

**Defense Health Program
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance
OCO Operation and Maintenance Detail**

Budget Activity 1, Operation and Maintenance

Detail by Subactivity Group

I. Description of Operations Supported: Provides resources needed to fund the incremental (above baseline) costs to support Operation FREEDOM'S SENTINEL (OFS) in Afghanistan, Operation INHERENT RESOLVE (OIR) in Iraq and the Levant, increasing efforts to support European allies and deter aggression (European Reassurance Initiative), and supporting a partnership-focused approach to counterterrorism. The resource amounts provided are consistent with the Department's force level budgetary assumptions. These incremental funds provide medical and dental services to active forces, mobilized Reserve Components (RC), and their family members in support of these operations. The Defense Health Program (DHP) baseline budget request does not fund the medical and dental support requirements within the Area of Responsibility (AOR). Overseas Contingency Operations (OCO) funds the incremental costs associated with the treatment of combat casualties at Military Treatment Facilities (MTFs). Combat casualties require more resource intensive healthcare (e.g. amputees, burn and rehabilitative care) than routine peacetime patients require. Other DHP operational requirements in support of these operations include: Pre/Post deployment processing for personnel, aeromedical transportation of casualties from Germany to the U.S., and contracted/civilian medical personnel to backfill deployed permanent MTF staff. Additionally, support requirements include telemedicine for theater care, public health support, material management control, and bioenvironmental health support costs above the baseline budget. The DHP also performs post deployment health assessments (between 3-6 months after deployment), evaluations, and treatment for all mobilized RC.

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- **In House Care:**

- Incremental costs for health care for casualties above the baseline budget
- Incremental costs for deployment related prophylactic pharmaceuticals
- Medical and dental care for mobilized RC personnel
- Backfill of deployed permanent medical personnel.

- **Private Sector Care**

- Healthcare for mobilized RC and their family members

- **Consolidated Health Support**

- Aeromedical transportation of casualties from Germany to the US
- Military Public Health manpower, supplies, support equipment, and associated requirements specifically identified for the management, direction, and operation of disease prevention and control
- Incremental support for epidemiology, medical entomology, safe drinking water, monitoring hazardous waste disposal, food and facility sanitation, deployment health promotion and education, health surveillance, medical intelligence, disease and climate illness training to deploying troops, disease surveillance and control, and injury/high risk mitigation surveillance
- Medical laboratories processing and storage of blood samples collected during the pre/post deployment process

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	(\$ in Thousands)		
	FY 2015	FY 2016	FY 2017
II. <u>Financial Summary</u>	<u>Actuals</u>	<u>Request</u>	<u>Estimate</u>
Total DHP OCO	344,645	272,704	331,764

	(\$ in Thousands)		
	FY 2015	FY 2016	FY 2017
A. Subactivity Group - In-House Care	<u>Actuals</u>	<u>Request</u>	<u>Estimate</u>
	111,856	65,149	95,366

Narrative Justification: Funding in this budget activity group directly supports pre-post deployment activities such as medical records reviews, hearing and vision exams, medical evaluations, immunizations and behavioral health screening for all deploying and returning soldiers. Funding also supports backfill of deployed personnel with medical staff to sustain the delivery of patient care in Military Treatment Facilities (MTFs).

Combat casualties require more resource intensive care and treatment than garrison healthcare patients. Although these patients are considered "dual eligible" who are eligible to receive care at MTFs or VA facilities, they return to the MTFs for continued care. Funding supports prosthetics and socket replacements, and advances in prosthesis technologies to enhance the capabilities of wounded service members with amputations. DHP funds additional requirements needed for treatment of

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casualties at amputee centers at San Antonio Military Medical Center, San Antonio, TX; Walter Reed National Military Medical Center, Bethesda, MD; and Naval Medical Center, San Diego, CA.

Impact if not funded: The Military Treatment Facilities' (MTFs') primary mission is to provide healthcare to uniformed service personnel (active and mobilized Reserve Component members). Funding is required to provide the additional medical and dental care for the mobilized forces not funded in the baseline budget. Without this funding, MTF services and access to care will be adversely impacted. MTFs would have to reduce access to care for non-active duty beneficiaries (retirees and family members) resulting in disengagement of these beneficiaries to the private sector for healthcare services. If funding is not provided to backfill the healthcare positions vacated in the MTFs by deployed medical personnel, components will have to redirect funding from other direct care system requirements to sustain the continuity of healthcare to patients.

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	(\$ in Thousands)		
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	<u>Actuals</u>	<u>Request</u>	<u>Estimate</u>
A. Subactivity Group - Private Sector Care	214,259	192,210	233,073

Narrative Justification: Funding provides Reserve Component (RC) personnel and their family members with healthcare, pharmacy and dental benefits. Mobilized RC personnel and their family members are eligible for medical and dental similar to active duty personnel, including access to private sector care providers through the TRICARE Managed Care Support Contract (MCSC) provider networks. This access to MCSC provider networks also support those beneficiaries living in remote locations outside the established network areas. TRICARE Reserve Select program, offered to RC members who enroll and share premiums with the government, is not included in this requirement. Healthcare coverage includes costs for medical care pharmaceuticals and associated managed care contract administration fees and dental care when military dental treatment facilities are not available.

Impact if not funded: Providing healthcare to mobilized RC personnel and their families is congressionally mandated. This is a must-pay bill and the cost will be incurred regardless of the availability of funding. If funding is not provided, lower priority healthcare requirements will be delayed so that funding can be shifted to pay for the healthcare services.

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	<u>Actuals</u>	<u>Request</u>	<u>Estimate</u>
A. Subactivity Group -- Consolidated Health Support	12,993	9,460	3,325

Narrative Justification: Requirements in this budget activity group cover costs associated with pre-deployment individual equipment items (e.g. eyewear and protective mask eyewear inserts), military public health manpower, supplies and support equipment for disease prevention and control, incremental support for operations in epidemiology, medical entomology, drinking water safety, monitoring hazardous waste disposal, food and facility sanitation, deployment health promotion and education, health surveillance, medical intelligence, and disease and climate illness training to deploying troops. Funding also supports the cost to transport wounded warriors by aircraft from outside the theater of operations to the United States and costs to resupply medical evacuation equipment and ground transportation costs for patients outside of the theater. Smaller projections for deployed active and reserve component forces in FY 2017 contribute to a reduction in the overall requirement.

Impact if not funded: Lack of funding for collection, documentation, analysis, feedback, and storage of critical patient medical surveillance data sets would cause medical data integrity issues similar to the Vietnam Conflict Agent Orange exposure tracking and follow-up medical care issues. In addition, the optical fabrication and aeromedical transport missions would require additional internal funding offsets such as delays in infrastructure improvements and equipment or supply procurement.

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A. Subactivity Group -- Education and Training	5,114	5,885	0

Narrative Justification: Ongoing trauma training to maintain critical medical wartime skills has been developed into the Defense Health Program training program. The current pre-deployment training programs meet the level of training required for current operations.

Impact if not funded: None