



Defense Health Agency

ADMINISTRATIVE INSTRUCTION

NUMBER 7100.01

October 23, 2021

DAD-FO

SUBJECT: Capital Investment Decision Model

References: See Enclosure 1

1. PURPOSE. This Defense Health Agency-Administrative Instruction (DHA-AI), based on the authority of References (a) and (b), and in accordance with the guidance in References (c) through (g), establishes the Defense Health Agency's (DHA) procedures for the Capital Investment Decision Model (CIDM) supporting project prioritization for repair of facilities and military construction (MILCON) projects for the DHA.
2. APPLICABILITY. This DHA-AI applies to the DHA, and DHA Components (activities under the authority, direction, and control of DHA).
3. POLICY IMPLEMENTATION. It is DHA's instruction, pursuant to References (a) through (g), that the DHA implement procedures to evaluate and prioritize major capital investments, to include DHA MILCON and Operations and Maintenance (O&M) funded repair of facility project proposals, against investment strategy evaluation criteria that is weighted by DHA leadership in accordance with the enterprise strategy.
4. RESPONSIBILITIES. See Enclosure 2.
5. PROCEDURES. See Enclosure 3.
6. RELEASABILITY. **Cleared for public release**. This DHA-AI is available on the Internet from the Health.mil site at: <https://health.mil/Reference-Center/Policies> and is also available to authorized users from the DHA SharePoint site at: <https://info.health.mil/cos/admin/pubs/SitePages/Home.aspx>.

7. EFFECTIVE DATE. This DHA-AI:

- a. Is effective upon signature.
- b. Will expire 10 years from the date of signature if it has not been reissued or cancelled before this date in accordance with Reference (c).

/S/
RONALD J. PLACE
LTG, MC, USA
Director

Enclosures

1. References
2. Responsibilities
3. Procedures

Glossary

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5136.01 “Assistant Secretary of Defense for Health Affairs (ASD(HA)),” September 30, 2013, as amended
- (b) DoD Directive 5136.13 “Defense Health Agency (DHA),” September 30, 2013
- (c) DHA Procedural Instruction 5025.01, “Publication System,” August 24, 2018
- (d) United States Code, Title 10, Section 1073c
- (e) DoD Instruction 6015.17 “Military Health System (MHS) Facility Portfolio Management,” January 13, 2012, as amended
- (f) DoD Directive 4165.06 “Real Property,” October 13, 2004, as amended
- (g) DHA “Plan 3: Implementation Plan for the Complete Transition of Military Medical Treatment Facilities to the Defense Health Agency,” Version 6, August 12, 2019

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR, DHA. The Director, DHA will:

- a. Administer and manage planning, validation, and prioritization of proposed military medical construction projects for DHA assigned facilities in accordance with Reference (d).
- b. Ensure a standardized capital planning process is used, linking long-term mission needs with long-term capital assets, to manage DHA's portfolio of assets to achieve performance goals and objectives.
- c. Implement a CIDM program to ensure all DHA facility capital investments are ranked based on the most current Military Health System (MHS) strategic guidance, DHA business plans, and facility asset management best practices.
- d. Approve DHA Program Objective Memorandum (POM) submission to the Assistant Secretary of Defense for Health Affairs for MILCON as part of the Unified Medical Program. Approve Defense Health Program (DHP) O&M; Research, Development, Test & Evaluation; Procurement funds supporting construction; Sustainment, Restoration, and Modernization (SRM); and Initial Outfitting and Transition. The CIDM Project List will be used as a key input in developing the DHA MILCON POM and the DHA Facilities Enterprise Project List (EPL) for non-MILCON funded projects.

2. ASSISTANT DIRECTOR (AD) HEALTH CARE ADMINISTRATION (HCA), DHA. The AD-HCA, DHA will:

- a. Review and approve nominations for the Capital Investment Review Board (CIRB).
- b. Review and approve annual updates to the CIDM Project List.
- c. Ensure DHA and MHS strategic priorities are communicated to the Chief, DHA Facilities Enterprise (FE) for use in updating CIDM criteria.

3. DAD, FINANCIAL OPERATIONS. The DAD, Financial Operations will:

- a. Coordinate funding targets with Chief, DHA Facilities Enterprise (DHA FE) for the DHA MILCON POM and DHA DHP O&M funded SRM program to inform the CIDM Project List and EPL.
- b. Provide coordination comments to AD-HCA on the CIDM Project List.

4. CHIEF, DHA-FE. The Chief, DHA-FE will:
 - a. Provide oversight of the CIDM program, to include developing associated guidance, procedures, and requirements.
 - b. Coordinate nominations for the CIRB with AD-HCA.
 - c. Co-chair the CIRB with the DHA Deputy Director or his designee.
 - d. Forward recommended annual updates of the DHA CIDM Project List to AD-HCA for approval.
 - e. Coordinate the DHA CIDM Project List with appropriate stakeholders to inform programming and funding priorities.
 - f. Advise the AD-HCA and DHA Director on rationale, including classified justification, which may affect project funding and prioritization.

5. CHIEF, CAPITAL STRATEGY MANAGEMENT (CSM) BRANCH, DHA-FE. The Chief, CSM Branch, DHA-FE, will:
 - a. Exercise management authority over the CIDM process.
 - b. Ensure all proposed DHA MILCON projects and repair of facilities projects are entered into the Facilities Management module of the Defense Medical Logistics Enterprise Solution (DML-ES/LogiCole) system and coordinated through the DHA-FE Work Induction Board (WIB) to CSM for validation and CIDM prioritization.
 - c. Designate and train CIDM Scorers.
 - d. Conduct CIDM scoring sessions quarterly or as needed.
 - e. Nominate CIRB members for approval by AD-HCA.
 - f. Develop, and biannually update, CIDM scoring and CIRB weighting criteria based on strategic guidance and process improvement principles.
 - g. Prepare, and annually update, the DHA CIDM Project List, and brief the Chief, DHA-FE, on the outcomes of CIDM for AD-HCA approval.
 - h. Train CIRB members on the CIDM process; convene the CIRB.

6. DHA CIDM SCORERS. The assigned CIDM Scorers will:

- a. Convene quarterly, or as assigned by Chief, CSM, to score project proposals.
- b. Review the CIDM documentation for each proposed project.
- c. Score each proposed project based upon CIDM methodology.
- d. Provide feedback at the close of each scoring session to the Chief, CSM, DHA-FE to continuously improve the CIDM process.

7. DHA CIRB. The CIRB will:

- a. Convene biennially to establish criteria weights for projects scored in CIDM.
- b. Assign the relative weight of each investment strategy evaluation criteria based on DoD, MHS, and DHA strategy imperatives.
- c. Prioritize project proposals based upon criteria-weighted scores to form the DHA CIDM Project List.
- d. Provide feedback on the CIRB process to Chief, CSM, DHA-FE to continuously improve the CIDM process.

8. DHA MARKETS, SMALL MARKET AND STAND-ALONE MEDICAL TREATMENT FACILITY ORGANIZATION (SSO), DEFENSE HEALTH AGENCY REGIONS (DHAR) DIRECTORS. The DHA Markets, SSO, and DHARs Directors will support development of DHA-FE led infrastructure masterplans in accordance with Reference (g).

ENCLOSURE 3

PROCEDURES

1. CIDM BACKGROUND

a. CIDM is a strategic, criteria-based, facility capital investment decision support process that was initially developed by the MHS in 2008 to transform the way the enterprise evaluated and prioritized facility capital investment proposals.

b. CIDM processes and decision tools are always evolving as part of a continuous process improvement effort, with each investment planning cycle based upon enterprise strategic imperatives and lessons learned from previous CIDM events. CIDM is a transparent, repeatable, and auditable process.

2. BASIS FOR PROCEDURES

a. The following procedures pertain to all proposed repair of facilities projects that are referred to CSM for validation and prioritization by the DHA-FE WIB, and all MILCON project capital investments.

b. CIDM process and procedures are driven by the goals and objectives articulated in the MHS Strategic Plan, Quadrennial Defense Review, DHP Fiscal Guidance, Program Objective Memoranda Guidance, DHA Quadruple Aim, DHA Strategy Map initiatives, and national strategic objectives. CIDM investment strategy evaluation criteria is developed based on this guidance, and each project proposal is scored against this CIDM criteria. The criteria are then weighted by the CIRB, in accordance with the identified enterprise strategy, to derive the initial CIDM priority list.

c. The CIDM process begins after:

(1) Proposed project has been entered into the Facilities Management module of the DML-ES/LogiCole system,

(2) Proposed project has been validated by DHA-FE staff and categorized as repair of facilities or MILCON project, and

(3) CSM Branch has confirmed proposed project should be prioritized in CIDM.

d. The following procedures are initiated when project proposals are ready for prioritization in CIDM. Procedures include preparing CIDM packages, scoring proposed projects, weighting criteria, prioritizing proposed projects, approving priorities, and assessing evaluation criteria. See Figure 1 for the six major CIDM steps and the responsible parties associated with each step.

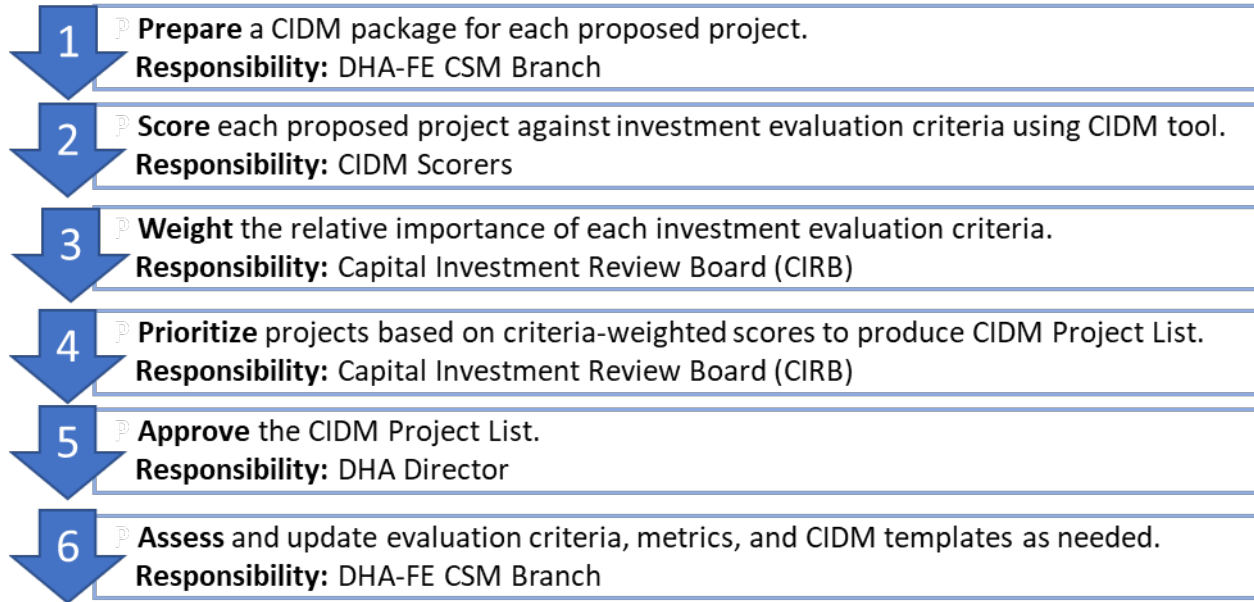


Figure 1: Capital Investment Decision Model Steps

3. CIDM STEPS

a. Step 1–Prepare CIDM Packages. CIDM package documentation includes basic planning, scope, and cost information and is prepared by planners in DHA-FE, in consultation with affected DHA Markets/SSO/DHARs, Military Medical Treatment Facilities/DHA Facilities, and Installations.

b. Step 2–Score Proposed Projects

(1) Each proposed project is scored against investment strategy evaluation criteria based upon the information provided within the CIDM package.

(2) CSM performs the following in support of CIDM during this step:

(a) Coordinate with DHA-FE leadership to identify nominees to serve as Scorers, train identified scorers, and run CIDM scoring sessions. Scorers will consist of experienced staff from a broad range of DHA-FE branches and relevant DHA Directorates; DHA Direct Reporting Markets, DHARs, and SSO; and other stakeholders.

(b) Finalize the CIDM criteria to be used for scoring proposed projects.

c. Step 3–Weigh the Relative Importance of Evaluation Criteria

(1) The relative weight of each investment strategy evaluation criteria is determined by the CIRB. CIRB membership will be drawn from DHA personnel and consist of senior military officers, senior civilian government employees, and is chaired by a General/Flag Officer or a

Senior Executive Service member. CIRB weighted criteria remains constant for the current series of CIDM (e.g., CIDM 6.0) and all subsequent CIDM events within that series (e.g., CIDM 6.1, 6.2). If evaluation criteria are adjusted as a result of enterprise guidance (such as new National Defense Strategy or new DHA strategy) or lessons learned, the CIRB must re-weight the new criteria for the subsequent CIDM series (e.g., CIDM 7.0).

(2) CSM performs the following during the CIRB process:

(a) Coordinate with DHA-FE leadership to identify nominees to serve as members of the CIRB for the current series of CIDM.

(b) Train CIRB members on their role in the CIDM process and then convene the CIRB to assign a relative weight to each criterion.

d. Step 4—Prioritize the Proposed Projects. Using the finalized CIRB developed criteria weights, DHA-FE will produce a rank-ordered DHA CIDM Project List and coordinate the CIDM criteria and Project List with DHA Leadership. The biennial CIRB-established criteria weights will be applied to each subsequent quarterly CIDM scoring session until such time as a new CIRB is convened.

e. Step 5—Approve the Priorities

(1) The CIDM Project List is submitted to DHA-FE leadership for review and distribution to higher DHA leadership annually. DHA and DHA-FE leadership may consider additional extraordinary strategic circumstances that may impact project funding priorities not necessarily reflected in the CIDM weighted score.

(2) CSM performs the following during the approval process:

(a) If necessary, brief leadership on CIDM, CIRB, and Project List recommendations.

(b) Each year, finalize and distribute the current CIDM Project List to the appropriate stakeholders to inform programming and funding priorities.

(c) Record any process improvement opportunities identified by leadership to inform the next CIDM event.

f. Step 6—Assess and Update Evaluation Criteria

(1) CIDM process improvement opportunities are immediately leveraged at the conclusion of the current CIDM event. The goal is to assess and, if necessary, update evaluation criteria, metrics, and templates for the next CIDM event.

(2) CSM is responsible for the following in support of assessing and updating evaluation criteria:

- (a) Identify criteria that need to be updated for the next CIDM event.
 - (b) Assess all relevant new and/or updated DHA strategic guidance that should be considered in decision criteria to establish the most current strategic framework for the next CIDM event.
 - (c) Develop new and/or updated evaluation criteria for the next CIDM event based upon current CIDM criteria and updated DHA strategic guidance and lessons learned for approval by Chief, DHA-FE.
- (3) Finalize DHA leadership approved investment strategy evaluation criteria and metrics for the next CIDM event.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AD	Assistant Director
CIDM	Capital Investment Decision Model
CIRB	Capital Investment Review Board
CSM	Capital Strategy Management
DAD	Deputy Assistant Director
DHA	Defense Health Agency
DHA-AI	Defense Health Agency-Administrative Instruction
DHA-FE	Defense Health Agency Facilities Enterprise
DHAR	Defense Health Agency Region
DHP	Defense Health Program
DML-ES/LogiCole	Defense Medical Logistics Enterprise Solution
EPL	Enterprise Project List
FE	Facilities Enterprise
FSB	Facilities Sustainment Board
HCA	Health Care Administration
MHS	Military Health System
MILCON	military construction
O&M	Operations and Maintenance
POM	Program Objective Memorandum
SRM	Sustainment, Restoration, and Modernization
SSO	Small Market and Stand-Alone Medical Treatment Facility Organization
WIB	Work Induction Board

PART II. DEFINITIONS

Capital Investment. Amount invested to enhance attainment of the Agency's objectives. The projected outcomes may include improved products, service quality and timeliness, reduced costs, and/or fostering comparable and competitive business operations.

CIDM. Supports effective planning and decision-making for facility capital investments by balancing the need to modernize DHA facility infrastructure with the reality of competing demands for the limited funds available. The CIDM is the process used to prioritize DHA facility capital investment project proposals. The CIDM is used to assist the DHA in validating proposed project requirements by ensuring that facility investments are aligned to MHS priorities and strategic goals. Output is an initial, non-weighted project ranking prior to the CIRB.

CIRB. After the CIDM Scoring process is completed, a committee consisting of O-6/GS-15 or above personnel, including a minimum of one representative each from DHA Facilities, Healthcare Operations, Business Operations, Markets, SSO and/or DHARs will weight each of the Strategic criterion to finalize the DHA CIDM Project List.

DML-ES. The Defense Medical Logistics Enterprise Solution is the portfolio of software applications used to provide a continuum of medical logistics support for the Defense Health Agency. The Facilities Management module of DML-ES currently resides within the Defense Medical Logistics Standard Support system but is transitioning to the updated DML-ES/LogiCole platform.

EPL. The EPL is a prioritized listing of DHA DHP O&M funded SRM project requirements used to establish a 3 Year Execution Plan based on projected funding levels. Key inputs to the EPL are the Facilities Sustainment Board (FSB) and WIB results and the CIDM Project List for O&M funded projects.

FSB. The DHA-FE panel that reviews, validates, and prioritizes facilities project proposals that are below the capital investment threshold using an objective analytical hierarchy process. FSB results are used as a key input in developing the EPL 3 Year Execution Plan.

Proposed Project. A project proposal that has not been scored in CIDM or weighted by the CIRB.

Project Proposal. Any requirements package placed in DML-ES/LogiCole for construction or repair, or combination, to be performed on or in a facility necessary to produce a complete and usable facility or improvement to a facility is a “project,” regardless of dollar amount or execution strategy.

WIB. The DHA-FE facility panel that ensures optimal expenditure of DHP O&M funds for SRM projects to achieve strategic priorities across the DHA facility portfolio. The WIB inducts all project proposals (“Requirements Packages”) into the DML-ES/LogiCole database from a variety of sources, to include external Agencies, MHS stakeholders, DHA Portal, and DHA-FE, and directs action for adjudication. SRM capital investment project proposals are then prioritized either through the WIB process or through the CIDM process, according to established business rules, and those results are used as a key input in developing the EPL 3 Year Execution Plan.