



Department of Defense **INSTRUCTION**

NUMBER 1241.01

April 19, 2016

USD(P&R)

SUBJECT: Reserve Component (RC) Line of Duty Determination for Medical and Dental Treatments and Incapacitation Pay Entitlements

References: See Enclosure 1

1. **PURPOSE.** In accordance with the authority in DoD Directive (DoDD) 5124.02 (Reference (a)), this instruction:

a. Reissues DoDD 1241.01 (Reference (b)) as a DoD instruction (DoDI) to establish policy, assign responsibility, establish objectives, and provide guidance for determining an entitlement to medical and dental treatment and pay and allowances for RC Service members with injury, illness, or disease incurred or aggravated in the line of duty (in-LOD).

b. Incorporates and cancels DoDI 1241.2 and Under Secretary of Defense for Personnel and Readiness (USD(P&R)) Memorandum (References (c) and (d)).

2. **APPLICABILITY.** This instruction applies to OSD, the Military Departments (including the Coast Guard at all times, including when it is a Service in the Department of Homeland Security by agreement with that Department), the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD.

3. **POLICY.** It is DoD policy that:

a. An RC Service member is entitled to medical and dental treatment for an injury, illness, or disease that was incurred or aggravated while in a qualified duty status and that is not the result of gross negligence or misconduct (referred to in this instruction as a “covered condition”). A determination that establishes a covered condition will be referred to in this instruction as an “in-LOD determination.”

(1) In the case of a qualified duty status other than active duty for a period of more than 30 days, the in-LOD determination for a covered condition will establish eligibility for

appropriate medical and dental treatment in accordance with section 1074a of Title 10, United States Code (U.S.C.) (Reference (e)).

(2) When an RC Service member is on active duty (AD) or full-time National Guard duty (FTNGD) for a period of more than 30 days and, at the scheduled end of that period, has an unresolved in-LOD condition that may render the member unfit for duty under the Disability Evaluation System (DES), but this has not yet been determined by the DES, the member:

(a) Will, with his or her consent, be retained on AD or FTNGD until:

1. Outstanding in-LOD conditions are resolved; or

2. He or she is either found fit for duty, separated, or retired as a result of a DES finding.

(b) May elect to be released from active duty before resolution of the conditions or completion of the DES process. If the RC Service member so elects, the Secretary concerned will assign responsibility for completing the resolution of the conditions or completion of the DES process to the member's RC command (or other appropriate command) and provide an in-LOD determination to document the member's entitlement to medical and dental treatment comparable to that under section 1074a of Reference (e).

(3) The in-LOD determination is a prerequisite for incapacitation pay in accordance with both sections 204(g) and 204(h) of Title 37, U.S.C. (Reference (f)).

b. The Military Services should make every effort to expedite the adjudication of the in-LOD process and avoid any operational or administrative delays.

c. The in-LOD determination will be used to authorize appropriate medical and dental treatment for the covered condition for not longer than 1 year from diagnosis without being identified for referral to the DES. An RC Service member will be referred to the DES when the criteria for referral are met in accordance with DoDI 1332.18 (Reference (g)).

d. An RC Service member will be provided required emergency medical and dental treatment while serving in a qualified duty status. If it is subsequently determined that the RC Service member was not entitled to emergency medical and dental treatment in accordance with section 1074a of Reference (e) because it did not involve a covered condition, financial adjustments will be made so that the costs of the emergency medical care are paid by the member, member's health insurance plan, any other third party payer, or in accordance with paragraph 3.e of this DoDI.

e. The Secretary of the Military Department concerned or the Commandant of the U.S. Coast Guard (USCG) may authorize medical and dental treatment through the RC's Operations and Maintenance account in accordance with section 1074a(i) or 1074(c) of Reference (e) if necessary to achieve or maintain the RC Service member's medical readiness and the interim in-LOD is terminated for a reason other than as a result of the member's gross negligence or

misconduct. This authority does not reduce the requirement under DoDI 6025.19 (Reference (h)) that individual medical readiness is primarily an RC Service member's responsibility.

f. An RC Service member who incurs or aggravates an illness, injury, or disease and is in a qualified duty status is authorized appropriate medical and dental treatment by the direct care program in a military treatment facility (MTF) or the Supplemental Health Care Program (SHCP) with a civilian provider.

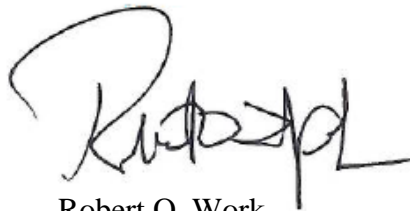
4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosures 3 and 4.

6. INFORMATION COLLECTION REQUIREMENTS. The line of duty benefit transaction file, referred to in paragraph 5b of Enclosure 2 of this instruction, has been assigned report control symbol DD-RA(AR)2421 and is prescribed in Volume 1 of DoD Manual 7730.54-M (Reference (i)).

7. RELEASABILITY. **Cleared for public release.** This instruction is available on the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This instruction is effective April 19, 2016.



Robert O. Work
Deputy Secretary of Defense

Enclosures

1. References
2. Responsibilities
3. In-LOD Determination for Medical and Dental Treatment
4. Special Pay and Allowances for RC Members with an In-LOD Determination

Glossary

TABLE OF CONTENTS

ENCLOSURE 1: REFERENCES.....6

ENCLOSURE 2: RESPONSIBILITIES.....7

 USD(P&R).....7

 ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS
 (ASD(M&RA)).....7

 ASSISTANT SECRETARY OF DEFENSE FOR HEALTH AFFAIRS (ASD(HA)).....7

 DIRECTOR, DEFENSE HEALTH AGENCY (DHA).....7

 DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCES ACTIVITY.....7

 SECRETARIES OF THE MILITARY DEPARTMENTS AND THE COMMANDANT
 OF THE USCG.....8

ENCLOSURE 3: IN-LOD DETERMINATION FOR MEDICAL AND DENTAL
TREATMENT 9

 IN-LOD DETERMINATION FOR RC MEMBERS RELEASED FROM AD OR FTNGD
 OF MORE THAN 30 DAYS.....9

 INITIATION OF IN-LOD DETERMINATION.....9

 Request for in-LOD Determination.....9

 Emergent Care.....9

 IN-LOD DETERMINATION REQUIREMENTS.....10

 Eligibility.....10

 Finalizing in-LOD Determination.....10

 Re-evaluation.....10

 Terminating an in-LOD Finding.....11

 Appeal of Denial of in-LOD Status.....11

 DURATION OF MEDICAL AND DENTAL TREATMENT ENTITLEMENT.....11

 AUTHORITY TO ORDER TO AD FOR MEDICAL AND DENTAL TREATMENT.....12

 Medical Evaluation and Other Purposes.....12

 AD for Medical and Dental Treatment When on Orders for a Period of 30 Days or Less13

 Medical and Dental Treatment for AD for More Than 30 Days.....13

 SEXUAL ASSAULT–RESTRICTED REPORTING.....13

 STANDARD OF EVIDENCE.....13

ENCLOSURE 4: SPECIAL PAY AND ALLOWANCES FOR RC MEMBERS WITH AN IN-
LOD DETERMINATION.....14

 TRAVEL AND TRANSPORTATION ALLOWANCE.....14

 INCAPACITATION PAY.....14

 RC Member Unable to Perform Military Duties.....14

 RC Member Able to Perform Military Duties.....14

 Duration of Incapacitation Pay.....14

CONDITIONS FOR PAYMENT15
RECIPT OF BOTH INCAPACITATION PAY AND U.S. DEPARTMENT OF
VETERANS AFFAIRS BENEFITS15
GLOSSARY16
PART I: ABBREVIATIONS AND ACRONYMS16
PART II: DEFINITIONS.....16

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, “Under Secretary of Defense for Personnel and Readiness (USD(P&R)),” June 23, 2008
- (b) DoD Directive 1241.01, “Reserve Component Medical Care and Incapacitation Pay for Line of Duty Conditions,” February 28, 2004, as amended (hereby cancelled)
- (c) DoD Instruction 1241.2 “Reserve Component Incapacitation System Management,” May 30, 2001 (hereby cancelled)
- (d) Under Secretary of Defense for Personnel and Readiness Memorandum, “Policy on Medical and Dental Care for Reserve Component Members for Conditions Incurred During Extended Active Duty,” April 6, 2009 (hereby cancelled)
- (e) Title 10, United States Code
- (f) Title 37, United States Code
- (g) DoD Instruction 1332.18, “Disability Evaluation System (DES),” August 5, 2014
- (h) DoD Instruction 6025.19, “Individual Medical Readiness (IMR),” June 9, 2014
- (i) DoD Manual 7730.54-M, Volume 1, “Reserve Components Common Personnel Data Systems (RCCPDS): Reporting Procedures,” May 25, 2011, as amended
- (j) DoD Directive 5400.11, “DoD Privacy Program,” October 29, 2014
- (k) DoD 5400.11-R, “Department of Defense Privacy Program,” May 14, 2007
- (l) DoD Directive 6010.04, “Healthcare for Uniformed Services Members and Beneficiaries,” August 17, 2015
- (m) DoD Instruction 6495.02, “Sexual Assault Prevention and Response (SAPR) Program Procedures,” March 28, 2013, as amended
- (n) DoD 7000.14-R, Volume 7A, “DoD Financial Management Regulations: Military Pay Policy - Active Duty and Reserve Pay,” current edition
- (o) Joint Travel Regulations “Uniformed Service Members and DoD Civilian Employees,” current edition
- (p) DoD Instruction 1215.06, “Uniform Reserve, Training, and Retirement Categories for the Reserve Components,” March 11, 2014, as amended
- (q) Commandant Instruction M1850.2D, “Physical Disability Evaluation System,” May 19, 2006¹
- (r) Part 199 of Title 32, Code of Federal Regulations
- (s) Joint Publication 1-02, “Department of Defense Dictionary of Military and Associated Terms,” current edition

¹ Available on the internet at http://www.uscg.mil/directives/cim/1000-1999/CIM_1850_2D.pdf

ENCLOSURE 2

RESPONSIBILITIES

1. USD(P&R). The USD(P&R) establishes policy, provides guidance, and prescribes procedures for the eligibility and administration of the medical and dental treatment for RC Service members for a covered condition in accordance with sections 1074a of Reference (e) and in other appropriate circumstances as authorized by section 1074 of Reference (e) and incapacitation pay in accordance with sections 204(g) or 204(h) of Reference (f).

2. ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS (ASD(M&RA)). Under the authority, direction, and control of the USD(P&R), the ASD(M&RA):

- a. Establishes, as necessary, guidance and procedures for reaching an in-LOD determination.
- b. Establishes, as necessary, guidelines and procedures for the authorization of incapacitation pay.
- c. Develops, maintains, and oversees reporting procedures for an in-LOD determination for a covered condition in Enclosure 11 of Reference (i).

3. ASSISTANT SECRETARY OF DEFENSE FOR HEALTH AFFAIRS (ASD(HA)). Under the authority, direction, and control of the USD(P&R), the ASD(HA) establishes policy for authorization of funds for covered conditions.

4. DIRECTOR, DEFENSE HEALTH AGENCY (DHA). Under the authority, direction, and control of the USD(P&R) and through the ASD(HA), the Director, DHA:

- a. Appoints the appropriate DHA office to act as the military medical authority (MMA) and authorize appropriate medical, dental, and behavioral treatment using the SHCP for an RC Service member with an in-LOD condition.
- b. Authorizes the Director, Defense Manpower Data Center (DMDC) the use of SHCP medical and dental treatment data files necessary to create and maintain LOD transaction files for use in the Defense Enrollment Eligibility Reporting System (DEERS) in accordance with Reference (i).

5. DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCES ACTIVITY. Under the authority, direction, and control of the USD(P&R), through the Director, DMDC, the Director, DoD Human Resources Activity:

a. Establishes, maintains, and records eligibility for appropriate medical and dental treatment for RC Service members with an in-LOD determination as reported in Enclosure 11 of Reference (i) in the DEERS.

b. Provides individual record-level data, programming, and analytical support for the in-LOD tracking system to the ASD(M&RA) as requested.

6. SECRETARIES OF THE MILITARY DEPARTMENTS AND THE COMMANDANT OF THE USCG. The Secretaries of the Military Departments and the Commandant of the USCG:

a. Issue regulations, funding policies, and procedures to implement this instruction.

b. Require:

(1) Policies and procedures in this instruction are implemented to protect the privacy of individuals in the collection, use, maintenance, and dissemination of personally identifiable information pursuant to DoDD 5400.11 (Reference (j)) and DoD 5400.11-R (Reference (k)).

(2) In-LOD authorities are designated to review and approve in-LOD determinations.

(3) MMAs approve and authorize in-LOD medical and dental treatment for covered conditions.

c. Develop and maintain an information system to track, manage, and account for RC Service members who have been identified for consideration for an in-LOD determination for a covered condition and the status of the resulting in-LOD determination. The information system must satisfy the information requirements of Enclosure 11 of Reference (i).

d. Develop and maintain a plan to case manage RC Service members with an in-LOD determination while being treated in an MTF or with the SHCP. Case management will ensure an RC Service member receives the proper treatment, evaluation, benefit counseling, and referral services.

e. Provide the Director, DMDC the authorization to use medical and dental treatment data in an MTF to create and maintain LOD transaction files for use in the DEERS.

ENCLOSURE 3

IN-LOD DETERMINATION FOR MEDICAL AND DENTAL TREATMENT

1. IN-LOD DETERMINATION FOR RC MEMBERS RELEASED FROM AD OR FTNGD OF MORE THAN 30 DAYS

a. When an RC Service member on AD or FTNGD for more than 30 days has, at the scheduled end of that period, an unresolved in-LOD condition that may be unfitting under the DES pursuant to Reference (g), he or she may elect to be released from active duty before resolution of the conditions or completion of the DES process. If this option is chosen, an in-LOD determination will be completed to document the RC Service member's entitlement to medical and dental treatment comparable to that under section 1074a of Reference (e).

b. An RC Service member voluntarily released from AD or FTNGD of more than 30 days may be entitled to transitional medical and dental treatment in accordance with section 1145 of Reference (e). Transitional medical and dental treatment programs include the Transitional Assistance Management Program (TAMP) and the Transitional Care for Service-related Conditions Program. In such instances, these programs may be used at the RC member's discretion rather than the in-LOD process.

2. INITIATION OF IN-LOD DETERMINATION

a. Request for in-LOD Determination.

(1) Unless already initiated by a member's command, the RC Service member or, if she or he is unable, a designated representative or the Military Service concerned, will initiate the request for an in-LOD determination.

(2) In general, an RC Service member or the Military Service concerned has up to 180 days after completion of the qualified duty status to request consideration for an in-LOD determination absent special circumstances. Special circumstances are those in which the covered condition pre-dated the 180 day period, e.g., latent onset symptoms of post-traumatic stress disorder.

b. Emergent Care. An RC Service member requiring treatment for an emergency medical or dental treatment condition while in a qualified duty status will be authorized an interim in-LOD determination in order to authorize emergent care, unless clear and unmistakable evidence shows the condition was the result of the member's gross negligence or misconduct. An interim in-LOD determination will be adjudicated within 30 days of completion of the qualified duty status to continue further medical and dental treatment, if indicated, for the covered condition. The appropriate DHA office will serve as the MMA for any approval and authorization for emergency medical and dental treatment with a civilian provider using the SHCP.

3. IN-LOD DETERMINATION REQUIREMENTS

a. Eligibility. Determinations of eligibility will be made by the Secretary of the Military Department concerned or the Commandant of the USCG in accordance with DoDD 6010.04 (Reference (l)). The purpose of the review and approval authority is to perform the final administrative evaluation of the case to ensure completeness, equity and due process. The review and approval authority will make the final in-LOD determination.

b. Finalizing in-LOD Determination. When finalizing an in-LOD determination, the review and approval authority must:

(1) Verify with the RC Service member's unit commander, or designated representative, that the RC Service member was in a qualified duty status.

(2) Ensure that the MMA, a DoD- or Coast Guard-credentialed provider, or the MMA appointed by the Director, DHA, verifies the injury, illness, or disease was incurred or aggravated while in a qualified duty status and has authorized and approved the appropriate level of medical and dental treatment to treat the covered condition provided in an MTF or through SHCP. The MMA may use documents from a credentialed medical and dental treatment provider or as necessary, may assess the current health and pre-existing health condition of the RC Service member.

(3) Verify that for purposes of determining a covered condition, the RC Service member's injury, illness, or disease was not a result of his or her gross negligence or misconduct. Any collateral misconduct by an RC Service member who is a victim of a sexual assault will not be considered as gross negligence or misconduct for determining a covered condition resulting from the sexual assault in accordance with DoDI 6495.02 (Reference (m)).

(4) Not override:

(a) Determinations from the unit commander, or designated representative, regarding the qualified duty status unless given this authority by the Secretary of the Military Department concerned or the Commandant of the USCG;

(b) Medical decisions made by the MMA regarding the authorization and approval of the appropriate level of medical and dental treatment to treat the covered condition; or

(c) A determination by the command authority regarding gross negligence or misconduct unless given this authority by the Secretary of the Military Department concerned or the Commandant of the USCG.

c. Re-evaluation. The review and approval authority may require a one-time re-evaluation by the commander or the MMA before the final in-LOD determination when there is missing or unclear supporting evidence to make a final decision. Requirement for a re-evaluation should be based upon any evidence that raises concerns of inequitable or improper determinations

regarding qualified duty status, the covered condition, gross negligence, or misconduct. The re-evaluation should be completed within 30 days of notification.

d. Terminating an in-LOD Finding. Should the review authority, at any time, find that the injury, illness, or disease was not incurred or aggravated in a qualified duty status or was the result of gross negligence or misconduct of the RC Service member, then the Military Department will take action to immediately terminate all authorization for medical and dental treatment, incapacitation pay, and travel and transportation allowances provided to the RC Service member related to the in-LOD determination.

(1) The RC Service member will be financially responsible for all medical and dental treatment, to include any emergent medical and dental treatment for non-covered conditions, subject to the following:

(a) The availability of the RC Service member's medical and dental treatment insurance coverage or other third party payer.

(b) If the in-LOD is terminated not as a result of the RC Service member's gross negligence or misconduct, the Secretary of the Military Department concerned or the Commandant of the USCG may authorize medical and dental treatment through the RC's Operations and Maintenance account in accordance with section 1074a(i) or 1074(c) of Reference (e).

(2) The RC Service member's responsibility for incapacitation pay, and travel and transportation allowances are subject to the conditions in chapter 2 of DoD 7000.14-R (Reference (n)).

e. Appeal of Denial of in-LOD Status. An RC Service member may appeal the denial of an in-LOD determination to an appellate review authority designated by the Secretary of the Military Department concerned or the Commandant of the USCG, in accordance with regulations prescribed by the Secretary of the Military Department concerned or the Commandant of the USCG. When the in-LOD determination is reversed as a result of this review:

(1) The RC Service member's eligibility for medical and dental treatment, as provided in section 1 of this enclosure, will be reinstated immediately to include any medical and dental treatment rendered during the period of eligibility covered by the approved in-LOD finding.

(2) Incapacitation pay and travel and transportation allowances, as provided in accordance with section 1 of Enclosure 4 of this instruction, will be reinstated with payment effective from the date such pay was terminated.

4. DURATION OF MEDICAL AND DENTAL TREATMENT ENTITLEMENT

a. Medical, dental, or behavioral health care authorized by an in-LOD determination in accordance with section 1074a of Reference (e) will be provided until :

(1) The in-LOD injury, illness or disease is satisfactorily resolved or the resulting disability cannot be materially improved by further hospitalization or treatment;

(2) The RC Service member is identified for referral to the DES in accordance with Reference (g) within 1 year of the diagnosis of the condition for which he or she received an in-LOD finding **and** the member receives a final determination of fit for duty, separated, or retired; or

(3) One year has transpired since the date of the initial diagnosis and neither of the actions referred to in paragraphs 4a(1) or (2) of this enclosure has occurred.

(4) The in-LOD determination is terminated due to circumstances described in paragraph 3.c. of this enclosure.

b. If at any time the MMA believes that continued treatment of the RC Service member's condition may not result in meeting Service retention standards within a year from diagnosis, the RC Service member will be identified for referral to the DES in accordance with Reference (g), and may, with his or her consent, be ordered to AD to receive further health care in accordance with section 12301(h) of Reference (e).

c. The authority under paragraph 3.e above the signature of this instruction is available in appropriate circumstances to authorize additional health care services after the conclusion of the health care entitlement under this section.

5. AUTHORITY TO ORDER TO AD FOR MEDICAL AND DENTAL TREATMENT

a. Medical Evaluation and Other Purposes

(1) With his or her consent, an RC Service member may be ordered to AD in accordance with section 12301(h) of Reference (e) when authorized by the Secretary of the Military Department concerned and, in the case of a member of the National Guard, with the consent of the Governor or other appropriate authority of the State concerned:

(a) To receive authorized medical care;

(b) To be medically evaluated for a disability or other medical purposes as determined by the Secretary of the Military Department concerned; or

(c) To complete a required DoD health study, which may include an associated medical evaluation of the RC Service member.

(2) With his or her consent, an RC Service member ordered to AD under section 12301(h) of Reference (e) may be retained on AD in accordance with that section for medical treatment for a condition associated with the study or evaluation, if his or her treatment is otherwise authorized by law and determined appropriate by the Secretary of the Military Department concerned.

b. AD for Medical and Dental Treatment When on Orders for a Period of 30 Days or Less.

An RC Service member who incurred a covered condition while serving on active duty for a period of 30 days or less may be ordered to, or continued on orders to receive appropriate medical and dental treatment for a covered condition in accordance with section 12322 of Reference (e) if the covered condition occurred while:

- (1) Serving on inactive duty training or
- (2) Traveling directly to or from such duty.

c. Medical and Dental Treatment for AD for More Than 30 Days. An RC Service member who has been ordered to or retained on AD in accordance with paragraphs 5a or 5b of this section, resulting in a continuous period of AD of more than 30 days, is entitled to medical and dental treatment in accordance with section 1074 of Reference (e). The RC Service member's authorized dependents are also entitled to medical and dental treatment in accordance with section 1076(a)(2)(D) of Reference (e).

6. SEXUAL ASSAULT-RESTRICTED REPORTING. In-LOD determinations for Restricted Reporting of sexual assault cases require modified processing and will be managed in accordance with Reference (m).

7. STANDARD OF EVIDENCE. The standard of evidence for in-LOD determinations as described in this instruction is the preponderance of evidence, except:

- a. As otherwise specifically provided in this instruction.
- b. For matters where an evidentiary presumption applies to in-LOD determinations under Reference (g) for RC members on AD for a period of more than 30 days.

ENCLOSURE 4

SPECIAL PAY AND ALLOWANCES FOR RC MEMBERS WITH AN IN-LOD DETERMINATION

1. TRAVEL AND TRANSPORTATION ALLOWANCE. An RC Service member is entitled to travel and transportation allowances, or monetary allowances in place thereof, for necessary travel incident to medical and dental treatment resulting from an in-LOD determination in accordance with section 204(j) of Reference (f) as implemented by paragraph 7085 of the Joint Travel Regulations (Reference (o)).

2. INCAPACITATION PAY. An RC Service member with an in-LOD determination may be entitled to incapacitation pay upon request in accordance with sections 204(g) or 204(h) of Reference (f).

a. RC Service Member Unable to Perform Military Duties. An RC Service member who is unable to perform military duties as a result of an in-LOD determination is entitled to incapacitation pay upon request in accordance with section 204(g) of Reference (f) as implemented in paragraph 570607 and Table 57-3 of chapter 57 of Reference (n).

(1) The Secretary of the Military Department concerned or the Commandant of the USCG will determine if an RC Service member is unable to perform his or her military duties.

(2) The RC Service member unable to perform military duties and authorized incapacitation pay will not be allowed to participate in any inactive duty status. However, he or she may earn retirement points in order to satisfy the requirements for a qualifying year of service by completing correspondence courses approved by the Secretary of the Military Department concerned or the Commandant of the USCG.

b. RC Service Member Able to Perform Military Duties. An RC Service member who is able to perform military duties notwithstanding an in-LOD condition is entitled to a portion of incapacitation pay upon request for which he or she demonstrates a loss of earned income from non-military employment or self-employment as a result of such condition, in accordance with section 204(h) of Reference (f) as implemented in paragraphs 5706-07 of chapter 57 of Reference (n).

(1) The Secretary of the Military Department concerned or the Commandant of the USCG will determine if an RC Service member is able to perform his or her military duties.

(2) The RC Service member authorized incapacitation pay may participate in any inactive duty defined in DoDI 1215.06 (Reference (p)).

c. Duration of Incapacitation Pay. Incapacitation pay will be paid only during the period an RC Service member is unable to perform military duties or demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an in-LOD condition.

(1) Incapacitation pay may not be continued for more than 6 months without review of the case by the Secretary of the Military Department concerned or the Commandant of the USCG to ensure that continuation of incapacitation pay is warranted in accordance with section 204(i)(2) of Reference (f).

(2) When determining whether incapacitation pay should continue beyond the initial 6 months, the Secretary of the Military Department concerned or the Commandant of the USCG will consider if a Service member has resumed his or her civilian occupation, undertaken a new position in the same occupation, or taken a position in a new occupation.

(3) Incapacitation pay will be suspended if an RC Service member is ordered or called to AD or FTNGD.

3. CONDITIONS FOR PAYMENT. The RC Service member's responsibility for incapacitation pay, and travel and transportation allowances are subject to the conditions in Chapter 2 of Reference (n).

4. RECEIPT OF BOTH INCAPACITATION PAY AND U.S. DEPARTMENT OF VETERANS AFFAIRS BENEFITS. Service members may receive both incapacitation pay and Department of Veterans Affairs (VA) benefits. Since VA benefits are not taxable, they do not meet the definition of earned income. Incapacitation pay will not be offset by VA benefits received.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AD	active duty
ASD(HA)	Assistant Secretary of Defense for Health Affairs
ASD(M&RA)	Assistant Secretary of Defense for Manpower and Reserve Affairs
DEERS	Defense Enrollment Eligibility Reporting System
DHA	Defense Health Agency
DMDC	Defense Manpower Data Center
DoDD	DoD Directive
DoDI	DoD instruction
FHD	funeral honors duty
FTNGD	full-time National Guard duty
IDT	inactive duty training
in-LOD	in the line of duty
MMA	military medical authority
MTF	military treatment facility
RC	Reserve Component
SHCP	Supplemental Health Care Program
U.S.C.	United States Code
USCG	U.S. Coast Guard
USD(P&R)	Under Secretary of Defense for Personnel and Readiness
VA	Department of Veterans Affairs

PART II. DEFINITIONS

These terms and their definitions are for the purposes of this instruction.

active service. Defined in section 101(d)(3) of Reference (e).

AD. Defined in section 101(d)(1) of Reference (e).

aggravated. The worsening of a preexisting medical, dental, or behavioral health condition over and above the natural progression of the medical, dental, or behavioral health condition.

collateral misconduct. Defined in Reference (m).

covered condition. An injury, illness, or disease that is not the result of gross negligence or misconduct of the RC Service member, was not incurred or aggravated during a period of unauthorized absence, and is incurred or aggravated while in a qualified duty status:

While on AD or FTNGD for a period of more than 30 days; or

As defined in section 1074a of Reference (e) in the case of a qualified duty status other than on AD or FTNGD for a period of more than 30 days.

DES. The system is operated pursuant to Reference (g). The DES includes the Physical Disability Evaluation System prescribed in Commandant Instruction M1850.2D (Reference (q)). In the case of a member of the USCG references in this instruction to the DES or Reference (g) will be interpreted as references to the Physical Disability Evaluation System and Reference (q).

earned income. Wages, salaries, tips, professional fees, other compensation received for personal services and employee compensation that are included in gross income, plus any net earnings from self-employment for the taxable year.

Earned income includes taxable compensation received by members of the Reserve Components (to include the National Guard) for the performance of Reserve duties.

Employee pay is earned income if it is taxable. Nontaxable employee pay, such as certain dependent care benefits and adoption benefits, is not earned income.

Earned income is shown in box 1 of an individual's Internal Revenue Service (IRS) Form W-2, Wage and Tax Statement, and is reported on line 7 of IRS Form 1040, U.S. Individual Income Tax Return, or line 1 of IRS Form 1040EZ, U.S. Income Tax Return for Single and Joint Filers With No Dependents.

emergency medical and dental treatment condition. The sudden and unexpected onset of a medical condition or the acute exacerbation of a chronic condition that is threatening to life, limb, or sight, and requires immediate medical treatment or which manifests painful symptomatology requiring immediate palliative efforts to alleviate suffering. Medical emergencies include heart attacks, cardiovascular accidents, poisoning, convulsions, kidney stones, and such other acute medical conditions as may be determined to be medical emergencies by the Director, DHA, or a designee in accordance with part 199 of Title 32, Code of Federal Regulations (Reference (r)).

FHD. Defined in Joint Publication 1-02 (Reference (s)).

FTNGD. Defined in Reference (p).

inactive duty status. Defined in Reference (s).

incapacitation pay. Pay and allowances made to certain RC Service members who are physically disabled as the result of a covered condition or who are physically able to perform military duties but have demonstrated loss of earned income from nonmilitary employment or self-employment as a result of a covered condition in accordance with sections 204(g) or 204(h) of Reference (f).

incurred. Came into being, regardless of when discovered or diagnosed.

individual medical readiness. A means to assess an individual service member's, or larger cohort's, readiness level against established metrics applied to key elements of health and fitness to determine medical deployability in support of contingency operations.

in-LOD determination. Decision rendered by the in-LOD review authority after all available information has been reviewed that determines an injury, illness, or disease is a covered condition.

MMA. A DoD or Coast Guard-credentialed medical, dental, or behavioral health provider or, in certain instances, the appropriate office in the DHA.

MTF. Defined in Reference (s).

personally identifiable information. Defined in Reference (i).

qualified duty status. The period in which an RC Service member is:

On AD or FTNGD for more than 30 days;

Performing AD or FTNGD for 30 days or less;

Performing IDT;

Performing FHD;

Traveling to or from the place where he or she is to perform or has performed AD or FTNGD as provided in this definition, IDT, or FHD;

Remaining overnight immediately before the commencement of, or between successive periods of IDT at or in the vicinity of the site of the IDT; or

Remaining overnight immediately before serving on FHD, at or in the vicinity of the place where the RC Service member was to so serve, if the place is outside reasonable commuting distance from his or her residence.

Service retention standards. A Service determination for physical standards or guidelines which establishes those medical conditions or physical defects that may render a RC Service member unfit for further military service and are therefore cause for his or her referral into the DES or Physical Disability Evaluation System.

SHCP. The program that provides payment to private sector civilian medical and dental treatment providers, institutions, and vendors for medical or dental services, supplies, and equipment provided to RC Service members. SHCP is authorized under section 1074(c) of Reference (e) and is implemented by section of 199.16 of Reference (r).