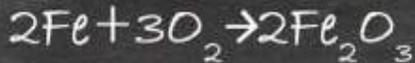
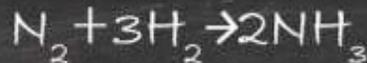
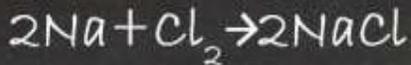


Loyalty



Duty

ess Service

+b

$$\frac{y_1}{x_1} / \frac{y_2}{x_2}$$

Integrity

$$= \frac{\pi}{2} + x\pi$$

$$\frac{\pi x}{2\sin} \frac{2\pi x}{L} \cos \frac{\pi x}{L}$$

Respect

$$a^2 + b^2 = c^2$$

$$P = 4a \quad C = 2\pi r$$

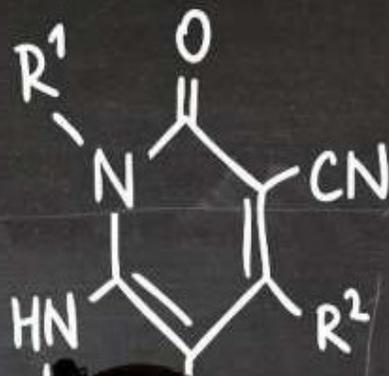
$$A = a \quad A = \pi r^2$$

$$S = 6a \quad S = 2\pi rh$$

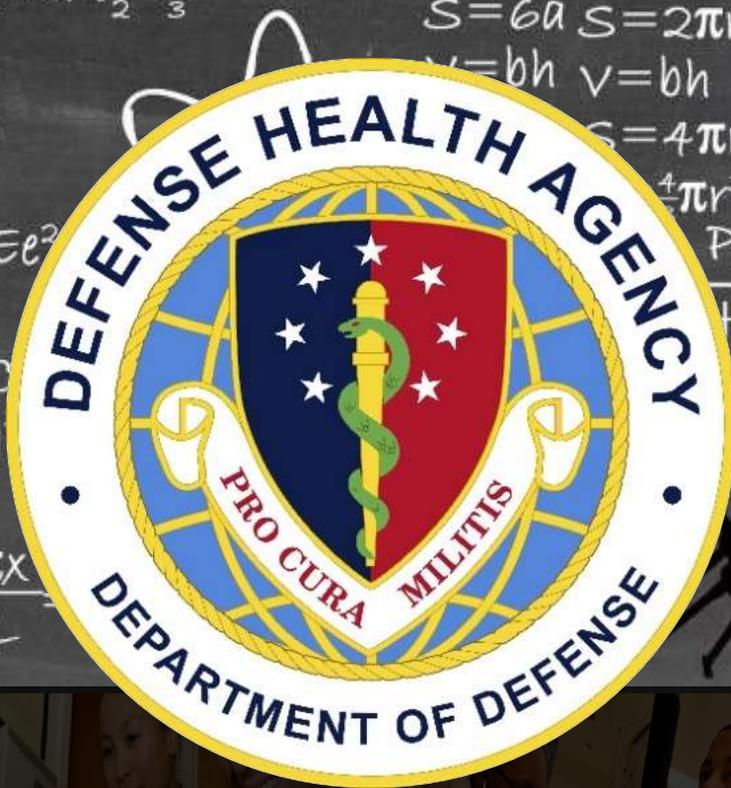
$$v = bh \quad v = bh$$

$$S = 4\pi r^2$$

$$\pm 4\pi r^3$$



Personnel



THE DEFENSE HEALTH AGENCY

2017 Stakeholder Report

“Medically Ready Force...Ready Medical Force”





“Our Military Health System is stronger than ever...Every day, in so many meaningful ways, DHA contributes to the health and well-being of our 9.4 million beneficiaries, and works to ensure the health readiness of our troops to protect the U.S. homeland and secure our interests abroad.”

- Vice Admiral Raquel Bono



Female surgeons re-create the New Yorker cover as a display of pride and diversity at Fort Belvoir
#ILookLikeASurgeon.

CONTENT

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- 07 2017 IN REVIEW
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- 27 LOOKING AHEAD TO 2018

MISSION

The Defense Health Agency (DHA) is a joint Combat Support Agency (CSA) that enables the Services to provide a medically ready force and a ready medical force to Combatant Commands (CCMDs) in both peacetime and wartime. With an emphasis on people, optimization of operations and outcomes, and direct support to the CCMDs, the DHA leads the Military Health System (MHS) in delivering the Quadruple Aim objectives: Increased Readiness, Better Health, Better Care, and Lower Cost. In support of a cohesive, globally integrated, affordable, and high-quality MHS, the DHA directs the execution of ten joint Directorates and manages and administers the following Enterprise Support Activities (ESAs): TRICARE Health Plan, Pharmacy Programs, Health Information Technology, Education & Training, Public Health, Medical Logistics, Facility Management, Budget & Resource Management, Research, Development & Acquisition, and Procurement & Contracting. The DHA's administration of the TRICARE Health Plan provides worldwide medical, dental, and pharmacy programs to over 9.4 million uniformed Service members, retirees, and their families.

2017 GOALS

- Empower and care for our people
- Optimize operations across the Military Health System
- Co-create optimal outcomes for health, well-being, and readiness
- Deliver solutions to Combatant Commands



A joint, integrated, premier system of health, supporting those who serve in the defense of our country.

Surgeons Lt. Col. Jason Compton and Maj. Charles Chesnut were members of the team that took in trauma patients during the Las Vegas shooting and mass casualty event on Oct. 1, 2017.



INTRODUCTION TO THE DEFENSE HEALTH AGENCY

“Our patients, our ability to maintain readiness, and our ability to gain efficiencies in cost and the delivery of health care will become our measures of success.”

- Command Sergeant Major Robert Luciano



AN INTRODUCTION TO THE DEFENSE HEALTH AGENCY

MESSAGE FROM THE DIRECTOR

Success breeds success.

For the last four years, the Defense Health Agency has grown from a newly established defense agency to a mature organization that continues to meet the expanding expectations that our Combatant Commanders, the Services, our elected leaders, and our patients place on us.

In 2018, the DHA accepts important new leadership responsibilities for managing health care services around the world. At the same time, we remain deeply engaged in several transformative initiatives—deploying a new global Electronic Health Record, MHS GENESIS, that supports our shared and intertwined readiness and health care delivery missions; and ensuring our improved TRICARE program expands access to an integrated team of military and civilian network providers.

We get this work done with a talented military and civilian workforce. As you read through our annual stakeholder report, it's essential to remember that these achievements were made possible by the finest public servants you will find. Whether it's an injured service member 8,000 miles away or a sick child and worried parent in the local community, the DHA Team understands how everything we do affects the mission of the U.S. military. Education, research, global health, public health, and information technology are all brought to bear to improve care and sustain health.

It's a noble mission, and we are proud to be a vital part of it!



**VICE ADMIRAL
RAQUEL BONO**

MESSAGE FROM THE SENIOR ENLISTED ADVISOR

It is an honor and privilege to be a part of the transformation taking place within the DHA and the Military Health System. One of the hallmark's of the U.S. military's non-commissioned officers is our ability to lead and implement change in a fluid and constantly evolving environment. The ops tempo required to meet our mission will be demanding, but it will be well worth the reward of a stronger, healthier and more ready military.

As we move forward together in executing our mission as a Combat Support Agency, we will continuously hone the skills we have developed throughout our careers. We need to be leaders in collaboration, and help build upon the best practices in each Service. We must remain agile and adaptable, and be willing to stay open to new ideas, new situations, and unexpected demands. Finally, we need to stay true to our mission—ready to ensure everyone who goes into harm's way is supported by the most talented team of military medical professionals the world has ever known.

It's an exciting time to be a part of the MHS, and together with the passion, creativity, and commitment that our enlisted team brings to the DHA, I look forward to building a more integrated system of readiness and health.



**COMMAND
SERGEANT MAJOR
ROBERT LUCIANO**



THE MILITARY HEALTH SYSTEM & DEFENSE HEALTH AGENCY

“Through this year of transition we need to keep reminding ourselves why the MHS exists—ultimately, it's to support Service members and their families and to ensure the U.S. can fight and win wars. An integrated system of readiness and health is key to these efforts to support the warfighter and to optimize healthcare business practices.”

- Mr. Guy Kiyokawa



THE MILITARY HEALTH SYSTEM

The Military Health System (MHS) is a global, comprehensive, integrated system that provides health care to active duty and retired U.S. military personnel and their families. On the battlefield, every element of the MHS comes together to make the difference between life and death. Army, Navy, and Air Force medical professionals help ensure those in uniform are medically ready to deploy anywhere around the globe on a moment's notice.

With a \$52B budget and serving 9.4 million active duty personnel and their beneficiaries, MHS employs more than 147,217 personnel in 51 hospitals, 381 clinics, and 247 dental clinics at facilities across the nation and around the globe, as well as in contingency and combat-theater operations worldwide.

MHS is more than just combat medicine—it is a complex system that globally integrates:

- Health care delivery
- Public health and medical education
- Private sector partnerships
- Cutting edge medical research and development

MHS is led by the Office of the Assistant Secretary of Defense for Health Affairs under the Office of the Undersecretary of Defense for Personnel & Readiness.



Those of us who work in military health are justifiably proud of how ready the MHS is to respond, not just to the needs of our warfighters and our TRICARE beneficiaries, but also to the needs of our entire country.

– VADM Bono



MILITARY HEALTH SYSTEM BY THE NUMBERS- 2017

| TYPE OF CARE | AVERAGE NUMBER PER WEEK | ANNUAL SUMMARY |
|------------------------------|------------------------------|---------------------------------|
| Inpatient Admissions | Total: 19,274 | Total: 1,005,700 |
| | Military Facilities: 4,337 | Military Facilities: 226,300 |
| | Network Facilities: 7,133 | Network Facilities: 372,200 |
| | TRICARE For Life: 7,804 | TRICARE For Life: 407,200 |
| Outpatient Visits | Total: 2,033,402 | Total: 106,100,000 |
| | Military Facilities: 793,429 | Military Facilities: 41,400,000 |
| | Network Facilities: 657,358 | Network Facilities: 34,300,000 |
| | TRICARE For Life: 582,615 | TRICARE For Life: 30,400,000 |
| Births | Total: 2,116 | Total: 110,394 |
| | Military Facilities: 789 | Military Facilities: 41,164 |
| | Network Facilities: 1,327 | Network Facilities: 69,230 |
| Prescription Workload | Total: 2,288,296 | Total: 119,400,000 |
| | Military Pharmacies: 860,507 | Military Pharmacies: 44,900,000 |
| | Network Pharmacies: 442,710 | Network Pharmacies: 23,100,000 |
| | Home Delivery: 155,236 | Home Delivery: 8,100,000 |
| | TRICARE For Life: 829,843 | TRICARE For Life: 43,300,000 |

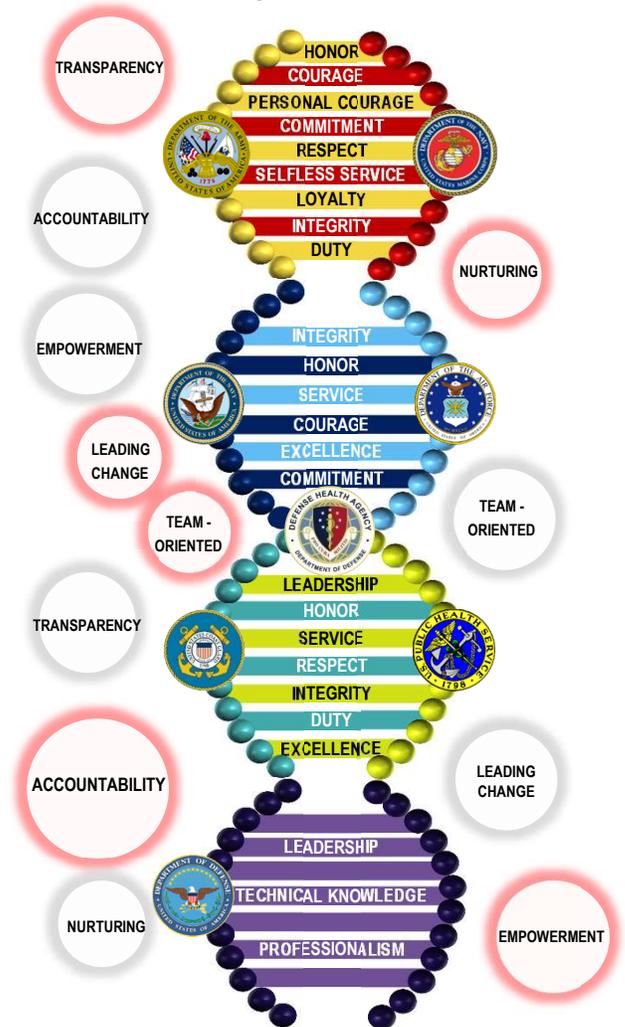
THE DEFENSE HEALTH AGENCY

The Defense Health Agency (DHA) is a joint, globally integrated Combat Support Agency (CSA) that enables the Army, Navy, and Air Force medical services to provide a medically ready force and ready medical force to Combatant Commands in both peacetime and wartime. The DHA supports the delivery of integrated, affordable, and high quality health services to MHS beneficiaries and is responsible for driving greater global integration of clinical and business processes across the MHS by:

- Implementing Enterprise Support Activities with common measurements of outcomes
- Enabling rapid adoption of proven practices, helping reduce unwanted variation, and improving the coordination of care across treatment venues
- Exercising management responsibility for joint shared services and the TRICARE Health Plan
- Acting as the market manager for the National Capital Region (NCR) enhanced Multi-Service Market, which includes Walter Reed National Military Medical Center (WRNMMC) and Fort Belvoir Community Hospital (FBCH)

DHA DNA: GUIDING PRINCIPLES

DHA appreciates its staff for bringing Service-derived core values to uphold an organizational culture of six guiding principles: Transparency, Accountability, Leading Change, Empowerment, Nurturing, and Team-Oriented.



DHA PRESENCE ACROSS THE GLOBE SUPPORTING CCMDs AND THE SERVICES



More than 750 doctors, nurses, corpsmen and support personnel from across the Navy embarked aboard the hospital ship USNS Comfort in support of the U.S. military response to the hurricane relief efforts in Puerto Rico.



2017 IN REVIEW

"The DHA is both a Health Agency and a Combat Support Agency dedicated to ensuring patient-friendly access to safe, high value, and compassionate healthcare—Those that we are privileged to serve, our patients, deserve no less. Whether wounded overseas, overcoming a natural disaster, or needing care at home, our patients always come first."

- Major General Jeffrey Clark

USNS
Comfort
takes on
patients in
San Juan.

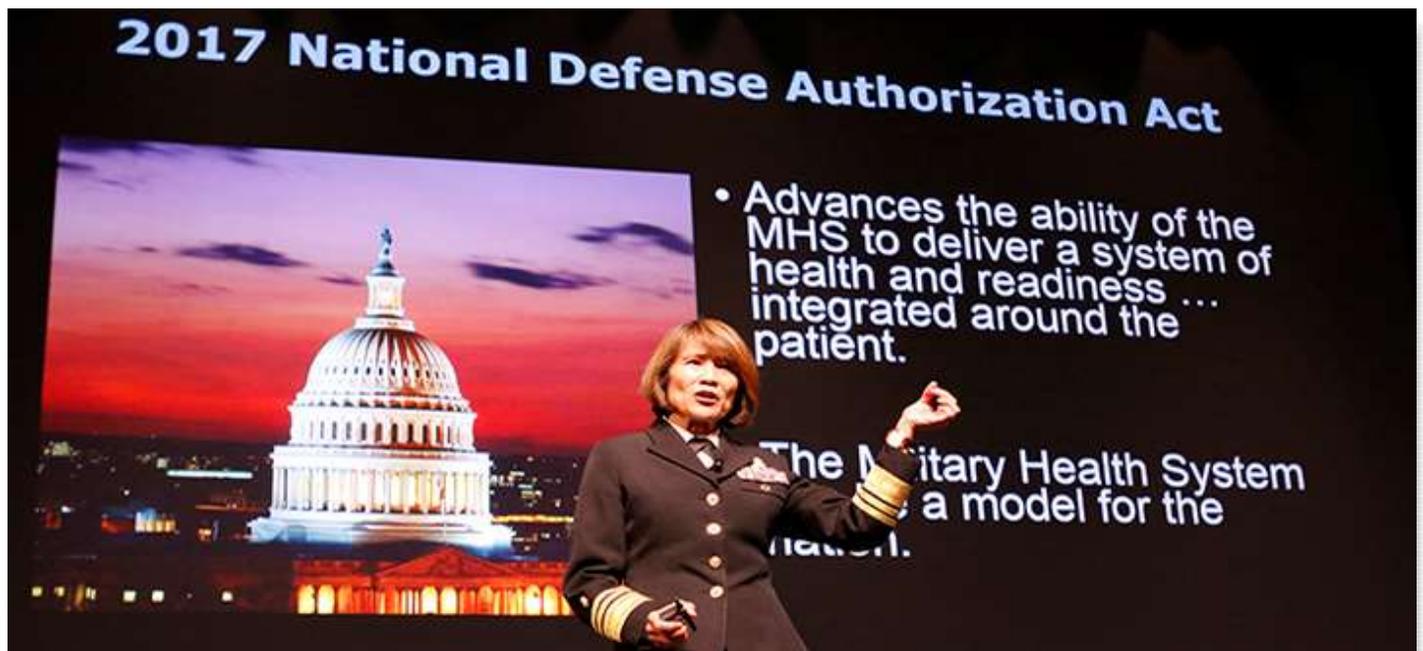


2017 NDAA

The National Defense Authorization Act for Fiscal Year 2017 (2017 NDAA) enacted significant reforms to TRICARE and the MHS, including changes to existing management structures, thereby collectively transforming MHS into an integrated system of readiness and health. The overarching goals include:

- Ensuring trained and ready military medical personnel and restoring readiness
- Delivering an improved health care experience to beneficiaries
- Eliminating duplication of efforts
- Performing functions as one efficient enterprise

The centralized administration of the Military Treatment Facilities (MTFs) under the authority of the DHA provides the opportunity to focus on readiness, create a common high-quality experience for patients, and eliminate redundancies. Increasing military readiness is the top priority and the DHA is working toward implementing the law and collaborating with stakeholders in support of Congressional intent.

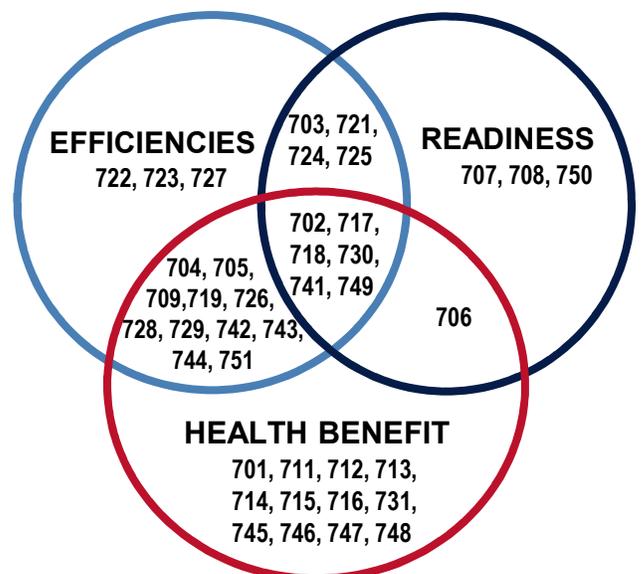


VADM BONO discusses the 2017 NDAA at the Health Information Management Systems Society (HIMSS) Conference

The provisions in the 2017 NDAA work together to (1) ensure a trained and ready health team to support the Joint Force, (2) deliver an improved experience to TRICARE beneficiaries, and (3) enable the MHS to act as one enterprise. The 2017 NDAA improves health care for Service members, retirees, and their families, while enhancing medical readiness by:

- Improving and maintaining operational medical force readiness
- Enhancing access to high-quality healthcare
- Improving beneficiaries' health outcomes
- Creating health value
- Modernizing TRICARE support contracts
- Driving efficiencies and eliminating waste
- Demanding performance accountability

SECTIONS OF THE 2017 NDAA THAT ADDRESS EFFICIENCIES, READINESS, AND HEALTH BENEFIT



DHA LEADERS

Working in close coordination with stakeholders, the DHA management team is filling critical leadership roles established by Congress. The new organizational structure will be implemented in 2018. Dr. Barclay Butler assumed a new role as Interim Assistant Director for Health Care Administration (Interim AD-HCA), one of five new positions required by statute. The other four new positions report to the AD-HCA and are designated Deputy Assistant Directors (DADs). By improving efficiency and streamlining administration, the reorganization will allow the DHA to achieve its goals and fulfill the Quadruple Aim.

DHA LEADERSHIP SUPPORTING 2017 NDAA IN TRANSITION



VADM Raquel Bono,
Director, Defense Health
☆☆☆ Agency



CSM Robert Luciano,
Senior Enlisted Advisor,
Defense Health Agency



Mr. Guy T. Kiyokawa,
Deputy Director, Assistant
Director Management



MG Jeffrey Clark,
Interim Assistant Director
☆☆ CSA, Interim DAD - HCO



Dr. Barclay Butler,
Interim Assistant Director
Healthcare Administration



MG Ronald Place,
Director NCR-MD,
Interim DAD - MA
☆☆ (J-11)



Brig. Gen. James H. Dienst,
Interim DAD - FO
(J-8)



Mr. Thomas "Pat" Flanders,
DAD - IO,
MHS CIO
(J-6)



Ms. Mary Kaye Justis,
DAD - Administration &
Management
(J-1)



Dr. Paul Cordts,
DAD - Strategy,
Planning & Functional
Integration
(J-5)



RDML Mary C. Riggs,
DAD - Research
& Development
(J-9)



Mr. John M. Tenaglia,
Interim DAD -
Component
Acquisition Exec
(J-4)



CAPT Arthur Anthony,
Interim DAD -
Education & Training
(J-7)



Mr. Kenneth Canestrini,
Interim DAD -
TRICARE
(J-10)

DHA INFLUENCE ACROSS STRATEGIC CONFERENCES IN 2017

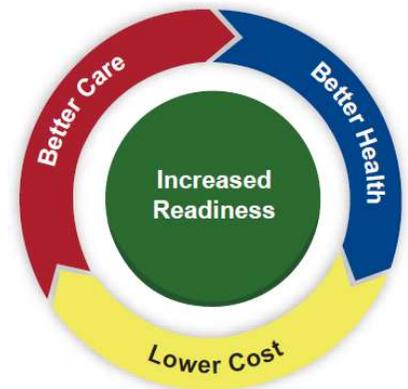
- HIMSS** Around 40,000 healthcare IT professionals, clinicians, executives and vendors attended the Healthcare Information & Management Systems Society (HIMSS) 2017 conference. During this conference, VADM Bono highlighted the initiatives the MHS is taking to improve delivery of care to its 9.4 million beneficiaries: the launch of MHS GENESIS and NDAA provisions focused on integrating care around the patient.
- FAAST** The Federal Advanced Amputation Skills Training (FAAST) brought together health and wellness experts from the Departments of Defense and Veterans Affairs to share best practices in caring for those who have lost limbs because of combat, injury, or disease. At this conference, experts shared findings related to identifying and lessening secondary health complications.
- DHITS** "One Team, One Mission-Creating Our Future Together" was the theme of the Defense Health Information Technology Symposium (DHITS), an event bringing together 2,000+ IT professionals, healthcare providers, & administrators to better serve patients. "Health IT is one of the foundational enterprise support activities," said VADM Bono, "there's not another support function that touches everything we do."
- MHSRS** The annual MHS Research Symposium (MHSRS) attracted military medical providers, academic researchers, and clinical administrators to discuss the treatment of warfighters, retirees, and their families. Experts discussed surgical care on the battlefield, life after amputation, future limb regrowth, magnets to relieve symptoms of depression, and studying PTSD through biomarkers.
- AMSUS** Leaders from the DHA and the Services came together at the 126th Annual Continuing Education Meeting of the Society of Federal Health Professionals (AMSUS) to discuss health readiness. Topics at the conference ranged from global health engagement to the modernization of military healthcare, including MHS GENESIS.
- ASCC** MHS leaders attended the Air, Space & Cyber Conference on cooperation and collaborative missions, which included major Combatant Commands (CCMDs). TRANSCOM supports CCMDs in sending liaison officers to each command to enable a direct line to DHA and our capabilities. They are expanding DHA's medical logistics support to patient transport, helping TRANSCOM meet its goal of standardizing patient movement items—work that will save money, boost efficiency, and improve patient care.

AN APPROACH ALIGNED WITH STRATEGY

The United States Congress enacted the 2017 NDAA to address and correct overlapping command structures, duplicative staff functions, and costs of prolonged consensus-building. This established a number of significant changes to both our benefit and our organizational structure, with the explicit goals of furthering the Quadruple Aim—Increased Readiness, Better Care, Better Health, and Lower Cost—which serves as the strategic framework for the entire MHS.

As a joint, globally integrated Combat Support Agency, the DHA is charged by Congress to deliver these aims by enabling the Army, Navy, and Air Force to provide a medically ready force and a ready medical force to the Combatant Commands. To ensure the Quadruple Aim is achieved, the DHA has developed four strategic goals:

THE MHS QUADRUPLE AIM



Workforce

DHA empowers and cares for its people. The workforce is the foundation of the Military Health System. Without its people, the DHA cannot achieve success. Empowering the people who design, manage, and deliver the health system will ultimately lead to higher-quality and better-value health care to improve the overall well-being and readiness of the military.

Patients

DHA, in partnership with MHS beneficiaries, co-creates optimal outcomes for health, well-being, and readiness. Nobody understands the needs of the beneficiaries better than the patients themselves. To optimally respond to global trends in health care and the needs of the patients, the DHA strives to bring patients and experts into the decision-making process. This strengthens the partnership between patient and provider, ensures the best overall health outcomes, and increases readiness of the nation's fighting force.

Military Services

DHA optimizes operations across MHS to improve health services and medical readiness. By centralizing management of joint, enterprise health services and streamlining operations to become more effective and agile, the DHA serves as an enabling force to lay the groundwork for a truly integrated and cost-effective system of readiness and health. Such efficiencies are critical to the DoD's ongoing reform efforts and will ensure the long-term viability of MHS.

Combatant Commands

DHA delivers solutions to Combatant Commands. Those entrusted to lead the nation's military need a ready force, as well as agile and adaptive solutions to challenges with integrated health care and readiness. The DHA sees readiness as its top priority and is committed to delivering joint functions and activities to enable the rapid adoption of proven practices, reduce unwanted variation, and improve coordination of joint health care for the Warfighter.

DHA Leadership then developed eleven strategic objectives to support these goals and identified three of these objectives as priorities that best position MHS to successfully achieve the intent of the 2017 National Defense Authorization Act:

- Manage and Administer MTFs (W5)
- Deliver and Sustain Electronic Health Record (W7)
- Optimize Critical Internal Management Processes (M1)



2017 DHA STRATEGY MAP

The DHA’s 2017 strategy map communicates the Agency’s shared mission, vision, and strategic goals. It explains how the Agency intends to achieve the Quadruple Aim and ultimately develop an integrated system of readiness and health. The DHA’s strategy reinforces the Agency’s commitment to its customers by establishing four high-level goals that directly support the Agency’s workforce, the Services, the patients, and the Combatant Commands.

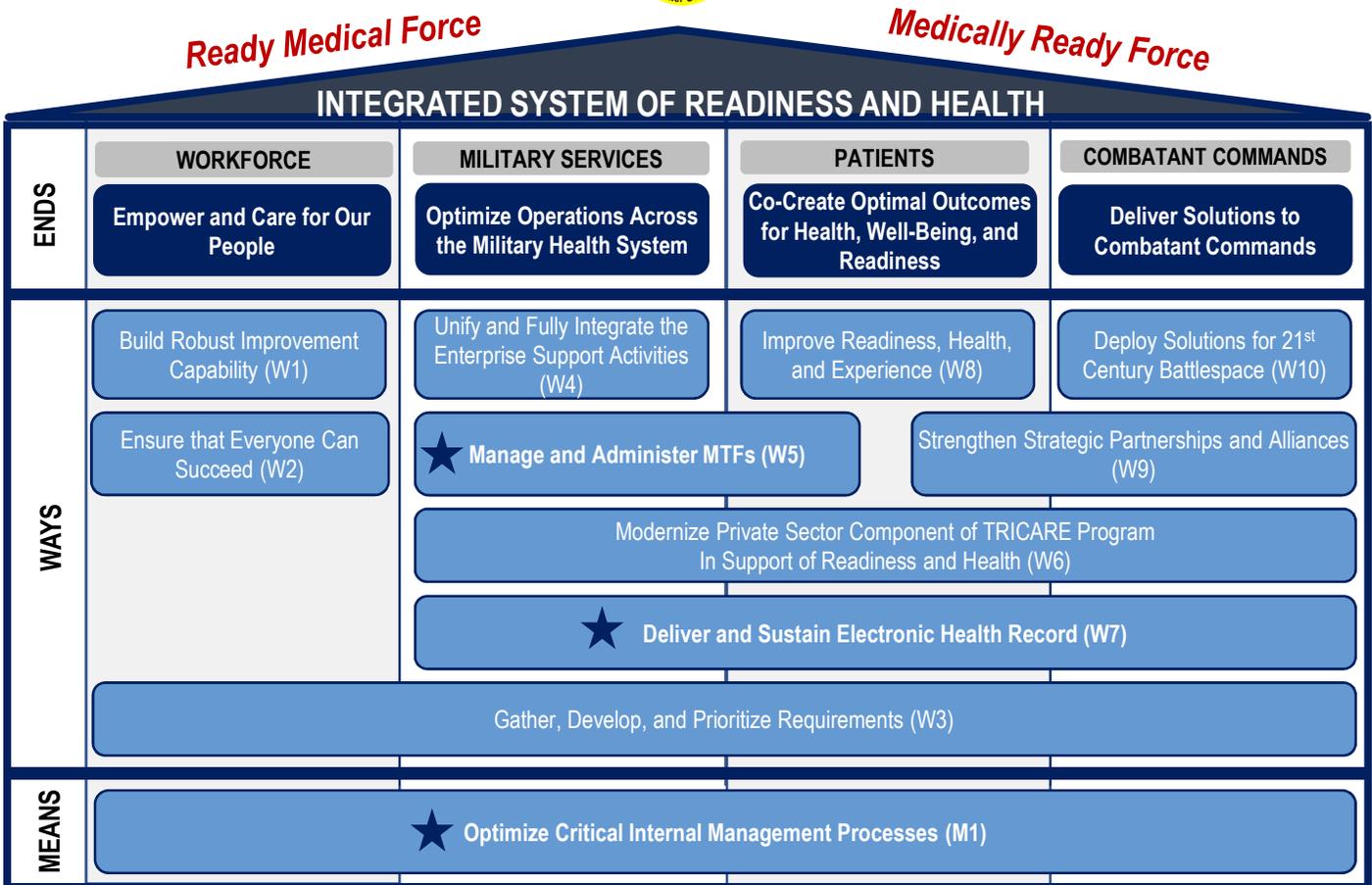
The strategy map is divided by “ends, ways, and means” to show the causal relationship between the strategic objectives. The “ends” represent the desired outcomes of the strategy. The “ways” are the tactical methods executed to achieve the ends. The “means” are the resources or process changes required to execute the “ways.” These Strategic Objectives allow the DHA to prioritize its portfolio of work and ensure the proper alignment to resources.

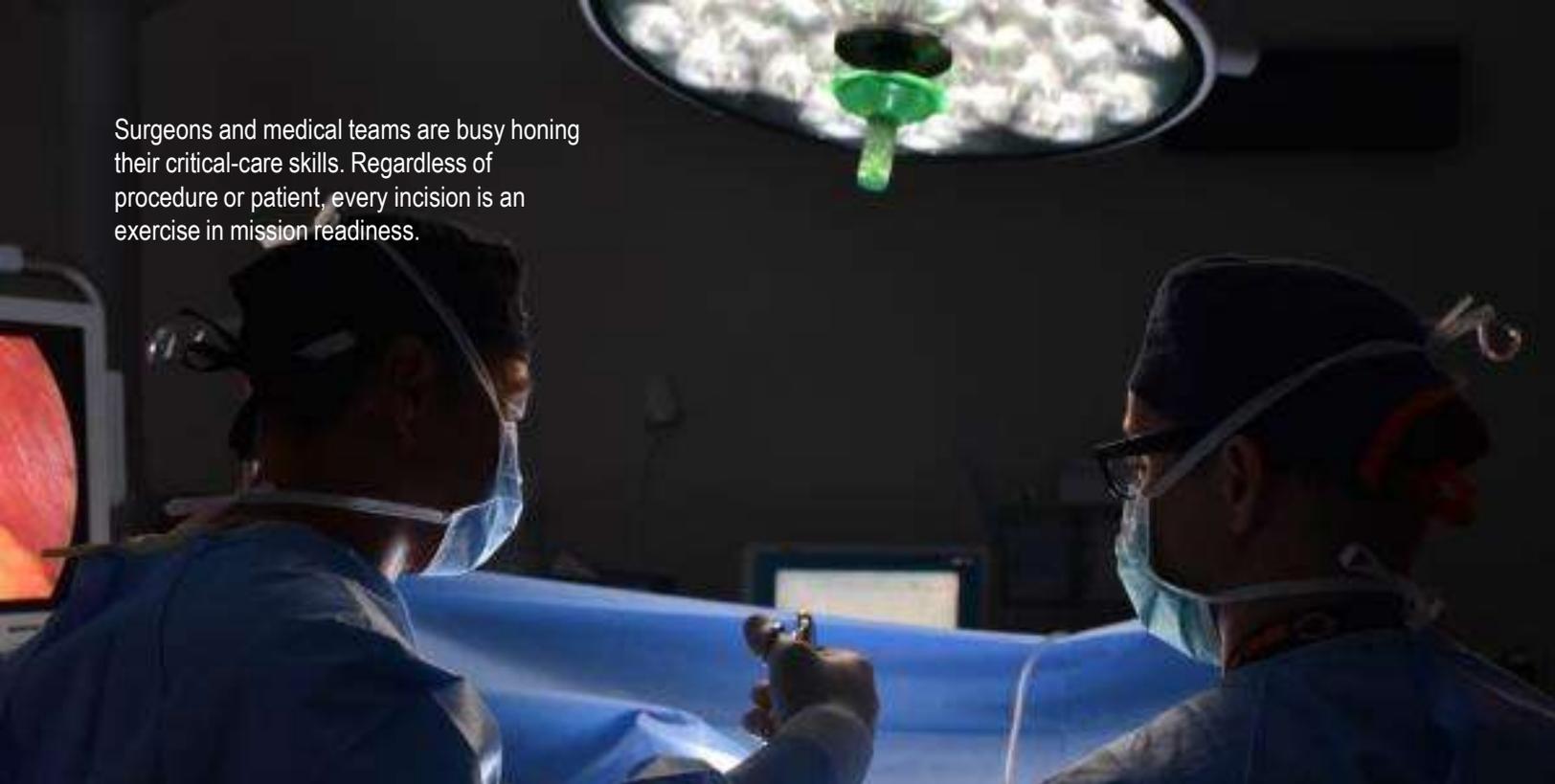
In 2016, the DHA conducted a strategic refresh which resulted in the addition of a fourth strategic goal and a reduction from 22 to 11 Strategic Objectives in order to ensure the strategy was executable. At the inaugural DHA Strategy Review and Analysis in November 2017, leadership identified three Priority Objectives, indicated below by a star, which have been deemed crucial to the DHA’s ability to achieve its mission and to position the DHA to best implement the legislative intent outlined in the 2017 NDAA.

DHA STRATEGY MAP

MISSION: The DHA, a Combat Support Agency, leads the MHS Integrated system of readiness and health to deliver the Quadruple Aim: Increased Readiness, Better Health, Better Care, and Lower Cost.

VISION: Unified and Ready.



A photograph of two surgeons in an operating room. They are wearing blue scrubs, masks, and caps. A large surgical light is visible above them, and a patient is lying on the table. The scene is dimly lit, with the primary light source being the overhead surgical light.

Surgeons and medical teams are busy honing their critical-care skills. Regardless of procedure or patient, every incision is an exercise in mission readiness.

STRATEGIC OBJECTIVES AND ACCOMPLISHMENTS

“Each and every employee can directly contribute to the DHA's mission of optimizing healthcare and readiness across the DoD. It should be empowering and motivating to know that the work we do every day improves the lives of 9.4 million beneficiaries across the globe.”

–Dr. Barclay Butler



GAINED INSIGHT FROM STAKEHOLDERS

The DHA is a public institution and accountable to a broad set of stakeholders, including senior military and civilian leaders, Combatant Commanders, military medicine beneficiaries, and the American people. Public institutions must earn public trust by demonstrating integrity and transparency. As the Director of the DHA, VADM Bono is committed to soliciting feedback and collaborating with stakeholders to improve the organization. As part of this ongoing effort, the DHA conducted external and internal stakeholder interviews to gather detailed, candid feedback. The environmental scan serves as part of a larger ecosystem of transparency, and the feedback will advise strategy, and direct DHA's 2018 leadership reform efforts.



DHA Town Hall

2017 STRATEGIC OBJECTIVES AND ACCOMPLISHMENTS

Each of the DHA's strategic objectives ("ways") contributes to achieving one or more of the strategic goals ("ends"). The DHA Directorates built on progress made in previous years and made significant accomplishments toward these "ends." In the following pages, the accomplishments are aligned to the strategy map, and are grouped into categories according to the strategic objective they help to fulfill.

DHA 2017 STRATEGIC GOALS

In the Strategic Objectives and Accomplishments Section of the Report, the below icons are mapped to strategic objectives indicating which end(s) the accomplishments are working to fulfill.



Workforce: Empower and Care for Our People

"I get joy from the work I do every day."



Military Services: Co-Create Optimal Outcomes for Health, Well-Being, and Readiness

"Health better than I've ever known; care better than I've ever seen."



Patients: Optimize Operations Across MHS

"DHA provides the best training platforms to enhance readiness."



Combatant Commands: Deliver Solutions to Combatant Commands

"DHA provides health solutions that meet joint mission needs."



OPTIMIZE CRITICAL INTERNAL MANAGEMENT PROCESSES (M1)

DEFINITION: Enhance effectiveness and efficiency of internal operations and stakeholder engagement, reliability of reporting, and compliance with laws and regulations by ensuring easy access to accurate financial, resource and personnel information to support decision making and accountability, design and support the implementation of effective and efficient Human Resource and Personnel processes and practices, internal controls, and decision making and communication systems.



Zero-Based Budget Review (ZBR) Feasibility Study: The Strategy, Planning, and Functional Integration Directorate (J-5) implemented a multi-phased ZBR process in 2016. In 2017, J-5 and Health Information Technology (J-6) financial and technical experts:

- Completed the ZBR feasibility study
- Identified two strategic courses of action for potential IT cost savings
- Identified opportunities to consolidate 11 systems into a single unified data architecture
- Aligned IT investments with the mission to reduce redundancies, avoid loss of capability, and improve data quality and transmission time
- Facilitated migration to MHS GENESIS®

Impact: This collaborative effort improved mission capabilities for a more efficient health delivery system to better meet the needs of the entire MHS.

FEASIBILITY STUDY RESULTS

By investing \$23.1M over FY19-22, MHS can have the following cost savings:

Course of Action 1:



41.3M
cost savings

(25% of total cost \$165.2M)

Course of Action 2:



27.9M
cost savings

(19% of total cost \$146.8M)

General Fund Enterprise Business System (GFEBS): The Defense Health Program (DHP) received the DHA Single Financial Management System Implementation Authority to Proceed with the Resources & Management Directorate’s (J-1 and J-8) implementation of GFEBS, a web-enabled accounting, asset management, and financial system.

- Completed a successful “proof of concept” GFEBS deployment to the Walter Reed National Military Medical Center, Fort Belvoir Community Hospital, and Joint Pathology Center
- Accounted for roughly 50% of DHP (Army and DHA) in GFEBS

Impact: Implementing GFEBS across the remainder of the MHS will standardize, streamline, and share critical data to improve decision making and audit readiness across the enterprise.

Contract Resource Management (CRM) Clean Audit: J-1 and J-8’s CRM Division in Aurora, CO presented their FY17 financial statements, according to the auditor, “fairly, in all material respects...and in conformity with U.S. Generally Accepted Accounting Principles (GAAP).”

Impact: The CRM Division earned the prestigious categorization of Unmodified “Clean” Audit Option for the eighth year in a row.

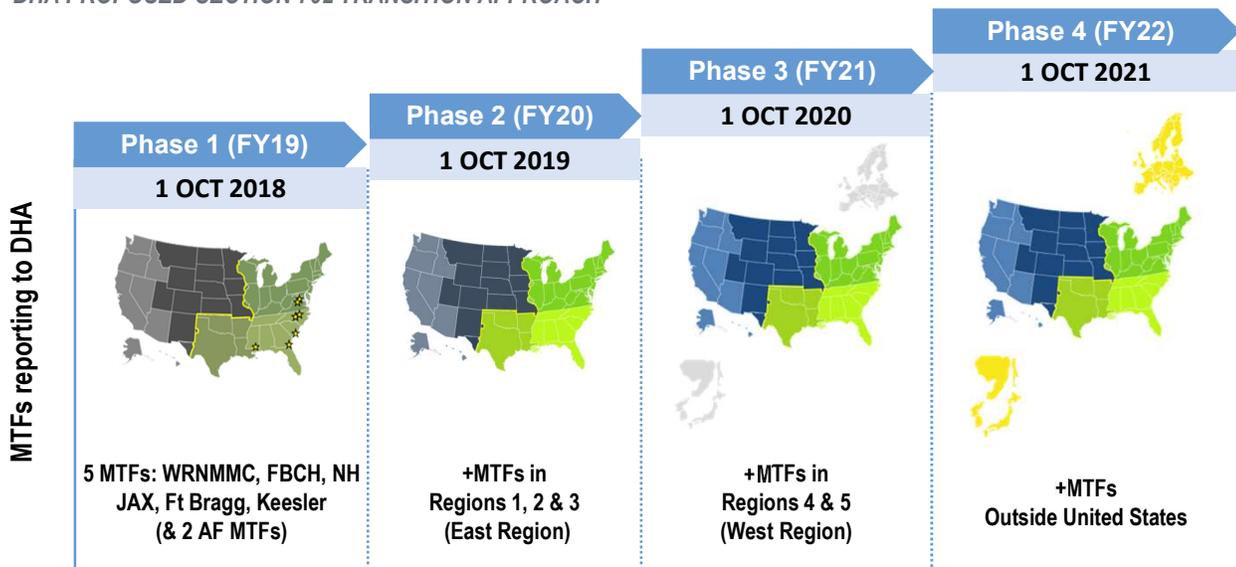
MANAGE & ADMINISTER MILITARY TREATMENT FACILITIES (W5)

DEFINITION: The DHA will develop and implement an operating model for management of military treatment facilities (MTFs) and markets that enhances system performance and creates a consistent patient experience; establish organization and processes needed for effective MTF administration; eliminate unnecessary redundancies in management structure; achieve optimal balance between local autonomy and system standardization; and intends to shift resources to optimize the system as a whole in support of readiness and health, while ensuring that the right people are in the right positions.



Coordinated for Future Management and Administration of all MTFs: 2017 was a year of strategic planning for the DHA as it prepared to assume responsibility for the management and administration of all MTFs and their business operations. Under the authority of Section 702 of the 2017 NDAA, all MTFs will be required to adhere to the same policies, procedures, and standard clinical and business processes by October 1, 2018. To effectively and efficiently complete this transition, DHA Leadership and each of the J-Directorates collaborated to execute the phased 702 transition approach proposed by the Office of the Under Secretary of Defense for Personnel and Readiness (OSD P&R).

DHA PROPOSED SECTION 702 TRANSITION APPROACH

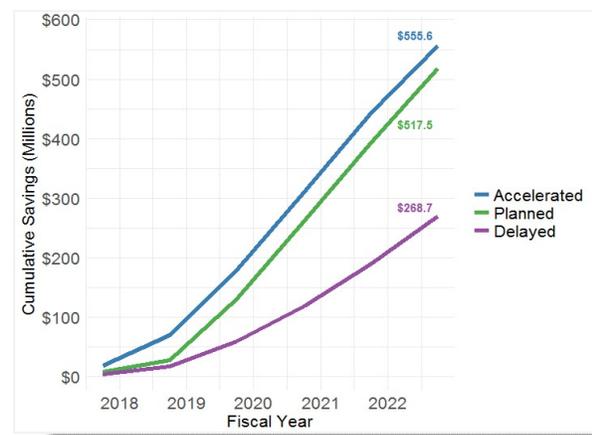


Q-Service Contract Awarded: In 2016, The Component Acquisition Executive (J-4) collaborated with the Services to consolidate and standardize all requirements for the purchase of Q-coded medical services enterprise-wide. In 2017, J-4 oversaw and approved the award of a \$7.5B Q-Service contract to procure the services of contracted doctors, nurses, dentists and ancillary personnel in military hospitals.

- The *first* Tri-Service Q Contract award
- Combined all contracts and task orders of the Services into one contract vehicle

Impact: This consolidated approach highlights DHA's ability to provide critical services to the MHS and patients at the strategic level, and will allow the Services to share resources among co-located facilities, reducing medical costs and competition.

Estimated Cumulative Savings from Q-Service Contract



Savings estimates have not been booked and are contingent on DHA moving to a regional model for contracting.

Facility Lifecycle Management Processes: The DHA Facilities Division was a change agent in global integration and improving the facility lifecycle management processes for the MHS' \$36B facility portfolio:

- Served as the sponsor for the annual \$1.3B Sustainment, Restoration, and Modernization program that ensures a safe environment for the 9.4 million beneficiaries across the globe
- Exceeded DoD readiness requirements and delivered appropriate and safe facility environments
- Led the biennial Capital Investment Decision Model (CIDM) process, leveraging a joint, standardized process to prioritize the MHS's capital investments for FY18-22
- Reduced the Initial Outfitting & Transition (IO&T) program baseline from \$400M to \$200M across the FY15-19 FYDP

Impact: Refined processes and programs take an enterprise-based approach resulting in operational and clinical improvement at a lower cost.

ACTUAL AND PROGRAMMED SAVINGS AS OF 4TH QUARTER FY17



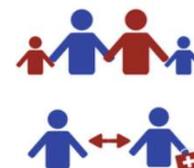
DELIVER AND SUSTAIN ELECTRONIC HEALTH RECORD (W7)

DEFINITION: The DHA will optimize infrastructure; support acquisition and installation of MHS GENESIS; support portfolio rationalization and effective and efficient data exchange development; develop a sustainment structure for the EHR; implement enterprise standards for EHR workflows, content, and system configuration, maximize end-user adoption through effective change management and training; and institutionalize repeatable processes to support agile decision-making.

Consolidated IT Infrastructure and Single Reliable Medical Network:

J-6 transitioned MHS GENESIS Initial Operating Capability sites to the Medical Community of Interest (Med-COI), a secure enterprise network medical enclave serving as a key enabler for full personal healthcare information interoperability between the DoD and the Department of Veterans Affairs (VA) to:

- Secure healthcare record portability to ensure the highest quality and effective delivery and communication of healthcare services for the beneficiaries
- Support IT operations seamless exchange of data between MHS GENESIS, the VA, TRICARE partners, and state and local health information exchanges



Integrated medical and dental records for the whole family



Enables patients to communicate securely with their providers



Connects patient information worldwide to other facilities and deployed locations

Impact: The DHA achieved a critical step toward implementing an enterprise-wide common architecture that provides the same tools and platforms across the MHS to support a globally integrated ready medical force and a High Reliability Organization (HRO).

Culture of Cyber Discipline: Building on the enforcement of the amended 2016 DoD Cybersecurity Discipline Implementation Plan, J-6 and the Med-COI:

- Provided DHA an enterprise view of its network
- Enabled the assessment of network performance from the datacenter to the desktop
- Implemented the Windows 10 Secure Host Baseline

Impact: The DHA played a critical role in achieving a more centralized streamlined IT operating environment and strengthened cybersecurity protections for the MHS.

DHA CYBER DISCIPLINE ACROSS THE GLOBE



MHS GENESIS Reached Initial Operating Capability (IOC): As the representative of the functional community, the Office of the Functional Champion within J-5 collaborated with J-6, the technical experts of the Program Executive Office, Defense Healthcare Management Systems, the Services, and about 850 subject matter experts:

- Strategically selected the Pacific Northwest due to its Tri-Service representation and varied facility sizes and capabilities
- Enabled MHS GENESIS to reach IOC at Fairchild Air Force Base, Naval Health Clinic Oak Harbor, Naval Hospital Bremerton, and Madigan Army Medical Center
- Improved connectivity and communication
- Allowed for the technical integration of workflows and operating systems between initial deployment sites



BABY AVALEE—THE FIRST INFANT BORN AND RECORDED IN THE NEW JOINT EHR, MHS GENESIS

Impact: The initial deployment was a significant step in the enterprise-wide effort to adopt a single EHR that will drastically enhance collaboration and continuity of care and mobility for the patient. EHR will provide an opportunity to adjust DHA’s portfolio to maximize support to MHS healthcare providers and provide the best healthcare to our beneficiaries anytime, anywhere.

MHS GENESIS LAUNCH PACIFIC NORTHWEST



Left Image: (From left to right) Chief Master Sgt. Willard Armagost, Col. Meg Carey, VADM Raquel Bono, and Lt. Gen. Mark Ediger. Right Image: (From left to right) COL Michael Place, VADM Raquel Bono, Col. Michaelle Guerrero, Ms. Stacy Cummings, CAPT Jeffrey Bitterman, CAPT Christine Sears, and ASDHA Thomas McCaffery

Enterprise Data Management (EDM) Maturity Assessment: Improvements in EDM are required to optimize critical internal management processes and to enable the consistent capture, accurate analysis, well-preserved storage, and timely release of data critical to MHS becoming a data driven HRO. Bringing the MTFs under the centralized administration of the DHA will also require data controls and systems that are standardized, efficient, and effective. J-5 completed an EDM maturity assessment which:

- Identified DHA’s baseline data maturity
- Created recommendations for the stand-up of a division purposed to improve data management

Impact: Maturation of MHS enterprise data management will ensure easy access to accurate healthcare, financial, resource, personnel, and all other data necessary for enhanced decision making and accountability.

System Interoperability: J-6 implemented significant interoperability enhancements:

- Interfaced key support systems (ABACUS and DMLSS) with MHS GENESIS in the Pacific Northwest
- Achieved interoperability between DoD’s Case Management System and the VA’s Federal Case Management Tool

Impact: These accomplishments enhanced the capability of case managers to effectively and efficiently coordinate care, benefits, and services.

BUILD ROBUST IMPROVEMENT CAPABILITY (W1)

DEFINITION: The DHA will enhance agile problem solving capacity for all members of the DHA; make the coaching and teaching of process improvement standard for all leaders within the organization; implement common language, tools, and training for robust process improvement; track success and quantify value of improvement projects; and develop an improvement science community of practice.

Streamlined Education & Training Programs: Following the 2016 effort to consolidate disparate online learning management systems into the single Joint Knowledge Online system, the Education & Training Directorate (J-7), in collaboration with the Services, continued efforts to streamline learning systems and improve capabilities by consolidating the administration of three key learning entities supporting Service medical training requirements:

- Defense Medical Readiness Training Institute (DMRTI): MHS' premier readiness training institution responded to the changes outlined in the 2017 NDAA by advocating for process improvement and participating in course development and synchronization across Services
- Leadership, Education, Analysis, Development, and Sustainment (LEADS): a champion for leadership development among MHS staff that was established without adding additional manpower through effective collaboration and assessment of program manpower with internal and external stakeholders
- Medical Education & Training Campus (METC): a state-of-the-art DoD healthcare education campus that provides Tri-Service training to enlisted medical personnel

Impact: The consolidation of the administration of these learning entities facilitates consistent, effective, and efficient delivery of MHS education and training programs for personnel.

TRANSFORMING THREE SEPARATE E&T PLATFORMS INTO ONE ECOSYSTEM



Administered the Patient Safety Program: The Operations Directorate (J-3) continued to support frontline MHS healthcare professionals' efforts to deliver safe care and prevent harm through the DoD Patient Safety Program (PSP) that:

- Developed an inpatient implementation guide for individual facilities to prioritize their own patient safety improvement initiatives
- Trained 97 patient safety managers and champions from across the MHS charged with helping drive local patient safety improvement efforts to ensure the safe delivery of care
- Delivered an award-winning Patient Safety Professional Course focused on evidence-based best practices, such as systems thinking, human factors engineering, leadership, and patient engagement, and emphasized the need for standardization and reduced variation to provide the best patient outcomes

Impact: The PSP supported MHS priorities by building competencies and enhancing the skills of patient safety managers and champions to help foster organizational commitment and capacity.

ENSURE THAT EVERYONE CAN SUCCEED (W2)

DEFINITION: The DHA will define human capital requirements for DHA mission success and ensure job specific knowledge, skills, and abilities align with mission requirements; will attract, train, and retain a high-quality workforce with the required knowledge, skills, and attitudes, and will improve succession planning to address strategic and tactical challenges; and will optimize use of the full Office of Personnel Management toolbox to enhance the effectiveness of human capital management.



Innovated Education Initiatives in Advanced Learning & Simulation: Building on 2016 efforts to increase cross-Service training opportunities, the Education & Training (E&T) Directorate (J-7) made several improvements aimed to advance its civilian and military workforce in 2017:

- Medical Education & Training Campus (METC) established affiliations with nine academic institutions and added 71 new degree pathways and almost 900 bridge pathways, allowing medics, technicians, and other enlisted members to become more competitive for promotion and more marketable in the civilian sector upon leaving active duty
- METC awarded degrees to its first cadre of students and graduated its first international student from Liberia, furthering the MHS' mission to promote standardization, global integration, and interoperability
- Reached Full Operational Capacity for Defense Medical Modeling and Simulation Office (DMMSO) (established by J-7 in 2016), providing innovative education that allows learners to undergo experiences more closely approximating rare, high-risk emergencies

Impact: These new learning programs drive global integration and build the capabilities of the workforce, which directly improves medical readiness and provides career advancement opportunities for civilian and military Service members.

INVESTING IN STUDENTS THROUGH THE METC



Left image: Students in the METC medical laboratory technologist course practice drawing blood. Right Image: PFC Yardy Collins, right, is the first military student from Monrovia, Liberia to graduate from the METC preventive medical program

Improved Management of Onboarding and Retention through the Civilian Hiring Process: In an effort to streamline administration and improve the hiring experience for incoming DHA employees, J-1 and J-8 conducted a streamlining analysis of the civilian hiring process:

- Brought the hiring time down from 154 days in FY16 to 116 days in FY17
- Decreased the civilian hiring process time by nearly 20% in 2017 by:
 - Expanding noncompetitive hiring authorities
 - Initiating a review of agency position descriptions
 - Conducting job fairs in key civilian sector markets

Impact: This effort streamlined management processes and increased retention rates.

GATHER, DEVELOP AND PRIORITIZE REQUIREMENTS (W3)

DEFINITION: The DHA will improve understanding of stakeholder needs. DHA standardizes and improves requirements processes. The goal is to develop, consolidate and validate requirements in support of an integrated system of readiness and health.

Information Technology (IT) Reform Cost Savings: To meet the MHS-IT Reform mandated by the DoD-CIO, J-5 developed a repeatable methodology to achieve IT rationalization and standardization. IT reform activities, starting with the Zero-Based Budget Review (ZBR), included executing reforms for infrastructure initiatives, and planning for ZBR reform of functional systems. The reformed process included:

- Increased involvement from stakeholders across the Directorates
- Input and coordination from Enterprise Architects and system owners
- Functional and technical subject matter experts reviews

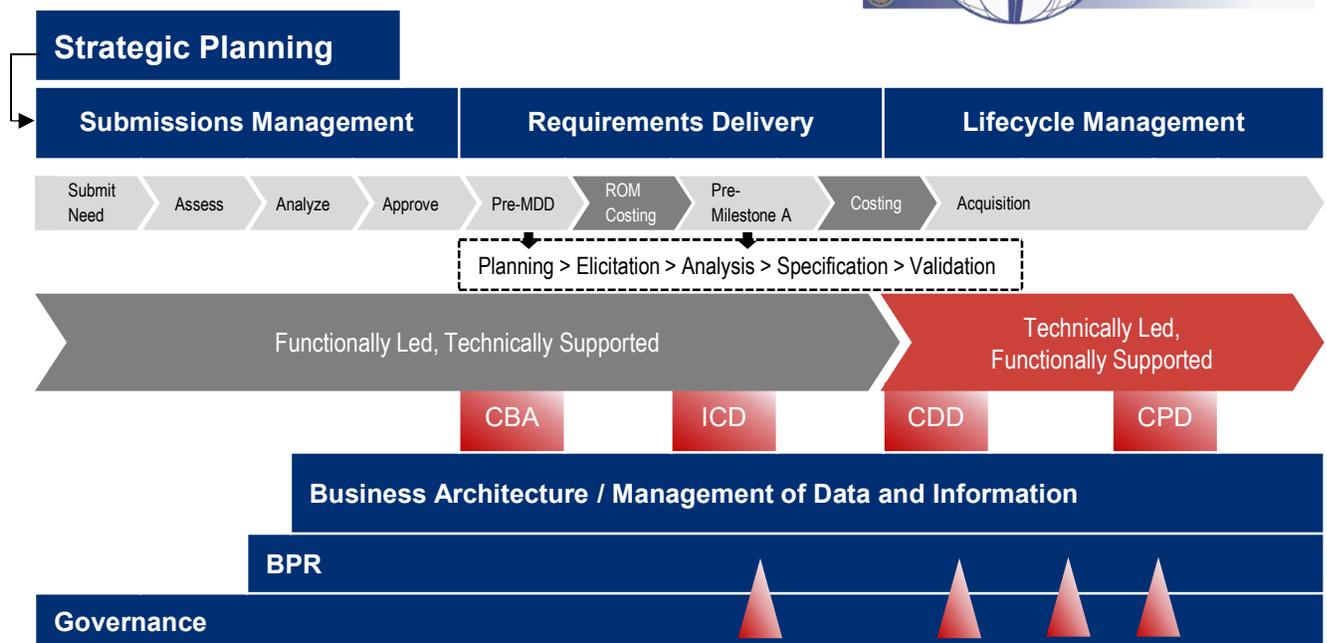
Impact: The IT Reform resulted in stronger data analytics that can support robust rationalization analysis across the enterprise, that will result in projected cost savings of \$1.5B and minimize loss of functional capability.

Improved Requirements Process: Based on Stakeholder feedback the Strategy, Planning and Functional Integration Directorate (J-5) improved how DHA:

- Collected, developed, consolidated, validated and prioritized requirements
- Vetted and approved requirements for Information Management (IM)
- Coordinated governance with functional and technical support
- Centralized the prioritization and review of clinical, business, and operational requirements with DHA-wide standards

Impact: Modifications to the requirement's process facilitated the identification, prioritization, and selection of requirements requests that most clearly aligned with DHA's Strategy to optimally support critical mission outcomes.

THE IMPROVED REQUIREMENTS SUBMISSION PROCESS



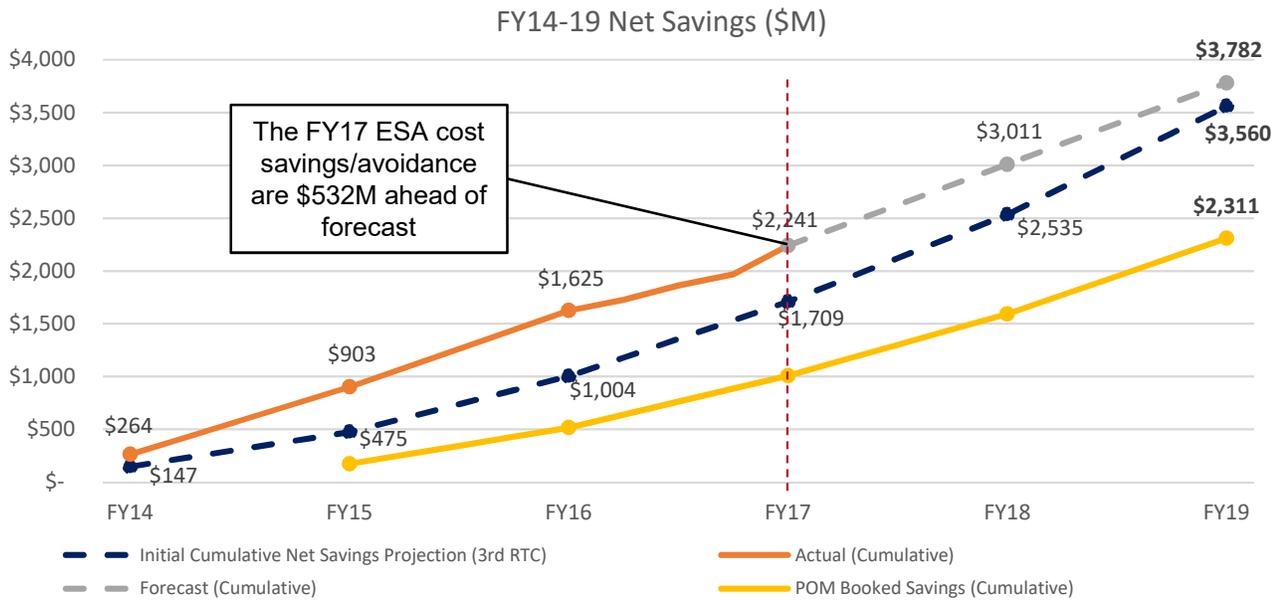
ADVANCED ENTERPRISE SUPPORT ACTIVITIES (W4)



DEFINITION: The DHA will help the MHS enterprise deliver on commitments in business cases and Business Process Reengineering Plans. The DHA will implement an annual refresh cycle to update Enterprise Support Activity business plans based on customer requirements. The agency will fully deliver on the potential of ESAs by achieving greater integration and unity of effort.

DHA Enterprise Support Activities (ESAs): In FY17, the DHA ESAs saved or avoided \$615.2M in costs. Initially identified as “shared services”, the following ESAs were established in FY14 with the goal of realizing savings and efficiencies across the MHS:

- Pharmacy Programs
- Medical Logistics
- Research & Development
- Facilities
- TRICARE Health Plan
- Public Health
- Health Information Technology
- Acquisition & Procurement
- Education & Training
- Budget & Resource Management



To date, the ESAs have saved or avoided \$2.2B in costs, \$532M ahead of the initial forecast from 2014. Highlights include:

- Pharmacy re-directed costly prescriptions to more affordable channels
- Facilities standardized the programming process for initial outfitting and transition for new facilities
- MEDLOG enhanced Government Purchase Card (GPC)
- Recovery of Other Health Insurance (OHI) payments by the TRICARE Health Plan

Impact: Through the adoption of common clinical and business processes and collaboration between DHA and the Services, ESAs have realized considerable savings for the DoD.

Analytic Capabilities of Facilities: DHA Facilities built on improvements to Facility Lifecycle Management by implementing the BUILDER™ Sustainment Management System (SMS), an important tool in ensuring mission readiness and sustaining building infrastructure investment with knowledge-based decisions from information about condition, functionality and remaining service life, for more cost-efficient spending.

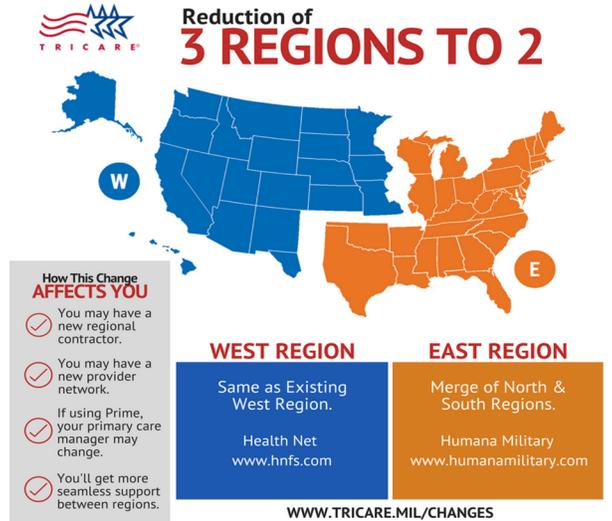
Impact: DHA can develop short and long-range work plans based on sound investment strategies, prioritization criteria, and budget constraints. This more proactive means of asset management and resource allocation allowing for safer, more efficient facilities for MHS providers and patients.

MODERNIZE PRIVATE SECTOR COMPONENT OF TRICARE PROGRAM IN SUPPORT OF READINESS AND HEALTH (W6)

DEFINITION: The DHA will ensure easy access to high-quality, high-value care by supporting the implementation of a purchased care program that supports a truly integrated readiness system of health and readiness that links direct and purchased care, extends beyond the traditional boundaries of healthcare and aligns incentives in support of readiness and health. The agency will synchronize efforts to continually evolve TRICARE to be responsive to rapid change in the national security and healthcare environments; and use purchased care to drive the right case mix to direct care.

Reformed TRICARE: In 2017, The TRICARE Health Plan Directorate (J-10) completed the most significant changes to the TRICARE program since 1995, through two multiyear efforts to enact major reforms to the TRICARE benefit:

- Established “*TRICARE Select*”: a new health plan that combines TRICARE Extra and TRICARE Standard
 - DHA successfully modified 9.3 million health records to align patient data to newly available plans
- Consolidated three regions into two regions (Humana and HealthNet contracts)



- Simplified administration of the benefit, improves the ease of movement across regions, allows for uninterrupted quality of care, allows reassigned service members to now avoid the difficulty of non-uniform care across regions, and reduces unnecessary TRICARE administrative costs
- Projected annual manpower savings to reach \$11.9M by FY21

Impact: Simplified health plan choices and expanded preventive services and high-value care to beneficiaries.

TRICARE ONLINE Patient Portal: The Health Information Technology Directorate (J-6) executed vital enhancements to improve the TRICARE ONLINE Patient Portal and mobile application. Improvements include:

- Simplified appointment scheduling
- Increased access to laboratory results and prescriptions
- Enhanced monitoring capabilities of patient data

Impact: These modifications make access to healthcare more transparent and efficient for beneficiaries, directly improving the patient experience.

Value-Based Incentives in Purchased Care: J-10 began a shift to value-based care where financial incentives for providers are connected to outcomes rather than simply the quantity of work. Specifically, the DHA and stakeholders collaborated to design six Value-Based Purchasing pilot programs (see below) for implementation in 2018.

Impact: Value-based care will optimize resources to prioritize health outcomes for the beneficiaries.

DHA'S SIX VALUE-BASED PURCHASING PILOTS TO BE IMPLEMENTED IN 2018



IMPROVE READINESS, HEALTH, AND EXPERIENCE (W8)

DEFINITION: The DHA will create integrated markets that bring services to the patient, not vice versa, and deliver highly reliable quality health outcomes; will fully utilize capability and capacity in both primary and specialty care, while measuring outcomes that matter to patients; will create a culture of proactive prevention to engage patients anywhere, anytime, and reduce the need for healthcare; will continuously improve care processes to be responsive and respectful of our beneficiaries' needs and choices, enhancing the patient experience; and will implement incentives and reimbursement mechanisms that reward value creation.

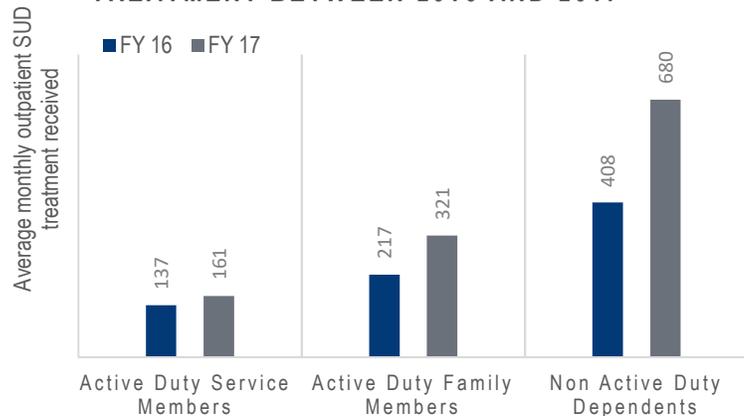


Mental Health (MH) and Substance Use Disorder (SUD) Treatments:

DHA executed DoD's Final Rule to increase access to MH and SUD treatments, DHA:

- Collaborated with TRICARE Regional Offices and MTFs to improve communication to SUD beneficiaries on how to access the new expanded medical services
- Increased SUD psychotherapy services by more than 20%
- Implemented an annual Mental Health Assessment (MHA) within the Periodic Health Assessment
- As of January 12, 2018, 172,920 MHAs have been performed
- Expanded MD and SUD treatment coverage to include newly added intensive outpatient programs, opioid treatment programs, and office-based opioid treatments to address over 20,000 beneficiaries suffering from opioid abuse (resulting in a 52% increase in encounters with a primary diagnosis of a SUD)

INCREASE IN SUBSTANCE USE DISORDER TREATMENT BETWEEN 2016 AND 2017



Impact: Because of the new rule and DHA's efforts, MH and SUD care is now more accessible and affordable for millions of beneficiaries resulting in a more healthy, resilient, and ready force.

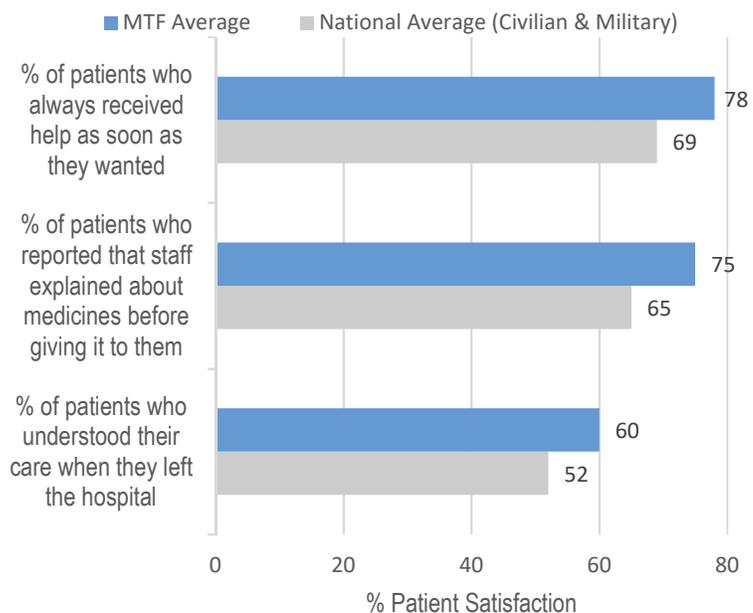
Added MTFs to Hospital Compare:

The Clinical Support Division of Operations-Directorate (J-3) collaborated with the U.S. Centers for Medicare & Medicaid Services to make MHS data available on the Hospital Compare website which allows comparison of hospitals using many key quality indicators:

- MHS provides two data sets for U.S. MTFs, "Timely and Effective Care" and the TRICARE Inpatient Satisfaction Survey (TRISS)
- Public reporting on Hospital Compare, and the Health.mil/Transparency website, allows the MHS to transparently compare performance of MTFs and receive feedback from the public

Impact: These collaborative efforts in communication and transparency aid the MHS in creating a highly reliable, high-quality patient care experience across MTFs.

MTF PATIENT SATISFACTION DATA

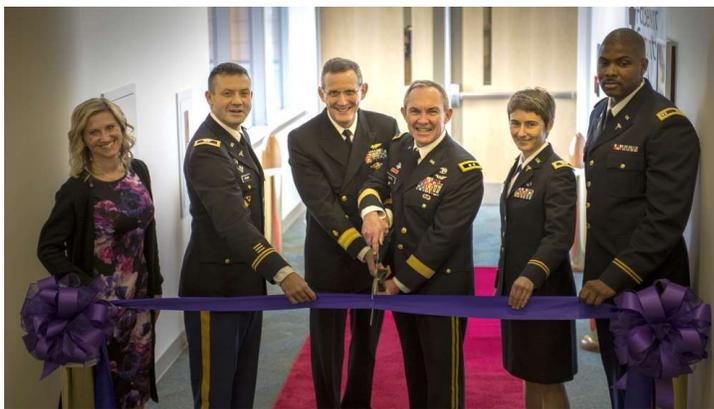


Fort Belvoir Opened the DoD's First Inpatient Adolescent Behavioral Health Unit:

On February 10, 2017, the National Capital Region Medical Directorate (NCR MD) (J-11):

- Established the NCR as an adolescent center of excellence
- Opened the DoD's first Adolescent Inpatient Behavioral Health Unit at Fort Belvoir Community Hospital
- Offered evidence-based treatments in a professional, caring environment
- Provided complete medical, nursing and psychosocial assessments, medications as needed, and round-the-clock care
- Established "treatment teams" that work with patients to develop comprehensive inpatient treatment and discharge plans, as well as an individualized education plan that best suits the patient's academic and emotional well-being through the transition back to outpatient care

ADOLESCENT BEHAVIORAL HEALTH UNIT RIBBON-CUTTING



Impact: The opening of this unit has decreased purchase care reimbursement by \$1.2M from 2016, and has been instrumental in providing proper, necessary care to by reducing the burden of mental illness on affected adolescents and their families.



It has been said it takes a village to raise a child. It took an army to open this clinic and we have never received anything but support from the Defense Health Agency during the process.

– Col. Jason Wieman, Fort Belvoir Community Hospital Director



Received Prestigious Accreditation for Joint Pathology Center: The Joint Pathology Center (JPC), part of the NCR MD (J-11), continued to perform as a center of excellence in 2017 by obtaining the MHS' first College of American Pathologists International Standard ISO-15189 accreditation, demonstrating competency for a laboratory quality management system.

- This accreditation fulfills the JPC's stated goal of "maintaining a consolidated registry function to ensure quality of data collected"
- The JPC is now the first federal lab, one of only 34 labs in the US, and one of 44 labs in the world, with ISO-15189 accreditation

Impact: DHA maintains a gold-standard quality management program for laboratory quality, focusing on patient safety, risk mitigation, and operational efficiency.

Developed Knowledge, Skills, and Abilities (KSA) Methodology: In 2017, J-11 led the KSA initiative to develop methodology to measure the readiness of the MHS medical force. Initially developed by the general surgery community, the KSA methodology assesses workload and competency against a defined set of KSAs related to expeditionary practice. The methodology focused on metrics related to benefit delivery and war-time related skills. J-11 completed the formulation of KSA definitions in the fields of General Surgery, Orthopedics, Critical Care, and Emergency Medicine.

Impact: KSA methodology allows for a more direct assessment of a facility's ability to sustain clinical readiness.

STRENGTHEN STRATEGIC PARTNERSHIPS AND ALLIANCES (W9)

DEFINITION: The DHA will operationally define strategic partnerships/alliances within current and future contexts; and coordinate with the stakeholders to prioritize, update, and maintain a portfolio of MHS' strategic partnerships required for mission effectiveness (e.g., academic affiliations, training augmentation for readiness, extramural research, best practice identification, etc.), using strategic partnerships to achieve value.



Industry Partner Network (IPN): J-4 launched the IPN Program, a market research-based initiative that facilitates direct communication between the DHA and its vendors. The purpose of this program is to:

- Inform DHA's industry base about future DHA requirements
- Foster innovation through competition (vendors submit white papers to DHA on hard-to-solve problems, the top five papers are then chosen and the winning vendors present to DHA key stakeholders)
- Improve communication between DHA and the vendors (e.g. on November 16-17, 2017, the IPN Program held the DHA Industry Exchange, where a representative from each Directorate briefed its forecasted requirements)
- Direct communication around DHA's goals and initiatives

Impact: Improved communication and transparency allows vendors to better understand DHA's needs, leading to innovation and solutions that serve the agency's mission and beneficiaries.

PARTNERSHIPS DRIVE INNOVATION



Coordinated with Partners to Produce Health Innovations:

Research & Development Directorate (J-9) galvanized innovation by bringing internal and external stakeholders together in partnership.

- Research Program Administration Division leveraged the input of 20 DoD organizations and led the joint planning, development, and coordination of the Integrated Biomedical Research and Development Strategy for the Armed Services Biomedical Research Management Community of Interest
- Hearing Center of Excellence Division continued efforts with the VA:
 - Ensured all 84 DoD audiology sites used VA Remote Order Entry System to order hearing aids, components and batteries
 - Joint effort increased the degree to which the DHA partners with peer agencies to achieve positive health outcomes
 - Resulted in a cost avoidance of \$10.2M

Impact: DHA's efforts to strengthen strategic partnerships and alliances over the past year have directly resulted in operational efficiencies, increased capabilities, enhanced enterprise-wide knowledge base and scalability of innovative ideas to accelerate solutions to solve some of the MHS' most complex challenges.



**Assistant for
Mobilization and
Reserve Affairs**
Brig Gen
Sean T. Collins

Brig Gen Sean T. Collins is the Assistant for Mobilization and Reserve Affairs providing advice and assistance to the Director, DHA on Reserve Component (RC) and National Guard healthcare matters while developing and promoting RC medical policies and programs. As the Assistant for Mobilization and Reserve Affairs, Brig Gen Collins is also responsible for evaluating how the RC can further integrate into the MHS and contribute to medical readiness by training through innovative programs and partnerships with civilian institutions and resources.



"Secretary Mattis set forth three pillars of success that I believe are the bedrock of success of every military organization, including the MHS. First, restore military readiness as we build a more lethal force (Strengthen Role as CSA), second, strengthen alliances and attract new partners (Strengthen partnership with services), and third, bring business reforms to the Department of Defense (Optimize health agency operations). I believe the Reserve Component can bring a great deal to assist in the recruitment and retention of skills and uniforms and foster new partnerships with Universities and health care agencies. We are citizen soldiers that can bring a new perspective to the future success of the MHS." – Brig Gen Collins

DEPLOY SOLUTIONS FOR 21ST CENTURY (W10)

DEFINITION: Continuously refine DHA's "supporting to support" relationship with CCMDs; guided by the Joint Concept for Health Services, and vetted through JCIDS to support MHS standardized: IT, medical equipment, logistics, clinical processes, patient management movement, deployment of future JOMIS solutions, infrastructure and conduct continuous and predictive surveillance of Global Health threats; and use CSART as a framework for CSA performance review and improvement.

Combat Support Agency Review Team (CSART)

Recommendations: The Operations Directorate's (J-3) CSART evaluates and directs DHA's function as a CSA. In 2016, VADM Bono identified strengthening the DHA's role as a CSA as one of the Agency's top three priorities. Continuing this effort in 2017, CSART formulated a set of recommendations for DHA to advance its support of CCMDs:

- Assess and establish liaisons according to CCMD needs
- Assume a stronger role as the IT shared service owner
- Take on medical logistics coordinator duties
- Enable theater patient movement support

VADM BONO WITH GEN DARREN MCDEW,
COMMANDER OF USTRANSCOM



Combat Support Technology Innovations: J-9 continued support of research efforts to support health readiness in numerous fields, including forward surgical care, battlefield pain management, and rehabilitative medicine. Technological innovations included:

- Resuscitative Endovascular Balloon Occlusion of the Aorta (REBOA), a hemorrhage control technique using an endovascular balloon catheter to temporarily block the flow of blood through the aorta
- Sufentanil Nano Tab, a sublingual pain management medication to relieve acute battlefield pain
- StrataGraft®, an allogeneic skin substitute for tissue regeneration/ repair of deep partial/full-thickness thermal burn injuries

Impact: As a CSA, DHA's innovational Research & Development supports readiness and saves lives.

Aeromedical Evacuation (AE): J-5 worked with J-6 to modernize the aeromedical evacuation patient regulating process, improving operational readiness:

- Collaborated with MHS stakeholders and Defense Medical Information Exchange
- Provided enhanced patient medical records to AE crews and Critical Care Air Transport Teams during aeromedical evacuations
- Reduced information delay time from 5 days to 5 minutes to access patient data and began planning for automated data transfer

Impact: DHA, as a CSA, demonstrated how it directly responds to and supports CCMD requirements, and improved the safety and quality of care in the operational environment.

Health Experts Online Portal (HELP): As part of an ongoing effort to provide support to forward deployed providers and beneficiaries overseas, the 7227th Medical Support Unit at Landstuhl Regional Medical Center, in collaboration with J-10, became the first Army unit in Europe to use HELP, a web-based Navy program designed to provide specialists anywhere in the world access to patient information in order to advise less-experienced personnel on treating patients—improving access and quality of care to beneficiaries, and a lower cost to the MHS. Ramstein Air Base and Walter Reed National Military Medical Center have now also begun using HELP.

Impact: HELP has reduced the need for patients to be medically evacuated for treatment and has saved approximately \$100,000 a month in transportation costs.

AE CREW





LOOKING AHEAD TO 2018

“Our job is now to keep looking forward: Everyone involved needs to keep a close eye on implementation, identify gaps, raise issues quickly, identify solutions, and continue to put our patients first.”

- Vice Admiral Raquel Bono



Medically retired Army Capt. Will Reynolds looks to the future and races towards his next gold medal.

CHANGES AND THE FUTURE OF DHA

The DHA is restructuring to comply with the law, particularly as it relates to its new responsibilities for management and administration of MTFs. Transitioning from oversight to management of the MTFs will allow DHA to implement an enterprise-based approach for performance management, operations, and productivity to build a scalable model across the entire MHS.

The MHS has important professional and statutory obligations to Active Duty personnel, their families, and military retirees to receive the highest-quality care and achieve the best health outcomes possible, in the most efficient way.

DHA will continue to:

- Serve in its Combat Support Agency role
- Incorporate stakeholder feedback
- Collaborate with the Services to create an integrated enterprise to eliminate redundancies
- Improve the health and healthcare for a more lethal Joint Force
- Ensure a trained, ready health team fully supports military personnel and the military service branches

Moving forward, DHA will make enterprise-based decisions to lead the MHS in its joint effort to globally integrate and improve readiness and health.

| | Current State | Future State | | | | | | | | | | | | |
|---|--|---|------|------|---------------|---------------|---------------|--|------|------|-------|---------------|---------------|------------------------|
| Efficient & Effective Healthcare Delivery | 39 Separate Quality of Care Policies among the services  | 1 Overarching Policy Instruction for Quality of Care across MHS  | | | | | | | | | | | | |
| Agile Decision Making | Prolonged consensus-building process, overlapping command structures | Accelerated access to Service SMEs and implementation by reducing the amount of time spent on consensus-building | | | | | | | | | | | | |
| Potential Savings from Process Standardization | 40 initiatives identified across ESAs with potential savings | Over \$1B in savings from FY19 to FY23 | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>FY19</th> <th>FY20</th> <th>FY21</th> </tr> </thead> <tbody> <tr> <td>\$139,849,111</td> <td>\$203,200,676</td> <td>\$257,642,944</td> </tr> </tbody> </table> | FY19 | FY20 | FY21 | \$139,849,111 | \$203,200,676 | \$257,642,944 | <table border="1"> <thead> <tr> <th>FY22</th> <th>FY23</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>\$261,023,084</td> <td>\$301,006,755</td> <td>\$1,162,722,571</td> </tr> </tbody> </table> | FY22 | FY23 | TOTAL | \$261,023,084 | \$301,006,755 | \$1,162,722,571 |
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| \$139,849,111 | \$203,200,676 | \$257,642,944 | | | | | | | | | | | | |
| FY22 | FY23 | TOTAL | | | | | | | | | | | | |
| \$261,023,084 | \$301,006,755 | \$1,162,722,571 | | | | | | | | | | | | |
| Enhanced Readiness | 22% (471K) of service members are temporarily non-deployable, and medical personnel represent 44% (207K) of total non-deployable service members | Reduction in duty limiting conditions, and increased service support in the National Capital Region | | | | | | | | | | | | |

“
I am grateful for the service and sacrifice of our military and civilian members of the MHS, for the advocacy and guidance of our partners in Military and Veterans Services Organizations, and the unrelenting support of our leaders in the Department and Congress in providing the resources and strategic guidance we need. I look forward to working closely with all of our stakeholders in building on our impressive legacy in the coming year.
 —Mr. Thomas McCaffery
 ”



“Our military health system is **unique** in its mission, **irreplaceable** in its national security responsibilities, and staffed with some of the most **courageous** and **selfless** servants.”

—Vice Admiral Raquel Bono

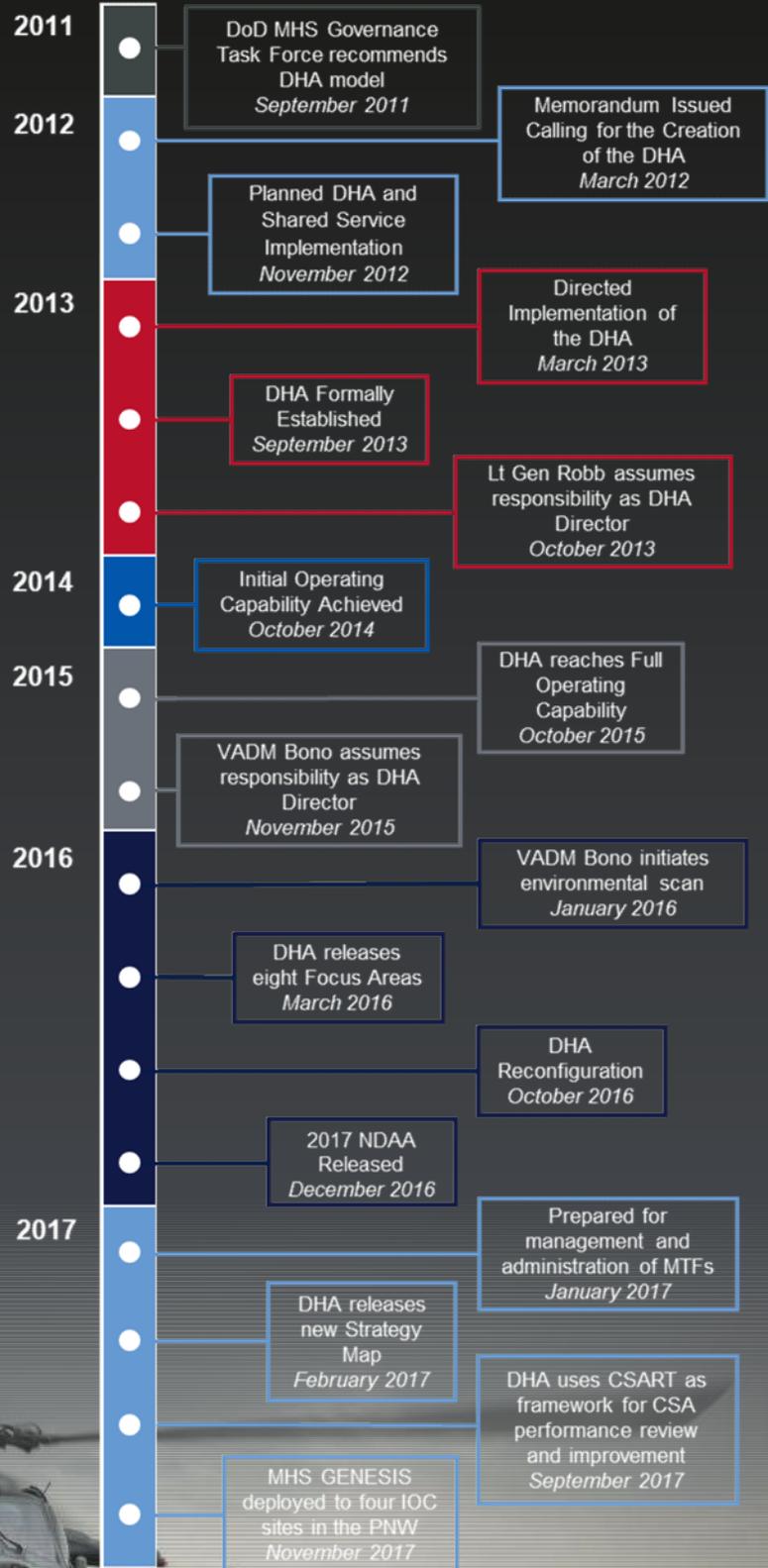


DHA: A BRIEF HISTORY

In 2011, the Deputy Secretary of Defense convened a task force to look at options for the long-term governance of the Military Health System. The lessons from 10 years of war combined with the fiscal realities of American healthcare established the value of a more integrated approach in support of operational forces. On March 2, 2012, the Deputy Secretary of Defense issued a memorandum calling for the creation of the Defense Health Agency, a Combat Support Agency that would effectively assume responsibility for shared services, functions and activities of the MHS. On September 30, 2013, the Department of Defense issued a directive in accordance with the Deputy Secretary of Defense memorandum, formally establishing the Agency. The Defense Health Agency's overarching mission is to support a medically ready force and a ready medical force at all times, supporting a better, stronger, and more agile Military Health System.

In late 2015, the DHA achieved full operating capability. This was a milestone in the delivery of high-quality, accessible healthcare, which serves as the foundation of a ready force and a lifesaving combat ability in a deployed environment.

In early 2017, the DHA began preparing for the management and administration of MTFs in response to the 2017 NDAA. The DHA published the 2017 Strategy Map to communicate its mission, vision and redefined objectives to best support the Agency's workforce, patients, Services, and Combatant Commands. Later, MHS GENESIS, a single integrated inpatient and outpatient electronic health record, went live, and by end of the year, was successfully deployed to four initial fielding sites in the Pacific Northwest.



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