



THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

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HEALTH AFFAIRS

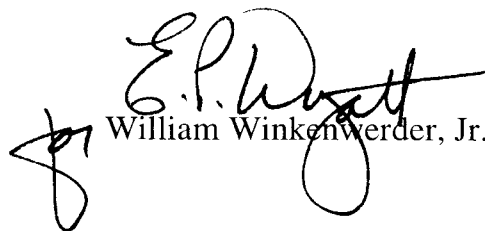
MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING
SERVICE

SUBJECT: Policy for Implementing Payments of the Nurse Officer Accession Bonus
and Incentive Special Pay for Nurse Anesthetists for Fiscal Year 2004

Attached is policy guidance for changes in payment amounts for the Nurse Officer Accession Bonus and Incentive Special Pay (ISP) for nurse anesthetists in accordance with changes authorized in the National Defense Authorization Act for Fiscal Year 2003, signed into law December 10, 2002. These pays 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 allowable Fiscal Year 04 rates for the Nurse Accession Bonus and Incentive Special Pay for Nurse Anesthetists, the Health Professionals Incentive Integration Board 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.

The Secretary of each Department concerned shall establish implementing guidance based on each Department's own accession requirements and capabilities.

The Secretaries of the Military Departments shall ensure their implementing guidance is promulgated within ten working days upon receipt of this memorandum, with a copy to Health Affairs. My point of contact for special pay issues is Colonel John Powers at (703) 681-1703.


William Winkenwerder, Jr., MD

Attachments:
As stated

cc:
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
Defense Finance and Accounting Service

HA POLICY: 03-018

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.
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 four 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 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 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 \$10,000. Eligible individuals who sign a written agreement, on or after October 1, 2003, 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 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.

HA POLICY: 03-018

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, 2003.

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 Department of Health and Human Services will promulgate corresponding policy and procedures for USPHS officers.

F. Authority: The Nurse Officer Accession Bonus is under the authority of 37 U.S.C. 302d, as amended by section 615 of the National Defense Authorization Act for Fiscal Year 2003 (Pub. L. No. 107-343).

INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS

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.3., pay an incentive pay to an eligible individual in an amount that shall not exceed
\$6,000/yr for obligated individuals
\$15,000/yr for unobligated individuals who sign a one year contract
\$20,000/yr for unobligated individuals who sign a two year contract.

C. Recoupment:

1. An officer who receives an accession bonus and who fails to become and remain licensed as a 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, 2003.

E. Responsibilities: The individual Military Departments shall be responsible for establishing procedures for the administration of Incentive Special Pay 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 USPHS officers.

E. Authority: Incentive Special Pay for Nurse Anesthetists is under the authority of 37 U.S.C. 302e, as amended by section 615 of the National Defense Authorization Act for Fiscal Year 2003 (Pub. L. No. 107-343)