

**Defense Health Program
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2022 Budget Estimates
In-House Care OP-5 Exhibit**

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

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III. Financial Summary (\$ in Thousands):

	FY 2021						
	FY 2020	Budget	Congressional Action			Current	FY 2022
			Request	Amount	Percent		
<u>A. BA Subactivities</u>	<u>Actuals</u>					<u>Estimate</u>	<u>Request</u>
1. MEDCENs, Hospitals & Clinics (CONUS)	\$7,401,204	\$6,935,666	\$-334,017	-4.82%	\$6,601,649	\$6,601,649	\$7,036,148
2. MEDCENs, Hospitals & Clinics (OCONUS)	\$519,990	\$464,918	\$-352	-0.08%	\$464,566	\$464,566	\$524,277
3. Pharmaceuticals (CONUS)	\$1,326,573	\$1,548,414	\$-130,960	-8.46%	\$1,417,454	\$1,417,454	\$1,515,825
4. Pharmaceuticals (OCONUS)	\$118,409	\$153,016	\$0	0.00%	\$153,016	\$153,016	\$151,875
5. Dental Care (CONUS)	\$433,463	\$423,471	\$-21,599	-5.10%	\$401,872	\$401,872	\$452,109
6. Dental Care (OCONUS)	\$38,441	\$35,079	\$-213	-0.61%	\$34,866	\$34,866	\$39,770
Total	\$9,838,080	\$9,560,564	\$-487,141	-5.10%	\$9,073,423	\$9,073,423	\$9,720,004

1. FY 2020 actuals includes \$57,248K for Overseas Contingency Operations (OCO).
2. FY 2020 actuals includes \$556,041K CARES Act COVID-19 funding.
3. FY 2020 actuals does not include Department of Defense (DoD) Medicare-Eligible Retiree Health Care Fund (MERHCF) of \$1,846,400K (O&M only).
4. FY 2021 estimate includes \$65,072K for OCO.
5. FY 2021 estimate does not reflect anticipated DoD MERHCF receipts of \$1,995,500K (O&M only).
6. FY 2022 estimate includes \$63,200K for Direct War Costs accounted for in the base.
7. FY 2022 estimate includes \$272,800K for COVID-19 Pandemic Response for testing and vaccine booster support.
8. FY 2022 estimate does not reflect anticipated DoD MERHCF receipts of \$2,064,700K (O&M only).

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III. Financial Summary (\$ in Thousands): (Cont.)

<u>B. Reconciliation Summary</u>	Change <u>FY 2021/FY 2021</u>	Change <u>FY 2021/FY 2022</u>
BASELINE FUNDING	\$9,560,564	\$9,073,423
Congressional Adjustments (Distributed)	-478,800	
Congressional Adjustments (Undistributed)	0	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	-8,341	
SUBTOTAL APPROPRIATED AMOUNT	9,073,423	
Fact-of-Life Changes (2021 to 2021 Only)	0	
SUBTOTAL BASELINE FUNDING	9,073,423	
Supplemental	0	
Reprogrammings	0	
Price Changes		250,219
Functional Transfers		0
Program Changes		396,362
CURRENT ESTIMATE	9,073,423	9,720,004
Less: Wartime Supplemental	0	
NORMALIZED CURRENT ESTIMATE	\$9,073,423	\$9,720,004

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III. Financial Summary (\$ in Thousands): (Cont.)

FY 2021 President's Budget Request (Amended, if applicable)	\$9,560,564
1. Congressional Adjustments	\$-487,141
a) Distributed Adjustments	\$-478,800
1) DWR 1 - Restore MTF Descope:	\$36,260
2) Excess Growth - Equipment Purchase:	\$-29,500
3) Excess Growth - Medical Care Contracts:	\$-40,100
4) Excess Growth - Printing & Reproduction:	\$-6,300
5) Excess to Need:	\$-136,015
6) Inadequate Justification:	\$-9,065
7) Medical Reform Implementation - Transfer Price:	\$-334,613
8) Misaligned Program Growth:	\$-29,539
9) Overseas Contingency Operations Funds Enacted for Direct War Costs:	\$65,072
10) Program Increase - Telehealth for Military Children and Families:	\$5,000
b) Undistributed Adjustments	\$0
c) Adjustments to Meet Congressional Intent	\$0

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III. Financial Summary (\$ in Thousands): (Cont.)

d) General Provisions.....	\$-8,341
1) Favorable Foreign Currency:	\$-8,341
FY 2021 Appropriated Amount.....	\$9,073,423
2. War-Related and Disaster Supplemental Appropriations.....	\$0
a) OCO Supplemental Funding	\$0
3. Fact-of-Life Changes.....	\$0
a) Functional Transfers.....	\$0
b) Technical Adjustments	\$0
c) Emergent Requirements.....	\$0
FY 2021 Baseline Funding.....	\$9,073,423
4. Reprogrammings (Requiring 1415 Actions).....	\$0
a) Increases.....	\$0
b) Decreases	\$0
Revised FY 2021 Estimate.....	\$9,073,423
5. Less: Item 2, War-Related and Disaster Supplemental Appropriation and Item 4, Reprogrammings	\$0
a) Less: OCO Supplemental Funding.....	\$0

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III. Financial Summary (\$ in Thousands): (Cont.)

FY 2021 Normalized Current Estimate	\$9,073,423
6. Price Change	\$250,219
7. Functional Transfers.....	\$0
a) Transfers In	\$0
b) Transfers Out	\$0
8. Program Increases.....	\$612,527
a) Annualization of New FY 2021 Program	\$0
b) One-Time FY 2022 Increases	\$0
c) Program Growth in FY 2022.....	\$612,527
1) a. DHP COVID-19 Pandemic Response:	\$272,800
Increase requirements in the In-House Care Budget Activity Group to fund COVID-19 testing (+\$202.8 million) and vaccine boosters (+\$70.0 million) to support the Administration's priorities to move quickly to contain the COVID-19 Pandemic and inoculate the United States population efficiently and equitably. The FY 2021 In-House Care baseline funding is \$9,008,351K.	

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III. Financial Summary (\$ in Thousands): (Cont.)

2) b. Capability Replacement:\$104,462

Funds required to provide funding for civilian full-time equivalents (FTE) and contractor personnel to ensure uninterrupted access to timely, high-quality healthcare as the Department redirects uniformed manpower toward more direct warfighting functions. The 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 FY 2022 Budget Request. These plans create defensible medical ES drawdown ramps that comply with Section 719 of the FY 2020 National Defense Authorization Act (NDAA). Actual allocation of civilian or contractor personnel workforce requirement will be determined as the DHA reviews each Military Medical Treatment Facility product line requirements. This allocation complies with Office of Management and Budget (OMB) direction to update the FY 2020 NDAA Section 719 Report to Congress to be consistent with the updated medical drawdown plan. The FY 2021 In-House Care baseline funding is \$9,008,371K. The FY 2021 In-House Care contractor staffing is 14,363 CMEs.

3) c. Defense Wide Review - Medical Reforms Savings Update:.....\$96,700

Adds funding to the Defense Health Agency for fact-of-life delays associated with implementing three elements of medical business reforms identified in the Defense Wide Review 1.0 and which were included in the PB 2021 submission. Fact-of-life events to include the COVID-19 pandemic delayed implementation of the reform efforts and require an adjustment to the timing of the savings estimates. The following program reform implementation have been delayed:

a.) 50 Military Medical Treatment Facilities Savings Update (+\$51,700K): The de-scoping of the 50 MTFs was delayed due to the onset of the COVID-19 Pandemic in 2020. Market assessments for each MTF will be revalidated taking into consideration any local healthcare market changes. From January to June 2021, the implementation plans for each MTF will be updated and modified as appropriate. Beginning in July 2021, the MTF transitions are expected to resume. This delay will cause a shift in the expected savings by one year.

b.) Delay Transition of Navy Hospital Naples and Navy Hospital Sigonella to Outpatient Facilities (+\$20,000K): Funding restored to maintain inpatient medical capacity in FY 2022 at Naval Hospital Naples and Naval Hospital Sigonella due to degraded support of forward deployed naval and joint forces in response to pandemic and emerging infectious diseases pending further review by the Department of Defense.

c.) Re-Negotiate for Full Reimbursement Costs for Interagency Patients at DoD Health Facilities (+\$25,000K): Shortly after PB 2021 was finalized, the Secretary of Defense and Secretary of Veterans Affairs discussed this reform initiative and a decision was made to not pursue seeking the full reimbursement rate for interagency medical reimbursements at DoD medical facilities. The increased funding restores the savings assumed by this reform initiative. The FY 2021 In-House Care baseline funding is \$9,008,351K.

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- 4) d. Federal Employee Retirement System – Agency Contribution Rate Assumption:.....\$40,090
Increases civilian personnel costs to reflect the revised Federal Employee Retirement System (FERS) Agency Contribution for FY 2022 in accordance with Office of Management and Budget (OMB) Circular No. A-11. The FERS FY 2022 regular employee rate is 18.4%, which is a 1.1% increase above the FY 2021 rate of 17.3%. The FY 2021 In-House Care baseline funding is \$9,008,351K.
- 5) e. Increased Pharmaceutical Requirements:\$37,044
Increases pharmaceutical requirements in order to better align actual budget execution. Detailed trend analysis was performed in order to better project cost per prescription, fill of specialty drugs targeted for specific conditions, and cost of brand named medications. Incorporating this analysis into budget projections couple with better pricing methodologies resulted in improved requirements identification and resource management. The FY 2021 In House Care, Pharmaceuticals baseline funding is \$1,667,700K.
- 6) f. Fiscal Year 2022 Performance Awards:.....\$30,694
Increases the FY 2022 civilian personnel awards budget at the aggregate level for General Schedule (GS) and Wage Grade WG employees in accordance with the Office of Management and Budget (OMB) Circular No. A-11 direction to increase civilian awards spending by no less than one (1) percentage point of FY 2020 GS and WG salary spending. The increase reflects additional civilian award funding of one (1) percentage point of the GS and WG salary spending above the FY 2020 awards budget of 1.5%. The FY 2021 In-House Care baseline funding is \$9,008,351K.
- 7) g. Civilian Pay Raise Assumptions:.....\$17,006
Increase required to fund civilian personnel costs for the net effect of the Civilian Pay Raise Assumptions which was increased from 1.0% to 2.7%. The FY 2021 In-House Care Civilian Pay baseline budget is \$4,771,915K.
- 8) h. Virtual Health Expansion:\$6,852
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. Funds will support virtual health synchronous solutions that help enable 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 2021 In-House Care baseline funding is \$9,008,351K.

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9) i. Increased Foreign Currency Fluctuation Rates:\$4,514
Funding is required due to the projected change in the value of the U.S. dollar based on the 6-month historical weekly rates. Funding will be utilized for planned overseas purchases. The FY 2021 In-House Care baseline funding is \$9,008,351K.

10) j. Pharmacy Refill Realigned to In-House Care:\$1,417
Realigns Defense Health Agency funding to the In-House Care Budget Activity Group from Information Management/Information Technology (IM/IT)(\$-1,417K) to account for the budgeting and execution of prescription refill/audio care contractual requirements within the Pharmacy Operations Division at the Defense Health Agency. The FY 2021 In-House Care baseline funding is \$9,008,351K.

11) k. Virtual Medical Library Realigned to the Defense Health Agency:\$948
Realigns the Virtual Medical Library program to the Defense Health Agency's In House Care Budget Activity (+\$948K) from Education and Training Budget Activity Group (BAG) (-\$546K) and the Uniformed Services University of the Health Sciences (-\$402K) to provide uniformity of available data in the Virtual Medical Library program. Funding provides a collection of medical e-journals, e-books, and serve as a searchable medical/biomedical database that provides military health professionals easy access to common clinical data resulting in the standardization of care throughout the Military Health System (MHS). The FY 2021 In-House Care baseline funding is \$9,008,351K.

12) l. Direct War Costs Accounted For In The Base:\$0
Direct War Costs of \$63,200K is accounted for in the In-House Care baseline budget request for FY 2022. This funding 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 Medical Treatment Facilities (MTFs). Funds are required as forces are drawn down from theater activities. The FY 2021 In-House Care baseline budget is \$9,008,351K.

9. Program Decreases\$-216,165

a) Annualization of FY 2021 Program Decreases\$0

b) One-Time FY 2021 Increases\$0

c) Program Decreases in FY 2022\$-216,165

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III. Financial Summary (\$ in Thousands): (Cont.)

1) a. Defense Health Program Reform Management - Contract Efficiencies:\$-203,732
Reduces requirements and funding in the In-House Care Budget Activity Group through the Military Health System enterprise-wide efforts to increase contract standardization. Funds were reduced in the following In-House Care programs:

(a) Medical Logistics Enterprise (-\$60,000K): Savings will be realized by leveraging best practices and limiting variation in logistics support to the Medical Treatment Facilities for non-drug supplies, equipment, and services. The result of these savings will deliver an integrated system of medical logistics materiel, equipment, and services along the continuum of operational and institutional Military Health Systems missions.

(b) Purchased Services (-\$60,000K): Savings will be realized by increased contract standardization, elimination of duplicative contracts competing for the same services, leveraging the buying power of markets as they are brought online, continued use of nationwide contract for medical professionals, and consolidating contracting under one authority.

(c) Access Enhancement Enterprise (-\$39,103K): Savings will be realized by establishing standardized processes to increase direct-care patient utilization rates, maximizing primary and specialty care capacity, and meeting the beneficiary demand for care. These actions will result in improved access to care and optimized use of the Military Health System resources.

(d) Services Efficiencies (-\$30,629K): Contracts requirements were reduced based on projected savings from consolidations as the Defense Health Agency assumes authority, direction and control of the Military Medical Treatment Facilities (MTFs) Healthcare Delivery operations. Purchased services savings will be realized by increased contract standardization and elimination of duplicative contracts.

(e) Radiology Enterprise (-\$14,000K): Savings will be realized by standardizing clinical processes, staffing models, and equipment purchasing, thereby deploying a fully interoperated radiology system across the Military Health System. These savings will result in standardized tele-radiology system, a singular process for radiology equipment acquisition, and the deployment of the Picture Archiving and Communication Systems across the enterprise.

The FY 2021 In-House Care baseline funding is \$9,008,351K.

2) b. Reduced Army End Strength Projections:.....\$-5,673
Decreases funding for healthcare requirements associated the reduction of Active Army end strength projection for FY 2022. Army end strength was projected to be 487,000 for FY 2022. The projection is reduced by 2,000 to 485,000 and requires a corresponding reduction to the healthcare requirement. The FY 2021 In House Care baseline funding is \$9,008,351K.

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III. Financial Summary (\$ in Thousands): (Cont.)

- 3) c. Clinical Investigations Program Realigned to the Defense Health Agency:\$-6,558
 Realigns the Clinical Investigations Program and Science & Technology (S&T) program and associated resources from the In House Care Budget Activity Group (BAG) to the Consolidated Health Support BAG (-\$6,558K) to consolidate the program under the authority, direction and control of the Defense Health Agency. Funding for non-pay requirements were realigned to the Defense Health Agency to support execution of the program in accordance with DoDI 6000.08. The CIP and S&T programs establishes DoD policy, assigns responsibilities and provides procedures for funding and administration of Research and Clinical Investigation Programs funded by the Defense Health Program (DHP) appropriation. It is an essential component of medical care and teaching and supports the Graduate Health Sciences Education and other health programs of the Military Services. The program also supports development and employment of health readiness solutions that protect, treat and optimize total force the health and performance. The FY 2021 In House Care baseline funding is \$9,008,351K.
- 4) d. Information Technology Healthcare Mission Funding Realigned to the Defense Health Agency:\$-202
 Realigns the Information Technology Healthcare mission and funding from In House Care Budget Activity Group (BAG) to Information Management/Information Technology (IM/IT) BAG (+202) to account for the budgeting and execution of non-pay information technology (IT) healthcare resources at the Defense Health Agency. The Defense Health Agency is consolidating all non-pay IT healthcare mission resources within IM/IT. The FY 2021 In House Care baseline funding is \$9,008,351K.

FY 2022 Budget Request\$9,720,004

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2020-2021</u>	<u>FY 2021-2022</u>
	<u>Actuals*</u>	<u>Estimate*</u>	<u>Estimate*</u>	<u>Change</u>	<u>Change</u>
Population - Eligible Beneficiaries, CONUS					
Active Duty **	1,475,005	1,481,244	1,480,979	6,239	-266
Active Duty Family Members	1,843,900	1,855,146	1,858,420	11,246	3,274
Retirees	1,013,131	1,009,581	1,006,617	-3,550	-2,964
Family Members of Retirees	<u>2,456,272</u>	<u>2,451,526</u>	<u>2,447,742</u>	<u>-4,746</u>	<u>-3,784</u>
Subtotal Eligible	6,788,308	6,797,498	6,793,757	-9,190	-3,741
Medicare Eligible Beneficiaries ***	<u>2,414,609</u>	<u>2,437,430</u>	<u>2,460,609</u>	<u>22,821</u>	<u>23,178</u>
Total Average Eligible Beneficiaries	9,202,917	9,234,928	9,254,366	32,011	19,437
Population - Eligible Beneficiaries, OCONUS					
Active Duty **	163,611	163,972	163,625	361	-347
Active Duty Family Members	129,039	129,359	129,293	320	-66
Retirees	21,965	21,865	21,775	-100	-91
Family Members of Retirees	<u>56,580</u>	<u>56,483</u>	<u>56,405</u>	<u>-97</u>	<u>-78</u>
Subtotal Eligible	371,195	371,679	371,098	484	-581
Medicare Eligible Beneficiaries	<u>41,223</u>	<u>41,571</u>	<u>41,927</u>	<u>348</u>	<u>356</u>
Total Average Eligible Beneficiaries	412,418	413,250	413,025	832	-225
Population - Eligible Beneficiaries, Worldwide					
Active Duty **	1,638,616	1,645,217	1,644,604	6,601	-613
Active Duty Family Members	1,972,939	1,984,505	1,987,713	11,566	3,208
Retirees	1,035,096	1,031,446	1,028,391	-3,650	-3,055
Family Members of Retirees	<u>2,512,852</u>	<u>2,508,009</u>	<u>2,504,147</u>	<u>-4,843</u>	<u>-3,862</u>
Subtotal Eligible	7,159,503	7,169,177	7,164,855	9,674	-4,322
Medicare Eligible Beneficiaries:					
Active Duty Family Members	4,723	4,736	4,738	13	2
Guard/Reserve Family Members	1,597	1,624	1,645	27	21
Eligible Retirees	1,186,370	1,200,405	1,214,243	14,035	13,837
Eligible Family Members of Retirees ****	768,593	777,534	786,385	8,941	8,851
Survivors	492,422	492,575	493,399	153	824
Others	<u>2,127</u>	<u>2,127</u>	<u>2,127</u>	<u>0</u>	<u>0</u>
Total Medicare Eligible Beneficiaries	2,455,832	2,479,001	2,502,536	23,169	23,534
Total Average Eligible Beneficiaries	9,615,335	9,648,178	9,667,391	32,843	19,213

1. (*) FY 2020-2022 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.

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IV. Performance Criteria and Evaluation Summary:

	FY 2020 Actuals*	FY 2021 Estimate*	FY 2022 Estimate*	FY 2020-2021 Change	FY 2021-2022 Change
Enrollees - Direct Care					
TRICARE Region - East	1,628,600	1,635,160	1,634,551	6,560	-609
TRICARE Region - West	741,840	744,828	744,551	2,988	-277
TRICARE Region - Europe	122,430	122,923	122,877	493	-46
TRICARE Region - Pacific	131,450	131,979	131,930	529	-49
TRICARE Region - Latin America	2,533	2,543	2,542	10	-1
Alaska	<u>52,698</u>	<u>52,910</u>	<u>52,891</u>	<u>212</u>	<u>-20</u>
Sub-Total CONUS Regions	2,423,138	2,432,899	2,431,993	9,761	-906
Sub-Total OCONUS Regions	<u>256,413</u>	<u>257,446</u>	<u>257,350</u>	<u>1,033</u>	<u>-96</u>
Total Direct Care Enrollees	2,679,551	2,690,345	2,689,343	10,794	-1,002

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. Also excludes MHS Genesis Sites due to unavailability of reliable data at this time.

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

	FY 2020 Actuals*	FY 2021 Estimate*	FY 2022 Estimate*	FY 2020-2021 Change	FY 2021-2022 Change
Direct Care System Workload (from M2 and Business Planning Tool)					
Inpatient Admissions, Non-Weighted (SIDR Dispositions-All)	138,779	123,667	125,443	-15,112	1,777
Inpatient Admissions, Weighted (MS-DRG RWPs, Non Mental Health)	102,803	91,608	92,924	-11,195	1,316
Inpatient Admissions, Occupied Bed Days (Mental Health Only)	69,337	61,786	62,674	-7,551	888
Average Length of Stay (ALL Bed Days/All Dispositions)	2.88	2.88	2.88	0	0.00
Ambulatory Visits, Non-Weighted (Encounters, CAPER)	31,168,225	27,774,134	28,173,117	-3,394,091	398,983
Ambulatory Visits, Weighted (Adj Provider Aggregate RVUs, CAPER)	56,101,441	49,992,225	50,710,377	-6,109,215	718,151
Ambulatory Procedures, Weighted (Aggregate Weight APCs, CAPER)	7,012,417	6,248,793	6,338,559	-763,623	89,766
Number of Outpatient Pharmacy Prescriptions "Scripts"	22,499,853	24,453,830	25,878,189	1,953,977	1,424,359

1. Data source is M2 and performance plans.

2. Workload excludes Tricare for Life (TFL) patients.

3. FY 2021 - FY 2022 projections assumes resiliency and reduced impacts of COVID-19.

	FY 2020 Actuals*	FY 2021 Estimate*	FY 2022 Estimate*	FY 2020-2021 Change	FY 2021-2022 Change
Dental Workload (Dental Weighted Values (DWVs)(from Components)					
CONUS	7,096,151	6,578,979	7,352,599	-517,172	773,620
OCONUS	<u>1,414,953</u>	<u>1,283,355</u>	<u>1,449,838</u>	<u>-131,598</u>	<u>166,484</u>
Total DWVs	8,511,104	7,862,334	8,802,437	-648,770	940,104
CONUS					
Active Duty	6,580,091	6,100,530	6,817,889	-479,561	717,359
Non-Active Duty	<u>516,060</u>	<u>478,449</u>	<u>534,710</u>	<u>-37,611</u>	<u>56,261</u>
Total CONUS	7,096,151	6,578,979	7,352,599	-517,172	773,620
OCONUS					
Active Duty	1,067,641	968,345	1,093,964	-99,296	125,619
Non-Active Duty	<u>347,312</u>	<u>315,010</u>	<u>355,875</u>	<u>-32,302</u>	<u>40,865</u>
Total OCONUS	1,414,953	1,283,355	1,449,838	-131,598	166,484

1. DWV Workload data excludes MHS Genesis sites due to unavailability of reliable data at this time.

2. FY 2021-2022 Estimates are based upon performance plan projections and assumes resiliency and reduced impacts of COVID-19.

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V. Personnel Summary:

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Change FY 2020/ FY 2021</u>	<u>Change FY 2021/ FY 2022</u>
Active Military End Strength (E/S) (Total)	49,322	46,045	48,292	-3,277	2,247
Officer	16,201	16,325	17,144	124	819
Enlisted	33,121	29,720	31,148	-3,401	1,428
Active Military Average Strength (A/S) (Total)	36,025	47,684	47,169	11,659	-515
Officer	1,656	16,263	16,735	14,607	472
Enlisted	34,369	31,421	30,434	-2,948	-987
Civilian FTEs (Total)	47,240	45,847	45,847	-1,393	0
U.S. Direct Hire	45,448	44,259	44,259	-1,189	0
Foreign National Direct Hire	806	653	653	-153	0
Total Direct Hire	46,254	44,912	44,912	-1,342	0
Foreign National Indirect Hire	827	776	776	-51	0
Reimbursable Civilians	159	159	159	0	0
Average Annual Civilian Salary (\$ in thousands)	102.4	104.4	108.5	2.1	4.1
Contractor FTEs (Total)	15,237	14,363	14,518	-874	155

Personnel Summary Explanations:

Explanation of changes in Active Military End Strength: The decrease from FY 2020 to FY 2021 (-3,277) 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 Major Headquarters Activities and mission transfers to the Military Departments for medical readiness programs (-3,277: Army: -626, Navy: -428, Air Force: -2,223). The increase from FY 2021 to FY 2022 (+2,247) includes the Tech Adjustment made by the military departments for the revised drawdown reductions (Army: +1,102, Navy: -65, Air Force: +1,210).

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V. Personnel Summary: (Cont.)

Explanation of changes in Civilian FTEs: The decrease from FY 2020 to FY 2021 (-1,393) includes Service headquarters execution and internal reprogramming adjustments (-698: Army: +1,432, Direct Care Financial Management: -1,360, Air Force: -619, Navy: -149, USUHS: -2); and the transfer of In-House Care FTEs following the Defense Wide Review to the Department of the Army (-390) and the Department of the Navy (-305). The change from FY 2021 to FY 2022 is zero (0) for In-House Care.

Explanation of changes in Contractor FTEs: The decrease from FY 2020 to FY 2021 (-874) is attributed to Enterprise-wide DHP Reform Management efforts to shape the DHP workforce. The increase from FY 2021 to FY 2022 (+155) 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):

	FY 2020 Program	Change from FY 2020 to FY 2021		FY 2021 Program	Change from FY 2021 to FY 2022		FY 2022 Program
		Price Growth	Program Growth		Price Growth	Program Growth	
101 EXEC, GEN'L & SPEC SCHEDS	4,648,023	71,580	-108,048	4,611,555	104,682	66,696	4,782,933
103 WAGE BOARD	99,870	1,538	-7,663	93,745	2,128	11,918	107,791
104 FN DIRECT HIRE (FNDH)	39,229	604	-7,268	32,565	739	-63	33,241
105 SEPARATION LIABILITY (FNDH)	1,255	19	-19	1,255	28	-28	1,255
107 VOLUNTARY SEP INCENTIVES	842	13	-13	842	19	-19	842
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	4,789,219	73,754	-123,011	4,739,962	107,596	78,504	4,926,062
308 TRAVEL OF PERSONS	53,862	1,077	14,302	69,241	1,316	1,422	71,979
0399 TOTAL TRAVEL	53,862	1,077	14,302	69,241	1,316	1,422	71,979
401 DLA ENERGY (FUEL PRODUCTS)	421	-21	-124	276	28	-72	232
402 SERVICE FUND FUEL	10	-1		9	1	-1	9
411 ARMY SUPPLY	0	0	450	450	37	13	500
412 NAVY MANAGED SUPPLY, MATL	711	29	-188	552	46	-42	556
416 GSA SUPPLIES & MATERIALS	10,364	207	-2,635	7,936	151	-56	8,031
417 LOCAL PURCH SUPPLIES & MAT	62,870	1,257	-33,495	30,632	582	-4,760	26,454
422 DLA MAT SUPPLY CHAIN (MEDICAL)	22,964	32	-5,613	17,383	35	-615	16,803
0499 TOTAL DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS	97,340	1,503	-41,605	57,238	880	-5,533	52,585
502 ARMY FUND EQUIPMENT	373	15	121	509	41	708	1,258
503 NAVY FUND EQUIPMENT	132	5	44	181	15	-16	180
505 AIR FORCE FUND EQUIP	33,891	0	-33,891	0	0	0	0
506 DLA MAT SUPPLY CHAIN (CONST & EQUIP)	139		50	189	4	-6	187
507 GSA MANAGED EQUIPMENT	5,965	119	2,511	8,595	163	-141	8,617
0599 TOTAL DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES	40,500	139	-31,165	9,474	223	545	10,242
601 ARMY INDUSTRIAL OPERATIONS	203	0	-50	153	14	-167	0
611 NAVY SURFACE WARFARE CTR	4,974	405	-4,642	737	7	-6	738

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

	FY 2020 <u>Program</u>	Change from FY 2020 to FY 2021		FY 2021 <u>Program</u>	Change from FY 2021 to FY 2022		FY 2022 <u>Program</u>
		<u>Price Growth</u>	<u>Program Growth</u>		<u>Price Growth</u>	<u>Program Growth</u>	
614 SPACE & NAVAL WARFARE CENTER	20	1	-21	0	0	0	0
633 DLA DOCUMENT SERVICES	19,748	128	-18,278	1,598	25	-26	1,597
634 NAVFEC (UTILITIES AND SANITATION)	20	0	-20	0	0	0	0
635 NAVY BASE SUPPORT (NAVFEC OTHER SUPPORT SERVICES)	20	0	-20	0	0	0	0
671 DISA DISN SUBSCRIPTION SERVICES (DSS)	80	4	-84	0	0	0	0
675 DLA DISPOSITION SERVICES	20	0	-20	0	0	0	0
677 DISA TELECOMM SVCS - REIMBURSABLE	19	0	54	73	0	-20	53
679 COST REIMBURSABLE PURCHASE	20	0	-20	0	0	0	0
682 INDUSTRIAL MOB CAPACITY	0	0	250	250	5	-255	0
692 DFAS FINANCIAL OPERATIONS (NAVY)	2,340	162	-2,502	0	0	0	0
693 DFAS FINANCIAL OPERATIONS (AIR FORCE)	693	120	-813	0	0	0	0
0699 TOTAL OTHER FUND PURCHASES	28,157	820	-26,166	2,811	51	-474	2,388
706 AMC CHANNEL PASSENGER	79	1	-80	0	0	0	0
707 AMC TRAINING	717	-47	-670	0	0	0	0
719 SDDC CARGO OPS-PORT HNDLG	45	-12	-12	21	6	-6	21
771 COMMERCIAL TRANSPORT	8,250	165	390	8,805	167	-10	8,962
0799 TOTAL TRANSPORTATION	9,091	107	-372	8,826	173	-16	8,983
901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	31,167	623	163	31,953	725	-60	32,618
902 SEPARATION LIAB (FNIH)	20	0	-20	0	0	0	0
912 RENTAL PAYMENTS TO GSA (SLUC)	723	14	-708	29	1	-1	29
913 PURCHASED UTILITIES (NON-FUND)	432	9	-441	0	0	0	0
914 PURCHASED COMMUNICATIONS (NON-FUND)	5,763	115	-5,121	757	14	-5	766
915 RENTS (NON-GSA)	16,696	334	-3,522	13,508	257	-58	13,707
917 POSTAL SERVICES (U.S.P.S)	1,576	32	-470	1,138	22	1	1,161
920 SUPPLIES & MATERIALS (NON-FUND)	595,026	23,206	-178,765	439,467	8,350	-97,467	350,350
921 PRINTING & REPRODUCTION	4,939	99	-2,121	2,917	55	558	3,530

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

	FY 2020 Program	Change from FY 2020 to FY 2021		FY 2021 Program	Change from FY 2021 to FY 2022		FY 2022 Program
		Price Growth	Program Growth		Price Growth	Program Growth	
922 EQUIPMENT MAINTENANCE BY CONTRACT	201,276	4,026	-64,485	140,817	2,676	-4,750	138,743
923 FACILITIES SUST, REST, & MOD BY CONTRACT	259,532	5,191	-122,448	142,275	2,703	-59,903	85,075
924 PHARMACEUTICAL DRUGS	1,457,580	56,846	56,044	1,570,470	61,248	35,982	1,667,700
925 EQUIPMENT PURCHASES (NON-FUND)	317,098	12,367	-57,278	272,187	5,172	83,662	361,021
926 OTHER OVERSEAS PURCHASES	748	15	-763	0	0	0	0
932 MGT PROF SUPPORT SVCS	146,693	2,934	-135,568	14,059	267	-936	13,390
933 STUDIES, ANALYSIS & EVAL	91,113	1,822	-85,736	7,199	137	-1,021	6,315
934 ENGINEERING & TECH SVCS	49	1	-50	0	0	0	0
936 TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTRACTS)	67	1	-68	0	0	0	0
937 LOCALLY PURCHASED FUEL (NON-FUND)	441	9	-87	363	7	-7	363
955 OTHER COSTS (MEDICAL CARE)	381,576	14,881	-90,943	305,514	11,915	-20,154	297,275
957 OTHER COSTS (LAND AND STRUCTURES)	786	16	-802	0	0	0	0
959 OTHER COSTS (INSURANCE CLAIMS/INDMNTIES)	1,204	24	-1,228	0	0	0	0
960 OTHER COSTS (INTEREST AND DIVIDENDS)	1	0	-1	0	0	0	0
964 OTHER COSTS (SUBSISTENCE AND SUPPORT OF PERSONS)	10,451	209	-8,174	2,486	47	3	2,536
984 EQUIPMENT CONTRACTS	0	0	500	500	10	-510	0
985 RESEARCH & DEVELOPMENT, CONTRACTS	17,654	0	-17,654	0	0	0	0
986 MEDICAL CARE CONTRACTS	956,329	37,297	146,813	1,140,439	44,477	420,288	1,605,204
987 OTHER INTRA-GOVT PURCH	99,297	1,986	-89,249	12,034	229	15,809	28,072
988 GRANTS	4,297	86	-3,510	873	17	478	1,368
989 OTHER SERVICES	94,652	1,893	-21,855	74,690	1,419	-52,178	23,931
990 IT CONTRACT SUPPORT SERVICES	123,061	2,461	-113,326	12,196	232	2,183	14,611
991 FOREIGN CURRENCY VARIANCE	-336	-7	343	0	0	0	0
0999 TOTAL OTHER PURCHASES	4,819,911	166,490	-800,530	4,185,871	139,980	321,915	4,647,765
9999 GRAND TOTAL	9,838,080	243,890	-1,008,547	9,073,423	250,219	396,363	9,720,004

1. FY 2022 Program, OP-32A line 986, Medical Care Contracts includes \$282,800K for DHP COVID-19 Pandemic Response funds for testing and vaccine booster support.