

# **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  $\geq 50\%$  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

| CRDP and Retired Pay   |
|------------------------|
| Gross Retired pay      |
| - VA <del>Waiver</del> |
| Gross Retired Pay      |

| 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:  $[(2\frac{1}{2} \times \text{YOS}) \times \text{base pay/high-3}]$
- With 10yos;  $2\frac{1}{2} \times 10\text{yos} = 25\%$
- 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