

**Fiscal Year (FY) 2016 Budget Estimates  
Defense Health Program  
Procurement Budget Item Justification**

BUDGET ITEM JUSTIFICATION SHEET					DATE: February 2015				
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: Replacement/Modernization						
	FY 2014	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate
Quantity									
<b>Total Cost (\$ M)</b>	<b>641.577</b>	<b>283.030</b>	<b>330.504</b>	<b>0.000</b>	<b>330.504</b>	<b>395.504</b>	<b>408.424</b>	<b>451.163</b>	<b>448.997</b>
<i>Dental Equipment</i>	<i>0.541</i>	<i>0.299</i>	<i>0.308</i>	<i>0.000</i>	<i>0.308</i>	<i>0.323</i>	<i>0.335</i>	<i>0.348</i>	<i>0.362</i>
<i>Food Service, Preventive Med, Pharmacy Equipment</i>	<i>12.861</i>	<i>1.466</i>	<i>1.828</i>	<i>0.000</i>	<i>1.828</i>	<i>2.971</i>	<i>3.220</i>	<i>3.450</i>	<i>3.543</i>
<i>Medical Information System Equipment</i>	<i>186.476</i>	<i>141.937</i>	<i>149.897</i>	<i>0.000</i>	<i>149.897</i>	<i>179.483</i>	<i>170.306</i>	<i>193.193</i>	<i>182.412</i>
<i>Medical Patient Care Administrative Equip</i>	<i>11.156</i>	<i>3.144</i>	<i>4.470</i>	<i>0.000</i>	<i>4.470</i>	<i>6.170</i>	<i>6.485</i>	<i>6.763</i>	<i>6.848</i>
<i>Medical/Surgical Equipment</i>	<i>54.261</i>	<i>13.824</i>	<i>18.238</i>	<i>0.000</i>	<i>18.238</i>	<i>26.274</i>	<i>28.027</i>	<i>29.702</i>	<i>30.630</i>
<i>Other Equipment</i>	<i>171.387</i>	<i>4.805</i>	<i>7.829</i>	<i>0.000</i>	<i>7.829</i>	<i>8.654</i>	<i>13.143</i>	<i>14.834</i>	<i>15.060</i>
<i>Pathology/Lab Equipment</i>	<i>19.990</i>	<i>11.614</i>	<i>11.685</i>	<i>0.000</i>	<i>11.685</i>	<i>17.749</i>	<i>19.268</i>	<i>20.272</i>	<i>20.960</i>
<i>Radiographic Equipment</i>	<i>184.905</i>	<i>105.941</i>	<i>136.249</i>	<i>0.000</i>	<i>136.249</i>	<i>153.880</i>	<i>167.640</i>	<i>182.601</i>	<i>189.182</i>

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**REMARKS**

The most significant medical equipment investments will be in the radiographic, surgical, and information systems functional areas. The driving factors are rapid technological advancements in these areas and the need for DoD's health care delivery system to maintain the standards of care set by the civilian health care sector. Procurement investments for information systems will cover software license acquisitions, infrastructure, hardware replacement such as End User Devices, Local Area Network (LAN) upgrades and servers supporting Military Health System (MHS) Information Management/Information Technology (IM/IT) which is composed of the MHS Health Information Technology Program (Tri-Service component, previously known as centrally-managed IM/IT), three Military Departments (MilDep) medical IM/IT components, Defense Health Agency (DHA) IM/IT, and the National Capital Region Medical Directorate (NCRMD) IM/IT. Funding will also support deployment of the Wounded, Ill, Injured (WII) Health Artifact and Image Management Solution (HAIMS).

Financing an adequate equipment acquisition budget is critical in retaining the Department's medical workload in-house and controlling purchased healthcare costs in the private sector. The items supported by this budget are the result of an extensive investment equipment justification process and are necessary to provide properly trained medical department personnel and high quality, cost effective health care services for the eligible beneficiary population.

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BUDGET ITEM JUSTIFICATION SHEET											
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: New Facility Outfitting							DATE: February 2015	
	FY 2014	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020		
	Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate		
Quantity											
<b>Total Cost (\$ M)</b>	<b>64.187</b>	<b>13.057</b>	<b>33.392</b>	<b>0.000</b>	<b>33.392</b>	<b>20.347</b>	<b>9.530</b>	<b>26.538</b>	<b>11.554</b>		
<i>Dental Equipment</i>	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<i>Food Service, Preventive Med, Pharmacy Equipment</i>	9.355	0.193	1.181	0.000	1.181	0.258	0.089	0.344	0.152		
<i>Medical Information System Equipment</i>	3.708	3.190	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
<i>Medical Patient Care Administrative Equip</i>	0.000	0.000	1.474	0.000	1.474	0.000	0.000	0.000	0.000		
<i>Medical/Surgical Equipment</i>	13.472	0.993	1.819	0.000	1.819	1.285	0.442	1.717	0.758		
<i>Other Equipment</i>	14.474	6.167	14.915	0.000	14.915	14.305	7.457	18.511	8.020		
<i>Pathology/Lab Equipment</i>	1.868	0.236	1.978	0.000	1.978	0.316	0.109	0.420	0.186		
<i>Radiographic Equipment</i>	21.310	2.278	12.025	0.000	12.025	4.183	1.433	5.546	2.438		

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**REMARKS**

The new facility outfitting program element of the DHP Procurement Budget funds the acquisition and installation of commercially available equipment to furnish new and expanded facilities being completed under military construction projects in support of dental services, health care delivery, health care training, and other health care activities. The items range from dental, surgical, radiographic, and pathologic equipment to medical administrative support equipment. The new facility outfitting program provides critical support to the Military Health System's military medical construction program.

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BUDGET ITEM JUSTIFICATION SHEET					DATE: February 2015				
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: Theater Medical Information Program - Joint (TMIP-J)						
	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate
Quantity									
Total Cost (\$ M)	<b>0.000</b>	<b>3.145</b>	<b>1.494</b>	<b>0.000</b>	<b>1.494</b>	<b>2.413</b>	<b>2.689</b>	<b>2.850</b>	<b>2.907</b>
TMIP-J	<i>0.000</i>	<i>3.145</i>	<i>1.494</i>	<i>0.000</i>	<i>1.494</i>	<i>2.413</i>	<i>2.689</i>	<i>2.850</i>	<i>2.907</i>
<b>REMARKS</b>									
<p>The Theater Medical Information Program - Joint (TMIP-J) integrates components of the Military Health System sustaining base systems and the Services' medical information systems to ensure timely interoperable medical support for mobilization, deployment and sustainment of all Theater and deployed forces in support of any mission. Funding will be used for implementation and training through FY15. Starting in FY16, Procurement funding transitions to support Operational Medicine Support implementation and training activities (FY16 = \$1.494M, FY17 = \$2.413M, FY18 = \$2.689M, FY19 = \$2.850M, and FY20 = \$2.907M).</p>									

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BUDGET ITEM JUSTIFICATION SHEET						DATE: February 2015				
APPROPRIATION / BUDGET ACTIVITY :			97*0130	P-1 ITEM NOMENCLATURE: Integrated Electronic Health Record						
	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
	Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate	
Quantity										
Total Cost (\$ M)	0.000	9.181	7.897	0.000	7.897	1.043	0.075	0.076	0.079	
EHR	0.000	9.181	7.897	0.000	7.897	1.043	0.075	0.076	0.079	
<b>REMARKS</b>										
<p>The former joint DoD and Department of Veterans Affairs (VA) Electronic Health Record (EHR) program has been restructured within the DoD to pursue two separate but related healthcare information technology efforts, the DoD Healthcare Management System Modernization (DHMSM) program and the DoD EHR/Defense Medical Information Exchange (DMIX) program. In the Under Secretary of Defense for Acquisition, Technology and Logistics (USD (AT&amp;L)) Acquisition Decision Memoranda (ADM), dated June 21, 2013 and January 2, 2014, the former joint DoD and VA Integrated Electronic Health Record (iEHR) program was restructured to pursue two separate but related healthcare information technology efforts, the DoD Healthcare Management System Modernization (DHMSM) program and a newly defined iEHR, Defense Medical Information Exchange (DMIX), focused on providing seamless integrated sharing of electronic health data between the DoD and VA. The remaining iEHR Increment 1 (iEHR Inc 1) was significantly de-scoped to only the Medical Single Sign-on/Context Management (MSSO/CM) implemented at James A. Lovell Federal Health Care Center (JAL FHCC).</p>										

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BUDGET ITEM JUSTIFICATION SHEET						DATE: February 2015				
APPROPRIATION / BUDGET ACTIVITY : 97*0130				P-1 ITEM NOMENCLATURE: Information Technology Development and Sustainment - DoD Healthcare Management System Modernization						
	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
	Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate	
Quantity										
Total Cost (\$ M)	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>181.458</b>	<b>663.956</b>	<b>684.084</b>	<b>699.014</b>	
DHMSM	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>181.458</i>	<i>663.956</i>	<i>684.084</i>	<i>699.014</i>	
<b>REMARKS</b>										
<p>Information Technology Deployment and Sustainment - DoD Healthcare Management System Modernization (DHMSM) will acquire and support deployment, implementation, and sustainment of an electronic health record (EHR) system that replaces the DoD legacy MHS inpatient and outpatient EHR systems. Overarching goal of the program is to enable healthcare teams to deliver high-quality, safe care and preventive services to patients through the use of easily accessible standards-based computerized patient records resulting in: improved accuracy of diagnoses and impact on health outcomes; increased patient participation in the healthcare process; improved patient-centered care coordination; and increased practice efficiencies in all settings, including operational environments.</p>										

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APPROPRIATION / BUDGET ACTIVITY : 97*0130				P-1 ITEM NOMENCLATURE: DoD Medical Information Exchange and Interoperability						
		FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
		Actuals	Enacted	Base	OCO	Total Request	Estimate	Estimate	Estimate	Estimate
Quantity										
Total Cost (\$ M)		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
DHMSM		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>REMARKS</b>										
<p>DoD Medical Information Exchange and Interoperability (DMIX) program will acquire the capabilities necessary to securely and reliably exchange standardized, normalized, and correlated health data with all partners through standard data/information exchange mechanisms. This allows users in different places and different organizations to access, use, and supplement health data (technical interoperability) that has a shared meaning so users (assisted by computers) are able to make care decisions (Semantic Interoperability - Level 4). DMIX manages the data exchange capability from legacy data stores in order to prepare for the transition to the modernized Electronic Health Record platform being acquired by DoD Healthcare Management System Modernization (DHMSM). DMIX consists of a family of capability initiatives supporting the seamless exchange of standardized health data among DoD, VA, other Federal agencies, and private providers as well as benefits administrators. The DMIX program provides the capability for health care providers to access and view complete and accurate patient health records from a variety of data sources thereby allowing healthcare providers to make faster and higher quality care decisions. DMIX was established in accordance with the joint memo from Under Secretary of Defense (Comptroller) and USD(AT&amp;L) titled "Joint Memorandum on Major Defense Acquisition Program and Major Automated Information System Program Resource Transparency in Department of Defense Budget Systems" dated June 27, 2013.</p>										