

Combat-Related Special Compensation (CRSC) for Certain Combat-Disabled Uniformed Services Retirees

The Department of Defense is currently receiving and processing applications for the Combat-Related Special Compensation (CRSC) program. The CRSC program became effective May 31, 2003, for qualified retirees with combat-related disabilities. Payments are retroactive to June 1, 2003, for otherwise qualified members. The criteria of eligibility to receive CRSC payments have been expanded effective January 1, 2004, to include members with any percentage combat-related disability compensated by the VA. Information is available at the following DoD and Service web sites:

Army: <http://www.crsc.army.mil/>

Navy & Marine Corps: <http://www.hq.navy.mil/ncpb/CRSCB/combatrelated.htm>

Air Force: <http://www.afpc.randolph.af.mil/disability/CRSC/CRSCnew.htm>

DoD: <http://www.defenselink.mil/prhome/crsc.html>

Eligible Members are those retirees who have 20 years of service for retired pay computation (or 20 years of service creditable for reserve retirement at age 60) and who have disabilities that are the direct result of armed conflict, specially hazardous military duty, training exercises that simulate war, or caused by an instrumentality of war. Such disabilities must be compensated by the Department of Veterans Affairs and rated at least 10% disabling. For periods before January 1, 2004, members had to have disabilities for which they have been awarded the Purple Heart and are rated at least 10% disabled or who are rated at least 60% disabled as a direct result of armed conflict, specially hazardous duty, training exercises that simulate war, or caused by an instrumentality of war. Those who applied under the original program and found to have combat-related disabilities for which the combined rating was less than 60% do not have to reapply. Their records will be sent forward to DFAS to initiate payments.

Payment Amount: CRSC benefits are equal to the amount of VA disability compensation offset from retired pay based on those disabilities determined to be combat-related. For periods before January, 2004 payments were equal to the amount payable by VA to a "Veteran Alone" for those disabilities determined as combat-related. These amounts are reduced for retirees with retired pay in excess of the amount that would be paid solely for length of service retirement if they receive more than that amount as a result of a disability retirement (i.e., retired under chapter 61 of title 10, U.S. Code). Payments are limited to the amount of the retired pay reduction resulting from receipt of VA disability compensation for qualified disabilities. VA compensation amounts are not affected.

Tax Exempt: CRSC payments are tax exempt according to the Armed Forces Tax Council.

Application Required: Members must apply to their own branch of service using DD form 2860, Application for Combat-Related Special Compensation (CRSC). The updated form should be available on or about February 1, 2004 at: <http://www.dior.whs.mil/forms/DD2860t.pdf>. The old version will remain available until the revised version is released.

Service Determinations: Each Branch of Service must review the applications of their own retirees to determine which disabilities, if any, are combat-related. The Department of the Navy reviews applications for both the Navy and Marine Corps. Payments are made retroactive to June 1, 2003, for all approved applications, no matter when received, to the extent otherwise allowed in law, providing the applicant is otherwise qualified for the period of entitlement. Services may be contacted at the following toll-free numbers:

Army	1-866-281-3254
Navy and USMC	1-877-366-2772
USAF	1-866-229-7074

Services are to presume that disabilities awarded VA disability compensation based on service-connected exposure to hazards, which are clearly combat-related, are combat-related for the purpose of CRSC. These include Agent Orange, Gulf War illnesses, Radiation Exposure, Mustard Gas and Lewisite. Post-Traumatic Stress Disorder (PTSD) will require combat-related documentation.

Retirees to be Informed: Retirees are to be notified by their Branch of Service of the outcome of their application, including, for those denied, the reason therefore. Retirees may reapply later if they are able to show they meet the program criteria or appeal the decision if they believe their disabilities were combat-related, but were denied compensation by their Service.