their 15th year of service.

Each year of service is worth 2.5% toward the retirement multiplier. Hence, 2.5% x 20 years = 50% and 2.5% x 30 years = 75%. The longer an individual stays on active duty the higher the multiplier and the higher the retirement pay, up to the maximum of 75 percent.

Years of service	20	21	22	23	24	25	26	27	28	29	30
<b>High-3</b>	50%	52.5%	55%	57.5%	60%	62.5%	65%	67.5%	70%	72.5%	75%

This multiplier is applied against the average basic pay for the highest 36 months of the individual's career. This typically, though not always, equals the average basic pay for the final three years of service. Also, remember only basic pay is used in retirement calculations in all retirement system options. Allowances and special pays do not affect retired pay.

Cost of Living Adjustments (COLAs) are given annually based on the increase in the Consumer Price Index (CPI), a measure of inflation. Under the High-3, the annual COLA is equal to CPI. This is a different index than the one used for active duty annual pay raises. The index used for active duty pay raises are based upon average civilian wage increases. Thus, retirement pay COLAs and annual active duty pay raises will differ.

### CSB/REDUX Retirement System

The Military Reform Act of 1986 created the REDUX retirement system and it applied to all members who joined on or after August 1, 1986. The National Defense Authorization Act (NDAA) for FY2000 amended this system. The NDAA made two major changes: 1) it allows those in this group to choose between the High-3 retirement system and the REDUX retirement system and 2) it added a \$30,000 Career Status Bonus as part of the REDUX retirement system.

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The CSB/REDUX retirement system applies to those who entered Service on or after August 1, 1986, AND who elected to receive the \$30,000 Career Status Bonus at their 15th year of service.

The REDUX retirement system and Career Status Bonus is a "package deal." It is the combination of these two items that can be advantageous to many individuals. The REDUX portion determines retirement income (the longer one's career, the higher that income) and the \$30,000 Career Status Bonus provides current cash – available for investing, major purchases, or setting up a business after retirement.

### **REDUX System Details**

The REDUX multiplier calculation and annual cost of living adjustments differ from the other systems. Also, REDUX has a catch-up increase at age 62 that brings the REDUX retired pay back to the same amount paid under the High-3 System. REDUX is the only military retirement system with a readjustment feature.

Each of the first 20 years of service is worth 2.0% toward the retirement multiplier. But each year after the 20th is worth 3.5%. Hence, 2.0% x 20 years = 40%. But a 30-year career is computed by 2.0% times the first 20 years plus 3.5% for the 10 years beyond 20, resulting in the maximum of 75%. The table below summarizes the initial multiplier at various years of service under REDUX.

<b>Years of service</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
<b>REDUX</b>	40%	43.5%	47%	50.5%	54%	57.5%	61%	64.5%	68%	71.5%	75%

Under REDUX, the longer an individual stays on active duty the closer the multiplier is to what it would have been under High-3 up to the 30-year point where the multipliers are equal.

In precisely the same way as High-3, this multiplier is applied against the average basic pay for the highest 36 months of the individual's basic pay. This typically, though not always, equals the average basic pay for the final three years of service. Also, remember this is basic pay; allowances and special pays do not affect retired pay.

Cost of Living Adjustments (COLAs) for retired pay are given annually based on the increase in the Consumer Price Index (CPI), a measure of inflation. Under REDUX, the COLA is equal to CPI minus 1%.

A feature unique to REDUX is a re-computation of retirement pay at age 62. Two adjustments are made. The first adjusts the multiplier to what it would have been under High-3. For example, a 20-year retiree's new multiplier would become 50%, a 24-year retiree's multiplier would become 60% but a 30-year retiree's would remain 75%. This new multiplier is applied against the individual's original average basic pay for his or her highest 36 months. Then the second adjustment is done. Full CPI for every retirement year is applied to this amount to compute a new base retirement salary. At age 62, the REDUX and High-3 retirement salaries are equal. But, REDUX COLAs for later years will again be set at CPI minus 1%.

### **The \$30,000 Career Status Bonus**

Those members who elect the CSB/REDUX retirement system at their 15th year of service receive a \$30,000 Career Status Bonus. To receive this bonus, the member must agree to complete a twenty-year active duty career with length-of-service retired pay under the 1986 Military Retirement Reform Act -- 1986 MRRA or REDUX. Continuation beyond twenty years is possible, subject to Service personnel management actions. However, the member's commitment with the CSB is only to the 20-year point. The entire \$30,000 bonus, or first installment payment for those electing a multi-year payment option, is paid shortly after the member makes the CSB/REDUX election and commits to the 20-years-of-service obligation. (Exact mechanics should be provided by your Service near the point you have 14 and 1/2 years of service.)

If the member doesn't complete the obligation of the twenty-year career, the member must repay a pro-rated share of the bonus.

### **Retirement Choice**

Members who entered the service after July 31, 1986, will be given a choice of retirement plans at their 15th year of service. There are two options:

1. Take the pre-1986 retirement system (High-3 Year Average System) OR
2. Elect the post-1986 retirement system (Military Retirement Reform Act (MRRA) of 1986, commonly referred to as REDUX) and take a \$30,000 Career Status Bonus (CSB).

Both options have their own merits. Neither is universally better than the other. Which option is more advantageous can only be determined by each individual for his or her own unique circumstances and preferences.

### Summary

The following chart summarizes the differences between the three current retirement systems.

Retirement System	Basis	Multiplier	COLA	Readjustment	Bonus
<b>Final Pay</b>	Final basic pay	2.5% per year up to 75%	CPI	None	None
<b>High-3</b>	Average of highest 36 months of basic pay	2.5% per year up to 75%	CPI	None	None
<b>CSB/REDUX</b>	Average of highest 36 months of basic pay	2.0% per year for the first 20 years; 3.5% for each year beyond 20, up to 75%	CPI - 1%	At age 62, 1) changes multiplier to 2.5% per year up to 75% 2) adjusts COLA to full CPI for past retired years	\$30,000 at 15th year of service with commitment to complete 20 year career

### The \$30,000 Career Status Bonus: Yes or No?

Those members who elect the CSB/REDUX retirement system at their 15th year of service receive a \$30,000 Career Status Bonus. To receive this bonus, the member must agree to complete a twenty-year active duty career with length-of-service retired pay under the 1986 Military Retirement Reform Act -- 1986 MRRA or REDUX. If the member fails to complete the obligation of the twenty-year career, the member must repay a pro-rated share of the bonus.

The question of whether or not to take the \$30,000 bonus depends on circumstances. If you are going to take the bonus, invest it, and keep it invested with compounding secure double-digit returns, or use it as a down payment on real estate that will appreciate in value over the years. Take the bonus and use it wisely.

Unfortunately, experience shows that most people do not make wise use of this much cash. They blow it off on a new car or great vacation, never realizing the true cost -- a greatly reduced standard of living during retirement -- until it is too late.

### Reality Check

Q. When should you turn down a free \$30,000?

A. When it costs you hundreds of thousands of dollars

Choosing to take the \$30,000 when offered the Career Status Bonus (CSB) and reverting to the REDUX retirement plan could cost you hundreds of thousands of dollars in your future retirement pay.

Service members and their families need to weigh the pros and cons before they decide to take this retirement option. It could mean the difference between actually retiring or working years beyond anticipated retirement.

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Remember, the bonus is taxable income, between \$5,000 and \$10,000 depending on your tax bracket. Taking the bonus also means choosing a reduced retirement plan of 40 percent of basic pay when you retire after 20 years of service versus the 50% available through the High-3 system.

Let's look at two members of the military, each choosing differently for their retirement plan.

Jones decides to refuse the CSB and to remain on High-3 for retirement. High-3 retirement pay is based on the highest average basic pay for 36 months of a Sailor's career times a multiplier equal to 2.5 times the number of years of active duty service. High-3 retired pay increases annually through cost-of-living adjustments (COLA) based on the Consumer Price Index. So Jones's retirement will be 50 percent of basic pay for 20 years of active duty service and an additional 2.5 percent for each additional year served.

His buddy Smith wants the cash bonus, so he chooses to take the CSB and revert to the REDUX retirement option. He'll receive the taxable \$30,000 Career Status Bonus; however, retirement pay after 20 years of active duty will be only 40 percent of basic pay. Additionally, any COLA increases for REDUX retirees will be applied at one percentage point less than that received by High-3 retirees. Plus, the \$30,000 bonus is treated like any other bonus payment for taxes. Smith is in the 15 percent tax bracket, so his bonus payment is reduced to \$25,500. For those in a 28 percent tax bracket, the bonus payment plummets to \$21,600. Depending on pay grade and length of service at retirement, service members will lose not only thousands of dollars in retirement each year with REDUX, but any COLA change is reduced by a full percentage point.

Retirement pays for High-3 and REDUX are set equal to each other at age 62: the REDUX retirement multiplier is adjusted to what it would have been under High-3 and full COLA for every retirement year is applied to this amount to compute the new base retirement salary. Thereafter, annual COLA increases continue to be one percentage point less with REDUX.

Serious financial planning needs to be part of the equation when making the decision to elect to receive a CSB and revert to REDUX for retirement, or turn down the bonus and stay with the High-3 retirement system.

Choosing CSB and REDUX reduces income in retirement. The higher the grade and the lower the years of service at retirement, the more retirement income is reduced. In short, fast-trackers who retire early are penalized most severely. Say that Smith becomes an E-6 with 20 years of service at age 40. Selecting CSB and REDUX at 15 years, Smith pays an interest rate of 10.4 percent for the cash-out and loses \$193,630 after-tax retirement income assuming he lives to an average age of 79 years. Economists estimate that a typical enlisted member with 20 years of service will cut the lifetime value of his or her retirement by \$309,000.

**Bottom line:** before you take the money and run, think it over carefully. If you want to analyze the situation further, check out the tools section on the DoD Web site <http://militarypay.defense.gov/Tools/> where you'll find a retirement pay calculator that lets you compare directly the retirement benefits of High-3 and REDUX retirement plans.

## Frequently Asked Questions

### How do I know if I'm under High-3 or the pre-1980 system?

In the same way the Date Initially Entered Military Service (DIEMS) determines who is in High-3 versus who may choose their retirement system, your DIEMS determines if you are under High-3 or the pre-1980 system referred to as Final Pay. Here are the common examples of circumstances that cross the September 8, 1980, date.

Academy graduates who entered the Academy prior to, but graduated after, September 8, 1980, are under the Final Pay System.

ROTC graduates who began a ROTC scholarship program or enlisted as a Reserve in the Senior ROTC program prior to September 8, 1980, are also under the Final Pay System.

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Officer and enlisted members who initially entered the military prior to September 8, 1980, separated, and after a break in service, rejoined the military, are under the Final Pay System, even if their paydate was adjusted to a date of September 8, 1980, or later.

Members who enlisted under the delayed entry program before September 8, 1980, are Final Pay even if they initially reported for duty, after September 8, 1980.

**I've always been told my Academy time doesn't count toward my retirement. You're telling me differently?**

No. You've been told correctly. Academy time does not add to your years of service and, thereby, increase your retirement pay. But, the date you entered the Academy determines (in most cases) WHICH retirement system you receive.

**For retirement choice, when do I have to decide?**

Typically, you must decide between 14 1/2 and 15 years of service. The date may be later if you receive your notice of eligibility late.

**When do I get the bonus?**

Should you decide to obtain a single lump-sum payment, you will receive your bonus within 90 days you submit your election paperwork and it is accepted by your service. Thus, you will normally be paid by the 15 year and 3 month point of your career. Alternatively, you may decide to accept your payment in installments over a period of up to five years. This alternative was authorized in the FY2002 NDAA, and, therefore, exact mechanics on this option will be forthcoming. An advantage of accepting your bonus over a period of time is that you will be able to place more funds (potentially the entire bonus) into the TSP.

**Suppose I take the Career Status Bonus and later change my mind, can I? Even if I give the bonus back?**

Electing your retirement system is an irrevocable decision. You can not change your election, even if you return the Career Status Bonus. Your decision is not considered a final decision until you complete your 15th year of active duty service. Check carefully with your Service to see when your election will be considered final and thus, no longer revocable.

**What happens if I take the Career Status Bonus and am forced to separate?**

Generally speaking, if you fail to complete a 20-year career, by law, you are required to return a pro-rated share of the retention bonus for the time you did not complete.

**I'm a member of the Reserves, how does this affect me?**

If you are a post-July 1986 member who is serving on active duty with 14 and 1/2 years of retirement creditable active service, you may also choose between High-3 and CSB/REDUX. The reduced retired pay Cost-of-Living Adjustments (COLAs) of REDUX will apply only to persons who elect the CSB.

Reserve members anticipating a Reserve retirement at age 60 (called a non-regular retirement) are not eligible to elect the CSB/REDUX option because the non-regular retired pay multiplier was unaffected by the 1986 REDUX retirement changes. They were, however, affected by the reduced COLA provision which set COLA to CPI minus one. Recent legislation removed this provision so that Reservists who entered after July 1986 and who will receive a Reserve retirement at age 60 will receive full CPI COLAs.

**I'm under High-3 (entered service before August 1986), can I take the bonus and switch to REDUX?**

No. Only service members who entered the service on August 1, 1986, or later are authorized to choose their retirement system.

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**Is the \$30,000 bonus taxable?**

Yes. If you receive the bonus in a single payment, by using a TSP, you may shelter up to the IRS maximum from taxes by placing it into a TSP account. However, if you receive the bonus in installments, you may contribute money to the TSP each year, and, thus, increase the amount you are sheltering from taxes. Other rules and limits may apply to those in receipt of non-taxable pays in a Combat Zone or Qualified Hazardous Duty Area (QHDA). Consult your service tax authorities and TSP information sources for more specifics.

**At what rate is the bonus taxed?**

The bonus is taxed at your Federal, and, if applicable, state, tax rate. Upon receipt, the portion not placed into the TSP will be subject to the same tax consideration as any other bonus pay. Should this exceed your tax rate, you would have the excess returned in your Federal tax refund.

**Will I be able to put the bonus in my IRA?**

Standard IRA rules are unaffected.

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## Health Care Benefits

Our system of health care for veterans is not perfect. Understaffing and overcrowding are not rare at VA hospitals and clinics. Veterans from World War II, Korea, Vietnam and other conflicts must sometimes wait for appointments to see a doctor, for prescription drugs, or for help with post-traumatic stress disorder. And while they are waiting – new veterans are coming home from Iraq and Afghanistan – and they need health care too.

Nonetheless, most observers agree that the care provided to our veterans is generally good. A serious problem is getting into the system itself. One recent applicant for a pension waited for over six months for a response.

Congress is aware of this less than ideal state of affairs and is acting to increase funding for veterans healthcare by billions of dollars.

Prime is TRICARE's managed-care option, similar to a civilian HMO (health maintenance organization).

Active duty service members (ADSM) are required to be enrolled in Prime must take action to enroll, by filling out the appropriate enrollment form and submitting it to the regional contractor. There is no cost to the service member.

Prime enrollees receive most of their health care at a military treatment facility (MTF) and their care is coordinated by a primary care manager (PCM). Prime is not available everywhere.

Prime enrollees must follow some well-defined rules and procedures, such as seeking care, first, from the MTF. For specialty care, the Prime enrollee must receive a referral from his/her PCM and authorization from the regional contractor. Failure to do so could result in costly Point of Service (POS) option charges (POS fact sheet can be found at <http://www.tricare.mil/pointofservice>). Emergency care is not subject to Point of Service option charges.

TRICARE Prime Remote is the program for service members and their families who are on remote assignment, typically 50 miles from a military treatment facility (MTF). Visit <http://www.tricare.mil/TPR> for additional information.

The TRICARE Overseas Program delivers the Prime benefit to ADSMs and families in the three overseas areas, Europe, the Pacific, and Latin America/Canada. The TRICARE Global Remote (TGRO) program delivers the Prime benefit to ADSMs and families stationed in designated "remote" locations overseas.

### Who is Eligible for Prime?

Eligibility for any kind of TRICARE coverage is determined by the uniformed services. TRICARE manages the military health care program, but the services decide who is or is not eligible to receive TRICARE coverage.

Active duty service members (ADSM) are required to be enrolled in Prime. Coverage is automatic, but the service member must fill out and submit an enrollment form.

Many other beneficiaries choose to enroll in Prime-particularly active duty family members (ADFM). For ADFMs enrolled in Prime, there are no enrollment fees, deductibles, or co-payments. ADFMs must take action to enroll-that is, complete and submit an enrollment form to the regional contractor, one for each family member.

Retirees and retiree family members (under age 65 or not otherwise eligible for Medicare) may choose to enroll in Prime. They pay an annual enrollment fee (\$230 for an individual and \$460 for a family) and co-payments. (This also applies to those over 65 who are not Medicare-eligible.) Prime-eligible beneficiaries who choose not to enroll in Prime are covered under TRICARE Standard.

Eligible survivors (under age 65) and eligible family members also may choose to enroll in Prime (in active-duty-family-member status for three years after the sponsor's death; after three years, the status changes to retiree family member).

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Certain activated reservists and national guardsmen, and their family members, are eligible to enroll in Prime. RC members who purchase TRICARE Reserve Select (TRS) are not eligible for Prime.

College students who live separately from their Prime-enrolled parents may still be enrolled in Prime.

Unremarried former spouses of service members may choose to enroll in Prime. But, first, the individual must establish his/her eligibility for health care coverage by verifying registration in the Defense Enrollment Eligibility Reporting System (DEERS) under his/her own social security number.

Newborn babies and newly adopted children are covered under Prime for the first 60 days. After that, they must be properly registered in DEERS and formally enrolled in Prime in order to receive Prime coverage.

**Not covered by Prime:** Usually, retirees age 65 and older are not eligible for Prime because they are eligible for Medicare. (A small group of TRICARE beneficiaries over age 65 are not eligible for Medicare; they continue to be covered by Standard and may enroll in Prime.) Also, Prime is not available to TRS members.

### **Prime Costs**

The charts, below, explain the cost shares for families using TRICARE programs: Prime is an HMO-type program; Standard is a fee-for-service plan; and Extra is a preferred provider option (when the Standard beneficiary sees an in-network provider, he/she is exercising the Extra option.). More information can be found at <http://www.tricare.mil/Costs/HealthPlanCosts/PrimeOptions.aspx>.

### **Enrolling in Prime**

#### **Active Duty**

Prime coverage is automatic, but the ADSM must fill out an enrollment form and submit it to the regional contractor.

#### **All Others**

For other beneficiaries eligible for Prime, enrollment is required.

**Enrollment Forms:** For ADSMs and other eligible beneficiaries who choose to enroll in Prime: Online enrollment and downloadable enrollment forms are available at the regional contractors' Web site at <http://www.tricare.mil/forms/Enrollment.aspx>.

There is a time gap between your submission of a completed enrollment form and it being received and processed by the regional contractor so that your coverage begins. To avoid a lapse in coverage, follow the 20th of the month rule: submit your enrollment form and correct fee payment to the contractor by the 20th of the month before coverage is to begin. For example, if your coverage is due to change--perhaps due to a change from active duty to retiree status--on February 15 and the contractor receives your form and fee by January 20, your new Prime coverage will begin on February 16. If your form is received after January 20, your coverage will begin on March 1.

For guardsmen and reservists who are recalled to active duty during TAMP coverage (the 180 days of TRICARE coverage immediately following release from AD), the change in status requires that the member and family members automatically be disenrolled from Prime under TAMP. Prime coverage can continue – if family members want it – but they must re-enroll under the sponsor's new AD status. Family members have 30 days to submit a Prime enrollment form to the regional contractor under the sponsor's new AD status. If they do:

- They will not be converted to TRICARE Standard.
- They will be retroactively enrolled to the effective date of the sponsor's recent activation
- They will experience no gap in Prime coverage.

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For non active duty beneficiaries, there is an annual enrollment fee, paid to the regional contractor, and modest co-payments for doctor's office visits.

Retirees may pay their TRICARE Prime enrollment fees through a monthly allotment only from their service retirement pay. This retirement pay allotment may be deducted from one of the following pay agencies: Defense Financial Accounting System (DFAS), U. S. Coast Guard, or the U. S. Public Health Service. For more information visit the website at <http://www.tricare.mil/Costs/HealthPlanCosts/PrimeOptions/EnrollmentFees.aspx>. Beneficiaries who receive survivor benefits from either retired or active duty sponsors are paid through a separate pay account and may not set up an enrollment fee allotment.

The TRICARE Service Center, which is usually located inside the MTF (but some are free-standing), is staffed by beneficiary services representatives who can verify your eligibility, explain your options to you, answer your questions, and help you get, fill out, and submit Prime enrollment forms. The TRICARE Service Center is designed to serve walk-in customers.

### **Claims for TRICARE Prime/Prime Remote Enrollees**

If you use network providers, providers file claims on your behalf.

If you use a non-network provider or require emergent/urgent care outside your region, the provider may file claims on your behalf or require you to pay out-of-pocket and file your own paper claim for reimbursement. Visit <http://www.tricare.mil/Welcome/Enroll/TPRO.aspx> and <http://tricare.mil/SecureLogin/EnrollOnline/TPR.aspx> for information on how your claim should be processed.

### **Disenrolling from Prime**

Active duty service members are required to be enrolled in Prime.

If you move out of the region or choose to disenroll from Prime, you must fill out a disenrollment form and submit it to the regional contractor, which will ensure that you do not incur difficulty with claims or costly Point of Service charges.

Family members may choose to disenroll from TRICARE Prime at any time. If they choose to disenroll before the annual enrollment renewal date, they may be subject to a one-year lockout. The lockout provision does not apply to family members whose sponsor is E-1 through E-4.

Overseas: ADFMs are required to disenroll from the TRICARE Overseas Program (TOP) Prime within 60 days of departure if they no longer live in a TOP Prime area. They will be automatically disenrolled from Prime if they become ineligible.

Status change triggers disenrollment: Any change in status (e.g., from active duty to retired or a reservist demobilizing) will cause automatic disenrollment from TRICARE Prime. When the member changes status, and remains TRICARE eligible, he/she must re-enroll in Prime immediately to maintain coverage.

### **Transferring Enrollment in Prime**

#### **Transfer**

Essentially, you need to transfer your enrollment to the new regional contractor (U.S.) or MTF (overseas) and select a new primary care manager (PCM) in order to avoid expensive point-of-service charges.

Before the move, let your current TRICARE Service Center (TSC) know that you are moving. This protects you and your family from incurring charges for unexpected health care needs while you travel to another location (in the U.S. or overseas). When you arrive at your next duty station, stop by a TSC in your new region or overseas area as soon as possible to fill out needed paperwork. If you fail to take action to transfer your enrollment, you will remain enrolled to

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your former PCM. It is important to change one's PCM after the move to ensure that health care coverage is not interrupted during or just after a move to a new location.

### **Re-enroll**

If you decide to transfer your family member enrollment in TRICARE Prime to your new location, you must complete new TRICARE Prime enrollment forms, one for each family member, in your new TRICARE region or overseas area. If you do not transfer enrollment of your family members, they will automatically revert to coverage under TRICARE Standard 60 days after departure from the previous duty station.

### **Retirees Transferring Prime Enrollment**

Retirees and their eligible family members pay Prime enrollment fees. They may transfer their TRICARE Prime enrollment from one region to another without paying additional enrollment fees. Since TRICARE Prime enrollment fees are nonrefundable, retired enrollees/families should consider paying quarterly payments if they anticipate a move to an area without TRICARE Prime.

### **Update DEERS**

When beneficiaries move, they need to update their addresses and personal information in the Defense Eligibility Enrollment Reporting System (DEERS), <http://www.tricare.mil/DEERS>, as soon as possible. DEERS may also be updated by visiting the nearest uniformed service personnel office or by calling the Defense Manpower Data Center Support Office at 1-800-538-9552. Beneficiaries may locate the nearest uniformed services personnel office at <http://www.dmdc.osd.mil/rsl/>.

### **Puerto Rico Prime Benefit**

Under a new contract, May 1, 2004, active duty service members will be able to enroll in TRICARE Overseas Prime, providing a cashless, claimless system for routine, urgent and emergency medical and dental services. Eligible Active Duty Family Members who are accompanied on orders with their sponsors may enroll in the same benefit; however, they must continue to purchase dental services under the TRICARE Dental Program.

Following closure of Naval Hospital Roosevelt Roads on Jan. 31, 2004, active duty service members and their families may visit the medical aid station for routine, urgent and emergency care 24 hours a day, 7 days a week. Beginning March 15, the Medical Unit will provide sick call service for Active Duty and Active Duty Family Members Monday-Friday, from 0730-1600. Beneficiaries may call after hours; however, if active duty sponsors and/or family members have an immediate need after hours, they should go to the closest civilian emergency room. Your family members can arrange care with an external TRICARE network provider. For more information, call (787) 865-5913.

### **TRICARE Prime Travel**

Section 758 of the FY2001 National Defense Authorization Act (NDAA) authorized reimbursement of reasonable travel expenses incurred by non-active duty TRICARE Prime members when they are required to travel more than 100 miles from their Primary Care Manager's (PCM) office for medically necessary, non-emergent specialty care. The required change to the Joint Federal Travel Regulation approving this new entitlement occurred in December 2001. The Prime travel benefit was implemented on February 15, 2002 but also dates back to October 30, 2000 to allow Prime members who traveled and qualified for the benefit to request reimbursement.

Section 706 of the FY2002 NDAA allows one NMA to travel with a non-active duty TRICARE Prime member who is referred more than 100 miles from their PCM for medically necessary, non-emergent specialty care. The traveling patient's PCM must indicate that an NMA is medically necessary and appropriate and the NMA must be a parent, guardian, or another family member (21 or older) related to the traveling TRICARE Prime member. If the NMA is a parent or designated guardian of the traveling Prime patient he/she is not required to be 21 or older. If the NMA is another adult family member, he/she is required to be 21 or older.

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## Travel Distances

Prime Travel benefits are determined based on the distance of the specialty care provider from the Primary Care Manager's location. Entries are based on the zip code of the Primary Care Manager (not the patient zip code) and the Specialty Provider. This is the only tool to be used in determining the distance requirement. Click on the Defense Table of Official Distances (<https://dtod.sddc.army.mil/>) to determine distance. (Please note that the "greater than 100 mile rule" is stated in statute and is not negotiable when determining the applicability of the Prime travel benefit.)

## Costs (Lodging, Meals, Per Diem)

The Prime Travel entitlement allows beneficiaries to be reimbursed for certain travel costs and other associated expenses like lodging and meals. Actual expenses are reimbursed up to the government rate. If beneficiaries have questions regarding government/per diem rates, the following web link provides this information. Beneficiaries will be responsible for all costs exceeding the identified government rate. Visit <http://www.defensetravel.dod.mil/site/perdiemCalc.cfm> to determine per diem rates.

## Prime Compared to Standard

Prime saves on costs. Standard offers greater flexibility and involves greater out-of-pocket expenses.

The Prime enrollee must get care from the MTF, or, through referral, from a civilian network provider. Generally, the Standard beneficiary has much greater flexibility in choosing a doctor (nurse practitioner, lab, etc.). He can make an appointment at the MTF, on a space-available basis, or he can see any TRICARE-certified provider he chooses.

The Prime enrollee pays less for health care than does the Standard beneficiary. Prime-enrolled active duty and ADFM pay nothing for care at the MTF, and they pay only small co-payments per visit to an in-network civilian doctor. Retiree Prime enrollees (and other Prime enrollees who are not AD or ADFM) pay enrollment fees, deductibles, and co-payments. Standard beneficiaries pay deductibles and a share of the cost of their treatment. In general, the Standard beneficiary will have greater out-of-pocket expenses for health care.

The Prime enrollee does not deal with paperwork claims; he has claims filed for him by the provider. The Standard beneficiary will often need to file his own paperwork claims for reimbursement. Prime (and TPR) are not available everywhere. Standard coverage is available nationwide and, indeed, all over the world.

Prime enrollees must adhere to certain rules governing their health care: For specialty care, for example, they must receive a referral from their PCM and then get an authorization for care from the regional contractor. On the other hand, for most specialty care, Standard beneficiaries make their own appointments with the providers of their choice.

## Enrolling in TRICARE Overseas Program (TOP) Prime

The TRICARE Prime benefit is available overseas. The TRICARE Overseas Program (TOP) Prime serves active duty service members and eligible family members stationed overseas in one of the three overseas areas: Europe, Pacific, Latin America/Canada.

Enrollment in TOP Prime for Active Duty Family Members (ADFM) living overseas is not automatic. ADFMs must enroll in TOP Prime just as they would stateside. ADFMs who wish to enroll in TOP Prime must meet certain criteria:

- Be eligible in DEERS
- Be listed on their permanent change of station (PCS) orders or relocate on service sponsored/funded orders

A military sponsor, spouse, or other adult family member must fill out an enrollment application and submit it to the nearest TRICARE Service Center (TSC), TRICARE POC, or the TRICARE Area Office.

TOP enrollment begins on the date of acceptance of your enrollment package. ADFMs may enroll at any time. Enrollment continues until they choose to disenroll, or are transferred to another TRICARE region or area, or until they become

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ineligible for TOP Prime or the TRICARE program. There are no enrollment fees, co-payments, or deductibles for using TOP Prime.

### **Moving**

If you are scheduled for a permanent change of station (PCS) move, you will remain enrolled in Prime for a maximum of 60 days from the date you leave your current TRICARE region (in the U.S. Territories or overseas).

### **Accessing Care in TRICARE Overseas Program (TOP) Prime**

#### **Military Treatment Facility Care**

When you enroll in TOP Prime, you will select a primary care manager (PCM) or one will be assigned to you. Your PCM provides all of your primary care or refers you to another provider if he or she cannot provide the care. You must have a referral and authorization from your PCM for routine, specialty, or inpatient care provided by anyone other than your PCM. You will usually receive most of your PCM care, preventive services, and specialty care services from an MTF.

#### **Accessing Host Nation Specialty Care**

When necessary, you will be referred by your PCM for specialty care to qualified host nation providers. In most cases, these providers will speak English. If not, bilingual patient liaisons are available at each MTF to interact with local providers and assist you. Most MTFs across the TRICARE network in Latin America and Canada ensure information from medical consults and hospitalizations are translated into English to include in your medical record if needed. Many host nation providers expect payment at the time services are provided, often in local currency, instead of U.S. dollars. If this is the case, you may then submit a claim to the overseas claims processor, along with a copy of an itemized bill, for appropriate reimbursement from TRICARE.

If referred outside the MTF, host nation providers may assess a fee for copies of medical records, which must be paid by the beneficiary as the service is not reimbursable by TRICARE.

### **TRICARE Standard Coverage**

#### **No enrollment**

TRICARE Standard is the basic TRICARE health care program, offering comprehensive health care coverage, for people not enrolled in TRICARE Prime. (Active duty service members (ADSM) must take action to enroll in Prime, and many other beneficiaries choose to enroll in Prime also.) Standard does not require enrollment.

#### **Fee-for-Service Flexibility**

Standard is a fee-for-service plan that gives beneficiaries the option to see any TRICARE-certified/authorized provider (doctor, nurse-practitioner, lab, clinic, etc.). Standard offers the greatest flexibility in choosing a provider, but it will also involve greater out-of-pocket expenses for you, the patient. You also may be required to file your own claims.

#### **Costs**

Standard requires that you satisfy a yearly deductible before TRICARE cost sharing begins, and you will be required to pay co-payments or cost shares for outpatient care, medications, and inpatient care. For a detailed chart of the associated costs visit: <http://www.tricare.mil/Costs.aspx>.

#### **Eligibility**

A person who is properly registered in the Defense Enrollment Eligibility Reporting System (DEERS) is automatically covered by TRICARE Standard. You do not need to enroll for Standard coverage, nor take any other action; if you are eligible for TRICARE health care coverage, you are automatically covered under TRICARE Standard.

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Standard is not available to active duty service members, who are covered by TRICARE Prime, nor to dependent parents and parents-in-law.

Your valid uniformed services ID card will serve as proof of your eligibility to receive health care coverage under TRICARE Standard. Your ID card is, in effect, your insurance card, and you should have it with you whenever you seek medical care.

TRICARE delivers health care services, but it does not determine who is or is not eligible for the benefit; the uniformed services do that. Eligibility is decided by the services (at the personnel office or ID card issuing office), and eligibility is recorded in the database of DEERS.

### **Preauthorization**

Standard beneficiaries are accustomed to self-referring, that is, they book their own appointments with primary care providers and specialists. But for anything other than routine care, or for a non-routine procedure (such as an MRI), Standard beneficiaries may need to seek an authorization from the TRICARE regional contractor in their area. For a list of the more commonly asked-for services that require preauthorization, visit [https://www.hnfs.com/content/hnfs/home/tn/prov/auth/symbolic\\_links/auth\\_requirements.html](https://www.hnfs.com/content/hnfs/home/tn/prov/auth/symbolic_links/auth_requirements.html)

### **What is required of you, the Standard beneficiary—deductibles, cost shares, claims filing deductibles?**

Standard requires that you satisfy an annual, fiscal year deductible before TRICARE payments begin. (The fiscal year begins on October 1 and runs through September 30 of the following year.)

The deductible is \$150 per person, per fiscal year, for outpatient services (doctors' appointments, lab work, imaging procedures), including prescriptions. The maximum deductible is \$300 for a family, no matter how many family members there are. These deductibles apply to active-duty service members, E-5 and above, and active duty family members, and to retirees and family members, and all others.

For family members of active-duty E-4s and below, the deductible is \$50 for one person and \$100 for the entire family.

The deductible must be satisfied before TRICARE will begin payments.

That is, the individual patient must pay the first \$150 of medical care costs in each fiscal year, or the family must pay the first \$300, out-of-pocket, of total expenses for the family before TRICARE payment begins.

### **Cost Shares**

Each individual patient must meet his/her annual deductible before TRICARE begins to pay on that patient's claim. However, once the family's annual deductible has been met TRICARE will begin to pay its share of the allowable amount for covered services.

- The medical services you receive must be "covered" under TRICARE. If you receive services that are not covered, TRICARE will not pay for any part of the bill.
- TRICARE observes an "allowable" amount for every covered service; that amount may be less than the total medical bill.
- TRICARE pays its portion, or 80%, of the allowable amount for covered services. Your cost share or co-payment is 20%.
- For retirees and family members, and others, TRICARE pays 75% of the allowable amount for covered services, and the beneficiary pays 25%.

Remember: TRICARE's portion of the medical bill is based on the *allowable amount for covered services*—the amount allowed for each covered service on any family member's claim. That is true even if some family members have not met the \$150 deductible (but the family has met the \$300 threshold).

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## Catastrophic Cap

A Catastrophic Cost "Cap" (CAT CAP) has been placed on your out of pocket expenses: that is, on how much YOU have to pay - for TRICARE covered benefits

The CAT CAP includes TRICARE Prime enrollment fees, deductibles, inpatient care, outpatient care, and prescription cost shares and co-pays.

For Active Duty Families, using TRICARE Prime, TRICARE Extra or TRICARE Standard, the CAT CAP is \$1000 per Fiscal Year (1 October - 30 September). The Point of Service (POS) option, which is explained in the TRICARE Prime section, although, credited to the CAT CAP will not be used to help satisfy the CAT CAP.

For all TRICARE Prime enrollees (other than Active Duty Family) the CAT CAP is \$3000 per enrollment year unless you get care on your own without a TRICARE Prime Referral from your Primary Care Manager (PCM) and an authorization from the TRICARE Health Care Finder (HCF) (this is using the Point Of Service (POS) option, which is explained in the TRICARE Prime section). If you do get care on your own, your costs will be credited to the CAT CAP, but will not help to satisfy the CAT CAP.

For more details on the CAT CAP, please check with your Beneficiary Counseling and Assistance Coordinator (BCAC), Health Benefits Advisor (HBA) or your nearest TRICARE Service Center (TSC).

## Claims Filing

Certified and participating providers may decide, on a case by case basis, whether or not to file claims for Standard beneficiaries.

Standard beneficiaries may be required to file their own paperwork claims. To download claim forms and find out where your claim should be processed, visit <http://www.tricare.mil/claims>.

## TRICARE Overseas Program (TOP) Standard

TOP Standard is essentially the same as the stateside Standard program, including deductibles and cost shares.

**Active Duty:** AD family members living overseas with their sponsors, or those who have relocated with service sponsored/funded orders, may choose between TOP Prime and TOP Standard.

**Retiree:** Retirees and their family members who reside overseas are not eligible to enroll in TOP Prime and are covered only by TOP Standard.

**Medicare Eligible:** For retirees 65 and older, or for those who are otherwise eligible for Medicare, please note that Medicare does not pay for health care overseas.

**Reserve Component:** Family members living overseas with Reserve Component members, who are living overseas while on active duty for more than 30 consecutive days, are eligible for either TOP Prime or Standard.

## How to Get Health Care under TOP Standard

**Routine:** You may receive care from any qualified host nation provider without a referral. It is highly recommended that you contact the staff of a nearby military treatment facility (MTF) or TRICARE Service Center(TSC) or the nearest American embassy health unit (TRICARE POC) for assistance in locating a host nation provider.

**Specialty:** Standard, generally, does not require the beneficiary to seek a referral for specialty care. However some specialty procedures may require pre-authorization, which is true in the U.S. as well as overseas. Check with your TSC for detailed information about treatments, services and procedures that may require pre-authorization.

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**Inpatient/Hospitalization:** All beneficiaries who live near an MTF must obtain a non-availability statement (NAS) from the MTF before receiving inpatient behavioral/mental health care at a host nation hospital.

### **Costs and Fees under TOP Standard**

TOP Standard beneficiaries are responsible for paying annual deductibles and cost shares, just as they are in the U.S. Additionally, however, you may be required to pay up front for care (possibly in host nation currency). Then you will file claims with Wisconsin Physicians Service (WPS)—the TRICARE overseas claims processor.

*Note:* Despite Standard's greater out-of-pocket costs when compared to Prime, TOP Standard may be the better choice for some beneficiaries (who have the option to choose), especially those who prefer to receive care from a host nation provider.

### **TRICARE Extra**

Extra can be used by any TRICARE-eligible beneficiary, who is not active duty, not otherwise enrolled in Prime, and not eligible for TRICARE for Life.

Extra goes into effect whenever a Standard beneficiary chooses to make an appointment with a TRICARE network provider. Extra, like Standard, requires no enrollment and involves no enrollment fee.

Extra is essentially an option for TRICARE Standard beneficiaries who want to save on out-of-pocket expenses by making an appointment with a TRICARE Prime network provider (doctor, nurse practitioner, lab, etc.).

The appointment with the in-network provider will cost 5% less than it would with a doctor who is a TRICARE authorized or participating provider.

Also, the Extra option-user can expect that the network provider will file all claims forms for him. (The Standard beneficiary might have claims filed for him, but the non-network provider can decide to file on his behalf or not, on a case by case basis.)

When using the Extra option, the Standard beneficiary must meet the same requirements to satisfy a deductible and pay a cost share for treatment.

Under TRICARE Extra, because there is no enrollment, there is no Extra identification card. Your valid uniformed services ID card will serve as proof of your eligibility to receive health care coverage from any TRICARE Prime provider.

Your uniformed services ID card is, in effect, your insurance card, and you should have it with you whenever you seek medical care. It is your proof of eligibility and it should always be kept current.

### **TRICARE for Life**

The National Defense Authorization Act (NDAA) for Fiscal Year 2001 (Public Law 106-398) extended TRICARE health care and pharmacy benefits to:

- Medicare-entitled uniformed services retirees,
- Medicare-entitled retired guard members and reservists,
- Medicare-entitled family members and widows/widowers, and
- Medicare-entitled un-remarried former spouses who meet TRICARE eligibility requirements.

Pharmacy benefits began on April 1, 2001, and the TRICARE medical benefits began on October 1, 2001. The medical benefits are known as TRICARE For Life (TFL) and the pharmacy benefits are part of the TRICARE Pharmacy Program.

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TFL is a permanent program funded through the Department of Defense Medicare-Eligible Retiree Health Care Fund, resourced with general revenues of the U.S. Treasury and annual contributions from appropriations. TFL doesn't require annual authorization by Congress.

### **How Does TRICARE for Life Work with Medicare?**

Medicare and TRICARE are distinct programs governed by different federal laws and regulations. For either program to pay for health care services, the service must meet that program's requirements. Neither Medicare nor TRICARE can pay for services not considered medically necessary and appropriate for the particular patient's diagnosis, symptoms or history.

While Medicare is your primary insurance, TRICARE acts as your secondary insurance, minimizing your out-of-pocket expenses. TRICARE benefits include covering the co-insurance and deductible amounts incurred by Medicare. Be aware, however, there are instances in which some health care costs may not be covered by Medicare, TRICARE, or both.

### **Services Covered by Medicare and TRICARE**

If a service is a benefit under both Medicare and TRICARE, you will have no out-of-pocket expense. After Medicare pays its portion of the claim, TRICARE will pay the remaining amount (which would've been your responsibility).

If a service is a benefit under both Medicare and TRICARE, but Medicare can't pay because you have used up your Medicare benefit, TRICARE will make payment as the primary payer. You are responsible for applicable TRICARE deductibles and cost shares. The network status of your provider determines your costs shares. Cost shares for services received from network providers will be TRICARE Extra cost shares. Services received from non network providers will be TRICARE Standard cost shares.

### **Services Covered by Medicare but not by TRICARE**

If a service is a benefit under Medicare but not under TRICARE, TRICARE will make no payment for the service regardless of any action Medicare may take on the claim. You are responsible for the Medicare deductible and cost shares.

### **Services Covered by TRICARE but *not* by Medicare**

If a service is a benefit under TRICARE but not under Medicare, TRICARE will process the claim as the primary payer. You are responsible for applicable TRICARE deductibles and cost shares. The network status of your provider determines your costs shares. Cost shares for services received from network providers will be TRICARE Extra cost shares. Services received from non network providers will be TRICARE Standard cost shares.

### **Services *not* Covered by Medicare or TRICARE**

Neither Medicare nor TRICARE will make payment on the claim. You are responsible for the entire bill.

### **TRICARE Plus**

TRICARE Plus is a primary care enrollment program offered at selected military treatment facilities. Only beneficiaries eligible for care in military treatment facilities may enroll in Plus. You should call your military treatment facility to see if they offer the TRICARE Plus program.

If you are enrolled in TRICARE Prime or Medicare Advantage HMO, you are not eligible for Plus because you already have a primary care relationship.

### **TRICARE Plus Benefits**

Your primary care manager at the military treatment facility is your principal health care provider.

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You may still get care from civilian and/or Medicare providers. TRICARE Standard/Extra or Medicare rules apply. TRICARE will be second payer to Medicare for TRICARE-covered services for beneficiaries who are entitled to Medicare Part A and who have Medicare Part B coverage.

You are not locked into an HMO-like program.

There are no enrollment fees.

You get primary care appointments with the same access standards as TRICARE Prime enrollees. TRICARE Plus enrollment is noted on your records in the Defense Enrollment Eligibility Reporting System.

### **TRICARE Plus Limitations**

- TRICARE Plus is not available at all military treatment facilities. Local commanders may continue or discontinue TRICARE Plus at their military treatment facilities depending on their capacities, capabilities and missions.
- TRICARE Plus is a military treatment facility primary care access program, not a health plan, so it has no effect on civilian provider care, and TRICARE Standard/Extra rules will apply for most enrollees.
- TRICARE Plus does not guarantee access to specialty care at the military treatment facility where you are enrolled.
- TRICARE Plus is not a portable benefit. Your enrollment at one facility does not guarantee access at another facility.

We encourage TRICARE Plus enrollees to get all their nonemergency primary care at the military treatment facility where they are enrolled.

The local military treatment facility reviews enrollment in TRICARE Plus annually. You may be disenrolled if capacity is no longer available.

### **TRICARE Mail Order Pharmacy (TMOP)**

The TRICARE Mail Order Pharmacy program (TMOP) is an easy and convenient way to get the medications you take regularly delivered directly to your home.

Express Scripts, Inc. (ESI) manages your mail-order pharmacy program and provides customer assistance.

**Please note:** If you are covered by other health insurance (OHI) with a pharmacy benefit, you may not use the TMOP.

*(Exceptions: Your OHI does not cover the medication needed or you have exceeded the dollar limit of coverage under the other plan.)*

### **Why Use the Mail-Order Pharmacy?**

#### **Savings**

Get up to 3 times the quantity of medications for your money, compared to the same prescriptions at a retail pharmacy.

#### **Safety**

Built-in safety features. Two pharmacists check your order and your order is verified with the DoD's pharmacy database.

#### **Convenience**

Avoid driving to a retail pharmacy and waiting in line. You can fill prescriptions by mail, phone, fax, or online-24 hours a day / 7 days a week.

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## The Mail-Order Advantage

- Choose which medications to have home-delivered.
- No shipping and handling fees.
- Go on vacation and have your medications follow you.
- Get special handling for special medications.

## How to Use the Mail-Order Pharmacy

- Register at <http://www.tricare.mil/pharmacy.aspx>
- Obtain a prescription
- Mail your Prescription, or
- Request that your provider fax in the prescription

## Eligibility

Benefits are available to:

- Active duty beneficiaries worldwide, including Reserve/National Guard personnel and their family members on Title 10 or Title 32 (federal) active duty orders for more than 30 days
- TRICARE-eligible beneficiaries, all ages (Note: Retired Reservists, Guardsmen and former members and their family members do not obtain TRICARE eligibility until age 60.)
- Continued Health Care Benefit Program Enrollees

If you turned 65 before 1 April 2001, you may participate in the program without being enrolled in Medicare Part B; beneficiaries who turn 65 on or after 1 April 2001 must be enrolled in Medicare Part B and must ensure their DEERS profile is updated to participate.

**Important:** All Department of Defense beneficiaries must be enrolled in the Defense Enrollment Eligibility Reporting System (DEERS) to use the TRICARE Pharmacy Benefit.

For TMOP Users: Please note that the beneficiaries residing outside U.S. Postal Service delivery areas may use only APO/FPO addresses as the mailing address for the TMOP Program. You must have your APO/FPO address reflected in your DEERS profile.

## TRICARE's Dental Program

TRICARE currently offers two dental programs to meet the needs of its beneficiary population:

### TRICARE Dental Program

The TRICARE Dental Program (TDP) is offered by the Department of Defense (DoD) through the TRICARE Management Activity (TMA). United Concordia Companies, Inc., administers and underwrites the TDP for the TMA. The TDP is a high-quality, cost-effective dental care benefit for eligible family members of all active duty uniformed services personnel; as well members of the Selected Reserve and Individual Ready Reserve (IRR) and their eligible family members.

### TRICARE Retiree Dental Program

The TRICARE Retiree Dental Program (TRDP) is offered by the Department of Defense (DoD) through the TRICARE Management Activity (TMA). The Federal Services division of Delta Dental Plan of California, located in Sacramento, California, administers and underwrites the TRDP for the TMA. The TRDP offers comprehensive, cost-effective dental coverage for uniformed services retirees and their eligible family members.

## Eligibility

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The TRICARE Dental Program (TDP) is available to family members of all active duty service members of any of the seven uniformed services<sup>1</sup> and to National Guard/Reserve members and/or their families. To be eligible for the TDP, the sponsor must have at least 12 months remaining on his or her service commitment at the time of enrollment.

If you reside in the CONUS service area, you will receive your greatest value by visiting TDP participating dentists. Participating dentists will complete and submit your claims on your behalf, submit predetermination requests when appropriate, and accept payment directly from United Concordia.

The TDP is available to:

- Family Members of Active Duty Service Members
- National Guard/Reserve Service Members and Their Families

### **TRICARE Vision Benefits**

TRICARE vision benefits vary depending on beneficiary status (i.e., active duty service member, active duty family member, retired service member or retired family member) and enrollment in TRICARE Prime.

#### **Basic Vision Benefit for Active Duty Family Members**

Active duty family members are eligible for one comprehensive ophthalmological eye examination per calendar year. The services are provided by TRICARE-authorized optometrists or ophthalmologists, and the deductibles and cost shares/copayments are based on whether the beneficiary is enrolled in TRICARE Prime or opts to use TRICARE Extra or TRICARE Standard.

#### **TRICARE Prime Clinical Preventive Services**

TRICARE Prime enrollees age three and older are authorized comprehensive eye examinations once every two years. TRICARE Prime enrollees may receive the services from any TRICARE network provider without a referral or authorization from the primary care manager (PCM), health care finder (HCF) or any other authority. If the eye examination is not available from a network provider, enrollees may only receive services from a non-network provider if they have a referral from the PCM and authorization from the HCF. If authorized services are received from a non-network provider a point-of-service fees will NOT apply. If a beneficiary receives services from a non-network provider that has NOT been authorized; the beneficiary will be responsible for the ENTIRE amount of the bill.

- Pediatric vision screening is available at birth and approximately six months of age.
- Diabetic patients, at any age, are allowed annual comprehensive eye examinations.

#### **TRICARE Extra and Standard Clinical Preventive Services**

Vision screening is excluded from the TRICARE Extra and TRICARE Standard plans except for one comprehensive ophthalmological routine eye examination per calendar year for active duty family members and vision screening under the well-child benefit. The well-child benefit is available from birth to age six and includes eye and vision screening by a PCM during a routine examination at birth and at approximately six months of age. Comprehensive eye examinations are authorized once every two years between ages three and six.

Retirees and their family members who use TRICARE Standard, TRICARE Extra and TRICARE For Life are not eligible for routine eye examinations.

#### **Lenses (lenses implanted within the eye or contacts) and Eye Glasses**

Except for active duty members, lenses or eye glasses are only cost shared for treatment of the following conditions: Infantile glaucoma, Keratoconus, Dry eyes, Irregularities in the shape of the eye, Loss of human lens function resulting from eye surgery or congenital absence.

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Benefits are limited to only one set of implantable lenses required to restore vision. A set may include a combination of both implantable lenses and eyeglasses when the combination is necessary to restore vision. If there is a prescription change related to the qualifying eye condition, a new set may be cost shared.

Replacement lenses for those that are lost, have deteriorated, or have become unusable due to physical growth are not covered. Adjustments, cleaning and repairs of eyeglasses are also not covered.

For more information about TRICARE vision benefits, beneficiaries may contact their local beneficiary counseling and assistance coordinator (BCAC) or health benefits adviser (HBA). Special programs may exist at local military treatment facilities (MTFs). Please contact your local MTF for more specific information.

### **Continued Health Care Benefit Program (CHCBP)**

Individuals who lose TRICARE eligibility or other coverage under the Military Health System are eligible for temporary health care coverage in CHCBP. CHCBP is not part of TRICARE but provides similar benefits and operates under most of the rules of TRICARE Standard. To obtain this coverage, you must enroll in CHCBP within 60 days after separation from active duty or loss of eligibility for military health care. The premiums for this coverage for 2014 are \$1,193 per quarter for individuals and \$2,682 per quarter for families.

DoD has contracted with Humana Military Healthcare Services, Inc. who administers the CHCBP. Visit <http://www.humana-military.com/chcbp/main.htm> for more detailed information. You may contact them in writing or by phone for information regarding CHCBP including your eligibility for enrolling in the program.

#### **For enrollment and claims information only:**

Humana Military Healthcare Services, Inc.  
P. O. Box 740072  
Louisville, KY 40201  
1-800-444-5445

#### **For submission of claims only:**

PGBA  
P.O. Box 7031  
Camden, SC 29020

### **College Students and TRICARE**

As parents prepare their college-age students for a new school year, TRICARE coverage decisions and possible enrollment changes become an important part of this preparation process.

Typically, TRICARE covers eligible students until age 21 unless the student is enrolled full-time (validation of student status required) at an accredited college *and* the sponsor provides more than 50 percent of the student's financial support. A full-time student's eligibility ends at age 23, or when the full-time student status ends, whichever comes first. During these college years, parents should research which TRICARE option, Prime, Extra or Standard, may be best for their son or daughter.

TRICARE Prime, a popular choice among uniformed services families, may or may not be the best choice for a college-bound student, depending on individual health care needs and school location. A TRICARE service center (TSC) representative can help parents make this important decision. A parent or student may reach a TSC through the toll-free telephone number for the appropriate TRICARE region. To find a TRICARE service center in your region visit <http://www.tricare.mil/mtf/>.

### **Students Enrolled in TRICARE Prime**

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Full-time students may need to take action in order to reassign TRICARE Prime enrollment to the TRICARE region in which their school is located. If the college or university is located in an area where TRICARE Prime is offered, the student may continue TRICARE Prime coverage by splitting the family enrollment. Split enrollment occurs when one or more family members enroll in one region while the rest of the family is enrolled in a different region based on where each member lives. Routine care received during the school year from a provider other than the PCM could result in point-of-service charges (POS) if proper authorizations for care do not occur.

For a student to split (change regions) or transfer (stay within the same region) TRICARE Prime enrollment, the sponsor must complete and sign a primary care manager (PCM) change request form indicating when the change is to occur, and send it to the regional contractor in the student's new region. Students should stay enrolled in their home region until they arrive in the new region. The change from the old region to the new one is effective the date the change request is received by the contractor in the school region, or if indicated, the future move date on the change request form.

A student in a retiree family, whose enrollment fees are current, will pay no additional fees when he or she changes enrollment to another region. The student will be allowed two changes per year between the same two TRICARE regions, as long as the second change is back to the region of the original enrollment.

Allowing TRICARE Prime enrollment, where available, to transfer across regions makes TRICARE Prime a portable option. For instance, if the student remains enrolled in TRICARE Prime at their home location, while they are physically located outside the area, they should be aware that all TRICARE Prime rules continue to apply including the obligation to seek ALL non-emergency non-mental health care from their assigned PCM.

If a student moves with his or her active duty family, the student may change enrollment as often as necessary, based on the sponsor's location. (The student's enrollment in TRICARE Prime will be automatically renewed at the end of a one-year enrollment period unless the renewal offer is declined.)

### **Disenrollment**

If a student must disenroll from TRICARE Prime because of a move to a location where TRICARE Prime is not offered, he or she is not locked out of future TRICARE Prime enrollment. However, disenrollment should be done immediately upon the move to college to avoid paying higher costs under TRICARE's POS option. Students may incur POS charges if they receive care without proper authorization from their TRICARE Prime primary care manager. For information regarding disenrollment, beneficiaries should contact their regional contractor.

### **Continued Health Care Benefit Program (CHCBP)**

Students who are not eligible for TRICARE benefits after their 21<sup>st</sup> birthday, or age 23 if a full time student or upon completion of college—whichever comes first—may be eligible for health care benefits under the CHCBP for up to 36 months of coverage. The Department of Defense contracted with Humana Military Healthcare Services (Humana) to help administer the CHCBP. The CHCBP is not TRICARE, but it provides benefits comparable to TRICARE Standard, and functions under most of the same rules.

### **Dental Benefits**

A student may be eligible to participate in either the TRICARE Dental Program (TDP) or the TRICARE Retiree Dental Program (TRDP) depending on the sponsor's status. Both programs are voluntary, premium-based and comprehensive.

### **Overseas**

The TRICARE Overseas Program is a dual-option benefit consisting of TRICARE Overseas Prime and TRICARE Standard. If a sponsor is on active duty and assigned overseas, a student is eligible to enroll in the TRICARE Overseas Prime option only if he or she resides with the sponsor in the overseas location. A student of a retiree who is residing in a TRICARE overseas region is eligible to use only the TRICARE Standard option. Students of both active duty members assigned overseas and retirees living overseas who are attending school in the continental United States may want to

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consider the different options available to them. These options, include split Prime enrollment if the sponsor is active duty and the family is enrolled in Prime, or individual enrollment in Prime in the United States, even though the student's family is not eligible for enrollment in Prime while living overseas, or use of TRICARE Standard or Extra instead. Enrollment may be transferred to the TRICARE overseas region if the student spends extended vacation periods with the active duty sponsor and family. TRICARE overseas procedures may vary slightly in different locations

### **Supplements**

A parent or student also has the option of purchasing a TRICARE supplement or student health insurance if the school offers it.

TRICARE supplemental insurance policies are offered by most military associations and by some private firms. They are designed to reimburse patients for their cost share for civilian care after TRICARE pays the government's share of the bill. Students' needs must be considered before any supplemental plan is purchased, insuring the best possible coverage.

### **Additional Information**

While the basic TRICARE benefit is the same throughout the TRICARE regions, there may be some differences in authorization or referral procedures required by the TRICARE contractor in a student's new region. The regional contractor, local TSC or a beneficiary counseling and assistance coordinator at the local military treatment facility may help students with any questions that may arise. Parents and college students should be sure to understand the rules pertaining to pre-authorization for care in their new TRICARE region.

### **Survivors**

Surviving spouses and children have TRICARE Benefits.

#### **Your sponsor's active duty qualification determines eligibility for survivor benefits, if:**

- Your sponsor was an active-duty service member who died while serving on active duty for a period of more than 30 days.
- Your sponsor was a National Guard or Reserve member who served on active duty orders for more than 30 days at the time of death.

**NOTE:** A TRICARE Reserve Select (TRS) member *does not qualify as active duty*. However, if you are the survivor of a TRS Tier 1 member, you may purchase new or continue paying for TRS coverage for an additional 6 months after the member's death.

If you have questions about your sponsor's active duty status at the time of death, contact your casualty assistance officer or your sponsor's unit/Service personnel office. You may also contact the Defense Enrollment Eligibility Reporting System (DEERS) Support Office for information.

### **TRICARE Eligibility is Key**

It is important for you (or adult guardian) to keep your military ID card and DEERS information up to date. Personal information, that may affect your status or cause problems with claims processing, include marriage, divorce, birth or adoption of a child, or a changed mailing address.

### **Transitional Survivor, Time Periods and Benefits**

"Transitional survivor" is a term used in the Defense Enrollment Eligibility Reporting System (DEERS) database to identify your status and payment rate.

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During your transitional survivor time period, you receive TRICARE medical benefits equal to those of an active duty family member (ADFM), including rates, fees, priority for appointments at a military treatment facility (MTF), and eligibility for programs that are ADFM specific.

Beneficiaries whose sponsor died before October 7, 2001 are not affected by recent changes that extended the transitional survivor time period and enhanced the transitional survivor benefit: If your active duty sponsor died before October 7, 2001, you were a transitional survivor for three years from the date of death and then changed to survivor status for as long as you remain TRICARE eligible.

### **Transitional Survivor Time Periods**

#### **Spouse**

- You are a transitional survivor for three years following your sponsor's death.
- At three years + one day, you change to survivor status, receiving benefits as a retiree family member, for as long as you are TRICARE - eligible.
- Your TRICARE eligibility is affected by marriage/remarriage, eligibility for Medicare Part A, and other circumstances. For example:
  - You lose TRICARE eligibility if you remarry.
- You cannot later regain transitional survivor or survivor spouse status--even if you later divorce or your new spouse dies.
- If you remarry a service member or retired service member entitled to TRICARE benefits, you may regain TRICARE eligibility through your status as new spouse/family member.
- If your new active duty spouse were to pre-decease you, you would once again become a transitional survivor for three years.
- If your new retired spouse were to pre-decease you, you would be in survivor status for the duration of your TRICARE eligibility.
- However, if you and your new spouse were to divorce, you would lose TRICARE eligibility (unless you qualify as an un-remarried former spouse).

#### **Child (minor child or eligible dependent child 18 years old or older)**

- You are a transitional survivor from the date of your sponsor's death for as long as you maintain TRICARE eligibility.
- You continue to be TRICARE eligible under transitional survivor status until you reach the eligibility age limit, marry, or otherwise become ineligible for TRICARE.
- Aging out of TRICARE: You remain eligible up to age 21, or up to age 23 if you are a full-time student at an institution of higher learning (and if, at the time of the death, you relied on your sponsor for more than 50% of your financial support).

#### **Incapacitated Family Member**

Incapacitation (physical or mental) is determined by the sponsor's service, and it is a special circumstance that must be verified and recorded in DEERS. TRICARE does not determine incapacitation.

You are eligible for transitional survivor status for the longer of:

- 3 years from your sponsor's death, or
- age 21, or
- age 23 if you are a full-time student at an institution of higher learning (and if, at the time of the death, you relied on your sponsor for more than 50% of your financial support).

After your transitional survivor time period, you change to survivor status and receive benefits as a retiree family member, for as long as you maintain TRICARE eligibility.

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## **TRICARE Programs for Transitional Survivors**

### **TRICARE Prime Coverage**

- If you are enrolled in TRICARE Prime or move to an area where Prime is available and enroll in Prime, you do not pay Prime enrollment fees or co-payments for covered services (except for pharmacy).
- No action is necessary for your current Prime enrollment to continue at your current location.  
or if you move to a new Prime location, you may transfer your Prime enrollment.
- If you receive care at the Military Treatment Facility (MTF) while enrolled in Prime, your priority for appointments is the same as other Prime-enrolled active duty family members (ADFM).

### **TRICARE Prime Remote for ADFM (TPRADFM) Coverage**

You may continue enrollment or initiate new enrollment in TRICARE Prime Remote for Active Duty Family Members (TPRADFM).

If you are a surviving spouse in transitional survivor status you may continue enrollment or initiate new enrollment in TPRADFM for the three years of your transitional survivor status, whether or not you were enrolled in TPRADFM at the time of your sponsor's death and whether or not you change addresses.

If you are a surviving child in transitional survivor status you may continue enrollment or initiate new enrollment in TPRADFM for the entire time of your TRICARE eligibility, whether or not you were enrolled in TPRADFM at the time of your sponsor's death and whether or not you change addresses.

No action is necessary for your current TPRADFM enrollment to continue at your current location. If you move to a new TPRADFM location, you may re-enroll in TPRADFM.

When you change to survivor status, you are no longer eligible for TPRADFM, but you become eligible as a retiree for coverage under TRICARE Standard, TRICARE Extra or TRICARE Prime (if available in your location).

### **TRICARE Standard or Extra Coverage**

If you are not enrolled in TRICARE Prime, TPRADFM, or another Prime-like program, you will be covered by TRICARE Standard or TRICARE Extra.

Under TRICARE Standard, MTF appointments are offered on a space-available basis only.

If you are covered by TRICARE Standard, you may wish to consider purchasing supplemental medical insurance.

### **Extended Care Health Option (ECHO)**

You may be eligible to receive ECHO benefits throughout your transitional survivor time period, and you are responsible for ECHO cost shares.

If you are a spouse or incapacitated family member who changes from transitional survivor status (ADFM) to survivor status (retiree), you are no longer eligible for ECHO.

Please consult the regional contractor for additional details about ECHO eligibility and registration.

### **TRICARE Overseas Program (TOP) Prime (including Puerto Rico) or TRICARE**

#### **Global Remote Overseas (TGRO)**

NOTE: The requirement for command sponsorship does not apply to transitional survivors.

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You may enroll in TOP Prime, whether or not you were previously enrolled or living in the overseas location, or move to a new overseas location

- Surviving child: For as long as you maintain TRICARE eligibility.
- Surviving spouse: During your three-year transitional survivor time period.

You may enroll in TGRO, whether or not you were previously enrolled or living in the remote overseas location, or move to a new remote overseas location.

- Surviving child: for as long as you maintain TRICARE eligibility
- Surviving spouse: during your three-year transitional survivor time period

Normal TOP Prime and TGRO enrollment procedures apply: There are no enrollment fees or co-payments for eligible TOP Prime beneficiaries.

If you choose to move overseas after the death of your sponsor, before moving overseas you should contact the overseas Consolidated TRICARE Service Center at 1-888-777-8343, since your benefit will differ slightly from what is available in the United States, and some TRICARE programs may not be available at certain overseas locations.

If you are enrolled in ECHO, you may be able to receive ECHO services overseas, but, before moving overseas, you should inquire about the availability of services in specific overseas locations by contacting the Consolidated TRICARE Service Center at 1-888-777-8343. Contact the appropriate TRICARE Area Office by selecting Option 1 (Europe), Option 3 (Latin America/Canada) or Option 4 (Pacific).

When you change to survivor status, you are no longer eligible for TOP Prime (including Puerto Rico) or TGRO, but you become eligible as a retiree for coverage under TRICARE Standard.

### **Survivor Status**

- Survivor Status Follows Transitional Survivor Status for Spouses and Incapacitated Family Members.
- Surviving spouse: Three years after your sponsor's death, your status in DEERS changes from "transitional survivor" to "survivor," and your benefit status changes from active duty family member (ADFM) to retiree family member.
- Incapacitated family member: After your transitional survivor time period, your status in DEERS changes to survivor status, and your benefit status changes from ADFM to retiree family member.
- Your TRICARE health care benefits continue under the new status, as long as you remain TRICARE eligible.
- In retiree status, you may be covered under TRICARE Standard, TRICARE Extra or TRICARE Prime (if Prime is available in your location).
- If you are currently enrolled as a transitional survivor in TRICARE Prime, you will be disenrolled unless you complete and submit new paperwork to re-enroll in TRICARE Prime when your status changes to retiree family member.
- With your change to retiree status, you assume responsibility for paying TRICARE Prime enrollment fees.
- Your children, who continue in transitional survivor (ADFM) status, do not pay Prime enrollment fees. Thus, your new enrollment in TRICARE Prime would be at the retiree rate for an individual.
- Your priority for appointments at the Military Treatment Facility (MTF) is that of a retiree, and your priority for appointments changes, depending on whether or not you are enrolled in Prime.
- If you choose to use TRICARE Standard, your annual deductible, cost-share and catastrophic cap amounts increase to those for all retiree beneficiaries.
- If you move overseas, you are eligible for TRICARE Standard only.
- If you were enrolled in TRICARE Prime Remote for Active Duty Family Members (TPRADFM), you will no longer receive coverage under TPRADFM, because beneficiaries in retiree status are not eligible for the TPRADFM program.
- If you were registered for the Extended Care Health Option (ECHO) program, you will no longer receive ECHO benefits, because beneficiaries in retiree status are not eligible for the ECHO program.

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## Dental Benefits

If you or your family members were enrolled as transitional survivors in the TRICARE Dental Program, TDP benefits end after three years, but you may be eligible to purchase coverage under the TRICARE Retiree Dental Program (TRDP).

Your TRICARE eligibility is affected by marriage/remarriage, eligibility for Medicare Part A, and other circumstances. For example:

- A spouse loses TRICARE eligibility if he/she remarries.
- You cannot later regain transitional survivor or surviving spouse status--even if you later divorce or your new spouse dies.
- If you remarry a service member or retired service member entitled to TRICARE benefits, you may regain TRICARE eligibility through your status as new spouse/family member.
- If your new active duty spouse were to pre-decease you, you would once again become a transitional survivor for three years.
- If your new retired spouse were to pre-decease you, you would be in survivor status for the duration of your TRICARE eligibility.

However, if you and your new spouse were to divorce, you would lose TRICARE eligibility (unless you qualify as an un-remarried former spouse).

## Un-remarried Former Spouses

The key to receiving TRICARE health care benefits is a person's enrollment in DEERS-the Defense Enrollment Eligibility Reporting System. TRICARE does not deal with or decide questions of eligibility; rather, it is the uniformed services that determine and verify a former spouse's eligibility to receive benefits.

Former spouses now use their own names and Social Security Numbers: This began on October 1, 2003, eligibility and medical records will be listed under the former spouse's own Social Security Number.

The DEERS record indicates a sponsor's dates of eligibility. All un-remarried former spouses should ensure that their own status and personal information (address, phone number, email contact information, etc.) are current in DEERS at all times. DEERS enrollment and/or updates are completed at uniformed services personnel offices (also known as ID card-issuing offices), not at TRICARE service centers. To find the closest ID card-issuing office, visit [www.dmdc.osd.mil/rsl](http://www.dmdc.osd.mil/rsl) or contact the Defense Manpower Data Center Support Office (DSO) Telephone Center, from 6 a.m. to 5 p.m., Pacific Time, Monday through Friday, at the following toll-free number: 1-800-538-9552.

## Eligibility

Certain former spouses of active duty or retired service members might be eligible for enrollment in DEERS, and thus for TRICARE benefits. The basic requirements for a former spouse's eligibility are:

- Must not have remarried. (If they remarry, the loss of benefits remains applicable even if remarriage ends in death or divorce.)
- Must not be covered by an employer-sponsored health plan.
- Must not be the former spouse of a North Atlantic Treaty Organization (NATO) or "Partners for Peace" (PFP) nation member.
- Must meet certain requirements about length of marriage (depending upon the situation, 20 years or 15 years) and length of former sponsor's service (number of years that are creditable in determining the member's eligibility for retirement pay).

## Survivor Benefits Plan

Enrollment in an annuity plan is a decision that requires careful consideration. If you are considering enrolling in an annuity plan, you should review the:

- advantages and disadvantages
- costs
- beneficiaries eligible for coverage
- limitations on leaving or changing coverage

The Survivor Benefit Plan (SBP), Reserve Component Survivor Benefit Plan (RC-SBP) and Retired Serviceman's Family Protection Plan (RSFPP) provide eligible beneficiaries with a form of benefit called an "annuity." An **annuity** is a monthly payment for the lifetime of the beneficiary. The amount of the benefit is a percentage of your retirement benefit based on your election.

Enrollment in an annuity plan is not automatic and there are costs. If you are enrolled you will pay premiums for your SBP coverage. In addition you can only leave an annuity to eligible beneficiaries.

Election to participate in these programs is generally made at the time of retirement, although some situations allow a retiree to add coverage after retirement. In most cases, costs to participate are deducted from the retiree's monthly pay and are based on the amount of coverage a retiree elects.

The SBP election does not entitle the beneficiary named for SBP to Arrears of Pay (AOP). A separate AOP designation has to be made in order to designate the desired individual.

### Advantages & Disadvantages

#### **Advantage: You will leave a guaranteed income to your beneficiary**

Eligible beneficiaries under the plan will receive 55 percent of the retiree's elected amount of coverage.

#### **Advantage: SBP benefits are inflation indexed, and coverage and cost are not affected by illness or age**

Unlike many private life insurance policies, SBP coverage will not be cancelled or revoked due to any illness you may have or your age. Whether you retire at age 45 or 80, you or your spouse's age or health will never be considered a liability and never impact the cost of the program. In addition, the receipt of survivor benefits will not be affected by Social Security benefits. Finally, the SBP annuity is protected against inflation, increasing each December with a Cost of Living Adjustment based on the Consumer Price Index.

#### **Advantage: You can pay for SBP benefits with a pre-tax payroll deduction**

For nearly all retirees, Survivor Benefit Plan premiums are automatically deducted from your gross pay prior to the deduction of federal income tax. This decreases your total taxable income.

#### **Disadvantage: Cost**

SBP coverage is supplied at no cost while you are in active service. During your retirement, however, a monthly deduction is taken from your pay to pay for your SBP coverage. This can be as much as, but no more than, 6.5 percent of your gross retired pay.

You might consider the relationship between the cost of the program and its benefits. To earn an even return on your investment, your beneficiary typically must receive payment for seven months for every five years you pay SBP premiums..

#### **Disadvantage: Once you enroll, changing your election is difficult**

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Although it may seem unnecessary to consider providing for your loved ones until later on in life, please be aware that the decisions you make at retirement regarding your SBP can be difficult to change. For example, if, at retirement, you have an eligible spouse or children and decide not to have them covered under the plan, it will be very difficult to have your current or any future spouse or children covered under the plan in the future.

### **Survivor Benefit Plan Enrollment**

As you prepare for retirement, it is very important to seek counseling from your Branch of Service on your options.

First, you should review [DD Form 2656](#): Data for Payment of Retired Personnel.

The DD 2656 offers brief instructions regarding election options and requirements, but you also need to consider other implications. Please make the time to carefully review information about [SBP Elections and Eligible Beneficiaries](#).

When you have made your decisions and are signing Form DD2656, please keep in mind:

- The form must be signed prior to your retirement date
- Your witness must sign the document on the same date as you
- If a spouse's signature is required, it must be on or after the date of your signature, but also before your retirement date
- The notary witnessing the spouse's signature must sign the document on the same date as the spouse

### **Eligible Beneficiaries**

When you apply for retirement, you will be asked to complete a Data for Payment of Retired Personnel form ([DD 2656](#)). On that form, you will need to choose a type of beneficiary. The types you may choose from are described below.

#### **Spouse Only**

The most common election for a retiree to make is for only his or her spouse to be covered based on full retired pay. Cost is calculated at a maximum of 6.5 percent of the elected level of coverage.

If you have an eligible spouse and you choose anything less than full coverage, the spouse's notarized signature must be obtained for the election to be considered valid.

#### **Spouse and Children**

With this option, the children covered under the plan must be the children of the spouse that is covered. If you have children and choose not to cover them, you will not be able to change that election later.

An eligible dependent child under the plan must be:

- Your legal child
- Under the age of 18
- If older than 18, enrolled in an accredited college or university
- Unmarried

Children enrolled in higher education are eligible until they reach age 22 or leave school.

Adding eligible children to an SBP election will add to the cost. The additional cost depends on the age of the retiree, spouse and the youngest child.

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## Former Spouse

Please keep these factors in mind when considering SBP coverage for a former spouse.

### 1. Former Spouse Election at the Time of Your Retirement

a. If you have a former spouse when you first retire and become eligible to participate in the SBP, then you may elect former spouse coverage. (Please note different rules apply for reservists, because of their opportunity to participate in Reserve Component SBP when they receive their 20-year letter.)

b. If you're married when you become eligible to participate in the SBP and have been court-ordered to cover a former spouse, you can do so without your current spouse's signature.

c. If you're married at the time you become eligible to participate in the SBP, but you want to voluntarily cover your former spouse, DFAS will be required to notify your current spouse of that election.

d. You may elect coverage for your former spouse at the time of your retirement even if you divorced more than a year before your retirement and becoming eligible to participate in the SBP.

### 2. Former Spouse Coverage after retirement

If you've already retired and you want to elect former spouse coverage, or the court has ordered you to do so, you must make a former spouse election within one year of your divorce decree.

### 3. Your Former Spouse's Right to Request SBP Coverage (aka "Deemed" Election Requests)

- If you've been court ordered to elect former spouse SBP, then your former spouse can submit his/her own request to DFAS for former spouse SBP coverage. This is known as a "deemed election request."
- Even if you divorced more than a year before retirement, your former spouse can submit a deemed election request, but the request must be submitted within one year of the order requiring former spouse SBP coverage.
- If your former spouse submits a proper deemed election request within one year of the court order requiring former spouse SBP coverage, then former spouse SBP coverage will be entered on your account, even if you don't make a former spouse election.

## Children Only

If you're married and you choose not to cover your spouse, you must get concurrence from your spouse. If your spouse concurs by signing the form, or if you are unmarried, you can elect to cover your dependent children.

The cost for this option depends on the age of the retiree and the youngest child.

## Natural Interest Person (NIP)

If you have no other eligible dependents, you can elect to cover an individual in whom you have a legitimate insurable interest. Examples might be a brother or sister, or a child who is beyond eligibility for child coverage.

Although the annuity benefits of NIP coverage are the same (55 percent of covered pay), the cost (10 percent of your gross pay) is considerably higher than other elections.

Unlike other SBP elections, NIP coverage can be cancelled any time.

A retiree can only elect NIP coverage at retirement.

## No Beneficiary

If you do not have any eligible beneficiaries, you are not required to elect coverage at the time of retirement. It is necessary, however, for you to tell us you have no beneficiaries, rather than simply not making an election.

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## **Decline**

If you do not consider SBP a worthwhile investment, you may elect not to participate. If you are married and decline to cover your spouse, you must obtain your spouse's notarized signature. In this case, no deductions will be taken from your pay and no benefits will be paid after your death.

## **Cost**

The Survivor Benefit Plan cost depends on the level of coverage you choose. SBP coverage is supplied at no cost while you are in active service. During your retirement, however, a monthly deduction is taken from your pay to pay for your SBP coverage. This can be no more than 6.5 percent of your gross retired pay. Review the coverage levels below.

## **Coverage Levels**

### **Full**

If you elect full coverage, the cost of SBP coverage will be based on your full gross pay. For example, if you receive \$1,000 of retired pay each month, and elect full SBP coverage, your monthly cost to cover your spouse under the plan will be \$65 each month.

### **Reduced**

You can also elect a lower level of SBP coverage. For example, if you receive \$1,000 of retired pay each month, you can elect to have your coverage based only on \$700 of your pay. In this case, we would calculate 6.5 percent of \$700, and the monthly cost to cover a spouse under SBP would be \$45.50. There is, however, a minimum level of coverage required and that the amount is unique to each retiree.

### **Automatic**

If you submit an invalid election at retirement, or none at all, one will be started automatically. The cost of such coverage will be based on gross retired pay and be equal to the cost of a Spouse Only election.

Examples of invalid elections are:

- Non-receipt of a DD 2656 form
- DD 2656 forms signed and/or submitted after retirement
- Declining coverage, or electing any level of coverage lesser than Full Spouse coverage, without a spouse's concurring, notarized signature

If we find out later on that you have an eligible spouse and children, the children will be retroactively added to the account and the additional cost for children will be deducted from your pay.

Similarly, if we establish an automatic election and learn later that you have no eligible beneficiaries, we will cancel the election and refund any costs paid.

## **Paying for SBP**

There are four methods of paying for your SBP coverage if you elect it:

- Deductions from your retired pay
- Deductions from your VA pay
- Direct remittance
- Paid Up Status

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## **Deductions from your Retired Pay (Normal Payment Method)**

The normal method of paying for SBP coverage is by an automatic deduction from your retirement pay. The vast majority of retired members with SBP coverage pay through this means. It is implemented automatically if you elect SBP coverage at the time you retire.

## **Deductions from your VA Pay**

If you have been ruled severely disabled by the Department of Veterans Affairs (VA) and your VA compensation exceeds your retired pay, you don't receive retired pay from DFAS. As a result, we cannot automatically deduct SBP premiums from your monthly pay.

In this case, the best way to pay for your SBP coverage is to have your payments deducted from your VA compensation and forwarded to DFAS Retired and Annuitant Pay by the VA. Thousands of retirees take advantage of this process. If you are interested in taking part, please have the VA help you complete an Authorization for SBP Cost Deduction ([DD 2891](#)) and mail or fax it to the Direct Remittance address listed below.

## **Direct Remittance**

Direct remittance is only for those retired members who do not receive retired pay from DFAS or who do not receive enough retired pay to pay for SBP premiums. Direct remittance members who choose not to have their SBP payments deducted from their VA pay must remit SBP premium payments directly to:

Defense Finance and Accounting Service, DFAS-CL  
SBP and RSFPP Remittance  
P.O. Box 979013  
St. Louis, MO 63197-9000

Payments sent to any other location, including Retired and Annuitant Pay offices at DFAS Cleveland, will not be received. Any delinquent amounts carried over into a new billing month will accrue an interest fee calculated at 6 percent Annual Percentage Yield.

## **Paid Up Status**

Beginning Oct. 1, 2008, any retiree who has paid 360 months of SBP premiums and has reached the age of 70 is no longer be required to make monthly payments for their SBP coverage. If you meet these requirements, your SBP election and account will remain active, and benefits to annuitants will be uninterrupted, but there will be no further cost to you. To help you track your status, Retiree Account Statements (RAS) include a "premium counter" indicating the number of months of paid premiums credited to your account.

## **Updating Your SBP Beneficiary Designations**

It is important to notify us as soon as possible when a beneficiary change occurs. Events like divorce or remarriage change the beneficiary status of your account. If you have not notified us of changes like this, you may have an invalid beneficiary designation. In the event of your death, we would be required to spend time identifying and then locating your rightful beneficiary. This would make it difficult or even impossible to process the benefit claim quickly, and might create a financial hardship for your loved ones.

## **Failing to Update Your SBP Beneficiary Could Have Financial Consequences**

Making sure that we are aware of any changes in your beneficiaries will benefit you as well. If you do not inform us of a divorce, you could forfeit a refund of overpaid premiums. DFAS is barred by law from refunding payments retroactively beyond a six-year period. If a retiree divorces a spouse and does not notify us until 10 years after the fact, we will only be able to refund six years of those payments.

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## How to Update Your SBP Beneficiary Designations

To change or update your SBP beneficiary designation, please complete a Survivor Benefit Plan Election Change Certificate ([DD 2656-6](#)).

Legal documents such as marriage certificates, divorce decrees and birth certificates are essential to processing changes of beneficiary or claims under SBP. Forms and legal documents can be faxed or mailed to:  
Defense Finance and Accounting Service

U.S. Military Retirement Pay  
P.O. Box 7130  
London, KY 40742-7130  
Fax: 800-469-6559

Please only send copies of documents. Do not send the originals.

## Changing or Stopping Your Coverage

The SBP election you make at the time of your retirement is very difficult to change. There are only a few circumstances in which it is possible to change or alter a previously made election. Please review the list below carefully to learn when you can change an SBP election and when you cannot.

To make this change, please complete a Survivor Benefit Plan Election Change Certificate ([DD 2656-6](#)) and [mail or fax](#) it to DFAS R&A Pay.

## Enrolling after Retirement

Some service members choose not to enroll in the SBP plan because they have no eligible beneficiaries at the time of their retirement. Later, through marriage or the birth of a child, they find themselves with eligible beneficiaries and want to change their earlier election.

If this happens to you, you have one year from the date of initial eligibility -- the date of marriage or the birth date of the child -- to declare your wishes to have the beneficiary covered.

To do so, please [mail or fax](#) the following items to DFAS Retired and Annuitant Pay within one year of the date of eligibility:

- Survivor Benefit Plan Election Change Certificate ([DD 2656-6](#))
- a copy of any relevant legal document (e.g., marriage certificate or birth certificate)

If you have eligible beneficiaries at the time of your retirement and elect not to have them covered, you will not be able to change that election in the future.

## Ending SBP after Retirement

You are free to cancel or terminate your SBP election from the 25th month through the 36th month - or the third year - of your retirement. Please note that this window is an exit only, not an entrance, meaning that it applies only to withdrawing from an unwanted election and does not allow retirees to begin an election that they had earlier declined. As with declining at retirement, spousal concurrence is required.

If you believe you are eligible, please complete a Survivor Benefit Plan Termination Request ([DD 2656-2](#)) and [mail or fax](#) it to DFAS Retired and Annuitant Pay.

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## **Divorce**

A divorce's impact on SBP election depends not only on your wishes, but also on the requirements imposed by the court-ordered divorce decree.

If your divorce decree contains no language mandating you to elect Former Spouse coverage, then you have complete freedom to either have the former spouse removed from the plan or to voluntarily continue the coverage.

If you remove your former spouse from the plan, any premiums deducted beyond the date of divorce will be refunded. If you choose to voluntarily cover your former spouse under the plan, you have until one year after the date of divorce to do so.

If your divorce decree requires you to cover your former spouse, either you or your former spouse must declare your intentions to claim Former Spouse SBP coverage in writing within one year of the date of divorce. To do this, please complete a SBP Election Statement for Former Spouse Coverage ([DD 2656-1](#)) and [mail or fax](#) it to DFAS Retired and Annuitant Pay.

## **Death of a Spouse**

The death of a spouse covered under the plan results in immediate termination of coverage for that spouse. If the spouse alone was covered, cost will terminate and any premiums paid beyond the date of death will be refunded. If the spouse was covered with children, the election and its costs will change so that only the eligible children are covered.

## **Remarriage**

Changes to your account upon remarriage will depend upon whether you were married at retirement.

If you were married and elected Full Spouse coverage at retirement, you can notify us at any time of your remarriage and a new Full Spouse election will automatically begin effective one year after that marriage date. Spousal concurrence must be obtained to begin coverage at any level lower than the original Spouse election.

If you were married at retirement and elected not to cover your spouse, you cannot ever cover another spouse throughout retirement.

If you were not married at retirement, you must notify us of your intentions to add your spouse to the plan within one year of your marriage. The election will become effective and premium costs will begin to be deducted upon your first anniversary.

To make changes to your spouse election, please complete a Survivor Benefit Plan Election Change Certificate ([DD 2656-6](#)) and [mail or fax](#) it to DFAS R&A Pay.

## **Birth of a Child**

Upon the birth of a new child, please inform us by supplying us with a copy of the birth certificate.

If you had no children at retirement, we will add the child to the plan and an additional, nominal amount will be added to your monthly premium.

If you did have children at retirement and elected to cover them under the plan, we will add this youngest child and recalculate your cost based on a factor considering your age and the age of this child.

If you had children at retirement and elected not to cover them, any new or existing children will not be covered under the plan throughout your retirement.

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## **Open Season**

Only a decision by Congress to initiate a free period of enrollment called an “Open Season” would allow a retiree to begin a new election after retirement. Such periods are rare. The most recent Open Season was in 2005. During this period, everyone who took advantage was required to “buy-in” to the program, meaning they paid an amount equal to the total of all premiums they would have paid if they had enrolled when they first became eligible.

## **Educate Your Beneficiaries**

It's important for your survivors to understand how the Survivor Benefit Plan (SBP) works. Please print this page and share it with your designated beneficiary.

## **The Nature and Extent of the SBP Benefit**

The Survivor Benefit Plan (SBP) provides eligible beneficiaries with a monthly payment known as an annuity. The amount of the benefit is a percentage of your retired pay, and it depends upon whether you choose full or reduced coverage. The recipient of your SBP annuity is referred to as the annuitant.

## **The Benefit's Duration**

The SBP entitlement begins upon your death and ends either when your elected beneficiary becomes ineligible to receive the annuity or when your beneficiary dies.

## **Reasons Payment May Be Temporarily Stopped**

Each year we mail annuitants a Certificate of Eligibility (COE). We use the information we request on that form to determine an annuitant's continued eligibility for monthly payments. If we don't receive the COE to by the deadline on the form, we will stop all payments until we receive a properly completed COE ([see instructions](#)). If you have not received a COE from us recently and feel you should have, please call us to request one at 800-321-1080.

## **Reasons Payment Can Be Permanently Stopped**

Annuity payments stop when your beneficiary dies or becomes ineligible to receive the annuity. For example, payments stop for children covered under the SBP annuity when they reach age 18. Payments also stop for spouses covered under SBP if they remarry before age 55.

## **Continuing Children's Benefits after Age 18**

Payments typically stop for children covered under SBP when they reach age 18. However, if that child enrolls in an accredited college or university, the payments will continue until they reach age 22. Each semester, we mail a Child Annuitant's School Certification form to verify the child is still enrolled. If we don't receive the form by the deadline listed, we will stop all payments until we receive a properly completed form ([see instructions](#)). Children who marry before age 22 will no longer be eligible for SBP payments. If you have not received a School Certification recently and feel you should have, please call us to request one at 800-321-1080.

## **Effects of Remarriage on an Annuity**

If the annuitant remarries before age 55, annuity payments will stop. However, if the annuitant's marriage later ends, for any reason, even after age 55, the annuity payment will restart from the date the marriage ends.

## **Benefits from the Department of Veterans' Affairs (VA)**

Dependency and Indemnity Compensation (DIC) is an award offered by the VA.

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Annuitants cannot receive both SBP and DIC concurrently. When DFAS is informed that an annuitant is eligible to receive DIC from the VA, DFAS will deduct the amount of DIC received from the amount of SBP. For example, if an annuitant receives a monthly annuity of \$500 from DFAS and becomes eligible to receive a monthly DIC award of \$400 from the VA, DFAS will deduct the \$400 DIC from the \$500 SBP and pay the remaining \$100 to the annuitant.

If the SBP is greater than the DIC award, a partial refund of premiums paid into the program during the service member's retirement will be made. If the DIC payment is greater than the SBP payment, SBP will be stopped completely and all premiums paid into the program during the service member's retirement will be refunded.

To receive concurrent SBP and DIC payments, the annuitant must not only be eligible for both, but the DIC entitlement must be a result of a remarriage after the age of 57.

### **What initiates the SBP benefit and what will my beneficiary have to do?**

Your designated beneficiary becomes eligible to receive SBP benefits on the day after your death. The first step a beneficiary must take to initiate receipt of benefits is to report your death. Please visit our [Reporting a Death](#) page for step-by-step instructions.

### **What happens if there is a delay in reporting a retiree's death?**

Late notification of a retiree's death may result in burdensome consequences, including delays in finalizing a member's account, payment of arrears of pay and the establishment of an SBP annuity. A retiree's entitlement to retired pay ends on the date he or she dies. Therefore, delayed reporting of a retiree's death may result in an overpayment that will be collected from a financial institution, the member's estate, or from the annuitant if the annuitant is found to be in receipt of the retired pay funds.

### **What Happens When You Die**

It is extremely important for someone to notify DFAS as soon as possible after you die. Late notification of your death could result in burdensome consequences for your survivors, including delays in finalizing your account, paying your Arrears of Pay (AOP) and establishing a Survivor Benefit Plan (SBP) annuity.

Because your entitlement to retired pay ends on the date of your death, delayed reporting also could result in an overpayment that would be collected from your bank, your estate or one of your survivors, if that survivor receives any of your retired pay funds.

### **Instructions for Your Beneficiary**

Please read our instructions for [reporting the death](#) of a military retiree. Print them out and give a copy to your SBP beneficiary.

Once your death has been reported, your beneficiary will receive a [Verification for Survivor Annuity](#) form (DD 2656-7) at the address we have on record. Your beneficiary must complete the form and return it to us. When we receive the completed form, we will begin the SBP annuity.

Please review our [Applying for SBP](#) instructions, print them out and give a copy to your SBP beneficiary.

## Social Security

Earnings for active duty military service or active duty training have been covered under Social Security since 1957. Social Security has covered inactive duty service in the armed forces reserves (such as weekend drills) since 1988.

### Social Security and Medicare Taxes

<b>Social Security (OASDI) Program Rates &amp; Limits</b>	<b>2014</b>
Tax Rates (percent)	
Social Security (Old-Age, Survivors, and Disability Insurance)	
Employers and Employees, each <sup>a</sup>	6.20
Medicare (Hospital Insurance)	
Employers and Employees, each <sup>a,b</sup>	1.45
Maximum Taxable Earnings (dollars)	
Social Security	117,000
Medicare (Hospital Insurance)	No limit
Earnings Required for Work Credits (dollars)	
One Work Credit (One Quarter of Coverage)	1,200
Maximum of Four Credits a Year	4,800
Earnings Test Annual Exempt Amount (dollars)	
Under Full Retirement Age for Entire Year	15,480
For Months Before Reaching Full Retirement Age in Given Year	41,400
Beginning with Month Reaching Full Retirement Age	No limit
Maximum Monthly Social Security Benefit for Workers Retiring at Full Retirement Age (dollars)	2,642
Full Retirement Age	66
Cost-of-Living Adjustment (percent)	1.5
a. Self-employed persons pay a total of 15.3 percent—12.4 percent for OASDI and 2.9 percent for Medicare.	
b. This rate does not reflect the additional 0.9 percent in Medicare taxes certain high-income taxpayers are required to pay. See <a href="#">IRS information on this topic</a> .	
	<b>2014</b>
<b>Supplemental Security Income (SSI) Program Rates &amp; Limits</b>	
Monthly Federal Payment Standard (dollars)	
Individual	721
Couple	1,082
Cost-of-Living Adjustment (percent)	1.5
Resource Limits (dollars)	
Individual	2,000
Couple	3,000
Monthly Income Exclusions (dollars)	

Earned Income <sup>a</sup>	65
Unearned Income	20
Substantial Gainful Activity (SGA) Level for the Non-blind Disabled (dollars)	1,070
a. The earned income exclusion consists of the first \$65 of monthly earnings, plus one-half of remaining earnings.	

## How your work qualifies you for Social Security

To qualify for benefits, you must have worked and paid Social Security taxes for a certain length of time. In 2011, you received four credits if you earned at least \$4,480. The amount needed to get credit for your work goes up each year. The number of credits you need to qualify for Social Security benefits depends on your age and the type of benefit for which you are eligible. No one needs more than 10 years of work.

### Extra earnings

Since 1957, if you had military service earnings for active duty (including active duty for training), you paid Social Security taxes on those earnings. Since 1988, inactive duty service in the Armed Forces reserves (such as weekend drills) has also been covered by Social Security.

Under certain circumstances, special extra earnings for your military service from 1957 through 2001 can be credited to your record for Social Security purposes. These extra earnings credits may help you qualify for Social Security or increase the amount of your Social Security benefit.

Special extra earnings credits are granted for periods of active duty or active duty for training. Special extra earnings credits are **not** granted for inactive duty training.

If your active military service occurred:

- **From 1957 through 1967**, we will add the extra credits to your record when you apply for Social Security benefits.
- **From 1968 through 2001**, you do not need to do anything to receive these extra credits. The credits were automatically added to your record.
- **After 2001**, there are no special extra earnings credits for military service.

**Note:** In January 2002, Public Law 107-117, the Defense Appropriations Act, stopped the special extra earnings that have been credited to military service personnel. Military service in calendar year 2002 and future years no longer qualifies for these special extra earnings credits

## How You Get Credit For Special Extra Earnings

The information that follows applies **only** to active duty military service earnings from [1957 through 2001](#). Here's how the special **extra** earnings are credited on your record:

### Service in 1957 Through 1977

You are credited with \$300 in additional earnings for each calendar quarter in which you received active duty basic pay.

### Service in 1978 through 2001

For every \$300 in active duty basic pay, you are credited with an additional \$100 in earnings up to a maximum of \$1,200 a year. If you enlisted after September 7, 1980, and didn't complete at least 24 months of active duty or your full tour, you may not be able to receive the additional earnings. Check with Social Security for details.

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## **Your Benefits**

In addition to retirement benefits, Social Security pays survivors benefits to your family when you die. You also can get Social Security benefits for you and your family if you become disabled. For more information about these benefits, call toll-free at 1-800-772-1213, from 7 a.m. to 7 p.m., Monday through Friday.

When you apply for Social Security benefits, you will be asked for proof of your military service (DD Form 214) or information about your reserve or National Guard service.

### **When you are eligible for Medicare**

If you have health care insurance from the Department of Veterans Affairs (VA) or under the TRICARE or CHAMPVA program, your health benefits may change or end when you become eligible for Medicare. You should contact the VA, the Department of Defense or a military health benefits advisor for more information.

### **You can work and get retirement benefits**

You can retire as early as age 62. But, if you do, your Social Security benefits will be reduced permanently. If you decide to apply for benefits before your full retirement age, you can work and still get some Social Security benefits. There are limits on how much you can earn without losing some or all of your retirement benefits. These limits change each year. When you apply for benefits, we will tell you what the limits are at that time and whether work will affect your monthly benefits.

When you reach your full retirement age, you can earn as much as you are able and still get all of your Social Security benefits.

The full retirement age is 66 for people born in 1943 through 1954, and it will gradually increase to age 67 for those born in 1960 and later. To help you decide the best time to retire, contact Social Security for a copy of *Retirement Benefits* (Publication No. 05-10035).

### **Contacting Social Security**

For more information visit [www.socialsecurity.gov](http://www.socialsecurity.gov) or call toll-free, 1-800-772-1213 (for the deaf or hard of hearing, call our TTY number, 1-800-325-0778). Specific questions can be answered from 7 a.m. to 7 p.m., Monday through Friday. Automated phone service is available 24 hours a day.

## VA Health Care

### Special Note about Veterans' Benefits

Eligibility for most VA benefits is based upon discharge from active military service under other than dishonorable conditions. Active service means full-time service, other than active duty for training, as a member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or as a commissioned officer of the Public Health Service, Environmental Science Services Administration or National Oceanic and Atmospheric Administration, or its predecessor, the Coast and Geodetic Survey. Generally, men and women veterans with similar service may be entitled to the same VA benefits.

Dishonorable and bad conduct discharges issued by general courts-martial may bar VA benefits. Veterans in prison and parolees must contact a VA regional office to determine eligibility. VA benefits will not be provided to any veteran or dependent wanted for an outstanding felony warrant.

### VA Health Care

VA operates the nation's largest integrated health care system with more than 1,400 sites of care, including hospitals, community clinics, nursing homes, domiciliaries, readjustment counseling centers, and various other facilities.

### Enrollment

For most veterans, entry into the VA health care system begins by applying for enrollment. To apply, complete VA Form 10-10EZ, Application for Health Benefits, which may be obtained from any VA health care facility or regional benefits office, online at <https://www.1010ez.med.va.gov/> or by calling 1-877-222-VETS (8387). Once enrolled, veterans can receive services at VA facilities anywhere in the country.

Veterans who are enrolled for VA health care are afforded privacy rights under federal law. VA's Notice of Privacy Practices is available at the VA health care website listed above.

The following three categories of veterans are not required to enroll, but are urged to do so to permit better planning of health resources:

1. Veterans with a service-connected disability of 50 percent or more.
2. Veterans seeking care for a disability the military determined was incurred or aggravated in the line of duty, but which VA has not yet rated, within 12 months of discharge.
3. Veterans seeking care for a service-connected disability only.
4. Veterans seeking registry examinations (Ionizing Radiation, Agent Orange, Gulf War/Operation Iraqi Freedom and Depleted Uranium).

### Priority Groups

During enrollment, veterans are assigned to priority groups VA uses to balance demand with resources. Changes in available resources may reduce the number of priority groups VA can enroll. If this occurs, VA will publicize the changes and notify affected enrollees. Below are descriptions of the VA priority groups:

**Group 1:** Veterans with service-connected disabilities rated 50 percent or more and/or veterans determined by VA to be unemployable due to service-connected conditions.

**Group 2:** Veterans with service-connected disabilities rated 30 or 40 percent.

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**Group 3:** Veterans with service-connected disabilities rated 10 and 20 percent, veterans who are former Prisoners of War (POW) or were awarded a Purple Heart, veterans awarded special eligibility for disabilities incurred in treatment or participation in a VA Vocational Rehabilitation program, and veterans whose discharge was for a disability incurred or aggravated in the line of duty.

**Group 4:** Veterans receiving aid and attendance or housebound benefits and/or veterans determined by VA to be catastrophically disabled.

**Group 5:** Veterans receiving VA pension benefits or eligible for Medicaid programs, and non service-connected veterans and non compensable, zero percent service-connected veterans whose gross annual household income and net worth are below the established VA means test thresholds.

**Group 6:** Veterans of World War I; veterans seeking care solely for certain conditions associated with exposure to ionizing radiation during atmospheric testing or during the occupation of Hiroshima and Nagasaki; for any illness associated with participation in tests conducted by the Department of Defense (DoD) as part of Project 112/Project SHAD; veterans with zero percent service-connected disabilities who are receiving disability compensation benefits; veterans who served in the republic of Vietnam between 1962 and 1975; veterans of the Persian Gulf War that served between August 2, 1990 and November 11, 1998 and veterans who served in a theater of combat operations after Nov. 11, 1998 as follows:

1. Veterans discharged from active duty on or after Jan. 28, 2003, who were enrolled as of Jan. 28, 2008 and veterans who apply for enrollment after Jan. 28, 2008, for 5 years post discharge
2. Veterans discharged from active duty before Jan. 28, 2003, who apply for enrollment after Jan. 28, 2008, until Jan. 27, 2011

**Group 7:** Veterans with gross household income below the geographically-adjusted income threshold (GMT) for their resident location and who agree to pay co-pays.

**Group 8:** Veterans, enrolled as of January 16, 2003, with gross household income and/or net worth above the VA national income threshold and the geographically-adjusted income threshold for their resident location and who agree to pay co-pays. Note: Due to income relaxation rules implemented on June 15, 2009 Veterans with household income above the VA [national threshold](#) or the GMT income threshold for their resident location by 10 percent or less, who agree to pay co-pays, are eligible for enrollment in Priority Group 8.

### **Special Access to Care**

**Service Disabled Veterans:** Veterans who are 50 percent or more disabled from service-connected conditions, unemployable due to service-connected conditions, or receiving care for a service-connected disability receive priority in scheduling of hospital or outpatient medical appointments.

**Combat Veterans:** Effective Jan. 28, 2008, veterans discharged from active duty on or after Jan. 28, 2003, are eligible for enhanced enrollment placement into Priority Group 6 (unless eligible for higher enrollment Priority Group placement) for 5 years post discharge. Veterans with combat service after Nov. 11, 1998, who were discharged from active duty before Jan. 28, 2003, and who apply for enrollment on or after Jan. 28, 2008, are eligible for this enhanced enrollment benefit through Jan. 27, 2011.

Veterans, including activated reservists and members of the National Guard, are eligible if they served on active duty in a theater of combat operations after Nov. 11, 1998, and, have been discharged under other than dishonorable conditions.

Veterans who enroll with VA under this “Combat Veteran” authority will retain enrollment eligibility even after their five-year post discharge period ends. At the end of their post discharge period, VA will reassess the veteran’s information (including all applicable eligibility factors) and make a new enrollment decision. For additional information, call 1-877-222-VETS (8387).

## Financial Information

### Financial Assessment

Most veterans not receiving VA disability compensation or pension payments must provide information on their gross annual household income and net worth to determine whether they are below the annually adjusted financial thresholds. Veterans who decline to disclose their information or have income above the thresholds must agree to pay co-pays in order to receive certain health benefits, effectively placing them in Priority Group 8. VA is currently not enrolling new applicants who decline to provide financial information unless they have a special eligibility factor.

This financial assessment includes all household income and net worth, including Social Security, retirement pay, unemployment insurance, interest and dividends, workers' compensation, black lung benefits and any other income. Also considered are assets such as the market value of property that is not the primary residence, stocks, bonds, notes, individual retirement accounts, bank deposits, savings accounts and cash.

### Services Requiring Co-pays

Some veterans must make co-pays to receive VA health care. The following chart represents copay requirements for certain veterans. (Verified 11/17/13): [http://www.va.gov/healthbenefits/resources/publications/IB10-431-copay\\_requirements\\_at\\_a\\_glance\\_jan2013.pdf](http://www.va.gov/healthbenefits/resources/publications/IB10-431-copay_requirements_at_a_glance_jan2013.pdf)



### 2013 Copayment Requirements at a Glance

	<b>Inpatient Care</b> (\$10 per day + \$1184 for first 90 days and \$592 after 90 days – based on 365-day period).	<b>Outpatient Care</b> (\$15 Primary Care; \$50 Specialty Care; \$0 for x-rays, lab, immunizations, etc.)	<b>Outpatient Medication</b> (\$8 per 30-day supply PG 2-6 Calendar Year cap - \$960) (\$9 per 30-day supply PG 7-8 No Calendar Year cap)	<b>Extended Care Services</b> Institutional NHCU, Respite, Geriatric Eval - \$0-97 per day. Non-institutional Respite, Geriatric Eval, ADHC - \$15 Domiciliary - \$5
<b>Priority Group 1</b> (SC 50% or more)	No	No	No	No
<b>**Priority Groups 2, 3</b> (SC 10% - 40%) No medication copayment for SC condition, former POWs, or Catastrophically Disabled Veterans **former POWs not exempted	No	No	Yes*	No
<b>**Priority Group 4</b>	No	No	No **	Yes
<b>Priority Group 5</b> No medication or extended care services copayment if in receipt of VA pension or income below applicable pension threshold	No	No	Yes	Yes
<b>Priority Group 6</b> (Combat Veteran, SHAD, SC 0% compensable, ionization radiation, Agent Orange exposure, Southwest Asia service, stationed at Camp Lejeune 1957-1987) ***Copay rules apply if care or service provided is unrelated to VA's exposure treatment authorities.	No****	No****	No****	No****
<b>Priority Group 7</b> Inpatient copay is reduced 80% of full rate	Yes	Yes	Yes	Yes
<b>Priority Group 8</b> Unless income is below applicable pension threshold for medication and extended care services copayment	Yes	Yes	Yes	Yes

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## **Basic Business Rule**

No extended car copayment when income is below pension single rate threshold.

\*Copayment Free Car and Medication for treatment of Service-Connected (SC) disabilities, SC 50% or more, former POWs, Catastrophically Disabled Veterans, VA pensioners and those under Special Authorities (e.g. PG. 6, military sexual trauma, nasopharyngeal radium irradiation).

\*\*Copayment for extended care services for POWs when care provided is for a NSC condition.

\*\*\*Veterans determined by VA to be Catastrophically Disabled (CD) are exempted from inpatient, outpatient and prescription copayments. CD Veterans are also exempt from copayments applicable to the receipt of non-institutional respite care, non-institutional geriatric evaluation, non-institutional adult day health care, Homemaker/Home Health Aide, Purchased Skilled Home Care, Home based Primary Care, and any other non-institutional alternative extended care services. Co-payment for other extended care services (ex. Nursing Home Care) not mentioned still apply.

\*\*\*A&A and HB – For Veterans who are not in receipt of a VA Pension, but requires the aid and attendance (A&A) of another person or is permanently housebound (HB), the income limits for determining the exemption from outpatient medication copayment requirements and the eligibility for beneficiary travel benefits will be based on the maximum annual rate of pension as Identified in VHA Fact Sheet IB10-497.

\*\*\*\* Exposure Treatment Authorities: Care authorized under 38 U.S.C. 1710(e) for Vietnam-era herbicide exposed Veterans, radiation-exposed Veterans, Gulf War Veterans, post-Gulf War combat exposed Veterans or Camp Lejeune Veterans.

## **OEF/OIF/OND Combat Veterans Enhanced Eligibility for Health Care Benefits**

Combat Veterans discharged from active duty on or after January 28, 2003, are eligible for enrollment in Priority Group (PG) 6 for 5 years following discharge unless eligible for a higher enrollment priority (PG 1-5). After the special eligibility period ends, these Veterans will be reassigned to appropriate PG and subject to copayments, if applicable.

Copayments only applicable for PG 6 Combat Veteran enrollees for care related to a condition that is congenital or developmental e.g. scoliosis existed before military service (unless aggravated by combat service) or has a specific ailment that began after military service, such as a common cold.

## **Comprehensive Medical Benefits Package**

All enrolled Veterans have a comprehensive medical benefits package, which VA administers through an annual patient enrollment system. The enrollment system is based on priority groups to ensure health care benefits are readily available to all enrolled Veterans. Enrollment in the VA health care system provides Veterans with the assurance that comprehensive health care services will be available when and where they are needed during that enrollment period.

## **Outpatient Visits Not Requiring Co-pays**

Co-pays do not apply to publicly announced VA health fairs or outpatient visits solely for preventive screening and/or immunizations, such as immunizations for influenza and pneumococcal, or screening for hypertension, hepatitis C, tobacco, alcohol, hyperlipidemia, breast cancer, cervical cancer, colorectal cancer by fecal occult blood testing, education about the risks and benefits of prostate cancer screening and smoking cessation counseling (individual or group). Laboratory, flat film radiology, and electrocardiograms are also exempt from co-pays.

## **Billing Insurance Companies**

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VA is required to bill private health insurance providers for medical care, supplies and prescriptions provided for non service-connected conditions. Generally, VA cannot bill Medicare, but can bill Medicare supplemental health insurance for covered services.

All veterans applying for VA medical care are required to provide information on their health insurance coverage, including coverage provided under policies of their spouses. Veterans are not responsible for paying any remaining balance of VA's insurance claim not paid or covered by their health insurance, and any payment received by VA may be used to offset "dollar for dollar" a veteran's VA co-pay responsibility.

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## Travel Costs

Public Law 110-387 required VA to reduce (and freeze) the deductible amounts to those originally specified in 38 U.S.C. § 111(c)(5). Therefore, effective January 9, 2009 the Beneficiary Travel deductible was reduced to \$3.00 per one way trip; \$6.00 for a round trip; with a maximum deductible of \$18.00 per calendar month. The \$18.00 is the total monthly deductible amount for travel to all VA facilities. Regardless of the deductible amount withheld per trip, deductible requirements end after 6 one-way (3 round) trips in a calendar month. Should a veteran be going to multiple VA facilities, and the veteran notes this when applying for Travel reimbursement, it is incumbent upon the facility providing the care and travel to contact any other VA facilities to determine if the deductible has been met.

The only exemptions to the deductible are:

- Veterans traveling in conjunction with a C&P examination,
- Non veteran donors,
- Veterans requiring a [special mode of transportation](#), and
- when it is determined that the imposition of the deductible would cause a severe financial hardship (see “Waivers”)

All other eligible veterans, including those receiving care for service connected conditions, are required to have the deductible applied.

## VA Medical Programs

### Veteran Health Registries

Certain veterans can participate in a VA health registry and receive free medical examinations, including laboratory and other diagnostic tests deemed necessary by an examining clinician. VA maintains health registries to provide special health examinations and health-related information. To participate, contact the nearest VA health care facility or visit: <http://www.publichealth.va.gov/exposures/>.

### Environmental Health Registry Evaluation for Veterans

VA’s health registry evaluation is a free, voluntary medical assessment for Veterans who may have been exposed to certain environmental hazards during military service.

The evaluations alert Veterans to **possible long-term health problems** that may be related to exposure to specific environmental hazards during their military service.

VA has established several health registries to track and monitor the health of specific groups of Veterans. The registry data helps VA understand and respond to these health problems more effectively.

VA is working on a new [Airborne Hazards and Open Burn Pit Registry](#) for OEF/OIF/OND and 1990–1991 Gulf War Veterans.

You may be eligible to participate in one or more of these health registries:

- [Agent Orange Registry](#)
- [Gulf War Registry](#) (includes Operations Iraqi Freedom and New Dawn)
- [Ionizing Radiation Registry](#)
- [Depleted Uranium Follow-Up Program](#)
- [Toxic Embedded Fragment Surveillance Center](#)

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Contact your local [VA Environmental Health Coordinator](#) about getting a registry evaluation. You do not need to enroll in VA's health care system to take part.

## **Readjustment Counseling**

### **Program Description**

Veterans Affairs (VA) provides eligible Veterans and their families readjustment counseling through 300 Vet Centers located in all 50 states, the District of Columbia, Puerto Rico, American Samoa, and Guam.

Vet Centers are community-based counseling centers that provide a wide range of social and psychological services including professional readjustment counseling to Veterans and families, military sexual trauma counseling, and bereavement counseling for families who experience an active duty death.

A core value of the Vet Center program is to promote access to care by helping Veterans and families overcome barriers that impede them from using those services. For example, all Vet Centers have availability during non-traditional hours after normal business hours as well as on Saturdays. All services are without time limitation and at no cost to the Veteran. All Vet Center services are provided to the Veteran and their family without cost or time limitation. All services are prepaid through the Veteran's service.

### **Services Provided**

- Individual counseling
- Group counseling
- Family counseling for issues related to the readjustment of the Veteran
- Bereavement counseling for families who experience an active duty death
- VA medical benefit referral
- VBA benefits referral
- Employment counseling, guidance, and referrals
- Alcohol/ substance abuse assessments and referrals
- Information and referral to community resources
- Military sexual trauma counseling & referral
- Outreach and Community education

### **General Program Requirements**

Vet Centers provide services to Veterans who have served in any warzone or area of hostility and their families. Vet Center services are also extended to family members who experienced an active duty death (bereavement counseling) and Veterans of any era who has experiences any form of military sexual trauma or harassment. These Veterans are not required to have served in a war zone.

- All services are without time limitation and at no cost to the Veteran. These services have been prepaid through the Veteran's military service.
- Veterans do not need to be enrolled with the Department of Veteran Affairs Medical Centers to use this benefit.
- Veterans do not need a disability rating or service connection for injuries from either the Department of Veteran Affairs or the Department of Defense, to use a Vet Center.
- No information will be released to any person or agency without the written consent from the Veteran, except in circumstances averting a crisis.
- Readjustment counseling services at the Vet Centers are not part of the Basic Medical Benefits Package.

### **Your Next Steps**

The following information will lead you to the next steps to apply for this benefit.

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## Application Process

For more information, please visit:

- <http://www.vetcenter.va.gov/> provides more information about available services as well as finding your closest Vet Center.
- Call our 24/7 confidential toll-free number at 1-877-WAR-VETS (927-8387)
- In person, Veterans and their families can walk in to any of the Vet Center throughout the United States, Puerto Rico, American Samoa, and Guam. A full listing of locations can be found on <http://www.vetcenter.va.gov/>

## Program Contact Information

Readjustment Counseling Service  
VA Central Office  
202-461-6525

## Bereavement Counseling

Bereavement Counseling is available to all family members including spouses, children, parents and siblings of service members who die while on active duty. This includes federally activated members of the National Guard and reserve components. Bereavement services may be accessed by calling (202) 461-6530.

For additional information, contact the nearest Vet Center or visit: <http://www.vetcenter.va.gov/>.

## Prosthetic and Sensory Aids

Veterans receiving VA care for any condition may receive VA prosthetic appliances, equipment and services, such as home respiratory therapy, artificial limbs, orthopedic braces and therapeutic shoes, wheelchairs, powered mobility, crutches, canes, walkers and other durable medical equipment and supplies.

VA will provide hearing aids and eyeglasses to veterans who receive increased pension based on the need for regular aid and attendance or being permanently housebound, receive compensation for a service-connected disability or are former POWs. Otherwise, hearing aids and eyeglasses are provided only in special circumstances, and not for normally occurring hearing or vision loss. For additional information, contact the prosthetic representative at the nearest VA health care facility.

## Home Improvements and Structural Alterations

Under the Home Improvements and Structural Alterations (HISA) program, Veterans with service-connected disabilities or Veterans with non-service-connected disabilities may receive assistance for any home improvement necessary for the continuation of treatment or for disability access to the home and essential lavatory and sanitary facilities.

A HISA grant is available to Veterans who have received a medical determination indicating that improvements and structural alterations are necessary or appropriate for the effective and economical treatment of his/her disability. A Veteran may receive both a HISA grant and either a Special Home Adaptation (SHA) grant or a Specially Adapted Housing (SAH) grant.

Please take a moment to watch the [HISA Video](#) for more information.

## Applying for a HISA Grant

In order to receive a HISA grant, the **Veteran must first have a prescription from a VA or fee-basis physician.** This must include:

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- Specific items required
  - The diagnosis with medical justification
  - The Veteran's name, address, SSN, and phone number(s)

**To apply, the Veteran must first provide:**

- A completed VA Form 10-0103, [VETERANS APPLICATION FOR ASSISTANCE In Acquiring Home Improvement and Structural Alterations](#)
  - If a leased or rented property, written permission from the owner
  - Quotes from at least 3 licensed contractors (if required by state law), to include:
    - The contractors name, address, telephone, and Federal tax ID number or social security number
    - The Veteran's name, address, and telephone number
    - Plans and drawings
    - An itemized list of estimated materials, cost, and labor cost
    - All permits required (it is the contractors responsibility to obtain these)
  - A picture of the work site prior to construction

**Examples of what HISA will pay for include:**

- Allowing entrance or exit from Veteran's home
- Improving access for use of essential lavatory and sanitary facilities
- Improving access to kitchen and bathroom counters
- Handrails
- Lowered electrical outlets and switches
- Improving paths or driveways
- Improving plumbing/electrical work for dialysis patients

**HISA will *not* pay for:**

- Walkways to exterior buildings
- Widening of driveways (in excess of a 7ft x 6ft area)
- Spa, hot tub, or Jacuzzi
- Exterior decking (in excess of 8ft x 8ft)

**Limits on HISA Grants**

The HISA program is available for both **service-connected** Veterans and **non-service-connected** Veterans. On May 5, 2010 the President signed the Caregiver and Veterans Omnibus Health Service Act of 2010, increasing the amounts available under the HISA grant:

- Home improvement benefits up to **\$6,800** may be provided for a:
  - service-connected condition
  - non-service-connected condition of a Veteran rated 50 percent or more service-connected
- Home improvement benefits up to **\$2,000** may be provided to all other Veterans registered in the VA health care system

**Services for Blind Veterans**

Blind veterans may be eligible for services at a VA medical center or for admission to a VA blind rehabilitation center. In addition, blind veterans enrolled in the VA health care system may receive:

1. A total health and benefits review.
2. Adjustment to blindness training and counseling.
3. Home improvements and structural alterations.

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4. Specially adapted housing and adaptations.
  5. Automobile grant.
  6. Low-vision aids and training in their use.
  7. Electronic and mechanical aids for the blind, including adaptive computers and computer-assisted devices such as reading machines and electronic travel aids.
  8. Guide dogs, including cost of training the veteran to use the dog.
  9. Talking books, tapes and Braille literature.

Eligible visually impaired veterans (who are not blind) enrolled in the VA health care system may receive:

1. A total health and benefits review.
2. Adjustment to vision loss counseling and training.
3. Low-vision devices and training in their use.
4. Electronic and mechanical aids for the visually impaired, including adaptive computers and computer-assisted devices such as reading machines and electronic travel aids, and training in their use.

### **Mental Health Care**

Veterans eligible for VA medical care may apply for general mental health treatment including specialty services such as Post Traumatic Stress Disorder and substance abuse treatment. Contact the nearest VA health care facility to apply.

### **Suicide Prevention Hotline**

Veterans experiencing an emotional crisis or who need to talk to a trained mental health professional may call the National Suicide toll-free hotline number, 1-800-273-TALK (8255). The hotline is available 24 hours a day, seven days a week. Callers are immediately connected with a qualified and caring provider who can help.

### **Work Restoration Programs**

VA provides vocational assistance and therapeutic work opportunities through several programs for veterans receiving VA health care. Each program offers treatment and rehabilitation services to help veterans live and work in their communities.

Participation in the following VA Work Restoration Programs cannot be used to deny or discontinue VA compensation or pension benefits.

**Incentive Therapy:** is a pre-vocational program available at 70 VA Medical Centers and frequently serves as a mainstay for seriously disabled veterans for whom employment is not considered viable in the foreseeable future. Participants receive a token payment for services provided.

**Compensated Work Therapy (CWT):** is a vocational program available at over 100 VA Medical Centers. Veterans receive an individualized vocational assessment, rehabilitation planning and work experience with the goal of job placement in the community. The program works closely with community-based organizations, employers and state and federal agencies to establish transitional work experiences, supported employment opportunities, direct job placement and supportive follow-up services. For locations near you visit: <http://www.va.gov/HEALTH/cwt/locations.asp>

**CWT/Transitional Residence:** provides work-based, residential treatment in a stable living environment. This program differs from other VA residential bed programs in that participants use their earnings to contribute to the cost of their residences and are responsible for planning, purchasing and preparing their own meals. The program offers a comprehensive array of rehabilitation services including home, financial and life skills management.

### **Domiciliary Care**

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Domiciliary care provides rehabilitation and long-term, health-maintenance care for veterans who require minimal medical care but do not need the skilled nursing services provided in nursing homes. A Domiciliary also provides rehabilitative care for veterans who are homeless.

**Eligibility:** VA may provide domiciliary care to veterans whose annual gross household income does not exceed the maximum annual rate of VA pension or those the Secretary of Veterans Affairs determines have no adequate means of support. Co-pays for extended care services apply to domiciliary care. Call the nearest VA benefits or health care facility for more information.

### **Outpatient Dental Treatment**

VA outpatient dental treatment includes the full spectrum of diagnostic, surgical, restorative and preventive procedures. The extent of care provided may be influenced by eligibility category.

**Eligibility:** The following veterans are eligible to receive dental care:

1. Veterans with service-connected, compensable dental conditions.
2. Former POWs.
3. Veterans with service-connected, non-compensable dental conditions as a result of combat wounds or service injuries.
4. Veterans with non service-connected dental conditions determined by VA to be aggravating a service-connected medical problem.
5. Veterans with service-connected conditions rated permanently and totally disabling or 100 percent by reason of permanent unemployability.
6. Veterans in a VA vocational rehabilitation program.
7. Certain enrolled homeless veterans.
8. Veterans with non service-connected dental conditions that received dental treatment while an inpatient in a VA facility.
9. Veterans requiring treatment for dental conditions clinically determined to be complicating a medical condition currently under treatment.

Recently discharged veterans who served on active duty 90 days or more and who apply for VA dental care within 180 days of separation from active duty, may receive a one time dental treatment if their certificate of discharge does not indicate that they received necessary dental care within a 90-day period prior to discharge.

### **Nursing-Home Care**

VA provides nursing home services through three national programs: VA owned and operated nursing homes, state veterans' homes owned and operated by the state, and contract community nursing homes. Each program has its own admission and eligibility criteria.

**VA Nursing Homes:** VA owned and operated homes typically admit residents requiring short-term skilled care or who have a 70 percent or more service-connected disability. All others are based on available resources.

**State Veterans' Home Programs:** The state veterans' home program is a cooperative venture between the states and VA whereby the states petition VA for matching construction grants and once granted, the state, the veteran, and VA pay a portion of the per diem. The per diem is set in legislation. State veterans homes accept all veterans in need of long-term or short-term nursing home care. Specialized services offered are dependent upon the capability of the home to render them.

**Community Nursing Home Program:** VA maintains contracts with community nursing homes through every VA medical center. The purpose of this program is to meet the nursing home needs of veterans who require long-term nursing home care in their own community, close to their families.

**Eligibility:** The general admission criteria for nursing home placement requires that a resident must be medically stable, i.e. not acutely ill, have sufficient functional deficits to require inpatient nursing home care, and is assessed by

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an appropriate medical provider to be in need of institutional nursing home care. Furthermore, the veteran must meet the required VA eligibility criteria for nursing home care or the contract nursing home program and the eligibility criteria for the specific state veterans home.

**Long-Term Care Services:** In addition to nursing home care, VA offers a variety of other long-term care services either directly or by contract with community-based agencies. Such services include adult day health care, inpatient or outpatient respite care, inpatient or outpatient geriatric evaluation and management, hospice and palliative care, and home based primary care. Veterans receiving these services may be subject to a co-pay.

#### **Emergency Medical Care in Non-VA Facilities**

VA may reimburse or pay for medical care provided to enrolled veterans by non-VA facilities only in cases of medical emergencies where VA or other federal facilities were not feasibly available. Other conditions also apply. To determine eligibility or initiate a claim, contact the VA medical facility nearest to where the emergency service was provided.

## Veterans with Service-Connected Disabilities

### Disability Compensation

Disability compensation is a monetary benefit paid to veterans who are disabled by an injury or disease that was incurred or aggravated during active military service. These disabilities are considered to be service-connected. Disability compensation varies with the degree of disability and the number of veteran's dependents, and is paid monthly. Veterans with certain severe disabilities may be eligible for additional special monthly compensation. The benefits are not subject to federal or state income tax.

The payment of military retirement pay, disability severance pay and separation incentive payments known as SSB (Special Separation Benefits) and VSI (Voluntary Separation Incentives) affects the amount of VA compensation paid to disabled veterans.

To be eligible, the service of the veteran must have been terminated through separation or discharge under conditions other than dishonorable.

### Receiving Disability Benefit Payments

The Department of Treasury has mandated that all recurring federal benefits be administered through either Electronic Funds Transfer (EFT) or Direct Express® Debit MasterCard®. Compensation and pension beneficiaries can establish direct deposit through the Treasury's Go Direct helpline. Call toll-free 1-800-333-1795, or enroll online at [www.GoDirect.org](http://www.GoDirect.org).

Veterans also have the option of receiving their benefits via a prepaid debit card, even if they do not have a bank account. There is no credit check, no minimum balance required, and basic services are free. To establish payments of federal benefits through Direct Express® Debit MasterCard® issued by Comerica Bank, call **1-888-213-1625** to enroll in the program.

**2013 Disability Compensation Rates (Verified on 11/17/13)** [http://www1.va.gov/opa/publications/benefits\\_book/benefits\\_chap02.asp](http://www1.va.gov/opa/publications/benefits_book/benefits_chap02.asp)

Veteran's Disability Rating	Monthly Rate Paid
10 percent	\$129
20 percent	\$225
30 percent*	\$395
40 percent*	\$569
50 percent*	\$810
60 percent*	\$1,026
70 percent*	\$1,293
80 percent*	\$1,503
90 percent*	\$1,689
100 percent*	\$2,816

\*Veterans with disability ratings of at least 30 percent are eligible for additional allowances for dependents, including spouses, minor children, children between the ages of 18 and 23 who are attending school, children who are permanently incapable of self-support because of a disability arising before age 18, and dependent parents. The additional amount depends on the disability rating.

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## **Additional Monetary Benefits for Eligible Military Retirees**

Concurrent Retirement and Disability Pay (CRDP) is a Department of Defense (DoD) program that allows some individuals to receive both military retired pay and VA disability compensation. This dual receipt was prohibited until the CRDP program began on Jan. 1, 2004. CRDP is a "phase in" of benefits that gradually restores a retiree's VA disability offset. This means that an eligible person's retired pay will gradually increase each year until the phase in is complete in Jan. 2014.

Effective Jan. 1, 2005, Veterans rated 100 percent disabled by VA, including those receiving benefits at the 100 percent rate due to individual unemployability (IU), are entitled to full CRDP without being phased in.

### **Eligibility: To qualify for CRDP, Veterans must:**

1. Have a VA service-connected rating of 50 percent or greater, and;
2. Be retired from military service based on longevity, including temporary Early Retirement Authority (TERA) retirees; or
3. Be retired under Chapter 61 with 20 or more qualifying years of service; or
4. Be retired from National Guard or Reserve service with 20 or more qualifying years; and
5. Be eligible to receive retired pay (must be offset by VA payments).

Retirees do not need to apply for this benefit. Payment is coordinated between VA and the military pay center.

**Combat-Related Special Compensation (CRSC)** is a DoD program that provides tax-free monthly payments to eligible retired Veterans with combat-related disabilities. With CRSC, Veterans can receive both their military retirement pay and VA disability compensation for disabilities determined by the service department to be combat related.

### **Eligibility: To qualify for CRSC, Veterans must:**

1. Be a military retiree.
2. Be entitled to and/or receiving military retired pay.
3. Have a compensable service-connected disability.

In addition, Veterans must be able to provide documentary evidence that their disabilities were the result of one of the following:

1. Training that simulates war (e.g., exercises, field training)
2. Hazardous duty (e.g., flight, diving, parachute duty)
3. An instrumentality of war (e.g., combat vehicles, weapons)
4. Armed conflict (e.g., gunshot wounds, Purple Heart)

Disabilities related to in-service exposure to hazards (e.g., Agent Orange, Gulf War illnesses, radiation exposure) for which VA awards compensation are considered combat-related for CRSC purposes.

For more information, visit [www.defense.gov](http://www.defense.gov), or call the toll-free phone number for the Veteran's branch of service:

Army: **1-866-281-3254**, [www.hrc.army.mil/site/crsc/index.html](http://www.hrc.army.mil/site/crsc/index.html) or e-mail at [crsc.info@us.army.mil](mailto:crsc.info@us.army.mil)

Air Force: **1-800-616-3775**, [www.retirees.af.mil/](http://www.retirees.af.mil/) or email at [AFPC.DPPDC.AFCRSC@us.af.mil](mailto:AFPC.DPPDC.AFCRSC@us.af.mil)

Navy/Marine Corps: **1-877-366-2772**, [www.donhq.navy.mil/corb/CRSCB/combatrelated.htm](http://www.donhq.navy.mil/corb/CRSCB/combatrelated.htm) or email at [DoN\\_CRSC@navy.mil](mailto:DoN_CRSC@navy.mil)

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Coast Guard: 1-202-493-1735, [www.uscg.mil/adm1/crsc.asp](http://www.uscg.mil/adm1/crsc.asp) or email at [Cassie.H.Sylvester@uscg.mil](mailto:Cassie.H.Sylvester@uscg.mil).

## **Disability Compensation for Presumptive Conditions**

Certain chronic and tropical diseases (for example, multiple sclerosis, diabetes mellitus, and arthritis) may be service connected if the disease becomes at least 10 percent disabling within the applicable time limit following service. For a comprehensive list of these chronic diseases, see 38 CFR 3.309; for applicable time limits, see 38 CFR 3.307.

All Veterans who develop Amyotrophic Lateral Sclerosis (ALS), also known as Lou Gehrig's Disease, at any time after separation from service may be eligible for compensation for that disability. To be eligible, the Veteran must have served a minimum of 90 consecutive days of active service.

**Prisoners of War:** For former POWs who were imprisoned for any length of time, the following disabilities are presumed to be service connected if they become at least 10 percent disabling anytime after military service: psychosis, any of the anxiety states, dysthymic disorder, organic residuals of frostbite, post-traumatic osteoarthritis, atherosclerotic heart disease or hypertensive vascular disease and their complications, stroke and its complications, and, effective Oct. 10, 2008, osteoporosis if the Veteran has post-traumatic stress disorder (PTSD).

For former POWs who were imprisoned for at least 30 days, the following conditions are also presumed to be service connected: avitaminosis, beriberi, chronic dysentery, helminthiasis, malnutrition (including optic atrophy associated with malnutrition), pellagra and/or other nutritional deficiencies, irritable bowel syndrome, peptic ulcer disease, peripheral neuropathy except where related to infectious causes, cirrhosis of the liver, and, effective Sept. 28, 2009, osteoporosis.

**Veterans Exposed to Agent Orange and Other Herbicides:** A Veteran who served in the Republic of Vietnam between Jan. 9, 1962, and May 7, 1975, is presumed to have been exposed to Agent Orange and other herbicides used in support of military operations.

VA presumes the following diseases to be service-connected for such exposed Veterans: AL amyloidosis, chloracne or other acneform disease similar to chloracne, porphyria cutanea tarda, soft-tissue sarcoma (other than osteosarcoma, chondrosarcoma, Kaposi's sarcoma or mesothelioma), Hodgkin's disease, multiple myeloma, respiratory cancers (lung, bronchus, larynx, trachea), non-Hodgkin's lymphoma, prostate cancer, acute and subacute peripheral neuropathy, diabetes mellitus (Type 2), all chronic B-cell leukemias (including, but not limited to, hairy-cell leukemia and chronic lymphocytic leukemia), Parkinson's disease, and ischemic heart disease.

**Veterans Exposed to Radiation:** For Veterans who participated in radiation risk activities as defined in VA regulations while on active duty, active duty for training, or inactive duty training, the following conditions are presumed to be service connected: all forms of leukemia (except for chronic lymphocytic leukemia); cancer of the thyroid, breast, pharynx, esophagus, stomach, small intestine, pancreas, bile ducts, gall bladder, salivary gland, urinary tract (renal pelvis, ureter, urinary bladder and urethra), brain, bone, lung, colon, and ovary; bronchiolo-alveolar carcinoma; multiple myeloma; lymphomas (other than Hodgkin's disease), and primary liver cancer (except if cirrhosis or hepatitis B is indicated).

To determine service connection for other conditions or exposures not eligible for presumptive service connection, VA considers factors such as the amount of radiation exposure, duration of exposure, elapsed time between exposure and onset of the disease, gender and family history, age at time of exposure, the extent to which a non-service exposure could contribute to disease, and the relative sensitivity of exposed tissue.

**Gulf War Veterans with Chronic Disabilities** may receive disability compensation for chronic disabilities resulting from undiagnosed illnesses and/or medically unexplained chronic multi-symptom illnesses defined by a cluster of signs or symptoms. A disability is considered chronic if it has existed for at least six months.

The undiagnosed illness must have appeared either during active service in the Southwest Asia theater of operations during the Gulf War period of Aug. 2, 1990, to July 31, 1991, or to a degree of at least 10 percent at any time since

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then through Dec.31, 2016. This theater of operations includes Iraq, Kuwait, Saudi Arabia, the neutral zone between Iraq and Saudi Arabia, Bahrain, Qatar, the United Arab Emirates, Oman, the Gulf of Aden, the Gulf of Oman, the Persian Gulf, the Arabian Sea, the Red Sea, and the airspace above these locations.

Examples of symptoms of an undiagnosed illness and medically unexplained chronic multi-symptom illness defined by a cluster of signs and symptoms include: chronic fatigue syndrome, fibromyalgia, functional gastrointestinal disorders, fatigue, signs or symptoms involving the skin, headache, muscle pain, joint pain, neurological signs or symptoms, neuropsychological signs or symptoms, signs or symptoms involving the respiratory system (upper or lower), sleep disturbances, gastrointestinal signs or symptoms, cardiovascular signs or symptoms, abnormal weight loss, and menstrual disorders.

Presumptive service connection may be granted for the following infectious diseases if found compensable within a specific time period: Brucellosis, *Campylobacter jejuni*, *Coxiella burnetii* (Q fever), Malaria, *Mycobacterium tuberculosis*, Nontyphoid *Salmonella*, *Shigella*, Visceral leishmaniasis, and West Nile virus. Qualifying periods of service for these infectious diseases include active military, naval, or air service in the above stated Southwest Asia theater of operations during the Gulf War period of Aug. 2, 1990, until such time as the Gulf War is ended by Congressional action or Presidential proclamation; and active military, naval, or air service on or after Sept. 19, 2001, in Afghanistan.

Housing Grants for Disabled Veterans Certain Servicemembers and Veterans with service-connected disabilities may be entitled to a housing grant from VA to help build a new specially adapted house, to adapt a home they already own, or buy a house and modify it to meet their disability-related requirements. Eligible Veterans or Servicemembers may now receive up to three grants, with the total dollar amount of the grants not to exceed the maximum allowable. Previous grant recipients who had received assistance of less than the current maximum allowable may be eligible for an additional grant.

**Specially Adapted Housing (SAH) Grant** Eligibility for up to \$64,960: VA may approve a grant of not more than 50 percent of the cost of building, buying, or adapting existing homes or paying to reduce indebtedness on a currently owned home that is being adapted, up to a maximum of \$64,960. In certain instances, the full grant amount may be applied toward remodeling costs. Veterans and Servicemembers must be determined eligible to receive compensation for permanent and total service-connected disability due to one of the following:

1. Loss or loss of use of both lower extremities, which so affects the functions of balance or propulsion to preclude ambulating without the aid of braces, crutches, canes or a wheelchair.
2. Loss or loss of use of both upper extremities at or above the elbow.
3. Blindness in both eyes, having only light perception, plus loss or loss of use of one lower extremity.
4. Loss or loss of use of one lower extremity together with (a) residuals of organic disease or injury, or (b) the loss or loss of use of one upper extremity which so affects the functions of balance or propulsion as to preclude locomotion without the use of braces, canes, crutches or a wheelchair.
5. Severe burn injuries, which are defined as full thickness or subdermal burns that have resulted in contractures with limitation of motion of two or more extremities or of at least one extremity and the trunk.
6. The loss, or loss of use of one or more lower extremities due to service on or after Sept. 11, 2001, which so affects the functions of balance or propulsion as to preclude ambulating without the aid of braces, crutches, canes, or a wheelchair.

**Special Home Adaption (SHA) Grant:** Eligibility for up to \$12,992: VA may approve a benefit amount up to a maximum of \$12,992, for the cost of necessary adaptations to a Servicemember's or Veteran's residence or to help him/her acquire a residence already adapted with special features for his/her disability, to purchase and adapt a home, or for adaptations to a family member's home in which they will reside.

To be eligible for this grant, Servicemembers and Veterans must be entitled to compensation for permanent and total service-connected disability due to one of the following:

- Blindness in both eyes with 20/200 visual acuity or less.
- Anatomical loss or loss of use of both hands.
- Severe burn injuries (see above).

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**Temporary Residence Adaptation (TRA):** Eligible Veterans and Servicemembers who are temporarily residing in a home owned by a family member may also receive a TRA grant to help the Veteran or Servicemember adapt the family member's home to meet his or her special needs. Those eligible for a \$64,960 grant would be permitted to use up to \$28,515 and those eligible for a \$12,992 grant would be permitted to use up to \$5,092. Grant amounts are adjusted Oct. 1 every year based on a cost-of-construction index. These adjustments will increase the grant amounts or leave them unchanged; grant amounts will not decrease. Under the Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012, TRA grant amounts will not count against SAH grant maximum amounts starting Aug. 6, 2013.

The property may be located outside the United States, in a country or political subdivision which allows individuals to have or acquire a beneficial property interest, and in which the Secretary of Veterans Affairs, in his or her discretion, has determined that it is reasonably practicable for the Secretary to provide assistance in acquiring specially adapted housing. For more information on SAH, visit <http://www.benefits.va.gov/homeloans/adaptedhousing.asp>.

**Supplemental Financing:** Veterans and Servicemembers with available loan guaranty entitlement may also obtain a guaranteed loan or a direct loan from VA to supplement the grant to acquire a specially adapted home. Amounts with a guaranteed loan from a private lender will vary, but the maximum direct loan from VA is \$33,000. Additional information about the Specially Adapted Housing Program is available at <http://www.benefits.va.gov/homeloans/sah.asp>.

**Automobile Allowance:** As of Oct. 1, 2012, Veterans and Servicemembers may be eligible for a one-time payment of not more than \$19,505 toward the purchase of an automobile or other conveyance if they have service-connected loss or permanent loss of use of one or both hands or feet, or permanent impairment of vision of both eyes to a certain degree.

They may also be eligible for adaptive equipment, and for repair, replacement, or reinstallation required because of disability or for the safe operation of a vehicle purchased with VA assistance. To apply, contact a VA regional office at 1-800-827-1000 or the nearest VA health care facility.

**Clothing Allowance:** Any Veteran who has service-connected disabilities that require a prosthetic or orthopedic appliance may receive clothing allowances. This allowance is also available to any Veteran whose service-connected skin condition requires prescribed medication that irreparably damages outer garments. To apply, contact the prosthetic representative at the nearest VA medical center.

### **Allowance for Aid and Attendance or Housebound Veterans**

A Veteran who is determined by VA to be in need of the regular aid and attendance of another person, or a Veteran who is permanently housebound, may be entitled to additional disability compensation or pension payments. A Veteran evaluated at 30 percent or more disabled is entitled to receive an additional payment for a spouse who is in need of the aid and attendance of another person.

### **Programs for Veterans with Service-Connected Disabilities**

#### **Vocational Rehabilitation and Employment**

##### **What is the Vocational Rehabilitation and Employment Program?**

The Vocational Rehabilitation and Employment (VR&E) Program is authorized by Congress under Title 38, USC, Chapter 31 and Code of Federal Regulations, Part 21. It is sometimes referred to as the Chapter 31 program. This program assists Veterans with service-connected disabilities to prepare for, find, and keep suitable jobs. For Veterans with service-connected disabilities so severe that they cannot immediately consider work, this program offers services to improve their ability to live as independently as possible.

Services that may be provided by the VR&E Program include:

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- Comprehensive rehabilitation evaluation to determine abilities, skills, and interests for employment
  - Vocational counseling and rehabilitation planning for employment services
  - Employment services such as job-training, job-seeking skills, resume development, and other work readiness assistance
  - Assistance finding and keeping a job, including the use of special employer incentives and job accommodations
  - On the Job Training (OJT), apprenticeships, and non-paid work experiences
  - Post-secondary training at a college, vocational, technical or business school
  - Supportive rehabilitation services including case management, counseling, and medical referrals
  - Independent living services for Veterans unable to work due to the severity of their disabilities

### **Who is Eligible for VR&E Services?**

Active Duty Service Members are eligible if they:

Either:

- Expect to receive an honorable discharge upon separation from active duty
- Obtain a memorandum rating of 20% or more from the Department of Veterans Affairs (VA), and
- Apply for Vocational Rehabilitation and Employment (VR&E) services

Veterans are eligible if they:

- Have received, or will receive, a discharge that is other than dishonorable
- Have a service-connected disability rating of at least 10%, or a memorandum rating of 20% or more from the Department of Veteran Affairs (VA)
- Apply for Vocational Rehabilitation and Employment (VR&E) services

### **Basic period of Eligibility**

The basic period of eligibility in which VR&E services may be used is 12 years from the latter of the following:

- Date of separation from active military service, or
- Date the veteran was first notified by VA of a service-connected disability rating.

The basic period of eligibility may be extended if a Vocational Rehabilitation Counselor (VRC) determines that a Veteran has a Serious Employment Handicap.

### **What Happens after Eligibility is Established?**

The Veteran is scheduled to meet with a Vocational Rehabilitation Counselor (VRC) for a comprehensive evaluation to determine if he / she is entitled for services. A comprehensive evaluation includes:

- An assessment of the Veteran's interests, aptitudes, and abilities
- An assessment of whether service connected disabilities impair the Veteran's ability to find and / or hold a job using the occupational skills he or she has already developed
- Vocational exploration and goal development leading to employment and / or maximum independence at home and in the Veteran's community

### **What is an Entitlement Determination?**

A Vocational Rehabilitation Counselor (VRC) works with the Veteran to complete a determination if an employment handicap exists. An employment handicap exists if the Veteran's service connected disability impairs his / her ability to obtain and maintain a job. Entitlement to services is established if the veteran has an employment handicap and is within his or her 12-year basic period of eligibility and has a 20 % or greater service-connected disability rating.

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If the service connected disability rating is less than 20%, or if the Veteran is beyond the 12-year basic period of eligibility, then a serious employment handicap must be found to establish entitlement to VR&E services. A serious employment handicap is based on the extent of services required to help a Veteran to overcome his or her service and non-service connected disabilities permitting the return to suitable employment.

### **What Happens after the Entitlement Determination is Made?**

The Veteran and Vocational Rehabilitation Counselor (VRC) work together to:

- Determine transferable skills, aptitudes, and interests
- Identify viable employment and / or independent living services options
- Explore labor market and wage information
- Identify physical demands and other job characteristics
- Narrow vocational options to identify a suitable employment goal
- Select a VR&E program track leading to an employment or independent living goal
- Investigate training requirements
- Identify resources needed to achieve rehabilitation
- Develop an individualized rehabilitation plan to achieve the identified employment and / or independent living goals

### **What is a Rehabilitation Plan?**

A rehabilitation plan is an individualized, written outline of the services, resources and criteria that will be used to achieve employment and / or independent living goals. The plan is an agreement that is signed by the Veteran and the Vocational Rehabilitation Counselor (VRC) and is updated as needed to assist the Veteran to achieve his / her goals. Depending on their circumstances, veterans will work with their VRC to select one of the following five tracks of services ([see definitions for more detail](#)):

- Reemployment (with a former employer)
- Direct job placement services for new employment
- Self-employment
- Employment through long term services including OJT, college, and other training
- Independent living services

### **What Happens after the Rehabilitation Plan is Developed?**

After a plan is developed and signed, a Vocational Rehabilitation Counselor (VRC) or case manager will continue to work with the Veteran to implement the plan to achieve suitable employment and / or independent living. The VRC or case manager will provide ongoing counseling, assistance, and coordinate of services such as tutorial assistance, training in job-seeking skills, medical and dental referrals, adjustment counseling, payment of training allowance, if applicable, and other services as required to help the Veteran achieve rehabilitation.

### **Summary of the Vocational Rehabilitation and Employment Program (Chapter 31) Process**

A Veteran who is eligible for an evaluation under Chapter 31 must first apply for services and receive an appointment with a Vocational Rehabilitation Counselor (VRC). The VRC will work with the Veteran to determine if an employment handicap exists as a result of his or her service connected disability. If an employment handicap is established and the Veteran is found entitled to services. The VRC and the Veteran will continue counseling to select a track of services and jointly develop a plan to address the Veteran's rehabilitation and employment needs.

The rehabilitation plan will specify an employment or independent living goal, identify intermediate goals, and outline services and resources that VA will provide to assist the Veteran to achieve his / her goals. The VRC and the Veteran will work together to implement the plan to assist the Veteran to achieve his or her employment and / or independent living goals.

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A Veteran found not to be entitled to services; the VRC will help him or her locate other resources to address any rehabilitation and employment needs identified during the evaluation. Referral to other resources may include state vocational rehabilitation programs; Department of Labor employment programs for disabled veterans; state, federal or local agencies providing services for employment or small business development; internet-based resources for rehabilitation and employment; and information about applying for financial aid.

## **EDUCATION AND CAREER COUNSELING PROGRAM**

VA's Education and Career Counseling program is a great opportunity for Servicemembers and Veterans to get personalized counseling and support to help guide their career paths, ensure most effective use of their VA benefits, and achieve their goals.

Eligibility:

- Transitioning Servicemembers within six months prior to discharge from active duty
- Veterans within one year following discharge from active duty
- Any Servicemember/Veteran currently eligible for a VA education benefit
- All current VA education beneficiaries

Services Include Assisting the Servicemember/Veteran with:

- Career Choice - understand the best career options for you based on your interests and capabilities
- Benefits Coaching - guidance on the effective use of your VA benefits and/or other resources to achieve your education and career goals
- Personalized Support - Academic or adjustment counseling and personalized support to help you remove any barriers to your success

[Education and Career Counseling Application Form \(VA Form 28-8832\)](#)

[Location and Address of VR&E Offices by State](#)

**Work-Study:** Veterans training at the three-quarter or full-time rate may participate in VA's work-study program. Participants may provide VA outreach services, prepare and process VA paperwork, and work at a VA medical facility or perform other VA-approved activities. A portion of the work-study allowance equal to 40 percent of the total may be paid in advance.

### **VR&E Training Programs Subsistence Allowance Rate Increase**

As of October 1, 2012

In some cases, a veteran requires additional education or training to become employable. A subsistence allowance is paid each month during training and is based on the rate of attendance (full-time or part-time), the number of dependents, and the type of training. The charts shown below reflect the rates as of **October 1, 2012**.

Based Upon 3.2% Consumer Price Index (CPI) Increase

#### **Chapter 31 Subsistence Allowance Rates As of October 1, 2012**

The following Subsistence Allowance rates are paid for training in an *Institution of Higher Learning*

<b>Number of Dependents</b>	<b>Full Time</b>	<b>Three Quarter Time</b>	<b>One Half Time</b>
<b>No Dependents</b>	\$585.11	\$439.64	\$294.17
<b>One Dependent</b>	\$725.78	\$545.13	\$364.47

<b>Two Dependents</b>	\$855.28	\$639.45	\$428.42
<b>Each Additional Dependent</b>	\$62.34	\$47.94	\$31.99

**Subsistence Allowance is paid for full time training only, in the following training programs: *Non-pay or nominal pay on-job training in a federal, state, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; institutional non-farm cooperative.***

<b>Number of Dependents</b>	<b>Full Time</b>
<b>No Dependents</b>	\$585.11
<b>One Dependent</b>	\$725.78
<b>Two Dependents</b>	\$855.28
<b>Each Additional Dependent</b>	\$62.34

**The following rates are paid for Work Experience programs:**

**Non-pay or nominal pay work experience in a federal, state, local or federally recognized Indian tribe agency:**

<b>Number of Dependents</b>	<b>Full Time</b>	<b>Three Quarter Time</b>	<b>One Half Time</b>
<b>No Dependents</b>	\$585.11	\$439.64	\$294.17
<b>One Dependent</b>	\$725.78	\$545.13	\$364.47
<b>Two Dependents</b>	\$855.28	\$639.45	\$428.42
<b>Each Additional Dependent</b>	\$62.34	\$47.94	\$31.99

**Subsistence Allowance is paid for full time training only in the following training programs: *Farm Cooperative, Apprenticeship, or other On-Job Training:***

<b>Number of Dependents</b>	<b>Full Time</b>
<b>No Dependent</b>	\$511.58
<b>One Dependent</b>	\$618.65
<b>Two Dependents</b>	\$713.00
<b>Each Additional Dependent</b>	\$46.38

**Subsistence Allowance is paid at the following rates for combined training programs: *Combination of Institutional and On-Job Training (Full Time Rate Only):***

<b>Number of Dependents</b>	<b>Institutional Greater than One Half</b>	<b>On-the-Job Greater than One Half</b>
<b>No Dependent</b>	\$585.11	\$511.58
<b>One Dependent</b>	\$725.78	\$618.65
<b>Two Dependents</b>	\$855.28	\$713.00
<b>Each Additional Dependent</b>	\$62.34	\$46.38

**Subsistence Allowance is paid at the following rates for Non-farm Cooperative Training: *Non-farm Cooperative Institutional Training and Non-farm Cooperative On-Job Training - Full Time Rate Only:***

<b>Number of Dependents</b>	<b>FT Non-Farm Coop/ Institutional</b>	<b>FT Non-Farm Coop/On-the- Job</b>
<b>No Dependent</b>	\$585.11	\$511.58
<b>One Dependent</b>	\$725.78	\$618.65
<b>Two Dependents</b>	\$855.28	\$713.00
<b>Each Additional Dependent</b>	\$62.34	\$46.38

Subsistence Allowance is paid at the following rates for Independent Living programs: A subsistence allowance is paid each month during the period of enrollment in a rehabilitation facility when a veteran is pursuing an approved Independent Living Program plan. Subsistence allowance paid during a period of Independent Living Services is based on rate of pursuit and number of dependents. Independent Living subsistence allowance rates:

<b>Number of Dependents</b>	<b>Full Time</b>	<b>Three Quarter Time</b>	<b>One Half Time</b>
<b>No Dependents</b>	\$585.11	\$439.64	\$294.17
<b>One Dependent</b>	\$725.78	\$545.13	\$364.47
<b>Two Dependents</b>	\$855.28	\$639.45	\$428.42
<b>Each Additional Dependent</b>	\$62.34	\$47.94	\$31.99

Subsistence Allowance is paid at the following rates for Extended Evaluation programs: A subsistence allowance is paid each month during the period of enrollment in a rehabilitation facility when a veteran requires this service for the purpose of extended evaluation. Subsistence allowance during a period of extended evaluation is paid based on the rate of attendance and the number of dependents. Extended Evaluation program subsistence allowance rates:

<b>Number of Dependents</b>	<b>Full Time</b>	<b>Three Quarter Time</b>	<b>One Half Time</b>	<b>One Quarter Time</b>
<b>No Dependents</b>	\$585.11	\$439.64	\$294.17	\$147.06
<b>One Dependent</b>	\$725.78	\$545.13	\$364.47	\$182.25
<b>Two Dependents</b>	\$855.28	\$639.45	\$428.42	\$214.21
<b>Each Additional Dependent</b>	\$62.34	\$47.94	\$31.99	\$15.95

### **Election of alternate subsistence allowance under Public Law 111-377**

As an informational addendum to this form letter, the following subsistence allowance option has been included. The law implementing this allowance option became effective in late fiscal year 2011, and is included here for your use in comparing options for subsistence which may be open to the Veteran participant.

Public Law 111-377, Section 205 amended Title 38 of the United States Code, Section 3108(b); effective August 1, 2011. This change in the law authorizes VA to allow a Veteran, entitled to both a Chapter 31 subsistence allowance and Post 9/11 GI Bill Chapter 33 educational assistance, to elect to receive a payment in an alternate amount instead of the regular Chapter 31 subsistence allowance.

The alternate payment will be based on the military basic allowance for housing (BAH) for an E-5 with dependents residing in the zip code of the training facility. Training in foreign institutions and training that is solely on-line or in-home will be based on the national average BAH.

The Department of Defense (DoD) sets BAH rates each calendar year. BAH for full-time may be calculated at the DoD website:

- <https://www.defensetravel.dod.mil/site/bahCalc.cfm>

- Enter **year** (“2011”), **zip code** of the training facility (school, employer for OJT programs, or agency approved for work experience programs), and “**E-5**”
- Click “calculate”
- Use rate for E-5 with dependents

The following table specifies payment of the alternate subsistence allowance that VA is calling the Post-9/11 subsistence allowance:

<b>Payment of Post-9/11 subsistence allowance in Accordance with Public Law 111-377 (effective August 1, 2011)</b>	
<b>Type of program</b>	<b>BAH Payment Increments</b>
<b>Institutional:</b>	
<b>Full-time</b>	Entire BAH of institution ZIP code
<b>3/4 time</b>	$\frac{3}{4}$ BAH of institution ZIP code
<b>1/2 time</b>	$\frac{1}{2}$ BAH of institution ZIP code
<b>Nonpay or nominal pay on-job training in a Federal, State, local, or federally recognized Indian tribe agency; vocational course in a rehabilitation facility or sheltered workshop; institutional non-farm cooperative:</b>	
<b>Full-time only</b>	Entire BAH of agency or institution ZIP code
<b>Nonpay or nominal pay work experience in a Federal, State, local, or federally recognized Indian tribe agency:</b>	
<b>Full-time</b>	Entire BAH of agency ZIP code
<b>3/4 time</b>	$\frac{3}{4}$ BAH of agency ZIP code
<b>1/2 time</b>	$\frac{1}{2}$ BAH of agency ZIP code
<b>Farm cooperative, apprenticeship, or other on-job training (OJT):</b>	
<b>Full-time only</b>	Entire BAH of employer ZIP code
<b>Combination of institutional and OJT (Full-time only):</b>	
<b>Institutional greater than 1/2 time</b>	Entire BAH of institution ZIP code
<b>OJT greater than <math>\frac{1}{2}</math> time<sup>3</sup></b>	Entire BAH of employer ZIP code
<b>Non-farm cooperative (Full-time only):</b>	
<b>Institutional</b>	Entire BAH of institution ZIP code
<b>On-job<sup>3</sup></b>	Entire BAH of employer ZIP code
<b>Improvement of rehabilitation potential:</b>	
<b>Full-time</b>	Entire BAH of institution ZIP code
<b>3/4 time</b>	$\frac{3}{4}$ BAH of institution ZIP code
<b>1/2 time</b>	$\frac{1}{2}$ BAH of institution ZIP code

<b>1/4 time<sup>4</sup></b>	1/4 BAH of institution ZIP code
<b>Training consisting of solely distance learning:<sup>5</sup></b>	
<b>Full-time</b>	1/2 BAH National Average
<b>3/4 time</b>	3/8 BAH National Average
<b>1/2 time</b>	1/4 BAH National Average
<b>Training in the home, including independent instructor:</b>	
<b>Full-time only</b>	1/2 BAH National Average
<b>Training in an institution not assigned a ZIP code, including foreign institutions</b>	
<b>Full-time</b>	Entire BAH National Average
<b>3/4 time</b>	3/4 BAH National Average
<b>1/2 time</b>	1/2 BAH National Average

<sup>1</sup> Effective August 1, 2011, the Post-9/11 subsistence allowance may be paid in lieu of subsistence allowance authorized in § 21.260(b), and is not adjusted to include dependents.

<sup>2</sup> For measurement of rate of pursuit, see §§ 21.4270 through 21.4275. Payments for courses being taken simultaneously at more than one institution are based on the BAH of the ZIP code assigned to the parent institution.

<sup>3</sup> For on-job training, payment of the Post-9/11 subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

<sup>4</sup> The quarter-time rate may be paid only during extended evaluation.

<sup>5</sup> Payment for training consisting of both distance learning and courses taken at a local institution is based on the BAH of the ZIP code assigned to the local institution.

## Housing Grants for Disabled Veterans

VA provides grants to Servicemembers and Veterans with certain permanent and total service-connected disabilities to help purchase or construct an adapted home, or modify an existing home to accommodate a disability. Two grant programs exist: the Specially Adapted Housing (SAH) grant and the Special Housing Adaptation (SHA) grant.

### Specially Adapted Housing (SAH) Grant

SAH grants help Veterans with certain service-connected disabilities live independently in a barrier-free environment.

SAH grants can be used in one of the following ways:

- Construct a specially adapted home on land to be acquired
- Build a home on land already owned if it is suitable for specially adapted housing
- Remodel an existing home if it can be made suitable for specially adapted housing
- Apply the grant against the unpaid principal mortgage balance of an adapted home already acquired without the assistance of a VA grant
- [View and share VA's SHA infographic to help spread the word](#)

Eligibility	Living Situation	Ownership	Number of Grants You Can Use
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<ul style="list-style-type: none"> <li>• Loss of or loss of use of both legs, <b>OR</b></li> <li>• Loss of or loss of use of both arms, <b>OR</b></li> <li>• Blindness in both eyes having only light perception, plus loss of or loss of use of one leg, <b>OR</b></li> <li>• The loss of or loss of use of one lower leg together with residuals of organic disease or injury, <b>OR</b></li> <li>• The loss of or loss of use of one leg together with the loss of or loss of use of one arm, <b>OR</b></li> <li>• Certain severe burns, <b>OR</b></li> <li>• The loss, or loss of use of one or more lower extremities due to service on or after September 11, 2001, which so affects the functions of balance or propulsion as to preclude ambulating without the aid of braces, crutches, canes, or a wheelchair</li> </ul>	Permanent	Home is owned by an eligible individual	Maximum of 3 grants, up to the maximum dollar amount allowable
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### Special Housing Adaptation (SHA) Grant

SHA grants help Veterans with certain service-connected disabilities adapt or purchase a home to accommodate the disability. You can use SHA grants in one of the following ways:

- Adapt an existing home the Veteran or a family member already owns in which the Veteran lives
- Adapt a home the Veteran or family member intends to purchase in which the Veteran will live
- Help a Veteran purchase a home already adapted in which the Veteran will live

### Eligibility

If you are a Servicemember or Veteran with a permanent and total service-connected disability, you may be entitled to a Specially Adapted Housing (SAH) grant or a Special Housing Adaptation (SHA) grant. The table below provides an overview of VA's housing grant programs for Veterans with certain service-connected disabilities.

Eligibility	Living Situation	Ownership	Number of Grants You Can Use
<ul style="list-style-type: none"> <li>• Blindness in both eyes with 20/200 visual acuity or less, <b>OR</b></li> <li>• Loss of or loss of use of both hands, <b>OR</b></li> <li>• Certain severe burn injuries, <b>OR</b></li> <li>• Certain severe respiratory injuries</li> </ul>	Permanent	Home is owned by an eligible individual or family member	Maximum of 3 grants, up to the maximum dollar amount allowable

### Benefit

The SAH and SHA benefit amount is set by law, but may be adjusted upward annually based on a cost-of-construction index. The maximum dollar amount allowable for SAH grants in fiscal year 2014 is \$67,555. The maximum dollar amount allowable for SHA grant in fiscal year 2014 is \$13,511. No individual may use the grant benefit more than three times up to the maximum dollar amount allowable.

A temporary grant may be available to SAH/SHA eligible Veterans and Servicemembers who are or will be temporarily residing in a home owned by a family member. The maximum amount available to adapt a family member's home for the SAH grant is \$29,657 and for the SHA grant is \$5,295.

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## How to Apply

To apply for a grant, fill out and submit [VA Form 26-4555](#), Application in Acquiring Specially Adapted Housing or Special Home Adaptation Grant. You can access this form by:

- Applying online via <https://www.ebenefits.va.gov/ebenefits-portal/ebenefits.portal>
- Downloading [VA Form 26-4555](#), *Application in Acquiring Specially Adapted Housing or Special Home Adaptation Grant* and mailing it to your nearest [Regional Loan Center](#)
- Calling VA toll free at 1-800-827-1000 to have a claim form mailed to you
- Visiting the nearest VA regional office. Find the office nearest you by visiting [VA Regional Office Locations](#) or calling VA toll-free at **1-800-827-1000**

Need more information or have questions? Contact a Specially Adapted Housing (SAH) staff member via email at [sahinfo.vbaco@va.gov](mailto:sahinfo.vbaco@va.gov) or by phone at (877) 827-3702.

## Automobile Allowance

Servicemembers and Veterans may be eligible for a one-time payment of not more than \$18,900 toward the purchase of an automobile or other conveyance if you have certain service-connected disabilities. The grant is paid directly to the seller of the automobile and the Servicemember or Veteran may only receive the automobile grant once in his/her lifetime.

Certain Servicemembers and Veterans may also be eligible for adaptive equipment. Adaptive equipment includes, but is not limited to, power steering, power brakes, power windows, power seats, and special equipment necessary to assist the eligible person into and out of the vehicle.

VA may provide financial assistance in purchasing adaptive equipment more than once. This benefit is payable to either the seller or the Veteran or Servicemember.

**Important:** You must have prior VA approval before purchasing an automobile or adaptive equipment.

## Eligibility Requirements (Automobile Grant)

- You must be either a Servicemember who is still on active duty or a Veteran, **AND**
- You must have one of the following disabilities that are either rated as service-connected or treated as if service-connected under 38 U.S.C 1151:
  - Loss, or permanent loss of use, of one or both feet, **OR**
  - Loss, or permanent loss of use, of one or both hands, **OR**
  - Permanent impairment of vision in both eyes to a certain degree.

## Eligibility Requirements (Adaptive Equipment)

- You must be either a Servicemember who is still on active duty or a Veteran, **AND**
- meet the disability requirements for the automobile grant (see above), **OR**
- have ankylosis (immobility of the joint) of one or both knees or hips that VA recognizes as being service-connected or treats as if service-connected under 38 U.S.C. 1151.

## Evidence Requirements

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To support a claim for automobile allowance, the evidence must show that you are service-connected or are treated as if service-connected under 38 U.S.C 1151, for a disability resulting in:

- The loss, or permanent loss of use, of at least a foot or a hand, **OR**
- Permanent impairment of vision in both eyes, resulting in
  1. Vision of 20/200 or less in the better eye with glasses, **OR**
  2. Vision that is better than 20/200, if there is a severe defect in your peripheral vision.

To support a claim for adaptive equipment, the evidence must show that you have a service-connected disability as shown above, **OR** you have ankylosis of at least one knee or one hip due to service-connected disability.

### **How to Apply**

- Complete [VA Form 21-4502](#), "Application for Automobile or Other Conveyance and Adaptive Equipment" and mail to your regional office **OR**
- Work with an accredited [representative](#) or [agent](#) **OR**
- Go to a VA regional office and have a VA employee assist you. You can find your regional office on our [Facility Locator](#) page
- If you are entitled to adaptive equipment only (i.e., service connected for ankylosis of knees or hips) you should complete [VA Form 10-1394](#), "Application for Adaptive Equipment - Motor Vehicle" and submit it to your local VA medical center. You can find your local VA medical center on the health [Facility Locator](#) page.

For more information on how to apply and for tips on making sure your claim is ready to be processed by VA, visit our [How to Apply](#) page.

### **Clothing Allowance**

Any veteran who is service-connected for a disability for which he or she uses prosthetic or orthopedic appliances may receive an annual clothing allowance. The clothing allowance also is available to any veteran whose service-connected skin condition requires prescribed medication that irreparably damages his or her outer garments. If qualified, a veteran can receive a one time or yearly allowance in the amount of \$741.00 for reimbursement. To apply, contact the prosthetic representative at the nearest VA medical center. For an application to download visit: <http://www.va.gov/vaforms/medical/pdf/vha-10-8678-fill.pdf>

### **Aid and Attendance or Housebound**

A veteran who is determined by VA to be in need of the regular aid and attendance of another person, or a veteran who is permanently housebound, may be entitled to additional disability compensation or pension payments. A veteran evaluated at 30 percent or more disabled is entitled to receive an additional payment for a spouse who is in need of the aid and attendance of another person.

### **Concurrent Retirement and Disability Payments (CRDP)**

Concurrent Retirement and Disability Pay (CRDP) allows military retirees to receive both military retired pay and Veterans Affairs (VA) compensation. This was prohibited until the CRDP program began on January 1, 2004.

CRDP is a "phase in" of benefits that gradually restores a retiree's VA disability offset. This means that an eligible retiree's retired pay will gradually increase each year until the phase in is complete effective January 2014.

You do not need to apply for CRDP. If qualified, you will be enrolled automatically.

### **Eligibility**

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You must be eligible for retired pay to qualify for CRDP. If you were placed on a disability retirement, but would be eligible for military retired pay in the absence of the disability, you may be entitled to receive CRDP.

Under these rules, you may be entitled to CRDP if...

- you are a regular retiree with a VA disability rating of 50 percent or greater.
- you are a reserve retiree with 20 qualifying years of service, who has a VA disability rating of 50 percent or greater and who has reached retirement age. (In most cases the retirement age for reservists is 60, but certain reserve retirees may be eligible before they turn 60. If you are a member of the Ready Reserve, your retirement age can be reduced below age 60 by three months for each 90 days of active service you have performed during a fiscal year.)
- you are retired under Temporary Early Retirement Act (TERA) and have a VA disability rating of 50 percent or greater.
- you are a disability retiree who earned entitlement to retired pay under any provision of law other than solely by disability, and you have a VA disability rating of 50 percent or greater. You might become eligible for CRDP at the time you would have become eligible for retired pay.

In addition to monthly CRDP payments, you may be eligible for a retroactive payment. DFAS will audit your account to determine whether or not you are due retroactive payment. An audit of your account requires researching pay information from both DFAS and VA.

If you are due any money from DFAS, you will receive it within 30-60 days of receipt of your first CRDP monthly payment. If DFAS finds that you are also due a retroactive payment from the VA, DFAS will forward an audit to the VA.

They are responsible for paying any money they may owe you.

Your retroactive payment date may go as far back as January 1, 2004, but can be limited based on:

- your retirement date or
- when you first increased to at least 50 percent disability rating

No CRDP is payable for any month before January 2004.

### **Individual Unemployability**

You are eligible for full concurrent receipt of both your VA disability compensation and your retired pay, if you are a military retiree who meets all of the above eligibility requirements in addition to **both of the following**:

- you are rated by the VA as unemployable, generally referred to as Individual Unemployability (IU)
- you are in receipt of VA disability compensation as a result of IU

This is effective October 1, 2008 and is retroactive to January 1, 2005.

### **Combat-Related Special Compensation (CRSC)**

Combat Related Special Compensation (CRSC) is a program that was created for disability and non-disability military retirees with combat-related disabilities. It is a tax free entitlement that you will be paid each month along with any retired pay you may already be receiving.

#### **Eligibility**

To qualify for CRSC you must:

- be entitled to and/or receiving military retired pay
- be rated at least 10 percent by the Department of Veterans Affairs (VA)

- 
- waive your VA pay from your retired pay
  - file a CRSC application with your Branch of Service

Disabilities that may be considered combat related include injuries incurred as a direct result of:

- Armed Conflict
- Hazardous Duty
- An Instrumentality of War
- Simulated War

### **Retroactive Payment**

In addition to monthly CRSC payments, you may be eligible for a retroactive payment. DFAS will audit your account to determine whether or not you are due retroactive payment. An audit of your account requires researching pay information from both DFAS and VA.

If you are due any money from DFAS, you will receive it within 30-60 days of receipt of your first CRSC monthly payment. If DFAS finds that you are also due a retroactive payment from the VA, we will forward an audit to the VA. They are responsible for paying any money they may owe you.

Your retroactive payment date may go back as far as June 1, 2003, but can be limited based on

- your overall CRSC start date as awarded by your Branch of Service
- your Purple Heart eligibility
- your retirement date
- your retirement law (disability or non-disability)
- six-year barring statute

Disability retirees with less than 20 years of service will be automatically limited to a retroactive date of January 1, 2008 as required by legislation passed by Congress effective 2008.

All retroactive pay is limited to six years from the date the VA awarded compensation for each disability.

If you have questions about your CRSC eligibility, please call **800-321-1080** or contact your Branch of Service.

## VA Life Insurance

For complete details on government life insurance, visit the VA Internet site: <http://www.benefits.va.gov/insurance/> or call toll-free 1-800-669-8477. Specialists are available between the hours of 8:30 a.m. and 6 p.m., Eastern Time, to discuss premium payments, insurance dividends, address changes, policy loans, naming beneficiaries and reporting the death of the insured.

If the insurance policy number is not known, send whatever information is available, such as the veteran's VA file number, date of birth, Social Security number, military serial number or military service branch and dates of service to:

Department of Veterans Affairs  
Regional Office and Insurance Center  
Box 42954  
Philadelphia, PA 19101

### Service Members' Group Life Insurance (SGLI)

The following are automatically insured for \$400,000 under SGLI:

1. Active-duty members of the Army, Navy, Air Force, Marines and Coast Guard.
2. Commissioned members of the National Oceanic and Atmospheric Administration and the Public Health Service.
3. Cadets or midshipmen of the service academies.
4. Members, cadets and midshipmen of the ROTC while engaged in authorized training.
5. Members of the Ready Reserves who are scheduled to perform at least 12 periods of inactive training per year.
6. Members who volunteer for assignment to a mobilization category in the Individual Ready Reserve or Inactive National Guard.

Individuals may elect to be covered for a lesser amount or not at all. Part-time coverage may be provided to reservists who do not qualify for full-time coverage. Premiums are automatically deducted from the service members' pay. At the time of separation from service, SGLI can be converted to either Veterans' Group Life Insurance (VGLI) or a commercial plan through participating companies. SGLI coverage continues for 120 days after separation at no charge.

Coverage of \$10,000 is also automatically provided for dependent children of members insured under SGLI with no premium required.

### Traumatic Service Members' Group Life Insurance

Members of the armed services serve our nation heroically during times of great need, but what happens when they experience great needs of their own because they have sustained a traumatic injury? Traumatic Service members' Group Life Insurance (TSGLI) helps severely injured service members through their time of need with a one-time payment. The amount varies depending on the injury, but it could be the difference that allows their families to be with them during their recovery; helps them with unforeseen expenses; or gives them a financial head start on life after recovery.

TSGLI is an insurance program that is bundled with Service members' Group Life Insurance (SGLI) and an additional \$1.00 has been added to the service member's SGLI premium to cover TSGLI. After Dec. 1, 2005, all service members who are covered by SGLI are eligible for TSGLI coverage, regardless of where their qualifying traumatic injury occurred. However, TSGLI claims require approval. In addition, there is a retroactive program that covers service members who sustained a qualifying traumatic injury while in theater supporting Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF), or while on orders in a Combat Zone Tax Exclusion (CZTE) area from Oct. 7, 2001, through Nov. 30, 2005.

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For more information, visit the Web site at <http://www.insurance.va.gov/sgliSite/TSGLI/TSGLI.htm>, or call 1-800-237-1336 (Army); 1-800-368-3202 (Navy); 1-703-432-9277 (Marine Corps); 1-210-565-3505 or 2410 (Air Force); and 1-202-475-5391 (Coast Guard). The Army also has its own Web site at <https://www.hrc.army.mil/site/crsc/sgli/index.html>, or e-mail at [TSGLI@conus.army.mil](mailto:TSGLI@conus.army.mil).

### **Family Service Members' Group Life Insurance (FSGLI)**

FSGLI provides up to \$100,000 of life insurance coverage for spouses, not to exceed the amount of SGLI the insured member has in force. FSGLI is a service members' benefit, and the member pays the premium and is the beneficiary of the policy. If a service member drops his or her SGLI coverage, leaves the military or divorces the spouse, the spouse's policy can be converted to a private life insurance policy within 120 days of the date SGLI coverage ended or the date of divorce.

### **Veterans' Group Life Insurance**

SGLI may be converted to Veterans' Group Life Insurance (VGLI), which provides renewable term coverage to:

1. Veterans with full-time SGLI coverage upon release from active duty or the reserves.
2. Veterans with part-time SGLI coverage who incur a disability or aggravate a pre-existing disability during a reserve period that renders them uninsurable at standard premium rates.
3. Members of the Individual Ready Reserve and Inactive National Guard.

SGLI can be converted to VGLI up to the amount of coverage the service member had when separated from service. Veterans who submit an application and the initial premium within 120 days of leaving the service will be covered regardless of their health. After 120 days, veterans can still convert to VGLI if they submit an application, pay the initial premium, and show evidence of insurability within one year of termination of SGLI coverage.

Service members who are totally disabled at the time of separation are eligible for free SGLI Disability Extension of up to two years. Those covered under the SGLI Disability Extension are automatically converted to VGLI at the end of their extension period. VGLI is convertible at any time to a permanent plan policy with any participating commercial insurance company.

### **Accelerated Death Benefits**

SGLI, FSGLI and VGLI policyholders who are terminally ill (prognosis of nine months or less to live) can receive up to 50 percent of their coverage amount in advance. This option may be requested one time only.

### **Service-Disabled Veterans' Insurance**

A veteran who was discharged under other than dishonorable conditions and who has a service-connected disability but is otherwise in good health may apply to VA for up to \$10,000 in life insurance coverage under the Service-Disabled Veterans' Insurance (S-DVI) program. Applications must be submitted within two years from the date of being notified of the approval of a new service-connected disability by VA. This insurance is limited to veterans who left service on or after April 25, 1951.

Veterans who are totally disabled may apply for a waiver of premiums and additional supplemental coverage of up to \$20,000. However, premiums cannot be waived on the additional insurance.

To be eligible for this type of supplemental insurance, veterans must meet all of the following four requirements:

1. Be under age 65.
2. Meet the requirements for total disability.
3. Apply for additional insurance within one year from the date of notification of waiver approval on the S-DVI policy.

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## Veterans' Mortgage Life Insurance

Veterans' Mortgage Life Insurance (VMLI) is available to severely disabled veterans who have been approved for a Specially Adapted Housing Grant. Maximum coverage is \$90,000, and is only payable to the mortgage company. Protection is issued automatically, provided the veteran submits information required to establish a premium and does not decline coverage. Coverage automatically terminates when the mortgage is paid off.

If a mortgage is disposed of through sale of the property, VMLI may be obtained on the mortgage of another home.

## Insurance Dividends

World War I, World War II, and Korean-era veterans with active policies beginning with the letters V, RS, W, J, JR, JS, or K are issued tax-free dividends annually on the policy anniversary date. Policyholders do not need to apply for dividends, but may select from among the following dividend options:

1. **Cash:** The dividend is paid directly to the insured either by a mailed check or by direct deposit.
2. **Paid-Up Additional Insurance:** The dividend is used to purchase additional insurance coverage.
3. **Credit or Deposit:** The dividend is held in an account for the policyholder with interest. Withdrawals from the account can be made at any time. The interest rate may be adjusted each year.
4. **Net Premium Billing Options:** These options use the dividend to pay the annual policy premium. If the dividend exceeds the premium, the policyholder has options to choose how the remainder is used. If the dividend is not enough to pay an annual premium, the policyholder is billed for the balance.
5. **Dividend Options:** Dividends can also be used to repay a loan or pay premiums in advance.

## Other Insurance Information

The following information applies to policies issued to World War II, Korean, and Vietnam-era veterans and any Service-Disabled Veterans Insurance policies. Policies in this group are prefixed by the letters K, V, RS, W-J, JR, JS, or RH.

**Reinstating Lapsed Insurance:** Lapsed term policies may be reinstated within five years from the date of lapse. A five-year term policy that is not lapsed at the end of the term is automatically renewed for an additional five years. Lapsed permanent plans may be reinstated within certain time limits and with certain health requirements. Reinstated permanent plan policies require repayment of all back premiums, plus interest.

**Converting Term Policies:** Term policies are renewed automatically every five years, with premiums increasing at each renewal. Premiums do not increase after age 70. Term policies may be converted to permanent plans, which have fixed premiums for life and earn cash and loan values.

**Paid-up Insurance Available on Term Policies:** Effective September 2000, VA provides paid-up insurance on term policies whose premiums have been capped. Veterans who have National Service Life Insurance (NSLI) term insurance (renewal age 71 or older) and stop paying premiums on their policies will be given a termination dividend. This dividend will be used to purchase a reduced amount of paid-up insurance, which insures the veteran for life and no premium payments are required. The amount of insurance remains level. This does not apply to S-DVI (RH) policies.

**Disability Provisions:** National Service Life Insurance (NSLI) policyholders who become totally disabled before age 65 should ask VA about premium waivers.

**Borrowing on Policies:** Policyholders with permanent plan policies may borrow up to 94 percent of the cash surrender value of their insurance. Interest is compounded annually. The loan interest rate is variable and may be obtained by calling toll-free 1-800-669-8477.

## VA Pensions

### Supplemental Income for Wartime Veterans

VA helps Veterans and their families cope with financial challenges by providing supplemental income through the Veterans Pension benefit. Veterans Pension is a tax-free monetary benefit payable to low-income wartime Veterans.

#### Eligibility

Generally, a Veteran must have at least 90 days of active duty service, with at least one day during a [wartime period](#) to qualify for a VA Pension. If you entered active duty after September 7, 1980, generally you must have served at least 24 months or the full period for which you were called or ordered to active duty (with some exceptions), with at least one day during a [wartime period](#).

In addition to meeting minimum service requirements, the Veteran must be:

- Age 65 or older, **OR**
- Totally and permanently disabled, **OR**
- A patient in a nursing home receiving skilled nursing care, **OR**
- Receiving Social Security Disability Insurance, **OR**
- Receiving Supplemental Security Income

Your yearly family income must be less than the amount set by Congress to qualify for the Veterans Pension benefit. Learn more about [income and net worth limitation](#), and see an example of how [VA calculates](#) the VA Pension benefit.

#### Improved Disability Pension

Congress establishes the maximum annual pension rates listed on the next page. Payments are reduced by the amount of countable income of the veteran, spouse or dependent children. When a veteran without a spouse or a child is furnished nursing home or domiciliary care by VA, the pension is reduced to an amount not to exceed \$90 per month after three calendar months of care. The reduction may be delayed if nursing-home care is being continued to provide the veteran with rehabilitation services.

#### 2012 Improved Disability Pension Rates

Maximum Annual Pension Rate (MAPR) Category	Amount
<b>If you are a veteran...</b>	<b>Your yearly income must be less than...</b>
<b>Without Spouse or Child</b>	\$12,465
	<i>To be deducted, medical expenses must exceed 5% of MAPR, or, \$ 623</i>
<b>With One Dependent</b>	\$16,324
	<i>To be deducted, medical expenses must exceed 5% of MAPR, or, \$ 816</i>
<b>Housebound Without Dependents</b>	\$15,233
<b>Housebound With One Dependent</b>	\$19,093
<b>A&amp;A Without Dependents</b>	\$20,795
<b>A&amp;A With One Dependent</b>	\$24,652
<b>Two Vets Married to Each Other</b>	\$16,324
<b>Two Vets Married to Each Other One H/B</b>	\$19,093

<b>Two Vets Married to Each Other Both H/B</b>	\$21,860
<b>Two Vets Married to Each Other One A/A</b>	\$24,652
<b>Two Vets Married to Each Other One A/A One H/B</b>	\$27,414
<b>Two Vets Married to Each Other Both A/A</b>	\$32,985
<b>Add for Early War Veteran (Mexican Border Period or WW1) to any category above</b>	\$2,831
<b>Add for Each Additional Child to any category above</b>	\$2,129

<b>Child Earned Income Exclusion effective:</b>	01-01-2000	\$7,200
<b>(38 CFR §3.272 (j)(1))</b>	01-01-2001	\$7,450
<i>This link takes you to the full regulation; scroll down to get the specific citation.</i>		
	01-01-2002	\$7,700
	01-01-2003	\$7,800
	01-01-2004	\$7,950
	01-01-2005	\$8,200
	01-01-2006	\$8,450
	01-01-2007	\$8,750
	01-01-2008	\$8,950
	01-01-2009	\$9,350
	01-01-2012	\$9,750

### Protected Pension Programs

Pension beneficiaries who were receiving a VA pension on Dec. 31, 1978, and do not wish to elect the Improved Pension will continue to receive the pension rate they were receiving on that date. This rate generally continues as long as the beneficiary's income remains within established limits, his or her net worth does not bar payment, and the beneficiary does not lose any dependents.

These beneficiaries must continue to meet basic eligibility factors, such as permanent and total disability for veterans, or status as a surviving spouse or child. VA must adjust rates for other reasons, such as a veteran's hospitalization in a VA facility.

### Medal of Honor Pension

VA administers pensions to recipients of the Medal of Honor. Congress set the monthly pension at \$1,237 effective Dec. 1, 2008.

### Additional Pension Allowances

Veterans or surviving spouses who are eligible for VA pension and are housebound or require the aid and attendance of another person may be eligible for an [additional monetary payment](#).

### How to Apply

To apply for Veterans Pension, download and complete [VA Form 21-527EZ, Application For Pension](#). You can mail your application to your [local regional benefit office](#). You can locate your local regional benefit office using the [VA Facility Locator](#). You may also visit your local regional benefit office and turn in your application for processing.

To apply for increased pension based on A&A or Housebound payments, write to your local VA regional office and provide medical evidence, such as a doctor's report, that validates the need for an increased benefit.

### The National Coalition for Homeless Veterans

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Not only does the VA offer help, other organizations do as well. One such organization is The National Coalition for Homeless Veterans (NCHV), an organization dedicated to ending homelessness among veterans by shaping public policy, promoting collaboration, and building the capacity of service providers.

The National Coalition for Homeless Veterans (NCHV) — a 501(c)(3) nonprofit organization governed by a 18-member board of directors — is the resource and technical assistance center for a national network of community-based service providers and local, state and federal agencies that provide emergency and supportive housing, food, health services, job training and placement assistance, legal aid and case management support for hundreds of thousands of homeless veterans each year.

NCHV also serves as the primary liaison between the nation's care providers, Congress and the Executive Branch agencies charged with helping them succeed in their work. NCHV's advocacy has strengthened and increased funding for virtually every federal homeless veteran assistance program in existence today.

Under a technical assistance grant awarded by the Department of Veterans Affairs, NCHV provides guidance and information about program development, administration, governance and funding to all of the nation's homeless veteran service providers.

At <http://nchv.org/>, the NCHV Web site offers a comprehensive source of information about America's homeless veterans, and the programs and people who are working to save their lives and restore their hope. The site includes links to places to go for help with housing, health, substance abuse, employment, general assistance, financial help, and legal help.

Many homeless veterans remain in trying circumstances only because they are unaware that such help exists. One study suggests that as many as three out of four veterans who are eligible for a pension never apply for this help, probably because they are unaware that such help exists.

VA offers a wide array of special programs and initiatives specifically designed to help homeless veterans live as self-sufficiently and independently as possible. In fact, VA is the only Federal agency that provides substantial hands-on assistance directly to homeless persons. Although limited to veterans and their dependents, VA's major homeless-specific programs constitute the largest integrated network of homeless treatment and assistance services in the country.

VA's specialized homeless veterans treatment programs have grown and developed since they were first authorized in 1987. The programs strive to offer a continuum of services that include:

- aggressive outreach to those veterans living on streets and in shelters who otherwise would not seek assistance;
- clinical assessment and referral to needed medical treatment for physical and psychiatric disorders, including substance abuse;
- long-term sheltered transitional assistance, case management, and rehabilitation;
- employment assistance and linkage with available income supports; and
- supported permanent housing.

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## Burial and Memorial Benefits

### Eligibility

Veterans discharged from active duty under conditions other than dishonorable and service members who die while on active duty, as well as spouses and dependent children of veterans and active duty service members, may be eligible for VA burial and memorial benefits. The veteran does not have to pre-decease a spouse or dependent child for them to be eligible.

With certain exceptions, active duty service beginning after Sept. 7, 1980, as an enlisted person, and after Oct. 16, 1981, as an officer, must be for a minimum of 24 consecutive months or the full period of active duty (as in the case of reservists or National Guard members called to active duty for a limited duration). Eligibility is not established by active duty for training in the reserves or National Guard.

Reservists and National Guard members, as well as their spouses and dependent children, are eligible if they were entitled to retired pay at the time of death, or would have been if they were over age 60.

VA national cemetery directors verify eligibility for burial in their cemeteries. A copy of the veteran's discharge document that specifies the period(s) of active duty and character of discharge, along with the deceased's death certificate and proof of relationship to the veteran (for eligible family members) are all that are usually needed to determine eligibility.

Under Section 2411 of Title 38 of the United States Code, certain otherwise eligible individuals found to have committed federal or state capital crimes are barred from burial or memorialization in a VA national cemetery, and from receipt of government-furnished headstones, markers, burial flags, and Presidential Memorial Certificates.

This chapter contains information on the full range of VA burial and memorial benefits. Readers with questions should contact the nearest national cemetery, listed by state in the VA Facilities section of this book, call 1-800-827-1000, or visit the Web site at [www.cem.va.gov](http://www.cem.va.gov).

### VA National Cemeteries

Burial in a VA national cemetery is available for eligible veterans, their spouses and dependents at no cost to the family and includes the gravesite, grave-liner, opening and closing of the grave, a headstone or marker, and perpetual care as part of a national shrine. For veterans, benefits also include a burial flag (with case for active duty) and military funeral honors. Family members and other loved ones of deceased veterans may request Presidential Memorial Certificates.

VA operates 124 national cemeteries, of which 84 are open for new interments and 20 of these accept only cremated remains. Burial options are limited to those available at a specific cemetery but may include in-ground casket, or interment of cremated remains in a columbarium, in ground or in a scatter garden. Contact the nearest national cemetery to determine if it is open for new burials and which options are available.

Seven new national cemeteries are scheduled to open in the next few years near the cities of Bakersfield, Calif.; Birmingham, Ala.; Greenville, S.C.; Jacksonville, Fla.; Philadelphia, Pa.; Sarasota, Fla.; and West Palm Beach, Fla.

The funeral director or the next of kin makes interment arrangements by contacting the national cemetery in which burial is desired. VA normally does not conduct burials on weekends. Gravesites cannot be reserved; however VA will honor reservations made under previous programs.

Surviving spouses of veterans who died on or after Jan. 1, 2000, do not lose eligibility for burial in a national cemetery if they remarry. Burial of dependent children is limited to unmarried children under 21 years of age, or under 23 years of age if a full-time student at an approved educational institution. Unmarried adult children who become physically or

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mentally disabled and incapable of self-support before age 21, or age 23 if a full-time student, are also eligible for burial.

### **Headstones and Markers**

Veterans, active duty service members, retired reservists, and National Guard service members are eligible for an inscribed headstone or marker to mark their grave at any cemetery -- national, state veterans, or private. The headstone or marker will be delivered at no cost, anywhere in the world. Spouses and dependent children are eligible for a government headstone or marker only if they are buried in a national or state veterans' cemetery.

Flat markers are available in bronze, granite or marble. Upright headstones come in granite or marble. In national cemeteries, the style chosen must be consistent with existing monuments at the place of burial. Niche markers are available to mark columbaria used for inurnment of cremated remains.

Headstones and markers previously provided by the government may be replaced at the government's expense if badly deteriorated, illegible, vandalized or stolen. To check the status of an application for a headstone or marker for a national or state veterans' cemetery, call the cemetery. To check the status of one being placed in a private cemetery, call 1-800-697-6947.

**Inscription:** Headstones and markers must be inscribed with the name of the deceased, branch of service, and year of birth and death. They also may be inscribed with other markings, including an authorized emblem of belief and, space permitting, additional text including military rank; war service such as "World War II;" complete dates of birth and death; military awards; military organizations; civilian or veteran affiliations; and words of endearment.

**Private Cemeteries:** To apply for a headstone or marker for a private cemetery, mail a completed VA Form 40-1330 (available at <http://www.va.gov/vaforms/va/pdf/VA40-1330.pdf>), Application for Standard Government Headstone or Marker for Installation in a Private Cemetery or a State Veterans' Cemetery, and a copy of the veteran's military discharge document and death certificate to Memorial Programs Service (41A1), Department of Veterans Affairs, 5109 Russell Rd., Quantico, VA 22134-3903. Or fax documents to 1-800-455-7143.

For veteran deaths occurring on or after Sept. 11, 2001, VA will provide a government headstone or marker even if the grave is already marked with a private one. Before ordering, check with the cemetery to ensure that the additional headstone or marker will be accepted. Any placement fee will not be reimbursed by VA.

**"In Memory Of" Markers:** VA provides memorial headstones and markers, bearing the inscription "In Memory Of" as the first line, to memorialize those whose remains were not recovered or identified, were buried at sea, donated to science or cremated and scattered. Eligibility is the same for regular headstones and markers. There is no fee when the "In Memory Of" marker is placed in a national cemetery. Any fees associated with placement in another cemetery will not be reimbursed by VA.

### **Presidential Memorial Certificates**

Certificates are issued upon request to recognize the military service of honorably discharged deceased veterans. Next of kin, relatives and friends may request them in person at any VA regional office or by mail: Presidential Memorial Certificates (41A1C), Department of Veterans Affairs, 5109 Russell Rd., Quantico, VA 22143-3903. Or fax documents to 202-565-8054.

No form is required and there is no time limit for requesting a certificate(s), but requests should include a copy of the veteran's discharge document and death certificate and clearly indicate to what address the certificate(s) should be sent. Information and a sample certificate can be found at <http://www.cem.va.gov/cem/pmc.asp>.

### **Burial Flags**

VA will furnish a U.S. burial flag for Memorialization of:

1. Veterans who served during wartime or after Jan. 31, 1955.

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2. Veterans who were entitled to retired pay for service in the reserves, or would have been entitled if over age 60.
  3. Members or former members of the Selected Reserve who served their initial obligation, or were discharged for a disability incurred or aggravated in line of duty, or died while a member of the Selected Reserve.

### **Reimbursement of Burial Expenses**

VA will pay a burial allowance up to \$2,000 if the veteran's death is service-connected. In such cases, the person who bore the veteran's burial expenses may claim reimbursement from VA.

In some cases, VA will pay the cost of transporting the remains of a service-connected veteran to the nearest national cemetery with available gravesites. There is no time limit for filing reimbursement claims in service-connected death cases.

**Burial Allowance:** VA will pay a \$300 burial and funeral allowance for veterans who, at time of death, were entitled to receive pension or compensation or would have been entitled if they weren't receiving military retirement pay. Eligibility also may be established when death occurs in a VA facility, a VA-contracted nursing home or a state veterans nursing home. In non service-connected death cases, claims must be filed within two years after burial or cremation.

**Plot Allowance:** VA will pay a \$300 plot allowance when a veteran is buried in a cemetery not under U.S. government jurisdiction if: the veteran was discharged from active duty because of disability incurred or aggravated in the line of duty; the veteran was receiving compensation or pension or would have been if they weren't receiving military retired pay; or they died in a VA facility.

The \$300 plot allowance may be paid to the state for the cost of a plot or interment in a state-owned cemetery reserved solely for veteran burials if the veteran is buried without charge. Burial expenses paid by the deceased's employer or a state agency will not be reimbursed.

### **Military Funeral Honors**

Upon request, DOD will provide military funeral honors consisting of folding and presentation of the United States flag and the playing of "Taps." A funeral honors detail consists of two or more uniformed members of the armed forces, with at least one member from the deceased's branch of service.

Family members should inform their funeral directors if they want military funeral honors. DOD maintains a toll-free number (1-877-MIL-HONR) for use by funeral directors only to request honors. VA can help arrange honors for burials at VA national cemeteries. Veterans' service organizations or volunteer groups may help provide honors. For more information, visit <https://www.dmdc.osd.mil/mfh/>.

### **Veterans Cemeteries Administered by Other Agencies**

**Arlington National Cemetery:** Administered by the Department of the Army. Eligibility is more restrictive than at VA national cemeteries. For information, call (703) 607-8000, write Superintendent, Arlington National Cemetery, Arlington, VA 22211, or visit <http://www.arlingtoncemetery.mil/>.

**State Veterans Cemeteries:** Sixty-three state veterans' cemeteries offer burial options for veterans and their families. These cemeteries have similar eligibility requirements but usually require some residence. Some services, particularly for family members, may require a fee. Contact the state cemetery or state veterans affairs office for information. To locate a state veterans' cemetery, visit <http://www.cem.va.gov/grants/state.asp?STATE=All>.

**Department of the Interior:** Administers two active national cemeteries: Andersonville National Cemetery in Georgia and Andrew Johnson National Cemetery in Tennessee. Eligibility is similar to VA cemeteries.

## Dependents & Survivors

### Health Care

Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA). Under CHAMPVA, certain dependents and survivors can receive reimbursement for most medical expenses – inpatient, outpatient, mental health, prescription medication, skilled nursing care and durable medical equipment.

**Eligibility:** To be eligible for CHAMPVA, an individual cannot be eligible for TRICARE (the medical program for civilian dependents provided by DoD) and must be one of the following:

1. The spouse or child of a Veteran whom VA has rated permanently and totally disabled due to a service-connected disability.
2. The surviving spouse or child of a Veteran who died from a VA-rated service-connected disability, or who, at the time of death, was rated permanently and totally disabled.
3. The surviving spouse or child of a Veteran who died on active duty service and in the line of duty, not due to misconduct. However, in most of these cases, these family members are eligible for TRICARE, not CHAMPVA.

A surviving spouse under age 55 who remarries loses CHAMPVA eligibility at midnight of the date on remarriage. He/she may re-establish eligibility if the remarriage ends by death, divorce or annulment effective the first day of the month following the termination of the remarriage or Dec. 1, 1999, whichever is later. A surviving spouse who remarries after age 55 does not lose eligibility upon remarriage.

For those who have Medicare entitlement or other health insurance, CHAMPVA is a secondary payer. Beneficiaries with Medicare must be enrolled in Parts A&B to maintain CHAMPVA eligibility. For additional information, contact Purchased Care at the VA Health Administration Center, CHAMPVA, P.O. Box 469028, Denver, CO 80246, call 1-800-733-8387 or visit <http://www.va.gov/hac/forbeneficiaries/champva/champva.asp>.

Many VA health care facilities provide services to CHAMPVA beneficiaries under the CHAMPVA In-house Treatment Initiative (CITI) program. Contact the nearest VA health care facility to determine if it participates. Those who use a CITI facility incur no cost for services; however, services are provided on a space-available basis, after the needs of Veterans are met. Not all services are available at all times. The coverage of services is dependent upon the CHAMPVA benefit coverage. CHAMPVA beneficiaries who are covered by Medicare cannot use CITI.

VA's Comprehensive Assistance for Family Caregivers Program entitles the designated Primary Family Caregiver, who is without health insurance coverage, CHAMPVA benefits. Some of the health plans that would make a Primary Family Caregiver ineligible for CHAMPVA benefits include Medicare, Medicaid, commercial health plans through employment and individual plans.

**Children Born with Spina Bifida to Certain Vietnam or Korea Veterans:** The Spina Bifida Program (SB) is a comprehensive health care benefits program administered by the Department of Veterans Affairs for birth children of certain Vietnam and Korea Veterans who have been diagnosed with spina bifida (except spina bifida occulta). The SB program provides reimbursement for inpatient and outpatient medical services, pharmacy, durable medical equipment, and supplies. Purchased Care at the VA's Health Administration Center in Denver, Colorado manages the SB Program, including the authorization of benefits and the subsequent processing and payment of claims. For more information about spina bifida health care benefits, call **1-888-820-1756** or visit [www.va.gov/hac/forbeneficiaries/spina/spina.asp](http://www.va.gov/hac/forbeneficiaries/spina/spina.asp)

**Eligibility:** To be eligible for the SB Program, Veterans must be eligible for a monetary award under the Veterans Benefits Administration (VBA). The Denver VA Regional Office makes the determination regarding this entitlement. The VBA notifies Purchased Care at the VA Health Administration Center after an award is made and the eligible child is enrolled in SB.

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**Children of Women Vietnam Veterans (CWVV) Born with Certain Birth Defects:** The CWVV Health Care Program is a federal health benefits program administered by the Department of Veterans Affairs for children of women Vietnam Veterans born with certain birth defects. The CWVV Program provides reimbursement for medical care related to covered birth defects and conditions associated with the covered birth defect except for spina bifida. For more information about benefits for children with birth defects, call **1-888-820-1756** or visit [www.va.gov/hac/forbeneficiaries](http://www.va.gov/hac/forbeneficiaries) and select Spina Bifida/Children of Women Vietnam Veterans (CWVV.)

**Eligibility:** To be eligible for the CWVV Program, Veterans must have received an award under VBA. The Denver VA Regional Office makes determination regarding this entitlement. The VBA notifies Purchased Care at the VA Health Administration Center after an award is made and the eligible child is enrolled in CWVV.

**Bereavement Counseling:** VA Vet Centers provide bereavement counseling to all family members including spouses, children, parents, and siblings of Servicemembers who die while on active duty. This includes federally activated members of the National Guard and reserve components. Bereavement services may be accessed by calling **(202) 461-6530**.

**Bereavement Counseling related to Veterans:** Bereavement counseling is available through any VA medical center to immediate family members of Veterans who die unexpectedly or while participating in a VA hospice or similar program, as long as the immediate family members had been receiving family support services in connection with or in furtherance of the Veteran's treatment. (In other cases, bereavement counseling is available to the Veteran's legal guardian or the individual with whom the Veteran had certified an intention to live, as long as the guardian or individual had been receiving covered family support services.) This bereavement counseling is of limited duration and may only be authorized up to 60 days. However, VA medical center directors have authority to approve a longer period of time when medically indicated. Contact the Social Work Service at the nearest VA medical center to access bereavement counseling.

## Survivors Pension

The Survivors Pension benefit, which may also be referred to as Death Pension, is a tax-free monetary benefit payable to a low-income, un-remarried surviving spouse and/or unmarried child(ren) of a deceased Veteran with wartime service.

## Eligibility

The deceased Veteran must have met the following service requirements:

- For service on or before September 7, 1980, the Veteran must have served at least 90 days of active military service, with at least one day during a war time period.
- If he or she entered active duty after September 7, 1980, generally he or she must have served at least 24 months or the full period for which called or ordered to active duty with at least one day during a war time period.
- Was discharged from service under other than dishonorable conditions.

Survivors Pension is also based on your yearly family income, which must be less than the amount set by Congress to qualify.

While an un-remarried spouse is eligible at any age, a child of a deceased wartime Veteran must be:

- Under 18, **OR**
- Under age 23 if attending a VA-approved school, **OR**
- Permanently incapable of self-support due to a disability before age 18

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Your yearly family income must be less than the amount set by Congress to qualify for the Survivors Pension benefit. Learn more about [income and net worth limitation](#), and see an example of how VA [calculates](#) the Survivors Pension benefit.

## How to Apply

To apply for Survivors Pension, download and complete [VA Form 21-534EZ](#), “Application for DIC, Death Pension, and/or Accrued Benefits” and mail it to your [local regional benefit office](#). You can locate your local regional benefit office using the [VA Facility Locator](#). You may also visit your local regional benefit office and turn in your application for processing.

You must send the completed application and any copies of other documents to the VA regional office that serves your area of residence. [Find the office of jurisdiction](#).

## Military Death Gratuity Payment

Military services provide payment, called a death gratuity, in the amount of \$100,000 to the next of kin of service members who die while on active duty or retirees who die within 120 days of retirement as a result of service-connected injury or illness. Parents, brothers or sisters may be provided the payment, if designated as next of kin by the deceased. The payment is made by the last military command of the deceased. If the beneficiary is not paid automatically, application may be made to the military service concerned.

## Dependency and Indemnity Compensation

Dependency and Indemnity Compensation (DIC) is a tax free monetary benefit paid to eligible survivors of military Servicemembers who died in the line of duty or eligible survivors of Veterans whose death resulted from a service-related injury or disease.

### Eligibility (Surviving Spouse)

To qualify for DIC, a surviving spouse must meet the requirements below.

The surviving spouse was:

- Married to a Servicemember who died on active duty, active duty for training, or inactive duty training, **OR**
- Validly married the Veteran before January 1, 1957, **OR**
- Married the Veteran within 15 years of discharge from the period of military service in which the disease or injury that caused the Veteran's death began or was aggravated, **OR**
- Was married to the Veteran for at least one year, **OR**
- Had a child with the Veteran, **AND**
- Cohabited with the Veteran continuously until the Veteran's death or, if separated, was not at fault for the separation, **AND**
- Is not currently remarried

Note: A surviving spouse who remarries on or after December 16, 2003, and on or after attaining age 57, is entitled to continue to receive DIC.

### Eligibility (Surviving Child)

- Not included on the surviving spouse's DIC, **AND**
- Unmarried, **AND**
- Under age 18, or between the ages of 18 and 23 and attending school.

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## Evidence Required

Listed below are the evidence requirements for this benefit:

- The Servicemember died while on active duty, active duty for training, or inactive duty training, **OR**
- The Veteran died from an injury or disease deemed to be related to military service, **OR**
- The Veteran died from a non service-related injury or disease, but was receiving, **OR** was entitled to receive, VA Compensation for service-connected disability that was rated as totally disabling:
  - For at least 10 years immediately before death, **OR**
  - Since the Veteran's release from active duty and for at least five years immediately preceding death, **OR**
  - For at least one year before death if the Veteran was a former prisoner of war who died after September 30, 1999

## How to Apply

- Complete [VA Form 21-534, "Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by a Surviving Spouse or Child"](#) and mail to your regional office, **OR**
- Work with an [accredited representative or agent](#) **OR**
- Go to a VA regional office and have a VA employee assist you. You can find your regional office on our [Facility Locator page](#) **OR**
- If the death was in service, your Military Casualty Assistance Officer will assist you in completing [VA Form 21-534a, "Application for Dependency and Indemnity Compensation, Death Pension and Accrued Benefits by a Surviving Spouse or Child"](#) and mail to the Philadelphia Regional Office

For more information on how to apply and for tips on making sure your claim is ready to be processed by VA, visit the [How to Apply page](#).

## Survivors' and Dependents' Educational Assistance Program (DEA)

### Summary of Benefits

Dependents' Educational Assistance provides education and training opportunities to eligible dependents of certain veterans. The program offers up to 45 months of education benefits. Effective October 1, 2013 some DEA beneficiaries may be eligible for 81 months of GI Bill benefits if they are eligible for more than one education benefit. [For more information click here.](#)

These benefits may be used for degree and certificate programs, apprenticeship, and on-the-job training. If you are a spouse, you may take a correspondence course. Remedial, deficiency, and refresher courses may be approved under certain circumstances.

For more information see the [Survivors & Dependents Assistance Pamphlet](#)

[Current payment rates.](#)

For information on the Marine GYSGT John David Fry Scholarship click [here](#)

**Eligibility:** You must be the son, daughter, or spouse of:

- A veteran who died or is permanently and totally disabled as the result of a service-connected disability. The disability must arise out of active service in the Armed Forces.
- A veteran who died from any cause while such service-connected disability was in existence.
- A service member missing in action or captured in line of duty by a hostile force.
- A service member forcibly detained or interned in line of duty by a foreign government or power.

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- A service member who is hospitalized or receiving outpatient treatment for a service connected permanent and total disability and is likely to be discharged for that disability. This change is effective December 23, 2006.

### **Period of Eligibility**

If you are a son or daughter and wish to receive benefits for attending school or job training, you must be between the ages of 18 and 26. In certain instances, it is possible to begin before age 18 and to continue after age 26. Marriage is not a bar to this benefit. If you are in the Armed Forces, you may not receive this benefit while on active duty. To pursue training after military service, your discharge must not be under dishonorable conditions. VA can extend your period of eligibility by the number of months and days equal to the time spent on active duty. This extension cannot generally go beyond your 31<sup>st</sup> birthday, there are some exceptions.

If you are a spouse, benefits end 10 years from the date VA finds you eligible or from the date of death of the veteran. If the VA rated the veteran permanently and totally disabled with an effective date of 3 years from discharge a spouse will remain eligible for 20 years from the effective date of the rating. This change is effective October 10, 2008 and no benefits may be paid for any training taken prior to that date. For surviving spouses (spouses of service members who died on active duty) benefits end 20 years from the date of death.

### **How to Apply**

You should make sure that your selected program is approved for VA training. If you are not clear on this point, VA will inform you and the school or company about the requirements.

Obtain and complete VA Form 22-5490, Dependents' Application for VA Education Benefits. Send it to the VA regional office with jurisdiction over the State where you will train. If you are a son or daughter, under legal age, a parent or guardian must sign the application.

If you have started training, take your application to your school or employer. Ask them to complete VA Form 22-1999, Enrollment Certification, and send both forms to VA.

Section 301 of Public Law 109-461 adds a new category to the definition of "eligible person" for DEA benefits. The new category includes the spouse or child of a person who:

VA determines has a service-connected permanent and total disability; and at the time of VA's determination is a member of the Armed Forces who is hospitalized or receiving outpatient medical care, services, or treatment; and is likely to be discharged or released from service for this service-connected disability.

Persons eligible under this new provision may be eligible for DEA benefits effective December 23, 2006, the effective date of the law.

DEA provides education and training opportunities to eligible dependents of veterans who are permanently and totally disabled due to a service-related condition, or who died while on active duty or as a result of a service related condition. The program offers up to 45 months of education benefits. These benefits may be used for degree and certificate programs, apprenticeship, and on-the-job training. If you are a spouse, you may take a correspondence course. Remedial, deficiency, and refresher courses may be approved under certain circumstances.

**Special Restorative Training** is available to persons eligible for DEA benefits. The Department of Veterans Affairs may prescribe special restorative training where needed to overcome or lessen the effects of a physical or mental disability for the purpose of enabling an eligible person to pursue a program of education, special vocational program or other appropriate goal. Medical care and treatment or psychiatric treatments are not included.

**Special Vocational Training** is also available to persons eligible for DEA benefits. This type of program may be approved for an eligible person who is not in need of Special Restorative Training, but who requires such a program because of a mental or physical handicap.

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**Training Available:** Benefits may be awarded for pursuit of associate, bachelor or graduate degrees at colleges and universities, independent study, cooperative training, study abroad, certificate or diploma from business, technical or vocational schools, apprenticeships, on-the-job training programs and farm cooperative courses. Benefits for correspondence courses under certain conditions are available to spouses only.

Beneficiaries without high-school degrees can pursue secondary schooling, and those with a deficiency in a subject may receive tutorial assistance if enrolled halftime or more.

**Work-Study:** Participants who train at the three-quarter or full-time rate may be eligible for a work-study program in which they work for VA and receive hourly wages. The types of work allowed include:

1. Outreach services.
2. VA paperwork.
3. Work at national or state veterans cemeteries.
4. Work at VA medical centers or state veterans homes.
5. Other VA approved activities.

**Counseling:** VA may provide counseling to help participants pursue an educational or vocational objective.

**Special Benefits:** Dependents over age 14 with physical or mental disabilities that impair their ability to pursue an education may receive specialized vocational or restorative training, including speech and voice correction, language retraining, lip reading, auditory training, Braille reading and writing, and similar programs. Certain disabled or surviving spouses are also eligible for vocational or restorative training.

**Montgomery GI Bill Death Benefit:** VA will pay a special Montgomery GI Bill death benefit to a designated survivor in the event of the service-connected death of a service member while on active duty or within one year after discharge or release.

The deceased must either have been entitled to educational assistance under the Montgomery GI Bill program or a participant in the program who would have been so entitled but for the high school diploma or length-of-service requirement. The amount paid will be equal to the participant's actual military pay reduction, less any education benefits paid.

## VA Medical Care

The Civilian Health and Medical Program of VA (CHAMPVA), provides reimbursement for most medical expenses – inpatient, outpatient, mental health, prescription medication, skilled nursing care and durable medical equipment.

**Eligibility:** To be eligible for CHAMPVA, an individual cannot be eligible for TRICARE (the medical program for civilian dependents provided by DOD) and must be one of the following:

1. The spouse or child of a veteran who VA has rated permanently and totally disabled for a service-connected disability.
2. The surviving spouse or child of a veteran, who died from a VA-rated service-connected disability, or who, at the time of death, was rated permanently and totally disabled.
3. The surviving spouse or child of a service member who died in the line of duty, not due to misconduct. However, in most of these cases, these family members are eligible for TRICARE, not CHAMPVA.

A surviving spouse under age 55 who remarries loses CHAMPVA eligibility on midnight of the date of remarriage. However, they may re-establish eligibility if the remarriage ends by death, divorce or annulment effective the first day of the month following the termination of the remarriage or Dec. 1, 1999, whichever is later. A surviving spouse who remarries after age 55 does not lose eligibility upon remarriage.

Those with Medicare entitlement may also have CHAMPVA eligibility secondary to Medicare. Eligibility limitations apply. For additional information, contact the VA Health Administration Center, P.O. Box 65023, Denver, CO 80206, call 1-800-733-8387 or visit the Web site at <http://www.va.gov/hac/hacmain.asp>.

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Many VA medical centers provide services to CHAMPVA beneficiaries under the CHAMPVA In House Treatment Initiative (CITI) program. Contact the nearest VA medical center to determine if it participates. Those who use a CITI facility incur no cost for services; however, services are provided on a space available basis, after the needs of veterans are met. Not all services are available at all times. CHAMPVA beneficiaries covered by Medicare cannot use CITI.

## **Children with Birth Defects**

### **Benefits for Veterans' Children with Birth Defects**

Children who have spina bifida or certain other birth defects and are biological children of Veterans with qualifying service in Vietnam or Korea may be eligible for a range of VA benefits, starting with compensation, a monthly monetary allowance based on the child's degree of disability.

After VA determines eligibility for compensation, we offer these additional benefits:

- [Health care benefits](#), which VA finances to cover the necessary treatment of spina bifida and related conditions.
- Vocational training, which provides up to 24 months of full-time training, rehabilitation and job assistance with the possibility of an extension up to 24 months if needed to achieve the employment goal. The child may not begin vocational training before his or her 18th birthday or the date he or she completes secondary schooling, whichever comes first.

Complete [VA Form 21-0304](#) (457 KB, PDF) to apply for all three benefits.

### **Eligibility for Benefits**

There are different eligibility requirements for children with spina bifida and children with other birth defects. The birth defect must have resulted in a permanent physical or mental disability.

The covered birth defects do not include conditions due to family disorders, birth-related injuries, or fetal or neonatal infirmities with well-established causes.

### **Vietnam and Korea Veterans' children with spina bifida**

Children who have [spina bifida](#) (except spina bifida occulta) and are biological children of Veterans who served in Vietnam or in the demilitarized zone in Korea during the Vietnam era may be eligible if the birth father or mother served:

- In Vietnam during the period from January 9, 1962 through May 7, 1975, **or**
- In or near the Korean demilitarized zone between September 1, 1967 and August 31, 1971 and were exposed to herbicides. Veterans who served in a unit in or near the Korean demilitarized zone (DMZ) anytime between April 1, 1968 and August 31, 1971 are presumed to have been exposed to herbicides.

The affected child must have been conceived after the Veteran first entered Vietnam or the Korean demilitarized zone during the qualifying service period.

### **Women Vietnam Veterans' children with other birth defects**

Children who have [certain birth defects](#) and are biological children of women Veterans who served in Vietnam may be eligible if the birth mother served in Vietnam during the period beginning February 28, 1961 and ending on May 7, 1975.

The affected child must have been conceived after the Veteran first entered Vietnam during the qualifying service period.

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## **Apply for Benefits for Birth Defects**

Complete [VA Form 21-0304](#) (457 KB, PDF), Application for Benefits for Certain Children with Disabilities born of Vietnam and Certain Korea Service Veterans.

Mail the completed form to the address on the form.

Questions? Call toll-free 1-888-820-1756 or 1-800-829-4833 (TDD for hearing impaired).

## **Home Loan Guaranty**

A VA loan guaranty to acquire a home may be available to an unmarried spouse of a veteran or service member who died as a result of service-connected disabilities, a surviving spouse who remarries after age 57, or to a spouse of a service member officially listed as MIA or who is currently a POW for more than 90 days. Spouses of those listed MIA/POW are limited to one loan.

## **Visiting Overseas Cemeteries**

“No-fee” passports are available for family members visiting graves or memorial sites at World War I and World War II overseas American military cemeteries. Eligibility is limited to surviving spouses, parents, children, sisters, brothers and guardians of the deceased who are buried or commemorated in American military cemeteries on foreign soil.

For additional information, write: American Battle Monuments Commission, Courthouse Plaza II, Suite 500, 2300 Clarendon Blvd., Arlington, VA 22201, call 703-696-6897, or visit <http://www.abmc.gov/home.php>.

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## Special Groups of Veterans

### Women Veterans

Women veterans are eligible for the same VA benefits as male veterans, but can also receive additional gender-specific services, including breast and pelvic examinations and other reproductive health care services.

VA provides preventive health care counseling, contraceptive services, menopause management, Pap smears and mammography. Referrals are made for services that VA is unable to provide. Women Veterans' Program Managers are available in a private setting at all VA facilities to help women veterans seeking treatment and benefits. For information, visit <http://www.va.gov/womenvet/>.

VA health care professionals provide counseling and treatment to help veterans overcome psychological issues resulting from sexual trauma that occurred while serving on active duty, or active duty for training if service was in the National Guard or reserves. Veterans who are not otherwise eligible for VA health care may still receive these services and do not need to enroll. Appropriate services are provided for any injury, illness or psychological condition resulting from such trauma.

### Homeless Veterans

VA provides comprehensive medical, psychological and rehabilitation treatment for eligible homeless veterans and conducts homeless outreach such as community-based "stand downs" to help homeless veterans. Many VA benefits, including disability compensation, pension and education can help at-risk veterans avoid homelessness.

Other programs for homeless veterans include residential rehabilitation services at VA domiciliaries, therapeutic group homes, special day centers, and comprehensive homeless centers. For assistance, contact the nearest VA medical facility or visit <http://www.va.gov/homeless/> to find contact information on VA homeless veteran coordinators in each state.

VA also provides grant and per diem funds to community agencies providing services to homeless veterans. The grant program pays up to 65 percent of the cost of construction, renovation, or acquisition of a building for use as service centers or transitional housing for homeless veterans, or for the purchase of vans for the transportation of homeless veterans. The per diem provides funding for operational costs. Call toll-free 1-877-332-0334 or visit <http://www.va.gov/homeless/>.

The Department of Labor provides employment and training services, as well as grants to community organizations that provide counseling, job search and placement assistance, remedial education and on-the-job training for homeless veterans. For information, call 202-693-4700 or visit <http://www.dol.gov/vets/welcome.html>.

### World War II Era Filipino Veterans

World War II era Filipino veterans are eligible for certain VA benefits. Generally, Old Philippine Scouts are eligible for VA benefits in the same manner as U.S. veterans. Commonwealth Army veterans, including certain organized Filipino guerrilla forces and New Philippine Scouts residing in the United States who are citizens or lawfully admitted for permanent residence, are also eligible for VA health care in the United States on the same basis as U.S. veterans.

Certain Commonwealth Army veterans and new Philippine Scouts may be eligible for disability compensation and burial benefits. Other veterans of recognized guerrilla groups also may be eligible for certain VA benefits. Survivors of World War II era Filipino veterans may be eligible for dependency and indemnity compensation. Eligibility and the rates of benefits vary based on the recipient's citizenship and place of residence. Call 1-800-827-1000 for additional information.

### Veterans Living or Traveling Overseas

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VA will pay for medical services to treat service-connected disabilities and related conditions or for medical services needed as part of a vocational rehabilitation program for veterans living or traveling outside the United States. Veterans living in the Philippines should register with the U.S. Veterans Affairs office in Pasay City, telephone 011-632-833-4566. All other veterans living or planning to travel outside the U.S. should register with the Denver Foreign Medical Program office, P.O. Box 65021, Denver, CO 80206-9021, USA; telephone 303-331-7590. More information about the Foreign Medical Program is available on the program Web site at <http://www.va.gov/hac/forbeneficiaries/fmp/fmp.asp>.

Some veterans traveling or living overseas can telephone the Foreign Medical Program toll free from these countries: Germany 0800-1800-011; Australia 1800-354-965; Italy 800-782-655; United Kingdom (England and Scotland) 0800-032-7425; Mexico 001-877-345-8179; Japan 00531-13-0871; Costa Rica 0800-013-0759; and Spain 900-981-776. (Note: Veterans in Mexico or Costa Rica must first dial the United States country code.)

VA monetary benefits, including disability compensation, pension, educational benefits, and burial allowances, generally are payable overseas. Some programs are restricted. Home loan guaranties are available only in the United States and selected U.S. territories and possessions. Educational benefits are limited to approved, degree-granting programs in institutions of higher learning.

Beneficiaries living in foreign countries should contact the nearest American embassy or consulate for help. In Canada, contact an office of Veterans Affairs Canada. For information, visit <http://www.vba.va.gov/bln/21/foreign/index.htm>.

### **World War II Era Merchant Marine Seamen**

Certain Merchant Marine seamen who served in World War II may qualify for veterans' benefits. When applying for medical care, seamen must present their discharge certificate from the Department of Defense. Call 1-800-827-1000 for help obtaining a certificate.

### **Allied Veterans Who Served During WWI or WWII**

VA may provide medical care to certain veterans of nations allied or associated with the United States during World War I or World War II if authorized and reimbursed by the foreign government. VA also may provide hospitalization, outpatient care, and domiciliary care to former members of the armed forces of Czechoslovakia or Poland who fought in World War I or World War II in armed conflict against an enemy of the United States if they have been U.S. citizens for at least 10 years.

### **World War Service**

A number of groups who provided military-related service to the United States can receive VA benefits. A discharge by the Secretary of Defense is needed to qualify. Service in the following groups has been certified as active military service for benefits purposes:

1. Women Air Force Service Pilots (WASPs).
2. World War I Signal Corps Female Telephone Operators Unit.
3. World War I Engineer Field Clerks.
4. Women's Army Auxiliary Corps (WAAC).
5. Quartermaster Corps female clerical employees serving with the American Expeditionary Forces in World War I.
6. Civilian employees of Pacific naval air bases who actively participated in defense of Wake Island during World War II.
7. Reconstruction aides and dietitians in World War I.
8. Male civilian ferry pilots.
9. Wake Island defenders from Guam.
10. Civilian personnel assigned to OSS secret intelligence.
11. Guam Combat Patrol.
12. Quartermaster Corps members of the Keswick crew on Corregidor during World War II.

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13. U.S. civilians who participated in the defense of Bataan.
  14. U.S. merchant seamen who served on block ships in support of Operation Mulberry in the World War II invasion of Normandy.
  15. American merchant marines in oceangoing service during World War II.
  16. Civilian Navy IFF radar technicians who served in combat areas of the Pacific during World War II.
  17. U.S. civilians of the American Field Service who served overseas in World War I.
  18. U.S. civilians of the American Field Service who served overseas under U.S. armies and U.S. army groups in World War II.
  19. U.S. civilian employees of American Airlines who served overseas in a contract with the Air Transport Command between Dec. 14, 1941 and Aug. 14, 1945.
  20. Civilian crewmen of U.S. Coast and Geodetic Survey vessels who served in areas of immediate military hazard while conducting cooperative operations with and for the U.S. armed forces between Dec. 7, 1941, and Aug. 15, 1945. Qualifying vessels are: the Derickson, Explorer, Gilber, Hilgard, E. Lester Jones, Lydonia Patton, Surveyor, Wainwright, Westdahl, Oceanographer, Hydrographer and Pathfinder.
  21. Members of the American Volunteer Group (Flying Tigers) who served between Dec. 7, 1941, and July 18, 1942.
  22. U.S. civilian flight crew and aviation ground support employees of United Air Lines who served overseas in a contract with Air Transport Command between Dec. 14, 1941, and Aug. 14, 1945.
  23. U.S. civilian flight crew, including pursers, and aviation ground support employees of Transcontinental and Western Air, Inc. (TWA), who served overseas in a contract with the Air Transport Command between Dec. 14, 1941, and Aug. 14, 1945.
  24. U.S. civilian flight crew and aviation ground support employees of Consolidated Vultee Aircraft Corp. who served overseas in a contract with Air Transport Command between Dec. 14, 1941, and Aug. 14, 1945.
  25. U.S. civilian flight crew and aviation ground support employees of Pan American World Airways and its subsidiaries and affiliates, who served overseas in a contract with the Air Transport Command and Naval Air Transport Service between Dec. 14, 1941, and Aug. 14, 1945.
  26. Honorably discharged members of the American Volunteer Guard, Eritrea Service Command, between June 21, 1942, and March 31, 1943.
  27. U.S. civilian flight crew and aviation ground support employees of Northwest Airlines who served overseas under the airline's contract with Air Transport Command from Dec. 14, 1941, through Aug. 14, 1945.
  28. U.S. civilian female employees of the U.S. Army Nurse Corps who served in the defense of Bataan and Corregidor during the period Jan. 2, 1942, to Feb. 3, 1945.
  29. U.S. flight crew and aviation ground support employees of Northeast Airlines Atlantic Division, who served overseas as a result of Northeast Airlines' contract with the Air Transport Command during the period Dec. 7, 1941, through Aug. 14, 1945.
  30. U.S. civilian flight crew and aviation ground support employees of Braniff Airways, who served overseas in the North Atlantic or under the jurisdiction of the North Atlantic Wing, Air Transport Command, as a result of a contract with the Air Transport Command during the period Feb. 26, 1942, through Aug. 14, 1945.
  31. Chamorro and Carolina former native police who received military training in the Donnal area of central Saipan and were placed under command of Lt. Casino of the 6th Provisional Military Police Battalion to accompany U.S. Marines on active, combat patrol from Aug. 19, 1945, to Sept. 2, 1945.
  32. The operational Analysis Group of the Office of Scientific Research and Development, Office of Emergency Management, which served overseas with the U.S. Army Air Corps from Dec. 7, 1941, through Aug. 15, 1945.
  33. Service as a member of the Alaska Territorial Guard during World War II of any individual who was honorably discharged under section 8147 of the Department of Defense Appropriations Act of 2001.

### **Incarcerated Veterans**

VA benefits are affected if a beneficiary is convicted of a felony and imprisoned for more than 60 days.

Disability or Death Pension paid to an incarcerated beneficiary must be discontinued. Disability compensation paid to an incarcerated veteran rated 20 percent or more disabled is limited to the 10 percent rate. For a surviving spouse, child or dependent parent receiving Dependency and Indemnity Compensation, or a veteran whose disability rating is 10 percent, the payment is reduced to half of the rate payable to a veteran evaluated as 10 percent disabled.

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Any amounts not paid may be apportioned to eligible dependents. Payments are not reduced for participants in work-release programs, residing in halfway houses or under community control.

Failure to notify VA of a veteran's incarceration can result in overpayment of benefits and the subsequent loss of all VA financial benefits until the overpayment is recovered. VA benefits will not be provided to any veteran or dependent wanted for an outstanding felony warrant.

## Reserve and National Guard

### Eligibility

Reservists who served on active duty establish veteran status and may be eligible for the full-range of VA benefits, depending on the length of active military service and a discharge or release from active duty under conditions other than dishonorable. In addition, reservists not activated may qualify for some VA benefits.

National Guard members can establish eligibility for VA benefits if activated for federal service during a period of war or domestic emergency. Activation for other than federal service does not qualify guard members for all VA benefits. Claims for VA benefits based on federal service filed by members of the National Guard should include a copy of the military orders, presidential proclamation or executive order that clearly demonstrates the federal nature of the service.

### Health Care

Reservists and National Guard members activated for federal service can qualify for VA health care, but generally must be enrolled to receive services. See Chapter 1, “VA Health Care,” for details on enrollment and services. Effective Jan. 28, 2008, veterans discharged from active duty on or after Jan. 28, 2003, are eligible for enhanced enrollment placement into Priority Group 6 (unless eligible for higher Priority Group placement) for 5 years post discharge. Veterans with combat service after Nov. 11, 1998, who were discharged from active duty before Jan. 28, 2003, and who apply for enrollment on or after Jan. 28, 2008, are eligible for this enhanced enrollment benefit through Jan. 27, 2011. Activated reservists and members of the National Guard are eligible if they served on active duty in a theater of combat operations after Nov. 11, 1998, and, have been discharged under other than dishonorable conditions.

Veterans who enroll with VA under this “Combat Veteran” authority will retain enrollment eligibility even after their five-year post discharge period ends. At the end of their post discharge period, VA will reassess the veteran’s information (including all applicable eligibility factors) and make a new enrollment decision. For additional information, call 1-877-222-VETS (8387).

### Disability Benefits

VA pays monthly compensation benefits for service-connected disabilities – those incurred or aggravated during active duty and active duty for training, and for residuals of heart attack or stroke that occurred during inactive duty for training. For additional information see Chapter 2, “Veterans with Service-Connected Disabilities.”

### Montgomery GI Bill – Selected Reserve

Members of reserve elements of the Army, Navy, Air Force, Marine Corps and Coast Guard, and members of the Army National Guard and the Air National Guard, may be entitled to up to 36 months of educational benefits under the Montgomery GI Bill (MGIB) – Selected Reserve. To be eligible, the participant must:

1. Have a six-year obligation in the Selected Reserve or National Guard signed after June 30, 1985, or, if an officer, agree to serve six years in addition to the original obligation.
2. Complete initial active duty for training.
3. Have a high school diploma or equivalency certificate before applying for benefits.
4. Remain in good standing in a Selected Reserve or National Guard unit.

Reserve components determine eligibility for benefits. VA does not make decisions about eligibility and cannot make payments until the reserve component has determined eligibility and notified VA.

**Period of Eligibility:** Benefits generally end the day a reservist or National Guard member separates from military service. However, if you leave the Selected Reserve, you may still be eligible for a full 10 years from the date you became eligible (if you became eligible before Oct. 1, 1992), or a full 14 years from the date you became eligible on or after Oct. 1, 1992. You may be eligible if you were separated because you had a disability that was not caused by

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misconduct, your unit was inactivated, or you were otherwise involuntarily separated during the period from Oct. 1, 1991, through Dec. 31, 2001.

If you stayed in the Selected Reserve, VA can generally extend your eligibility period if you were called up to active duty. In this case, VA will extend your eligibility by the period of your active duty service plus four months. Once this extension is granted, it will not be taken away if you leave the Selected Reserve.

**Training:** Participants may take undergraduate or technical training at colleges and universities. Those who have a six-year commitment beginning after Sept. 30, 1990, may also take the following training: graduate courses; State licensure and certification; courses for a certificate or diploma from business, technical or vocational schools; cooperative training; apprenticeship or on-the-job training; correspondence courses; independent study programs; flight training; entrepreneurship training; or remedial, deficiency or refresher courses needed to complete a program of study.

**Work-Study:** Participants may be eligible for a work-study program in which they work for VA and receive hourly wages. Veterans must train at the three-quarter or full-time rate. The work allowed includes:

1. Outreach services for VA.
2. VA paperwork.
3. Work at national or state veterans' cemeteries.
4. Work at VA medical centers or state veterans homes.
5. Other VA approved activities.

**Counseling:** VA counseling is available to help determine educational or vocational strengths and weaknesses and plan education or employment goals. Additionally, those ineligible for MGIB may still receive VA counseling beginning 180 days prior to separation from active duty through the first full year following honorable discharge.

#### **Post-9/11 GI Bill** (*effective August 1, 2009*)

Benefits provided through the new Post-9/11 GI Bill will be available for education or training after August 1, 2009. National Guard and Reserve members who have at least 30 days of continuous active duty service since September 11, 2001 and who have been discharged for a service-connected disability, or have a total of 90 days of active duty service and are honorably discharged for reasons like hardship may be eligible. Service members will receive up to 36 months of benefits. If you qualify for the current Montgomery GI Bill, Montgomery GI Bill – Selected Reserve or the Reserve Educational Assistance Program, you can elect to receive benefits from the Post-9/11 GI Bill.

Under this bill, you are entitled to a percentage of the following, based on your time in the service:

- Tuition and fees, not exceeding the most expensive in-state public college
- Monthly living stipend equal to the basic allowance for housing payable to an E-5 with dependents in the same zip code as the school (not available for active duty service members, those training at half time, or those taking distance learning courses)
- Annual stipend for books and supplies, not to exceed \$1,000 per year (not available for active duty service members)
- One-time payment of \$500 if you are relocating from certain highly rural areas

Full benefits will be available to those who have served at least 36 months of active duty or those who served at least 30 consecutive days of active duty before being discharged due to a service-connected disability. If your active duty service is less than the amount described above, you will receive a lesser percentage of the full benefits rate, down to a minimum of 40% for those with at least 90 days but less than 6 months of active duty.

Members are eligible for these benefits for 15 years from their last period of active duty of at least 90 consecutive days.

#### **Reserve Educational Assistance Program**

This program provides educational assistance to members of National Guard and reserve components – Selected Reserve and Individual Ready Reserve (IRR) – who are called or ordered to active duty service in response to a war or national emergency as declared by the president or Congress. Visit [www.gibill.va.gov/](http://www.gibill.va.gov/) for more information.

**Eligibility:** Eligibility is determined by DOD or the Department of Homeland Security. Generally, a service member who serves on active duty on or after Sept. 11, 2001, for at least 90 consecutive days is eligible.

**Payments:** The educational payment rate is based on the number of continuous days of active duty service performed by the Reservist or National Guard service member. Full-time students receive payments on a monthly basis. For complete current rates, visit <http://gibill.va.gov/resources/benefits-resources/rates-tables.html>

### 2013 Reserve Educational Assistance Program Educational Payment Rates\* (Verified on 11/19/13)

Educational Assistance Allowance for trainees under the Reserve Educational Assistance Program (Ch. 1607 of Title 10, U.S.C.). The following basic monthly rates are effective October 1, 2013.

For trainees on active duty, payment is limited to reimbursement of tuition and fees for the training taken.

<b>Institutional Training</b>			
<b>Training Time</b>	<b>Consecutive service of 90 days but less than one year</b>	<b>Consecutive service of 1 year +</b>	<b>Consecutive service of 2 years +</b>
Full time	\$659.20	\$988.80	\$1,318.40
$\frac{3}{4}$ time	\$494.40	\$741.60	\$988.80
$\frac{1}{2}$ time	\$329.60	\$494.40	\$659.20
Less than $\frac{1}{2}$ time More than $\frac{1}{4}$ time	\$329.60**	\$494.0**	\$659.20**
$\frac{1}{4}$ time or less	\$164.80**	\$247.20**	\$329.60 **

\*\* Tuition and Fees ONLY. Payment cannot exceed the listed amount

**CORRESPONDENCE TRAINING:** Correspondence training is reimbursed at:

<b>Correspondence Training</b>	
40% level	22% of the approved cost of course
60% level	33% of the approved cost of course
80% level	44% of the approved cost of course

Entitlement is charged based on the rate of one month for a benefit amount equal to the full-time institutional rate.

**FLIGHT TRAINING:** Flight training is reimbursed at:

<b>Flight Training</b>	
40% level	24% of the approved cost of course
60% level	36% of the approved cost of course
80% level	48% of the approved cost of course

Entitlement is charged based on the rate of one month for a benefit amount equal to the full-time institutional rate.

<b>Apprenticeship and On-the-Job Training</b>			
<b>Training Period</b>	<b>Service of 90 days but less than one year</b>	<b>Service of 1 year +</b>	<b>Service of 2 years +</b>
First six months of training	\$494.40	\$741.60	\$988.80
Second six months of training	\$362.56	\$534.84	\$725.12
Remaining pursuit of training	\$230.72	\$346.08	\$461.44

(Rates are proportionally reduced if less than 120 hours is worked.)

### **Home Loan Guaranty**

National Guard members and reservists are eligible for a VA home loan if they have completed at least six years of honorable service, are mobilized for active duty service for a period of at least 90 days, or were discharged because of a service-connected disability.

Reservists who do not qualify for VA housing loan benefits may be eligible for loans on favorable terms insured by the Federal Housing Administration (FHA), part of HUD. Additional information can be found in Chapter 16 -- “Home Loan Guaranty” – of this publication.

### **Life Insurance**

National Guard members and reservists are eligible to receive Service members’ Group Life Insurance, Veterans’ Group Life Insurance, and Family Service members’ Group Life Insurance. They may also be eligible for Traumatic Service members’ Group Life Insurance or Service-Disabled Veterans Insurance if called to active duty and injured with a service-connected disability, and Veterans’ Mortgage Life Insurance if approved for a Specially Adapted Housing Grant. Complete details can be found in Chapter 9 - “VA Life Insurance” - of this publication.

### **Burial and Memorial Benefits**

VA provides a burial flag for Memorialization of members or former members of the Selected Reserve who served their initial obligation, or were discharged for a disability incurred or aggravated in line of duty, or died while a member of the Selected Reserve. Information on benefits and eligibility can be found in Chapter 7 - “Burial and Memorial Benefits” - of this publication.

### **Re-employment Rights**

A person who left a civilian job to enter active duty in the armed forces is entitled to return to the job after discharge or release from active duty if they:

1. Gave advance notice of military service to the employer.
2. Did not exceed five years cumulative absence from the civilian job (with some exceptions).
3. Submitted a timely application for re-employment.
4. Did not receive a dishonorable or other punitive discharge.

The law calls for a returning veteran to be placed in the job as if they had never left, including benefits based on seniority such as pensions, pay increases and promotions. The law also prohibits discrimination in hiring, promotion or other advantages of employment on the basis of military service.

Veterans seeking re-employment should apply, verbally or in writing, to the company’s hiring official and keep a record of their application. If problems arise, contact the Department of Labor’s Veterans’ Employment and Training Service (VETS) in the state of the employer.

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Federal employees not properly re-employed may appeal directly to the Merit Systems Protection Board. Non-federal employees may file complaints in U.S. District Court. For information, visit: <http://www.dol.gov/vets/programs/userra/main.htm>.

## **Army Reserve Family Programs**

The Army Reserve has many different programs to help Army reserve soldiers, veterans, families and units into a single source website at: <http://www.arfp.org/>

### **Available Programs and Services**

#### **Life Skills**

Army Family Team Building Mission Statement

"Our mission is to educate and empower members of the military community to develop skills and encourage behaviors that strengthen self-reliance, promote retention, and enhance readiness."

#### **Survivor Services**

Survivor Outreach Services Purpose

Our Purpose is to deliver on the Army's commitment to Families of the Fallen. Survivor Outreach Services (SOS) connects you with people who can help you cope with your loss.

Many times after you have lost a loved one, there are unresolved issues or questions that may surface months or years after the loss. The Army is dedicated to fulfilling the Family Covenant by providing support to Surviving Families for as long as they desire.

SOS demonstrates the Army's commitment to Families of the Fallen by providing support and standardized services to Active, Reserve, and Army National Guard Families.

SOS is a holistic and multi-agency approach to delivering services by providing access at garrisons and communities closest to where Families live. Benefits Coordinators, Financial Counselors, and Support Coordinators are professionals available to deliver individualized support and attention to Survivors across the nation.

#### **Childcare and Youth Development**

Child, Youth, & School Services Mission Statement

"To support readiness and quality of life by reducing the conflict between military mission requirements and parental responsibilities."

#### **Child Care Solutions**

Community -Based - "where you live"

- Assisting Families find quality child care
- Identifying resources to reduce out of pocket child care expenses

#### **Unit & Command Support**

- Augmenting the agenda of unit and command events to educate Soldiers and Family members about military and community child and youth programs
- Coordinating child care and youth supervision options for Unit Family Events

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- Providing ideas for age appropriate activities for children and youth
  - Disseminating information on child and youth development
  - Supporting Yellow Ribbon Activities

### **Community-Based Partnerships**

Building relationships with community organizations to increase the support of Army Reserve children and Families where and when needed through:

- Operation: Military Kids
- Boys & Girls Clubs
- 4-H
- YMCA
- Veterans' Organizations
- Schools
- Public and Private Education Organizations

### **Youth Development Opportunities**

Programs and experiences that develop life skills and promote youth leadership at home, in school, and in the community through:

- Enrichment Camps
- Summer Break Camps
- Weekend Camps
- Leadership Summits
- Teen Panel

### **Army Strong Community Center**

The mission of the Army Strong Community Center (ASCC) is to develop resilient Families through effective community partnerships, thus enhancing the strength of our total force and the communities where they live.

The ASCC is an element of the Virtual Installation initiative that was created to fill gaps in services and to support geographically-dispersed Families.

The ASCC supports ALL branches of the Military, Veterans, Retirees and their Families by working one-on-one through every situation until a resolution has been reached.

Support is provided by experienced and knowledgeable staff, delivered with a personal touch and excellent technological capabilities.

### **Fort Family Outreach and Support**

Fort Family is providing a single gateway to responsive Family Crisis Assistance, available 24/7, 365 days a year. It provides a unit and community based solution to connect people to people. By pinpointing Families-in-need and local community resources, the AR can quickly connect the Soldier Family and resources thus providing installation-commensurate services in the geographic location of the crisis. Fort Family has established a community based capacity by engaging our Nation's "Sea of Goodwill" to support Soldiers and Families closest to where they live.

- Receive Information and Referral from Fort Family Outreach and Support for needs such as:
- Temporary Housing
- Emergency Funds
- Disaster Relief
- Debt Management
- Emergency Home Repair

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- Assistance with locating nearest installation
  - Separation or Coping issues
  - Need information on how to find a CAC office

You may contact Fort Family at 866-345-8248 or [help@fortfamily.org](mailto:help@fortfamily.org)

## **Money Matters**

### **Financial Readiness Program (FRP)**

The Financial Readiness Program (FRP) can help you improve your financial well-being, readiness, and your quality of life. FRP provides the education and tools to ensure sound money management practices, consumer awareness, and preparation for life events.

Access resources regarding:

- Financial Planning
- Credit and debt management
- Saving and investing
- Retirement
- Budgeting
- Home buying
- Car buying
- Thrift savings plan
- Insurance

### **Army Family Action Plan (AFAP)**

#### **What is AFAP?**

- The Army's primary tool to communicate to leaders issues of importance to Soldiers, Retirees, Family members, and civilians.
- The "people's perspective" of adjustments and improvements that will improve: recruitment, retention, and work-life satisfaction.
- A way to address the demands of Army life by identifying quality of life "hot spots" as the Army transforms and continues to engage in contingency operations.
- One of the ways Army leaders demonstrate they care about the people who make up the Army Family.

#### **What is an AFAP Issue?**

Any issue that affects: the readiness and quality of life of our Soldiers and/or their Families. Some issue categories include: Benefits, Entitlements, Education, Medical, Dental, Finances, Child Care, Employment, Relocation, and Family Readiness.

### **National Guard Transition Assistance Advisors**

The Transition Assistance Advisor (TAA) program places a National Guard/VA-trained expert at each National Guard State Joint Forces Headquarters to act as an advocate for Guard members and their families within the state. They also serve as an advisor on Veterans Affairs issues for the Family Programs and Joint Forces Headquarters staffs. TAAs receive annual training by VA experts in health benefits for both Department of Defense and Department of Veterans Affairs and help Guard members and their families access care at VA and TRICARE facilities in their state or network. The TAA works with the State Director of Veterans Affairs and other state coalition partners to integrate the delivery of VA and community services to Guard and Reserve veterans. You can reach your Transition Assistance Advisor (TAA)

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through your state National Guard Joint Forces Headquarters. More information can be found at: [https://  
www.jointsevicesupport.org/WS/TransitionSupport.aspx](https://www.jointsevicesupport.org/WS/TransitionSupport.aspx)

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## Transition Assistance

### VA Seamless Transition

VA has stationed personnel at major military hospitals to help seriously injured service members returning from OEF and OIF as they transition from military to civilian life. OEF/OIF service members who have questions about VA benefits or need assistance in filing a VA claim or accessing services can contact the nearest VA office or call 1-800-827-1000.

### Transition Assistance Program

The Transition Assistance Program (TAP) consists of comprehensive three-day workshops at military installations designed to help service members as they transition from military to civilian life. The program includes job search, employment and training information, as well as VA benefits information, to service members who are within 12 months of separation or 24 months of retirement.

A companion workshop, the Disabled Transition Assistance Program, provides information on VA's Vocational Rehabilitation and Employment Program, as well as other programs for the disabled.

Additional information about these programs is available at [http://www.dol.gov/vets/programs/tap/tap\\_fs.htm](http://www.dol.gov/vets/programs/tap/tap_fs.htm).

### Pre-separation Counseling

Service members may receive pre-separation counseling 24 months prior to retirement or 12 months prior to separation from active duty. These sessions present information on education, training, employment assistance, National Guard and reserve programs, medical benefits and financial assistance.

### Verification of Military Experience and Training

The Verification of Military Experience and Training (VMET) Document, DD Form 2586, helps service members verify previous experience and training to potential employers, negotiate credits at schools and obtain certificates or licenses. VMET documents are available only through Army, Navy, Air Force and Marine Corps Transition Support offices and are intended for service members who have at least six months of active service. Service members should obtain VMET documents from their Transition Support office within 12 months of separation or 24 months of retirement.

### Transition Bulletin Board (TBB)

To find business opportunities, a calendar of transition seminars, job fairs, information on veterans associations, transition services, training and education opportunities, as well as other announcements, visit the Web site at <http://www.dmdc.osd.mil/>

### DoD Transportal

To find locations and phone numbers of all Transition Assistance Offices as well as mini-courses on conducting successful job search campaigns, writing resumes, using the Internet to find a job, and links to job search and recruiting Web sites, visit the DOD Transportal at <http://www.veteranprograms.com/id105.html>.

### Educational and Vocational Counseling Services Provide Direction to Veterans

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The Vocational Rehabilitation and Employment (VR&E) program provides educational and vocational counseling to service members, veterans, and certain dependents (U.S.C. Title 38, Section 3697). These counseling services are designed to help an individual choose a vocational direction, determine the course needed to achieve the chosen goal, and evaluate the career possibilities open to them.

Assistance may include interest and aptitude testing, occupational exploration, setting occupational goals, locating the right type of training program, and exploring educational or training facilities which can be utilized to achieve an occupational goal. Counseling services include, but are not limited to, educational and vocational counseling and guidance; testing; analysis of and recommendations to improve job marketing skills; identification of employment, training, and financial aid resources; and referrals to other agencies providing these services.

Eligibility for this service is based on having eligibility for a VA program such as Chapter 30 (Montgomery GI Bill); Chapter 31 (Vocational Rehabilitation and Employment); Chapter 32 (Veterans Education Assistance Program – VEAP); Chapter 35 (Dependents Education Assistance Program) for certain spouses and dependent children; Chapter 18 (Spina Bifida Program) for certain dependent children; and Chapter 106 and 107 of Title 10.

Educational and vocational counseling is available during the period the individual is on active duty with the armed forces and is within 180 days of the estimated date of his or her discharge or release from active duty. The projected discharge must be under conditions other than dishonorable. Service members are eligible even if they are only considering whether or not they will continue as members of the armed forces. Veterans are eligible if not more than one year has elapsed since the date the individual was last discharged or released from active duty.

Veterans and service members may apply for the counseling services using VA Form 28-8832, Application for Counseling. Veterans and service members may also write a letter expressing a desire for counseling services. Upon receipt of either type of request for counseling from an eligible individual, the VR&E Division will schedule an appointment for counseling.

Counseling services are provided to eligible persons at no charge.

### **Veterans' Workforce Investment Program**

Recently separated veterans and those with service-connected disabilities, significant barriers to employment or who served on active duty during a period in which a campaign or expedition badge was authorized can contact the nearest state employment office for employment help through the Veterans' Workforce Investment Program. The program may be conducted through state or local public agencies, community organizations or private, nonprofit organizations. For more information visit: <http://www.dol.gov/vets/programs/vwip/>

### **State Employment Services**

Veterans can find employment information, education and training opportunities, job counseling, job search workshops, and resume preparation assistance at state Workforce Career or One-Stop Centers. These offices also have specialists to help disabled veterans find employment.

### **Unemployment Compensation**

Veterans who do not begin civilian employment immediately after leaving military service may receive weekly unemployment compensation for a limited period of time. The amount and duration of payments are determined by individual states. Apply by contacting the nearest state employment office listed in your local telephone directory.

### **Federal Jobs for Veterans**

Since the time of the Civil War, veterans of the U.S. armed forces have been given some degree of preference in appointments to federal jobs. Veterans' preference in its present form comes from the Veterans' Preference Act of 1944, as amended, and now codified in various provisions of Title 5, United States Code. By law, veterans who are disabled or who served on active duty in the U.S. armed forces during certain specified time periods or in military campaigns

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are entitled to preference over others when hiring from competitive lists of eligible candidates, and also in retention during a reduction in force (RIF).

To receive preference, a veteran must have been discharged or released from active duty in the U.S. armed forces under honorable conditions (with an honorable or general discharge). Preference is also provided for certain widows and widowers of deceased veterans who died in service; spouses of service-connected disabled veterans; and mothers of veterans who died under honorable conditions on active duty or have permanent and total service-connected disabilities. This type of preference is referred to as “derived preference” because it is based on service of a veteran who is not able to use the preference. For each of these preferences, there are specific criteria that must be met in order to be eligible to receive the veterans’ preference.

Recent changes in Title 5 clarify veterans’ preference eligibility criteria for National Guard and Reserve service members. Veterans eligible for preference now include National Guard and Reserve service members who served on active duty as defined by Title 38 at any time in the armed forces for a period of more than 180 consecutive days, any part of which occurred during the period beginning on Sept. 11, 2001, and ending on the date prescribed by Presidential proclamation or by law as the last date of OIF. The National Guard and Reserve service members must have been discharged or released from active duty in the armed forces under honorable conditions. These changes were effective Jan. 6, 2006.

Another recent change involves veterans who earned the Global War on Terrorism Expeditionary Medal for service in OEF. Under Title 5, service on active duty in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized also qualifies for veterans’ preference. Any Armed Forces Expeditionary medal or campaign badge qualifies for preference. Medal holders must have served continuously for 24 months or the full period called or ordered to active duty. As of December 2005, veterans who received the Global War on Terrorism Expeditionary Medal are entitled to veterans’ preference if otherwise eligible. For additional information on veterans’ preference, visit the Office of Personnel Management (OPM) Web site at <http://www.fedshirevets.gov/hire/hrp/vetguide/index.aspx>.

Veterans’ preference does not require an agency to use any particular appointment process. Agencies can pick candidates from a number of different special hiring authorities or through a variety of different sources. For example, the agency can reinstate a former federal employee, transfer someone from another agency, reassign someone from within the agency, make a selection under merit promotion procedures or through open, competitive exams, or appoint someone noncompetitively under special authority such as a Veterans Readjustment Appointment or special authority for 30 percent or more disabled veterans. The decision on which hiring authority the agency desires to use rests solely with the agency.

When applying for federal jobs, eligible veterans should claim preference on their application or resume. Veterans should apply for a federal job by contacting the personnel office at the agency in which they wish to work. For more information, visit <http://www.usajobs.opm.gov/> for job openings or help creating a federal resume.

**Veterans’ Employment Opportunities Act:** When an agency accepts applications from outside its own workforce, the Veterans’ Employment Opportunities Act (VEOA) of 1998 allows preference eligible candidates or veterans to compete for these vacancies under merit promotion procedures. Veterans who are selected are given career or career-conditional appointments. Veterans are those who have been separated under honorable conditions from the U.S. armed forces with three or more years of continuous active service. For information, visit [http://archive.opm.gov/strategic\\_management\\_of\\_human\\_capital/fhfr/FLX02020.asp](http://archive.opm.gov/strategic_management_of_human_capital/fhfr/FLX02020.asp)

**Veterans’ Recruitment Appointment:** Allows federal agencies to appoint eligible veterans to jobs without competition. These appointments can be converted to career or career-conditional positions after two years of satisfactory work. Veterans should apply directly to the agency where they wish to work. For information, visit [http://archive.opm.gov/strategic\\_management\\_of\\_human\\_capital/fhfr/FLX02020.asp](http://archive.opm.gov/strategic_management_of_human_capital/fhfr/FLX02020.asp)

## Starting a Business

VA’s Center for Veterans Enterprise helps veterans interested in forming or expanding small businesses and helps VA contracting offices identify veteran-owned small businesses. For information, write the U.S. Department of Veterans

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Affairs (OOVE), 810 Vermont Avenue, N.W., Washington, DC 20420-0001, call toll-free 1-866-584-2344 or visit [www.vetbiz.gov](http://www.vetbiz.gov).

**Small Business Contracts:** Like other federal agencies, VA is required to place a portion of its contracts and purchases with small and disadvantaged businesses. VA has a special office to help small and disadvantaged businesses get information on VA acquisition opportunities. For information, write the U.S. Department of Veterans Affairs (OOSB), 810 Vermont Avenue, N.W., Washington, DC 204200001, call toll-free 1-800-949-8387 or visit [www.va.gov/osdbu](http://www.va.gov/osdbu).

## Home Loan Guaranty

VA home loan guaranties are issued to help eligible service members, veterans, reservists and unmarried surviving spouses to obtain homes, condominiums, residential cooperative housing units, and manufactured homes, and to refinance loans. For additional information or to obtain VA loan guaranty forms, visit <http://www.homeloans.va.gov/>.

**Loan Uses:** A VA guaranty helps protect lenders from loss if the borrower fails to repay the loan. It can be used to obtain a loan to:

1. Buy or build a home.
2. Buy a residential condominium.
3. Repair, alter or improve a home owned by the Veteran and occupied as a home.
4. Refinance an existing home loan.
5. Buy a manufactured home and/or lot.
6. Install a solar heating or cooling system or other energy-efficient improvements.

**Eligibility:** In addition to the periods of eligibility and conditions of service requirements, applicants must have a good credit rating, sufficient income, a valid Certificate of Eligibility, and agree to live in the property.

Lenders can apply for a COE online at <https://vip.vba.va.gov/portal/VBAH/Home>. Active duty Servicemembers and Veterans can also apply online at [www.ebenefits.va.gov](http://www.ebenefits.va.gov). Although it's preferable to apply electronically, it is possible to apply for a COE using VA Form 26-1880, Request for Certificate of Eligibility.

In applying for a hard-copy COE from the VA Eligibility Center, it is typically necessary that the eligible Veteran present a copy of his/her report of discharge or DD Form 214 Certificate of Release or Discharge From Active Duty or other adequate substitute evidence to VA. An eligible active duty Servicemember should obtain and submit to the VA Eligibility Center a statement of service signed by an appropriate military official. A completed VA Form 26-1880 and any associated documentation should be mailed to Atlanta Regional Loan Center, Attn: COE (262), P.O. Box 100034, Decatur, GA 30031.

Please note that while VA's Internet-based system can establish eligibility and issue an online COE in a matter of seconds, not all cases can be processed online. The system can only process those cases for which VA has sufficient data in its records.

### Periods of Eligibility

**World War II:** (1) active duty service after Sept. 15, 1940, and prior to July 26, 1947; (2) discharge under other than dishonorable conditions; and (3) at least 90 days total service unless discharged early for a service-connected disability.

**Post-World War II:** (1) active duty service after July 25, 1947, and prior to June 27, 1950; (2) discharge under other than dishonorable conditions; and (3) 181 days continuous active duty service unless discharged early for a service-connected disability.

**Korean War:** (1) active duty after June 26, 1950, and prior to Feb. 1, 1955; (2) discharge under other than dishonorable conditions; and (3) at least 90 days total service, unless discharged early for a service-connected disability.

**Post-Korean War:** (1) active duty between Jan. 31, 1955, and Aug. 5, 1964; (2) discharge under conditions other than dishonorable; (3) 181 days continuous service, unless discharged early for a service-connected disability.

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**Vietnam:** (1) active duty after Aug. 4, 1964, and prior to May 8, 1975; (2) discharge under conditions other than dishonorable; and (3) 90 days total service, unless discharged early for a service-connected disability. For veterans who served in the Republic of Vietnam, the beginning date is Feb. 28, 1961.

**Post-Vietnam:** (1) active duty after May 7, 1975, and prior to Aug. 2, 1990; (2) active duty for 181 continuous days, all of which occurred after May 7, 1975; and (3) discharge under conditions other than dishonorable or early discharge for service-connected disability.

**24-Month Rule:** If service was between Sept. 8, 1980, (Oct. 16, 1981, for officers) and Aug. 1, 1990, veterans must generally complete 24 months of continuous active duty service or the full period (at least 181 days) for which they were called or ordered to active duty, and be discharged under conditions other than dishonorable. Exceptions are allowed if the veteran completed at least 181 days of active duty service but was discharged earlier than 24 months for (1) hardship, (2) the convenience of the government, (3) reduction-in-force, (4) certain medical conditions, or (5) service-connected disability.

Exceptions are allowed if the veteran completed at least 90 days of active duty but was discharged earlier than 24 months for (1) hardship, (2) the convenience of the government, (3) reduction-in-force, (4) certain medical conditions, or (5) service-connected disability. Reservists and National Guard members are eligible if they were activated after Aug. 1, 1990, served at least 90 days, and received an honorable discharge.

**Gulf War:** Veterans of the Gulf War era, August 2, 1990 to a date to be determined, must generally complete 24 months of continuous active duty service or the full period (at least 90 days) for which they were called to active duty, and be discharged under conditions other than dishonorable.

**Active Duty Personnel:** Until the Gulf War era is ended, persons on active duty are eligible after serving 90 continuous days.

**Eligibility for Reserves and/or Guard (not activated):** Members of the Reserves and National Guard who are not otherwise eligible for loan guaranty benefits are eligible upon completion of 6 years service in the Reserves or Guard (unless released earlier due to a service-connected disability). The applicant must have received an honorable (a general or under honorable conditions is not qualifying) discharge from such service unless he or she is either in an inactive status awaiting final discharge, or still serving in the Reserves or Guard.

**Surviving Spouses:** Some spouses of Veterans may have home loan eligibility. They are:

- the unmarried surviving spouse of a Veteran who died as a result of service or service-connected causes
- the surviving spouse of a Veteran who dies on active duty or from service-connected causes, who remarries on or after attaining age 57 and on or after Dec. 16, 2003
- the spouse of an active duty member who is listed as missing in action (MIA) or a prisoner of war (POW) for at least 90 days.

Eligibility under this MIA/POW provision is limited to one-time use only.

Surviving spouses of Veterans who died from non service-connected causes may also be eligible if any of the following conditions are met: The Veteran was rated totally disabled for 10 years or more immediately preceding death, or was rated totally disabled for not less than five years from date of discharge or release from active duty to date of death, or was a former prisoner of war who died after Sept. 30, 1999, and was rated totally disabled for not less than one year immediately preceding death.

### **Guaranty Amount**

Under the Home Loan Guaranty program, VA does not make loans to Veterans and Servicemembers; VA guarantees loans made by private-sector lenders. The guaranty amount is what VA could pay a lender should the loan go to foreclosure.

VA's guaranteed home loans have no maximum loan amount, only a maximum guaranty amount, which is set forth in law. However, due to secondary market requirements, lenders typically require that the VA guaranty, plus any downpayment provided by a Veteran, total 25 percent of the loan amount. As a result, an amount equal to four times VA's maximum guaranty amount is customarily referred to as a "loan limit." Loans for the loan limit or less are typically available to Veterans with no downpayment; loans for more than the loan limit generally require downpayments. VA's maximum guaranty amounts are established annually, and vary, depending on the size of the loan and the location of the property.

The chart below lists general information on VA's maximum guaranty. To see the county limits for 2013, select the "VA Loan Limits" link on [benefits.va.gov/home loans](http://benefits.va.gov/home loans).

### Home Loan Guaranty

Loan Amount	Loan Type(s)	Maximum Potential Guaranty	Special Provisions
Up to \$45,000	All	50% of loan amount	Minimum guaranty of 25% on IRRRL*
\$45,001 - \$56,250	All	\$22,500	Minimum guaranty of 25% on IRRRL*
\$56,251 - \$144,000	All	40% of loan amount, maximum of \$36,000	Minimum guaranty of 25% on IRRRL*
Greater than \$144,000	Purchase or construction of home Purchase of a condominium unit Refinancing with an IRRRL	Up to an amount equal to 25% of the county loan limit	Cash-out refinances have a maximum guaranty of \$36,000 Minimum guaranty of 25%

\*Interest Rate Reduction Refinancing Loan (IRRRL): The new IRRRL amount may be equal to, greater than, or less than the original amount of the loan being refinanced. This may impact the amount of the guaranty on the new loan, but not the veteran's use of entitlement.

An eligible borrower can use a VA-guaranteed Interest Rate Reduction Refinancing Loan to refinance an existing VA loan to lower the interest rate and payment. Typically, no credit underwriting is required for this type of loan. The loan may include the entire outstanding balance of the prior loan, the costs of energy-efficient improvements, as well as closing costs, including up to two discount points.

An eligible borrower who wishes to obtain a VA-guaranteed loan to purchase a manufactured home or lot can borrow up to 95 percent of the home's purchase price. The amount VA will guarantee on a manufactured home loan is 40 percent of the loan amount or the Veteran's available entitlement, up to a maximum amount of \$20,000. These provisions apply only to a manufactured home that will not be placed on a permanent foundation.

**VA Appraisals:** No loan can be guaranteed by VA without first being appraised by a VA-assigned fee appraiser. A lender can request a VA appraisal through VA systems. The Veteran borrower typically pays for the appraisal upon completion, according to a fee schedule approved by VA. This VA appraisal estimates the value of the property. It is not an inspection and does not guarantee the house is free of defects. VA guarantees the loan, not the condition of the property. A thorough inspection of the property by a reputable inspection firm may help minimize any problems that could arise after loan closing. In an existing home, particular attention should be given to plumbing, heating, electrical, and roofing components.

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**Closing Costs:** For purchase home loans, payment in cash is required on all closing costs, including title search and recording fees, hazard insurance premiums and prepaid taxes. For refinancing loans, all such costs may be included in the loan, as long as the total loan does not exceed the reasonable value of the property. Interest rate reduction loans may include closing costs, including a maximum of two discount points.

**2013 VA Funding Fees:** A funding fee must be paid to VA unless the Veteran is exempt from such a fee. [See previous discussion in Closing Costs for specific exemptions from the funding fee]. The fee may be paid in cash or included in the loan. Closing costs such as VA appraisal, credit report, loan processing fee, title search, title insurance, recording fees, transfer taxes, survey charges, or hazard insurance may not be included for purchase home loans.

All Veterans, except those who are specified by law as exempt, are charged a VA funding fee (See chart on Page 66). Currently, exemptions from the funding fee are provided for those Veterans and Servicemembers receiving VA disability compensation, those who are rated by VA as eligible to receive compensation as a result of pre-discharge disability examination and rating, and those who would be in receipt of compensation, but who were recalled to active duty or reenlisted and are receiving active-duty pay in lieu of compensation. Additionally, unmarried surviving spouses in receipt of Dependency and Indemnity Compensation are exempt from the funding fee. For all types of loans, the loan amount may include this funding fee.

The VA funding fee and up to \$6,000 of energy-efficient improvements can be included in VA loans. However, no other fees, charges, or discount points may be included in the loan amount for regular purchase or construction loans. For refinancing loans, most closing costs may be included in the loan amount.

**Required Occupancy:** To qualify for a VA home loan, a Veteran or the spouse of an active-duty Servicemember must certify that he or she intends to occupy the home. A dependent child of an active-duty Servicemember also satisfies the occupancy requirement when refinancing a VA-guaranteed loan solely to reduce the interest rate, a Veteran need only certify to prior occupancy.

**Financing, Interest Rates and Terms:** Veterans obtain VA-guaranteed loans through the usual lending institutions, including banks, credit unions, and mortgage brokers. VA-guaranteed loans can have either a fixed interest rate or an adjustable rate, where the interest rate may adjust up to one percent annually and up to five percent over the life of the loan. VA does not set the interest rate. Interest rates are negotiable between the lender and borrower on all loan types. Veterans may also choose a different type of adjustable rate mortgage called a hybrid ARM, where the initial interest rate remains fixed for three to 10 years. If the rate remains fixed for less than five years, the rate adjustment cannot be more than one percent annually and five percent over the life of the loan. For a hybrid ARM with an initial fixed period of five years or more, the initial adjustment may be up to two percent. The Secretary has the authority to determine annual adjustments thereafter. Currently annual adjustments may be up to two percentage points and six percent over the life of the loan.

If the lender charges discount points on the loan, the Veteran may negotiate with the seller as to who will pay points or if they will be split between buyer and seller. Points paid by the Veteran may not be included in the loan (with the exception that up to two points may be included in interest rate reduction refinancing loans). The term of the loan may be for as long as 30 years and 32 days.

**Loan Assumption Requirements and Liability:** VA loans made on or after March 1, 1988, are not assumable without the prior approval of VA or its authorized agent (usually the lender collecting the monthly payments). To approve the assumption, the lender must ensure that the borrower is a satisfactory credit risk and will assume all of the Veteran's liabilities on the loan. If approved, the borrower will have to pay a funding fee that the lender sends to VA, and the Veteran will be released from liability to the federal government. A release of liability does not mean that a Veteran's guaranty entitlement is restored. That occurs only if the borrower is an eligible Veteran who agrees to substitute his or her entitlement for that of the seller. If a Veteran allows assumption of a loan without prior approval, then the lender may demand immediate and full payment of the loan, and the Veteran may be liable if the loan is foreclosed and VA has to pay a claim under the loan guaranty.

Loans made prior to March 1, 1988, are generally freely assumable, but Veterans should still request VA's approval in order to be released of liability. Veterans whose loans were closed after Dec. 31, 1989, usually have no liability to the

government following a foreclosure, except in cases involving fraud, misrepresentation, or bad faith, such as allowing an unapproved assumption. However, for the entitlement to be restored, any loss suffered by VA must be paid in full.

**2013 Funding Fee Rates**  
**VERIFIED ON 9/27/2013**

<b>Loan Category</b>	<b>Active Duty and Veterans</b>	<b>Reservists and National Guard</b>
Loans for purchase or construction with down payments of less than 5%, refinancing, and home improvement	2.15 percent	2.40 percent
Loans for purchase or construction with down payments of at least 5%, but less than 10%	1.50 percent	1.75 percent
Loans for purchase or construction with down payments of 10% or more	1.25 percent	1.50 percent
Loans for manufactured homes	1 percent	1 percent
Interest rate reduction refinancing loans	.50 percent	.50 percent
Assumption of a VA-guaranteed loan	.50 percent	.50 percent
Second or subsequent use of entitlement with no down payment	3.3 percent	3.3 percent

VA Assistance to Veterans in Default: VA urges all Veterans who are encountering problems making their mortgage payments to speak with their servicers as soon as possible to explore options to avoid foreclosure. Contrary to popular opinion, servicers do not want to foreclose because foreclosure costs a lot of money. Depending on a Veteran's specific situation, servicers may offer any of the following options to avoid foreclosure:

- Repayment Plan – The borrower makes regular installment each month plus part of the missed installments.
- Special Forbearance – The servicer agrees not to initiate foreclosure to allow time for borrowers to repay the missed installments. An example of when this would be likely is when a borrower is waiting for a tax refund.
- Loan Modification - Provides the borrower a fresh start by adding the delinquency to the loan balance and establishing a new payment schedule.
- Additional time to arrange a private sale – The servicer agrees to delay foreclosure to allow a sale to close if the loan will be paid off.
- Short Sale – When the servicer agrees to allow a borrower to sell his/her home for a lesser amount than what is currently required to pay off the loan.
- Deed-in-Lieu of Foreclosure - The borrower voluntarily agrees to deed the property to the servicer instead of going through a lengthy foreclosure process.

**Servicemembers Civil Relief Act**

Veteran borrowers may be able to request relief pursuant to the Servicemembers Civil Relief Act (SCRA). In order to qualify for certain protections available under the Act, their obligation must have originated prior to their current period of active military service. SCRA may provide a lower interest rate during military service and for up to one year after service ends, and provide forbearance, or prevent foreclosure or eviction up to nine months from period of military service.

**Assistance to Veterans with VA-Guaranteed Home Loans**

When a VA-guaranteed home loan becomes delinquent, VA may provide supplemental servicing assistance to help cure the default. The servicer has the primary responsibility of servicing the loan to resolve the default. However, in cases where the servicer is unable to help the Veteran borrower, VA has loan technicians in eight Regional Loan Centers and two special servicing centers who take an active role in interceding with the mortgage servicer to

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explore all options to avoid foreclosure. Veterans with VA-guaranteed home loans can call **1-877 827-3702** to reach the nearest VA office where loan specialists are prepared to discuss potential ways to help save the loan.

### **VA Acquired Property Foreclosures**

VA acquires properties as a result of foreclosures VA-guaranteed and VA-owned loans. A private contractor is currently marketing the acquired properties through listing agents using local Multiple Listing Services. A listing of "VA Properties for Sale" may be found at [listings.vrmco.com/](http://listings.vrmco.com/). Contact a real estate agent for information on purchasing a VA-acquired property.

### **Preventing Veteran Homelessness**

Veterans who feel they may be facing homelessness as a result of losing their home can call **1-877-4AID VET (877-424-3838)** or go to [www.va.gov/HOMELESS/index.asp](http://www.va.gov/HOMELESS/index.asp) to receive assistance from VA.

### **Assistance to Veterans with Non-VA Guaranteed Home Loans**

For Veterans or Servicemembers who have a conventional or sub-prime loan, VA has a network of eight Regional Loan Centers and two special servicing centers that can offer advice and guidance. Borrowers may visit [www.benefits.va.gov/homeloans/](http://www.benefits.va.gov/homeloans/), or call toll free **1-877-827-3702** to speak with a VA loan technician. However, unlike when a Veteran has a VA-guaranteed home loan, VA does not have the legal authority to intervene on the borrower's behalf. It is imperative that a borrower contact his/her servicer as quickly as possible.

### **VA Refinancing of a Non-VA Guaranteed Home Loan**

Veterans with conventional home loans now have new options for refinancing to a VA-guaranteed home loan. These new options are available as a result of the Veterans' Benefits Improvement Act of 2008. Veterans who wish to refinance their subprime or conventional mortgage may now do so for up to 100 percent of the value of the property, which is up from the previous limit of 90 percent.

Additionally, Congress raised VA's maximum loan guaranty for these types of refinancing loans. Loan limits were effectively raised from \$144,000 to \$417,000. High-cost counties have even higher maximum loan limits. VA county loan limits can be found at [www.benefits.va.gov/homeloans/](http://www.benefits.va.gov/homeloans/). These changes will allow more qualified Veterans to refinance through VA, allowing for savings on interest costs and avoiding foreclosure.

### **Other Assistance for Delinquent Veteran Borrowers**

If VA is not able to help a Veteran borrower retain his/her home (whether a VA-guaranteed loan or not), the HOPE NOW Alliance may be of assistance. HOPE NOW is a joint alliance consisting of servicers, counselors, and investors whose main goal is to assist distressed borrowers retain their homes and avoid foreclosure. They have expertise in financial counseling, as well as programs that take advantage of relief measures that VA cannot. HOPE NOW provides outreach, counseling and assistance to homeowners who have the willingness and ability to keep their homes but are facing financial difficulty as a result of the crisis in the mortgage market. The HOPE NOW Alliance can be reached at **(888) 995-HOPE (4673)**, or by visiting [www.benefits.va.gov/homeloans/](http://www.benefits.va.gov/homeloans/).

For more information go to [www.benefits.va.gov/homeloans/](http://www.benefits.va.gov/homeloans/), or call **(877) 827-3702**

### **Loans for Native American Veterans**

Eligible Native American Veterans can obtain a loan from VA to purchase, construct, or improve a home on Federal Trust Land, or to reduce the interest rate on such a VA loan. Native American Direct Loans are only available if a memorandum of understanding exists between the tribal organization and VA.

Veterans who are not Native American, but who are married to Native American non-Veterans, may be eligible for a direct loan under this program. To be eligible for such a loan, the qualified non-Native American Veteran and the

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Native American spouse must reside on Federal Trust Land, and both the Veteran and spouse must have a meaningful interest in the dwelling or lot.

The following safeguards have been established to protect Veterans:

1. VA may suspend from the loan program those who take unfair advantage of Veterans or discriminate because of race, color, religion, sex, disability, family status, or national origin.
2. The builder of a new home (or manufactured) is required to give the purchasing Veteran either a one-year warranty or a 10-year insurance-backed protection plan.
3. The borrower obtaining a loan may only be charged closing costs allowed by VA.
4. The borrower can prepay without penalty the entire loan or any part not less than one installment or \$100.
5. VA encourages holders to extend forbearance if a borrower becomes temporarily unable to meet the terms of the loan.

## Education and Training

This chapter provides a summary of VA education and training benefits. Additional information can be found at: <http://www.gibill.va.gov/> or by calling 1-888-GI-BILL-1 (1-888-442-4551).

### Post – 9/11 GI Bill

**Eligibility:** The Post- 9/11 GI Bill is an education benefit program for Servicemembers and Veterans who served on active duty after Sept. 10, 2001. Benefits are payable for training pursued on or after Aug. 1, 2009. No payments can be made under this program for training pursued before that date.

To be eligible, the Servicemember or Veteran must serve at least 90 aggregate days on active duty after Sept. 10, 2001, and remain on active duty or be honorably discharged. Active duty includes active service performed by National Guard members under title 32 U.S.C. for the purposes of organizing, administering, recruiting, instructing, or training the National Guard; or under section 502(f) for the purpose of responding to a national emergency. Veterans may also be eligible if they were honorably discharged from active duty for a service-connected disability after serving 30 continuous days after Sept. 10, 2001. Generally, Servicemembers or Veterans may receive up to 36 months of entitlement under the Post-9/11 GI Bill.

Eligibility for benefits expires 15 years from the last period of active duty of at least 90 consecutive days. If released for a service-connected disability after at least 30 days of continuous service, eligibility ends 15 years from when the member is released for the service-connected disability. If, on Aug. 1, 2009, the Servicemember or Veteran is eligible for the Montgomery GI Bill; the Montgomery GI Bill – Selected Reserve; or the Reserve Educational Assistance Program, and qualifies for the Post-9/11 GI Bill, an irrevocable election must be made to receive benefits under the Post-9/11 GI Bill.

In most instances, once the election to receive benefits under the Post-9/11 GI Bill is made, the individual will no longer be eligible to receive benefits under the relinquished program.

Based on the length of active duty service, eligible participants are entitled to receive a percentage of the following:

1. Cost of in-state tuition and fees at public institutions and for the 2011-2012 academic year, up to \$17,500 towards tuition and fee costs at private and foreign institutions (paid directly to the school);
2. Monthly housing allowance equal to the basic allowance for housing payable to a military E-5 with dependents, in the same Zip code as the primary school (paid directly to the Servicemember, Veteran, or eligible dependents);
3. Yearly books and supplies stipend of up to \$1,000 per year (paid directly to the Servicemember, Veteran, or eligible dependents); and
4. A one-time payment of \$500 paid to certain individuals relocating from highly rural areas.

\* The housing allowance is not payable to individuals pursuing training at half time or less.

Approved training under the Post-9/11 GI Bill includes graduate and undergraduate degrees, vocational/technical training, on-the-job training, flight training, correspondence training, licensing and national testing programs, and tutorial assistance.

Individuals serving an aggregate period of active duty after Sept. 10, 2001 can receive the following percentages based on length of service:

### Active Duty Service Maximum Benefit

Active Duty Service	Maximum Benefit
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At least 36 months	100 percent
At least 30 continuous days and discharged due to service-connected disability	100 percent
At least 30 months < 36 months (1)	90 percent
At least 24 months < 30 months (1)	80 percent (3)
At least 18 months < 24 months (2)	70 percent
At least 12 months < 18 months (2)	60 percent
At least 5 months < 12 months (2)	50 percent
At least 90 days < 6 months (2)	40 percent

(1) Includes service on active duty in entry level and skill training. (2) Excludes service on active duty in entry level and skill training. (3) If the individual would only qualify at the 70 percent level when service on active duty in entry level and skill training is excluded, then VA can only pay at the 70 percent level.

The Yellow Ribbon G.I. Education Enhancement Program was enacted to potentially assist eligible individuals with payment of their tuition and fees in instances where costs exceed the in-state tuition charges at a public institution or the national maximum payable at private and foreign institutions. To be eligible, the student must be: A Veteran receiving benefits at the 100 percent benefit rate payable, a transfer-of-entitlement-eligible dependent child, or a transfer-of-entitlement eligible spouse of a Veteran.

The school of attendance must have accepted VA's invitation to participate in the program, state how much student tuition will be waived (up to 50 percent) and how many participants will be accepted into the program during the current academic year. VA will match the school's percentage (up to 50 percent) to reduce or eliminate out-of-pocket costs for eligible participants.

**Transfer of Entitlement (TOE):** DoD may offer members of the Armed Forces on or after Aug. 1, 2009, the opportunity to transfer benefits to a spouse or dependent children. DoD and the military services must approve all requests for this benefit. Members of the Armed Forces approved for the TOE may only transfer any unused portion of their Post-9/11 GI Bill benefits while a member of the Armed Forces, subject to their period of eligibility.

#### **Marine Gunnery Sergeant John David Fry Scholarship:**

This scholarship entitles children of those who die in the line of duty on or after Sept. 11, 2001, to use Post-9/11 GI Bill benefits.

#### **Eligible children:**

- are entitled to 36 months of benefits at the 100 percent level
- have 15 years to use the benefit beginning on their 18th birthday
- may use the benefit until their 33rd birthday
- are not eligible for the Yellow Ribbon Program

#### **Restoring GI Bill Fairness Act of 2011**

The Restoring GI Bill Fairness Act of 2011 amended the Post-9/11 GI Bill. The provisions of the bill are applicable to training pursued under the Post-9/11 GI Bill that began on or after Aug. 1, 2011.

The legislation authorizes VA to pay more than the national maximum set for private schools (currently \$17,500 or the appropriately reduced amount based on eligibility percentage) in tuition and fees under the Post-9/11 GI Bill for certain students attending private colleges and universities in seven states - Arizona, Michigan, New Hampshire, New York, Pennsylvania, South Carolina and Texas.

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To qualify for the increased payment (also referred to as the "grandfathered" tuition and fee amount), students must have been enrolled in the same college or university since Jan. 4, 2011, and have been enrolled in a program for which the combined amount of tuition and fees for full-time attendance during the 2010-2011 academic year exceeded \$17,500.

### **VOW to Hire Heroes Act of 2011**

Included in this new law is the Veterans Retraining Assistance Program (VRAP) for unemployed Veterans. VA and the Department of Labor (DoL) rolled out this new program on July 1, 2012. The program provides retraining for Veterans that were hardest hit by current economic conditions.

VRAP offers 12 months of training assistance to unemployed Veterans. To qualify, a Veteran must:

- Be at least 35, but no more than 60 years old
- Be unemployed (as determined by DoL)
- Have an other than dishonorable discharge
- Not be eligible for any other VA education benefit program (e.g., the Post-9/11 GI Bill, Montgomery GI Bill, Vocational Rehabilitation and Employment assistance)
- Not be in receipt of VA compensation due to unemployment
- Not be enrolled in a federal or state job-training program

The program is limited to 54,000 participants from Oct. 1, 2012, through March 31, 2014. Participants may receive up to 12 months of assistance at the full-time payment rate under the Montgomery GI Bill–Active Duty program (currently \$1,564 per month). Applications will be submitted through DoL and benefits paid by VA. DoL provides employment assistance to every Veteran who participates upon completion of their program.

Participants must be enrolled in a VA-approved program of education offered by a community college or technical school. The program must lead to an associate degree, non-college degree, or a certification, and train the Veteran for a high-demand occupation.

More details will be available at <http://www.gibill.va.gov/> and on [VA's Facebook](#), which are updated regularly.

**VetSuccess on Campus:** is designed to provide on-campus benefits assistance and readjustment counseling to assist Veterans in completing their college educations and entering the labor market in viable careers. Under this program, a full-time, experienced Vocational Rehabilitation Counselor and a part-time Vet Center Outreach Coordinator are assigned at each campus to provide VA benefits outreach, support, and assistance to ensure their health, educational, and benefit needs are met. Current locations include Cleveland State University, Community College of Rhode Island, Rhode Island College, University of Maryland University College, Western Michigan University, Kalamazoo Valley Community College, Kellogg Community College, Eastern Michigan University, University of Michigan - Ann Arbor, Washtenaw Community College, University of South Florida, Middle Tennessee State University, Eastern Kentucky University, Norfolk State University, Tidewater Community College, Tidewater Community College – Chesapeake, Tidewater Community College – Portsmouth, Tidewater Community College - Virginia Beach, Tarrant County College District - South Campus, Tarrant County College District - Northeast Campus, Texas A&M University - Central Texas, Sam Houston State University, University of Texas-San Antonio, Arizona State University, Boise State University, Salt Lake Community College, University of Utah, Portland State University, San Diego State University, University of Alaska –Anchorage, Central New Mexico Community College, and University of New Mexico.

**Educational and Vocational Counseling Services:** Refer to Chapter 15, "Transition Assistance," for detailed information on available services.

### **Montgomery GI Bill (MGIB)**

**Eligibility:** VA educational benefits may be used while the service-member is on active duty or after the service member's separation from active duty with a fully honorable military discharge. Discharges "under honorable conditions" and "general" discharges do not establish eligibility.

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Eligibility generally expires 10 years after the service member's discharge. However, there are exceptions for disability, re-entering active duty, and upgraded discharges.

All participants must have a high school diploma, equivalency certificate, or completed 12 hours toward a college degree before applying for benefits.

Previously, service members had to meet the high school requirement before they completed their initial active duty obligation. Those who did not may now meet the requirement and reapply for benefits. If eligible, they must use their benefits either within 10 years from the date of last discharge from active duty or by Nov. 2, 2010, whichever is later.

Additionally, every veteran must establish eligibility under one of four categories.

### **Category 1 – Service after June 30, 1985**

For Veterans who entered active duty for the first time after June 30, 1985, did not decline MGIB in writing, and had their military pay reduced by \$100 a month for 12 months. Servicemembers can apply after completing two continuous years of service. Veterans must have completed three continuous years of active duty, or two continuous years of active duty if they first signed up for less than three years or have an obligation to serve four years in the Selected Reserve (the 2x4 program) and enter the Selected Reserve within one year of discharge.

Service members or veterans who received a commission as a result of graduation from a service academy or completion of an ROTC scholarship are not eligible under Category 1 unless they received their commission:

1. After becoming eligible for MGIB benefits (including completing the minimum service requirements for the initial period of active duty).
2. Or after Sept. 30, 1996, and received less than \$3,400 during any one year under ROTC scholarship.

Service members or veterans who declined MGIB because they received repayment from the military for education loans are also ineligible under Category 1. If they did not decline MGIB and received loan repayments, the months served to repay the loans will be deducted from their entitlement.

**Early Separation:** Service members who did not complete the required period of military service may be eligible under Category 1 if discharged for one of the following:

1. Convenience of the government—with 30 continuous months of service for an obligation of three or more years, or 20 continuous months of service for an obligation of less than three years.
2. Service-connected disability.
3. Hardship.
4. A medical condition diagnosed prior to joining the military.
5. A condition that interfered with performance of duty and did not result from misconduct.
6. A reduction in force (in most cases).
7. Sole Survivorship (if discharged after 9/11/01)

### **Category 2 – Vietnam Era GI Bill Conversion**

For veterans who had remaining entitlement under the Vietnam Era GI Bill on Dec. 31, 1989, and served on active duty for any number of days during the period Oct. 19, 1984, to June 30, 1985, for at least three continuous years beginning on July 1, 1985; or at least two continuous years of active duty beginning on July 1, 1985, followed by four years in the Selected Reserve beginning within one year of release from active duty.

Veterans not on active duty on Oct. 19, 1984, may be eligible under Category 2 if they served three continuous years on active duty beginning on or after July 1, 1985, or two continuous years of active duty at any time followed by four continuous years in the Selected Reserve beginning within one year of release from active duty.

Veterans are barred from eligibility under Category 2 if they received a commission after Dec. 31, 1976, as a result of graduation from a service academy or completion of an ROTC scholarship.

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However, such a commission is not a bar if they received the commission after becoming eligible for MGIB benefits, or received the commission after Sept. 30, 1996, and received less than \$3,400 during any one year under ROTC scholarship.

### **Category 3 – Involuntary Separation/Special Separation**

For veterans who meet one of the following requirements:

1. Elected MGIB before being involuntarily separated.
2. Or were voluntarily separated under the Voluntary Separation Incentive or the Special Separation Benefit program, elected MGIB benefits before being separated, and had military pay reduced by \$1,200 before discharge.

### **Category 4 –Veterans’ Educational Assistance Program (VEAP)**

For veterans who participated in the Veterans Educational Assistance Program (VEAP) and:

1. Served on active duty on Oct. 9, 1996.
2. Participated in VEAP and contributed money to an account.
3. Elected MGIB by Oct. 9, 1997, and paid \$1,200.

Veterans who participated in VEAP on or before Oct. 9, 1996, may also be eligible even if they did not deposit money in a VEAP account if they served on active duty from Oct. 9, 1996, through April 1, 2000, elected MGIB by Oct. 31, 2001, and contributed \$2,700 to MGIB.

Certain National Guard service members may also qualify under Category 4 if they:

1. Served for the first time on full-time active duty in the National Guard between June 30, 1985, and Nov. 29, 1989, and had no previous active duty service.
2. Elected MGIB during the nine-month window ending on July 9, 1997.
3. And paid \$1,200.

**Payments:** Effective Oct. 1, 2011, the rate for full-time training in college, technical or vocational school is \$1,564 a month for those who served three years or more or two years plus four years in the Selected Reserve. For those who served less than three years, the monthly rate is \$1,270.

Benefits are reduced for part-time training. Payments for other types of training follow different rules. VA will pay an additional amount, called a "kicker" or "college fund," if directed by DOD. Visit [www.gibill.va.gov](http://www.gibill.va.gov) for more information. The maximum number of months Veterans can receive payments is 36 months at the full-time rate or the part-time equivalent.

The following groups qualify for the maximum: Veterans who served the required length of active duty, Veterans with an obligation of three years or more who were separated early for the convenience of the government and served 30 continuous months, and Veterans with an obligation of less than three years who were separated early for the convenience of the government and served 20 continuous months.

**Types of Training Available:** The following types of training are available:

1. Courses at colleges and universities leading to associate, bachelor or graduate degrees, including accredited independent study offered through distance education.
2. Courses leading to a certificate or diploma from business, technical or vocational schools.
3. Apprenticeship or on-the-job training for those not on active duty, including self-employment training begun on or after June 16, 2004, for ownership or operation of a franchise.
4. Correspondence courses, under certain conditions.

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5. Flight training, if the veteran holds a private pilot's license upon beginning the training and meets the medical requirements.
  6. State-approved teacher certification programs.
  7. Preparatory courses necessary for admission to a college or graduate school.
  8. License and certification tests approved for veterans.
  9. Entrepreneurship training courses to create or expand small businesses.
  10. Tuition assistance using MGIB as "Top-Up" (active duty service members).

**Work-Study Program:** Veterans who train at the three-quarter or full-time rate may be eligible for a work-study program in which they work for VA and receive hourly wages. The types of work allowed include:

- 1) Working in Veterans-related position at schools or other training facilities. Providing hospital or domiciliary care at a state home.
- 2) Working at national or state Veterans' cemeteries.
- 3) Various jobs within any VA facility.
- 4) Providing assistance in obtaining a benefit under title 38 U.S.C. at a state Veterans agency.
- 5) Assisting in the administration of chapters 1606 or 1607 of title 10 U.S.C. at a Department of Defense, Coast Guard, or National Guard facility.
- 6) Working in a Center for Excellence for Veterans Student Success.

**Educational and Vocational Counseling:** The Vocational Rehabilitation and Employment (VR&E) Program provides educational and vocational counseling to Servicemembers, Veterans, and certain dependents (U.S.C. Title 38, Section 3697) at no charge. These counseling services are designed to help an individual choose a vocational direction, determine the course needed to achieve the chosen goal, and evaluate the career possibilities open to them. Assistance may include interest and aptitude testing, occupational exploration, setting occupational goals, locating the right type of training program, and exploring educational or training facilities which can be utilized to achieve an occupational goal.

Counseling services include, but are not limited to, educational and vocational counseling and guidance; testing; analysis of and recommendations to improve job-marketing skills; identification of employment, training, and financial aid resources; and referrals to other agencies providing these services.

**Eligibility:** Educational and vocational counseling services are available during the period the individual is on active duty with the armed forces and within 180 days of the estimated date of his or her discharge or release from active duty. The projected discharge must be under conditions other than dishonorable.

Servicemembers are eligible even if they are only considering whether or not they will continue as members of the armed forces. Veterans are eligible if not more than one year has elapsed since the date they were last discharged or released from active duty. Individuals who are eligible for VA education benefits may receive educational and vocational counseling at any time during their eligibility period. This service is based on having eligibility for a VA program such as Chapter 30 (Montgomery GI Bill); Chapter 31 (Vocational Rehabilitation and Employment); Chapter 32 (Veterans Education Assistance Program – VEAP); Chapter 33 (Post-9/11 GI Bill); Chapter 35 (Dependents' Educational Assistance Program) for certain spouses and dependent children; Chapter 18 (Spina Bifida Program) for certain dependent children; and Chapter 1606 and 1607 of Title 10.

Veterans and Servicemembers may apply for counseling services using VA Form 28-8832, Application for Counseling. Veterans and Servicemembers may also write a letter expressing a desire for counseling services.

Upon receipt of either type of request for counseling from an eligible individual, an appointment for counseling will be scheduled. Counseling services are provided to eligible persons at no charge.

**Veterans' Educational Assistance Program Eligibility:** Active duty personnel could participate in the Veterans' Educational Assistance Program (VEAP) if they entered active duty for the first time after Dec. 31, 1976, and before July 1, 1985, and made a contribution prior to April 1, 1987. The maximum contribution is \$2,700. Active duty participants may make a lump-sum contribution to their VEAP account. For more information, visit the Web site at [http://www.gibill.va.gov/benefits/other\\_programs/veap.html](http://www.gibill.va.gov/benefits/other_programs/veap.html).

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Service members who participated in VEAP are eligible to receive benefits while on active duty if:

1. At least 3 months of contributions are available, except for high school or elementary, in which only one month is needed.
2. And they enlisted for the first time after Sept. 7, 1980, and completed 24 months of their first period of active duty.

Service members must receive a discharge under conditions other than dishonorable for the qualifying period of service. Service members who enlisted for the first time after Sept. 7, 1980, or entered active duty as an officer or enlistee after Oct. 16, 1981, must have completed 24 continuous months of active duty, unless they meet a qualifying exception.

Eligibility generally expires 10 years from release from active duty, but can be extended under special circumstances.

**Payments:** DoD will match contributions at the rate of \$2 for every \$1 put into the fund and may make additional contributions, or “kickers,” as necessary. For training in college, vocational or technical schools, the payment amount depends on the type and hours of training pursued. The maximum amount is \$300 a month for full-time training.

**Training, Work-Study, Counseling:** VEAP participants may receive the same training, work-study benefits and counseling as provided under the Montgomery GI Bill.

## Employment Services

### VetSuccess.gov

The Department of Veterans Affairs provides Veterans with employment and transition assistance through the VetSuccess.gov Website. VetSuccess.gov is a Veteran-centric tool, providing a number of employment and transition resources. Veterans can access VetSuccess.gov to:

- Browse job listings
- Post resumes
- Apply for positions

Employers can use VetSuccess.gov to hire Veterans by posting job openings or by searching a database of over 25,000 Veteran resumes. VetSuccess.gov provides links to millions of jobs on the VetCentral site and the Veterans Job Bank search engine, and links Veterans to Indeed, Google, Simply Hired, and other job search engines. Veterans may also apply for VA benefits, including Vocational Rehabilitation and Employment, through the site.

Veterans, Servicemembers, and their families can also access a variety of interactive tools and information available throughout the Veteran lifecycle from transition to college, career, retirement, and family life.

## Servicemembers and Veterans with Disabilities

Eligible Veterans or Servicemembers with disabilities who require assistance with obtaining and maintaining employment may receive services through the Vocational Rehabilitation & Employment (VR&E) program (see chapter 2 for eligibility information). VR&E staff assists Veterans and Servicemembers with achieving their employment goals by providing job development and placement services, which include: on-the-job training, job-seeking skills, resume development, interviewing skills and direct placement. VR&E has partnerships with federal, state and private agencies to provide direct placement of Veterans or Servicemembers. VR&E can assist with placement using the following resources:

**On the Job Training Program:** Employers hire Veterans at an apprentice wage, and VR&E supplements the salary up the journeyman wage (up to maximum allowable under OJT). As the Veterans progress through training, the employers begin to pay more of the salary until the Veterans reach journeyman level and the employers are paying the entire

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salary. VR&E will also pay for any necessary tools. Employers are also eligible for a federal tax credit for hiring an individual who participated in a vocational rehabilitation program.

**Non-Paid Work Experience:** The Non-Paid Work Experience (NPWE) program provides eligible Veterans the opportunity to obtain training and practical job experience concurrently. This program is ideal for Veterans or Servicemembers who have a clearly established career goal, and who learn easily in a hands-on environment. This program is also well suited for Veterans who are having difficulties obtaining employment due to lack of work experience. NPWE program may be established in a federal, state, or local (i.e. city, town, school district) government agencies only. The employer may hire the Veteran at any point during the NPWE.

**Special Employer Incentive:** The Special Employer Incentive (SEI) program is for eligible Veterans who face challenges in obtaining employment. Veterans approved to participate in the SEI program are hired by participating employers and employment is expected to continue following successful completion of the program. Employers may be provided this incentive to hire Veterans. If approved, the employer will receive reimbursement for up to 50 percent of the Veteran's salary during the SEI program, which can last up to six months.

## **MONTGOMERY GI BILL ACTIVE DUTY (CHAPTER 30)**

### **INCREASED EDUCATIONAL BENEFIT**

EFFECTIVE OCTOBER 1, 2012

Educational Assistance Allowance for trainees under the Montgomery GI Bill - Active Duty (Ch. 30 of title 38 U.S.C.). The following basic monthly rates are effective October 1, 2012.

For trainees on active duty, payment is limited to reimbursement of tuition and fees for the training taken.

If you participated in the “\$600.00 buy-up” rates can be found [HERE](#).

Beginning August 1, 2011, break (or interval pay) will no longer be payable under MGIB-AD except during periods your school is closed as a result of an Executive Order of the President or an emergency (such as a natural disaster or strike). For example, if your Fall term ends on December 15th and your Spring term begins January 10th, your January housing allowance will cover 15 days in December and your February housing allowance will cover 21 days in January.

The MGIB program provides up to 36 months of education benefits. This benefit may be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. Remedial, deficiency, and refresher courses may be approved under certain circumstances. *Generally, benefits are payable for 10 years following your release from active duty.*

The following rates apply to those completing an enlistment of three years or more.

<b>Monthly GI Bill Rate for Institutional Training (verified on 9/27/2013)</b>	
<b>Training Time</b>	<b>Monthly Rate</b>
<b>Full time</b>	\$1, 564.00
<b>¾ time</b>	\$1, 173.00
<b>½ time</b>	\$782.00
<b>less than ½ time more than ¼ time</b>	\$782.00**
<b>¼ time or less</b>	\$391.00**

Correspondence and Flight — Entitlement charged at the rate of one month for each \$1, 564.00 paid.

Cooperative — \$1, 564.00

\*\* Tuition and Fees ONLY. Payment cannot exceed the listed amount.

<b>Monthly GI Bill Rate for Apprenticeship and On-The-Job Training</b> (Effective October 1, 2012)	
<b>Training Period</b>	<b>Monthly rate</b>
<b>First six months of training</b>	\$1,173.00
<b>Second six months of training</b>	\$860.00
<b>Remaining pursuit of training</b>	\$547.40

The following rates apply to those completing an enlistment of *less than three years*.

<b>Institutional Training</b>	
<b>Training Time</b>	<b>Monthly rate</b>
<b>Full time</b>	\$1,270.00
$\frac{3}{4}$ time	\$952.50
$\frac{1}{2}$ time	\$635.00
<b>Less than <math>\frac{1}{2}</math> time more than <math>\frac{1}{4}</math> time</b>	\$635.00**
$\frac{1}{4}$ time or less	\$317.50**

The following rates apply to those completing an enlistment of less than three years.

<b>Apprenticeship and On-The-Job Training</b> (Effective October 1, 2012) – verified on 9/27/2013	
<b>Training Period</b>	<b>Monthly rate</b>
<b>First six months of training</b>	\$952.50
<b>Second six months of training</b>	\$698.50
<b>Remaining pursuit of training</b>	\$444.50

Correspondence and Flight - Entitlement charged at the rate of one month for each \$1,270.00 paid.

Cooperative — \$1,270.00

\*\* Tuition and Fees ONLY. Payment cannot exceed the listed amount.

<b>Basic Institutional Rates for persons with remaining entitlement under Chapter 34 of Title 38, U.S.C. Chapter 30</b> rates (effective October 1, 2012) VERIFIED ON 9/27/2013.				
	<b>Training Time</b>			<b>Monthly Rate</b>
	<b>No Dependents</b>	<b>One Dependent</b>	<b>Two Dependents</b>	<b>Each additional dependent</b>
<b>Full time</b>	\$1,752.00	\$1,788.00	\$1,819.00	\$16.00
$\frac{3}{4}$ time	\$1,314.50	\$1,341.00	\$1,364.50	\$12.00
$\frac{1}{2}$ time	\$876.00	\$894.00	\$909.50	\$8.50
<b>Less than <math>\frac{1}{2}</math> time but more than <math>\frac{1}{4}</math> time</b>	\$876.00**			
$\frac{1}{4}$ time or less	\$438.00**			

<b>Apprenticeship and On-The-Job Training</b> (Effective October 1, 2012) – VERIFIED ON 9-27-2013				
	<b>Training Period</b>			<b>Monthly rate</b>
	<b>No Dependents</b>	<b>One Dependent</b>	<b>Two Dependents</b>	<b>Each additional dependent</b>
<b>1st six months of pursuit of program</b>	\$1,275.00	\$1,288.13	\$1,299.00	\$5.25
<b>2nd six months</b>	\$916.58	\$925.93	\$933.63	\$3.85
<b>3rd six months</b>	\$571.20	\$577.33	\$582.05	\$2.45

<b>Remaining pursuit of program</b>	\$559.30	\$565.08	\$570.33	\$2.45
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<b>Cooperative Training</b>				
<b>Training Period</b>		<b>Monthly rate</b>		
	<b>No Dependents</b>	<b>One Dependent</b>	<b>Two Dependents</b>	<b>Each additional dependent</b>
<b>Oct. 1, 2012 - Sept. 30, 2013</b>	\$1,752.00	\$1,788.00	\$1,819.00	\$16.00

Correspondence — 55 percent of the approved charges

Flight — 60 percent of the approved charges

\*\* Tuition and Fees ONLY. Payment cannot exceed the listed amount.

*Source: Department of Veteran Affairs*

### **Veterans Educational Assistance Program (VEAP)**

VEAP is available if you elected to make contributions from your military pay to participate in this education benefit program. Your contributions are matched on a \$2 for \$1 basis by the Government. You may use these benefits for degree, certificate, correspondence, apprenticeship/on-the-job training programs, and vocational flight training programs. In certain circumstances, remedial, deficiency, and refresher training may also be available.

Benefit entitlement is 1 to 36 months depending on the number of monthly contributions. You have 10 years from your release from active duty to use VEAP benefits. If there is entitlement not used after the 10-year period, your portion remaining in the fund will be automatically refunded.

### **Survivors' and Dependents' Educational Assistance Program (DEA)**

Dependents' Educational Assistance provides education and training opportunities to eligible dependents of certain veterans. The program offers up to 45 months of education benefits. These benefits may be used for degree and certificate programs, apprenticeship, and on-the-job training. If you are a spouse, you may take a correspondence course. Remedial, deficiency, and refresher courses may be approved under certain circumstances.

**Special Restorative Training** is available to persons eligible for DEA benefits. The Department of Veterans Affairs may prescribe special restorative training where needed to overcome or lessen the effects of a physical or mental disability for the purpose of enabling an eligible person to pursue a program of education, special vocational program or other appropriate goal. Medical care and treatment or psychiatric treatment is not included. Contact your local VA office for more information.

**Special Vocational Training** is also available to persons eligible for DEA benefits. This type of program may be approved for an eligible person who is not in need of Special Restorative Training, but who requires such a program because of a mental or physical handicap. Contact your local VA office for more information.

Please note: Section 301 of Public Law 109-461 adds a new category to the definition of “eligible person” for DEA benefits. The new category includes the spouse or child of a person who:

- VA determines has a service-connected permanent and total disability; and
- at the time of VA's determination is a member of the Armed Forces who is hospitalized or receiving outpatient medical care, services, or treatment; and
- is likely to be discharged or released from service for this service-connected disability.

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Persons eligible under this new provision may be eligible for DEA benefits effective December 23, 2006, the effective date of the law.

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## Military Medals/Records

### Replacing Military Medals

Medals awarded while in active service are issued by the individual military services if requested by Veterans or their next of kin. Requests for replacement medals, decorations, and awards should be directed to the branch of the military in which the Veteran served. However, for Air Force (including Army Air Corps) and Army Veterans, the National Personnel Records Center (NPRC) verifies awards and forwards requests and verification to appropriate services.

Requests for replacement medals should be submitted on Standard Form 180, "Request Pertaining to Military Records," which may be obtained at VA offices or the Internet at [www.va.gov/vaforms](http://www.va.gov/vaforms). Forms, addresses, and other information on requesting medals can be found on the Military Personnel Records section of NPRC's Website at [www.archives.gov/st-louis/military-personnel/index.html](http://www.archives.gov/st-louis/military-personnel/index.html). For questions, call Military Personnel Records at (314) 801-0800 or e-mail questions to: [MPR.center@nara.gov](mailto:MPR.center@nara.gov).

When requesting medals, type or clearly print the Veteran's full name, include the Veteran's branch of service, service number or Social Security number and provide the Veteran's exact or approximate dates of military service. The request must contain the signature of the Veteran or next of kin if the Veteran is deceased. If available, include a copy of the discharge or separation document, WDAGO Form 53-55 or DD Form 214.

If discharge or separation documents are lost, Veterans or the next of kin of deceased Veterans may obtain duplicate copies through the eBenefits portal ([www.ebenefits.va.gov](http://www.ebenefits.va.gov)) or by completing forms found on the Internet at [www.archives.gov/research/index.html](http://www.archives.gov/research/index.html) and mailing or faxing them to the NPRC.

Alternatively, write the National Personnel Records Center, Military Personnel Records, One Archives Drive, St. Louis, MO 63138-1002. Specify that a duplicate separation document is needed. The Veteran's full name should be printed or typed so that it can be read clearly, but the request must also contain the signature of the Veteran or the signature of the next of kin, if the Veteran is deceased. Include the Veteran's branch of service, service number or Social Security number and exact or approximate dates and years of service. Use Standard Form 180, "Request Pertaining To Military Records."

It is not necessary to request a duplicate copy of a Veteran's discharge or separation papers solely for the purpose of filing a claim for VA benefits. If complete information about the Veteran's service is furnished on the application, VA will obtain verification of service.

### Correcting Military Records

The secretary of a military department, acting through a Board for Correction of Military Records, has authority to change any military record when necessary to correct an error or remove an injustice. A correction board may consider applications for correction of a military record, including a review of a discharge issued by court-martial.

The Veteran, survivor, or legal representative must file a request for correction within three years of discovering an alleged error or injustice. The board may excuse failure to file within this time, however, if it finds it would be in the interest of justice. It is an applicant's responsibility to show why the filing of the application was delayed and why it would be in the interest of justice for the board to consider it despite the delay.

To justify a correction, it is necessary to show to the satisfaction of the board that the alleged entry or omission in the records was in error or unjust. Applications should include all available evidence, such as signed statements of witnesses or a brief of arguments supporting the correction. Application is made with DD Form 149, available at VA offices, Veterans organizations or visit <http://www.dtic.mil/whs/directives/infomgt/forms/index.htm>.

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## Review of Discharge from Military Service

Each of the military services maintains a discharge review board with authority to change, correct or modify discharges or dismissals not issued by a sentence of a general court-martial. The board has no authority to address medical discharges.

The Veteran or, if the Veteran is deceased or incompetent, the surviving spouse, next of kin or legal representative, may apply for a review of discharge by writing to the military department concerned, using DD Form 293 – "Application for the Review of Discharge from the Armed Forces of the United States." This form may be obtained at a VA regional office, from Veterans organizations or online at <http://www.dtic.mil/whs/directives/infomgt/forms/index.htm>.

However, if the discharge was more than 15 years ago, a Veteran must petition the appropriate Service's Board for Correction of Military Records using DD Form 149 – "Application for Correction of Military Records Under the Provisions of Title 10, U.S. Code, Section 1552." A discharge review is conducted by a review of an applicant's record and, if requested, by a hearing before the board.

Discharges awarded as a result of a continuous period of unauthorized absence in excess of 180 days make persons ineligible for VA benefits regardless of action taken by discharge review boards, unless VA determines there were compelling circumstances for the absence. Boards for the Correction of Military Records also may consider such cases.

Veterans with disabilities incurred or aggravated during active duty may qualify for medical or related benefits regardless of separation and characterization of service. Veterans separated administratively under other than honorable conditions may request that their discharge be reviewed for possible re-characterization, provided they file their appeal within 15 years of the date of separation.

Questions regarding the review of a discharge should be addressed to the appropriate discharge review board at the address listed on DD Form 293.

## Physical Disability Board of Review

Veterans separated due to disability from Sept. 11, 2001, through Dec. 31, 2009, with a combined rating of 20 percent or less, as determined by the respective branch of service Physical Evaluation Board (PEB), and not found eligible for retirement, may be eligible for a review by the Physical Disability Board of Review (PDBR).

The PDBR was established to reassess the accuracy and fairness of certain PEB decisions, and where appropriate, recommend the correction of discrepancies and errors. A PDBR review will not lower the disability rating previously assigned by the PEB, and any correction may be made retroactively to the day of the original disability separation. As a result of the request for review by the PDBR, no further relief from the Board of Corrections of Military Records may be sought, and the recommendations by the PDBR, once accepted by the respective branch of service, is final. A comparison of these two boards, along with other PDBR information, can be viewed at [www.health.mil/pdbr](http://www.health.mil/pdbr).

The Veteran or, if the Veteran is deceased or incompetent, the spouse or surviving spouse, next of kin or legal representative, may apply for a review using DD Form 294, "Application for a Review by the Physical Disability Board of Review (PDBR) of the Rating Awarded Accompanying a Medical Separation from the Armed Forces of the United States." As part of the review process, the PDBR considers the rating(s) previously awarded by VA. The completion of VA Form 3288, "Request for and Consent to Release of Information from Individual's Records," along with DD Form 294, allows the PDBR to request VA records. Both forms can be downloaded from the PDBR website at [www.health.mil/pdbr](http://www.health.mil/pdbr). These forms may also be obtained at a VA Regional Office (VARO), from a veteran, service organization (VSO) or online at <http://www.dtic.mil/whs/directives/infomgt/forms/index.htm>.

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## Appeals of VA Claims Decisions

Veterans and other claimants for VA benefits have the right to appeal decisions made by a VA regional office, medical center or National Cemetery Administration (NCA) office. Typical issues appealed are disability compensation, pension, education benefits, recovery of overpayments, reimbursement for unauthorized medical services, and denial of burial and memorial benefits.

A claimant has one year from the date of the notification of a VA decision to file an appeal. The first step in the appeal process is for a claimant to file a written notice of disagreement with the VA regional office, medical center or NCA office that made the decision.

Following receipt of the written notice, VA will furnish the claimant a "Statement of the Case" describing what facts, laws, and regulations were used in deciding the case. To complete the request for appeal, the claimant must file a "Substantive Appeal" within 60 days of the mailing of the Statement of the Case, or within one year from the date VA mailed its decision, whichever period ends later.

### Board of Veterans' Appeals

The Board of Veterans' Appeals makes decisions on appeals on behalf of the Secretary of Veterans Affairs. Although it is not required, a Veterans service organization, an agent, or an attorney may represent a claimant. Appellants may present their cases in person to a member of the Board at a hearing in Washington, D.C., at a VA regional office or by videoconference.

Decisions made by the Board can be found at [www.index.va.gov/search/va/bva.html](http://www.index.va.gov/search/va/bva.html). The pamphlet, "Understanding the Appeal Process," is available on the Website or may be requested by writing: Mail Process Section (014), Board of Veterans' Appeals, 810 Vermont Avenue, NW, Washington, DC 20420.

### U.S. Court of Appeals for Veterans Claims

A final Board of Veterans' Appeals decision that does not grant a claimant the benefits desired may be appealed to the U.S. Court of Appeals for Veterans Claims, an independent court, not part of the Department of Veterans Affairs. Notice of an appeal must be received by the court with a postmark that is within 120 days after the Board of Veterans' Appeals mailed its decision. The court reviews the record considered by the Board of Veterans' Appeals. It does not hold trials or receive new evidence.

Appellants may represent themselves before the court or have lawyers or approved agents as representatives. Oral argument is held only at the direction of the court. Either party may appeal a decision of the court to the U.S. Court of Appeals for the Federal Circuit and may seek review in the Supreme Court of the United States.

Published decisions, case status information, rules and procedures, and other special announcements can be found at [www.uscourts.cavc.gov](http://www.uscourts.cavc.gov). The court's decisions can also be found in West's Veterans Appeals Reporter, and on the Westlaw and LEXIS online services. For questions, write the Clerk of the Court, 625 Indiana Ave. NW, Suite 900, Washington, DC 20004, or call (202) 501-5970.

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## Benefits Provided by Other Federal Agencies

### Internal Revenue Service

This year many workers will qualify for the Earned Income Credit (EIC) because their income declined or they became unemployed. Tax refunds through the EIC and Child Tax Credit can help low- and moderate-income families cover day-to-day expenses such as utilities, rent, and child care. To learn more, visit [www.irs.gov](http://www.irs.gov) or consult a tax preparer.

### Special Tax Considerations for Veterans

Disabled veterans may be eligible to claim a federal tax refund based on: an increase in the veteran's percentage of disability from VA or the combat-disabled veteran applying for, and being granted, Combat-Related Special Compensation, after an award for Concurrent Retirement and Disability. To do so, the disabled veteran will need to file the amended return, Form 1040X, Amended U.S. Individual Income Tax Return, to correct a previously filed Form 1040, 1040A or 1040EZ. An amended return cannot be e-filed. It must be filed as a paper return. Disabled veterans should include all documents from VA and any information received from Defense Finance and Accounting Services explaining proper tax treatment for the current year.

If needed, veterans should seek assistance from a competent tax professional before filing amended returns based on a disability determination. Refund claims based on an incorrect interpretation of the tax law could subject the veteran to interest and/or penalty charges. Complete information and requirements can be found at [www.irs.gov/Individuals/Military/Special-Tax-Considerations-for-Veterans](http://www.irs.gov/Individuals/Military/Special-Tax-Considerations-for-Veterans).

### USDA Provides Loans for Farms and Homes

The U.S. Department of Agriculture (USDA) provides loans and guarantees to buy, improve or operate farms. Loans and guarantees are generally available for housing in towns with a population up to 20,000. Applications from Veterans have preference. For further information, contact Farm Service Agency or Rural Development, USDA, 1400 Independence Ave., S.W., Washington, DC 20250, or apply at local Department of Agriculture offices, usually located in county seats.

### HUD Veteran Resource Center (HUDVET)

Housing and Urban Development (HUD) sponsors the Veteran Resource Center (HUDVET), which works with national Veterans service organizations to serve as a general information center on all HUD-sponsored housing and community development programs and services. To contact HUDVET, call **1-800-998-9999**, TDD **800-483-2209**, or visit: [www.hud.gov/hudvet](http://www.hud.gov/hudvet).

### Veterans Receive Naturalization Preference

Honorable active-duty service in the U.S. armed forces during a designated period of hostility allows an individual to naturalize without being required to establish any periods of residence or physical presence in the United States. A Servicemember who was in the United States, certain territories, or aboard an American public vessel at the time of enlistment, re-enlistment, extension of enlistment or induction, may naturalize even if he or she is not a lawful permanent resident.

On July 3, 2002, the president issued Executive Order 13269 establishing a new period of hostility for naturalization purposes beginning Sept. 11, 2001, and continuing until a date designated by a future Executive Order. Qualifying members of the armed forces who have served at any time during a specified period of hostility may immediately apply for naturalization using the current application, Form N-400, "Application for Naturalization". Additional

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information about filing and requirement fees and designated periods of hostility are available on the U.S. Citizenship and Immigration Services Website at [www.uscis.gov](http://www.uscis.gov).

Individuals who served honorably in the U.S. armed forces, but were no longer serving on active duty status as of Sept. 11, 2001, may still be naturalized without having to comply with the residence and physical presence requirements for naturalization if they filed Form N-400 while still serving in the U.S. armed forces or within six months of termination of their active duty service.

An individual who files the application for naturalization after the six-month period following termination of active-duty service is not exempt from the residence and physical presence requirements, but can count any period of active-duty service towards the residence and physical presence requirements. Individuals seeking naturalization under this provision must establish that they are lawful permanent residents (such status not having been lost, rescinded or abandoned) and that they served honorably in the U.S. armed forces for at least one year.

If a Servicemember dies as a result of injury or disease incurred or aggravated by service during a time of combat, the Servicemember's survivor(s) can apply for the deceased Servicemember to receive posthumous citizenship at any time within two years of the Servicemember's death. The issuance of a posthumous certificate of citizenship does not confer U.S. citizenship on surviving relatives. However, a non-U.S. citizen spouse or qualifying family member may file for certain immigration benefits and services based upon their relationship to a Servicemember who died during hostilities or a non-citizen Servicemember who died during hostilities and was later granted posthumous citizenship.

For additional information, USCIS has developed a web page, [www.uscis.gov/military](http://www.uscis.gov/military), which contains information and links to services specifically for the military and their families. Members of the U.S. military and their families stationed around the world can also call USCIS for help with immigration services and benefits using a dedicated, toll-free help line at 1-877-CIS-4MIL (1-877-247-4645).

### **Small Business Administration (SBA)**

Historically, Veterans do very well as small business entrepreneurs. Veterans interested in entrepreneurship and small business ownership should look to the U.S. Small Business Administration's Office of Veterans Business Development (OVBD) for assistance. OVBD conducts comprehensive outreach to Veterans, service-disabled Veterans, and Reservists of the U.S. military. OVBD also provides assistance to Veteran- and Reservist-owned small businesses. SBA is the primary federal agency responsible for assisting Veterans who own or are considering starting their own small businesses.

Among the services provided by SBA are business-planning assistance, counseling, and training through community based Veterans Business Outreach Centers. For more information, go to [www.sba.gov/aboutsba/sbaprograms/ovbd/OVBD\\_VBOP.html](http://www.sba.gov/aboutsba/sbaprograms/ovbd/OVBD_VBOP.html).

More than 1,000 university-based Small Business Development Centers; nearly 400 SCORE chapters ([www.score.org/Veteran.html](http://www.score.org/Veteran.html)) with 11,000 volunteer counselors, many of whom are Veterans; and 100 Women's Business Centers.

SBA also manages a range of special small business lending programs at thousands of locations, ranging from Micro Loans to the Military-community-targeted Patriot Express Pilot Loan, to venture capital and Surety Bond Guarantees ([www.sba.gov/services/financialassistance/index.html](http://www.sba.gov/services/financialassistance/index.html)). Veterans also participate in all SBA federal procurement programs, including a special 3 percent federal procurement goal specifically for service-connected disabled Veterans, and SBA supports Veterans and others participating in international trade.

A special Military Reservist Economic Injury Disaster Loan ([www.sba.gov/reservists](http://www.sba.gov/reservists)) is available for self-employed Reservists whose small businesses may be damaged through the absence of the owner or an essential employee as a result of Title 10 activation to Active Duty.

A Veterans Business Development Officer is stationed at every SBA District Office to act as a guide to Veterans, and SBA offers a full range of self-paced small business planning assistance for Veterans, Reservists, discharging

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Servicemembers, and their families. Information about the full range of services can be found at [www.bw.sa.gov/about-offices-content/1/2985](http://www.bw.sa.gov/about-offices-content/1/2985), or by calling **202-205-6773** or 1-800-U-ASK-SBA (**1-800-827-5722**).

### **Social Security Administration**

Monthly retirement, disability and survivor benefits under Social Security are payable to Veterans and dependents if the Veteran has earned enough work credits under the program. Upon the Veteran's death, a one-time payment of \$255 also may be made to the Veteran's spouse or child. In addition, a Veteran may qualify at age 65 for Medicare's hospital insurance and medical insurance. Medicare protection is available to people who have received Social Security disability benefits for 24 months, and to insured people and their dependents who need dialysis or kidney transplants, or who have amyotrophic lateral sclerosis (more commonly known as Lou Gehrig's disease).

Since 1957, military service earnings for active duty (including active duty for training) have counted toward Social Security and those earnings are already on Social Security records. Since 1988, inactive duty service in the Reserve Component (such as weekend drills) has also been covered by Social Security. Servicemembers and Veterans are credited with \$300 credit in additional earnings for each calendar quarter in which they received active duty basic pay after 1956 and before 1978.

Veterans who served in the military from 1978 through 2001 are credited with an additional \$100 in earnings for each \$300 in active duty basic pay, up to a maximum of \$1,200 a year. No additional Social Security taxes are withheld from pay for these extra credits. Veterans who enlisted after Sept. 7, 1980, and did not complete at least 24 months of active duty or their full tour of duty, may not be able to receive the additional earnings. Check with Social Security for details. Additional earnings will no longer be credited for military service periods after 2001.

Also, non-contributory Social Security earnings of \$160 a month may be credited to Veterans who served after Sept. 15, 1940, and before 1957, including attendance at service academies. For information, call **1-800-772-1213** or visit [www.socialsecurity.gov/](http://www.socialsecurity.gov/).

(**Note:** Social Security cannot add these extra earnings to the record until an application is filed for Social Security benefits).

### **Armed Forces Retirement Homes**

Veterans are eligible to live in the Armed Forces Retirement Homes located in Gulfport, Miss., or Washington, D.C., if their active duty military service is at least 50 percent enlisted, warrant officer or limited duty officer if they qualify under one of the following categories:

1. Are 60 years of age or older; and were discharged or released under honorable conditions after 20 or more years of active service.
2. Are determined to be incapable of earning a livelihood because of a service-connected disability incurred in the line of duty.
3. Served in a war theater during a time of war declared by Congress or were eligible for hostile-fire special pay and were discharged or released under honorable conditions; and are determined to be incapable of earning a livelihood because of injuries, disease or disability.
4. Served in a women's component of the armed forces before June 12, 1948; and are determined to be eligible for admission due to compelling personal circumstances.

Eligibility determinations are based on rules prescribed by the Home's Chief Operating Officer. Veterans are not eligible if they have been convicted of a felony or are not free from alcohol, drug or psychiatric problems. Married couples are welcome, but both must be eligible in their own right. At the time of admission, applicants must be capable of living independently.

The Armed Forces Retirement Home is an independent federal agency. For information, call **1-800-332-3527** or **1-800-422-9988**, or visit [www.afrh.gov/](http://www.afrh.gov/).

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## **Commissary and Exchange Privileges**

Unlimited commissary and exchange store privileges in the United States are available to honorably discharged Veterans with a service-connected disability rated at 100 percent or totally disabling, and to the un-remarried surviving spouses and dependents of Servicemembers who die on active duty, military retirees, recipients of the Medal of Honor, and Veterans whose service-connected disability was rated 100 percent or totally disabling at the time of death. Certification of total disability is done by VA. National Guard Reservists and their dependents may also be eligible. Privileges overseas are governed by international law and are available only if agreed upon by the foreign government concerned.

Though these benefits are provided by DOD, VA does provide assistance in completing DD Form 1172, "Application for Uniformed Services Identification and Privilege Card." For detailed information, contact the nearest military installation.

## **U.S. Department of Health and Human Services**

The U.S. Department of Health and Human Services provides funding to states to help low-income households with their heating and home energy costs under the Low Income Home Energy Assistance Program (LIHEAP). LIHEAP can also assist with insulating homes to make them more energy efficient and reduce energy costs. The LIHEAP program in your community determines if your household's income qualifies for the program. To find out where to apply call: **1-866-674-6327** or e-mail [energy@ncat.org](mailto:energy@ncat.org) 7 a.m. - 5 p.m. (Mountain Time). More information can be found at [www.acf.hhs.gov/programs/ocs/liheap/#index.html](http://www.acf.hhs.gov/programs/ocs/liheap/#index.html).