



VERA/VSIP

**National Capital Region Medical Directorate
(NCR-MD)**



Purpose

- Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Pay (VSIP) are workforce reshaping flexibilities for the civilian workforce
- Civilian employees who apply and are approved can retire earlier than normal and receive a monetary incentive to do so



What is VERA?

Voluntary Early Retirement Authority

- Temporarily lowers the age and service requirements for retirement to increase the number of employees who are eligible

VERA Approval

- The approval process will follow the Chain of Command structure
- Decisions are made based on the restructuring options for the employee's position



Who is eligible for VERA?

- Must meet age and service requirements
 - at least 50 years of age and 20 years of creditable service, or
 - any age with at least 25 years of creditable service

- Must be a U.S. citizen

- Must be on a permanent appointment (serving under an appointment without time limitation)

- Must have been continuously employed within the Department of Defense for more than 30 days as of 1 January 2015

- If employees are approved for VERA
 - must voluntarily retire
 - If applicable, retention incentive must be terminated effective on or before VERA window closes (20 February 2015)



Who is not eligible to apply for VERA?

- Currently under a service agreement, including relocation or recruitment incentives
- Reemployed Annuitant
- Eligible for disability retirement under any federal employee retirement systems (or may be)
- Have received a decision notice of involuntary separation for misconduct or unacceptable performance



What is VSIP?

Voluntary Separation Incentive Pay

- Commonly known as a “buyout”
 - Management tool designed to encourage employees to voluntarily separate by either retirement or resignation
- Not an employee entitlement

VSIP Approval

- The approval process will follow the Chain of Command structure
- Decisions are made based on the restructuring options for the position
- Positions cannot be filled as the same position – must be abolished or restructured



Who is eligible to receive VSIP?

- Must be a U.S. citizen
- Must be on a permanent appointment (serving under an appointment without time limitation)
- Must have been continuously employed by the DoD for 12 months
- If employees are approved for VSIP
 - must voluntarily retire or resign
 - and
 - retention incentive (if applicable) will be terminated by the end of the application period (20 February 2015)



Who is not eligible to apply for VSIP?

- Reemployed Annuitants
- Is eligible for disability retirement;
- Have received a decision notice of involuntary separation for misconduct or poor performance;
- Previously received any VSIP from the Federal Government;
- Currently on a service agreement related to receiving Student Loan Repayment, Recruitment/Relocation Incentive and Retention Incentive.
 - If interested and on one of these agreements please contact CHRC for further information.



VSIP Personnel Action and Payment

- Employees accepting a VSIP buyout must sign an agreement statement
 - confirming the voluntary nature of the action, and
 - indicating an understanding of the reemployment restrictions, and
 - identifying the incentive payment terms (how you want to receive the VSIP)

- Employees have three options for payment:
 - In a lump-sum payment up to \$25,000 (before taxes)
 - In bi-weekly payments in equal amounts at a rate selected by the employee
 - Receive one half of the buyout 6 months following the separation and the remaining half 6 months later



Who is not eligible to apply for VSIP? (Continued)

- Employees occupying positions designated by DoD and the Office of Personnel Management (OPM) as severe shortage of candidates, critical hire, and/or mission critical as follows:

Skill Type 1	Skill Type 2	
680-Dentists	665-Audiologists	603-Physician Assistants
602-Physicians	601-Chiropractors	668-Podiatrists
701-Veterinary Medical Officers	682-Dental Hygienists	180-Psychologists
	630-Dietitian/Nutritionists	636-Rehabilitation Therapy Assistants
	631-Occupational Therapists	401-Research Biologists
	662-Optometrists	651-Respiratory Therapists
	667-Orthotists / Prosthetists	185-Social Workers
	660-Pharmacists	665-Speech Pathologists
	633-Physical Therapists	

Skill Type 3	Skill Type 4	Skill Type 5
610-Nurses	647-Diagnostic Radiologic Technologist	690-Industrial Hygienists
	649-Medical Instrument Technicians	2210-Information Technology Management (Information Security only)
	645-Medical Technicians	
	644-Medical Technologists	
	621-Nursing Assistants	
	661-Pharmacy Technicians	
	620-Practical Nurses	
	181-Psychology Technicians	



How is VSIP calculated?

- VSIP pay is calculated based on length of service and age of the employee (similar to severance pay).
- Employees can use the severance pay calculator to determine the approximate VSIP amount. The calculator is available at <https://www.abc.army.mil>
- The amount the employee actually receives is less than the amount determined using the calculator because of the deduction of taxes, including Federal, state, social security, and Medicare, as appropriate.



Can I return back to work if I accept VSIP and/or VERA?*

- If you retire on VERA authority without a VSIP buyout...
 - You may return immediately to the Federal Government as a re-employed annuitant; or you may accept a non-appropriated fund position, or work as a contractor

- If you accept a VSIP buyout...
 - An employee who receives a VSIP and later accepts employment for compensation with the Government of the United States within 5 years of the date of the separation, including work under a personal services contract or other direct contract, must repay the entire amount of the VSIP to the agency that paid it - before the individual's first day of reemployment
 - An employee may return to any federal agency after 5 years without having to pay back any VSIP buyout amount received
 - A DoD employee who receives a buyout may not be reemployed by the Department of Defense for 12 months after separation.



Commencement Date of Annuity for Retirement

- Effective date of voluntary option and early retirement for both CSRS and FERS employees begins on the date management establishes for employees to be off NCR MD employment rolls
- Annuity begins to accrue the following day, to be paid 6 to 8 weeks after your retirement date
- Paperwork for retirement at the same time application for VERA/VSIP so the Army Benefits Center-Civilian (ABC-C) has enough time to process
 - If application for VERA/VSIP is not approved, can withdraw application from ABC-C
- Log in to EBIS to obtain retirement estimate –
<https://www.abc.army.mil>



ABC-C – Web Based

- NCR-MD employees are serviced by the Army Benefits Center – Civilian (ABC-C) in Fort Riley, Kansas
- ABC-C website: <https://www.abc.army.mil>
- Toll-free telephone number is 1-877-276-9287
- Toll-free TDD for the hearing impaired is 1-877-276-9833
- Available to those without computer access
- Requires use of SSN and PIN only



References

VSIP Authority

- 5 U.S.C. 3521
- 5 CFR Part 576
- 5 U.S.C. 2105
- http://www.federalretirement.net/buyout_vsip.htm

VERA Authority

- 5 U.S.C. 8336(d)(2)(D) for CSRS
- 5 U.S.C. 8414(b)(1)(B) for FERS
- 5 CFR Part 831.114 for CSRS
- 5 CFR Part 842.213 for FERS
- http://www.federalretirement.net/early_retirements.htm



Questions?

For further information, please contact your CHRC representative at WRNMMC 301-319-8387 or FBCH 571-231-2792 or email

dha.bethesda.ncr-medical.mbx.ncr-md-chrc@mail.mil