



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

PERSONNEL AND
READINESS

The Honorable Patty Murray
Chair
Subcommittee on Military Construction,
Veterans Affairs and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

SEP 13 2023

Dear Madam Chair:

The Department's response to Joint Explanatory Statement, page 998, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115-141), is enclosed. The report provides a quarterly update on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies, for the third quarter of Fiscal Year (FY) 2023.

The Defense Health Agency and its construction agents, the U.S. Army Corps of Engineers and Naval Facilities Engineering Command, continue to execute the military construction of military medical treatment facilities. As of June 15, 2023, no new hospitals or clinic projects have commenced construction activities. The enclosed report on the progress of military medical construction projects provides construction timelines and current working estimates of active hospital and clinic construction projects for the third quarter of FY 2023.

Thank you for your continued strong support for our Service members, civilian workforce, and families. I am sending similar letters to the other congressional defense committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Ashish S. Vazirani".

Ashish S. Vazirani
Acting

Enclosure:
As stated

cc:
The Honorable John Boozman
Ranking Member



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SEP 13 2023

The Honorable Jack Reed
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

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cc:
The Honorable Roger F. Wicker
Ranking Member



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SEP 13 2023

The Honorable Mike D. Rogers
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

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cc:
The Honorable Adam Smith
Ranking Member



PERSONNEL AND
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UNDER SECRETARY OF DEFENSE
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SEP 13 2023

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

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Ashish S. Vazirani
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Enclosure:
As stated

cc:
The Honorable Debbie Wasserman Schultz
Ranking Member

Report to the Congressional Defense Committees



Third Quarter, Fiscal Year 2023, Report on the Hospital Construction Projects within the Defense Health Agency

In Response to: Joint Explanatory Statement, Page 998, Accompanying the Consolidated Appropriations Act, 2018 (Public Law 115–141).

The estimated cost of this report or study for the Department of Defense is approximately \$3,400.00 for the third quarter of Fiscal Year 2023. This includes \$0.00 in expenses and \$3,400.00 in DoD labor.

DEFENSE HEALTH AGENCY’S HOSPITAL CONSTRUCTION PROGRAM

STATUS OF HOSPITAL CONSTRUCTION PROJECTS

EXECUTIVE SUMMARY

This third quarter report for Fiscal Year (FY) 2023 is provided in response to the Joint Explanatory Statement, page 998, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115–141), which requests that the Defense Health Agency (DHA) provide quarterly reports to the congressional defense committees on the progress of all hospital construction projects, including any settlements that have been reached for contractor error or project management deficiencies. The data presented below, as reported by design and construction agents, reflects data submitted through June 15, 2023, representing the third quarter of FY 2023. As of the submission of this report, there are 23 active hospital and clinic projects in construction, 15 projects in the design phase, and no contractor errors or project management deficiencies have been identified.

BACKGROUND

DHA is responsible for facility life-cycle management of U.S. military medical treatment facilities (MTFs) worldwide, to preserve ready and resilient facilities that sustain military medicine’s mission assurance of world-class health care for America’s warfighters and their families. These MTFs include medical centers, hospitals, clinics, ambulatory care centers, medical training facilities, medical research facilities, and veterinary facilities in the Military Health System. In accordance with 10 U.S.C. § 2851, military construction of such facilities is to be carried out under the direction and supervision of the U.S. Army Corps of Engineers or Naval Facilities Engineering Command, as the design and construction agents for the current active projects identified in this report. Therefore, data herein corresponds with that provided by the design and construction agents.

RESULTS

Current Status of Active Construction Projects

The active hospital and clinic projects in construction identified in this report include awarded construction projects through projects that are in transition to beneficial occupancy. The status, including a construction timeline and current working cost estimate of the active hospital and clinic projects, under construction, is included in Table 1, which represents the third quarter of FY 2023. Other projects include projects that are complete and waiting for financial closeout by the construction agents.

**Table 1: Status of Active Hospital and Clinic Projects in Construction
(3rd Quarter FY 2023)**

Fiscal Year	Project Number	Project	CWE (000)	% Complete	NTP	BOD
2010	72481	Ft Bliss, TX; Hospital Replacement	\$1,370,000	100%	25-Aug-11	29-Feb-20
2012	76007	Rhine Ordnance Barracks, Germany; Medical Center Replacement	\$1,590,000	20%	13-Jan-14	30-Sep-27
2015	81430	JB Langley-Eustis, VA; Hospital Addition/CUP Replacement	\$57,300	95%	1-Jun-19	12-Sep-22
2016	86953	Ft Knox, KY; Medical Clinic	\$63,760	99%	13-Apr-17	16-Nov-21
2016	80412	Schofield Barracks, HI; Behavioral Health/Dental Clinic Phase 1	\$116,464	99%	16-Jun-16	21-Feb-21
2016	77986	Spangdahlem AB, Germany; Medical/Dental Clinic Addition	\$32,419	98%	14-Dec-16	30-Apr-23
2016	78150	MCB Kaneohe Bay, HI; Medical/Dental Clinic Replacement	\$93,000	100%	14-Nov-16	31-Jul-20
2016	81422	JBSA, Lackland AFB, TX; Ambulatory Care Center, Phase IV	\$60,649	78%	24-Oct-18	18-Aug-23
2017	72738	Sheppard AFB, TX; Medical Dental Clinic Replacement	\$91,451	99%	26-Oct-17	01-Apr-22
2017	80906	NSA Bethesda, MD; Medical Center Add / Alt	\$695,000	45%	22-Dec-17	1-May-27
2017	14019	MCB Camp Lejeune, NC; Dental Clinic Replacement	\$31,000	100%	20-Jul-18	26-Aug-21
2017	71509	Naval Shipyard Portsmouth, ME Medical/Dental Clinic Replacement	\$32,464	100%	1-Feb-19	31-Aug-21
2018	77987	Schriever AFB, CO Medical/Dental Clinic Add / Alt	\$13,579	80%	23-Oct-18	26 Aug-23
2018	91884	Fort Leonard Wood Hospital Replacement, Phase 1 & Phase 2	\$381,300	86%	14-Oct-19	07-May-24
2018	14021	MCB Camp Pendleton, CA Ambulatory Care Center Replacement (Area 13)	\$28,777	99%	2-Jan-20	24-May-22
2018	14041	MCB Camp Lejeune, NC; Ambulatory Care/Dental Center Replacement (Hadnot Point)	21,400	100%	12-Oct-19	18-Jul-22
2018	14042	MCB Camp Lejeune, NC; Ambulatory Care/Dental Center Replacement (Wallace Creek)	\$22,000	100%	12-Oct-19	23-Oct-22
2018	14040	MCB Camp Lejeune, NC; Ambulatory Care Center Addition/Alteration (French Creek)	\$27,400	53%	27-Sep-21	25-Feb-24
2019	89838	MCAS New River, NC; Ambulatory Care/Dental Center Replacement	\$32,580	95%	30-Sep-19	31-Jul-23
2020	89906	MCB Camp Pendleton, CA: Ambulatory Care Center Replacement (Area 21)	\$22,250	97%	30-Nov-20	01-Dec-23
2020	72742	Geilenkirchen Air Base, Germany; Ambulatory Care Center	\$32,833	30%	10-Jun-21	26-Nov-27
2020	94638	MCB Camp Lejeune, NC: Ambulatory Care Center Replacement (Geiger)	\$15,542	24%	27-Sep-20	15-Jul-24
2020	94639	MCB Camp Lejeune, NC: Ambulatory Care Center Replacement (Camp Johnson)	\$18,842	42%	27-Sep-21	15-Jul-24
CWE – Current Working Estimate NTP – Notice to Proceed BOD – Beneficial Occupancy Date						

CONCLUSION

As of the submission of this report, there are currently 23 active hospital and clinic projects in construction, and 15 projects in the design phase. As of June 15, 2023, no new hospitals or clinic projects have commenced construction activities and no contractor errors or project management deficiencies have been identified. The data presented above delineates status, construction timeline, and the current working cost estimate of the active construction projects. It reflects updated data provided by the design and construction agents of each respective project and was additionally submitted with the report compiled by DHA pursuant to 10 U.S.C. § 2851 in June 2023. This data will be appropriately updated in future quarterly reports.