

**MILPER Message Number
17-294**

**Proponent
AHRC-PDR-C**

**Title
Guidance for the Pay Allowance Continuation (PAC) Program**

...Issued:[9/20/2017 12:50:06 PM]...

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- A. National Defense Authorization Act for Fiscal Year 2008 (NDAA), Sec 661.
 - B. Title 37, United State Code (U.S.C.), Chapter 5, Section 372.
 - C. Title 37, U.S.C., Chapter 7.
 - D. Title 10, U.S.C.
 - E. Department of Defense (DoD) Financial Management Regulation (FMR) 7000.14-R Volume 7A Chapter 13, April 2016.
 - F. Memorandum, Office of The Under Secretary of Defense for Personnel and Readiness (USD P&R), 15 May 2008, subject: Continuation of Pay and Allowance While Hospitalized for Treatment.
 - G. Memorandum, USD P&R, 30 October 2008, subject: Extension of the Pay and Allowances Continuation Program (PAC).
 - H. Memorandum, USD P&R, 29 January 2009, subject: Extension of the Pay and Allowances Continuation Program (PAC).
 - I. Memorandum, USD P&R, 16 July 2009, subject: Supplemental Memorandum Regarding Pay and Allowance Continuation (37 U.S.C. § 372).
 - J. ALARACT 022/2009 – Pay and Allowance Continuation Program (PAC), 231416Z January 2009.
1. This MILPER message will expire no later than 20 September 2018. This MILPER message supersedes all previous MILPER messages with the same subject.
 2. This message provides guidance on the purpose, eligibility, procedures, termination,

extension, and definitions pertaining to the Army's Pay and Allowance Continuation (PAC) entitlement program.

3. The purpose of PAC is to provide financial assistance to Soldiers by continuing their pay and allowances that would have discontinued at the time of their hospitalization. If approved, pay and allowances shall continue to be paid to a Soldier of the Regular Army, Army National Guard, or Army Reserve who, in the line of duty, incurs a wound, injury, or illness while serving in a combat operation or a combat zone, 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. The pay and allowances that are continued for eligible Soldiers under the PAC program are those the Soldier is receiving at the time of hospitalization and may include any special pay, incentive pay, bonus, or similar benefit authorized under section 372 in chapter 5 of title 37 of title 10, U.S.C., and the incidental expense (IE) portion of the temporary duty allowance for Soldiers deployed in a combat operation or combat zone.

4. PAC Eligibility. The Soldier must have been wounded, become ill, or injured in the line of duty; while in a combat zone, combat operation, a hostile fire area, or exposed to a hostile fire event (regardless of location); and was removed from the zone, operation, area, or event prior to the end of their tour. Additionally, directly following the event, the Soldier must have been removed and first hospitalized (minimum of one-day inpatient) for treatment resulting from his or her claimed wound, injury, or illness.

a. A Soldier, at the time of evacuation, will be considered "first hospitalized (minimum of one-day inpatient) for treatment" for the purposes of determining PAC eligibility.

b. After first hospitalization for treatment, a Soldier may remain eligible for PAC during follow-on outpatient treatment and/or rehabilitation until triggering one of the three terminating reasons listed in paragraph six (6).

c. Soldiers may be authorized PAC beginning on the first day of the month following the date they were first hospitalized, and it may continue for up to 12 subsequent continuous months.

5. PAC Processing Procedures:

a. A Soldier's PAC eligibility is initiated by the Defense Finance and Accounting Services (DFAS) offices and the Warrior Transition Battalion(s) (WTB) Financial Management Specialist (FMS) once eligibility is assessed based on the criteria listed in paragraph four. The FMS will compile all eligibility requests and forward them to the Mobilized and Wounded Warrior Pay Management Office (MWWPMO), DFAS Indianapolis, on a weekly basis via Army Knowledge Online (AKO).

b. A Soldier that may have been entitled but did not receive PAC, must request a PAC pay inquiry through his or her S-1 or respective FMS. The S-1 or FMS will compile all inquiries and forward them to the MWWPMO, DFAS Indianapolis, as required via dfas.indianapolis-in.jfa.mbx.ampomdst-custsvc@mail.mil.

c. A Soldier who was separated from the Army and may have been entitled to but did not receive PAC must go through the MWWPMO for PAC pay inquiries via correspondence (mailed letter or email).

d. The MWWPMO, DFAS Indianapolis, will review and compile a list of PAC pay inquiries and forward it to the Army HRC PAC Office on a weekly basis via AKO and encrypted email.

e. The Army HRC PAC Office will research all PAC eligibility requests and pay inquiries and approve if found valid. PAC eligibility requests and pay inquiries are processed throughout the month and then compiled in the monthly payee report. The Army HRC PAC Office verifies a Soldier's request using the Armed Forces Health Longitudinal Technology Application (AHLTA), Medical Operational Data System (MODS), Interactive Personnel Electronic Records Management System (iPERMS), Electronic Military Personnel Office (eMILPO) and Deployed Theater Accountability System (DTAS) but may employ other military systems as needed to determine eligibility.

6. PAC Termination. PAC eligibility will end the last day of the month after any of the following events occur:

a. Soldier is returned for assignment to other than a medical or patient unit for duty.

b. Soldier is discharged, separated, or released from Active Duty (REFRAD) or is medically boarded and retired from service (including Temporary Disability Retirement).

c. Unless extended, PAC will stop accruing on the last day of the month, one year (12 months) after the date first hospitalized for treatment of the wound, injury, or illness incurred in the line of duty that triggered the entitlement. Reference paragraph seven for guidance in submitting extension request packet.

7. PAC Extension Request beyond initial 12 Months.

a. Only the Principal Deputy Under Secretary of Defense for Personnel and Readiness (USD P&R) can extend PAC entitlement beyond the one-year limit, in subsequent six-month periods and only under "extraordinary circumstances." Contact the HRC PAC Office for specific guidance on "extraordinary circumstances."

b. PAC extension requests are due 90 calendar-days before the Soldier's 12-month entitlement is scheduled to end. Pending a decision on his or her extension request,

suspension of a Soldier's PAC entitlement will occur on the scheduled end date if the extension request is submitted to the Army HRC PAC Office after the 90 calendar-day suspense. The Army HRC PAC Office will coordinate with DFAS to ensure reimbursement of all suspended pay if the USD P&R approves the Soldier's extension request.

c. The Army will not support a PAC extension request if a Soldier has been officially referred for a Physical Evaluation Board (PEB).

d. The Soldier, medical professional, or a qualified representative, with the authority to represent the Soldier (e.g., Power of Attorney, etc.) will submit a written justification requesting the extension of PAC entitlement. The Soldier's primary doctor or assigned medical professional must generate a written statement validating the request. Finally, the PAC extension request must include a complete and signed "Pay and Allowances Continuation Extension Request" form. The Army HRC PAC office will not process extension requests if this form is not completed, signed, and included with the Soldier's PAC extension packet. The PAC extension form is located at: <https://www.hrc.army.mil/asset/17987>. A complete extension request packet must contain a signed PAC Extension Request Form, written detailed justification letter, appropriate medical professional statements, and all additional documentation supporting the requested extension.

e. Submit the complete PAC extension request packet to the Soldier's Commanding Officer (company level or higher), who will review and recommend approval or disapproval. If approved, the Commanding Officer will scan and email the entire extension request packet to Army HRC PAC office at: usarmy.knox.hrc.mbx.tagd-pay-allowance-continuation-team@mail.mil no later than 90 calendar-days from Soldier's end of PAC eligibility. The Commander's email must contain his or her concurrence with the PAC extension request.

f. The Army HRC PAC Office will review the extension request packet. If found valid, the PAC office will obtain approval through The Adjutant General (TAG) of the Army and Army G-1 to the USD P&R for decision. Only packets recommended for approval at all levels will be forwarded to the USD P&R for decision.

g. If approved, the Army HRC PAC Office will notify the Soldier's Commanding Officer (company level or higher) and DFAS of the decision. If disapproved, the Army HRC PAC Office will only notify the Soldier's Commanding Officer of the decision.

8. PAC Definitions. Terms are included in this guidance for the purposes of determining PAC eligibility: Note, neither section 661 of the NDAA FY08 nor section 642 of the NDAA FY06, Public Law I 09-163, defined the terms "combat zone" and "combat operation." The DoD Dictionary of Military and Associated Terms, JP 1-02, was used in developing the definitions listed below. Combat zone, however, is a term more fully defined as a term of art in relation to the Combat Zone Tax Exclusion. That

definition is based on statute, Executive Order, regulations, and other policy guidance regarding designated areas.

a. **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 and Operation IRAQI FREEDOM are examples of combat operations for purposes of the PAC program.

b. **Combat Zone.** An area the President of the United States designates by Executive Order under section 112 of title 26, U.S.C., as an area in which U.S. Armed Forces are or have engaged in combat. Usually, an area becomes a combat zone or ceases to be a combat zone on the dates the President designates by Executive Order. In addition, the term combat zone includes direct-support areas certified by the Secretary of Defense. For purposes of the PAC program, such direct-support areas will be treated as combat zones.

c. **Hospitalization.** For PAC purposes, a "hospitalized" Soldier is one who is initially admitted into a medical facility following removal from the zone, operation, area, or event prior to the end of his or her tour. The Soldier may later receive outpatient rehabilitation or some other form of appropriate medical care in a military treatment facility, a Veterans Affairs or civilian hospital, or other treatment facility. The hospitalization related to a wound, injury, or illness that is the result of service in a combat operation or a 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 (during the period of deployment) if the need for hospitalization is not initially evident. A medical or patient unit is an organizational entity, or functional division, or facility associated with providing medical care to qualifying wounded, injured, or ill Soldiers; the words "medical or patient unit" may be subject to refinement, consistent with statute, by the Department of the Army.

d. **Hostile Fire.** An event that may include 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 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. Soldiers are also eligible to receive PAC entitlement if they suffer a wound, injury, or illness resulting from an accident, mistake, or friendly fire directed at a hostile force or what is thought to be a hostile force.

e. **Line of Duty.** For PAC purposes, the conditions, regulations, procedures, and definitions of AR 600-8-4 as it pertains to Line of Duty (LD)/(LOD) is utilized with the substitution of "wound, injury or illness" for the terminology "injured, diseased, or deceased" where ever found. The terminology "casualty" is understood as "wounded,

injured or ill.” Additionally, a Soldier will be considered “in the line of duty” unless the wound, injury, or illness is the result of the Soldier's intentional misconduct or willful negligence or is incurred during a period of unauthorized absence.

9. Army HRC PAC Office POC, AHRC-PDR-C. For clarification of this guidance, contact the PAC office at 1-866-281-3254/502-613-9153 or via email askhrc.army@us.army.mil.