

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

Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

I. Description of Operations Financed: Base Operations (BASOPS)/Communications refers to the resources dedicated to the operation and maintenance of Defense Health Program (DHP) facilities. BASOPS provides for facilities and services at military medical activities (CONUS and OCONUS) supporting active duty combat forces, reserve and guard components, training, eligible beneficiaries. The program consists of eight components:

Facility Restoration and Modernization - Resources required for facilities Restoration and Modernization projects including repair and replacement due to excessive age, natural disaster, fire, accident, or other causes. Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

Facility Sustainment - Resources required for maintenance and repair activities necessary to keep facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, etc.

Demolition/Disposal of Excess Facilities - Resources required for demolition and/or disposal costs associated with excess facilities, including buildings or any other permanent or temporary structure as well as pavements, utility systems, and other supporting infrastructure. Includes environmental costs directly attributable to demolition/disposal to include inspection and removal of hazardous material (such as lead-based paint or asbestos).

II. Force Structure Summary:

	FY 2011	FY 2012	FY 2013
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
Inpatient Facilities	59	56	56
Medical Clinics	363	365	365
Dental Clinics	281	281	281
Veterinary Clinics	255	255	255

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

III. Financial Summary (\$ in Thousands):

FY 2012

A. <u>Subactivities</u>	FY 2011 <u>Actuals</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2013 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriation</u>		
1. Facility Restoration/Modernization - CONUS	519,539	370,888	-3,611	-1%	367,277	367,277	432,288
2. Facility Restoration/Modernization - OCONUS	45,848	70,985	0	0%	70,985	70,985	57,547
3. Facility Sustainment - CONUS	510,201	380,867	0	0%	380,867	380,867	350,082
4. Facility Sustainment - OCONUS	58,666	61,927	0	0%	61,927	61,927	78,989
5. Demolition	<u>0</u>	2,700	<u>0</u>	<u>0%</u>	<u>2,700</u>	<u>2,700</u>	<u>0</u>
Total	1,134,254	884,667	-3,611	-0.4%	881,056	881,056	918,906

Notes:

1. FY 2011 actuals includes \$.393M for Overseas Contingency Operations (OCO) under the Department of Defense Appropriation Act, FY 2011, Public Law 112-10.
2. FY 2012 current estimate excludes \$.184M for OCO under the Consolidated Appropriations Act, 2012 (Division A), Public Law 112-74.
3. FY 2013 estimate excludes \$.658M for OCO.

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

B. <u>Reconciliation Summary:</u>	Change	Change
	<u>FY 2012/2012</u>	<u>FY 2012/2013</u>
Baseline Funding	884,667	881,056
Congressional Adjustments (Distributed)	-3,611	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	881,056	n/a
OCO and Other Supplemental Appropriations	184	n/a
Fact-of-Life Changes	0	n/a
Subtotal Baseline Funding	881,240	n/a
Anticipated Supplemental	0	n/a
Reprogrammings	0	n/a
Less: OCO and Other Supplemental Appropriations	-184	n/a
Revised Current Estimate	881,056	881,056
Price Change	n/a	13,128
Functional Transfers	n/a	973
Program Changes	<u>n/a</u>	<u>20,588</u>
Current Estimate	881,056	915,744

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

	(\$ in Thousands)	
C. Reconciliation of Increases and Decreases:	Amount	Totals
FY 2012 President's Budget Request		884,667
1. Congressional Adjustments		-3,611
a. Distributed Adjustments	-3,611	
1) Adjustment for Civilian Pay Error		
b. Undistributed Adjustments	0	
c. Adjustment to Meet Congressional Intent	0	
d. General Provisions	0	
FY 2012 Appropriated Amount		881,056
2. OCO and Other Supplemental Appropriations		184
3. Fact-of-Life Changes		0
a. Functional Transfers	0	
b. Technical Adjustments	0	
c. Emergent Requirements	0	
FY 2012 Baseline Funding		881,240
4. Reprogrammings (requiring 1415 Actions)		0
a. Increases	0	
b. Decreases	0	
5. Less: OCO and Other Supplemental Appropriation		-184
Current Estimate for FY 2012		881,056
6. Price Change		16,290
7. Transfers		973
a. Transfers In	973	
1) Transfer in from Army Line O&M to support the facility sustainment of the Defense Health Headquarters.		
b. Transfers Out	0	

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

		(\$ in Thousands)	
C. Reconciliation of Increases and Decreases:		Amount	Totals
8. Program Increases			30,850
a. Annualization of New FY 2012 Program		0	
b. One-Time FY 2013 Costs		0	
c. Program Growth in FY 2013		30,850	
1) Restoration and Modernization Projects:	30,533		
Provides funding for the restoration and modernization projects for cable abatement at various military treatment facilities. FY 2012 Restoration and Modernization Funding Baseline: \$438.3M			
2) One Additional Civilian Paid Day in FY 2013:	317		
Adjusts for one additional civilian paid day in FY 2013. FY 2012 Civilian Pay Funding Baseline: \$165.3M.			
9. Program Decreases			-10,262
a. One-time FY 2012 Costs		0	
b. Annualization of FY 2012 Program Decreases		0	
c. Program Decreases in FY 2013		-10,262	
1) Facilities Sustainment:	-9,451		
Reduction in funding for facility sustainment due to reduction of square footage. FY 2012 Facilities Sustainment Funding Baseline: \$442.8M.			
2) Secretary of Defense Efficiency - Reducing Reliance on DoD Service Support Contractors:	-811		
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 Base Operations Communications Contract Services Funding Baseline: \$868.1M.			
FY 2013 Budget Request			918,906

Defense Health Program
Fiscal Year (FY) 2013 Budget Estimates
Operation and Maintenance
Facilities Sustainment, Restoration and Modernization (FSRM), and Demolition (Attachment 4)

IV. Performance Criteria and Evaluation 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>
Facility Sustainment Funding:	377,788	442,794	429,071	65,006	-13,723
Facility Sustainment Model Requirement:	375,673	455,435	431,574	79,762	-23,861
Sustainment Rate (MILPERS not included):	100.6%	97.2%	99.4%		

*Note: FY 2012 Sustainment Rate model requirement is overstated by \$12.2M due a transfer of \$12.2M for DHP installation transfers to Army Installation Management Command and Commander, Navy Installations in FY 2012 after the model was run. Actual FY 2012 sustainment rate is 100%.

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)</u>					
Officer	9	9	9	0	0
Enlisted	6	6	6	0	0
Total Military	15	15	15	0	0
<u>Active Military Average Strength (A/S)</u>					
Officer	10	9	9	-1	0
Enlisted	8	6	6	-2	0
Total Military	18	15	15	-3	0
<u>Civilian FTEs</u>					
US Direct Hire	421	258	255	-163	-3
Foreign National Direct Hire	0	13	13	13	0
Total Direct Hire	421	271	268	-150	-3
Foreign National Indirect Hire	3	4	4	1	0
Total Civilians	424	275	272	-149	-3
(Reimbursable Included Above - memo)	0	0	0	0	0
Average Civilian Salary (\$000's)	86.092	83.684	84.136	-2.408	0.452
<u>Contractor FTEs (Total)</u>	134	129	161	-5	32

VI. Outyear Summary: N/A

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