



OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

DEC - 4 2019

The Honorable James M. Inhofe
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As requested in the Conference Report accompanying the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019, and the Continuing Appropriations Act, 2019 (Public Law 115-245), enclosed is the fiscal year 2019, fourth quarter, budget activities execution data report for the Defense Health Program.

Thank you for your interest in the health and well-being of our Service members, veterans, and their families. Similar letters are being provided to the other congressional defense committees.

Sincerely,

A handwritten signature in black ink that reads "James N. Stewart". The signature is fluid and cursive, with a large initial "J" and "S".

James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Jack Reed
Ranking Member



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PERSONNEL AND
READINESS

DEC - 4 2019

The Honorable Adam Smith
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable William M. "Mac" Thornberry
Ranking Member



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PERSONNEL AND
READINESS

The Honorable Richard C. Shelby
Chairman
Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

DEC - 4 2019

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James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Richard J. Durbin
Vice Chairman



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

DEC - 4 2019

The Honorable Peter J. Visclosky
Chairman
Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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James N. Stewart

Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Ken Calvert
Ranking Member



**Defense Health Program
Quarterly Budget Execution
Fourth Quarter, Fiscal Year 2019**

Issue: As requested in the Joint Explanatory Statement, page 449, accompanying H.R. 6157, the Consolidated Appropriations Act, 2019, the fourth quarter Fiscal Year (FY) 2019 budget execution data for all Defense Health Program (DHP) Activities is below.

Report Request: Requests the Assistant Secretary of Defense for Health Affairs to provide quarterly reports to the congressional defense committees on budget execution data for all of the DHP budget activities.

Summary: The cumulative fourth quarter Operation and Maintenance budget execution rate is 99 percent.

Appropriation*	Budget (\$000)	Obligations (\$000)
Operation and Maintenance	31,543,691	31,497,211
Research, Development, Test and Evaluation	2,179,621	409,634
Procurement	520,459	249,825

* Attachment includes additional information for each appropriation

Preparation of this report cost the Department of Defense a total of
approximately \$300 in FY 2019.

**Defense Health Program
Quarterly Budget Execution
Fourth Quarter, Fiscal Year 2019**

FY 2019 Operation and Maintenance

Budget Activity Group	Title	Base Budget Request	OCO Budget Request	Total Request	Base Budget Enacted	OCO Budget Enacted	Total Enacted ¹	Adjustments Required by Statute ²	Above Threshold Reprogrammings ³	Internal Adjustments ⁴	Annual Funded Program (AFP) September 30, 2019	Base Obligations	OCO Obligations	Cumulative Obligations September 30, 2019
1	In House Care	9,738,569,000	72,627,000	9,811,196,000	9,236,096,000	72,627,000	9,308,723,000				9,308,723,000	9,204,584,000	69,929,000	9,274,513,000
2	Private Sector Care	15,103,735,000	277,066,000	15,380,801,000	14,521,735,000	277,066,000	14,798,801,000		408,080,000		15,206,881,000	14,929,219,000	277,067,000	15,206,286,000
3	Consolidated Health Support	2,107,961,000	2,375,000	2,110,336,000	2,042,961,000	2,375,000	2,045,336,000	(124,500,000)		(8,981,000)	1,911,855,000	1,903,992,000	2,426,000	1,906,418,000
4	Information Management	2,039,878,000		2,039,878,000	2,014,878,000		2,014,878,000		44,221,000	125,059,000	2,184,158,000	2,184,138,000		2,184,138,000
5	Management Activities	307,629,000		307,629,000	309,629,000		309,629,000			1,094,000	310,723,000	310,478,000		310,478,000
6	Education and Training	756,778,000		756,778,000	743,778,000		743,778,000			2,127,000	745,905,000	745,629,000		745,629,000
7	Base Operations & Communications ²	2,090,845,000		2,090,845,000	2,084,345,000		2,084,345,000	10,000,000	(99,600,000)	(119,299,000)	1,875,446,000	1,869,749,000		1,869,749,000
	Total O&M	32,145,395,000	352,068,000	32,497,463,000	30,953,422,000	352,068,000	31,305,490,000	(114,500,000)	352,701,000	-	31,543,691,000	31,147,789,000	349,422,000	31,497,211,000

NOTE: Totals do not include anticipated annual Medicare Eligible Retiree Health Care Fund (MERHCF) distributions of \$1,796,565.

^{1/} Enacted includes congressional adjustments totaling \$-1,191,973 thousand.

^{2/} Includes funding for Fisher House Foundation construction and furnishing of additional Fisher Houses (BAG7 \$+10,000) and mandatory transfer to Department of Veterans Affairs for Federal Health Care Center (FHCC) (BAG3 \$-113,000) and transfer to DoD/VA Joint Incentive Fund (JIF) (BAG3 \$-15,000) for annual requirements per Congressional language. Transfer from Drug Demand Reduction Program (DDRP) to BAG3 for \$+3,500 (FY 19-05 IR).

^{3/} Approved Congressional Prior Approval Reprogramming:

FY-19-04 PA: FY19/21 Procurement (\$-44,221) to Information Management (BAG4 \$+44,221) for Defense Healthcare Management Systems Modernization (DHMSM) system operation requirements.

FY-19-09 PA: Base Operations & Communications (BAG7 \$-99,600) to Private Sector Care (BAG2 \$+99,600) for private sector care shortfall.

FY-19-09 PA: FY19/21 Procurement (\$-308,480) to Private Sector Care (BAG2 \$+308,480) for private sector care shortfall.

^{4/} Internal adjustments to BAG4 \$+125,059, BAG5 \$+1,094, and BAG6 \$+2,127 from BAG3 \$-8,981 and BAG7 \$-119,299.

FY 2019/2020 Research, Development, Test and Evaluation ^{1/2}

		710,637,000	-	710,637,000	2,179,621,000	-	2,179,621,000	-	-	-	2,179,621,000	409,634,000	-	409,634,000
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^{1/} Enacted includes congressional adjustments totaling \$-1,316 thousand for Federally Funded Research and Development Centers (FFRDC) and \$1,470,300 thousand for congressional research adjustments.

^{2/} RDT&E funds set aside for Small Business Innovation Research (SBIR) program is \$58,549, and for Small Business Technology Transfer (STTR) program is \$8,235.

FY 2019/2021 Procurement ¹

		873,160,000	-	873,160,000	873,160,000	-	873,160,000	-	(352,701,000)	-	520,459,000	249,825,000	-	249,825,000
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