



COMPTROLLER  
(Program/Budget)

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

APR - 9 2012

MEMORANDUM FOR DIRECTOR, HEALTH AND FINANCIAL POLICY, OFFICE OF  
ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
DEPUTY DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DEPUTY DIRECTOR FOR RESOURCE MANAGEMENT, DEFENSE  
FINANCE AND ACCOUNTING SERVICE

SUBJECT: FY 2013 Department of Defense (DoD) Military Personnel Composite Standard Pay  
and Reimbursement Rates

The FY 2013 DoD military composite pay and reimbursement rates (Tabs K1-K5 attached) are now available on the reimbursable rates page of the Office of the Under Secretary of Defense (Comptroller) website <http://comptroller.defense.gov/reports.html>. The composite standard pay rates will be used when determining the cost of military personnel for budget/management studies. The annual billable rate charged to non-DoD activities will be used when obtaining reimbursement for services provided to agencies outside the DoD. This rate contains an acceleration factor of \$10,563 to cover medical health care costs of active duty personnel and their dependents.

A handwritten signature in black ink, appearing to read "John P. Roth".

John P. Roth  
Deputy Comptroller

Attachment:  
As stated

MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
FISCAL YEAR 2013

OVERVIEW

The Military Composite Standard Pay and Reimbursement Rates are calculated in accordance with provisions of Volume 11A, Chapter 6, Appendix I of the “DoD Financial Management Regulation” (DoD 7000.14R).

The “Annual Department of Defense (DoD) Composite Rate” shall be used when determining the cost of military personnel for budget/management studies.

- Rates **include** a per capita normal cost of \$3,701 for Medicare-Eligible Retiree Health Care (MERHC) accruals. Beginning with FY 2006, the MERHC accruals are paid from the permanent, indefinite appropriations of the General Fund of the Treasury instead of the military personnel appropriations. However, for budget purposes, MERHC accruals continue to be counted as part of the Military Departments’ discretionary budget authority. Therefore, the MERHC accruals must be included for determining the cost of military personnel for budget/management studies, but may not be included in reimbursements to the Services’ personnel accounts during the year of execution (FY 2013).

The “Annual Rate Billable to Other Federal Agencies” shall be used when obtaining reimbursement for services provided to agencies outside of the DoD.

- Rates **include an acceleration factor of \$10,563** to cover medical health care costs of active duty personnel and their dependents.
- Rates **exclude** the per capita normal cost of \$3,701 for Medicare-Eligible Retiree Health Care (MERHC) accruals. Beginning with FY 2006, the MERHC accruals are paid from the General Fund of the Treasury and cannot be reimbursed to the Services’ personnel accounts during the year of execution (FY 2013).

The FY 2013 Military Composite Standard Pay and Reimbursement Rates for Army, Navy, Marine Corps and Air Force are effective October 1, 2012.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE ARMY  
FOR FISCAL YEAR 2013 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$180,375 <sup>5/</sup>	\$290,762	\$297,624
O-9	180,375	285,681	292,543
O-8	167,741	273,794	280,656
O-7	146,062	244,752	251,614
O-6	123,035	233,048	239,910
O-5	100,259	194,372	201,234
O-4	83,841	166,212	173,074
O-3	66,070	133,229	140,091
O-2	50,131	106,550	113,412
O-1	38,381	82,926	89,788
WO-5	\$98,613	\$193,827	\$200,689
WO-4	81,293	164,085	170,947
WO-3	65,966	138,464	145,326
WO-2	54,779	117,344	124,206
WO-1	48,080	103,286	110,148
E-9	\$75,140	\$145,563	\$152,425
E-8	59,271	123,138	130,000
E-7	49,854	108,320	115,182
E-6	39,961	92,117	98,979
E-5	33,060	76,283	83,145
E-4	26,436	61,626	68,488
E-3	21,668	52,366	59,228
E-2	20,319	47,146	54,008
E-1	18,129	48,041	54,903
CADETS	\$12,354	\$17,851	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. **Includes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,563 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). **Excludes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which currently is \$180,375 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE NAVY  
FOR FISCAL YEAR 2013 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$180,375 <sup>5/</sup>	\$292,492	\$299,354
O-9	180,375	296,513	303,375
O-8	165,275	280,952	287,814
O-7	144,402	252,179	259,041
O-6	122,397	228,924	235,786
O-5	98,622	195,423	202,285
O-4	83,554	174,343	181,205
O-3	68,096	149,702	156,564
O-2	53,513	118,037	124,899
O-1	39,570	95,323	102,185
WO-5	\$97,835	\$182,368	\$189,230
WO-4	86,234	167,611	174,473
WO-3	72,640	146,744	153,606
WO-2	61,285	130,023	136,885
WO-1	----	----	----
E-9	\$73,893	\$144,213	\$151,075
E-8	58,759	122,898	129,760
E-7	50,114	109,814	116,676
E-6	41,013	96,136	102,998
E-5	32,994	81,880	88,742
E-4	26,531	66,402	73,264
E-3	22,560	55,489	62,351
E-2	20,572	49,270	56,132
E-1	17,522	43,404	50,266
CADETS	\$12,004	\$18,074	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. **Includes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,563 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). **Excludes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which currently is \$180,375 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
U.S. MARINE CORPS  
FOR FISCAL YEAR 2013 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$180,375 <sup>5/</sup>	\$299,586	\$306,448
O-9	180,375	300,234	307,096
O-8	168,124	286,919	293,781
O-7	144,724	256,047	262,909
O-6	122,755	223,314	230,176
O-5	99,105	188,914	195,776
O-4	84,593	164,812	171,674
O-3	68,361	138,563	145,425
O-2	52,027	109,828	116,690
O-1	38,473	82,056	88,918
WO-5	\$94,120	\$179,786	\$186,648
WO-4	80,740	158,076	164,938
WO-3	67,509	137,667	144,529
WO-2	56,789	121,662	128,524
WO-1	50,244	110,497	117,359
E-9	\$73,459	\$140,827	\$147,689
E-8	56,965	115,976	122,838
E-7	48,396	103,983	110,845
E-6	39,592	90,139	97,001
E-5	31,953	73,307	80,169
E-4	26,204	60,214	67,076
E-3	22,244	51,069	57,931
E-2	20,294	45,373	52,235
E-1	18,023	41,804	48,666

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. **Includes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,563 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). **Excludes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which currently is \$180,375 per year.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE AIR FORCE  
FOR FISCAL YEAR 2013 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$180,375 <sup>5/</sup>	\$295,631	\$302,493
O-9	180,375	304,069	310,931
O-8	165,722	279,382	286,244
O-7	143,601	252,865	259,727
O-6	119,925	219,436	226,298
O-5	97,116	186,582	193,444
O-4	82,261	164,001	170,863
O-3	65,920	136,931	143,793
O-2	50,923	111,373	118,235
O-1	36,530	87,498	94,360
WO-5	----	----	----
WO-4	----	----	----
WO-3	----	----	----
WO-2	----	----	----
WO-1	----	----	----
E-9	\$74,139	\$140,819	\$147,681
E-8	59,946	119,867	126,729
E-7	50,769	106,408	113,270
E-6	41,524	92,261	99,123
E-5	33,282	78,033	84,895
E-4	26,393	63,683	70,545
E-3	21,678	50,515	57,377
E-2	20,153	45,837	52,699
E-1	17,265	40,116	46,978
CADETS	\$12,031	\$18,173	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. **Includes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,563 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). **Excludes** a per capita normal cost of \$3,701 for MERHC accrual -- **see Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which currently is \$180,375 per year.