Defense Health Agency Transition

Adaptation of DHA Town Hall Presentation given on March 14, 2019

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Huntsville Center
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The Making of the Defense Health Agency: Task Force, Memos, DoD Directives, NDAAs

DoD Task Force on MHS Governance

DEPSECDEF Planning Memo

DHA Planning WG Report

DEPSECDEF “Nine Commandments” Memo

DODD 5136.13

NDAA 2017

NDAA 2019

Sep 2011

Mar 2012

Nov 2012

Mar 2013

Sep 2013

Dec 2017

Aug 2018

Recommended DHA model for MHS Governance

Directed planning for DHA implementation

Provided DHA and Shared Services implementation plan for DEPSECDEF approval

Directed implementation of DHA

Establishes the DHA

Directs DHA to assume Authority, Direction and Control of MTFs

Strengthens DHA’s Role in MHS
An Approach Aligned with Strategy

• The Department’s management structure and processes are not written in stone, they are a means to an end....Department leaders will adapt their organizational structures to best support the Joint Force.

• We will reduce or eliminate duplicative organizations and systems for managing human resources, finance, health services, travel, and supplies.
Business Case for an Enterprise Approach

Current State: 24 Separate Quality of Care Policies

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<th>Army</th>
<th>Air Force</th>
<th>Navy</th>
<th>NCR</th>
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Future State: 1 Overarching Policy Instruction for Quality of Care across MHS
Vision for DoD Healthcare Reform

Why Change is Needed
• Four disjointed healthcare systems with 24 overlapping headquarters/regional/intermediate commands
• Duplicative overhead and staff functions across and within each system
• Prolonged and uncoordinated decision making
• Unnecessary variation in processes, policies, and procedures across and within each system
• Duplicative and disjointed healthcare IT systems

What We Are Doing
• Consolidating healthcare management functions under one system (NDAA §702)
• Defining overall medical force size requirements and structure (NDAA §721)
• Optimizing military medical treatment facility footprint (NDAA §703)
• Deploying a more modern, secure, and connected electronic health system (MHS GENESIS)
• Implementing 11 enterprise-wide initiatives projected to save $2.6B/year at full implementation (RMG)

IMPACT
Higher costs and suboptimal outcomes for readiness, health, access to care, quality, and safety

IMPACT
An effectively organized medical system that strategically supports readiness and health
MTF Transition Video
https://www.youtube.com/watch?v=qL84s8aUmJQ&t=2s&pbjreload=10
Integrating Military and Civilian Health Care

Approximate Distribution of DoD Health Care Costs:
- Military Care: 40%
- Civilian Care: 60%

A Notional Market Construct:
- Relative Market Size
- Large
- Medium
- Small
- Remote

- Direct Care
- Purchased Care
Military Treatment Facility (MTF)

Reporting Relationships – Current
Military Treatment Facility (MTF)

Reporting Relationships – Future
USACE Impacts From DHA Transition

Medical MILCON Program

Sustainment, Restoration and Modernization Program (SRM)

USACE Medical Support Teams
- Mobile
- Huntsville
- Little Rock

Operations and Maintenance Program (OMEE)

Restoration and Modernization Program (MRR)

Initial Outfitting and Transition Program (IO&T)
Questions