



HEALTH AFFAIRS

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-1200

JUN 20 2006

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (M&RA)
ASSISTANT SECRETARY OF THE NAVY (M&RA)
ASSISTANT SECRETARY OF THE AIR FORCE (M&RA)

SUBJECT: Policy for Annual Stipend/Grant Increase for Armed Forces Health
Professions Scholarship/Financial Assistance Program

Effective July 1, 2006, the monthly stipend for the F. Edward Hèbert Armed Forces Health Professions Scholarship/Financial Assistance Program (AFHPSP/FAP) participants will increase from \$1,279 per month to \$1,319 per month. The annual grant for FAP participants will increase from \$27,003 to \$27,841.

Sections 2121(d) and 2127(e), Title 10, United States Code, require that the Secretary of Defense annually adjust the amount of the monthly stipend paid to participants of the AFHPSP and the amount of the annual grant paid to FAP participants. These adjustments are based on the overall percentage increase in the rate of basic pay for members of the Uniformed Services. On January 1, 2006, the rate of basic pay for members of the Uniformed Services increased by an average of 3.1 percent.

My point of contact for Department of Defense AFHPSP and FAP policy matters is Mr. Richard Franco at (703) 681-4324, ext. 4025.

For Stephen L. Jones

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cc:

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HA POLICY: 06-011

Policy for Annual Stipend/Grant Increase for Armed Forces Health Professions
Scholarship/Financial Assistance Program

Additional Background

Sections 2121(d) and 2127(e), Title 10, United States Code, require the Secretary of Defense to annually adjust the amount of the monthly stipend paid to members of the AFHPSP/FAP and the amount of the annual grant paid to FAP participants.

1. These adjustments are based on the overall percentage increase in the rate of basic pay for members of the Uniformed Services.
2. On January 1, 2006, the rate of basic pay for members of the Uniformed Services increased by 3.1%.
3. This policy memorandum officially raised the amount of the stipend and grant in accordance with the directives.

HPSP AND FAP STIPEND INCREASE CALCULATIONS

Stipend

FY 04 Monthly Stipend Rate:	\$1,279.00
MILPAY % Increase	3.1%
New Rate Effective 01 Jul 05	\$1,319.00
Amount of Stipend Increase	\$40.00

FAP Annual Grant

FY04 Annual Grant	\$27,003.00
MILPAY % Increase	3.1%
New Grant Effective 01 Jul 05	\$27,841.00
Amount of Grant Increase	\$838.00