DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Information Management

I. Description of Operations Financed: This Budget Activity Group provides for the Information Management/Information Technology resources dedicated to the operation and maintenance of Defense Health Program (DHP) facilities. This program includes the following:

Tri-Service IM/IT: The O&M portion of the Centrally-managed IM/IT Program funds the costs of program management, system and infrastructure sustainment, annual software licensing fees, and software and hardware maintenance fees. The MHS centrally-managed, IM/IT program includes the following major Acquisition Category IA (ACAT IA) IT initiatives: 1) AHLTA - (formerly CHCS II), included in the Military Computer-Based Patient Record (MCPR) initiative, integrates patient data from different times, providers and sites of care and will contain a Service member's comprehensive medical record of illnesses and injuries, care and inoculations received and exposure to different hazards; 2) Theater Medical Information Program (TMIP), a seamless, interoperable medical system, designed to support theater health services across all echelons of care. The Central IM/IT Program also contains funding for ACAT III initiatives such as the following: Defense Medical Logistics Standard System (DMLSS) is designed to support cataloging, customer logistics, hospital facility operations, property accounting, maintenance of biomedical devices, purchasing and contracting, and inventory management; Executive Information/Decision Support (EI/DS) provides decision support information used by managers, clinicians, and analysts to manage the business of healthcare within the MHS, the Defense Medical Human Resources System (internet), the Patient Accounting System (PAS), Defense Blood Standard System (DBSS), TRICARE On Line (TOL), Enterprise Wide Scheduling and Registration (EWS-R), the Defense Occupational and Environmental Health Readiness System – Industrial Hygiene (DOEHRS-IH), and Patient Safety Reporting (PSR). In addition to these ACAT I and ACAT III initiatives, the Tri-Service Infrastructure Management Program Office (TIMPO) manages the associated implementation of three basic components: (1) a wide area network (WAN), deployed to all TRICARE regions, providing communication support for all medical information systems; (2) a local area network (LAN), which will provide unified backbone networks within military treatment facilities; and (3) centralized network management, to include capacity planning, configuration management and security integration. A joint DoD/VA sharing initiative, the Joint Electronic Health Record Interoperability (JEHRI), is also included in the Central IM/IT Program for the DoD portion of this effort.

Service Medical IM/IT: Resources required to support non-centrally managed, Service Medical Information Management/Information Technology Programs. This includes the following functional areas: 1) Service medical funded support for Functional Area Applications (service unique information systems); 2) Communications & Computing Infrastructure to include long haul/wide area communications, office automation and video teleconferencing; 3) Related Technical Activities, includes spectrum management, data administration, development of architectures, facilitation of interoperability and technical integration; and 4) Information Assurance, includes all efforts that protect and defend information and information systems by ensuring their availability, integrity, authentication, confidentiality and non-repudiation.

DHP IM/IT Support Programs: This program element was newly established for use in FY 2008 and beyond. Includes funding for IM/IT services in support of the DHP. These services are either contracted or provided by other DoD agencies. Specifically excludes funding for centrally managed or Service Medical IM/IT systems including acquisition of centrally developed systems. Provides for modifications to contractor owned IM/IT systems to meet congressional and other mandated changes; changes or modifications to other DoD agencies IM/IT systems to comply with changes in medical regulatory guidance changes; commercially purchased IM/IT related services to support the Managed Care Support Contracts in meeting compliance requirements; and funding to support centrally managed office automation, video-teleconferencing and related technical activities.

II. Force Structure Summary: This program funds the costs of the development, deployment, and sustainment of automated information systems in support of military medical readiness and promoting quality healthcare services to members of the armed forces, their families, and others entitled to DoD healthcare.

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III. Financial Summary ($ in thousands)

| A. Subactivities | FY 2006 Actuals | Budget Request | FY 2007 Congressional Action | | | Current Estimate | FY 2008 Estimate | FY 2009 Estimate |
			Amount	Percent	Appropriated			
1. Service Medical IM/IT	443,853	376,220		0%	376,220	377,730	421,320	427,827
2. Tri-Service IM/IT	614,925	528,679		0%	528,679	527,169	529,417	578,295
3. DHP IM/IT Support Program	0	0			0	0	92,558	94,299
Total	1,058,778	904,899		0%	904,899	904,899	1,043,295	1,100,421

Reflects FY 2007 President's Budget Request which is equal to the Continuing Resolution.
FY 2006 actuals includes $7,511 in O&M funding to address the Global War on Terrorism, Hurricanes, and Pandemic Influenza as follows:
- P.L. 109-148, Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 provides DHP O&M $4,690 for emergency hurricane and other related expenses.
- P.L. 109-234, Emergency Supplemental Appropriation Act for Defense, The Global War on Terror and Hurricane Recovery 2006, provides DHP O&M $2,821 for Global War on Terrorism.

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III. Financial Summary ($ in thousands)

B. Reconciliation Summary	Change FY 2007/FY 2007	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Baseline Funding	904,899	904,899	1,043,295
Congressional Adjustments (Distributed)	0	n/a	n/a
Congressional Adjustments (Undistributed)	0	n/a	n/a
Adjustments to Meet Congressional Intent	0	n/a	n/a
Congressional Adjustments (General Provisions)	0	n/a	n/a
Subtotal Appropriated Amount	904,899	**n/a**	**n/a**
Fact-of-Life Changes (CY to CY Only)	0	n/a	n/a
Subtotal Baseline Funding	904,899	**n/a**	**n/a**
Anticipated Supplemental	0	n/a	n/a
Reprogrammings	0	n/a	n/a
Price Changes	0	21,333	23,255
Functional Transfers	n/a	0	0
Program Changes	n/a	117,063	33,871
Current Estimate	904,899	1,043,295	1,100,421
Less: Wartime Supplemental	0	0	0
Normalized Current Estimate	904,899	1,043,295	1,100,421

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
FY 2007 President's Budget Request (Amended, if applicable)		**904,899**
1. Congressional Adjustments		0
a. Distributed Adjustments	0	
b. Undistributed Adjustments	0	
c. Adjustments to meet Congressional Intent	0	
d. General Provisions	0	
e. Congressional Earmarks	0	
FY 2007 Appropriated Amount		**904,899**
2. War-Related and Disaster Supplemental Appropriations		0
3. Fact of Life Changes		0
a. Functional Transfers	0	
b. Technical Adjustments	0	
c. Emergent Requirements	0	
FY 2007 Baseline Funding		**904,899**
4. Reprogrammings (requiring 1415 Actions)		0
a. Increases	0	
b. Decreases	0	
Revised FY 2007 Estimate		**904,899**
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations		
and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		0
FY 2007 Normalized Current Estimate		**904,899**

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
6. Price Change		21,333
7. Functional Transfers		0
a. Transfers In	0	
b. Transfers Out	0	
8. Program Increases		138,682
a. Annualization of New FY 2007 Program	0	
b. One-Time FY 2008 Increases	0	
c. Program Growth in FY 2008	138,682	
1) Increased software maintenance and additional sustainment for Theater Medical Information Program.	2,593	
2) Increased sustainment associated with increased functionality for tracking Private Sector Care and In-House Care workload accounting.	2,668	
3) Realigns funding from In House Care for DoD Pharmacy Data Transaction Service, TRICARE Regional Offices IM-IT support, updates to the Defense Enrollment Eligibility Reporting System, and the Deployment Health Support Directorate for proper program execution.	41,933	
4) Realigns funding from Consolidated Health Support for DoD Information Technology Security Certification and Accreditation Process – TRICARE Contractor Information Systems and Health Insurance Portability and Accountability Act – Transaction and Code Sets for proper program execution.	18,303	
5) Realigns funding from Management Activities for Information Management Technology and Reengineering Directorate for proper program execution.	32,248	
6) Increased requirement for Defense Information Systems Agency & Research Institute of Infectious Diseases contract services.	1,990	
7) Realigns funding from Base Operations/Communications for AHLTA sustainment training at Military Treatment Facilities.	10,703	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
8) Realigns funding from In-House Care for AHLTA sustainment training at Military Treatment Facilities.	2,497	
9) Realigns funding from Base Operations/Communications to resource critical Medical Treatment Facility network security and web-based applications.	9,568	
10) Realigns funding from In House Care to reflect proper program execution.	3,873	
11) Realigns funding from Base Operations/Communications for Service Other IM-IT to reflect proper program execution.	7,127	
12) Conversion of military positions to civilians.	256	
13) Realigns resources from Consolidated Health Support for the Joint Medical Information Systems Office (JMISO) to reflect proper program execution.	1,223	
14) Realigns resources from Education and Training for the Uniformed Services University of Health Sciences (USUHS) to reflect proper program execution.	3,700	
9. Program Decreases		-21,619
a. Annualization of FY 2007 Program Decreases	0	
b. One-Time FY 2007 Increases	0	
c. Program Decreases in FY 2008	-21,619	
1) Reduced sustainment costs due to the purchase of blade servers for the legacy Composite Health Care System.	-12,000	
2) Change in acquisition strategy for the Patient Accounting System Charge Master Based Billing module. Purchase of licenses is more economical.	-4,070	
3) Realignment of funds to RDT&E in support of DoD/VA sharing development efforts.	-3,492	
4) Realigns resources to Management Activities for the Military Medical Support Office to reflect proper program execution.	-2,057	

FY 2008 Budget Request   **1,043,295**

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
10. Price Change		23,255
11. Functional Transfers	0	
a. Transfers In	0	
b. Transfers Out	0	
12. Program Increases		34,782
a. Annualization of New FY 2008 Program	0	
b. One-Time FY 2009 Increases	0	
c. Program Growth in FY 2009	34,782	
1) Increased sustainment for AHLTA.	5,336	
2) Increased sustainment for Defense Medical Human Resources System-internet version 1 deployment.	3,673	
3) Increased software maintenance to support Theater Medical Information Program releases.	3,661	
4) Increased sustainment associated with functionality for tracking Private Sector Care and In-House Care workload accounting and Medical Surveillance capabilities.	6,715	
5) Increased circuit costs as more central IM/IT systems are being deployed.	9,107	
6) Conversion of military positions to civilians.	1,111	
7) Realigns funding from In-House Care to fund AHLTA deployment at Military Treatment Facilities.	397	
8) Adjustments to various IM/IT support and program activities such as Defense Occupational and Environmental Health Readiness System - Industrial Hygiene and Defense Medical Logistics Standard System.	4,782	
13. Program Decreases		-911
a. Annualization of New FY 2008 Program	0	
b. One-Time FY 2008 Increases	0	
c. Program Decreases in FY 2009	-911	
1) Reduced funding from Base Operations/Communications for Service Other IM-IT requirements.	-911	

III. <u>Financial Summary</u> ($ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2009 Budget Request		1,100,421

IV. <u>Performance Criteria and Evaluation Summary</u>

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2007/FY 2008	FY 2008/FY 2009
None	n/a	n/a	n/a	n/a	n/a	n/a

					Change		
					FY 2006/	FY 2007/	FY 2008/
V. <u>Personnel Summary</u>	**FY 2006**	**FY 2007**	**FY 2008**	**FY 2009**	**FY 2007**	**FY 2008**	**FY 2009**
<u>Active Military End Strength (E/S) (Total)</u>	547	538	512	476	-9	-26	-36
Officer	169	159	159	153	-10	0	-6
Enlisted	378	379	353	323	1	-26	-30
<u>Active Military Average Strength (A/S)</u>							
<u>(Total)</u>	567	543	525	494	-24	-18	-31
Officer	164	164	159	156	0	-5	-3
Enlisted	403	379	366	338	-24	-13	-28
<u>Civilian FTEs (Total)</u>	1,258	1,320	1,392	1,403	62	72	11
U.S. Direct Hire	1,203	1,278	1,335	1,346	75	57	11
Foreign National Direct Hire	11	11	11	11	0	0	0
Total Direct Hire	1,214	1,289	1,346	1,357	75	57	11
Foreign National Indirect Hire	44	31	46	46	-13	15	0
Memo: Military Technician Included	0	0	0	0	0	0	0
Memo: Reimbursable Civilians Included	0	0	0	0	0	0	0
<u>Average Annual Civilian Salary ($000)</u>	77	76	78	79			

VI. <u>OP 32 Line Items as Applicable (Dollars in thousands - see next page):</u>