

APR 3 0 2015

The Honorable John McCain Chairman Committee on Armed Services United States Senate Washington, DC 20510

Dear Mr. Chairman:

As requested by the Joint Explanatory Statement, page 101, Senate Report 113-211, page 249, and House Report 113-473, page 283, each accompanying separate versions of the Consolidated and Further Contingency Appropriations Act, 2015, the following is the status of the FY 2014 Defense Health Program (DHP) designated one percent carryover funds.

A total of \$307,049,950 in unobligated FY 2014 DHP Operation and Maintenance (O&M) appropriation funds is designated for carryover from FY 2014 into FY 2015. The funds will be used to fund unexpected cost increases in the retail pharmacy program of the private sector care budget activity group due to an increased demand for expensive compound pharmaceuticals.

The DHP O&M one percent carryover authority continues to provide the capability to address unanticipated emergent funding shortfalls during the fiscal year. Examples of the use of carryover funds in previous fiscal years include private sector health care, support to our Wounded Warriors and pandemic influenza preparedness. The carryover authority continues to support our Service members and their families.

Thank you for your interest in the health and well-being of our Service members, veterans, and their families. A similar letter is being provided to the other congressional defense committees.

Brad Carson

Acting

cc:

The Honorable Jack Reed Ranking Member



APR 30 2015

The Honorable William M. "Mac" Thornberry Chairman Committee on Armed Services U.S. House of Representatives Washington, DC 20515

Dear Mr. Chairman:

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Thank you for your interest in the health and well-being of our Service members, veterans, and their families. A similar letter is being provided to the other congressional defense committees.

Brad Carson

Acting

cc:

The Honorable Adam Smith Ranking Member



The Honorable Thad Cochran Chairman Subcommittee on Defense Committee on Appropriations United States Senate Washington, DC 20510

APR 30 2015

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Brad Carson

Acting

cc:

The Honorable Richard J. Durbin Vice Chairman



APR 30 2015

The Honorable Rodney P. Frelinghuysen Chairman Subcommittee on Defense Committee on Appropriations U.S. House of Representatives Washington, DC 20515

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Acting

cc:

The Honorable Peter J. Visclosky Ranking Member

Preparation of this report cost the DoD a total of approximately \$1,800 in FY 2015.