

Subject: Public Health Service (PHS) and Coast Guard Retired Pay Processing

Effective January 1, 2014, the United States Coast Guard (CG) retired pay center (RPC) assumed responsibility for processing pay for PHS retirees and their surviving annuitants. *Please note that CG is also the RPC for the National Oceanic and Atmospheric Administration (NOAA), which includes the Coast and Geodetic Survey and Environmental Science Services Administration.*

To obtain PHS retired pay or Audit Error Worksheet (AEW) information on any award processed after January 1, 2014, contact the CG RPC, as shown below:

- Telephone: (800) 772-8724 (Toll Free), or (785) 339-3415
- Fax: (785) 339-3770

To obtain PHS retired pay or AEW information on any award processed before January 1, 2014, contact the PHS RPC, as shown below:

- Telephone: (800) 638-8744 (Toll Free), or (301) 427-3287
- Fax: (301) 427-3431

If you have any questions regarding an AEW for either CG or PHS please send your inquiry to our Milpay mailbox, MILPAY.VBACO@va.gov.

In addition, please be advised that that CG is a branch of the Armed Forces as defined by 10 U.S.C. § 101(a)(4) and that the 38 CFR 3.750(a) definition of military retired pay includes payments received based on the recipient's service as a member of the Armed Forces. Further, the 38 CFR 3.750(a) definition of military retired pay includes payments received based on the recipient's service as a commissioned officer of the PHS and the NOAA. Therefore, CG, PHS and NOAA retired pay is military retired pay and should be treated as such.

Given that CG, PHS and NOAA retired pay is military retired pay, compensation must be withheld from retroactive payments to prevent duplication of benefits in the same manner as it is when received from the military branches. Specifically, at least one retired pay amount and date (never a future date) must be recorded on the "Military Payment Information" screen in VETSNET Awards when processing an award on a CG, PHS, or NOAA retiree in order to establish the "Retired Pay Case" indicator and pass compensation information to the RPC (do not use \$0.00 as an amount). Also, withhold for retired pay via the "Retired Pay" tab, on the "Award Adjustments" screen. Do not use the "Other Adjustments" tab to withhold for retired pay.

Note that often a Veteran will perform active service in one of the military branches and then transfer to CG, PHS, or NOAA and retire. Therefore, always verify the branch of service from which the Veteran retired. Upon separation from active service, CG Veterans receive a DD Form 214, NOAA Veterans an NOAA Form 56-16, and PHS Veterans a Statement of Service. We have uploaded to the Special Military Retirement Benefits Website ([Special Military Retirement Benefits](#)) an example of an NOAA Form 56-16 and two examples of PHS Statements of Service (one is an old version and one is

the current version). Note at the bottom of both PHS documents it states "Equivalent to DD 214."

In addition, remember Defense Finance and Accounting Service (DFAS) does not pay retired pay to CG, PHS, or NOAA retirees. Therefore, DFAS will not have any information on CG, PHS, or NOAA retirees. Also the Retired and Casualty Pay Subsystem (RCPS) is a DFAS application; therefore, it does not contain retired pay information on CG, PHS, or NOAA retirees.