Defense Health Program Construction

A Briefing to the
Design Build Institute of America (DBIA)

by

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Chief, Acquisition and Management Office

Portfolio Planning and Management Division
Office of the Chief Financial Officer

Office of the Assistant Secretary of Defense (Health Affairs)

19 June 2012
Agenda

• Introduction to Military Health System (MHS)

• MHS and Portfolio Planning & Mgt Division (PPMD) Overview

• Business Practices and Innovations

• MHS Design & Construction Program

• Design Build Business Rules

• Summary / Discussion
A Week in the MHS…

- 21,800 inpatient admissions
  - 5,000 direct care
  - 16,800 purchased care

- 1.6 million outpatient visits
  - 737,000 direct care
  - 878,400 purchased care

- 2,300 births
  - 1,000 direct care
  - 1,300 purchased care

- 3.5 million claims processed

- 12.6 million electronic health record messages

- 2.5 million prescriptions
  - 910,000 direct care
  - 1.41 million retail pharmacies
  - 223,000 home delivery

- 179,300 behavioral health outpatient services
  - 46,100 direct care
  - 133,200 purchased care

9.6 million beneficiaries

≈ $50 billion annually
“Our mission and our priorities are one – to ensure the medical readiness of our service members, and to provide a ready medical force able to deliver the best medical services anywhere in the world under any conditions to all of our beneficiaries.”

“We are entering a period of significant re-assessment of what government can afford, and not afford. In this climate, innovation is more important than ever.” - Dr. Woodson

- Our military medical facilities need to operate at optimum capacity…optimizing our military medical treatment facilities
- Patient Centered Medical Home
- Support Graduate Medical Education
- Set the pace for the civilian sector to follow
- Intend to recapture some of the primary and specialty care that has migrated to the private sector
- Make our patients more satisfied with the clinical experience
- Patient Safety
- Culture of Innovation and affordability (more important than ever)
MHS Facility Inventory

Facility Types       Worldwide
• Inpatient          56
• Clinics
  – Medical         365
  – Dental          281
  – Veterinary      255
• Medical R&D        20
• Medical Training   33
• Total Facilities   1,010

Current Plant Replacement Value ~ $35.4 Billion / 106 million GSF
MHS (MILCON) and PPMD Overview

• **Office of the Assistant Secretary of Defense (Health Affairs)**
  – Provide policy, guidance, criteria for Department of Defense (DoD)
  – Advocate for projects with DoD, Office of Management & Budget (OMB), Congress
  – Programmatic oversight of project design and execution
  – Final decision authority on issues concerning cost, scope, schedule

• **Service Medical Departments (MEDCOM-HFPA, HQ AF/SG, BUMED)**
  – Service Surgeons General’s lead for design input to Architect/Engineers thru Agents
  – Monitors design and construction execution
  – Oversight of transition from old to new facilities, initial outfitting

• **Design/Construction Agents (USACE, NAVFAC, AFCEE)**
  – Presents and certifies concept design submittals to HA/PPMD (through Medical Facilities Mandatory Center of Expertise and Standardization if USACE)
  – Design and construction agent from initial design authorization through construction
  – Certify to HA/PPMD that designs meet project authorization, codes and criteria
  – Ensure projects remain on schedule, within budget, and incorporates tenets of “world class” design and construction
MHS (MILCON) and PPMD Overview

Director
Mr. John Becker, MHA, FACHE

Deputy Director for BRAC
Colonel Susan Baker, USAF, MSC
- Program planning, budget, & execution
- Medical BRAC actions nation-wide

Chief, Capital Planning
Mr. Clay Boenecke, MHA
- Planning guidance & criteria
- Capital Investment Decision Model
- Safe/healing environments

Chief, Acquisition Management
Mr. Robert Haddix, RA, NCARB
- Design/construction technical criteria
- Cost estimating & certification
- Design & construction execution oversight

Chief, MILCON Program & Budget
Mr. Gerard Rutkowski, PE
- POM development & submission
- MILCON funds management
- Comptroller & congressional liaison

Secretary of Defense and Deputy Secretary

Under Secretary of Defense (Personnel & Readiness)

ASD(HA) / Director, TMA

PDASD Health Affairs

Chief, Financial Officer

Facilities Division

USUHS

DCOE

Surgeons General

Secretary of Defense &
Deputy Secretary

Under Secretary of Defense
(Personnel & Readiness)

ASD(HA) / Director, TMA

PDASD Health Affairs

Chief, Financial Officer

Facilities Division

Surgeons General
World-Class Facilities Website and Tools:
http://www.mhsworldclassfacilities.org
MHS Design / Construction Program

- Military Services (Army, Navy, Air Force) identify requirements
- Requirements submitted to OASD-HA/PPMD
- Projects rank-ordered and annual budget submitted to Congress
- Projects designed by A/E firms, using design/construction Agents from USACE, NAVFAC, AFCEE
- Projects awarded to construction contractors in program year
- Design/Construction Agents oversee construction
- Services budget for and execute Initial Outfitting and Transition
- Completed facilities turned over to using Service
- Facilities sustained/maintained through Operations & Maintenance funding (in-house and/or contract) managed by Service

Timeline of 6 - 9 years, based on scope
Projects in Design*

- Inpatient: 18%
- Medical Clinic: 56%
- Dental Clinic: 9%
- Veterinary: 3%
- R&D: 11%
- Training: 3%

Projects in Construction*

- Inpatient: 33%
- Medical Clinic: 49%
- Dental Clinic: 12%
- Veterinary: 0%
- R&D: 4%
- Training: 2%

Facilities:

<table>
<thead>
<tr>
<th>Facility</th>
<th># in Design</th>
<th># in Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inpatient</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Medical Clinic</td>
<td>32</td>
<td>25</td>
</tr>
<tr>
<td>Dental Clinic</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Veterinary</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Training</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>51</strong></td>
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* as of end of FY11
## 2012 Design / Construction Program

### Army

<table>
<thead>
<tr>
<th>State</th>
<th>Installation</th>
<th>Project Description</th>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FL</td>
<td>Eglin AFB</td>
<td>DB - Medical Clinic</td>
<td>$11,600</td>
<td>$11,600</td>
</tr>
<tr>
<td>GA</td>
<td>Ft. Stewart</td>
<td>DBB - Hospital Addition/Alteration, Phase 2</td>
<td>$72,300</td>
<td>$72,300</td>
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<tr>
<td>MD</td>
<td>Aberdeen Proving Ground</td>
<td>DBB - USAMRICD Replacement, Increment 4</td>
<td>$22,850</td>
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<tr>
<td>MD</td>
<td>Ft. Detrick</td>
<td>DBB - USAMRIID Replacement Stage 1, Increment 6</td>
<td>$137,600</td>
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<tr>
<td>KY</td>
<td>Ft. Campbell</td>
<td>DBB - Hospital Addition/Alteration</td>
<td>$56,600</td>
<td>$56,600</td>
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<tr>
<td>NY</td>
<td>Ft. Drum</td>
<td>DB - Dental Clinic Addition/Alteration</td>
<td>$4,700</td>
<td>$4,700</td>
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<tr>
<td>NY</td>
<td>Ft. Drum</td>
<td>DB - Medical Clinic</td>
<td>$15,700</td>
<td>$15,700</td>
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<tr>
<td>NC</td>
<td>Ft. Bragg</td>
<td>DBB - Hospital Alteration</td>
<td>$57,600</td>
<td>$57,600</td>
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<tr>
<td>TX</td>
<td>Ft. Bliss</td>
<td>DBB - Hospital Replacement, Increment 3</td>
<td>$136,700</td>
<td>$136,700</td>
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<tr>
<td>TX</td>
<td>Joint Base San Antonio (Ft Sam Houston)</td>
<td>DB - Hospital Nutrition Care Department Addition/Alteration</td>
<td>$33,000</td>
<td>$33,000</td>
</tr>
<tr>
<td>zGE</td>
<td>Rhine Ordnance Barracks</td>
<td>DBB - Medical Replacement, Increment 1</td>
<td>$1,196,650</td>
<td>$70,592</td>
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**Army Total:**

<table>
<thead>
<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,448,150</td>
<td>$619,242</td>
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### Navy

<table>
<thead>
<tr>
<th>State</th>
<th>Installation</th>
<th>Project Description</th>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IL</td>
<td>NAVHOSP Great Lakes</td>
<td>DB - Health Clinic Demolition</td>
<td>$16,900</td>
<td>$16,900</td>
</tr>
<tr>
<td>MS</td>
<td>NCBC Gulfport</td>
<td>DB - Medical Clinic Replacement</td>
<td>$34,700</td>
<td>$34,700</td>
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</tbody>
</table>

**Navy Total:**

<table>
<thead>
<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$51,600</td>
<td>$51,600</td>
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### Air Force

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<th>Project Description</th>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD</td>
<td>Joint Base Andrews</td>
<td>DBB - Ambulatory Care Center</td>
<td>$242,900</td>
<td>$242,900</td>
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<tr>
<td>MD</td>
<td>Joint Base Andrews</td>
<td>DBB - Dental Clinic Replacement</td>
<td>$22,800</td>
<td>$22,800</td>
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<tr>
<td>TX</td>
<td>Joint Base San Antonio (Lackland)</td>
<td>DB - Ambulatory Care Center, Phase 3</td>
<td>$161,300</td>
<td>$161,300</td>
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</table>

**Air Force Total:**

<table>
<thead>
<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tr>
<td>$427,000</td>
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### JTF

<table>
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<tr>
<th>State</th>
<th>Installation</th>
<th>Project Description</th>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MD</td>
<td>NSA Bethesda</td>
<td>DB - Child Development Center</td>
<td>$18,000</td>
<td>$18,000</td>
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</table>

**JTF Total:**

<table>
<thead>
<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tbody>
<tr>
<td>$18,000</td>
<td>$18,000</td>
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### Military Construction Total:

<table>
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<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tbody>
<tr>
<td>$1,944,750</td>
<td>$1,115,842</td>
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### Minor Construction:

<table>
<thead>
<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tbody>
<tr>
<td>$6,100</td>
<td>$6,100</td>
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### Design:

<table>
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<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tr>
<td>$227,498</td>
<td>$227,498</td>
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### Fiscal Total:

<table>
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<tr>
<th>FY12 PB Auth Amounts ($000)</th>
<th>FY12 PB Approp Amounts ($000)</th>
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<tbody>
<tr>
<td>$2,178,348</td>
<td>$1,349,440</td>
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# 2013 Design / Construction Program

<table>
<thead>
<tr>
<th>Service</th>
<th>State</th>
<th>Installation</th>
<th>Project Title</th>
<th>Authorization ($)</th>
<th>Appropriation ($)</th>
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<tbody>
<tr>
<td>Army</td>
<td>CO</td>
<td>Pike's Peak</td>
<td>DB - High Altitude Research Lab Replacement</td>
<td>$3,600</td>
<td>$3,600</td>
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<tr>
<td></td>
<td>MD</td>
<td>Fort Detrick</td>
<td>DBB - USAMRIID Stage 1, Increment 8 of 9</td>
<td>$18,100</td>
<td>$18,100</td>
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<tr>
<td></td>
<td>MO</td>
<td>Ft Leonard Wood</td>
<td>DB - Dental Clinic</td>
<td>$17,300</td>
<td>$17,300</td>
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<tr>
<td></td>
<td>NY</td>
<td>Ft Drum</td>
<td>DB - Medical Facility (Specialty Care Clinic)</td>
<td>$207,400</td>
<td>$207,400</td>
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<tr>
<td></td>
<td>TX</td>
<td>Fort Bliss</td>
<td>DBB - Hospital Replacement, Increment 4 of 5</td>
<td>$501,431</td>
<td>$127,000</td>
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<tr>
<td></td>
<td>zGE</td>
<td>Rhine Ordnance Barracks, Germany</td>
<td>DBB - Medical Center Replacement, Increment 2 of 4</td>
<td>$540,431</td>
<td>$392,400</td>
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<tr>
<td>Navy</td>
<td>IL</td>
<td>Great Lakes, Naval Training Ctr</td>
<td>DBB - Drug Lab Replacement</td>
<td>$28,700</td>
<td>$28,700</td>
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<tr>
<td></td>
<td>CA</td>
<td>29 Palms, Air Ground Combat Ctr</td>
<td>DBB - Health Clinic Replacement</td>
<td>$27,400</td>
<td>$27,400</td>
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<tr>
<td></td>
<td>NC</td>
<td>Camp Lejeune</td>
<td>DB - Medical Clinic Addition</td>
<td>$66,500</td>
<td>$66,500</td>
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<tr>
<td></td>
<td>VA</td>
<td>Norfolk, NOB</td>
<td>DB - Veterinarian Facility</td>
<td>$8,500</td>
<td>$8,500</td>
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<tr>
<td>Air Force</td>
<td>IL</td>
<td>Scott AFB</td>
<td>DB - Medical Logistics Warehouse Replacement</td>
<td>$2,600</td>
<td>$2,600</td>
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<tr>
<td></td>
<td>NC</td>
<td>Seymour-Johnson AFB</td>
<td>DB - Medical Clinic Replacement</td>
<td>$53,600</td>
<td>$53,600</td>
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<tr>
<td></td>
<td>NM</td>
<td>Cannon AFB</td>
<td>DB - Medical/Dental Clinic Replacement</td>
<td>$71,023</td>
<td>$71,023</td>
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<tr>
<td></td>
<td>SC</td>
<td>Shaw AFB</td>
<td>DBB - Medical Clinic Replacement</td>
<td>$57,200</td>
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<td></td>
<td>TX</td>
<td>Lackland AFB</td>
<td>DBB - Ambulatory Care Center Phase 3, Increment 2 of 2</td>
<td>$80,700</td>
<td>$80,700</td>
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<td></td>
<td>zKO</td>
<td>Osan AB, Korea</td>
<td>DBB - Hospital Addition/Alteration</td>
<td>$34,600</td>
<td>$34,600</td>
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<tr>
<td></td>
<td>zKO</td>
<td>Kunsan AB, Korea</td>
<td>DBB - Medical/Dental Clinic Addition</td>
<td>$13,000</td>
<td>$13,000</td>
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<tr>
<td>JTF CapMed</td>
<td>MD</td>
<td>Bethesda, WRNMMC</td>
<td>DB - Electrical Utility Upgrades</td>
<td>$35,600</td>
<td>$35,600</td>
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<tr>
<td></td>
<td>MD</td>
<td>Bethesda, WRNMMC</td>
<td>DB - Implement Base Installation Appearance Plan</td>
<td>$7,000</td>
<td>$7,000</td>
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<tr>
<td></td>
<td>MD</td>
<td>Bethesda, WRNMMC</td>
<td>DBB - Temporary Facilities</td>
<td>$26,600</td>
<td>$26,600</td>
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<tr>
<td>MILCON Projects</td>
<td></td>
<td></td>
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<td>$993,954</td>
<td>$926,623</td>
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<td>Design (P&amp;D)</td>
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<td>$105,700</td>
<td>$105,700</td>
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<td>Unspecified Minor Construction (UMC)</td>
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<td></td>
<td></td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>TOTAL Med MILCON &amp; BRAC Construction</td>
<td></td>
<td></td>
<td></td>
<td>$1,104,654</td>
<td>$1,037,323</td>
</tr>
</tbody>
</table>
Design Build Business Rules

• **Execution timeline**
  – Projects requiring faster completion
  – Projects entering program late

• **Complexity of project**
  – Laboratory / containment projects
  – Extensive high-tech infrastructure
  – BSL 3 or 4 projects vs clinic facility

• **Scope of project**
  – Large regional medical center / hospital vs small clinic

• **Regional / Agent preference**
  – Past experience or knowledge
  – Level of satisfaction from previous experience

• **Acquisition method determined by Agent, Service, PPMD**
A lot of great people are counting on all of us!

They Deserve the Very Best Facilities
MOVED / NOT USED...
DHP (MILCON) and PPMD Overview

Congress Authorizes & Appropriates

OMB - Apportions

Comptroller - Allots

TMA / Health Affairs Financial Office

MILCON Funding to Design and Construction Agents

USACE NAVFAC ENGCOM HQ USAFE

Army MEDCOM

Navy BUMED

Air Force SG

TMA Financial Operations

TMA Contract Resource Management - Aurora

Regional Medical Commands (RMCs)

MTFs and Others

Naval Medical Command (NAVMEDs)

MTFs and Others

Uniformed Services University of the Health Sciences

Where PPMD operates...
Health Budgets & Financial Policy

Business Practices and Innovations

- Designing/building to LEED Silver Certified
- Complying with DoD Strategic Sust Perf Plan (SSPP)
- Recently released DoDI 6015.17
- Building Information Modeling (BIM)
  - [http://www.tricare.mil/ocfo/ppmd/about.cfm](http://www.tricare.mil/ocfo/ppmd/about.cfm)
- Revising and improving MHS Templates
- Releasing rewritten/improved Medical Unified Facilities Criteria (UFC) 4-510-01 in late 2012
Getting Involved / Getting Contracts

• Resources / Websites / Program Lists:
    • To find TMA projects: Budget Materials Tab – then pick FY
    • On right screen scroll down to "Links to Budget Materials" and select - "Defense Wide Budget Documentation"
    • Then find "Military Construction“ column heading
    • Then select "TMA" to download TMA's MILCON Program Request
  – Design Criteria is posted at - [http://www.wbdg.org/](http://www.wbdg.org/)
    • Medical criteria is contained in UFC 4-510-01
    • To download look for "Popular Links" on left panel
    • Then select "Unified Facilities Criteria“
    • Then scroll down to the UFC of interest
Getting Involved / Getting Contracts

- Websites for information on DoD opportunities:
  - Society Of American Military Engineers (SAME)
    - "Calendar of Events" webpage
    - http://www.same.org/
    - Shows events where DoD Agencies brief project opportunities
  - NAVFAC website posts planned project solicitations
  - USACE go to each District's website individually off Corps of Engineers main webpage for project solicitations