DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
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WASHINGTON DC 20350–1000

SECNAVINST 1770.5A
ASN (M&RA)
3 Sep 2026

SECNAV INSTRUCTION 1770.5A

From: Secretary of the Navy

Subj: MANAGEMENT AND DISPOSITION OF LINE OF DUTY BENEFITS FOR MEMBERS OF THE NAVY AND MARINE CORPS RESERVE

Ref: (a) 18 U.S.C. §1001
(b) 10 U.S.C. §1074
(c) 10 U.S.C. §1074a
(d) 10 U.S.C. §12301
(e) 10 U.S.C. §12319
(f) 37 U.S.C. §204
(g) 37 U.S.C. §206
(h) DoD Instruction 1241.01 of 19 April 2016
(i) DoD Instruction 1332.18 of 10 November 2022
(j) DoD Instruction 6130.03 Volume 2 of 4 September 2020
(k) SECNAVINST 1850.4F
(l) SECNAV M-5210.1
(m) NAVMED P-117
(n) Joint Travel Regulations
(o) SECNAVINST 1752.4C
(p) SECNAV M-1850.1
(q) SECNAV M-5214.1
(r) 10 U.S.C. §§801, et seq.
(s) 32 CFR 199
(t) JAGINST 5800.76 CH-1

Encl: (1) Responsibilities
(2) Reserve Component Service Member Entitlements
(3) Definitions
(4) Incapacitation Pay Extension Checklist
(5) Incapacitation Pay Extension Request
(6) Appeal of Denial/Termination of Line of Duty Healthcare Benefits

1. Purpose. This instruction implements policies, assigns responsibilities, and prescribes procedures, pursuant to references (a) through (t), to authorize healthcare benefits,

appropriate pay and entitlements, and/or provide eligibility for referral to the Disability Evaluation System (DES) for Service Members of the Navy and Marine Corps Reserve whose injury, illness, or disease was incurred, recurred, or aggravated while in a qualified duty status, pursuant to references (c), (h), (i), (k), and (p). This instruction serves as the Service extension of reference (h). Enclosures (1) through (6) also provide policy and procedures.

2. Cancellation. SECNAVINST 1770.5.

3. Applicability. This instruction applies to members of the Department of the Navy (DON) Reserve Component (RC) with covered conditions incurred, reoccurred, or aggravated during periods of qualifying service; excluding Training and Administration of the Reserve (TAR)/Active Reserve Service Members.

4. Policy

a. Pursuant to references (a) through (p), Navy and Marine Corps RC Service Members are entitled to medical and dental treatment for injuries, illnesses, or diseases that were incurred or aggravated while in a qualified duty status and that are not the result of gross negligence or misconduct referred to in this instruction as a "covered condition," pursuant to reference (h). A decision by a Benefits Issuing Authority (BIA) that establishes a covered condition is a medical in-Line of Duty (in-LOD) determination. Covered conditions warranting referral to the DES must meet the threshold for in-LOD determination, pursuant to references (c), (h), (i), (k), and (p), and follow all requirements of the Line of Duty (LOD) program. The BIA will review case submissions to make an in-LOD determination allowing potential access to benefits. The BIA will follow procedures and requirements regarding requests for duty-related DES entry for qualified Prior Service Conditions (PSC).

b. In-LOD benefits available to RC Service Members with an in-LOD determination may include inpatient or outpatient healthcare, dental care, incapacitation pay and/or drill pay, travel and transportation allowance to and from medical treatment, Medical Hold (MEDHOLD) benefits, and referral into the DES for qualifying RC Service Members.

c. Pursuant to references (d) and (h), eligible RC Service Members, with their consent will be placed on MEDHOLD, i.e., ordered to, continued on Active Duty (AD) until the authorized LOD medical conditions are resolved, the member is found fit for duty, is evaluated for referral to the DES, or separated as a result of a DES finding. Elective surgical procedures are not authorized while in a MEDHOLD status without prior approval from the BIA.

d. Careful management of this program must be a priority at all levels of command to ensure the protection of both the member's rights and benefits and the respective Service's interest in prompt and appropriate resolution of cases. For disability, retirement, and/or separation purposes, a member who incurs or aggravates an injury, illness, or disease in the LOD will be evaluated, pursuant to references (k) and (p).

e. Pursuant to references (i) and (p), a RC Service Member who incurred or aggravated, or experienced a reoccurrence of a medical condition while in a later period of service, may be eligible for referral to the DES. DES referral requires the issuance of an in-LOD determination letter, pursuant to the process in reference (p), and will be the same process for all members covered under this instruction. The BIA is the reviewing and decision authority for in-LOD determinations. PSCs that recur, are aggravated outside of qualifying service, or otherwise cause the member to be unfit, should undergo a PSC determination, pursuant to references (i), (k), and (p), to determine eligibility for DES processing vice separation via the Medical Retention Review (MRR) process.

5. Responsibility. Elements of the DON listed below are designated and directed to act on behalf of the Secretary of the Navy (SECNAV), as detailed in enclosures (1) through (3), to make determinations as to the eligibility for healthcare, pay and allowance entitlement, and duty-related DES referral as provided for in law and regulation:

a. In-LOD Determination Letter. BIA.

b. Incapacitation Pay Eligibility. BIA.

c. Incapacitation Pay Extensions. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)).

d. Ability to perform military duty pursuant to drilling or non-drilling in-LOD determination. BIA determination(s) based on recommendation(s) from commanding officers (CO) and/or inspector/instructors (I&I).

6. Definitions

a. This section provides baseline definitions from this instruction, enclosure (3) for key terms to ensure a common understanding, pursuant to references (h) and (m), throughout this instruction.

b. 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.

c. In-LOD Determination Letter. A document that is issued by a Service Headquarters when it is determined that an injury or disease was incurred or aggravated while in a qualified duty status and may identify benefits, pursuant to paragraph 4b of this instruction. The in-LOD determination letter provides access to and authorization of health care benefits or referral to enter the DES provided by law and granted by the BIA for illness, injury, or disease incurred or aggravated while an RC Service Member is in a qualified duty status. In-LOD determination letters for referral into the duty-related DES may be granted to those RC members who have a qualified PSC under references (k) and (p).

d. Qualified Duty Status. The period in which a RC Service Member is: On AD for more than 30 days; performing AD for 30 days or less; performing Inactive Duty Training (IDT); Inactive Duty Training with Travel (IDTT); performing Funeral Honors Duty (FHD); muster duty; traveling to or from the place where he or she is to perform or has performed AD 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.

e. 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, recurred, or aggravated during

a period of unauthorized absence, and is incurred or aggravated while in a qualified duty status; while on AD for a period of more than 30 days; or as defined in reference (c), section 1074a in the case of a qualified duty status other than on AD for a period of more than 30 days.

7. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned according to the records disposition schedules found on the Directives and Records Management Division (DRMD) portal page: https://flankspeed.sharepoint-mil.us/sites/SECNAV_DRMD/SitePages/Records-and-Information-Management-Program.aspx.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact your local records manager or the DRMD program office.

8. Forms and Reports

a. Forms. The Navy form, NAVPERS 1070/613 (Page 13), Administrative Remarks and the Marine Corps form, and NAVMC 118 (Page 11) Administrative Remarks are available electronically on the Naval Forms Online website at: https://www.secnav.navy.mil/doni/NFOL/Forms/AllItems.aspx.

b. Reports. The reporting requirements throughout this instruction are exempt from information control, pursuant to reference (q), part IV, paragraphs 7k and 7p.

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RESPONSIBILITIES

1. The ASN (M&RA). Responsible for Department policy and program oversight regarding Navy and Marine Corps Reserve LOD benefits and disability processing.

a. Review and render a decision on appeals referred by the Chief of Naval Operations (CNO) or the Commandant of the Marine Corps (CMC) as BIAs that dissent from the determination made by the Judge Advocate General (JAG).

b. Authorize extensions to incapacitation pay eligibility beyond the initial six-month period when it is in the best interest of fairness and equity to do so. This authority is delegated to the Deputy Assistant Secretary of the Navy (Military Manpower and Personnel) (DASN (MMP)) for program execution.

2. The DASN (MMP). Authorize extensions of incapacitation pay eligibility beyond the initial six-month period when it is in the best interest of fairness and equity to do so. The DASN (MMP) has delegated authority to the first Flag Officer or General Officer (FO/GO) of the Navy and Marine Corps to approve first extensions of incapacitation pay. This authority may not be further delegated to an officer who is not at least a FO/GO or civilian equivalent.

3. The CNO and the CMC. The CNO and the CMC are the BIAs for their respective Service and are responsible for efficient, effective case management and disposition of RC Service Members who incur or aggravate an illness, injury, or disease that qualifies for benefits under this instruction. BIA authority may be delegated by CNO and CMC to appropriate subordinate units or commanders. BIAs authorize benefits for RC Service Members for an injury, illness, or disease incurred or aggravated in the LOD, and authorize physical examinations to determine fitness for duty or disability processing. Delegated authority has been issued from the SECNAV to the CNO and CMC to administer the in-LOD Benefits program including incapacitation pay.

a. Establish and promulgate Service specific policy, administrative procedures, and guidelines for in-LOD benefits to subordinate commands, including reserve activity administrative

staff, medical personnel, and mobilization site/I&I staffs, pursuant to references (h), (i), (k), and (p).

b. In areas outside a Military Treatment Facility (MTF) catchment area as defined by the servicing TRICARE region, provide appropriate documentation for which a RC Service Member may receive care and benefits under an in-LOD determination which will be approved via the Defense Health Agency (DHA). BIA will verify with DHA that procedures are in place which ensure medical treatment for an injury, illness, or disease incurred or aggravated in-LOD is not delayed due to administrative requirements.

c. Authorize incapacitation pay to eligible RC Service Members who incur or aggravate an injury, illness, or disease while in a qualified duty status.

d. Authorize pay and allowances (to include MEDHOLD pursuant to reference (j)), to the extent permitted by law, for RC Service Members receiving healthcare authorized by an in-LOD determination.

e. Endorse “Physically Able to Perform Military Duties” or “Physically Disabled/Unable to Perform Military Duties” determinations relevant to the RC Service Member’s office and grade and not necessarily the specialty skill or qualification held by the member for the purpose of incapacitation pay, pursuant to references (f) and (h).

f. Utilizing this instruction, enclosures (4) and (5), endorse the RC Service Member’s request for incapacitation pay eligibility beyond the initial six-month period.

g. Manage in-LOD cases and maintain a tracking system, pursuant to reference (j). The tracking system must include but not be limited to: incapacitation pay calculated, issuance and denial of in-LOD determinations, extensions, suspensions and terminations of in-LOD benefits, and placement of an extension on AD/MEDHOLD.

h. When required, ensure the completion of an in-Line of Duty investigation (in-LODI) before rendering a LOD benefits in-LOD determination.

i. Direct in-LOD determination cases to the Integrated/Legacy Disability Evaluation System for conditions that:

(1) Are deemed permanent.

(2) May render the Service Member unable to continue naval service.

(3) In-LOD cases when a RC Service Member remains not fit for duty up to one year after initial date of injury, illness, or disease was first incurred or aggravated and the member is not projected by a medical provider to be fit for duty within the next six-months, pursuant to references (j) and (l). Ensure all cases referred to the Physical Evaluation Board (PEB) contain complete in-LOD documentation.

j. Submit the incapacitation pay authorization to Defense Finance and Accounting Service upon receipt of the request for incapacitation pay and documentation of compliance with incapacitation pay program requirements.

k. Authorize RC Service Members to be recalled to or extended on AD orders for continued healthcare treatment for assessment of referral to the DES or DES adjudication, pursuant to references (d), (h), (k), and (p).

l. Direct that Service Members with potentially unfitting conditions which were incurred or aggravated during a period in a qualified duty status and meets the in-LOD criteria are referred to the DES following issuance of the in-LOD determination. An in-LOD determination with referral to the DES directs a Medical Evaluation Board (MEB) to determine immediate referral to the PEB.

m. Ensure RC Service Members who decline to remain on MEDHOLD or decline in-LOD medical benefits complete the release from AD against medical advice and have appropriate entries made into the RC Service Member’s record (with a legal or Disability Evaluation System Counsel Program (DESCP) counsel as a witness attesting to the counseling), pursuant to reference (l).

n. Special consideration should be given to injuries, illness, and diseases with latent onset of symptoms such as:

Post-Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI). PTSD and TBI cases where service medical records, or any medical document from the period of service, substantiate the existence of one or more symptoms of what is eventually recognized as PTSD, TBI, or a PTSD/TBI-related condition should be evaluated via an in-LOD pathway regardless of time from injury or incident. Documentation of an event that is likely to cause PTSD, such as sexual assault or exposure to traumatic events during qualified service, or previous AD service and were not present prior to, or at the time of discharge should be carefully considered during this evaluation.

o. Deny or terminate LOD benefits and process resultant appeals, pursuant to the procedures in this instruction, enclosure (2).

p. A member of the RC may request and is entitled to incapacitation pay, pursuant to the requirements stipulated in reference (f), paragraphs (g) and (h), and reference (h), enclosure 4, paragraph 2a.

4. The Deputy Chief of Naval Operations (Manpower, Personnel, and Training) (DCNO (MP&T)). The DCNO (MP&T) has management and oversight authority for all Navy RC Service Members in MEDHOLD and in-LOD determination programs.

5. The Deputy Commandant for Manpower and Reserve Affairs (DC (M&RA)). The DC (M&RA) has management and oversight authority for all Marine Corps RC Service Members in MEDHOLD and in-LOD determination programs. An additional or alternate BIA may be established by DC (M&RA) with direction and approval from the CMC to ensure full coverage of all in-LOD claims and circumstances.

6. The Reserve Medical Entitlements Determination (RMED) Program /Navy Personnel Command (PERS-95). PERS-95 or RMED issue in-LOD determination letters that may authorize benefits (to include potential DES referral for qualifying PSC) and manage all programs under the authority of this instruction; unless or until guidance or alternate CMC or CNO directed delegation is provided.

7. The Chief, Bureau of Medicine and Surgery (BUMED). Responsible for the efficient delivery of medical/dental care,

timely DES processing, and overall quality of Medical Board reports.

a. Coordinate with the BIA to effectively resolve medical cases which are receiving medical and/or dental care through the MEDHOLD or in-LOD determination programs.

b. Establish procedures to ensure all medical records and reports for a member referred to a TRICARE designated provider for evaluation and treatment are appropriately entered in the RC Service Member's Service Treatment Records (STR).

c. Ensure Navy Medical Readiness Training Command Commanders assign and train managers for cases involving members who may or may not be on AD but require healthcare at that facility.

d. Establish and publish criteria for determining "Physically Able to Perform Military Duties" or "Physically Disabled/Unable to Perform Military Duties" for the purpose of determining incapacitation pay, pursuant to references (f) and (h).

e. Establish policy for in-LOD determined cases that ensures MEBs are convened and conducted, pursuant to references (k) and (p).

(1) For medical conditions deemed permanent.

(2) In cases when a RC Service Member remains not fit for duty no later than one year after the initial date when the injury, illness, or disease was first incurred or aggravated, and the member is not projected by a medical provider to be fit for duty within the next six months.

8. The JAG. The JAG will review appeals and render opinions regarding the denial or termination of in-LOD benefits. This authority is delegated to the Deputy Assistant JAG, Administrative Law Division, Office of the Judge Advocate General (OJAG) (Code 13). Ensure RC Service Members who so elect, receive counseling by DES Counsel Program attorneys regarding in-LOD benefits prior to demobilizing and/or upon initiation of MRR processing.

9. The Commander, Navy Reserve Forces Command (CNRFC) /Mobilization and Deployment Support Command. Responsible for processing Service Members for mobilization and demobilization, as required. Submit in-LOD determination requests.

a. Ensure proper documentation of incurred injury, illness, or disease into the Service Member's STR prior to demobilizing RC Service Member completing checkout. If a Service Member declines to remain on MEDHOLD, a page 11/13 must be completed (with a legal or DESCP counsel as a witness attesting to the counseling), and the member must provide the chain of command all pertinent and/or applicable information required to complete an in-LODI prior to being released from AD or mobilization. The RC Service Member must be counselled that failure to provide the information to facilitate an in-LOD determination prior to demobilization could negatively impact benefits eligibility.

b. Distributed Mobilization. The command designated as the mobilizing/demobilizing command is responsible for processing RC Service Members for demobilization. Demobilizing members will be medically evaluated and all medical issues will be noted in their record. Members on orders, pursuant to reference (d), more than 30 days may be eligible for MEDHOLD for condition(s) that make the member potentially unfit to demobilize. The demobilizing command in this scenario is responsible for forwarding the MEDHOLD package to the BIA, as appropriate. Otherwise, pursuant to MEDHOLD policy found in this instruction, enclosure (2), the member has the option of voluntarily electing not to remain in a MEDHOLD status, in which case the member does not give up their potential future right to request in-LOD healthcare benefits when they have returned to Selected Reserve status. If MEDHOLD is desired by the member, the command will submit a MEDHOLD package before expiration of active orders, following all guidance for MEDHOLD found in enclosure (2) of this instruction. MEDHOLD request packages should be submitted to the BIA at least 90 days prior to expiration of orders, or as soon as possible for an injury or condition occurring within 90 days of orders end date.

10. Navy Echelon IV Commands/Commander, Marine Forces Reserve (COMMARFORRES). In coordination with the BIA, provide training, oversight, and administrative support to the CO/I&I regarding the process of RC Service Member incapacitation pay and in-LOD benefits, LODIs, and in-LOD determinations. If a Service Member

declines to remain on MEDHOLD, ensure the CO/I&I document the election via Page 11/13 (with a legal or DESCP counsel as a witness attesting to the counseling), and the Service Member must provide the chain of command all pertinent and applicable information required to complete an In-LODI prior to being released from AD or mobilization.

a. Review and assess packages prior to routing to the BIA.

b. Conduct a thorough medical review of the entire medical request, complete with a medical provider's formal written opinion and recommendation as if the applicant qualifies for referral to the DES. In the event there is no medical provider available at this level, the first credentialed medical officer in the RC Service Member's chain of command will provide this review.

11. COs/Officers-in-Charge/I&I. Responsible for processing RC Service Members requests for any claimed in-LOD injury, illness, or diseases and ensuring all pertinent and/or applicable information required to complete an in-LODI is included. The RC Service Member must be counselled that failure to provide information to facilitate an in-LOD determination could negatively impact benefits eligibility. The RC Service Member's chain of command must ensure expeditious medical treatment and proper case management. The command must provide counseling on the rights and benefits to which the RC Service Member is entitled.

a. When a Service Member reports an injury incurred or aggravated during a period of duty or while in a qualified duty status an in-LODI, utilizing DD Form 261, will be conducted to document the occurrence and establish the Service Member's basis for eligibility. Forward the completed in-LODI to the BIA.

b. At the completion of the in-LODI, if the specifics of the case meet the requirements of references (i), (j), or (o), or this instruction, the remainder of this section will be adhered to. When an RC Service Member reports an injury not incurred or aggravated while in qualified duty status, but the injury impacts the member's ability to perform military duties, the command must conduct a proper screening of records to ensure the injury is not related to a previously reported injury incurred in-LOD. An MRR should be completed, pursuant to

reference (p), and current MRR policy issued by BUMED and CNRFC or COMMARFORRES in establishing a determination of Not Physically Qualified, Retention Not Recommended stemming from MRR. Units should contact the BIA if there are any questions as to the member being referred to either an MRR, a PSC, or in-LOD programs. A member will be referred to an MRR for injuries incurred while not in the most recent qualified duty status, to the PSC for in-LOD injuries that occurred prior to the current or most recent set of orders and are greater than six months from the onset of symptoms, and the in-LOD program for injuries incurred while in a qualified duty status within the past six months, absent special circumstances. If the member is asserting that the injury was incurred or aggravated by military service the CO will consult with up-echelon chain of command, BUMED, and/or BIA to determine whether MRR, PSC, or in-LOD processing should be adhered to first.

c. Consult medical officers, Medical Department Representatives (MDR), and/or civilian healthcare providers to determine the level of care required and estimated recovery timeframe. As required, coordinate with healthcare providers to facilitate care and timely recovery.

d. Make a recommendation to the BIA as to whether the Service Member can perform military duties pursuant to drilling or non-drilling for in-LOD conditions. Recommend the RC Service Member for a drilling in-LOD when the RC Service Member is able to perform military duty or non-drilling in-LOD when military duty is precluded as a result of the RC Service Member’s in-LOD condition. Make recommended changes to the BIA with regard to in-LOD type pursuant to the medical condition.

e. Ensure the RC Service Member understands the requirements of the MRR, MEDHOLD, PSC, and in-LOD programs, the benefits available, each program’s specific administrative processes, and is aware of the availability of DESCP counsel.

f. As directed by the BIA, coordinate with BUMED to ensure DES processes are progressing to the PEB.

g. Ensure the Service Member complies with in-LOD and/or MEDHOLD procedures to include the submission of monthly medical documentation from their treating provider(s) referencing current condition and treatment plan.

h. Actively manage each case. Ensure submitted documentation supports entitlements and disability decisions, and that applicable recovery and case administration milestones are achieved.

i. Endorse and forward to the BIA all Service Member requests for healthcare and/or pay and allowance entitlements. If confusion exists as to whether the Service Member's eligibility is valid, contact the BIA for assistance in determination.

j. Ensure MDRs submit a complete in-LOD package to the BIA through the Echelon IV command or the RC Service Member's chain of command. The package must include the LODI, medical documentation from the date of the initial injury, illness or disease, or aggravation to the present date. This must include all military, civilian, and Department of Veterans Affairs (VA) medical records pertinent to the condition being claimed.

k. Provide periodic training to Sailors and Marines regarding their obligations under this instruction, enclosure (1), paragraph 12.

12. Individual Sailor/Marine. The Service Member is the focal point of this program with the goal to return the Service Member to full duty, referral to DES for disability evaluation, or adjudication via the MRR process.

a. Report to the MDR any injury, illness, or disease incurred or aggravated during a period of duty as soon as possible via the Service Member's chain of command after occurrence and prior to termination of such duty or orders.

(1) The RC Service Member has up to 180 days after completion of the qualified duty status to submit a request to the BIA 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 of symptoms of PTSD or any other circumstances that delayed the ability to submit the request within 180 days. Failure to report any injury (incurred either on or off duty) within this timeframe may impact the RC Service Member's access to full benefits, absent special circumstances as described above.

(2) It is the responsibility of the Service Member to provide all necessary documentation related to the purported claim. The BIA will only consider evidence provided in the individual package to determine whether the preponderance of the evidence standard has been met for claim approval. If a claim is denied and returned to the Service Member due to insufficient evidence, the Service Member may make corrections and resubmit for re-consideration.

b. Provide the chain of command all applicable information to complete an in-LODI. Additionally, sign and acknowledge MEDHOLD or in-LOD determination requirements regarding medical care, documentation and civilian income verification, pursuant to this instruction, enclosures (4) and (5).

c. Pursuant to reference (j), immediately report to the CO/I&I via the MDR any injury, illness, or disease incurred outside of duty (civilian-incurred condition) which may impact the ability to perform military duties and comply with processes stipulated in the reference (m).

d. Fully comply with case management requirements regarding arrangement and attendance of all medical appointments, and all medical provider instructions in order to facilitate a timely recovery and return to full duty. Inform case managers, in writing, of any appointment cancellations including detailed justification for the cancellation. Provide the case manager copies of all medical documentation.

e. Sign and acknowledge understanding of MEDHOLD or in-LOD determination requirements. Submit monthly medical documentation with diagnosis, treatment plan, duty limitations, and other pertinent information. Noncompliance with program requirements may lead to termination of applicable benefits.

f. Inform chain of command of current address, email address, and phone number.

RESERVE COMPONENT SERVICE MEMBER ENTITLEMENTS

1. MEDHOLD Healthcare Entitlement. MEDHOLD is a voluntary medical treatment program for RC Service Members with the sole purpose of addressing medical conditions incurred or aggravated in the LOD while in a qualified duty status. Evidence must exist in the RC Service Member's STR that a condition was identified and documented while the member was in a duty status. Once eligibility has been determined, the RC Service Member may request or accept MEDHOLD orders. MEDHOLD must be offered to the RC Service Member to meet the entitlement requirements of reference (d).

a. When an RC Service Member is on AD for a period of more than 30 days and has an unresolved in-LOD condition that may render the member unfit for duty under the DES, the member will, with their consent, be retained on AD until:

(1) Outstanding approved MEDHOLD conditions are resolved.

(2) They are found fit for duty, separated, or retired as a result of a DES finding.

(3) They are subject to legal or disciplinary action resulting in separation.

(4) He or she elects to disenroll themselves from MEDHOLD.

b. An illness, injury, or disease does not automatically qualify a RC Service Member for MEDHOLD. The condition must be deemed to be potentially unfitting, as determined by the respective Service, pursuant to references (j), (l), and (p).

c. If approved for MEDHOLD, the RC Service Member will remain on AD orders and placed in a MEDHOLD status. RC Service Members will be limited to no more than 12 months in a medically non-deployable status. Periods exceeding 12 months in total duration require BIA approval and may be approved on a case-by-case basis if the medical condition will be resolved within an additional six-month period without a DES referral. If resolution is not possible in this time period, BIA will take

action, pursuant to this instruction, enclosure (1), paragraph 3h.

d. Pursuant to references (j) and (l), conditions that remain unfitting at 12 months as determined by a health care provider will have a MEB convened. Service Members who have received a DES referral are eligible to remain in MEDHOLD until their DES case is complete.

e. Pursuant to references (j) and (l), Service Members with permanently disabling conditions will have medical boards convened as soon as possible to be eligible for MEDHOLD and/or in-LOD healthcare entitlements. Service Members who have received a DES referral are eligible to remain in MEDHOLD until their DES case is complete.

f. An RC Service Member eligible for MEDHOLD entitlement, who declines these entitlements, will be counseled by their chain of command (with a legal or DESCP counsel as a witness attesting to the counseling). The counseling acknowledgement must be in writing, via NAVPERS 1070-613, signed by the Service Member, and included in the RC Service Member's record with a copy forwarded to BIA. The RC Service Member must certify that the benefits of the MEDHOLD and/or in-LOD determination program have been explained and that the RC Service Member has elected to waive the associated benefits as determined by the BIA.

g. Additionally, if the Service Member declines MEDHOLD entitlements (with a legal or DESCP counsel as a witness attesting to the counseling), the BIA will then complete an in-LOD determination to document the RC Service Member's entitlement to medical and dental treatment comparable to that under reference (c).

2. In-LOD Benefits Determination. An in-LOD determination letter will be provided by the BIA to all RC members with covered conditions resulting from service in a qualified duty status. The in-LOD healthcare entitlement authorizes medical and/or dental care (dental care within the in-LOD determination healthcare benefits are subject to not only the BIA determination of in-LOD, but also dependent on the dental insurance provider accepting the claim and determining coverage of the dental care) for RC Service Members who incur or aggravate an injury, illness, or disease while in a qualified

duty status, unless such injury, illness, or disease is the result of gross negligence or misconduct. If authorized, RC Service Members may receive medical benefits for approved conditions until healthcare providers either determine the member warrants referral into the DES or releases the member from medical care without limitations. Additionally, if the BIA determines the member meets the requirements for an in-LOD determination letter they may also be referred directly to the DES (to include review of cases submitted for PSC).

a. The CO/I&I, in consultation with medical authority, will initiate a LODI to document the illness or injury to support an in-LOD determination decision when notified of the injury or illness.

b. RC Service Members with an illness or injury potentially qualifying for in-LOD benefits may request in-LOD determination and the issuance of an in-LOD determination letter from the BIA via their CO/I&I following established BIA processes and procedures.

c. Upon final adjudication, the BIA will inform the RC Service Member via the CO/I&I of the benefits approved for the in-LOD condition and the RC Service Member's responsibilities within the in-LOD program.

d. Pursuant to references (f) and (h), an RC Service Member is entitled to compensation to include travel and transportation allowances for necessary travel incidents to care under the in-LOD Benefits Program.

e. Drilling in-LOD. An RC Service Member who, as recommended by the member's CO/I&I and approved by the BIA, is physically able to perform any military duty, will attend drill periods or upon request Annual Training (AT) and is eligible for pay and allowances, pursuant to references (f) and (h).

f. Non-Drilling in-LOD. An RC Service Member who, as recommended by the member's CO/I&I and approved by the BIA, cannot perform any military duties and must be placed in a non-drilling in-LOD status. Under these circumstances, the RC Service Member may not participate in drill periods or AT, but may be entitled to pay and allowances, pursuant to references

(f) and (h). The member must not be transferred to the Voluntary Training Unit or Individual Ready Reserve.

g. An RC Service Member eligible for in-LOD healthcare entitlement who declines these entitlements will be counseled by their chain of command (with a legal or DESCP counsel as a witness attesting to the counseling). Counseling acknowledgement must be in writing, via Page 11/13, and included in the RC Service Member's record with a copy forwarded to BIA. The RC Service Member must certify that the benefits of the MEDHOLD and/or in-LOD determination program have been explained and that the RC Service Member has elected to waive the associated benefits as determined by the BIA.

h. The in-LOD process for Sexual Assault Prevention and Response cases is contained within reference (o).

3. Pay and Allowances Entitlement

a. MEDHOLD. RC Service Members on MEDHOLD will be voluntarily retained on AD with pay and allowances associated with their rank for the timeframe required to complete medical care and/or adjudication via PEB process as appropriate.

b. Travel and Transportation Allowance. Pursuant to reference (l), a 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, pursuant to reference (f) as implemented by reference (l), paragraph 7085.

c. Incapacitation Pay. An RC Service Member with an approved LOD benefits determination letter may be entitled to incapacitation pay upon request, pursuant to references (f) and (h). Initially, incapacitation pay eligibility may be authorized for a period up to six months (cumulative), but lesser periods of eligibility may be requested and authorized.

(1) An RC Service Member's qualification for incapacitation pay is determined based upon the RC Service Member being physically incapacitated as a result of the in-LOD condition (as documented by the treatment provider) and the RC Service Member demonstrating medical incapacitation resulting in

a loss of civilian earned income from non-military or self-employment as a result of an in-LOD condition.

(2) Incapacitation pay must include full Basic Allowance for Housing according to the RC Service Member's primary residence at the time they become eligible for this pay.

(3) The BIA must authorize payment of incapacitation pay at the initial six-month period of eligibility (or a lesser period of eligibility if requested by the RC Service Member), and extensions as authorized by the designated authority within the ASN (M&RA).

(4) RC Service Members may receive incapacitation pay if they demonstrate a loss of earned income from non-military employment or self-employment as a result of an in-LOD condition which is shown to be incapacitating from their civilian employment, pursuant to references (f) and (h).

(a) If the RC Service Member is physically disabled or unable to perform military duties, and placed in a non-drilling in-LOD status, the RC Service Member may receive incapacitation pay up to the amount of pay and allowances provided by law or regulation for a Service Member of the regular component of a uniformed Service of corresponding grade and length of service for that period less any earned income from non-military or self-employment (including income from an state unemployment, income protection plan, vacation pay, insurance compensation, sick leave, or other forms of compensation which the RC Service Member elects to receive from their state/insurer/employer).

(b) If the RC Service Member is physically able to perform military duties and placed in a drilling in-LOD status, the RC Service Member may receive incapacitation pay for a loss of non-military or self-employment wages up to the amount of pay and allowances provided by law or regulation for an RC Service Member of the regular component of a uniformed Service of corresponding grade and length of service for that period.

(c) Anyone who knowingly makes a false or fraudulent statement or claim for non-military or self-employed earned income may be subject to punishment under reference (r), section

907 (also known as Article 107 of the Uniform Code of Military Justice (UCMJ)), or other applicable articles.

(5) Pursuant to reference (h), incapacitation pay may end when the RC Service Member returns to civilian employment, secures new civilian employment, has recovered sufficiently to be deemed fit for duty, or the resulting incapacitation has been processed and finalized through the PEB.

(6) RC Service Members who are in treatment for a covered condition under the LOD benefits determination letter and unable to perform military duties as determined by the BIA, as a result of an in-LOD determination condition and are placed in a convalescent leave status following surgical intervention, are entitled to full pay and allowances minus earned income, pursuant to reference (d), for the date of surgery and the authorized convalescent leave days.

(7) CO/I&Is must review the RC Service Member's compliance with the treatment program and employment status every 30 days to validate incapacitation pay eligibility and progress toward fit for duty status.

(8) RC Service Members must be on orders for IDT or IDTT if a Department of War (DoW) evaluation is required for DES. RC Service Members will not be placed on orders to attend a VA evaluation as part of IDES.

4. Extension of an Incapacitation Pay Eligibility

a. The Commander, Navy Personnel Command/RMED may extend incapacitation pay eligibility on a case-by-case basis beyond the initial six-month period when it is determined to be in the best interest of fairness and equity to do so. Any subsequent extension requests will be extended by the ASN (M&RA). At any time, ASN (M&RA) may request records of incapacitation pay extensions that have been approved.

b. Extension request packages must include a completed incapacitation extension checklist (see this instruction, enclosure (4)). Requests will be forwarded via the chain of command and submitted to ASN (M&RA) no later than 30 days prior to the end of the initial benefit period. If the extension is

not submitted in the established timeframe it may result in suspension or termination of benefits.

c. Incomplete packages will be returned to the RC Service Member with a description of deficiencies via the chain of command in order to allow the RC Service Member to correct any deficiencies.

d. Requests for a second extension (or more) of incapacitation pay eligibility where the RC Service Member has not yet been referred to the PEB must include an endorsement from the BIA. The endorsement must confirm that the RC Service Member has not received the maximum benefit of medical or dental care (and the medical condition is expected to be resolved during the extension period), or that the RC Service Member is being processed through the DES.

5. Participation

a. Non-drilling in-LOD Status. RC Service Members unable to perform any military duties as a result of an in-LOD determination condition will be placed in a non-drilling in-LOD status, pursuant to reference (k), as determined by the BIA. Reasons that members may be placed in non-drilling in-LOD status include but are not limited to the following: inpatient treatment, driving limitations that prevent members from traveling to/from work, or debilitating conditions that could result in additional injury.

(1) Such RC Service Members are not authorized to attend home-site IDT periods or otherwise be placed on AD except as pursuant to reference (h).

(2) In order to maintain satisfactory participation for retirement purposes subject to application and regulations, such RC Service Members are authorized to complete correspondence courses for service credit during the period in which benefits are received. This must be coordinated with, and pre-approved by, the RC Service Member’s chain of command. Commands are encouraged to explore all available options to allow a non-drilling in-LOD RC Service Member maximum opportunity to maintain satisfactory participation requirements, within limits of applicable directives.

b. Drilling in-LOD Status. RC Service Members who are able to perform military duties as a result of an in-LOD determination condition are placed on a drilling in-LOD status, as determined by the BIA.

(1) Such RC Service Members must attend home-site IDT periods as determined by the chain of command and may be assigned duties commensurate with the constraints associated with their in-LOD condition(s). On a case-by-case basis, the CO/I&I may excuse a RC Service Member from regularly scheduled drill periods when the RC Service Member's treatment conflicts with the training schedule or an RC Service Member's condition precludes participation in a specific training event. Documentation of excused drill periods must be submitted to the BIA for inclusion in the RC Service Member's file.

(2) Services are directed to follow appropriate service specific guidance for performance of select active or inactive duty orders for RC Service Members in an approved in-LOD status.

6. Medical Treatment

a. Outpatient

(1) RC Service Members authorized MEDHOLD or receiving healthcare via an in-LOD benefits determination letter may obtain treatment from a DoW MTF, Uniformed Service Treatment Facility (USTF), VA Medical Center, or DHA-approved healthcare provider.

(2) When treatment at an MTF is not reasonably available, RC Service Members may be authorized care outside of the Military Health System. RC Service Members who reside outside MTF catchment areas (50-mile radius of the MTF facility) must obtain prior approval for non-emergency civilian care from DHA via their unit MDR. DHA determines if the requested care is necessary or appropriate. Failure to obtain prior approval for healthcare may result in denial of payment for treatment with the Service Member assuming liability for payment.

(3) An RC Service Member who is entitled to healthcare is also entitled to travel and transportation allowances for necessary travel incidents to such care and return to their residence upon completion of treatment.

(4) Travel orders should be written if the RC Service Member travels outside of the local area, pursuant to reference (l), for outpatient and inpatient medical treatment.

b. Inpatient Treatment

(1) Whenever considered in the best interest of the RC Service Member and the respective Service component, RC Service Members should be admitted to a MTF for inpatient treatment under orders.

(2) If the RC Service Member resides outside of an MTF catchment area, DHA will coordinate admission to an approved healthcare facility (i.e., VA, civilian, etc.).

(3) When an RC Service Member is admitted to a DHA-approved healthcare facility, DHA will make the determination for the necessity of continued hospitalization or transfer to a TRICARE designated provider, MTF, or VA Medical Center for evaluation or treatment. The member should be transferred to a TRICARE designated provider, USTF, or VA Medical Center when extended hospitalization is necessary and transfer will not jeopardize the health or impede the convalescence of the RC Service Member.

(4) RC Service Members hospitalized due to an emergency while in a duty status must be placed on or continued on orders for the entire period of the hospitalization until stabilization has been achieved, or the member may submit for a LOD determination to the BIA, pursuant to reference (f). This requirement does not apply to elective procedures or a patient's request to remain in the hospital past physician recommendation.

7. Emergency Care. Nothing in this instruction will be construed to preclude emergent and immediate medical or surgical treatment of an RC Service Member during any period of duty. The circumstances of origin of the condition with regard to having been incurred during or aggravated by an earlier period of duty will be resolved after the emergency has stabilized. An RC Service Member requiring emergency treatment after termination of a duty period stating that the condition was incurred or aggravated during a period of duty will be examined and provided necessary medical care. No treatment beyond that which is required to stabilize the determined emergency is

authorized until the service connection is validated. Members requiring on-going treatment are encouraged to seek non-DoW resources until the service connection is validated.

8. Denial of in-LOD Benefits. The BIA will deny in-LOD benefits when the injury, illness, or disease was not incurred or aggravated in-LOD, or was due to the member's own gross negligence or misconduct. Member may appeal a denial with OJAG, pursuant to the process in this instruction, enclosure (2), paragraph 13. If the BIA determines a condition(s) is not in-LOD and so does not qualify for in-LOD determination letter, the individual Service will assess what process may be warranted if the condition(s) affects the member's ability to perform duties.

9. Suspension of in-LOD Benefits Previously Granted

a. Command oversight and active case management are essential to ensure this program is executed in a fiducially responsible manner. Significant responsibility rests with the RC Service Member to maintain compliance. In-LOD benefits may be suspended for an RC Service Member's failure to comply with program requirements.

b. The RC Service Member must be informed of his/her suspension via the RC Service Member's chain of command by the BIA. If, during the suspension period, the RC Service Member regains compliance with the requirements of this instruction, the BIA will determine the effective date that in-LOD benefits may resume, taking into consideration the nature of non-compliance, any mitigating circumstances, and the date the member regained compliance with the program requirements. Specific situations for suspension of in-LOD benefits include, but are not limited to:

(1) The RC Service Member's refusal to submit to medical, dental, or surgical treatment necessary to restore the member to fit for duty or "fit for continued service" medical status. An RC Service Member refusing medical treatment for a religious reason must have a medical board convened as outlined, pursuant to reference (m), to determine if the refusal will be approved. The RC Service Member may be eligible for continued incapacitation pay, if a religious exemption is approved.

(2) The RC Service Member's failure to authorize release of requested medical or dental documentation or provide documentation, which adequately establishes the RC Service Member's medical condition, prognosis, and adherence to a treatment plan.

(3) The RC Service Member's failure to obtain a medical or dental evaluation when directed by medical, dental, or administrative officials.

(4) As applicable, the RC Service Member's failure to provide current evidence to establish gross civilian earned income and any loss of income incurred, or misrepresentation of lost wages. As part of active case management, the BIA may attempt to confirm employment status and earned income amounts directly with the RC Service Member's employer as required.

10. Termination of in-LOD Benefits Previously Granted. The BIA will terminate LOD benefits in the following circumstances:

a. When the BIA determines that the injury, illness, or disease was not incurred or aggravated in the LOD or was due to the RC Service Member's own gross negligence or misconduct.

b. If the BIA determines the incapacitation pay was awarded in error. For example, if following the discovery of new evidence that is material to the LOD analysis, the BIA determined that the first in-LOD determination granting in-LOD benefits violated the law, regulations, or written policy, then that would constitute an "error" sufficient to terminate the benefits previously approved. Similarly, if the RC Service Member procured the BIA's favorable decision based on fraud or misrepresentation, then that would also constitute such an "error."

c. Upon the statutory discharge or retirement of the RC Service Member.

d. Failure to provide updated documentation as required by the suspension of incapacitation pay within 30 days from the date of delivery of official communication.

e. When the RC Service Member has recovered sufficiently to be returned to military duty or the resulting incapacitation has been processed and finalized through the PEB.

f. Failure to respond to a suspension notification within the allotted timeframe or failure to correct the suspension condition(s)5 as annotated in the notification from the BIA.

11. Termination of in-LOD Benefits DES Referral Previously Granted. The BIA will terminate in-LOD benefits if a complete DES package is not submitted to the PEB within six months of the in-LOD benefits determination letter due to the RC Service Member's negligence or misconduct.

12. Written Notice of Denial or Termination. The BIA will inform the RC Service Member via written notice of all reasons why the LOD benefits were denied or terminated. The BIA will send the notice via verifiable delivery method to the RC Service Member with a copy to the CO/I&I, and if being processed by the PEB, the President of the PEB. If the basis for the denial or termination is that the injury, illness, or disease was not incurred or aggravated in-LOD or was due to the RC Service Member's own gross negligence or misconduct, the written notice will inform the member of the facts relied upon by the BIA in making its determination in order to enable the RC Service Member's informed response should he or she elect to appeal.

13. Appeal Process

a. An RC Service Member may appeal the BIA's denial or termination of in-LOD benefits to OJAG (Code 13). An appeal must be submitted to the BIA by the member's CO for transmission to OJAG (Code 13) within 60 days of notice via official communication of the denial or termination of benefits. OJAG (Code 13) may waive the time requirement for good cause shown by the RC Service Member or his/her command.

b. The RC Service Member's letter of appeal must indicate "Appeal" on the subject line and must set forth in detail the reasons, with supporting documentation, for disagreement with the denial or termination. Appeals must be endorsed by the member's military chain of command.

c. The BIA will review the appeal and issue a written reconsideration of the denial or termination of benefits. If the BIA reconsiders the previous denial or termination and grants the relief requested by the member the appeal package will not be referred to OJAG (Code 13). If the BIA's reconsideration determines that denial or termination of benefits is still warranted, then the BIA will forward the appeal to OJAG (Code 13).

d. The BIA's reconsideration letter will comply with the format in this instruction, enclosure (6). If the BIA, upon reconsideration, denies the appeal for reasons not stated in the denial or termination letter, the BIA must articulate these additional reasons in its reconsideration decision and provide the member with an opportunity to rebut such reasons within 10 business days. If the BIA's reconsideration determines that denial or termination of benefits are still warranted, then the BIA will forward the appeal to OJAG (Code 13). The BIA will include the RC Service Member's initial request for benefits, the BIA's written notice of denial or termination of benefits, RC Service Member's appeal letter, and chain of command endorsement, all with supporting documentation marked and organized as enclosures.

e. OJAG (Code 13) will review the administrative record to ensure compliance with applicable law and regulations and render a written decision on the appeal to the RC Service Member, via the BIA, within 60 calendar days of receipt of the complete appeal package. In an instance where a decision cannot be provided within 60 calendar days, OJAG (Code 13) will notify the BIA and provide monthly updates on the status of the appeal package until a written decision is made. Pursuant to the authority contained in reference (i), if OJAG (Code 13) grants the appeal by reversing the denial or termination of LOD benefits, the RC Service Member's eligibility for healthcare benefits or duty-related DES referral will be reinstated immediately, and pay and allowances will be reinstated with payment effective from the date member was first eligible.

f. If the BIA disagrees with OJAG's (Code 13) decision on the appeal, the BIA may forward OJAG's (Code 13) decision, with the BIA's rationale for disagreement with OJAG (Code 13), and the administrative record to ASN (M&RA) for final disposition within 30 calendar days of receipt. The BIA will provide notice

to the member of its disagreement and rationale for such disagreement with OJAG (Code 13) at the time of submission to ASN (M&RA). The member will have an opportunity to rebut such reasons within 10 business days of receipt.

14. Standard of Evidence. Pursuant to reference (h), the standard of evidence for in-LOD determinations is the preponderance of the evidence, except for in-LOD determinations described in this instruction, enclosure (2), paragraph 2, a presumption that the RC Service Member's illness or injury was incurred or aggravated in the LOD applies unless the disease or injury was noted at the time of entry into service. This presumption may only be overcome when clear and unmistakable evidence indicates:

a. That the disease or injury existed prior to the qualifying period of military service and was not aggravated by the RC Service Member's qualifying period of military service and the member has less than eight years cumulative Active Component (AC) service.

b. That the disease or injury resulted from the member's gross negligence or misconduct.

DEFINITIONS

1. Aggravated. The worsening of a pre-existing medical, dental, or behavioral health condition over and above the natural progression of the medical, dental, or behavioral health condition as a direct result of military duty.

2. BIA. The Service's agent for administering MEDHOLD, in-LOD determination, and incapacitation pay programs.

3. CO/(I&I). The CO/I&I are the first commissioned officers in the RC Service Member's chain of command who has UCMJ authority.

4. 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 for a period of more than 30 days, or as defined in reference (f), section 1074a in the case of a qualified duty status other than on AD for a period of more than 30 days.

5. Disease. A pathological condition of a part, organ, or system by an organism resulting from various causes, such as infection, genetic defect, or environmental stress, and characterized by an identifiable group of signs or symptoms.

6. Earned Income. Wages, salaries, tips, professional fees, other compensation received for personal services and employee compensation which are included in gross income, plus any net earnings from self-employment for the taxable years. Earned income includes taxable compensation received by RC Service Members (to include the National Guard) for the performance of reserve duties. Employee pay is earned income if it is taxable. Non-taxable 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 on line 1 of IRS Form 1040EZ, U.S. Income Tax Return for Single and Joint Filers with No Dependents, box 7 of IRS Form 1099-MISC, Miscellaneous Income, or IRS Tax Transcript. Any of the above forms can be considered as sufficient evidence of gross income.

7. 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, pursuant to reference (s).

8. Fit for Duty. A finding by a military healthcare provider or by a MEB that an RC Service Member previously "Unfit for Duty" or "Temporarily not Medically Qualified" has adequately healed from the injury, illness, or disease that necessitated the RC Service Member's medically restricted duty status or receipt of LOD benefits, pursuant to references (i) and (k).

9. Fit for Full Duty. A finding by a military healthcare provider or by a MEB that an RC Service Member previously "Unfit for Duty" or "Temporarily not Medically Qualified" has adequately healed from the injury, illness, or disease no longer requires medical treatment and is able to reasonably perform the naval duties to which he or she would normally be assigned, pursuant to reference (i).

10. Fit for Continued Naval Service. A PEB finding, which indicates a RC Service Member is reasonably able to perform the duties of his or her office, grade, rank, or rating. The finding of Fit for Continued Naval Service does not preclude subsequent temporary determinations of unsuitability for deployment, Physical Fitness Assessment participation, and disqualification from special duties or administrative actions resulting from such determinations, pursuant to references (i), (k), and (o).

11. Illness. The impairment of normal physiological and/or psychological function that affects all or part of an organism. For purposes of this instruction, illnesses are considered non-traumatic, medical impairments that are usually of a temporary nature.

12. Incapacitation. Disability due to an injury, illness, or disease incurred or aggravated by service that prevents the

performance of military duties as determined by the SECNAV, or which prevents the RC Service Member from returning to the civilian occupation in which the RC Service Member was engaged at the time the injury, illness, or disease that was incurred or aggravated.

13. 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 non-military employment or self-employment as a result of a covered condition, pursuant to reference (f).

14. Incurred. Came into being, regardless of when discovered or diagnosed. The date or time of onset, when an injury, illness, or disease is contracted.

15. Injury. Damage or wound to the body, traumatic in origin.

16. DES. The process, governed by the SECNAV, pursuant to references (j) and (p), which makes determinations regarding fitness for continued naval service and entitlements to disability benefits.

17. 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.

18. In-LOD Determination Letter. A document issued by a Service Headquarters when it is determined an injury or disease was incurred or aggravated while in a qualified duty status, and may identify benefits pursuant to paragraph 4b of this instruction. The in-LOD determination letter provides access to and authorization of health care benefits or referral to enter the DES provided by law and granted by the BIA for illness, injury, or disease incurred or aggravated while a RC Service Member is in a qualified duty status. In-LOD determination letters for referral into the duty-related DES may be granted to those RC members who have a qualified PSC under references (k) and (p).

19. In-LOD Program. The program authorizing medical and/or dental care and incapacitation pay for RC Service Members who

incur or aggravate an injury, illness, or disease while in an authorized duty status, pursuant to reference (i).

20. In-LODI. An investigation to document the official record of the circumstances surrounding an injury, illness, or disease to determine if the injury, illness, or disease was incurred or aggravated while in a qualified duty status. An in-LODI will be completed for every RC Service Member before issuing LOD benefits determination letter and before processing an RC Service Member through the MRR process.

21. MEB. A body of physicians (or others designated by BUMED) convened to evaluate RC Service Members whose physical and/or mental qualification to continue on full duty is in doubt or whose physical and/or mental limitations preclude their return to full duty within a reasonable period of time. MEBs are convened to evaluate and report on the following: diagnosis; prognosis for return to full duty; plan for further treatment, rehabilitation, or convalescence; estimate of the length of further disability; and medical recommendation for disposition of such RC Service Members. A case usually enters the DON DES through the findings of a MEB, pursuant to references (i) and (k).

22. MEDHOLD. A program to retain RC Service Members beyond the expiration of their authorized duty period to obtain medical treatment for an injury, illness, or disease incurred or aggravated in the LOD.

23. Non-Emergent. Not being or requiring emergency care.

24. Permanent. A condition rendering the RC Service Members unable to continue naval service within a reasonable period of time (8-12 months or less).

25. PEB. A board initiated as part of the DES process to determine if an RC Service Member is "fit for continued service," pursuant to references (i) and (o).

26. PSC. Any medical condition incurred or aggravated during one period of active service or authorized training in any of the Military Services that recurs, is aggravated, or otherwise causes the Service Member to be unfit, should be considered incurred in the LOD, provided the origin of such condition or

its current state is not due to the Service Member's misconduct or willful negligence, or progressed to unfitness as the result of intervening events when the Service Member was not in a duty status.

27. Qualified Duty Status. The period in which a RC Service Member is: on AD for more than 30 days; performing AD for 30 days or less; performing IDT; performing IDTT; performing FHD; Muster Duty; traveling to or from the place where he or she is to perform or has performed AD 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.

28. RC Service Member. Unless otherwise defined, a commissioned officer, Chief Warrant Officer, or an enlisted person who performs duty as part of the RC and is not a Service Member of the AC, TAR, or Active Reserve.

29. Recur. To happen again, return, or come back.

30. Unfit for Continued Naval Service. Finding by the PEB indicating that the RC Service Member is unable to reasonably perform the duties of his or her office, grade, rank, or specialty, pursuant to references (i) and (o).

31. Unfitting Condition. A condition that renders a RC Service Member unable to perform military duties.

32. Urgent. Any illness or severe condition which under reasonable standards of medical practice would be diagnosed and treated within a 24 hour period and if left untreated, could rapidly become a crisis or emergency situation.

INCAPACITATION PAY EXTENSION CHECKLIST

1. Member's extension request letter includes:

a. Date(s) requesting eligibility.

b. Brief chronological history.

c. Explanation for delays, as applicable.

d. Medical documentation; provides at a minimum a treatment plan, prognosis, and medically directed limitations.

e. As applicable: Employer verification of member's employment status to include duties and responsibilities, periods of work missed, and wages/ other compensation paid (incapacitation pay request).

f. Statement of compliance with all required medical treatment and monthly updates.

2. Command endorsement of member's extension request that:

a. Verifies RC Service Member's compliance with program requirements, as listed above noting any noncompliance issues and corrective actions taken.

b. Confirmation of provided medical benefits brief (with date provided).

c. Certifies the RC Service Member has provided monthly status reports, copies of all medical documentation, and is in compliance with a treatment program, or statement from the chain of command waiving the requirement with an explanation.

d. Verifies the RC Service Member attended home-site IDT periods (in-LOD Driller).

e. Provides a detailed explanation, with supporting documents, for all requests submitted by RC Service Members unable to perform military duty (in-LOD Non-Driller).

f. Status of MEB or PEB. If required and not initiated, explanation as to cause and corrective action taken.

3. BIA endorsement

a. Verifies that it is in the interest of fairness and equity to grant the RC Service Member's request.

b. Documentation of IDES referral if the RC Service member has remained in an in-LOD determination eligible status for one year after the initial benefit start date.

c. Verification that request was forwarded to the ASN (M&RA) no later than 30 days prior to the end of the initial benefit period.

4. By initialing, the BIA verifies the item as completed and accurate. All items must be initialed prior to forwarding request package to ASN (M&RA) for consideration of the request.

_____	_____
Member	Signature
_____	_____
Commanding Officer	Signature
_____	_____
BIA Representative	Signature

SECNAVINST 1770.5A
3 Sep 2026

INCAPACITATION PAY EXTENSION REQUEST

Command Letterhead

1770
Ser XX/XXX
DD MMM YR

From: Benefits Issuing Authority
To: Deputy Assistant Secretary of the Navy (Military Manpower and Personnel)

Subj: INCAPACITATION PAY EXTENSION REQUEST ICO YNC I. M.YU

Ref: (a) SECNAVINST 1770.5A

Encl: (1) YNC I. M. Yu Incapacitation Pay Extension Request
(2) First Endorsement of YNC Yu request dtd 1 Jan 2014
(3) Incapacitation Pay Extension Checklist

1. A six-month extension of incapacitation pay eligibility is requested for the period of DATE to DATE as provided pursuant to reference (a). I enthusiastically endorse YNC Yu's request because I believe that is in the interest of fairness and equity to do so. YNC Yu has fully and diligently satisfied the program requirements, and the extension of incapacitation pay eligibility will facilitate his full recovery and return to full duty.

2. Enclosures (1) through (3) are provided to document compliance with all program requirements. All associated treatment delays were not the fault of YNC Yu and all impediments to treatment have been favorably resolved. YNC Yu is able to perform some military duties, is drilling with his unit, and has returned to his prior civilian employment. As provided for by YNC Yu's healthcare provider, Dr. C. M. Qwack, barring an unforeseen complication, YNC Yu's medical restrictions will be lifted within six months, allowing him to return to full duty. Incapacitation pay eligibility is necessary to facilitate compensating YNC Yu for lost wages incurred while attending required medical appointments. Chief, Bureau of Medicine and Surgery/Benefits Issuing Authority Senior Medical Officer provided an endorsement stating both the Medical Evaluation Board and Physical Evaluation Board are not necessary

because the condition is not expected to be permanent, and the current course of treatment is expected to yield a full recovery.

3. My point of contact for this matter is HMC I. M. Ill.

U. R. BENEFIT

SECNAVINST 1770.5A
3 Sep 2026

APPEAL OF DENIAL/TERMINATION OF LINE OF DUTY HEALTHCARE BENEFITS

COMMAND LETTER HEAD

6000
Ser XX/XXX
DD MMM YR

From: Benefits Issuing Authority
To: Office of the Judge Advocate General (Code-13)

Subj: APPEAL OF DENIAL/TERMINATION OF LINE OF DUTY HEALTHCARE BENEFITS IN THE CASE OF R/R FNAME MI. LNAME, USN

Ref: (a) SECNAVINST 1770.5A

Encl: (1) Rank Last Name original request for in-LOD benefits of DD MMM YY w/ enclosures
(2) BIA termination/denial of request for in-LOD benefits of DD MMM YY
(3) Rank Last Name appeal of termination/denial of in-LOD benefits of DD MMM YY w/ enclosures
(4) Senior Medical Officer Recommendation of DD MMM YY (NOT ON ALL)
(5) Rank Last Name Rebuttal Letter (NOT ON ALL)

1. Upon reconsideration of R/R last name appeal, it has been determined that the member is not entitled to In-Line of Duty Healthcare benefits. (ENTER ANY SPECIFIC INFORMATION FROM THE SMO OPINION REGARDING UPHOLDING THE DENIAL ***MAKE SURE IT IS NOT DIFFERENT FROM THE REASON FOR THE INITIAL DENIAL***) The documentation received in enclosure (3) did not support overturning the denial/termination.

2. If you have any questions, please contact BIA, Rank Name, email or (xxx) xxx-xxx.

F. M. LAST (BIA)
By direction

Copy to:
Rank Last Name
Regional Command

Enclosure (6)