



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

COMPTROLLER

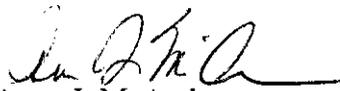
APR 12 2019

(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 2020 Department of Defense (DoD) Military Personnel Composite Standard Pay  
and Reimbursement Rates

The FY 2020 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 \$10,485 to cover medical health care costs of active duty personnel and their dependents.

  
Anne J. McAndrew  
DoD Deputy Comptroller

Attachment:  
As stated



MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
FISCAL YEAR 2020

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 \$4,621 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 2020).

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 \$10,485** to cover medical health care costs of active duty personnel and their dependents.
- Rates **exclude** the per capita normal cost of \$4,621 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 2020).

The FY 2020 Military Composite Standard Pay and Reimbursement Rates for Army, Navy, Marine Corps and Air Force are effective October 1, 2019.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE ARMY  
FOR FISCAL YEAR 2020 <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>	\$306,981	\$312,845
O-9	189,600	305,768	311,632
O-8	189,600	305,068	310,932
O-7	166,749	276,103	281,967
O-6	143,889	262,087	267,951
O-5	115,694	219,435	225,299
O-4	96,837	190,370	196,234
O-3	76,548	151,951	157,815
O-2	57,827	118,193	124,057
O-1	41,556	89,095	94,959
WO-5	\$112,945	\$209,582	\$215,446
WO-4	93,487	181,830	187,694
WO-3	78,304	158,528	164,392
WO-2	63,744	132,269	138,133
WO-1	57,562	117,981	123,845
E-9	\$86,723	\$162,876	\$168,740
E-8	66,771	134,314	140,178
E-7	57,559	120,188	126,052
E-6	45,767	103,638	109,502
E-5	36,792	85,202	91,066
E-4	29,633	68,535	74,399
E-3	24,492	56,671	62,535
E-2	23,134	53,690	59,554
E-1	19,375	45,794	51,658
CADETS	\$13,888	\$20,697	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 \$4,621 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 \$10,485 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 \$4,621 for MERHC accrual -- see **Tab K-1**.
- 4/ To compute a Daily Rate, apply a factor of .00452. To compute an Hourly Rate, apply a factor of .00057.
- 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) 2020.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE NAVY  
FOR FISCAL YEAR 2020 <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>	\$304,733	\$310,597
O-9	189,600	316,985	322,849
O-8	186,336	308,682	314,546
O-7	162,646	276,244	282,108
O-6	139,796	254,549	260,413
O-5	112,738	218,696	224,560
O-4	94,907	195,821	201,685
O-3	76,304	167,348	173,212
O-2	59,546	133,904	139,768
O-1	42,898	105,231	111,095
WO-5	\$114,426	\$207,049	\$212,913
WO-4	97,749	186,867	192,731
WO-3	83,813	166,900	172,764
WO-2	68,522	146,567	152,431
WO-1	\$0	\$0	\$0
E-9	\$83,675	\$161,101	\$166,965
E-8	66,434	137,514	143,378
E-7	56,927	123,939	129,803
E-6	45,979	107,332	113,196
E-5	36,695	90,828	96,692
E-4	29,903	73,058	78,922
E-3	25,373	60,661	66,525
E-2	23,220	54,033	59,897
E-1	19,772	47,548	53,412
CADETS	\$13,529	\$19,868	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 \$4,621 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 \$10,485 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 \$4,621 for MERHC accrual -- see Tab K-1.
- 4/ To compute a Daily Rate, apply a factor of .00452. To compute an Hourly Rate, apply a factor of .00057.
- 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) 2020.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
U.S. MARINE CORPS  
FOR FISCAL YEAR 2020 <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>	\$274,567	\$280,431
O-9	189,600	282,373	288,237
O-8	185,624	283,934	289,798
O-7	161,574	260,353	266,217
O-6	142,170	243,899	249,763
O-5	114,662	205,502	211,366
O-4	96,262	179,294	185,158
O-3	78,590	154,079	159,943
O-2	59,116	126,139	132,003
O-1	42,156	103,812	109,676
WO-5	\$107,983	\$182,592	\$188,456
WO-4	92,697	167,065	172,929
WO-3	77,675	151,543	157,407
WO-2	65,274	129,153	135,017
WO-1	58,230	122,461	128,325
E-9	\$83,931	\$157,844	\$163,708
E-8	65,826	131,137	137,001
E-7	56,014	116,961	122,825
E-6	45,577	101,944	107,808
E-5	35,788	79,901	85,765
E-4	29,511	64,788	70,652
E-3	25,101	55,706	61,570
E-2	23,136	50,687	56,551
E-1	19,633	46,405	52,269
	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 \$4,621 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 \$10,485 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 \$4,621 for MERHC accrual -- see Tab K-1.
- 4/ To compute a Daily Rate, apply a factor of .00452. To compute an Hourly Rate, apply a factor of .00057.
- 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) 2020.

**MILITARY COMPOSITE STANDARD PAY AND REIMBURSEMENT RATES  
DEPARTMENT OF THE AIR FORCE  
FOR FISCAL YEAR 2020 <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>	\$310,550	\$316,414
O-9	189,600	317,164	323,028
O-8	183,469	311,259	317,123
O-7	159,529	277,829	283,693
O-6	136,643	248,992	254,856
O-5	110,203	211,920	217,784
O-4	92,634	184,431	190,295
O-3	73,585	155,063	160,927
O-2	58,172	129,848	135,712
O-1	42,292	102,869	108,733
WO-5	----	----	----
WO-4	----	----	----
WO-3	----	----	----
WO-2	----	----	----
WO-1	----	----	----
E-9	\$83,212	\$157,467	\$163,331
E-8	66,627	133,541	139,405
E-7	57,518	119,165	125,029
E-6	47,349	103,821	109,685
E-5	37,895	87,962	93,826
E-4	30,461	72,900	78,764
E-3	24,914	57,007	62,871
E-2	23,289	51,077	56,941
E-1	19,947	44,458	50,322
CADETS	\$13,897	\$20,243	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 \$4,621 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 \$10,485 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 \$4,621 for MERHC accrual -- see Tab K-1.
- 4/ To compute a Daily Rate, apply a factor of .00452. To compute an Hourly Rate, apply a factor of .00057.
- 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) 2020.