

(UNCLASSIFIED)

INFORMATION PAPER

AHRC-OPH-P  
22 Mar 17

SUBJECT: Service Credit for Retirement Pay (Regular and Non-regular) for Uniformed Services University of the Health Sciences (USUHS) Graduates

1. Purpose: To explain the law and policy crediting the time spent as a medical student in USUHS as creditable years of service in computing regular and non-regular retired pay.

2. Facts:

a. Medical students at USUHS are appointed as second lieutenants in the Regular Army (RA) and serve on active duty while attending medical school.<sup>1</sup>

b. Upon graduation, student officers are reappointed to the grade of captain in the RA as Medical Corps (MC) officers.<sup>2</sup>

c. After reappointment to the MC, USUHS graduates must serve no less than seven (7) years on active duty.<sup>3</sup>

d. The time spent in USUHS, although on active duty, is not creditable for determining eligibility for retirement or for computing basic pay.<sup>4</sup> The prior practice of crediting constructive service for the time spent in USUHS as creditable years of service for computing retirement eligibility and basic pay was rescinded beginning 14 September 1981.<sup>5</sup>

e. Although excluded from determining retirement eligibility or basic pay, the time spent participating in USUHS on active duty as a student is creditable service for computing retirement pay.<sup>6</sup>

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<sup>1</sup> See 10 USC §2114(b).

<sup>2</sup> See 10 USC §532 (prescribing professional qualifications for appointment to the MC in the RA); 10 USC §533 (prescribing the rules governing entry grade credit upon appointment to the RA for health professions officers); DODI 6000.13 (Accession and Retention Policies, Programs, and Incentives for Military Health Professions Officers), Encl 3 (implementing Federal law governing RA appointments in the health professions).

<sup>3</sup> See 10 USC § 2114(c)-(d) (prescribing the active duty service obligation and specifying the subsequent time spent participating in a military internship or residency is not creditable to satisfy the incurred obligation).

<sup>4</sup> 10 USC §2114(c) (incorporating the service credit exclusions within 10 USC § 2126, which pertain to students participating in the Armed Forces Health Professions Scholarship Program).

<sup>5</sup> See DOD 7000.14-R (DOD Financial Management Regulation) (hereinafter "DODFMR"), Vol 7B, ¶ 010303B.

<sup>6</sup> See 10 USC §1405(a) (stating a service member's "active service" is included in the computation for his or her creditable years of service); 10 USC §101(d)(3) (defining "active service" to mean "active duty").

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f. Department of Defense (DOD) financial management policy, which implements Federal law by establishing the rules prescribing creditable service for computing retired pay, specifically states that “service creditable in computing retired pay should include time an officer served in the USUHS.”<sup>7</sup>

g. In addition, DOD policy further illustrates that a former USUHS student who becomes retirement eligible after completing 20 or more years of active duty (minus the service exclusions; i.e., the time spent in USUHS and any time spent in a military internship or residency) is to be credited upon retirement as a multiplier when computing retirement pay.<sup>8</sup>

h. Similarly, the time spent in USUHS is also applicable toward computing non-regular retirement pay (active service-one point per day) as a percentage multiplier after a reserve officer becomes eligible for retirement.<sup>9</sup>

Mr. Avery E. Davis/502-613-6485/avery.e.davis.civ@mail.mil

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<sup>7</sup> DODFMR, Vol 7B, ¶ 010303A-B.

<sup>8</sup> See DODFMR, Vol 7B, ¶ 010303B.

<sup>9</sup> See DODFMR, Vol 7B, ¶ 010303 (authorizing the time an officer participates as a student in USUHS as creditable active service for computing retired pay without distinguishing between either a regular or non-regular retirement).

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