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

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,

[Signature]

Ashish S. Vazirani  
Acting

Enclosure:  
As stated

cc:  
The Honorable John Boozman  
Ranking Member
The Honorable Jack Reed  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, DC 20510

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Enclosure:  
As stated

cc:  
The Honorable Roger F. Wicker  
Ranking Member
The Honorable Mike D. Rogers  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

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Acting

Enclosure:
As stated

cc:
The Honorable Adam Smith  
Ranking Member
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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[Signature]

Ashish S. Vazirani  
Acting

Enclosure:  
As stated

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

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

<table>
<thead>
<tr>
<th>CWE</th>
<th>NTP</th>
<th>BOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Working Estimate</td>
<td>Notice to Proceed</td>
<td>Beneficial Occupancy Date</td>
</tr>
</tbody>
</table>
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.