



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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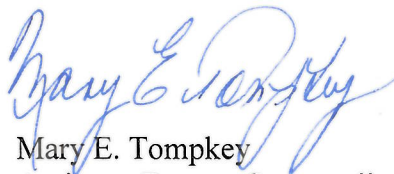
COMPTROLLER

(Program/Budget)

MEMORANDUM FOR DIRECTOR, HEALTH AND FINANCIAL POLICY, OFFICE OF  
ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPTROLLER)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY (FINANCIAL  
MANAGEMENT AND COMPTROLLER)  
DEPUTY DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DEPUTY DIRECTOR FOR RESOURCE MANAGEMENT, DEFENSE  
FINANCE AND ACCOUNTING SERVICE

SUBJECT: FY 2019 Department of Defense (DoD) Military Personnel Composite Standard Pay  
and Reimbursement Rates

The FY 2019 DoD military composite pay and reimbursement rates (Tabs K1-K5 attached) are now available on the reimbursable rates page of the Office of the Under Secretary of Defense (Comptroller) website <http://comptroller.defense.gov/reports.html>. The composite standard pay rates will be used when determining the military personnel appropriations cost for budget/management studies, but should not be considered as the fully-burdened cost of military personnel for the purposes of workforce-mix decisions. The annual billable rate charged to non-DoD activities will be used when obtaining reimbursement for services provided to agencies outside the DoD. This rate contains an acceleration factor of \$10,340 to cover medical health care costs of active duty personnel and their dependents.

  
Mary E. Tompkey  
Assistant Deputy Comptroller

Attachment:  
As stated

MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
FISCAL YEAR 2019

OVERVIEW

The Military Composite Standard Pay and Reimbursement Rates are calculated in accordance with provisions of Volume 11A, Chapter 6, Appendix I of the “DoD Financial Management Regulation” (DoD 7000.14R).

The “Annual Department of Defense (DoD) Composite Rate” shall be used when determining the military personnel appropriations cost for budget/management studies, but should not be considered as the fully-burdened cost of military personnel for the purposes of workforce-mix decisions.

- Rates **include** a per capita normal cost of \$4,471 for Medicare-Eligible Retiree Health Care (MERHC) accruals. Beginning with FY 2006, the MERHC accruals are paid from the permanent, indefinite appropriations of the General Fund of the Treasury instead of the military personnel appropriations. However, for budget purposes, MERHC accruals continue to be counted as part of the Military Departments’ discretionary budget authority. Therefore, the MERHC accruals must be included for determining the military personnel appropriations cost for budget/management studies, but may not be included in reimbursements to the Services’ personnel accounts during the year of execution (FY 2019).

The “Annual Rate Billable to Other Federal Agencies” shall be used when obtaining reimbursement for services provided to agencies outside of the DoD.

- Rates **include an acceleration factor of \$10,340** to cover medical health care costs of active duty personnel and their dependents.
- Rates **exclude** the per capita normal cost of \$4,471 for Medicare-Eligible Retiree Health Care (MERHC) accruals. Beginning with FY 2006, the MERHC accruals are paid from the General Fund of the Treasury and cannot be reimbursed to the Services’ personnel accounts during the year of execution (FY 2019).

The FY 2019 Military Composite Standard Pay and Reimbursement Rates for Army, Navy, Marine Corps and Air Force are effective October 1, 2018.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE ARMY  
FOR FISCAL YEAR 2019 <sup>1/</sup>**

<u>MILITARY PAY GRADE</u>	<u>AVERAGE BASIC PAY</u>	<u>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></u>	<u>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></u>
O-10	\$189,600 <sup>5/</sup>	\$308,212	\$314,081
O-9	189,600	306,139	312,008
O-8	189,600	308,575	314,444
O-7	163,015	273,400	279,269
O-6	139,851	257,364	263,233
O-5	112,216	216,197	222,066
O-4	93,607	185,348	191,217
O-3	74,540	149,903	155,772
O-2	54,798	118,081	123,950
O-1	40,821	95,656	101,525
WO-5	\$109,786	\$208,612	\$214,481
WO-4	90,993	177,559	183,428
WO-3	75,464	151,784	157,653
WO-2	61,879	128,254	134,123
WO-1	54,654	114,094	119,963
E-9	\$85,893	\$161,842	\$167,711
E-8	66,510	134,000	139,869
E-7	56,700	121,113	126,982
E-6	45,580	103,872	109,741
E-5	36,625	84,696	90,565
E-4	29,234	68,654	74,523
E-3	24,023	56,811	62,680
E-2	22,288	56,116	61,985
E-1	18,531	45,856	51,725
CADETS	\$13,116	\$18,870	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. **Includes** a per capita normal cost of \$4,471 for MERHC accrual -- see **Tab K-1**.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,340 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). **Excludes** a per capita normal cost of \$4,471 for MERHC accrual -- see **Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which is currently projected to be \$189,600 for fiscal year (FY) 2019.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE NAVY  
FOR FISCAL YEAR 2019 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$189,600 <sup>5/</sup>	\$306,146	\$312,015
O-9	189,600	304,359	310,228
O-8	180,558	302,366	308,235
O-7	156,741	267,194	273,063
O-6	134,833	246,303	252,172
O-5	108,751	212,052	217,921
O-4	91,558	189,526	195,395
O-3	73,565	162,274	168,143
O-2	57,398	129,852	135,721
O-1	41,404	103,098	108,967
WO-5	\$109,465	\$201,831	\$207,700
WO-4	94,146	181,460	187,329
WO-3	79,836	161,537	167,406
WO-2	66,145	135,781	141,650
WO-1	\$0	\$0	\$0
E-9	\$81,009	\$156,235	\$162,104
E-8	63,984	133,065	138,934
E-7	55,007	120,086	125,955
E-6	44,573	104,559	110,428
E-5	35,408	88,743	94,612
E-4	28,796	71,457	77,326
E-3	24,610	59,972	65,841
E-2	22,514	53,314	59,183
E-1	19,138	46,950	52,819
CADETS	\$13,354	\$19,696	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. Includes a per capita normal cost of \$4,471 for MERHC accrual -- see Tab K-1.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,340 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Excludes a per capita normal cost of \$4,471 for MERHC accrual -- see Tab K-1.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which is currently projected to be \$189,600 for fiscal year (FY) 2019.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
U.S. MARINE CORPS  
FOR FISCAL YEAR 2019 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$189,600 <sup>5/</sup>	\$273,855	\$279,724
O-9	189,600	304,376	310,245
O-8	180,648	291,666	297,535
O-7	156,846	266,297	272,166
O-6	137,214	238,542	244,411
O-5	111,074	203,777	209,646
O-4	93,299	177,544	183,413
O-3	75,739	151,065	156,934
O-2	57,987	122,484	128,353
O-1	41,212	92,104	97,973
WO-5	\$104,912	\$195,096	\$200,965
WO-4	89,040	169,783	175,652
WO-3	74,679	150,350	156,219
WO-2	62,722	131,824	137,693
WO-1	55,966	120,927	126,796
E-9	\$81,025	\$152,730	\$158,599
E-8	63,519	126,987	132,856
E-7	54,132	113,493	119,362
E-6	44,124	99,230	105,099
E-5	34,565	78,781	84,650
E-4	28,746	64,267	70,136
E-3	24,416	55,040	60,909
E-2	22,467	49,697	55,566
E-1	19,058	44,588	50,457
	Not applicable	Not applicable	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. Includes a per capita normal cost of \$4,471 for MERHC accrual -- see Tab K-1.
- 3/ The annual rate billable to Other Federal Agencies recovers additional military related health care costs financed by the Defense Health Program. The annual billable rate includes an acceleration factor of \$10,340 for all personnel. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Excludes a per capita normal cost of \$4,471 for MERHC accrual -- see Tab K-1.
- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which is currently projected to be \$189,600 for fiscal year (FY) 2019.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE AIR FORCE  
FOR FISCAL YEAR 2019 <sup>1/</sup>**

<b>MILITARY PAY GRADE</b>	<b>AVERAGE BASIC PAY</b>	<b>ANNUAL DOD COMPOSITE RATE <sup>2/</sup></b>	<b>ANNUAL RATE BILLABLE TO OTHER FEDERAL AGENCIES <sup>3/ 4/</sup></b>
O-10	\$189,600 <sup>5/</sup>	\$309,351	\$315,220
O-9	189,600	317,442	323,311
O-8	178,129	303,371	309,240
O-7	155,012	272,103	277,972
O-6	132,588	241,899	247,768
O-5	106,911	206,267	212,136
O-4	89,922	179,678	185,547
O-3	71,332	151,523	157,392
O-2	56,634	127,785	133,654
O-1	41,229	101,312	107,181
WO-5	----	----	----
WO-4	----	----	----
WO-3	----	----	----
WO-2	----	----	----
WO-1	----	----	----
E-9	\$81,143	\$161,925	\$167,794
E-8	64,806	134,146	140,015
E-7	55,894	117,279	123,148
E-6	46,163	102,178	108,047
E-5	37,027	86,588	92,457
E-4	29,696	71,354	77,223
E-3	24,138	55,432	61,301
E-2	22,570	52,229	58,098
E-1	19,332	45,472	51,341
CADETS	\$13,481	\$19,851	Not applicable

Notes:

- 1/ Reimbursement procedures for Foreign Military Sales (FMS) are specifically addressed in the DoD FMR Vol. 15 Section 070203. Reimbursement of the acceleration factor shall be deposited into the Defense Health Program (97\*0130). Reimbursement of the per capita normal cost for Medicare-eligible retiree health care (MERHC) accrual shall be deposited into the Miscellaneous Receipts Account 3041.
- 2/ The annual DoD composite rate includes the following military personnel appropriation costs: average basic pay plus retired pay accrual, Medicare-eligible retiree health care (MERHC) accrual, basic allowance for housing, basic allowance for subsistence, incentive and special pay, permanent change of station expenses, and miscellaneous pay. Includes a per capita normal cost of \$4,471 for MERHC accrual -- see Tab K-1.
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- 4/ To compute a Daily Rate, apply a factor of .00439. To compute an Hourly Rate, apply a factor of .00055.
- 5/ Basic pay for these officers is limited to the rate of basic pay for Level II of the Executive Schedule, which is currently projected to be \$189,600 for fiscal year (FY) 2019.