

**Defense Health Program  
Fiscal Year (FY) 2015 Budget Estimates  
Operation and Maintenance  
Education and Training**

**I. Description of Operations Financed:** This Budget Activity Group (BAG) is comprised of three primary categories that provide support for education and training opportunities for personnel within the Defense Health Program:

**Health Professions Scholarship Program (HPSP)**- Resources required for the Armed Forces HPSP, the Financial Assistance Program (FAP), Health Professions Loan Repayment Program (HPLRP), and other pre-commissioning professional scholarship programs. These funds are used for educational expenses including tuition, fees and reimbursed expenses (e.g., books, supplies, and equipment).

**Uniformed Services University of the Health Sciences (USUHS)** - Resources required for operation and maintenance of this Department of Defense (DoD)- funded medical school that produces an average of 165 medical doctors annually, advanced education for nurses in the Graduate School of Nursing, and graduate programs leading to a masters or doctoral degree in the biological sciences.

**Other Education and Training** - Resources required for specialized skill training and professional development education programs for health care personnel at the Medical Education and Training Campus (METC), U.S. Army Medical Department Center and School, Navy Bureau of Medicine and Surgery sponsored schools, and Air Force medical professions education and training programs. Includes formal educational programs for health care personnel at civilian academic institutions, civilian medical facilities and facilities of non-DoD governmental agencies. Professional development provides officer, enlisted, and civilian medical personnel with the skills and knowledge required to perform highly technical health services jobs.

**II. Force Structure Summary:**

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**II. Force Structure Summary (cont.)**

Education and training resources provide tuition and other educational expenses for the Armed Forces HPSP, FAP residencies, and the HPLRP. USUHS resources fund operation and maintenance requirements necessary to operate a DoD-funded medical school that trains doctors, as well as offering graduate programs for nurses and professionals in the biological sciences. The remaining resources are required for professional development education, training programs, and specialized skills training to match medical job requirements.

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**III. Financial Summary (\$ in thousands)**

	FY 2013 <u>Actual</u>	Budget <u>Request</u>	FY 2014			Current <u>Estimate</u>	FY 2015 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
<b>A. <u>BA Subactivities</u></b>							
1. Health Professions Scholarship Program	243,425	287,152	0	0.0	287,152	287,152	304,081
2. Uniformed Services University of the Health Services	133,391	134,912	0	0.0	134,912	134,912	146,301
3. Other Education and Training	278,159	311,033	0	0.0	311,033	311,033	300,484
<b>Total</b>	<b>654,975</b>	<b>733,097</b>	<b>0</b>	<b>0.0</b>	<b>733,097</b>	<b>733,097</b>	<b>750,866</b>

1. FY 2013 actuals include \$12.6M for Overseas Contingency Operations (OCO).
2. FY 2014 estimate excludes \$10.2M for OCO.
3. FY 2015 request excludes OCO.

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<b>B. <u>Reconciliation Summary</u></b>	<b>Change</b>	<b>Change</b>
	<b><u>FY 2014/FY 2014</u></b>	<b><u>FY 2014/FY 2015</u></b>
<b>Baseline Funding</b>	<b>733,097</b>	<b>733,097</b>
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
<b>Subtotal Appropriated Amount</b>	<b>733,097</b>	
Fact-of-Life Changes (2014 to 2014 Only)		
<b>Subtotal Baseline Funding</b>	<b>733,097</b>	
Supplemental	10,236	
Reprogrammings		
Price Changes		23,926
Functional Transfers		
Program Changes		-6,157
<b>Current Estimate</b>	<b>743,333</b>	<b>750,866</b>
Less: Wartime Supplemental	-10,236	
<b>Normalized Current Estimate</b>	<b>733,097</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 2014 President's Budget Request (Amended, if applicable)</b>		<b>733,097</b>
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
<b>FY 2014 Appropriated Amount</b>		<b>733,097</b>
2. OCO and Other Supplemental Enacted		10,236
a. OCO and Other Supplemental Requested		
1) OCO	10,236	
3. Fact-of-Life Changes		
<b>FY 2014 Baseline Funding</b>		<b>743,333</b>
4. Reprogrammings (Requiring 1415 Actions)		
<b>Revised FY 2014 Estimate</b>		<b>743,333</b>
5. Less: OCO and Other Supplemental Appropriations and Reprogrammings (Items 2 and 4)		-10,236
<b>FY 2014 Normalized Current Estimate</b>		<b>733,097</b>
6. Price Change		23,926
7. Functional Transfers		
8. Program Increases		9,857
a. Annualization of New FY 2014 Program		
b. One-Time FY 2015 Increases		
c. Program Growth in FY 2015		
1) GME Faculty Development:	3,572	
Provides funding for the Uniformed Services University of the Health Sciences (USUHS) to meet new accreditation standards for faculty development. FY 2014 USUHS baseline funding is \$134.9M, 633 civilian FTEs and 33 contractor FTEs.		
2) Curricular Reform:	3,418	

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Provides funding for the USUHS curricular reform to meet accrediting organizations' changing requirements for medical education mandating a shift to a competency-based (outcomes) model. FY 2014 USUHS baseline is \$134.9M, 633 civilian FTEs and 33 contractor FTEs.		
3) Enlisted to Medical Degree Preparation Program: Provides funding for USUHS to develop an academic enrichment program targeted towards the enlisted community to provide them with the academic preparation, guidance and mentorship required for competitive application to medical school. This addresses a finding by the Liaison Committee on Medical Education (LCME) during the most recent accreditation survey of the USUHS. The LCME identified medical student diversity and pipeline programs as an area of partial or substantial noncompliance. FY 2014 USUHS baseline funding is \$134.9M, 633 civilian FTEs and 33 contractor FTEs.	1,926	
4) Patient Safety and Quality Academic Collaborative (PSQAC): Designates the Uniformed Services University of the Health Sciences (USUHS) as the enterprise-wide manager of the PSQAC and realigns funding from the Consolidated Health Support to the Education and Training Budget Activity Group to standardize future accounting and reporting. FY 2014 Patient Safety and Quality Academic Collaborative funding baseline is \$0.6M, 2 civilian FTEs and 1 contractor FTE.	550	
5) Medical Simulation:	391	

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<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
Provides funding for establishment of an accredited certificate program in "Medical Modeling and Simulation" to address a lack of non-animal medical simulation experts within the Military Health System. FY 2014 USUHS baseline funding is \$134.9M, 633 civilian FTEs and 33 contractor FTEs.		
9. Program Decreases		-16,014
a. Annualization of FY 2014 Program Decreases		
b. One-Time FY 2014 Increases		
c. Program Decreases in FY 2015		
1) Travel Reduction:	-13,468	
Reduces travel funding to meet Congressional intent to change the Joint Federal Travel Regulations/Joint Travel Regulation in an effort to reduce travel costs. This reduction results in travel efficiencies achieved by using preferred government lodging, non-payment of state and local taxes and other travel efficiencies and limitations. FY 2014 Education and Training travel baseline is \$60.1M.		
2) 20% Headquarters Reduction:	-1,295	
Implements an incremental 20% reduction to Defense Health Program headquarters in compliance with the Department of Defense 31 July 2013 memorandum, "20% Headquarters Reduction," signed by the Deputy Secretary of Defense. The reduction applies to the total headquarters budget (supplies, materials, communications, IT/IM support, equipment) and in this Budget Activity Group (BAG) includes reductions in Other Intra-Government Purchases. FY 2014 Education and Training BAG baseline funding is \$733.1M. FY		

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<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
2014 Education and Training BAG baseline staffing is 2,040 civilians FTEs and 217 contractors FTEs.		
3) Equipment Reduction: Reduces equipment funding to match the current life cycle replacement rate. FY 2014 Education and Training Budget Activity Group equipment baseline is \$18.6M.	-1,251	
<b>FY 2015 Budget Request</b>		<b>750,866</b>

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**IV. Performance Criteria and Evaluation Summary:**

(Student/Trainee Count)

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Change FY 2013/2014</u>	<u>Change FY 2014/2015</u>
Officer Acquisition <sup>1</sup>	7,089	7,348	7,179	259	-169
Graduate Medical Education <sup>2</sup>	1,803	1,808	1,816	5	8
Professional Development <sup>3</sup>	14,959	23,985	25,602	9,026	1,617
Other Education and Training Programs <sup>4</sup>	32,731	31,131	31,099	-1,600	-32
Medical Education and Training Campus <sup>5</sup>	16,894	17,810	16,251	916	-1,559

<sup>1</sup> Officer Acquisition is the summation of Health Professions Scholarship Program (HPSP) Total Student Participants and USUHS Total Student Load.

<sup>2</sup> Graduate Medical Education (GME) is the number of GME Graduates.

<sup>3</sup> Professional Development is the summation of Officer - Professional Development/Leadership Training Graduates and Enlisted - Professional Development/Leadership Training Graduates.

<sup>4</sup> Other Education and Training Programs is a summation of Officer - All Other Training Graduates and Enlisted - All Other Training Graduates.

<sup>5</sup> Medical Education and Training Campus (METC) is the number of METC Graduates.

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<b>V. <u>Personnel Summary</u></b>	<b><u>FY 2013</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>Change FY 2013/ FY 2014</u></b>	<b><u>Change FY 2014/ FY 2015</u></b>
<u>Active Military End Strength (E/S) (Total)</u>	<u>15,113</u>	<u>15,049</u>	<u>14,686</u>	<u>-64</u>	<u>-363</u>
Officer	7,628	7,450	7,294	-178	-156
Enlisted	7,485	7,599	7,392	114	-207
<u>Active Military Average Strength (A/S) (Total)</u>	<u>14,773</u>	<u>15,081</u>	<u>14,868</u>	<u>308</u>	<u>-213</u>
Officer	7,558	7,539	7,372	-19	-167
Enlisted	7,215	7,542	7,496	327	-46
<u>Civilian FTEs (Total)</u>	<u>1,906</u>	<u>2,040</u>	<u>2,014</u>	<u>134</u>	<u>-26</u>
U.S. Direct Hire	1,905	2,038	2,012	133	-26
Foreign National Direct Hire	1	1	1	0	0
Total Direct Hire	1,906	2,039	2,013	133	-26
Foreign National Indirect Hire	0	1	1	1	0
Memo: Reimbursable Civilians Included	82	32	32	-50	0
Average Annual Civilian Salary (\$ in thousands)	90.8	91.6	92.5	.8	.9
 <u>Contractor FTEs (Total)</u>	 <u>194</u>	 <u>217</u>	 <u>222</u>	 <u>23</u>	 <u>5</u>

Explanation of changes in Active Military End Strength: The change from FY 2013 to FY 2014 of -64 is not a decrease. The change reflects adjustment of +65 to the FY 2013 programmed amount of 15,048 for FY 2013 actuals (15,113). The FY 2013 actuals adjustment reflects a 100% fill rate and is reflective of military personnel retention and distribution priorities. The change from FY 2014 to FY 2015 of -363 includes Army and Navy internal realignments (-6) and Air Force reductions (-357) to meet requirements of the Budget Control Act.

Explanation of changes in Civilian FTEs: FY 2013-2014 change is not an increase in staffing, but a decrease in the FY 2013 base-year due to the impacts of sequestration and mandatory furloughs. FY 2014 civilian FTEs remain at the same level they were at last

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cycle (President's Budget 2014).

Explanation of changes in Contractor FTEs: Increases in contractors are associated with the following initiatives at USUHS - Human Performance Resource Center, Doctorate of Nursing Practice, GME Faculty Development and Simulation Center Training.

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**VI. OP 32 Line Items as Applicable (Dollars in thousands):**

<u>OP 32 Line</u>	Change			Change			<u>FY 2015 Estimate</u>
	<u>FY 2013 Actual</u>	<u>FY 2013/FY 2014 Price Program</u>		<u>FY 2014 Estimate</u>	<u>FY 2014/FY 2015 Price Program</u>		
308 Travel of Persons	52,878	1,005	6,222	60,105	1,082	-2,159	59,028
<b>399 TOTAL TRAVEL</b>	<b>52,878</b>	<b>1,005</b>	<b>6,222</b>	<b>60,105</b>	<b>1,082</b>	<b>-2,159</b>	<b>59,028</b>
401 DLA Energy (Fuel Products)	100	-3	24	121	3	-2	122
402 Service Fund Fuel	0	0	116	116	3	-3	116
411 Army Supply	228	-6	-140	82	1	-77	6
412 Navy Managed Supply, Matl	722	-1	71	792	10	512	1,314
414 Air Force Consol Sust AG (Supply)	0	0	3	3	0	0	3
416 GSA Supplies & Materials	754	14	426	1,194	21	340	1,555
417 Local Purch Supplies & Mat	368	7	4	379	7	0	386
422 DLA Mat Supply Chain (Medical)	52	0	114	166	-1	-138	27
<b>499 TOTAL SUPPLIES &amp; MATERIALS</b>	<b>2,224</b>	<b>11</b>	<b>618</b>	<b>2,853</b>	<b>44</b>	<b>632</b>	<b>3,529</b>
503 Navy Fund Equipment	239	0	346	585	7	3	595
506 DLA Mat Supply Chain (Const & Equip)	17	0	349	366	3	10	379
507 GSA Managed Equipment	464	9	9	482	9	-11	480
<b>599 TOTAL EQUIPMENT PURCHASES</b>	<b>720</b>	<b>9</b>	<b>704</b>	<b>1,433</b>	<b>19</b>	<b>2</b>	<b>1,454</b>
614 Space & Naval Warfare Center	735	14	-2	747	10	3	760
633 DLA Document Services	9	0	3	12	1	-13	0
634 Navy Base Support (NAVSEC)	0	0	214	214	11	-7	218
671 DISA DISN Subscription Services (DSS)	51	2	1	54	1	0	55
675 DLA Disposition Services	0	0	1	1	0	-1	0
679 Cost Reimbursable Purchase	0	0	6	6	0	-6	0
<b>699 TOTAL DWCF PURCHASES</b>	<b>795</b>	<b>16</b>	<b>223</b>	<b>1,034</b>	<b>23</b>	<b>-24</b>	<b>1,033</b>
771 Commercial Transport	283	5	331	619	11	0	630
<b>799 TOTAL TRANSPORTATION</b>	<b>283</b>	<b>5</b>	<b>331</b>	<b>619</b>	<b>11</b>	<b>0</b>	<b>630</b>
9xx Civ Pay Reimburs Host	165,684	1,243	17,008	183,935	1,839	-2,547	183,227
901 Foreign National Indirect Hire (FNIH)	0	0	31	31	0	1	32
902 Separation Liab (FNIH)	13	0	0	13	0	0	13

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<u>OP 32 Line</u>	FY 2013 <u>Actual</u>	Change FY 2013/FY 2014		FY 2014 <u>Estimate</u>	Change FY 2014/FY 2015		FY 2015 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
912 Rental Payments to GSA (SLUC)	1	0	0	1	0	-1	0
913 Purchased Utilities (Non-Fund)	5	0	70	75	1	0	76
914 Purchased Communications (Non-Fund)	856	16	-67	805	14	0	819
915 Rents (Non-GSA)	361	7	1,594	1,962	35	2	1,999
917 Postal Services (U.S.P.S)	2	0	6	8	0	0	8
920 Supplies & Materials (Non-Fund)	29,067	552	1,371	30,990	558	3,510	35,058
921 Printing & Reproduction	1,547	29	231	1,807	33	-19	1,821
922 Equipment Maintenance By Contract	2,655	50	2,106	4,811	87	76	4,974
923 Facilities Sust, Rest, & Mod by Contract	375	7	-26	356	6	-1	361
925 Equipment Purchases (Non-Fund)	16,198	308	667	17,173	309	-1,232	16,250
926 Other Overseas Purchases	21	0	-20	1	0	-1	0
930 Other Depot Maintenance (Non-Fund)	15	0	-15	0	0	0	0
932 Mgt Prof Support Svcs	1,056	20	7,890	8,966	161	7	9,134
933 Studies, Analysis & Eval	376	7	-383	0	0	0	0
934 Engineering & Tech Svcs	0	0	3	3	0	-1	2
937 Locally Purchased Fuel (Non-Fund)	5	0	-5	0	0	0	0
955 Other Costs (Medical Care)	243,873	14,632	28,647	287,152	17,229	-300	304,081
959 Other Costs (Insurance Claims/Indmnties)	7	0	-7	0	0	0	0
960 Other Costs (Interest and Dividends)	1	0	28	29	1	-30	0
964 Other Costs (Subsistence and Support of Persons)	880	17	-857	40	1	100	141
986 Medical Care Contracts	12,882	502	-5,321	8,063	298	-1,998	6,363
987 Other Intra-Govt Purch	10,037	191	9,478	19,706	355	-176	19,885
988 Grants	30,119	572	-5,238	25,453	458	6,806	32,717
989 Other Services	79,404	1,511	-7,077	73,947	1,331	-8,793	66,485
990 IT Contract Support Services	2,635	50	-959	1,726	31	-11	1,746

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	FY 2013	Change		FY 2014	Change		FY 2015
		<u>FY 2013/FY 2014</u>			<u>FY 2014/FY 2015</u>		
<u>OP 32 Line</u>	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
999 TOTAL OTHER PURCHASES	598,075	19,714	49,155	667,053	22,747	-4,608	685,192
Total	654,975	20,760	57,253	733,097	23,926	-6,157	750,866