DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

AFGM34-02
20 February 2013

MEMORANDUM FOR SEE DISTRIBUTION C
MAJCOMs/FOAs/DRUs

FROM: HQ USAF/A1SAZ

SUBJECT: Air Force Guidance Memorandum on Pay and Allowances Continuation (PAC)

By Order of the Secretary of the Air Force, this Memorandum immediately implements guidance establishing Air Force policies and procedures for the Pay and Allowance Continuation program. Compliance with this publication is mandatory. To the extent its direction is inconsistent with other Air Force publications, the information herein prevails, in accordance with AFI 33-360, *Publications and Forms Management*.

See the Attachment to this Memorandum for policy guidance.

Ensure all records created as a result of processes prescribed in this Memorandum are maintained in accordance with the Air Force Manual 33-363, *Management of Records*; and disposed of in accordance with the Air Force Records Information Management System Records Disposition Schedule located at https://www.my.af.mil/afrims/afrims/afrims/rims.cfm.

This memorandum becomes void after one-year has elapsed from the date of this Memorandum, or upon publication of an Interim Change or rewrite of the affected publication, whichever is earlier.

DARRELL D. JONES
Lieutenant General, USAF
DCS, Manpower, Personnel and Services

Attachment:
Policy Guidance

Attachment

AIR FORCE POLICY ON PAY AND ALLOWANCES CONTINUATION (PAC)

References: (1) USD P&R Memorandum; "Continuation of Pay and Allowances While Hospitalized for Treatment", Dated May 15, 2008

(2) PDUSD P&R Memorandum; "Extension of the Pay and Allowances Continuation Program (PAC)", Dated October 30, 2008

(3) USD P&R Memorandum; "Extension of the Pay and Allowances Continuation Program (PAC)", Dated January 29, 2009

(4) USD P&R Memorandum; "Supplemental Memorandum Regarding Pay and Allowance Continuation (37 U.S.C. § 372)", Dated July 16, 2009

(5) DoD Financial Management Regulation Volume 7A, Chapter 13, Dated June 2011

(6) Title 37 *United States Code (USC)* Section 372 - Continuation of pays during hospitalization and rehabilitation resulting from wounds, injury, or illness incurred while on duty in a hostile fire area or exposed to an event of hostile fire or other hostile action

1. Purpose: This policy establishes procedures and assigns responsibilities for Pay and Allowances Continuation (PAC) for members of the Air Force.

2. Applicability: This guidance applies to both active component and reserve component Airmen who, in the line of duty, incur wounds, injuries, or illnesses while serving in a combat operation or a combat zone, while serving in direct support of combat operations, in a designated imminent danger pay area or while exposed to a documented hostile fire event (regardless of location), and are hospitalized for treatment of the wound, injury, or illness.

3. Intent: To allow airmen to continue to receive the same pay and allowances they were receiving at the time of hospitalization (with the exception of Family Separation Allowance) and include any special pay, incentive pay, bonus or similar benefit authorized under chapter 5 of Title 37 USC or Title 10 USC, for which the Airman qualifies for at the time of hospitalization and the incidental expense portion of the temporary duty allowance for members deployed in a combat operation or combat zone.

4. Policy: Authorizes continuation of many special pays the Airman expected to receive (i.e. IDP, EOD, etc.) during the scheduled deployment under the requirements set forth in this policy.

5. Responsibilities:

   a. Deputy Chief of Staff for Manpower, Personnel and Services (AF/A1): AF/A1 has Air Force oversight responsibility for policy development to meet the requirements of this program.

   b. Air Force Warrior and Survivor Care (AF/A1SAZ): The Chief, AF/A1SAZ is responsible for creation and revision of the policy for this program and for monitoring the policy for any required updates.

   c. Air Force Casualty Division: Air Force Casualty using the casualty reporting process will start PAC for Airmen meeting the criteria listed in Paragraphs 2 & 6. To start PAC, Air Force Casualty will establish a CMS case and forward it to the appropriate DFAS-JFLMA/IN box to begin payment. The initial Returned to Duty (RTD) and Fully Fit for Duty (FFD) Verification Letters will be routed per guidance in paragraph 7.e.ii.

   d. Deputy Assistant Secretary for Financial Operations (SAF/FMP): SAF/FMP will provide any required liaison between the DFAS offices providing payment of PAC and AF/A1SAZ and Air Force Casualty Offices. Any problems or policy changes will be coordinated with SAF/FMP prior to implementation.

   e. Air Force Surgeon General (AF/SG): AF/SG is responsible for creating the initial RTD/FFD verification letter at the request of the CAR when an Airman is returned to duty with or without duty/mobility restrictions.

      i. For the purposes of PAC, a returned to duty status will be decided by the primary physician when it is determined that the Airman is no longer an inpatient, on convalescent leave or on quarter status. The Airman has been returned to their unit for duty with or without duty/mobility restrictions.

   f. Unit Commanders: Unit commanders retain the responsibility and authority to stop PAC upon notification from the installation SGH that an Airman is RTD. The unit commander will determine if the Airman is FFD based on the definition in this policy.

g. Casualty Assistance Representative (CAR): The CAR will use the RTD/FFD verification letter as a source document to complete the final medical progress report and submit the RTD/FFD letter as an attachment to the final medical progress report to Air Force Casualty.

6. Qualification for PAC:

a. Pay and allowances shall continue to be paid by the Air Force to any Airman (active, Guard or Reserve) 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 direct support of combat operations in a designated imminent danger pay area, or while exposed to a documented hostile fire event (regardless of location), and is hospitalized for treatment of the wound, injury, or illness. An Airman who is medically evacuated due to the unavailability of adequate medical treatment shall, at the time of evacuation, be considered "first hospitalized" for the purposes of determining PAC duration.

b. Delayed identification and hospitalization, or evacuation, for a wound, illness or injury will not jeopardize eligibility for PAC if it can be connected to an event that occurred in a combat operation or a combat zone, while in direct support of combat operations in a designated imminent danger area, or while exposed to a documented hostile fire event.

c. Eligible Airmen are authorized PAC beginning on the date first hospitalized, or evacuated, for a period of up to 12 continuous months or until the end of the first month after the earliest of the following dates (whichever occurs first):

i. The date on which the Airman is returned to duty and is determined to be "fully fit for duty"

ii. The date on which the Airman is discharged, separated, or retired (including temporary disability retirement) from the uniformed services

iii. One year after the date on which the Airman is first hospitalized, or evacuated, for the treatment of the wound, illness or injury

d. An Airman will be considered to meet the "in the line of duty" requirement unless the wound, illness or injury is reported as the result of the member's intentional misconduct or willful negligence, or is incurred during a period of unauthorized absence.

7. Determining PAC Start and Termination Dates:

a. PAC is a monthly entitlement; it is not prorated (pay starts on the first day of the month and ends on the last day of the month).

b. PAC entitlement will start on the first day of the month when the Airman becomes eligible for PAC.

c. PAC entitlement will terminate on the last day of the month when one of the conditions outlined above occurs.

d. PAC entitlement will be terminated when DFAS receives a Fully Fit for Duty date entered in CMS by Air Force Casualty. The primary physician will determine RTD and complete the initial portion of the RTD/FFD letter acknowledging the RTD with or without restrictions and process the letter according to the guidance in paragraph 7.e.ii. Then, the unit commander will determine if the Airman is FFD based on the definition written in this policy.

e. PAC entitlement will be terminated upon receipt of a "Fully Fit for Duty" determination.

i. Fully Fit for Duty is defined, for the purposes of this program only, as the ability to successfully participate in military duties that are beneficial to mission accomplishment as determined by the Airman's commander. While performing this assessment, commanders may consider the duties of the Airman's office and grade, not just the specialty or skill qualification held by the Airman prior to incurring the injury or illness. Airmen returned to their unit for the purpose of aiding in the treatment or healing process, but on restricted or limited duty or awaiting a medical evaluation board or medical procedure related to the qualifying injury or illness, will continue to receive PAC until meeting the above definition for fully fit for duty or upon reaching the 12 month mark from the time of the evacuation or hospitalization or until the Airman is discharged, separated, or retired (including temporary disability retirement) from the uniformed services.

ii. Airmen will continue to be eligible for PAC until they are returned to duty and are determined to be fully fit for duty by their commander or designated representative. The initial RTD/FFD Verification Letter (attach 1) will be initiated by the SGH upon request from the CAR during the casualty medical progress report process (AFI 36-3002, *Casualty Services*, para 2.26) when the medical community determines the Airman is returned to duty. SGH will complete the letter within three working

days and forward it to the Airman's unit commander. The Airman's unit commander will have the final decision on whether PAC is continued or terminated based on the fully fit for duty definition above. The unit commander will have three days to endorse the letter and forward it to the CAR. The CAR will provide the letter to Air Force Casualty as an attachment to the final medical progress report. If unit determines Airman is FFD then Air Force Casualty will update the Case Management System (CMS) and DFAS will stop payment of PAC. If unit determines Airman is not FFD at RTD, subsequent RTD/FFD verification letters will be completed by the unit Commander and routed to Air Force Casualty until member is deemed FFD.

iii. The unit commander, upon determination that the Airman's PAC entitlement will stop, must provide a copy of the RTD/FFD Verification Letter to the Airman notifying them of the decision.

iv. PAC will be officially terminated on the date of the unit commander's determination of FFD or after 12 months without a determination of fully fit for duty. If PAC expires at the end of the 12 month period, AF Casualty will annotate in CMS in lieu of a RTD/FFD Verification Letter.

8. PAC eligibility is for a consecutive period of 12 months (starting on the date first hospitalized or medical evacuation) regardless of multiple diagnoses or subsequent hospitalizations during the eligibility period. Therefore, all qualifying wounds, illnesses, or injuries identified during a PAC eligibility period will qualify as one wound, illness or injury and additional diagnoses will not entitle the airman to an extension beyond the PAC eligibility period.

9. PAC will be paid to all who meet the above criteria and will be initiated upon receipt of a Casualty Report that provides an appropriate level of detail to confirm the individual meets the qualifying criteria. Should a Casualty Report not be generated, and the individual is identified after the fact, the Airman or physician or other care provider must provide appropriate documentation to confirm eligibility. This documentation must include medical evacuation orders and/or a signed statement from a medical provider that details the date of evacuation/hospitalization, the reason for evacuation/hospitalization, significant events in the care of the Airman, and either the date returned to duty or the current status of the Airman on the date the statement is signed. A completed RTD/FFD Verification Letter signed by SGH and endorsed by the Airman's unit commander (or representative) will be submitted as part of the documentation package requesting PAC after the fact.

a. Either the Airman or his/her unit commander, through the CAR, will submit the documents to Air Force Casualty for review.

b. If Air Force Casualty determines the individual qualifies for PAC, AF Casualty will provide that determination to DFAS-JFLMA/IN via CMS.

c. DFAS-JFLMA/IN will take action to ensure payment is made based on AF Casualty notice of qualification and the proper start and stop dates.

d. If Air Force Casualty determines the individual does not qualify, Air Force Casualty will provide a written explanation to the CAR stating the reason for the declination and what additional documentation may be necessary to approve if it is resubmitted.

10. PAC will be terminated based on the criteria listed in this document. Determination of eligibility for PAC is the responsibility of the unit commander after consultation with the primary physician. Once the Airman has been returned to duty, the unit commander must agree that the Airman is fully fit for duty and notify the CAR on initial RTD/FFD determination and Air Force Casualty via subsequent RTD/FFD Verification Letter of the need to stop PAC for that individual. *Timely determination of FFD and processing of the verification letters are critical to ensure Airmen receive their full PAC entitlement without incurring a debt.* Air Force Casualty will take appropriate steps to stop PAC prior to the last day of the month in which the Airman was deemed fully fit for duty. If the payment is not stopped effective the last day of the month, the pay will cease at the earliest possible date. For Airmen receiving PAC after RTD, notification of FFD to Air Force Casualty is the responsibility of the unit commander and cannot be delegated to the affected Airman; however, the commander may delegate this task to appropriate administrative individuals within his/her command.

11. Air Force Casualty will follow up based on the unit commander's anticipated fully fit for duty date as provided by the RTD/FFD Verification Letter. To reduce potential overpayment and debt, AFPC will suspend individual PAC if a RTD/FFD verification letter is not received within 15-days of follow-up request.

DEPARTMENT OF THE AIR FORCE

Date_____

MEMORANDUM FOR AFPC/DPWC
THROUGH: AIRMAN'S UNIT/CC
BASE CASUALTY ASSISTANCE REPRESENTATIVE

FROM: MDG/SGH
THROUGH: AIRMAN'S UNIT/CC

SUBJECT: Returned to Duty (RTD) and Fully Fit for Duty (FFD) Verification Letter

1. A medical review was conducted for:

a. Rank/Name: _____
b. Last Four of SSN: _____
c. Home Station: _____
d. Unit: _____
e. Date of Injury: _____
f. Date Airman was RTD:_____

2. For the purpose of this letter, RTD status means the Airman is no longer in inpatient status, on convalescent leave or on quarters. The Airman has been returned to the unit to perform duty with or without duty mobility restrictions.

3. Questions or concerns may be referred to: _____
..... MTF/SGH (Grade, Name, Phone Number & Date)
(Signature required for initial RTD determination.)

1st Ind, Unit /CC

MEMORANDUM FOR AFPC/DPWC

1. Initial review following MDG/SGH's Return to Duty determination:

I **Do / Do Not** recommend the Airman be considered FFD based on the definition below. Additionally, I have notified the Airman he or she is FFD as of (DD/MMM/YYYY).

FFD for the purposes of this program is defined as: "The ability to successfully participate in military duties that are beneficial to mission accomplishment as determined by the Airman's unit commander." While performing this assessment, commanders may consider the duties of the Airman's office and grade, and not just the specialty or skill qualification held by the Airman prior to incurring the injury or illness. Airmen returned to their unit for the purpose of aiding in the treatment or healing process, but are on restricted or limited duty status or awaiting a medical evaluation board or medical procedure related to the qualifying injury or illness, will continue to receive Pay and Allowances Continuation (PAC) until meeting the FFD definition, or upon reaching 12 month from the time of the evacuation or initial hospitalization or upon discharge, separation, or retirement (including temporary disability retirement) from the service.

If not FFD: I anticipate this Airman will be FFD (MMM/YYYY). This anticipated date will be used to set a suspense for the Unit/CC to reevaluate the Airman's FFD status.

If FFD: I will forward a copy of this memo to the Airman notifying him/her of my decision. As a result of the Airman being FFD, PAC pay will stop at the end of the month when he or she was determined to be FFD.

_____

Unit Commander Signature

OR

2. Member was Returned to Duty by MDG/SGH on: _(date). This is my follow up review based on my anticipated Fully Fit for Duty date.

I **Do / Do Not** recommend the Airman be considered FFD based on the definition above. Additionally, I have notified the Airman he or she is FFD as of (DD/MMM/YYYY).

If not FFD: I anticipate this Airman will be FFD (MMM/YYYY). This anticipated date will be used to set a suspense for the Unit/CC to reevaluate the Airman's FFD status.

If FFD: I will forward a copy of this memo to the Airman notifying him/her of my decision. As a result of the Airman being FFD, PAC pay will stop at the end of the month when he or she was determined to be FFD.

_____

Unit Commander Signature