

**Defense Health Program
Fiscal Year (FY) 2020 President's Budget
Overseas Contingency Operations (OCO)
Operation and Maintenance by Subactivity Group**

Budget Activity 1, Operation and Maintenance

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). 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 Military Treatment Facility (MTF) staff. Additional support requirements include telemedicine for theater and post deployment health assessments (between 3-6 months after deployment).

The Defense Health Program's FY 2020 Overseas Contingency Operations funding supports the following category:

OCO for Direct War Costs (\$347,746K): Direct War costs are those combat or direct combat support costs that will not continue to be expended once combat operations end at major contingency locations.

- **In House Care:**
 - Incremental costs for deployment related prophylactic pharmaceuticals
 - 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

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II. Financial Summary:

	(\$ in Thousands)		
Total DHP OCO:	FY 2018	FY 2019	FY 2020
	<u>Actuals</u>	<u>Enacted</u>	<u>Request</u>
	405,856	352,068	347,746
OCO for Direct War Costs:	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
			347,746

A. Subactivity Group – In-House Care:

	(\$ in Thousands)		
	FY 2018	FY 2019	FY 2020
	<u>Actuals</u>	<u>Enacted</u>	<u>Request</u>
	69,287	72,627	57,459

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). Decrease from FY 2019 to FY 2020 is the result of the Service's efforts to identify and fund enduring activities in the baseline budget.

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Impact if not funded: The Military Treatment Facilities' (MTFs') primary mission is to provide healthcare to uniformed service personnel. Funding is required to provide medical and dental care for the mobilized forces not funded in the baseline budget. Without this funding 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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A. Subactivity Group – Private Sector Care:

FY 2018	FY 2019	FY 2020
<u>Actuals</u>	<u>Enacted</u>	<u>Request</u>
331,968	277,066	287,487

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 supports 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.

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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A. Subactivity Group - Consolidated Health Support:

FY 2018	FY 2019	FY 2020
<u>Actuals</u>	<u>Enacted</u>	<u>Request</u>
4,601	2,375	2,800

Narrative Justification: Requirements in this budget activity group directly support the transportation of wounded warriors by aircraft from outside the theater of operations to the United States, the resupply of medical evacuation equipment, and ground transportation for patients outside of the theater. Projections for deployed active and reserve component forces in FY 2020 contribute to an increase in the overall requirement.

Impact if not funded: Aeromedical transport missions would require additional internal funding offsets such as delays in infrastructure improvements and equipment or supply procurement.