Introduction to Concurrent Receipt Programs

Concurrent Retirement and Disability Pay (CRDP)
Combat-Related Special Compensation (CRSC)



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Why Concurrent Receipt Programs?

Before CRDP/CRSC Uniformed Service retirees receiving both retired pay and VA comp, this applied:

Retired Pay Denied
Gross Retired pay
- VA Waiver
Net Retired Pay

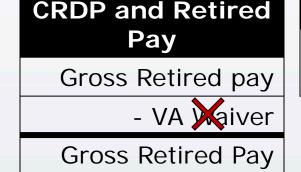
VA Disability Comp

Paid in full based on VA rating.

- VA Waiver amount = VA Disability Comp amount
- VA Wv Intent: stop double dipping; two pays for the same event
- Concurrent Receipt questioned the "same event" issue
 - Retired pay due to time served vs. VA comp disability
- Concurrent Receipt restores ONLY "vested service" retired pay
 - Still prohibits double payment of disability pay

Concurrent Retirement and Disability Pay (CRDP)

- CRDP restores vested retired pay by eliminating the VA
 Waiver from retired pay Usually (more later)
- Eligibility: 20(+)yos AND >= 50% VA rating
- Pay agencies (DFAS, USCG/NOAA, PHS) pay CRDP automatically
- Some members expect to see a "CRDP payment"
 - They don't realize the lack of VA Waiver IS CRDP
- CRDP is taxable and subject to divorce courts



VA Disability Comp

Paid in full based on VA rating.



Combat-Related Special Compensation (CRSC)

- CRSC pay based on combat situations making it tax-free
- It's a separate payment—a third pay (Retired, VA, CRSC)
- The VA Waiver still applies in retired pay
 - CRSC reimburses a member for the VA Waiver
- CRSC may not reimburse for the full VA Waiver amount
- Eligibility: everyone with retired pay and VA comp
- Tricky with medically retired members
- Apply w/Service

CRSC and Retired Pay Gross Retired pay - VA Waiver Net Retired Pay + CRSC Restored Retired Pay

VA Disability Comp

Paid in full based on VA rating.



CRDP-CRSC The Tricky Parts

- Smaller Tax-free CRSC can be greater than taxable CRDP
- CRSC separate from retired pay not subject to divorce
- Members don't understand continued VA Waiver w/CRSC
- Confusion about Open Season in December



CRDP-CRSC The Tricky Parts

Medically retired members

Disability rating higher than vested service pay multiplier

- Retired Pay formula: [(2½ x YOS) x base pay/high-3]
- With 10yos; $2\frac{1}{2} \times 10yos = 25\%$
- Service medical disability rating 50%
- Service uses the greater percentage for retired pay 50%
- CRDP/CRSC reimburses "vested service" pay only 25%
- CRDP/CRSC will not reimburse full amount of VA Waiver in this case



CRDP-CRSC The Tricky Parts

Guard/Reserve members

Medical retirement is "active duty" retirement—
"total service" time does NOT count

Example: Guard/Reserve member medically retired

- 12yos Active Duty, 21 Total "Good" years of service
- ONLY 12yos Active Duty count for retirement
 - However, 21 Total Years counts for pay
- Result: not CRDP eligible due to 12 yos; CRSC only
- However: at age 60, 21 Total yos kicks in
 - Now CRDP eligible

