

Chapter 2

CONTRACTUAL OBLIGATION AND CREDITABLE SERVICE

2-1. Highlights.

- a. AR 601-141, Chapter 2, Paragraph 2-3, prescribes obligation and can be found under the General Information Tab at <https://www.mods.army.mil/medicaleducation>.
- b. You must serve a minimum term of service (MTS) of at least 2 years (medical)/3 years (all other disciplines) on active duty and incur obligation of six months for any portion of a six-month period of participation in excess of two years. Clinical Psychology recipients do not begin repayment of the minimum term of service (MTS) until the initial qualifying degree is obtained.
- c. The contractual service obligation is established upon disbursement of any amount of entitlements to or on behalf of the participant. One- and two- year scholarship selectees may be conditionally entered into the HPSP as prescribed in paragraph 3-3, Chapter 3 of this policy. Any conditionally entered student who receives entitlements and who subsequently fails the examination will incur the contractual service obligation prescribed herein.
- d. You do not repay the contractual service obligation: during HPSP participation; with prior military service; with reserve service prior to completion of the HPSP ADO; during postgraduate professional training; and during periods of participation in civilian or military education and training.
- e. You receive credit toward repayment of the RSO for time spent on active duty as a participant in Graduate Professional Education (GPE), Post Graduate Year One (PGY-1), First Year Graduate Veterinary Education (FYGVE), Advanced Education in General Dentistry (AEGD) 12 Month Program, internship, residency, fellowship, and for time spent on active duty beyond the required ADO period.
- f. You do not receive credit for the time spent in HPSP toward pay. Upon active duty entry, check your pay voucher to ensure your pay is based upon your pay grade (i.e. Captain) less than 2 years of service. If you are erroneously given 4 years of pay credit for the time spent in HPSP you may have to repay the over payment regardless of the error and length of time before discovery.
- g. You may not accept other financial support that obligates you to service in other than the U.S. Army.
- h. You enter HPSP as a second lieutenant.
- i. Contact your health care recruiter to obtain an oath of office for reappointment to the authorized higher grade.

2-2. PROGRAM OBLIGATION

AR 601-141, Chapter 2, Paragraph 2-3, prescribes obligation and the regulation can be found under the General Information Tab at <https://www.mods.army.mil/medicaleducation>. The contractual obligation is established upon disbursement of any amount of entitlements to or on behalf of the member.

- a. Active duty obligation (ADO). The accrual of obligation begins with the date of eligibility for entitlements and ends with the date of ineligibility for entitlements. This ADO provision is also applied when an alternative service obligation as a civilian employee is imposed.
- b. RSO. Any remaining obligation that is not served on active duty is served in the Individual Ready Reserves (IRR), unless otherwise agreed upon by the participant and the Secretary of the Army. Participants cannot receive credit toward fulfilling the reserve portion of the contractual obligation for: reserve service as a participant in a civilian GPE program; prior active duty or reserve service; the time spent in HPSP; reserve service performed prior to completion of the HPSP ADO or periods of active duty for training as an HPSP participant. Time spent on active duty during participation in graduate professional education (GPE) (PGY-1, AEGD 12 Month Program, internship, residency, fellowship), and time spent on active duty beyond the required ADO does count as credit toward fulfilling RSO.
- c. Alternative obligation. The HPSP obligation must be fulfilled either by active service or through one of the alternatives. An alternative obligation cannot be requested.

2-3. SUMMARY OF HPSP OBLIGATION

The PGY-1, Clinical Psychology Internship Program (CPIP), FYGVE and AEGD are normally performed on active duty (AD). The period of time that is spent on active duty in PGY-1, FYGVE and AEGD does not repay the ADO, but does count toward

repayment of the RSO. The period of time that is spent on active duty in CPIP does not repay the ADO and does not count toward repayment of the RSO because the degree has not been conferred.

a. Physicians.

(1) Medical students who receive a 1- or 2-year scholarship incur a 2-year minimum ADO and 6-year RSO. Those who perform the 1-year AD PGY-1 will spend a total of 3 years on AD (1-year PGY-1 and 2 years repaying ADO beginning after PGY-1 completion) and have the 6-year remaining RSO reduced to 5 years because 1 year of the RSO is repaid during AD PGY-1. Those who perform civilian PGY-1 will spend 2 years on AD repaying ADO and 6 years repaying RSO. PGY-1 is not performed on active duty therefore, none of the ADO or RSO is repaid during participation in the civilian program.

(2) Medical students who receive 3-year scholarships incur a 3-year ADO and 5-year RSO. Those who perform the 1-year AD PGY-1 will spend a total of 4 years (1-year PGY-1 and 3 years repaying ADO) on AD and have the 5-year RSO reduced to 4 years because 1 year of the RSO is repaid during AD PGY-1. Those who perform civilian PGY-1 will spend 3 years on AD repaying ADO and 5 years repaying RSO because the PGY-1 is not performed on active duty and as a result none of the ADO or RSO is repaid during participation in the civilian program.

(3) Medical students who receive 4-year scholarships incur a 4-year ADO and 4-year RSO. Those who perform the 1-year AD PGY-1 will spend a total of 5 years (1-year PGY-1 and 4 years repaying ADO) on AD and have the 4-year RSO reduced to 3 years because 1 year of the RSO is repaid during AD PGY-1. Those who perform civilian PGY-1 will spend 4 years on AD repaying ADO and 4 years repaying RSO because the PGY-1 is not performed on active duty and as a result none of the ADO or RSO is repaid during participation in the civilian program.

b. Clinical Psychology (includes CPIP).

(1) Clinical psychology students who receive 1- and 2-year scholarships incur the 3-year MTS. Therefore, students who receive a 2- year scholarships incur the 3-year MTS and 5-year RSO. Those who perform civilian CPIP will spend 3 years on AD repaying ADO/MTS and 5 years repaying RSO because the CPIP is not performed on active duty and none of the ADO or RSO is repaid during participation in the civilian program. Those who perform the 1-year CPIP on active duty will spend a total of 4 years (1-year AD CPIP and 3-years repaying the MTS/ADO beginning after degree completion). Participants in military CPIP incur obligation under a separate service agreement.

(2) The periods reflected are based on conferral of the Doctor of Philosophy (PH.D.) immediately following CPIP completion. Delays result in a commensurate delay in repayment of the ADO/MTS. Repayment of the MTS begins only when the initial qualifying degree is obtained.

c. Dentistry, Advance Practice Nursing, Optometry, Veterinary Medicine, Pharmacy or other disciplines.

(1) All other disciplines who receive 1- and 2-year scholarships incur the greater of a 3-year minimum term of service (MTS) or 2-year minimum ADO. Therefore those who receive 1- and 2-year scholarships incur the greater 3-year MTS and 5-year RSO. Those who receive 3-year scholarship incur the 3-year ADO and 5-year RSO. Dental participants with a 3-year scholarship who perform AEGD 12 month on AD will spend a total of 4 years (1-year AEGD and 3 years repaying ADO beginning after AEGD completion) and have the 5-year remaining RSO reduced to 4 years because 1 year of the RSO is repaid during AD AEGD. Those who perform civilian training do not repay ADO or RSO during this training because the training is not performed on active duty and none of the ADO or RSO is repaid during participation in the civilian program. Veterinary participants with a 3-year scholarship who perform FYGVE on AD will spend a total of 4 years (1-year FYGVE and 3 years repaying ADO beginning after FYGVE completion) and have the 5-year remaining RSO reduced to 4 years because 1 year of the RSO is repaid during AD AEGD.

(2) All other disciplines who receive 4-year scholarships incur a 4-year ADO and 4-year RSO. Dental participants with a 4-year scholarship who perform AEGD 12 month on AD will spend a total of 5 years (1-year AEGD and 4 years repaying ADO beginning after AEGD completion) and have the 4-year remaining RSO reduced to 3 years because 1 year of the RSO is repaid during AD AEGD. Those who perform civilian training do not repay ADO or RSO during this training because the training is not performed on active duty and none of the ADO or RSO is repaid during participation in the civilian program.

2-4. GRADUATE PROFESSIONAL EDUCATION

a. The ADO for those selected for further Graduate Professional Education (GPE) beyond the first year of graduate medical education or other GPE will be based on the existing Department of Defense and Army directives in effect when signing the GPE contract accepting such training.

b. The DoD and Army policies are subject to change. Current DoD and Army policy regarding ADO for GPE for physicians, dentists, and veterinarians (includes only residencies and fellowships) are governed by DoDI 6000.13. Changes in DoDI 6000.13 will supersede provisions contained herein. Current ADO provisions are as follows:

(1) In a Military Facility. A member incurs an ADO of one-half year for each half year, or portion thereof, but the minimum ADO shall be not less than two years. The GPE ADO may be served concurrently with other ADOs (including HPSP/USUHS) or with obligations incurred for DoD-sponsored pre-professional (undergraduate) education (including ROTC) or training or prior long-term health or health-related education or training. The GPE ADO is served consecutively with an ADO incurred for other GPE and for the ADHPLRP.

(2) In a Civilian Facility. Graduating military students (includes HPSP/ROTC) may, if authorized by the appropriate Corps, be granted a deferral to perform nonsubsidized training in a civilian program. There is no additional ADO for this type of deferred training. Students are required to enter active duty following completion or withdrawal from training.

(3) In a Veterans Administration/DoD Training Program. Graduating medical students (includes HPSP/ROTC/USUHS) may, if authorized, be granted subsidized (sponsored training in an active duty status) in a civilian program. The ADO is as prescribed in paragraph 2-6b(1) above regarding training received in a military facility, subject to waiver approval from ASD(HA). If selected, students are required to enter active duty to participate in this training.

c. Clinical Psychology Internship Program. A member incurs an ADO under a separate service agreement. The ADO is three years for the first year, or portion thereof, plus one-half year for each half year, or portion thereof, of participation beyond one year. The CPIP ADO may be served concurrently with the HPSP ADO.

2-5. CREDITABLE SERVICE

Retirement credit may be authorized for up to four years of time spent in HPSP for participants who complete the course of study under the Program and the HPSP ADSO, and subsequently join the Selected Reserve. Selected Reserve service also fulfills any remaining contractual reserve service obligation unless otherwise prohibited.

2-6. HPSP ENTRY GRADE

This is the reserve grade that is authorized for entry into the HPSP. Second lieutenant is the entry grade for all HPSP participants. All personnel must wear the rank of Second Lieutenant during any ADT tour.

2-7. ACTIVE DUTY ENTRY GRADE

This is the grade authorized in a specific AMEDD Corps to serve the active duty service obligation, regardless of any HPSP entry grade. HPSP participants receive constructive service credit for rank based upon their health care degree. For example a medical student would receive 4 years credit, which results in the rank of Captain upon acceptance of reappointment in the Medical Corps. The AD entry grade for HPSP graduates rarely exceeds the grade of Captain, except as noted below. participants should contact their Health Care Recruiter to obtain an Oath of Office for reappointment to the authorized higher grade.

a. The maximum active duty entry grade for HPSP graduates is Major for those who qualify and have over 12 years of prior active duty commissioned service.

b. The lowest active duty entry grade is second lieutenant for participants who do not accept reappointment at a higher authorized grade. Refusal to accept reappointment to the higher grade does not preclude AD entry.

2-8. PAY CREDIT

a. Pay Credit is longevity credit received toward basic pay based on the years of military service. Participants and graduates do not receive credit for the time spent in HPSP toward pay. Upon active duty entry, graduates without prior service must check their pay vouchers to ensure pay is based upon your

pay grade and longevity (i.e. captain) and the appropriate years of service (under 2 years of service). Graduates can erroneously be given 4 years of pay credit based on the time spent in HPSP, which results in a higher basic pay. This erroneous higher basic pay represents an overpayment that will have to be repaid, regardless of the error and length of time before discovery.

b. While in HPSP, Medical Students with prior military service in a pay grade and with years of service credited for pay that would entitle the officer, if the officer remained in the former grade to a rate of basic pay in excess of the rate of basic pay of that of second lieutenant, the officer will be paid basic pay at the higher rate while on ADT.