

**Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Consolidated Health Support**

I. Description of Operations Financed: This Budget Activity Group (BAG) comprises eight functions which support military medical readiness and delivery of patient care worldwide:

Examining Activities - Resources required for administering physical examinations and performing evaluations of medical suitability for military service. Includes resources required for Armed Forces Examination and Entrance Stations and the Department of Defense Medical Examination Review Board (DoDMERB).

Other Health Activities - Resources required for organizations and functions that support the provision of health care for Military Health System beneficiaries. Examples include central medical laboratories; medical services squadrons; Navy Medicine Regional Commands; public affairs; and the Women, Infants and Children (WIC) Program.

Military Public/Occupational Health - Resources required for Military Public Health manpower, supplies, permits, certification and licensure fees, support equipment, and the associated requirements specifically identified for management, direction, and operation of disease prevention and control. Examples include epidemiology, medical entomology, drinking water safety, monitoring hazardous waste disposal, food and facility sanitation, wellness/health promotion and education, health surveillance, community health nursing, medical intelligence, disease and climate illness, disease prevention and control, and injury surveillance.

Veterinary Services - Resources required for the management, direction and operation of DoD's worldwide veterinary missions, as well as veterinary support requirements for other specified federal agencies. Includes veterinary care of government owned animals, procedures involving animals in clinical investigation departments, and control of zoonotic and veterinary public health diseases.

Military Unique - Other Medical Activities - Resources required for unique military medical functions and activities that have a relationship to the size of the military population supported and are not included in any other program elements. Examples of programs include physiological training units; drug abuse detection labs; optical repair and fabrication laboratories; pandemic influenza preparedness; medical logistics offices; medical support offices; medical materiel activities; and plans, operation and training offices in military treatment facilities. Beginning in FY 2012, funding will support the remaining missions of the Armed Forces Institute of Pathology (AFIP) (Medical Examiner, DNA Registry and Accident Investigation, Legal Medicine, Clinical Lab, and Patient Safety). Starting in FY 2013, resources for the Federal Health Care Center (FHCC) North Chicago are realigned to this functional area.

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Aeromedical Evacuation System - Resources required for the operation and administration of the Aeromedical Evacuation System and the costs associated with intra- and inter-theater patient transportation.

Service Support to Other Health Activities - Support to USTRANSCOM.

Armed Forces Institute of Pathology (AFIP) - Resources required for manpower, equipment, facilities and the associated operation and maintenance of the AFIP through FY 2011. BRAC 2005 mandated closure of the AFIP by FY 2011.

Joint Pathology Center (JPC) - NDAA 2008, Section 722 directs establishment of the JPC by FY 2012 as the reference center in pathology for the Federal Government. Selected resources required for manpower, equipment, facilities, and the associated operation and maintenance of the JPC move from the AFIP.

II. Force Structure Summary: Consolidated Health Support includes a variety of Program Elements supporting such functions as examining activities, military public and occupational health, veterinary services, aeromedical evacuation, and various activities that have a relationship to the size of the military population supported and are not included in other program elements.

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III. Financial Summary (\$ in Thousands):

	FY 2012							
	FY 2011	<u>Congressional Action</u>				Current	Current	FY 2013
		<u>Actuals</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>			
A. Subactivities								
1. Examining Activities	70,059	77,120	0	0%	77,120	77,120	81,354	
2. Other Health Activities	564,413	840,083	10,000	1%	850,083	850,083	677,102	
3. Military Public/Occupational Health	406,761	346,696	0	0%	346,696	346,696	370,633	
4. Veterinary Services	31,547	32,745	0	0%	32,745	32,745	32,225	
5. Military Unique-Other Med Activities	706,359	839,467	10,000	1%	849,467	837,952	1,087,669	
6. Aeromedical Evacuation System	56,956	36,501	0	0%	36,501	36,501	36,149	
7. Svc Spt to Other Health Activities-TRANSCOM	973	1,121	0	0%	1,121	1,121	1,477	
8. Armed Forces Institute of Pathology (AFIP)	54,341	0	0	0%	0	0	0	
9. Joint Pathology Center (JPC)	<u>11,744</u>	<u>20,088</u>	<u>0</u>	<u>0%</u>	<u>20,088</u>	<u>20,088</u>	<u>22,576</u>	
Total	1,903,153	2,193,821	20,000	1%	2,213,821	2,202,306	2,309,185	

Notes:

1. FY 2011 actuals include \$112.607M for Overseas Contingency Operations (OCO) under the Department of Defense Appropriation Act, FY 2011, Public Law 112-10.
2. FY 2012 current estimate excludes \$95.770M for OCO under the Consolidated Appropriations Act, 2012 (Division A), Public Law 112-74.
3. FY 2013 estimate excludes \$111.675M for OCO.
4. FY 2012-13 reflects the BRAC directed closure of the AFIP, with funding realigned to the JPC and Military Unique/Other Medical Activities in support of the remaining missions of AFIP.

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	Change	Change
B. <u>Reconciliation Summary:</u>	<u>FY 2012/2012</u>	<u>FY 2012/2013</u>
Baseline Funding	2,193,821	2,202,306
Congressional Adjustments (Distributed)	20,000	n/a
Congressional Adjustments (Undistributed)	0	n/a
Adjustments to Meet Congressional Intent	0	n/a
Congressional Adjustments (General Provisions)	0	n/a
Subtotal Appropriated Amount	2,213,821	n/a
OCO and Other Supplemental Appropriations	95,770	n/a
Fact-of-Life Changes	-11,515	n/a
Subtotal Baseline Funding	2,298,076	n/a
Anticipated Supplemental	0	n/a
Reprogrammings	0	n/a
Less: OCO and Other Supplemental Appropriations	-95,770	n/a
Revised Current Estimate	2,202,306	2,202,306
Price Change	n/a	33,222
Functional Transfers	n/a	-1,561
Program Changes	n/a	<u>75,218</u>
Current Estimate	2,202,306	2,309,185

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		(\$ in Thousands)	
C. Reconciliation of Increases and Decreases:		Amount	Totals
FY 2012 President's Budget Request			2,193,821
1. Congressional Adjustments			20,000
a. Distributed Adjustments		20,000	
1) Wounded Warrior Military Adaptive Sports Program	10,000		
2) Program Increase - Suicide Prevention	10,000		
b. Undistributed Adjustments		0	
c. Adjustment to Meet Congressional Intent		0	
d. General Provisions		0	
FY 2012 Appropriated Amount			2,213,821
2. OCO and Other Supplemental Appropriations			95,770
3. Fact-of-Life Changes			-11,515
a. Functional Transfers		0	
b. Technical Adjustments - Transfer of resources supporting the Center for Deployment Psychology (CDP) and the Center for the Study of Traumatic Stress (CSTS) to Education and Training BAG to align funding with actual execution.		-11,515	
c. Emergent Requirements		0	
FY 2012 Baseline Funding			2,298,076
4. Reprogrammings (requiring 1415 Actions)			0
a. Increases		0	
b. Decreases		0	
5. Less: OCO and Other Supplemental Appropriation			-95,770
Current Estimate for FY 2012			2,202,306
6. Price Change			33,222
7. Transfers			-1,561
a. Transfers In		0	
b. Transfers Out - Transfer of Army Wounded Warrior Education Initiative to the Army Training and Doctrine Command.		-1,561	

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C. <u>Reconciliation of Increases and Decreases:</u>		Amount	Totals
8. Program Increases			243,277
a. Annualization of New FY 2012 Program		0	
b. One-Time FY 2013 Costs		0	
c. Program Growth in FY 2013		243,277	
1) DoD/VA Joint Demonstration Fund:		131,120	
Realigns Navy, DHP funding for FHCC North Chicago from the In-House Care BAG (\$86.937M), the Information Management BAG (\$2.155M), the Education and Training BAG (\$1.150M) and the Base Operations/Communications BAG (\$16.939M), and Private Sector Care BAG (\$23.939M). Total Budget Request for FHCC is \$139.204M.			
2) Miscellaneous Funding Adjustments and Realignments:		41,278	
Includes various civilian manpower adjustments, civilian FTE realignments, central program transfers, and PE realignments to reflect actual execution.			
3) Secretary of Defense Efficiency - TMA Fourth Estate Baseline Review:		28,153	
Restores initial efficiency reduction to the Consolidated Health Support BAG and applies it instead to the Information Management (IM) BAG enabling IM operations to be streamlined by consolidating TMA sub-activities beginning in FY 2012 to reduce redundancy, capitalize on shared services efficiencies, and better align similar missions across the enterprise.			
4) Integrated Disability Evaluation System (IDES):		16,394	
Funds increase in civilian FTEs for the implementation of the IDES which will facilitate integration between the Military Health System and the Department of Veterans Affairs, resulting in faster processing time for wounded warriors undergoing disability evaluation.			
5) Joint Theater Trauma System (JTTS):		11,218	
Establishes a funding baseline from OCO-to-Base to sustain the JTTS Baseline and the Joint Theater Trauma Registry (JTTR) which captures, maintains, and reports all battlefield injury demographics, care, and outcomes for both military and civilian casualties.			
6) Psychological Health:		4,300	
Programs resources for the Defense Center of Excellence to promote effectiveness tracking in support of this initiative.			

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C. <u>Reconciliation of Increases and Decreases:</u>		<u>Amount</u>	<u>Totals</u>
7) Patient Centered Medical Home (PCMH):	4,100		
Realignment of resources from the In-House Care BAG in support of the PCMH initiative.			
8) One Additional Civilian Paid Day in FY 2013:	3,303		
Adjusts for additional civilian paid day in FY 2013. FY 2012 Civilian Pay Funding Baseline: \$743.4M.			
9) Armed Forces Radiobiology Research Institute (AFRRI):	3,149		
Realignment of resources from RDT&E to O&M to reflect proper AFRRI execution of Civilian Pay and Support Services.			
10) Initial Outfitting and Transition (IO&T):	262		
Realignment of Army IO&T funding from the In-House Care BAG to reflect actual execution of Transition costs (\$19.003M) and IO&T supporting MILCON and Restoration and Modernization (-\$18.741M).			
9. Program Decreases			-168,059
a. One-time FY 2012 Costs		-20,266	
1) Wounded Warrior Military Adaptive Sports Program	-10,133		
2) Program Increase - Suicide Prevention	-10,133		
b. Annualization of FY 2012 Program Decreases		0	
c. Program Decreases in FY 2013		-147,793	
1) Army Medical Action Plan (AMAP)/Wounded Ill and Injured (WII) Program:	-77,852		
Realigns funds for AMAP/WII Program to In-House Care BAG to align proper execution of civilian employees' recruitment, retention and relocation allowances.			
2) JTF CAPMED Enhancements and Realignments:	-20,874		
Realigns funds for the National Intrepid Center of Excellence from the Defense Center of Excellence and other resource enhancements to the In-House Care BAG in support of JTF CAPMED MTFs.			
3) Disability Evaluation System (DES) Claims:	-20,720		
Funding realignment for Disability Evaluation System (DES) claims to the Private Sector Care BAG.			
4) Patient Administration Systems and Biostatistics Activity (PASBA) and Medical Expense Performance Reporting System (MEPRS):	-13,584		
Realigns funding to the Management Activities BAG for the balance of the PASBA and MEPRS programs to reflect actual execution. FY 2012 Funding Request: \$18.0M.			

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C. <u>Reconciliation of Increases and Decreases:</u>		<u>Amount</u>	<u>Totals</u>
5)	Secretary of Defense Efficiencies - Reducing Reliance on DoD Service Support Contractors: Reduction reflects the incremental amount for DOD efficiency to reduce reliance on service support contractors. This efficiency will have no impact on direct health care delivery. FY 2012 Consolidated Health Support Contract Services Funding Baseline: \$367.9M	-7,213	
6)	Military-to-Civilian Conversions and Restoral: Adjusts resources to reverse FY 2013 increment of Military-to-Civilian conversions. In FY 2008, the Department of Defense directed Military-to-Civilian conversions. The FY 2008 National Defense Authorization Act (NDAA) prohibited conversions through 30 Sep 2012. The FY 2010 President's Budget reversed unexecuted and future year conversions (to FY 2012); however, the FY 2013 increment was not reversed. Subsequently, the FY 2010 NDAA prohibits Military-to-Civilian conversions indefinitely. Manpower adjustments summarized adjust resources relative to the DHP.	-4,869	
7)	Visual Information: Realignment of resources from the Army's Consolidated Health Support BAG to the Navy's Base Operations/Communications BAG to reflect actual execution.	-2,681	
FY 2013 Budget Request			2,309,185

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Change</u> <u>FY 2011/2012</u>	<u>Change</u> <u>FY 2012/2013</u>
Active Duty Force Structure	1,729,489	1,717,528	1,682,908	-11,961	-34,620
MEPS Workload (000's)	310	387	310	77	-77
Spectacles/Inserts Fabricated (000's)	1,657	1,699	1,687	42	-12
Veterinary Lab Procedures (000's)	184	222	263	38	41

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V. Personnel Summary:

	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Change FY 2011/2012</u>	<u>Change FY 2012/2013</u>
<u>Active Military End Strength (E/S) ¹</u>					
Officer	2,879	2,902	2,860	23	-42
Enlisted	<u>6,608</u>	<u>6,595</u>	<u>6,323</u>	<u>-13</u>	<u>-272</u>
Total Military	9,487	9,497	9,183	10	-314
<u>Active Military Average Strength (A/S)</u>					
Officer	2,835	2,891	2,881	56	-10
Enlisted	<u>6,491</u>	<u>6,602</u>	<u>6,459</u>	<u>111</u>	<u>-143</u>
Total Military	9,326	9,493	9,340	167	-153
<u>Civilian FTEs ²</u>					
US Direct Hire	7,736	8,958	9,416	1,222	458
Foreign National Direct Hire	<u>125</u>	<u>133</u>	<u>133</u>	<u>8</u>	<u>0</u>
Total Direct Hire	7,861	9,091	9,549	1,230	458
Foreign National Indirect Hire	<u>446</u>	<u>461</u>	<u>461</u>	<u>15</u>	<u>0</u>
Total Civilians	8,307	9,552	10,010	1,245	458
(Reimbursable Included Above - memo)	<u>0</u>	<u>0</u>	<u>0</u>	0	0
Average Civilian Salary (\$000's)	89.493	89.916	90.299	0.423	0.383
<u>Contractor FTEs (Total)</u>	2,087	2,105	2,036	18	-69

¹ Narrative explanation of changes in Active Military End Strength: FY 2012/2013 change includes Air Force transfer of Aerospace Physiology Training Unit enlisted end strength from the DHP to the Line, and the Army transfer of Warrior Transition Units enlisted strength from the DHP to the Line.

² Narrative explanation of changes in Civilian FTEs:

- FY 2011/2012 change under-execution was a combination of actual underexecution coupled with erroneous reporting of FTE's in other BAGs (mainly In-House Care).
- FY 2012/2013 change includes Army increases in support of IDES implementation, and Air Force zero-based realignments.

VI. Outyear Summary: N/A

VII. OP 32 Line Items as Applicable (Dollars in Thousands - see next page):