Defense Health Program
Fiscal Year (FY) 2021 President's Budget
Operation and Maintenance
In-House Care

I. Description of Operations Financed:

This Budget Activity Group provides for the delivery of medical and dental care plus pharmaceuticals received by Department of Defense eligible beneficiaries in Military Treatment Facilities and Dental Treatment Facilities in the Continental United States (CONUS) and Outside the Continental United States (OCONUS). This program includes the following:

Care in Department of Defense Medical Centers, Hospitals and Clinics - Includes resources for the provision of healthcare in DoD-owned and operated CONUS and OCONUS Military Treatment Facilities which are staffed, and equipped to provide inpatient care for both surgical and medical patients and/or outpatient care for ambulatory patients.

Dental Care - Includes resources for the provision of dental care and services in CONUS and OCONUS to authorized personnel through the operation of hospital departments of dentistry and installation dental clinics, and the operation of Regional Dental Activities.

Pharmaceuticals - Includes pharmaceuticals specifically identified and provided by Pharmacy Services in DoD owned and operated CONUS and OCONUS facilities. Excludes the cost of operating Pharmacy Services in the Military Treatment Facilities.

II. Force Structure Summary:

The In-House Care Budget Activity Group includes staffing in Military Treatment Facilities to provide the full range of inpatient and ambulatory medical and dental care services. In addition to medical and dental care, this Budget Activity Group also includes medical center laboratories, substance abuse programs, facility on-the-job training/education programs and federal health care sharing agreements. This Budget

II. Force Structure Summary (cont.)

Activity Group excludes operation of management headquarters, TRICARE Regional Offices, deployable medical and dental units and health care resources devoted exclusively to teaching organizations.

Defense Health Program
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III. Financial Summary ($ in thousands)

		FY 2020					
			Congressional Action				
A. BA Subactivities	FY 2019 Actuals	Budget Request	Amount	Percent	Appropriated	Current Estimate	FY 2021 Estimate
1. MEDCENs, Hospitals & Clinics (CONUS)	6,661,247	6,998,228	-250,759	-3.6	6,747,469	6,747,469	6,935,666
2. MEDCENs, Hospitals & Clinics (OCONUS)	458,294	392,609	10,898	2.8	403,507	403,507	464,918
3. Pharmaceuticals (CONUS)	1,555,632	1,563,687	0	0.0	1,563,687	1,563,687	1,548,414
4. Pharmaceuticals (OCONUS)	119,485	151,030	0	0.0	151,030	151,030	153,016
5. Dental Care (CONUS)	439,496	424,803	-49,100	-11.6	375,703	375,703	423,471
6. Dental Care (OCONUS)	40,358	40,258	202	0.5	40,460	40,460	35,079
Total	**9,274,512**	**9,570,615**	**-288,759**	**-3.0**	**9,281,856**	**9,281,856**	**9,560,564**

1. FY 2019 actuals includes $69,929K for OCO.
2. FY 2019 actuals does not include Department of Defense (DoD) Medicare-Eligible Retiree Health Care Fund (MERHCF) of $1,743,565K (O&M only).
3. FY 2020 estimate excludes $57,459K for OCO.
4. FY 2020 estimate includes -$3,559 foreign currency adjustment.
5. FY 2020 estimate does not reflect anticipated DoD MERHCF receipts of $1,846,400K (O&M only).
6. FY 2021 estimate excludes $65,072K for OCO.
7. FY 2021 estimate does not reflect anticipated DoD MERHCF receipts of $1,912,700K (O&M only).

III. Financial Summary ($ in thousands)

B. Reconciliation Summary	Change FY 2020/FY 2020	Change FY 2020/FY 2021
Baseline Funding	**9,570,615**	**9,281,856**
Congressional Adjustments (Distributed)	-285,200	
Congressional Adjustments (Undistributed)	-3,559	
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	**9,281,856**	
Fact-of-Life Changes (2020 to 2020 Only)		
Subtotal Baseline Funding	**9,281,856**	
Supplemental	57,459	
Reprogrammings		
Price Changes		240,504
Functional Transfers		-457,578
Program Changes		495,782
Current Estimate	**9,339,315**	**9,560,564**
Less: Wartime Supplemental	-57,459	
Normalized Current Estimate	**9,281,856**	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
FY 2020 President's Budget Request (Amended, if applicable)		**9,570,615**
1. Congressional Adjustments		-288,759
a. Distributed Adjustments		
1) Equipment Purchases Excess Growth:	-35,000	
2) Medical Reform Implementation - Excess Funding to Replace Military Medical End Strength:	-250,000	
3) Printing and Reproduction Excess Growth:	-5,200	
4) SOCOM to DHA Transfer - Preservation of the Force and Family (POTFF) Program:	5,000	
b. Undistributed Adjustments		
1) Foreign Currency Adjustment:	-3,559	
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2020 Appropriated Amount		**9,281,856**
2. OCO and Other Supplemental Enacted		57,459
a. OCO and Other Supplemental Requested		
1) Overseas Contingency Operations	57,459	
3. Fact-of-Life Changes		
FY 2020 Baseline Funding		**9,339,315**
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2020 Estimate		**9,339,315**
5. Less: OCO and Other Supplemental Appropriations and Reprogrammings (Items 2 and 4)		-57,459
FY 2020 Normalized Current Estimate		**9,281,856**
6. Price Change		240,504
7. Functional Transfers		-457,578
a. Transfers In		
1) USSOCOM Embedded Behavioral Health Transfer to DHA: Resources transferred from US Special Operations	7,089	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
Command (USSOCOM) to Defense Health Agency in order to fulfill unmet requirements at Special Operations Forces (SOF) and support the Commander of USSOCOM's directive that all SOF personnel will engage in behavioral health related prevention and performance enhancement activities. USSOCOM and Defense Health Agency (DHA) will continue to recognize the contribution behavioral healthcare to assuring individual, family, and unit readiness within Special Operations community. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
b. Transfers Out		
1) Defense-Wide Review (DWR) - Medical Readiness	-464,667	
Transfer to the Military Departments: In accordance with the FY 2021 Secretary of Defense Memo, Department of Defense Reform Focus in 2020, the Defense Health Program has transferred the Service Medical Readiness activities which occur outside of the Military Treatment Facility to the Military Departments. This transfer allows the medical force structure to meet the operational requirements in support of the National Defense Strategy and support the Congressionally-mandated reforms to the Military Health System. The following Medical Readiness programs have been identified as functions that would be more effectively and efficiently run by the		

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

Military Departments and support development of a Ready Medical Force and will not have an adverse impact to the delivery of healthcare in the Military Treatment Facilities.

(a) Army Medicine: (-$275,811K and -390 Civilian Full-Time Equivalents)
(1) Soldier Readiness Processing (SRP) sites are designed to ensure Soldiers are medically ready to deploy to hazardous locations around the world. They are located at all installations with a concentration of COMPO 1 (Active Army) Soldiers. The SRP provides periodic review of medical readiness, as well as, last minute assessments before a rapid deployment. In addition, Soldiers are provided immunizations and blood tests, including HIV and pregnancy for females prior to entry into theater. Any temporary profiles are reviewed and resolved before the Soldier deploys. Preventive medicine and environmental health briefings are provided based on the deployment site. Upon redeployment, Soldiers return to the SRP site to complete another medical review and a Post Deployment Health Assessment. A Post Deployment Health Reassessment (PDHRA) is performed 90-180 days later in order to identify any medical issues resulting from the deployment. Resources for this mission include civilian staff, contractors to meet surge requirements, supplies, and pharmaceuticals.
(2) Medical Processing at Initial Entry Training

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

(IET) installations provides medical exams for all accessing Soldiers when they start Basic Combat Training (BCT). The initial entry medical exams consist of a general medical exam, lab tests, and vaccinations. In addition, there are vision, hearing and dental screenings.
(3) Pre-Hospital Emergency Medical Services (PHEMS) provides primary Emergency Medical Services (EMS) to Army garrisons, and secondary EMS support to Training and Doctrine Command (TRADOC) training ranges. This mission supports the 2009 SECDEF guidance to provide adequate emergency transport in order to ensure definitive care within one-hour on a medical emergency. Army MEDCOM provides EMS/Ambulance service to 30 Army locations, while Army line provides EMS service at the remaining installations. This transfer will consolidate these missions with the Army.

(b) Air Force Medical Service: ($-20,020K)
(1) Resources will be used in support of Global Force Engagement (GFE). Global health engagement activities enable the United States Air Force to better interoperate with medical personnel and infrastructure of partner nations. The International Health Specialist teams design global health engagements to increase capacity and capability of partner nations and the U.S. forces to deploy fully capable with the fewest resources necessary.

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
(2) International Health Specialists personnel apply regional expertise, cross-cultural competency, and foreign language proficiency to develop, plan, program, and execute public health and medical security cooperation activities with partner nations. In addition, these specialists deliver expeditionary medical support to achieve strategic and operational objectives. These cooperation activities not only cover AFMS core competencies but also span the full spectrum of DoD's global health engagement such as medical and related scientific research, GHE methodology and best practice development, military professional development, and exercises and exchanges. GHE efforts serve as a gateway to cooperation. Medical cooperation, through structure health engagements, build trust and gain and maintain access to strategic areas of interest.		
(3) Funds are required for program management support for expeditionary medical skills and readiness training courses. These programs assist the Air Force Surgeon General in providing enterprise-level policy development and management and oversight of the following: medical readiness programs; strategic partnerships; medical capability development; operational medical logistics; dental operations; aerospace and operational medicine liaison to integrated operational medical support capabilities; oversight of the clinical aspects of medical operations in the deployed environment; and support		

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals

to programs unique to the Air Force mission.
(3) The Center for the Sustainment of Trauma and Readiness Skills (C-STAR) provides real-time shock trauma training for the Air Force physicians, nurses, technicians, and Special Operations medics in preparation for their deployment to the Middle East. The C-STAR program embeds Air Force providers within the nation's major civilian trauma centers in order to train them on vital expeditionary medical skills. The relationships established and the cooperative learning environment have extended far beyond the classroom to include telemedicine consultations with military personnel in field hospitals in Iraq and Afghanistan and treatment of wounded soldiers upon their return to the United States.

(c) Navy Bureau of Medicine and Surgery: (-$168,836K and -305 Civilian Full-Time Equivalents)
(1) Operational medicine resources will be used for the development of policy for Navy Medicine Clinical Operation Programs. This program provides technical oversight and policy guidance to the following functions: Operational Healthcare and Administration; Secondary/Specialty Care and Dental Classifications; Women's Health; and Embedded Mental Health programs to maintain wartime readiness and professional development of mental health specialties.
(2) Force Medical Readiness resources will be used to support programs that evaluate and advise on Navy and

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
Marine Corps matters regarding current standards, practices, procedures and safety issues associated readiness programs such as Family Readiness; Medical Evaluation Boards (MEB) and Integrated Disability Evaluation System (IDES); Active Duty and Reserve Medical Readiness; and Qualifications and Standards. (3) Fleet Programs resources will be used to support efforts that provide operational medical support to the fleet surgeons and to the force medical officers of the Navy and Marine Corps. This program directly supports Navy Aerospace Medicine, Undersea Medicine, Personnel Reliability Programs, Independent Duty Corpsman, Radiation Health, and Surface Medicine. (4) Operational Health Informatics resources will be used in support of the promotion of design, testing, configuration, implementation, and sustainment of inpatient, outpatient, and dental technology solutions within the Naval operational environment. (5) Enterprise Operations resources will be used in support of enterprise-wide programs with operations throughout Navy Medicine to include the following: Limited Duty (LIMDU) SMART System, Consolidated Information Center (CIC), and Navy Sexual Assault Prevention and Response Organization (Navy SAPRO).		
8. Program Increases		567,202
a. Annualization of New FY 2020 Program		
b. One-Time FY 2021 Increases		
c. Program Growth in FY 2021		
1) a. Air Force Critical Care Level III Trauma Center at	32,756	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
Nellis Air Force Base: This program allows the 99 MDG to serve as a tertiary care site in suppport of the 2017 NDAA and subsequent Congressional and DoD Directives to capitalize on DoD-Civilian partnerships to maximize direct care readiness currency platforms. The DoD seeks to expand the critical care and trauma platforms necessary to maintain medical and surgical readiness and currency requirements for clinicians, nurses, and technicians as part of the medical/surgical teams they also deploy with. Based on recent Clinical Performance for Readiness measures implemented by the Air Force, only 5% of emergency medicine physicians, 47% of medicine physicians, and 37% of surgeons in the Air Force are performing enough currency related procedures to maintain their deployed skillset. Resources requested will fund project to create a robust currency platform at the 99th Medical Group, Nellis ai Force Base, Nevada which will allow all Active Duty Medics and the teams they deploy with to treat critical care and trauma patients to maintain skills and experience needed for deployment readiness. Thislocation expands existing partnerships with a local Level I Trauma Center and VA hospital in a medically underserved area within the greater Las Vegas Market. Resources will fund equipment, supplies, materials, and civilian Full-Time Equivalents (clinicians, nurses, ancillary, and support staff). The project optimizes medical		

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
integration, provides a cost effective solution for bed and specialty care expansion, and optimizes beneficiary primary care access and utilization. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
2) b. Capability Replacement: Resources required to fund civilian and contractor full-time equivalents to ensure uninterrupted access to timely, high-quality healthcare as the Department redirects uniformed manpower toward more direct warfighting functions. Defense Health Agency (DHA) and the Military Medical Services established common mitigation planning factors, reviewed multi-service market cuts, identified mitigation challenges, and aggregated Medical Treatment Facility level mitigation plans to inform the FY21 Budget Request. Funds will ensure that the right specialties and support staff are in the right locations to maximize their knowledge, skills, and abilities through the most efficient and effective use of the direct care system, purchased care, and strategic partnerships to provide a ready medical force and medically ready force, while also providing world-class healthcare and training. Funding required to hire Graduate Health Professional Education (GHPE) staff and those supporting GHPE platforms, MTF-required administrative staff, MTF-required ancillary staff	334,613	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
(i.e. lab, radiology, pharmacy), staff performing base support functions, active duty Behavioral Health, Emergency Medicine, Flight Medicine, and Underseas Medicine. Funding will mitigate potential access to care issues caused by the reduction in military providers. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
3) c. Army MEDCOM Civilian Full-Time Equivalent Requirement:	63,428	
Funds 637 Army civilian full-time equivalents used to support healthcare delivery requirements in the areas of Pain Management, Traumatic Brain Injury, and Soldier Center Medical Home (SCMH). Funding is needed to properly align program to requirements as an effort to meet civilian staffing requirements. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
4) d. Army Holistic Health and Fitness (H2F):	59,539	
Funds 132 civilian full-time equivalents and 330 contractor full-time equivalents associated with the Holistic Health and Fitness (H2F) Program. These civilian and contractor personnel will serve as embedded occupational therapists, cognitive enhancement specialist, physical therapists,		

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
registered dietitians, athletic trainers, and strength coaches responsible for providing on-site medical coverage, musculoskeletal recovery and physical performance improvement capabilities to reduce medical non-deployability and improve unit readiness factors. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
5) e. Embedded Behavioral & Mental Health: Resources required to fund embedded mental health and physical therapist providers in support of the National Defense Strategy priorities to restore readiness and create a more resilient force. These embedded units provide care and support, decrease the distance between the need and the provider while reducing stigma related to Post-Traumatic Stress Disorder and major depressive disorders. Providers are responsible for performing initial evaluations, consultations, diagnosis and treatment planning of a wide variety of musculoskeletal conditions, injury prevention and rehabilitation, concussion research, surgical and non-surgical treatment of injuries in order to optimize mission performance while lowering military occupational related risk, mitigating down-time and ensuring a medically-ready force. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is	30,711	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
6) f. Dental Care Requirements: Resources required due an increased number of oral surgical procedures in order to treat moderate to advanced periodontal disease and/or peri-implantitis, in addition to, a projected increase in Dental Weighted Values and beneficiaries in FY 2021. A contract study with the goal of improving and standardizing contract programming rates had determined that contract pricing adjustments were necessary in order to align the actual cost of dental care contracted services provided in the execution year. FY 2019 Dental Care actuals indicate that reductions to dental contract requirements or supplies could degrade readiness. Funding increases OP-32 Line 986-Medical Care Contracts, OP-32 Line 920.1 Supplies and Materials, OP-32 925 Equipment Purchases, and OP-32 Line 955 Other Costs (Medical Care. The FY 2020 Dental Care (CONUS and OCONUS) baseline funding is $416,163K.	27,918	
7) g. Virtual Health Expansion: Resources required to fund the incremental increase for the expansion of the Military Health System (MHS) Virtual Health Program, which synchronizes, standardizes, and coordinates virtual medical services across the Department of Defense that support remote, clinical, operational and garrison forces. Specifically, resources will fund 28	10,127	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
additional contractor Full-Time Equivalents to include nurses, nurse practitioners, video healthcare coordinators, health educators, specialty providers, program managers, engineers, and administrative support staff. Additionally, funds will support virtual health synchronous solutions that help enable initial operating capability (IOC) Markets and allow health care providers to deliver real-time health assessments, diagnoses, interventions, and supervision through video conference, telephone, or tablet application vastly improving access to care. Resources will also support virtual video visit roll-outs, as well as, virtual health cart purchases and sustainment that provide remote specialty care in IOC markets by integrating cameras and displays to bring remote physicians right to the side of the patient. Lastly, funds will support remote health monitoring platform capabilities, as well as, asynchronous virtual health solutions used in the development of the Global Teleconsultation Portal (GTP) to support teleconsultations across the MHS Enterprise. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
8) h. Expansion of Eligibility for Hearing Aids: Resources required to fund the incremental increase associated with the expansion of eligibility for hearing aid benefits to pediatric dependents.	4,110	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
Provides funds to contract program office for health care costs (i.e., costs to provide hearing aids) and administrative costs. Section 1077 of Title 10 would extend eligibility for hearing aids to all pediatric dependents. Failure to correct hearing loss at a young age can impact the child's development into adulthood and can result in additional costs to the TRICARE Program, including, but not limited to, behavioral, occupational, and speech-language therapies. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.		
9) i. Armed Forces Retirement Home: Funds required for military healthcare beneficiaries of the Armed Forces Retirement Home. Funds provide high quality, cost-effective health care to beneficiaries including on-site non-acute medical and dental care, pharmaceuticals and a continuum of long-term care services. The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,098 CMEs.	4,000	
9. Program Decreases		-71,420
a. Annualization of FY 2020 Program Decreases		
b. One-Time FY 2020 Increases		
c. Program Decreases in FY 2021		

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
1) a. Reduced Pharmaceutical Requirements: Detailed trend analysis was performed to project cost per prescription, fill of specialty drugs targeted for specific conditions, and cost of brand named medications. Incorporating this analysis into budget projections coupled with better pricing methodologies resulted in improved requirements identification and resource management. The FY20 baseline funding for Pharmaceutical, In-House Care(CONUS and OCONUS) is $1,714,717K.	-17,383	
2) b. One Less Compensable Day: In accordance with OMB Circular A-11, Section 85.5C, reduces civilian pay to account for one fewer paid day in FY 2021 (261 paid days) than in FY 2020 (262 paid days). The FY 2020 In-House Care baseline funding is $9,285,415K. The FY 2020 In-House baseline civilian staffing is 45,873. The FY 2020 In-House Care baseline contractor staffing is 14,092 CMEs.	-17,777	
3) c. Defense-Wide Review (DWR) - Downsizing of 50 Medical Treatment Facilities: Reduces funding associated with USD(P&R)'s implementation of 10 United States Code Section 1073d that defines criteria for types of military medical centers, hospitals and ambulatory clinics and section 703(d) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 that requires an implementation plan for adjusting medical treatment facilities (MTFs) to meet the Section 1073d criteria.	-36,260	

III. Financial Summary ($ in thousands)

C. Reconciliation of Increases and Decreases	Amount	Totals
Section 703(d) of the NDAA for FY 2017 requires an implementation plan adjusting MTF capabilities and capacities to meet statutory requirements. Based on this implementation of the Section 703(c) criteria used in development of this report to Congress, the Department will develop more detailed MTF specific implementation plans that will provide schedules and milestones. The FY 2020 In-House Care baseline funding is $9,285,415K. FY 2020 In-House baseline civilian staffing is 45,873. FY 2020 In-House Care baseline contractor staffing is 14,092 CMEs.		
FY 2021 Budget Request		**9,560,564**

IV. Performance Criteria and Evaluation Summary:

	FY 2019 Actuals	FY 2020 Estimate*	FY 2021 Estimate*	FY 2019-2020 Change	FY 2020-2021 Change
Population - Eligible Beneficiaries, CONUS					
Active Duty **	1,425,455	1,429,209	1,443,922	3,754	14,713
Active Duty Family Members	1,825,633	1,832,741	1,856,027	7,108	23,286
Retirees	1,018,304	1,011,244	1,005,378	-7,060	-5,866
Family Members of Retirees	2,491,431	2,482,536	2,474,911	-8,895	-7,626
Subtotal Eligible	**6,760,823**	**6,755,730**	**6,780,238**	**-5,093**	**24,508**
Medicare Eligible Beneficiaries ***	2,397,612	2,419,560	2,440,669	21,948	21,109
Total Average Eligible Beneficiaries	**9,158,435**	**9,175,290**	**9,220,907**	**16,855**	**45,617**
Population - Eligible Beneficiaries, OCONUS					
Active Duty **	165,222	172,471	163,197	7,249	-9,274
Active Duty Family Members	125,024	134,698	120,952	9,674	-13,746
Retirees	22,093	21,970	21,873	-123	-97
Family Members of Retirees	47,020	46,859	46,727	-161	-133
Subtotal Eligible	**359,359**	**375,998**	**352,748**	**16,639**	**-23,250**
Medicare Eligible Beneficiaries	40,618	40,955	41,284	337	329
Total Average Eligible Beneficiaries	**399,977**	**416,954**	**394,032**	**16,977**	**-22,921**
Population - Eligible Beneficiaries, Worldwide					
Active Duty **	1,590,677	1,601,680	1,607,119	11,003	5,439
Active Duty Family Members	1,950,657	1,967,439	1,976,979	16,782	9,540
Retirees	1,040,397	1,033,214	1,027,251	-7,183	-5,963
Family Members of Retirees	2,538,451	2,529,396	2,521,637	-9,055	-7,758
Subtotal Eligible	**7,120,182**	**7,131,728**	**7,132,986**	**11,546**	**1,258**
Medicare Eligible Beneficiaries:					
Active Duty Family Members	4,896	4,925	4,935	29	10
Guard/Reserve Family Members	1,464	1,486	1,510	22	24
Eligible Retirees	1,175,156	1,187,989	1,199,918	12,833	11,929
Eligible Family Members of Retirees ****	763,684	771,982	779,704	8,298	7,722
Survivor	491,088	492,192	493,944	1,104	1,753
Other	1,942	1,942	1,942	0	0
Total Medicare Eligible Beneficiaries	**2,438,230**	**2,460,515**	**2,481,953**	**22,285**	**21,438**
Total Average Eligible Beneficiaries	**9,558,412**	**9,592,243**	**9,614,939**	**33,831**	**22,696**

Notes:

1. (*) FY 2019-2021 Estimates are projected numbers of MHS eligible beneficiaries and are based on (a) future Budget End Strengths of Active Duty and Active Guard/Reserve members and (b) the DoD's Actuary's projection of retirees.

2. (**) Active Duty and Active Duty Guard/Reserve beneficiaries were excluded from being counted as Medicare Eligible.

3. (***) The US "Medicare Eligible Beneficiaries" are defined as MERHCF beneficiaries: Active Duty Family Members, Guard/Reserve Family Members, Eligible Retirees, Eligible Family Members of Retirees, Inactive Guard/Reserve, Inactive Guard/Reserve Family Members, Survivors, and Others.

4. (****) The Worldwide "Eligible Family Members of Retirees" are defined as MERHCF beneficiaries: Family Members of Retirees, Inactive Guard/Reserves, and Inactive Guard/Reserve Family Members.

5. Numbers may not sum to totals due to rounding.

6. USFHP enrollees who are also Medicare Eligible are shown in Eligible Beneficiaries, not under Medicare Eligible Beneficiaries.

IV. Performance Criteria and Evaluation Summary:

	FY 2019 Actuals	FY 2020 Estimate*	FY 2021 Estimate*	FY 2019-2020 Change	FY 2020-2021 Change
Enrollees - Direct Care					
TRICARE Region - East	1,845,831	1,854,506	1,856,207	8,675	1,701
TRICARE Region - West	976,167	977,838	977,172	1,670	-666
TRICARE Region - Europe	72,572	72,572	72,572	0	0
TRICARE Region - Pacific	151,520	151,257	151,435	-263	178
TRICARE Region - Latin America	2,602	2,602	2,602	0	0
Alaska	53,670	54,010	53,892	340	-119
Sub-Total CONUS Regions	2,875,668	2,886,354	2,887,271	10,686	917
Sub-Total OCONUS Regions	226,694	226,432	226,609	-263	178
Total Direct Care Enrollees	3,102,363	3,112,786	3,113,880	10,423	1,095

Source: Service Medical Departments Business Plans
Enrollees are only TRICARE PRIME Enrollees enrolled to a military treatment facility.

Excludes "Plus" empaneled and other TRICARE space available users.

Effective January 1, 2018, TRICARE North and South Regions combined to form TRICARE East in accordance with the 2017 National Defense Authorization Act.

	FY 2019 Actuals	FY 2020 Estimate*	FY 2021 Estimate*	FY 2019-2020 Change	FY 2020-2021 Change
Direct Care System Workload (from M2 and Business Planning Tool)					
Inpatient Admissions, Non-Weighted (SIDR Dispositions-All)	198,864	200,837	200,634	1,973	-204
Inpatient Admissions, Weighted (MS-DRG RWPs, Non Mental Health)	166,998	168,496	168,625	1,497	129
Inpatient Admissions, Occupied Bed Days (Mental Health Only)	89,787	91,080	91,453	1,293	373
Average Length of Stay (ALL Bed Days/All Dispositions)	2.60	2.60	2.60	0	0.00
Ambulatory Visits, Non-Weighted (Encounters, CAPER)	38,273,648	38,282,904	38,296,219	9,256	13,315
Ambulatory Visits, Weighted (Adj Provider Aggregate RVUs, CAPER)	74,438,658	74,417,542	74,348,424	-21,115	-69,118
Ambulatory Procedures, Weighted (Aggregate Weight APCs, CAPER)	10,194,682	10,225,782	10,205,917	31,100	-19,865
Number of Outpatient Pharmacy Prescriptions "Scripts"	42320073.00	42459546.05	42462359.80	139,473	2,814

Notes:
1. Data source is M2 and performance plans.
2. Workload excludes Tricare for Life (TFL) patients.

	FY 2019 Actuals	FY 2020 Estimate*	FY 2021 Estimate*	FY 2019-2020 Change	FY 2020-2021 Change
Dental Workload (Dental Weighted Values (DWVs)(from Components)					
CONUS	11,128,387	10,930,082	10,983,058	-198,305	52,975
OCONUS	2,102,719	2,101,462	2,112,740	-1,257	11,278
Total DWVs	13,231,106	13,031,544	13,095,797	-199,562	64,253
CONUS					
Active Duty	10,420,071	10,235,845	10,288,955	-184,226	53,111
Non-Active Duty	708,316	694,238	694,102	-14,078	-136
Total CONUS	11,128,387	10,930,082	10,983,058	-198,305	52,975
OCONUS					
Active Duty	1,607,293	1,609,863	1,618,826	2,570	8,963
Non-Active Duty	495,426	491,599	493,914	-3,827	2,315
Total OCONUS	2,102,719	2,101,462	2,112,740	-1,257	11,278

Note: The FY 2019 to FY 2020 decrease is due to an anticipated decrease in available providers. The FY 2020 to FY 2021 increase is due to service component performance plan projections.

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V. Personnel Summary	FY 2019	FY 2020	FY 2021	Change FY 2019/ FY 2020	Change FY 2020/ FY 2021
Active Military End Strength (E/S) (Total)	53,157	52,471	45,693	-686	-6,778
Officer	17,541	18,128	16,959	587	-1,169
Enlisted	35,616	34,343	28,734	-1,273	-5,609
Active Military Average Strength (A/S) (Total)	54,134	52,815	49,083	-1,319	-3,732
Officer	18,048	17,835	17,544	-213	-291
Enlisted	36,086	34,980	31,539	-1,106	-3,441
Civilian FTEs (Total)	46,662	45,873	45,847	-789	-26
U.S. Direct Hire	45,039	44,286	44,260	-753	-26
Foreign National Direct Hire	791	653	653	-138	0
Total Direct Hire	45,830	44,939	44,913	-891	-26
Foreign National Indirect Hire	674	776	776	102	0
Reimbursable Civilians	158	158	158	0	0
Average Annual Civilian Salary ($ in thousands)	99.7	101.9	104.4	2.2	2.5
Contractor FTEs (Total)	17,127	14,098	14,363	-3,029	265

Explanation of changes in Active Military End Strength:
The decrease from FY 2019 to FY 2020 (-686) includes transfers to the Defense Health Agency program element for Major Headquarters Activities; 10% end strength reduction for Major Headquarters Activities; mission transfers to the Military Departments for Medical Readiness; transfers to the Military Departments for reductions to medical end strength; and prior programming transfers to the Military Departments for Major Headquarters Activities reductions. The decrease from FY 2020 to FY 2021 (-6,778) includes reductions

in support of Section 702 of the FY 2017 National Defense Authorization Act, Reform of Administration of the Defense Health Agency and military medical treatment facilities to include 10% reduction for Major Headquarters Activities (-4: Army -2; Navy -2); transfers from In-House Care to the Management Activities' Defense Health Agency program element for Major Headquarters Activities (-31: Army -11; Navy -12; Air Force -8); mission transfers to the Military Departments for medical readiness programs (-2,222: Army -1,645; Navy -2,498; Air Force -497); internal realignment from In-House Care to Consolidated Health Support in support of the Navy Bureau of Medicine and Surgery's emerging requirements (-441), transfers to the military departments for Medical Headquarters activities (Army: -5); transfers to the military departments for medical readiness programs (Navy: -733); and internal reprogramming to meet emerging requirements (Navy: +2), and net reductions from the phased drawdown of transfers to the military departments for medical military E/S reductions (Air Force: -926).

Explanation of changes in Civilian FTEs:
The decrease from FY 2019 to FY 2020 (-789) includes mission transfers to the Military Departments for medical readiness: (-205: Army: -37, Navy: -168); transfers to the Defense Health Agency for Major Headquarters Activities (-112: Army: -15, Navy -97); and Service headquarters execution and internal reprogramming adjustments (-472: Army: +2,454, Navy: +52, Air Force: -96, DHA: -2, NCR: -2,879, USUHS: -1). Manpower adjustments by component are: Army Medical Command (+2,402), Navy Bureau of Medicine and Surgery (-213), Air Force Medical Service (-96), Defense Health Agency (-2), National Capital Region (-2,879), Uniformed Services University of the Health Services (-1). The decrease from FY 2020 to FY 2021 (-26) includes Service headquarters execution and internal reprogramming adjustments (+669: Army: +638, Navy: +10, Air Force: +11, NCR: +9, USUHS: +1); and the transfer of In-House Care FTEs following the Defense Wide Review to the Department of the Army (-390), the Department of the Navy (-305). Manpower adjustments by component are: Army Medical Command (+248), Navy Bureau of Medicine and Surgery (-295), and Air Force Medical Service (+11), National Capital Region (+9), and Uniformed

Services University of the Health Services (+1).

Explanation of changes in Contractor FTEs:
The decrease from FY 2019 to FY 2020 (-3,029) is a result of reduced contract requirements in In-House Care associated with efficiencies gained through elimination of duplicative headquarters functions and from efforts to align funds in support of the Defense Health Agency's Strategy for MHS-wide priorities. The increase from FY 2020 to FY 2021 (+265) is attributed to the MHS-wide efforts to mitigate access-to-care issues caused by the reduction in military providers.

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

OP 32 Line	FY 2019 Actuals	Foreign Currency Rate Diff	Change FY 2019/FY 2020 Price	Change FY 2019/FY 2020 Program	FY 2020 Estimate	Foreign Currency Rate Diff	Change FY 2020/FY 2021 Price	Change FY 2020/FY 2021 Program	FY 2021 Estimate
101 Exec, Gen'l & Spec Scheds	4,475,685	0	124,424	-95,137	4,504,972	0	69,377	37,571	4,611,920
103 Wage Board	99,973	0	2,779	-11,389	91,363	0	1,407	975	93,745
104 FN Direct Hire (FNDH)	25,143	0	699	-3,998	21,844	0	336	161	22,341
105 Separation Liability (FNDH)	1,467	0	41	-41	1,467	0	23	-23	1,467
107 Voluntary Sep Incentives	1,994	0	55	-55	1,994	0	31	-31	1,994
199 TOTAL CIV COMPENSATION	**4,604,262**	**0**	**127,998**	**-110,620**	**4,621,640**	**0**	**71,174**	**38,653**	**4,731,467**
308 Travel of Persons	76,756	0	1,535	-9,569	68,722	0	1,374	-484	69,612
399 TOTAL TRAVEL	**76,756**	**0**	**1,535**	**-9,569**	**68,722**	**0**	**1,374**	**-484**	**69,612**
401 DLA Energy (Fuel Products)	698	0	-5	-364	329	0	-17	-36	276
402 Service Fund Fuel	10	0	0	-1	9	0	0	1	10
412 Navy Managed Supply, Matl	678	0	14	-38	654	0	26	-14	666
416 GSA Supplies & Materials	7,725	0	155	427	8,307	0	166	584	9,057
417 Local Purch Supplies & Mat	57,320	0	1,146	-3,654	54,812	0	1,096	-23,738	32,170
422 DLA Mat Supply Chain (Medical)	36,806	0	-147	-17,288	19,371	0	27	55	19,453
499 TOTAL SUPPLIES & MATERIALS	**103,237**	**0**	**1,163**	**-20,918**	**83,482**	**0**	**1,298**	**-23,148**	**61,632**
502 Army Fund Equipment	340	0	0	276	616	0	25	-12	629
503 Navy Fund Equipment	121	0	2	96	219	0	9	-5	223
505 Air Force Fund Equip	31,158	0	0	-31,158	0	0	0	0	0
506 DLA Mat	1,211	0	-6	-982	223	0	0	4	227

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OP 32 Line	FY 2019 Actuals	Foreign Currency Rate Diff	Change FY 2019/FY 2020 Price	Change FY 2019/FY 2020 Program	FY 2020 Estimate	Foreign Currency Rate Diff	Change FY 2020/FY 2021 Price	Change FY 2020/FY 2021 Program	FY 2021 Estimate
Supply Chain (Const & Equip)									
507 GSA Managed Equipment	5,263	0	105	4,823	10,191	0	204	1	10,396
599 TOTAL EQUIPMENT PURCHASES	**38,093**	**0**	**101**	**-26,945**	**11,249**	**0**	**238**	**-12**	**11,475**
611 Navy Surface Warfare Ctr	6,073	0	99	-5,277	895	0	73	-56	912
614 Space & Naval Warfare Center	7	0	0	-7	0	0	0	0	0
631 Navy Base Support (NFESC)	7	0	1	-8	0	0	0	0	0
633 DLA Document Services	13,205	0	66	-11,333	1,938	0	13	25	1,976
634 NAVFEC (Utilities and Sanitation)	7	0	0	-7	0	0	0	0	0
635 Navy Base Support (NAVFEC Other Support Services)	7	0	0	-7	0	0	0	0	0
647 DISA Enterprise Computing Centers	3	0	0	-3	0	0	0	0	0
675 DLA Disposition Services	7	0	0	-7	0	0	0	0	0
677 DISA Telecomm Svcs - Reimbursable	3	0	0	69	72	0	0	1	73
679 Cost Reimbursable Purchase	7	0	0	-7	0	0	0	0	0
692 DFAS Financial Operations (Navy)	7	0	0	-7	0	0	0	0	0
699 TOTAL DWCF PURCHASES	**19,333**	**0**	**166**	**-16,594**	**2,905**	**0**	**86**	**-30**	**2,961**

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707 AMC Training	5	0	1	-6	0	0	0	0	0
719 SDDC Cargo Ops-Port hndlg	49	0	19	-47	21	0	-6	6	21
771 Commercial Transport	7,645	0	153	1,162	8,960	0	179	-162	8,977
799 TOTAL TRANSPORTATION	**7,699**	**0**	**173**	**1,109**	**8,981**	**0**	**173**	**-156**	**8,998**
901 Foreign National Indirect Hire (FNIH)	31,242	0	0	4,697	35,939	0	719	98	36,756
912 Rental Payments to GSA (SLUC)	129	0	3	-103	29	0	1	-1	29
913 Purchased Utilities (Non-Fund)	196	0	4	-200	0	0	0	0	0
914 Purchased Communications (Non-Fund)	3,297	0	66	-2,555	808	0	16	1	825
915 Rents (Non-GSA)	14,300	0	286	-3,005	11,581	0	232	1,695	13,508
917 Postal Services (U.S.P.S)	1,228	0	25	-124	1,129	0	23	-14	1,138
920 Supplies & Materials (Non-Fund)	547,131	0	21,338	-128,396	440,073	0	17,163	-5,556	451,680
921 Printing & Reproduction	3,118	0	62	1,252	4,432	0	89	5,037	9,558
922 Equipment Maintenance By Contract	200,232	0	4,005	-53,402	150,835	0	3,017	-3,172	150,680
923 Facilities Sust, Rest, & Mod by Contract	118,442	0	2,369	22,447	143,258	0	2,865	-3,848	142,275
924 Pharmaceutical Drugs	1,674,692	0	65,313	-25,288	1,714,717	0	66,874	-80,161	1,701,430
925 Equipment	258,656	0	10,088	143,847	412,591	0	16,091	-84,508	344,174

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OP 32 Line	FY 2019 Actuals	Foreign Currency Rate Diff	Change FY 2019/FY 2020 Price	Change FY 2019/FY 2020 Program	FY 2020 Estimate	Foreign Currency Rate Diff	Change FY 2020/FY 2021 Price	Change FY 2020/FY 2021 Program	FY 2021 Estimate
Purchases (Non-Fund)									
926 Other Overseas Purchases	4,118	0	82	-4,200	0	0	0	0	0
930 Other Depot Maintenance (Non-Fund)	1,493	0	30	-1,523	0	0	0	0	0
932 Mgt Prof Support Svcs	42,663	0	853	-27,786	15,730	0	315	-1,963	14,082
933 Studies, Analysis & Eval	47,818	0	956	-31,028	17,746	0	355	-10,902	7,199
934 Engineering & Tech Svcs	1,397	0	28	-1,425	0	0	0	0	0
936 Training and Leadership Development (Other Contracts)	4	0	0	-4	0	0	0	0	0
937 Locally Purchased Fuel (Non-Fund)	403	0	-3	22	422	0	8	2	432
955 Other Costs (Medical Care)	373,676	0	14,573	-20,054	368,195	0	14,360	-76,627	305,928
957 Other Costs (Land and Structures)	8,357	0	167	-8,524	0	0	0	0	0
959 Other Costs (Insurance Claims/Indmnties)	892	0	18	-910	0	0	0	0	0
960 Other Costs (Interest and Dividends)	477	0	10	-487	0	0	0	0	0
964 Other Costs (Subsistence and Support of Persons)	11,158	0	223	-8,944	2,437	0	49	0	2,486
984 Equipment Contracts	400	0	8	-408	0	0	0	0	0
985 Research &	11,818	0	0	-11,818	0	0	0	0	0

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Development, Contracts									
986 Medical Care Contracts	865,487	3,335	33,884	185,990	1,088,696	0	42,459	261,299	1,392,454
987 Other Intra-Govt Purch	70,079	0	1,402	-67,745	3,736	0	75	8,215	12,026
988 Grants	6,857	0	137	-2,632	4,362	0	87	-3,576	873
989 Other Services	67,754	5,878	1,473	-35,382	39,723	0	794	34,173	74,690
990 IT Contract Support Services	57,618	0	1,152	-30,332	28,438	0	569	-16,811	12,196
999 TOTAL OTHER PURCHASES	**4,425,132**	**9,213**	**158,552**	**-108,020**	**4,484,877**	**0**	**166,161**	**23,381**	**4,674,419**
Total	**9,274,512**	**9,213**	**289,688**	**-291,557**	**9,281,856**	**0**	**240,504**	**38,204**	**9,560,564**