

1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable Ike Skelton Chairman, Committee on Armed Services U.S. House of Representatives Washington, DC 20515–2504

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

We believe we operate a high-quality health care system, and continually strive to improve our performance. Thank you for your continued support of the Military Health System. Similar letters are being sent to the Chairmen and Ranking Minority Members of the other Congressional Defense Committees.

Sincerely,

S. Ward Casscells, MD

cc: The Honorable Duncan Hunter Ranking Member



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 2 5 2008

The Honorable Susan Davis Chairwoman, Subcommittee on Military Personnel Committee on Armed Services U.S. House of Representatives Washington, DC 20515-0553

Dear Madam Chairwoman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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Sincerely,

S. Ward Casscells, MD

cc: The Honorable John M. McHugh Ranking Member PJ Hope ber can discuss developing real-time incentives for each dock peak worn patients + for conscientions care of which A #40 pts seen at military focilities will be more efficient.



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable Carl Levin Chairman, Committee on Armed Services United States Senate Washington, DC 20510–2202

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable Ben Nelson Chairman. Subcommittee on Personnel **Committee on Armed Services** United States Senate Washington, DC 20510-2705

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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Sincerely,

S. Ward Casscells, MD

cc: The Honorable Lindsey O. Graham **Ranking Member**



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

IAN 25 2008

The Honorable Robert C. Byrd Chairman, Committee on Appropriations United States Senate Washington, DC 20510-4801

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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Sincerely.

S. Ward Casscells, MD

cc: The Honorable Thad Cochran **Ranking Member**



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable Daniel K. Inouye Chairman, Subcommittee on Defense Committee on Appropriations United States Senate Washington, DC 20510–1102

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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With Great Respect

S. Ward Casscells, MD

cc: The Honorable Ted Stevens Ranking Member



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable David R. Obey Chairman, Committee on Appropriations U.S. House of Representatives Washington, DC 20515-4907

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

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Sincerely,

S. Ward Casscells, MD

cc: The Honorable Jerry Lewis Ranking Member



1200 DEFENSE PENTAGON WASHINGTON, DC 20301-1200

JAN 25 2008

The Honorable John P. Murtha Chairman, Subcommittee on Defense Committee on Appropriations U.S. House of Representatives Washington, DC 20515–3812

Dear Mr. Chairman:

This letter is in response to reporting requests contained in Senate Report 109-292, which requests a detailed plan for the military treatment facilities' (MTFs) absorption of the Fiscal Year (FY) 2007 and FY 2008 efficiency wedges.

In recognition of declining workload accomplished by MTFs, cumulative efficiencies were assumed in the Military Department medical budgets totaling \$259 million (M) in FY 2007 and \$486.3M in FY 2008. The FY 2007 efficiency wedge was fully restored by Congress via Public Law 110-28, Title III: Additional Defense, International Affairs, and Homeland Security Provisions. This not only restored the assumed efficiency savings of \$259M, but provided an additional \$241M for a total of \$500M. The FY 2008 efficiency wedge was partially restored by Congress via Public Law 110-116, the Department of Defense Appropriations Act, 2008. This legislation restores \$379M of the \$486.3M FY 2008 efficiency wedge. MTFs are encouraged to earn back the balance of FY 2008 assumed efficiencies by increasing workload or achieving the efficiencies by reducing costs.

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Sir Work poppen S. Ward Casscells, MD cc: on TBI, Aero in Hopfen to Swif The Honorable C. W. Bill Young at your convenience Ranking Member Mr Wand