

# Hearing to examine the facts and circumstances surrounding alleged corruption and mismanagement at the U.S. taxpayer-funded Dawood National Military Hospital located in Afghanistan

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## Opening Statement

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Chairman Chaffetz, Ranking Member Tierney, Members of the Subcommittee on National Security, Homeland Defense and Foreign Operations of the House Committee on Oversight and Government Reform:

Thank you for the invitation to testify before this body regarding the U.S-funded and staffed medical mentoring mission in support of the Sardar Mohammed Daoud Khan National Military Hospital built by the Russians in 1973 in Kabul, Afghanistan regarding which I have almost 24 consecutive months of accumulated first-person information. I continue to receive follow-up from Afghans inside the facility and very recently from the current ISAF Medical Advisor, an officer whom I greatly respect and admire, U.K. Brigadier Christopher Parker.

I was the Command Surgeon for the NATO Training Mission- Afghanistan/Combined Security Transition Command-Afghanistan from 20 Feb 2010 through 18 Feb 2011 when I transitioned to HQ International Security Assistance Forces to work as deputy to Rear Admiral Upper Half David Smith, the ISAF Medical Advisor or MEDAD. I was a by-name request by GEN David Petraeus to stay a second consecutive year in Afghanistan to work on his MEDAD's staff due to my unique experience and expertise. I have provided a number of documents into the Committee's record in support of my testimony today including the 25 page Memorandum for Record that I completed on 09 Dec 2011 at the direct request of LTC Carlise, U.S. Army attorney at US Forces Afghanistan who was tasked by GEN Allen with collecting all of the documents for the Secretary of Defense's response to Chairman Issa's and Subcommittee Chairman Chaffetz's Oct 13 2011 request for documentation surrounding the alleged corruption and abuses at the National Military Hospital. As you know, these abuses were made public in a 3 Sept article by Maria Habib in the Wall Street Journal after a series of interviews with Afghan and coalition personnel in July and August 2011. I understand the Secretary of Defense officially made available my December 2011 memorandum for this committee on 16 July 2012, seven months after it was produced. I have shared several gigabytes of documents, pictures and video over the last few months with Mr. Tom Alexander and more recently Mr. Carlos Uriarte.

Two weeks after the transmission of that memorandum to LTC Carlise, GEN Allen initiated a 15-6 investigation into my allegations although it was not the first he had heard of them. GEN Allen sent Col Bruce Pagel, a US Army Reserve attorney working for GEN Allen's chief military attorney Marine Colonel Mike Jordan to interview me in August of 2011 after a line of questioning by Ms. Habib indicated a concern about a delay in calling in the DoD IG to look into the National Military Hospital abuses. When Col Pagel, accompanied by a young USMC Capt. attorney, asked me if there was any reason to believe LTG Caldwell delayed the investigations into the NMH I replied: "Any reason to believe? I know it for a fact." He repeated that last phrase somewhat incredulously but then listened as I relayed the information that you have in the 25-page MFR to him while the young Capt. took copious notes. I provided a number of corroborating witnesses to interview to ascertain my veracity. I heard nothing further regarding my clearly presented accusation of wrongdoing by a general officer still under the command of GEN Allen to a member of his military justice department. I heard nothing, that is, until I put it in writing to Congress four months later.

Shortly thereafter Ms. Habib made a request with ISAF's Public Affairs Office for an interview with me. Rear Admiral Lower Half Beck, GEN Allen's Public Affairs Officer, sent two junior public affairs officers to meet with me to assess my knowledge of the topic, the Daoud Khan Military Hospital. They listened in silence as I spoke for over forty minutes on the topic and then finally interrupted me with the question: "Have you ever had any PA training?" I responded to the affirmative and noted that every PAO I have ever worked with in the Air Force had told me to "talk about what I knew and always tell the truth" and that I hoped that also applied in the joint arena. They left and I was summoned to meet with Rear Admiral Beck the next day. After listening to what I was going to tell Ms. Habib his response was to state that I was clearly a disgruntled officer, could not be a spokesperson for ISAF, he was not going to allow her to have an official on-the-record interview with me and if I tried to meet with her I was "on my own." The warning was clear. He came to my office later and in front of CDR Terry Johnson, a Navy ENT physician assigned to my division, told me he was now going to tell Ms. Habib she could submit questions and I could submit answers to him that he would filter and edit before providing them back to Ms. Habib. Ms. Habib apparently refused as I never received any questions to answer but her article did indicate that ISAF had refused to make me available to her for an interview.

I spend time on these events as it was specifically that article that led members of Congress to request an investigation last year. But that article was not complete due to the command in Afghanistan providing half-truths and obfuscating the multilayered labyrinth of still active causalities not the least of which was the inability of the senior leadership to effectively engage and defeat the criminal patronage networks (CPN), some with ties all the way to the top of the Government of Afghanistan. Criminal Patronage Networks that had captured key institutions that were being supported and empowered by millions and in some cases billions of US dollars. One such organization captured was the Sadar Mohammed Daoud Khan Hospital in Kabul. In that case, in addition to money and materials, lives were also lost and patients and mentors alike suffered. As GEN Allen clearly stated before Congress in his March testimony, no prosecutions had occurred to that date and none have yet occurred in regard to the events of 2010. Ee Afghanistan ast (this is Afghanistan.) The rule of law expectations of western donor nations is a goal yet to materialize.

In recent testimony before the Subcommittee on Oversight and Investigations of the House Armed Services Committee I noted that Mr. Sedney asserted that the US had spent only \$185M in 9 years on the entire Afghan military medical system. My team discovered early on that no reliable accounting of dollars spent existed prior to 2007 but we had been mentoring medics since 2003 and the Daoud Khan Hospital since 2005. Considerably more than \$185M has been utilized in the development of the Afghan Army health system by many donor nations. The U.S. had spent \$153M just on medical supplies and meds from 2007-2010 with over \$42M in pharmaceuticals delivered in 2010 alone. This did not count the building and equipping of four 50-bed hospitals, three 50 bed hospital extensions and medical barracks, numerous Troop medical clinics, years of 65-85% of all of the Afghan military medical personnel salaries and 100% of their incentive bonuses, US MILPERS costs for medics, multimillion dollar MPRI and DynCorp medical personnel contracts and the millions of dollars of additional TRICARE costs to the DoD for the loss of years of deployed military physicians, PA's and Nurse practitioners used as trainers/mentors. We supply 100% of the fuel and food to the Afghans Army including the Daoud Khan

Hospital where it was routinely pilfered enriching the CPN's. The enormously expensive Level III facilities in Afghanistan are filled with Afghans; approximately 60% of all beds were filled with host nation personnel in 2010 and 2011; all supporting the Afghan military health system that would have received them. Essentially all of the air evacuation of Afghans from the battlefield is by US assets; again, our nickel. Many bilateral medical support agreements also exist with other nations with unsupportable and unsustainable hemodialysis machines and a lithotripsy machine purchased with such support just in 2009-10. Turkey and Egypt and India all also provide direct medical care support to the Afghan Army in addition to training. Canada has taken on a large training mission at the Afghan Forces Academy of Medical Sciences (AFAMS). Japan provided \$23M for drugs for the ANA in 2010 alone and built a 150 bed hospital for the Afghan Police from 2009-2011. And let's not forget that 75% of all dollars spent in Afghanistan for healthcare are extracted from the Afghan people themselves as out-of-pocket expense. Afghan soldiers' families have sold their farms and indentured themselves for healthcare in the US- and coalition-supported Daoud Khan Hospital. We also supply funds through the Ministry of Finance that are placed on-budget through the Deputy Ministry of Defense for Finance, MG Amaree, into budget lines in support of the Health department. These amounts had been approximately \$5M each year up to 2010 when over \$11M was placed directly into the MOD's health department budget for purchase of equipment and supplies and medicines.

It is these monies from 2005-2009 that MG Yaftali is most suspected of embezzling by the Afghan Army legal department. This would not be able to have been accomplished without the Deputy Minister of Defense for Finance's complicity and why the legal department also wanted to have him court-martialed. Rule of law again was thwarted by CPN's. These monies are subject to Afghan contracting processes and this remains very poorly regulated with 100% of vendors still failing to meet contract requirements as noted in the May 7 2012 DoDIG Report pages 6 and 7. Vendors are not vetted as to their abilities to perform but other "softer" non-transparent criteria. Unlike the DoDIG who stated they had not, I have personally sat through a contracting meeting for pharmaceuticals with BG Shamin and BG Safir where vendors clearly identified as having no capability to import the required contractual drug were still awarded the contract. I took this personally to Minister Wardak to no avail as he told me he was convinced of BG Safir's honesty. However, this is how the counterfeit morphine was repeatedly procured leading to hundreds of soldiers who were forced to suffer through surgical procedures and operations without analgesia. I reported this to my chain of command, the CJ-2 (Intelligence) debriefers, US Army Criminal Investigators (CID), and TF Shafafiyat all in 2010 just as I reported the diversion of US Morphine purchased by NTM-A/CSTC-A to pharmacies controlled by ANA medical generals and the exact location of the downtown Kabul warehouse where they were stored. Nothing was done. In fact, the whole thing was turned over to the Afghans and I supplied Col Eugene Baime, the Investigative Officer for GEN Allen's 15-6 investigation in Dec of 2010, the 201<sup>st</sup> Corps military judge's musings after he had dismissed all charges in regards to the counterfeit morphine scam. The judge's NTM-A mentor wrote to his chain of command that the judge knows that BG Shamin and BG Safir are guilty but he cannot prosecute them due to their connections (CPN's) and so there was nothing else he could do but dismiss the case. No witnesses will come forward. Ee Afghanistan ast.

Revisionist history as noted in the apparent “new” reporting of patient abuse on 1 February 2011 that was the sudden impetus for the second visit by DoDIG to Daoud Khan Hospital in February or the lack of any knowledge before November of 2010 of the patient abuses at the National Military Hospital by the NTM-A chain of command will not provide any illumination. Such history is filled with audio but no accompanying video to support. In addition to my Memorandum for record the report “Leadership Failure at the NMH and OTSG” generated for NTM-A with the assistance of many sources including NTM-A IG, COL Mark Fassl provides clear insight as to what was known when as do many additional documents and e-mails also provided in my supporting documents. Leadership failures were not the exclusive realm of the Afghans. To get out of a labyrinth you must retrace your steps to see how you got there in the first place.

As I close I wish to state that there has been progress made in regards to the health department of the Afghan National Army most notably with the codification of a Strategic Plan for an Afghan National Security Forces Transition Objective for Health that consumed essentially the entire year of 2011 under the leadership of the ISAF MEDAD’s office. This would never have been accomplished without the direct recommendation and follow-up of the DoDIG and was one of the many reasons that their outside look and report that would eventually end up at Congress was so critical to all of us in Oct of 2010. That Strategic Plan was signed by GEN Allen in Nov of 2011 and included 134 or so milestones that had to be met for the transition objective to be completed by 31 December 2014. The accountability phase of that was that the coalition would de-scope the transition objective by stopping funding and or mentoring of aspects if milestones were not validated as being met. Since then, as briefed to the NATO Military Committee in Brussels on 25 April this year, 51 of the milestones had commenced and 67% of those were either completed or on track to complete on time; 29% were delayed or subject to challenges and 4% (i.e. 2 objectives) had been dismissed as no longer relevant. I do not know if there have been any consequences for the ~33% failure rate. Our team commenced and shepherded an 18-mo contract with Cure International for development of an Afghan Right, or what we called Tier One, hospital standards that was completed in the fall of 2011. I am told by Brigadier Parker that these standards have gained some effectiveness as validation teams first deployed in 2012 to inspect but these inspection events remain quite intermittent and as the many attempts at no-notice inspections in 2010 and 2011 indicated, there is no lack of leaks in the inspection system timetables. Unfortunately, any non-statistically selected audit unit finding cannot be generalized to the entire inventory. That is just a fact. This is a fallacy that I noted even in the May DoDIG report of compliance on page 9.

A new Surgeon General MG Musa Wardak has replaced MG Totakhil who replaced MG Yaftali in Dec 2010. As with the appointment of MG Totakhil, great expectations accompany this change but the last Surgeon, MG Totakhil, had been unable to muster the support from the Ministry of Defense to actually enforce the standards or to reassign personnel as the 1 February 2011 combined MOD and NTM-A IG inspection documented. Throughout 2011 senior Afghan MOD officials stated they were all powerless to get even 11 nurses who repeatedly did not report to work but were kept on the payroll (tashkiel) at the National Military Hospital preventing the hiring of competent nurses the US had trained. They were “protected” while nursing staff was undermanned and unable to adequately care for the soldiers. I personally took this to MG Totakhil, Chief of the General Staff GEN Karimi and First Deputy Minister

Nasari without any effect long after MG Yaftali had been relieved. The Criminal Patronage Networks remained in place at the Daoud Khan Hospital. I hope this change of leadership at the Surgeon General's office has been accompanied by changes in MOD support but history provides little in support of that hope. And, of course, hope is not a plan.

Today, not just in 2010 or 2011, individuals wearing ANA uniforms, being paid salaries that US taxpayers support and who perpetrated or allowed to be perpetrated unspeakable abuses upon Afghan soldiers, civilians and family members walk the halls of the Daoud Khan Hospital unrepentant, unscathed, enriched and still unprosecuted. I am informed that they are running very active private fee-for-service practices with our equipment, fuel, supplies and drugs in the National Military Hospital. The Rule of Law despite years of efforts does not exist in Afghanistan and the lack of justice, the most essential of essential services that any legitimate government must provide to its people, is the ultimate anti-counterinsurgency strategy that we must cease to support and fund.

None of this is the fault of the iterations of mentors that have faithfully answered the call to deploy in support of the Afghan Army health system; they all came to make a difference and I honor their service under extremely difficult and dangerous conditions, not always only from potential insurgent attacks, and receiving varying levels of leadership support under the rules of engagement that exist for medical mentoring. However, they were and remain unprepared or equipped to deal with the impacts in their arena of the criminal patronage networks that continue to defeat the coalition. The DoDIG recommended DoD program of instruction for medical mentors created, with input from those who had lived it in Afghanistan, for pre-deployment resiliency, ethics and medical stability operations training has languished due to the services not agreeing on a single curriculum, site or funding source while \$B continue to flow into Afghanistan where there exists, as repeatedly documented by every accounting audit to date, a persistent lack of fiscal accountability of those funds.

I have attempted to provide some information to assist in the committee's investigation into the corruption and mismanagement at the Sadar Mohammed Daoud Khan Hospital with this statement and in the documents submitted. I am at your disposal to answer any additional questions you might have.