

MILPERSMAN 7220-112

PAY AND ALLOWANCE CONTINUATION (PAC) PROGRAM

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References	(a) 37 U.S.C. 372 (b) USD(P&R) memo of 15 May 2008 (c) 26 U.S.C. 112 (d) 37 U.S.C., Chapter 5 (e) 10 U.S.C. (f) 37 U.S.C, Chapter 7
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1. **Purpose.** Pay and Allowance Continuation (PAC) Program is effective as of 15 May 2008 per references (a) and (b) and terminates the Combat-Related Injury Rehabilitation Pay (CIP) established in 2006. PAC mandates that pay and allowances shall continue to be paid to a member of a regular or reserve component who, in the line of duty, incurs a wound, injury, or illness

- while serving in a combat operation or a combat zone,
- while serving in a hostile fire area, or
- while exposed to a hostile fire event (regardless of location);

and is hospitalized for treatment of the wound, injury, or illness. This entitlement is payable for up to 12 months if a member remains eligible.

2. **Definitions**

a. **Hostile Fire.** An event including hostile fire, an explosion of a hostile explosive device, or any other hostile action that involves an attack or other use of force perpetrated by a foreign individual(s) or entity against the United States (U.S.) or a member of its uniformed services, or other designated persons or property. It also includes force used directly to impede the mission and/or duties of the uniformed services, such as the recovery of U.S. personnel or vital U.S. Government property.

b. **Combat Operation.** A military action that may involve carrying out a strategic, operational, or tactical mission against a hostile or unfriendly force, to include carrying on combat and any related movement, supply, attack, defense, and maneuvers needed to gain the objectives of a battle or campaign. Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) are examples of combat operations.

c. **Combat Zone.** An area designated by Executive Order under reference (c) as an area in which U.S. Armed Forces are or have engaged in combat. Combat zone also includes direct-support areas certified by the Secretary of Defense (SECDEF).

d. **Line of Duty.** A member will be considered as serving in the line of duty unless the wound, injury, or illness is the result of the member's intentional misconduct or willful negligence, or is incurred during a period of unauthorized absence.

e. **Hospitalized.** A member who is admitted as an inpatient to a qualifying Medical Treatment Facility (MTF). Additionally, a member who may be initially admitted as an inpatient and later receives outpatient rehabilitation meets the definition of "hospitalized." In cases where adequate medical treatment (e.g., field medical unit or fleet hospital) is not available in a theater for injuries, illnesses, or wounds incurred in a combat operation, combat zone, hostile fire area, or hostile fire event, the member would be considered "hospitalized" if evacuated. The hospitalization related to a wound, injury, or illness that is the result of service in a combat operation or combat zone, service in a hostile fire area, or exposure to a hostile fire event, may occur immediately following such wound, injury or illness, or at a later time if the need for hospitalization is not initially evident.

f. **Medical or Patient Unit.** An organizational entity or functional division or facility associated with providing medical care to qualifying wounded, injured, or ill members. A member assigned in an "other" category to a command or installation in a limited duty (LIMDU) status may be eligible for the PAC entitlement if determined by Office of Chief of Naval Operations, Navy Casualty (OPNAV (N135C)).

3. **Entitlement**

a. Members of the Regular or Reserve Components who, in the line of duty, incurred a wound, injury, or illness while serving in a combat operation or a combat zone; while serving in a hostile fire area, or while exposed to a hostile fire event (regardless of location); and are hospitalized for treatment of the wound, injury, or illness shall continue to receive the pay and allowances the member received at the time of hospitalization. These pay and allowances include those authorized in references (d) and (e) and the incidental expense (IE) portion of per diem for members deployed in a combat operation or combat zone. These pay and allowances include, but are not limited to:

(1)	Hardship Duty Pay-Location
(2)	Hostile Fire/Imminent Danger Pay
(3)	Per Diem (Incidental Expense Portion Only)
(4)	Hazardous Duty Incentive Pay (e.g., Demolition, Jump, Flight Deck)
(5)	Diving Duty Pay
(6)	Special Duty Assignment Pay
(7)	Assignment Incentive Pay
(8)	Sea Pay
(9)	Selective Reenlistment Bonus

Basic Pay, Basic Allowance for Subsistence (BAS) , Cost of Living Allowance (COLA), Family Separation Allowance (FSA), and Basic Allowance for Housing (BAH); or any other allowance (except as indicated above) found in reference (f) are not included in the calculation of PAC.

b. Members meeting the qualification for this entitlement in paragraph 3(a) above and serving on temporary, deployed, or attached duty for over 30 days duration in a designated hardship duty location for purposes of Hardship Duty Pay (HDP-L); and who are wounded, injured, or become ill within the first 30 days of serving in the designated area; will be considered eligible for HDP-L at the time the wound, injury or illness is incurred.

4. **Termination of Entitlement**

a. Members meeting the qualifications for PAC will have the pay and allowances continued until the end of the first month beginning after the earliest of the following dates:

(1) **The date on which the member is returned for assignment to other than a medical or patient unit for duty as determined by OPNAV (N135C).**

(2) **The date on which the member is discharged, separated, or retired (including temporary disability retirement) from the Uniformed Services; or**

(3) **One year after the date on which the member is first hospitalized for the treatment of the wound, injury, or illness.** The Principal Deputy Under Secretary of Defense for Personnel and Readiness (PDUSD(P&R)) may extend the termination date in 6-month increments, but only under extraordinary circumstances (e.g., member remains in a comatose state for the duration of the 12-month eligibility period). Requests for this extension should be sent through the member's chain of command and endorsed by competent medical authority before being forwarded first through OPNAV (N135C); and then Pay and Compensation Branch (OPNAV (N130)). When possible, the request for extension should be sent to OPNAV (N135C) 60 days prior to entitlement expiration.

b. In order to ease the transition from CIP to PAC, an automatic 6-month extension was granted **until 31 October 2008**, for members who were eligible in all other respects for the PAC entitlement. A second extension was granted for all members receiving PAC whose eligibility would have expired due to length of hospitalization **before 31 October 2008**. This second extension allows members to continue to receive PAC, if eligible in all other respects, **until 30 April 2009**. Additionally, any member whose PAC entitlement would have expired or will expire due to length of hospitalization at any point from November 2008 until October 2009 shall have a 6-month extension authorized from the date after the entitlement would expire.

5. **Examples:**

(See next page.)

a. **Servicemember injured in Iraq on 1 June 2008.**

- Member is seen in field hospital on 1 June 2008 and flown to Landstuhl, Germany on 3 June 2008.
- Member is inpatient in Germany from 3 June 2008 until 6 June 2008 and then flown to Bethesda on 7 June 2008.
- Member is inpatient in Bethesda from 7 June 7 2008 until 29 June 2008.
- Member is then released to a medical/patient unit for outpatient care from 29 June 2008 until 20 August 2008.
- On 20 August 2008, member is returned to member's unit in a LIMDU status.
- On 20 June 2008 member received payment under the Traumatic Injury Servicemembers' Group Life Insurance (TSGLI).

Member would be qualified for PAC payments for June, July, and August 2008. PAC eligibility is not stopped when a member receives a payment under TSGLI.

b. **Servicemember is injured in Afghanistan on 21 April 2008.**

- Member is seen in field hospital on 21 April 2008 and flown to Landstuhl, Germany on 25 April 2008.
- Member is inpatient in Germany from 25 April 2008 until 3 May 2008 and then flown to Brook Army Medical Center (BMAC) on 3 May 2008.
- Member is inpatient in Brooke Army Medical Center from 3 May 2008 until 30 May 2008.
- On 30 May 2008, member is returned to member's unit in a LIMDU status.
- On 15 August 2008, member is admitted back to BAMC for surgery to correct the above mentioned injury and is inpatient from 15 August 2008 until 18 August 2008.
- On 18 August 2008, member is returned to member's unit.

Member would be qualified for PAC payments for May and August 2008.

c. **Servicemember is injured in Iraq on 7 June 2007.**

- Member is seen in field hospital on 7 June 2007 and flown to Landstuhl, Germany on 9 June 2007.
- Member is inpatient in Germany from 9 June 2007 until 17 June 2007 and then flown to Walter Reed Medical Center on 18 June 2007.
- Member is inpatient at Walter Reed Medical Center from 18 June 2007 until 28 September 2007.
- On 28 September 2008, member is released from the hospital and is assigned to a medical/patient unit and is being seen on a regular outpatient basis from 28 September 2007 through 20 January 2008.
- On 20 January 2008, member is returned to member's unit.
- On 2 May 2008, member is admitted back to Walter Reed for surgery to correct the above mentioned injury and is inpatient from 2 May 2008 until 20 May 2008.
- On 20 May 2008, member assigned to a medical/patient unit on 10 November 2008.
- On 10 November 2008 member is returned to member's unit.

Member would be qualified for PAC payments for June, July, August, September, and October 2008 (due to extended PAC eligibility through 31 October 2008).

6. **Tracking, Reporting, and Payment**

a. **Tracking and Reporting Requirements**

(1) Bureau of Medicine and Surgery (BUMED) will ensure each MTF transmits **via encrypted E-Mail** the NAVPERS 7220/11 Pay and Continuation Program Report which can be accessed by the following link
<https://www.mynavyhr.navy.mil/References/Forms/NAVPERS/>
to OPNAV (N135C), via the appropriate cognizant Navy Medical Region, utilizing a format provided by OPNAV (N135C). The report will contain information on all Navy personnel undergoing treatment, whether inpatient or outpatient, for a wound, illness, or injury incurred in theater. Injured, ill, or wounded Sailors will remain on the report until one week after they are no longer hospitalized as defined in this MILPERSMAN article. Information provided to OPNAV (N135C) will include the

- Cognizant Medical Region;
- Medical Treatment Facility;
- Sailor's name;
- Last Four of Sailor's Social Security Number (SSN);
- Theater of Operations (OEF/OIF);
- Date of Evacuation/Initial Hospitalization;
- Battle Injury (BI) or Non-Battle Injury/Illness (NBI);
- Current Status (Inpatient, Outpatient, Care/Rehab);
- Inpatient Admission Date;
- Inpatient Discharge Date;
- Inpatient Facility Name, Location, and Type (MTF/VA/Civilian); and
- Date of Completion for Outpatient Care or Separation/Retirement from Service.

This report will be transmitted to OPNAV (N135C) on a weekly basis.

(2) OPNAV (N135C) will determine PAC eligibility utilizing data submitted by BUMED for evacuated Sailors and maintain data on those Sailors who have been notified of eligibility to receive the PAC benefit. OPNAV (N135C) will transmit the completed PAC Program Report to Defense Finance and Accounting Center, Cleveland Center (DFAS-CL) weekly. Additionally, OPNAV (N135C) will generate a quarterly report that includes the Sailors who are currently receiving PAC and

will forward to Principal Deputy Undersecretary of Defense (USD(P&R)).

(3) OPNAV (N135C) will track each Sailor's PAC eligibility and ensure that the Sailor is aware and counseled regarding expiration date of the entitlement.

b. Payment Procedures

(1) Continuation of pay and allowances under the PAC program shall occur from 15 May 2008, or the member's eligibility, whichever occurs later.

(2) Members who were already authorized payment of CIP and were determined to be eligible for PAC had their CIP payment terminated on 31 May 2008 with the PAC authorization effective 1 June 2008.

(3) OPNAV (N135C) will provide Defense Finance and Accounting Service-Cleveland Center (DFAS-CL) with a monthly list of members who are eligible for PAC, and the date members previously eligible for PAC become ineligible so that the pay may be terminated.