

ARNG G1 Personnel Gateway – Process Package

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Incapacitation (INCAP) Pay Process: Placing an Army National Guard Soldier on INCAP Pay

Incapacitation (INCAP) Pay Process: Placing an Army National Guard Soldier on INCAP Pay

Description

DA PAM 135-381 (Incapacitation of Reserve Component Soldiers Processing Procedures) defines Incapacitation (INCAP) as a physical disability due to injury, illness, or disease that prevents the performance of military duties, or which prevents the Soldier from returning to the civilian occupation in which the Soldier was employed at the time of the injury, illness, or disease. INCAP Pay is the compensation Soldiers receive for their injuries adjudicated in the Line of Duty (LOD) that require further medical care.

This process shows the necessary steps that the ARNG-HRP INCAP Approval Authority, ARNG-HRP INCAP Case Manager, State INCAP Review Board (IRB), INCAP State Approval Authority, State Health System Specialist (HSS), Unit Commander, and Designee (e.g. Unit Readiness NCO, Unit Administrator, Training NCO, or Medical Readiness NCO) need to complete in order for the Soldier to received INCAP Pay.

Regulations and Supporting Resources

[AR 135-381, Incapacitation of Reserve Component Soldiers](#)

[AR 600-8-4, Line of Duty Policy, Procedures, and Investigations](#)

[DA PAM 135-381, Incapacitation of Reserve Component Soldiers Processing Procedures](#)

[DoDD 1241.01, Reserve Component Medical Care and Incapacitation Pay for Line of Duty Conditions](#)

[DoDFMR 7000.14-R, Volume 7A, Military Pay Policy and Procedures – Active Duty and Reserve Pay](#)

[DoDI 1241.2, Reserve Component Incapacitation System Management](#)

Full Pay and Allowances Memorandum

INCAP Denial Memorandum

INCAP Review Board (IRB) Minutes Memorandum

Lost Civilian Wages Only Memorandum

[NGB-ARP, Memorandum, Army National Guard \(ARNG\) Line of Duty \(LOD\) Module](#)

Documents and Forms

[DA Form 2173, Statement of Medical Examination and Duty Status](#)

[DA Form 3349, Physical Profile](#)

[DA Form 4856, Developmental Counseling Form](#)

[DA Form 7574, Incapacitation Pay Monthly Claim Form](#)

[DA Form 7574-1, Military Physician's Statement of Soldier's Incapacitation / Fitness for Duty](#)

[DA Form 7574-2, Soldier's Acknowledgement of Incapacitation Pay Counseling](#)

[DD Form 261, Report of Investigation Line of Duty Misconduct Status](#)

Disability Counseling Statement

Medical Treatment Record

Soldier's Rights and Warnings

United States Property and Fiscal Office (USPFO) Transmittal

Related Processes

[Incapacitation \(INCAP\) Pay Appeal Process](#)

Systems

Automated Fund Control Order System (AFCOS) – Login

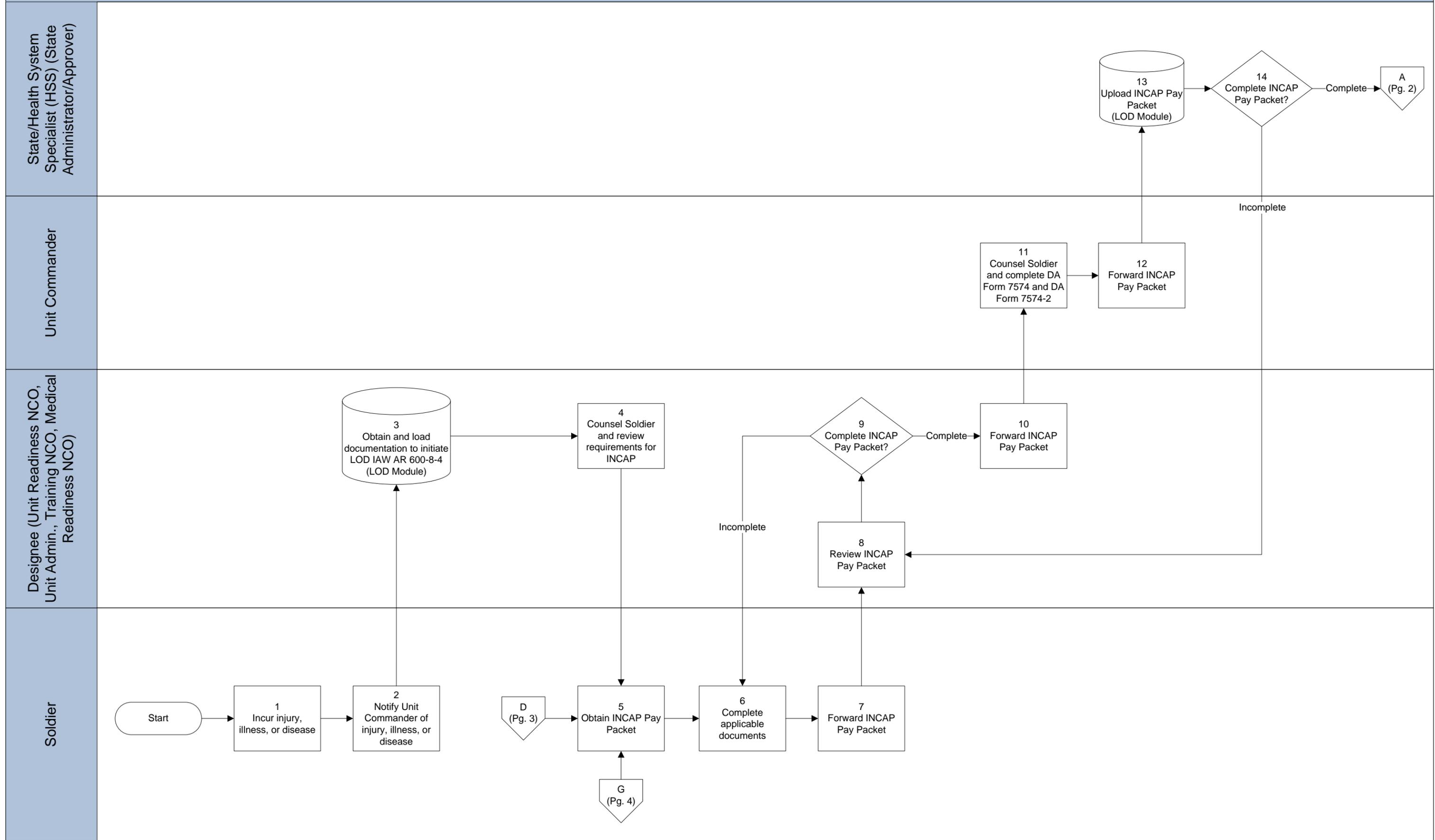
[MEDCHART Line of Duty \(LOD\) Website – Login](#)

Points of Contact

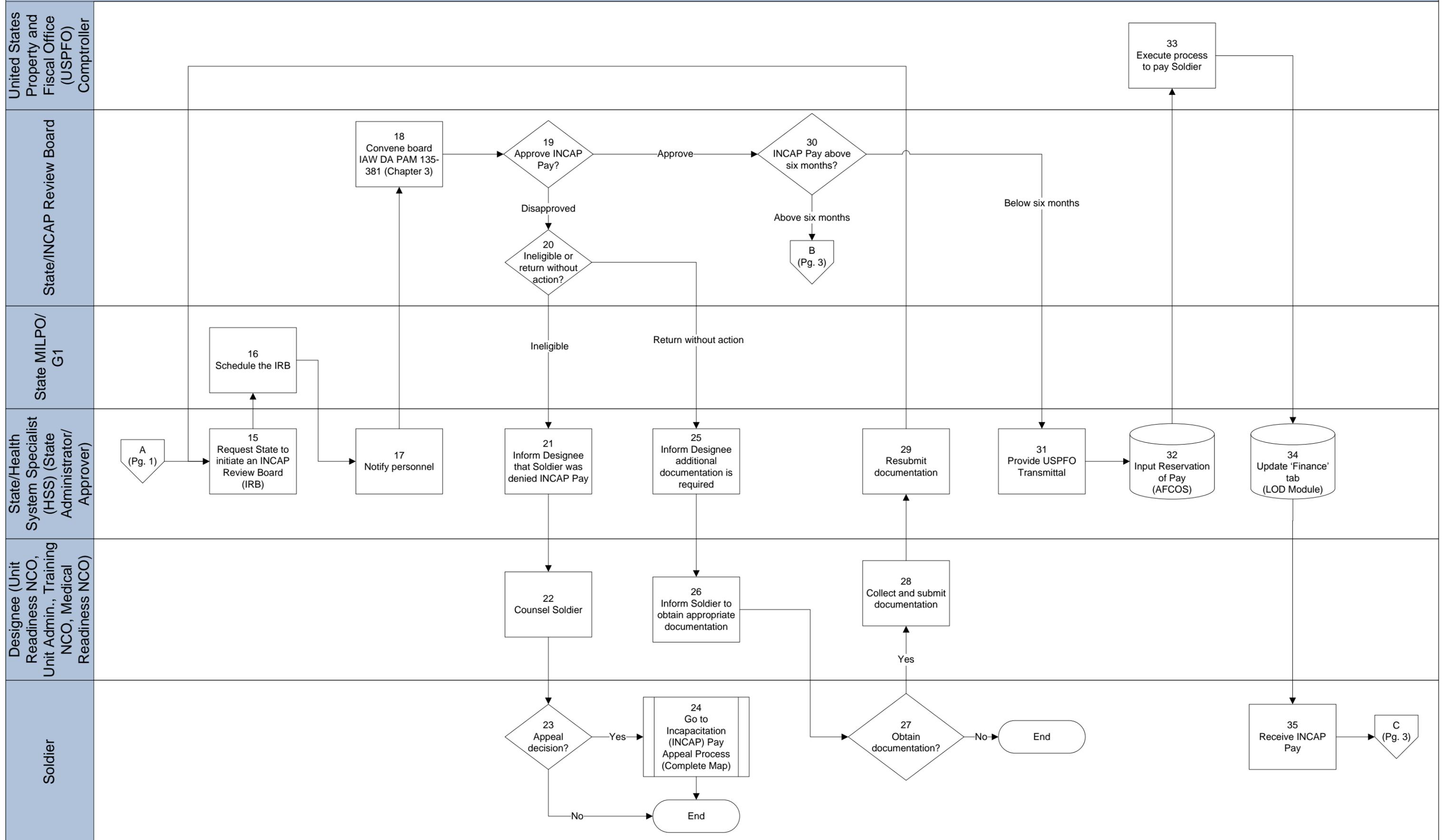
Division: Personnel Division (ARNG-HRP)

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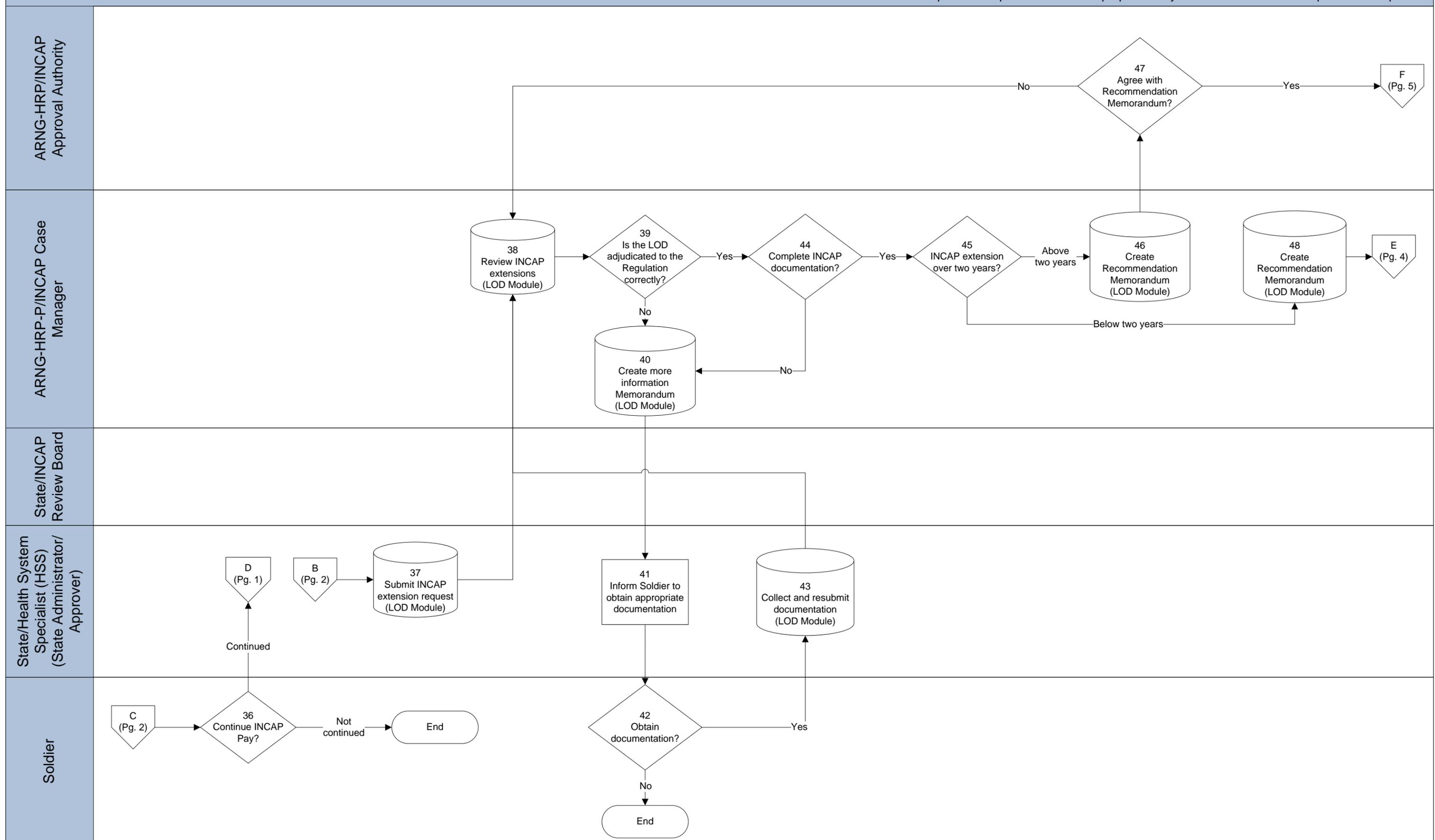
Note: The numbers on this process map are for reference purposes only and do not denote the sequence of the process



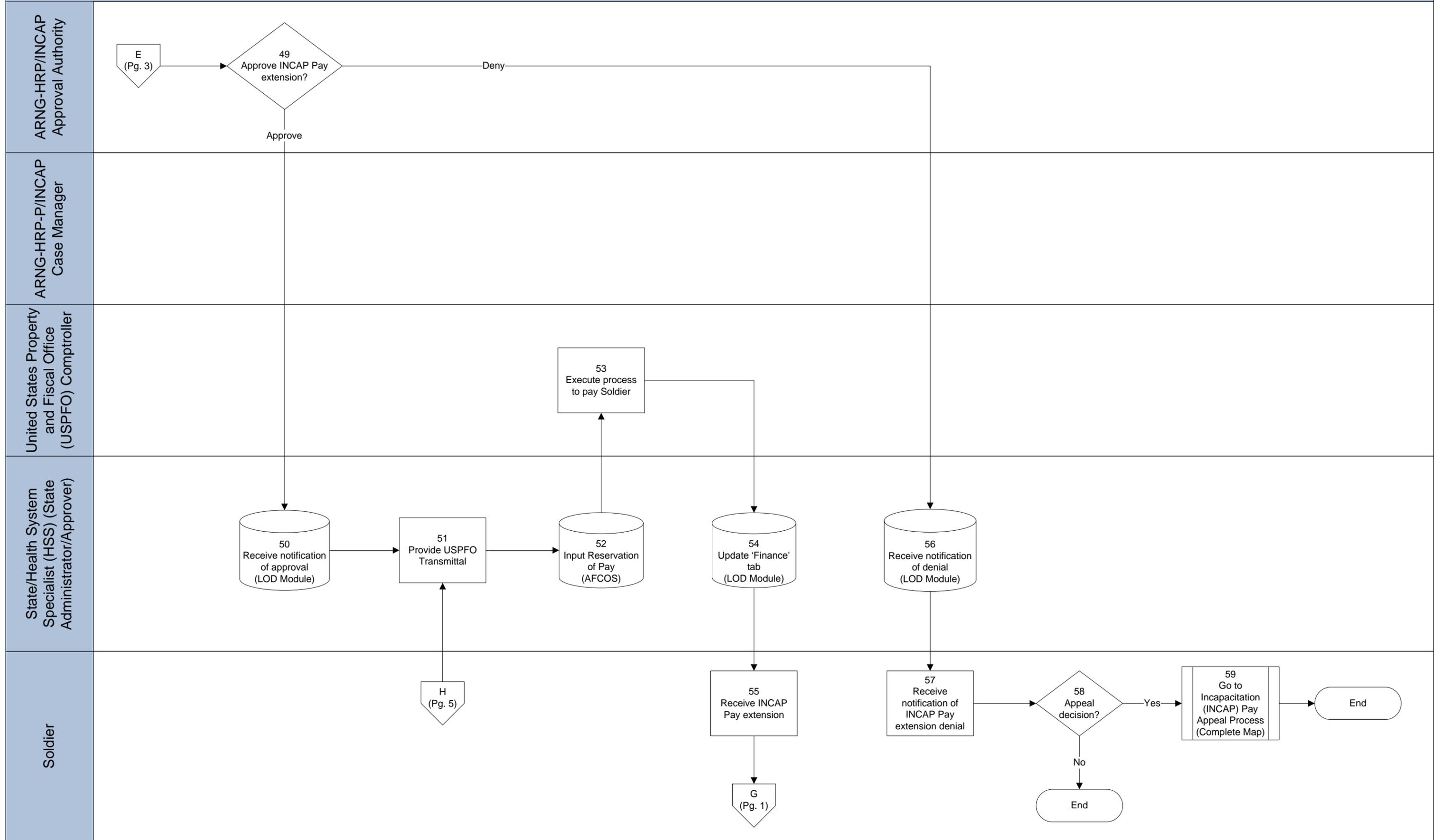
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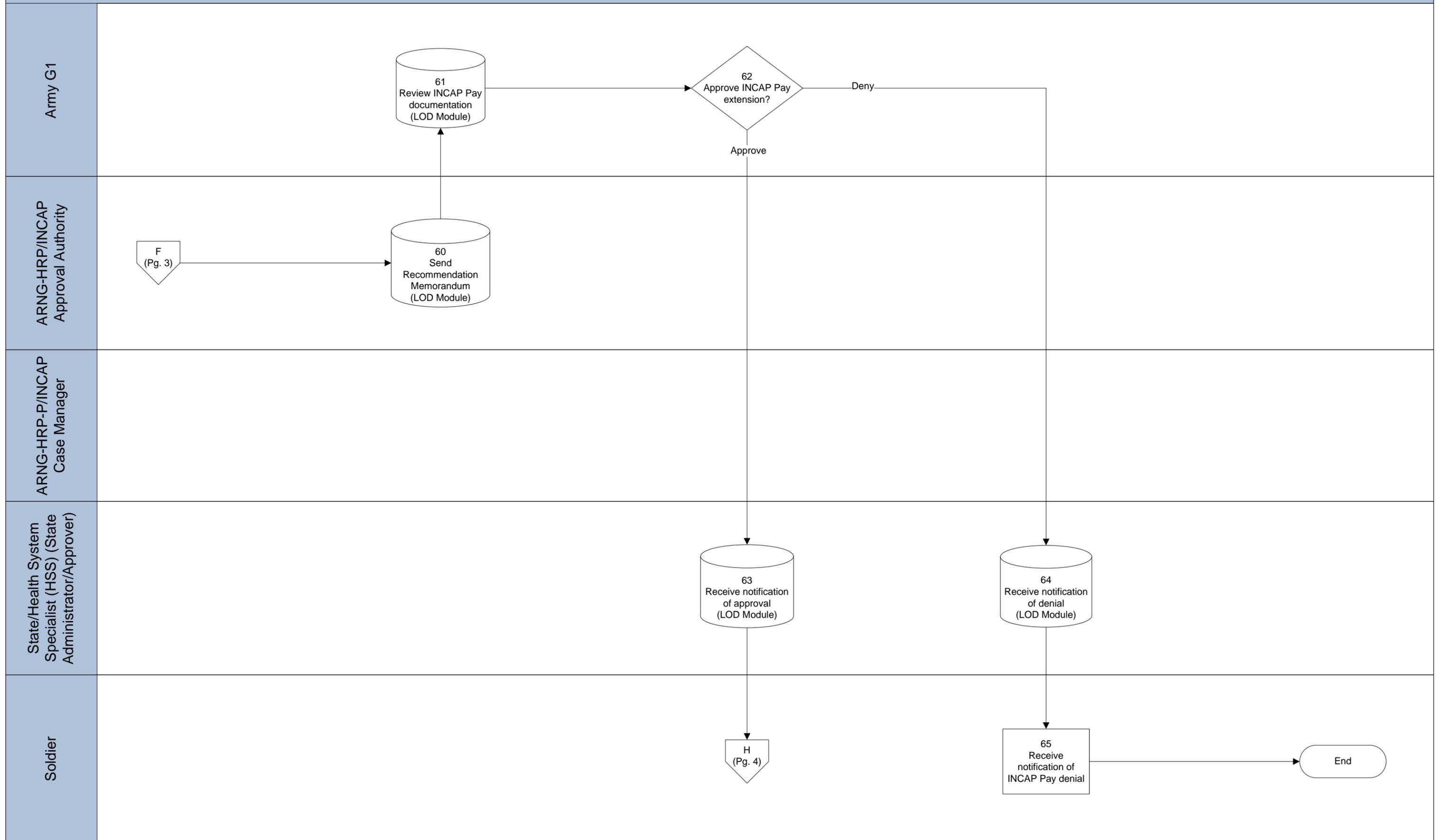
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No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
1	Incur injury, illness, or disease	Soldier incurs an injury, illness, and/or disease during Inactive Duty Training, Active Duty Training, Annual Training, and/or during other duty related service.	AR 600-8-4			
2	Notify Unit Commander of injury, illness, or disease	Soldier notifies Unit Commander of injury, illness, or disease.	AR 600-8-4			
3	Obtain and load documentation to initiate LOD IAW AR 600-8-4 (LOD Module)	Designee (which could be a Unit Readiness NCO, Unit Administrator, Training NCO, or Medical Readiness NCO (at BN level)) obtains necessary documentation to initiate the LOD IAW AR 600-8-4 (Line of Duty Policy, Procedures, and Investigations) within the LOD Module.	AR 135-381 AR 600-8-4	DA Form 2173 DA Form 4856 Disability Counseling Statement Medical Treatment Record Soldier's Rights and Warnings	LOD Module	Soldier can receive INCAP without a final LOD. Beyond 90 days, the LOD must be approved and finalized to receive INCAP Pay (IAW AR 135-381 (Incapacitation of Reserve Component Soldiers), Chapter 1-4, n(2)(a)). LOD Module generates DA Form 2173 (Statement of Medical Examination and Duty Status), required for Military Medical Support Office (MMSO) to pay for care.
4	Counsel Soldier and review requirements for INCAP	Designee counsels the Soldier on the benefits of INCAP and reviews the requirements for INCAP. Designee completes DA Form 4856 (Developmental Counseling Form).	DA PAM 135-381	DA Form 4856 DA Form 7574-2		For information about terminating INCAP Pay, please reference DA PAM 135-381 (Incapacitation of Reserve Component Soldiers Processing Procedures), Chapter 3-11e and/or DA Form 7574-2 (Soldier's Acknowledgement of Incapacitation Pay Counseling).

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
5	Obtain INCAP Pay Packet	<p>Soldier obtains the INCAP Pay Packet. Designee provides guidance to the Soldier on completing the INCAP Pay Packet.</p> <p>The INCAP Pay Packet includes: - DA Form 7574 (Incapacitation Pay Monthly Claim Form) - DA Form 7574-1 (Military Physician's Statement of Soldier's Incapacitation / Fitness for Duty) - DA Form 7574-2 (Soldier's Acknowledgement of Incapacitation Pay Counseling)</p> <p>The Soldier also needs an updated DA Form 3349 (Physical Profile).</p>	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		Soldier must provide all medical documents that relate to the LOD injury.
6	Complete applicable documents	<p>Soldier completes Section I (Claim Statement) of DA Form 7574 (Incapacitation Pay Monthly Claim Form) and has his/her employer completes Section II (Employer's Verification).</p> <p>Authorized Personnel completes DA Form 7574-1 (Physician's Statement of Soldier's Incapacitation/Fitness for Duty).</p> <p>Soldier signs DA Form 7574-2 (Soldier's acknowledgement of INCAP Pay Counseling). This includes providing copies of pay stubs, tax forms, etc.</p>	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		<p>For a list of Authorized Personnel to complete DA Form 7574-1, reference page 2 of DA Form 7574-1.</p> <p>Soldier must provide all medical documents that relate to the LOD injury.</p>
7	Forward INCAP Pay Packet	<p>Soldier forwards the completed INCAP Pay Packet and applicable documentation to the Designee.</p>	DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		<p>The INCAP Pay Packet can be sent by hand delivery, email, or mail. Delivery of INCAP Pay Packet varies from State to State.</p>
8	Review INCAP Pay Packet	<p>Designee reviews the INCAP Pay Packet to ensure completeness.</p>	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
9	Complete INCAP Pay Packet?	Designee determines if the Soldier's INCAP Pay Packet is complete. If the INCAP Pay Packet is incomplete, go back to step 6. If the INCAP Pay Packet is complete, go to step 10.	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		
10	Forward INCAP Pay Packet	If the INCAP Pay Packet is complete, the Designee forwards the packet to the Unit Commander.	DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		Delivery of the INCAP Pay Packet varies from State to State.
11	Counsel Soldier and complete DA Form 7574 and DA Form 7574-2	Unit Commander completes Section III (Commander's Verification) of DA Form 7574 (Incapacitation Pay Monthly Claim Form). Unit Commander counsels the Soldier and signs (or it can be as designated by the Commander) DA Form 7574-2 (Soldier's Acknowledgement of Incapacitation Pay Counseling).	DA PAM 135-381	DA Form 7574 DA Form 7574-2		Unit Commander must verify that all forms provided are authentic.
12	Forward INCAP Pay Packet	Unit Commander forwards the hard copy of the INCAP Pay Packet to the State Health System Specialist (HSS).	DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		Delivery of the INCAP Pay Packet varies from State to State.
13	Upload INCAP Pay Packet (LOD Module)	State HSS uploads the INCAP Pay Packet into the LOD Module and reviews the packet for completeness.	DA PAM 135-381 NGB-ARP, Memorandum, Army National Guard (ARNG) Line of Duty (LOD) Module	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2	LOD Module	This is the first time the INCAP Pay Packet is initiated in the LOD Module. Refer to the Army Record Information Management System (ARIMS) for more details about record keeping.

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
14	Complete INCAP Pay Packet?	State HSS determines if the INCAP Pay Packet is complete. If not complete, the State HSS requests additional documentation from the Designee. If the INCAP Pay Packet is incomplete, go back to step 8. If the INCAP Pay Packet is complete, go to step 15.	DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2		State HSS must verify that all forms provided are authentic.
15	Request State to initiate an INCAP Review Board (IRB)	If packet is complete, the State HSS requests the State MILPO/G1 to initiate an IRB.	AR 135-381 DA PAM 135-381			States are required to hold a board once a quarter, at minimum.
16	Schedule the IRB	State MILPO/G1 schedules the IRB.	AR 135-381 DA PAM 135-381			
17	Notify personnel	State HSS notifies the personnel who are effected by the board (e.g. the Soldier, the Board members, etc.).				Notification varies from State to State.
18	Convene board IAW DA PAM 135-381 (Chapter 3)	State IRB convenes and the State HSS (or Designee) documents the meeting minutes. The State HSS creates and uploads the INCAP Review Board (IRB) Minutes Memorandum into the LOD Module.	AR 135-381 DA PAM 135-381 INCAP Review Board (IRB) Minutes Memorandum		LOD Module	Soldier may be present at the IRB (varies from State to State).
19	Approve INCAP Pay?	State IRB determines if Soldier is eligible to receive INCAP Pay. If the State IRB disapproves INCAP Pay, go to step 20. If the State IRB approves INCAP Pay, go to step 30.	AR 135-381 DA PAM 135-381			
20	Ineligible or return without action?	State IRB can disapprove INCAP Pay because Soldier was ineligible for INCAP Pay or due to insufficient documentation to make a proper determination. If ineligible, go to step 21. If return without action, go to step 25.	AR 135-381 DA PAM 135-381			Formal board must be convened to deny Soldier INCAP IAW AR 135-381 (Incapacitation of Reserve Component Soldiers), Chapter 1-12c.

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
21	Inform Designee that Soldier was denied INCAP Pay	If the State IRB disapproves the Soldier for INCAP Pay, the State HSS informs the Designee.	AR 135-381 INCAP Review Board (IRB) Minutes Memorandum			INCAP Review Board (IRB) Minutes Memorandum provides adverse findings.
22	Counsel Soldier	Designee counsels the Soldier of IRB adverse findings.	AR 135-381			
23	Appeal decision?	The Soldier has the option to appeal the decision of the IRB denying the INCAP Pay Packet. If the Soldier does appeal the decision, go to step 24. If the Soldier does not appeal the decision, this process ends.	AR 600-8-4			According to AR 600-8-4 (Line of Duty Policy, Procedures, and Investigations), Chapter 4-17, the Soldier has 30 days to appeal the decision, or request an extension, in writing.
24	Go to Incapacitation (INCAP) Pay Appeal Process (Complete Map)	Go to Incapacitation (INCAP) Pay Appeal Process: How a Soldier appeals a denied INCAP Pay request, complete map, for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	
25	Inform Designee additional documentation is required	If the IRB returns without action, the State HSS informs the Designee of the additional documents required.	AR 135-381 DA PAM 135-381			
26	Inform Soldier to obtain appropriate documentation	Designee informs the Soldier to obtain additional documentation.	DA PAM 135-381			
27	Obtain documentation?	Soldier must provide the requested documentation for the process to continue. If the Soldier provides the requested documentation, go to step 28. If the Soldier does not provide the requested documentation, this process ends.				
28	Collect and submit documentation	Designee collects the additional documentation from Soldier and submits to the State HSS.				
29	Resubmit documentation	State HSS submits additional documentation to the State IRB. Go back to step 15 to continue the process.	AR 135-381			

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
30	INCAP Pay above six months?	State/INCAP Review Board determines if INCAP Pay is above six months. If INCAP Pay is below six months, go to step 31. If INCAP Pay is above six months, go to step 37.	AR 135-381 DA PAM 135-381			
31	Provide USPFO Transmittal	State HSS provides United States Property and Fiscal Office (USPFO) Transmittal and INCAP Packet.		United States Property and Fiscal Office (USPFO) Transmittal		This step begins the INCAP payment process.
32	Input Reservation of Pay (AFCOS)	State HSS inputs reservation of pay into the Automated Fund Control Order System (AFCOS).			AFCOS	
33	Execute process to pay Soldier	USPFO comptroller executes pay to the Soldier IAW DoDFMR 7000.14-R, Volume 7A (Military Pay Policy and Procedures – Active Duty and Reserve Pay).	DoDFMR 7000.14-R, Volume 7A			
34	Update 'Finance' tab (LOD Module)	State HSS updates the 'Finance' tab within the LOD Module.			LOD Module	
35	Receive INCAP Pay	Soldier receives INCAP Pay.	AR 135-381			
36	Continue INCAP Pay?	For INCAP Pay, the Soldier can request to continue or not to continue INCAP Pay. If the Soldier requests to continue INCAP Pay, go back to step 5. If the Soldier requests not to continue INCAP Pay, the State HSS informs Soldier of termination and this process ends.	AR 135-381			
37	Submit INCAP extension request (LOD Module)	Extensions of INCAP beyond 6 months, must be forwarded to the Personnel Division – Personnel Actions (ARNG-HRP-P). HSS submits an INCAP extension request through the LOD Module.	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2	LOD Module	After 12 months, the Soldier should be evaluated for a Permanent Profile and/or referred to a Fitness For Duty (FFD). A Soldier can be referred to a FFD at any point in time after the injury was incurred.

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
38	Review INCAP extension (LOD Module)	INCAP Case Manager reviews INCAP extension within the LOD Module.	AR 135-381 DA PAM 135-381	DA Form 3349 DA Form 7574 DA Form 7574-1 DA Form 7574-2	LOD Module	
39	Is the LOD adjudicated to the Regulation correctly?	First the INCAP Case Manager ensures the LOD was adjudicated correctly according to AR 600-8-4 (Line of Duty Policy, Procedures, and Investigations) and reviews DA Form 2173 (Statement of Medical Examination and Duty), DD Form 261 (Report of Investigation, Line of Duty, and Misconduct Status) and approval Memorandum. If adjudicated incorrectly, go to step 40. If adjudicated correctly, go to step 44.	AR 600-8-4	DA Form 2173 DD Form 261		
40	Create more information Memorandum (LOD Module)	INCAP Case Manager creates a Memorandum within the LOD Module requesting additional documentation.	AR 135-381 DA PAM 135-381		LOD Module	Examples which may cause the INCAP Case Manager to create a Memorandum include: missing documents, documents not signed or incorrectly filled out, and documents contradicting each other (e.g., one says Soldier is employed other does not).
41	Inform Soldier to obtain appropriate documentation	State HSS informs the Soldier to obtain appropriate documentation.				State HSS may inform the Unit to inform the Soldier of appropriate documentation. This process varies from State to State.
42	Obtain documentation?	Soldier must provide the requested documentation for the process to continue. If the Soldier provides the requested documentation, go to step 43. If the Soldier does not provide the requested documentation, this process ends.				

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
43	Collect and resubmit documentation (LOD Module)	<p>State HSS works with appropriate stakeholders to collect necessary documentation. State HSS resubmits appropriate documents through the LOD Module.</p> <p>Go back to step 38 to continue the process.</p>			LOD Module	
44	Complete INCAP documentation?	<p>Once confirmed the LOD was adjudicated correctly, the INCAP Case Manager ensures INCAP documentation is complete.</p> <p>If INCAP documentation is incomplete, go back to step 40.</p> <p>If INCAP documentation is complete, go to step 45.</p>	<p>AR 135-381</p> <p>DA PAM 135-381</p>	<p>DA Form 3349</p> <p>DA Form 7574</p> <p>DA Form 7574-1</p> <p>DA Form 7574-2</p>	LOD Module	<p>INCAP Case Manager reviews 'Finance' tab within the LOD Module to ensure it has been completed.</p> <p>For INCAP extensions beyond 12 months, the INCAP Case Manager ensures a Medical Evaluation Board (MEB) was initiated by reviewing the permanent profile and meeting minutes.</p>
45	INCAP extension over two years?	<p>All INCAP extensions over two years must be submitted to Army G1 for final approval.</p> <p>If extension is over two years, go to step 46.</p> <p>If extension is under two years, go to step 48.</p>				
46	Create Recommendation Memorandum (LOD Module)	<p>If the INCAP Pay extension is over two years, the INCAP Case Manager creates a Recommendation Memorandum within the LOD Module.</p>			LOD Module	
47	Agree with Recommendation Memorandum?	<p>INCAP Approval Authority agrees or disagrees with the Recommendation Memorandum.</p> <p>If INCAP Approval Authority disagrees with the Recommendation Memorandum, go back to step 38.</p> <p>If INCAP Approval Authority agrees with the Recommendation Memorandum, go to step 60.</p>				

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
48	Create Recommendation Memorandum (LOD Module)	If the INCAP Pay extension is below two years, the INCAP Case Manager creates Recommendation Memorandum through the LOD Module, indicating recommendation to approve or deny INCAP extension and if the INCAP Pay is for Tier 1 (Full Pay and Allowances Memorandum) or Tier 2 (Lost Civilian Wages Only Memorandum).	AR 135-381 Full Pay and Allowances Memorandum INCAP Denial Memorandum Lost Civilian Wages Only Memorandum		LOD Module	Tier 1 is for Soldiers who are not fit for military duty. These Soldiers will receive full military pay and allowance, less any civilian earned income. Tier 2 is for Soldiers who are fit for military duty however are not fit for his/her civilian job and has experienced lost civilian wages. These Soldiers will be reimbursed for lost civilian earned income up to full military pay and allowances.
49	Approve INCAP Pay extension?	INCAP Approval Authority approves or denies request for an INCAP Pay extension. If the INCAP Approval Authority approves the extension, go to step 50. If the INCAP Approval Authority disapproves the extension, go to step 56.			LOD Module	Approval Authority can request additional information or clarification from ARNG-HRP-P INCAP Case Managers to make final determination.
50	Receive notification of approval (LOD Module)	If the INCAP Pay extension is approved, the State HSS receives an automated message of approval from the LOD Module. The State HSS informs the Unit of extension approval.			LOD Module	
51	Provide USPFO Transmittal	State HSS provides USPFO Transmittal and INCAP Packet.		United States Property and Fiscal Office (USPFO) Transmittal		
52	Input Reservation of Pay (AFCOS)	State HSS inputs Reservation of Pay into AFCOS.			AFCOS	
53	Execute process to pay Soldier	USPFO comptroller executes pay to the Soldier IAW DoDFMR 7000.14-R, Volume 7A (Military Pay Policy and Procedures – Active Duty and Reserve Pay).	DoDFMR 7000.14-R, Volume 7A			
54	Update 'Finance' tab (LOD Module)	State HSS updates the 'Finance' tab within the LOD Module.			LOD Module	
55	Receive INCAP Pay extension	Soldier receives INCAP Pay extension. Go back to step 5 to continue the process.				Per month, the Soldier must re-submit all documents in order for INCAP Pay to be extended.

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
56	Receive notification of denial (LOD Module)	If the INCAP Pay extension is denied, the State HSS receives an automated message of disapproval from the LOD Module. INCAP Approval Authority states why the Soldier was denied the INCAP Pay extension and the State HSS informs the Unit.			LOD Module	
57	Receive notification of INCAP Pay extension denial	Soldier receives notification of INCAP Pay extension denial from the Designee.				
58	Appeal decision?	<p>For INCAP Pay extensions that have been denied, the Soldier has the option to appeal the decision.</p> <p>If the Soldier requests to appeal the decision, go to step 59.</p> <p>If the Soldier does not request to appeal the decision, this process ends.</p>	DA PAM 135-381, Chapter 3-12		LOD Module	
59	Go to Incapacitation (INCAP) Pay Appeal Process (Complete Map)	Go to Incapacitation (INCAP) Pay Appeal Process: How a Soldier appeals a denied INCAP Pay request, complete map, for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	Go to Incapacitation (INCAP) Pay Appeal Process for more details.	
60	Send Recommendation Memorandum (LOD Module)	If INCAP Approval Authority agrees with the Recommendation Memorandum, the INCAP Approval Authority sends the Memorandum to the Army G1 via the LOD Module.			LOD Module	
61	Review INCAP Pay documentation (LOD Module)	Army G1 reviews the INCAP Pay documentation within LOD Module. After reviewing the INCAP Pay documents, the Army G1 creates a G1 Findings Memorandum within the LOD Module.	AR 135-381		LOD Module	
62	Approve INCAP Pay extension?	<p>Army G1 approves or denies the request for an INCAP Pay extension.</p> <p>If the Army G1 approves the extension, go to step 63.</p> <p>If the Army G1 denies the extension, go to step 64.</p>	AR 135-381			

No.	Activity/Decision Point Name	Description	Regulations and Supporting Resources	Documents and Forms	Systems	Notes
63	Receive notification of approval (LOD Module)	<p>If the INCAP Pay extension is approved, the State HSS receives an automated message of approval from the LOD Module.</p> <p>Go back to step 51 to continue the process.</p>			LOD Module	
64	Receive notification of denial (LOD Module)	<p>If the INCAP Pay extension is denied, the State HSS receives an automated message of disapproval from the LOD Module and the State HSS informs the Unit.</p>			LOD Module	
65	Receive notification of INCAP Pay denial	<p>Soldier receives notification of INCAP Pay extension denial from the Unit.</p>				<p>Soldier has the right to appeal Army G1's INCAP Pay denial through Army Board for Correction of Military Records (ABCMR).</p>