



Anytime. Anywhere.

CARING FOR AMERICA'S HEROES

2008 MHS STAKEHOLDERS' REPORT



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The report is available online at www.tricare.mil/stakeholders

A Message to the MHS Community



“At the end of 2006, medical teams were still saving an unbelievable 90 percent of soldiers wounded in battle... They did so through a commitment to making a science of performance, rather than waiting for new discoveries. And they did it under extraordinarily demanding conditions and with heroic personal sacrifices.”¹

As one of the leaders of the Military Health System (MHS), I am acutely aware of the humbling responsibility we have been given: the care of our country’s fighting forces, their families, and the veterans who have gone before. Our team has performed exceptionally; nothing less than remarkable can describe the unprecedented outcomes that military medicine has achieved during this conflict. And, we as a system have achieved these results only as a consequence of a culture based on innovation, service to others, and an unrelenting persistence to achieve excellence.

Yet, we have also experienced a significant wake-up call for action and improvement only weeks after the 2007 annual conference. *The Washington Post* series was a watershed event – a defining moment. It has provided a singular opportunity to reinvent the disability-rating process and to look inside our culture and operations to determine how we can exceed the expectations of those for whom we care most, our military family.

The War on Terrorism has forced us to deal with complex illnesses, such as traumatic brain injury and post traumatic stress disorder, in numbers we’ve never seen before. These conditions affect not only our wounded, but also their loved ones and the entire military family. We owe those entrusted to our care our greatest compassion and caring, the benefits of the best available science, and the treatment and support that make them partners in their own healing.

These pressures have also allowed the senior medical leadership, the Surgeons General, and our collective staffs to reexamine our fundamental purpose, strategy, and activities. It has provided an opportunity to refocus our efforts on our core business – an integrated medical team providing optimal health services in support of our nation’s military mission—anytime, anywhere. As leaders of this vast and wonderful health system, we are committed to sustaining the uniformed health system to enable us to meet our mission and ensure high-quality, benchmarked healthcare is available for all those entrusted to our care. The MHS will be the healthcare choice of our military families and the workplace of choice in our communities.

Our strategy is not about the future – it is about the future of decisions we make today.² The senior MHS leadership has a responsibility to provide a plan that lets all of our MHS staff know their leadership cares. And, we owe our stakeholders a way to measure the effect of our work. Our senior leadership strategic sessions will refine our goals and strategies until we are the best health system on the planet.

A generation was once inspired to put man on the moon. We can do even better. Our dedicated people help the severely wounded rejoin the workforce and regain their purpose for living. We can build bridges to peace in hostile countries. In many respects, the MHS becomes the tip of the spear and a formidable national strategy tool for the nation. And we can take advantage of a one-time opportunity to design and build health facilities that promote integrity during the clinical encounter, empower our patients and families, relieve suffering, and promote long-term health and wellness. We will employ evidence-based design principles, including increasing natural light, reducing noise, and maximizing exposure to nature – all of which have quantitative outcomes that are linked to clinical improvements.

We care for troops who are honoring a pledge they made to the country they love. Secretary Gates calls our work sacred. He is absolutely correct. Caring for America’s heroes is not a motto. It is what we do. My role is to help us achieve excellence and to articulate to you, our members and stakeholders, the value of what the men and women of this health system produce every single day.

Just over a year ago, I worked side-by-side with some of you in Iraq. I also lost a very dear friend, COL Brian Allgood, as many of you did. I know many of you have suffered loss during this war. Having been a uniformed medic means more to me than any award or experience in my life. Some wonder how I deployed while on continuous chemotherapy, but I knew I was surrounded by the finest medical professionals in the world. You who serve and have served our nation simply inspire me, and I am honored to be associated with you. God bless you.

- S. Ward Casscells, M.D.
Assistant Secretary of Defense for Health Affairs

¹ Gawande, Atul, *Better: A Surgeons Note on Performance*. New York, Metropolitan Book, 2007. p68

² Druker, Peter, *Management Challenges for the 21st Century*. New York, Harpercollins, 1999.

Messages from the Surgeons General

Surgeon General of the Air Force Lt Gen (Dr.) James G. Roudebush



The Air Force Medical Service (AFMS) answers our nation's call by aligning with the Air Force's top priorities: Win Today's Fight, Take Care of our People, and Prepare for Tomorrow's Challenge. As we integrate these priorities into our daily operations, we are mindful that "jointness" underpins these priorities.

Home station medical operations form the foundation from which the Air Force provides combatant commanders a fit

and healthy force, capable of withstanding the physical and mental rigors associated with combat and other military missions. Our emphasis on field sanitation, fitness, and disease prevention and surveillance has led to the lowest disease and non-battle injuries rate in history. In addition, our daily delivery of health benefits, in times of peace and war, allows us to maintain those critical skills that guarantee our readiness capability and success.

The AFMS is central to the most effective joint casualty care and management system in military history. The effectiveness of aeromedical evacuation, a distinctly Air Force mission, has been repeatedly proven through the safe and rapid transfer of more than 46,000 patients from overseas theaters to stateside hospitals during Operations Enduring Freedom and Iraqi Freedom.

An example that clearly illustrates the full spectrum of our capabilities involves Army SGT Dan Powers, a squad leader with the Army's 118th Military Police Company. In Baghdad on July 3, 2007, an insurgent stabbed him in the head with a knife. Within 30 minutes of the attack, he was flown via helicopter to the Air Force theater hospital at Balad Air Base. Army neurosurgeons at the Balad theater hospital and in Washington, DC reviewed his condition and determined that SGT Powers, once stabilized at Balad by the Air Force and Army surgical team, needed to be transported and treated at the National Naval Medical Center, Bethesda, MD as soon as possible. The aeromedical evacuation system was activated and the miracle flight began.

A C17 aircrew from Charleston Air Force Base (AFB), SC, picked up SGT Powers with a seven-person Critical Care Air Transport Team and flew non-stop from Balad Air Base, Iraq, to Andrews Air Force Base, MD. After a 13-hour flight, they landed at Andrews AFB where SGT Powers was safely rushed to the National Naval Medical Center for lifesaving surgery.

As SGT Powers stated, "The Air Force Mobility Command is the stuff they make movies out of...the Army, Navy, and Air Force moved the world to save one man's life."

The superior care routinely delivered by Air Force medics is a product of preeminent medical training programs, groundbreaking research in forward resuscitative, and en route care and a culture of personal and professional accountability fostered by the Air Force's core values. I am humbled and intensely proud of the daily accomplishments of the men and women of the United States Air Force Medical Service.

Surgeon General of the Navy VADM (Dr.) Adam M. Robinson, Jr.



Navy Medicine's primary mission is simple and profound – Force Health Protection. We are uniquely committed to providing diversified medical care at SEA, in the AIR, and on LAND, tailored to both peacetime and operational requirements while providing military treatment facility (MTF) care for active duty, families, and retirees that depend on them 24/7.

Last year our readiness mission greatly expanded. Along with the Marine Corps and Coast Guard, the Navy unveiled a new maritime strategy that shifts our focus from sea combat towards one that also emphasizes the use of "soft power" to counter terrorism and protect vital sea lines of communication.

This "soft power" can be delivered not just by traditional hospital ships like USNS Comfort (120-day, 12-country deployment treating 100,000 patients), but also by the traditional ships of war such as USS Peleliu (Pacific Partnership 2007) and USS Kearsarge (Bangladesh relief, Nov 2007) – examples of the expanded role of Navy Medicine in humanitarian assistance and disaster relief missions worldwide.

Last month, I visited the U.S. Central Command and U.S. European Command Areas of Operation. I can attest to you first hand that Navy Medicine is supporting Operations Iraqi Freedom and Enduring Freedom at every level of care: sustaining the war effort, supporting the warfighter, taking care of their psychological needs, and caring for the wounded at every level: from the mobile and immediate forward resuscitative surgical system on the battlefield to the Level IV trauma center at Landstuhl Regional Medical Center and finally at home to the National Naval Medical Center in Bethesda or Naval Medical Center in San Diego.

When wounded warriors are admitted to our MTFs, they are assigned to a multi-disciplinary care team that is comprised of physicians, nurses, case managers, social workers, chaplains, physical and occupational therapists, as well as all of the ancillary personnel. The entire team meets three times a week and goes over each and every patient. Every patient and the family has all of the administrative, clinical, spiritual, and social avenues available to them.

We also empower our staff to do whatever it takes to deliver the highest quality, compassionate, and responsive healthcare centered around the patients' and families' needs and well being. By listening to and understanding the unique and individual needs of all concerned, Navy Medicine creates a personalized and family-oriented plan. This patient-family centered approach, coupled with the insight gained from the providers ensures the highest quality of healthcare. This is not only our mission; it is the bedrock of our medical system – our bottom line.

Navy medicine can never rest on its past accomplishments. We are obligated to provide the best, most comprehensive quality care to all our patients to satisfy their ever-changing needs, because this is our pledge as healthcare professionals and citizens of this great nation.

Surgeon General of the Army LTG (Dr.) Eric B. Schoomaker



On any given day more than 11,000 Army physicians, dentists, veterinarians, nurses, allied health professionals, administrators, and enlisted medics are deployed around the world supporting the Army in combat and participating in humanitarian assistance missions and training.

Those deployed personnel are the first links in a seamless chain of care that stretches back to fixed hospitals in

Europe and the U.S. where soldiers receive state-of-the-art care.

We focus our efforts and align our strategies with our Secretary of the Army and Chief of Staff of the Army's four imperatives, which are to "Sustain, Prepare, Reset, and Transform."

We are committed to strengthening key partnerships that are critical to our mission success in and around the battlefield with the Joint Medical Force, TRICARE Managed Care Support Contractors, Interagency partners, and our international coalition partners and allies.

Among many noteworthy contributions through collaborative efforts is the establishment of the Joint Trauma Analysis and Prevention of Injury in Combat (JTAPIC) program. The goal of the JTAPIC program is to improve understanding of our vulnerabilities and to develop solutions that will prevent or mitigate blast-related injuries.

The treatment of Traumatic Brain Injury is still in the early stages. Our Army medical professionals collaborate and partner with the Defense and Veterans Brain Injury Center and the Department of Defense Medical Research Program for the research, prevention, mitigation, and treatment of these debilitating injuries.

Army leadership recognizes the essential role that Army Families play in keeping our warriors Army Strong. Army Medicine plays a critically important role in this new covenant with the Army Family, beginning with our historic successes on the battle field, the quality of our healthcare services, access to those services, and the dignity and respect we pay to every beneficiary we encounter. Our families have endured many hardships on behalf of our warriors and the nation. To honor our promise to them, the Soldier and Family Assistance Centers were set up and staffed to provide administrative and financial assistance. They help coordinate government entitlements, benefits, and services; and provide information and assistance in obtaining non-governmental benefits and services to Warriors in Transition and their families.

Army Medicine continues to transform to meet ever increasing needs of a growing population of beneficiaries. By capitalizing on lessons learned and beneficiary feedback, I am proud to say that our personnel are better trained and better equipped at every point in the continuum of care.

The accomplishments of 2007 are notable, but much remains to be done in 2008. The magnificent people who staff the Army Medical Department will be at work, providing a world-class healthcare team in support of America's Army at home and abroad, accessible to the Army family and accountable to the American people.

Coast Guard Health & Safety Director Rear Admiral (Dr.) Mark J. Tedesco



Today's Coast Guard is a rapidly changing organization with ever-increasing mission requirements. As the United States faces increasing threats and challenges, the Coast Guard is relied upon as never before to evolve as a military, multi-mission maritime force. As a result, the U.S. Coast Guard "Strategy for Maritime Safety, Security, and Stewardship" was developed, clearly articulating the Commandant's mission, vision, and strategic goals as the Coast

Guard moves forward in the 21st century.

Our ongoing need for interoperability with the Department of Defense (DoD) was permanently established in October 2007, when the Chief of Naval Operations, the Commandant of the Marine Corps and the Commandant of the Coast Guard jointly signed "A Cooperative Strategy for 21st Century Sea power." Additionally, the Coast Guard has commissioned a new Deployable Operations Group, designed to provide adaptive force packaging for maritime tactical response units.

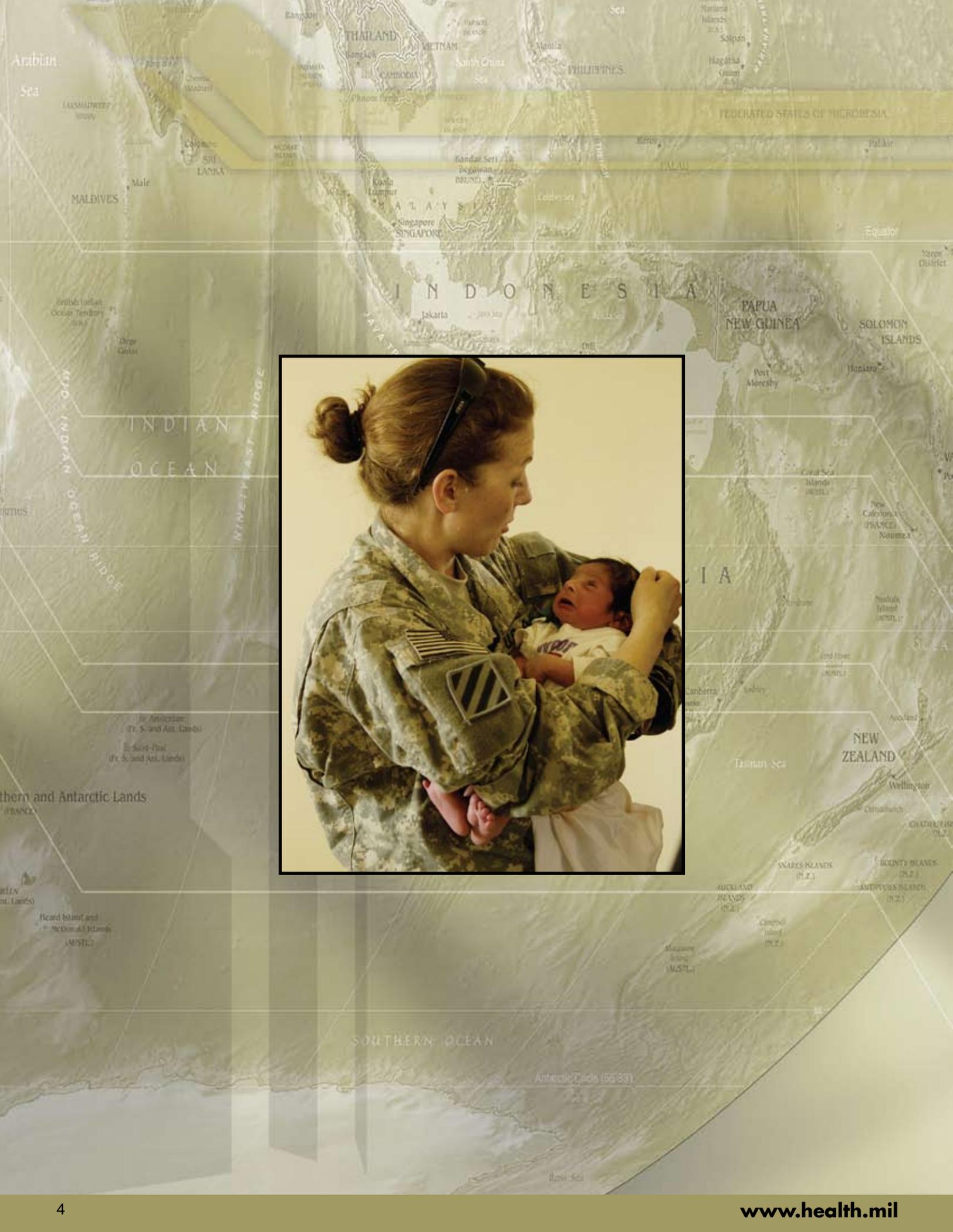
To better support our tactical units, we are partnering with DoD for tactical medicine training to include Tactical Combat Casualty Care. The Coast Guard has been at the national helm for pandemic influenza preparedness with the selection of the Coast Guard Vice Commandant as the nation's pre-designated Principal Federal Official for Pandemic Influenza.

To ensure the Coast Guard Office of Health Services is aligned with overall Coast Guard goals and objectives, I have signed the Coast Guard Health Services Program Strategic Plan, which clearly aligns the Coast Guard healthcare priorities with that of the Military Health System.

The Coast Guard Safety program is undertaking a major expansion of the mishap prevention program to include off-duty motor vehicle/motorcycle mishaps, which is the number one cause of death of Coast Guard members. In-depth mishap investigations, including human factors analysis, is yielding valuable insight into causal and contributing factors that provide a road map for targeted intervention strategies.

The Coast Guard Work Life program is, for the first time, partnering with the DoD to participate in the DoD Health Related Behaviors Survey, which will provide information to facilitate timely health promotion interventions.

The Coast Guard Health, Safety, and Work Life Directorate will continue to strive for excellence as we carry out the Commandants Intent Action Orders.



The Military Health System (MHS) is a thriving yet complex military institution – focused on the battlefield today, and preparing for threats of tomorrow...continuously training, acting, and preparing. It is impossible to catalog the numerous activities in which we are engaged, so for this year's report, we have elected to highlight those activities that best capture our mission responsibilities and the issues in the forefront to our stakeholders – our military and civilian leaders, service members and families, the Congress and the American people.

Quality Medical Care

The key determinants to us on how to best define quality.

Wounded Warrior Care

More than just medical care at the bedside, but the comprehensive levels of coordination, communication, and caring for America's heroes.

Conducting Diplomacy Through Health

How our military health system is an indispensable global asset that serves our national security interests and saves lives.

Medical Recruitment and Retention

Superb medical outcomes result from years of preparation, training, and execution; we need to sustain this medical quality through continued focus on quality people.

Advancing Medical Research

For the people we serve, and for people around the globe.

Improving Infrastructure

Our aging hospitals and clinics and building the healing environment of the future.

Communicating with Greater Transparency

Freely, transparently with the people in the system, the people served by the system and the public.

This year, we will also be introducing new performance measures that begin to dig more deeply into the value we provide in terms of medical outcomes and contributions to medical science. This institution – the Military Health System – serves a vital role for this country. The MHS has produced leaders who have served throughout American medicine, and has introduced breakthroughs that have changed the way healthcare is delivered. We will sustain this legacy of excellence.



Quality Medical Care

Pride in our system and the quality of care we provide is evident in every military hospital or clinic. But, even with our successes, there is not a pervasive sense of self-satisfaction. Instead, our medical leaders are focused on how to improve even those services that are working well and surely to repair that which is broken.

Good is not good enough. Our goal is excellence in all we do.

We have briefed our stakeholders on the significant accomplishments of our clinicians – in Baghdad, Bagram, Germany, and back here at home. The data are important to know and understand, and the details show our ability to continuously improve and to take what is working and make it better. A few examples:

The Lowest Disease, Non-Battle Injury (DNBI) Rate Ever

As a testament to medical readiness and preparedness, the Military Health System successfully addressed the single largest contributor to loss of forces—disease and

non-battle injuries. Current DNBI rates for Operation Enduring Freedom and Operation Iraqi Freedom are the lowest ever reported: five percent per week and four percent per week, respectively. The following chart depicts the DNBI rates in previous operations compared to Operation Enduring Freedom and Operation Iraqi Freedom.

The Lowest Death-to-Wounded Ratio Ever

Today, after service members are injured on the battlefield, they have the greatest likelihood of surviving their wounds than ever before. In Operations Enduring Freedom and Iraqi Freedom, about 92 percent of seriously-injured service members survive their wounds – compared to just 78 percent during World War II and 84 percent during the Vietnam War. This can be attributed to a number of important advances in training and technology:

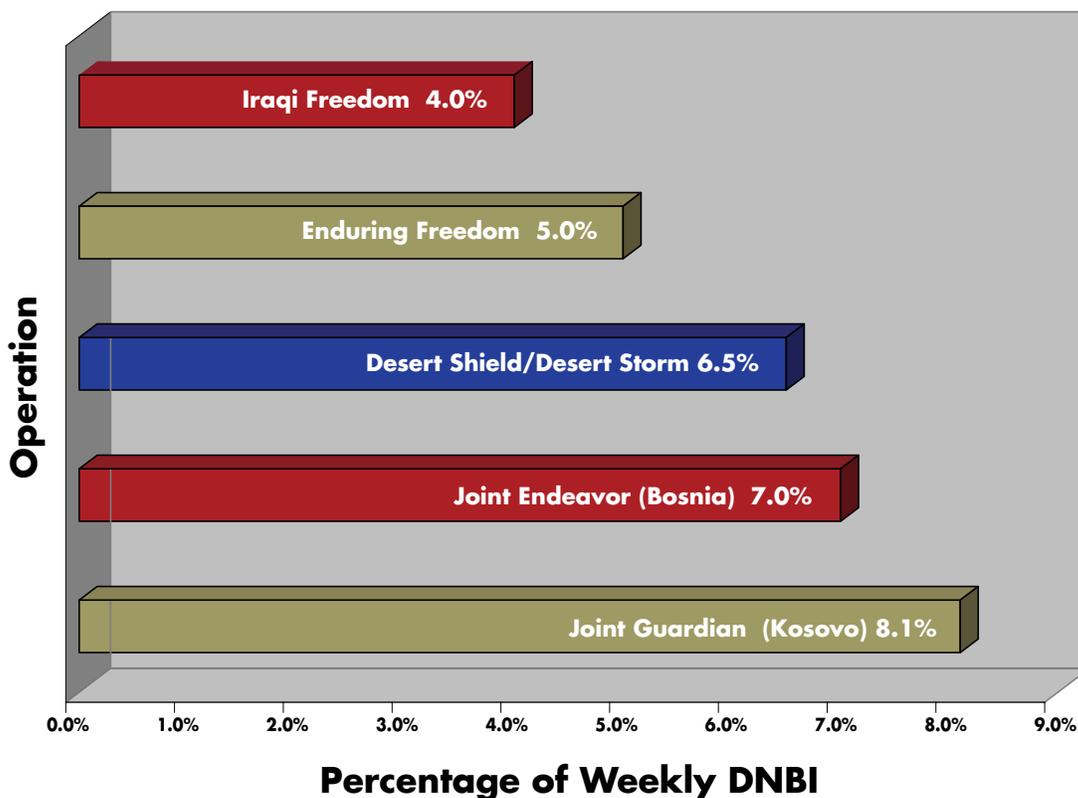
- Improved medical care during the pivotal first “golden hour.”

- Combat medics are certified emergency medical technicians and individual soldiers receive more buddy-care training so the wounded can stay alive until first responders reach them on the battlefield.
- More advanced equipment on hand such as new hemorrhage control dressings and tourniquets.
- Finally, care at the first treatment facility is greatly improved through better resuscitation techniques and equipment.

Reduced Time to Evacuation and Definitive Tertiary Care

The Military Health System improved our process for moving patients rapidly: employing airborne intensive-care units, expediting the evacuation of service members from forward-deployed surgery to stateside definitive care. Today, our wounded warriors often arrive back in the United States within three to four days of initial injury, increasing their chances for survival.

Disease, Non-Battle Injury Rates



Caring for America's Heroes

The success of our system for the acute treatment of casualties has created a large population of wounded warriors who are medically stable but need continued medical care before they are ready to rejoin their units or move on to rehabilitation facilities. In 2007, it was quite evident that part of our system of caring for our wounded service members failed. Our disability process; our administrative oversight of wounded service members in outpatient settings; and our coordination with the Department of Veterans Affairs (VA) all fell short of our own standards and the expectations of the American people.

In the ensuing months, Department of Defense (DoD) and Presidential review groups and task forces led by bipartisan political leaders and by senior military leaders created an important blueprint for those of us in the DoD and VA. The Dole-Shalala Commission identified six high-level recommendations for the DoD and the VA to implement immediately:

1. Immediately Create Comprehensive Recovery Plans to Provide the Right Care and Support at the Right Time in the Right Place
2. Completely Restructure the Disability and Compensation Systems
3. Aggressively Prevent and Treat Post-traumatic Stress Disorder and Traumatic Brain Injury
4. Significantly Strengthen Support for Families
5. Rapidly Transfer Patient Information between the DoD and the VA
6. Strongly Support Walter Reed by Recruiting and Retaining First-Rate Professionals Through 2011

We are grateful to the Congress for their substantial support in offering greater flexibility in what we can do, and for the financial resources they have provided to make good on our responsibilities. And, we have made substantive organizational, policy and process changes to rectify the shortfalls. We have set about the important work to hire, train, and empower scores of case managers and patient advocates to ensure each and every wounded warrior gets the right treatment, at the right time and receives all the support necessary to heal as rapidly as possible.

We will continue to address many of the issues requiring attention. Each branch of service established programs to help the severely wounded, which include the Army Wounded Warrior Program, Navy SAFE HARBOR Program, Air Force Helping Airmen Recover Together (Palace HART) Program, and the Marine4Life Injured Support Program. The DoD's Military Severely Injured Center augments the support provided by each of these programs.

And, we will not measure ourselves in isolation from those we serve. In May 2007, we began a survey of those who have been wounded to assess how they perceive their care and coordination of their care has proceeded. The fact is there are signs of progress: the quality of medical care, the relationship with their healthcare provider and staff and the quality of lodging facilities all indicate relatively low levels of dissatisfaction. Yet, it is equally clear that much remains to be done. Satisfaction with the disability process (Medical Evaluation Boards, Physical Evaluation Boards) needs to get better; our ability to make the appointments

process easy to use and reliable is a fundamental responsibility of our hospital and clinic commanders. By next January, we expect to put forward results based on the perceptions of our wounded warriors, not our own system, which show significant, across-the-board improvements in all of these activities.

As with our approach to quality medicine – good is not good enough. Our goal is excellence in all we do.

The Dole-Shalala Commission, however, did not focus only on physical disability. Our responsibility to both our wounded and those still in the fight requires us to address the often complex behavioral healthcare needs of service members and their families. A congressionally-directed task force on mental health matters released its findings in June 2007. We have acted on many of the recommendations, and Military Health System leaders plan for significant changes to be completed by May 2008. Key accomplishments in 2007 include:

- A National Center of Excellence was established to work in collaboration with the Services and the VA to create standards of care and a curriculum for clinical training in evidence-based treatment for Post Traumatic Stress Disorder and Traumatic Brain Injury.
- The Services, led by the Chiefs and the Surgeons General have embarked on an effort to introduce a "culture change"... breaking down barriers for those seeking or in need of behavioral health support and providing all military leaders with the resources to address the psychological

Help on the Web

www.MilitaryMentalHealth.org is available 24 hours a day, seven days a week, to all service members and their families. The site features the new Mental Health Self Assessment Program which gives service members information about DoD and VA services, including stress management, mental health, alcohol abuse education, and an online self-assessment program.



www.MilitaryMentalHealth.org

Additionally, the Office of Family Policy and Military Quality of Life works closely with Military OneSource and service family support programs to provide preventive, non-medical work-life counseling.



effects of stress both before and after it occurs.

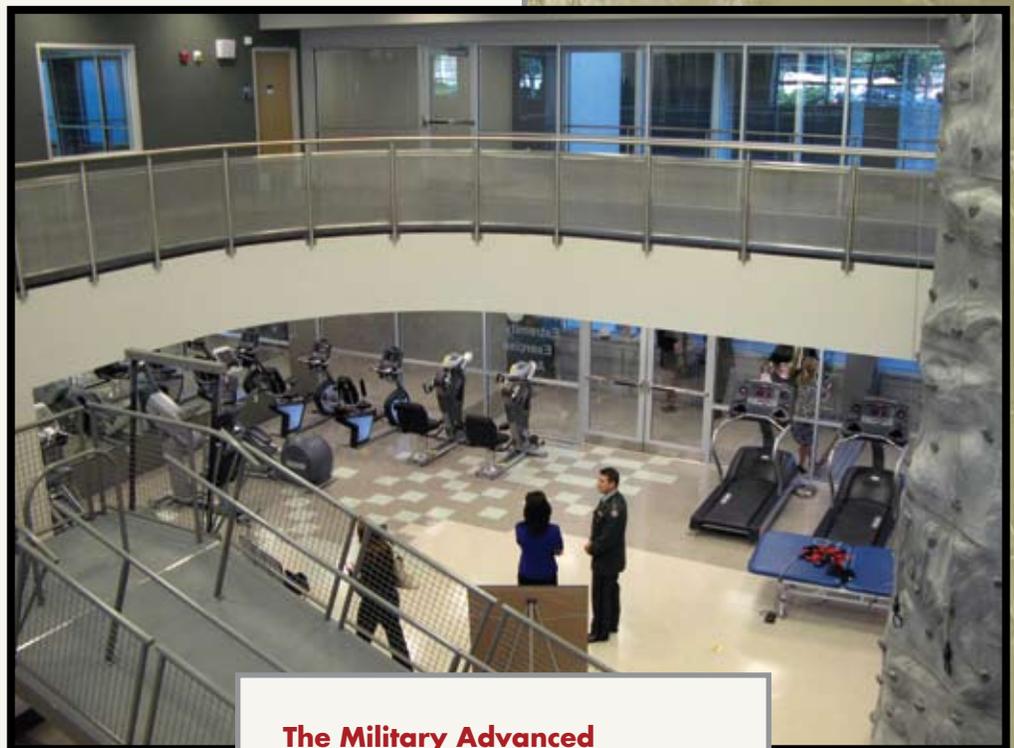
- The Services have embedded mental health providers in Army and Air Force Special Operations units.
- TRICARE contractors launched the Behavioral Health Provider and Appointment Assistance Service to assist active duty service members and their families who need behavioral healthcare.
- The DoD introduced new military-focused Web sites to support mental readiness.

Our care for our wounded service members extends the immediate efforts of saving life and limb. Once stabilized, we have invested in facilities, technology, and people to help them stay on active duty, or to lead successful lives in the civilian world. The new \$10 million Military Advanced Training Center opened in September 2007 at Walter Reed Army Medical Center brings together all the elements of advanced amputee care to offer world-class treatment. The National Naval Medical Center has the Traumatic Stress and Brain Injury Program, the Center for the Intrepid Rehabilitation Facility, and Brooke Army Medical Center Burn Center are located at Ft. Sam Houston and the Naval Medical Center San Diego has the Comprehensive Combat Casualty Care Center. All these facilities are designed and staffed with teams of healthcare professionals whose goal is to treat severe combat injuries. These groundbreaking treatment and rehabilitation facilities allow nearly 15 percent of amputees to remain on active duty.

When rehabilitative inpatient and outpatient care is completed, the Computer/Electronic Assistive Program (CAP) provides assistive technology in the workplace to wounded service members who are blind, visually or hearing-impaired or who have dexterity, communication or cognitive challenges. Since 2004, CAP has been instrumental in providing more than 2,400 accommodations to wounded service members and has partnered with military treatment facilities to integrate assistive technologies into occupational therapy and rehabilitation services,

housing facilities, and employment training centers to support the transition back to reemployment or active duty.

Our men and women who have been wounded, ill, or injured from their military service have our solemn commitment: We will not allow bureaucratic obstacles, outdated procedures or ineffective systems to hinder their care. With the leadership of so many in our system, we have certainly turned a corner. But we are not resting.



The Military Advanced Training Center

For Michael Cameron, an Army specialist who lost a leg to a roadside bomb, the Military Advanced Training Center and the healthcare personnel that support it have been critical to his recovery. "I couldn't ask for a better team of therapists and doctors," he said. After arriving at Walter Reed on April 8, 2007, Cameron began a tough rehabilitation regimen of five hours a day, five days a week of physical and occupational therapy. After six months, he says he is well on the road to recovery and thankful for all those who made it possible.



Conducting Diplomacy through Health

"We can expect that asymmetric warfare will be the mainstay of the contemporary battlefield for some time. These conflicts will be fundamentally political in nature, and require the application of all elements of national power. Success will be less a matter of imposing one's will and more a function of shaping behavior – of friends, adversaries, and most importantly, the people in between." – *Secretary Robert Gates, Landon Lecture, November 2007*

The National Military Strategic Plan for the War on Terrorism lists humanitarian assistance as a key for establishing conditions that counter ideological support for terrorism. When President Bush announced a new humanitarian effort in March 2007, he said "The United States military is a symbol of strength for this nation. They're also a symbol of the great compassion of the American people and our desire to help those in our neighborhood who need help. With the deployment of the Comfort and the work of military teams, we're making it absolutely clear to people that we care."

Our military medical forces are combating terrorism and helping nations with their movement toward democratic government in more places than just Iraq and Afghanistan. Our medics are engaged in a wide variety of medical exercises and

joint multi-national engagements around the globe. Our humanitarian and disaster response capabilities have been tested on a regular basis over the last several years.

The USNS Comfort made ports of call to 12 Central American, South American, and Caribbean nations providing free healthcare services to communities in need. Manned by a joint, interagency crew totaling more than 500 military and civilian medical personnel, we provided almost 400,000 treatments and performed 1,170 surgeries. When the Comfort returned home after four months at sea, Navy Adm. Jonathan Greenert, commander, Fleet Forces Command told the crew, "You've demonstrated to us the value and the great return on investment on a mission like this. Also, you've trained numerous people for future missions for humanitarian assistance or disaster relief and that is absolutely priceless."

Our medics responded to the call for assistance in Bangladesh following the November typhoon. Robust emergency rescue operations made a huge humanitarian difference following the December 2004 South Asian tsunami and the October 2005 earthquake in Pakistan, where more than 100,000 people were treated by a field hospital and outreach teams. The Pew Global Attitude Survey

documents a dramatic increase in favorable public opinion by the people of Indonesia and Pakistan after these efforts.

Our medical personnel conduct these challenging missions with great skill, compassion, and decency. In addition to the goodwill that emerges, these engagements also provide our own people with new skills, enhanced readiness, and experiences that can often help us with retention and recruitment. We are prepared and proud to continue providing these services to those in need.

Humanitarian Missions: A Snapshot

- In January 2007, a U.S. military medical team spent three weeks in Choculeta, Honduras, where they saved the lives of four newborns, performed 167 major surgeries, and conducted 500 medical exams at the regional Hospital del Sur.
- In Afghanistan's Khost province, many U.S. troops at Forward Operating Base Salerno spend their off-duty days volunteering to help treat patients at the base's burn clinic. In the region's harsh climate, hundreds of people are burned each year from exploding heaters in their homes. The U.S. military treats patients at its on-base clinic and has trained Afghan medical specialists to set up a burn clinic outside the military base.
- In February 2007, a team of 20 Air Force medics provided healthcare for more than 6,500 people La Pita, El Sol, and Santa Teresa, Nicaragua, while an Army veterinary team vaccinated more than 3,300 animals for farmers in 10 communities. Follow-on medical teams worked in Nicaragua through mid-March.
- U.S. troops deployed to Bangladesh in the aftermath of a November 15, 2007 cyclone. The Task Force arrived off the Bangladeshi coast aboard the USS Kearsarge, along with the 22nd Marine Expeditionary Unit, on November 23. The United States is one of 25 countries providing more than \$4 billion in aid.

Medical Recruitment & Retention

There is a reason the private sector is increasingly eager to hire our military veterans and retirees. Our system produces leaders at all levels. In the midst of our War on Terrorism, retention of these trained and capable leaders has become more challenging. And recruitment of new personnel is equally a challenge. In 2008, the Congress has provided us with a new set of tools to address both recruitment and retention shortfalls, particularly among physicians, nurses, and dentists.

We will use the financial incentives to help us in our efforts, but we all know that the decision to join or stay in the military is more than a matter of money. A sense of duty, a commitment to public service, and the ability to make a difference are critically important. Family circumstances and family happiness also matter.

In speaking with soldiers, sailors, and airmen about their decision-making process to stay or go, it is clear that the frequent deployments are a serious challenge. Yet, these men and women readily acknowledge that the challenges they met have changed their lives.

Together with the Surgeons General, our entire leadership is dedicated to aggressively expanding our outreach efforts in our medical recruitment strategy.



Advancing Medical Research

It is said that every war produces medical advances, and we have seen hundreds of medical innovations in this decade. Our medical researchers, clinical instructors, logisticians, and test and development teams have listened to the needs of medics in the field and responded with new products, devices, and techniques to continually improve the care we provide to our wounded warriors.

The DoD Medical Research Program has many nationally and internationally-renowned researchers working in the areas of infectious diseases, chemical and biological warfare defense, combat casualty care, and military operational medicine. Here are just a few of our accomplishments and contributions.

Defeating Malaria

Malaria is one of the deadliest diseases in the world, killing approximately two million people per year, often in locations where U.S. service members are stationed or deployed. For more than a century, military medical researchers have been world leaders in studying tropical diseases and developing techniques and medicines to prevent and treat them, including helping to develop most of the licensed drugs for malaria. The recently approved BinaxNOW® diagnostic kit for the detection of parasites that cause malaria was developed by the Walter Reed Army Institute of Research and the U.S. Army Medical Materiel Development Activity in collaboration with Binax, Inc.

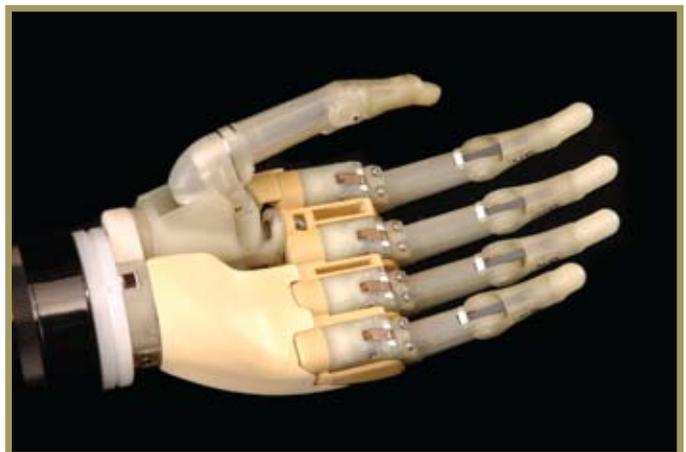
Continuously Improving Combat Casualty Care

The Combat Casualty Care Research Program focuses on how to save lives on the battlefield. Analyzing the treatment of recent casualties has contributed to new Tactical Combat Casualty Care doctrine, and better ways to manage patients in the field, including the use of newly developed therapies. For instance, a new approach to fluid resuscitation for soldiers in severe shock increased survival from 35 to 60 percent.

Keeping Amputees Engaged and on Active Duty

American service members injured in Iraq required more than twice the number of amputations needed in previous conflicts. However, advances in prosthetic technology are keeping soldiers in the mainstream of life more than ever before. The latest high-tech prosthetics are being used for lower extremity amputees. The Otto Bock C-Leg has sensors and a microprocessor to create close to natural walking. Use on military personnel has led to technological improvements that are being incorporated in newer models. The Military Amputee Research Program teamed with researchers at Arizona State University's Polytechnic campus to create the next generation of powered prosthetic devices based on lightweight energy-storing springs. The device, nicknamed SPARKy, short for Spring Ankle with Regenerative Kinetics, will be the first-of-its-kind smart, active, and energy-storing transtibial (below-the-knee) prosthesis for enhanced functionality. The Touch Bionics i-LIMB Hand is being used for those service members with hand amputations. This next-generation prosthetic device is controlled by a unique, highly intuitive control system that uses a traditional two-input myoelectric (muscle signal) to open and close the hand's life-like fingers with amazing functionality.

These examples represent a simple snapshot of the DoD medical research portfolio. From cancer research to mental health and traumatic brain injury, our medical personnel are leaders on a worldwide stage in improving health and prolonging quality of life for millions.



Health Info – Accessible to Provider and Patient

It is not enough to tell our story of advances in health information technology by talking about how many gigabytes of data we now store in our clinical data repository, or how many patient records are seamlessly shared with the VA in caring for our wounded warriors. We are on the right path...more information is being shared more quickly than ever before.

But more is required. Not just more data shared more quickly; we need to do more with the data we have...and turn this veritable mountain of data into information for decision makers and shared wisdom for all members of the Military Health System on what works, and what does not. We need data that measure performance and achievement in a manner we can all agree on. As an example, we have created more patient registries, so those with particular conditions or care management needs, such as traumatic brain injury or diabetes, can be aggregated and more easily monitored. The registries can even be set up to auto-register patients based on diagnoses, orders, procedures or other specified criteria.

In 2008, we will begin including our patients in this shared wisdom, so they can become even better managers of their own health. I am committed to seeing a true patient-provider partnership for health. The better informed our patients are, the better off they will be.

Getting the MHS Aligned to Best Serve Our People

In 2007, Secretary Robert Gates made important decisions regarding our military health system.

In October 2007, Rear Admiral John Mateczun assumed command of the Joint Task Force CapMed in the National Capital Area. This represents a new model for coordinating joint medical activities in our system. Similarly, joint activities in health care delivery are evident in the San Antonio market.

And, we are now breaking ground for new medical facilities. Our new hospitals and clinics will not just be the same infrastructure with new equipment and carpeting. We are re-thinking how medical facilities should be designed and built. And what we see at the end of this endeavor is much more than the bricks and mortar—it is a result of a very focused and positive culture, the business and clinical processes that drive it, and the physical environment that explicitly links to improvements in clinical outcomes, patient and staff safety, and operational efficiencies. We are introducing the concept of evidence-based design in our plans—recognizing that patient room size and privacy, the use of natural light, the placement of equipment, and monitors and nursing all have effects on medical outcomes and patient recuperation, including reductions in hospital-acquired infections, falls, and injuries to patients and staff. Our medical facilities will serve as a testament to our commitment to quality care and patient satisfaction.

Improving TRICARE Delivery and Coverage

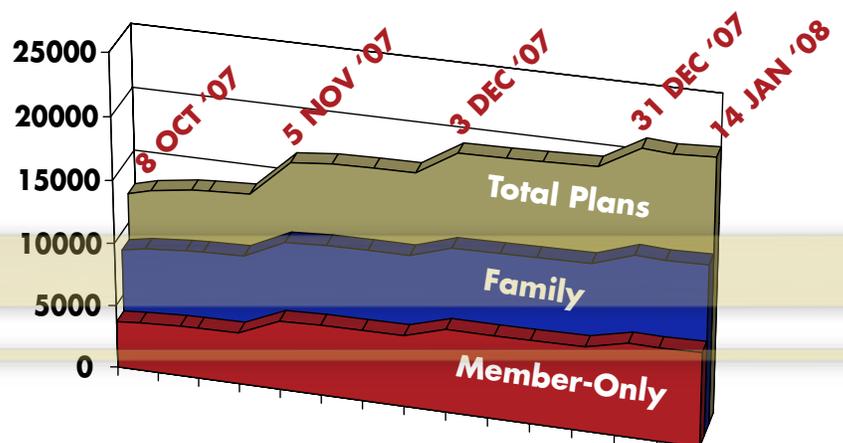
TRICARE stands out as the best, most comprehensive health benefit available to any American. And this benefit fittingly provides healthcare services to the most deserving Americans — those who wear and have worn the uniform...and their families who also serve.

In the past year, TRICARE has continued to deliver on its promise to so many. The private sector healthcare network embedded in the TRICARE program has been there to supplement our direct care system, particularly as we continued to deploy medics to combat theaters overseas. Our beneficiaries' satisfaction with their doctors, with the services they received, and with the support services available all improved. Progress continues. Satisfaction has shown improvement every year in all of the TRICARE programs. We have set a standard for satisfaction, measuring ourselves against civilian benchmarks, and in 2007 we surpassed the benchmark we set against our civilian counterparts. Yet, we have more to do.

But good is not good enough. There are improvements to be made in our system, and we are making them now. New TRICARE contracts will be awarded in 2008, with new incentives for performance and quality.

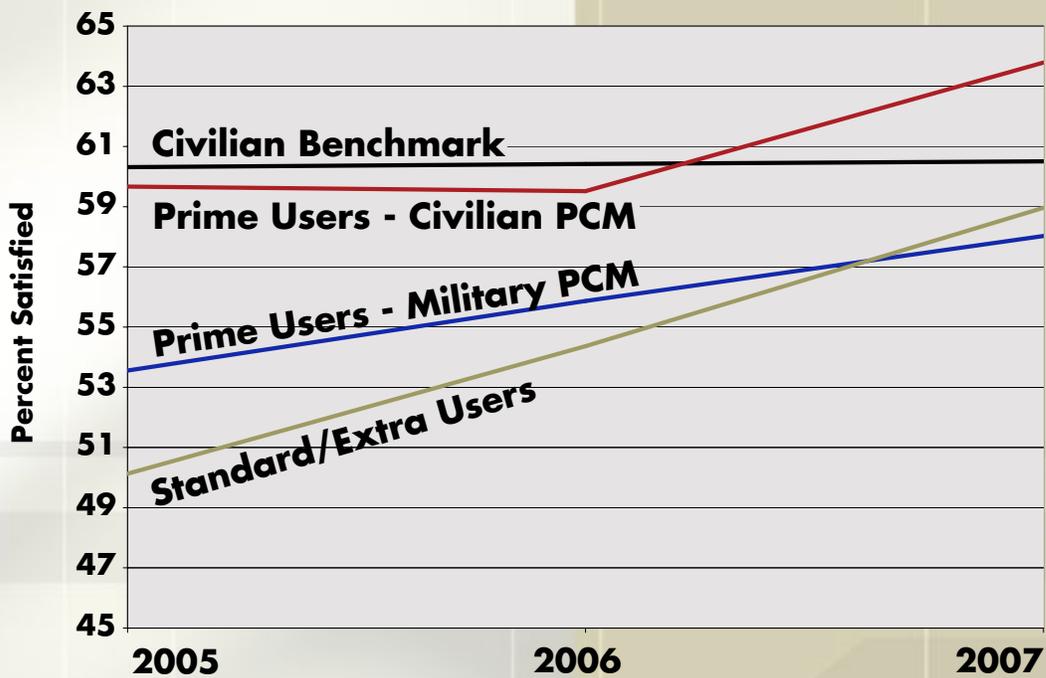
One area of continued improvement has been with the TRICARE Reserve Select program—adding important new coverage to our citizen soldiers, sailors, airmen and marines, and their families.

TRS Total Plans 57,403





**Trend in Satisfaction
With Health Plan
By Enrollment Status**





MHS By the Numbers

A Week in The Life of the MHS

18,500 Inpatient Admissions

- 4,800 Direct Care
- 13,700 Purchased Care

Outpatient Workload
(Direct care only)

- 664,000 Professional Outpatient Encounters
- 101,900 Dental Seatings

2,240 Births

- 980 Direct Care
- 1,260 Purchased Care

2.288 million Prescriptions

- 1.173 million Retail Pharmacies
- 940,000 Direct Care
- 175,000 Mail Order

3.7 million Claims Processed

\$809 million Weekly Bill

TRICARE Figures

9.2 million

TRICARE Eligible Beneficiaries

- 5.026 million TRICARE Prime Enrollees
- 1.569 million TRICARE For Life
- 167,000 TRICARE Plus
- 96,000 US Family Health Plan
- 57,000 TRICARE Reserve Select
- 2.194 million Non-enrolled Users
- 75,000 Age 65 & older (not TRICARE For Life)

TRICARE Dental Coverage

- 1.704 million Active Duty
- 1.794 million Active Duty Family Members
- 1.043 million Retirees

MHS Direct Care Facilities

- 63 Military Hospitals
- 413 Medical Clinics
- 413 Dental Clinics

133,500 MHS Personnel

- 89,400 Military
- 44,100 Civilian

\$42.178 billion FY07 Budget
(Unified Medical Program)

- \$23.694 billion Defense Health Program
- \$368 million Medical Military Construction
- \$6.958 billion Medical Military Personnel
- \$11.158 billion Medicare Eligible Retiree Accrual Fund

Mission



Our team provides optimal Health Services in support of our nation's military mission—anytime, anywhere.

Vision



- The provider of premier care for our warriors and their families
- An integrated team ready to go in harm's way to meet our nation's challenges at home or abroad
- A leader in health education, training, research, and technology
- A bridge to peace through humanitarian support
- A nationally recognized leader in prevention and health promotion
- Our nation's workplace of choice