



HEALTH AFFAIRS

THE ASSISTANT SECRETARY OF DEFENSE

1 200 DEFENSE PENTAGON
WASHINGTON, DC 20301-1200

OCT - 6 2008

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING
SERVICE

SUBJECT: Extension of the Fiscal Year 2008 Nurse Special Pay Plan Through FY 2009

The attached policy guidance (07-023) announces the extension of the Fiscal Year (FY) 2008 Nurse Special Pay Plan through FY 2009. Nurse Officer Accession Bonus, Specialty Nurse Incentive Pay, and Nurse Anesthetists Incentive Special Pay shall be administered in accordance with the policies established herein, in Title 37, United States Code, and in Department of Defense Instruction 6000.13. We emphasize that possession of a current, unrestricted license (or approved waiver) is a prerequisite to enter into a special pay contract.

All participants in the Nurse Special Pay Plan are required to sign a service agreement. All service agreements must contain repayment language consistent with section 303a(e) of Title 37, United States Code and be in accordance with the repayment policy guidance established by the Principal Deputy Under Secretary of Defense (Personnel and Readiness) policy memorandum, "Repayment of Unearned Portions of Bonuses, Special Pay, and Educational Benefits or Stipends," dated May 21, 2008.

Please provide this office a copy of your implementing guidance within 10 days of the date of this memorandum. My point of contact is Dr. Gary Matteson (703) 681-8890.

A handwritten signature in black ink, appearing to read "S. Ward Casscells".

S. Ward Casscells, MD

Attachment:
As stated

cc:
PDUSD (P&R)
ASD (RA)
Service Surgeons General
United States Public Health Service



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OCT 15 2007

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING
SERVICE

SUBJECT: Nurse Special Pay Plan for Fiscal Year 2008

The attached policy guidance announces the Fiscal Year (FY) 2008 Nurse Special Pay Plan. The plan includes bonus and pay rates for the Nurse Officer Accession Bonus, Specialty Nurse Incentive Special Pay and Nurse Anesthetists Incentive Pay to become effective October 1 for FY 2008.

Nurse Officer Accession Bonus, Specialty Nurse Incentive Pay and Nurse Anesthetists Incentive Special Pay shall be administered in accordance with the policies established herein, in Title 37 United States Code, and in Department of Defense Instruction 6000.13. In determining the FY 2008 rates, the Health Professions Incentives Work Group considered manning, civilian income data, Military Health System requirements, and Service budget impact. I emphasize that possession of a current, unrestricted license (or approved waiver) is a prerequisite to enter into a special pay contract.

Please provide this office a copy of your implementing guidance within ten days of the date of this memorandum.

My point of contact is Mr. Rich Franco, Health Professions Accession/Retention Policy, who may be reached by e-mail at Richard.Franco@tma.osd.mil or by telephone at (703) 681-4321.

S. Ward Casscells, MD

Attachments:
As stated

cc:
PDUSD (P&R)
ASD (RA)
Service Surgeons General
United States Public Health Service

HA POLICY: 07-023

NURSE OFFICER ACCESSION BONUS

A. Eligibility: To be eligible for the accession bonus, an individual must:

1. Be a graduate of an accredited school of nursing conferring a baccalaureate of science degree in nursing (BSN).
2. Be fully qualified to hold an appointment as a commissioned officer.
3. Execute a written agreement to accept a commission as an officer of the Nurse Corps of the Army or the Navy, an officer of the Air Force designated as a nurse, or an officer designated as a nurse in the commissioned corps of the Public Health Service, and to serve on Active Duty for a period of not less than three years. An individual who holds an appointment as a nurse officer in either the Active or Reserve component is not eligible for the accession bonus. A former nurse officer who no longer holds an appointment, and is otherwise eligible, must have been discharged from any Uniformed Service at least two years prior to execution of the written agreement to receive the accession bonus.
4. Not have received financial assistance from the Department of Defense or the Department of Health and Human Services (HHS) to pursue a course of study in nursing in exchange for an agreement to accept an appointment as a nurse officer. This includes, but is not limited to, participants of the Armed Forces Health Professions Scholarship Program and Financial Assistance Program.
5. Be qualified to become and remain a licensed BSN registered nurse, as determined by the Secretary of the Military Department (or designee) concerned.

B. Bonus Authorized: The Secretary of the Military Department concerned may, upon acceptance of the written agreement described in paragraph A.3., pay an accession bonus to an eligible individual in an amount that shall not exceed:

- o \$30,000 for a four year contract
- o \$20,000 for a three year contract

Eligible individuals who sign a written agreement, on or after October 1 to serve on Active Duty in exchange for receiving the accession bonus are authorized to receive the accession bonus.

C. Recoupment:

1. An officer who receives an accession bonus and who fails to become and remain licensed as a BSN registered nurse during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

2. An officer who voluntarily terminates service on Active Duty before the end of the obligated period shall refund to the United States the unserved portion of that payment.

3. An obligation to reimburse the United States under paragraph C. is, for all purposes, a debt owed to the United States.

D. Bankruptcy: A discharge in bankruptcy under Title 11 that is entered less than five years after the termination of an accession bonus agreement does not discharge a person from a debt arising under such agreement or paragraph C. This provision applies to any case commenced under Title 11 after October 1, 2004.

E. Responsibilities: The individual Military Departments shall be responsible for establishing procedures for the administration of Nurse Officer Accession Bonuses that shall be consistently applied to all officers in similar circumstances. The HHS will establish corresponding policy and procedures for United States Public Health Services officers.

F. Authority: The Nurse Officer Accession Bonus is under the authority of 37 United States Code (U.S.C.) 302d.

INCENTIVE SPECIAL PAY FOR SPECIALTY NURSES

A. Eligibility: A commissioned officer who:

1. Is an officer of the Nurse Corps of the Army or the Navy, an officer of the Air Force designated as a nurse, or an officer designated as a nurse in the commissioned corps of the Public Health Service and;
2. Is on Active Duty under a call or order to Active Duty for a period of not less than three years and;
3. Is a fully qualified registered nurse with an active, full unrestricted license in a designated specialty of:
 - a. Perioperative Nursing
 - b. Critical Care Nursing
 - c. Emergency Nursing
 - d. Obstetrics/gynecological Nursing
 - e. Medical-Surgical Nursing
 - f. Psychiatric/Mental Health Nursing
 - g. Community/Public Health Nursing
 - h. Pediatric Nursing
 - i. Neonatal Intensive Care Nursing
 - j. Nurse Midwife
 - k. Any Nurse Practitioner
4. Holds certification in one of the above clinical nursing specialties. Certification must be a nationally-recognized, expert credential reserved for those who meet rigorous practice, continuing education, and testing requirements in their nursing specialty.
 - a. Must have completed a specialty nursing course approved by the Service Surgeon General or a graduate program in one of the clinical specialties listed above in paragraph 3a through 3k.
 - b. For Perioperative Nursing, individuals must have one year of experience, including at least 1,700 clinical hours in Perioperative Nursing. Certification in Perioperative Nursing must be obtained within 18 months of initial eligibility for Specialty Registered Nurse Incentive Special Pay (ISP).
5. Executes a written agreement to remain on Active Duty for a period of one year or more which is accepted by the Secretary concerned.

B. Bonus Authorized: The Secretary of the Military Department concerned may, upon acceptance of the written agreement described in paragraph A.4., pay an incentive pay in a lump-sum, annual amount to an eligible individual in an amount that shall not exceed

- o \$ 5,000/year for a one year contract.
- o \$10,000/year for a two year contract.
- o \$15,000/year for a three year contract.
- o \$20,000/year for a four year contract.

Based on Service unique requirements, the Secretary concerned may decline to offer the Specialty Nurse ISP to any group that is otherwise eligible, or restrict the length of the contract for any or all eligible groups to less than four years. Each Secretary will set one rate for each category. Secretaries may set rates for obligated individuals separately from those without obligations within the above schedule. Secretaries may restrict eligibility to those who have completed their initial service obligation.

C. Termination of Entitlement to Special Pay: The Secretary (or designee) of the Military Department concerned may terminate at any time a Nurse Corps officer's entitlement to Specialty Nurse ISP. 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 as a nurse, or reasons that are in the best interest of the Military Department concerned. If entitlement to ISP is terminated, the officer shall be paid, on a pro-rata basis, the portion served up to the official date of termination. The Military Departments shall establish regulations that specify the conditions and procedures under which termination may take place. The regulations and conditions for termination shall be included in the written service agreement for Specialty Nurse ISP.

D. Recoupment:

1. An officer who voluntarily terminates service on Active Duty before the end of the obligated period in the agreement shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

2. An obligation to reimburse the United States under paragraph D. is, for all purposes, a debt owed to the United States.

E. Bankruptcy: A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement for receipt of ISP if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve

on Active Duty. This subsection applies to a discharge in bankruptcy in any proceeding that begins after November 29, 1989.

F. Responsibilities: The individual Military Departments shall be responsible for establishing procedures for the administration of Specialty Nurse ISP that shall be consistently applied to all officers in similar circumstances. The HHS will establish corresponding policy and procedures for USPHS officers.

G. Authority: Specialty Nurse ISP is under the authority of 37 U.S.C. 302e.

**CERTIFIED REGISTERED NURSE ANESTHETISTS
INCENTIVE SPECIAL PAY**

A. Eligibility: A commissioned officer who:

1. Is an officer of the Nurse Corps of the Army or the Navy, an officer of the Air Force designated as a nurse, or an officer designated as a nurse in the commissioned corps of the Public Health Service and;
2. Is on Active Duty under a call or order to Active Duty for a period of not less than one year and;
3. Is a qualified certified registered nurse anesthetist with an active, full unrestricted license and;
4. Executes a written agreement to remain on Active Duty for a period of one year or more which is accepted by the Secretary concerned.

B. Bonus Authorized: The Secretary of the Military Department concerned may, upon acceptance of the written agreement described in paragraph A.4., pay an incentive pay to an eligible individual in a lump-sum annual amount that shall not exceed:

- \$20,000/year for a one year contract
- \$25,000/year for a two year contract
- \$35,000/year for a three year contract
- \$40,000/year for a four year contract

Each Secretary will set one rate for each category. Services may set rates for obligated individuals separately from those without obligations within the above schedule.

C. Termination of Entitlement to Special Pay: The Secretary (or designee) of the Military Department concerned may terminate at any time a Nurse Corps officer's entitlement to ISP. 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 as a nurse anesthetist, or reasons that are in the best interest of the Military Department concerned. If entitlement to ISP is terminated, the officer shall be paid, on a pro-rata basis, the portion served up to the official date of termination. The Military Departments shall establish regulations that specify the conditions and procedures under which termination may take place. The regulations and conditions for termination shall be included in the written service agreement for ISP.

D. Recoupment:

1. An officer who voluntarily terminates service on Active Duty before the end of the period agreed to be served under an agreement shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

2. An obligation to reimburse the United States under paragraph D. is, for all purposes, a debt owed to the United States.

E. Bankruptcy: A discharge in bankruptcy under title 11 shall not release a person from an obligation to reimburse the United States required under the terms of an agreement for receipt of ISP if the final decree of the discharge in bankruptcy was issued within a period of five years after the last day of a period which such person had agreed to serve on Active Duty. This subsection applies to a discharge in bankruptcy in any proceeding that begins after November 29, 1989.

F. Responsibilities: The individual Military Departments shall be responsible for establishing procedures for the administration of ISP for nurse anesthetists that shall be consistently applied to all officers in similar circumstances. The Department of Health and Human Services will promulgate corresponding policy and procedures for United States Public Health Service officers.

G. Authority: ISP for nurse anesthetists is under the authority of 37 U.S.C. 302e.