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AUG 05 2020

MEMORANDUM FOR SECRETARY OF DEFENSE

SUBJECT: Military Medical Health System Reform

1. We are concerned about the transition of military medical treatment facilities (MTFs) and Service capabilities to the Defense Health Agency (DHA). After carefully evaluating the facts and assumptions on Military Health System (MHS) reform, coupled with the real-world test of contingency operations with the COVID-19 response, we have concluded the current plan ("Plan 3") for implementing NDAA 2017, Section 702 is not viable. The DHA end state, as designed, introduces barriers, creates unnecessary complexity, and increases inefficiencies and cost. At the same time, we recognize there is value in DHA providing well-coordinated policy to standardize clinical practice, experience of care, and shared services.

2. In order to support an agile coordinated response to the COVID-19 pandemic while simultaneously protecting the Nation from other threats, integration of medical capabilities within our Services was required. Service command and control (C2) of the MTFs as military units, through our Direct Support, was critical to Commanders' operational response in managing requirements and swiftly adjusting resources across the enterprise.

3. Alignment of research and development, public health, and medical logistics within each Military Department (MILDEP) allowed the Services to rapidly assess risks and threats to their unique forces, develop requirements, procure and distribute necessary equipment to units and installations, and coordinate with our Sister Services, the Joint Staff, and interagency partners.

4. The benefits of DHA were realized in well-coordinated policy to develop standardized clinical practices and experience of care during COVID-19 response. DHA was instrumental in promulgating best practices (e.g., drive-through pharmacy operations), in providing consistent strategic communication to inform stakeholders and beneficiaries, and in coordinating shared services for MTFs.

5. However, the proposed DHA end-state represents unsustainable growth with a disparate intermediate structure that hinders coordination of Service medical responses to contingency operations, such as a pandemic. It was the Services' legacy structures that provided the streamlined C2, communication, and the stability required for execution of plans and deployment of medical forces.

6. For the way ahead we request the following:

a. The Department take no further actions to restart transition of the MTFs and impose a blanket suspension of all transition activities concerned with NDAA 2017, Section 702, Section 703, and any other related provisions which impact the MTFs. This includes pausing any further transfers of personnel or resources from the Services to the DHA headquarters or intermediate management organizations (Markets), and issuance of additional DHA policies or procedures.

b. Acknowledge that Plan 3 and the associated intermediate management construct (e.g., markets) is not a valid end state for the MHS transition.




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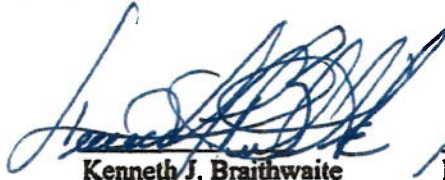
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c. Direct the MILDEPS establish and lead a work group to provide you courses of action with associated concept plan within 45 days of the date of this memorandum. Courses of action will include proposed legislative language should it be required for implementation of the concept plan.

d. All MTFs that have transferred to the DHA, to include Fort Belvoir Community Hospital and Walter Reed National Military Medical Center at Bethesda, return to their respective Services for C2 until you determine the best course of action.

7. We look forward to working together to achieve successful reform of the MHS.


Ryan D. McCarthy
Secretary of the Army


Kenneth J. Braithwaite
Secretary of the Navy

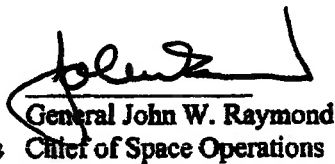

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