



THE ASSISTANT SECRETARY OF DEFENSE

1200 DEFENSE PENTAGON
WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

Dear Mr. Chairman:

This letter is in response to the Joint Explanatory Statement accompanying the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act 2009 (Public Law 110-329) which requests the Assistant Secretary of Defense for Health Affairs to submit justification to the congressional defense committees not later than January 15, 2009, as to the continuing need to provide carryover in future budgets.

Since 1998, Congress has authorized the Department to carryover a specified amount of Defense Health Program (DHP) Operation and Maintenance funds for obligation in a second fiscal year. Carryover authority has also been granted to the Department of Veterans Affairs in its annual health care budget. The DHP authority was granted in recognition of the volatility of obligations inherent in the program and in particular within the Private Sector Care Budget Activity Group, where contractual adjustments, demand for health care and the timing of claims submissions can be highly variable. This variability can cause significant swings in fund obligations that cross fiscal years.

The carryover authority has provided the essential flexibility to mitigate the effects of financial volatility. Additionally, it has offered the ability to manage many issues that emerge during the year of budget execution. In recent years this has included support to our warriors in transition, pandemic influenza preparedness, costs of supporting the Global War on Terror that were not known at the time of the supplemental appropriation request, and programs mandated but not funded by Congress.

Continuing the carryover authority encourages prudent use of allocated resources and allows for sound fiscal planning. Each year, the most effective use of the funds is determined through the Military Health System (MHS) resource decision making process and approved by the Service Surgeons General and me. In recent years, Congress has requested, and we have provided, a notification of the use of all funds made available for emerging requirements as the result of the carryover provision.

I encourage you to continue making this invaluable tool available to us. Thank you for your continued support of the MHS.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Ward Casscells". The signature is fluid and cursive, with a long horizontal stroke at the end.

S. Ward Casscells, MD

cc:
The Honorable Thad Cochran
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

Dear Mr. Chairman:

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Thanks S.W. for this flexibility!
Sincerely,
Ward

S. Ward Casscells, MD

cc:
The Honorable John McCain
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

Dear Mr. Chairman:

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Much appreciated Sir!
Sincerely,
ward cassell

S. Ward Casscells, MD

cc:
The Honorable Lindsey O. Graham
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

Dear Mr. Chairman:

This letter is in response to the Joint Explanatory Statement accompanying the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act 2009 (Public Law 110-329) which requests the Assistant Secretary of Defense for Health Affairs to submit justification to the congressional defense committees not later than January 15, 2009, as to the continuing need to provide carryover in future budgets.

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Sincerely, *Thank you Sir!*

Ward

S. Ward Casscells, MD

cc:
The Honorable Duncan Hunter
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

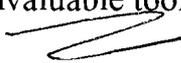
Dear Madam Chairwoman:

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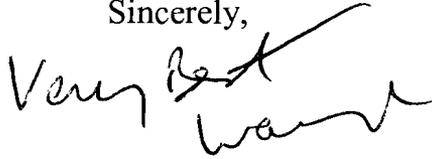
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Sincerely,



S. Ward Casscells, MD

cc:
The Honorable John M. McHugh
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

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Sincerely,
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W Ward

S. Ward Casscells, MD

cc:
The Honorable Thad Cochran
Ranking Member



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HEALTH AFFAIRS

JAN - 6 2009

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

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Thank you Sir!
Sincerely,

Ward Casscells

S. Ward Casscells, MD

cc:
The Honorable Jerry Lewis
Ranking Member



THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1200

HEALTH AFFAIRS

JAN - 6 2009

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

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The Honorable C. W. Bill Young
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