



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

SEP - 5 2018

Dear Mr. Chairman:

As requested in the Joint Explanatory Statement, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115-41), enclosed is the fiscal year 2018, third quarter, budget activities execution data report for the Defense Health Program.

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.

Sincerely,



Stephanie Barna
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Jack Reed
Ranking Member



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SEP -5 2018

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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Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Barna".

Stephanie Barna
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Adam Smith
Ranking Member



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4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP - 5 2018

The Honorable Richard C. Shelby
Chairman
Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As requested in the Joint Explanatory Statement, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115-41), enclosed is the fiscal year 2018, third quarter, budget activities execution data report for the Defense Health Program.

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.

Sincerely,

Stephanie Barna
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Richard J. Durbin
Vice Chairman



PERSONNEL AND
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OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP - 5 2018

The Honorable Kay Granger
Chairwoman
Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Madam Chairwoman:

As requested in the Joint Explanatory Statement, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115-41), enclosed is the fiscal year 2018, third quarter, budget activities execution data report for the Defense Health Program.

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.

Sincerely,

Stephanie Barna
Performing the Duties of the Under Secretary of
Defense for Personnel and Readiness

Enclosure:
As stated

cc:
The Honorable Peter J. Visclosky
Ranking Member



**Defense Health Program
Quarterly Budget Execution
Third Quarter, Fiscal Year 2018**

Issue: As requested in the Joint Explanatory Statement, page 96, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018, the third quarter FY 2018 budget execution data for all Defense Health Program (DHP) Activities is below.

Report Request: Requests the Assistant Secretary of Defense for Health Affairs to provide quarterly reports to the Congressional Defense Committees on budget execution data for all of the DHP budget activities.

Summary: The cumulative third quarter Operation and Maintenance budget execution rate is 73 percent.

Appropriation*	Budget (\$000)	Obligations (\$000)
Operation and Maintenance	31,401,937	23,045,957
Research, Development, Test and Evaluation	2,038,555	112,973
Procurement	867,002	93,843

* Attachment includes additional information for each appropriation

**Defense Health Program
Quarterly Budget Execution
Third Quarter, Fiscal Year 2018
(\$000s)**

FY 2018 Operation and Maintenance

Budget Activity Group	Title	Base Budget Request	Enacted Appropriation ¹	Adjustments Required by Statute	Above Threshold Reprogrammings ³	Internal Adjustments	Annual Funded Program (AFP) June 30, 2018	Cumulative Obligations June 30, 2018
1	In House Care	9,457,768	9,282,768				9,282,768	6,697,017
2	Private Sector Care	15,317,732	15,017,732				15,017,732	12,192,285
3	Consolidated Health Support	2,193,045	2,141,045		-129,913		2,011,132	1,201,140
4	Information Management	1,803,733	1,803,733				1,803,733	1,161,832
5	Management Activities	330,752	330,752				330,752	220,561
6	Education and Training	737,730	692,657				692,657	468,087
7	Base Operations & Communications ²	2,255,163	2,253,163	10,000			2,263,163	1,105,035
	Total O&M	32,095,923	31,521,850	10,000	-129,913	0	31,401,937	23,045,957

NOTE: Totals do not include annual amounts for Overseas Contingency Operations (OCO), \$395,805; Medicare Eligible Retiree Health Care Fund (MERHCF), \$1,661,905; or Disaster Relief (Hurricanes: Harvey, Irma, and Maria), \$704.

^{1/} Enacted includes congressional adjustments totaling \$-574,073.

^{2/} Includes funding for Fisher House Foundation construction and furnishing of additional Fisher Houses (BAG7 \$+10,000).

^{3/} Mandatory transfer to Department of Veterans Affairs for Federal Health Care Center (FHCC) (BAG 3 \$-115,519) and transfer to DoD/VA Joint Incentive Fund (JIF) (BAG3 \$-15,000) for annual requirements per Congressional language. Transfer from Drug Demand Reduction Program (DDRP) to BAG3 \$606.

FY 2018/2019 Research, Development, Test and Evaluation ^{1/2}

		673,215	2,039,315	-760			2,038,555	112,973
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^{1/} Enacted includes congressional adjustments totaling \$+1,365,340: congressional research adjustments (\$+1,366,100) and General Provision adjustments for Federally Funded Research and Development Centers (FFRDC) (\$-760).

^{2/} RDT&E funds set aside for Small Business Innovation Research (SBIR) program is \$48,577, and for Small Business Technology Transfer (STTR) program is \$6,828.

FY 2018/2020 Procurement¹

		895,328	867,002				867,002	93,843
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^{1/} Enacted includes congressional adjustments totaling \$-28,326 (Joint Operational Medicine Information Systems (JOMIS) for \$-8,326, and Defense Healthcare Management Systems Modernization (DHMSM) for \$-20,000).