



SECRETARY OF DEFENSE
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MAY 21 2013

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY, AND LOGISTICS
ACTING UNDER SECRETARY OF DEFENSE FOR PERSONNEL
AND READINESS

SUBJECT: Integrated Electronic Health Records

Providing high-quality healthcare for current service members, their dependents, and veterans is among our Nation's highest priorities. Continuity of care is a key component of quality healthcare, and interoperability between Department of Defense (DoD) and Department of Veterans Affairs (VA) electronic health records is essential to enabling this continuity. DoD is committed to the seamless transfer of electronic health care records (EHR) between DoD and VA.

More interoperable EHR in the near term and a modernized EHR system in the mid term will create an environment in which clinicians and patients from both departments are able to share current and future healthcare information for continuity of care and improved treatment. As we move forward with these efforts, I recognize that only 4% of the current VA backlog is associated with the transfer or completeness of DoD records -- and that these EHR efforts should not be conflated with the present VA disability claim backlog -- which we have been working with VA aggressively to address. Nevertheless, improvements in interoperability and EHR modernization will impact the timely processing of future claims and will provide better continuity of care to our people.

Thank you for leading a group of senior DoD officials in conducting a 30-day review of the Integrated Electronic Health Record program to determine the best approach to ensuring we meet our commitment. Based on the findings of your review, I am convinced that a competitive process is the optimal way to ensure we select the best value solution for DoD.

A competitive process will allow DoD to consider commercial alternatives that may offer reduced cost, reduced schedule and technical risk, and access to increased current capability and future growth in capability by leveraging ongoing advances in the commercial marketplace. There are good reasons for VA to have selected its legacy system, the Veterans Health Information Systems and Technology Architecture (VistA), as the basis for its EHR core. However, many of these reasons do not apply to DoD. Also, based on DoD's market research, a VistA-based solution will likely be part of one or more competitive offerings that DoD receives.

We must work expeditiously to achieve our goal. To this end, I direct the following:

- DoD shall continue near-term coordinated efforts with VA to develop data federation, presentation, and interoperability. This near-term goal shall be pursued as a first

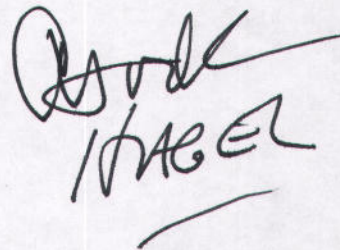


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priority separately from the longer-term goal of health record information technology (IT) modernization;

- DoD shall pursue a full and open competition for a core set of capabilities for EHR modernization;
- The Assistant Secretary of Defense for Health Affairs will continue to serve as the functional sponsor for this capability and the Under Secretary of Defense for Personnel and Readiness will remain the overall lead for coordination on health care with VA.
- The Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) shall immediately assume direct responsibility for DoD healthcare records interoperability and related modernization programs. USD(AT&L) shall lead DoD coordination with VA on the technical and acquisition aspects of this issue; and

Approaching this challenge in this manner will ensure that DoD acquires the right healthcare IT to meet its requirements while ensuring interoperability with VA, that this acquisition is conducted in a manner that achieves the best value for America's taxpayers, and that DoD invests in healthcare IT that is sustainable over the long term. It is important that we get this right – for those who serve and have served our Nation.


DONALD HAGEL