





"People Always ... Mission First"



CRSC/TSGLI/CIP

Overview Presentation

Unclassified



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"The willingness with which our young people are likely to serve in any war no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation."

- General George Washington



COMBAT-RELATED SPECIAL COMPENSATION

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Why CRSC and CRDP?

- In order to better understand eligibility requirements, it is important to know why CRSC and Concurrent Retirement and Disability Payments (CRDP) were created
 - Since the late 1800s, retired veterans with disabilities waived their regular retired pay to receive Veterans Administration (VA) disability compensation
 - In December 2002, Congress enacted a legislative initiative to restore military retirement compensation that is on par with Federal service benefits
 - As a result of this legislation, Congress authorized two programs for disabled retired veterans: CRSC and CRDP to offset the monies being taken out of a servicemember's retirement pay through a VA waiver



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What is CRSC?

- A Congressionally mandated benefits program that provides eligible military retirees compensation for the loss of retirement pay due to receipt of VA disability pay for combat related conditions as defined by DoD guidance
- Three Separate Enactments:
 - Defense Authorization Act FY 2002
 - Defense Authorization Act FY 2004
 - Defense Authorization Act FY 2008
- CRSC is retroactive back to date benefit period began
 - Cannot be prior to VA effective date of award
 - Cannot be prior to retirement date
- Monthly entitlement is not considered military retirement pay; it is not subject to Federal Income Tax and there is no survival benefit plan







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CRSC and **CRDP** Eligibility Requirements

Program	CRSC 2003 (Not Retired Pay*)	CRSC 2004 (Not Retired Pay*)	CRDP (Retired Pay*)
VA Rating	60% or Purple Heart 10%	10%	50% (10 year Phase-In)
Disability Qualified	Combat Connected	Combat Connected	Service Connected
Compensation	Retroactive to 1 June, 2003	Retroactive to 1 January, 2004	Retroactive to 1 January, 2004
Taxability	No	No	Yes
Subject to USFSPA (Spouse Protect Act)	No	No	Yes
Application Requirements	Must Apply	Must Apply	Automatic

^{*}Based on taxability status





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Combat-Related Disabilities (CRSC Eligibility)

- In performance of duty under conditions simulating war (SW)
- While engaged in hazardous service (HS)
- Caused by an instrumentality of war (IN)
- Direct result of armed conflict (AC)
- Purple Heart (PH)

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Presumption Cases (AO, GW, RE)



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Simulating War

- Directly caused by military training
- Injuries occurring at special training locations or during FTX's are not simulating war unless directly related to the training

 PT, sporting events or accidents relating to maintenance are not considered simulating war

(Pre-Decisional)



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Hazardous Service

- Includes, but is not limited to:
 - Aerial Flight

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- Parachute Duty
- Demolition Duty
- Experimental Stress Duty
- Diving Duty



- Disability must be directly caused by actual performance of hazardous duty
- Example:
 - Being a Jump Master, having multiple jumps or being assigned to an Airborne unit is not evidence of cause for Hazardous Service



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Instrumentalities of War

- A vehicle, vessel or device designed primarily for military use or a non-unique device used in a particular hazardous manner by the military
- Incurrence during an actual period of war is not required
- Used for its intended purpose; for example, injuries occurred during routine maintenance would not be considered combat "related"









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Armed Conflict

- Incurred while the Soldier was engaged in armed conflict
- Incurred while the Soldier was a prisoner of war or detained against his/her will by a hostile force
- Incurred while attempting escape from prisoner of war status





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Causal Relationship

- There must be a direct cause and effect between the actual armed conflict and the disability
- It is not sufficient that "but for" the government ordering a Soldier to go to a combat area, the Soldier would not have gotten the disease/injury
- It is not sufficient that a medic handles wounded combat Soldiers in Okinawa medical facility. The wounded Soldier is not an extension of war in a non-combat arena, nor is he/she an instrument of war impacting medical personnel (back injuries, etc)



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Burden of Proof

- Burden of proof that the disability is combat "related" rests with the retiree, except in properly established VA presumptive findings
- Burden of proof is based on the available documentary evidence demonstrating causation ("How" it happened)
- Services will assist in records searches when possible, but the ultimate burden remains with the retiree





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Purple Heart

- Burden of proof and consideration of evidence to establish direct causal relationship between the Purple Heart Award must be provided by the retiree
- Military records must document the award, such as form DD214 and the award must be based on a VA rated disability that was directly caused by the incident
- If the rated disability is determined to be caused by a Purple Heart injury, the rated disability also automatically qualifies as a direct result of armed conflict





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Presumptive Conditions

- Certain laws require the VA to confer "service connection" to specific disabilities
- If a disability is rated in accordance with one of these laws the condition will be presumed to be combat "related" (absent direct evidence that it was not combat-related) and no further review of search of documents is required
- The VA must confirm their rating of presumptive disabilities in accordance with laws for the presumption to apply

Examples	
Agent Orange	Gulf War Syndrome
POW	Radiation Exposure
Mustard Gas	



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Evidence

- Determinations will be made on the basis of credible, objective evidence from copies of "official documents" as distinguished from personal opinion, speculation, conjecture, or undocumented claims
- Copies of documents submitted by retirees can be used if they appear regular on their face and are consistent with military service "period"
- Uncorroborated statements in a record that a disability is combat "related" will not be considered qualifying for CRSC compensation





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Methodology

General Documentation

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- Medical documentation from a Military Treatment Facility (MTF) or VA
- VA Narrative Summary and Code Sheets
- Western Union Telegram or newspaper article, or award narratives
- Specific Hearing Documentation
 - Combat Awards (SS, BS with "V", PH, ARCOM with "V", CIB, CMB)
 - Acoustic Trauma mentioned in official documentation
 - Loss of hearing attributed to combat or instruments of war (artillery, weapons fire, tanks)
- Specific PTSD Documentation
 - Combat Awards (SS, BS with "V", PH, ARCOM with "V",
 - CIB, and CMB)
 - "Combat" mentioned in official documentation



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Submitting a Successful CRSC Claim

- Provide only those documents that describe "How" the injury or condition occurred (sick slip says, "Bad PLF")
- Do not send all of in-service or VA medical records (slows claim)
- Include copies of <u>all</u> DD214's and DD215's
- Include copies of <u>all</u> VA rating decisions and code sheets
- Include any other official military documentation that describes "How" a
 disability or condition occurred

PLEASE SEND COPIES ONLY



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Chapter 61 Retirees Entitlement



- Effective January 1, 2008, all Medical and TERA retired uniform service members meet the preliminary requirements for CRSC payment
- Uniform Reserve members with physical disabilities <u>not incurred in line of duty</u> under section 12731b of title 10 United States Code,
 DO NOT meet the requirements for CRSC payment



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Chapter 61 Special Rule

- Chapter 61 of Title 10 USC subject reduction of full CRSC pay
- CRSC is a second offset and is the difference between Chapter 61 retired pay based on Service Department rated <u>percentage of</u> <u>disability</u> Vs. active duty service retired pay (longevity equivalent)
- DoD assigned "percentage of disability" pays represent the difference in retired pay "off-set"
- The Chapter 61 pay off-set replicates another VA pay off-set creating thus a second "off-set" that reduces the CRSC payment





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Chapter 61: How Medical Retirement Pay is Calculated

- DFAS Method A
 - Service Base Pay X Army Retirement Disability Rating

- DFAS Method B
 - Service Base Pay X Years of Service X 2.5%





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Chapter 61: Medical Retirement Pay Example

 E4 with 4 Years of Service and an 80% disability rating from both the DoD and the VA

> **Method A** - \$1978 X 80% = \$1582 **Method B** - \$1978 X 4 YOS X 2.5% = \$197.80 80 % VA Service-Connected Disability = \$1349

Special Rule Applied

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Method A – Method B = "DoD Disability Pay" \$1582 - \$197.80 = \$1384.20

- VA Disability Pay "DoD Disability Pay" = Amount Eligible for CRSC
 \$1349.00 \$1384.20 = \$35.20 (VA waiver amount)
- No CRSC Pay

^{*}Disability must still meet the conditions of the CRSC program guidance



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CRSC and CRDP

- A retiree cannot receive both CRSC and CRDP concurrently
- If a retiree is eligible for both programs they will be given the opportunity to elect which program they will receive
- A retiree may switch between programs during an annual "Open Season"
- Determining which program to elect depends on a retiree's personal circumstances



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Determining CRDP

Retiree Profile:	90% VA service-connected disability
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Gross Retired Pay: \$1,800.00

VA Disability Pay: \$1,517.00

VA Disability I dy. \$\psi 1,517.00		
Step 1	Using the "2008 table rate"*, determine retiree's 10 year pro-rata CRDP pay computation	CRDP table rate (90% rating): \$500.00
Step 2	Subtract the CRDP table rate from retiree's current VA disability amount (VA waiver)	\$1,517.00 - \$500.00 = \$1,017.00
Step 3	Multiply the difference by the current restoration rate**	\$1,017.00 X 69.76% (2008 restoration rate) = \$709.46
Step 4	Add the product to the table rate amount to find retiree's CRDP amount	\$709.46 + \$500.00 = \$1,209.46

^{*} See appendix for CRDP Rate Table

^{**}See appendix for CRDP Restoration Rate Table



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Determining CRDP

- First Step "2008 table rate"
 - Determine retiree's 10 year pro-rata CRDP pay computation:

If rated unemployable	Paid in Full and Taxed
If rated at 100%	Paid in Full and Taxed
If rated at 90%	\$500.00
If rated at 80%	\$350.00
If rated at 70%	\$250.00
If rated at 60%	\$125.00
If rated at 50%	\$100.00

- Second Step Subtract the CRDP table rate from retiree's current VA disability amount (VA waiver)
 - **Third Step -** Multiply the difference by the current restoration rate: (Pre-Decisional)







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Determining CRDP

•Example: Using the 2008 restoration rate of 69.76%

Difference: \$1,017.00

2008 Restoration rate: x 69.76%

Product: \$709.46

2004	NA
2005	NA
2006	28.00%
2007	49.60%
2008	69.76%
2009	84.88%
2010	93.95%
2011	98.18%
2012	99.64%
2013	99.96%
2014	100.00%





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CRSC In Action

Below is an example of the CRSC benefit

A retiree receives a total of \$1,521 a month for military retired pay and has been awarded VA service-connected disabilities at 100% and combat "related" disabilities at 50%

With CRDP	
Military Retired Pay (E7)	\$1,521
VA Offset	- \$1,521
VA Pay (100%)	+\$2,600
CRDP (100%)	<u>+\$1,521</u>
T	
Total Pay =	\$4,121 Total
\$2,600 Tax-Free / \$ 1.52	1 Taxed

With CRSC	
Military Retired Pay VA Offset VA Pay (100%) CRSC (50%)	\$1,521 -\$1,521 +\$2,600 <u>+\$750</u>
Total Pay =	\$3,350 Tax-Free



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CRSC and CRDP Summary

- CRSC can be awarded for 10% or greater combined VA disability
- CRDP can only be awarded for a 50% or greater combined VA disability
- Only combat "related" disabilities are awardable under CRSC
- All VA service-connected disabilities are awardable under CRDP
- A retiree may be awarded a greater percentage under CRDP than CRSC, if all disabilities are not found to be combat "related"
- CRSC is tax-exempt for federal taxes
- CRDP is taxable
- Determining which program to elect is based on personal circumstances



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Benefit Programs Related to CRSC

Traumatic Servicemembers' Group Life Insurance (TSGLI)



Combat-Related Injury Rehabilitation Pay (CIP)





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TSGLI Program Background

- Congressionally mandated insurance program effective 1 December 2005 (all Services)
 - Department of Veterans Affairs is proponent agency providing guidance
 - Each Branch of Service administers their own program
 - Army program falls under The Adjutant General Directorate for the Human Resources Command, Alexandria, VA
 - Traumatically injured Soldiers provided one-time financial support
 - Non-option bundled with Servicemembers' Group Life Insurance (SGLI)
- Awarded through claims process
 - Soldier's responsibility to initiate the claim
 - Adjudicated by Branch of Service TSGLI office
 - Paid by OSGLI (Prudential is subcontractor to the VA)
 - One-time payouts range from \$25,000-\$100,000 "per event"
 - Reconsideration and appeal is possible



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TSGLI Eligibility—Circumstances Two Different Programs

RETROACTIVE Related to combat zones	PROSPECTIVE Anytime and Anywhere
7 October 2001 – 30 November 2005	1 December 2005 – forward
 ✓ Qualifying traumatic injury must occur while on orders in a Combat Zone Tax Exclusion (CZTE) area ✓ Soldier does not have to be currently serving in Army ✓ SGLI coverage not necessary 	 ✓ Qualifying traumatic injury can occur under any circumstances—doesn't have to be combat-related ✓ Traumatic injury does NOT have to occur while on orders ✓ Soldier must have SGLI coverage

Pending legislation: Senate Bill 1315 would do away with the retroactive CZTE requirement, offering "anytime, anywhere" coverage for all Soldiers with qualifying injuries back to 7 October 2001



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Qualifying Traumatic Injuries/Physical Losses

Definition: A Soldier who sustains one of 44 qualifying physical losses caused by External Force or Violence

	Qualifying injuries (losses)	As a result of (event example)	nples)
,	Amputation (limb or entire finger with thumb)		
Dhyaisal	Loss of Sight, Speech or Hearing (see program defined guidance)	Improvised Explosive Device	Civilian Car Accident
Physical Losses 4 #1-43	Paralysis (quadriplegia, paraplegia, hemiplegic)	Training Accident	Vehicle Borne Improvised
	Brain Injury or Coma (Glasgow Coma score of eight or less)		Explosive Device
(Burns (30% full thickness of face or body)	Motorcycle Accident	Small Arms
ADL Losses #37 & #44	Other traumatic injuries resulting in loss of Activities of Daily Living (ADLs). UNABLE TO INDEPENDENTLY PERFORM at least two of six ADLs for specified periods of time.	Rocket Propelled Grenade	Civilian Aircraft Accident



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TSGLI – Bottom Line

- 1. Traumatic Physical Injury definition:
 - Must have <u>one of the 44</u> qualifying losses
 - External force or violence
 - Does not cover PTSD (mental cognitive loss)
- Documentation <u>must</u> show <u>Time</u> and <u>Type</u> of ADL loss (unable to independently perform two or more ADLs)
- 3. Each Soldier's claim is unique
 - Every injury is different, as are treatments and medical providers
 - Injury specifics, recovery time and documentation vary





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Combat Injury-Rehabilitation Pay

- Congressionally mandated Servicemembers benefits program effective 26 March 2006 (all Services) *
- CIP proponent is the Human Resources Command
- Criteria for Eligibility

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- MEDEVACED
- Inpatient/Outpatient in a Medical Treatment Facility (MTF)
- Attached/assigned to a Warrior Transition Unit (WTU)
- CIP Termination
 - TSGLI payment or notification of payment (can't have both CIP/TSGLI)
 - Assigned to Community Based Healthcare Organization**
 - REFRAD or released to Unit or Demobilization Site
 - No restarts once terminated, unless return to Theater
- TSGLI has the higher benefit, but this is a Soldier's decision

^{*} Pending new DoD program guidance

^{**} Currently under review for ALARACT change



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CIP – A "Personal Decision"

Because TSGLI and CIP are mutually exclusive programs, each Soldier must decide with their Family to determine when TSGLI and CIP are right for their particular situation

Below is an outline of CIP pay and how it stacks up over time:

CIP Compensation Breakdown

Hardship Duty Pay – Location (HDP-L) \$100 Hostile Fire /Imminent Danger Pay (HF/IDP) \$225 Per Diem for meals & incidentals \$3.50 x 30 \$105 Total CIP monthly payment: \$430

Inpatient-Nontaxable/Outpatient-Taxable

Note: This is a sample of various types of Combat pays under the CIP Program

Mos	CIP Benefit
12	\$5,160
24	\$10,320
36	\$15,480









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Website: CRSC: www.crsc.army.mil

TSGLI: www.tsgli.army.mil

CIP: www.tsgli.army.mil



Email: CRSC: crsc.info@us.army.mil

TSGLI: tsgli@conus.army.mil

CIP: combatinjury.pay@us.army.mil



Mail: AHRC

Attn: CRSC/TSGLI/CIP

2200 Stovall Street

Alexandria, VA 22332-0470



Call: 1-866-281-3254 CRSC:

TSGLI & CIP: 1-800-237-1336

(M-F 0800-1900 hrs EST)



Efax: 1-866-275-0684 TSGLI:

Become a "Volunteer Ambassador" - Contact us above!

We recognize that all injuries impact a Soldier's life, and we appreciate the sacrifice of every Soldier.

(Pre-Decisional)