



Defense Health Agency

PROCEDURAL INSTRUCTION

NUMBER 6430.02
September 27, 2018

MEDLOG

SUBJECT: Defense Medical Logistics (MEDLOG) Enterprise Activity (EA)

References: See Enclosure 1.

1. PURPOSE. This Defense Health Agency-Procedural Instruction (DHA-PI):

a. Provides instructions for implementing Defense Medical Logistics (DML) programs and shared services as directed by References (a) through (e) to promote efficiency and cost effectiveness in the delivery of DoD healthcare and joint readiness for the support of combatant commanders.

b. Leads the EA in standardizing medical logistics materiel and business processes to deliver better health care, create value within the Military Health System (MHS), sustain and improve medical readiness and achieve interoperability across platforms.

c. Provides functional direction to medical treatment facilities (MTFs) to synchronize shared medical logistics programs across the continuum of care through an EA that reduces procedural variance and establishes strategic partnerships to deliver medical logistics services to the MHS. It enables Defense Health Agency (DHA) MEDLOG to execute policies set forth by the Director, DHA, associated with its management and administration authority of military MTFs as directed in References (a), (b), and (e).

d. Based on the authority of References (a) through (c), and in accordance with the guidance of References (d) and (e), this DHA-PI:

(1) Establishes DHA's procedures to exercise management responsibilities of MEDLOG EA functions in the MHS. This DHA-PI is binding on DoD Components and supports the responsibility of the Director, DHA, to develop appropriate management models to maximize efficiencies in the activities carried out by DHA.

(2) Implements medical logistics strategies and programs outlined in Reference (e).

(3) Recognizes the Defense Medical Logistics Proponent Committee (DMLPC) as the

authoritative body representing the Defense Medical Logistics Enterprise (DMLEnt) in providing overarching guidance and business process development to implement medical logistics strategies and programs per Reference (e).

(4) Defines roles, assigns responsibilities, and promulgates procedures for the development, coordination, execution, and implementation of standardized MEDLOG EA procedures and business processes within the MHS.

(5) Executes MEDLOG EA assigned responsibilities and functions in accordance with References (b) and (e). When needed, relies on advice and assistance of governance councils established by the Under Secretary of Defense for Personnel and Readiness and the Assistant Secretary of Defense for Health Affairs (ASD(HA)), including senior representatives of the Military Departments (MILDEPs).

(6) Outlines procedures to provide DHA Combat Support Agency (CSA) medical logistics functions in accordance with Reference (b), specifically involving support for operating forces engaged in planning for the full spectrum of military operations and to counter threats to U.S. national security.

2. APPLICABILITY. This DHA-PI applies to OSD, the MILDEPs, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands (CCMDs), the Office of the Inspector General of the DoD, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this DHA-PI as the “DoD Components”).

3. POLICY IMPLEMENTATION. It is DHA’s instruction, pursuant to References (a) through (c), that the Director, DHA, is responsible for the administration and management of each MTF within the MHS.

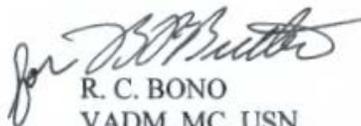
4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

6. RELEASABILITY. **Cleared for public release**. This DHA-PI is available on the Internet from the Health.mil site at: www.health.mil/DHAPublications..

7. EFFECTIVE DATE. This DHA-PI:

- 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 DHA-PI 5025.01 (Reference (d)).



R. C. BONO
VADM, MC, USN
Director

Enclosures

1. References
2. Responsibilities
3. Procedures
4. Medical Logistics Enterprise Activity Functions

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) National Defense Authorization Act for Fiscal Year 2017, Section 702
- (d) DHA-Procedural Instruction 5025.01, "Publication System," August 21, 2015, as amended
- (e) DoD Instruction 6430.02, "Defense Medical Logistics Program," August 23, 2017
- (f) DoD Directive 5101.09E, "Class VIIIA Medical Materiel Supply Management," September 29, 2015
- (g) Defense Logistics Agency Regulation 4155.24, "Product Quality Deficiency Report Program," July 20, 1993
- (h) DoD Instruction 5000.64, "Accountability and Management of DoD Equipment and other Accountable Property," April 27, 2017, as amended
- (i) DoD Directive 6000.12E, "Health Services Support," January 6, 2011, as amended

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR, DHA. Per Reference (e), and under the authority, direction, and control of the ASD(HA), the Director, DHA, exercises management responsibility for EA activities in the MHS, including the MEDLOG EA, and develops appropriate management models for specific functions and processes.

2. MILDEPs. The MILDEPs will support DML strategies and programs through the responsibilities outlined in Reference (e).

3. DIRECTOR, DEFENSE LOGISTICS AGENCY (DLA). As the designated DoD Medical Materiel Executive Agent, DLA manages Class VIIIA medical materiel across the full spectrum of military operations pursuant to References (e) and (f).

a. The DoD Medical Materiel Executive Agent provides acquisition and medical logistics support from customer to supplier and establishes the strategic and operational relationships necessary to maintain a consistent level of efficient and effective worldwide medical support.

b. Through strategic collaboration, DLA partners with DHA MEDLOG to directly support DML programs through the responsibilities outlined in References (e) and (f), during peacetime, wartime, for homeland defense, and offers defense support of civil authorities and other contingencies pursuant to Reference (f).

4. DEPUTY ASSISTANT DIRECTOR, HEALTHCARE OPERATIONS. The Deputy Assistant Director, Healthcare Operations, will provide oversight and guidance in support of medical logistics activities managed within the Military Treatment Facilities and ensure compliance with, and execution of, appropriate DHA procedural instructions and guidance in accordance with References (c) and (e).

5. CHIEF, MEDLOG/MEDLOG EA. The Chief, MEDLOG/MEDLOG EA, will:

a. Lead the MEDLOG EA. In coordination with DMLPC, the Chief will direct plans, programs, resources, initiatives, analysis and reporting for standardization of supplies, services, equipment, data and associated business processes. This will provide medical logistics capabilities and solutions to enable execution of the healthcare benefit mission and support integration of the Service readiness mission to conduct medical logistics support for the joint force.

b. Report MEDLOG EA performance measures and compliance to MHS leadership through

ASD(HA) designated governance councils.

c. Serve as Chair, DMLPC, in providing direction to the DMLent and MEDLOG EA. Define and implement standard business rules for efficient execution of medical logistics activities across the enterprise through the DMLPC.

d. Identify and resolve issues that prohibit the implementation of MEDLOG procedures outlined in this DHA-PI.

e. Conduct business case analyses and implement business process reengineering plans to drive data-driven solutions that support MHS strategic goals and priorities.

f. Develop and maintain effective strategic partnerships with the Department of Veterans Affairs, DLA, other DoD Components and interagency partners while advocating for DoD programs and initiatives that promote joint interoperability, efficiency, and responsiveness to support CCMD and MTF readiness.

g. Set strategies and goals to eliminate unnecessary duplication, maximize efficiency, and optimize MTF performance and readiness support; recommend and execute approved decisions to procure, shift, or redeploy resources in coordination with MILDEPs to enable effective delivery of medical supplies, equipment, and services.

h. Implement and manage a Defense Medical Materiel Solutions Center within the MHS to forecast, collect, and consolidate medical logistics materiel and services requirements and transform them into actionable procurement requirements to promote standardization, improve interoperability, and enhance readiness.

i. Develop and support execution of policies for publication to implement enterprise medical logistics programs and initiatives in support of MTF operations, including budgetary matters, business processes, medical logistics administration, management, and other essential activities.

j. Participate in the preparation and submission of budget requirements during the DoD Planning, Programming, Budgeting and Execution process as outlined in Reference (b).

k. Develop and implement standardized medical materiel, metrics, business processes, information management (IM), and data standards to guide medical logistics operations and measurably improve joint interoperability and sustainability of medical capabilities.

l. Support oversight of the delivery of all medical logistics services at MTFs in accordance with established DHA policies and business rules in accordance with References (b) through (i).

m. Collaborate with DHA contracting counterparts to identify contracting support

resource needs and build a requirements development process for new centralized contracts supported by MTF contractor, administration, and automation staffing support.

- n. Manage all existing enterprise services requirements and contracts for personal services, non-personal services, medical equipment, medical equipment maintenance, Prime Vendor and joint contracts among the MILDEPs and applicable DoD agencies, Components, and the Department of Veterans Affairs.
- o. Develop and implement logistics management business processes and manage internal control programs and procedures for MEDLOG activities or MEDLOG assessable units across the MHS to support financial management and property accountability within Medical Logistics.
- p. Evaluate MTF policy and procedure compliance through formal audit and inspection processes in support of the DHA's Organizational Inspection Program.
- q. Collaborate to correct deficiency and non-compliance within established guidelines and report results to the Director, DHA. Support the Deputy Assistant Director Healthcare Operations to correct non-compliance and deficiencies within established guidelines.
- r. Support the Federal Information System Controls Audit Manual audit activities.
- s. Define shared controls and audit responses using business process reengineering and alignment as appropriate.
- t. Support audit inquiries initiated through auditing entities, customer reports and data requests.
- u. Work with the Deputy Assistant Director, Information Operations, DHA Office of the Inspector General, Defense Health Program Audit Division, and internal and external auditors to align audit activities and schedules to minimize impact to MTFs.
- v. Utilize the DMLPC and conduct MEDLOG EA stakeholder analysis, develop a communication plan, and utilize formal communication channels to disseminate medical logistics policies, procedures, metrics and initiatives throughout the DMLent, other DoD Components and stakeholders.

6. DMLPC. The DMLPC is the formal governance body for the DMLent that guides development of joint business processes and administer a comprehensive, collaborative strategy management, and performance improvement process to effectively execute the programs outlined in Reference (e). Additionally, the DMLPC is the recommending body to the MHS Governance structure of adjudication of conflicts that may arise in the implementation of DHA policies. The DMLPC supports the MHS Quadruple Aim (Increased Readiness, Better Care, Better Health, Lower Cost) by achieving measurable improvements in medical logistics performance and readiness through continuous improvement and implementation of best business practices enabled by Joint, MHS Information Technology (IT) and led by resilient,

collaborative processes for strategy and change management.

7. CSA MEDICAL LOGISTICS CONSULTANT. The CSA Medical Logistics Consultant will collaborate with CCMD Liaisons to provide MEDLOG EA support, guidance, and advocacy to CCMDs.

8. SENIOR REGIONAL MEDICAL LOGISTICIAN. The Senior Regional Medical Logistician will provide corporate management and compliance oversight for MTFs to implement strategic and operational initiatives, business process improvements, performance metrics and reporting requirements to maintain high levels of readiness and improve standardization and interoperability across the MHS. The Senior Regional Medical Logistician will:

a. Support DHA MEDLOG and MTFs in the execution of responsibilities described in this DHA-PI and serve as a liaison between the MTFs and Headquarters to facilitate bidirectional communication in answering questions, clarifying policy interpretation and other matters.

b. Assist in developing EA metrics, uniform EA business rules, and performance reporting opportunities and structures.

c. Communicate strategic priorities and initiatives to the medical logistics workforce and other stakeholders.

d. Ensure policies, procedures, and directions outlined in this DHA-PI are successfully implemented by MTFs.

e. Ensure MTF compliance with DHA policies, procedures, and business rules in accordance with References (b) through (i).

f. Advise the Chief, DHA MEDLOG, on barriers or challenges identified by MTFs to medical logistics synchronization, jointness, medical logistics performance and readiness challenges, as well as opportunities for improvement.

g. Provide input to the DHA 5-year market plan.

h. Support the Planning, Programming, Budgeting and Execution of MHS funds.

ENCLOSURE 3

PROCEDURES

1. BACKGROUND. DHA MEDLOG develops and publishes DHA-PIs, DHA-Procedures Manuals, and DHA-Technical Manuals, or other procedural manuals and documents as required to establish guidance and ensure standardization of MEDLOG EA procedures throughout the MHS, including MTFs and operational activities. Refer to DHA MEDLOG Procedures Manuals for guidance on procedures. Refer to DHA MEDLOG Procedures Manuals for guidance on procedures. Until publication of DHA Procedures Manuals, all MTFs will continue to follow Service-specific policies and procedures as applicable.

a. References. Subsequent DHA-PIs, DHA-Procedures Manuals, and DHA-Technical Manuals written should include this MEDLOG EA DHA-PI as a reference document as it establishes DHA's execution authority pursuant to MTF management responsibilities outlined in References (a) through (d).

b. Conflicts. Every effort should be made to resolve conflicts that arise during procedural development and implementation through the DMLPC. Conflicts that are not resolved at the DMLPC should be elevated to the appropriate higher level MHS Governance body for adjudication in accordance with Reference (e).

ENCLOSURE 4

MEDICAL LOGISTICS ENTERPRISE ACTIVITY FUNCTIONS

1. BACKGROUND. Pursuant to authorities outlined in References (a) through (c), military MTF administration is realigned to the Director, DHA, on October 1, 2018, and indicates the Director, DHA, is responsible for all budgetary matters, IT, health care administration and management, administrative policies and procedures, military medical construction, and any other matters the Secretary of Defense determines appropriate. As the element responsible for leading and directing the Medical Logistics EA, DHA MEDLOG will ensure the following functions are accomplished down to the MTF level.

2. GENERAL. Pursuant to execution authorities outlined in Reference (e), DHA MEDLOG:
 - a. Determines goals and execution strategies needed to deliver medical logistics materiel and services efficiently and effectively across the MHS.

 - b. Conducts data, information, supply, equipment, and IT standardization analysis and research to support enterprise business decisions.

 - c. Develops a medical logistics standardization and optimization framework that supports performance-based logistics methodologies and the MHS Quadruple Aim.

 - d. Provides guidance, oversight, and tracking to ensure MHS medical logistics IT solutions are developed via functional requirement input, implemented, and preferentially utilized to maximize adoption of joint business processes to improve efficiency and interoperability.

 - e. Defines and implements standardized business rules to guide MHS execution of medical logistics policies and directives.

 - f. Establishes program management offices and solutions centers, as needed, to execute integrated business processes.

 - g. Develops, implements, and executes medical logistics policies, procedures, business rules, and standardization philosophies and practices that improve logistics and materiel readiness, efficiency, and interoperability.

 - h. Administers strategy management and performance improvement.

 - i. Establishes working groups through the DMLPC governance process to ensure adequate representation of MILDEP and other stakeholder equities.

 - j. Identifies and proposes solutions to potential barriers in the delivery and execution of medical logistics across the Enterprise.

3. MEDICAL LOGISTICS INFORMATION/DATA MANAGEMENT. DHA MEDLOG administers comprehensive IM that develops and optimizes data governance, data management, and IM business rules and processes for improved business operations and interoperability. Develops standardized practices and procedures for data and information in the delivery of medical logistics to the MHS. Exercises oversight and provides program direction for DML data and IM.

4. MEDICAL LOGISTICS QUALITY PROGRAMS. As part of the overall DHA Quality Program, DHA MEDLOG, in coordination with the DMLPC, establishes MHS medical materiel programs that produce highly reliable and efficient closed communication processes.

a. Administers and coordinates a comprehensive medical materiel quality program for timely validation, distribution, disposition, and appropriate documentation for all hazards, alerts, and recall notification message distribution and operational risk management determination.

b. Implements logistics quality activities as a component of the overall MHS Quality Program.

c. Monitors MHS compliance with medical logistics quality program metrics in accordance with performance-based logistics methodologies.

d. Coordinates with DLA and DHA Clinical Support Division to monitor all medical and dental product quality deficiency reports and clinically adjudicates all Category I product quality deficiency reports in accordance with Reference (g).

5. SUPPLIES. DHA MEDLOG provides corporate management and compliance oversight of strategic enterprise initiatives related to medical supply planning, procurement, and sustainment activities through the collaborative DMLent governance process as established in Reference (e).

a. Develops and implements acquisition strategies and programs to improve medical supply chain efficiency, maximize cost savings, and accelerate clinically-driven materiel standardization.

b. Implements materiel standardization policies and procedures throughout the MHS.

c. Develops performance metrics to measure MTF compliance and reporting mechanisms for MTFs to identify barriers and solutions to meeting performance standards.

6. PROPERTY AND EQUIPMENT MANAGEMENT. DHA MEDLOG provides management oversight and development of policies and procedures to create a uniform life cycle management program across the MEDLOG EA to include property management, maintenance, and cyber-security in accordance with References (e) and (h).

- a. Provides Enterprise management and compliance oversight for medical equipment planning, procurement, accountability, maintenance, and sustainment initiatives to drive equipment standardization in institutional and operational settings.
- b. Establishes a Property Management Office to develop and enforce property management procedures used throughout the MEDLOG EA and DHA activities.
- c. Measures MHS compliance with accountable property record policies and oversees all aspects of medical equipment life-cycle management within MTFs from requirements identification through disposal.
- d. Provides oversight for property and accuracy of the property book in accordance with Reference (i), while supporting the authority of MTFs.
- e. Provides consultation to Joint Medical Logistics Functional Development Center to ensure IT tool design effectively supports property and equipment management business processes.
- f. Establishes planning, acquisition, maintenance, sustainment, delivery, and disposition cells to oversee, optimize, manage, and coordinate procurement and delivery of healthcare technology management in support of medical devices throughout the MEDLOG.
- g. Prioritizes healthcare technology lifecycle management to align with the Enterprise strategic initiatives and policies.
- h. Coordinates and manages cyber-security efforts for medical devices.

7. MEDICAL LOGISTICS SERVICES. DHA MEDLOG provides corporate management and compliance oversight of an enterprise approach to medical logistics services. These include, but are not limited to: housekeeping, linen management, regulated medical waste, transportation, medical gases and service contract management.

- a. Collaborates with MILDEPs to find opportunities to standardize the acquisition of medical logistics services, performance measurement methodologies, and overall acquisition strategy.
- b. Coordinates with MILDEPs to develop governing policies, guidance, processes, procedures, execution timelines, standardized performance work statements, and Quality Assurance Surveillance Plan templates.
- c. Promotes consistent acquisition strategies.
- d. Coordinates with MILDEPs to develop standard metrics to measure performance, cost savings, quality assurance, and quality control.

8. CSA ACTIVITIES. In close coordination with the DHA Pharmacy Operations Division, Enterprise Pharmacy Work Group, Office of the Joint Staff Surgeon, DHA MEDLOG, in support to the Geographic CCMDs, will:

a. Administer a comprehensive pharmaceutical shelf life extension program, providing a tool to efficiently manage stockpiled pharmaceuticals, defer replacement costs, and maintain critical medical countermeasure pharmaceuticals in the event of supply disruptions.

b. Manage the Joint Deployment Formulary to serve as a baseline listing of pharmaceutical items for the first 30 days of contingency operations and to promote standardization and sustainability of these items as components of medical assemblages.

c. Provide medical materiel contingency requirements analytical support as requested by the MHS or CCMDs to improve standardization and interoperability.

d. Execute an operational medical materiel analysis program and provide medical assemblage analytical support to MILDEPs to support Service-unique medical platforms to achieve materiel commonality and improve materiel interoperability, compliance reporting, and sustainment.

9. IMPLEMENTATION. DHA MEDLOG ensures established medical logistics policies and procedures are disseminated across the MHS through appropriate channels outlined in this DHA- PI and References (a) through (e). MTFs will execute all procedures pursuant to directives issued in Reference (c). The Chief, MEDLOG, will report non-compliant MTFs and DoD Components to the Director, DHA, via appropriate governing bodies.

GLOSSARY

ABBREVIATIONS AND ACRONYMS

ASD(HA)	Assistant Secretary of Defense for Health Affairs
CCMD	Combatant Command
CSA	Combat Support Agency
DHA	Defense Health Agency
DHA-PI	Defense Health Agency-Procedural Instruction
DLA	Defense Logistics Agency
DML	Defense Medical Logistics
DMLEnt	Defense Medical Logistics Enterprise
DMLPC	Defense Medical Logistics Proponent Committee
EA	Enterprise Activity
IM	Information Management
IT	Information Technology
MEDLOG	Medical Logistics
MHS	Military Health System
MILDEP	Military Department
MTF	medical treatment facility