

# Retirement Pay & Medical Benefits for Commissioned Officers

**RETIREMENT PAY AND MEDICAL BENEFITS FOR  
COMMISSIONED OFFICERS**

	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2019 +/-FY 2018</b>
<b>Retirement Payments</b>	\$441,126,028	\$455,428,781	\$469,246,177	\$13,817,396
<b>Survivor's Benefits</b>	29,844,587	30,752,261	31,756,403	1,004,143
<b>Medical Care Benefits</b>	122,449,383	121,043,638	128,207,084	7,163,446
<b>Sub Total</b>	\$593,419,998	\$607,224,679	\$629,209,664	\$21,984,985
<b>Accrued Health Care Benefits</b>	\$27,873,208	\$31,965,930	\$30,040,649	(\$1,925,281)
<b>Total</b>	<b>\$621,293,206</b>	<b>\$639,190,609</b>	<b>\$ 659,250,313</b>	<b>\$20,059,704</b>

Authorizing Legislation 42 U.S.C., Chapter 6A; 10 U.S.C., Chapter 73; 10 U.S.C., Chapters 55; and Section 229(b) of the Social Security Act.

FY 2019 Authorization.....Indefinite.

**Rationale for Budget**

This appropriation provides for retirement payments to Public Health Service (PHS) Commissioned Corps officers who are retired for age, disability, or a specific length of service as well as payments to survivors of deceased retired officers who had elected to receive reduced retirement payments.

This appropriation also funds the provision of medical care to active duty and retired members of the Corps under the age of 65, dependents of active duty and retired members, and dependents of deceased members. This account includes payments to the Department of Defense (DoD) Medicare-Eligible Retiree Healthcare Fund for the accrued costs of health care for beneficiaries over the age of 65.

The Accrual Health Care Benefits amount is an estimate of \$4,471 per officer, provided by the DoD Office of the Actuary, multiplied by the estimated total number of active duty positions (6,719 in FY 2019), for a baseline contribution of \$30,040,649. The FY 2019 estimate is a net decrease of \$1,925,281 over the FY 2018 level.

The overall request reflects increased costs in medical benefits, an average increase of 3% over the past five years in Retired Pay, and a net increase in the number of retirees and survivors during FY 2019.

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Retirement Payments</b>	\$483,482,784	\$498,151,319	\$513,264,888	\$528,836,992	\$544,881,543
<b>Survivor's Benefits</b>	32,793,333	33,864,122	34,969,875	36,111,734	37,290,878
<b>Medical Care Benefits</b>	135,794,468	143,830,878	152,342,889	161,358,647	170,907,963
<b>Sub Total</b>	\$652,070,585	\$675,846,320	\$700,577,653	\$726,307,373	\$753,080,384
<b>Accrued Health Benefits</b>	\$32,000,000	\$34,000,000	\$36,000,000	\$37,000,000	\$37,000,000
<b>Total</b>	\$684,070,585	\$709,846,320	\$736,577,653	\$763,307,373	\$790,080,384