



PERSONNEL AND  
READINESS

**UNDER SECRETARY OF DEFENSE**  
4000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-4000

JUL 19 2010

The Honorable Tim Johnson  
Chairman, Subcommittee on Military Construction, and  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

In response to House Report 111-366, Consolidated Appropriations Act of 2010, Division E, Title I, (P.L. 111-117) this is the Department's cost-benefit analysis of the various site options for recapitalizing the Landstuhl Regional Medical Center (LRMC) in Germany. It includes a justification for the preferred site. The House Report directed the Department to submit a cost assessment for LRMC with the fiscal year (FY) 2011 budget request. We apologize for the budget request being late. It was not until the last week in May that the Department completed its response. We plan to provide briefings on the details of the analysis below to interested parties on the Hill.

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The original LRMC recapitalization plan addressed only 71 percent of the existing physical plant at an estimated cost of \$749 million, projected to be undertaken over a 10-year period. Although a partial recapitalization plan would leverage existing facilities, it prevents a "clean sheet" redesign that allows us to fully incorporate evidence-based design into an optimum re-configuration. Further, construction on/adjacent to an in-service hospital would negatively impact operations. In addition, full recapitalization of LRMC offers an opportunity for consolidation with a planned outpatient clinic replacement at Ramstein Air Base. For these reasons, and because of the strategic value of LRMC's capabilities, the Department decided LRMC warranted 100 percent recapitalization.



The Department considered several locations for recapitalizing the LRMC. These included the current site, sites on Ramstein Air Base, and the “Weilerbach site” on Rhine Ordnance Barracks, which is immediately adjacent to Ramstein Air Base. After careful consideration, the Department identified Weilerbach as the preferred project site. I recently visited all three sites under consideration and I strongly endorse the Weilerbach location as the best option for optimizing the operational, patient care and cost-benefit aspects of this initiative. This location geographically supports consolidating LRMC and the Ramstein outpatient clinic in a single facility, significantly reduces transport time for Wounded Warriors arriving at Ramstein Air Base, and facilitates integration of related support facilities (such as a warrior transition unit complex) in a comprehensive medical campus design. The proximity of the Weilerbach site to the existing LRMC allows flexibility in realigning ancillary facilities, which could remain in place or be moved as operationally and economically dictated.

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The Department is grateful to Congress for its support and interest in the transformational efforts we are undertaking to provide medical care. LRMC is a critical strategic asset supporting Wounded Warriors, Service members, and beneficiaries across Europe and from adjacent theaters. Recapitalizing this facility at the best location to serve Service member and family needs is one of the Department’s top priorities. If necessary, my staff stands ready to provide additional information at your convenience.

Sincerely,



Clifford L. Stanley

cc:  
The Honorable Kay Bailey Hutchison  
Ranking Member



PERSONNEL AND  
READINESS

**UNDER SECRETARY OF DEFENSE**

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WASHINGTON, DC 20301-4000

JUL 19 2010

The Honorable Carl Levin  
Chairman, Committee on Armed Services  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

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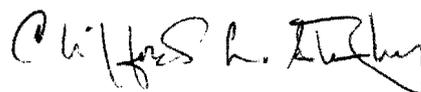


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Sincerely,



Clifford L. Stanley

cc:  
The Honorable John McCain  
Ranking Member



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JUL 19 2010

The Honorable Chet Edwards  
Chairman, Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

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Sincerely,



Clifford L. Stanley

cc:  
The Honorable Zach Wamp  
Ranking Member



PERSONNEL AND  
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**UNDER SECRETARY OF DEFENSE**  
4000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-4000

JUL 19 2010

The Honorable Daniel K. Inouye  
Chairman, Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

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Sincerely,



Clifford L. Stanley

cc:  
The Honorable Thad Cochran  
Ranking Member



PERSONNEL AND  
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**UNDER SECRETARY OF DEFENSE**

4000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-4000

JUL 19 2010

The Honorable David R. Obey  
Chairman, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

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Sincerely,

A handwritten signature in black ink, appearing to read "Clifford L. Stanley". The signature is written in a cursive, somewhat stylized font.

Clifford L. Stanley

cc:  
The Honorable Jerry Lewis  
Ranking Member



PERSONNEL AND  
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**UNDER SECRETARY OF DEFENSE**  
4000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-4000

JUL 19 2010

The Honorable Evan Bayh  
Chairman, Subcommittee on Readiness and Management Support  
Committee on Armed Services  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

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Sincerely,



Clifford L. Stanley

cc:  
The Honorable Richard Burr  
Ranking Member



PERSONNEL AND  
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**UNDER SECRETARY OF DEFENSE**  
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JUL 19 2010

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

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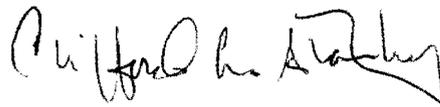


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Sincerely,



Clifford L. Stanley

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The Honorable Howard P. “Buck” McKeon  
Ranking Member



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JUL 19 2010

The Honorable Soloman P. Ortiz  
Chairman, Subcommittee on Readiness  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

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The Department is grateful to Congress for its support and interest in the transformational efforts we are undertaking to provide medical care. LRMC is a critical strategic asset supporting Wounded Warriors, Service members, and beneficiaries across Europe and from adjacent theaters. Recapitalizing this facility at the best location to serve Service member and family needs is one of the Department’s top priorities. If necessary, my staff stands ready to provide additional information at your convenience.

Sincerely,



Clifford L. Stanley

cc:  
The Honorable Randy J. Forbes  
Ranking Member