

**FISCAL YEAR 2004 MEDICAL OFFICER
SPECIAL PAY PLAN**

A. TERMS AND DEFINITIONS:

1. Medical Corps Officer. An officer of the Medical Corps of the Navy, who is on active duty under a call or order to active duty for a period of not less than one year.

2. Creditable Service. Includes all periods that the officer spent in graduate medical education while not on active duty and all periods of active duty as a Medical Corps officer.

3. Subspecialties. Specialties grouped for pay purposes into the following categories:

- a. Subspecialty Category I. Includes adult cardiology, cardio-thoracic surgery, colon and rectal surgery, oncology surgery, pediatric surgery, plastic surgery, organ transplant, trauma/critical care surgery and vascular surgery.
- b. Subspecialty Category II. Includes nuclear medicine physicians.
- c. Subspecialty Category III. Includes physicians residency trained in: allergy/immunology, nephrology, and pulmonary medicine, hematology/oncology, pediatric cardiology, neonatology, and physicians who are fellowship trained critical care or intensive medicine specialists. *Includes Pediatric subspecialties of all specialties listed.*
- d. Subspecialty Category IV. Includes all internal medicine/pediatric subspecialties not listed in *Subspecialty Category I or III* or listed separately in the tables appearing in table 1.

4. Residency. A successfully completed formal program of medical specialty or subspecialty training.

5. Specialty. Medical specialty for which there is Naval officer billet classification number.

B. MULTIYEAR SPECIAL PAY (MSP):

1. Annual payment amounts for multiyear service agreements, for FY04, will be in the amounts indicated at Tab A. Officers may be paid at the rate for any specialty for which they are currently credentialed, but the MSP and Incentive Special Pay (ISP) specialty must be the same.

2. Eligibility. A Medical Corps officer:

- a. who is below the grade of 0-7, and
- b. who has a current, valid, unrestricted license or approved waiver, and
- c. who has at least eight years of creditable service, or has completed any active duty service commitment incurred for medical education and training, and

- d. who has completed initial residency training, or is scheduled to complete initial residency training before October 1, 2003, and
- e. who executes a written agreement to remain on active duty for two, three, or four years approved by BUMED.

3. Subject to BUMED M1-32 approval, a medical officer with an existing MSP service agreement may terminate that service agreement to enter into a new MSP service agreement with an equal or longer remaining obligation at the MSP annual rate in effect at the time of execution of the new MSP service agreement. Any unearned portion of the terminated service agreement shall be recouped.

4. Active duty service obligations for MSP will be established as follows:

- a. Active duty obligations (ADO) for education and training and previous multiyear pay agreements will be served before serving the ADO for MSP. The MSP ADO is served after any other existing ADO for education and training has been completed.
- b. When no education and training ADO exists at the time of an MSP agreement execution, the ADO for MSP is served concurrently with the MSP agreement period and all non-education and training ADO's. Also, if the MSP agreement is executed before the start date of fellowship training and no other education and training ADO exists, the MSP ADO is served during the fellowship period. However, if the MSP agreement is executed on or after the start date of fellowship training, the MSP ADO will begin one day after the fellowship ADO obligation. Once a physician has begun to serve MSP ADO, it will be served concurrently with any existing ADO including obligations for other special pay agreements or medical education and training obligations incurred after the execution date for that particular MSP agreement.
- c. Obligations for Additional Special Pay (ASP), Incentive Special Pay (ISP) and permanent change of station (PCS) may be served concurrently with the ADO for MSP.
- d. MSP obligation is binding upon receipt of first annual installment.

C. INCENTIVE SPECIAL PAY (ISP):

1. Eligibility. A Medical Corps officer:

- a. who is below the grade of 0-7 and
- b. who has a current, valid, unrestricted license or approved waiver, and

- c. who has completed specialty qualification before October 1, 2003, except for cases listed in paragraph C.6., below, and
- d. who executes a written agreement to remain on active duty for a period of not less than one year beginning on the date the officer accepts the award of ISP.
- e. must be currently credentialed and privileged at a military treatment facility in the specialty for which ISP is to be paid.

2. Annual ISP payments for service agreements beginning on or after October 1, 2003, will be in the amounts indicated in Table 2, Tab A, ***as further explained in paragraph 4 below***. Unless otherwise listed, subspecialties of the primary specialty are included with the primary specialty.

3. BUMED M1-32 may approve recommendations for ISP payments to fully qualified physicians assigned to positions requiring a substantial portion of time performing military unique duties under adverse conditions or in remote OCONUS locations or that preclude the ability to spend appropriate time in a clinical setting.

4. All ISP rates are listed in Table 2, Tab A. Subject to BUMED M1-32 acceptance, a medical officer eligible for, but not under an MSP agreement, may enter into a new one-year ISP agreement at the one year rate listed in column 2. To receive the ISP rate listed in column 3, while eligible for MSP, an MSP service agreement must be executed. If a member is not eligible for MSP due to a training obligation, the “under obligation” rate listed in column 1 applies. Termination of a current ISP service agreement prior to its expiration can only be done in conjunction with execution of a new MSP service agreement. Commanding Officers no longer possess approval authority for ASP service agreements. All ASP service agreements are approved and processed through BUMED M1-32.

5. Medical Corps officers who enter an MSP service agreement at the rates stated herein may enter an ISP service agreement during FY04 at the amount listed in Table 2, column 3 for the same specialty as stated on the MSP service agreement. The officer continues ISP eligibility at that rate for each active year of the MSP service agreement. Should future reassessments cause an increase to the ISP rate for a specialty, the officer may take advantage of that increase only by signing a new MSP service agreement (at the annual rate in effect at the time the new service agreement is signed) with an equal or longer remaining obligation.

6. ISP shall not be paid during the same fiscal year in which the qualifying residency training is completed. However, if the qualifying training is completed out of cycle (at a time prior to the end of June) and it is not the fault of the medical officer, the Surgeon General is delegated the authority to waive the Department of Defense policy and grant ISP during the same fiscal year in which the qualifying residency is completed. The effective date for ISP shall be calculated from the completion of the qualifying training plus three months. This keeps all medical officers eligible for ISP consistent in how their eligibility date is calculated.

D. VARIABLE SPECIAL PAY (VSP):

1. Medical Corps officers on active duty under a call or order to active duty for a period of not less than one year are entitled to VSP at the amounts listed in Table 3, Tab A.

E. ADDITIONAL SPECIAL PAY (ASP):

1. Medical Corps officers who are on active duty under a call or order to active duty for a period of not less than one year and are not undergoing medical internship or initial residency training, and who execute a written agreement to remain on active duty not less than one year, who have a current, valid, unrestricted license or approved waiver are entitled to ASP for any twelve month period at the annual amount of \$15,000. Physicians who have just completed internship training, but who are not presently in initial residency training are also eligible with evidence of having successfully completed all three parts of the national licensing exam and submission of an application for licensure pending review and approval by a state licensing board. Commanding Officers no longer possess approval authority for ASP service agreements. All ASP service agreements are approved and processed through BUMED M1-32.

F. BOARD CERTIFIED PAY (BCP):

1. Medical Corps officers on active duty under a call or order to active duty for a period of not less than one year, who have a current, valid, unrestricted license or approved waiver and are board certified in accordance with DoDI 6000.13, are entitled to BCP at the amounts listed in Table 4, Tab A. Medical Officers submit requests and a copy of their board certification to BUMED M1-32 to start BCP in accordance with SECNAVINST 7220.75C. Upon recertification, Medical Officers should also submit a copy of their recertification to continue BCP. If no recertification is received, BCP will be automatically terminated the day after the original certification's expiration date. Should a certification lapse, a request to reinstate BCP and a copy of certification is required. Service agreements may be obtained at the following link: https://bumed.med.navy.mil/m1/sp_apply.htm. If there is trouble accessing this website contact the POC's listed in para "G.9".

G. ADMINISTRATIVE PROCEDURES:

1. MSP submission procedures are the same as medical officer retention bonus guidance provided in SECNAVINST 7220.75C. Service agreements shall be coordinated through the command special pay coordinator or administrative department. Service agreements may be obtained at the following link: https://bumed.med.navy.mil/m1/sp_apply.htm. If there is trouble accessing this website, contact the POC's listed in para "G.9" below. BUMED will determine ADO incurred for members who terminate current MSP and execute new MSP service agreements. Members will be informed of ADO via approval notification letter. Acceptance of first MSP payment by member indicates agreement to terms of MSP service agreement and ADO.

2. ISP submission procedures and establishment of entitlement require eligibility as established by SECNAVINST 7220.75C. Medical officers must be currently credentialed and privileged in the specialty for which ISP is to be paid. Service agreements shall be coordinated through the command special pay coordinator or administrative department. Service agreements may be obtained at the following link:https://bumed.med.navy.mil/m1/sp_apply.htm. If there is trouble accessing this website contact the POC's listed in para "G.9" below. All service agreements are submitted via command endorsement to BUMED M1-32 recommending approval or denial of ISP service agreements per SECNAVINST 7220.75C. On a case by case basis, SECNAV may approve recommendations for ISP payments to fully qualified physicians assigned to a position requiring a substantial portion of time performing military unique duties under adverse conditions or in remote OCONUS locations that preclude ability to spend appropriate time in a clinical setting. Physicians in these unique positions must submit their requests as described above to include information regarding position uniqueness and credentialing.

3. Medical Corps officers who enter into MSP service agreements for FY-04 as specified in this guidance may enter ISP service agreements during FY-04 at the amounts listed above for the same specialty as stated on the MSP service agreement. The officer will continue ISP eligibility at that rate for each active year of the MSP service agreement (the MSP and ISP are linked together). Should future reassessments cause an increase to the ISP rate for a specialty, the officer may take advantage of that increase only by signing a new MSP service agreement (at the annual rate in effect at that time) with an equal or longer obligation.

4. Those Medical Corps officers receiving a MSP under previous authority are not eligible to receive ISP at the FY-04 higher rates without renegotiating for a FY-04 MSP service agreement with an equal or longer obligation (as explained in paragraph B3 of this guidance).

5. MSP and ISP payments for officers promoted to 07 will be recouped pro rata basis, based on the effective date of promotion to that grade.

6. Retired Retained Personnel. An approved Bureau of Personnel (PERS 813) retired retained waiver covering the length of a service agreement is required prior to the application and processing of any special pay service agreement for anyone in a retired retained status.

7. Termination or denial of special pays are based and considered on inadequate military or professional performance, documented in the officer's fitness report, individual credentials file (ICF), other quality assurance and improvement (QAI) records, or other command files.

8. Due to administrative delay in release of FY-04 medical pay plan, eligible Medical Corps officers are authorized a one-time retroactive approval of MSP service agreements for a date of 1 Oct 03. Officers desiring to take advantage of this one-time provision must ensure that their MSP service agreement letter with command endorsement is received by BUMED M1-32 NLT 30 days after the release of this NAVADMIN. Service agreements received after the 30 day grace period will be effective not earlier than date of approval by BUMED.

9. To avoid delay's in processing service agreements, all request shall be faxed to comm: (202) 762-0919 DSN: 762-0919 or e-mail to the appropriate (BUMED M1-32) special pays technician. If your last name begins with:

A-F: lfday@us.med.navy.mil

G-L: lily@us.med.navy.mil

M-R: trharrison@us.med.navy.mil

S-Z: kmgaston@us.med.navy.mil

H. TERMINATION OF ENTITLEMENT TO SPECIAL PAY:

1. Chief BUMED may terminate at any time a Medical Corps officer's entitlement to ISP, ASP, and MSP. Reasons for termination may include, but are not necessarily limited to: loss of privileges, Courts Martial convictions, violations of the Uniform Code of Military Justice, failure to maintain a current, unrestricted license to practice medicine, or reasons that are in the best interest of the Military Department concerned.

2. If entitlement to one or more of the aforementioned special pays is terminated, the officer shall be paid, on a pro-rata basis, the portion served up to the official date of termination.

3. Recoupment of MSP, ISP, and ASP shall be conducted in accordance with Sections 301d(c) and 302(f) of Title 37 U.S.C.

Table 1. MSP Pay Rates

Specialty	2YR	3YR	4YR
Anesthesiology	\$12,000	\$13,000	\$15,000
Dermatology	\$12,000	\$13,000	\$15,000
Emergency Medicine	\$12,000	\$13,000	\$15,000
Family Practice	\$12,000	\$13,000	\$15,000
Gastroenterology	\$12,000	\$13,000	\$15,000
General Surgery	\$12,000	\$13,000	\$15,000
Internal Medicine	\$12,000	\$13,000	\$15,000
Neurology	\$12,000	\$13,000	\$15,000
Neurosurgery	\$12,000	\$13,000	\$15,000
OB/GYN	\$12,000	\$13,000	\$15,000
Ophthalmology	\$12,000	\$13,000	\$15,000
Orthopedics	\$12,000	\$13,000	\$15,000
Otolaryngology	\$12,000	\$13,000	\$15,000
Pathology	\$12,000	\$13,000	\$15,000
Pediatrics	\$12,000	\$13,000	\$15,000
Prev/Occ/Phys Med & Aero Med	\$12,000	\$13,000	\$15,000
Psychiatry	\$12,000	\$13,000	\$15,000
Radiology	\$12,000	\$13,000	\$15,000
Subspecialty Category I	\$12,000	\$13,000	\$15,000
Subspecialty Category II	\$12,000	\$13,000	\$15,000
Subspecialty Category III	\$12,000	\$13,000	\$15,000
Subspecialty Category IV	\$12,000	\$13,000	\$15,000
Urology	\$12,000	\$13,000	\$15,000

Table 2. FY04 ISP Pay Rates

Specialty	Column 1 FY04 One Year ISP Under Obligation *	Column 2 FY04 One Year ISP "MSP Eligible**	Column 3 ISP when taking MSP
Anesthesiology	\$36,000	\$36,000	\$42,000
Dermatology	\$18,000	\$18,000	\$18,000
Emergency Medicine	\$26,000	\$26,000	\$26,000
Family Practice	\$13,000	\$13,000	\$13,000
Gastroenterology	\$26,000	\$23,000	\$29,000
General Surgery	\$29,000	\$29,000	\$34,000
Internal Medicine	\$14,000	\$14,000	\$14,000
Neurology	\$14,000	\$14,000	\$14,000
Neurosurgery	\$36,000	\$36,000	\$41,000
OB/GYN	\$31,000	\$31,000	\$31,000
Ophthalmology	\$28,000	\$28,000	\$28,000
Orthopedics	\$36,000	\$36,000	\$41,000
Otolaryngology	\$30,000	\$30,000	\$33,000
Pathology	\$16,000	\$16,000	\$19,000
Pediatrics	\$12,000	\$12,000	\$12,000
Prev/Occ/Phys Med & Aero Med	\$13,000	\$12,000	\$13,000
Psychiatry	\$15,000	\$15,000	\$15,000
Radiology	\$36,000	\$36,000	\$42,000
Subspecialty Category 1	\$36,000	\$36,000	\$41,000
Subspecialty Category 11	\$28,000	\$28,000	\$28,000
Subspecialty Category 111	\$23,000	\$23,000	\$26,000
Subspecialty Category IV	\$14,000	\$14,000	\$14,000
Urology	\$28,000	\$28,000	\$28,000

* If a member is not taking MSP due to being under their initial education obligation, this rate applies.

** If a member is eligible for MSP and is no longer under their initial education obligation, this rate applies.

Table 3.
Medical Officer
Variable Special Pay (VSP)

Years of Creditable Service	Annual Entitlement
Undergoing internship	\$ 1,200
Less than 6 and not undergoing an internship	\$ 5,000
At least 6, less than 8	\$12,000
At least 8, less than 10	\$11,500
At least 10, less than 12	\$11,000
At least 12, less than 14	\$10,000
At least 14, less than 18	\$ 9,000
At least 18, less than 22	\$ 8,000
22 or more	\$ 7,000
Above pay grade O-6	\$ 7,000

Table 4.
Medical Officer
Board Certified Pay (BCP)

Years of Creditable Service	Annual Entitlement
Less than 10	\$2,500
At least 10, less than 12	\$3,500
At least 12, less than 14	\$4,000
At least 14, less than 18	\$5,000
18 or more	\$6,000