

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)**

Budget Activity 1, Operation and Maintenance

Detail by Subactivity Group

I. Description of Operations Supported: These funds provide medical and dental services to active forces (above baseline), mobilized Reserve Components (RC), and their family members in support of Operation Enduring Freedom (OEF). The Defense Health Program (DHP) baseline request does not provide for medical and dental support within the OEF Area of Responsibility (AOR). Overseas Contingency Operations (OCO) funds the incremental costs associated with the treatment of combat casualties at Military Treatment Facilities (MTF). Combat casualties require higher resource intensive care (e.g., amputees, burn and rehabilitative care) than routine peacetime patients require. Other DHP operational requirements in support of the OEF includes: Pre/Post deployment processing for personnel, aeromedical transportation of casualties from Germany to the US, and contracted/civilian medical personnel to backfill deployed MTF staff. Additionally, support requirements include command, control, and communication (C3) costs, telemedicine, public health support, material management control, veterinary support, and bioenvironmental health support that are above the funded baseline. The DHP also provides additional blood units and products for casualties and post deployment health assessments (between 3-6 months after deployment), evaluations, and treatment for all deployed forces. OCO funding is also provided to support the implementation of the Integrated Disability Evaluation System (IDES) which will facilitate integration between the Military Health System (MHS) and the Department of Veterans Affairs resulting in faster processing time for the wounded warriors undergoing disability evaluation.

• **In House Care:**

- Incremental costs for health care for casualties of war above baseline
- Incremental costs for deployment related pharmaceuticals
- Medical and dental care for mobilized RC personnel
- Backfill of deployed medical personnel to home station MTF
- OCO portion of IDES

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)**

- **Private Sector Care**

- Healthcare for mobilized RC and their family members

- **Consolidated Health Support**

- Incremental costs for the Armed Services Blood Program to provide blood products for OEF
- 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 for OEF
- Incremental support for OEF in epidemiology, medical entomology, drinking water safety, monitoring hazardous waste disposal, food and facility sanitation, health promotion and education, health surveillance, medical intelligence, disease and climate illness, disease prevention and control, and injury surveillance
- Resources required for the incremental costs for the management, direction and operation of DoD's veterinary missions in support of OEF
- Medical laboratories processing of blood samples collected in the pre/post deployment process

- **Information Management**

- Incremental information management support for medical coding and tracking of patients supporting OCO
- Incremental contract support to electronically collect and store healthcare, public health, bioenvironmental, and health surveillance data
- Incremental funding of telemedicine and teleconferencing initiatives to better leverage technology in the delivery of combat health care

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)**

- **Management Activities**

- Medical command, control, and communications in support of OEF
- Medical headquarters planning, analysis, reporting, data collection, and after action reviews in support of OEF

- **Education and Training**

- Additional trauma training to ensure medical providers, as well as all other medical personnel, receive/retain the necessary skill sets to treat combat trauma injuries
- Training for medical providers and other medical personnel to properly diagnose pre- and post-deployment mental health conditions

- **Base Operations/Communications**

- Sustainment costs for medical facilities at five RC installations utilized for deployment processing
- Increased square footage in support of Post Deployment Health Re-Assessments to include utilities and housekeeping

- **Research, Development, Test, and Evaluation**

- Transfers from the Joint Improvised Explosive Device Defeat Organization (JIIEDDO) for blast recovery monitors, body blood flow monitors, and blast pulse effect monitors (FY 2011 Congressional Special Interest Item)

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)

	(\$ in Thousands)		
<u>II. Financial Summary</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
Total DHP OCO	1,393,993	1,215,266	993,898

	(\$ in Thousands)		
<u>A. Subactivity Group -</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
<u>In-House Care</u>	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
	715,131	642,221	483,326

Narrative Justification: FY 2013 request includes a much smaller Temporary Army End-Strength Increase (TESI) than that included in the FY 2011 and FY 2012 requests. Most of the TESI requirement (65%) is for In-House Care for the health care for active duty and their family members in MTFs. In addition, smaller projections for deployed active and reserve component forces in FY 2013 have contributed to a reduction in the overall requirement.

The DHP will continue to incur costs associated with supplying pharmaceuticals, pre-deployment individual equipment items (e.g. eyewear and protective mask eyewear inserts), and prophylactic vaccinations as long as there are deployed personnel in the AOR. Additionally, the DHP funds base requirements for casualty care activities at amputee centers at San Antonio Military Medical Center (SAMMC), San Antonio, TX; Walter Reed National Military Medical Center, Bethesda, MD; and Naval Medical Center, San Diego, CA, as well as burn centers. In addition to the OCO budget request, the PDHRA requirement, a program to identify members who may have mental or physical health conditions because of their deployment, is now funded in the base budget.

The FY 2013 Budget Request also includes OCO funding in support of IDES.

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)**

Impact if not funded: Providing health care for military members (active as well as mobilized RC members) is the mission of the Military Health System. This request is for the funding necessary to provide the additional medical and dental care for the mobilized forces not funded in the baseline budget. Without OCO funding, MTFs would have to reduce care to non-active duty beneficiaries (retirees and family members) resulting in a disengagement of these beneficiaries to the private sector. If funding is not provided to backfill the MTF positions vacated by active duty medical personnel deployed in support of OEF, fewer beneficiaries can be seen in these MTFs thereby shifting even more care to the private sector.

	(\$ in Thousands)		
	FY 2011	FY 2012	FY 2013
	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
B. Subactivity Group - Private Sector Care	538,378	451,847	376,982

Narrative Justification: FY 2013 request includes a much smaller Temporary Army End-Strength Increase (TESI) than that included in the FY 2011 and FY 2012 requests. Private Sector Care (PSC) comprises 35% of the TESI requirement for health care for active duty and their family members. In addition, smaller projections for deployed active and reserve component forces in FY 2013 have contributed to a reduction in the overall requirement. The assumed number of mobilized RC in FY 2013 is 59,888 with an average annual cost of \$7,095 per mobilized RC.

OCO PSC funding provides mobilized RC personnel and their family members with healthcare, pharmacy, and dental benefits while they are mobilized in support of OCO. Mobilized RC personnel and their family members are entitled to the same TRICARE benefits as their active duty counterparts including access to private sector providers through the TRICARE

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)**

Managed Care Support Networks. The network also provides access to civilian providers for those beneficiaries living in remote locations outside the established network areas. The TRICARE Reserve Select program, offered to RC members who enroll and share premiums with the government, is not included in this requirement. Health care coverage includes costs for medical care and pharmaceuticals for RC personnel and their family members, managed care contract administration fees, and RC dental care (funded here and in In-House Care). The FY 2013 Budget Request also includes OCO funding in support of IDES.

Impact if not funded: Providing health care to mobilized RC personnel and their families is congressionally mandated. This is a must pay bill and the cost will incur even without funding. If this occurs, other healthcare requirements will be compromised as funding is shifted from other priorities. This may include curtailing the amount of medical treatment obtained in MTFs for non-active duty personnel, thereby shifting those costs to the private sector care contracts.

	(\$ in Thousands)		
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	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
C. Subactivity Group -- Consolidated Health Support	112,607	95,770	111,675

Narrative Justification: Increase in FY 2013 is due primarily to an increase to the Pre-Post Deployment Mission in support of IDES. In addition, there is an increased requirement at the Soldier Readiness Processing sites for deploying and redeploying troops.

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, blood program and aeromedical transport missions would require further internal offsets. This would lead to

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)

reduced efficiencies in infrastructure improvements, hiring of civilian personnel, and the delay or cancellation of non-emergency logistic procurements.

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	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
D. Subactivity Group -- Information Management	5,436	5,548	4,773

Narrative Justification: The FY 2013 OCO Budget Request decrease reflects a reduction in the projected deployment of active and RC forces in FY 2013. Requested funding still needed, however, for Pre-Post Deployment requirements at Soldier Readiness Processing sites, to include information technology personnel to support the deployments and troop withdrawals. Requested funding is also a result of realigning the request into the Subactivity Group where actual execution occurs. For example, Medical Backfill has seen an increase in Information Management /Information Technology (IM/IT) as IM/IT people deploy. The requested funding level also provides resources to continue electronically tracking patients departing the AORs. Patient tracking allows the MHS to know where casualties are as they travel from the AOR thru or to Germany and CONUS MTFs. This is vital to ensure patients are provided the specialized medical care required and to ensure the MTF's readiness to receive casualties. The MHS also collects, analyzes and stores all AOR public health, bioenvironmental hazard and health surveillance data by using information management contracts to support this capability. Telemedicine and teleconferencing initiatives enable AOR medical personnel to leverage global military healthcare expertise in their treatment of combat casualties before patients depart to CONUS for advanced care.

Impact if not funded: Without funding for patient tracking, patients may arrive at a hospital that is not properly equipped to care for them. Vital health surveillance data

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)

collected within the theaters of operation would not be stored. This data is crucial for investigating future healthcare conditions that possibly resulted from service in OEF. Without funding for the incremental costs associated with information management activities, the electronic collection and storage of all casualty health care records would be greatly reduced.

	(\$ in Thousands)		
	FY 2011	FY 2012	FY 2013
	<u>Actuals</u>	<u>Appropriated</u>	<u>Request</u>
E. Subactivity Group -- Management Activities	287	751	660

Narrative Justification: Decrease in FY 2013 is primarily due to the end of operations in Iraq. However, the DHP will continue providing management activities in support of OEF. The Army Medical Command Operations Center, which provides the Department of the Army with vital information for command and control of medical assets, will remain operational 24 hours a day. The center coordinates the sourcing of operations and rotations, manages medical policy and operational issues, performs reporting functions, and functions as the medical coordinator between theater (OEF) and the U.S. The center integrates all the medical operating systems including hospitalization, evacuation, medical logistics, personnel, dental, and veterinary functions.

Impact if not funded: The Army Medical Command Operations Center hours would be curtailed and staffing would be decreased to support only a normal duty hour function. The backload of information would cause a tremendous burden with decreased staff support. The DHP would not be able to effectively manage the logistical support for medical units assigned to OEF. If funding is not provided there would be a coordination gap in the movement of supplies, equipment and medical personnel in support of OEF. In addition, the coordination of patient movement between overseas locations to stateside MTFs would be delayed or interrupted.

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)

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F. Subactivity Group -- Education and Training	16,247	16,859	15,370

Narrative Justification: Decrease in FY 2013 is primarily due to the end of operations in Iraq. Requested funding is in support of continued Pre-Post Deployment requirements to support OEF based on estimated fill rates for classes military personnel are required to take prior to deployment. In addition, the DHP will continue to provide the additional trauma training to ensure medical providers receive and retain the necessary skill sets to treat combat trauma injuries as well as training to properly diagnose pre/post deployment mental health conditions.

Impact if not funded: Without funding, the proficiency of medical personnel in treating the types of combat injuries that regular day-to-day peacetime healthcare typically does not afford would be greatly diminished. Without pre-deployment training, valuable time in the field would be devoted to elevating medical skills to proper readiness levels. In addition, specialized training to identify and treat pre/post deployment mental illnesses would not be available, therefore causing the possible deployment of non-ready forces.

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
FY 2013 Overseas Contingency Operations (OCO)

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G. Subactivity Group -- Base Operations/ Communications	5,909	2,271	1,112

Narrative Justification: Decrease in FY 2013 is primarily due to the end of operations in Iraq. FY 2013 decrease is also a result of realigning the request into the Subactivity Group where actual execution occurs. Although this Subactivity Group decreased significantly, the requested funding level still provides for continued operations and maintenance of the medical facilities vital to the overall mission of OEF.

Impact if not funded: Without adequate funding, essential OEF infrastructure costs will have to be funded from existing resources placing an additional burden on peacetime healthcare resources.

	(\$ in Thousands)		
	FY 2011	FY 2012	FY 2013
	<u>P.L. 112-10</u>	<u>Request</u>	<u>Request</u>
H. Activity Group -- Research, Development, Test and Evaluation	24,000	0	0

Narrative Justification: There is no OCO RDT&E funding required in FY 2013.

Impact if not funded: Not applicable.