The Defense Health Program (DHP) procurement budget represents a critical element of the Department's capability to provide high quality, cost effective health care for active duty and other eligible beneficiaries. Funds identified in this submission support the acquisition of equipment for facilities in the Army, Navy, and Air Force. Those facilities range from sophisticated tertiary care medical centers to outpatient and dental clinics and physiological training units. This equipment is essential to provide high quality health care services that meet accepted standards of practice. The required safety standards, related laws and regulatory requirements from credentialling and health care standard setting organizations influence and affect the requirement for, cost of, and replacement and modernization of medical equipment. Without the identified resources, the DHP's capability to meet the Department's medical equipment requirements will be severely degraded.
The Department, through the DHP, procures a wide variety of medical items ranging from surgical, radiographic, and pathologic apparatus to medical administrative support equipment. The items to be procured by the resources identified in this schedule are selected by way of a thorough investment equipment justification process. The identification and justification process begins at the medical treatment facility (MTF) level. From there, the requirements are reviewed by functional specialty advisor groups (Surgeon General level), medical logistics experts (Service component), Health Care Support Offices (geographically oriented), and ultimately the Defense Health Council (Tri-Service level). At each level, the requirements are reviewed for the necessity, value, and utility of investment.

Development of an effective equipment replacement and modernization program is a complicated process. In comparison to equipment in other functional areas, the useful life of medical equipment is short. As the current inventory reaches obsolescence, replacements are generally more sophisticated, technologically advanced, and expensive. To ensure that the Department is procuring the appropriate technology for deployment in the most useful locations, the DHP incorporates functional expertise from each echelon of the Department's medical structure into the budget development process. This submission represents a balanced, resource constrained approach to the DHP's investment equipment requirements.

The needs fulfilled by the DHP's procurement budget are diverse. They are used to replace the aging real property support system in existing facilities. Also they are used for medical information system equipment essential to the deployment and upgrade of the Composite Health Care System (CHCS). CHCS is a comprehensive medical information system designed to provide automated support to Medical Treatment Facilities (MTFs) worldwide. The system is composed of integrated modules that, activated either together or independently, support high volume work areas within MTFs and enhance communication between supported areas.