



DEFENSE HEALTH AGENCY
7700 ARLINGTON BOULEVARD, SUITE 5101
FALLS CHURCH, VIRGINIA 22042-5101

DHA-IPM 18-008
September 19, 2018

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE AIR FORCE (MANPOWER AND RESERVE AFFAIRS)
DIRECTOR OF THE JOINT STAFF
DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH READINESS POLICY AND OVERSIGHT)
DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH SERVICES POLICY AND OVERSIGHT)
DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH RESOURCES MANAGEMENT AND POLICY)

SUBJECT: Interim Procedures Memorandum 18-008, Use of Medical Q Services (MQS) Contract by Military Treatment Facilities (MTFs)

References: See Attachment 1.

Purpose. This Defense Health Agency-Interim Procedures Memorandum (DHA-IPM), based on the authority of References (a) through (d):

- Instructs MTFs and servicing contracting offices to use the DHA MQS contracts for the procurement of health care staffing requirements for market segments of physician, nurse, dental, and ancillary contract services in the United States and its Territories.
- Is effective immediately; it must be incorporated into a forthcoming change to DHA Procedural Instruction 6025.05 (Reference (g)). This DHA-IPM will expire effective 12 months from the date of issue.

Applicability. This DHA-IPM applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of DoD, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this DHA-IPM as the "DoD Components").

Policy Implementation. This DHA-IPM, in accordance with Reference (e), implements the requirement for the Secretary of Defense (SecDef) to develop and implement a Military Health System (MHS)-wide acquisition strategy with respect to entering into contracts for services of health care professional staff at MTFs. It also requires DHA to develop a process for MTFs to obtain waivers of the requirement to use the DHA's MQS contracts. The statute additionally requires that the SecDef use reliable methods to analyze costs and performance of health care staffing services. Utilizing the DHA MQS contracts to fulfill health care professional staffing requirements at MTFs is the most advantageous method of fulfilling the government's needs; price, and other factors considered. Notably, across-the-board utilization of the DHA MQS contracts will reduce duplication and fragmentation of professional staffing requirements; standardize administrative, management, and clinical practices across the MHS; and drive rate, process, and demand-based cost savings for the DoD.

Responsibilities. See Attachment 2.

Procedures. See Attachment 3.

Information Collection Requirements. For each waived task order or contract, after December 31, 2018, MTFs will:

- Annually report the following metrics for each waived task order: On-time fill rate; overall fill rate; turnover rate; labor categories; and fully burdened hourly rate for each labor category.
- Annually report elements of References (e), paragraphs (i) through (k), for each waived contract or task order.

Releasability. **Cleared for public release.** This DHA-IPM is available on the Internet from the Health.mil site at: www.health.mil/DHAPublications.


R. C. BONO
VADM, MC, USN
Director

Attachments:
As stated

cc:

Acting Assistant Secretary of Defense for Health Affairs

Surgeon General of the Army

Surgeon General of the Navy

Surgeon General of the Air Force

Medical Officer of the Marine Corps

Joint Staff Surgeon

Director of Health, Safety, and Work-Life, U.S. Coast Guard

Surgeon General of the National Guard Bureau

Director, National Capital Region Medical Directorate

ATTACHMENT 1

REFERENCES

- (a) DoD Directive 5136.01, “Assistant Secretary of Defense for Health Affairs (ASD(HA)),” September 30, 2013, as amended
- (b) DoD Directive 5136.13, “Defense Health Agency (DHA),” September 30, 2013
- (c) United States Code, Title 10, Section 1091
- (d) DHA-Procedural Instruction 5025.01, “Publication System,” August 21, 2015, as amended
- (e) National Defense Authorization Act for Fiscal Year 2017, Section 727
- (f) DHA Medical Q Services Ordering Guide, December 18, 2017¹
- (g) DHA-Procedural Instruction 6025.05, “Personal Services Contracts (PSCs) for Health Care Providers (HCPs),” October 11, 2016

¹ This reference can be found at: <https://info.health.mil/sites/DOP/CO-MQS/orderingguide>

ATTACHMENT 2

RESPONSIBILITIES

1. DEPUTY ASSISTANT DIRECTOR, COMPONENT ACQUISITION EXECUTIVE (CAE).

The Deputy Assistant Director, CAE, will:

- a. Award and manage the DHA MQS contracts.
- b. Analyze and report required health care staffing services metrics to DoD leadership and the SecDef.
- c. Review and approve/disapprove valid MTF waiver requests within five (5) business days. In making the waiver determination, the CAE will consider factors included in the waiver request (e.g., additional workload, cost, term or length, risk). The CAE will determine the term or length of the approved waiver.
- d. Coordinate decisions with appropriate stakeholders.

2. SERVICE SURGEONS GENERAL. The Service Surgeons General will:

- a. Ensure Service health care staffing services requirement flow into the DHA MQS contracts.
- b. Ensure MTFs under Service authority analyze and report required health care staffing services metrics identified in Reference (f) to the DHA CAE for approved waivers.

ATTACHMENT 3

PROCEDURES

1. TIMELINE

a. Before December 31, 2018, MTFs (or contracting offices servicing those MTFs) may place task orders under non-DHA MQS contracts awarded before the effective date of this DHA-IPM to fulfill health care professional staffing requirements.

b. Effective December 31, 2018, MTFs and their servicing contracting offices will execute task orders for new health care professional staffing service requirements using the DHA MQS contracts using the ordering guide at Reference (f).

c. Effective December 31, 2018, MTFs (or contracting offices servicing those MTFs) will obtain a waiver from the DHA CAE before exercising any contract options for health care professional staffing services that were awarded on a non-DHA MQS contract or task order.

d. Effective December 31, 2018, MTFs (or contracting offices servicing those MTFs) will obtain a waiver from the DHA CAE before soliciting a new requirement against any contract or task order other than the DHA MQS contracts to fulfill health care professional staffing requirements.

2. EXEMPTIONS TO THE WAIVER REQUIREMENT

a. Requirements outside the United States and its Territories, and

b. DHA Family Health Centers.

c. MTF emergency response relating to contingencies, humanitarian, or natural disasters.

3. WAIVER PROCESS

a. Information regarding the waiver process can be found on the DHA SharePoint site at <https://info.health.mil/sites/DOP/CO-MQS/Shared%20Documents/MTF%20Waivers>.

b. Documents will be uploaded to the New Waiver Requests subfolder with sufficient lead time to solicit an award and onboard personnel should the waiver be disapproved. Contracting or requirements personnel who are familiar with health care professional staffing requirements may submit waiver documents on behalf of an MTF.

c. Approved waivers are stored in the Approved Waivers subfolder. Waivers will contain the approved end date.

d. Disapproved waivers are stored in the Disapproved Waivers subfolder:

(1) Disapproved waivers will contain the rationale for the disapproval.

(2) For waivers that are disapproved, MTFs may resubmit waiver requests for the same services/locations if new information (not previously captured in the waiver request) or facts become available.

e. A valid waiver request will include:

(1) MTF name;

(2) MTF Point of Contact for the waiver, including email and phone;

(3) Estimated funding obligations (per year);

(4) Requested waiver end date;

(5) Competition information (e.g., sole source, Small Business set aside type);

(6) Rationale for the waiver, including why the DHA MQS contract cannot meet the MTF's requirements; and

(7) Any other pertinent information.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

CAE	Component Acquisition Executive
DHA	Defense Health Agency
DHA-IPM	Defense Health Agency-Interim Procedures Memorandum
MHS	Military Health System
MQS	Medical Q Services
MTF	Military Treatment Facility
SecDef	Secretary of Defense

PART II. DEFINITIONS

on-time fill rate. The percentage of required Full Time Equivalents of each task order or contract filled by the required start date.

overall fill rate. The percentage of positions of each task order or contract staffed.

turnover rate. The percentage of Full Time Equivalents who leave a position requiring another contract fill for each task order or contract.