

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

I. Description of Operations Financed: Base Operations (BASOPS)/Communications refers to the resources dedicated to the operation and maintenance of Defense Health Program (DHP) facilities. The DHP's BASOPS provides for facilities and services at military medical activities (CONUS and OCONUS) supporting active duty combat forces, reserve and guard components, training, eligible beneficiaries. This program includes the following:

Facility Restoration and Modernization: Resources required for facilities Restoration and Modernization. Restoration includes repair and replacement work to restore facilities damaged by lack of sustainment, excessive age, natural disaster, fire, accident, or other causes. Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

Facility Sustainment: Resources required for maintenance and repair activities necessary to keep facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, etc.

Demolition/Disposal of Excess Facilities: Resources required for demolition and/or disposal costs associated with excess facilities, including buildings or any other permanent or temporary structure as well as pavements, utility systems, and other supporting infrastructure. Includes environmental costs directly attributable to demolition/disposal to include inspection and removal of hazardous material (such as lead-based paint or asbestos).

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

II. Force Structure Summary:

	FY 2006	FY 2007	FY 2008	FY 2009
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Inpatient Facilities	70	65	63	63
Medical Clinics	409	412	414	412
Dental Clinics	417	414	414	413
Veterinary Clinics	259	259	259	259

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

III. Financial Summary (\$ in thousands)

	FY 2007							FY 2008 <u>Estimate</u>	FY 2009 <u>Estimate</u>
	FY 2006 <u>Actuals</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>			
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>				
A. <u>Subactivities</u>									
1. Facility Restoration/Modernization - CONUS	391,047	157,478		0%	157,478	157,478	160,792	140,211	
2. Facility Restoration/Modernization - OCONUS	28,650	26,739		0%	26,739	26,739	28,978	28,326	
3. Facility Sustainment - CONUS	441,993	290,736		0%	290,736	290,736	276,658	238,126	
4. Facility Sustainment - OCONUS	70,085	51,201		0%	51,201	51,201	59,230	76,269	
5. Demolition	<u>0</u>	<u>0</u>		<u>0%</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total	931,775	526,154		0%	526,154	526,154	525,658	482,932	

Reflects FY 2007 President's Budget Request which is equal to the Continuing Resolution.

FY 2006 estimate includes \$89,992 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 \$49,993 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 \$39,999 for Global War on Terrorism.

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change <u>FY 2007/FY 2007</u>	Change <u>FY 2007/FY 2008</u>	Change <u>FY 2008/FY 2009</u>
Baseline Funding	526,154	526,154	525,658
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	526,154	n/a	n/a
Fact-of-Life Changes (CY to CY Only)	0	n/a	n/a
Subtotal Baseline Funding	526,154	n/a	n/a
Anticipated Supplemental	0	n/a	n/a
Reprogrammings	0	n/a	n/a
Price Changes	0	13,522	11,004
Functional Transfers	n/a	0	0
Program Changes	n/a	-14,018	-53,730
Current Estimate	526,154	525,658	482,932
Less: Wartime Supplemental	0	0	0
Normalized Current Estimate	526,154	525,658	482,932

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request (Amended, if applicable)		526,154
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		526,154
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		526,154
4. Reprogrammings (requiring 1415 Actions)	0	
a. Increases	0	
b. Decreases	0	
Revised FY 2007 Estimate		526,154
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings, Iraq Freedom Fund Transfers		0
FY 2007 Normalized Current Estimate		526,154
6. Price Change		13,522
7. Functional Transfers		0

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
a. Transfers In	0	
b. Transfers Out	0	
8. Program Increases		37,568
a. Annualization of New FY 2007 Program	0	
b. One-Time FY 2008 Increases	0	
c. Program Growth in FY 2008	37,568	
1) Realigns funding from In-House Care to reflect proper program execution.	36,538	
2) Realigns resources from Education and Training for the Uniformed Services University of Health Sciences (USUHS) to reflect proper program execution.	1,030	
9. Program Decreases		-51,586
a. Annualization of FY 2007 Program Decreases	0	
b. One-Time FY 2007 Increases	0	
c. Program Decreases in FY 2008	-51,586	
1) Realigns funding to In-House Care for patient Appointing and Referral Management program.	-13,332	
2) Revised inflation assumptions.	-4,108	
3) Realigns funding to Information Management to fund AHLTA sustainment training at Military Treatment Facilities.	-10,703	
4) Realigns funding to Information Management to fully resource critical Military Treatment Facility network security and web-based applications.	-9,568	
5) Realigns funding to Information Management to reflect service other Information Management/Information Technology requirement.	-7,127	
6) Reduced requirement associated with line military end strength reductions.	-4,748	
7) Realigns funding to DHP RDT&E for Bio Identification and Wound	-2,000	

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
Healing Research Capabilities.		
FY 2008 Budget Request		525,658
10. Price Change		11,004
11. Functional Transfers		0
a. Transfers In	0	
b. Transfers Out	0	
12. Program Increases		11,798
a. Annualization of New FY 2008 Program	0	
b. One-Time FY 2009 Increases	0	
c. Program Growth in FY 2009	11,798	
1) Realigns funding from In-House Care to reflect proper program execution.	10,887	
2) Reduced requirement from Information Management for other Information Management/Information Technology.	911	
13. Program Decreases		-65,528
a. Annualization of FY 2008 Program Decreases	0	
b. One-Time FY 2008 Increases	0	
c. Program Decreases in FY 2009	-65,528	
1) Reduced contract requirements.	-49,623	
2) Reduced requirement for Building 54 renovation of the Armed Forces Institute of Pathology (AFIP).	-12,304	
3) Realigns resources to Private Sector Care for Health Care Cost-Savings associated with line military end strength reductions.	-2,437	
4) Realigns funding to In-House Care for patient Appointing and Referral Management program.	-669	
5) Realigns funding to DHP RDT&E for Bio Identification and Wound Healing Research Capabilities.	-495	
FY 2009 Budget Request		482,932

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

IV. Performance Criteria and Evaluation Summary:

Funding Levels:	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	Change		
					<u>FY 2006/ FY 2007</u>	<u>FY 2007/ FY 2008</u>	<u>FY 2008/ FY 2009</u>
Sustainment	512,078	341,937	335,888	314,395	-170,141	-6,049	-21,493
Restoration and Modernization	419,697	184,217	189,770	168,537	-235,480	5,553	-21,233
Demolition	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	931,775	526,154	525,658	482,932	-405,621	-496	-42,726
Department Sustainment Rate (exclude MILPERS)	145.7%	96.0%	87.2%	77.3%	-49.8%	-8.7%	-9.9%

DEFENSE HEALTH PROGRAM
Operation and Maintenance
Fiscal Year (FY) 2008/2009 Budget Estimates
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition
(Attachment 4)

<u>V. Personnel Summary</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>Change</u>		
					<u>FY 2006/ FY 2007</u>	<u>FY 2007/ FY 2008</u>	<u>FY 2008/ FY 2009</u>
<u>Active Military End Strength (E/S) (Total)</u>	19	18	17	17	-1	0	0
Officer	11	11	10	10	0	-1	0
Enlisted	8	7	7	7	-1	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	15	19	18	17	4	-1	-1
Officer	8	11	11	10	3	0	-1
Enlisted	7	8	7	7	1	-1	0
<u>Civilian FTEs (Total)</u>	408	424	435	435	16	11	0
U.S. Direct Hire	391	400	409	409	9	9	0
Foreign National Direct Hire	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	404	413	422	422	9	9	0
Foreign National Indirect Hire	4	11	13	13	7	2	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>	78	79	81	83			

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