

FY2011

DEPARTMENT OF DEFENSE
PLAN FOR USE OF
THE PHYSICIANS COMPARABILITY ALLOWANCE
(Under 5 USC 5948)

1. Purpose. The purpose of this plan is to prescribe Department of Defense (DoD) policies and procedures for administering the Federal Physicians Comparability Allowance Act of 1978, as amended. This act provides that certain Federally employed physicians and dentists may be authorized the payment of an allowance in return for a specified period of service. These allowances are paid only in the case of categories of physicians and dentists for which the Department is experiencing a significant recruitment and retention problem, and are fixed at the minimum amounts necessary to deal with such problems.

2. Definition. For purposes of determining eligibility for physicians comparability allowance a "physician" is defined as a doctor of medicine, osteopathy, or dentistry. For the purpose of consideration for an allowance, a physician must be employed under the General Schedule, Senior Executive Service, or in a position established under 5 USC 5371 or similar authority relating to administratively determined pay for certain scientific and professional personnel. In addition, an individual is considered employed as a physician only if serving in a position the duties and responsibilities of which could not be satisfactorily performed by an incumbent without those qualifications.

3. Applicability. An individual employed as a physician (as defined in paragraph 2) may qualify for the allowance, except for the following:

- a. Interns or residents.
- b. Those employed less than half-time (20 hours per week) or on an intermittent basis.
- c. Those fulfilling an employment obligation incurred as a result of participation in a Federally subsidized scholarship program.
- d. Those receiving special pay under the provisions of title 38 USC 7431 through 7438 as authorized by 5 USC 1104 and the Delegation Agreement between the Office of Personnel Management (OPM) and DoD.
- e. Reemployed annuitants based on civilian employment in the Federal or District of Columbia civil service.
- f. The allowance will not normally be authorized for recently resigned (one year or less, as determined by each service Secretary) members of the uniformed services, except as may be approved by the Secretaries of the Military Departments or the Directors of the Defense agencies.

4. Policy.

a. The allowance may be paid to physicians serving in any of the following categories:

(1) Category I. Positions primarily involving the practice of medicine or direct service to patients, involving the performance of diagnostic, preventative or therapeutic services to patients in hospitals, clinics, public health programs, diagnostic centers, and similar settings, but not including positions described in Category III, below.

The practice of medicine in Category I includes all specialties and subspecialties recognized as such at the respective DoD facility. It also includes other types of clinically related activities such as faculty involvement with undergraduate, graduate, and continuing medical education programs and involvement with healthcare quality improvement programs and other clinically-related duties. Positions requiring current medical credentials and professional staff privileges at the facility are included in Category I. Preventative services to patients in Category I include educational, therapeutic, and healthcare quality improvement services which improve patient care and reduce disease and injury to patients.

(2) Category II. Positions primarily involving the conduct of medical research and experimental work, including the conduct of work pertaining to food, drugs, cosmetics, and devices (or for the review or evaluation of such research and experimental work), or the identification of causes or sources of diseases or disease outbreaks.

(3) Category III.

Category IIIA. Positions primarily involving the evaluation of physical fitness, or the provision of initial treatment of on-the-job illness or injury, or the performance of pre-employment examinations, preventive health screenings, or fitness-for-duty examinations.

Category IIIB. Physicians engaged primarily with, and having the responsibility for, the administration and management of occupational, physical and mental qualification programs, as opposed to "the conduct of health screening and fitness-for-duty evaluations." Responsibilities include, but are not limited to:

- a. A Chief Medical Officer position immediately responsible for the overall medical operation throughout a major geographic region and includes supervision of the services provided by other senior physicians, evaluation of the appropriateness of facilities, staff, and the quality of evaluation and diagnosis provided by that staff. Provides training regarding evaluation criteria and recommends privileges based upon demonstrated performance criteria and skills acquisition.
- b. A Physician-Advisor position which renders medical advice and consultation to developmental and operational programs. The advice and consultation offered must require the use of scientific findings. The physician advisor renders advice based on medical considerations in areas such as medical care, medical standards and standards development, health system design, and health profession career development. Providing medical advice may be the sole medical function of the physician advisor or it may be combined

with other medical functions. The position of the medical advisor can exist at any level of the organization. The advice given may be generated on the initiative of the physician advisor or it may be in response to a specific request from within or outside of the organization.

(4) Category IV

Category IVA. Positions involving disability evaluation and rating and positions not described in other categories or subcategories.

Category IVB. Physicians who are primarily involved with the administration of medical and health programs including medical research. Responsibilities include but are not limited to:

a) A Chief of Professional Services or Senior Medical Officer position which is immediately responsible for the overall medical care in a hospital, clinic or center and for the management and supervision of all clinical aspects of medical care including its quality and the medical disposition of patients. The position may also include supervision of medical care given by other senior physicians, management through department heads of facilities' staff physicians, and evaluation of facilities, staff and quality of care delivered by that staff. Depending on the size of the installation and its associated workload, a chief of professional services may require one, but not more than three medically qualified assistants or deputy positions which may be included in this category.

b) A Physician Program Director (PPD) position which is responsible for the medical aspects of existing or the development of new health programs where medical knowledge and expertise are prerequisite to the management of the program. The decisions made by the PPD have direct effect on clinical activities or may affect the delivery of health services. These leadership positions require a combination of clinical knowledge and program expertise for efficient and successful functioning of the program being administered. Depending on the size of the installation or program and its associated workload, a PPD may require one, but not more than three medically qualified assistants or deputy positions which may be included in this category.

c) A Physician-Advisor position which renders medical advice and consultation to developmental and operational programs. The advice and consultation services offered must require the use of scientific findings. The physician advisor renders advice based upon medical considerations in areas such as patient care, medical standards application, health systems design and operation, and/or health profession career

development. Providing medical advice may be the sole medical function of the physician advisor or it may be combined with other medical functions. The position of the physician advisor can exist at any level of the organization. The advice given may be generated on the initiative of the physician advisor or it may be in response to specific request from within or outside of the organization.

(5) DoD Components may establish as separate categories any additional subdivisions of these four categories of positions based on factors the Component Head determines relevant. These may include such factors as location and medical specialization of the positions.

b. Physicians in one of the above categories are eligible for an allowance only if all the following conditions are met:

(1) There is positive evidence (such as unacceptably high vacancy or turnover rates), indicating that the Defense Component is unable to recruit and retain sufficient numbers of physicians in the category to meet its staffing needs.

(2) The qualification requirements for vacant positions in the category do not exceed the qualifications actually necessary for positions in the category.

(3) The Component has made efforts to recruit qualified candidates for vacant positions in the category and to retain physicians presently employed in the positions in the category; and

(4) A sufficient number of qualified candidates is not available to fill the existing vacancies in the category at the basic rate of pay the Component is offering.

c. The amount of allowance authorized will be the minimum amount necessary to deal with the recruitment and retention problem for each category established and may not exceed:

(1) \$14,000 per year if the employee has served as a Government physician for 24 months or less.

(2) \$30,000 per year if the employee has served as a Government physician for more than 24 months.

d. For the purpose of determining length of service, prior service as a Government physician need not have been continuous, but periods of leave without pay may not be counted. Service in the military is not creditable. This exclusion of military service does not apply for service performed during a war or in a campaign or expedition for which a campaign badge is authorized and awarded.

Civilian service interrupted by voluntary/involuntary recall into military service, which does not exceed a normal tour (2 years), and return to civilian position shall be considered continuous service in determining length of service.

e. The physician may have his/her length of service and allowance retroactively adjusted based on receipt of documentation of prior service after entering on duty.

f. Entitlement to the allowance does not accrue during a period that base pay does not accrue.

g. The Federal Physicians Comparability Allowance Amendments of 2000 (Public Law 106-571) made PCA payments base pay for retirement purposes when certain conditions are met.

h. Except for retirement purposes under certain conditions, the allowance is not considered as basic pay for insurance entitlements, or for applying pay limitations under 5 U.S.C. 5304.

i. The allowance is subject to the limitation on certain payments established by 5 U.S.C. 5307.

5. Procedures. The Secretaries of the Military Departments and Directors of Defense agencies may approve payment of the allowance to individual eligible physicians in any amount that does not exceed the maximum amount established in paragraph 6 of this plan for the applicable category. Approval will be contingent upon the physician executing an agreement (sample at attachment 1) to serve in the position described in the agreement.

a. The effective date of the agreement will be the date the agreement is signed by the physician, provided the agreement has been otherwise appropriately executed and approved. Payment of the allowance will be effective on the beginning of the first pay period beginning on or after the date of the agreement.

b. If approval of a continuing plan is delayed, when the final approval is received the effective date may be the day after the previous plan terminated or the day after a previous agreement terminated, if the physician has been working in the position during the period, and an agreement would have been executed if plan approval was not delayed.

c. The rate payable for the duration of the agreement will be based on the position in which the physician is serving on the effective date of the agreement.

d. The allowance will be paid in the same manner and at the same time as basic pay.

e. The amount paid to a physician employed 20 hours or more per week on a regularly scheduled basis but less than full time (40 hours per week) will be on a pro-rata basis of the amount that would be authorized for a full-time employee in the same position. The amount that would be paid for a full 40-hour week must be shown on the PCA agreement. If a physician works less than full time, but a minimum of 20 hours per week the number of hours worked must be shown on the agreement. The amount to be paid for less than full time employment must not be pro-rated and shown on the agreement. The Defense Finance and Accounting Service (DFAS) will compute the number of hours based on the annual amount.

f. If the physician is serving with the Government under a loan repayment program, the amount of the loan being repaid shall be deducted from

any allowance for which he/she is eligible. In that situation any portion of the allowance exceeding the amount of the loan being repaid must then be paid under the regular procedures.

g. If the physician is covered under more than one comparability allowance category, he or she may execute an agreement under the more advantageous category.

h. If employment of the physician is terminated during the period of the agreement, and such termination is not at the employee's request or as a result of misconduct, the employee will be entitled to retain that portion of the allowance earned to the date of the termination. An official performance rating of less than fully successful requires termination of the PCA agreement. Authority to terminate the agreement will be one level above the individual who approved the agreement or the commander. The physician will be provided written reasons for termination of the agreement.

i. If the covered employment is terminated voluntarily (including voluntary retirement) by the employee due to separation, transfer outside DoD, or misconduct, the employee will be required to refund the total amount received under the agreement if he or she has completed less than one year of the agreement, or if the employee has completed one year or more of the agreement, he or she will be required to refund the amount of allowance earned during the 26 weeks prior to termination. The Secretaries of the Military Departments or the Directors of the Defense agencies may grant exceptions to the repayment requirement when it is determined that failure to complete the agreement was necessitated by circumstances beyond the control of the employee. The authority to approve exceptions to repayment may be delegated to a level above the approving authority.

j. If the physician is serving under an agreement and becomes covered under a newly announced comparability allowance category, the agreement may be terminated and a new agreement executed to reflect the rate authorized under the newly announced category, effective as of the date of announcement of the newly established category. In such cases, the employee shall be entitled to retain that portion of the allowance earned under the terminated agreement.

k. If, while a physician is serving under an agreement, a new implementation plan becomes effective, providing different payable rates than available under the plan in effect when the agreement was initiated, the agreement may be terminated and a new agreement executed to reflect the rates authorized under the new plan. In such cases, the employee shall be entitled to retain that portion of the allowance earned under the terminated agreement.

l. If, while a physician is serving under an agreement, the physician obtains acceptable board certification, the agreement may be terminated and a new agreement executed to include additional amounts payable for board certification. In such cases, the employee shall be entitled to retain that portion of the allowance earned under the terminated agreement.

m. An agreement is terminated upon the death of the covered employee.

6. In view of comprehensive and chronic problems presently being experienced in recruiting and retaining civilian physicians, the following category maximum per annum allowances are established for DoD-wide application:

**Table 1. Physicians with Two (2) or More
Years of Government Service**

Basic Allowance for 1 year Service Agreement

| | GS-12 and below | GS-13 | GS-14 and above |
|---------------|-----------------|----------|-----------------|
| Category I | \$11,000 | \$11,000 | \$11,000 |
| Category II | 7,000 | 8,000 | 9,000 |
| Category IIIA | 5,000 | 5,000 | 5,000 |
| Category IIIB | 11,000 | 11,000 | 11,000 |
| Category IVA | 4,000 | 5,000 | 5,000 |
| Category IVB | \$11,000 | \$11,000 | \$11,000 |

Additional Allowance for 2 year Service Agreement

| | | | |
|----------------|---------|---------|---------|
| All Categories | \$6,000 | \$6,000 | \$6,000 |
|----------------|---------|---------|---------|

Board Certification *

| | | | |
|----------------|---------|---------|---------|
| All Categories | \$9,000 | \$9,000 | \$9,000 |
|----------------|---------|---------|---------|

Additional Allowance for Extended Service with the Department

An additional allowance is payable to a board certified physician who has completed extended service with the Department. An additional allowance of \$5,000 is payable to a board certified physician who has completed more than 5 but less than 10 years service. An additional allowance of \$10,000 is payable to a board certified physician who has completed 10 or more years service.

Note: The maximum amount payable is determined by a combination of category and years of service.

- The maximum amount payable to category I, IIIB, and IVB is \$24,000 for physicians with more than 2-years but less than 4-years service, \$28,000 for physicians with more than 4-years but less than 8-years service, and \$30,000 for physicians with more than 8-years service.
- The maximum amount payable to category II is \$24,000 for physicians with more than 2-years but less than 5-years service, \$27,000 for physicians with more than 5-years but less than 10-years service, and \$30,000 for physicians with more than 10-years service.
- The maximum amount payable to category IIIA and category IVA is \$20,000 for physicians with more than 2-years but less than 5-years service, \$25,000 for physicians with more than 5-years but less than 10-years service, and \$30,000 for physicians with more than 10-years service.

* Board certification includes only those current specialty certificates which have been prime-source verified and are from boards approved by the American Board of Medical Specialties or by the Bureau of Osteopathic Specialists of the American Osteopathic Association; American Dental Association or American Board of General Dentistry; or nationally recognized

Board. Completion of internship-residency training only will not meet this requirement.

**Table 2. Physicians with Less than Two (2)
Years of Government Service**

Basic Allowance for 1 year Service Agreement

| | GS-12 and below | GS-13 | GS-14 and above |
|---------------|-----------------|---------|-----------------|
| Category I | \$5,000 | \$5,000 | \$5,000 |
| Category II | \$5,000 | \$5,000 | \$5,000 |
| Category IIIA | \$2,000 | \$2,000 | \$2,000 |
| Category IIIB | \$5,000 | \$5,000 | \$5,000 |
| Category IVA | \$2,000 | \$2,000 | \$2,000 |
| Category IVB | \$5,000 | \$5,000 | \$5,000 |

Additional Allowance for 2 year Service Agreement

| | | | |
|----------------|---------|---------|---------|
| All Categories | \$6,000 | \$6,000 | \$6,000 |
|----------------|---------|---------|---------|

Board Certification *

| | | | |
|----------------|---------|---------|---------|
| All Categories | \$9,000 | \$9,000 | \$9,000 |
|----------------|---------|---------|---------|

Note: Maximum amount payable is \$14,000 for all Categories.

* Board certification includes only those current specialty certificates which have been prime-source verified and are from boards approved by the American Board of Medical Specialties or by the Bureau of Osteopathic Specialists of the American Osteopathic Association; American Dental Association or American Board of General Dentistry; or a nationally recognized Board. Completion of internship-residency training only will not meet this requirement.

Where a separate category based on a subdivision of one of the categories has been established by a Defense Component, such Component will establish the maximum allowances so as to maintain a reasonable relationship to the maximums established for DoD-wide application.

7. The criteria in attachment 2 will be used by the Secretaries of the Military Departments and Directors of Defense agencies in evaluating and determining eligibility for allowances. In making these determinations, the Secretaries of the Military Departments and the Directors of Defense agencies must insure that allowances are paid fairly, consistently, and equitably; and only when significant recruitment and retention problems for a particular locality exist.

8. The Deputy Under Secretary of Defense (Civilian Personnel Policy) (DUSD(CPP)) will request information required by the Office of Management and Budget reporting requirements on an as-needed basis.

9. It is anticipated that situations may arise requiring administrative or legal interpretations, etc. In such an event the Under Secretary of Defense (Personnel and Readiness) will be notified immediately concerning the nature and extent of the problem and attempts to resolve it.

10. A copy of this Plan should be made available for review by physicians employed in each of the Defense Components.

11. Authorities assigned herein to the Secretaries of the Military Departments or the Directors of Defense agencies may be delegated to appointing authorities. Further supplemental guidance shall be kept to a minimum and forwarded to the DUSD(CPP) upon issuance.

PHYSICIANS COMPARABILITY ALLOWANCE SERVICE AGREEMENT

1. Authority: (Cite appropriate reference)
2. Under provisions of the above authority, a Physicians Comparability Allowance is authorized for prospective employment as follows:

Location_____

Position and Grade_____

Number of regularly scheduled hours per week if employed less than full time_____

Total Annual Allowance_____

Effective Date_____

Expiration Date_____

PHYSICIAN'S STATEMENT

3. As a Federally employed physician, I understand that:
 - a. As a condition of accepting payment, I will serve with the Department of Defense as a physician from the effective date at least through the expiration date of this agreement, unless the agreement is terminated sooner as indicated below. I understand that the agreement applies to the position currently occupied and that assignment to another position will result in the requirement for the allowance being reviewed and a determination made as to the requirement for an allowance.
 - b. If my employment as a physician is terminated during the period of the agreement at the convenience of the government, but not at my request or as a result of my misconduct, I will be entitled to retain that portion of the allowance earned to the date of termination.
 - c. If my employment as a physician is terminated during the period of the agreement at my request, or as a result of my misconduct, I will be required to refund the total amount received under the agreement if I have completed less than one year of the agreement, or if I have completed one year or more of the agreement, I will be required to refund the amount of allowance earned during the 26 weeks prior to termination. I further agree that assignment at my request to an intermittent or less than half-time (20 hours per week) work schedule shall be equivalent to termination of this agreement at my request. I understand that the approving official has the authority to determine if requesting a reduction in the hours per week to less than 20 is for legitimate reasons. The reduction in number of hours to less than 20 must be for a documented short duration and be temporary in nature.
 - d. If, during the period of the agreement, I become eligible for the comparability allowance under a newly announced category, I may, with management concurrence, terminate this agreement and execute a new agreement reflecting entitlement under the newly announced category, effective on the

date of announcement of the newly assigned category. If I exercise this option, I will be entitled to retain that portion of the allowance earned to the date of termination.

e. If, while serving under this agreement, a new implementation plan becomes effective, providing different payable rates than available under the plan in effect when this agreement was executed, I may, with management concurrence, terminate this agreement and execute a new agreement reflecting entitlement under the new plan. If this option is effected, I will be entitled to retain that portion of the allowance earned to the date of termination.

f. If, while serving under this agreement, I obtain acceptable board certification, I may, with management concurrence, terminate this agreement and execute a new agreement to include additional amount payable for board certification. If this option is effected, I will be entitled to retain that portion of the allowance earned to the date of termination.

g. The allowance will be paid in the same manner and at the same time as my basic pay. Except for retirement purposes under certain conditions, the allowance is not considered as basic pay for computing maximum salary limitations, insurance entitlement, or other benefits related to basic pay.

h. The effective date of the allowance is the beginning of the first pay period that begins on or after the date of this agreement, unless the date was delayed by delayed approval of an implementation plan. In that case the effective date will be determined in compliance with item 5.a. of the implementation plan.

i. The agreement does not in any way commit the government to continue my employment.

PRIVACY ACT NOTICE: This agreement is authorized under 5 USC 5948 and will be among the sources used to compile reports, including use of Social Security Account Number, under 5 CFR 595.108

(Signature)

(Typed name, grade and SSAN)

(Date)

**APPROVAL OF SECRETARY OF MILITARY DEPARTMENT OR DESIGNEE
DIRECTOR OF DEFENSE AGENCY OR PERSON TO WHOM AUTHORITY
FOR APPROVAL IS DELEGATED BY SUCH OFFICIAL**

(Signature)

(Typed name and grade)

(Date)

ENDORSEMENT OF HUMAN RESOURCES:

(Signature)

(Typed name and title)

(Full address and phone number)

(Date)

DOCUMENTATION OF RECRUITMENT AND RETENTION PROBLEMS

1. Check the Category of the position(s):

Category I

Category II

Category IIIA

Category IIIB

Category IVA

Category IVB

2. What selection factors, if any, above the minimum required by the GS-602 qualification standard, are used in recruiting for the position(s)?

3. What impact does locale have on the ability to recruit and retain physicians in this category?

4. Are there any required duties which affect the ability to recruit and retain physicians? If so, describe the duties and how they affect the ability to recruit and retain physicians.

5. For the category indicated above, provide the following documentation on recruitment activities:

a. Number of current physician positions(s) filled and vacant and the length of time these position(s) have been vacant:

(1) Filled _____

(2) Vacant _____

(3) Average length of time positions have been vacant _____.

b. (1) Number of physicians leaving voluntarily during the last year _____.

(2) Reasons for leaving.

c. Number of positions filled during the last year:

(1) By scholarship obligated physicians _____.

(2) By individuals in loan repayment programs _____.

(3) By other means _____.

- d. Describe recruitment efforts (area covered, methods, contacts made, etc.).
- e. Average number of physician applications which must be screened before qualified candidates can be found _____.
- f. Average number of qualified physicians referred for each position filled _____.
- g. (1) Of those interviewed for each position, how many are found unacceptable? _____
- (2) What were the reasons for the unacceptability?
- h. (1) Average number of physicians who reject an offer of employment for each position filled _____.
- (2) What were the reasons for the rejection of the offers?
6. Describe your efforts to retain physicians in this category (e.g., changes in working conditions, use of paramedical personnel to assist physicians in routine duties, etc.).
7. How does the turnover rate for physicians in this category (total personnel losses in relation to employment) compare to the total turnover rate for all positions?