

**Defense Health Program
Fiscal Year (FY) 2007 Budget Estimates
Exhibit PB-11, Cost of Medical Activities**

Defense Health Program Funding Summary by Subactivity Group
(Dollars in Thousands)

		FY 2005	FY 2006	FY 2007	FY05 - 06 Change		FY06 - 07 Change	
		<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	\$	(%)	\$	(%)
<u>IN-HOUSE CARE</u>								
0807700HP	Defense Medical Centers, Hospitals & Medical Clinics - OCONUS	3,208,844	2,683,950	2,772,139	-524,894	-16.4%	88,189	3.3%
0807900HP	Defense Medical Centers, Hospitals & Medical Clinics - OCONUS	300,544	252,907	268,739	-47,637	-15.9%	15,832	6.3%
0807701HP	Pharmaceuticals - CONUS	1,272,032	1,732,913	2,009,002	460,881	36.2%	276,089	15.9%
0807901HP	Pharmaceuticals - OCONUS	95,253	112,277	126,223	17,024	17.9%	13,946	12.4%
0807715HP	Dental Care Activities - CONUS	281,238	324,165	355,350	42,927	15.3%	31,185	9.6%
0807915HP	Dental Care Activities - OCONUS	<u>49,156</u>	<u>56,662</u>	<u>61,346</u>	<u>7,506</u>	15.3%	<u>4,684</u>	8.3%
Subtotal In-House Care		5,207,067	5,162,874	5,592,799	-44,193	-0.8%	429,925	8.3%
<u>PRIVATE SECTOR CARE</u>								
0807702HP	Pharmaceuticals - Purchased Health Care	163,214	204,028	232,378	40,814	25.0%	28,350	13.9%
0807703HP	Pharmaceuticals - National Retail Rx	767,864	1,522,546	1,582,383	754,682	98.3%	59,837	3.9%
0807723HP	TRICARE Managed Care Support (MCS) Contracts	3,921,324	4,736,678	4,724,267	815,354	20.8%	-12,411	-0.3%
0807738HP	MTF Enrollees - Purchased Care	1,412,843	1,683,316	1,811,865	270,473	19.1%	128,549	7.6%
0807741HP	Dental - Purchased Care	242,258	249,925	260,022	7,667	3.2%	10,097	4.0%
0807742HP	Uniformed Services Family Health Program (USFHP)	245,989	275,524	315,829	29,535	12.0%	40,305	14.6%
0807743HP	Supplemental Care - Health Care	768,375	736,732	811,976	-31,643	-4.1%	75,244	10.2%
0807745HP	Supplemental Care - Dental	54,968	117,500	130,698	62,532	113.8%	13,198	11.2%
0807747HP	Continuing Health Education/Capitalization of Assets Program (CHE/CAP)	172,461	184,914	228,713	12,453	7.2%	43,799	23.7%
0807749HP	Overseas Purchased Health Care	177,203	204,955	227,959	27,752	15.7%	23,004	11.2%
0807751HP	Miscellaneous Purchased Health Care	58,987	268,062	293,087	209,075	354.4%	25,025	9.3%
0807752HP	Miscellaneous Support Activities	<u>40,567</u>	<u>18,583</u>	<u>19,607</u>	<u>-21,984</u>	-54.2%	<u>1,024</u>	5.5%
Subtotal Private Sector Care		8,026,053	10,202,763	10,638,784	2,176,710	27.1%	436,021	4.3%

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<u>CONSOLIDATED HEALTH SUPPORT</u>							
0801720HP Examining Activities	35,923	42,907	46,177	6,984	19.4%	3,270	7.6%
0807714HP/HPT Other Health Activities	495,730	446,577	478,476	-49,153	-9.9%	31,899	7.1%
0807705HP Military Public/Occupational Health	225,855	268,453	240,881	42,598	18.9%	-27,572	-10.3%
0807760HP Veterinary Services	21,187	23,770	26,411	2,583	12.2%	2,641	11.1%
0807724HP Military Unique Requirements - Other Medical	358,601	378,709	309,791	20,108	5.6%	-68,918	-18.2%
0807725HP Aeromedical Evacuation System	19,906	52,046	52,406	32,140	161.5%	360	0.7%
0807730HP Service Support to Other Health Activities - TRANSCOM	451	521	534	70	15.5%	13	2.5%
0807785HP Armed Forces Institute of Pathology (AFIP)	<u>76,787</u>	<u>76,433</u>	<u>65,197</u>	<u>-354</u>	-0.5%	<u>-11,236</u>	-14.7%
Subtotal Consolidated Health Support	1,234,440	1,289,416	1,219,873	54,976	4.5%	-69,543	-5.4%
<u>INFORMATION MANAGEMENT</u>							
0807781HP Non-Central Information Management/ Information Technology	380,083	377,191	376,220	-2,892	-0.8%	-971	-0.3%
0807793HP MHS Tri-Service Information Management' Information Technology	<u>571,550</u>	<u>488,142</u>	<u>528,679</u>	<u>-83,408</u>	-14.6%	<u>40,537</u>	8.3%
Subtotal Information Management	951,633	865,333	904,899	-86,300	-9.1%	39,566	4.6%
<u>MANAGEMENT ACTIVITIES</u>							
0807798HP/HPT Management Activities	69,663	54,880	56,613	-14,783	-21.2%	1,733	3.2%
0807709HP/HPT TRICARE Management Activity	172,086	175,074	178,351	2,988	1.7%	3,277	1.9%
0901200HP/HPT BMMP Domain Management and System Integration	<u>2,402</u>	<u>2,401</u>	<u>2,424</u>	<u>-1</u>	0.0%	<u>23</u>	1.0%
Subtotal Management Activities	244,151	232,355	237,388	-11,796	-4.8%	5,033	2.2%

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EDUCATION AND TRAINING							
0806722HP Armed Forces Health Professions Scholarship Program	147,976	168,917	181,175	20,941	14.2%	12,258	7.3%
0806721HP Uniformed Services University of the Health Sciences	105,366	103,793	98,045	-1,573	-1.5%	-5,748	-5.5%
0806761HP Other Education and Training	<u>192,986</u>	<u>174,495</u>	<u>180,862</u>	<u>-18,491</u>	-9.6%	<u>6,367</u>	3.6%
Subtotal Education and Training	446,328	447,205	460,082	877	0.2%	12,877	2.9%
BASE OPERATIONS/COMMUNICATIONS							
0806276HP Facilities Restoration and Modernization - CONUS	243,979	165,598	157,478	-78,381	-32.1%	-8,120	-4.9%
0806376HP Facilities Restoration and Modernization - OCONUS	74,300	50,966	26,739	-23,334	-31.4%	-24,227	-47.5%
0806278HP Facilities Sustainment - CONUS	398,976	271,168	290,736	-127,808	-32.0%	19,568	7.2%
0806378HP Facilities Sustainment - OCONUS	62,397	48,660	51,201	-13,737	-22.0%	2,541	5.2%
0807779HP Facilities Operations - Health Care (CONUS)	284,891	251,390	259,133	-33,501	-11.8%	7,743	3.1%
0807979HP Facilities Operations - Health Care (OCONUS)	24,384	24,741	25,471	357	1.5%	730	3.0%
0807795HP Base Communications - CONUS	33,711	40,745	41,943	7,034	20.9%	1,198	2.9%
0807995HP Base Communications - OCONUS	4,935	7,231	7,449	2,296	46.5%	218	3.0%
0807796HP Base Operations - CONUS	206,505	263,982	270,024	57,477	27.8%	6,042	2.3%
0807996HP Base Operations - OCONUS	21,023	24,644	26,151	3,621	17.2%	1,507	6.1%
0807753HP Environmental Conservation	687	370	380	-317	-46.1%	10	2.7%
0807754HP Pollution Prevention	466	591	609	125	26.8%	18	3.0%
0807756HP Environmental Compliance	23,743	25,919	26,674	2,176	9.2%	755	2.9%
0807790HP Visual Information Systems	<u>7,433</u>	<u>10,974</u>	<u>11,350</u>	<u>3,541</u>	47.6%	<u>376</u>	3.4%
Subtotal Base Operations/Communications	1,387,430	1,186,979	1,195,338	-200,451	-14.4%	8,359	0.7%
Subtotal DHP Operation and Maintenance	17,497,102	19,386,925	20,249,163	1,889,823	10.8%	862,238	4.4%

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Procurement (PE 0807720HP and PE 0807721HP)							
Dental Equipment	3,700	5,643	0	1,943	52.5%	-5,643	-100.0%
Food Service, Preventive Medicine, Pharmacy Equipment	9,281	11,308	4,999	2,027	21.8%	-6,309	-55.8%
Medical Information System Equipment	231,189	192,644	225,017	-38,545	-16.7%	32,373	16.8%
Medical Patient Care Administrative Equipment	2,035	2,409	3,633	374	18.4%	1,224	50.8%
Medical/Surgical Equipment	16,599	48,395	16,002	31,796	191.6%	-32,393	-66.9%
Other Equipment	22,615	20,801	27,576	-1,814	-8.0%	6,775	32.6%
Pathology/Lab Equipment	6,597	10,734	9,785	4,137	62.7%	-949	-8.8%
Radiographic Equipment	<u>76,249</u>	<u>111,986</u>	<u>109,343</u>	<u>35,737</u>	46.9%	<u>-2,643</u>	-2.4%
Subtotal Procurement	368,265	403,920	396,355	35,655	9.7%	-7,565	-1.9%
Research, Development, Test and Evaluation							
0601101HP In-House Laboratory Independent Research (ILIR)	0	2,355	2,424	2,355		69	2.9%
0602115HP Biomedical Technology	0	2,970	3,000	2,970		30	1.0%
0602787HP Medical Technology (AFRRI)	0	3,134	3,236	3,134		102	3.3%
0603002HP Medical Advanced Technology (AFRRI)	0	1,963	799	1,963		-1,164	-59.3%
0603115HP Medical Development	403,897	389,614	34,448	-14,283	-3.5%	-355,166	-91.2%
0605502HP Small Business Innovative Research (SBIR) Program	13,123	0	0	-13,123	-100.0%	0	
0605013HP Information Technology Development	<u>106,094</u>	<u>136,847</u>	<u>86,696</u>	<u>30,753</u>	29.0%	<u>-50,151</u>	-36.6%
Subtotal RDT&E	523,114	536,883	130,603	13,769	2.6%	-406,280	-75.7%
Total Defense Health Program	18,388,481	20,327,728	20,776,121	1,939,247	10.5%	448,393	2.2%

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<u>SPECIAL INTEREST ITEMS</u>							
Medicare Eligible Accrual Fund	6,495,939	7,097,061	7,651,240	601,122	9.3%	554,179	7.8%
Direct Care	1,561,330	1,746,662	1,848,838	185,332	11.9%	102,176	5.8%
▪ O&M	1,140,610	1,315,948	1,404,404	175,338	15.4%	88,456	6.7%
▪ MILPERS	420,720	430,714	444,434	9,994	2.4%	13,720	3.2%
Private Sector Care	4,934,609	5,350,399	5,802,402	415,790	8.4%	452,003	8.4%
Research, Development, Test & Evaluation	523,114	536,883	130,603	13,769	2.6%	-406,280	-75.7%
Congressionally Directed Programs	439,363	369,418	0	-69,945		-369,418	
TMA Central Information Technology Development	62,038	117,755	76,835	55,717	89.8%	-40,920	-34.8%
Service Information Technology Development	3,615	9,687	9,861	6,072	168.0%	174	1.8%
Small Business Innovative Research	13,123	0	0	-13,123	-100.0%	0	
Medical Development	4,975	30,788	34,448	25,813	518.9%	3,660	11.9%
Biomedical Technology	0	2,970	3,000	2,970		30	1.0%
Armed Forces Radiobiology Research Institute (AFRRI)	0	3,910	4,035	3,910		125	3.2%
In-House Laboratory Independent Research (ILIR)	0	2,355	2,424	2,355		69	2.9%