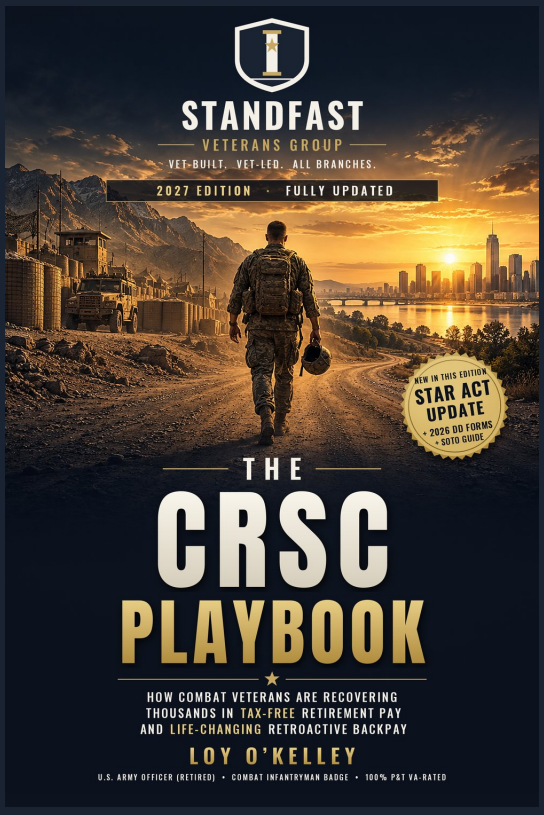
FREE SAMPLE



The CRSC Playbook

2027 Edition

IN THIS SAMPLE

Chapter 2: The Four Pillars of Eligibility
Includes the "Stop and Answer" self-check

By Loy O'Kelley • Standfast Veterans Group • standfastveteransgroup.com

CHAPTER 2

The Four Pillars of Eligibility

SFC Marcus Holloway almost gave up before he started.

Holloway had retired from the Army at thirteen years of service under Chapter 61 — medical retirement — after his lumbar spine was crushed by an IED blast during a route-clearance mission outside Mosul. The VA had rated him at 100% Permanent and Total. His retirement pay, however, was modest, because Chapter 61 retirements at thirteen years generate a smaller pension than a twenty-year retirement does.

When a fellow infantry retiree mentioned CRSC to him at a backyard barbecue, Holloway went home, looked it up, and saw the phrase "twenty years of service" in an early online forum post. He concluded he wasn't eligible. He closed the laptop. He almost let it go for good.

Three weeks later, his wife pushed him to call a retired sergeant major who had served in the same brigade. The sergeant major listened for about ninety seconds, then said four short sentences that changed Holloway's year:

"Chapter 61 retirees qualify. The math is different. But you qualify. File the packet."

What Holloway learned, sitting back at his laptop that night, is that CRSC eligibility is not a single test. It is four tests, each of which can be satisfied in more than one way. "Twenty years of service" was only one of the ways to satisfy one of the four pillars. Chapter 61 medical retirement was another. He met all four pillars. The annual recovery he had almost left on the table was just over $19,000 a year — tax-free — for the rest of his life.

CRSC eligibility is a four-pillar test. If you can stand on all four pillars, you are eligible. This chapter walks through them.

Pillar 1 — Retired status

You must be a retired member of a uniformed service. Four categories qualify:

- Regular retirement with 20 or more years of qualifying service.
- Reserve (non-regular) retirement, once you reach retired-pay eligibility age — typically 60, with the standard reduction for early retired pay where applicable. Until then you are a "gray area" retiree and not yet CRSC-eligible.
- Chapter 61 medical retirement, regardless of years of service. This includes retirees with as little as a few years of active service who were medically retired due to a service-connected disability.
- Temporary Early Retirement Authority (TERA) retirement, with fifteen to nineteen years of service — eligible since 1 January 2008.

Active duty members are not eligible. Veterans who separated short of retirement (including those rated by the VA but discharged rather than retired) are not eligible. National Guard and Reserve members who received an honorable discharge without reaching retirement eligibility are not eligible.

If you are a Chapter 61 medical retiree, you have a specific wrinkle. CRSC pay for Chapter 61 retirees is capped — you cannot receive more in CRSC than you would have received in retired pay calculated under the longevity formula (years of service times your retired-pay multiplier — 2.5% under the legacy system, 2.0% under the Blended Retirement System, after the FY2016 defense authorization act amendment that took effect 1 January 2018). For Guard and Reserve members, "years of service" in that formula means retirement points divided by 360, not calendar years in uniform, so a part-time career can produce a cap far below what the calendar suggests. This means a young medical retiree with high VA ratings may have a CRSC payment that looks smaller than expected. The cap is statutory and there is no path around it. It still represents tax-free

restoration of waived pay; it is just a smaller pool than a 20-year retiree's pool.

The Major Richard Star Act — where things stand

Every Chapter 61 retiree eventually hears about the Major Richard Star Act, so here is a straight answer. The bill — H.R. 2102 in the House, S. 1032 in the Senate — would end the VA Waiver offset described in Chapter 1 for Chapter 61 medical retirees whose disabilities are combat-related. Those retirees would keep the retired pay their years of service earned alongside their VA compensation, rather than trading one against the other. The Congressional Budget Office counted nearly 59,000 Chapter 61 retirees paid CRSC in September 2025; they are the people this bill is written for.

As of this writing, in early October 2026, it is not law — but it is closer than it has ever been. The House bill carries 340 cosponsors and the Senate bill 80, among the most broadly cosponsored veterans bills in Congress. In the Senate it has been blocked on four separate occasions by objections to unanimous consent, most recently in June 2026, and in July the larger veterans package its text was folded into had its House vote pulled at the last minute in a dispute over how to pay for it. Then, on 15 September 2026, a discharge petition reached the 218 signatures needed to force the bill to the House floor without the leadership's consent. The motion has to wait seven legislative days, the House is in recess until after the election, and a vote is not expected before November. Even a House vote is half the journey: the Senate must pass it and the President must sign it. Cosponsorship is not passage, and neither is a discharge petition. Anyone who tells you it has passed, or that it is certain to, is guessing.

Read the bill itself and two things stand out. First, as written it pays forward only: it takes effect the first month after it is signed and applies to the months that follow. It contains no retroactive provision. CRSC is the opposite — after Soto it reaches back years (Chapter 7) — so every month spent waiting on Congress is a month the Star Act, as written, will never pay. Second, the bill does not write a new test. It covers a retiree with a

"combat-related disability" as that term is defined in the CRSC statute, 10 U.S.C. § 1413a(e).

That second point is the part almost nobody explains. The Star Act would not change how a disability is proven to be combat-related. It changes what happens to the money afterward. Your branch's CRSC approval is the formal, on-the-record determination that your disability is combat-related — the same question the bill turns on. How the department would carry the bill out is not yet known, but a retiree who files now and is approved is positioned for whatever comes; a retiree who waits has no determination on file and would be starting from zero.

So: file now, and call your representative. One does not cost you the other. CRSC exists today, pays today, and is retroactive. The Star Act may or may not exist next year. Do not defer a claim, decline a CRDP-versus-CRSC election, or make a financial plan on the strength of pending legislation. Track it if you like — the veterans service organizations follow it closely, and we post status changes at standfastvg.com — but build your case on the law as it is.

Disqualifiers, and the ceiling on your CRSC

Two disqualifiers catch people who otherwise look eligible. If you waived your military retired pay to credit the service toward a civil-service retirement, you are not eligible — the waiver has to be for VA compensation. If you have been recalled to or retained on active duty, you are not in a retired status for CRSC purposes during that period. Two older rules still cause confusion. Before 1 January 2008, Temporary Early Retirement Authority (TERA) retirees and Chapter 61 retirees with fewer than twenty years were shut out; the 2008 amendment opened CRSC to members entitled to retired pay, with one exception written into the statute — retired pay under 10 U.S.C. § 12731b, the fifteen-year early Reserve retirement for members found medically unfit. Guidance written before 2008 still circulates and is not applied uniformly. If any of this describes you, call your branch CRSC office and ask before you decide you are ineligible — the call is free and the assumption is expensive.

There is also a ceiling that applies to everyone, and it is the single most useful number for setting your expectations: CRSC can never exceed the amount your retired pay was actually reduced by the VA Waiver. CRSC restores waived retired pay — it cannot pay you more than was taken. If your waiver is $900 a month, $900 is your maximum, no matter how high your combat-related rating climbs. Find the waiver line on your Retiree Account Statement before you let anyone quote you a number.

One piece of good news that cuts the other way: your dependents count. CRSC is paid at the VA rate for your combat-related percentage including the additional amounts for a spouse, children, and dependent parents — the same dependency rates the VA uses on your award. If your family is not correctly listed on your VA award, you are being underpaid on both sides. Fix that with the VA before you file (VA Form 21-686c), not after.

Pillar 2 — A clean retirement record

Your retirement orders or DD-214 must clearly show your retirement type. If your documents are ambiguous, request a corrected copy before you file your CRSC packet. The branch CRSC office will calculate your benefit under different formulas depending on retirement type, so the underlying documentation has to be unambiguous.

Pillar 3 — A current VA disability rating

You must have a current, awarded VA disability rating. CRSC is a restoration of waived retirement pay, and the waiver only happens when there is a VA rating creating the waiver. The minimum effective rating for CRSC is 10% — there is no statutory floor higher than that.

Two clarifications most retirees miss:

- Not every condition on your VA rating decision needs to be combat-related. CRSC restores pay only for the combat-related portion. If you have a combined VA rating of 80% with three rated conditions, and only one of those conditions is combat-related, your CRSC packet should focus on that one condition. The

branch CRSC office will calculate your CRSC monthly amount based on the combat-related rating alone, not your full combined rating.

- Your VA rating must be final and awarded. Claims under appeal or pending decision do not yet generate a CRSC-eligible amount. File your CRSC packet for conditions that are already awarded and decided. You can amend or supplement later when additional conditions are awarded.

Pillar 4 — The combat-related determination

At least one of your VA-rated conditions must qualify as combat-related under DoD criteria. This is the pillar that most often determines whether a CRSC packet succeeds or fails. Chapter 3 is dedicated to it.

For the eligibility self-test, ask yourself: was any of my rated disability incurred or aggravated by armed conflict, by training that simulates war, by an instrumentality of war, or by hazardous service, including exposures that the law treats as combat-related? If your honest answer is yes, you pass Pillar 4 and we move on.

If your honest answer is no — for example, if all of your rated disabilities are from accidents, illnesses, or service that occurred in entirely non-hazardous conditions — CRSC is likely not your program. CRDP is your restoration path, assuming you have 20 years of service and a VA rating of 50% or more.

STOP AND ANSWER BEFORE CONTINUING

1. Are you a 20-year regular retiree, a Reserve retiree at eligibility age, a TERA retiree, or a Chapter 61 medical retiree?
2. Do you have at least one final, awarded VA disability rating of 10% or higher?
3. **Do your retirement orders or DD-214 clearly show your retirement type, and is your retired pay actually being reduced by a VA Waiver?**
4. **Is at least one of your rated conditions plausibly tied to armed conflict, hazardous service, training that simulated war, an instrumentality of war, or a recognized exposure?**

If you answered yes to all four, the rest of this book is for you. If you answered no to any of them, see the Eligibility Self-Test worksheet at the back of this book before moving on.

END OF SAMPLE

Keep reading The CRSC Playbook

The full book is on Amazon in Kindle and paperback:
https://www.amazon.com/dp/B0H3CCL3P4

Want a straight answer on your own case?

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