THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

JAN 29 2001

HEALTH AFFAIRS

MEMORANDUM FOR SECRETARY OF THE ARMY
SECRETARY OF THE AIR FORCE
SECRETARY OF THE NAVY
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: Policy for Implementation of Special Pay for Pharmacy Officers

Attached is policy guidance for the implementation of Special Pay for Pharmacy Officers as authorized by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001.

This Act added title 37, United States Code, section 302i, authorizing the payment of Pharmacy Officer Special Pay, with an effective date of October 30, 2000. Budgetary considerations will delay the start date of Pharmacy Officer Special Pay to no earlier than October 1, 2001.

The TMA point of contact for health professions' accession/retention incentives is Maj James Wooten, (703) 681-7894.

J. Jarrett Clinton, MD, MPH
Acting Assistant Secretary

Attachments:
As stated

cc:
USD(COMPT)
USD(P&R)
ASD(FMP)
ASD(RA)
Surgeon General of the Army
Surgeon General of the Navy
Surgeon General of the Air Force
United States Public Health Service

HA POLICY: 0000010

GUIDANCE FOR THE IMPLEMENTATION OF SPECIAL PAYS FOR PHARMACY OFFICERS

POLICY: This DoD policy implements Pharmacy Officer Special Pay as prescribed under 37 USC 302i, for all pharmacy officers as described below.

ELIGIBILITY: On and after October 1, 2001, a commissioned officer serving in a pay grade below O-7 who:

Is a pharmacy officer in the Medical Service Corps of the Army or Navy or the Biomedical Sciences Corps of the Air Force; and

Is on active duty under a call or order to active duty for a period of not less than one year;

May be paid special pay.

RATE OF SPECIAL PAY FOR PHARMACY OFFICERS: The annual rate, as specified below, shall be paid in equal monthly installments:

(1) $3,000 per year, if the officer is undergoing pharmacy internship training or has less than 3 years of creditable service.
(2) $7,000 per year, if the officer has at least 3 but less than 6 years of creditable service and is not undergoing pharmacy internship training.
(3) $7,000 per year, if the officer has at least 6 but less than 8 years of creditable service.
(4) $12,000 per year, if the officer has at least 8 but less than 12 years of creditable service.
(5) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.
(6) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.
(7) $8,000 per year, if the officer has 18 or more years of creditable service.

CREDITABLE SERVICE: For purposes of Pharmacy Officer Special Pay, creditable service is defined as all periods of active service performed as a pharmacy officer in the Medical Service Corps of the Army or Navy or the Biomedical Sciences Corps of the Air Force.

RESPONSIBILITIES: The individual Military Departments shall be responsible for establishing procedures for the administration of special pay for Pharmacy Officers that shall be consistently applied to all officers under similar circumstances. The Department of Health and Human Services will promulgate corresponding policy and procedures for USPHS officers.