

**Defense Health Program  
Operation and Maintenance  
Fiscal Year (FY) 2010 Budget Estimates  
Management Activities**

**I. Description of Operations Financed:** This Budget Activity Group is comprised of Services Medical Headquarters and TRICARE Management Activity (TMA) functions supporting Military Health System (MHS) worldwide patient care delivery.

**Management Headquarters:** Resources required for the U.S. Army Medical Command, the Navy Bureau of Medicine and Surgery, the Command Surgeon's staff at Air Force Major Commands, and TRICARE Management Activity personnel identified as management headquarter staff that coordinate and oversee the provision of health care within the Military Health System.

**TRICARE Management Activity:** Resources required for the operation of the TRICARE Management Activity. These operating costs support delivery of patient care worldwide for members of the Armed Forces, family members, and others entitled to DoD health care. This also includes the TRICARE Regional Offices (TROs), the Military Medical Support Office (MMSO), and the Pharmacoeconomic Center (PEC).

**Business Management Modernization Program:** The Domain structure consists of: Accounting and Finance, Strategic Planning and Budgeting, Human Resource Management, Logistics, Technical Infrastructure, Acquisition, and Installations and Environment. The Domains will perform such functions as Portfolio Management, Business Process Re-engineering, Pilot programs, and Process Coordination amongst the Domains, Services, and Agencies.

**II. Force Structure Summary:** Management Headquarters includes resources necessary to support headquarters functions outlined in DoD Directive 5100.73, Major Department of Defense Headquarters Activities. Within the Military Health System, this includes the cost of operating the TRICARE Management Activity, U.S. Army Medical Command, the Navy Bureau of Medicine and Surgery, and the Command Surgeons staff at Air Force Major Commands.

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**III. Financial Summary (\$ in Thousands):**

	FY 2009						
	FY 2008	Budget	Congressional Action		Appropriated	Current	FY 2010
			<u>Actuals</u>	<u>Request</u>			
<b>A. <u>Sub-Activity Group</u></b>							
1. Management Headquarters	81,912	66,248	4,500	7%	70,748	70,748	102,161
2. TRICARE Management Activity	191,816	199,874	9,000	5%	208,874	208,874	173,236
3. BMMP Domain Management & Systems Integration	<u>2,524</u>	<u>2,423</u>	<u>0</u>	<u>0%</u>	<u>2,423</u>	<u>2,423</u>	<u>2,413</u>
<b>Total</b>	276,252	268,545	13,500	5%	282,045	282,045	277,810

Notes:

FY 2008 actual includes \$0.632 million from the Global War on Terrorism (GWOT) Bridge Supplemental, Consolidated Appropriations Act, 2008 (P.L.110-161), Division L, Title V.

FY 2009 current estimate excludes supplemental.

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<b>B. <u>Reconciliation Summary</u></b>	<b><u>Change</u></b> <b><u>FY 2009/FY 2009</u></b>	<b><u>Change</u></b> <b><u>FY 2009/FY 2010</u></b>
<b>Baseline Funding</b>	<b>268,545</b>	<b>282,045</b>
Congressional Adjustments (Distributed)	5,500	n/a
Congressional Adjustments (Undistributed)	0	n/a
Adjustments to Meet Congressional Intent	0	n/a
Congressional Adjustments (General Provisions)	8,000	n/a
<b>Subtotal Appropriated Amount</b>	<b>282,045</b>	<b>n/a</b>
War-Related and Disaster Supplemental	1,159	n/a
Fact-of-Life Changes	0	n/a
<b>Subtotal Baseline Funding</b>	<b>283,204</b>	<b>n/a</b>
Anticipated Supplemental	0	n/a
Reprogrammings	0	n/a
Less: War-Related and Disaster Supplemental		
Appropriations	-1,159	n/a
Price Change	n/a	4,917
Functional Transfers	n/a	0
Program Changes	n/a	-9,152
<b>Normalized Current Estimate</b>	<b>282,045</b>	<b>277,810</b>
<b>Current Estimate</b>	<b>282,045</b>	<b>277,810</b>

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<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
<b>FY 2009 President's Budget Request</b>		<b>268,545</b>
1. Congressional Adjustments		13,500
a. Distributed Adjustments		5,500
1) Realignment of funds from In-House Care for proper execution.	4,500	
2) Traumatic Brain Injury and Psychological Health.	1,000	
b. Undistributed Adjustments		
c. Adjustments to meet Congressional Intent		
d. General Provisions		8,000
1) Fisher House Foundation Grant.	8,000	
e. Congressional Earmarks		
<b>FY 2009 Appropriated Amount</b>		<b>282,045</b>
2. War-Related and Disaster Supplemental Appropriations		1,159
3. Fact of Life Changes		0
a. Functional Transfers	0	
b. Technical Adjustments	0	
c. Emergent Requirements	0	
<b>FY 2009 Baseline Funding</b>		<b>283,204</b>
4. Reprogrammings (requiring 1415 Actions)		0
a. Increases	0	
b. Decreases	0	
5. Less: Less: Item 2, War-Related and Disaster Supplemental Appropriations		-1,159
<b>Revised FY 2009 Estimate</b>		<b>282,045</b>
<b>FY 2009 Normalized Current Estimate</b>		<b>282,045</b>
6. Price Change		4,916
7. Transfers		0
a. Transfers In	0	
b. Transfers Out	0	

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<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
8. Program Increases		31,086
a. Annualization of New FY 2009 Program	0	
b. One-Time FY 2010 Costs		
c. Program Growth in FY 2010	31,086	
1) Realigns funding from In-House Care, Consolidated Health Support and Base Operations to reflect proper program execution of the Joint Task Force National Capital Region Medical.	11,388	
2) Realigns funding from In-House Care to reflect actual historical execution.	12,665	
3) Increases funding to support enduring Traumatic Brain Injury (TBI)/Psychological Health (PH) requirements to include Neurocognitive Assessment and Proponency operating expenses.	7,033	
9. Program Decreases		-40,238
a. One-Time FY 2009 Costs	-13,736	
1) Traumatic Brain Injury and Psychological Health.	-1,017	
2) Realignment of funds from In-House Care for proper execution.	-4,578	
3) Fisher House Foundation Grant.	-8,140	
b. Annualization of FY 2009 Program Decreases	0	
c. Program Decreases in FY 2010	-26,502	
1) Eliminates funding for the Financial Statement Audits.	-18,503	
2) Realigns funding to Base Operations/Communications to reflect proper program execution.	-6,767	
3) Realigns funding to Consolidated Health Support to reflect proper program execution of Force Health Protection and the Defense Health Board.	-452	
4) Realigns funding to Information Management to reflect proper program execution.	-780	
<b>FY 2010 Budget Request</b>		<b>277,810</b>

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<u>V. Personnel Summary</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2009/ FY 2010</u>
<u>Active Military End Strength (E/S) (Total)</u>	766	753	741	-12
Officer	551	540	529	-11
Enlisted	215	213	212	-1
<u>Active Military Average Strength(A/S)(Total)</u>	780	760	748	-14
Officer	566	546	535	-11
Enlisted	214	214	213	-1
<u>Civilian FTEs (Total)</u>	994	1,010	1,017	7
U.S. Direct Hire	989	1,005	1,012	7
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	989	1,005	1,012	7
Foreign National Indirect Hire	5	5	5	0
(Reimbursable Included Above - memo)	0	0	0	0
Average Civilian Salary (\$000's)	105.745	120.630	123.794	

**VII. OP 32 Line Items as Applicable (Dollars in thousands - see next page):**