

4 May 1995

**Recommendation To The
Base Reallocation And Closure Committee
For Privatization Of
The Dynamic Flight Simulator**

Dynamic Flight Simulator Recommendations

Summary: The Dynamic Flight Simulator (DFS) at the Naval Air Warfare Center - Aircraft Division in Warminster, Pennsylvania has been recommended for closure by BRAC 95 for the purpose of transferring the facility to the public educational or commercial sectors, thus maintaining access on an as-needed basis. This device is a unique device that allows pilots to fly high performance tri-service fighter and attack aircraft including F18, F16 and ATF while experiencing the true accelerations of flight in a ground based simulator. It has recognized military value for training, research and testing of the pilot vehicle interface in this realistic and stressful environment. Requirements for the economy and safety of this approach exist now and are expanding. It will be impractical to operate this device under government ownership after the rest of the NAWCAD-Warminster base closes in 1996. There is additional potential for non-defense related uses of the device which can be expected to take several years to develop. It is recommended that interim incentives be provided to prospective commercial activities to ensure a successful transition of the DFS to the private sector and enable tri-service access to this capability in the future.

The Base Closure and Realignment Report of March 1995 has recommended closure of the remaining facilities at the Naval Air Warfare Center, Aircraft Division in Warminster Pennsylvania. This includes the closure of the Human Centrifuge/Dynamic Flight Simulator (DFS). The justification for this is to provide "the opportunity for the transfer of this facility to the public educational or commercial sectors, thus maintaining access on an as-needed basis."

This facility is in continuous demand by the Navy and the DOD for test and evaluation of aircrew equipment and for related research. Areas of use include: crew systems equipment integration, the pilot vehicle interface, laser eye protection, controls and displays, information management, performance assessment and enhancements, aircraft / aircrew vulnerability & survivability, female aviators, chemical, biological and radiological protection, spatial disorientation, situational awareness and high-G tolerance training.

There is no excess capacity for this type of testing in the United States. The only other research centrifuge of significance is at Brooks Air Force Base in San Antonio Texas which is also closing as a result of BRAC 95.

The results of BRAC 95 present potential gaps in meeting these requirements before privatization occurs. These gaps will allow critical technical skills to be lost causing even further disruptions to programs in process. BRAC attention is required to ensure seamless transition of this facility.

The DFS is a unique national asset. The Dynamic Flight Simulator provides world-class high-G flight simulation capability for current and future fighter-attack cockpits. It has pioneered worldwide interest in the entire technology of centrifuge-based flight simulation which exists nowhere else. As a result there is strong international demand for similar capability. Simulation of cockpits and models exist for current and future aircraft including F/A-18, F-14A, F-14D, F-16, and the ATF. This allows safe, economical, and reproducible simulation of dangerous maneuvers which occur in both controlled and uncontrolled flight. Max-G turns, departures, flat spins and thrust vectoring can all be experienced in this device.

The facility has been used to meet many air crew equipment RDT&E needs including those for the Combat Edge program which greatly enhanced aircrew function under high acceleration. It is also used for G-Tolerance Improvement Training (GTIP) where fleet pilots can train to increase their acceleration tolerance. Current improvements of this capability have increased the applicability to include terrain following, weapon deployment maneuvers, air combat maneuvering, and missile evasion.

As shown in Table 1 the DFS has far more capability other United States acceleration facilities. The longer radius reduces disorienting effects. The high G-onset rate is needed for simulation of high performance aircraft. The dual controllable gimbals allow accurate orientations to be represented. The multiple cockpits with associated aircraft simulation software are necessary.

The DFS at Warminster is the premier center of excellence / capability to most effectively meet both service requirements.

Recommendations:

Commercial opportunities for the DFS can be developed. Current DOD requirements already exist. Incentives are required during the interim until privatization becomes operational to ensure the interservice requirements are met without interruption.

Characteristic	NAWC AD - DFS	WPAFB - DES	Brooks AFB, Holloman AFB	NAS Lemoore	NASA Ames
Radius	15m (50 ft)	6m (20 ft)	6m (20 ft)	7.6m (25 ft)	6m (20 ft)
G-Onset Rate	13 G/sec	1 G/sec	6 G/sec	6 G/sec	1 G/sec
Axis Controls*	2 - Active	2 - Limited	1 - Passive	2 - Active	1 - Passive
Dynamic Flight Simulation *	Yes	No	No	No	No
Comments	F14A,F14D, F18, ATF, Generic Fighter	Very Low Performance	Brooks is on BRAC 95, Holloman is Dedicated to G Training	Dedicated to G Tolerance Training	Very Low Performance

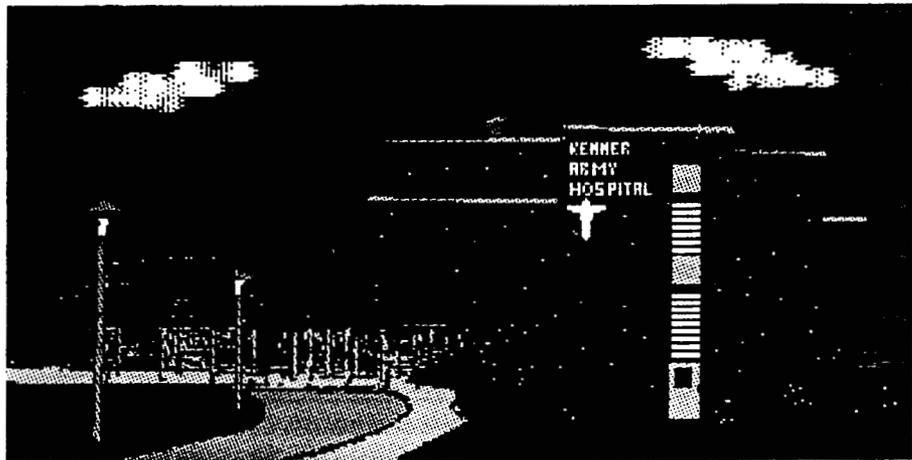
* Dynamic Flight Simulation requires 2 active gimbal axis controls, a responsive arm, and cockpit simulation

Table 1: Comparison of US Man-Rated Centrifuges

Document Separator

Community Response

to the
Proposal
by the
U.S. Department of Defense
regarding



*Kenner Army
Community Hospital,
Fort Lee, Virginia*

May 4, 1995

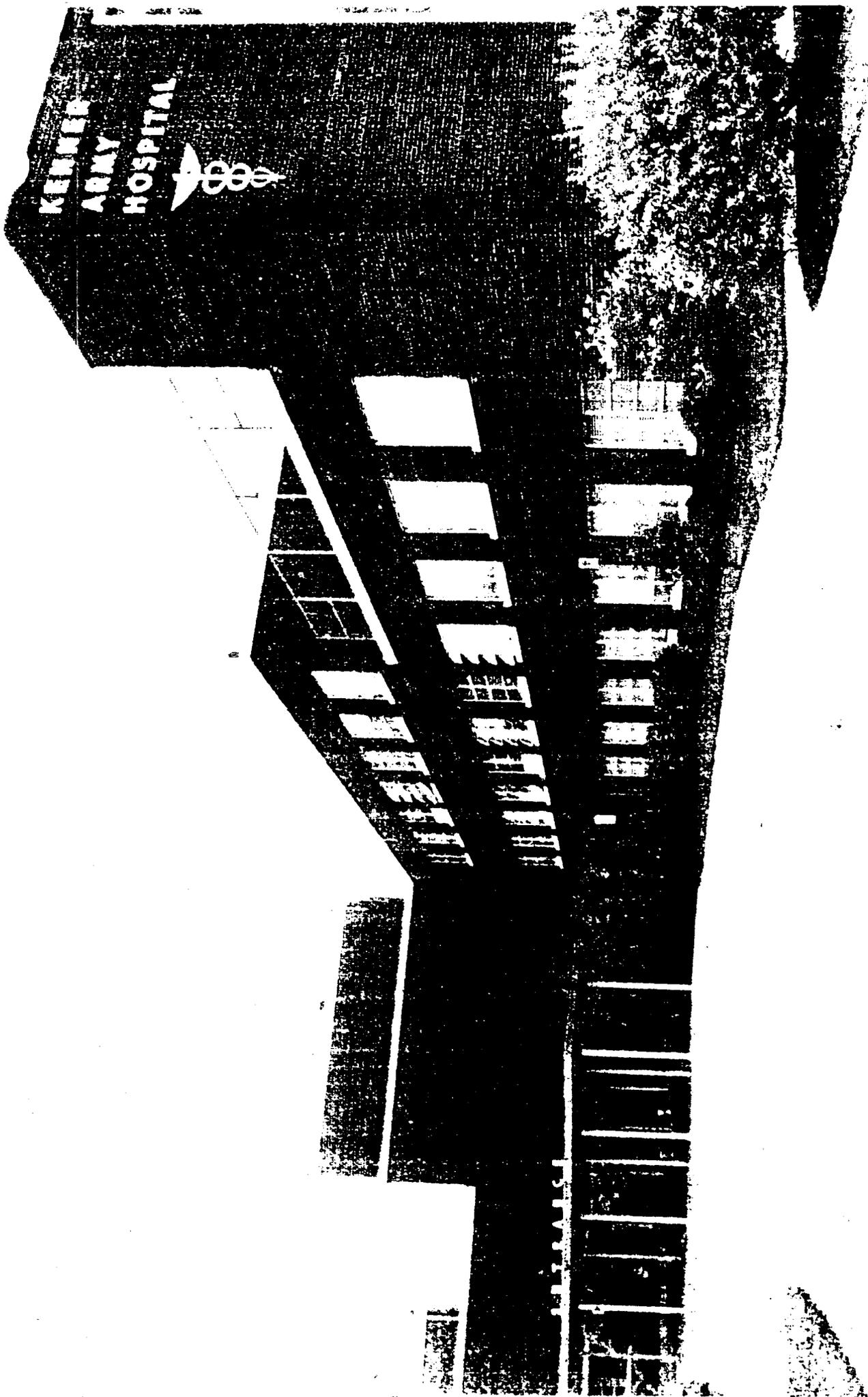
COMMUNITY RESPONSE TO THE PROPOSAL BY THE
U. S. DEPARTMENT OF DEFENSE REGARDING
KENNER ARMY COMMUNITY HOSPITAL, FORT LEE, VIRGINIA
THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
REGIONAL HEARING
MAY 4, 1995

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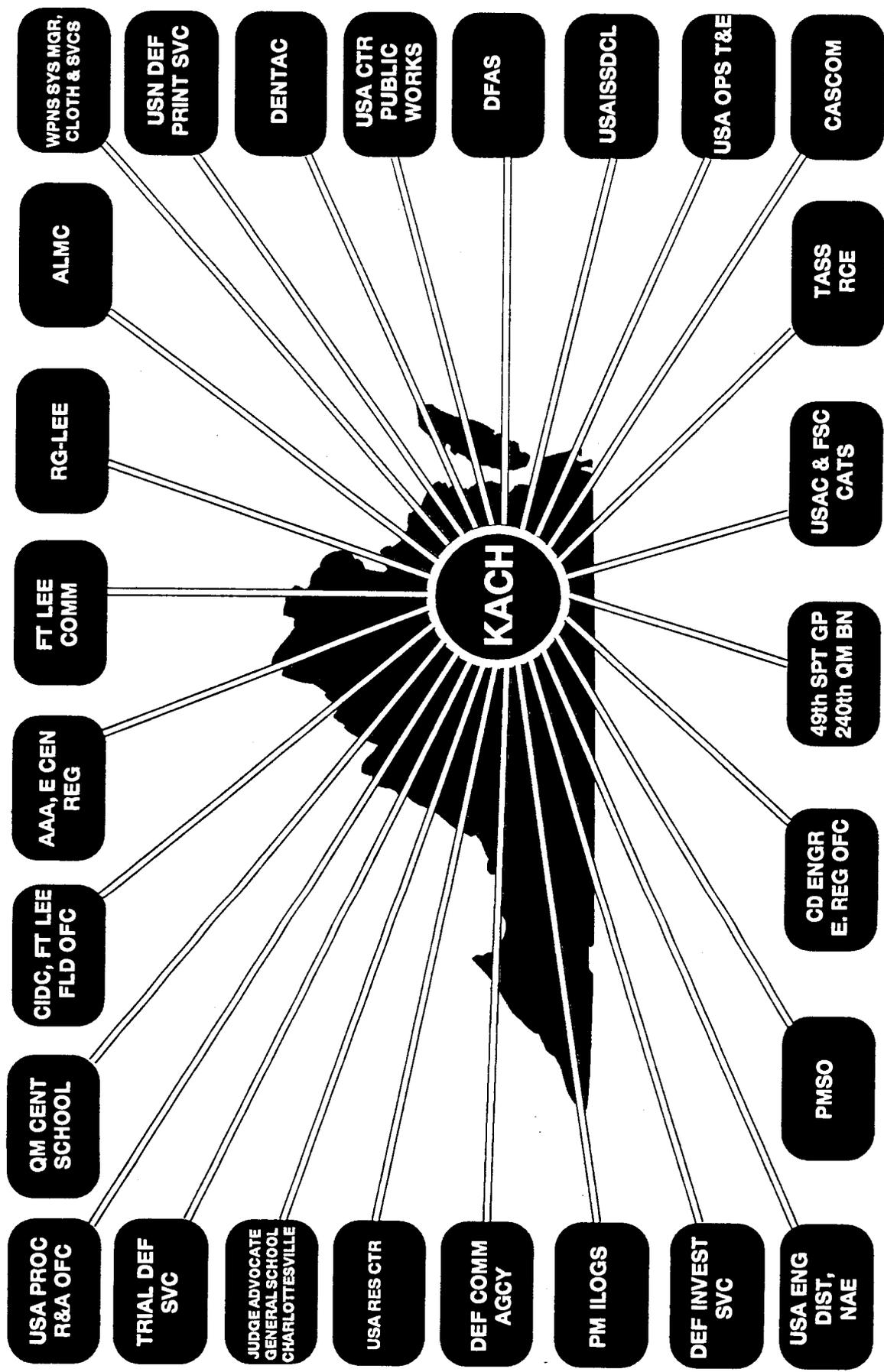
KENNER
ARMY
HOSPITAL



STAIRS

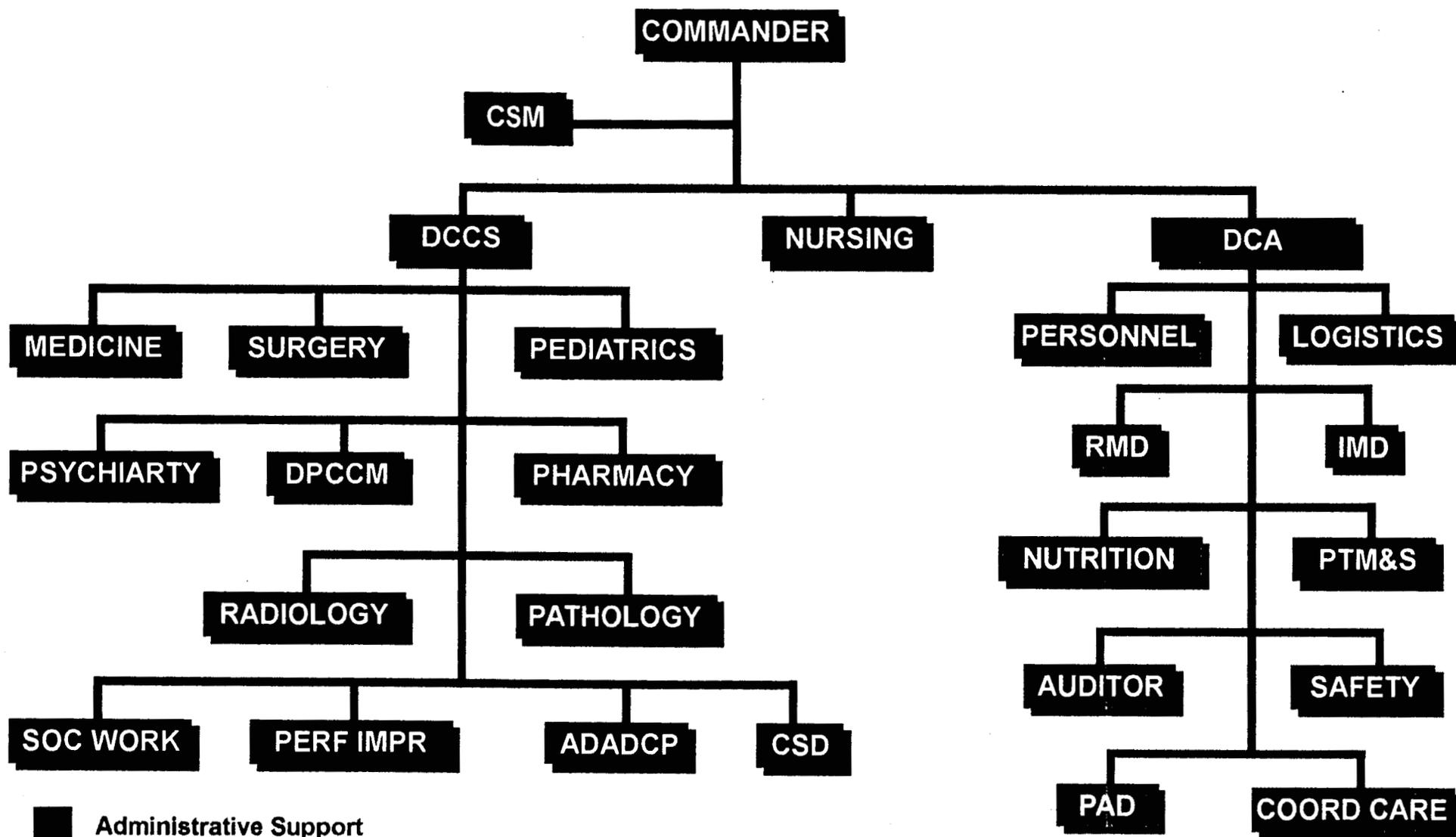


KENNER ACH SUPPORTED ACTIVITIES



KENNER ARMY COMMUNITY HOSPITAL

ORGANIZATION CHART



- Administrative Support
- Patient Services

KENNER ARMY COMMUNITY HOSPITAL



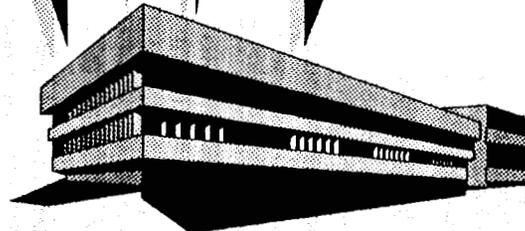
PRIMARY MISSION: PROVIDE HEALTH CARE SERVICES FOR 42,223 BENEFICIARIES IN A 40 MILE RADIUS; PROVIDE PRIMARY & EMERGENT HEALTH CARE FOR 56,000 RESERVE PERSONNEL AND BENEFICIARIES.

**TOTAL NUMBER OF PERSONNEL 509
CHAMPUS & SUPPLEMENT CARE
FUNDING \$18,000,000 FY94**

**64 BED HEALTH FACILITY
ADMISSIONS: 2,551
OUTPATIENT VISITS: 212,982**

**\$16.8 MILLION RENOVATION / LIFE
SAFETY PROJECT BEGAN FY94**

137,194 SQ FT



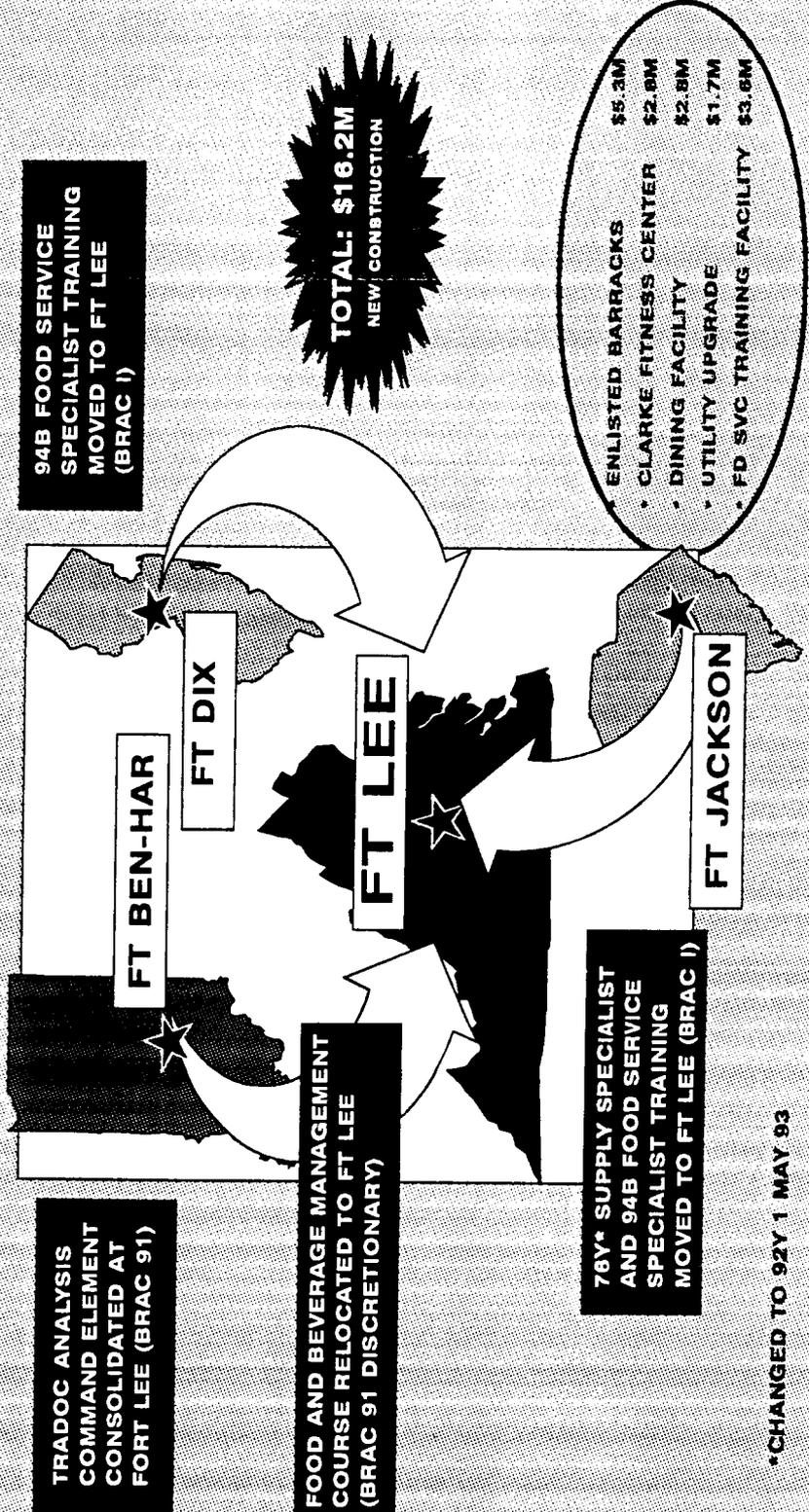
KENNER ACH MILITARY VALUE

- FORT LEE IS A POWER PROJECTION PLATFORM WHICH SUPPORTS CONTINGENCY DEPLOYMENTS WORLDWIDE.

KENNER ACH IS AN INTEGRAL PART OF THAT PROCESS.

- SUPPORTS ARMY OPERATIONAL REQUIREMENTS OF AN EXPANDING FORCE FOR CONTINGENCY MISSIONS AND PROJECTED INCREASED STUDENT WORKLOADS IN FY 97.
- SUSTAINS OPERATIONAL READINESS STRENGTH BY MAINTAINING THE HEALTH OF WORLDWIDE DEPLOYABLE FORCES.
- SUPPORTS JOINT, COMBINED, AND INTERNATIONAL WARFIGHTING FORCES OF ALL SERVICE COMPONENTS.
- LEAD AGENT FOR GATEWAY CARE INITIATIVE AND FUNCTIONS UNDER THE NEW MANAGED CARE INITIATIVE.
- SUPPORTS A POST WHICH HAS BEEN A RECEIVER INSTALLATION OF PREVIOUS BRAC DECISIONS.

PRIOR BRAC DECISIONS



94B FOOD SERVICE
SPECIALIST TRAINING
MOVED TO FT LEE
(BRAC I)

TRADOC ANALYSIS
COMMAND ELEMENT
CONSOLIDATED AT
FORT LEE (BRAC 91)

FT BEN-HAR

FT DIX

FT LEE

FOOD AND BEVERAGE MANAGEMENT
COURSE RELOCATED TO FT LEE
(BRAC 91 DISCRETIONARY)

76Y* SUPPLY SPECIALIST
AND 94B FOOD SERVICE
SPECIALIST TRAINING
MOVED TO FT LEE (BRAC I)

FT JACKSON

TOTAL: \$16.2M
NEW CONSTRUCTION

- ENLISTED BARRACKS \$5.2M
- CLARKE FITNESS CENTER \$2.8M
- DINING FACILITY \$2.8M
- UTILITY UPGRADE \$1.7M
- FD SVC TRAINING FACILITY \$3.6M

*CHANGED TO 92Y 1 MAY 93

DOD BRAC ANNOUNCEMENT

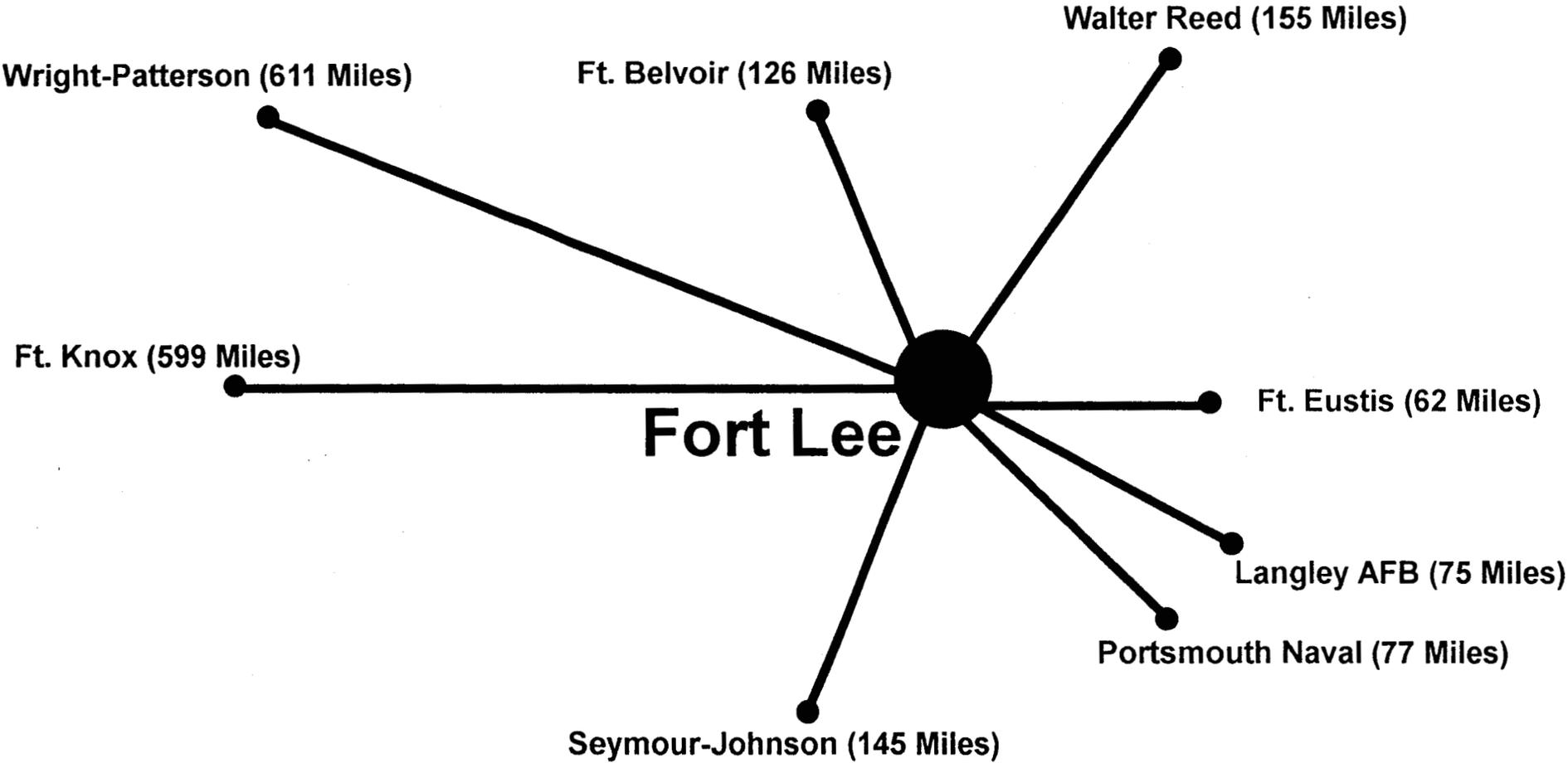
ON FEBRUARY 28th THE SECRETARY OF DEFENSE ANNOUNCED KENNER ARMY COMMUNITY HOSPITAL AT FORT LEE WOULD REALIGN TO A CLINIC. THE INTENT WAS TO ELIMINATE EXCESS MEDICAL TREATMENT CAPACITY AT FORT LEE BY ELIMINATING INPATIENT SERVICES. INPATIENT CARE WOULD BE PROVIDED BY OTHER **NEARBY MILITARY MEDICAL TREATMENT ACTIVITIES** AND PRIVATE FACILITIES THROUGH CHAMPUS.

REGIONAL MEDICAL FACILITIES



- Medical Activities**
- Army
 - Navy
 - Air Force

Comparative Distances Fort Lee to Other Military Medical Facilities



HEALTH SERVICE OPERATIONAL AREA MAP

WEST
VIRGINIA

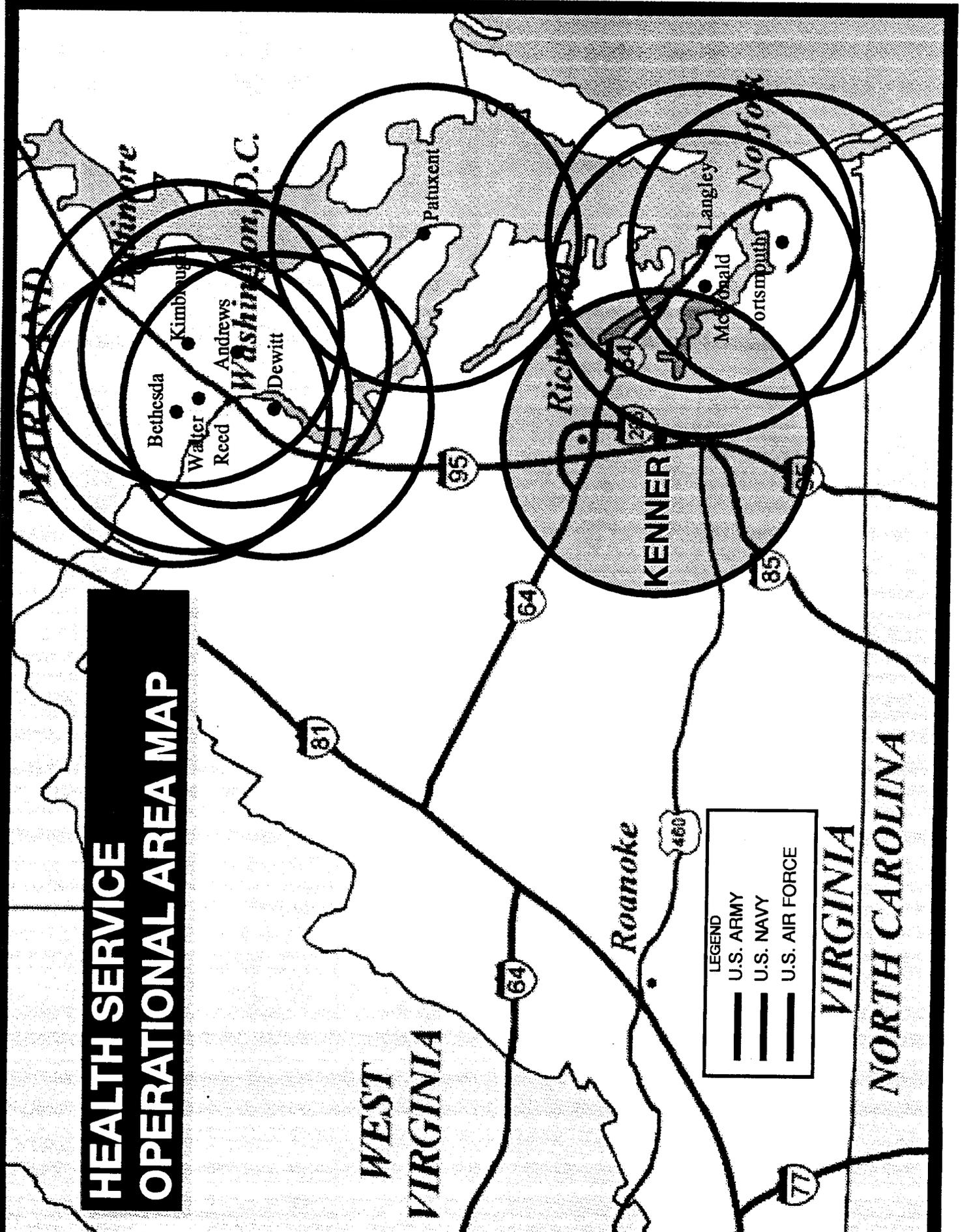
Roanoke

VIRGINIA

NORTH CAROLINA

LEGEND

- U.S. ARMY
- U.S. NAVY
- U.S. AIR FORCE



HEALTH SERVICE CONSIDERATIONS

- DOD HOSPITALS WERE EXCLUDED IN SAME CATCHMENT AREA FROM COMPUTATIONS AFFECTING THE HOSPITAL, PHYSICIAN, OR OPERATING BED RATIOS. REFERENCE APPENDIX C PAGES 33 - 34, REPORT TO THE BRAC 95 REVIEW GROUP DATED APRIL 15, 1994.
- TERMINATION OF INPATIENT CARE AT KENNER ACH ELIMINATES THE 40 MILE CATCHMENT AREA. UPON REALIGNMENT, APPROXIMATELY 75% OF THE CURRENT KENNER ACH CATCHMENT AREA WILL FALL OUTSIDE ANY REMAINING CATCHMENT AREA.
- ACCORDING TO THE OFFICE OF ASSISTANT SECRETARY OF DEFENSE (HEALTH AFFAIRS), THERE IS NO TITLE X SUPPORT FOR CATCHMENT AREAS FOR A MTF WHEN INPATIENT SERVICES ARE ELIMINATED. THE PEOPLE USING THE FACILITY WOULD NOT REQUIRE A NON-AVAILABILITY STATEMENT TO USE A CIVILIAN HOSPITAL. THUS, THE CHAMPUS COST IS CLEARLY UNDERSTATED.

LOSS OF INPATIENT SERVICES

WHAT IT MEANS TO A TRAINING POST...

- No ability to quarantine
 - Chicken Pox
 - Measles / Mumps
 - Upper Respiratory Infections
 - Acute Respiratory Disease



- Injuries
- Dehydration

PROJECTED IMPACT SHEET COMPARISONS

THE KENNER ARMY COMMUNITY HOSPITAL IMPACT SHEET DOES NOT HAVE THE FIRST TWO PARAGRAPHS WHICH ADDRESS:

1. INCREASED COST ASSOCIATED WITH ELIMINATION OF INPATIENT SERVICES.
2. ELIMINATION OF INPATIENT SERVICES WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES.

NOTE: SEE THE FORT BELVOIR AND FORT MEADE IMPACT SHEETS PROVIDED.

**MEDDAO, FORT LEE
ELIMINATION OF INPATIENT SERVICES
PROJECTED IMPACT**

FY 84 MTF INPATIENT DISPOSITIONS (1)	2,585
DISP LEAVING MTF COSTED AT 1:1 DEPN OF AD	438
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL RET, D/RET, SURV, & OTH	292
TOTAL DISP GOING TO CHAMPUS	730
PROJECTED COST BASED ON MTF INPT DRGs (3)	<u>\$2,034,948</u>
ACTIVE DUTY DISP SENT TO OUTSIDE SOURCES (5)	1328
COST OF AD DISPOSITIONS	<u>\$3,701,993</u>
TOTAL COST	<u>\$5,738,881</u>

NOTES:

FISCAL YEAR 1984 IS THE BASELINE YEAR FOR COSTS AND WORKLOAD
ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE
THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

(1) SOURCE:

WORKLOAD TOTAL; IPDS, FY 84 COMPLETE AS OF 12-06-84
WORKLOAD BY PT CAT; IPDS, FY 84, AS OF 12-07-84
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 311; D/RET/SURV = 445; OTH = 57; D/AD>86 = 4
TOTAL = 818 * (1:2.8) = 292

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) BASED ON FY 82 ACTUAL MTF DRG/DRG COST INFLATED TO FY 84 (10.4%).

(\$2525 * 1.104 = \$2787.50 * # DISP.)

MEDDAC, FORT BELVOIR
 ELIMINATION OF INPATIENT SERVICES
 PROJECTED IMPACT

1. ELIMINATION OF INPATIENT SERVICES AT FT BELVOIR WILL NOT RESULT IN A DECREASE IN COSTS. IT WILL INCREASE COSTS.

a. APPROXIMATELY 45-50% OF THE CURRENT FT BELVOIR CATCHMENT AREA TRANSFERS TO WRAMC/MGAFMC. 50% WILL FALL OUTSIDE ANY CATCHMENT AREA. THIS PORTION WILL BECOME AN INCREASED CHAMPUS COST.

b. WE WILL TRANSFER SOME FT BELVOIR INPATIENT COSTS TO COVER THE COST OF PATIENTS SEEKING CARE AT OTHER MIL MTFs

2. ELIMINATION OF INPATIENT SERVICES AT FT BELVOIR WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES. A PORTION OF THE PERSONNEL WILL TRANSFER WITH THE FUNDS TO PROVIDE THE INPATIENT CARE AT WRAMC. PERSONNEL WHO PROVIDE BOTH IN/OUT PATIENT CARE CANNOT ALWAYS BE EFFICIENTLY SPLIT OUT, THEY MUST REMAIN.

FY 94 MTF INPATIENT DISPOSITIONS (1)	7,247
DISP LEAVING MTF COSTED AT 1:1 INCLUDES 50% D/AD	1,732
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL. 50% RET, D/RET, & SURV	455
TOTAL DISP GOING TO CHAMPUS	2,187
<u>PROJECTED COST BASED ON MTF CHAMPUS RATE (3)</u>	<u>\$20,764,253</u>
<u>FUNDING TRANSFER TO COMPENSATE FOR INPATIENT WORKLOAD SHIFT (4)</u>	<u>\$9,745,000</u>

NOTES:

ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

ALL ANNITIONAL NOTES ARE SHOWN ON THE FOLLOWING PAGE

NOTES, CONTINUED

(1) SOURCE:

WORKLOAD TOTAL: IPDS, FY 94 COMPLETE AS OF 12-06-94
WORKLOAD BY PT CAT; IPDS, FY 94, AS OF 12-07-94
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 1,071; D/RET/SURV = 1,170; OTH = 307; TOTAL = 2,548
 $2,548 * .50 = 1,274 * (1:2.8) = 455$

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) FY 92 FT BELVOIR CHAMPUS ADM COST RATE LESS PSYCH INFLATED 10.4%

$(\$3,600 * 1.104 = \$3,974.40 * \# \text{ DISP.})$

(4) INCLUDES 100% [1,217] AD, 50% D/AD, 50% RET/DEP/SVR DISPOSITIONS

MEDDAC, FORT MEADE
ELIMINATION OF INPATIENT SERVICES
PROJECTED IMPACT

1. ELIMINATION OF INPATIENT SERVICES AT FT MEADE WILL NOT RESULT IN A DECREASE IN COSTS. IT WILL INCREASE COSTS.

a. APPROXIMATELY 85-90% OF THE CURRENT FT MEADE CATCHMENT AREA TRANSFERS TO WRAMC. 10-15% WILL FALL OUTSIDE ANY CATCHMENT AREA. THIS PORTION WILL BECOME AN INCREASED CHAMPUS COST.

b. WE WILL TRANSFER FT MEADE INPATIENT COSTS TO WRAMC TO COVER THE COST OF PATIENTS SEEKING CARE AT WRAMC.

2. ELIMINATION OF INPATIENT SERVICES AT FT MEADE WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES. A PORTION OF THE PERSONNEL WILL TRANSFER WITH THE FUNDS TO PROVIDE THE INPATIENT CARE AT WRAMC. PERSONNEL WHO PROVIDE BOTH IN/OUT PATIENT CARE CANNOT ALWAYS BE EFFICIENTLY SPLIT OUT. THEY WILL REMAIN.

FY 94 MTF INPATIENT DISPOSITIONS (1)	3,793
DISP LEAVING MTF COSTED AT 1:1 INCLUDES 15% D/AD; (1,105 * .15)	166
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL. 15% RET, D/RET, & SURV	86
TOTAL DISP GOING TO CHAMPUS	252
<u>PROJECTED COST BASED ON MTF CHAMPUS RATE (3)</u>	<u>\$1,947,456</u>
<u>FUNDING TRANSFER TO WRAMC TO COMPENSATE FOR INPATIENT WORKLOAD SHIFT (4)</u>	<u>\$12,100,000</u>

NOTES:

FISCAL YEAR 1994 IS THE BASELINE YEAR FOR COSTS AND WORKLOAD
ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE
THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

ALL ADDITIONAL NOTES ARE ON THE FOLLOWING PAGE

NOTES, CONTINUED

(1) SOURCE:

WORKLOAD TOTAL; IPDS, FY 94 COMPLETE AS OF 12-06-94
WORKLOAD BY PT CAT; IPDS, FY 94, AS OF 12-07-94
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 620; D/RET/SURV = 794; OTH = 187; TOTAL = 1,601

$1,601 * .15 = 240 * (1:2.8) = 86$

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) FY 92 FT MEADE CHAMPUS ADM COST RATE LESS PSYCH INFLATED 10.4%

$(\$7,000 * 1.104 = \$7,728 * \# \text{ DISP.})$

[SOURCE: FY 92 CHAMPUS SUMMARY REPORT]

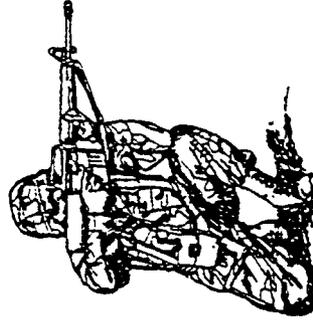
(4) INCLUDES 100% [1,084] AD, 85% D/AD, 85% RET/DEP/SVR DISPOSITIONS

KENNER ACH WORKLOAD



Workload FY 94	Number	Percent
Outpatient Visits	213,000	98.8
Inpatient Visits	<u>2,500</u>	<u>1.2</u>
	215,500	100

Categories	Number	Percent
Active Duty & Family	151,000	70
Retired & Family	<u>64,500</u>	<u>30</u>
	215,500	100



KENNER ACH WORKLOAD

	Number	Percent
● Authorizations		
FY 95 Authorized - 1 Oct.	591	
FY 96 Authorized - 1 Oct.	477	
2 Oct.	435	
● Spaces Related To Inpatients	55-92	13% - 21%
● DOD REDUCTION PROPOSED TO BRAC	-190	58%
● REALIGNMENT AUTHORIZATION	245	58%



INTENT - INPATIENT CARE REDUCTION

ACTION - SIGNIFICANT REDUCTION IN TOTAL CAPABILITY

VILLAIN "BENCH MARK" MODEL

COST TRANSFERS

- **INPATIENT CARE**

FUNDS PROVIDED BY DOD FOR PROJECTED CHAMPUS ELIGIBLE CLIENTS AT KENNER ACH IN THE OUT-YEARS ARE UNDERESTIMATED AND UNDER-FUNDED.

	<u>CLIENTS</u>	<u>COST</u>
DOD	703	\$2.03 MILLION
ACTUAL	1,205	\$4.970 MILLION

KENNER'S AVERAGE CHAMPUS COST FOR INPATIENT ADMISSION IN FY 94 - \$4,125.

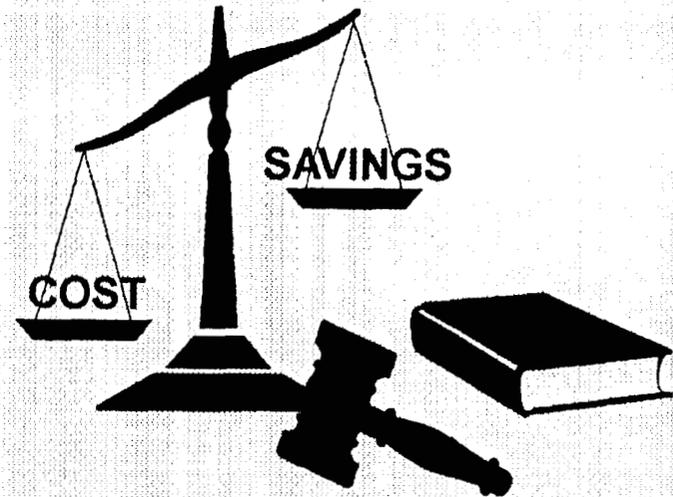
- **OUTPATIENT CARE**

FY 1994 OUTPATIENT VISITS 213,000. THE 190 STAFF REDUCTIONS UNDER BRAC WILL REDUCE THE CAPABILITY TO TREAT THIS NUMBER OF VISITS.

STAFF REDUCTIONS AT KENNER ACH FROM FY 1995 TO 1996 REPRESENT A 58% REDUCTION (591 TO 245).

AN ESTIMATED 50% REDUCTION IN CAPABILITY EQUATES TO A 106,500 OUTPATIENT VISIT SHORTFALL AT A CHAMPUS AVERAGE OUTPATIENT COST OF \$107. (CY 94) FOR A TOTAL COST OF \$11.40 MILLION.

- **TERMINATION OF INPATIENT CARE ELIMINATES 40 MILE CATCHMENT AREA. 75% OF CURRENT COST CONTROL (NONAVAILABILITY STATEMENT) WILL BE LOST.**
- **DOD ANTICIPATED SAVINGS OF \$4 MILLION WILL NOT ACCRUE.**
- **RESULT - The costs associated with potential CHAMPUS, MEDICARE, Active duty TDY, and Supplemental care charges to cover more than 100,000 outpatient visits have not been programmed.**



HOSPITAL EVALUATION CRITERIA

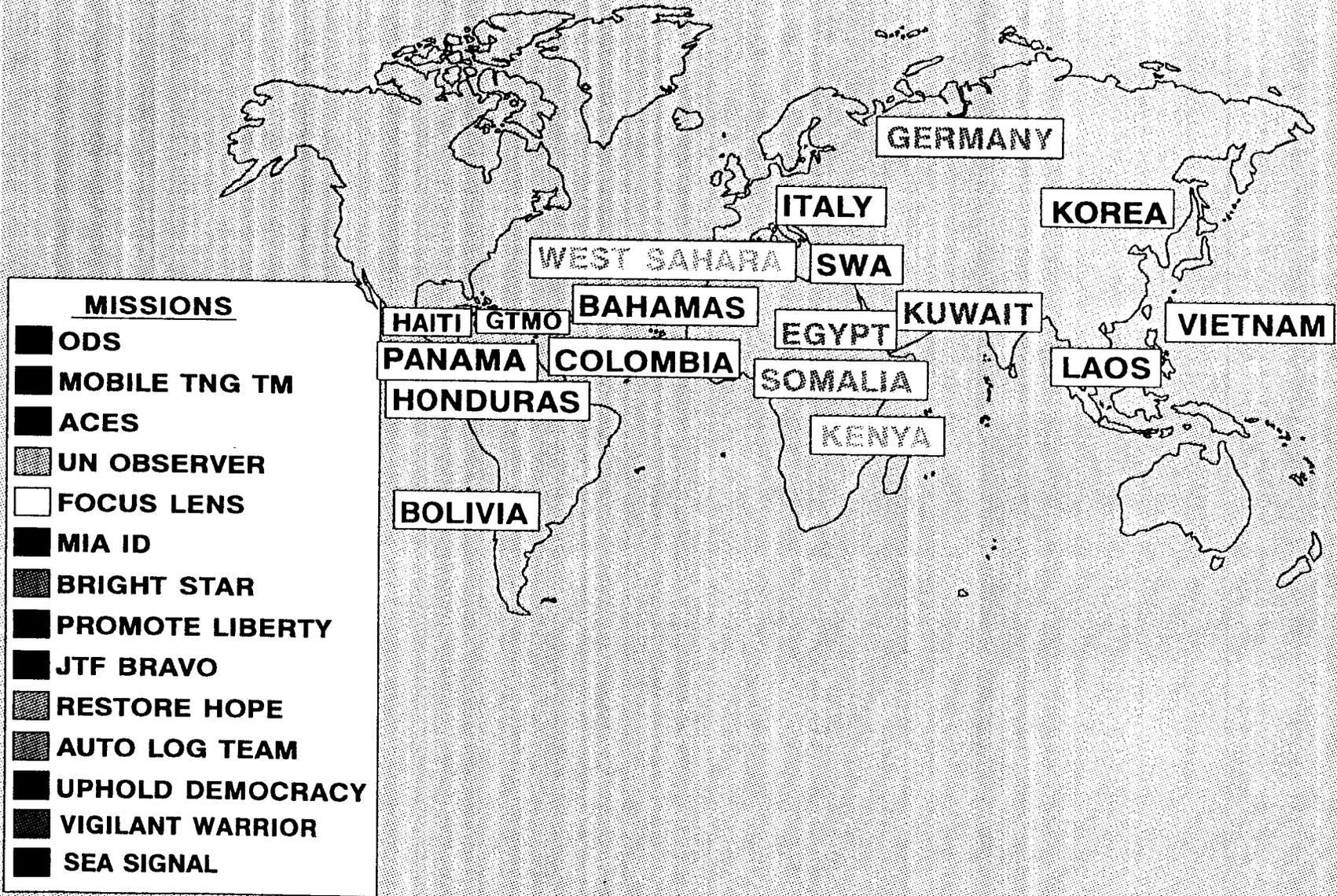
HOSPITALS WERE EVALUATED ON TEN MEASURES OF MERIT THAT CORRESPOND TO THE RELATIVE MILITARY VALUE SUB-CATEGORIES 1-4 OF THE BRAC CRITERIA. EACH HOSPITAL WAS ASSESSED BY THE JOINT WORKING GROUP AND EACH MEASURE WAS WEIGHTED TO PROVIDE A FUNCTIONAL VALUE SCORE FOR EACH MEDICAL FACILITY. THIS WOULD PROVIDE THE SERVICES WITH A NUMERICAL ORDER OF MERIT LIST.

FUNCTIONAL VALUE VARIANCES

- DIMIS ID CONSOLIDATED DATA SHEET FUNCTIONAL VALUES 5.43 (47)
- JOINT WORKING GROUP DATA SHEET FUNCTIONAL VALUE 5.63 (53)
- RECOMPILATION BASED ON INCREASED ACTIVE DUTY AND FAMILY MEMBERS OF ACTIVE DUTY POPULATION OF 18,548 - FUNCTIONAL VALUE 5.91 (60)

NOTE: FIXED INTEGER LINEAR PROGRAMMING MODEL (DOD APPROVED)

KENNER SUPPORT TO WORLDWIDE DEPLOYMENT MISSIONS



SUMMARY

- MILITARY VALUE
 - FORT LEE IS A POWER PROJECTION PLATFORM WHICH SUPPORTS CONTINGENCY DEPLOYMENTS WORLDWIDE
 - KENNER ACH IS AN INTEGRAL PART OF THAT PROCESS
- PROJECTED SAVINGS WILL NOT BE REALIZED DUE TO:
 - COST TRANSFERS
 - CATCHMENT AREA LOSS
- ISOLATED LOCATION
 - NO OTHER DOD MEDICAL TREATMENT FACILITY IN KENNER ACH CATCHMENT AREA
 - CATCHMENT AREAS WITH GREATER DENSITY OF DOD MEDICAL FACILITIES RETAIN INPATIENT SERVICES
- INPATIENT CAPABILITY
 - KENNER ACH ONLY TRAINING SCHOOL POST REALIGNED TO A CLINIC
 - NEED A MEDICAL HOLDING CAPABILITY
- STATISTICAL RATING SCHEMES DO NOT CONSIDER:
 - MILITARY ACCESSIONS: TRAINING LOAD OF 27,000
 - HIGH RISK TRAINING ACTIVITIES
- BENCHMARK MODEL
 - UNTRIED, UNTESTED COMPUTER MODEL
- REDUCED AUTHORIZATIONS
 - MEDICAL PERSONNEL
 - ILLOGICAL: 1.2% WORKLOAD REDUCTION
58% STAFF REDUCTION
- IMPACT UPON RETIREES
 - REDUCED OUTPATIENT CAPACITY BY 50%
 - NONAVAILABILITY FOR RETIREES AND FAMILIES

RECOMMENDATION

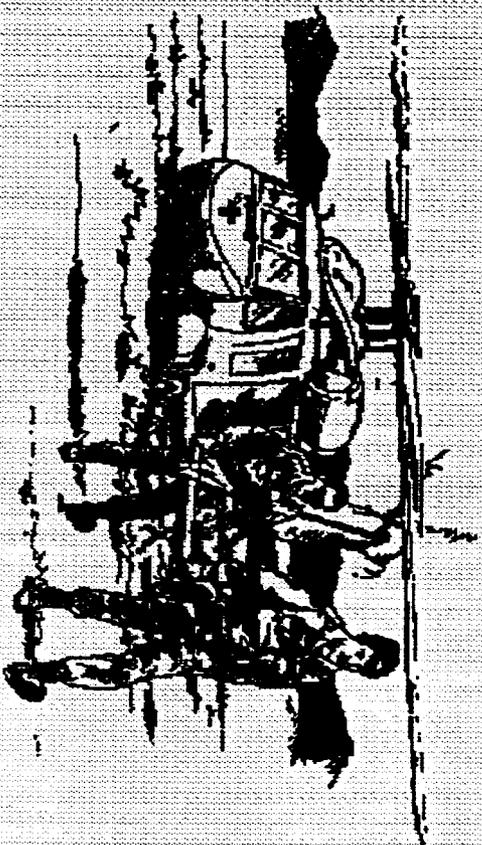
Transferring costs from the Army to CHAMPUS and MEDICARE, and adding the projected TDY expenditures for medical treatment of active duty soldiers will significantly increase costs to the federal government



**THUS, THE DOD RECOMMENDATION IS
NOT DESIRABLE OR COST EFFECTIVE**

On the basis of the testimony presented, the BRAC Commission should recommend retaining inpatient services at Kenner Army Community Hospital.

**WHEN LIVES
ARE AT
STAKE**



HELP CAN'T WAIT



MISCELLANEOUS INFORMATION

ANALYSIS OF KENNER ACH

ANALYSIS OF KENNER ARMY COMMUNITY HOSPITAL

AN ANALYSIS BASED ON RESEARCH CONDUCTED ON HISTORICAL DATA, INTERVIEWS
WITH SPECIALTY HEALTH CARE PROVIDERS, AND OTHER STATISTICAL MATERIALS.

ANAYLSIS
of
Kenner Army Community Hospital

This is an independent analysis of Kenner Army Community Hospital based on research conducted on historical data, provided through interviews with health care providers, and other research materials. They appear in no special order or priority.

- There are over 90,000 beneficiaries served by Kenner representing Virginia, South Western Virginia, North Carolina, West Virginia, and Tennessee.
- There is no nearby military medical facility as alluded to in the Joint Cross Service Group recommendations. The next closest DOD Medical Treatment facility to the West of Ft. Lee is at Wright-Patterson, Ohio or Ireland Army Hospital at Ft. Knox, Kentucky.
- All emergent active duty military patients (trauma, orthopedic, appendectomies, asthma, chest pain, urologic, etc.) would require care in a civilian medical activity using supplemental care dollars.
- Elective active duty operative care could be referred to Ft. Eustis, Langley AFB, Naval Medical Center Portsmouth, or Walter Reed Army Medical Center. Presently there is a 3-6 month wait for elective orthopedic care at the medical centers. There were 40 elective active duty orthopedic cases alone performed at Kenner in the last 90 days.

Note: All of these active duty soldiers are on a
very restrictive profile while awaiting care.

- Family members of active duty, retired and their family members, and survivors cost share on CHAMPUS (Civilian Health and Medical Program for Uniformed Services). This cost share can be a major dollar burden on uniformed services personnel on a fixed income. (several thousand dollars cost share in orthopedic cases)
- Kenner recaptured \$870,000 in CHAMPUS return dollars by performing Endoscopy, and Ear, Nose, and Throat pediatric surgery this past fiscal year. These figures were based on current physician and hospital fees in surrounding facilities.
- Consultation fees for surgery range in the \$100-\$250 range per consult in the civilian community. Approximately 1/3-1/2 of patients consulted at Kenner do not require surgery. This is an added expense that should not be burdened on the patient.
- Surgery cases require a minimum of three separate visits pre-op, operation, and post-op visits all which require the military to pay TDY to the active duty service member. This does not take into account the training distracters which impact upon readiness when a family member is miles from the training installation.

- Negotiating fees with local hospital will be all but non-negotiable when this system goes into effect. A choice does not exist in most cases based on available services.
- Questions remain on availability of emergency service vehicles (ambulances), where will this service come from and what is the availability based on increased demands?
- The number of Acute Care Hospitals in a catchment area do not include other Army, Navy and Air Force hospitals in the 40 mile catchment area. This gives a false picture of nearby DOD facilities. Additionally, the number of other hospitals within the area are not portrayed correctly in the data according to the definition in Appendix C (Glossary) of the April 15, 1994 Report to the BRAC Review Group. e.g. there are more than 8 acute care hospitals within a 40 mile range from DeWitt Hospital at Ft. Belvoir and more than 7 within a 40 mile range from McDonald Hospital at Ft. Eustis.
- The Combat Service Support military occupational specialties are made up of approximately 30% females. Ft. Lee as an initial entry training post for CSS specialties has a very large demand on OBGYN services for active duty soldiers. If these are referred off post it will severely impact on training with a corresponding decline in force readiness.
- There is no plan for what specialties will remain at Ft. Lee in the proposed clinic arrangement. With the reduction in forces and the criticality of certain medical specialties: OB GYN, Orthopedics, General Surgery, and Family Practice it is assumed these primary specialties will be eliminated in the Health Clinic, thus resulting in increased CHAMPUS costs not provided for in this recommendation.
- The increased CHAMPUS costs of the Joint Cross Service Working Group only pertains to the inpatient services that would be transferred out at a cost of an additional \$5,736,881 per year. This figure needs to include the specialty consults that will no longer be provided. With in excess of 225,000 outpatient visits some of which included specialty consults in OB GYN, Orthopedics and General Surgery there is an even greater Supplemental Care cost from mission dollars for the Active Duty soldier and CHAMPUS for all others. This should be added to the already funded \$14 million dollar CHAMPUS costs of Ft. Lee. The result is clearly in excess of \$20 million per annum.
- The 16.5 million dollar upgrade of the existing facility from 1995-97 for life/safety is not accounted for in the recurring costs. Additionally, there is a set aside for conversion/renovation of in excess of \$165,000 to execute this scheme. (I would not dignify this operation with the suggestion of a plan).
- Ft. Lee hospital is a stand alone military facility in this region with no other nearby military facility within 59 road miles from post and even farther for beneficiaries in the western portion of Virginia.

- There are 52 DOD Community Hospitals with a lower functional value than Kenner which were not slated for realignment to a clinic, with the exception of two facilities in which the Base or Post was slated for closure. (Fort McClellan and Reese AFB)
- Ms. Mart Hamilton of DOD Health Care Affairs with responsibility for the Catchment Area Directory stated there is no Title X support for catchment areas once downsized to a clinic. The people would be able to use any facility, thus the cost for CHAMPUS is clearly understated.
- Savings are overstated in the COBRA model since all civilians are costed at \$45, 998 dollars regardless of pay scale. The only way the savings would be as stated is with a complete closure of an installation.
- Military personnel are counted as savings in the Army COBRA model with no corresponding decrease in the force structure end strength, thus overstated.

CONSTRUCTION FACT SHEET

KENNER NEW CONSTRUCTION FACT SHEET

KENNER IS CURRENTLY UNDERGOING AN APPROPRIATED \$16.5 MILLION UPGRADE.
PRIOR TO IMPLEMENTATION OF THE REALIGNMENT ACTION OVER 88% OF THE ORIGINAL
CONTRACT PRICE WILL BE OBLIGATED.

LIFE SAFETY AND MECHANICAL SYSTEMS UPGRADE OF
KENNER ARMY COMMUNITY HOSPITAL

FACT SHEET

(CURRENT AS OF 5 APRIL 1995)

FUNDING

FISCAL YEAR: FY 1991, FY 1992

APPROPRIATION: \$16,650,000

CURRENT WORKING ESTIMATE (CWE): \$15,304,839

CONTRACTOR BID: \$13,851,000

ORIGINAL CONTRACT AMOUNT: \$13,851,000

CURRENT CONTRACT AMOUNT: \$13,988,549
(INCLUDES ALL MODIFICATIONS)

SCOPE

NEW CONSTRUCTION (sq. ft.): 4,300

SAFETY UPGRADE (sq. ft.): 135,779

CONTRACT AWARD DATE: 31 MAY 1994

CONSTRUCTION CONTRACTOR: BELL CONSTRUCTORS, ROCHESTER, NY

ARCHITECTURAL FIRM: VANSANT AND GUSLER, INC

NOTICE TO PROCEED: 20 JUNE 1994

CONSTRUCTION START DATE: 18 AUGUST 1994

CONTRACT PERFORMANCE PERIOD: 1333 CALENDAR DAYS

PROJECTED CONTRACT PERFORMANCE PERIOD: 961 CALENDAR DAYS

LIFE SAFETY AND MECHANICAL SYSTEMS UPGRADE OF
KENNER ARMY COMMUNITY HOSPITAL

FACT SHEET

(CONTINUED)

BENEFICIAL OCCUPANCY DATES

CONTRACT SCHEDULED: 12 FEBRUARY 1998

CONTRACTOR PROJECTED COMPLETION: 5 FEBRUARY 1997

PHASE 1 COMPLETE: 28 JULY 1995

PHASE 2 COMPLETE: 30 MAY 1996

PHASE 3 COMPLETE: 5 FEBRUARY 1997

PERCENT COMPLETE

ACTUAL: 27%

SCHEDULED: 27%

EARNINGS TO DATE: \$4,381,116

RETAINAGE: \$114,000

PERCENT OF ORIGINAL CONTRACT PRICE COMPLETED BY PHASE

PHASE 1 (28 JULY 1995).....50.3%

PHASE 2A (31 DECEMBER 1995).....70.4%

PHASE 2 (30 MAY 1996).....88.5%

PHASE 3 (5 FEBRUARY 1997).....100%

CONTRACTOR'S PROJECTED SCHEDULE:

DAYS BEHIND: 0

DAYS AHEAD: 0

1994 CHAMPUS HEALTH CARE SUMMARY

1994 CHAMPUS HEALTH CARE SUMMARY

THE REPORT SUMMARIZES COST AND USE DATA FOR A 12 MONTH PERIOD. INPATIENT COSTS TOTALED IN EXCESS OF \$5 MILLION AND OUTPATIENT COSTS IN EXCESS OF \$4MILLION WITH THE CATCHMENT AREA IN EFFECT

HR085-007 (OHIRJ6Q)
RUN DATE: 07 APR 1995
RUN TIME: 14:44:55
MODE: 7B-DENE ZIP

CHAMPUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS
BASED ON CARE RECEIVED FROM JAN 1994 THRU DEC 1994
122 - KENNER AH FT LEE, VA

PAGE: 01
COLLECTION PERIOD: 15 MONTHS
UNREPLICATED

REPORT SPECIFICATIONS PAGE

THIS REPORT SUMMARIZES COST AND UTILIZATION DATA. INPATIENT AND OUTPATIENT DATA ARE PROVIDED FOR 26 MEDICAL SPECIALTIES WITH GRAND TOTALS. THIS REPORT IS BASED ON THE HEALTH CARE SERVICES SYSTEM CATCHMENT AREA DIRECTORY EFFECT DURING THE REPORT PERIOD IS USED TO DETERMINE THE CATCHMENT AREAS.

THIS REPORT EXCLUDES CHAMPVA DATA, CONTRACTOR DENIED CLAIMS, AND CLAIMS WITH ZERO GOVERNMENT OR CONTRACTOR COST. FOREIGN COUNTRY CLAIMS ARE INCLUDED, BUT THE NUMBER OF SERVICES IS NOT.

THIS REPORT REFLECTS CARE PROVIDED UNDER CHAMPUS IN A FLOATING 12-MONTH PERIOD. THE DATA COLLECTION PERIOD IS 15-MONTHS. SEE THE "USER'S GUIDE FOR THE CHAMPUS WORKLOAD REPORTS" FOR ESTIMATED COMPLETION RATES.

THIS REPORT CONTAINS STANDARD CHAMPUS, CHAMPUS REFORM INITIATIVE (CRI), AND MENTAL HEALTH DEMONSTRATION (MOREOK, VA) DATA. PLEASE NOTE THAT DATA FOR BOTH PARTNERSHIP AND NON-PARTNERSHIP CLAIMS ARE INCLUDED IN THIS REPORT.

BEGINNING WITH THE APR 93 - MAR 94 REPORT PERIOD, SOME MEDICAL SPECIALTIES WERE RE-ALIGNED, ADDED, OR DELETED. I.E. "GROUPOUS" AND "PSYCHIATRY" WERE RE-GROUPED UNDER "MENTAL HEALTH". "DRUGS" WERE ADDED AS A SPECIALTY TO REFLECT COST AND UTILIZATION FOR OUTPATIENT PRESCRIPTION DRUGS. BEGINNING WITH THIS REPORT PERIOD, THE AVERAGE COST PER OUTPATIENT VISIT FOR "GRAND TOTAL ALL CATEGORIES" WILL INCREASE SIGNIFICANTLY, BECAUSE OUTPATIENT DRUG COSTS ARE NOW INCLUDED IN THE TOTAL. THE NUMBER OF NON-VISIT SERVICES UNDER "DRUGS" IS THE NUMBER OF OUTPATIENT DRUG PRESCRIPTIONS. FOR MORE DETAILED INFORMATION ABOUT THIS REPORT, REFER TO THE USER'S GUIDE.

OCHAMPUS
INFORMATION SYSTEMS DIVISION
STATISTICS BRANCH
JULY 1994

HR01

I INPATIENT HOSPITAL SERVICES	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	14	29	67	1	5	35	10
DEPT OF ACT DUTY SPONSOR	0	21	11	0	0	2	5
RETIREE	0	0	2	0	0	2	1
NUMBER OF VISITS	14	32	309	0	1	10	4
TOTAL GOVERNMENT COST	17	120	622	1	15	65	10
TOTAL PATIENT COST	1.36	3.75	5.70	3.00	0.04	3.93	6.50
AVERAGE DAILY PATIENT LOAD	0.05	0.33	1.70	0.01	0.10	0.10	0.10
TOTAL GOVERNMENT COST	24	57,461	636,509	1,953	9,533	23,794	37,666
TOTAL PATIENT COST	3,163	11,259	137,451	1,951	10,772	10,772	10,772
TOTAL GOVT AND PATIENT COST	27,773	68,720	774,040	3,904	20,304	34,566	48,438
AVG GOVT COST PER ADMISSION	1,757.86	1,795.66	5,840.27	1,961.33	1,906.60	5,702.29	3,767.60
AVG GOVT COST PER DAY	1,295.26	1,478.84	1,023.45	1,644.33	1,635.53	1,452.14	579.40

II INPATIENT PROFESSIONAL SERVICES	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	24	40	109	8	32	114	13
DEPT OF ACT DUTY SPONSOR	13	24	72	1	8	53	1
RETIREE	3	15	41	2	16	42	8
NUMBER OF VISITS	40	145	1,625	8	136	350	121
TOTAL GOVERNMENT COST	53	43	1,625	8	12	231	29
TOTAL PATIENT COST	6,270	6,690	201,360	1,019	5,250	46,190	8,158
TOTAL GOVT AND PATIENT COST	6,423	11,399	202,985	1,027	6,256	47,409	8,187
AVG GOVT COST PER ADMISSION	10,477	11,395	358,306	1,367	12,206	23,812	4,839
AVG GOVT COST PER DAY							12,597

III TOTAL INPATIENT SERVICES	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	30	65	201	9	34	122	16
DEPT OF ACT DUTY SPONSOR	17	27	26	6	9	58	1
RETIREE	10	15	76	1	8	20	9
NUMBER OF VISITS	30,804	64,160	837,949	2,952	17	44	1
TOTAL GOVERNMENT COST	37,256	15,959	274,397	3,376	14,784	279,984	45,824
TOTAL PATIENT COST	2,206.00	801.16	17,112.346	3,328	7,576	42,507	15,610
TOTAL GOVT AND PATIENT COST	1,625.47	2,005.00	17,687.61	2,952.00	22,360	322,491	61,434
AVG GOVT COST PER ADMISSION		534.67	1,547.18	984.00	2,985.60	6,320.00	4,582.40
AVG GOVT COST PER DAY							704.98

IV OUTPATIENT PROFESSIONAL SERVICES	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	264	409	837	778	313	767	112
DEPT OF ACT DUTY SPONSOR	122	170	386	264	57	223	22
RETIREE	150	36	335	141	181	382	56
NUMBER OF VISITS	122	184	417	376	76	154	22
TOTAL GOVERNMENT COST	170	1,716	2,282	1,171	509	503	50
TOTAL PATIENT COST	794	1,521	6,497	2,771	2,809	6,129	2,050
TOTAL GOVT AND PATIENT COST	25,903	63,532	240,560	84,547	51,379	109,674	26,052
TOTAL GOVT AND PATIENT COST	21,497	45,846	240,560	59,982	51,572	143,752	31,042
AVG GOVT COST PER VISIT	135.81	37.02	471.057	143.74.75	102.951	348.226	110.287
AVG GOVT COST PER DAY			105.39	74.75	85.92	105.77	140.27

V OUTPATIENT CARE COST SHARED AS INPATIENT	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	0	0	0	0	0	0	0
DEPT OF ACT DUTY SPONSOR	0	0	0	0	0	0	0
RETIREE	0	0	0	0	0	0	0
NUMBER OF VISITS	0	0	0	0	0	0	0
TOTAL GOVERNMENT COST	0	0	0	0	0	0	0
TOTAL PATIENT COST	0	0	0	0	0	0	0
TOTAL GOVT AND PATIENT COST	0	0	0	0	0	0	0

VI TOTAL INPATIENT AND OUTPATIENT CARE	ADVERSE REACTIONS	ALLERGY	CAROLOGY (VASCULAR DISEASE)	DERMATOLOGY	ENDOCRINOLOGY	GASTRO-ENTEROLOGY	HEMATOLOGY
USER BENEFICIARIES	202	419	919	706	332	842	120
DEPT OF ACT DUTY SPONSOR	122	207	302	270	61	274	40
RETIREE	53	36	107	141	79	167	22
NUMBER OF VISITS	122	184	463	378	193	403	59
TOTAL GOVERNMENT COST	56,466	127,973	1,078,446	87,499	66,162	469,450	132,865
TOTAL PATIENT COST	28,550	127,973	509,757	59,147	59,162	206,259	47,955
TOTAL GOVT AND PATIENT COST	85,016	188,923	1,508,403	147,310	125,310	670,717	179,720
AVG GOVT COST PER ADMISSION	1,295.26	1,795.66	5,840.27	1,644.33	1,635.53	1,452.14	579.40
AVG GOVT COST PER DAY	1,295.26	1,478.84	1,023.45	1,644.33	1,635.53	1,452.14	579.40

NOTE: REFER TO PAGE 1 (SPECIFICATIONS PAGE) FOR CLARIFICATION OF THE DATA WHICH APPEARS ON THIS REPORT.

HR085-0- (OHRJ69)
 RUN DATE: 07 APR 1995
 RUN TIME: 14:46:55
 MODE: 75 BENE ZIP

CHAMPIUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS
 BASED ON CARE RECEIVED FROM JAN 1994 THRU DEC 1994
 122 - KENNER AH FT LEE, VA

CATEGORY OF CARE - INTERNAL MEDICINE ***** UNDUPLICATED
 COLLECTION PERIOD: 15 MONTHS

PAGE: 03

***** CATEGORY OF CARE - INTERNAL MEDICINE ***** UNDUPLICATED *****

INPATIENT HOSPITAL SERVICES	INFECTIOUS DISEASE	NEPHROLOGY	NEUROLOGY	NUTRITIONAL	PULMONARY/RESPIRATORY	RHEUMATOLOGY	OTHER
USER BENEFICIARIES	0	5	26	1	60	7	360
DEPT OF ACT DUTY SPONSOR	0	2	10	0	10	1	323
RETIREE	3	0	13	0	0	0	36
NUMBER OF VISITS	0	6	124	2	61	7	365
TOTAL GOVERNMENT COST	3.50	4.17	5.37	2.00	4.86	3.4	2.40
TOTAL PATIENT COST	0.00	0.07	0.41	0.01	0.72	0.09	2.37
AVG GOVT COST PER DAY	14.484	125.938	52.650	671.1	160.120	51.114	355.712
TOTAL PATIENT AND PATIENT COST	14.484	126.008	53.060	671.1	160.840	51.228	358.084
AVG GOVT COST PER DAY	18.1506	30.302	83.700	696	108.500	59.228	375.941
AVG GOVT COST PER DAY	1,010.50	2,074.00	2,394.83	671.00	2,557.62	7,302.00	908.09
AVG GOVT COST PER DAY	517.29	497.76	335.50	335.50	1,503.35	1,503.35	411.23
II INPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	22	28	94	1	253	23	322
DEPT OF ACT DUTY SPONSOR	14	20	28	0	78	0	251
RETIREE	7	10	20	1	67	10	11
NUMBER OF VISITS	60	133	564	0	109	13	61
TOTAL GOVERNMENT COST	7.031	4.5	190	1	909	10	760
TOTAL PATIENT COST	661	8.652	32.622	1	45	45	94
TOTAL PATIENT AND PATIENT COST	7.692	16.941	16.418	1	67.114	25.062	58.925
AVG GOVT COST PER DAY	22,700	2,129.29	49,040	671.00	44,369	36,674	67,973
AVG GOVT COST PER DAY							
III OUTPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	28	29	97	2	266	25	432
DEPT OF ACT DUTY SPONSOR	17	9	29	1	84	10	365
RETIREE	9	10	49	1	69	10	12
NUMBER OF VISITS	21,576	21,103	72,241	674	115	177	84
TOTAL GOVERNMENT COST	4,763	39,962	40,434	714	207,434	66,177	414,707
TOTAL PATIENT COST	26,277	61,002	132,739	714	92,439	76,177	29,207
TOTAL PATIENT AND PATIENT COST	31,040	100,964	173,173	1,428	299,873	120,909	443,914
AVG GOVT COST PER DAY	18,625	3,294.32	610.87	674.00	3,900.56	1,551.96	1,151.96
AVG GOVT COST PER DAY	768.36	844.12	2,240.50	337.00	794.77	2,240.50	479.43
IV OUTPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	328	63	617	17	1,127	318	1,242
DEPT OF ACT DUTY SPONSOR	178	17	179	2	249	68	530
RETIREE	23	26	134	2	69	60	137
NUMBER OF VISITS	1,524	1,271	3,044	16	515	167	588
TOTAL GOVERNMENT COST	3,469	1,271	4,739	58	1,891	1,320	2,070
TOTAL PATIENT COST	52,409	30,970	14,152	0	5,251	1,320	4,230
TOTAL PATIENT AND PATIENT COST	55,878	32,241	18,164	0	197,226	0	160,126
AVG GOVT COST PER DAY	23,265	167,416	156,120	1,056	106,401	79,943	148,607
AVG GOVT COST PER DAY	75,674	197,996	367,068	25,700	383,627	161,021	308,813
AVG GOVT COST PER DAY	99.26	24.06	117.26	5,290.25	104.30	71.78	77.36
V OUTPATIENT CARE COST SHARED AS INPATIENT							
USER BENEFICIARIES	0	0	0	0	0	0	0
DEPT OF ACT DUTY SPONSOR	0	0	0	0	0	0	0
RETIREE	0	0	0	0	0	0	0
NUMBER OF VISITS	0	0	0	0	0	0	0
TOTAL GOVERNMENT COST	0	0	0	0	0	0	0
TOTAL PATIENT COST	0	0	0	0	0	0	0
TOTAL PATIENT AND PATIENT COST	0	0	0	0	0	0	0
VI TOTAL INPATIENT AND OUTPATIENT CARE							
USER BENEFICIARIES	348	79	650	13	1,202	331	1,577
DEPT OF ACT DUTY SPONSOR	192	33	199	3	434	29	927
RETIREE	24	35	149	2	202	99	277
NUMBER OF VISITS	132	324	1,176	22	504	204	649
TOTAL GOVERNMENT COST	28,038	51,685	303,189	85,316	604,660	157,221	574,833
TOTAL PATIENT COST	20,058	207,985	196,617	11,096	270,060	124,764	77,924
TOTAL PATIENT AND PATIENT COST	101,951	259,075	499,806	96,414	883,490	281,985	752,727

NOTE: REFER TO PAGE 1 (SPECIFICATIONS PAGE) OF THIS REPORT FOR CLARIFICATION OF THE DATA WHICH APPEARS ON THIS REPORT.

HR085-007 (OHRJ6Q)
 RUN DATE: 07 APR 1995
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 MODE: 70,BENE ZIP

CHAMPUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS
 BASED ON CARE RECEIVED FROM JAN 1994 THRU DEC 1994
 122 - KENNER AFB FT LEE, VA

PAGE: 04
 COLLECTION PERIOD: 15 MONTHS

UNDUPLICATED

***** CATEGORY OF CARE *****

	NOT USED	OBSTETRICS	GYNECOLOGY	OPHTHALMOLOGY	MENTAL HEALTH	DRUGS	SPECIAL PEDIATRICS
I INPATIENT HOSPITAL SERVICES							
USER BENEFICIARIES	0	320	16	10	150	0	13
DEPT OF ACT DUTY SPONSOR	0	295	7	7	75	0	9
RETIREE	0	0	0	0	12	0	1
DEPT OF RET OR DEC SPONSOR	0	25	9	2	65	0	3
TOTAL HOSPITAL ADMISSIONS	0	372	16	16	208	0	15
HOSPITAL DAYS	0	702	45	35	1,108	0	79
AVERAGE LENGTH OF STAY (DAYS)	0.00	2.01	2.01	2.19	15.09	0.00	5.27
AVERAGE DAILY PATIENT LOAD	0.00	2.14	0.12	0.10	0.52	0.00	0.22
TOTAL GOVERNMENT COST	0	520,954	31,376	31,959	1,335,318	0	56,546
TOTAL PATIENT COST	0	32,154	12,535	2,100	150,133	0	16,445
TOTAL GOVT AND PATIENT COST	0	553,108	43,911	34,059	1,493,451	0	72,991
AVG GOVT COST PER ADMISSION	0.00	1,900.41	1,961.00	1,997.44	6,402.13	0.00	3,769.73
AVG GOVT COST PER DAY	0.00	666.18	697.24	913.11	429.64	0.00	715.77
II INPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	0	603	84	19	173	0	63
DEPT OF ACT DUTY SPONSOR	0	539	43	8	68	0	58
RETIREE	0	2	0	3	19	0	1
DEPT OF RET OR DEC SPONSOR	0	63	41	8	88	0	6
NUMBER OF VISITS	0	711	10	34	2,769	0	349
NUMBER OF NON-VISIT SERVICES	0	5,384	133	36	7	0	73
TOTAL GOVERNMENT COST	0	757,994	44,378	28,078	130,248	0	46,213
TOTAL PATIENT COST	0	60,907	20,287	15,234	30,381	0	3,193
TOTAL GOVT AND PATIENT COST	0	818,901	64,665	43,312	160,629	0	49,406
III TOTAL INPATIENT SERVICES							
USER BENEFICIARIES	0	612	87	20	197	0	68
DEPT OF ACT DUTY SPONSOR	0	547	47	9	83	0	61
RETIREE	0	2	0	3	22	0	2
DEPT OF RET OR DEC SPONSOR	0	64	42	8	94	0	7
TOTAL GOVERNMENT COST	0	1,278,940	75,754	60,037	1,465,565	0	102,759
TOTAL PATIENT COST	0	93,060	32,822	17,334	188,514	0	19,638
TOTAL GOVT AND PATIENT COST	0	1,372,008	108,576	77,371	1,654,079	0	122,397
AVG GOVT COST PER ADMISSION	0.00	3,438.03	4,734.63	3,752.31	7,114.39	0.00	6,050.60
AVG GOVT COST PER DAY	0.00	1,635.48	1,683.42	1,715.34	471.55	0.00	1,300.75
IV OUTPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	0	13	1,033	359	1,108	1,725	227
DEPT OF ACT DUTY SPONSOR	0	12	499	100	475	515	34
RETIREE	0	0	6	79	122	323	70
DEPT OF RET OR DEC SPONSOR	0	1	530	101	526	895	124
NUMBER OF VISITS	0	1	1,341	635	8,789	0	237
NUMBER OF NON-VISIT SERVICES	0	23	3,730	825	071	20,692	2,293
TOTAL GOVERNMENT COST	0	1,321	166,271	71,422	458,191	639,915	32,815
TOTAL PATIENT COST	0	934	106,755	70,860	208,009	282,667	16,492
TOTAL GOVT AND PATIENT COST	0	2,255	273,026	142,282	666,200	922,579	49,307
AVG GOVT COST PER VISIT	0.00	1,321.00	123.99	112.48	52.13	0.00	138.46
V OUTPATIENT CARE COST SHARED AS INPATIENT							
USER BENEFICIARIES	0	0	0	0	0	0	0
DEPT OF ACT DUTY SPONSOR	0	0	0	0	0	0	0
RETIREE	0	0	0	0	0	0	0
DEPT OF RET OR DEC SPONSOR	0	0	0	0	0	0	0
TOTAL GOVERNMENT COST	0	0	0	0	0	0	0
TOTAL PATIENT COST	0	0	0	0	0	0	0
TOTAL GOVT AND PATIENT COST	0	0	0	0	0	0	0
VI TOTAL INPATIENT AND OUTPATIENT CARE							
USER BENEFICIARIES	0	613	1,056	371	1,170	1,725	288
DEPT OF ACT DUTY SPONSOR	0	548	510	105	501	515	89
RETIREE	0	2	6	80	132	323	72
DEPT OF RET OR DEC SPONSOR	0	64	542	187	553	895	130
TOTAL GOVERNMENT COST	0	1,280,269	242,025	131,459	1,923,756	639,912	135,575
TOTAL PATIENT COST	0	93,974	139,576	88,194	376,603	282,667	36,129
TOTAL GOVT AND PATIENT COST	0	1,374,243	381,603	219,653	2,320,359	922,579	171,704

NOTE: REFER TO PAGE 1 (SPECIFICATIONS PAGE) OF THIS REPORT FOR CLARIFICATION OF THE DATA WHICH APPEARS ON THIS REPORT.

HR085 (OHRJ6Q)
 RUN DATE: 07 APR 1995
 RUN TIME: 14:44:55
 MODE: 7B,BENE ZIP

CHAMPUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS
 BASED ON CARE RECEIVED FROM JAN 1994 THRU DEC 1994
 122 - KENNER AFB FT LEE, VA

PAGE: 05
 COLLECTION PERIOD: 15 MONTHS

	CATEGORY OF CARE - SURGERY						UNDUPLICATED
	EAR, NOSE AND THROAT	GENERAL SURGERY	NEURO- SURGERY	ORTHOPEDICS	THORACIC SURGERY	UROLOGY	GRAND TOTAL FOR ALL CATEGORIES
I INPATIENT HOSPITAL SERVICES							
USER BENEFICIARIES	9	30	14	26	1	14	1,153
DEPT OF ACT DUTY SPONSOR	0	15	4	10	0	6	832
RETIREE	1	6	3	6	0	0	69
DEPT OF RET OR DEC SPONSOR	7	10	7	10	1	2	257
TOTAL HOSPITAL ADMISSIONS	8	41	21	26	1	15	1,919
HOSPITAL DAYS	16	299	162	213	0	41	1,159
AVERAGE LENGTH OF STAY (DAYS)	1.78	6.64	10.00	8.19	8.00	2.73	5.05
AVERAGE DAILY PATIENT LOAD	0.04	0.02	0.44	0.56	0.02	0.11	1,689
TOTAL GOVERNMENT COST	14,209	248,767	96,460	100,363	6,407	35,370	4,193,689
TOTAL PATIENT COST	2,026	64,045	21,302	38,990	2,324	7,371	670,841
TOTAL GOVT AND PATIENT COST	16,235	313,614	117,042	219,353	8,731	22,749	4,864,530
AVG GOVT COST PER ADMISSION	1,578.78	5,528.20	6,430.67	6,937.04	6,407.00	2,955.55	2,955.58
AVG GOVT COST PER DAY	888.06	832.00	595.43	846.77	800.88	862.88	585.79
II INPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	36	171	38	109	10	59	1,004
DEPT OF ACT DUTY SPONSOR	24	81	7	29	1	20	1,109
RETIREE	6	31	8	21	5	19	211
DEPT OF RET OR DEC SPONSOR	6	60	23	59	4	20	502
NUMBER OF VISITS	49	188	82	177	26	92	9,436
NUMBER OF NON-VISIT SERVICES	36	298	71	180	58	100	7,937
TOTAL GOVERNMENT COST	11,835	63,617	24,094	43,330	7,131	28,207	1,659,561
TOTAL PATIENT COST	2,006	66,928	22,101	46,845	4,632	25,262	600,732
TOTAL GOVT AND PATIENT COST	13,841	130,545	46,195	90,175	11,763	53,469	2,260,293
III TOTAL INPATIENT SERVICES							
USER BENEFICIARIES	30	184	43	112	10	63	1,917
DEPT OF ACT DUTY SPONSOR	26	84	9	30	1	24	1,205
RETIREE	6	32	9	22	5	19	218
DEPT OF RET OR DEC SPONSOR	6	70	25	60	4	20	549
TOTAL GOVERNMENT COST	26,044	312,386	120,554	223,693	13,537	63,505	5,853,249
TOTAL PATIENT COST	4,032	131,774	43,483	85,834	6,956	32,633	1,271,573
TOTAL GOVT AND PATIENT COST	30,076	444,160	164,037	309,527	20,493	96,218	7,124,822
AVG GOVT COST PER ADMISSION	2,893.78	6,741.91	8,036.93	8,603.58	13,537.00	4,239.00	4,124.91
AVG GOVT COST PER DAY	1,627.75	1,044.77	744.16	1,050.20	1,692.13	1,550.85	817.61
IV OUTPATIENT PROFESSIONAL SERVICES							
USER BENEFICIARIES	1,446	1,154	102	1,610	19	990	7,954
DEPT OF ACT DUTY SPONSOR	823	333	19	469	1	370	3,296
RETIREE	143	171	67	315	8	261	1,426
DEPT OF RET OR DEC SPONSOR	486	650	97	828	10	340	3,299
NUMBER OF VISITS	2,878	3,199	434	4,570	126	1,641	40,048
NUMBER OF NON-VISIT SERVICES	5,395	8,466	1,170	9,376	489	4,506	101,326
TOTAL GOVERNMENT COST	234,025	369,180	50,991	442,699	24,290	213,836	4,266,604
TOTAL PATIENT COST	114,213	367,536	60,873	420,386	18,003	170,070	3,213,592
TOTAL GOVT AND PATIENT COST	348,238	736,716	119,864	863,085	42,293	383,906	7,480,196
AVG GOVT COST PER VISIT	81.32	115.40	135.92	96.87	192.78	130.31	106.54
V OUTPATIENT CARE COST SHARED AS INPATIENT							
USER BENEFICIARIES	0	0	0	0	0	0	0
DEPT OF ACT DUTY SPONSOR	0	0	0	0	0	0	0
RETIREE	0	0	0	0	0	0	0
DEPT OF RET OR DEC SPONSOR	0	0	0	0	0	0	0
TOTAL GOVERNMENT COST	0	0	0	0	0	0	0
TOTAL PATIENT COST	0	0	0	0	0	0	0
TOTAL GOVT AND PATIENT COST	0	0	0	0	0	0	0
VI TOTAL INPATIENT AND OUTPATIENT CARE							
USER BENEFICIARIES	1,459	1,204	203	1,657	24	1,010	8,822
DEPT OF ACT DUTY SPONSOR	832	408	26	485	2	386	4,015
RETIREE	145	190	71	324	10	285	1,468
DEPT OF RET OR DEC SPONSOR	488	608	107	850	12	348	3,450
TOTAL GOVERNMENT COST	260,069	681,566	179,545	666,392	37,827	277,421	10,119,853
TOTAL PATIENT COST	118,245	499,310	104,576	506,221	25,040	202,703	4,489,164
TOTAL GOVT AND PATIENT COST	378,314	1,180,876	283,921	1,172,613	62,867	480,124	14,609,017

NOTE: REFER TO PAGE 1 (SPECIFICATIONS PAGE) OF THIS REPORT FOR CLARIFICATION OF THE DATA WHICH APPEARS ON THIS REPORT.

FUNCTIONAL VALUE DIFFERENCES

FUNCTIONAL VALUE DIFFERENCES

THERE ARE THREE SEPARATE FUNCTIONAL VALUES USED FOR ANALYSIS OF KENNER
HOSPITAL:

DMIS ID CONSOLIDATED DATA SHEET FV 5.43

JOINT WORKING GROUP DATA SHEET FV 5.63

RECOMPILATION BASED ON INCREASED ACTIVE
DUTY AND ACTIVE DUTY FAMILY MEMBERS FY 95
BENEFICIARY POPULATION FV 5.91

DIMS ID	SVC	FACILITY NAME	INSTALLATION		STATE	MTF AV		MTF EXP		# OF BIODP	AV CIV BEDS	CIVANTF BEDIATIC	PHYS. RATIO	AD + AID/EAM	OTHERS	ACRHD	FUNC. VALUE	TYPE	EAST/WEST
			MTF AV BEDS	MTF EXP BEDS		MTF AV BEDS	MTF EXP BEDS												
0001	A	FOX ACHI	AL	20	42	37	15	1,165	58.25	14.20	10,366	21,800	21	4,661	CI				
0002	A	NOBLE ACHI	AL	48	100	106	10	787	16.40	1892	10,927	13,679	19	4,90	CI				
0003	A	LYSTER ACHI	AL	47	69	77	8	515	12.26	1804	15,351	16,349	25	5,60	CI				
0008	A	BASSETT ACHI	AK	43	74	100	0	0	0.01	1456	14,790	3,243	17	5,02	CI				
0011	A	BUSS ACHI	AZ	30	103	107	3	110	3.67	2403	12,360	10,201	18	5,31	CI				
0032	A	FITZSIMONS AMC	CO	174	335	375	20	1,976	11.36	2,208	54,150	41,878	37	6,35	MC				
0037	A	EVANS ACHI	CO	149	195	212	7	767	5.15	878	28,710	27,486	71	7,62	CI				
0047	A	WALTER REED AMC	DC	694	718	847	27	2,108	3.04	572	19,260	24,836	34	7,72	MC				
0048	A	EISENHOWER AMC	GA	346	757	757	6	487	1.41	1622	45,386	28,716	45	8,25	MC				
0049	A	MARTIN ACHI	GA	114	148	165	5	241	5.09	1409	41,933	15,192	63	7,16	CI				
0052	A	TRUPLER AMC	GA	423	439	617	8	289	2.11	659	100,350	32,125	51	7,06	CI				
0057	A	IRWIN ACHI	KS	60	127	192	5	206	3.43	3175	49,615	8,747	55	7,62	CI				
0060	A	MUNSON ACHI	KS	20	65	65	27	2,904	145.20	821	18,320	21,414	31	4,49	CI				
0061	A	BLANCFIELD ACHI	KY	146	241	330	6	2,081	3.45	2205	58,250	14,942	68	8,18	CI				
0064	A	BRELAND ACHI	KY	84	172	333	16	1,110	24.77	1105	32,435	25,445	48	6,30	CI				
0069	A	DAYNE-JONES ACHI	LA	96	169	169	3	110	1.15	2405	26,051	7,760	31	5,83	CI				
0075	A	KIMBROUGH ACHI	MD	36	68	170	28	2,173	60.36	687	40,659	35,721	62	6,76	CI				
0081	A	L WOOD ACHI	MO	122	480	670	4	263	2.16	1929	34,341	9,866	41	7,51	CI				
0089	A	PATTERSON ACHI	NJ	15	67	67	69	9,464	630.93	820	10,476	16,979	20	4,76	CI				
0099	A	KELLER ACHI	NY	30	62	62	39	1,979	65.97	716	13,924	16,302	24	5,34	CI				
0098	A	WOMACK AMC	NY	30	62	62	39	1,979	65.97	716	13,924	16,302	24	5,34	CI				
0105	A	REYNOLDS ACHI	NC	226	272	454	9	626	2.71	3542	113,185	44,498	141	8,52	CI				
0108	A	MONCREIF ACHI	OK	100	157	264	5	406	4.06	1371	36,714	17,851	48	7,55	CI				
0109	A	WILLIAM BEAUMONT AMC	SC	96	432	435	7	435	4.53	1130	33,276	25,915	49	7,55	CI				
0110	A	BROOKE AMC	TX	330	482	684	8	1,201	3.64	1689	30,999	31,765	50	5,91	MC				
0111	A	DARNALL ACHI	TX	387	450	651	18	2,689	7.33	950	37,939	59,620	73	7,18	MC				
0121	A	MCDONALD ACHI	TX	203	241	359	7	471	2.32	1014	91,766	33,486	113	8,36	CI				
0122	A	FT. EUSTIS	TX	303	416	116	7	1,414	33.67	1143	28,566	18,289	40	6,10	CI				
0123	A	FT. LEE	VA	42	116	116	7	471	2.32	1014	91,766	33,486	113	8,36	CI				
0124	A	FT. BELVOIR	VA	49	67	87	17	1,414	33.67	1143	28,566	18,289	40	6,10	CI				
0125	A	FT. BELVOIR	VA	68	93	105	8	468	29.94	1488	14,800	22,600	28	5,43	CI				
0131	A	FT. LEVINS	VA	381	414	622	20	1,955	6.88	1593	59,530	63,814	97	7,49	CI				
0132	A	FT. IRWIN	VA	381	414	622	20	1,955	6.88	1593	59,530	63,814	97	7,49	CI				
0133	A	WEED ACHI	WA	381	414	622	20	1,955	6.88	1593	59,530	63,814	97	7,49	CI				
0134	F	302nd MEDICAL GROUP	CA	25	27	27	20	66	5.13	935	63,078	68,109	104	6,14	MC				
0135	F	3rd MEDICAL CENTER	AL	30	71	118	1	66	2.64	2360	10,687	2,096	12	5,10	CI				
0136	F	58th MEDICAL CENTER	AK	30	71	118	1	66	2.64	2360	10,687	2,096	12	5,10	CI				
010	F	353rd MEDICAL GROUP	AK	75	139	32	2	373	19.30	1092	14,410	23,209	28	3,83	CI				
011	F	353rd MEDICAL GROUP	AZ	40	60	100	20	276	3.68	1369	25,834	12,942	34	6,03	CI				
013	F	314th MEDICAL GROUP	AZ	30	70	112	9	1,537	38.43	1226	19,503	54,794	52	5,02	CI				
014	F	LITTLE ROCK AFB	AR	20	39	68	9	782	26.07	833	18,327	31,846	37	5,22	CI				
015	F	LITTLE ROCK AFB	AR	20	39	68	9	1,221	61.05	1786	13,484	22,992	27	4,83	CI				

DIMS ID	SVC	FACILITY NAME	INSTALLATION	STATE	MILITARY BEDS	MILITARY EXP BEDS	# OF HOSP	AV CIV BEDS	CIV/MILIT BED RATIO	PHYS. RATIO	ADJ ADIAM	OTHERS	ACBLD BEDS	FUNCT VALUE	TYPE FAC	EAST WEST
014	F	DAVID GRANT USAF MED CTR	TRAVIS AFB	CA	195	408	22	1,721	8.83	1179	36,257	59,087	71	5.32	MC	W
015	F	7th MEDICAL GROUP	BEALE AFB	CA	9	14	6	288	22.03	548	9,468	10,896	16	3.76	CII	
016	F	323rd FTW HOSPITAL	HATHIER AFB	CA	30	35	16	1,279	42.63	587	11,084	48,943	40	5.06	CII	
018	F	30th MEDICAL GROUP	VANDERBERG AFB	CA	20	48	3	126	6.30	1154	8,868	10,008	15	5.00	CII	
019	F	650th MEDICAL GROUP	EDWARDS AFB	CA	10	30	4	221	22.10	1098	13,152	7,581	18	3.82	CII	
033	F	USAF ACADEMY HOSPITAL	USAF ACADEMY	CO	55	80	2	361	6.56	1631	24,269	21,562	37	5.68	CII	
036	F	436th MEDICAL GROUP	DOVER AFB	DE	20	39	60	467	23.35	1183	13,663	13,421	22	4.69	CII	
042	F	646th MEDICAL GROUP	EGLIPT AFB	FL	85	120	5	278	3.27	2276	39,369	31,757	59	6.62	CII	
043	F	325th MEDICAL GROUP	TYNDALL AFB	FL	23	57	79	155	6.20	3138	15,424	15,370	25	4.26	CII	
045	F	56th MEDICAL GROUP	MACDILL AFB	FL	30	69	142	2,884	57.68	831	15,542	79,529	62	5.35	CII	
046	F	45th MEDICAL GROUP	PATRICK AFB	FL	15	20	72	437	29.13	2696	10,556	33,023	30	4.82	CII	
050	F	653rd MEDICAL GROUP	MOODY AFB	GA	10	47	4	292	29.20	794	9,611	7,361	14	3.81	CII	
051	F	347th MEDICAL GROUP	ROBINS AFB	GA	15	31	32	560	37.33	1377	11,640	17,514	22	4.24	CII	
053	F	366th MEDICAL GROUP	MOUNTAIN HOME AFB	GA	20	31	0	0	0.00	2814	11,957	9,887	18	5.92	CII	
055	F	USAF MED CTR SCOTT	SCOTT AFB	ID	95	120	348	2,668	28.00	1125	24,566	33,977	45	5.48	CII	
062	F	2nd MEDICAL GROUP	DIARSDALE AFB	IL	25	46	70	700	28.00	538	15,532	18,199	26	5.04	CII	
066	F	MALCOLM GROW USAF MED CTR	ANDREWS AFB	LA	185	244	388	3,166	17.11	91	29,651	32,329	49	5.89	CII	
073	F	KEESLER USAF MED CTR	KEESLER AFB	MS	235	306	333	574	2.44	1408	38,690	23,112	53	5.06	MC	E
074	F	14th MEDICAL SQUADRON	COLUMBUS AFB	MS	5	17	17	438	67.60	1170	3,633	5,426	7	3.24	CII	
076	F	351st MEDICAL GROUP	WHITEMAN AFB	MO	15	26	29	165	11.00	2902	8,310	5,363	12	4.04	CII	
077	F	EURLING BERQUIST HOSPITAL	OFFUTT AFB	NE	50	107	123	969	19.76	866	26,703	23,276	41	5.85	CII	
079	F	554th MEDICAL GROUP	NELLS AFB	NV	20	77	77	394	19.70	1331	20,071	34,967	41	5.90	CII	
083	F	542nd MEDICAL GROUP	KIRTLAND AFB	NM	25	40	40	965	38.60	1389	14,162	24,892	29	5.40	CII	
084	F	49th MEDICAL GROUP	HOLLOMAN AFB	NM	8	30	28	38	4.75	2733	14,414	11,976	22	4.68	CII	
085	F	27th MEDICAL GROUP	CANNON AFB	NM	15	29	36	37	2.47	1014	15,591	3,489	13	4.87	CII	
099	F	4th MEDICAL GROUP	SEYMOUR JOHNSON AFB	NC	15	44	48	382	25.47	1557	12,920	14,216	21	4.45	CII	
93	F	319th MEDICAL GROUP	GRAND FORGE AFB	ND	15	34	34	172	11.47	1106	12,545	2,821	14	3.82	CII	
94	F	5th MEDICAL GROUP	MURKOT AFB	ND	25	47	75	176	7.04	1265	12,000	12,300	19	4.64	CII	
95	F	WRIGHT-PATTERSON USAF MED CTR	WRIGHT-PATTERSON AFB	OH	160	175	433	1,917	11.98	1202	22,131	28,734	39	5.58	MC	E
26	F	654th MEDICAL GROUP	TINER AFB	OK	25	65	90	1,325	53.00	1111	23,596	30,326	42	4.76	CII	
01	F	97th MEDICAL GROUP	ALTUS AFB	OK	7	39	39	77	11.00	2138	7,507	3,541	10	3.92	CII	
06	F	363rd MEDICAL GROUP	SHAW AFB	SC	25	48	90	236	9.44	980	16,596	11,200	23	5.02	CII	
11	F	28th MEDICAL GROUP	ELLSWORTH AFB	SD	15	35	58	242	16.13	1623	14,000	6,539	18	4.80	CII	
12	F	64th MEDICAL SQUADRON	REESE AFB	TX	4	10	20	575	149.75	876	3,831	5,250	7	3.18	CII	
13	F	96th MEDICAL GROUP	DYESS AFB	TX	15	35	100	45	3.00	1524	13,057	8,271	18	4.26	CII	
14	F	396th MEDICAL GROUP	SHEPARD AFB	TX	80	197	318	201	2.51	1300	12,420	9,050	18	5.00	CII	
14	F	47th MEDICAL SQUADRON	LAUGHLIN AFB	TX	5	24	40	48	9.67	1919	3,079	7,159	4	3.72	CII	

UNIT	SVC	FACILITY NAME	INSTALLATION	STATE	MTF Q1	MTF AV	MTF EXN	# OF	AV CIV	CIV/MTF	PHYS.	ADJ	ADJ AV	ACR HD	PUNCT	TYPE	LAST
					MTF	MTF	MTF	HOSP	MTF	RATIO	RATIO	ADJ	ADJ	MTF	VAL	WT	WT

0117	F	WILLOW FALLS NIC	LACKLAND AFB	TX	585	1,006	1,003	14	2,430	433	870	41,110	47,424	6,74	71	MC	W
0119	F	69th MEDICAL GROUP	WILLOW FALLS	UT	25	42	55	14	1,250	50 (0)	1027	15,032	21,608	5.81	28	CII	W
0120	F	1st MEDICAL GROUP	LANGLEY AFB	VA	40	71	120	15	1,239	30 (0)	1015	31,455	22,797	5.68	45	CII	W
0121	F	91st MEDICAL GROUP	FARGUE AFB	WA	30	61	90	5	547	18.25	1694	13,607	16,360	4.71	23	CII	W
0122	F	90th MEDICAL GROUP	FT. WAUBER AFB	WY	15	24	43	2	160	10.67	1650	8,700	5,870	3.98	12	CII	W
0124	F	48th MEDICAL GROUP	FT. DIX	MI	20	350	350	8	729	36.45	498	26,282	35,733	6.07	58	CII	W
0028	N	CAMP PENDLETON	CAMP PENDLETON	CA	120	222	265	24	1,666	13.88	908	74,874	40,556	7.28	100	CII	W
0029	N	NIT SAN DIEGO	SAN DIEGO	CA	37	69	27	3	51	1.38	2666	22,516	12,030	5.12	30	CII	W
0030	N	NIT TWENTYNINE PALMS	TWENTYNINE PALMS	CA	30	70	40	1	1,941	4.00	956	168,355	116,441	7.64	259	MC	W
0035	N	NIT GROTON	GROTON	CT	25	100	96	3	195	7.80	1217	20,151	17,369	5.41	26	CII	W
0038	N	NIT PENSACOLA	PENSACOLA	FL	104	221	161	8	915	8.60	2112	47,769	38,494	7.19	71	CII	W
0039	N	NIT JACKSONVILLE	JACKSONVILLE	FL	131	176	228	7	879	6.71	1252	64,858	56,262	6.98	98	CII	W
0056	N	NIT GREAT LAJES	GREAT LAJES	FL	136	228	218	67	7,100	52.21	469	37,555	28,945	6.48	98	CII	W
0067	N	NATIONAL NAVY NIC	BETHLESDA	MD	342	459	779	53	4,048	11.84	725	42,061	47,076	7.40	70	MC	W
0068	N	NIT PATUXENT RIVER	PATUXENT RIVER	MD	20	20	22	2	72	3.60	4231	8,985	6,106	3.74	13	CII	W
0091	N	NIT CAMP LEJEUNE	CAMP LEJEUNE	NC	176	224	238	2	83	0.47	1226	79,722	21,232	7.76	93	CII	W
0092	N	NIT CHERY POINT	CHERY POINT	NC	40	40	27	2	116	2.90	990	27,792	12,921	4.52	36	CII	W
103	N	NIT DEAFORT	CIVILESTON	SC	90	90	90	8	621	6.90	769	26,954	34,659	5.56	47	CII	W
104	N	NIT DEAFORT	DEAFORT	SC	49	80	80	2	113	2.31	1105	17,078	8,303	4.70	22	CII	W
118	N	NIT CORPUS CHRISTI	MILLINGTON	TN	66	66	65	12	551	13.12	1384	3546	7,005	4,374	20	CII	W
124	N	NIT PORTSMOUTH	PORTSMOUTH	VA	431	437	176	17	1,538	3.57	1093	226,784	188,014	7.01	14	MC	W
126	N	NIT BREMERTON	BREMERTON	VA	109	137	139	1	122	1.12	1259	35,678	19,965	6.98	48	CII	W
127	N	NIT OAK HARBOR	OAK HARBOR	VA	25	26	31	2	56	2.34	1104	18,918	9,728	5.38	25	CII	W

MOBILIZATION BRD REQUIREMENTS	
ARMY	6030
NAVY	2600
AIR FORCE	960
DOD	9610

East Medical Centers		West Medical Centers	
ADJ	2,136,190	ADJ	1,758,695
OTHERS	2,216,670	OTHERS	1,906,223
ADJ	1,492	ADJ	1,762
OTHERS	1,762	OTHERS	1,492

VERMONT, FEDERAL, LTD

I. JOINT COST REQUIREMENTS COMPLETING AGRICULTURAL FRA

	RAW DATA	RAW SCORE	WFM WEIGHT	WEIGHTED MEAN SCORE	CRITERIA WEIGHT	CRITERIA SCORE
CRITERION 1: MISSION						
F1 ACTIVE DUTY AND FAMILY MEMBER POPULATION W/IN A 40 MILE RADIUS	14,900	3	700	2.10	400	0.84
A1 CIVILIAN PRIMARY CARE RATIO						
(a) CIVILIAN PRIMARY CARE PROVIDERS	1,070					
(b) TOTAL POPULATION (MILITARY AND CIVILIAN) RATIO	925,609	2	150	0.30	400	0.12
A2 CIVILIAN EVACUATION CAPABILITY						
(a) # OF ACTIVE CARE HOSPITALS W/IN 40 MILE CATCHMENT AREA	17					
(b) TOTAL BEDS AVAILABLE AT JOINT ACCREDITED CIVILIAN / VA HOSPITALS	1,467					
(c) # OF OPERATING BEDS AT MCF	49					
RATIO OF CIVILIAN ACTIVE CARE BEDS AVAILABLE TO OPERATING BEDS IN THE MCF	29.94	1	150	0.15	400	0.06
TOTAL:				2.55	400	1.02
CRITERION 2: FACILITIES						
F1 FACILITY CONDITION ASSESSMENT SCORE (SEE DD FORM 2407 AT ENCL)	88.80	3	150	1.35	200	0.27
F2 INFRASTRUCTURE REAL PROPERTY RATING	3.000	10	150	1.50	200	0.30
F3 WEIGHTED AGE	30.50	3	400	1.20	200	0.24
F4 JOINT LIFE SAFETY SCORE	1	10	300	3.00	200	0.60
TOTAL:		32		7.05	200	1.41
CRITERION 3: CONTINGENCY						
MCF REFERENCE TO AN AGR FRA	10.00	10	200	5.00	200	1.00
MCF AND EVACUATION CAPABILITY	87 X	2	500	1.00	200	0.20
TOTAL:				6.00	200	1.20
CRITERION 4: COST/OUTPUT						
C1 COST / OUTPUT						
(a) COMBINE ADJUSTED STANDARDIZED AMOUNT (ASA), PER FWT	55,393.77					
(b) MCF COST PER FWT	32,659.74					
RATIO OF COMBINE COST TO MCF COST	2.03	10.00	1000	10.00	200	2.00
TOTAL:				10.00	200	2.00
TOTAL FUNCTIONAL SCORE: 9						

CATCHMENT AREA DIRECTORY PREFACE

CATCHMENT AREA DIRECTORY PREFACE

THE DIRECTORY OUTLINES GEOGRAPHIC AREAS AROUND US INPATIENT FACILITIES.
THIS DETERMINES WHETHER A NONAVAILABILITY STATEMENT STATEMENT IS
REQUIRED. THE LOSS OF INPATIENT SERVICES ELIMINATES THE TITLE X SUPPORT FOR
THE CATCHMENT AREA.

iii

PREFACE

A catchment area is an identifiable geographic area surrounding a Uniformed Service medical treatment facility. The MHSS Catchment Area Directory - US and Puerto Rico Inpatient (CADUS) defines geographic areas around US inpatient facilities which are applicable to health care delivery organizations. The catchment area definitions are used to determine whether a nonavailability statement (NAS) is required for a beneficiary and are also intended to serve as a tool to organizations and systems such as: the military medical departments; the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); the Defense Enrollment Eligibility Reporting System (DEERS); the MHSS Resource Analysis and Planning System (RAPS); and the DoD Health Facility Planning Process. The Catchment Area Directory in no way attempts to define purposes, procedures, or policy. The procedures for application of the catchment area definitions are determined by the Office of the Assistant Secretary of Defense for Health Affairs (OASD(HA)) and the Service medical departments and may vary accordingly. Base closure and realignment affect the issuance of NASs due to redefinition of catchment areas resulting from changes in facility status.

This Directory defines catchment areas for 107 military inpatient medical treatment facilities located in the United States and Puerto Rico. Each catchment area is described as a set of five-digit zip codes which have population centers within 40 miles of the center of the zip code of the facility. These zip codes are assigned status codes which reflect whether a zip code is in a catchment area overlap or is separated from the facility by a geographic barrier.

A supplementary document is available which presents a cross listing of the information provided in this Directory. The MHSS Inpatient Catchment Area Directory Zip Code Cross Reference (CADZIP) contains a sorted listing of five-digit zip codes included in the Catchment Area Directory - US and Puerto Rico Inpatient. For each zip code, a list of all facilities within 40 miles is provided.

1 January 1995

iv

PROCEDURES FOR UPDATES, PUBLICATION DATES, EFFECTIVE DATES AND REVISIONS

The Catchment Area Directory will normally be published annually and updated quarterly. In the event that there are very few zip code changes in a given year, page replacement updates may be mailed and the manuals will not be published until the following year.

Most of the update information will be changes in zip codes made by the Postal Service and will be handled directly by the Defense Medical Systems Support Center (DMSSC). Requests for making zip code changes based on policy considerations must be approved by the Office of the Assistant Secretary of Defense (Health Affairs) (Health Services Operations) OASD(HA)(HSO) 30 days before the date of the publication of the update in which the information will appear.

Under current procedures, updates become effective as stated in the cover memorandum. There is usually an approximate 90 day lag between the request for medical treatment facility (MTF) and zip code status changes and the effective date for those changes as published in the Directory. There is an ongoing initiative to reduce this time lag.

The time disparity between requested date for MTF and zip code status changes and the Directory effective date requires the continuing issuance of NASs by MTFs until the Directory effective date. We have requested that BRAC officials provide advance information to us on base closure and realignment. This will permit a more timely inclusion in the Directory and reduce the volume of NAS issuances following MTF or zip code status change.

To request removal or addition of zip codes to a military MTF catchment area, use the enclosed form (which can be reproduced locally) and follow the instructions on the form. A letter will be sent to you acknowledging receipt of your request and whether it is approved or disapproved. Questions concerning these arrangements, or requests to add Commands to the mailing list, should be addressed to the Office of the Assistant Secretary of Defense (Health Affairs) (Health Service Analysis and Measurement (HSA&M)) (Autovon 289-1918 or Commercial 703-756-1918).

1 January 1995

CATCHMENT AREA BENEFICIARY POPULATION

CATCHMENT BENEFICIARY POPULATION

THE FORT LEE POPULATION INCREASED FROM 14,800 TO 18,548 ACTIVE DUTY AND FAMILY MEMBERS SERVED IN FY 95 AS REFLECTED IN THE BENEFICIARY POPULATION DATA SHEET.

CATCHMENT BENEFICIARY POPULATION
Fiscal Year 1995

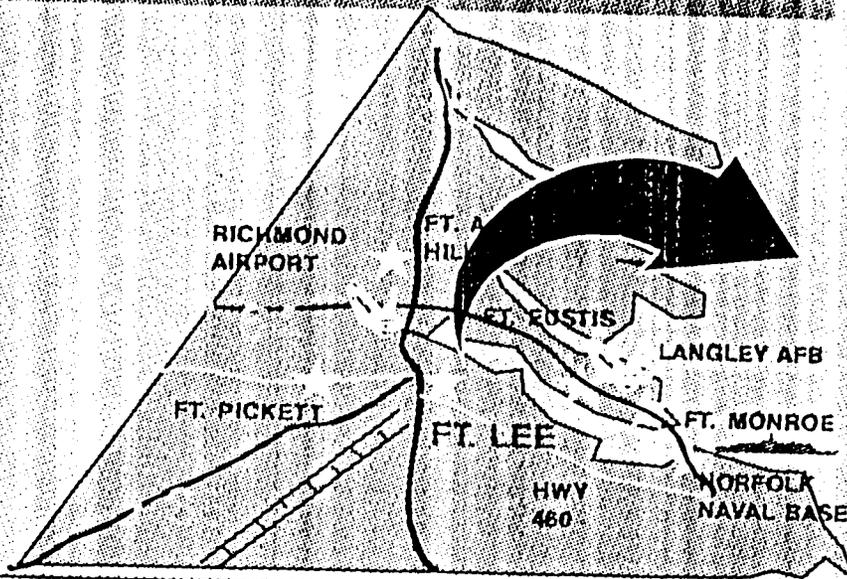
MEDCEN/MEDDAC Population = Inpatient + Outlying Clinics	Active Dependents Duty of Active Duty	Retired Dependents of Retired	Survivors	Total		
Fort Sill MEDDAC	16,726	21,930	7,602	11,343	2,049	59,650
Reynolds ACH, Inpatient	16,499	21,443	6,551	10,198	1,811	56,502
AAD, McAlester, AHC	27	87	516	549	88	1,267
Pine Bluff Arsenal, AHC	87	174	535	596	150	1,542
Fort Chaffee, THC	113	226	No other categories treated			339
Fort Stewart MEDDAC	19,072	31,005	5,745	8,792	1,299	65,913
Winn ACH, Inpatient	19,072	31,005	5,745	8,792	1,299	65,913
Fort Wainwright MEDDAC	10,519	12,859	1,297	2,140	152	26,967
Bassett ACH, Inpatient	7,944	8,997	1,297	2,140	152	20,530
Fort Greely, AHC *6	(411)	(448)	(109)	(140)	(8)	(1,116)
Fort Richardson, THC	2,575	3,863	No other categories treated			6,438
Fort Devens (see West Point) Cutler, AHC Natick Lab, AHC						
Fort Eustis MEDDAC	10,052	19,107	6,944	10,260	1,587	47,950
McDonald ACH, Inpatient	10,052	19,107	6,944	10,260	1,587	47,950
Fort Huachuca MEDDAC	7,314	13,200	4,751	6,914	774	32,953
Bliss ACH, Inpatient	6,973	11,636	3,988	6,046	643	29,286
Yuma, AHC	341	1,564	763	868	131	3,667
Fort Leavenworth MEDDAC	6,026	11,881	9,302	10,668	1,651	39,528
Munson AHC, Inpatient	6,026	11,881	9,302	10,668	1,651	39,528
Fort Lee MEDDAC	7,463	11,085	9,713	11,870	2,092	42,223
Kenner ACH, Inpatient *7	7,323	10,735	9,371	11,458	1,997	40,884
Fort Pickett, AHC	105	303	342	412	95	1,257
USA For Sci Tech Ctr, AHC	35	47	No other categories treated			82
Fort McClellan	5,411	7,939	5,576	7,313	1,244	27,483
Noble ACH, Inpatient	5,411	7,939	5,576	7,313	1,244	27,483
Fort Meade MEDDAC	15,909	29,716	17,630	22,499	3,887	89,641
Kimbrough ACH, Inpatient	10,814	19,924	8,287	11,619	2,096	52,740
Carlisle Barracks, AHC	745	1,555	1,233	1,618	245	5,396
Fort Indiantown Gap, AHC	608	1,172	1,339	1,320	233	4,672
Letterkenny AD, AHC	196	517	841	1,004	138	2,696
New Cumberland AD, AHC	835	1,398	2,138	2,173	492	7,036
Fort Ritchie, AHC	1,283	2,397	1,540	1,976	277	7,473
Tobyhanna AD, AHC	319	378	834	918	169	2,618
Fort Detrick, AHC	1,109	2,375	1,418	1,871	237	7,010

POWER PROJECTION PLATFORM

POWER PROJECTION PLATFORM

KENNER ARMY COMMUNITY HOSPITAL SUPPORTS A POWER PROJECTION PLATFORM
USED TO EXECUTE WORLDWIDE DEPLOYMENTS AND MOBILIZATION

POWER PROJECTION PLATFORM



MOBILIZATION / DEPLOYMENT COMMITMENT		
	UNITS	PERS
USAR	16	1192
NG	7	774
AC	8	746
IRR		4405
IMA		29
RETIREE/ RECALL		2848
TOTAL		9,994

OVER 12,000 RESERVE AND NATIONAL GUARD SOLDIERS PARTICIPATE IN UNIT MISSION TRAINING AT FORT LEE ANNUALLY

34% OF ALL INITIAL ENTRY AND PROFESSIONAL TRAINING AT FORT LEE IS USAR AND NATIONAL GUARD

DESERT SHIELD/DESERT STORM: PROCESSED OVER 6000 PERSONNEL TO SUPPORT THE GULF WAR EFFORT.

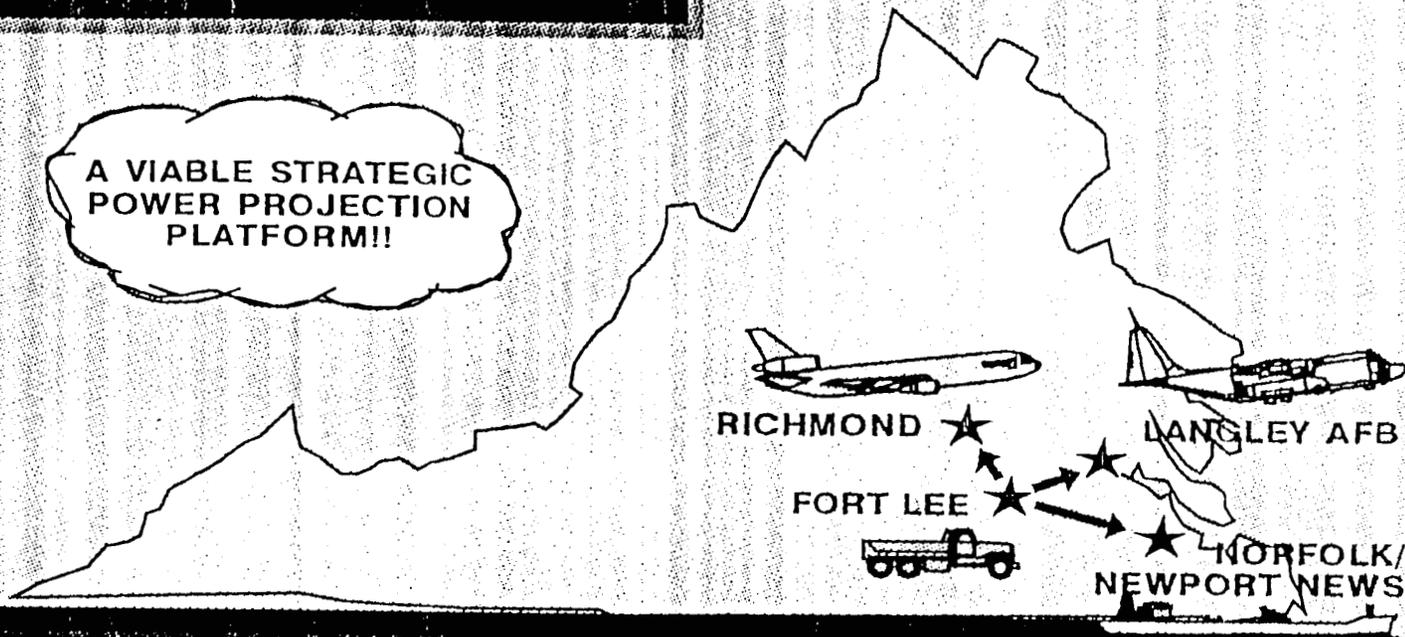
EASE OF DEPLOYMENT

DEPLOYMENT NETWORK

KENNER IS SITUATED ON AN INSTALLATION WITH A TRANSPORTATION NETWORK THAT
ENHANCES WORLDWIDE DEPLOYMENTS.

EASE OF DEPLOYMENT

A VIABLE STRATEGIC
POWER PROJECTION
PLATFORM!!



FORT LEE'S TRANSPORTATION NETWORK/STRATEGIC LOCATION

RIC AIRPORT: 35 MILES
LANGLEY AFB: 82 MILES
RAILHEAD: ON POST
AMTRAK RAIL STATION: 7 MILES

WATER PORTS:
RICHMOND: 20 MILES
NEWPORT NEWS: 85 MILES
NORFOLK: 85 MILES
INTERSTATE 195/185: 4 MILES
I-295: 1 MILE
I-64: 20 MILES

ARMY OPERATIONAL BLUEPRINT

ARMY OPERATIONS BLUEPRINT

THE ARMY OPERATIONAL BLUEPRINT AS DESCRIBED IN VOLUME III, ARMY ANALYSIS AND RECOMMENDATIONS TO BRAC COMMISSION, PAGE 43, PROJECTS ARMY ACCESSIONS TO INCREASE IN FY 97 FROM 70,000 TO 90,000 RESULTING IN A SIGNIFICANTLY HIGHER STUDENT WORKLOAD FOR AIT (FORT LEE) AND OTHER SCHOOLS (FORT LEE).

(6) Maintain the capability to support "logistics over the shore" training.

(7) Maintain a training capacity sized to support the peacetime operational and sustainment needs of the force (both active and reserve).

(8) Provide adequate training airspace and facilities to support rotary wing pilot training.

(9) Provide adequate facilities to establish and support a single ROTC Summer Camp.

(d) Operational Blueprint.

The ongoing reshaping of the force and concurrent drawdown affects the workload on training installations. However, not all trends indicate a decrease in student workloads. For example, beginning in 1997, Army accessions are projected to increase from 70,000 to 90,000 per year. This increase in accessions will result in significantly higher student workloads in Basic Combat Training, Advanced Individual Training, and many other related schools. Additionally, the continued growth of joint and combined force warfighting doctrine will increase the training requirement at selected training schools. As a result of these and other fluctuations in student workload, little excess facility capacity will be created. Changes in the training base workload are often the result of influences beyond the control of the training community (i.e., international environment, personnel policy decisions, new courses resulting from technological developments, etc.). Such changes do not afford the training schools time or resources to construct additional training capacity. Therefore, infrastructure savings in this category must result from the relocation of an existing institution, not its inactivation.

As the Army approaches "steady state," opportunities will, however, exist to consolidate functionally similar training schools on fewer, high capacity, modernized installations. Such consolidation is intended to facilitate the integration of leader development, functional training, doctrine writing, and combat development for branches that support a common battlefield operating system.

From an operational standpoint, certain consolidations initially suggest themselves. Finally, consolidate basic combat training at fewer locations consistent with the projected training workload.

School consolidation should allow closure of installations. However, training schools are facility intensive, making such consolidation extremely expensive, as no installation is currently structured to receive another institution without significant new construction. Additionally, training school relocation creates tremendous turmoil throughout the force. When combined with the trauma of the drawdown, the continuity and readiness of the Army could be threatened by an overly aggressive restructuring of training schools. While the temptation exists to redesign the entire school system at once, the Army cannot withstand the financial and destabilizing effects of

Document Separator

Community Response

*to the
Proposal
by the*

U.S. Department of Defense

regarding

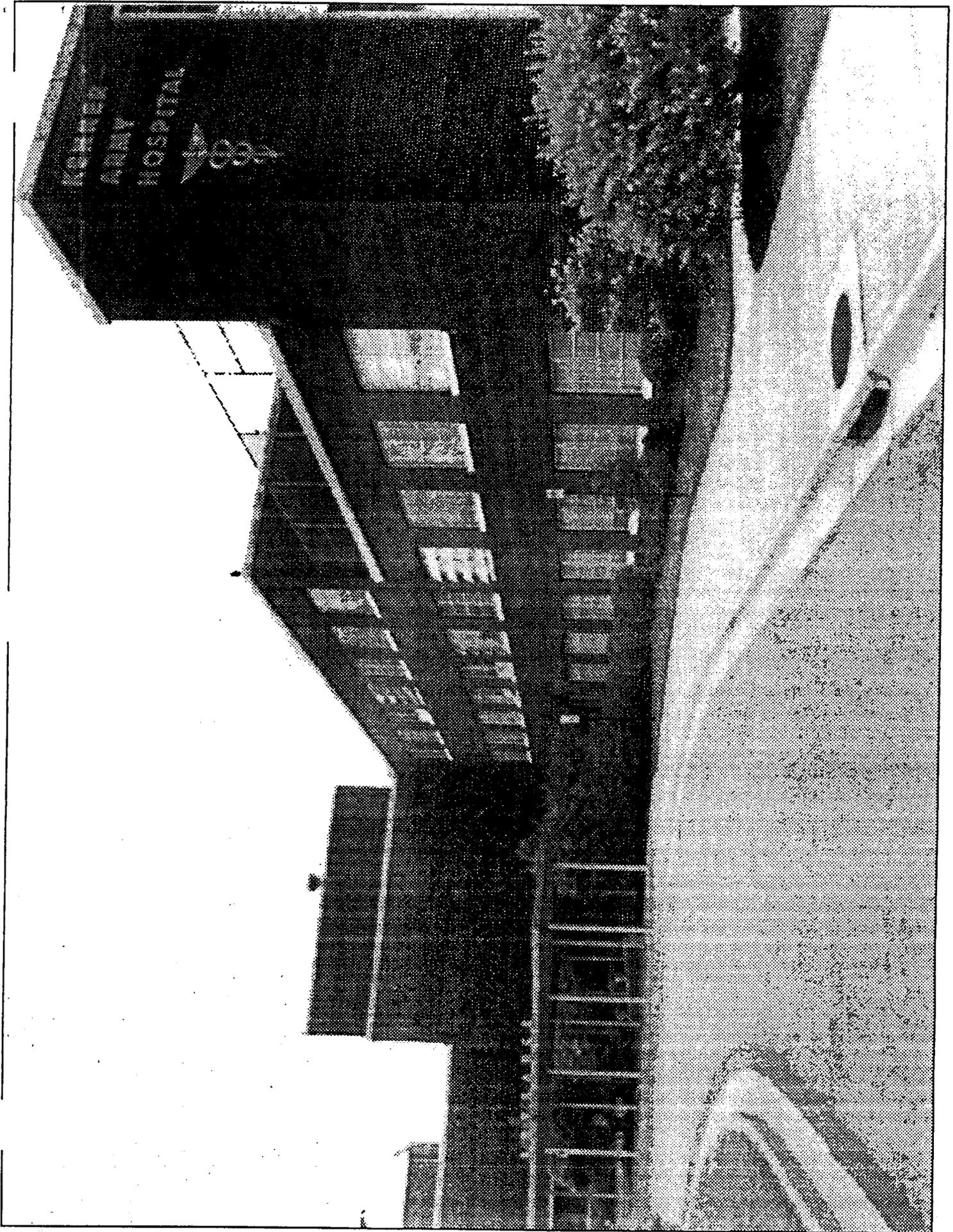


*Kenner Army
Community Hospital,
Fort Lee Virginia*

April 1995

COMMUNITY PRESENTATION
KENNER ARMY COMMUNITY HOSPITAL
APRIL 5, 1995

<u>TOPICS</u>	<u>TAB</u>
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PURPOSE OF BASE CLOSURE / REALIGNMENT

- REDUCE EXCESS CAPACITY
- ACCOMMODATE BUDGET CONSTRAINTS
- PROPER HUSBANDING OF RESOURCES

BASED ON:

- MILITARY VALUE
- MILITARY VALUE
- MILITARY VALUE

HOSPITAL EVALUATION CRITERIA

HOSPITALS WERE EVALUATED ON TEN MEASURES OF MERIT BY THE JOINT WORKING GROUP AND EACH MEASURE WAS WEIGHTED TO PROVIDE A FUNCTIONAL VALUE SCORE FOR EACH MEDICAL FACILITY.

KENNER ACH FUNCTIONAL VALUE

SUPPORTS A LARGE BENEFICIARY POPULATION OUTSIDE THE CATCHMENT AREA AND NOT IN SURVEYED POPULATIONS. DUE TO COST, BENEFICIARIES FROM NORTH CAROLINA AND WEST VIRGINIA COME TO KENNER FOR TREATMENT. THE FUNCTIONAL VALUE WAS INCORRECTLY CALCULATED BASED ON ACTIVE DUTY AND ACTIVE DUTY FAMILY MEMBER STRENGTHS.

FUNCTIONAL VALUE VARIANCES

DIMIS ID CONSOLIDATED DATA SHEET FUNCTIONAL VALUE 5.43 (47)

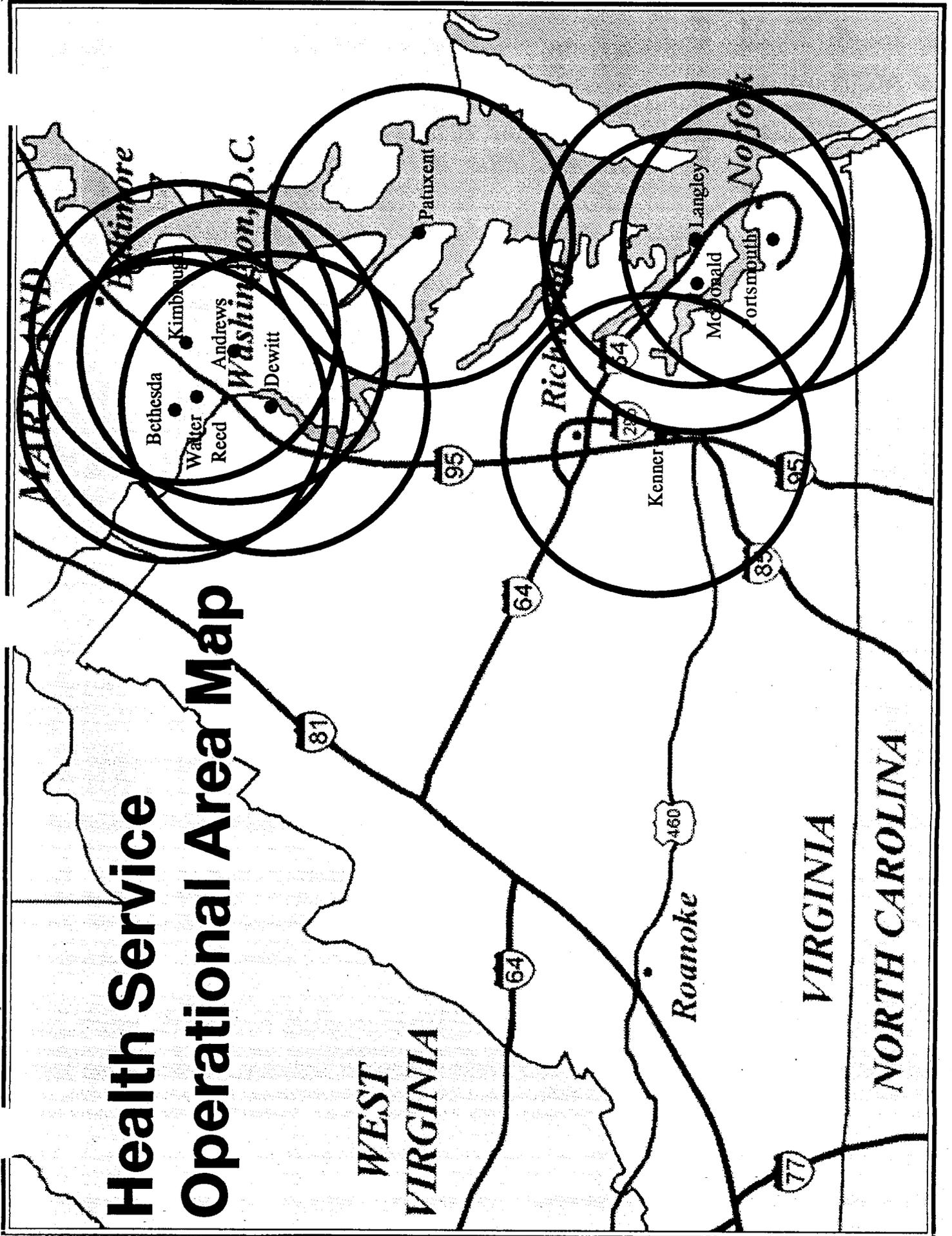
JOINT WORKING GROUP DATA SHEET FUNCTIONAL VALUE 5.63 (53)

RECOMPILATION BASED ON INCREASED ACTIVE DUTY AND FAMILY MEMBERS OF ACTIVE DUTY POPULATION OF 18,548. FUNCTIONAL VALUE 5.91 (60)

KENNER ACH MILITARY VALUE

- SUPPORTS FORCE READINESS FOR ALL SERVICES ON AN ADVANCED INDIVIDUAL TRAINING POST.
- PROVIDES HEALTH MAINTENANCE FOR A CRITICAL BATTLEFIELD OPERATIONS SYSTEM - THE SOLDIER, SAILOR, AIRMAN, OR MARINE TRAINING AT FORT LEE.
- SUPPORTS THE TOTAL FORCE ACTIVE, RESERVE, NATIONAL GUARD, FAMILY MEMBERS OF ALL COMPONENTS.
- PROVIDES A FACILITY WITH THE HIGHEST OF LIFE SAFETY STANDARDS AS ACCREDITED BY JCAHO. CURRENT RENOVATIONS AT 16.8 MILLION DOLLARS.
- SUPPORTS A POST WHICH HAS BEEN A RECEIVER INSTALLATION ON PREVIOUS BRAC DECISIONS.
- REDUCES TRAINING DISTRACTERS FOR AIT SOLDIERS WITH FULL SERVICE CARE ON THE INSTALLATION.

Health Service Operational Area Map



KENNER ARMY COMMUNITY HOSPITAL



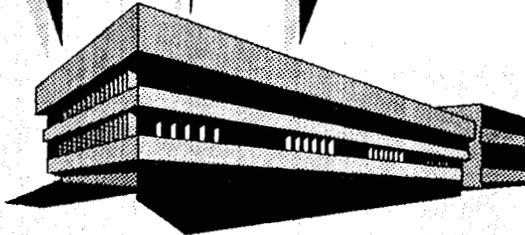
PRIMARY MISSION: PROVIDE HEALTH CARE SERVICES FOR 42,223 BENEFICIARIES IN A 40 MILE RADIUS; PROVIDE PRIMARY & EMERGENT HEALTH CARE FOR 56,00 RESERVE PERSONNEL AND BENEFICIARIES AT FORT PICKETT

**TOTAL NUMBER OF PERSONNEL 565
CHAMPUS & SUPPLEMENT CARE
FUNDING \$18,000,000 FY94**

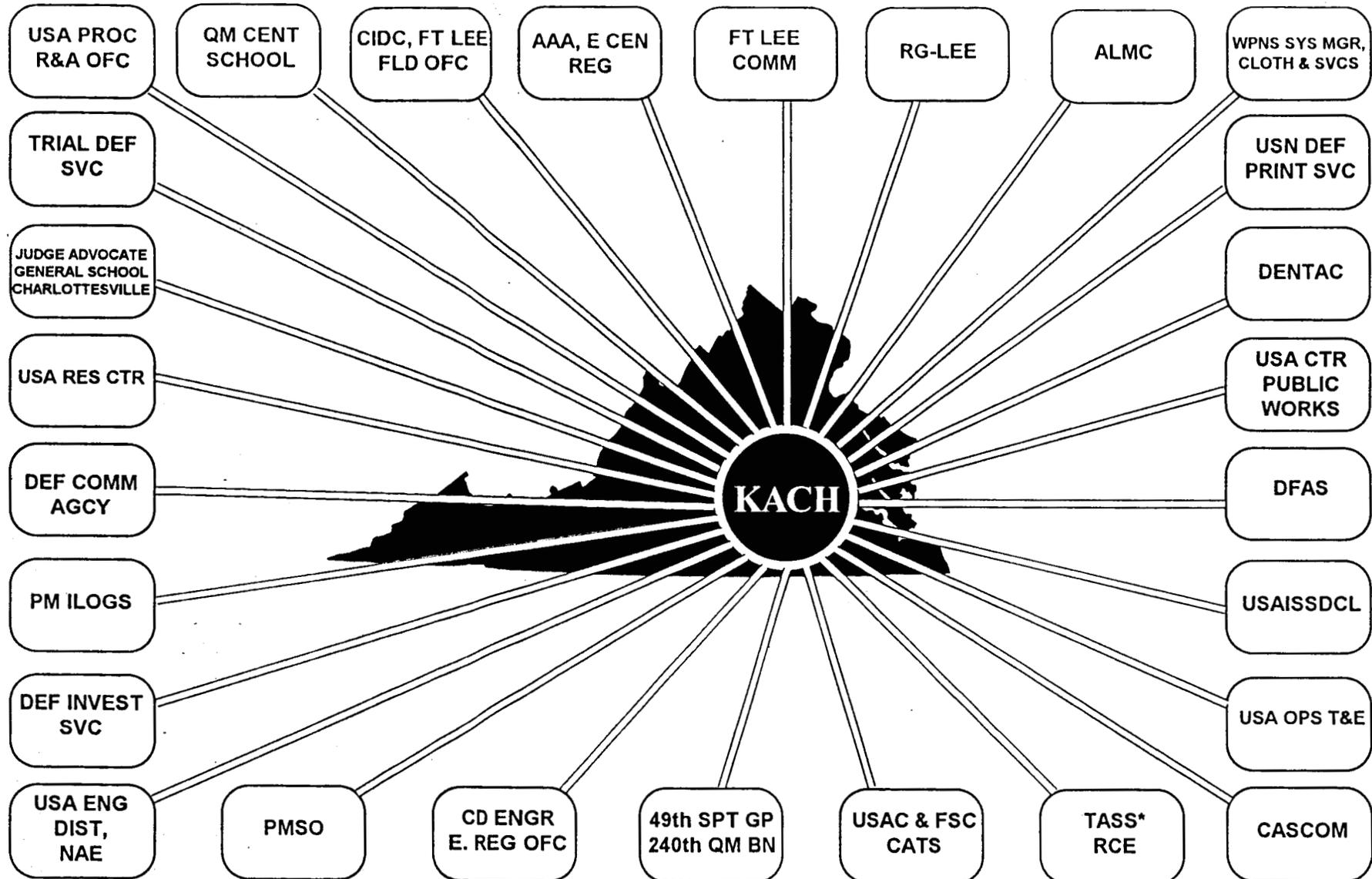
**64 BED HEALTH FACILITY
ADMISSIONS: 2,551
OUTPATIENT VISITS: 212,982**

**\$16.8 MILLION RENOVATION / LIFE
SAFETY PROJECT BEGAN FY94**

137,194 SQ FT



Kenner ACH Supported Activities



* ADVANCE PARTY IN JUNE 95 - OPERATIONAL OCT 95

DOD BRAC ANNOUNCEMENT

ON FEBRUARY 28th THE SECRETARY OF DEFENSE
ANNOUNCED KENNER ARMY COMMUNITY
HOSPITAL AT FORT LEE WOULD REALIGN TO A
CLINIC. THE INTENT WAS TO ELIMINATE EXCESS
MEDICAL TREATMENT CAPACITY AT FORT LEE BY
ELIMINATING INPATIENT SERVICES. INPATIENT
CARE WOULD BE PROVIDED BY OTHER NEARBY
MILITARY MEDICAL TREATMENT ACTIVITIES
AND PRIVATE FACILITIES THROUGH CHAMPUS.

ASSUMPTIONS

- SPECIALTY SERVICES CURRENTLY PROVIDED WILL REMAIN IN CLINIC.
- A MEDICAL HOLDING CAPABILITY WILL BE PROVIDED TO ACCOMMODATE SOLDIERS LIVING IN BARRACKS WHEN NOT REQUIRING IN EXCESS OF 72 HOURS BED REST.
- BENCHMARK MODEL WILL HAVE BEEN TESTED AND VALIDATED PRIOR TO A HOSPITAL CONVERTING.
- BASOPS WILL BE RESOURCED FOR ADDITIONAL COSTS ASSOCIATED WITH TRANSPORTING ACTIVE DUTY SOLDIERS TO APPOINTMENTS OFF POST.
- TDY COSTS WILL BE RESOURCED FOR ACTIVE SOLDIERS TRAVELING OUTSIDE THE CATCHMENT AREA TO RECEIVE TREATMENT AT THE NEAREST MILITARY FACILITY.
- PROVIDE OVERHEAD TO ACCOMPLISH INCREASED ADMINISTRATIVE FUNCTIONS ASSOCIATED WITH LOGISTICS, MANAGED CARE, PATIENT ADMINISTRATION, PREVENTIVE MEDICINE, SAFETY, INFORMATION MANAGEMENT, ETC.

MARGINAL SAVINGS AT BEST

- REALISTICALLY WILL INCREASE FEDERAL GOVERNMENT COSTS.
- CHAMPUS AND SUPPLEMENTAL CARE COSTS WILL INCREASE TWOFOLD.
- BENEFICIARIES IN WEST VIRGINIA AND NORTH CAROLINA WILL ADD INCREASED COSTS NOT PREVIOUSLY CONSIDERED IN MODEL.
- INCREASED TEMPORARY DUTY COSTS FROM UNIT MISSION FUNDS TO REIMBURSE SOLDIERS FOR TRAVEL TO TREATMENT.
- INCREASED MISSION COSTS FOR TRANSPORTING SOLDIERS TO CIVILIAN PROVIDERS OFF POST.

COMPARISON OF KENNER ACH TO OTHER FACILITIES INAPPROPRIATE BECAUSE:

- NO POST WITH AN AIT MISSION IS HAVING A HOSPITAL REALIGNED.
- 60 DOD HOSPITALS WITH A LOWER FUNCTIONAL VALUE NOT REALIGNED.
- ACCESS TO NEAREST DOD TREATMENT FACILITY IS OVER 1 HOUR DRIVE TIME IN GOOD WEATHER.
- NEXT NEAREST DOD FACILITIES TO THE WEST OF FORT LEE FOR BENEFICIARIES IN THAT AREA ARE FORT KNOX, KENTUCKY OR WRIGHT-PATTERSON, OHIO.
- NEXT NEAREST DOD FACILITY TO THE SOUTH IS SEYMOUR JOHNSON AFB, NORTH CAROLINA
- NEXT DOD FACILITY TO THE NORTH IS FORT BELVOIR, VIRGINIA.
- NO HOSPITAL HAS CONVERTED USING THE BENCHMARK MODEL.

FACTORS

- MORALE AND QUALITY OF LIFE.
- TRAINING DISTRACTERS FOR AIT SOLDIERS SENT OFF POST FOR TREATMENT.
- INCREASED ADMINISTRATIVE BURDEN FOR COMPANY COMMANDERS IN TRACKING SOLDIERS SENT OFF POST TO CIVILIAN PROVIDERS.
- ARMY ACCESSIONS PROJECTED TO INCREASE FROM 70K TO 90K IN 1996.
- CORRESPONDING INCREASES IN DAILY STUDENT WORKLOAD AT TRAINING POSTS SUCH AS FORT LEE.
- INCREASE OF 200 USMC PERSONNEL AT FORT LEE BASED ON RECENT ITRO DECISION, BEGINNING OCTOBER 1995.
- ACCESS STANDARDS DEVELOPED BY TRI-CARE ARE EXCEEDED IN MOST CASES.
- BENCHMARK MODEL DOES NOT ASSESS PROVIDER AND SUPPORT SITE FACTOR.
- THERE IS NO SUPER CLINIC MODEL IN EXISTENCE.

PROPER HUSBANDING OF DOD RESOURCES NOT PROVIDED FOR IN THIS DECISION BY THE JOINT WORKING GROUP

- THERE ARE SIXTY HOSPITALS WITH A LOWER FUNCTIONAL VALUE THAN KENNER ACH.
- KENNER ACH SUPPORTS A HIGH RISK TRAINING MISSION (i.e., DOD AIRBORNE FIELD SERVICES AND THE PETROLEUM TRAINING DEPARTMENTS).

SUMMARY

THE DOD DECISION TO REDUCE KENNER ACH TO A CLINIC SHOULD BE RECONSIDERED ON THE BASIS OF THE FOLLOWING:

- MILITARY VALUE

- ▣▣ THE TRUE MILITARY VALUE OF KENNER ACH HAS NOT BEEN CALCULATED OR CONSIDERED IN THE DECISION PROCESS.

- ▣▣ 27,000 TRAINEES AND STUDENTS WILL TRANSIT FORT LEE THIS YEAR (4,000 OVER PREVIOUS FISCAL YEAR).

- ▣▣ AIT AND ADVANCED TRAINING REQUIRE MEDICAL SUPPORT. NO OTHER TRAINING SCHOOL INSTALLATIONS (13) ARE TO BE REDUCED.

- ▣▣ INTENSIVE PT; RANGE FIRING; POL TRAINING; PARACHUTE JUMPING; AIR DROP ALL REQUIRE SUPPORT IN EXCESS OF THE PROPOSED "BENCHMARK" CLINIC.

SUMMARY (CONTINUED - 2)

- LOCATION

KENNER ACH'S ISOLATED LOCATION (COMPARED TO WASHINGTON, D.C. AND NORFOLK) REMOVES IT AS A CANDIDATE FOR REDUCTION.

- LACK OF COORDINATION

TO DATE THE PROPOSED REDUCTION OF KENNER ACH TO A CLINIC HAS NOT BEEN COORDINATED WITH THE REGIONAL TRI-CARE LEAD AGENT(NORFOLK - PORTSMOUTH).

SUMMARY (CONTINUED - 3)

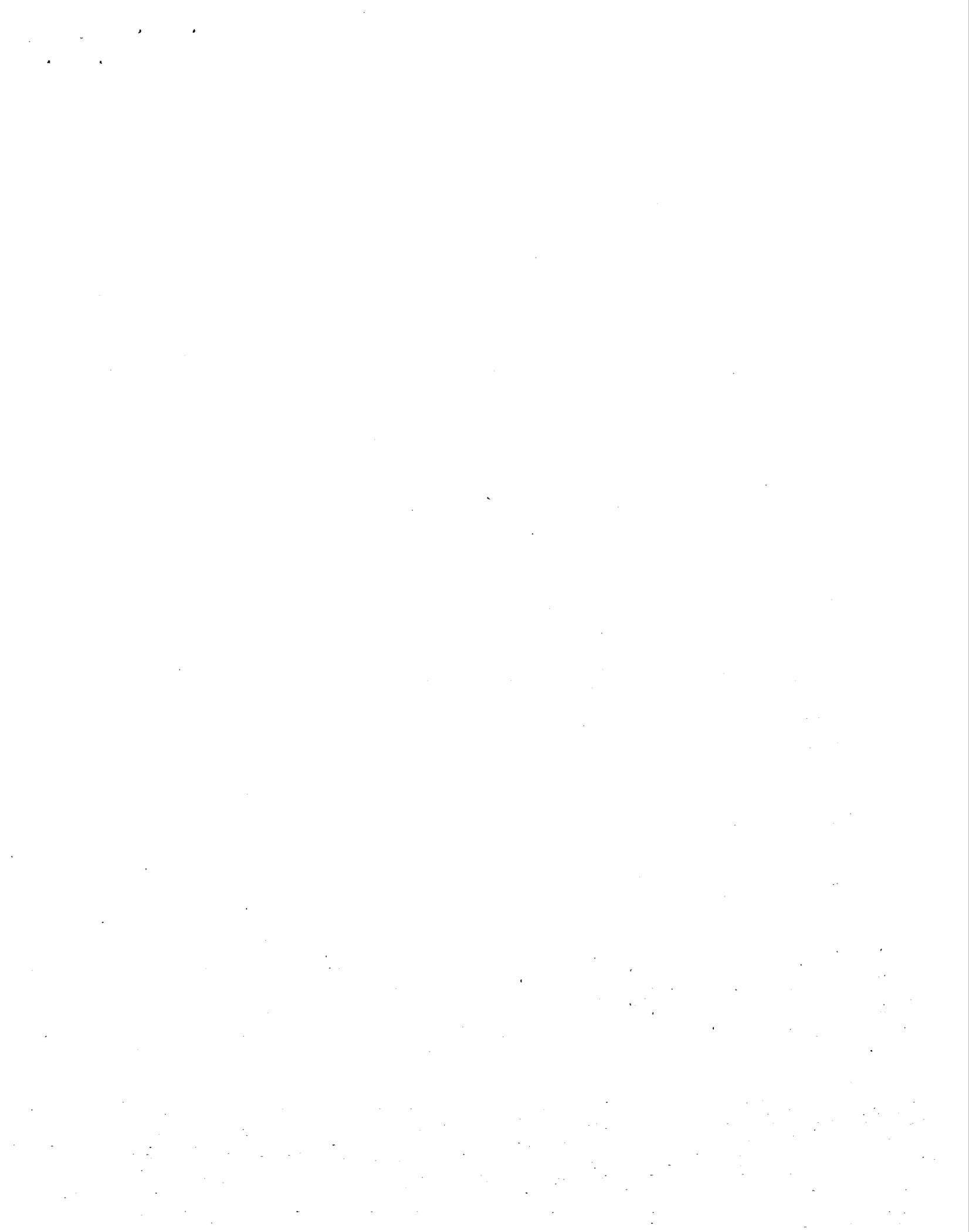
- SAVINGS WILL NOT BE ACHIEVED

- ■ IF A "SUPER CLINIC" IS DEVELOPED TO PROVIDE FOR MEDICAL SUPPORT CURRENTLY PROVIDED - LESS INPATIENT CARE - DESIRED SAVINGS IN PERSONNEL COSTS WILL NOT BE ACHIEVED.

- ■ DOD / ARMY HAS NOT CALCULATED A COST COMPARISON OF KENNER'S INPATIENT COST VS. COMPARABLE CHAMPUS COSTS FOR THE PAST 3 YEARS (REQUESTED).

- ■ DOD / ARMY HAS NOT CALCULATED THE CURRENT COSTS OF CONTINUING TO PROVIDE CURRENT SERVICES (BENCHMARK MODEL).

- ■ DOD / ARMY HAS NOT CALCULATED THE CURRENT COSTS TO THE GOVERNMENT AND RECIPIENTS OF ACQUIRING CURRENT SERVICES THRU OTHER SOURCES (CHAMPUS AND SUPPLEMENTAL CARE).



FUNCTIONAL VALUE DIFFERENCES

THERE ARE THREE SEPARATE FUNCTIONAL VALUES USED FOR ANALYSIS OF KENNER
HOSPITAL:

DMIS ID CONSOLIDATED DATA SHEET FV 5.43

JOINT WORKING GROUP DATA SHEET FV 5.63

RECOMPILATION BASED ON INCREASED ACTIVE
DUTY AND ACTIVE DUTY FAMILY MEMBERS FY 95
BENEFICIARY POPULATION FV 5.91

VIRGINIA, FORTNER, INC

I. JOINT GROUP REQUIREMENTS COMPOSITE ANALYTICAL SPA

	RAW DATA	RAW SCORE	MM WEIGHT	WEIGHTED MCM SCORE	CRITERIA WEIGHT	CRITERIA SCORE
CRITERION 1: MISSION						
F1 ACTIVE DUTY AND FAMILY MEMBER POPULATION W/I A 40 MILE RADIUS	14,900	3	708	2.10	408	0.84
A1 CIVILIAN MEDICAL CARE RATIO						
(a) CIVILIAN MEDICAL CARE PROVIDERS	1,070					
(b) TOTAL POPULATION (MILITARY AND CIVILIAN) RATIO	925,609	2	181	0.30	408	0.12
A2 CIVILIAN EXPANDED CAPABILITY						
(a) # OF ACUTE CARE HOSPITALS W/I 40 MILE CAPTURED AREA	17					
(b) TOTAL BEDS AVAILABLE AT USMC ACCREDITED CIVILIAN / VA HOSPITALS	1,467					
(c) # OF OPERATING BEDS AT MCF	49					
RATIO OF CIVILIAN ACUTE CARE BEDS AVAILABLE TO OPERATING BEDS IN THE MCF	29.94	1	154	0.15	408	0.06
TOTAL:				2.55	408	1.02
CRITERION 2: FACILITIES						
F1 FACILITY CONDITION ASSESSMENT SCORE (SEE DD FORM 2407 AT ENCL)	88.80	9	154	1.35	208	0.27
F2 INFRASTRUCTURE REAL PROPERTY RATINGS	3.000	10	150	1.50	208	0.30
F3 WEIGHTED AGE	30.50	3	408	1.20	208	0.24
F4 USMC LIFE SAFETY SCORE	1	10	308	3.00	208	0.60
TOTAL:				7.05	208	1.41
CRITERION 3: CONTINGENCY						
MCF DISTANCE TO AN AIR RWY	10.00	10	508	5.00	208	1.00
MCF BED EXPANSION CAPABILITY	87 X	2	508	1.00	208	0.20
TOTAL:				6.00	208	1.20
CRITERION 4: COST/POWER						
C1 COST / POWER						
(a) COMPOSITE ADJUSTED STANDARDIZED AMOUNT (AAA), PER RPT	\$5,393.77					
(b) MCF COST PER RPT	\$2,658.74					
RATIO OF COMPOSITE COST TO MCF COST	2.03	10.00	1008	10.00	208	2.00
TOTAL:				10.00	208	2.00
TOTAL FUNCTIONAL SCORE: A						

DMIS ID	SVC	FACILITY NAME	INSTALLATION	STATE	MTE OF BEDS	MTE AV BEDS	MTE EXT BEDS	# OF HOSP	AV CV	CL/MTE	PHYS. RATIO	AD + AD FAM	OTHERS	AC BED	FUNCT VALUE	TYPE	EAST/WEST
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0001	A	FOX ACH	REDSTONE ARSENAL	AL	20	42	57	15	1,165	58.25	1420	8,566	21,080	4.86	CH		
0002	A	NOBLE ACH	FT. MCCELLAN	AL	48	100	106	10	787	16.40	1882	10,927	13,679	4.90	CH		
0003	A	LYSTER ACH	FT. RUCKER	AL	42	69	77	8	515	12.26	1804	15,351	16,349	5.60	CH		
0005	A	BASSETT ACH	FT. WAINWRIGHT	AK	43	74	74	3	0	0.00	1456	14,790	3,243	5.02	CH		
0031	A	FITZSIMONS AMC	DENVER	CO	174	335	375	20	110	3,360	2403	10,201	10,201	5.51	CH		
0032	A	EVANS ACH	FT. CARSON	CO	149	195	212	7	767	5.15	2208	54,150	27,367	7.62	CH		
0037	A	WALTER REED AMC	WASHINGTON DC	DC	694	718	847	27	2,108	3.04	572	19,260	24,836	7.72	MC	E	
0047	A	EISENHOWER AMC	FT. GORDON	GA	172	282	380	8	875	5.09	1622	45,386	28,716	8.25	MC	E	
0049	A	WINN ACH	FT. STEWART	GA	114	148	165	5	241	2.11	1409	41,933	15,192	7.06	CH		
0052	A	TRIPLE AMC	FT. SHAFTER	HI	423	439	617	8	289	0.68	859	100,380	32,125	4.52	MC	W	
0057	A	IRWIN ACH	FT. RILEY	KS	60	127	192	5	206	3.43	3175	49,615	8,747	7.62	CH		
0058	A	MUNSON ACH	FT. LEAVENWORTH	KS	20	65	65	27	2,904	145.20	821	18,320	21,414	4.49	CH		
0060	A	BLANCHFIELD ACH	FT. CAMPBELL	KY	146	241	350	6	504	3.45	2205	58,250	14,942	8.18	CH		
0061	A	IRELAND ACH	FT. KNOX	KY	84	172	333	16	2,081	24.77	1105	32,435	25,445	6.30	CH		
0064	A	BAYNE-JONES ACH	FT. POLK	LA	96	169	169	3	110	1.15	2405	26,021	7,760	5.83	CH		
0069	A	KIMBROUGH ACH	FT. MEADE	MD	36	68	68	28	2,173	60.36	687	40,659	35,771	6.76	CH		
0075	A	L WOOD ACH	FT. LEONARD WOOD	MO	122	480	670	4	263	2.16	1928	34,541	9,866	7.51	CH		
0081	A	PATTERSON ACH	FT. MONMOUTH	NI	15	67	67	69	9,464	630.93	820	10,476	16,979	4.76	CH		
0081	A	KELLER ACH	WEST POINT	NY	30	62	62	39	1,979	65.97	716	13,924	16,302	5.34	CH		
0089	A	WOMACK AMC	FT. BRAGG	NC	226	272	454	9	2,777	154.2	113,185	44,998	141	8.52	CH		
0098	A	REYNOLDS ACH	FT. SILL	OK	100	157	264	5	406	4.06	1571	36,714	17,851	7.58	CH		
105	A	MONCRIEF ACH	FT. JACKSON	SC	96	432	435	7	435	4.53	1130	33,276	25,915	7.55	CH		
108	A	WILLIAM BEAUMONT AMC	FT. BLISS	TX	330	482	684	8	1,201	3.64	1689	30,999	31,765	5.91	MC	W	
109	A	BROOKE AMC	FT. SAM HOUSTON	TX	367	450	651	18	2,689	7.33	950	37,939	59,620	7.18	MC	W	
110	A	DARNALL ACH	FT. HOOD	TX	203	241	359	7	471	2.32	1014	33,486	18,289	6.10	CH		
112	A	MCDONALD ACH	FT. EUSTIS	VA	42	116	116	7	1,414	33.67	1143	28,586	18,289	6.10	CH		
1122	A	KENNER ACH	FT. LEE	VA	49	67	87	17	1,467	29.94	865	14,800	22,600	5.43	CH		
1123	A	DEWITT ACH	FT. BELVOIR	VA	68	93	105	8	468	6.88	1593	59,300	63,814	7.49	CH		
1125	A	MADIGAN AMC	FT. LEWIS	WA	381	414	622	20	1,955	5.13	935	63,078	68,109	6.14	MC	W	
131	A	WEED ACH	FT. IRWIN	CA	25	27	27	1	66	2.64	2380	10,687	2,096	5.10	CH		
004	F	502nd MEDICAL GROUP	MAXWELL AFB	AL	30	71	118	7	573	19.10	1092	14,410	22,209	3.83	CH		
006	F	3rd MEDICAL CENTER	ELMENDORF AFB	AK	75	139	139	2	276	3.68	1389	25,834	12,942	6.03	CH		
009	F	58th MEDICAL GROUP	LUKE AFB	AZ	40	60	100	20	1,537	38.43	1226	19,503	54,794	5.02	CH		
010	F	35th MEDICAL GROUP	DAVIS MONTHAN AFB	AZ	30	70	112	9	782	26.07	833	18,327	31,846	5.22	CH		
013	F	314th MEDICAL GROUP	LITTLE ROCK AFB	AR	20	39	68	9	1,221	61.05	1786	13,484	22,992	4.83	CH		

ort by Service/DMIS ID - Final Consolidated Data Sheet

DMIS ID	SVC	FACILITY NAME	INSTALLATION	STATE	MTF OI BEDS	MTF AV BEDS	MTF EXP BEDS	# OF HOSP	AV CIV BEDS	CIV/MTF BED RATIO	PHYS. RATIO	AD + AD FAM	OTHERS	AC BED REQ	FUNCT VALUE	TYPE FAC	EAST/WEST
X014	F	DAVID GRANT USAF MED CTR	TRAVIS AFB	CA	195	408	388	22	1,721	8.83	1179	36,257	59,087	71	5.52	MC	W
X015	F	9th MEDICAL GROUP	BEALE AFB	CA	9	14	14	6	288	32.00	548	9,488	10,896	16	3.76	CH	
016	F	323rd FTW HOSPITAL	MATHER AFB	CA	30	35	70	16	1,279	42.63	587	11,084	48,943	40	5.06	CH	
018	F	30th MEDICAL GROUP	VANDENBERG AFB	CA	20	48	46	3	126	6.30	1154	8,848	10,008	15	5.00	CH	
019	F	650th MEDICAL GROUP	EDWARDS AFB	CA	10	30	33	4	221	22.10	1098	13,152	7,581	18	3.82	CH	
033	F	USAF ACADEMY HOSPITAL	USAF ACADEMY	CO	55	80	157	2	361	6.56	1631	24,269	21,562	37	5.68	CH	
036	F	436th MEDICAL GROUP	DOVER AFB	DE	20	39	60	7	467	23.35	1183	13,663	13,421	22	4.69	CH	
042	F	646th MEDICAL GROUP	EGLIN AFB	FL	85	120	275	5	278	3.27	2276	39,369	32,757	59	6.62	CH	
043	F	325th MEDICAL GROUP	TYNDALL AFB	FL	25	57	79	2	155	6.20	3138	15,424	15,370	25	4.26	CH	
045	F	56th MEDICAL GROUP	MACDILL AFB	FL	50	69	142	24	2,884	57.68	831	15,542	79,529	62	5.35	CH	
046	F	45th MEDICAL GROUP	PATRICK AFB	FL	15	20	72	5	437	29.13	2696	10,556	33,023	30	4.82	CH	
050	F	347th MEDICAL GROUP	MOODY AFB	GA	10	47	47	4	292	29.20	794	9,611	7,381	14	3.81	CH	
051	F	653rd MEDICAL GROUP	ROBINS AFB	GA	15	31	32	11	560	37.33	1377	11,640	17,514	22	4.24	CH	
053	F	366th MEDICAL GROUP	MOUNTAIN HOME AFB	ID	20	31	31	0	0	0.00	2814	11,957	9,887	18	5.92	CH	
055	F	USAF MED CTR SCOTT	SCOTT AFB	IL	95	120	348	24	2,668	28.08	1125	24,566	33,977	45	5.48	CH	
062	F	2nd MEDICAL GROUP	BARKSDALE AFB	LA	25	46	70	7	700	28.00	538	15,532	18,199	26	5.04	CH	
066	F	MALCOLM GROW USAF MED CTR	ANDREWS AFB	MD	185	244	388	35	3,166	17.11	91	29,651	32,329	49	5.89	CH	
073	F	KEESLER USAF MED CTR	KEESLER AFB	MS	235	306	433	6	574	2.44	1408	38,690	23,112	53	5.06	MC	E
074	F	14th MEDICAL SQUADRON	COLUMBUS AFB	MS	5	17	17	7	438	87.60	1170	3,633	5,426	7	3.24	CH	
076	F	351st MEDICAL GROUP	WHITEMAN AFB	MO	15	26	29	4	165	11.00	2902	8,310	5,383	12	4.04	CH	
079	F	EHRLING BERQUIST HOSPITAL	OFFUTT AFB	NE	50	107	123	10	989	19.78	866	26,703	23,276	41	5.85	CH	
083	F	554th MEDICAL GROUP	NELLIS AFB	NV	20	77	77	6	394	19.70	1331	20,071	34,967	41	5.90	CH	
084	F	542nd MEDICAL GROUP	KIRTLAND AFB	NM	25	40	40	9	965	38.60	1389	14,162	24,892	29	5.40	CH	
085	F	49th MEDICAL GROUP	HOLLOMAN AFB	NM	8	30	28	1	38	4.75	2733	14,414	11,976	22	4.68	CH	
090	F	27th MEDICAL GROUP	CANNON AFB	NM	15	29	36	1	37	2.47	1014	15,591	3,489	18	4.87	CH	
093	F	4th MEDICAL GROUP	SEYMOUR JOHNSON AFB	NC	15	44	48	6	382	25.47	1557	12,920	14,216	21	4.45	CH	
093	F	319th MEDICAL GROUP	GRAND FORKS AFB	ND	15	34	34	3	172	11.47	1106	12,545	2,821	14	3.82	CH	
094	F	5th MEDICAL GROUP	MINOT AFB	ND	25	47	75	2	176	7.04	1265	12,000	12,300	19	4.64	CH	
095	F	WRIGHT-PATTERSON USAF MED CTR	WRIGH-PATTERSON AFB	OH	160	175	433	19	1,917	11.98	1202	22,131	28,734	39	5.58	MC	E
096	F	654th MEDICAL GROUP	TINKER AFB	OK	25	65	90	17	1,325	53.00	1111	23,596	30,326	42	4.76	CH	
097	F	97th MEDICAL GROUP	ALTUS AFB	OK	7	39	39	3	77	11.00	2138	7,507	3,541	10	3.92	CH	
001	F	363rd MEDICAL GROUP	SHAW AFB	SC	25	48	90	4	236	9.44	980	16,596	11,200	23	5.02	CH	
006	F	28th MEDICAL GROUP	ELLSWORTH AFB	SD	15	35	58	3	242	16.13	1623	14,000	6,539	18	4.80	CH	
011	F	64th MEDICAL SQUADRON	REESE AFB	TX	4	10	20	6	575	143.75	876	3,831	5,250	7	3.18	CH	
012	F	96th MEDICAL GROUP	DYESS AFB	TX	15	35	100	2	45	3.00	1524	13,057	8,271	18	4.26	CH	
013	F	396th MEDICAL GROUP	SHEPPARD AFB	TX	80	197	318	2	201	2.51	1300	12,420	9,050	18	5.00	CH	
014	F	47th MEDICAL SQUADRON	LAUGHLIN AFB	TX	5	28	40	1	48	9.60	1919	3,009	2,159	4	3.72	CH	

Sort by Service/DMIS ID - Final Consolidated Data Sheet

DMIS ID	SVC	FACILITY NAME	INSTALLATION	STATE	MTF OP BEDS	MTF AV BEDS	MTF EXP BEDS	# OF HOSP	AV CIV BEDS	CIV/MTF BED RATIO	PHYS. RATIO	AD + AD FAM	OTHERS	AC BED REQ	FUNCT VALUE	TYPE FAC	EAST WEST
0117	F	WILFORD HALL MC	LACKLAND AFB	TX	585	1,006	1,033	14	2,430	4.15	870	43,110	47,424	71	6.74	MC	W
0119	F	649th MEDICAL GROUP	HILL AFB	UT	25	42	55	14	1,250	50.00	1827	15,002	21,608	28	5.88	CH	
0120	F	1st MEDICAL GROUP	LANGLEY AFB	VA	40	71	120	15	1,239	30.98	1815	31,455	22,299	45	5.68	CH	
0128	F	92nd MEDICAL GROUP	FAIRCHILD AFB	WA	30	61	90	5	547	18.23	1694	13,407	16,360	23	4.71	CH	
0129	F	90th MEDICAL GROUP	F.E. WARREN AFB	WY	15	24	43	2	160	10.67	1650	8,700	5,870	12	3.98	CH	
0326	F	438th MEDICAL GROUP	FT. DIX	NJ	20	350	350	8	729	36.45	498	26,282	53,733	58	6.07	CH	
0024	N	NH CAMP PENDLETON	CAMP PENDLETON	CA	120	222	265	24	1,666	13.88	908	74,874	40,556	100	7.28	CH	
0028	N	NH LEMOORE	LEMOORE	CA	37	69	37	3	51	1.38	2686	22,516	12,030	30	5.12	CH	
0029	N	NH SAN DIEGO	SAN DIEGO	CA	422	617	583	20	1,941	4.60	956	188,255	116,441	259	7.84	MC	W
0030	N	NH TWENTYNINE PALMS	TWENTYNINE PALMS	CA	30	70	40	1	20	0.67	2627	23,000	5,250	26	7.58	CH	
0035	N	NH GROTON	GROTON	CT	25	100	96	3	195	7.80	1217	20,151	17,369	31	5.41	CH	
0038	N	NH PENSACOLA	PENSACOLA	FL	104	221	161	8	915	8.80	2112	47,769	38,494	71	7.19	CH	
0039	N	NH JACKSONVILLE	JACKSONVILLE	FL	131	176	228	7	879	6.71	1252	64,858	56,262	98	6.98	CH	
0056	N	NH GREAT LAKES	GREAT LAKES	IL	136	228	718	67	7,100	52.21	469	37,555	28,945	55	6.48	CH	
0067	N	NATIONAL NAVY MC	BETHESDA	MD	342	459	779	53	4,048	11.84	725	42,361	47,076	70	7.40	MC	E
0068	N	NH PATUXENT RIVER	PATUXENT RIVER	MD	20	20	32	2	72	3.60	4231	8,985	6,106	13	3.74	CH	
0091	N	NH CAMP LEJEUNE	CAMP LEJEUNE	NC	176	224	238	2	83	0.47	1226	79,722	21,212	93	7.76	CH	
0092	N	NH CHERRY POINT	CHERRY POINT	NC	40	40	27	2	116	2.90	990	27,792	13,921	36	4.52	CH	
103	N	NH CHARLESTON	CHARLESTON	SC	90	90	90	8	621	6.90	769	26,954	34,659	47	5.56	CH	
104	N	NH BEAUFORT	BEAUFORT	SC	49	80	54	2	113	2.31	1105	17,078	8,303	22	4.70	CH	
107	N	NH MILLINGTON	MILLINGTON	TN	66	102	106	15	1,737	26.32	3546	7,005	22,742	20	4.37	CH	
118	N	NH CORPUS CHRISTI	CORPUS CHRISTI	TX	42	65	65	12	551	13.12	1384	8,433	9,560	14	4.26	CH	
124	N	NH PORTSMOUTH	PORTSMOUTH	VA	431	437	176	17	1,538	3.57	1893	226,784	88,014	281	7.01	MC	E
126	N	NH BREMERTON	BREMERTON	WA	109	137	139	1	122	1.12	1259	35,678	19,965	48	6.98	CH	
127	N	NH OAK HARBOR	OAK HARBOR	WA	25	26	31	2	56	2.24	1104	18,918	9,378	25	5.38	CH	

MOBILIZATION BED REQUIREMENTS	
ARMY	6030
NAVY	2600
AIR FORCE	980
DOD	9610

	AD+ AD FAM	OTHERS	MEDCEN BED REQ
East Medical Centers	2,136,190	2,216,670	1,492
West Medical Centers	1,758,695	1,906,223	1,262

VERMONT, FRODOX, LLC

I. JOINT GAOFF REQUIREMENTS COMPRISING ANALYTICAL FRA

	RAW DATA	RAW SCORE	MM WEIGHT	WEIGHTED MM SCORE	CRITERIA WEIGHT	CRITERIA SCORE
CRITERION 1: MISSION						
F1 ACTIVE DUTY AND FAMILY MEMBER POPULATION W/I A 40 MILE RADIUS	18,548 16,800	4 <u>3</u>	700	2.80	400	1.12 0.84
A1 CIVILIAN FREGORY CARE RATIO						
(a) CIVILIAN FREGORY CARE PROVIDERS	1,070					
(b) TOTAL POPULATION (MILITARY AND CIVILIAN) RATIO	825,609 896,200 Eco-Data <u>865</u>	2	150	0.30	400	0.12
A2 CIVILIAN INPATIENT CAPABILITY	837					
(a) # OF ACUTE CARE HOSPITALS W/I 40 MILE CAPTURED AREA	17					
(b) TOTAL BEDS AVAILABLE AT JCRMO ACCREDITED CIVILIAN / VA HOSPITALS	1,467					
(c) # OF OPERATING BEDS AT MCF	49					
RATIO OF CIVILIAN ACUTE CARE BEDS AVAILABLE TO OPERATING BEDS IN THE MCF	29.94	1	150	0.15	400	0.06
TOTAL:				3.25 2.55	400	1.03 1.30
CRITERION 2: FACILITIES						
F1 FACILITY CONDITION ASSESSMENT SCORE (SEE DO FORM 2407 AT ENCL)	88.80	9	150	1.35	200	0.27
F2 INFRASTRUCTURE REAL PROPERTY RATING	3.000	10	150	1.50	200	0.30
F3 WEIGHTED AGE	30.50	3	400	1.20	200	0.24
F4 JCRMO LIFE SAFETY SCORE	1	10	300	3.00	200	0.60
TOTAL:			32	7.05	200	1.41
CRITERION 3: CONTINGENCY						
MCI DISTANCE TO AN AER HUB	10.00	10	500	5.00	200	1.00
MCI BED EXPANSION CAPABILITY	87 X	2	500	1.00	200	0.20
TOTAL:				6.00	200	1.20
CRITERION 4: COST/EFFICIENCY						
C1 COST / EFFICIENCY						
(a) CHAMP'S ADJUSTED FUNDRAISED AMOUNT (AAA), PER RNF	35,393.77					
(b) MCF COST PER RNF	32,659.74					
RATIO OF CHAMP'S COST TO MCF COST	1.08	10.00	1000	10.00	200	2.00
TOTAL:				10.00	200	2.00
TOTAL FUNCTIONAL SCORE:						5.63

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CATCHMENT BENEFICIARY POPULATION

THE FORT LEE POPULATION INCREASED FROM 14,800 TO 18,548 ACTIVE DUTY AND FAMILY MEMBERS SERVED IN FY 95 AS REFLECTED IN THE BENEFICIARY POPULATION DATA SHEET.

CATCHMENT BENEFICIARY POPULATION
Fiscal Year 1995

MEDCEN/MEDDAC Population = Inpatient + Outlying Clinics	Active Dependents Duty of Active Duty	Retired Dependents of Retired	Survivors	Total		
Fort Sill MEDDAC	16,726	21,930	7,602	11,343	2,049	59,650
Reynolds ACH, Inpatient	16,499	21,443	6,551	10,198	1,811	56,502
AAD, McAlester, AHC	27	87	516	549	88	1,267
Pine Bluff Arsenal, AHC	87	174	535	596	150	1,542
Fort Chaffee, TMC	113	226	No other categories treated			339
Fort Stewart MEDDAC	19,072	31,005	5,745	8,792	1,299	65,913
Winn ACH, Inpatient	19,072	31,005	5,745	8,792	1,299	65,913
Fort Wainwright MEDDAC	10,519	12,859	1,297	2,140	152	26,967
Bassett ACH, Inpatient	7,944	8,997	1,297	2,140	152	20,530
Fort Greely, AHC *6	(411)	(448)	(109)	(140)	(8)	(1,116)
Fort Richardson, TMC	2,575	3,863	No other categories treated			6,438
Fort Devens (see West Point) Cutler, AHC Natick Lab, AHC						
Fort Eustis MEDDAC	10,052	19,107	6,944	10,260	1,587	47,950
McDonald ACH, Inpatient	10,052	19,107	6,944	10,260	1,587	47,950
Fort Huachuca MEDDAC	7,314	13,200	4,751	6,914	774	32,953
Bliss ACH, Inpatient	6,973	11,636	3,988	6,046	643	29,286
Yuma, AHC	341	1,564	763	868	131	3,667
Fort Leavenworth MEDDAC	6,026	11,881	9,302	10,668	1,651	39,528
Munson AHC, Inpatient	6,026	11,881	9,302	10,668	1,651	39,528
Fort Lee MEDDAC	7,463	11,085	9,713	11,870	2,092	42,223
Kenner ACH, Inpatient *7	7,323	10,735	9,371	11,458	1,997	40,884
Fort Pickett, AHC	105	303	342	412	95	1,257
USA For Sci Tech Ctr, AHC	35	47	No other categories treated			82
Fort McClellan	5,411	7,939	5,576	7,313	1,244	27,483
Noble ACH, Inpatient	5,411	7,939	5,576	7,313	1,244	27,483
Fort Meade MEDDAC	15,909	29,716	17,630	22,499	3,887	89,641
Kimbrough ACH, Inpatient	10,814	19,924	8,287	11,619	2,096	52,740
Carlisle Barracks, AHC	745	1,555	1,233	1,618	245	5,396
Fort Indiantown Gap, AHC	608	1,172	1,339	1,320	233	4,672
Letterkenny AD, AHC	196	517	841	1,004	138	2,696
New Cumberland AD, AHC	835	1,398	2,138	2,173	492	7,036
Fort Ritchie, AHC	1,283	2,397	1,540	1,976	277	7,473
Tobyhanna AD, AHC	319	378	834	918	169	2,618
Fort Detrick, AHC	1,109	2,375	1,418	1,871	237	7,010

CATCHMENT BENEFICIARY POPULATION
Fiscal Year 1995

***Notes:**

1. Oakland AHC was previously included in Fort Ord MEDDAC inpatient catchment population. Now it is an outlying clinic.
2. Presidio of Monterey AHC was previously included in Fort Ord MEDDAC inpatient catchment population. Now it is an outlying clinic.
3. WRAHC - Beneficiary data does not reflect a true count due to overlapping catchment areas.
4. Panama - Gorgas ACH is responsible for providing medical care for 9,288 civilians.
5. Belvoir - Dewitt Dependent of Active Duty category does not reflect a true count due to overlapping catchment areas.
6. Alaska - Ft. Greely population is included at Bassett ACH.
7. Lee - Administers the Direct Health Care Contract for 965 beneficiaries in Charlottesville, VA.
8. West Point - Cutler, Ft Devens, TMC downgraded from an AHC. Due to close soon.
9. Natick Lab AHC was previously included in Fort Devens MEDDAC inpatient catchment population. Now it is an outlying clinic.
10. Drum - Population is for a 40 mile radius. Guthrie AHC does not provide inpatient care inhouse but manages inpatient services in the catchment area.

Definitions:

INPATIENT CATCHMENT population areas are defined as sets of zip codes having centroids within 40 miles of the zip code of the US military hospital with rules for unique allocation of the beneficiaries in zip codes within 40 miles of more than one hospital.

OUTLYING CLINICS are those clinics outside of the 40 mile radius of the parent MTF. The catchment area for the outlying clinics is 20 miles instead of 40.

Abbreviations:

ACH - Army Community Hospital
AHC - Army Health Clinic
MEDDAC - Medical Activity
MEDCEN - Medical Center

OHC - Occupational Health Clinic
TMC - Troop Medical Clinic
AD - Army Depot
DD - Defense Depot

ARMY OPERATIONS BLUEPRINT

THE ARMY OPERATIONAL BLUEPRINT AS DESCRIBED IN VOLUME III, ARMY ANALYSIS AND RECOMMENDATIONS TO BRAC COMMISSION, PAGE 43. PROJECTS ARMY ACCESSIONS TO INCREASE IN FY 97 FROM 70,000 TO 90,000 RESULTING IN A SIGNIFICANTLY HIGHER STUDENT WORKLOAD FOR AIT (FORT LEE) AND OTHER SCHOOLS (FORT LEE).

(6) Maintain the capability to support "logistics over the shore" training.

(7) Maintain a training capacity sized to support the peacetime operational and sustainment needs of the force (both active and reserve).

(8) Provide adequate training airspace and facilities to support rotary wing pilot training.

(9) Provide adequate facilities to establish and support a single ROTC Summer Camp.

(d) Operational Blueprint.

The ongoing reshaping of the force and concurrent drawdown affects the workload on training installations. However, not all trends indicate a decrease in student workloads. For example, beginning in 1997, Army accessions are projected to increase from 70,000 to 90,000 per year. This increase in accessions will result in significantly higher student workloads in Basic Combat Training, Advanced Individual Training, and many other related schools. Additionally, the continued growth of joint and combined force warfighting doctrine will increase the training requirement at selected training schools. As a result of these and other fluctuations in student workload, little excess facility capacity will be created. Changes in the training base workload are often the result of influences beyond the control of the training community (i.e., international environment, personnel policy decisions, new courses resulting from technological developments, etc.). Such changes do not afford the training schools time or resources to construct additional training capacity. Therefore, infrastructure savings in this category must result from the relocation of an existing institution, not its inactivation.

As the Army approaches "steady state," opportunities will, however, exist to consolidate functionally similar training schools on fewer, high capacity, modernized installations. Such consolidation is intended to facilitate the integration of leader development, functional training, doctrine writing, and combat development for branches that support a common battlefield operating system.

From an operational standpoint, certain consolidations initially suggest themselves. Finally, consolidate basic combat training at fewer locations consistent with the projected training workload.

School consolidation should allow closure of installations. However, training schools are facility intensive, making such consolidation extremely expensive, as no installation is currently structured to receive another institution without significant new construction. Additionally, training school relocation creates tremendous turmoil throughout the force. When combined with the trauma of the drawdown, the continuity and readiness of the Army could be threatened by an overly aggressive restructuring of training schools. While the temptation exists to redesign the entire school system at once, the Army cannot withstand the financial and destabilizing effects of

PROJECTED IMPACT SHEET COMPARISONS

THE KENNER ARMY COMMUNITY HOSPITAL IMPACT SHEET DOES NOT HAVE THE FIRST TWO PARAGRAPHS WHICH ADDRESS:

1. INCREASED COST ASSOCIATED WITH ELIMINATION OF INPATIENT SERVICES.
2. ELIMINATION OF INPATIENT SERVICES WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES.

NOTE: SEE THE FORT BELVOIR AND FORT MEADE IMPACT SHEETS PROVIDED.

SENT BY: ARMY OCLL

; 3-30-95 ; 2:52PM ;

PROGRAMS DIV+

;# 2

**MEDDAC, FORT LEE
ELIMINATION OF INPATIENT SERVICES
PROJECTED IMPACT**

FY 94 MTF INPATIENT DISPOSITIONS (1)	2,585
DISP LEAVING MTF COSTED AT 1:1 DEPN OF AD	438
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL RET, D/RET, SURV, & OTH	292
TOTAL DISP GOING TO CHAMPUS	730
PROJECTED COST BASED ON MTF INPT DRGs (3)	<u>\$2,034,948</u>
ACTIVE DUTY DISP SENT TO OUTSIDE SOURCES (5)	1328
COST OF AD DISPOSITIONS	<u>\$3,701,993</u>
TOTAL COST	<u>\$5,736,941</u>

NOTES:

FISCAL YEAR 1994 IS THE BASELINE YEAR FOR COSTS AND WORKLOAD
ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE
THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

(1) SOURCE:

WORKLOAD TOTAL; IPDS, FY 94 COMPLETE AS OF 12-08-84
WORKLOAD BY PT CAT; IPDS, FY 94, AS OF 12-07-84
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 311; D/RET/SURV = 445; OTH = 57; D/AD>85 = 4

TOTAL = 818 * (1:2.8) = 292

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) BASED ON FY 92 ACTUAL MTF DRG/DRG COST INFLATED TO FY 94 (10.4%).

(\$2525 * 1.104 = \$2787.50 * # DISP.)

MEDDAC, FORT BELVOIR
ELIMINATION OF INPATIENT SERVICES
PROJECTED IMPACT

1. ELIMINATION OF INPATIENT SERVICES AT FT BELVOIR WILL NOT RESULT IN A DECREASE IN COSTS. IT WILL INCREASE COSTS.
 - a. APPROXIMATELY 45-50% OF THE CURRENT FT BELVOIR CATCHMENT AREA TRANSFERS TO WRAMC/MGAFMC. 50% WILL FALL OUTSIDE ANY CATCHMENT AREA. THIS PORTION WILL BECOME AN INCREASED CHAMPUS COST.
 - b. WE WILL TRANSFER SOME FT BELVOIR INPATIENT COSTS TO COVER THE COST OF PATIENTS SEEKING CARE AT OTHER MIL MTFs

2. ELIMINATION OF INPATIENT SERVICES AT FT BELVOIR WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES. A PORTION OF THE PERSONNEL WILL TRANSFER WITH THE FUNDS TO PROVIDE THE INPATIENT CARE AT WRAMC. PERSONNEL WHO PROVIDE BOTH IN/OUT PATIENT CARE CANNOT ALWAYS BE EFFICIENTLY SPLIT OUT, THEY MUST REMAIN.

FY 94 MTF INPATIENT DISPOSITIONS (1)	7,247
DISP LEAVING MTF COSTED AT 1:1 INCLUDES 50% D/AD	1,732
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL. 50% RET, D/RET, & SURV	455
TOTAL DISP GOING TO CHAMPUS	2,187
<u>PROJECTED COST BASED ON MTF CHAMPUS RATE (3)</u>	<u>\$20,764.253</u>
 FUNDING TRANSFER TO COMPENSATE FOR INPATIENT WORKLOAD SHIFT (4)	 <u>\$9,745,000</u>

NOTES:

ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

ALL ANNITIONAL NOTES ARE SHOWN ON THE FOLLOWING PAGE

NOTES, CONTINUED

(1) SOURCE:

WORKLOAD TOTAL; IPDS, FY 94 COMPLETE AS OF 12-06-94
WORKLOAD BY PT CAT; IPDS, FY 94, AS OF 12-07-94
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 1,071; D/RET/SURV = 1,170; OTH = 307; TOTAL = 2,548

$2,548 * .50 = 1,274 * (1:2.8) = 455$

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) FY 92 FT BELVOIR CHAMPUS ADM COST RATE LESS PSYCH INFLATED 10.4%

$(\$8,600 * 1.104 = \$9,494.40 * \# \text{ DISP.})$

(4) INCLUDES 100% [1,217] AD, 50% D/AD, 50% RET/DEP/SVR DISPOSITIONS

MEDDAC, FORT MEADE
ELIMINATION OF INPATIENT SERVICES
PROJECTED IMPACT

1. ELIMINATION OF INPATIENT SERVICES AT FT MEADE WILL NOT RESULT IN A DECREASE IN COSTS. IT WILL INCREASE COSTS.

a. APPROXIMATELY 85-90% OF THE CURRENT FT MEADE CATCHMENT AREA TRANSFERS TO WRAMC. 10-15% WILL FALL OUTSIDE ANY CATCHMENT AREA. THIS PORTION WILL BECOME AN INCREASED CHAMPUS COST.

b. WE WILL TRANSFER FT MEADE INPATIENT COSTS TO WRAMC TO COVER THE COST OF PATIENTS SEEKING CARE AT WRAMC.

2. ELIMINATION OF INPATIENT SERVICES AT FT MEADE WILL NOT RESULT IN A 100% DECREASE IN PERSONNEL SUPPORTING THE INPATIENT SERVICES. A PORTION OF THE PERSONNEL WILL TRANSFER WITH THE FUNDS TO PROVIDE THE INPATIENT CARE AT WRAMC. PERSONNEL WHO PROVIDE BOTH IN/OUT PATIENT CARE CANNOT ALWAYS BE EFFICIENTLY SPLIT OUT. THEY WILL REMAIN.

FY 94 MTF INPATIENT DISPOSITIONS (1)	3,793
DISP LEAVING MTF COSTED AT 1:1 INCLUDES 15% D/AD; (1,105*.15)	166
DISP LEAVING MTF COSTED AT 1:2.8 (2) INCL. 15% RET, D/RET, & SURV	86
TOTAL DISP GOING TO CHAMPUS	252
<u>PROJECTED COST BASED ON MTF CHAMPUS RATE (3)</u>	<u>\$1,947,456</u>
<u>FUNDING TRANSFER TO WRAMC TO COMPENSATE FOR INPATIENT WORKLOAD SHIFT (4)</u>	<u>\$12,100,000</u>

NOTES:

FISCAL YEAR 1994 IS THE BASELINE YEAR FOR COSTS AND WORKLOAD
ALL CHAMPUS AND OTHER OUTSIDE COSTS SHOWN ARE INCREASES ABOVE
THE CURRENT LEVELS OF EXPENSE UNLESS NOTED AS A "TRANSFER"

ALL ADDITIONAL NOTES ARE ON THE FOLLOWING PAGE

NOTES, CONTINUED

(1) SOURCE:

WORKLOAD TOTAL; IPDS, FY 94 COMPLETE AS OF 12-06-94
WORKLOAD BY PT CAT; IPDS, FY 94, AS OF 12-07-94
PT CAT TOTALS DO NOT MATCH WKLD TOTALS DUE TO INCOMPLETE RECORDS
TOTALS BY PT CAT ARE EST. BASED ON PERCENTAGES OF AVAIL DATA

(2) DISPOSITIONS BY PATIENT CATEGORY ESTIMATES ARE:

RET. = 620; D/RET/SURV = 794; OTH = 187; TOTAL = 1,601

$1,601 * .15 = 240 * (1:2.8) = 86$

INCORPORATES VALIDATED TRADEOFF FACTOR OF 1 DISP PER 2.8 IN MTF

(3) FY 92 FT MEADE CHAMPUS ADM COST RATE LESS PSYCH INFLATED 10.4%

$(\$7,000 * 1.104 = \$7,728 * \# \text{ DISP.})$

[SOURCE: FY 92 CHAMPUS SUMMARY REPORT]

(4) INCLUDES 100% [1,084] AD, 85% D/AD, 85% RET/DEP/SVR DISPOSITIONS

ACCESS STANDARDS

THE TIMELY ACCESS STANDARDS PROVIDED FOR IN THE POLICY GUIDELINES FOR IMPLEMENTING MANAGED CARE REFORMS IN MILITARY HEALTH SERVICES SYSTEMS, DATE FEBRUARY 18, 1994, PAGES 13-14, ARE NOT OBTAINABLE AT FORT LEE IN MOST CASES.

NOTE: MAP OF CIVILIAN CARE PROVIDERS WITH 5 MILE RINGS FROM FORT LEE.

Access Standards

Another responsibility of the lead agent is to ensure timely access to health care services for all military plan participants. Before offering any enrollment option to DoD beneficiaries, the lead agent and MTF commanders within the region, must ensure that the capabilities of the military MTF plus the TRICARE civilian provider network will meet the following access standards:

- Emergency and urgent care services shall be available and accessible within the service area, 24 hours a day, seven-days a week.
- The drive time of the military health plan enrollee should not generally exceed 30 minutes from home to the site of primary care delivery. Non-availability of providers in the area may justify longer travel time.
- The drive time to obtain specialty care, except in cases of Specialized Treatment Services, should normally not exceed one-hour. If a longer drive time is required based on availability of specialists, the beneficiary will be informed of these circumstances.
- Maximum wait times for primary care appointments are as follows:
 - four weeks for a well visit (health maintenance and prevention--non-urgent)
 - one week for a routine visit (intervention required, but non-urgent); and
 - one day for acute illness care (early intervention required--urgent).

However, a healthcare provider using professional standards and clinical judgment, may determine more appropriate appointments based on the needs of the beneficiary.

- Maximum wait times for specialty care appointments will be:

--four weeks for a routine visit; and

--one day for urgent care.

The appropriate wait time for specialty care appointments shall be determined by the primary care manager making the referral, based on the nature of care required, but; in general, shall be no longer than four weeks.

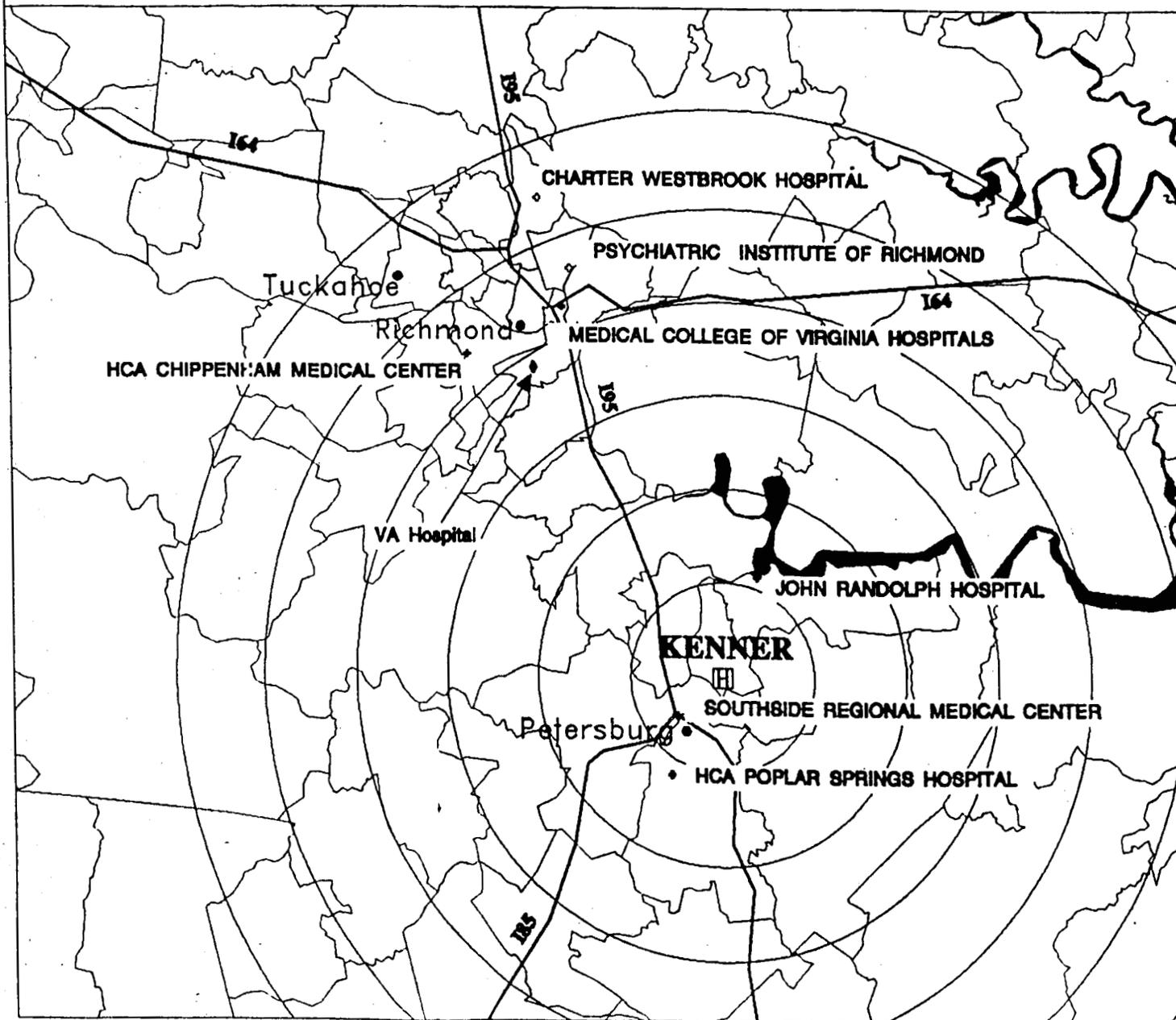
Summary

To carry out these responsibilities, the lead agent will work cooperatively with each of the regional military MTFs (including free standing clinics) in accomplishing the goal of maximizing the most effective use of the direct care system. Knowledge of the regional capacity for the provision of direct care services will enable the lead agent to develop regional policies for referrals, non-availability statement issuance, and specialized treatment services. The Regional Health Services Plan will then be enhanced by the TRICARE Support contract that will both complement health services provided by the direct care system, and provide additional support to the facilities and lead agent as required. However, before awarding any TRICARE Support contract, the DoD will perform economic and other analyses required by law to certify that the costs of the contract do not exceed current costs of standard CHAMPUS. Such certification will take into account any impact on the cost of health care in the direct care system attributable to the TRICARE Support contract.

The success of the TRICARE Program relies to a great extent on inter-Service cooperation and the administrative skills lead agents can bring to bear in the development and execution of the regional health service plans. Thus, the TRICARE Program will foster

KENNER AH

CIVILIAN HOSPITALS



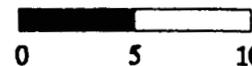
LEGEND KEY

- 5 MILE RINGS
- ZIP CODES
- INTERSTATES
- CITIES
- GENERAL HOSPITALS
- MEDICAL TREATMENT FACILITIES
- SPECIALTY HOSPITALS
- VA HOSPITAL

SOURCE: RCMAS-G



Miles



ARMY RECOMMENDATION

THE ARMY RECOMMENDATION AND JUSTIFICATION IN VOLUME III, ANALYSIS AND RECOMMENDATIONS TO THE BRAC COMMISSION, INCORRECTLY STATES INPATIENT CARE WOULD BE PROVIDED BY OTHER NEARBY MEDICAL ACTIVITIES AND PRIVATE FACILITIES.

THERE ARE NO NEARBY MILITARY MEDICAL ACTIVITIES. THE CLOSEST ONE IS 59 MILES AND AN APPROXIMATE DRIVE TIME OF ONE HOUR AND A HALF ON A GOOD DAY. ALL BUT TWO OF THE PRIVATE FACILITIES ARE OVER ONE HALF HOUR DRIVE TIME.

NOTE MAP OF HEALTH SERVICE OPERATION AREA PROVIDED HEREIN AND CIVILIAN CARE PROVIDERS MAP IN TAB Q.

Fort Lee, VA

- 1. Recommendation:** Realign Fort Lee, by reducing Kenner Army Community Hospital to a clinic. Eliminate inpatient services.
- 2. Justification:** This recommendation, suggested by the Joint Cross-Service Group on Medical Treatment, eliminates excess medical treatment capacity at Fort Lee, VA by eliminating inpatient services at Kenner Army Community Hospital. Inpatient care would be provided by other nearby military medical activities and private facilities through Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).
- 3. Return on Investment:** The total one-time cost to implement this recommendation is \$2 million. The net of all costs and savings during the implementation period is a savings of \$16 million. Annual recurring savings after implementation are \$4 million with a return on investment expected in 1 year. The net present value of the costs and savings over 20 years is a savings of \$51 million.
- 4. Impacts:** Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 321 jobs (205 direct jobs and 116 indirect jobs) over the 1996-to-2001 period in the Richmond-Petersburg, VA Metropolitan Statistical Area, which represents 0.1 percent of the area's employment. There are no known environmental impediments at the realigning or receiving installations.

**CONGRESSMAN NORMAN SISISKY'S QUESTIONS TO DEPARTMENT OF
THE ARMY**

CONGRESSMAN SISISKY'S QUESTIONS RELATIVE TO COST ANALYSIS FOR THIS DECISION
WERE NOT ANSWERED. THE RESPONSE TO THE QUESTION ON IMPACT TO CIVILIAN
EMPLOYEES DOES NOT CORRECTLY REFLECT THE TRUE NUMBERS BASED ON OVERHIRES
THAT WOULD BE ELIMINATED.

**QUESTIONS FROM CONGRESSMAN SISISKY, VIRGINIA
FORT LEE (KENNER ARMY COMMUNITY HOSPITAL)**

1. What services will be reduced or eliminated?

Inpatient services will be eliminated. Emergency room services will most likely be redesignated as an Acute Care Clinic. Current planning may result in development of a "Super Clinic" which will keep the same physician specialty mix with a same day surgery capability.

2. What serviced population will be affected?

All of the active duty, family members of active duty, retirees and family members of retirees within the current community hospital's catchment area will be affected depending upon their duty status and medical condition.

3. Where will the impacted population receive service in the future?

The population that now receives care at Kenner will receive the same care in local hospitals, McGuire VA Medical Center, and other hospitals in the Tidewater Tricare area. Active duty will be treated under the supplemental care program, their dependents, retirees, and family members, that are under age 65, will receive care under the CHAMPUS program. Retirees and their family members who are over 65 will receive care under the Medicare program.

4. What will be the impact on Kenner civilian employees?

The recommendation will result in the elimination of 106 civilian employees.

5. What will be the impact on regional health care providers?

The impact on regional healthcare providers will be minimal. There is sufficient excess capacity within the region to easily absorb the number inpatients seen at Kenner.

6. What are the estimated costs of continuing to provide current services at Kenner?

Specific costs related to hospital operations and maintenance will be provided as soon as available.

7. What are the estimated costs to the government and the recipients of acquiring current services from other sources?

Specific costs related to the government for acquiring current services from other sources will be provided as soon as available.

8. What portions of Kenner Hospital will be upgraded under existing renovation contracts? At what cost? Which portions will be impacted by planned downsizing?

There is only one ongoing renovation contract upgrading Kenner Hospital which affects both inpatient and outpatient areas. The project primarily upgrades the electrical, mechanical and fire protection systems, and modifies the physical plant to meet Life Safety Codes throughout. It also upgrades and expands the laboratory, the pharmacy, and the physical therapy capabilities, all of which would continue to operate on an outpatient basis.

The current total contract, funded by FY 91 and 92 Defense Medical Military Construction Appropriations, is \$15.6 million.

16.8

The ongoing contract will not be affected by the downsizing initiative. The majority of the areas being affected by the renovation project will continue to be utilized as the hospital downsizes.

9. Should management attempt to modify these renovation contracts? What are the potential dollar savings versus future use of the facility -- active or mothball?

Management at all levels began considering the impact of the proposed downsizing on this contract upon release of BRAC list. The construction effort is presently 25% complete, and the contractor is proceeding at a rapid pace. The majority of the work was required to modernize the building systems, and its safety aspects, regardless of the ultimate use of Kenner. Stopping or delaying work for redesign would yield very little savings and could result in increased costs.

Document Separator

**U.S. Army Combined Arms Support Command
and Fort Lee**



FROM MEDDAC TO CLINIC

IMPACT ON 23D BDE

- MEDICAL TDY
 - \$38K (+) IN FY 94
- MEDICAL DISCHARGE PROCESSING
- CLS TRAINING & RECERTIFICATION
- INCIDENCE OF CONTAGIOUS MALADIES
 - INABILITY TO ADMIT FOR 'OBSERVATION'
- COMMUNITY MENTAL HEALTH
- DIET COUNSELING
- COMMAND & CONTROL OF SOLDIERS

DAILY CLINIC VISITS

OPC - Outpatient Clinic

PT - Physical Therapy

PM - Preventive Medicine

MED Clinic - Medical Clinic

EENT - Eye, Ear, Nose & Throat

TMC - Troop Medical Clinic

ER - Emergency Room

GYN - Gynecology Clinic

ADCO - Alcohol & Drug Counseling Office

COBRA CONCERNS

POPULATION

OTHER TENANTS ON ASIP NOT INCLUDED; REDUCES POPULATION NUMBERS BY APPROXIMATELY 2000. CAUSES KENNER POPULATION CHANGE TO BE GREATER PERCENTAGE.

$$190/10778 = .0176\% \text{ CHANGE}$$
$$863 \times .0176\% = 15 \text{ (GARRISON CHG)}$$

SQUARE FOOTAGE

MOTHBALL SQ FT SHOULD BE BASED ON 190 NOT 205 WHICH INCLUDES GARRISON

$$190/424 = .4481 \times 142 = 64,000 \text{ SQ FT MOTHBALLED}$$

$$64,000/5,224,000 = .01225\% \text{ CHANGE IN INSIDE SQ FOOTAGE}$$

SQ FOOTAGE CHANGE USED TO DETERMINE RPMA AND BOS CHANGES

FROM MEDDAC TO CLINIC

IMPACT ON 49TH QM GROUP

WHAT IT MEANS...

- MEDICAL REVIEW BOARDS
- DIETARY COUNSELING
- COMBAT LIFESAVER
- INPATIENT SERVICES

** MEDICAL TDY

** CHAMPUS

*deployable,
permanent*

*when it takes longer
to get them out,
takes longer to
replace them*

- 1/squad

*go from 45 days
to 1 year*

- Family members of AD

FROM MEDDAC TO CLINIC

IMPACT ON 49TH QM GROUP

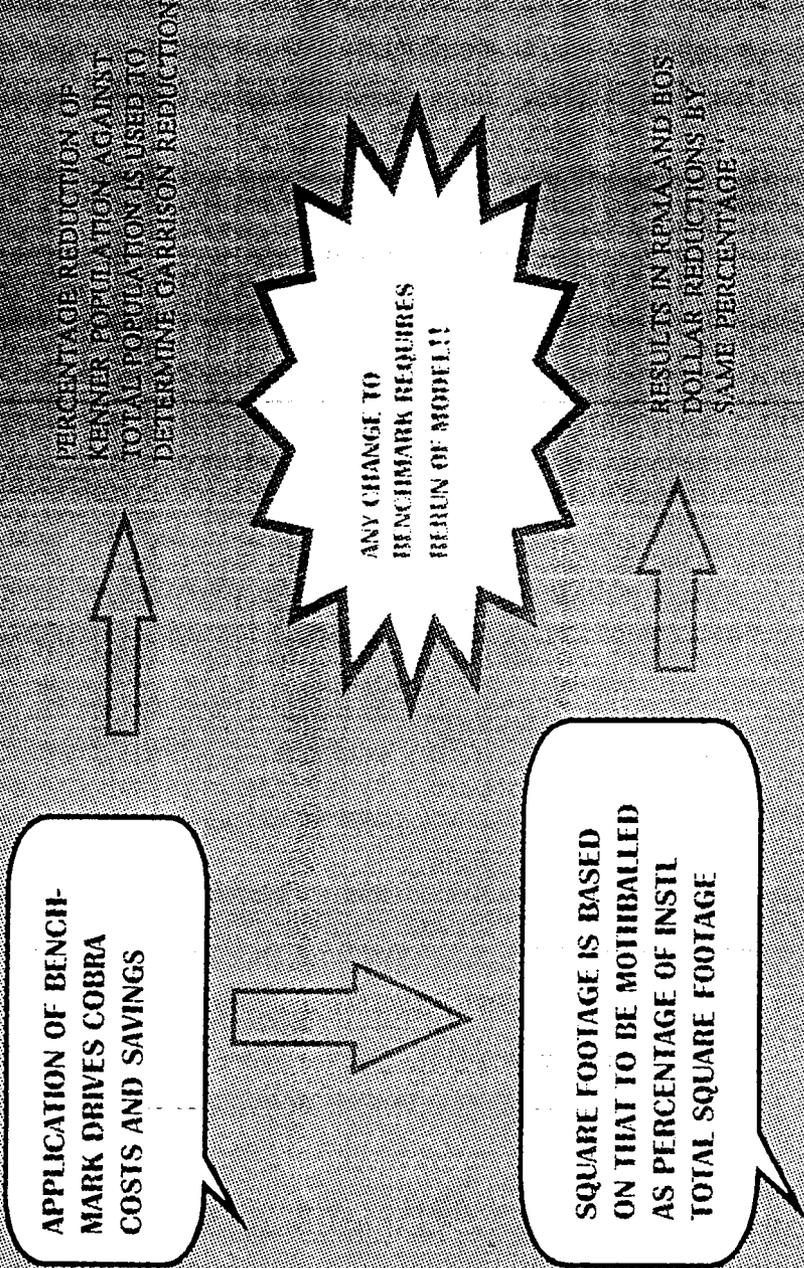
WHAT IT MEANS...

- MEDICAL REVIEW BOARDS
- DIETARY COUNSELING
- COMBAT LIFESAVER
- INPATIENT SERVICES

** MEDICAL TDY

** CHAMPUS

COBRA MODEL



**U.S. ARMY COMBINED ARMS SUPPORT COMMAND & FORT LEE
FORT LEE, VIRGINIA 23801**

BRAC COMMISSION STAFF VISIT

5 APRIL 1995

VISITOR: MR. DAVID LEWIS

STAFF MEMBER, BASE REALIGNMENT/CLOSURE COMMISSION (BRAC 95)

AGENDA

<u>TIME</u>	<u>EVENT</u>	<u>LOCATION</u>	<u>BRIEFER/ESCORT</u>
0950	ARRIVAL- FORT LEE	KENNER ARMY COMMUNITY HOSPITAL	LTC WHEELER
1000-1130	COMMAND BRIEF KACH	TRAILER #9 HOSPITAL AREA	COL BAKER
1130-1215	TOUR	KENNER ARMY COMMUNITY HOSPITAL	LTC WHEELER
1215-1250	LUNCH*	TRAILER #9 HOSPITAL AREA	LTC WHEELER
1250-1300	EN ROUTE TO CASCOM		COL BAKER LTC WHEELER
1300-1330	GREETING/INTRODUCTION WITH CG, CASCOM&FL	LARKIN CONFERENCE CEN	COL GARRETT
1330-1400	CASCOM OVERVIEW BRIEFING	LARKIN CONFERENCE CEN	MS. HALSTEAD
1400-1430	COMMUNITY PRESENTATION	LARKIN CONFERENCE CEN	MG HUNZEKER, USA RET
1430	MR. LEWIS DEPARTS FT LEE		
1430-1445	COMMUNITY MEDIA OPPORTUNITY	LARKIN CONFERENCE CEN	MS. EDER

* KACH STAFF

VISIT

MR. DAVID LEWIS
BRAC 95 COMMISSION STAFF

5 APRIL 1995

TOPICS

TAB

CASCOM OVERVIEW BRIEFING

INTRODUCTION A

CASCOM OVERVIEW B

QMC&S C

ALMC D

DeCA E

HOSPITAL F

FT LEE INTRASTRUCTURE G

QUALITY OF LIFE H

MOBILIZATION I

MISCELLANEOUS INFORMATION J

- o NEWSPAPER ARTICLE, 23 NOV 94
- o FT LEE INFORMATION PAPER
- o TENANT ORGANIZATIONS' MISSIONS
- o FT LEE DEMOGRAPHICS/OTHER DATA
- o ACRONYM DEFINITIONS



United States Army
Combined Arms
Support Command
and Fort Lee

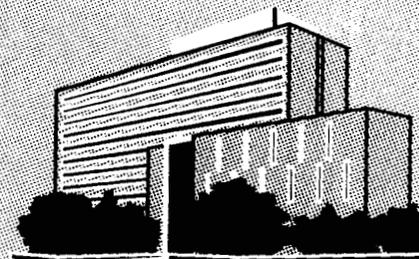
Home of the
Quartermaster Corps



FT LEE INSTALLATION ASSETS

\$

- TOTAL ACREAGE = 5,574
BUILDABLE ACRES = 652



- TOTAL STRUCTURES 7.4 MIL SQ FT
VALUED AT: 1994 = \$276.9 MIL
1989 = \$160.4 MIL

- PERMANENT FACILITY = 84%

- AVG AGE OF FACILITIES = 33.5 YRS

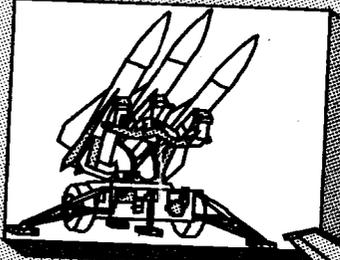
- MILCON COST FACTOR = .83

(LOCATION COST FACTOR BY ARMY CORPS OF ENGINEERS)

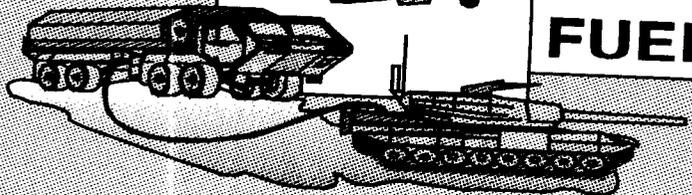
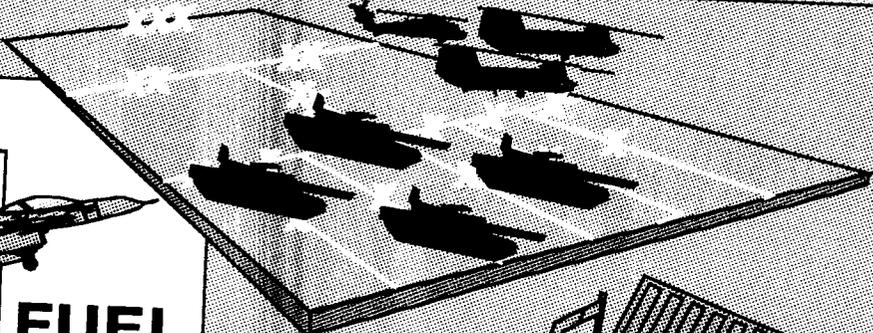
AS OF MAR 95

LOGISTICS

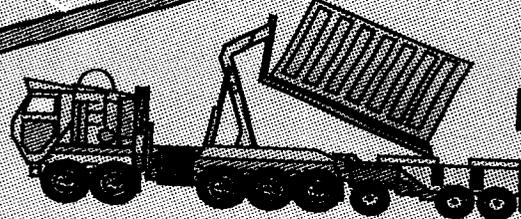
LOGISTICS IS THE ART & SCIENCE OF SUSTAINING MILITARY FORCES ON THE BATTLEFIELD



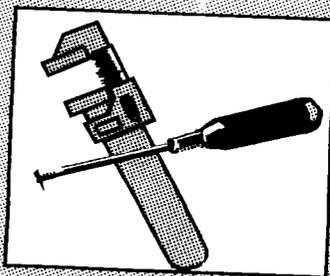
ARM



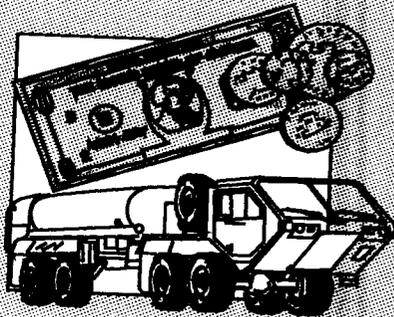
FUEL



MOVE



FIX



SUSTAIN



MAN

**COMMAND & CONTROL
DCG, TRADOC
CG, CASCOM**

FT LEE, VA

• QMC&S

FT LEE, VA

• ALMC

FT LEE, VA

• ORDC&S

APG, MD

• OMMC&S

REDSTONE, AL

• AVLOG

FT EUSTIS, VA

• TRANS

FT EUSTIS, VA

• SSI*

FT BEN HAR, IN &

FT JACKSON, SC

• AMEDD

FT SAM, TX

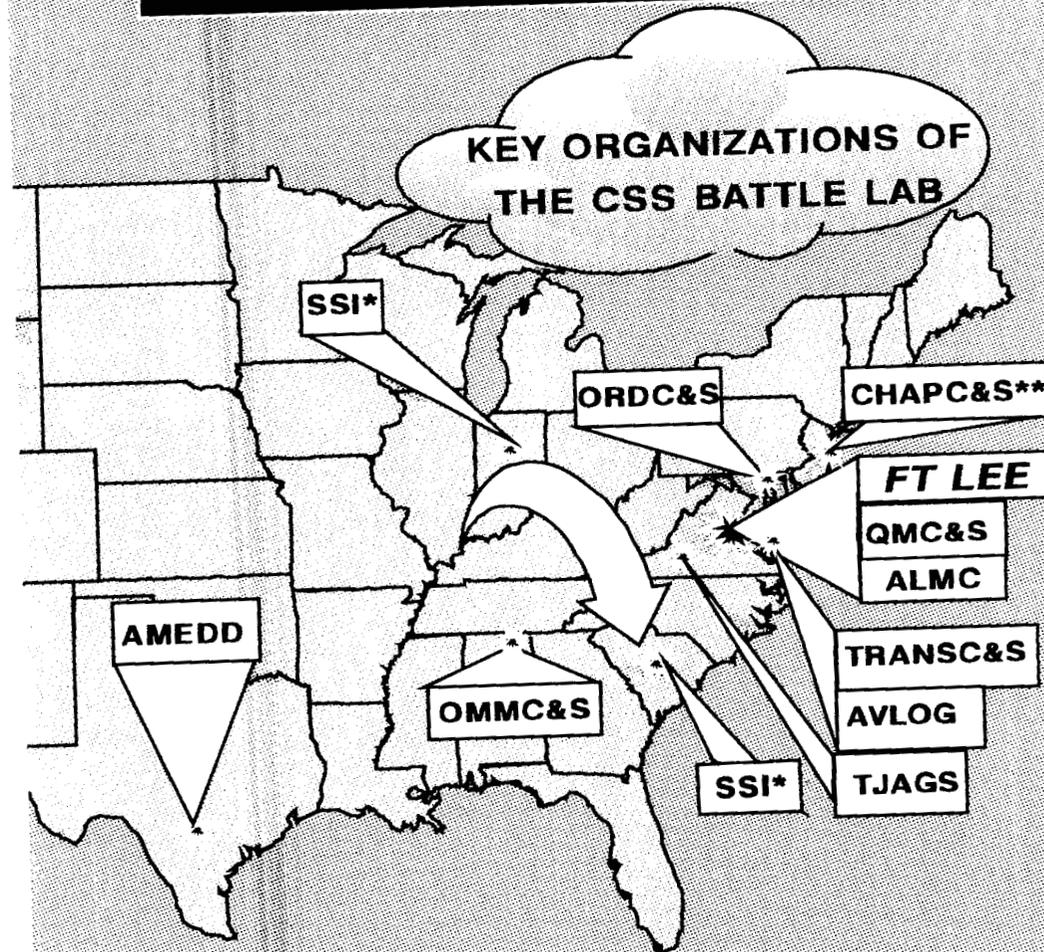
• CHAPLAIN**

FT MONMOUTH, NJ

• TJAGS

CHARLOTTESVILLE, VA

COMMAND AND CONTROL

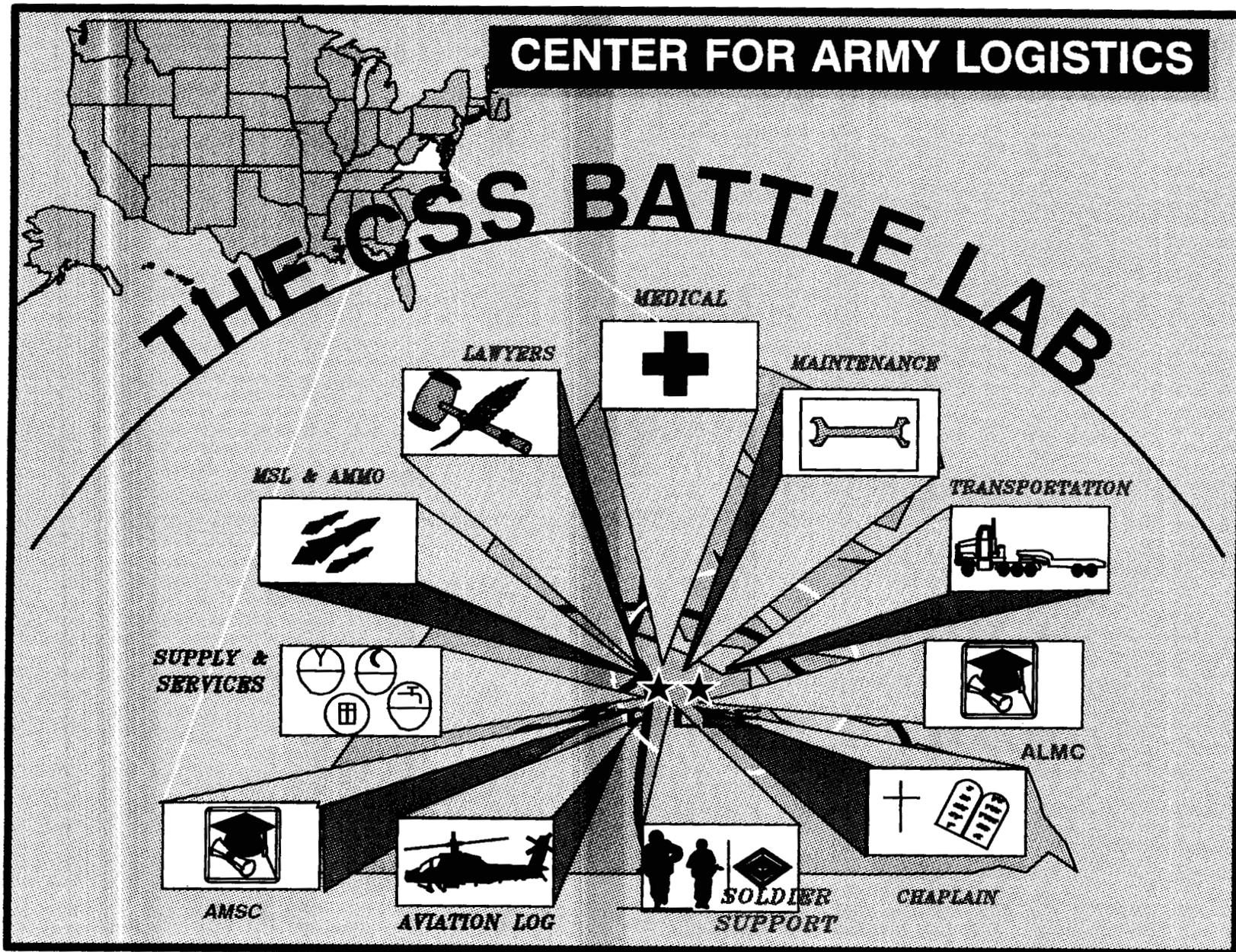


* BRAC 91 DECISION-SSI RELOCATE TO FT JACKSON
START SEP 94, CLOSE FT BEN HARRISON SEP 96

** BRAC 93 DECISION - CHAP SCH RELOCATE
NOV 95 - JAN 96 TO FT JACKSON

CENTER FOR ARMY LOGISTICS

THE OSS BATTLE LAB



FT. LEE MISSION AREAS

A Multifunctional Installation



COMMANDER
COMBINED ARMS
SUPPORT COMMAND, TRADOC



QUARTERMASTER GENERAL



INFORMATION SYSTEMS



DEFENSE
COMMISSARY AGENCY



ADVANCED INDIVIDUAL
TRAINING



MULTIFUNCTIONAL
LOGISTICS



DEFENSE ACQUISITION



NONCOMMISSIONED OFFICER
LEADER DEVELOPMENT

CSS ACTIVITIES

AND
20 OTHER
ORGANIZATIONS

49TH SPT GRP (P&W)
240TH QM BN



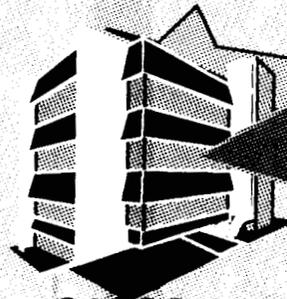
QM SCH



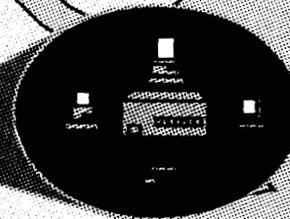
TRAC LEE



PM ILOGS



CASCOM
CSS BATTLELAB



ISC



ALMC

FT LEE JOINT SYNERGY

QUARTERMASTER CENTER & SCHOOL

CONDUCTS JOINT SERVICES TRAINING (ITRO) FOR ARMY, MARINE CORPS, NAVY & AIR FORCE. ALSO TRAINS ALLIED FORCES, DOD/DA CIVILIANS.

LOGISTICS EXERCISE & SIMULATION CENTER, CASCOM

BATTLE SUPPORT CENTER PARTICIPATES IN JOINT AND COMBINED CINC EXERCISES.

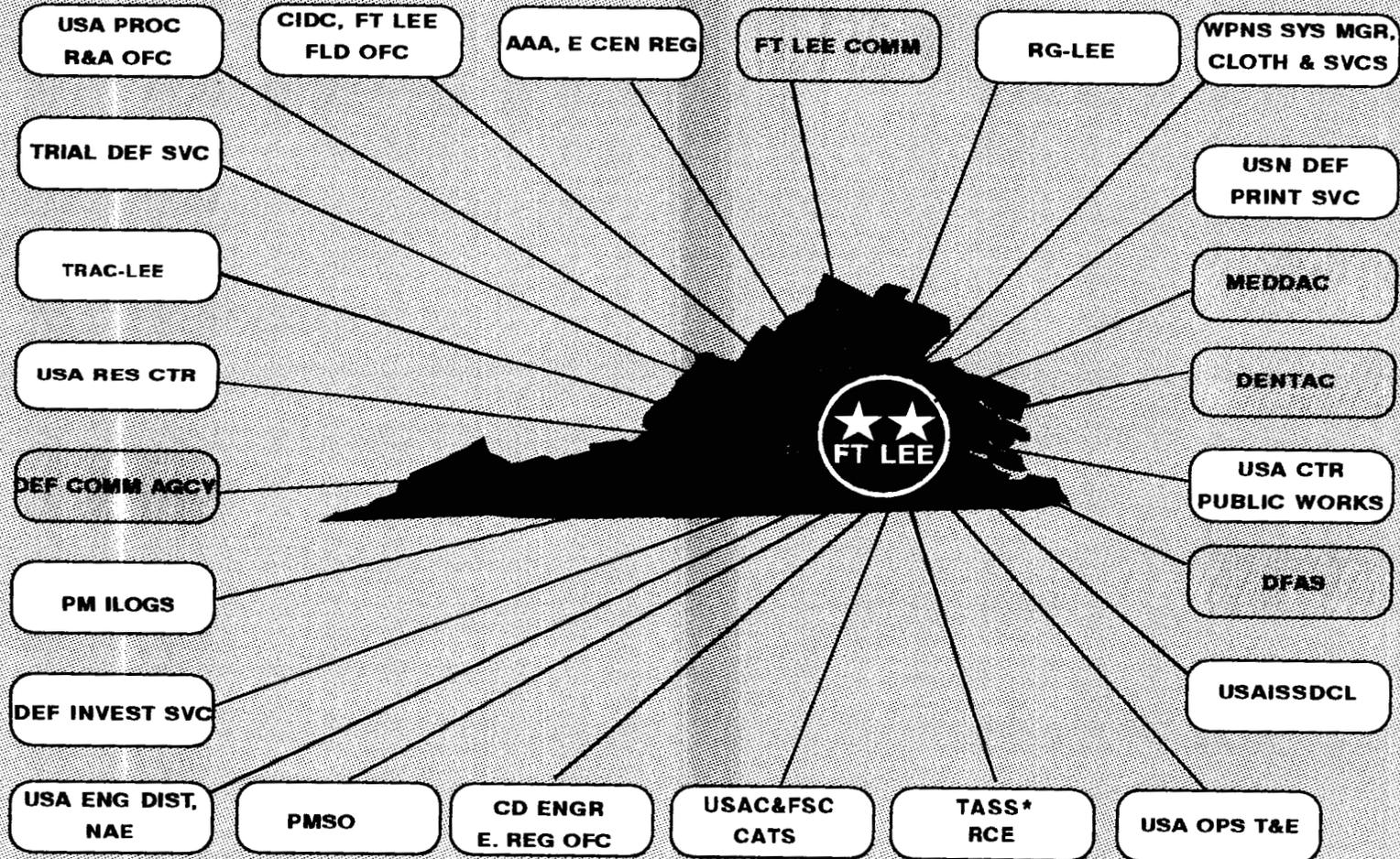
ALMC

41% OF ALMC COURSES ARE JOINT TRAINING COURSES. ALL SERVICES ARE REPRESENTED ON THE ALMC FACULTY INCLUDING THREE INTERNATIONAL OFFICERS.



FORT LEE TENANTS

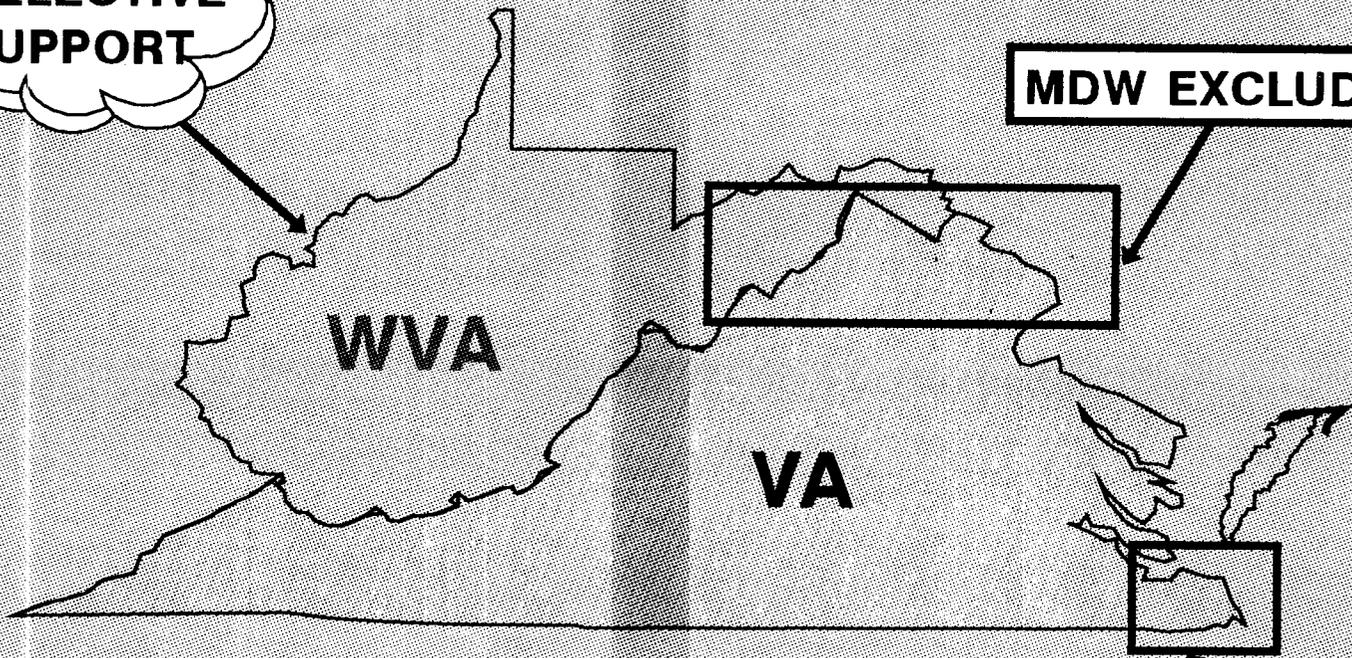
 = DBOF



* ADVANCE PARTY IN JUN 95—OPERATIONAL OCT 95

FORT LEE EXTERNAL SUPPORT

SELECTIVE
SUPPORT

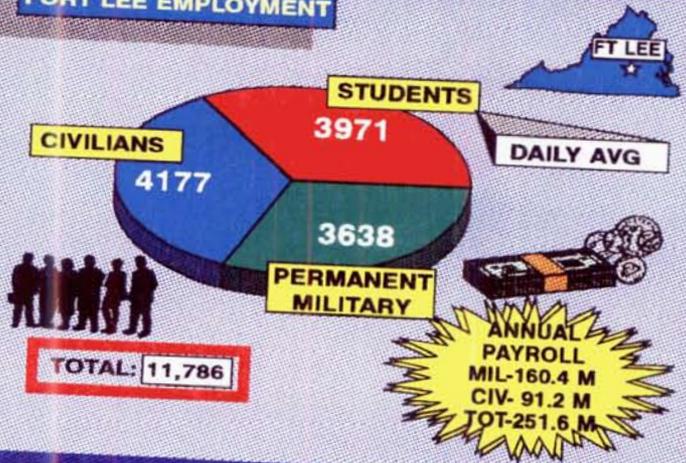


- BASE OPERATIONS SUPPORT EXAMPLES**
- LOGISTICAL
 - ENGINEERING
 - SAFETY
 - PERSONNEL
 - TNG/AUDIOVISUAL
 - PUBLIC AFFAIRS
 - PROVOST MARSHAL

TIDEWATER PENINSULA
EXCLUDED

DATA COMPARISON

FORT LEE EMPLOYMENT



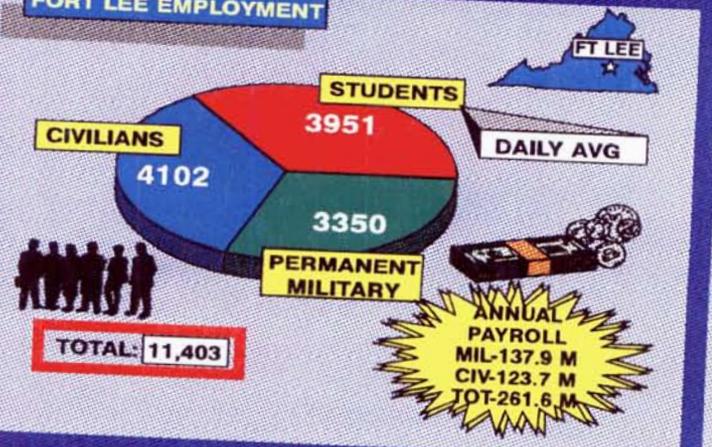
FORT LEE FACTS
JANUARY 1994



FORT LEE FACTS
JANUARY 1995



FORT LEE EMPLOYMENT

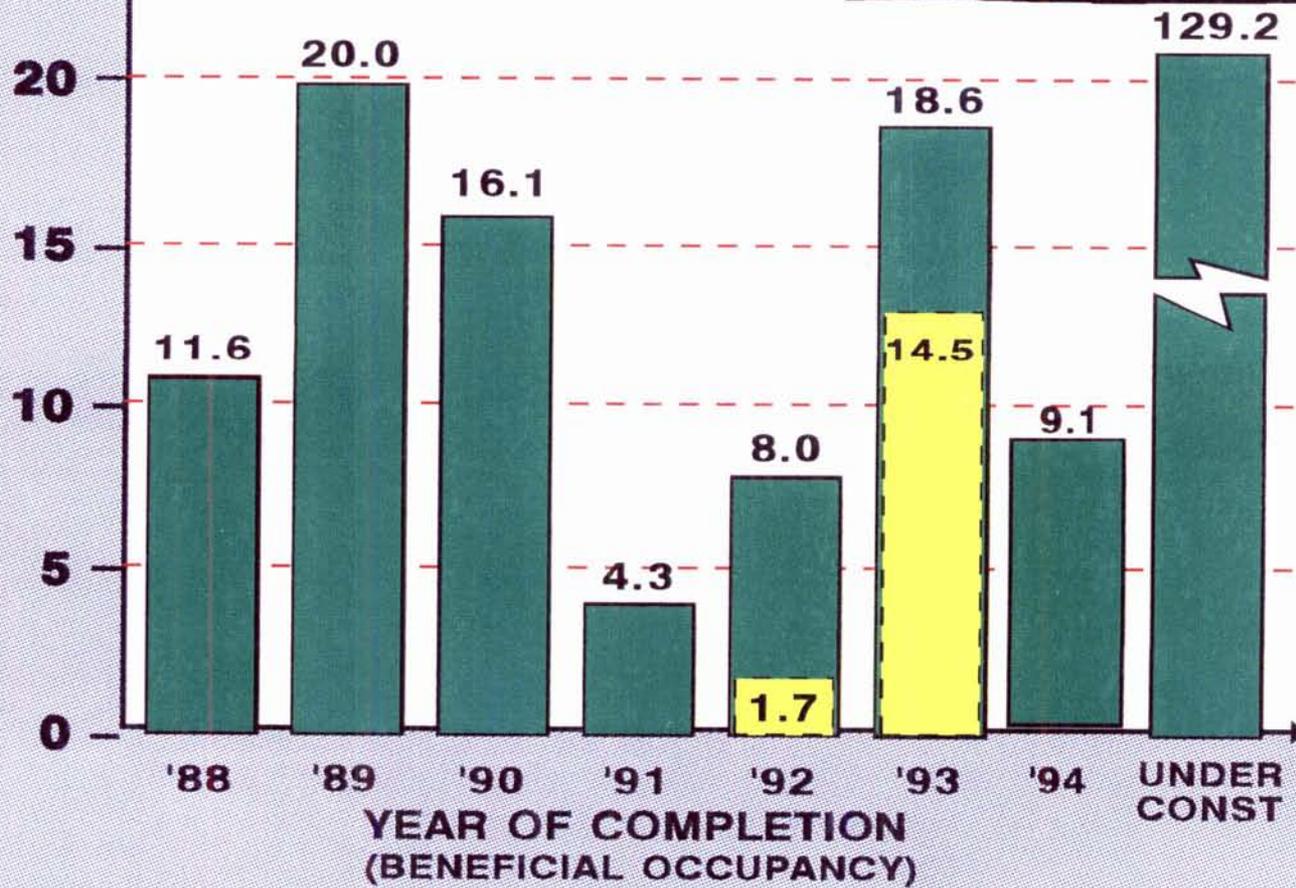


17 MAR 95

CONSTRUCTION

(MILLIONS)

\$



\$216.9M
\$16.2M (BRAC)

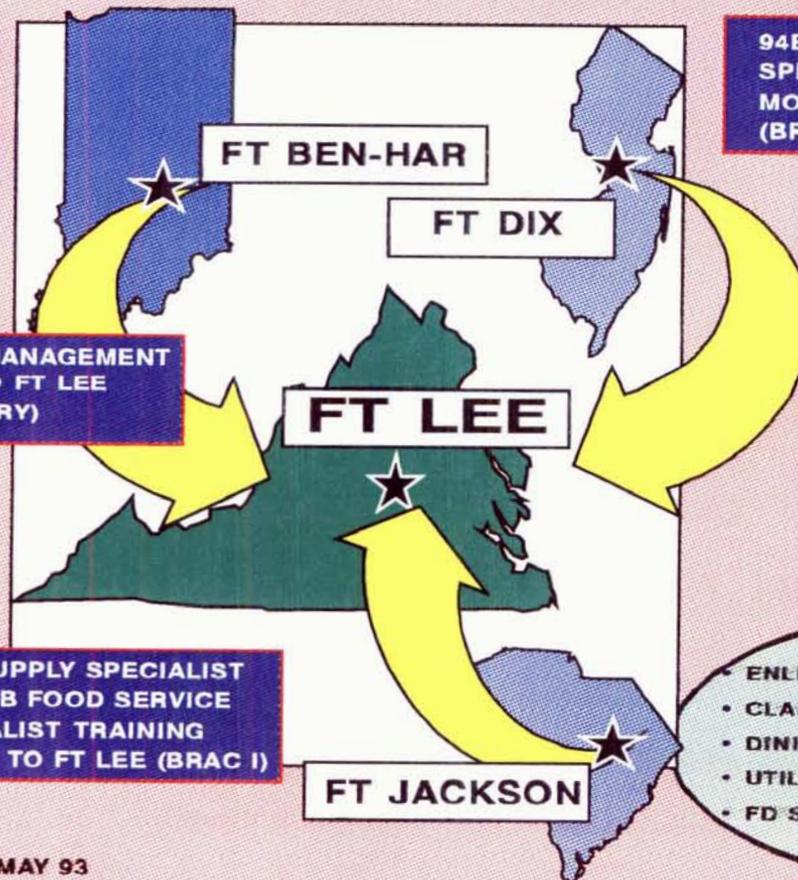
PRIOR BRAC DECISIONS

TRADOC ANALYSIS
COMMAND ELEMENT
CONSOLIDATED AT
FORT LEE (BRAC 91)

FOOD AND BEVERAGE MANAGEMENT
COURSE RELOCATED TO FT LEE
(BRAC 91 DISCRETIONARY)

76Y* SUPPLY SPECIALIST
AND 94B FOOD SERVICE
SPECIALIST TRAINING
MOVED TO FT LEE (BRAC I)

94B FOOD SERVICE
SPECIALIST TRAINING
MOVED TO FT LEE
(BRAC I)



TOTAL: \$16.2M
NEW CONSTRUCTION

• ENLISTED BARRACKS	\$5.3M
• CLARKE FITNESS CENTER	\$2.8M
• DINING FACILITY	\$2.8M
• UTILITY UPGRADE	\$1.7M
• FD SVC TRAINING FACILITY	\$3.6M

*CHANGED TO 92Y 1 MAY 93

CASCOM REORGANIZATION ACTIONS

ADMIN OVERHEAD
REDUCED

COMBAT
DEVELOPMENTS
CONSOLIDATION

AR 5-10 INITIATIVES
APPROVED BY
SECARMY 26 JAN 94

EVALUATION
AND
STANDARDIZATION
CONSOLIDATION

ORDNANCE



FT LEE

QUARTERMASTER

TRAINING
DEVELOPMENTS
CONSOLIDATION
(CURRICULUM
DEVELOPMENT
CENTER)

TRANSPORTATION

APPROX SAVINGS:
980 MILITARY/CIVILIANS
\$37 MILLION

CASCOM &
FT LEE:
FOCAL POINT
FOR FUTURE
OF CSS I

**U.S. ARMY COMBINED ARMS SUPPORT COMMAND & FORT LEE
FORT LEE, VIRGINIA**

27 January 1995

POST POPULATION

Military	3,350
(Officers)	(623)
(Enlisted)	(2,727)
Family Members	5,332
(On Post)	(2,817)
(Off Post)	(2,515)
Civilian Employees	3,053
NAF Employees	491
AAFES Employees	474
Commissary Employees	84
Contractor Employees	1,215
Retired Personnel	18,512
(Survivors & Family Members)	39,765
Students (Avg Daily Load)	3,951
(QMC&S)	(2,552)
(ALMC)	(510)
(REF Trainees)	(726)
(AG School)	(159)
(MEDDAC)	(4)
Reserve Training (Avg Man Months)	192

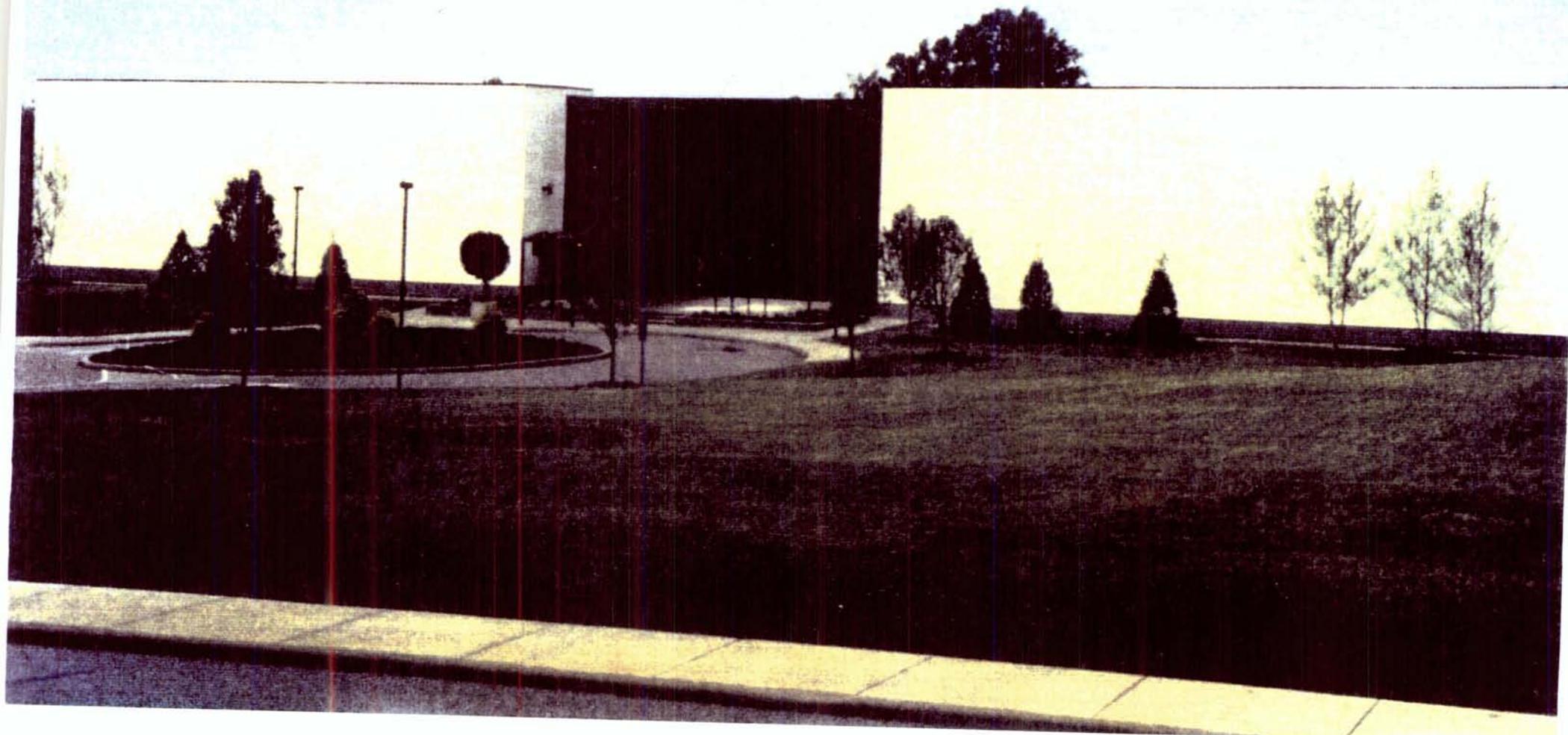
FINANCIAL (Annual)

Civilian Payroll (Net)	\$137,899,169
Military Payroll (Net)	113,911,589
NAF Payroll (Net)	3,392,839
AAFES Payroll (Net)	4,033,507
Commissary Payroll	2,400,000
Commissary Sales (Gross)	30,566,626
AAFES Sales (Gross)	45,187,734
Transportation & Travel	9,840,199
NAF Local Purchases	1,942,378
Rental and Utilities	11,825,776
Supplies/Equipment	20,744,003
Fixed Assets - Land, Bldg, Equip, Etc.	307,337,464
CY 94 Major Construction Army Projects Completed	6,300,000
CY 95 Major Construction Army Projects Completions Projected	27,800,000
Stock Fund - Inventory	2,250,000
Stock Fund - Net Sales	24,292,168
Contractual Services	70,873,979*
(PMILOCS - 338 Contractor Manyears)	(21,970,000)**
(DCL - 70 Contractor Manyears)	(6,000,000)
(CASCOM - 24 Contractor Manyears)	(1,470,000)
(Small Business)	(14,371,593)
(Small Business - Disadvantaged)	(4,192,797)
(Small Business - Woman Owned)	(1,487,525)

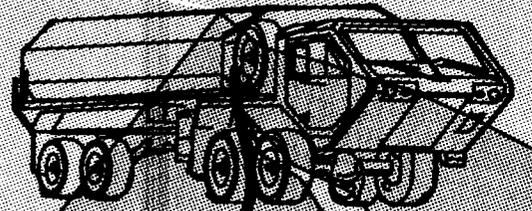
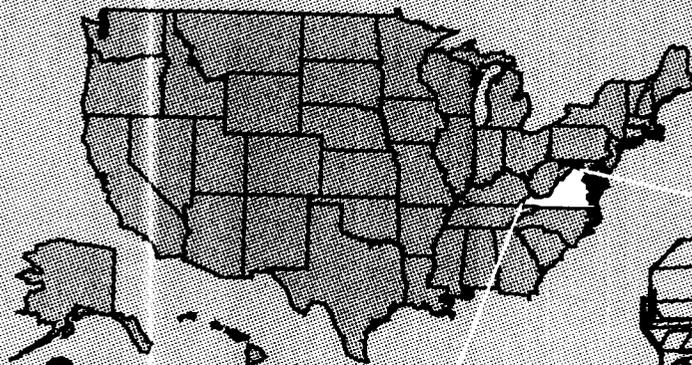
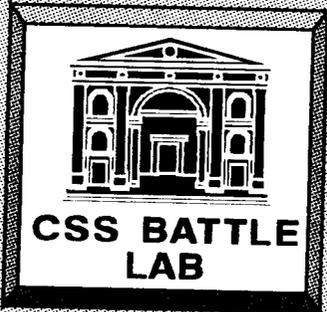
* Memo entries are provided as additional information; do not add to total Contractor Services.

** FY 94

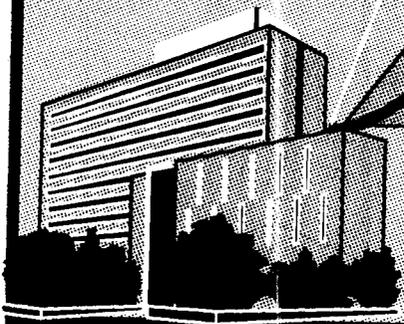
CASCOM



CASCOM MISSIONS



CONCEPTS & DOCTRINE

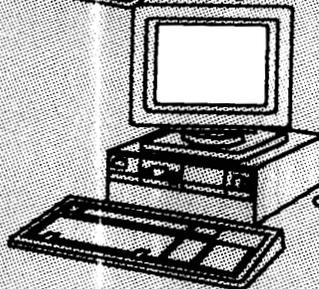
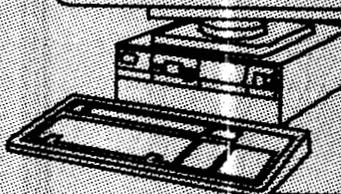


CASCOM (GARRISON)		CASCOM (MISSION)	
MILITARY	177	MILITARY	348
CIVILIAN	686	CIVILIAN	387
CONTRACTOR	372	CONTRACTOR	29
FUNDING	\$65.9 MIL	FUNDING	\$34.2 MIL

SOFTWARE DEVELOPMENT CENTER - LEE

DESIGN, DEVELOP, TEST, FIELD, AND MAINTAIN
ASSIGNED STANDARD ARMY MANAGEMENT
INFORMATION SYSTEMS (STAMIS)

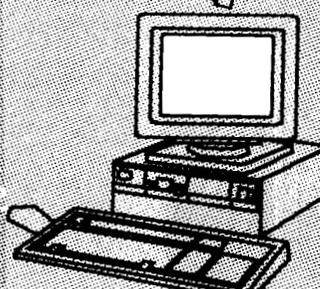
MISSION



PROCUREMENT



LOGISTICS



ENGINEER



SUBSISTENCE

PERSONNEL: MILITARY 202
CIVILIAN 412 TOTAL 1,101
CONTRACTOR 487

FUNDING - \$62.5 MILLION

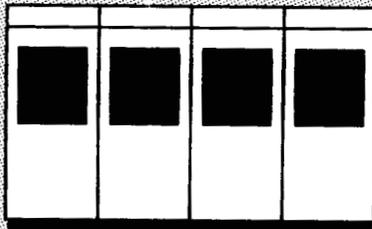
BATTLE SUPPORT CENTER

DEFENSE SIMULATION
INTERNET



- CLASSIFIED EXERCISES
- CLASSIFIED ANALYSES
- NETTED W/ OTHER SIMULATION CENTERS

HIGH TECH, MULTI-USE, SECURE 46,000 SQ FT TRNG FACILITY
\$ COST FOR UPGRADES - \$5.9M
***BLDG DESIGN/CONSTRUCTION - \$4.5M**
***EQUIPMENT/COMMUNICATIONS - \$1.4M**

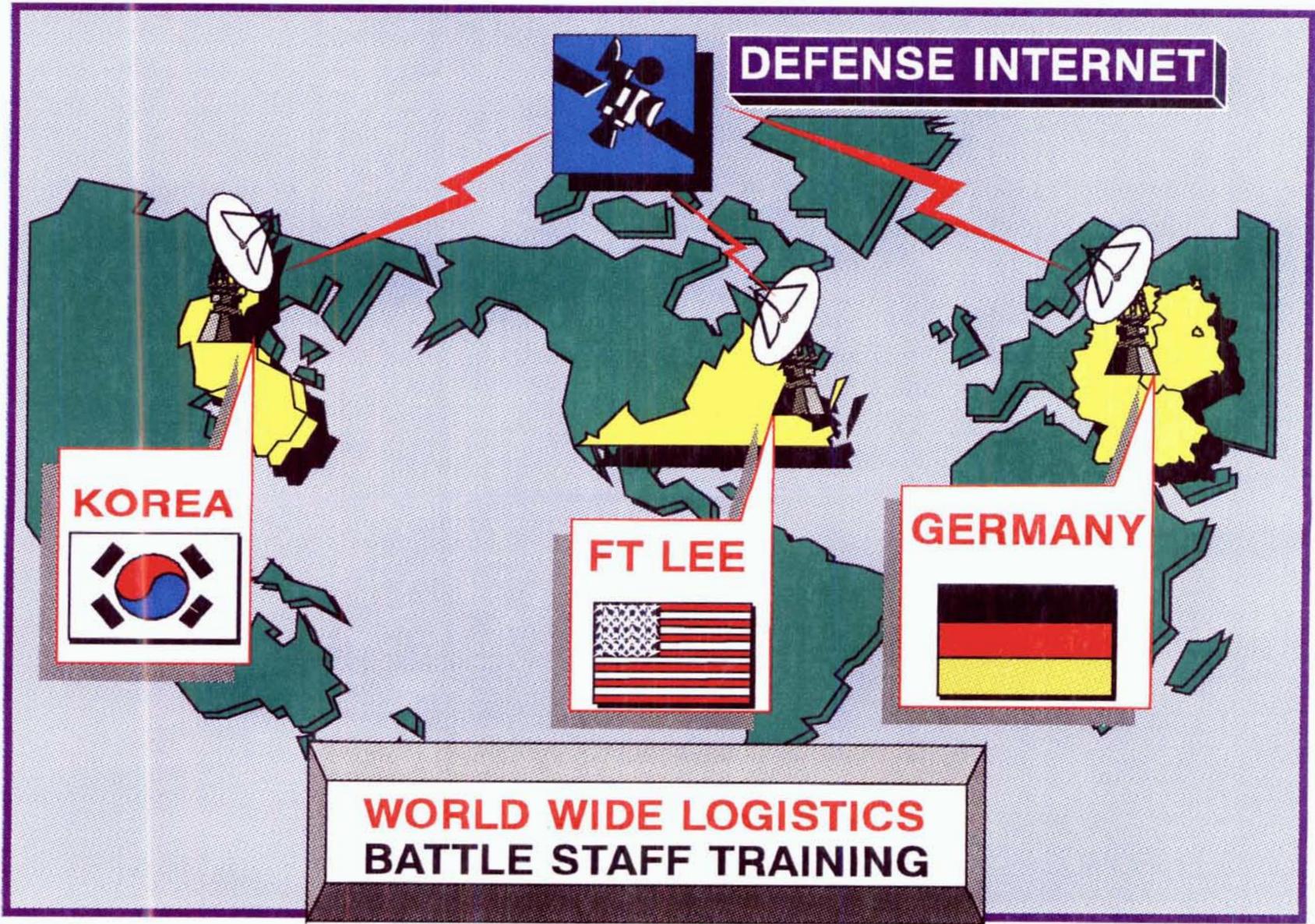


LOGISTICS
SIMULATION
CENTER FOR THE
ARMY

**LOGISTICS
TRAINING
CENTER**



EXERCISE CONTROL CENTER



QMC&S



QUARTERMASTER SCHOOL MISSIONS



**TRAINING
DEVELOPMENT**



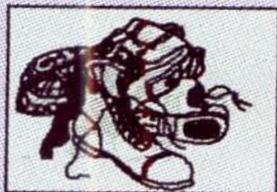
MORTUARY AFFAIRS



FOOD SERVICE

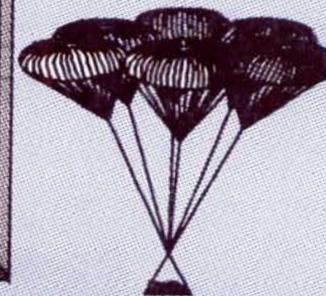


**AUTOMATED
LOGISTICS**

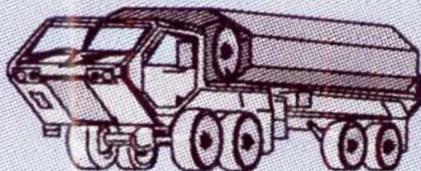


**FABRIC REPAIR &
LAUNDRY & BATH**

**PERSONNEL: MILITARY 873
CIVILIAN 212
TOTAL 1085
FUNDING \$16.3MIL
STUDENTS: 17,183 FY 94**



PARACHUTE RIGGERS



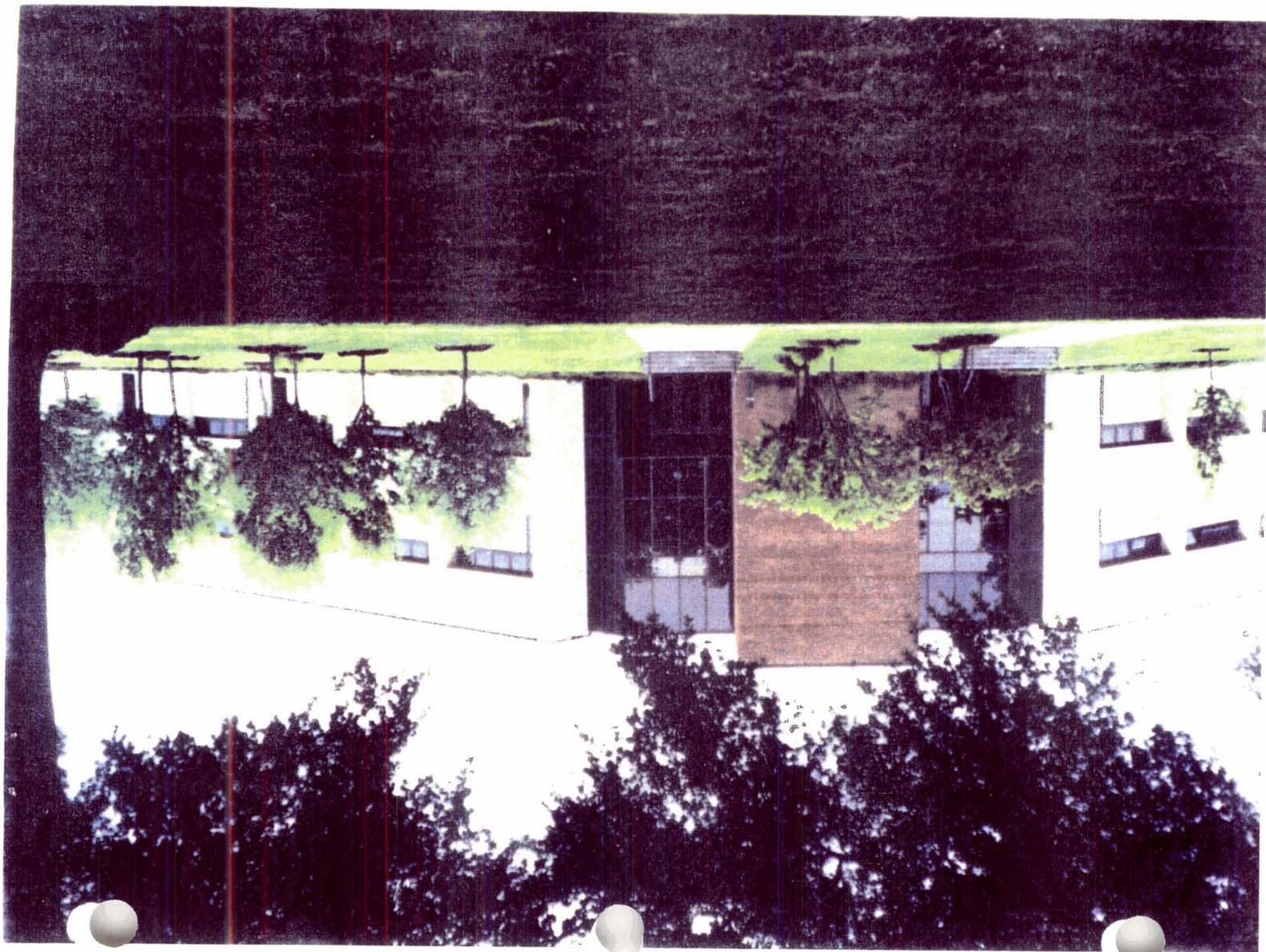
PETROLEUM



WATER



GENERAL SUPPLY



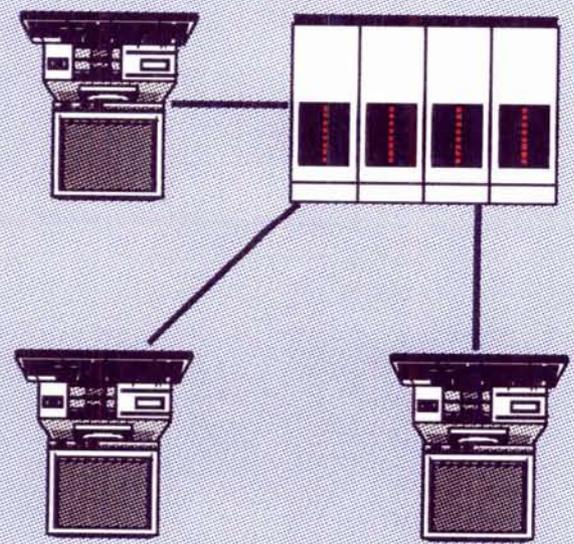
LOGISTICS TRAINING DEPARTMENT



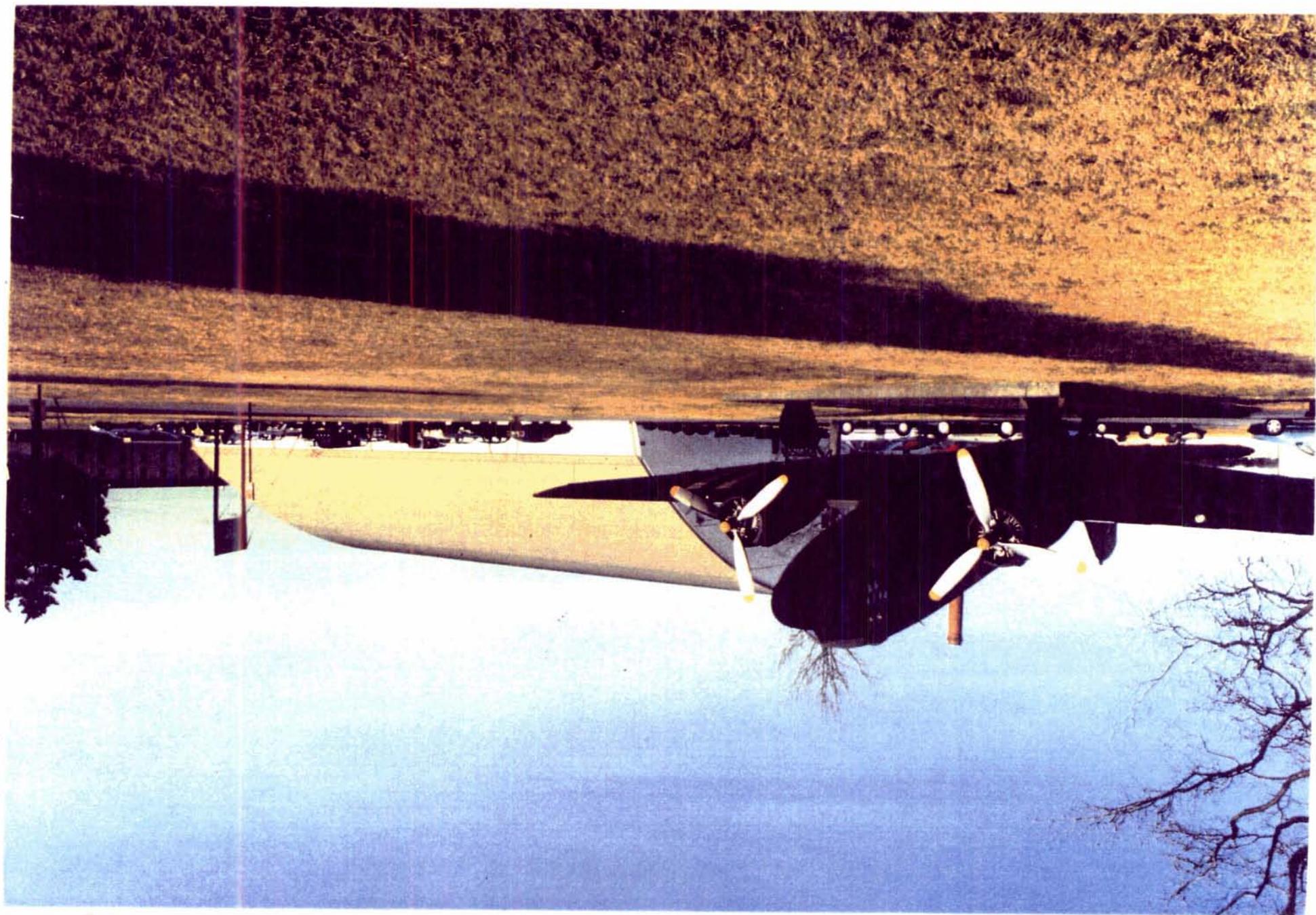
FACILITIES
-300,000 SQ FT
-\$27.3 MIL
-70 CLASSROOMS
-TWO SHIFTS
-30 AUTOMATED
--21 SPECIALIZED
-LABS
--SMALL ARMS
--WAREHOUSE
--LOGMARS

**DEVELOPMENT OF
KEY BATTLEFIELD
AUTOMATED
LOGISTICAL
SYSTEMS**

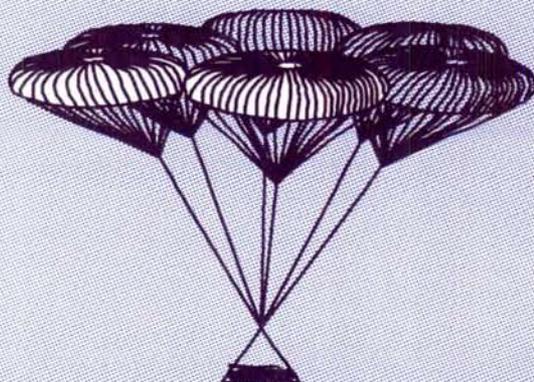
TRAINS
-TOTAL ARMY
-SUPPLY OFFICERS
-SUPPLY WARRANT OFFICERS
-NON-COMMISSIONED OFFICERS
-SUPPLY SPECIALISTS





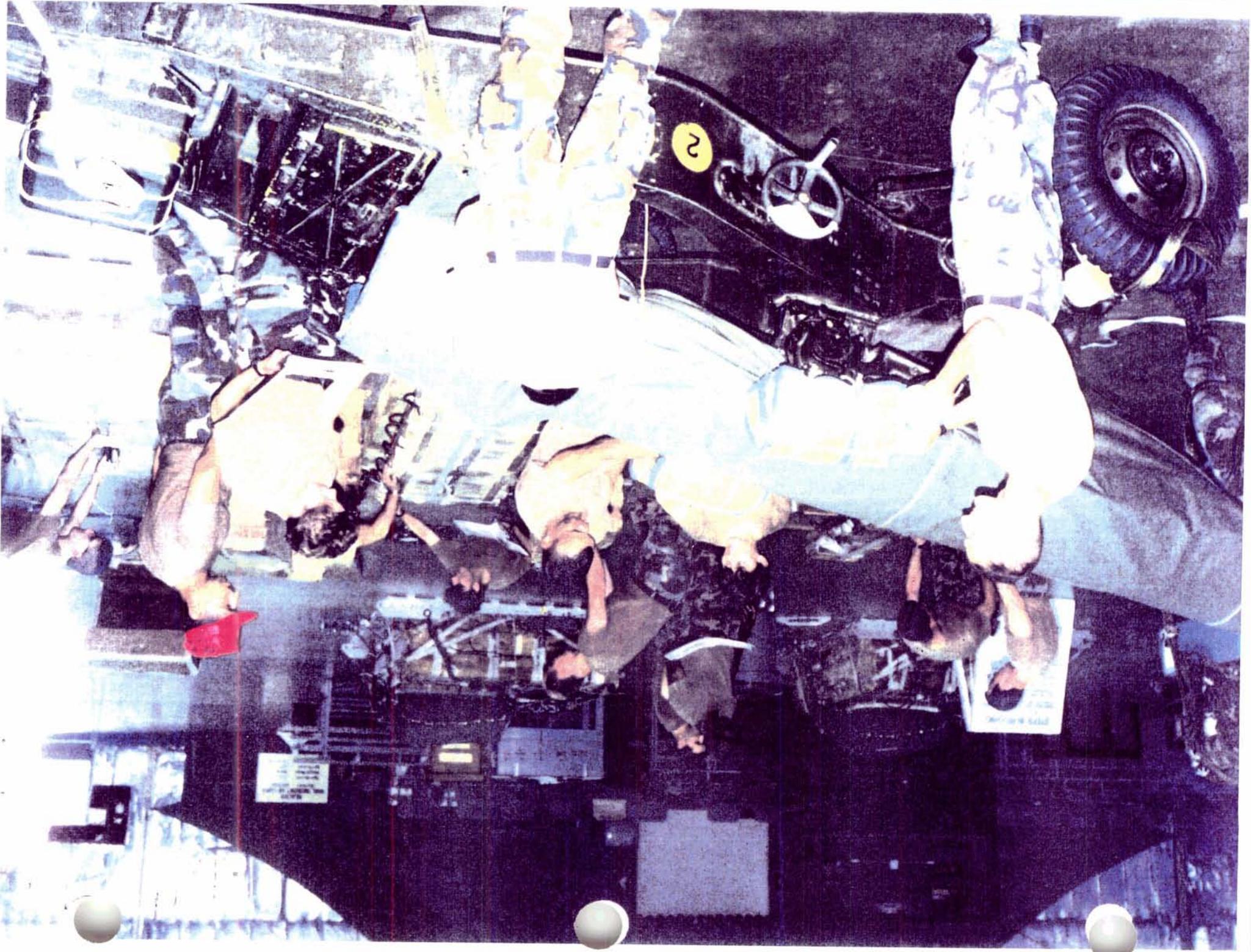


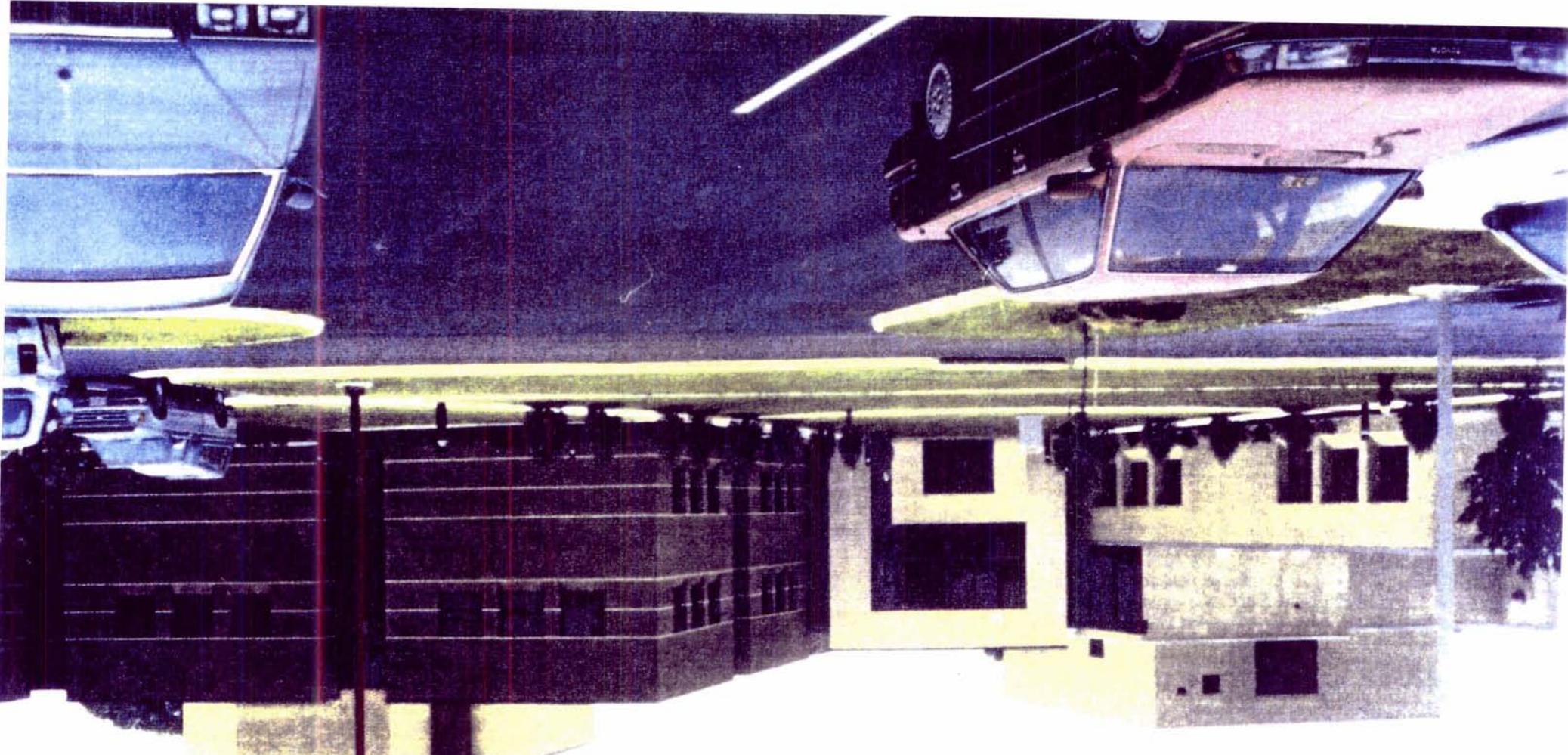
AIRBORNE & FIELD SERVICES DEPT



- ★ **ONLY DOD RIGGER COURSE**
- ★ **CONDUCTS 5 ITRO COURSES FOR ARMY, AIR FORCE, NAVY, & MARINE CORPS**
- ★ **DROP ZONES CONSISTING OF 1,060,000 SQUARE YARDS**
- ★ **1,349 PERSONNEL TRAINED DURING FY 94**
- ★ **\$5.0 MILLION IN FACILITIES**
- ★ **126,661 SQUARE FEET OF ADMIN TRAINING SITES WITH 27 LABS AND 10 CLASSROOMS**

MISSION - PROVIDE ALL DOD TRAINING FOR PARACHUTE RIGGERS, AIRDROP LOAD INSPECTORS, AND FABRIC REPAIR SPECIALISTS. DEVELOP TRAINING SUPPORT MATERIALS, AIRDROP RIGGING MANUALS, AND SERVE AS THE DOD FIELD PROPONENT FOR AR 59-4 (MALFUNCTION REGULATION).



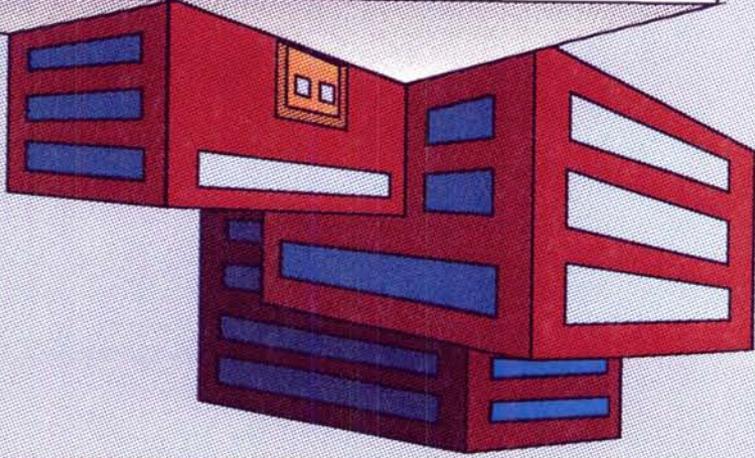


PRIOR BRAC ACTION
FOOD TNG FAC
ADDITION
\$ 3.60 M

ARMY CENTER OF EXCELLENCE, SUBSISTENCE

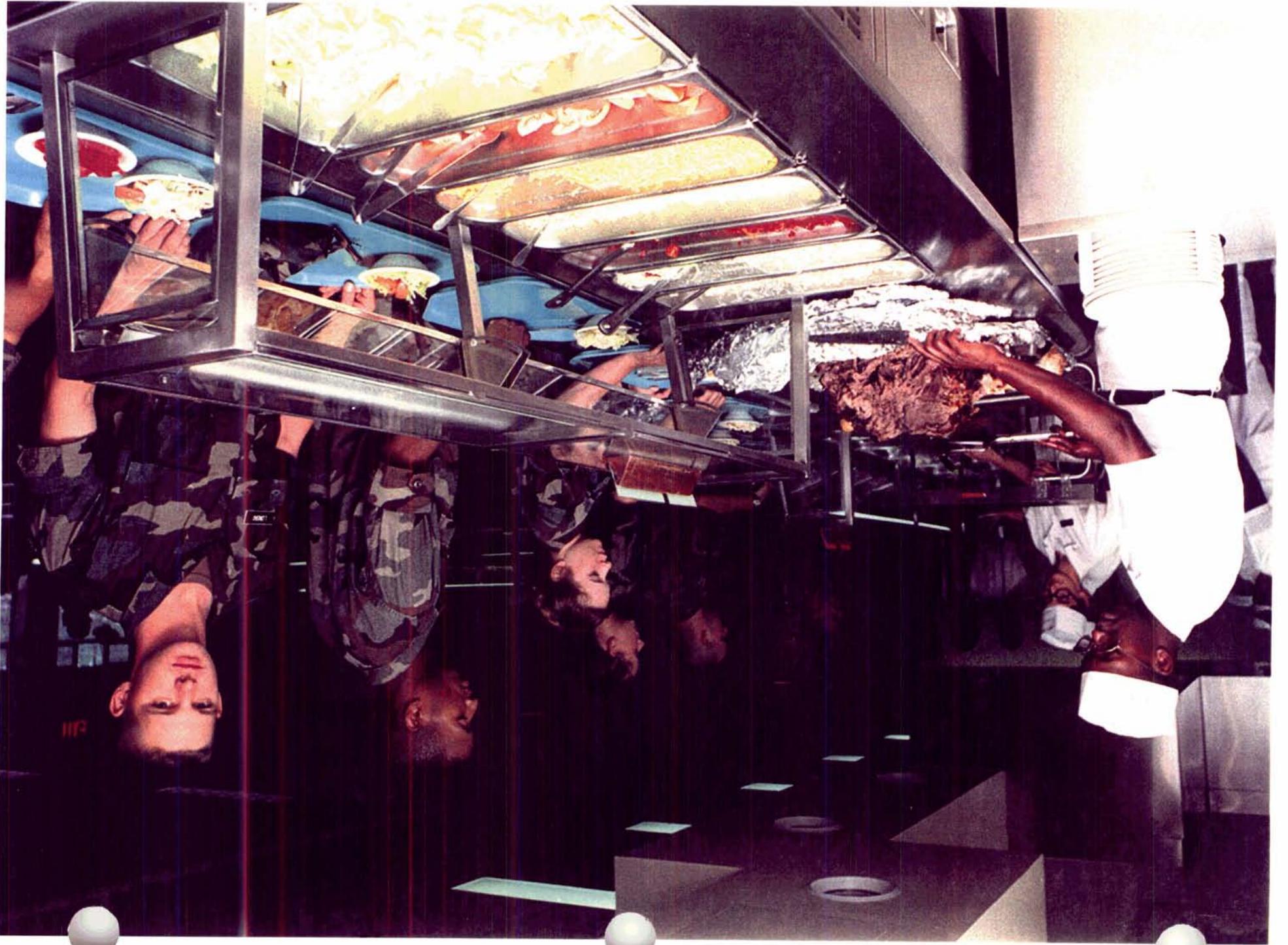
ESTABLISHED BY CHIEF OF STAFF, ARMY, IN 1989, THE CENTER MERGES FOOD SERVICE AND SUBSISTENCE DOCTRINE AND EQUIPMENT, THIS QUALITY INSTRUCTION PRODUCES QUALIFIED AND COMPETENT ARMY AND MARINE CORPS (ITRO APPROVED 31 MAR 94) FOOD SERVICE PERSONNEL.

TWO NEW BRAC I FOOD SERVICE TRAINING FACILITIES, WHICH INCLUDE A HANDS-ON TRAINING /FEEDING DINING FACILITY, OPENED IN 1993. ACES CONSISTS OF 111,865 SQ FT OF CLASSROOM & LAB FACILITIES AND ACCOMMODATES OVER 5,000 STUDENTS EACH YEAR.

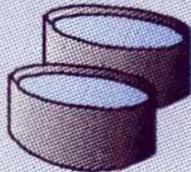


ACES HAS RESPONSIBILITY FOR THE **WORLDWIDE** ARMY FOOD PROGRAM MISSION WHICH INCLUDES TRAINING FOR ALL ARMY & MARINE CORPS PERSONNEL IN FOOD SERVICE AND CLASS I SUPPLY, AND PROVIDING COMMAND & CONTROL FOR THE ARMY FOOD SERVICE PROGRAM.





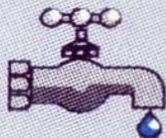
PETROLEUM AND WATER DEPARTMENT



PWD CONDUCTS PETROLEUM AND WATER PURIFICATION TRAINING FOR ARMY, MARINE CORPS, AND NAVY PERSONNEL.



\$8.3 MILLION TRAINING BUILDING UNDER CONSTRUCTION, WILL BE COMPLETED IN APR 95

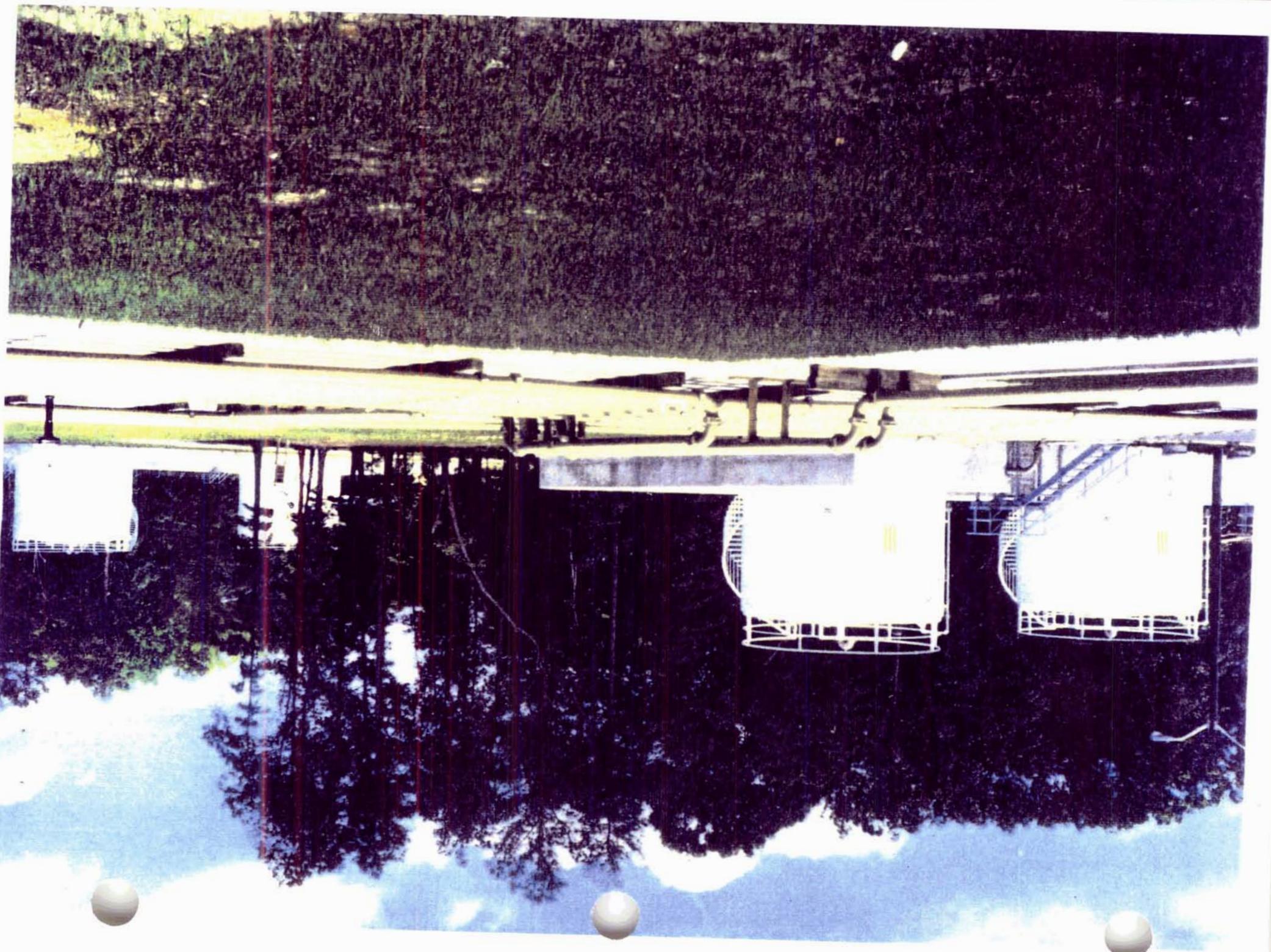


FT LEE PWD TRAINING FACILITIES INCLUDE A PETROLEUM LAB, TACTICAL EQUIPMENT FACILITY, PETROLEUM PIPELINE FACILITY, AND SEVERAL WATER PURIFICATION AND DISTRIBUTION FACILITIES



\$6 MIL

FT LEE'S PIPELINE TRAINING FACILITY IS ONLY DOD RESOURCE CAPABLE OF TRAINING COMBAT CRITICAL TASKS FOR INLAND PETROLEUM DISTRIBUTION AND FIXED PETROLEUM FACILITY OPERATIONS



PETROLEUM & WATER DEPARTMENT PETROLEUM & LABORATORY DIVISIONS

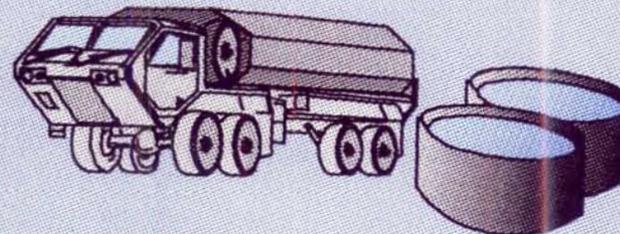


**MISSION - TO PROVIDE PETROLEUM
SUPPLY AND LABORATORY SPECIALIST
TRAINING TO ARMY, MARINE CORPS,
AND SELECT NAVY PERSONNEL**

UNIQUE CAPABILITIES

**-ONLY DOD ENVIRONMENTALLY
APPROVED TRAINING INLAND PETROLEUM
DISTRIBUTION.**

**-CERTIFIED PETROLEUM LABORATORIES
FOR TRAINING AND PERFORMING ALL DOD
FUEL TESTING.**



**FACILITIES: 21 CLASSROOMS, 2 LABORATORIES
(15,000 SQ. FT.), & 53 ACRES OF HANDS-ON
TRAINING FACILITIES.**

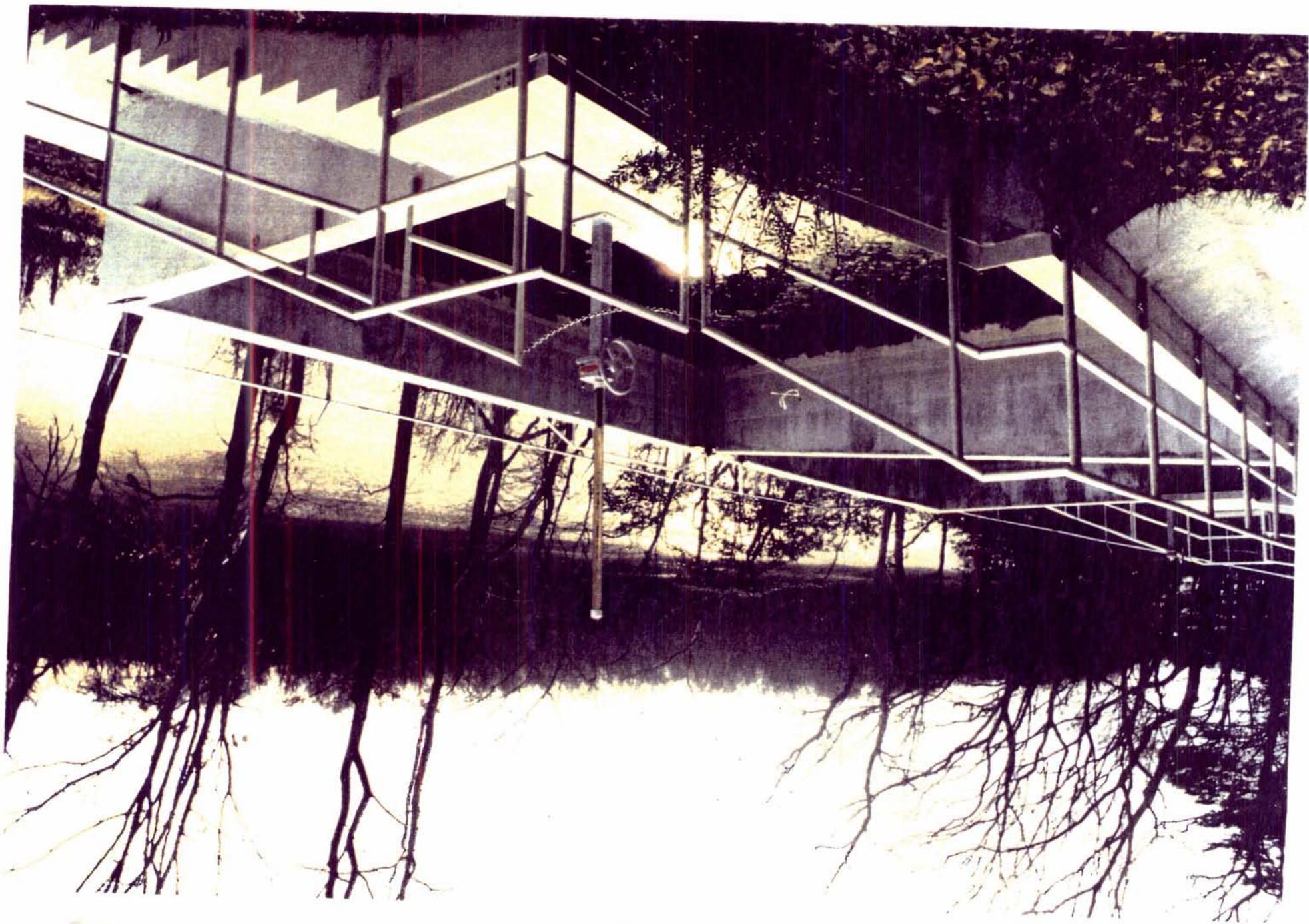
OF PERSONNEL TRAINED ANNUALLY

2500 ACTIVE ENLISTED

880 RESERVISTS

1000 OFFICERS





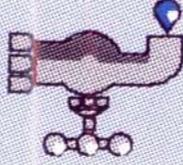
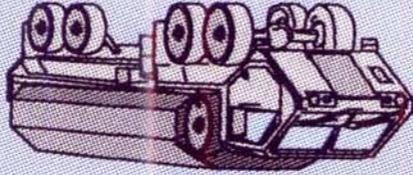
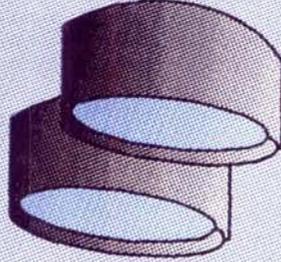
PETROLEUM & WATER DEPARTMENT WATER DIVISION

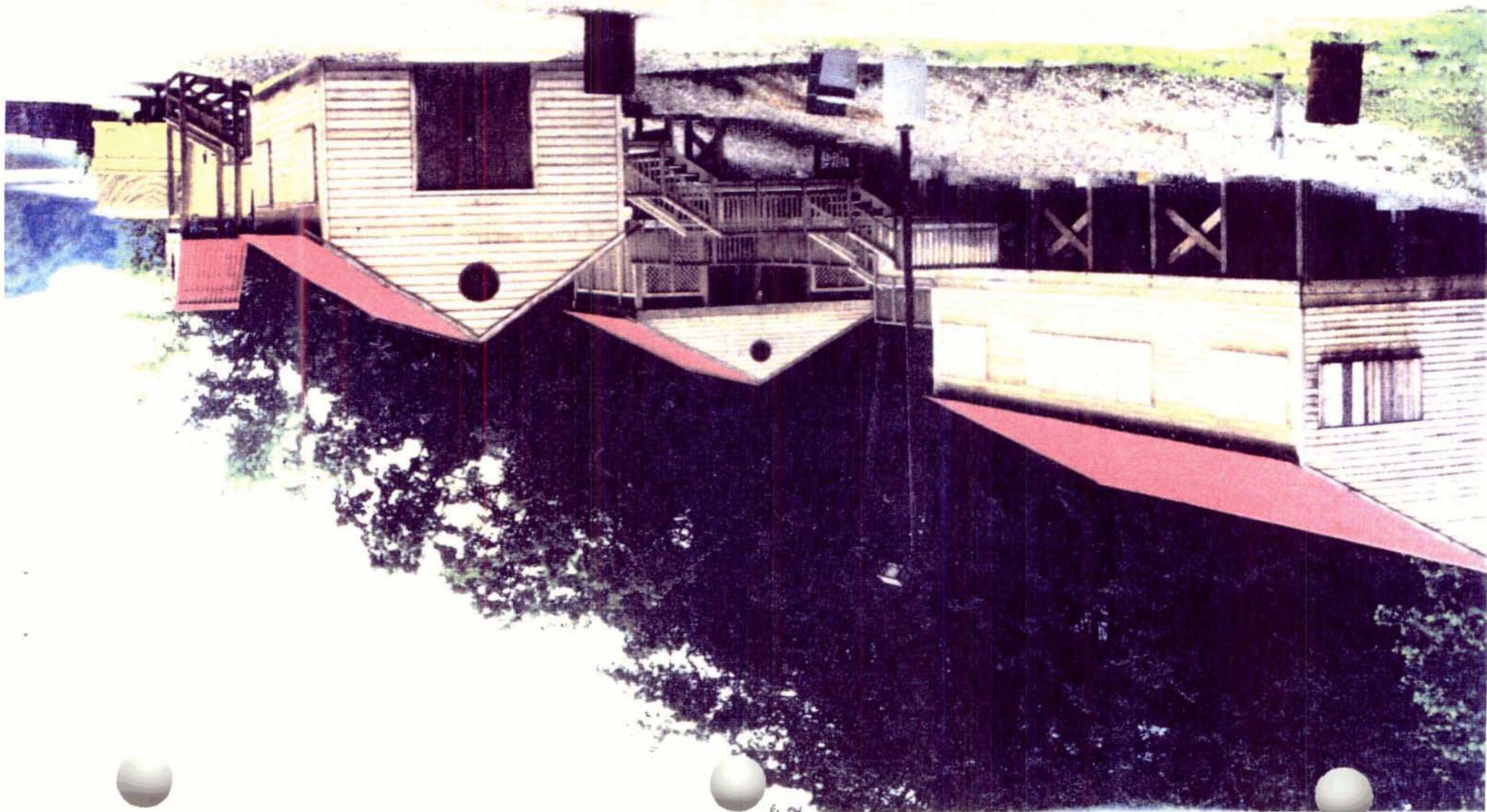
MISSION - TO PROVIDE ARMY-WIDE
TRAINING FOR WATER SUPPLY
SPECIALIST PERSONNEL

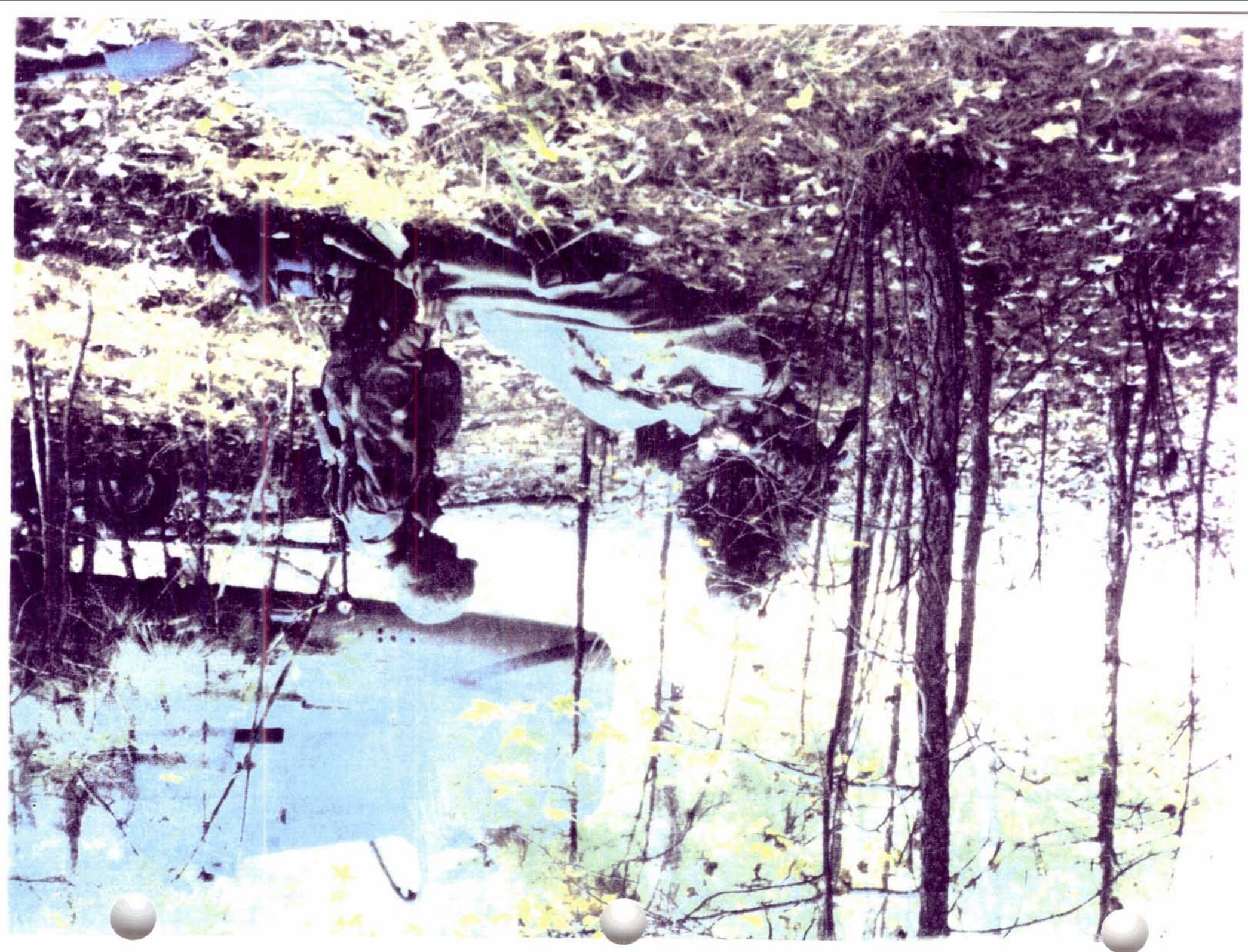
UNIQUE CAPABILITIES
-APPOMATTOX RIVER SITE CONSTRUCTED TO
MEET ALL EPA ENVIRONMENTAL REQUIREMENTS
-14TH QM DETACHMENT TRAINING SITE
CONSTRUCTED TO SUPPORT TRAINING ON ALL
CURRENT AND FUTURE WATER EQUIPMENT

FACILITIES
-APPOMATTOX RIVER SITE (1539 SQ FT OPENED
1991)
-14TH QM DET PURIFICATION, STORAGE, AND
DISTRIBUTION SITE (BUILT 1991)
-1600 SQ FT PURIFICATION TRAINING
BLDG (BUILT 1992)

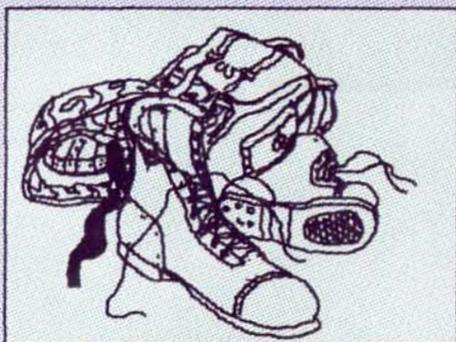
OF PERSONNEL TRAINED YEARLY
320 ACTIVE ENLISTED
400 RESERVIST
1000 OFFICERS







MORTUARY AFFAIRS CENTER



+ ONLY DOD MORTUARY AFFAIRS CENTER /SCHOOL

+ ONLY ACTIVE DUTY COMPANY FOR MORTUARY AFFAIRS

+ 398 PERSONNEL TRAINED ANNUALLY

+ 11,660 SQ FT IN TRAINING CLASSROOMS

+ 287,500 SQ FT MOCK TRNG SITE WITH ACTUAL AIRCRAFT & VEHICLES

THE MORTUARY AFFAIRS CENTER IS THE DOCTRINE AND TRAINING INTEGRATOR FOR **ALL SERVICES**. THE CENTER PROVIDES ALL MORTUARY AFFAIRS TRAINING, DEVELOPS **JOINT** DOCTRINE, TRAINING, AND TRAINING SUPPORT PRODUCTS. SERVES AS A **DOD** FOCAL POINT FOR HANDLING DECEASED U.S. FORCES AND PROVIDES EXPERTISE IN MASS FATALITY /DISASTER RESPONSE.

QUARTERMASTER NONCOMMISSIONED OFFICER ACADEMY

MISSION : PROVIDE COMMAND, CONTROL, AND SUPERVISION OF ACTIVITIES PERTAINING TO THE DISCIPLINE, HEALTH, MORALE, AND WELFARE OF BASIC AND ADVANCED NONCOMMISSIONED OFFICERS.



6,984 PERSONNEL
TRAINED LAST TWO
YEARS
COMBINED (FY93-94)

\$5.7 MILLION TRAINING
FACILITY UNDER
CONSTRUCTION TO BE
COMPLETED IN AUG 95
(60% COMPLETE)

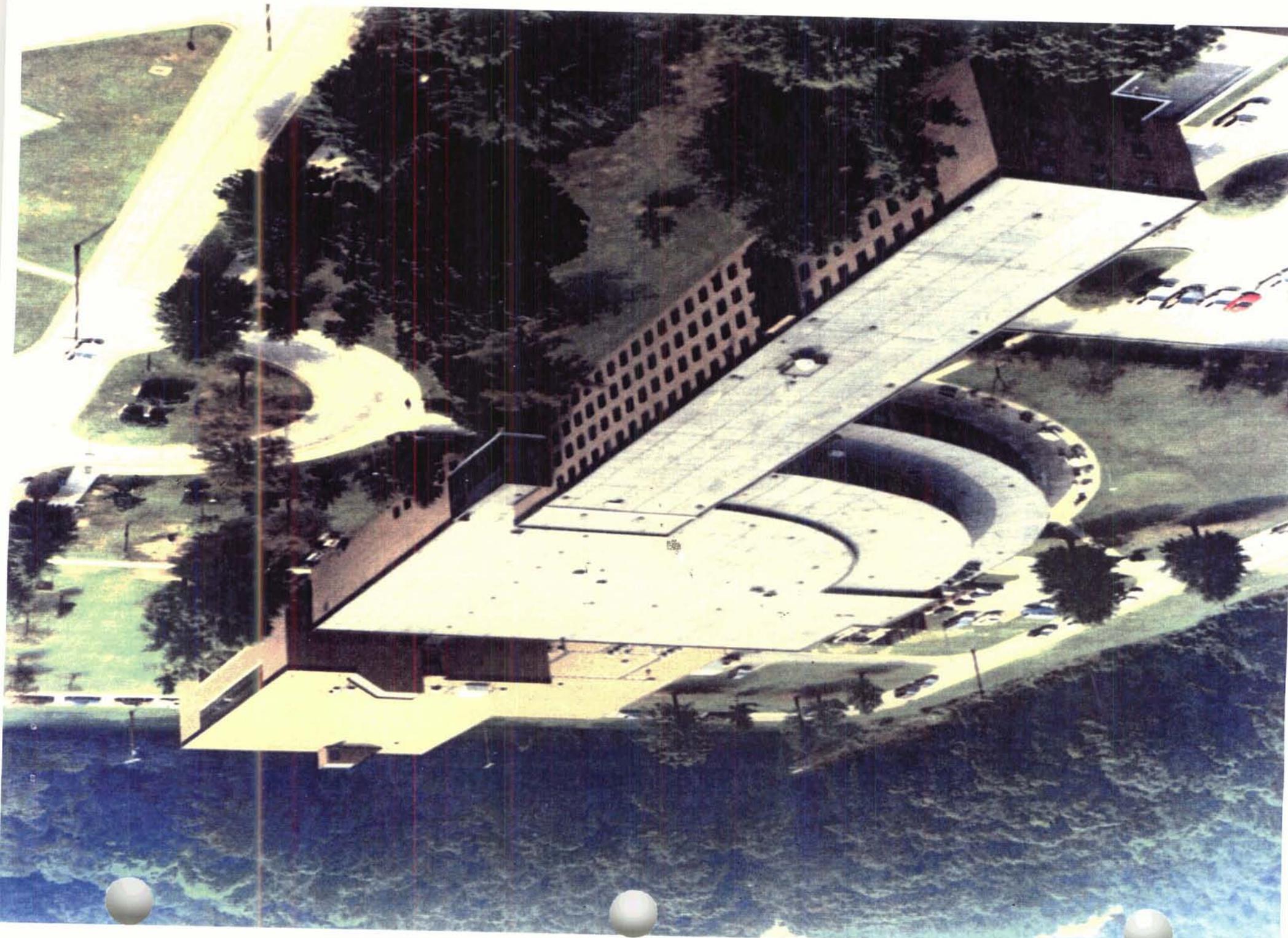
\$6.7 MILLION ANCOB
BILLETS COMPLETED IN
DECEMBER 1994

\$5.3 MILLION NEW
BNCOB BILLETS
COMPLETED IN
DECEMBER 1993



USES 37
CLASSROOMS IN 19
BLDGS USING 52,277
SQ FT.
TOTAL COST \$6
MILLION

PROVIDE FOR AND CONDUCT
BOTH COMMON CORE AND
TECHNICAL TRAINING FOR
THE BASIC AND ADVANCED
NONCOMMISSIONED
OFFICERS.



U.S. ARMY LOGISTICS MANAGEMENT COLLEGE

ADVANCED MULTIFUNCTIONAL TRAINING:

- 8 METHODS OF INSTRUCTION
- FY 94 GRADUATES 47,721 ALL MODES
- MULTIFUNCTIONAL COURSES
- PRECOMMAND COURSES
- CLOAC COURSE
- INSTALLATION MANAGEMENT COURSE
- LOG EXEC DEVELOPMENT COURSE
- SUPPORT OPERATIONS COURSE

JOINT SCHOOL:

- 41 OF 100 COURSES ARE NON-ARMY SPONSORED
- STAFF MEMBERS COME FROM ALL SERVICES
- STUDENTS FROM ALL SERVICES, DOD, ALLIES, AND OTHER GOV'T AGENCIES
- GRADUATES: 79% ARMY AND 21% NON-ARMY
- TRAINED 1,082 RESERVE OFFICERS
- 45 COURSES CARRY COLLEGE CREDIT (AMERICAN COUNCIL ON EDUCATION)
- MULTI-BILLION \$ DOD PROGRAM TO ALMC FY 95-96 (JCALS)



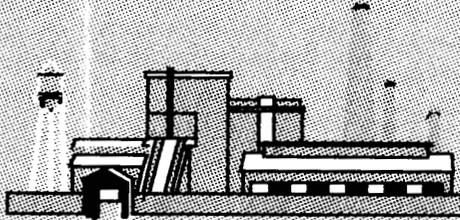
DEFENSE ACQUISITION UNIVERSITY:

- REQUIRED BY DAWIA (P.L. 101-510)
- ALMC IS SECOND LARGEST GRADUATE PRODUCING SCHOOL IN CONSORTIUM (6000 IN FY 94)
- ALMC TEACHES 23 OF 55 DAU COURSES
- FY 94 REIMBURSED BUDGET OF \$7.4M, UP FROM \$5.2M IN FY 93

SATELLITE EDUCATION NETWORK:

- DOD'S ONLY ALL-SERVICES, ALL-SITE TELETRAINING CAPABILITY
- TWO-WAY 102 SITE INTERACTIVE NETWORK
- 50,000 DOD MILITARY/CIVILIAN GRADUATES/ALMC AND OTHER USERS
- \$5.3M (FOUR STUDIOS/EQUIPMENT)
- LATEST ANALOG/DIGITAL, KU AND C-BAND SIGNALS LINK TO MOST CUSTOMER MODES

U.S. ARMY LOGISTICS MANAGEMENT COLLEGE



**ACQUISITION
MANAGEMENT**



**MANAGEMENT
SCIENCE**

**PRIMARY MISSION:
PROGRAMS IN LOGISTICS,
ACQUISITION, AND RELATED
FUNCTIONS AND
DISCIPLINES**



**LOGISTICS
SCIENCE**

**MILITARY
PACKAGING TECH**



**COST OF BLDGS:
\$21.394 MILLION**

**234,410 SQ FT
AVG AGE OF
BLDGS: 29**



**53,000
PROJ
STUDENTS
ANNUALLY
ALL MODES
315 STAFF &
FACULTY**



A photograph of the exterior of a building at night. The building has a white facade with a large, dark-framed glass window reflecting the night sky. Below the window, the words "DEFENSE COMMISSARY AGENCY" are printed in a bold, sans-serif font. The entrance area is dark, and there are some plants and a small white sign in the foreground. The image is slightly grainy and has a dark, high-contrast appearance.

DEFENSE COMMISSARY AGENCY

DEFENSE COMMISSARY AGENCY

ESTABLISHED 1 OCT 91 AS A RESULT OF CONSOLIDATION OF ARMY, AIR FORCE, NAVY, & MARINE CORPS COMMISSARY SYSTEMS

MISSION : WORLDWIDE JOINT SERVICE AGENCY THAT PROVIDES NON-PAY COMPENSATION BENEFIT. OPERATES RESALE COMMISSARY STORES, TROOP ISSUE FUNCTIONS AND FIELD EXCHANGES DURING CONTINGENCY OPERATIONS.

MANAGES 326 COMMISSARIES WORLDWIDE; TOTAL FY 94 SALES \$5.8 BILLION



OCCUPIES A 102,933 SQ FT. FACILITY COMPLETED IN 1991. REPLACEMENT COST ESTIMATED AT \$18.8 MILLION.

EMPLOYS 737 PEOPLE AT FT LEE (MILITARY & CIVILIAN) WITH \$32.6 MILLION PAYROLL.

ANNUAL APPROPRIATED BUDGET \$1.1 B & SURCHARGE COLLECTION \$.3 B





KENNER ARMY COMMUNITY HOSPITAL



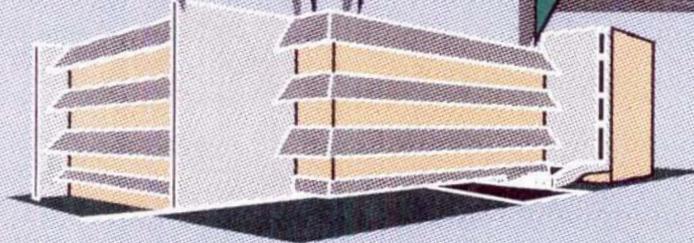
TOTAL NUMBER OF PERSONNEL 565
CHAMPUS FUNDING \$12,973,000 FY 94.

64 BED HEALTH FACILITY
ADMISSIONS: 2,551
OUTPATIENT VISITS: 212,982

PRIMARY MISSION: PROVIDE
HEALTH CARE SERVICES FOR
42,223 BENEFICIARIES IN A 40
MILE RADIUS ; PROVIDE
PRIMARY & EMERGENT HEALTH
CARE FOR 56,000 RESERVE
PERSONNEL AND
BENEFICIARIES AT FORT
RICKETT

\$16.8 MILLION RENOVATION
/LIFE SAFETY PROJECT BEGAN
FY94.

137,194 SQ FT





BULL
DENTAL CLINIC

U.S. ARMY DENTAL ACTIVITY



PRIMARY MISSION: PROVIDE DENTAL CARE & SERVICES FOR ALL ACTIVE DUTY PERSONNEL AT FT LEE, FORT PICKETT & DEFENSE GENERAL SUPPLY CENTER

DENTAC FUNDING \$2,555,000

TREATMENT VISITS: 33,104

49 TOTAL NUMBER OF PERSONNEL

17,789 SQ FT



FY 94 CAPITAL EXPENSE EQUIPMENT: \$133,000

APPROVED CONSTRUCTION UPGRADES: \$500,000
(3 PROJ START FY 95/96)

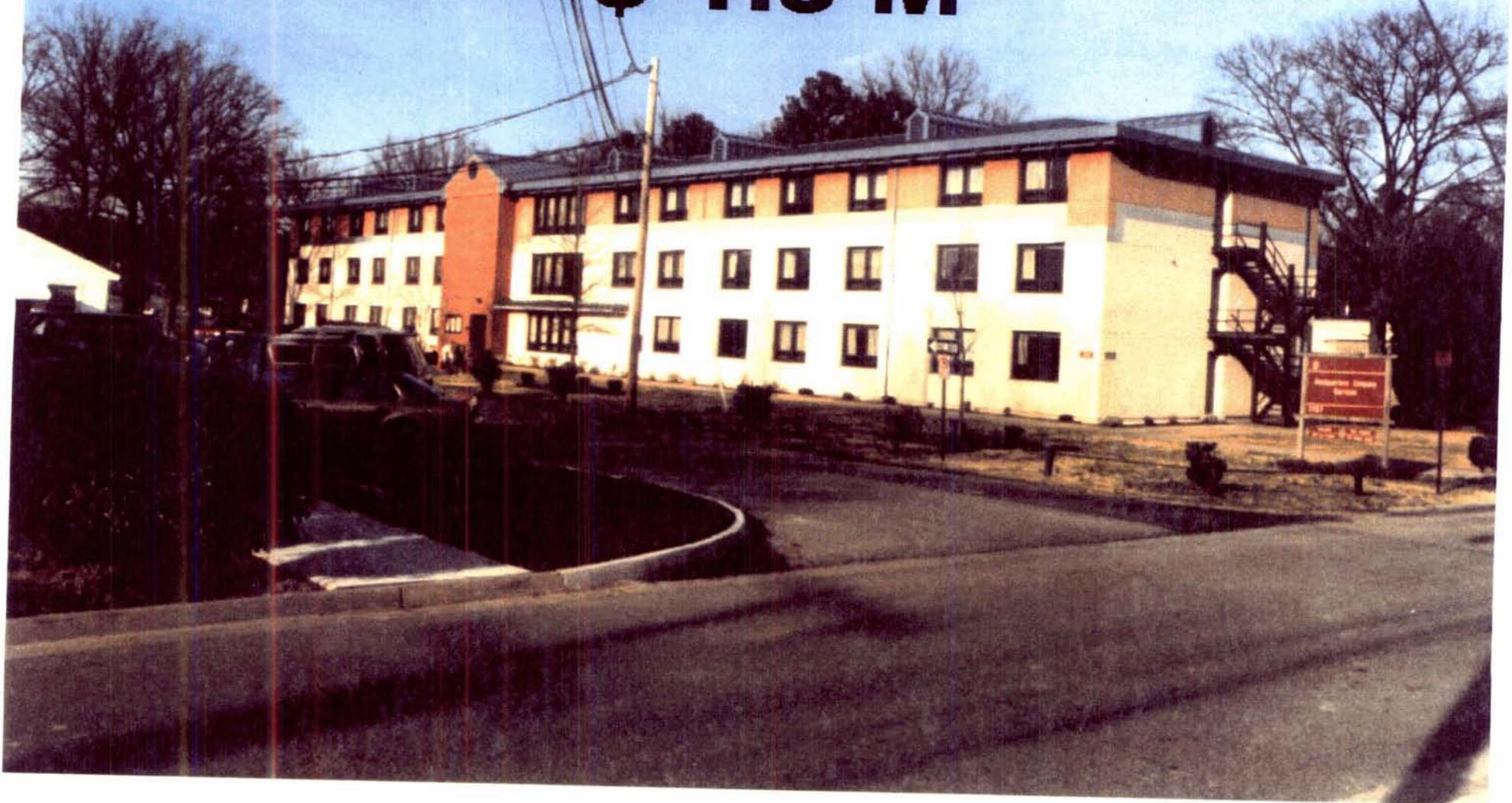


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POSTWIDE ROOF REPAIR

\$ 1.3 M



ENVIRONMENTAL PILLARS

FORT LEE, VIRGINIA

COMPLIANCE

- WATER TESTING
 - 10 MONTHLY
- UST REMOVAL
 - 84 OF 250 REMAINING
- MOTOR POOLS
 - STORMWATER MGMT
- NEW PTF



PREVENTION

- HAZMAT COMMITTEE
 - REUTILIZATION
 - RECYCLING
 - SUBSTITUTION

RESTORATION

- SCHUYLKILL LANDFILL
- OLD PTF
- IRP PROGRAM

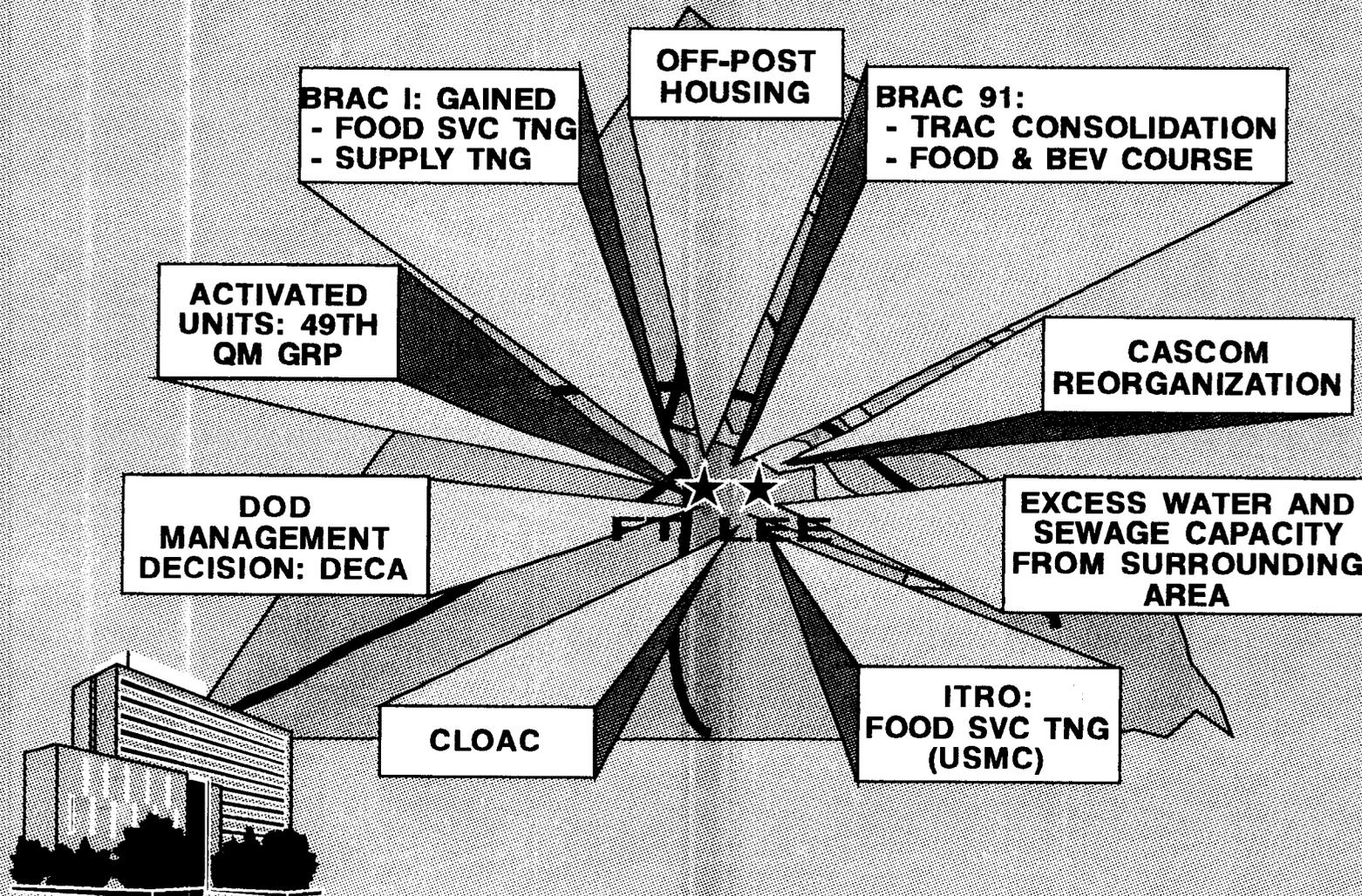
CONSERVATION

- WETLANDS MANAGEMENT
- WILDLIFE PLANTING
- INTEGRATED CULT/NAT'L RES PLN
- ARCHEOLOGICAL SURVEY
- ENDANGERED SPECIES SURVEY

FOUNDATION

- LEGACY PAVILLION
- SCHOOL PRESENTATIONS
- COMMAND INFORMATION

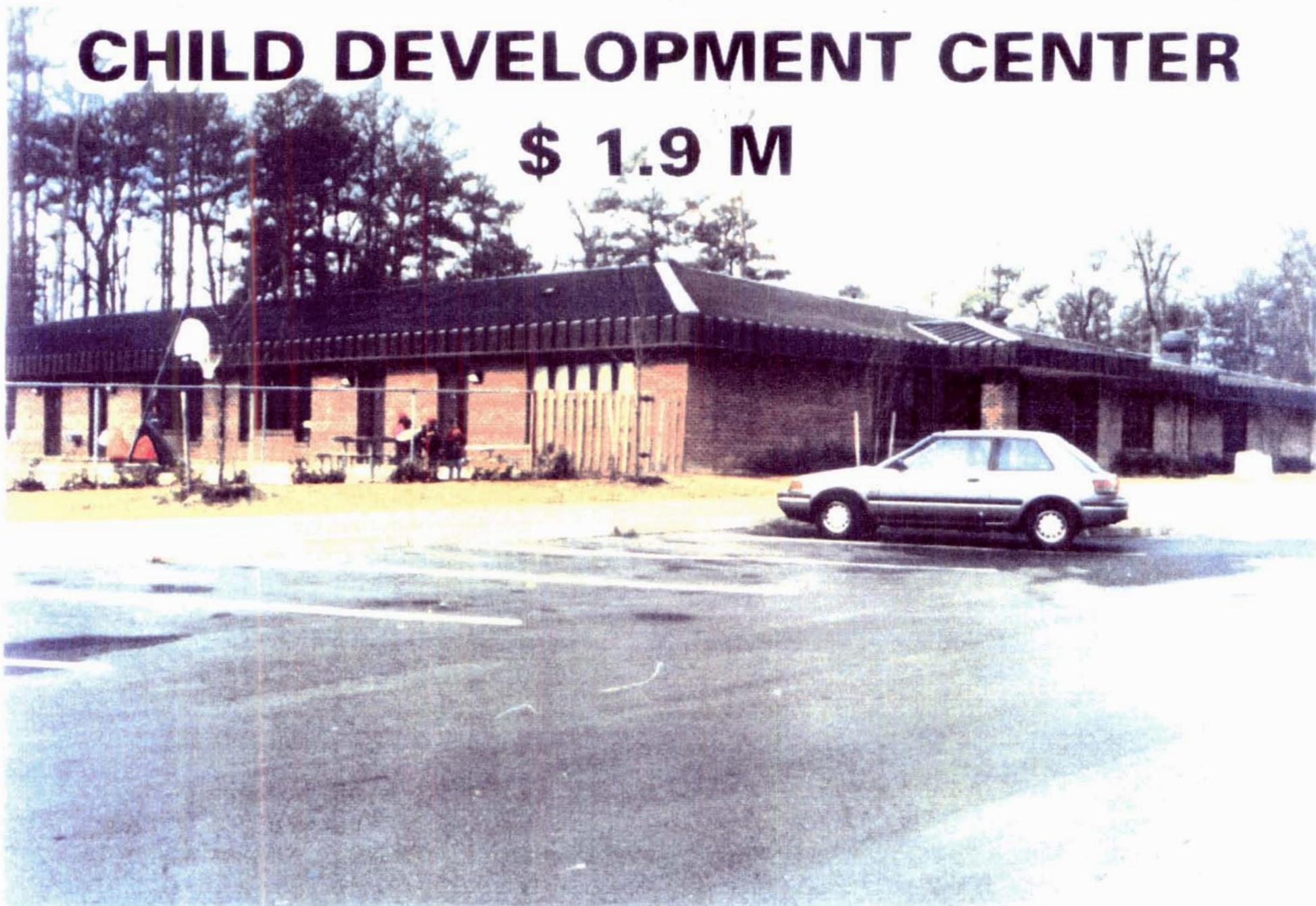
FORT LEE'S ABILITY TO ACCEPT NEW UNITS





CHILD DEVELOPMENT CENTER

\$ 1.9 M



QUALITY OF LIFE ENHANCEMENTS

REMODELED
BATHROOMS &
CLOSETS (204 FA)
AFH 93-94

DOL GAS STATION
1994



CHILD DEV
CENTER
MAY 93

TOT LOTS &
PLAYGROUNDS
91-92

HOUSING
BATHROOM
RENOVATION
91-ONGOING

A/C 4
BARRACKS
APR 93

CLARK FITNESS
CENTER (PRIOR
BBAC) APRIL 93

"FORT FUN"
PLAYGROUND 94
(ACOE FUNDS)

NEW PX
1996

COMPLETION

WHOLE
BARRACKS
RENEWAL:
\$22M

PICNIC
PAVILION AFH
94 (ACOE
FUNDS)

2 NEW
BARRACKS (328
PERSONS EACH)
1993-94

JOGGING
/BIKE TRAIL
94

NEW YOUTH
CENTER
APRIL 93

AAFES
SHOPPETTE/
CLASS VI STORE
JULY 92



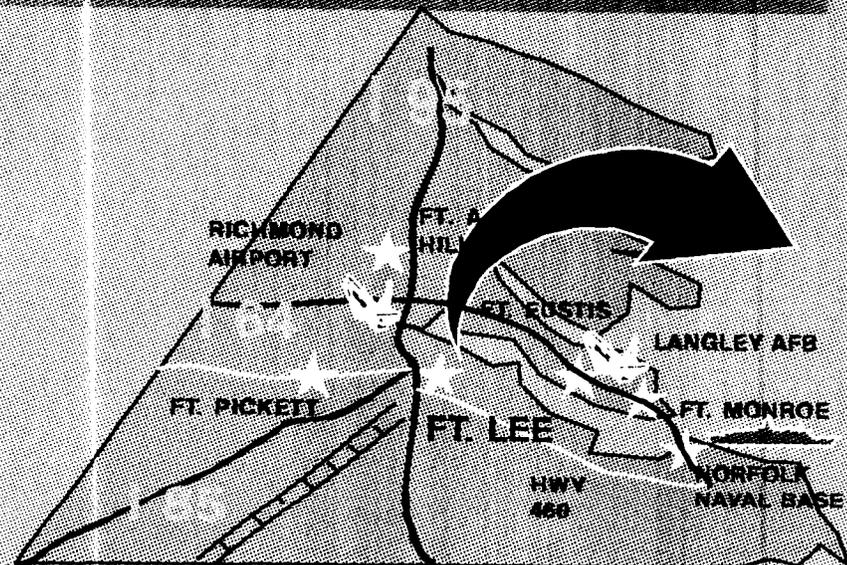
YOUTH CENTER

\$ 2.2 M





POWER PROJECTION PLATFORM



MOBILIZATION /DEPLOYMENT COMMITMENT		
	UNITS	PERS
USAR	16	1192
NG	7	774
AC	8	746
IRR		4405
IMA		29
RETIREE/ RECALL		2848
TOTAL		9,994

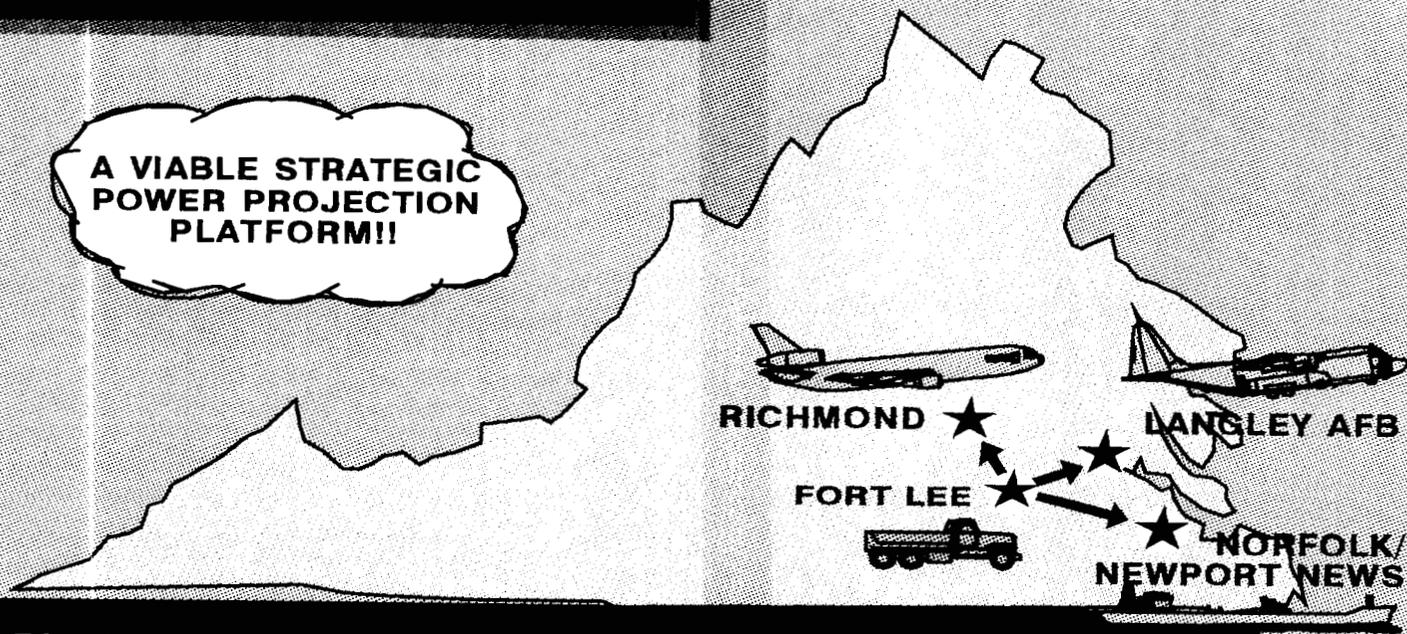
OVER 12,000 RESERVE AND NATIONAL GUARD SOLDIERS PARTICIPATE IN UNIT MISSION TRAINING AT FORT LEE ANNUALLY

34% OF ALL INITIAL ENTRY AND PROFESSIONAL TRAINING AT FORT LEE IS USAR AND NATIONAL GUARD

DESERT SHIELD/DESERT STORM: PROCESSED OVER 6000 PERSONNEL TO SUPPORT THE GULF WAR EFFORT.

EASE OF DEPLOYMENT

A VIABLE STRATEGIC
POWER PROJECTION
PLATFORM!!

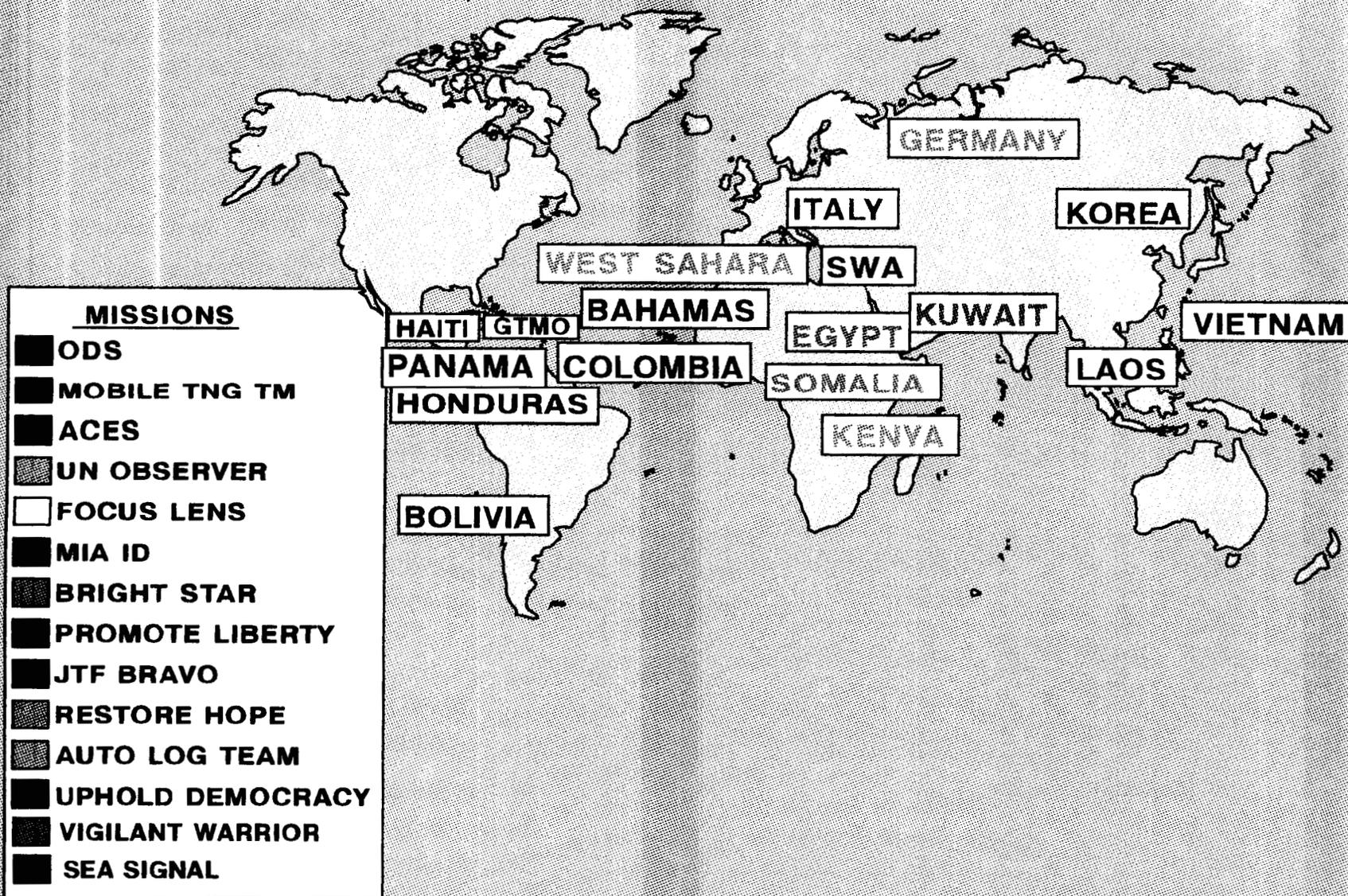


FORT LEE'S TRANSPORTATION NETWORK/STRATEGIC LOCATION

RIC AIRPORT: 35 MILES
LANGLEY AFB: 82 MILES
RAILHEAD: ON POST
AMTRAK RAIL STATION: 7 MILES

WATER PORTS:
RICHMOND: 20 MILES
NEWPORT NEWS: 85 MILES
NORFOLK: 85 MILES
INTERSTATE I95/I85: 4 MILES
I-295: 1 MILE
I-64: 20 MILES

UNIT/INDIVIDUAL WORLDWIDE DEPLOYMENT MISSIONS





Color purple significant in growth of installation

By Mari K. Eder
Contributing Writer

If you look around Fort Lee these days you can see the color purple everywhere.

Well, maybe not literally but figuratively, purple is in many classrooms, barracks, bookstores, offices and dining facilities.

Figuratively, "purple suit" is a term for jointness. It refers to joint operations between the military services and also refers to joint training. As Fort Lee's combat services support missions continue to change, making the post truly the Army's center for logistics in the 21st century, the color purple figures significantly in that growth.

Department of Defense Activities

Perhaps the most visible purple presence is in the Defense Commissary Agency. DeCA was established Oct. 1, 1991 as the result of a consolidation of the Army, Air Force, Navy and Marine Corps commissary systems.

From its Fort Lee headquarters DeCA exercises command and control of seven regional headquarters and 361 commissaries worldwide. DeCA commissary sales totaled more than \$6 billion in fiscal year 1993.

How about the post's Printing Plant? It is run by the U.S. Navy. Other DoD activities on post include the Defense Finance and Accounting Services Office and a day office belonging to the Defense Investigative Service.

Software Development Center, Lee

Purple tinges also can be seen in many of Fort Lee's more than 22 tenant organizations. The Software Development Center-Lee, or DCL, mission is to design, develop, test, field and maintain assigned Standard Army Management Information

Systems, commonly known as STAMIS. However, they also provide support to some commissary automated systems.

CASCOM

The Blockhouse is a royal-hued building too. Properly known as Von Steuben Hall, the facility houses CASCOM's Logistics Exercise and Simulation Center where the staff works out the intricacies of the combat service support using high-tech, multi-use exercises and simulations. Many of these are joint exercises, conducted at sites worldwide through use of the Defense Simulation Internet -- the military version of the information superhighway.

Quartermaster School

Joint training is a byword of the future as Fort Lee's schools can attest.

Quartermaster School graduates can be found in every branch of the Armed Forces in all parts of the globe providing services and support to soldiers, sailors, airmen and marines conducting contingency missions, humanitarian relief efforts and disaster response as well as day to day training.

The Army already trains more than 80 percent of Marine personnel in missions other than infantry. Many of those specialties are in the critical area of supply and services. At the Quartermaster School all services are represented in a number of lavender-colored courses.

The Airborne and Field Services Department conducts the only rigger course in the Department of Defense. QMS personnel provide all training for parachute riggers, airdrop load inspectors, and fabric repair specialists. The Department conducts five Interservice Training Review or ITRO courses for all services and serves as the Defense Department proponent for doctrine.

The Petroleum and Water Department

conducts petroleum and water purification skills training for the Army, Marine Corps and Navy. The environmentally-conscious site provides the only DoD approved training on inland petroleum distribution while the department's laboratories are certified in training and performance of all DoD fuel testing.

Additional ITRO studies concerning training consolidation are on-going.

Another critical and especially sensitive mission resides with the QMS Mortuary Affairs Center. The Center serves as the doctrine and training integrator for all of DoD, providing all mortuary affairs training, the development of joint doctrine training, and training support products. The Center also serves as the DoD focal point for handling deceased U.S. Forces personnel and provides expertise in mass fatality/disaster response.

The latest sign of purplish growth is in the Quartermaster School's Food Service Training. As the result of an ITRO agreement the Army will assume the mission of training all Marine Corps entry level food service specialists Oct. 1, 1995.

That is good news for the Army and for Fort Lee. The increased training mission will add about 200 Marines to the daily student load and four additional food service and subsistence courses once instruction gets underway.

Army Logistics Management College

A recognized leader in the Training and Doctrine Command's acknowledged role as the Land Warfare University for America's Army, the U.S. Army Logistics Management College is also amethyst.

Nearly half of ALMC's 100 courses are non-Army sponsored. Students come from all services, the DoD, other governmental agencies and allied nations for its logistics, acquisition and management-related training. All services are represent-

ed on the faculty as well, including three international officers.

Forty-five of ALMC's courses carry college credit, and as part of the budding Defense Acquisition Consortium, ALMC is rated the second largest graduate-producing school with more than 6,000 students trained in fiscal 1994.

At ALMC even the airwaves are an imperial color. The technology employed in its Satellite Education Network provides a two-way link between instructors and students at more than 102 sites. This unique, interactive training network has produced more than 50,000 graduates throughout the Defense Department. The site serves as DoD's only all-services, all-site tele-training capability.

Quality of Life

The road leading "downtown" to the heart of Fort Lee is also tinted with the color of the grape. The post can and does contribute to the quality of life for personnel from all branches and more than 18,000 retired service personnel and their family members in the Tri-Cities area. This support includes accredited health care at Kenner Army Community Hospital, now undergoing numerous infrastructure upgrades, expert dental care and access to the varied services of the post exchange and commissary.

Certainly synergy is evident throughout Fort Lee's varied missions and functions and the services it provides to a far-reaching community. It is vibrant and alive ... Purple is a definite sign of health.

Editor's Note: Information for this article was derived from the command's Base Realignment and Closure Commission briefing presentation to representatives from the Virginia Base Retention and Defense Adjustment Office October 18.

U.S. ARMY COMBINED ARMS SUPPORT COMMAND
FORT LEE, VIRGINIA 23801

BACKGROUND

LOCATION: Fort Lee is located in Central Virginia, 25 miles southeast of Richmond. Fort Lee is in the Petersburg-Richmond Metropolitan Statistical Area, to include the surrounding counties of Prince George, Dinwiddie and Chesterfield; and the cities of Hopewell, Petersburg and Colonial Heights.

HISTORY: The installation, activated in 1917, served as a state mobilization camp. After World War I, Camp Lee became a game preserve. In October 1940, the War Department ordered construction of another Camp Lee on the earlier site to serve as a Replacement Training Center. By the end of 1941, Camp Lee was the center of both basic and advanced training of Quartermaster personnel. In 1946 the War Department announced it would retain Camp Lee as a center for Quartermaster Training. Official recognition of its permanent status was obtained in 1950 and the post was designated as Fort Lee. In 1962, the post became a Class One military installation and home of the Quartermaster Corps. In July 1973 it came under the control of the U.S. Army Training and Doctrine Command (TRADOC). In 1989 the U.S. Army Logistics Center assumed command of the installation. In 1990 the U.S. Army Logistics Center was renamed the U.S. Army Combined Arms Support Command (CASCOM) and was designated a Major Subordinate Command of TRADOC.

CURRENT MISSION: Fort Lee is the home of the U.S. Army Combined Arms Support Command (CASCOM) which provides command and support to the Garrison, the Quartermaster School, the U.S. Army Logistics Management College, and the other combat service support (CSS) schools sited at other installations. Various deployable Forces Command units, including the 49th Quartermaster Group (the only petroleum group of its kind on active duty with 11 Reserve Battalions and one active Battalion, the 240th Quartermaster Battalion), are also sited at Fort Lee. Fort Lee is home to the Defense Commissary Agency (DeCA), U.S. Army Information Systems Software Development Center-Lee (SDC-L) and 26 other tenants; it supports two satellites and 15 Reserve Centers. Fort Lee is the Army's center for logistics and operates the CSS Battle Lab. All quartermaster and the majority of all logistics training is accomplished here. The Secretary of the Army approved consolidation of all CASCOM subordinate schools' non-teaching functions (combat and training developments, and evaluation and standardization) at Fort Lee. This reorganization makes Fort Lee the TRADOC focal point for all future logistics initiatives.

APPROVED FOR RELEASE BY FT LEE PUBLIC AFFAIRS OFFICER,
4 OCTOBER 1994

UNIQUE INSTALLATION CHARACTERISTICS

JOINT SYNERGY: Under the Army's concept of a center for logistics it is essential to have CASCOM, QMC&S, and ALMC, a joint professional training school, collocated at Fort Lee. Collocation of SDC-L is critical in the STAMIS combat developments process. BRAC I consolidated all 92Y (formerly 76Y) supply specialist and 94B food service specialist training at Fort Lee. BRAC 91 combined TRAC-Harrison with TRAC-Lee which provides joint services analyses in logistics lethality and vulnerability. The Quartermaster School is the joint services trainer for parachute rigging, airdrop load inspectors and bath and fabric repair; all services integrator for mortuary affairs and only DoD activity with mission teaching capability; joint trainer for Army, Marine Corps and Naval Officer fuels and petroleum training with all Naval Reserve Fuels Units to begin this FY; joint service trainer for all combat-critical tasks for water purification and distribution; and effective 1 Oct 95 will train Marine Corps entry level food service training and four remaining subsistence and food service courses will move from Camp Lejeune, NC to Lee. DeCA exercises command and control of seven regional headquarters and 326 commissaries worldwide. 300th Area Support Group (RC) at Gerow--logistic command and control of subordinate units located in a 12,000 mile geographical area.

UNIQUE FACILITIES: BRAC I consolidation resulted in construction of food service training facility; 4,800 advanced individual training (AIT) annual student capacity--training labs and "live" dining facility. Quartermaster School has the only DOD environmentally approved pipeline facility for joint services training in combat critical tasks of inland petroleum distribution and fixed petroleum facility ops. The Defense Logistics Agency (DLA) identified Fort Lee as only U.S. site with adequate fuels training facilities. Fort Lee has one of the few certified petroleum testing labs to test fuels (quality/ usability) for National Guard, Reserve Component, and military services. Appomattox River/Bailey's Creek environmentally sanctioned water training facilities are constructed on a commercial water source to simulate conditions encountered in a combat environment (small natural and large water). CASCOM is Army's principal agency for development/operations of CSS command post exercise (CPX) training simulations. Battle Simulation Center (BSC) is a secure facility capable of connecting via encrypted lines to major defense training exercises worldwide; focal point for state-of-the-art simulations that support Active and Reserve forces logistics training. DOD's Satellite Education Network (SEN) at

UNIQUE INSTALLATION CHARACTERISTICS (CONT'D)

ALMC interacts with all existing networks; only "Gateway" in DOD connecting all systems; only DOD or commercial site in the world which can broadcast in all modes to reach maximum DOD users in VTC, digital or analog.

UNIQUE LOCATION: Fort Lee's transportation network/Strategic Mobility Capability includes: (AIR) - Richmond International Airport, 35 miles, and Langley, AFB, 82 miles; (RAIL) - on-post rail head for direct loading of vehicles and equipment, Norfolk Southern rail yard, 7 miles, and AMTRAK rail station, 7 miles, for passenger movements; (WATER) - the water ports of the city of Richmond, 20 miles, and Newport News, 85 miles; (HIGHWAY) - Interstates I-95 and I-85, 4 miles, I-295 one mile and I-64, 20 miles. Fort Lee is also near enough to the port of Norfolk and Langley, AFB to act as a staging area for Strategic Deployment via both air and sea. Because of Fort Lee's accessibility, it has the most modern retail fuel dispensing facility in the Army. The facility is fully automated and utilizes the latest state-of-the-art environmental leak detection system. This gives Fort Lee strategic mobility capability to fuel both individual vehicles and convoys traveling the east coast and bulk fuel for equipment moving through the area in convoy to any destination.

TENANT MISSIONS

U.S. Army Procurement Research and Analysis Office (APRAO)

Under the command of the Assistant Secretary of the Army (Research and Development and Acquisition) (ASARDA) and the U.S. Army Contracting Support Agency, the APRAO conducts procurement research studies leading to the improvement of Army procurement management and develops and tests new procurement concepts and techniques. APRAO provides consultation services on procurement and procurement information programs to Army contracting agencies. It also serves as the ASARDA functional proponent for Department of the Army procurement information initiatives and as proponent agent for assigned information initiatives, with functional responsibility for design, development, test, deployment, implementation and maintenance of assigned information systems.

U.S. Army Criminal Investigation Command (CID)

The Fort Lee Resident Agency, Third Region, U.S. Army CID Office is responsible for the conduct and control of all serious felony investigations in which the Army has an interest, within central and southwestern Virginia, including Fort Lee, Fort Pickett, Radford Arsenal and several outlying Army support elements.

Army Audit Agency Southeastern Region - Fort Lee Field Office

AAA has a field office located at Fort Lee that comes under the AAA Southeastern Region located in Hanover, Maryland. The AAA Fort Lee Field Office performs objective and independent audit services as directed by their headquarters. Other field offices of the Southeastern Region are at Ft Belvoir, VA; Ft Monroe, VA; Fayetteville, NC; Savannah, GA; and Atlanta, GA.

Fort Lee Commissary

The commissary provides six days-a-week operation at Fort Lee and five days-a-week at the Defense General Supply Center (Bellwood), stocking a large selection of all types of food and household supplies.

Readiness Group - Lee (RG-LEE)

RG-LEE is a U.S. Army Forces Command unit having the mission of providing training assistance to enhance the readiness of the Army National Guard and the U.S. Army Reserve units throughout Virginia. The Group is a subordinate element of First U.S. Army, Fort Meade, Maryland. The main thrust of the RG effort is to provide onsite assistance to infantry, field artillery, air defense, engineer and combat service support units. When directed, forms mobilization assistance teams to support mobilization station commanders in assessing and validating Reserve Component units. Commander, RG Lee serves as the Defense Coordinating Officer for the State of Virginia in the event of natural disasters.

Weapons Systems Manager for Clothing and Services, U.S. Army Aviation and Troop Command

Part of the U.S. Army Troop Support Command, St. Louis, MO, its worldwide mission encompasses management assistance visits to 130 Army military clothing sales stores, 77 central issue facilities, 33 laundry and dry cleaning facilities and technical assistance visits to 126 Active Army, Army Reserve and National Guard units with a field laundry and bath mission.

Defense Printing Service Detachment Office Fort Lee (DPS-LEE)

DPS-LEE produces or procures all printing services and provides administrative support and control of all assigned programs, services and functions. Scope of support is provided to the installation, Defense General Supply Center, 80th Division and the JAG School. DoD designated the Secretary of the Navy as a single manager for all DoD printing.

Medical Department Activity (MEDDAC)

Kenner Army Community Hospital, a subordinate unit of the U.S. Army Health Services Command, Fort Sam Houston, TX is the main health care component of MEDDAC which also operates health clinics at Fort Pickett, the Defense General Supply Center in Richmond, Foreign Science Technology Center in Charlottesville, and administers a contract for outpatient services for the Judge Advocate General School in Charlottesville. The MEDDAC health services area encompasses a 67-county area in the Virginia Commonwealth that includes some 90,000 beneficiaries.

U.S. Army Dental Activity (DENTAC)

The Dental Activity consists of two treatment facilities on Fort Lee and satellite facilities at Fort Pickett and the Defense General Supply Center. The Hospital Dental Clinic, a four-chair treatment facility located in the Kenner Army Community Hospital outpatient wing, provides complete oral and maxillofacial surgery care to all authorized beneficiaries. The Bull Dental Clinic is staffed for complete general dentistry care (excluding braces) to active duty soldiers and space available general dentistry care (excluding braces, caps, and bridges and root canals) to family members of active duty service members.

U.S. Army Center for Public Works (CPW)

Provides functional proponent responsibilities support to the development of automated Standard Army Management Information Systems (STAMIS) in support of installations DEH/DPW organizations worldwide. Systems include the Integrated Facilities System - Mini/Micro (IFS-M) which serves as an installation's data base of record for real property from which data is fed to DA HQ's systems. Data from the HQ's systems are used in BRAC studies, stationing studies, base structures, etc.

Defense Finance and Accounting Office

DFAO comes under the Defense Finance and Accounting Service (DFAS) and provides finance and accounting service to Fort Lee units, tenant activities, the U.S. Paying Fiscal Office (USPFO - National Guard in Richmond) and the Judge Advocate General School in Charlottesville.

U.S. Army Information Systems Software Development Center Lee (SDC-L)

SDC-L's mission is to plan, direct, and control the design, development, test, and extension activities associated with assigned Standard Army Management Information Systems (STAMIS). It is responsible for three functional types of STAMIS. Eighty percent of SDC-L effort supports retail logistics, and twenty percent supports facilities engineering, commissary and food management systems. SDC-L interfaces with four functional proponent agencies, the first three of which are also located at Fort Lee: the USA Combined Arms Support Command, the Defense Commissary Agency for subsistence, the Engineering and Housing Support Center for real property management, and the Military District of Washington for aviation resources scheduling.

U.S. Army Operations Test and Evaluation (TECO-LEE)

Provides liaison between U.S. Army Operational Test and Evaluation Command (OPTEC) and CASCOM (CASCOM combat developments related directorates, CSS Battle Lab, PM-ILOGS and logistics oriented TRADOC Schools), operational test and evaluation assistance and expertise to CASCOM, and support to OPTEC subordinate elements while at Lee.

Combat Development Engineering Region Office and Fort Lee Field Office

Provides comprehensive engineering, scientific and technical services in support of TRADOC combat developer proponents. The Fort Lee Field Office is collocated with the Regional Office and is 100% dedicated to the CASCOM combat developer needs.

Personnel Management Support Office - Lee (PMSO)

The PMSO-Lee provides civilian personnel support services to the majority of appropriated and nonappropriated activities at Fort Lee. The PMSO comes under the Peninsula Civilian Personnel Support Activity (PCPSA).

Area Engineer, Central Virginia, Norfolk District, Corps of Engineers

Provides construction service and contract administration for construction at Fort Pickett (MCA, OMA, and MCAR), Defense General Supply Center (DLA), City of Richmond (Civil Works) and Fort Lee (MCA, OMA, and NAF).

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Defense Investigative Service

The Defense Investigative Service day office at Fort Lee comes under the Defense Investigative Field Office in Richmond. They are responsible for conducting security background investigations to people being processed for access to classified information.

Project Manager, Integrated Logistics Systems (PM-ILOGS)

The mission of PM ILOGS is to direct, coordinate, report and evaluate all functional, programmatic, and technical aspects of assigned standard Army logistics systems. These systems include the functional areas of ammunition, subsistence, maintenance, supply, transportation and property accountability. OPM ILOGS has an indirect impact on combat readiness, as the automated systems managed have a direct impact on combat readiness. These systems operate in combat units to manage ammunition and repair parts supply activities, transportation assets, maintenance activities and other critical combat service support operations. The Project Manager Office is responsible for the design, development, testing, fielding and life cycle software support planning for these automated systems.

Defense Commissary Agency Headquarters (DcCA)

DcCA is the recently established (May 1990) joint-service organization that manages the worldwide system of Department of Defense commissaries. DcCA's mission is to provide an efficient and effective worldwide system of commissaries for the resale of groceries and household supplies at the lowest practical price, consistent with quality, to commissary customers. DcCA exercises command and control of 7 Region Headquarters located in Ft Meade, MD; Little Creek, VA; Maxwell AFB, AL; Kelly AFB, TX; MCAS El Toro, CA; Ft Lewis, WA and Kapun, Germany. Commissaries worldwide total 326.

Gerow Reserve Center

Gerow Reserve Center with an administrative staff of 21 is one of several USAR centers and facilities belonging to the 310th Theater Army Area Command, headquartered at Fort Belvoir, VA. Gerow serves four units: the 300th Area Support Group, the 377th Chemical Company, the 1074th RTV, and 2d Battalion, 80th Training Division and consists of a total of 500 assigned reservists.

TRADOC Analysis Command - Fort Lee (TRAC-LEE)

TRAC-LEE is part of TRADOC's Analysis Command (TRAC) with headquarters at Fort Leavenworth, Kansas. TRAC-LEE is a separate analytical organization that provides logistics analytical and computer modeling/simulation support for TRADOC, the Combined Arms Command (CAC), and the Combined Arms Support Command (CASCOM) and its subordinate schools.

U.S. Army Trail Defense Service

The Trail Defense Services provides a full range of defense related services, to include Article 15 counseling and representation before courts-martial and various administrative boards.

U.S. Army Community and Family Support Center - Culinary Activities Training Site (USAC&FSC-CATS)

The Culinary Activities Training Site (CATS) conducts food & beverage training for Department of Defense Agencies under agreement with those agencies. The purpose of the training is to provide improved food, beverage and entertainment products and services to Army and other DOD personnel in the field.

Total Army School System (TASS)/Regional Coordinating Element (RCE)

The mission of TASS is to “establish a cohesive and efficient Total Army School System of fully accredited and integrated AC (active component)/ARNG (Army National Guard)/USAR (US Army Reserve) schools that provides standard individual training for soldiers of the Total Army.” Each region includes school brigades that oversee instruction in Leadership, Officer Education, Health Services, Combat Arms, Combat Support, and Combat Service Support.

* U.S. ARMY COMBINED ARMS SUPPORT COMMAND & FORT LEE
FORT LEE, VIRGINIA

27 January 1995

POST POPULATION

Military	3,350
(Officers)	(623)
(Enlisted)	(2,727)
Family Members	5,332
(On Post)	(2,817)
(Off Post)	(2,515)
Civilian Employees	3,053
NAF Employees	491
AAFES Employees	474
Commissary Employees	84
Contractor Employees	1,215
Retired Personnel:	18,512
(Survivors & Family Members)	39,765
Students (Avg Daily Load)	3,951
(QMC&S)	(2,552)
(ALMC)	(510)
(REP Trainees)	(726)
(JAG School)	(159)
(MEDDAC)	(4)
Reserve Training (Avg Man Months)	192

FINANCIAL (Annual)

Military Payroll (Net)	\$137,899,169
Civilian Payroll (Net)	113,911,589
NAF Payroll (Net)	3,392,839
AAFES Payroll (Net)	4,033,507
Commissary Payroll	2,400,000
Commissary Sales (Gross)	30,566,626
AAFES Sales (Gross)	45,187,734
Transportation & Travel	9,840,199
NAF Local Purchases	1,942,378
Rental and Utilities	11,825,776
Supplies/Equipment	20,744,003
Fixed Assets - Land, Bldg, Equip, Etc.	307,337,464
CY 94 Major Construction Army Projects Completed	6,300,000
CY 95 Major Construction Army Projects Completions Projected	27,800,000
Stock Fund - Inventory	2,250,000
Stock Fund - Net Sales	24,292,168
Contractual Services	70,873,979*
(PMILOGS - 338 Contractor Manyears)	(21,970,000)**
(DCL - 70 Contractor Manyears)	(6,000,000)
(CASCOM - 24 Contractor Manyears)	(1,470,000)
(Small Business)	(14,371,593)
(Small Business - Disadvantaged)	(4,192,797)
(Small Business - Woman Owned)	(1,487,525)

*Memo entries are provided as additional information; do not add to total Contractor Services.

**FY 94

TENANT AND SUPPORTED ACTIVITIES

Department of the Navy, Defense Printing Svc Detachment Br Ofc
Weapons Systems Manager for Clothing & Service
U.S. Army Audit Agency, East Central Region, Ft Lee, FID Ofc
U.S. Army Medical Department Activity
U.S. Army Dental Activity
Defense Commissary Agency (DeCA)
U.S. Army Information Systems Software Development Center Lee (DCL)
Defense Investigative Service
Fort Lee Commissary
USACIDC, Fort Lee Resident Agency - 3D MP Group
U.S. Army Readiness Group Lee
Gerow U.S. Army Reserve Center
USAR 80th Division (Tng)
U.S. Army Engineer District, Norfolk Area Engineer
The Judge Advocate General School, U.S. Army
U.S. Army Procurement Research and Analysis Office (APRAO)
TRADOC Analysis Command (TRAC)-Lee
Project Manager Integrated Logistics Systems (PM-ILOGS)
Trial Defense Service (TDS)
U.S. Army Operations Test and Evaluation (TECO)
Defense Finance Accounting Services (DFAS)
Personnel Management Support Office
USA Center for Public Works
Project Manager Ammunition Logistics (PMAMMOLOG)
U.S. Army Force Integration Support Agency (USAFISA)
Defense Logistics Agency (DLA)

TRAINING

ALMC FY 94 Graduates (Resident)	8,385
ALMC FY 95 Projected Students	15,847
QM School FY 94 Trainees (Graduates)	17,183
QM School FY 95 Projected Trainees	21,156
Reserve Component Annual Tng (Individuals)	2,136
USAR & ARNG (Individuals)	12,169
All Other (Individuals)	3,609

TRAINING SUPPORT FACILITIES

Training Facilities	24
Ranges	9

FACILITIES

Active Buildings	1,274
Inactive Buildings	0
Troop Housing Spaces	6,147
Family Housing Units	1,460
Occupancy Rate	98 3/4
Paved Roads - Miles	55
Unpaved Roads - Miles	5
Land - Acres	5,574

ACRONYMS

A/C	Air Conditioning
AAA	Army Audit Agency
AAFES	Army & Air Force Exchange System
AC	Active Component
ACES	Army Center of Excellence - Subsistence
ACOE	Army Communities of Excellence
ADDN	Addition
AFB	Air Force Base
AFH	Army Family Housing
AGCY/AGY	Agency
AIT	Advanced Individual Training
ALMC	Army Logistics Management College
AMEDD	Army Medical Department
AMSC	Army Management Staff College
ANCOC	Advanced Noncommissioned Officer Course
APG	Aberdeen Proving Ground
AR	Army Regulation
AUTO	Automation/Automated
AVG	Average
AVLOG	Aviation Logistics
BEV	Beverage
BLDG(S)	Building(s)
BN	Battalion
BNCOC	Basic Noncommissioned Officer Course
CASCOM	Combined Arms Support Command
CATS	Culinary Activities Training Site
CD	Combat Developments
CEN	Central
CG	Commanding General
CHAMPUS	Civilian Health and Medical Program for the Uniformed Services
CHAPC&S	Chaplain Center & School
CIDC	Criminal Investigation Division Command
CINC	Commander in Chief
CIV	Civilian
CLOAC	Combined Logistics Officer Advanced Course
CLOTH	Clothing
COMM	Commissary

ACRONYMS (CONT'D)

CONST	Construction
CSS	Combat Service Support
CTR	Center
DA	Department of the Army
DAU	Defense Acquisition University
DAWIA	Defense Acquisition Workforce Improvement Act
DBOF	Defense Business Operations Funds
DCG	Deputy Commanding General
DeCA	Defense Commissary Agency
DEF	Defense
DENTAC	Dental Activity
DET	Detachment
DFAS	Defense Finance and Accounting Service
DIST	District
DMS	Data Management System
DOD	Department of Defense
DOL	Directorate of Logistics
ENG	Engineer
ENGR	Engineer/Engineering
EPA	Environmental Protection Act
EXEC	Executive
FAC	Facility
FD	Food
FLD	Field
FY	Fiscal Year
GRP	Group
HAZMAT	Hazardous Materials
IMA	Individual Mobilization Augmentee/Information Mission Area
INVEST	Investigate
IRP	Installation Restoration Program
IRR	Individual Ready Reservist
ISC	Information Systems Command
ITRO	Interservice Training Review Organization
JAG	Judge Advocate General
JCALs	Joint Computer Aided Acquisition and Logistics Support
JROTC	Junior Reserve Officer Training Corps
JTF	Joint Task Force

ACRONYMS (CONT'D)

LOG	Logistics
MCA	Military Construction Army
MDW	Military District of Washington
MEDDAC	Medical Activity
MGR	Manager
MIF	Military in the Field
MIL	Military
MILCON	Military Construction
MSL	Missile
NAE	Norfolk Area Engineer
NG	National Guard
ODS	Operation Desert Storm
OFC	Office
OMMC&S	Ordnance Missile and Munitions Center and School
OPS	Operations
ORDC&S	Ordnance Center & School
OSD	Office of the Secretary of Defense
P&W	Petroleum and Water
PMILOGS	Project Manager Integrated Logistics System
PMSO	Personnel Management Support Office
PROC	Procurement
PTF	Petroleum Training Facility
PWD	Petroleum & Water Department
PX	Post Exchange
QM	Quartermaster
QMC&S	Quartermaster Center and School
R&A	Research and Analysis
RCE	Regional Coordinating Element
REG	Region/Regional
REORG	Reorganization
RES	Reserve
RG-LEE	Readiness Group-Lee
SCH	School
SECARMY	Secretary of the Army
SECDEF	Secretary of Defense
SJA	Staff Judge Advocate
SMPT	School of Military Packaging Technology

ACRONYMS (CONT'D)

SPT	Support
SROTC	Senior Reserve Officer Training Corps
SSC	Soldier Support Center
STAMIS	Standard Army Management Information System
SVC(S)	Service(s)
SWA	Southwest Asia
SYS	System(s)
T&E	Test and Evaluation
TAG	Troop Action Guidance
TASS	Total Army School System
TCC	Transmission Control Code
TECH	Technology
TNG/TRNG	Training
TRAC-LEE	TRADOC Analysis Command-Lee
TRANS	Transportation
TRANSC&S	Transportation Center & School
UN	United Nations
USA	U.S. Army
USAC&FSC	U.S. Army Community and Family Support Center
USAISSDCL	U.S. Army Information Systems Software Development Center Lee
USAR	U.S. Army Reserve
USMC	U.S. Marine Corps
USN	U.S. Navy
UST	Underground Storage Tank
WPNS	Weapons

Document Separator

BRAC Impact on Kenner Army Community Hospital

CPT Pete Marks

INFORMATION PAPER

SUBJECT: Logistics Division

1. Purpose. To delineate the Logistics Division functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts:

a. Facility Management Branch:

- (1) Building maintenance under \$25K is managed under a direct funding program valued at 401K annually.
- (2) Linen Management Section ensures sterile linen products for all clinical procedures. Linen is picked up and cleaned daily by installation contract 200K.
- (3) The Minor Construction Program coordinates the repair and replacement of real property. Currently a 3,000K program has been coordinated for the next five years.
- (4) Kenner's Housekeeping functions are being conducted by utilizing a civilian contractor. The Federal Acquisition Regulation requires that the Government provides for a quality assessment evaluator to ensure contract compliance. Annual value of stated contract is 500K.
- (5) The BRAC TDA eliminates all the personnel required to perform the above stated functions.

b. Property Management Branch:

- (1) Kenner currently maintains a Property Book valued at 11,400K and performs regulatory requirements to comply with Army regulations.
- (2) In the last fiscal year, the Property Book Officer coordinated for 700K worth of nonreimbursable equipment. This Lateral Transfer Program markedly reduced capital expense procurement needs of the hospital.
- (3) The Property Management Branch processed more than 800K worth of nonmedical supply requisitions. 30K worth of property to installation activities.

- (4) The Property Branch transferred 30K worth of property to installation activities.
- (5) The Materiel Distribution Section processed 3,000 requests for office supplies and medical items.

c. Bio-Medical Maintenance Branch:

- (1) The loss of skilled work force on hand will increase civilian contract costs by 300K annually.
- (2) The external support Kenner provides to clinics, Federal Correctional Institution and military examining stations would be eliminated.

d. Materiel Branch:

- (1) The Stock Fund provides a 24 hour response capability to support deploying forces and natural disasters. The dollar Value in FY94 112K.
- (2) The Stock Fund serves as a screening entity to ensure contract compliance and adequate shelf-life. In FY94 this function saved the hospital and installation customers 366K.
- (3) The Stock Fund is the only legal authority that can accept the turn-ins of medical supply and equipment from all customers including Reserve and National Guard Units. In FY94 over \$1,000K was transferred to the Defense Reutilization and Marketing Office utilizing the Stock Fund.
- (4) Not only does BRAC eliminate the staffing required to complete the above programs, it eliminates both the Medical Quality Control Program and the Precious Metals Recovery Program, both of which are regulatory requirements.

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INFORMATION PAPER

SUBJECT: Managed Care Division

1. Purpose. To delineate the Managed Care Division functions and mission that will have to continue regardless of realignment of the MEDDAC.

2. Points of major interest and facts.

a. The managed care mission will not go away despite the fact the hospital is reduced to a clinic. The demands of the public will increase, but the staff to support it will be diminished in the realignment.

b. The following duties will continue:

(1) Manages the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), including nonavailability statements.

(2) Provides information services on medical care available in other health care facilities and on health benefits available through the Veterans Administration (VA) and other Governmental agencies.

(3) Reviews requests for civilian supplemental care and open allotment for compliance with regulatory requirements prior to command approval.

(4) Develops and maintains data and information regarding the clinical capabilities within the MTF and the civilian community.

(5) Identifies clinical areas within the MTF which would benefit from the implementation of a Military Civilian Health Services Partnership Agreement, VA/DoD Sharing Agreements, Direct Health Care Provider Program (DHCPP), or other initiatives which maximize the use of the MTF resources.

(6) Responsible for development of statements of work for contract purposes and agreements which support the DHCPP and Partnership Program.

(7) Responsible for monitoring supplemental care and open allotment expenditures and identifies cost effective civilian alternatives for supplemental care program use.

(8) Responsible for negotiating agreements and contracts to support the DHCPP, Partnership Program, Supplemental Care Program, and VA/DoD Sharing Program.

(9) Coordinates with the CHAMPUS Fiscal Intermediary, Office of the Civilian Health and Medical Program of the Uniformed Services (OCHAMPUS), and the Managed Care Division, MEDCOM, HSC for CHAMPUS policy guidance, reimbursement policies and practices, special program status, and benefits changes.

(10) Disseminates information to beneficiaries and providers regarding the CHAMPUS and MTF capabilities and policies.

(11) Operates the Health Care Finder program which provides information and referral services to beneficiaries and providers concerning the availability and location of medical services within the MTF catchment area.

MXCO-MCD

SUBJECT: Managed Care Division

(12) Provides information to beneficiaries and providers concerning health benefits programs available. These include but are not limited to CHAMPUS, MEDICARE, MEDICAID, Veterans medical benefits, civilian community health resources, and services provided by charity and state agencies within the catchment area.

(13) Conducts continuous monitoring of the health care resources within the catchment area, including the military community, in order to provide current information regarding the availability and affordability of services to beneficiaries and the MTF.

(14) Issues nonavailability statements (NAS) and maintains the automated NAS issuance system in Defense Eligibility Enrollment Reporting System (DEERS).

(15) Provides information to the commander concerning the numbers and reasons for issuance of nonavailability statements within the MTF. Provides information to beneficiaries and providers regarding the requirements for a nonavailability statement.

(16) Identifies opportunities and develops detailed plans for the use of CHAMPUS funds for other than the CHAMPUS Claims Program.

(17) Develops and maintains a utilization management system to monitor the progress of services provided under Partnership Agreements and other CHAMPUS initiatives such as Alternate Use of CHAMPUS Funds Projects.

(18) Various databases utilized such as Medical Analysis Support System (MASS), CHAMPUS Maximum Allowable Charge (CMAC), and Army Standard Information Management System (ASIMS).

3. This MTF is approximately 80 miles away from any other military hospital, therefore, our beneficiaries in the tri-city area and in the western part of Virginia and North Carolina will lose a resource from which to obtain information and assistance. Our division's function is not dependent upon inpatient capability within the MTF, since we are responsible for the coordinating of medical care not available in the direct care system.

Marise H. Bidgood
MARISE H. BIDGOOD
Chief, Managed Care Division
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Encl

WORKLOAD

MANAGED CARE WORKLOAD

	FY 93	• FY 94	* FY 95
BENEFICIARIES COUNSELED:	6519	5328	2137
TELEPHONIC CONTACTS:	10342	10585	4433
CORRESPONDENCE PROCESSED:	8690	7926	2831
ELIGIBILITY INQUIRIES:	5232	3885	1347
AD & SUP CARE CLAIMS:	5227	4487	1561
NONAVAILABILITY STATEMENTS:	1389	1119	453
HEALTHCARE FINDER SCHEDULING:	590	673	404
OUTREACH ACTIVITIES:	24	15	8
MOUs NEGOTIATED:	10	7	4
EMPLOYEES:	7	5	7

* THROUGH FEBRUARY

INITIATIVES

ACTIVE DUTY OB INITIATIVE

DISCOUNTED PROVIDER NETWORK

FIVE CIVILIAN OB PROVIDERS: 20% DISCOUNT

NUMBER OF CASES: 92

ACTUAL DELIVERIES: 36

DISCOUNTED REIMBURSEMENT: \$34,081

COST WITHOUT DISCOUNT: \$97,200

SAVINGS REALIZED: \$63,119

PSYCHIATRIC INITIATIVE

FY 94

MODE: HEALTH CARE FINDER AND PARTICIPATING PROVIDER
MOUs

IMPLEMENTATION: FY 94

PARTICIPANTS: 2 ACUTE CARE PSYCHIATRIC HOSPITALS
42 PROVIDERS

TERMS: 20% DISCOUNT PER DIEM
20% DISCOUNT PROFESSIONAL PROVIDER

NUMBER OF PATIENTS: 486

NUMBER OF SERVICES: 2867

SAVINGS: \$105,568

SOURCE: HCF/PPP FISCAL INTERMEDIARY EOBS

PSYCHIATRIC INITIATIVE

FY 95 THROUGH FEBRUARY

MODE: HEALTH CARE FINDER AND PARTICIPATING PROVIDER
MOUs

IMPLEMENTATION: FY 94

PARTICIPANTS: 2 ACUTE CARE PSYCHIATRIC HOSPITALS
42 PROVIDERS

TERMS: 20% DISCOUNT PER DIEM
20% DISCOUNT PROFESSIONAL PROVIDER

NUMBER OF PATIENTS: 461

NUMBER OF SERVICES: 5461

SAVINGS: \$118,729

SOURCE: HCF/PPP FISCAL INTERMEDIARY EOBs

FUTURE PSYCHIATRIC INITIATIVES

PARTICIPANTS: TWO CHAMPUS APPROVED PARTIAL HOSPITALIZATION FACILITIES.

TERMS: 15% DISCOUNT FROM FULL DAY RATE
20% DISCOUNT PROFESSIONAL PROVIDERS
NEGOTIATING WITH 10 ADDITIONAL PROFESSIONAL PROVIDERS FOR ENLARGEMENT OF NETWORK.

GOAL: UTILIZING PARTIAL VS INPATIENT GENERATES A SAVING TO THE GOVERNMENT OF \$220.00 PER DIEM AND A LESSER COST SHARE TO THE PATIENT.

ONAS SURGICAL INITIATIVES

(CHAMPUS RECAPTURE)

PROCEDURES PERFORMED: 359

IN HOUSE COST: \$32,398

CHAMPUS COST: \$420,380

COST AVOIDANCE: \$387,982

**INPATIENT
INFORMATION**

ESTIMATED KENNER EXPENDITURES

FY 94

AD & CHAMPUS ELIGIBLE ADMISSIONS: 547

ESTIMATED COST UTILIZING CHAMPUS DRGS: \$2,294,820

AD & CHAMPUS ELIGIBLE SAME DAY SURGICAL PROCEDURES: 768

ESTIMATED COST UTILIZING CHAMPUS CMAC: \$2,337,729

SUPPLEMENTAL CARE EXPENDITURES: \$750,170
(PAID IN ACCORDANCE WITH PUBLIC LAW 199.16)

VA-DOD COST-SHARING

UTILIZATION OF VA HOSPITAL

CT SCANS AND MRI's

(#)PERFORMED

VA

CIV FACILITY

COST SAVING

CT SCAN (124)	51,553	103,722	52,169
MRI (147)	85,406	109,221	23,815
TOTAL (271)	136,959	212,943	75,984

VA/DOD COST SHARING AGREEMENT
FY 94

INFORMATION PAPER

SUBJECT: Patient Administration Division

1. Purpose: To delineate the Patient Administration Division functions and missions that must exist when Kenner Army Community Hospital (KACH) is reduced to a health clinic. The Chief, Patient Administration Division Office is responsible for most administrative aspects of patient care in a clinic command. These responsibilities include:

a. Eligibility For Care - Patient Administration Division is responsible for ensuring that appropriate mechanisms are established to verify eligibility for care.

b. Evacuation/Medical Regulating - Patient Administration Division is responsible for integrating and coordinating all ground and aeromedical (MEDEVAC) evacuation support to ensure that patients arrive at the required civilian or military treatment facilities capable of providing the highest quality and most cost effective care.

c. Line of Duty Determinations - Initiates Line of Duty determinations as necessary IAW AR 600-8-1 for active duty, all National Guard personnel and all injury cases for USAR personnel and sends to unit commander.

d. Absent Sick - Administrative responsibility for Army members hospitalized in a nonmilitary hospital.

e. DD Form 7A (Report of Treatment Furnished Pay Patients) - This must be prepared and submitted to MEDCOM for all Foreign Military, Coast Guard and their dependents who receive outpatient care. The forms are required in order to obtain reimbursement for medical care furnished in accordance with law, regulation, or agreement.

f. Release of Medical Information - Replies to insurance companies requesting medical information for application as well as disability claims. During FY 94, \$2,592.75 was collected from applications for insurance. In addition, this position is responsible for copying records for all military personnel retiring or separating as well as family members who will no longer be entitled to care in the military arena. This position will process all claims under Workmen's Compensation that are on an outpatient basis.

MCXO-PAD

SUBJECT: Patient Administration Division

2. Three branches of Patient Administration Division that are affected by the Base Realignment Base Closure (BRAC) recommendations are:

a. PHYSICAL EVALUATION BOARD LIAISON OFFICER (PEBLO) - The PEBLO initiates Medical Evaluation Boards (MEB), Physical Evaluation Boards (PEB), and performs management of military personnel who are on the Temporary Disability Retired List (TDRL). In addition to personnel assigned to Fort Lee, the actions accomplished by the PEBLO has a significant impact on the lives of soldiers and their family members in a catchment area that encompasses 67 counties and 3 cities in Virginia, and 3 counties in West Virginia. At any given time the PEBLO has approximately 60 PEB cases in progress. Approximately 40 TDRL cases are processed by the PEB monthly. Each month, the PEBLO responds to an average of 40 telephonic and/or written requests for assistance from Commanders and/or Tech Sergeants. The PEBLO performs duties and responsibilities as the Decedent Affairs Officer (DAO) and accomplishes expedited "imminent" death MEBD Proceedings on active duty personnel within the catchment area.

b. THIRD PARTY COLLECTION PROGRAM - The Consolidated Omnibus Reconciliation Act (COBRA) of 1986 established the legal requirement that mandate Third Party Collection Programs at U.S. military hospitals to bill health insurance carriers for the cost of inpatient and outpatient medical care furnished to retirees and dependents covered by health insurance policies.

The mission to collect third party insurance will exist when Kenner is reduced to a clinic. Clinics that were affected by the Base Realignment and Closure commission and are successful in their billing are: Aberdeen Proving Grounds, MD; Carlisle, Barracks, PA; Fort Ben Harrison, IN; Presidio of Monterrey; and Fort Ord.

Third Party Collections Program exceeded its goal for FY 94. Outpatient billing generated \$127,321.70. The following data is collections by clinic:

Outpatient Clinic	\$ 51,215.99
Family Practice Clinic	\$ 10,491.35
Ophthalmology	\$ 3,002.06
Gyn Clinic	\$ 9,782.69

MCXO-PAD

SUBJECT: Patient Administration Division

Internal Medicine	\$ 17,871.89
Audiology	\$ 317.00
Emergency Room	\$ 19,675.54
Orthopedic Clinic	\$ 1,997.15
Pediatric Clinic	\$ 8,066.05
Surgical Clinic	\$ 4,349.92
Pharmacy	\$ 552.06

TOTAL: \$127,321.70

Funds were used to purchase equipment and/or furnishing to enhance health care for the following clinics/services:

Troop Medical Clinic - Furniture Package
Orthopedic Clinic - Furniture Package
Pathology - Furniture Package
Community Mental Health/Psych Service - Furniture Package
Physical Therapy - Furniture Package
Ophthalmology - Furniture Package
Operating Room - Furniture Package
Outpatient Clinic - Furniture Package
Pathology - Analog Timer
Pathology - Polarizer/Analyzer
Pathology - Drying Oven
Pathology - Vortex Mixer
Medical Clinic - Protective Sheaths

c. MEDICAL RECORDS ADMINISTRATION BRANCH - Three positions under the Medical Records Branch affected by the reduction of the hospital that are pertinent to the operation of the health clinic are:

(1) Statistical Assistant - Compilation, analysis, computation, and preparation of statistical data is a requirement that continues to exist in a clinic command. Workload statistics produced from the Medical Summary Report is used to evaluate the operation of the clinic. Data from the MED 302 and recurring output reports can be used by the clinic commander and staff, as well as higher headquarters, for -

- oo utilization review
- oo analysis of clinic services

MCXO-PAD

SUBJECT: Patient Administration Division

- oo presentation and analysis of trends
- oo resource management
- oo facilities planning
- oo planning for future programs

Recurring output reports and studies are produced from Medical Summary Report data to satisfy requirements of various headquarters agencies. Reports which are prepared for individual clinics include monthly, weekly or yearly workload which can be broken down by provider, category of patients, age, service, etc. All clinics are audited at least once a year to ensure workload is properly documented.

(2) Medical Records Technician - The Third Party Liability Claims (TORT) investigates potential claims involving military, retirees as well as family members involved in auto accidents and/or other injuries not necessarily the fault of the member. Although some cases are admissions, the majority of the care is rendered on an outpatient basis. Discontinuation of this mission will have a financial impact upon the clinic. During FY 94, \$56,365.69 was collected and deposited into the Medical Treatment Facility account.

(3) Transcriptionist - The medical records technician types radiographic reports for the Department of Radiology, medical board narrative summaries and TDRs for the PEBLO. If same day surgery remains a function of the clinic, the requirement to transcribe operative reports will exist.



DORRIS L. VARNADO

CPT, MS

Chief, Patient Administration
Division

INFORMATION PAPER

SUBJECT: Community Health Nursing

1. Purpose. To delineate the Community Health Nursing functions and missions that will have to be continued even if the staff is cut or eliminated.

2. Points of major interest and facts.

a. Mission is to promote, preserve, and restore the health of active duty and retired military personnel, their dependents, and DA civilians. Key focus is community health and prevention of diseases, illnesses, and injuries.

b. With reduced staff, the following functions will have to be continued:

- (1) Administrator of HIV/AIDS Program.
- (2) Health education classes on preventable illnesses, diseases, and injuries.
- (3) Health education classes for pregnant soldiers.
- (4) HIV Lookback program.
- (5) HIV Liaison/Counselor for HIV positive personnel.
- (6) Epidemiologist for tracking diseases/illnesses and providing contract tracing required by federal and state law.
- (7) Communicable Disease Manager to interview identified patients and report to MEDCOM via Medical Surveillance System.
- (8) Management of the Childhood Lead Level Program.
- (9) Deployment and redeployment briefings, screening, and surveillance to include providing malaria chemoprophylaxis.
- (10) Manager of Sexually Transmitted Disease program.
- (11) Trainer for the mandatory maternal fitness sessions three times a week.
- (12) Health Risk Appraisals for more than 43,000 potential enrollees in TRICARE.
- (13) Family counseling for health issues regarding communicable diseases.
- (14) Manager to coordinate public health resources.
- (15) Coordinator to contact blood donors with abnormal blood results, arrange retest, assess risks, provide counseling.
- (16) Manager of Hepatitis C Registry to counsel, assess, reevaluate those who test positive for HepC.

MAJ Roger Pinneke
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INFORMATION PAPER

SUBJECT: Utilization/Case Management

1. Purpose. To delineate the Utilization/Case Management functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts.

a. The Utilization/Case Management function will not go away despite the fact the hospital is reduced to a clinic. The staff to support it will be diminished along with the reorganization.

b. The following tasks will have to be continued:

(1) Utilization review of records (inside and outside) for medical necessity, level of care, length of stay, quality of care, and timeliness of discharge planning/case management.

(2) Case management (inside and outside).

(3) Identification of problems with healthcare access/ utilization in military and civilian sectors, recommendations to overcome, and evaluation to prevent reoccurrence.

(4) Assistance in accessing available resources in MTF and community. Educating caregivers on post re: community resources and educating outside caregivers re: Ft. Lee resources and how to access.

(5) Maintenance of statistics and analysis of utilization of MTF resources.

(6) Contract officer representative for Coastal Contract Physicians for emergency room.

(7) CHAMPUS Internal Partnership claims review.

(8) Providing of medical necessity information for psychiatric Non-availability Statements.

(9) Review of DD 2161's (Referral for Civilian Medical Care) by Interqual and CHAMPUS criteria for medical necessity and to determine covered services.

(10) Report of daily MEDDAC employees, (civilian and military), injured and seen in the ER to the safety officer.

c Outside cost savings from onsite psychiatric utilization review and case management at MOU hospitals Feb 94-Mar 95 is estimated at \$255,582.

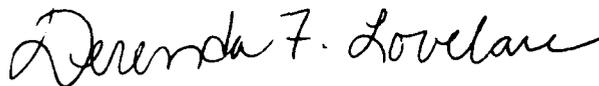
d. Through psychiatric case management, inpatient CHAMPUS costs by one family of over \$200,000 in FY 93, were reduced to < \$60,000 in FY 94 and \$0 in FY 95.

e. Inside cost savings from utilization review of KACH records Feb 94-Feb 95 was \$103,783.

f. Decrease in Coastal Contract Physician hours in the ER on Fridays from Sept 94-Mar 95 has resulted in a savings of \$22,757.

g. Through medical case management, \$5,350 in administration of home IV antibiotics was saved on one case.

h. Numerous other interventions have resulted in cost savings, but exact figures are not available. It is difficult to measure the impact of education of health care providers by the utilization managers on proper utilization of resources and case management.



Derenda F. Lovelace
Utilization Manager

INFORMATION PAPER

SUBJECT: Safety Management

1. Purpose. To delineate the Safety Management functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts.

a. Safety manages both MEDDAC and DENTAC safety programs. Hospital and dental activities both have unique safety hazards that base safety personnel are not trained or qualified to address. Hospital safety managers must have a basic knowledge of industrial safety to handle warehouse operations, construction/renovation, and ongoing contractor work in the facility, along with "business occupancy safety", electrical safety specific to hospitals and operating rooms, anesthetic gases, hazardous materials unique to the clinical setting, blood-borne pathogens, exposure control plans, TB standards, and lab safety. Knowledge of JCAHO, CAP, AHA, FDA, ABA standards and NFPA regulations are required.

b. The Fort Pickett Safety Officer is not trained or qualified to assist by providing safety services to medical and dental clinics located there. DGSC medical and dental clinics will have the same problem.

c. Safety assists Fort Eustis by covering the veterinary services buildings and staff at Fort Lee. Alternatively, Fort Eustis or Walter Reed Hospital would have to hire additional staff to perform this function.

d. The Joint Commission for Accreditation of Healthcare Organizations (JCAHO) requires a qualified Safety Manager*. Work performed requires immediate response and on-site investigation during mishaps, hazardous material spill control, electrical emergencies, and on-the-spot coordination with maintenance and contractors.

e. Participation in the Department of Motor Vehicles Child Safety Seat and Virginia Safe Kids Coalition Child Safety Seat campaigns which provide both military, DA civilian, and indigent persons in the community infant and child car seats, free of charge.

f. During the major construction that is ongoing at the hospital, Safety intervenes on behalf of patients, government employees and property when the contractors violate OSHA and JCAHO regulations.

g. Requirements for Safety Management, Life Safety Management, Hazard Communication Program, Environmental Program, and Utilities Management will not decrease if Kenner becomes a clinic.

SUSAN B. CAMPBELL
MEDDAC/DENTAC Safety Manager
(804) 734-9445

INFORMATION PAPER

SUBJECT: Information Management Division

1. Purpose. To delineate the Information Management functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.
2. Points of major interest and facts.
 - a. The automation mission will not go away despite the fact the hospital is reduced to a clinic. The staff to support it will be diminished along with the reorganization.
 - b. The following tasks will have to be continued:
 - (1) Mail room management.
 - (2) Forms and publications management.
 - (3) Records management.
 - (4) Automation support and systems management.
 - (5) Correspondence and distribution control.
 - (6) Telephone requests/billing.
 - (7) Congressionals, FOIAs, Privacy Act Management.
 - (8) Duty rosters - narcotics drug inventory.
 - (9) Awards ceremonies.
 - (10) Headquarters regulation maintenance.
 - (11) Weekly bulletin.
 - (12) Field printing requests.
 - (13) Marketing.
 - (14) Message pick-up, printing, distribution.
 - c. Nine computer-based servers are scheduled to be brought on line at Kenner, including: CHCS, MECMIS, NMHIS, OA LAN, DMLSS, DBSS, DMIS, ADS, and DMHRS. A system's administrator must be on staff to run these programs.
 - d. The remaining staff will need to be supported by a mail room. Maintenance of Army regulations continues. Forms and publications will have to be ordered, filled, and delivered.
 - e. Billing for pin code use will continue and a staff member distributes the bills and checks each bill for abuse.
 - f. Separation, suspending, staffing and distributing of the mail will have to be performed before it reaches Headquarters.
 - g. Staffing of suspenses to action officers is imperative for correspondence control.

CPT Peter V. Marks
C, Information Management
(804) 734-9477/9505

INFORMATION PAPER

SUBJECT: Resource Management Division

1. Purpose. To delineate the Resource Management Division's functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts:

a. Fund Distribution/Certification (\$42M):

- (1) Midyear/annual budget submissions to HSSA/MEDCOM.
- (2) Quarterly Joint Reviews of NonStock Fund Orders & Payables (NSFO&P) between DAO & MEDDAC.
- (3) Unliquidated Obligations reconciliations with DAO.
- (4) Input of all obligations to DAO through DCAS system.
- (5) Computes/requests budget allotment from HSSA/MEDCOM.
- (6) Verification & certification of all OMA/OMD funds.
- (7) Requests Army Management Structure APCs from CASCOM; maintains & updates structure as required.
- (8) Prepares all budget statistics for MEDDAC, DENTAC, HSSA, MEDCOM, and other agencies as requested.
- (9) Continuous monitoring of commitments/obligations to preclude over obligations in all programs.
- (10) Prepares MEDDACs regulations pertaining to fund control.
- (11) Certifies actual cutting of checks electronically through DAO ASIMS system on various bills received.
- (12) Maintains DCAS commitment blotters as required by DAO on all commitment and obligations.
- (13) Issues allotments to MEDDAC/DENTAC customers pertaining to TDY, supply and equipment programs; reconciles & monitors to ensure full and effective utilization of funds.
- (14) Issues Military Interdepartmental Purchase Requests (MIPR) to other activities; issues documentation to DAO to collect MIPR reimbursements.
- (15) Submits Funding Allowance Documents (FAD) and obligation documentation to DAO.
- (16) Monthly initiation to DAO of the Military Personnel Expense Data Schedule.

b. Review and Analysis:

- (1) Preparation of MEDDAC monthly and quarterly Review & Analysis.
- (2) Preparation of CASCOMs Quarterly Review & Analysis.
- (3) Preparation of budget trends & statistics for R&As.

MCXO-RMD
SUBJECT: Resource Management Division

4 April 1995

c. Medical Expense and Performance Reporting System (MEPRS):

- (1) Management of the automated systems inherent to MEPRS.
- (2) Management of the Expense Assignment System (EAS).
- (3) Management of the Uniform Chart of Accounts Personnel Utilization System (UCAPERS) which records workload, expenses & manpower utilization.
- (4) Prepare MEPRS SOP for use by MEDDAC/DENTAC customers.
- (5) Design workload reports utilizing DATASCAN.
- (6) Monthly reconciliation and transmission of MEPRS to higher HQs.
- (7) Frequent liaison with personnel to verify data collection procedures.
- (8) Collection & actual input of data for UCAPERS.

d. Economic Analysis/Peace Time & MOB TDA:

- (1) Develop, research, and prepare economic analyses in support of Productivity, Improvement Enhancement initiatives.
- (2) Management of Commercial Activities (CA), Defense Regional Interservice Support (DRIS), Memorandum of Agreements and other external agreements.
- (3) Conduction of manpower utilization surveys.
- (4) Preparation, input and maintenance of Peace Time and Mobilization TDAs.
- (5) Management of Internal Control Program.

LARRY D. STALLINGS
MAJ, MS
Chief, Resource Management
Division
(804) 734-9402

INFORMATION PAPER

SUBJECT: PLANS, TRAINING, MOBILIZATION AND SECURITY DIVISION

1. PURPOSE: To delineate the Plans, Training, Mobilization and Security Division functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. POINTS OF MAJOR INTEREST AND FACTS:

a. The division is currently authorized 5 personnel (3 military/2 civilians). The proposal is for the division to lose all of its slots with the exception of one slot. The lost slots are for C, PTM&S; NCOIC, PTM&S; Plans, Operations, and Security Specialist; and Administrative Assistant (secretary). The one remaining slot would be for the Training NCO.

b. The following tasks will have to continue:

(1) Plans (Disaster, Emergency, Mobilization, Contingency): developed, coordinated, updated, published to support Fort Pickett, Fort Lee, MEDDAC, MEDCOM, NAHSSA

(2) Reports (Historical, Training, Unit Status, Mobilization, Security, SITREP, SIR)

(3) Coordinate/execute unit centralized training, MEDDAC PROFIS training, WARTRACE unit training, reserve component training (unit/individual)

(4) Provide Hospital Security (Physical Security, Information Security, Information Systems Security, Personnel)

(5) Coordinate/provide medical support installation level (peacetime, mobilization, disaster, annual training)

(6) Perform as Federal Coordinating Center for National Disaster Medical System for Central Virginia

(7) Coordinate/provide medical support for Installation Soldier Readiness Processing, DNA Collection, Preventive Medicine Support, Medical Threat Briefs, Medical Supplies/Equipment

(8) Provide post level medical records screening for security clearances

(9) Maintain Personnel Security Liasion with installation and/or WRAMC Personnel Security Manager

(10) Maintain Custodian for Classified Documents Repository (maintain accountability, classify, declassify etc.)

INFORMATION PAPER

SUBJECT: Clinical Support Division

1. Purpose. To delineate the Clinical Support Division functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts.

a. The support mission of the clinics increases with the addition of same-day surgery and the elimination of inpatient care.

b. The following responsibilities continue or are added:

- (1) Outpatient records management
- (2) Management and supervision of 17 clerical staff
- (3) Patient Appointment System management
- (4) Prompt Care contract management
- (5) Coastal Government Services Emergency Room contract management
- (6) TDY management for non-medical attendants
- (7) Patient Representative and Complaint Department management
- (8) Desert Storm Illness management
- (9) Joint Commission for the Accreditation of Health Care Organization Ambulatory Care Accreditation Planning, organizing
- (10) Organization of the Health Care Consumer Committee meeting
- (11) Publish daily on-call rosters
- (12) Management of Information Desk
- (13) Management of the MOS/Medical Retention Board
- (14) Performance Improvement within the clinics in regards to process analysis and patient satisfaction surveys
- (15) Case-management becomes more important in managing inpatients in the community hospitals
- (16) Assist providers with CHAMPUS recapture initiatives which reduce costs
- (17) Generate reports and monitor provider productivity at the local level
- (18) Plan and coordinate school physicals in Charlottesville and at Fort Lee
- (19) Participate in the planning and support of medical readiness through the SRP and Disaster Planning
- (20) Inspection of three outlying clinics

c. The MITEL Automatic Call Distribution and Telephone System is scheduled for implementation in June and will require continuous management.

MCXO-CSD

SUBJECT: Clinical Support Division

d. The CHCS Patient Appointment System module requires implementation July-September 1995 and will require continuous management.

CPT Patrick J. Sauer
C, Clinical Support Division
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INFORMATION PAPER

SUBJECT: Nutrition Care Division

1. Purpose. To delineate the Nutrition Care Division's mission and services that will need to be continued despite possible downsizing/elimination of staff.

2. Points of major interest and facts.

a. Nutrition Care Division can be divided into three parts: Food Service, Clinical Dietetics, and Community Nutrition. The mission of feeding patients and staff will continue if Same Day Surgery remains. Our mission of providing comprehensive nutritional services through dietary counseling and nutrition education throughout the community will remain constant and possibly increase due to the focus on preventive medicine and the institution of CHPM. The staff to support our mission will be eliminated along with the reorganization.

b. The following services will need to be provided:

- (1) Active Duty Weight Control support in accordance with AR 600-9.
- (2) Lowering blood cholesterol education through dietary intervention for patients diagnosed with hyperlipidemia.
- (3) Dietary guidelines for diabetic patients and follow-up counseling for diet compliance.
- (4) Weight control education for retirees, dependents, and other beneficiaries.
- (5) Dietary assessment and education for patients who are at high nutritional risk (renal, cancer, cirrhosis, etc.).
- (6) Prenatal nutrition education for AD soldiers.
- (7) Community nutrition education to promote nutrition as preventive medicine.
- (8) Unit classes on avoiding the Weight Control Program.
- (9) Post Child Care Facility inspection and review of annual menu.
- (10) Feeding patients and staff of the Superclinic.

c. Patients identified as having nutrition education needs would need to be seen elsewhere. Money from third party reimbursement would be lost.

d. Same Day Surgery patients will need to be fed. Many times, patients present with special dietary needs, such as, diabetic diet, renal diet, pureed food, etc.. Specialized diets cannot be prepared by any other Dining Facility on post. Also, AD soldiers on the holding ward would need to be fed.



DIANNE T. HELINSKI

1LT, SP

Chief, Nutrition Care Division

INFORMATION PAPER

SUBJECT: Nursing Education and Staff Development

1. Purpose: To delineate the Nursing Education and Staff Development functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts:

a. The education mission will not go away even if the hospital is reduced to a clinic. The Army and the various states require continuing education for physicians, registered nurses, nurse practitioners, and licensed practical nurses. Nursing education provides a minimum of 20 contact hours of continuing education credit for nurses each year in house, as well as monitoring and maintaining the education budget for the Department of Nursing.

b. The mandatory requirements of both the Army and the Joint Commission on Accreditation of Healthcare Organizations will have to continue and the records of these will need to be maintained in a central location. At present all Department of Nursing records are kept by Nursing Education and Staff Development. We also verify and keep a record of all licenses for the Department of Nursing.

c. Nursing Education provides all American Heart Association Basic Life Support instructor and instructor-trainer courses for Fort Lee, under the auspices of the Military Training Network. We also conduct all Basic Life Support classes for the entire hospital staff in order to maintain competency. In addition, we provide all of the Advanced Cardiac Life Support courses and the Advanced Cardiac Life Support instructor courses for those individuals who require these skills.

d. We provide Emergency Medical Technician (EMT) courses and EMT refresher courses on an as needed basis.

e. We provide Combat Life Saver courses for all of the units on Fort Lee.

f. Nursing Education provides orientation for all new staff members in the Department of Nursing.

g. We are the point of contact for all personnel who are applying for higher education and for preparation of Nurse Corps career status packets, such as Voluntary Indefinite or Regular Army.

h. The Reserve Officer Training Corps Summer Nurse Training Program will no longer be able to use this facility for training future Army Nurse Corps officers which would have a detrimental effect on training.

i. MEDCOM programs for sustainment of military occupational specialty skills would suffer because we would not have the instructors available to complete this training.

j. Audio visual support and maintenance would suffer if this department would be eliminated.

k. Reports to Nurse Corps Branch and the Health Service Support Area would still need to be completed and sent on time.

l. The ordering and maintenance of training aids would need to be taken on as an additional duty for another department.

Paulette A. Hutchins
Major, Nurse Corps
Chief, Nursing Education
and Staff Development

INFORMATION PAPER

SUBJECT: Pharmacy Service

1. Purpose: To delineate the Pharmacy Service functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts:

a. Pharmacy staff will be reduced by 40%, from 20 to 12 people.

b. Pharmacy will provide only outpatient prescription services to all categories of eligible beneficiaries.

c. Outpatient prescription workload will not decrease.

d. Pharmacy will operate Monday through Friday, 40 hours per week, and will be closed on weekends and holidays.

e. Provide personnel to operate the Troop Medical Clinic Pharmacy and Post Exchange Pharmacy Refill Pickup Point at Fort Lee. (The two positions are not authorized on the TDA).

f. Multiple refill options. (Patients presently have five options to refill their prescriptions. This must be reduced to one option - the automated refill system).

g. Prepacking and labeling medications for dispensing from the Emergency Room, EENT Clinic, Pediatric Clinic, Defense General Supply Center (DGSC) Health Clinic, Fort Pickett Health Clinic and Prompt Care Health Clinic in Charlottesville.

h. Courier services between the Pharmacy and the DGSC Health Clinic, Fort Pickett Health Clinic and Prompt Care Health Clinic in Charlottesville. (The courier services bring locked boxes to the Pharmacy for processing. These boxes contain new and refill prescriptions for patients, and bulk drug orders for resupplying the clinics. This courier system is provided as a convenience to support our patients and military units in remote locations).

i. Full-time pharmacoeconomic/cost-containment analyses. (The Pharmacoeconomic Pharmacist works closely with the Pharmacoeconomic Center at Fort Sam Houston, TX, and provides guidance to the Command about medication-related fiscal issues).

j. Compounding creams, ointments, solutions, suspensions and other specially formulated preparations for patient and/or clinic use.

k. Conducting staff assistance visits to supported outlying activities (DGSC Health Clinic, Fort Pickett Health Clinic and Prompt Care Health Clinic in Charlottesville).

l. Providing on-call personnel for after-hours Pharmacy coverage.

m. Supporting non-Pharmacy details, training and other duties.

n. Conducting in-services for Pharmacy and hospital personnel.

o. OBRA 90-mandated patient counseling will be adversely affected.

3. ⁺Quality of care issues will occur, such as increased medication errors due to fewer people processing the same or greater number of prescriptions, staff morale, efficiency and productivity will suffer, and there will be a corresponding increase in the use of sick leave, mistakes, etc. The hospital and U.S. Government will be at a greater risk for potentially compensable events, and patient waiting time and complaints for prescriptions will increase.

VICKI L. MORSE
CPT, MS
Chief, Pharmacy Service

INFORMATION PAPER

SUBJECT: Radiology Department

1. Purpose: To delineate the Radiology functions and missions that will have to be continued even if the staff to support these functions will be potentially cut or eliminated.

2. Points of major interest and facts.

a. The Department of Radiology performed 21,220 examinations in 1994. Of these, 97.4% were outpatients and only 2.6% were inpatients. The mission or workload of the department will not significantly change if the inpatient slice is eliminated. In fact, workload and types of procedures performed has consistently increased over the last 18 months.

b. The American College of Radiology recommends a radiologist read no more than 10,000-12,000 exams/year. Further increase in workload would increase the risk of incorrect interpretation and, therefore, risk to the patient. Obviously, this places Kenner at higher risk of litigation. The average MEDDAC radiologist performs and interprets 12,000-14,000 exams/year. The present workload would be 50% greater if there was only one provider. It is essential to maintain two staff radiologists. The cost of hiring 1/2 of a radiologist or sending surplus films to be read on the outside would not be significantly different than maintaining an additional radiologist. However, in the absence of a second provider, quality of patient care would be adversely affected. If only one provider was on staff, vacation and conference days (up to 40 days/year) would cost the facility \$40,000/year (\$1000/day). With two radiologists on staff, exam waiting times for routine mammography, fluoroscopy, and ultrasound have been decreased to less than two weeks.

c. The mammography technician has specialty training, in that they must be a registered X-ray technician and also a registered mammographer. These are requirements for mammography accreditation. Kenner presently performs 250 mammograms/month. This number has increased since the mammography technician was hired in Oct 94. Cost of sending mammograms to the outside would cost a minimum of \$100/exam or \$25,000/month.

d. Ultrasound requires a technician with special training. Kenner performs approximately 180 exams/month. Cost of sending ultrasounds out would be a minimum of \$150/exam or \$27,000 month.

e. The civilian diagnostic radiology technician works a night shift between 4 p.m. and midnight. Consideration must also be given to the Troop Medical Clinic. There has been discussion about placing a technician at this site if X-ray equipment is

installed. This would not be feasible with proposed staffing cutbacks. An additional two positions for diagnostic technicians have not been filled for some time and do not seem necessary for efficient department function.

f. Receptionist is essential to the efficient operation of the department, responsible for scheduling, entering workload in the database, explaining exam procedures and bowel preps to patients, answering phones and keeping patient flow efficient. Receptionist is also involved in third party billing. If position eliminated, an additional technician would be required.

g. Fileroom clerk maintains order of patient X-ray files, breaks down reports (copy 1 to X-ray jacket, copy 2 to physician, copy 3 to Outpatient Records) and maintains records of film location when patients sign them out. Elimination of this position would require an additional technician.

h. Night hours would require the civilian position to remain in place. If there were weekend hours, an additional military technician would be required.

i. Radiology and the Laboratory are the foundation of any health organization. They are money makers or money savers, depending on the institution's perspective. Only minimal staffing cuts would be acceptable to continue to meet needs of our population in a safe and efficient manner. A decrease in staff would force the department to limit access to radiologic studies. Sending patients to the private sector for these examinations would be a significant expense to the federal government.

MAJ Stephen M. Elksnis, MD
Chief, Dept of Radiology
(804) 734-9121

INFORMATION PAPER

SUBJECT: Department of Pathology

1. Purpose. To outline the impact of the proposed TDA on the Department of Pathology.

2. Points of major interest and facts.

a. The proposed 0296 TDA provides for 15+ personnel in the Department of Pathology. This is a 45 percent cut in personnel. The present authorization is 29 personnel.

b. Sixteen personnel will not be able to maintain the current workload or turn around time. This provides for only a skeleton crew to man the laboratory. Should any person be sick, take leave, attend meetings/training, perform admin/clerical work, then that section would shut down. This would jeopardize patient care.

c. The lab will not be able to provide 24 hour or weekend coverage. At best we could provide a 2nd shift 5 days a week. Should that person be sick/take leave, there would be no coverage to the emergency room. This severely jeopardizes patient care.

d. The lab would no longer be able to provide Soldier Readiness Processing support to post. Currently we draw Hies and collect DNA specimens. A minimum crew of 4 - 6 personnel is required for this mission.

e. The lab currently provides a lab tech to the Troop Medical Clinic. The main laboratory takes priority should this tech be unavailable. We would not be able to fill that position should the assigned tech be sick or take leave.

f. At our current strength we can take on the additional workload anticipated by a co-located VA clinic. With reduced personnel, we will be unable to accept these patients. We would not have adequate staff to either draw these patients or run the tests.

g. The percentage of workload created by inpatients is approximately 5 percent. Therefore, the loss of inpatient services by the hospital will have a negligible effect on the laboratory.

h. The only real change to the laboratory will be deletion of 3rd shift. The workload attributed to third shift is minimal.

MCXO-LAB

SUBJECT: Department of Pathology

Therefore the laboratory can maintain its current coverage with a absolute minimum of 25 personnel (includes tech at TMC).



ALLESA J. EWELL

CPT, MS

Laboratory Manager

INFORMATION PAPER

SUBJECT: Internal Review and Audit Compliance Office.

PURPOSE: To delineate the Internal Review and Audit Compliance (IRACO) functions which will be lost if the "Super Clinic" organizational concept is implemented.

1. The Auditor currently provides the following services:

a. Professional audit services which fosters good stewardship and enhances operational readiness by providing an objective evaluation of operations, financial records, and management controls.

b. Trouble-shooting capability to quickly review a situation and provide timely advice to any level within the organization.

c. Audit followup for recommendations contained in reports prepared by the U.S. Army Audit Agency (USAAA).

d. Audit liaison expertise in dealing with visits by the General Accounting Office (GAO), DOD-IG, and audits conducted by the USAAA.

2. The loss of the Auditor would deprive the organization of the capability to identify potential savings by locating and identifying fraud, waste and mismanagement. This capability is particularly important in a reorganized activity when an effective and efficient management structure, including necessary internal controls, is being implemented.

3. The "reinventing government" process which is currently being introduced eliminates many of the management controls which have been developed to ensure the Commander that the resources entrusted to him are being properly managed. The loss of internal audit will deprive the Commander of the objective information needed to properly evaluate the condition of the remaining controls, and to provide effective measures to protect against waste and fraud.

4. The capability to provide effective audit liaison and compliance functions. The Federal Managers' Financial Integrity Act of 1982 (FMFIA) and the Chief Financial Officers Act of 1990 (CFO Act) requires prompt resolution of audit findings by responsible managers and followup by personnel qualified as auditors in accordance with the GAO Audit Standards.

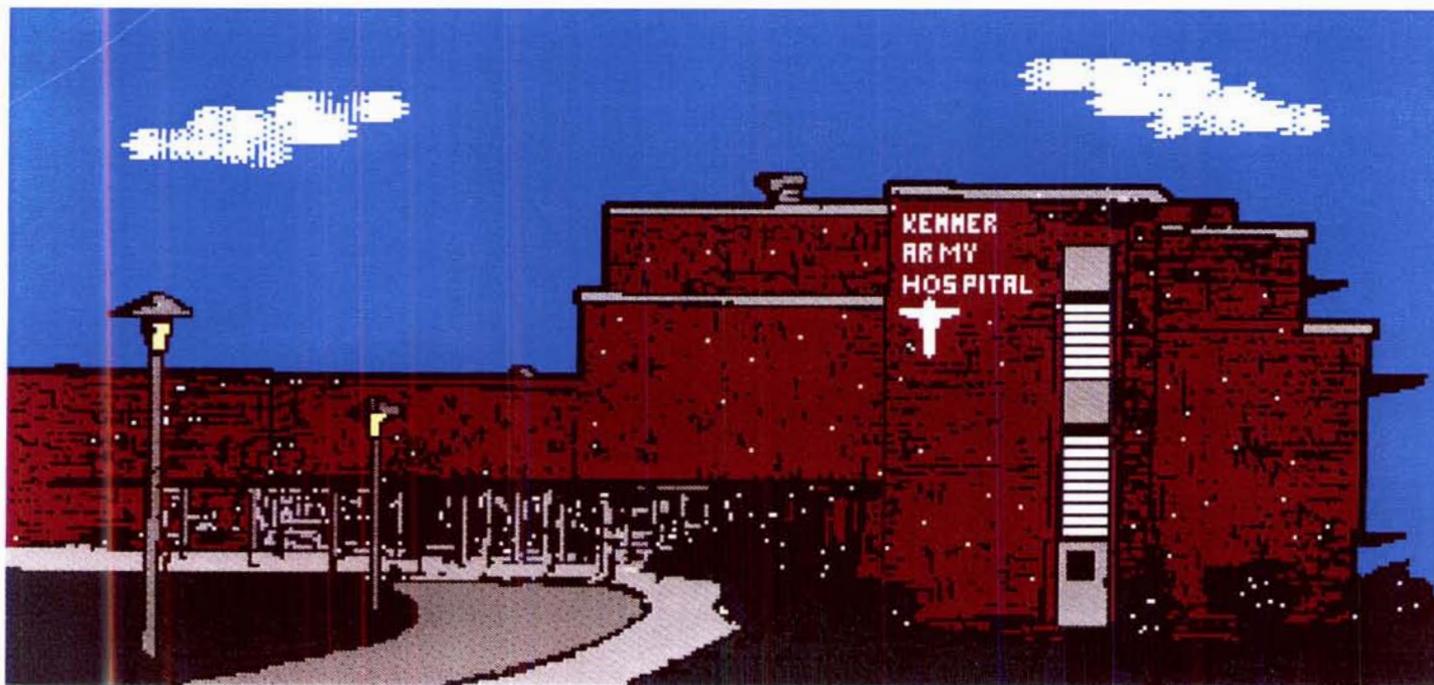
The Auditor also provides valuable assistance during audit or inspection visits by reviewing tentative findings and recommendations to ensure that they are accurate, then assists management officials in preparing a response which presents the command's position in the best possible manner.

John E. Sutton
Chief, Internal Review and
Audit Compliance Office
(804) 734-9524

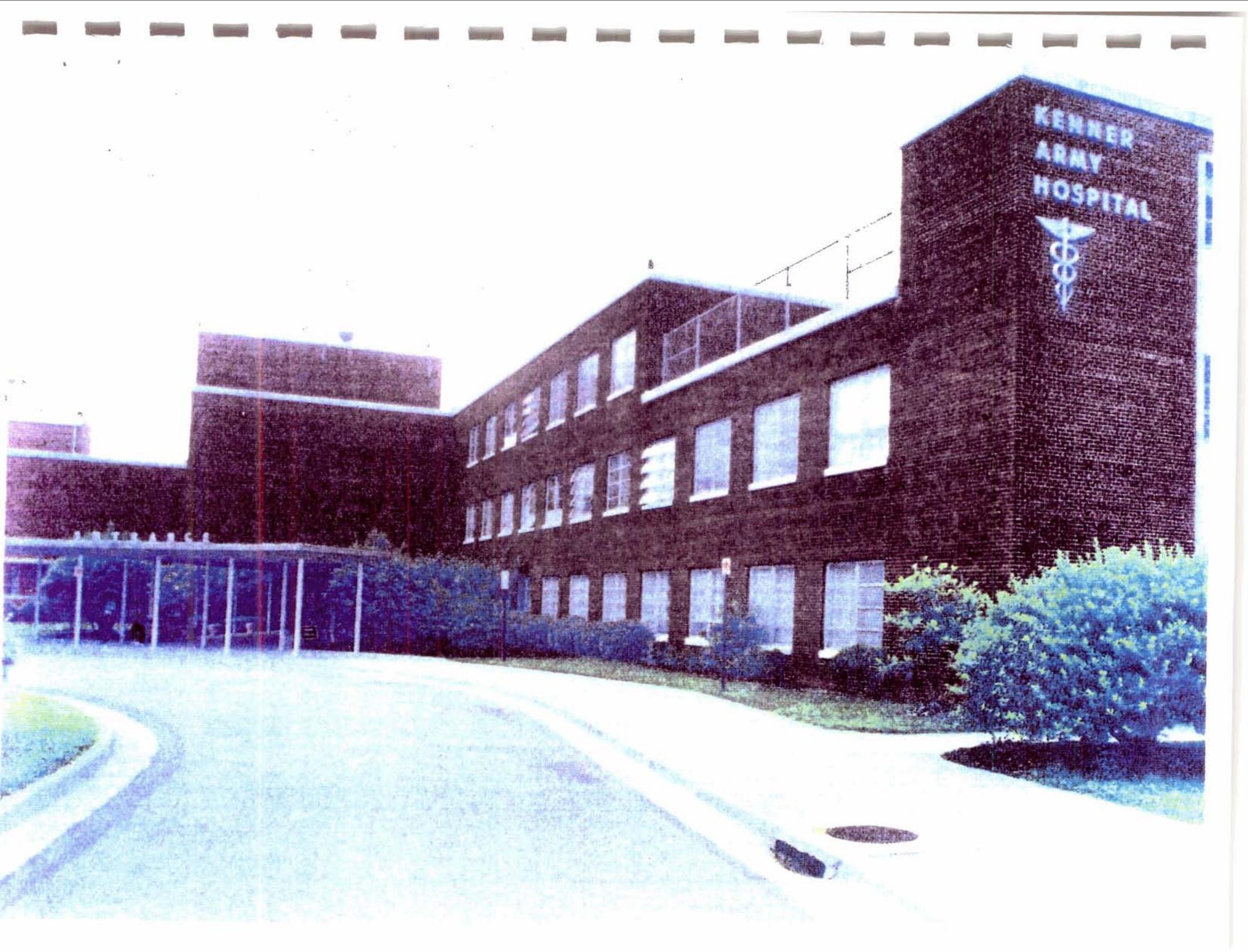
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KENNER ARMY COMMUNITY HOSPITAL



5 April 1995

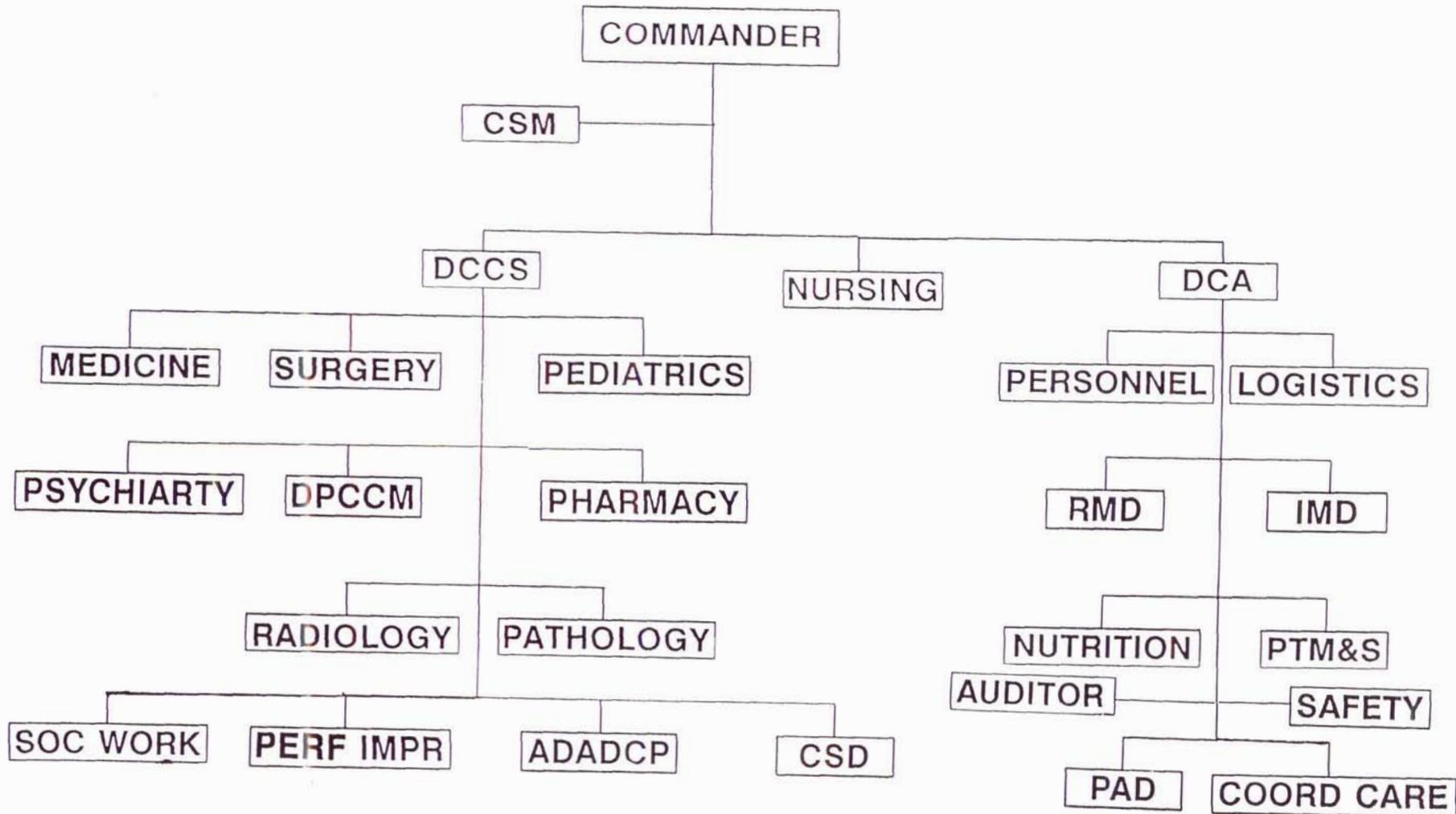


KENNER
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HOSPITAL



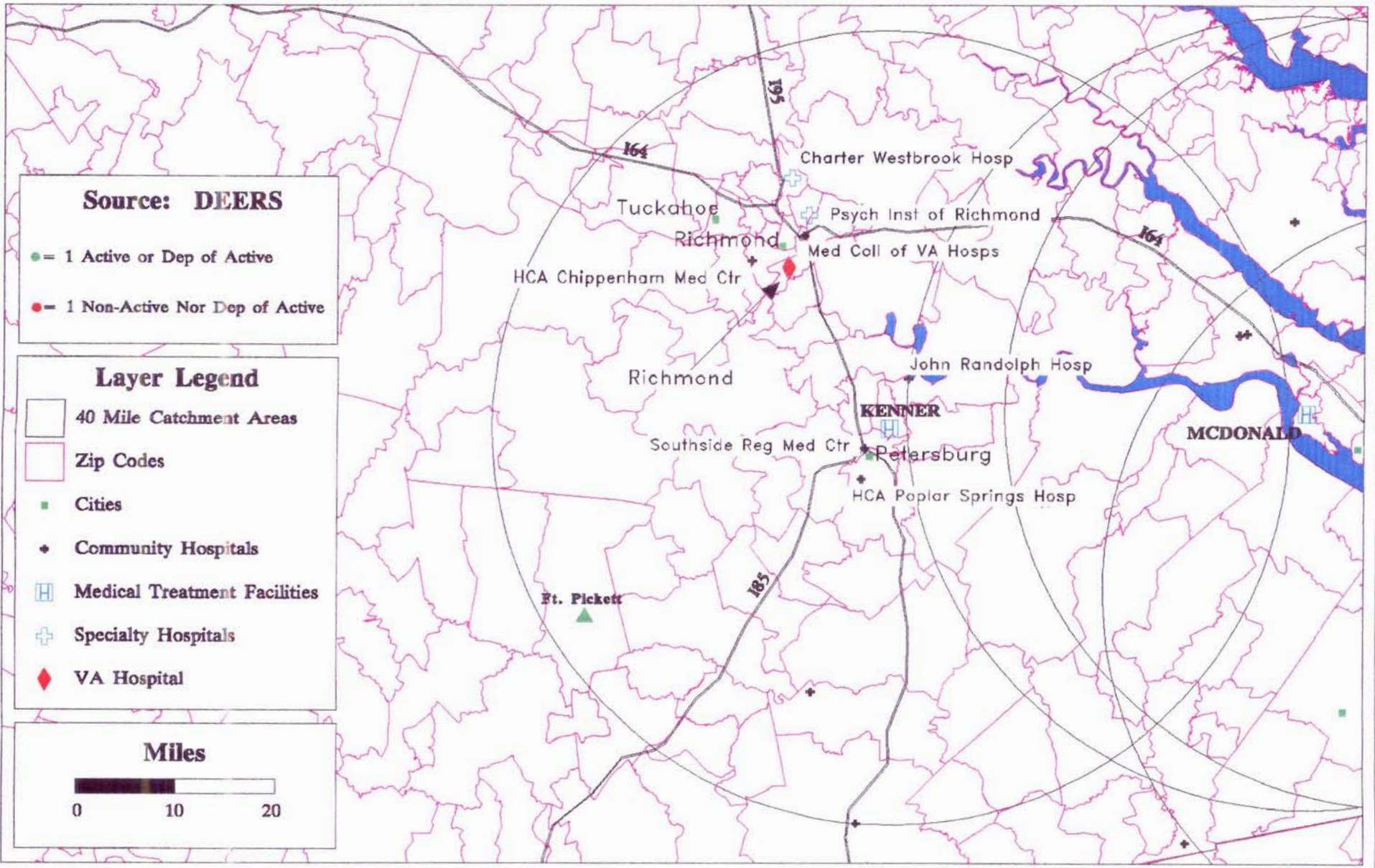
KENNER ARMY COMMUNITY HOSPITAL

ORGANIZATION CHART



KENNER AH

DOD ELIGIBLE BENEFICIARIES



Source: DEERS

- = 1 Active or Dep of Active
- = 1 Non-Active Nor Dep of Active

Layer Legend

- 40 Mile Catchment Areas
- Zip Codes
- Cities
- ◆ Community Hospitals
- ⌘ Medical Treatment Facilities
- ⊕ Specialty Hospitals
- ◆ VA Hospital

Miles

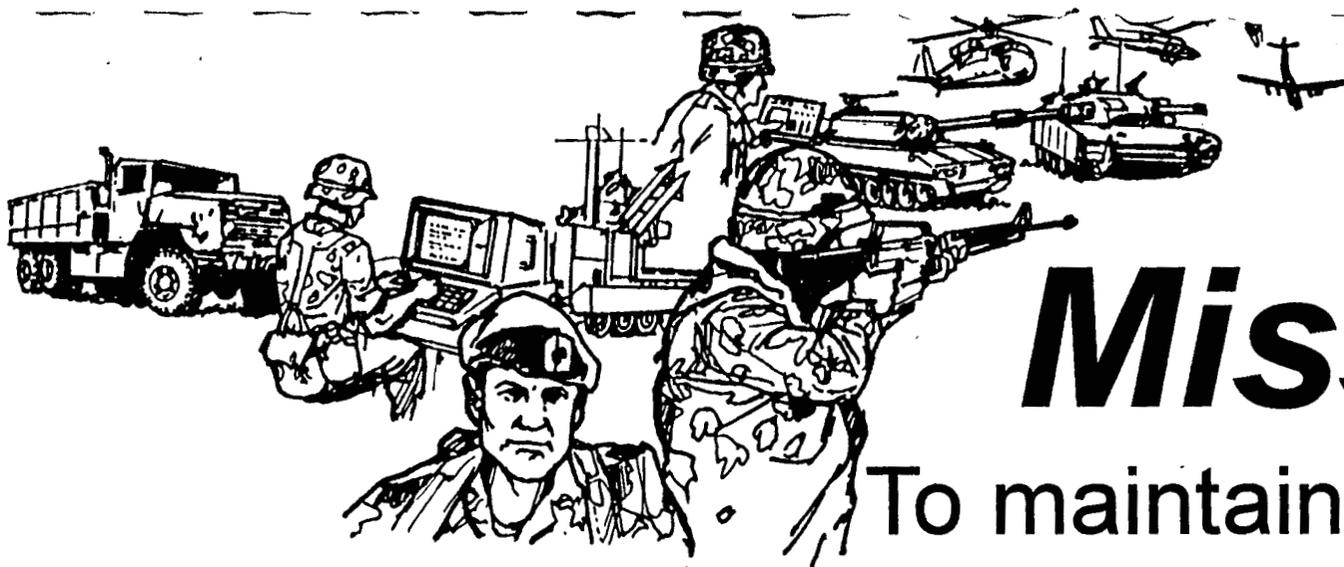
0 10 20

Our Customers



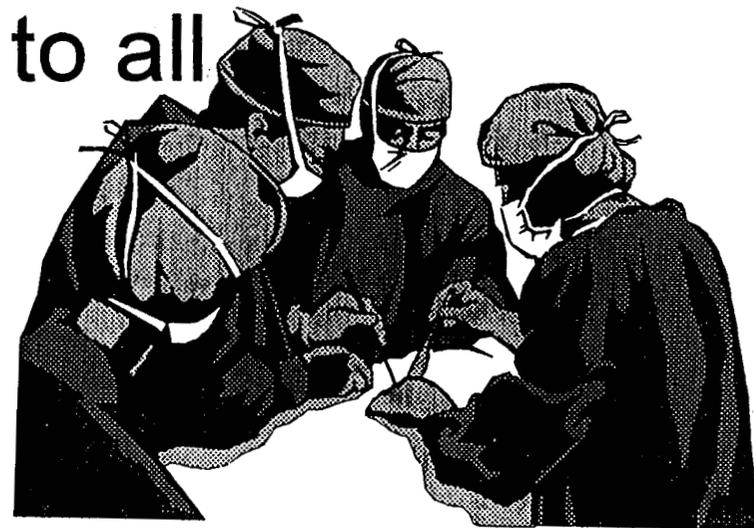
- Beneficiaries of All Categories
 - Richmond MSA, VA & NC
- Fort Lee Activities
 - QMC&S, CASCOM, DeCA,
 - 23d QM Bde, Reserves & Tenants
- Fort Pickett
- Charlottesville
- DGSC
- Federal Corrections Institute
- MEDDAC Staff





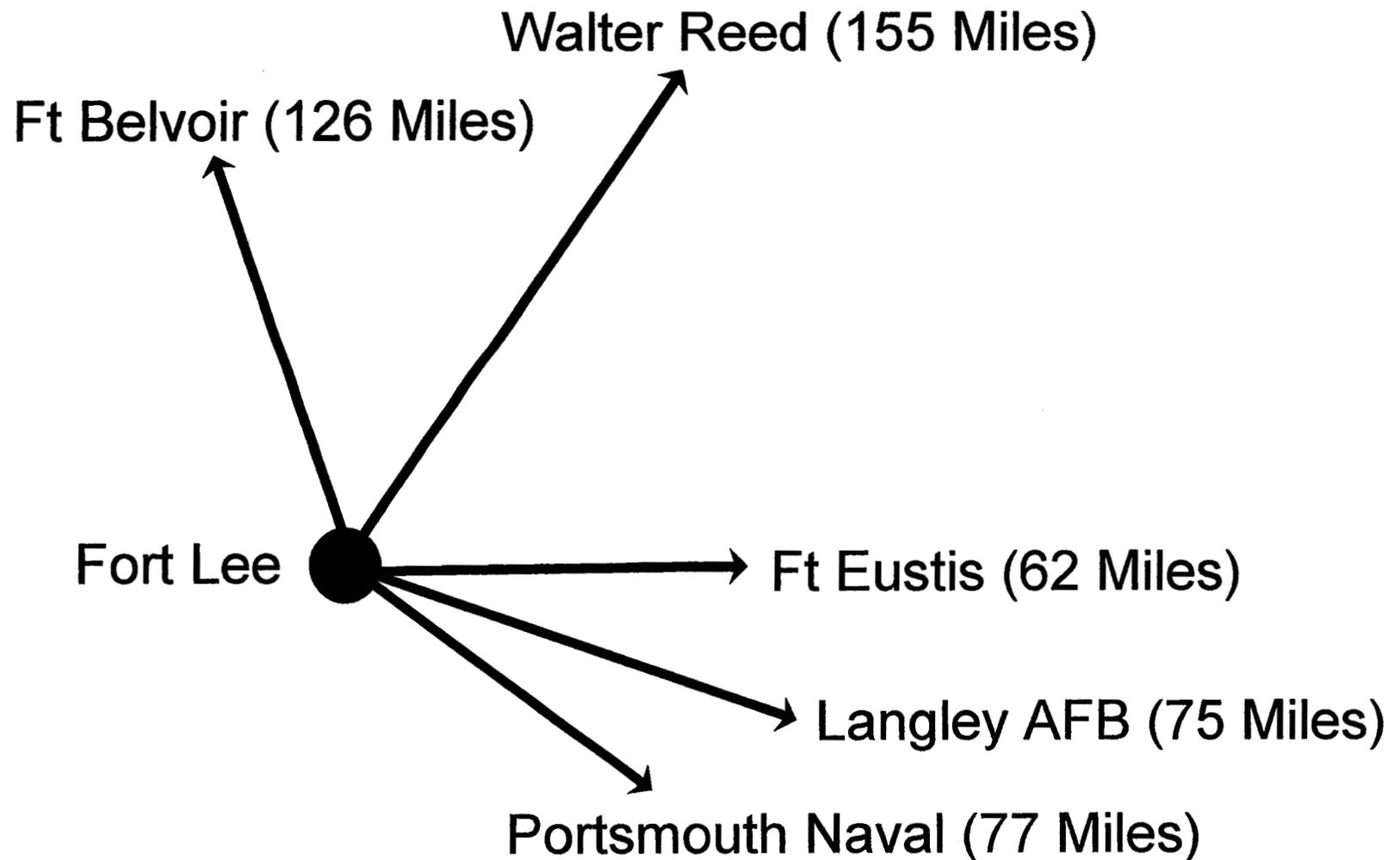
Mission

To maintain and sustain military readiness and preparedness to support the entire spectrum of worldwide military operations. To provide primary and acute inpatient care to all authorized beneficiaries in Central Virginia within the established fiscal restraints.



Comparative Distances

Ft Lee to Other Military Medical Facilities





Mission

Readiness/Training

- Soldier Readiness Processing
- CPR/BLS/ACLS Courses
- DNA Collection
- HIV Testing
- National Disaster Medical System
Federal Coordinating Center



Mission

Readiness/Training

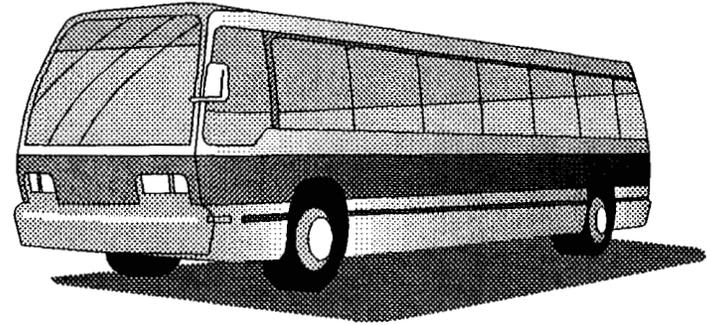
- Post Level Training
 - Combat Life Saver Course
 - Preventive Medicine
 - Social Work Service Training
 - Nutrition Classes
 - Field Sanitation Course
- Basic First Aid Support
 - Log Warrior Exercise
 - Airborne Operations
 - Post Celebrations
 - Mobilization Exercises



Mission

Community Involvement

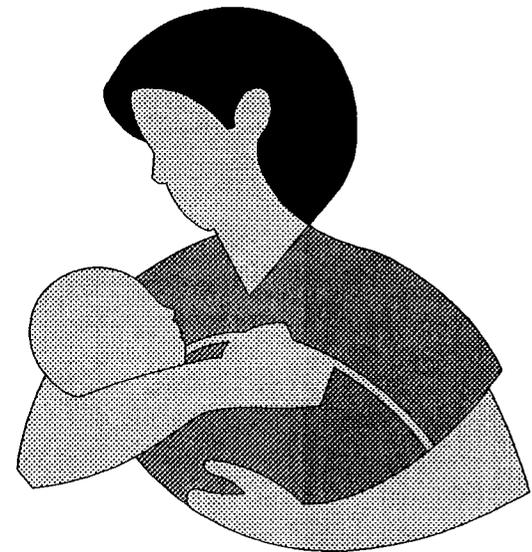
- **WRAMC Shuttle Bus**
- **Speaker's Bureau**
- **Southside Area Health Education Center**
- **Career Days**
- **Disaster Planning**
- **Occupational Health**



Mission

Community Involvement

- Health Care Consumer Committee
- Health Promotion Programs
- Externs
- Special Events
 - Health Fairs
 - Retiree Days
 - Well Women's/Men's Days

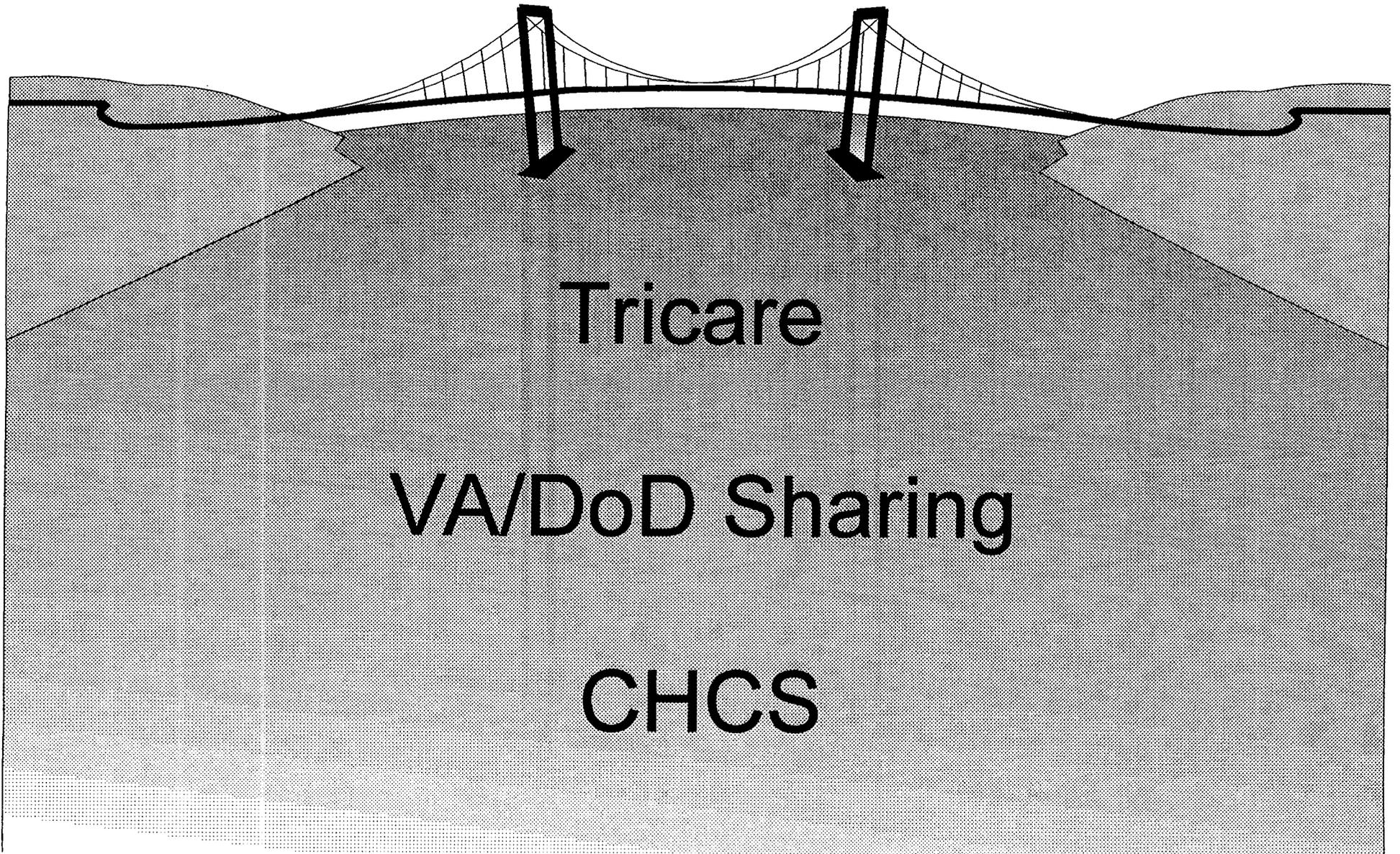


Mission

Patient Care



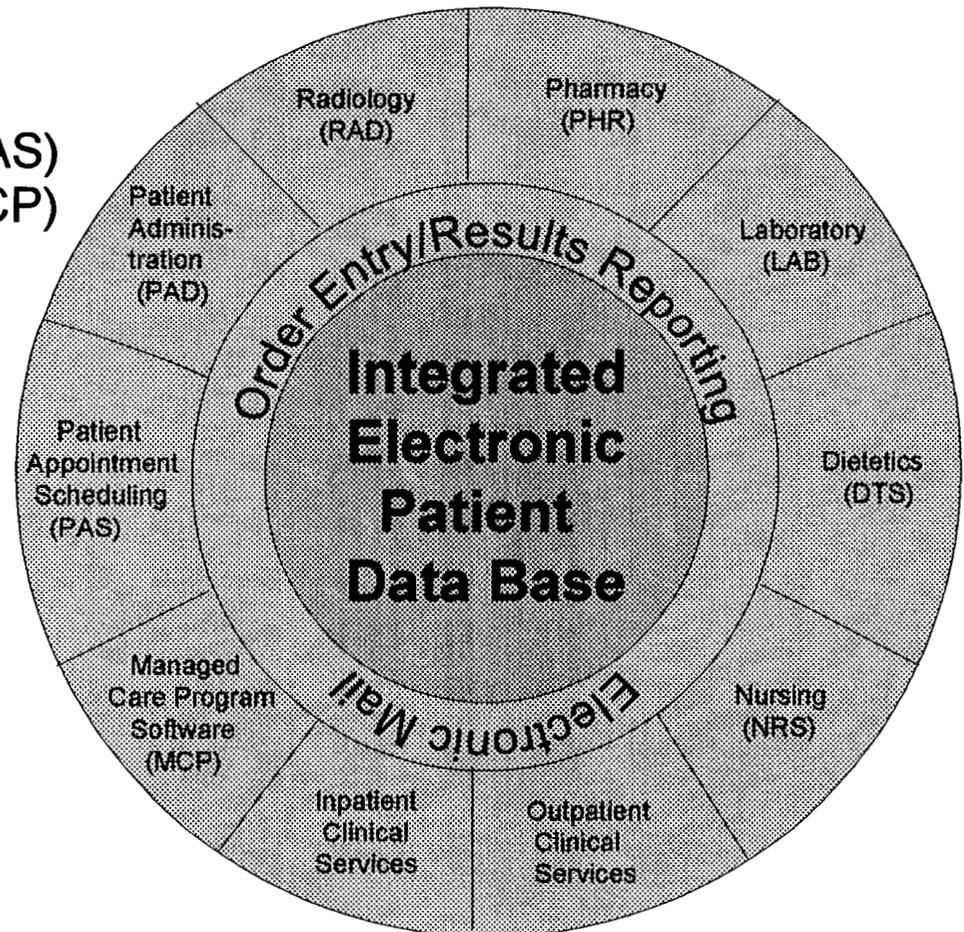
On the Horizon



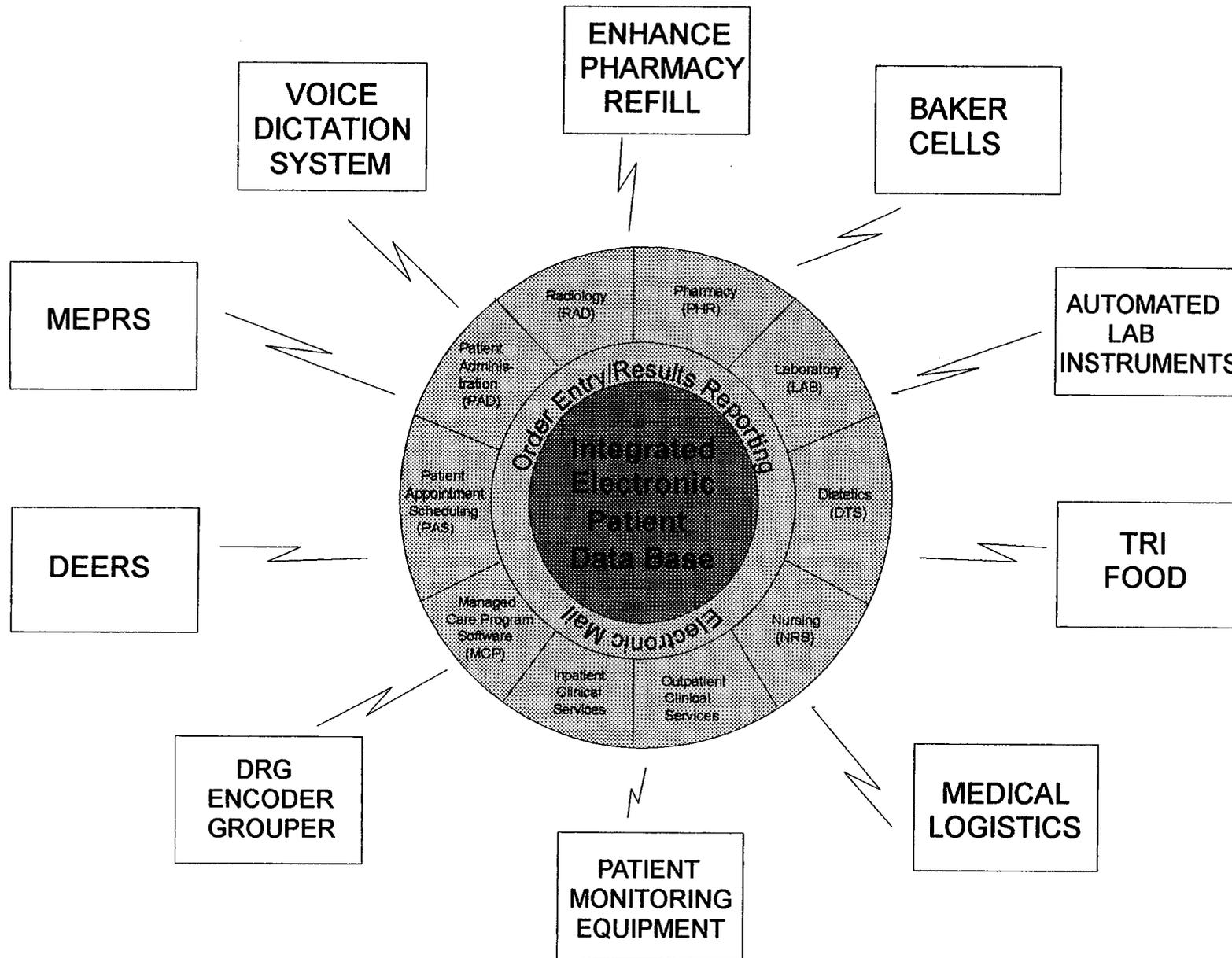
The Composite Health Care System

What is CHCS?

- Integrated modules consisting of:
 - Patient Administration (PAD)
 - Patient Appointment & Scheduling (PAS)
 - Managed Care Program Software (MCP)
 - Radiology (RAD)
 - Pharmacy (PHR)
 - Laboratory (LAB)
 - Dietetics (DTS)
 - Nursing (NSG)
 - Outpatient Clinical Services
 - Inpatient Clinical Services
 - Electronic Mail



CHCS Interface Capabilities





Questions?



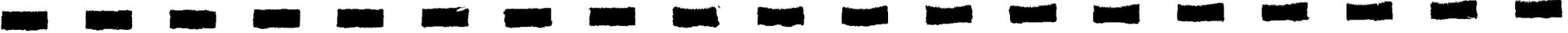
BRAC Impact on Kenner Army Community Hospital

CPT Pete Marks



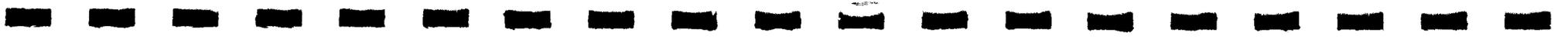
Purpose

- ▶ **To delineate how the BRAC decision will effect Kenner Army Hospital, as well as, Fort Lee and the surrounding area.**



Agenda

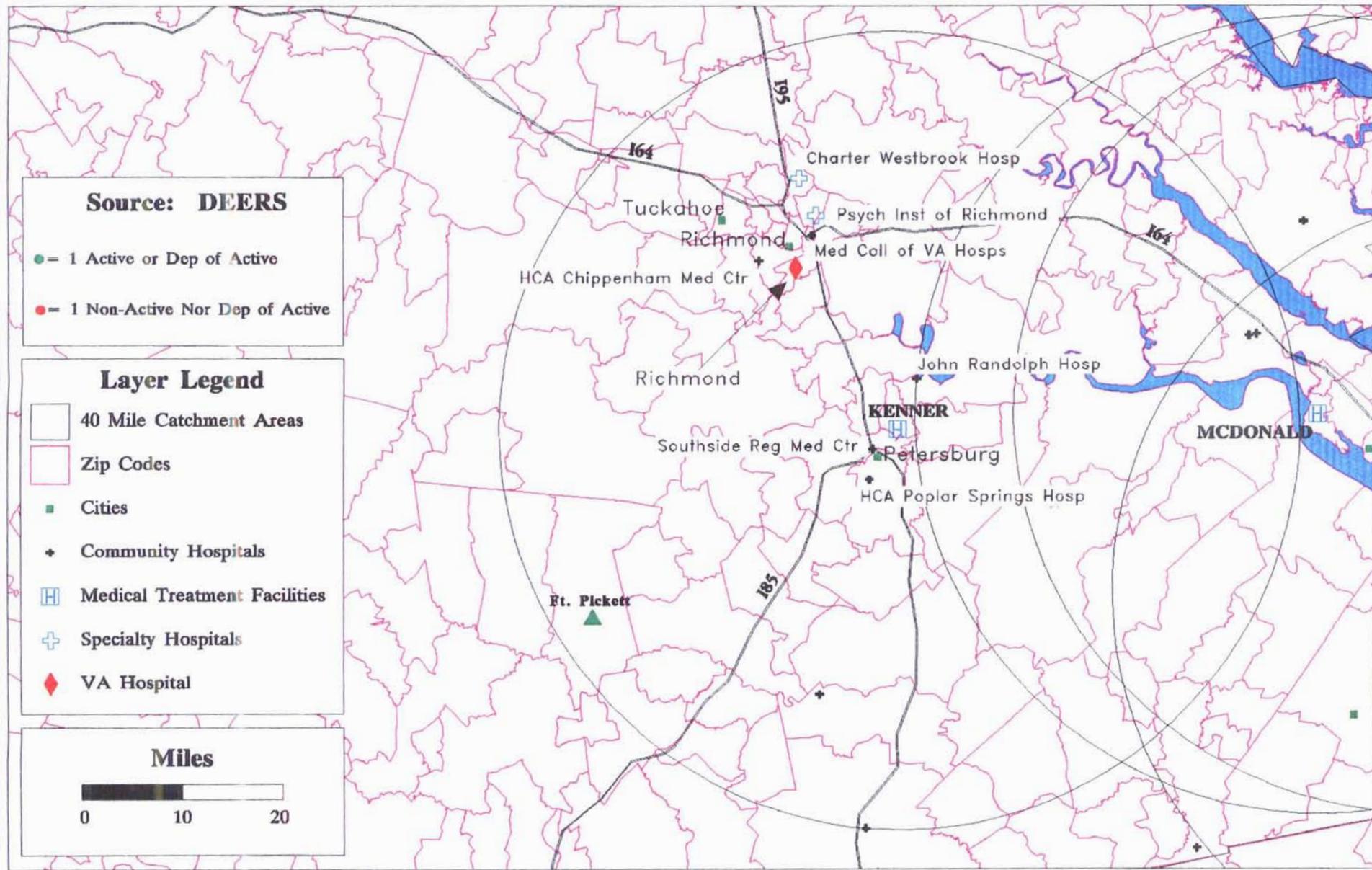
- 1. Current Workload**
- 2. BRAC Announcement / Intent**
- 3. Impact of BRAC Decision**
 - A. Removal of inpatient services**
 - B. Downsize from MEDDAC to clinic**
 - C. Implementation of benchmark model**
- 4. Total Personnel Losses**
- 5. Conclusions**



Current Workload

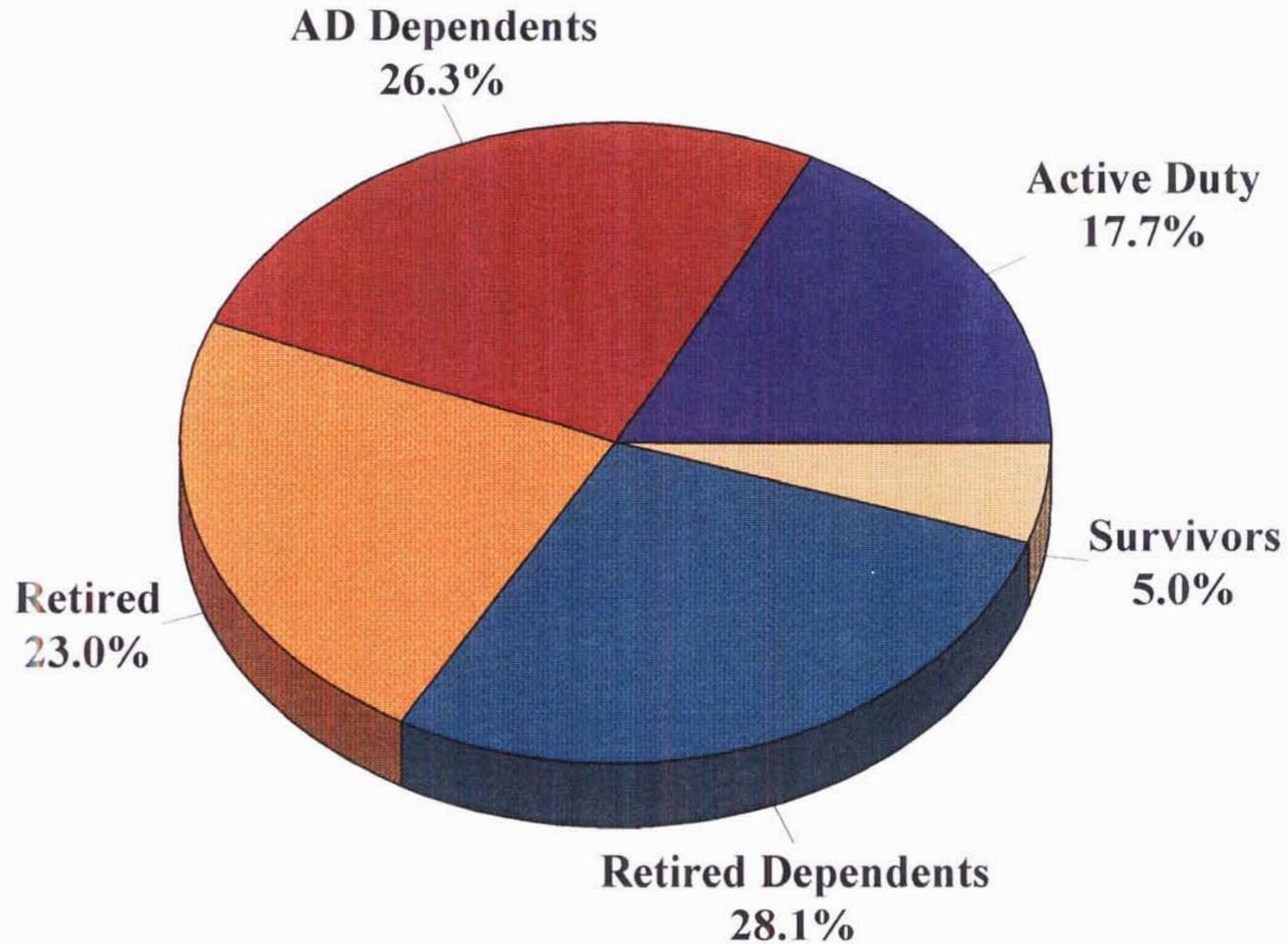
KENNER AH

DOD ELIGIBLE BENEFICIARIES



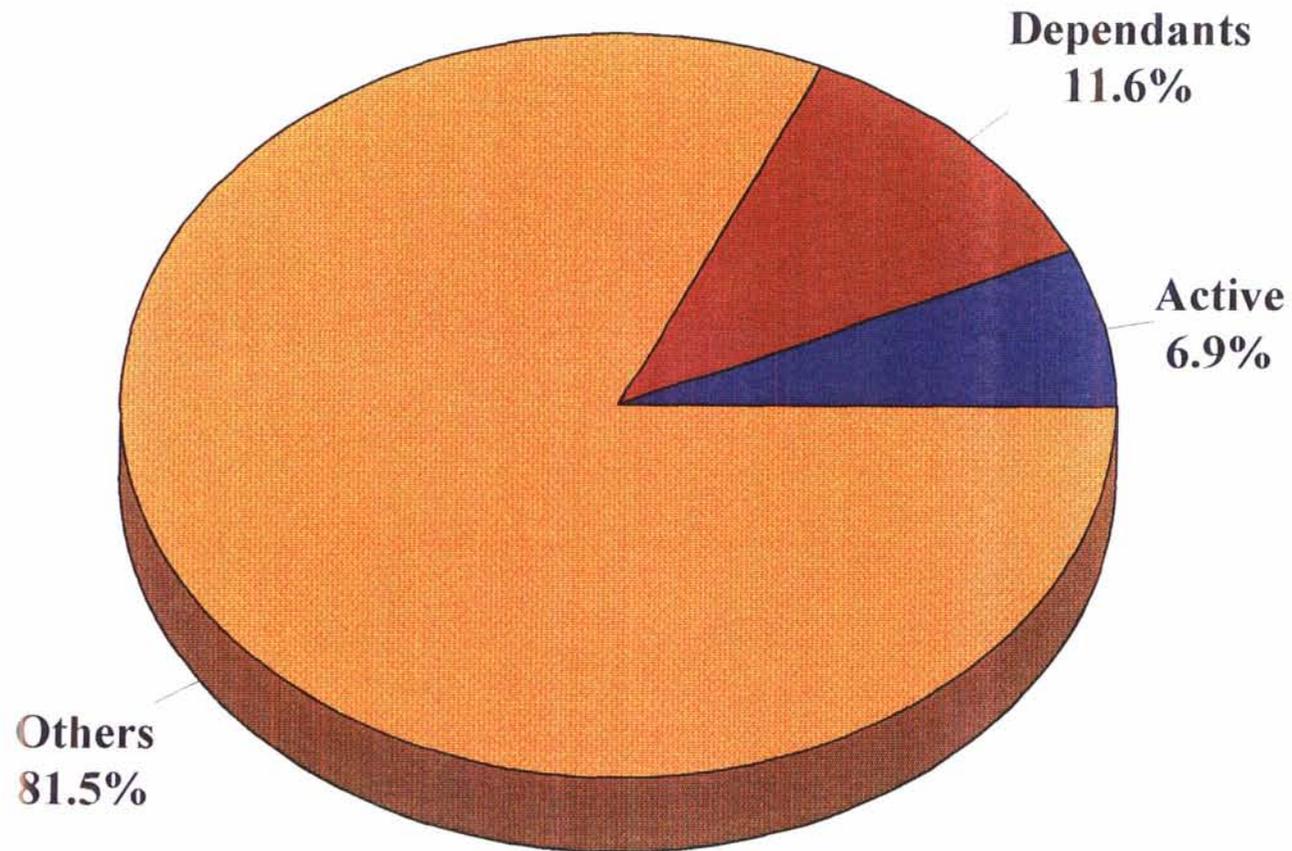
Beneficiary Population

Total: 42,223 (40 mile radius)



Beneficiary Population

Total: 27,452 (Non-Catchment Area)



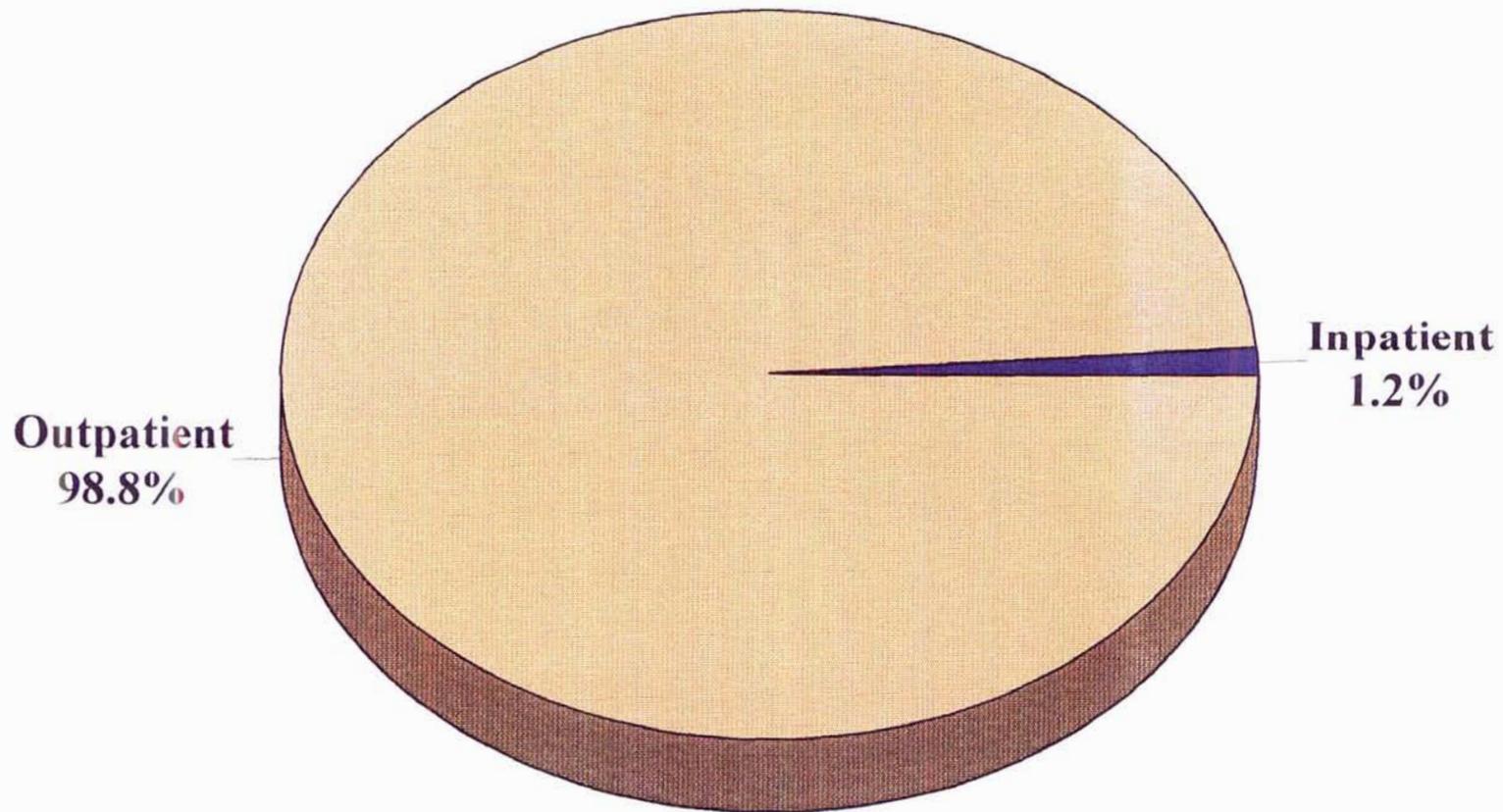
Definitions

Inpatient and Outpatient

- ▶ **Inpatient:** A patient who remains overnight in the facility because of an acute injury or illness. Their status must be constantly monitored to ensure their safety.
- ▶ **Outpatient:** A patient whose injury or illness does not require constant monitoring. They can normally care for themselves at their home.

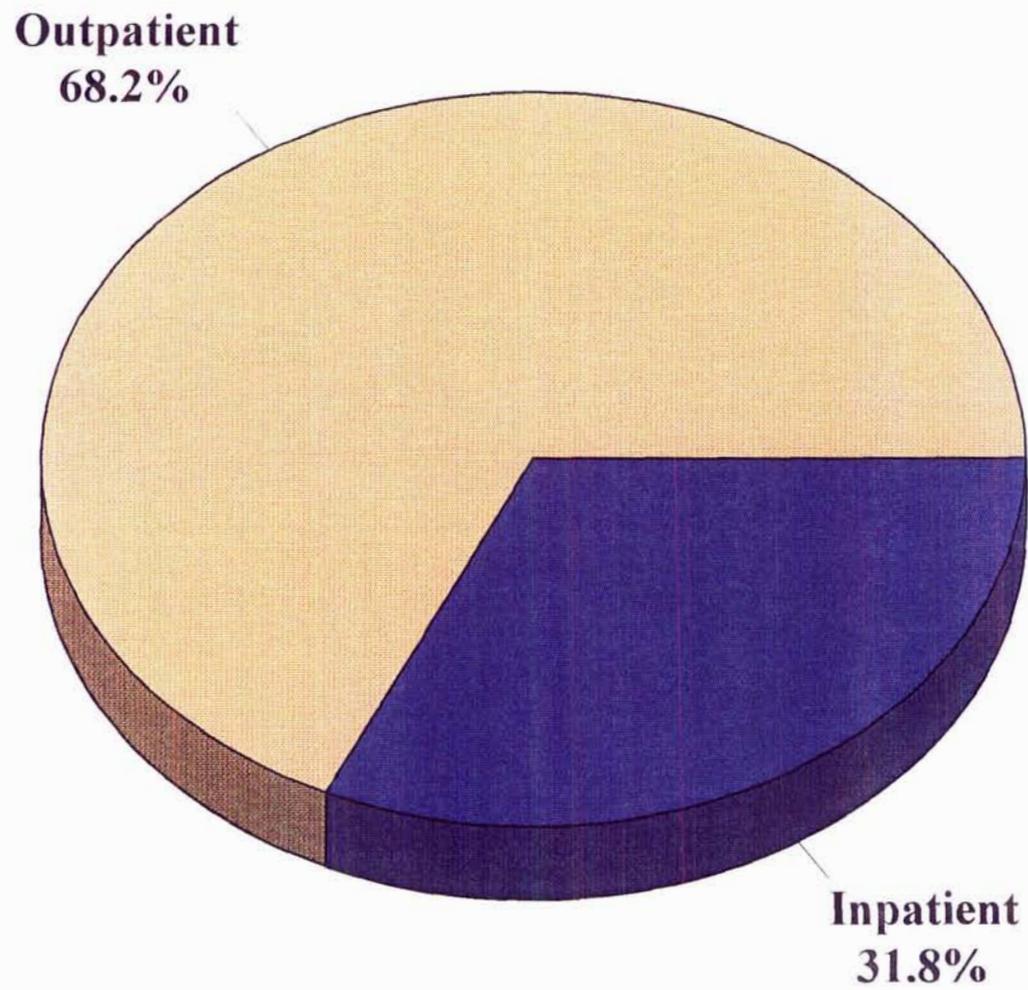
Patients by Type FY 94

Total patients: 215,533



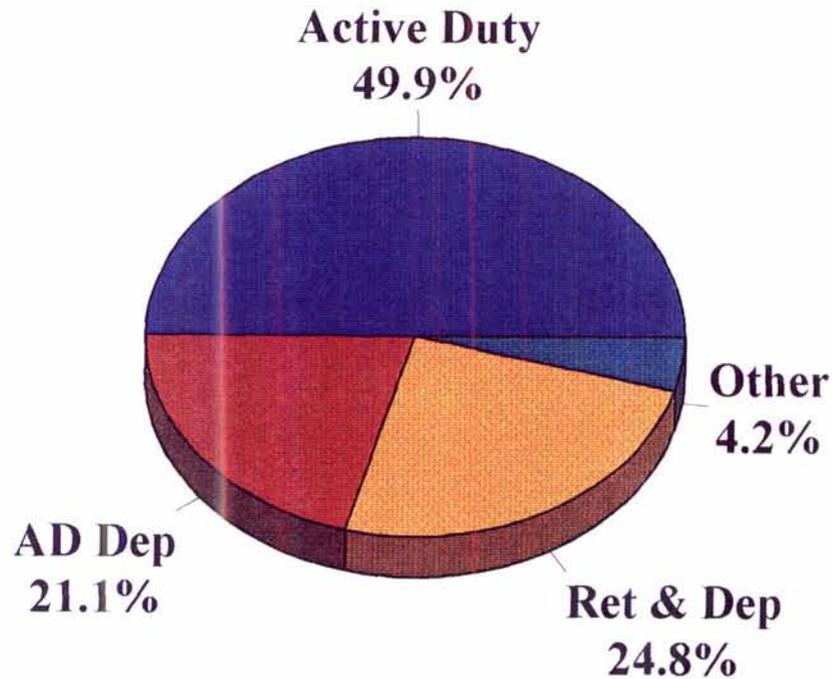
Inpatient / Outpatient Costs FY 94

Total: 19.5 Million

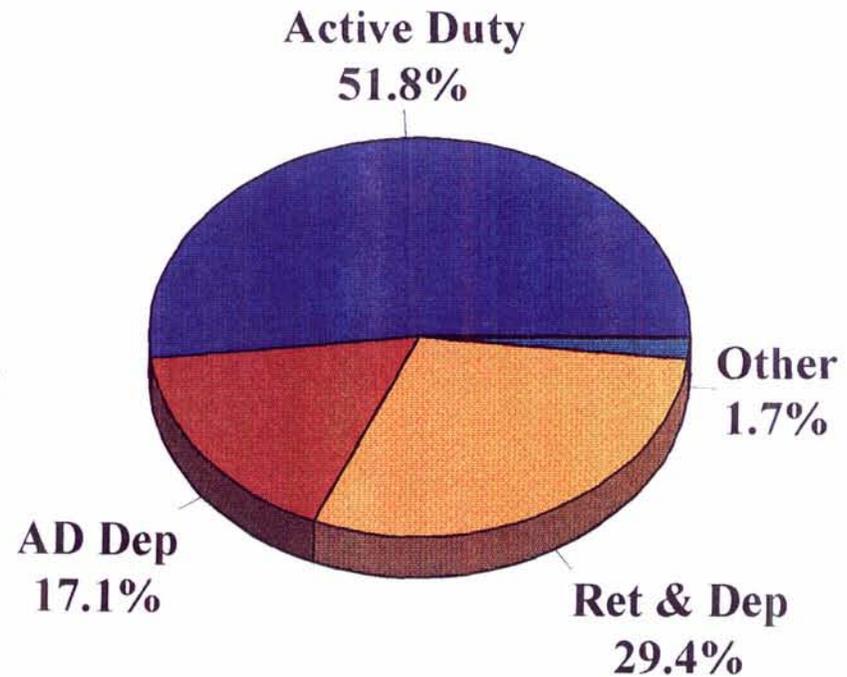


FY94 Beneficiary Categories

Outpatient

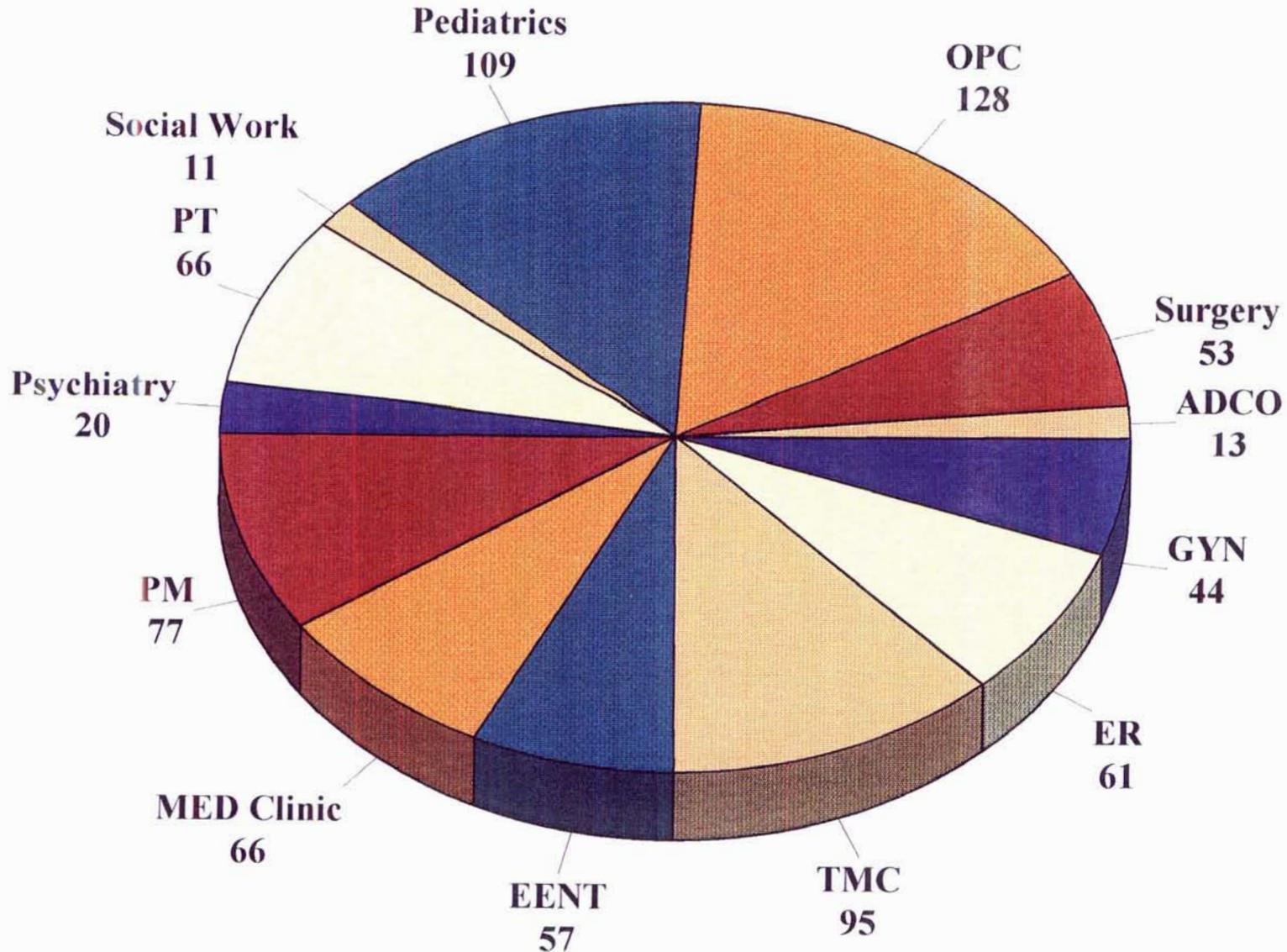


Inpatient



Daily Clinic Visits

Total Patients: 800





Champus Costs

- ▶ **Kenner Army Community Hospital spent 18 million dollars on both CHAMPUS and Supplemental Care billing in FY 94. These dollars are spent in the local economy procuring health care for our patients.**



Renovation Project

- ▶ Currently, Kenner is undergoing a 16+ million dollar hospital renovation project. The announcement will not have an effect on the ongoing work. The project is 25% complete, and 3.5 million dollars have already been obligated.**



BRAC Announcement / Intent

BRAC Announcement / Intent

- ▶ **On February 28th the Department of Defense identified Kenner Army Community Hospital to reconfigure into a clinic. The intent was to eliminate inpatient services when there are ample local facilities to absorb the small amount of inpatients Kenner supports.**

BRAC Announcement / Intent

(continued)

- ▶ **DoD has authorized 5.7 million dollars as additional CHAMPUS / Supplemental Care funds**



Impact of BRAC

Three Aspects:

- ▶ Loss of inpatient services**
- ▶ Downsize from MEDDAC to Clinic**
- ▶ Implementation of benchmark model**



Loss of Inpatient Services

Loss of Inpatient Services

What it means...

- ▶ No overnight facilities**
- ▶ Procedures that require overnight stays will be diverted to local facilities:**
 - Most orthopedic surgery**
 - Cataract surgery**
 - Acute Pneumonia**
 - Etc...**



**Downsize from MEDDAC to
Clinic**



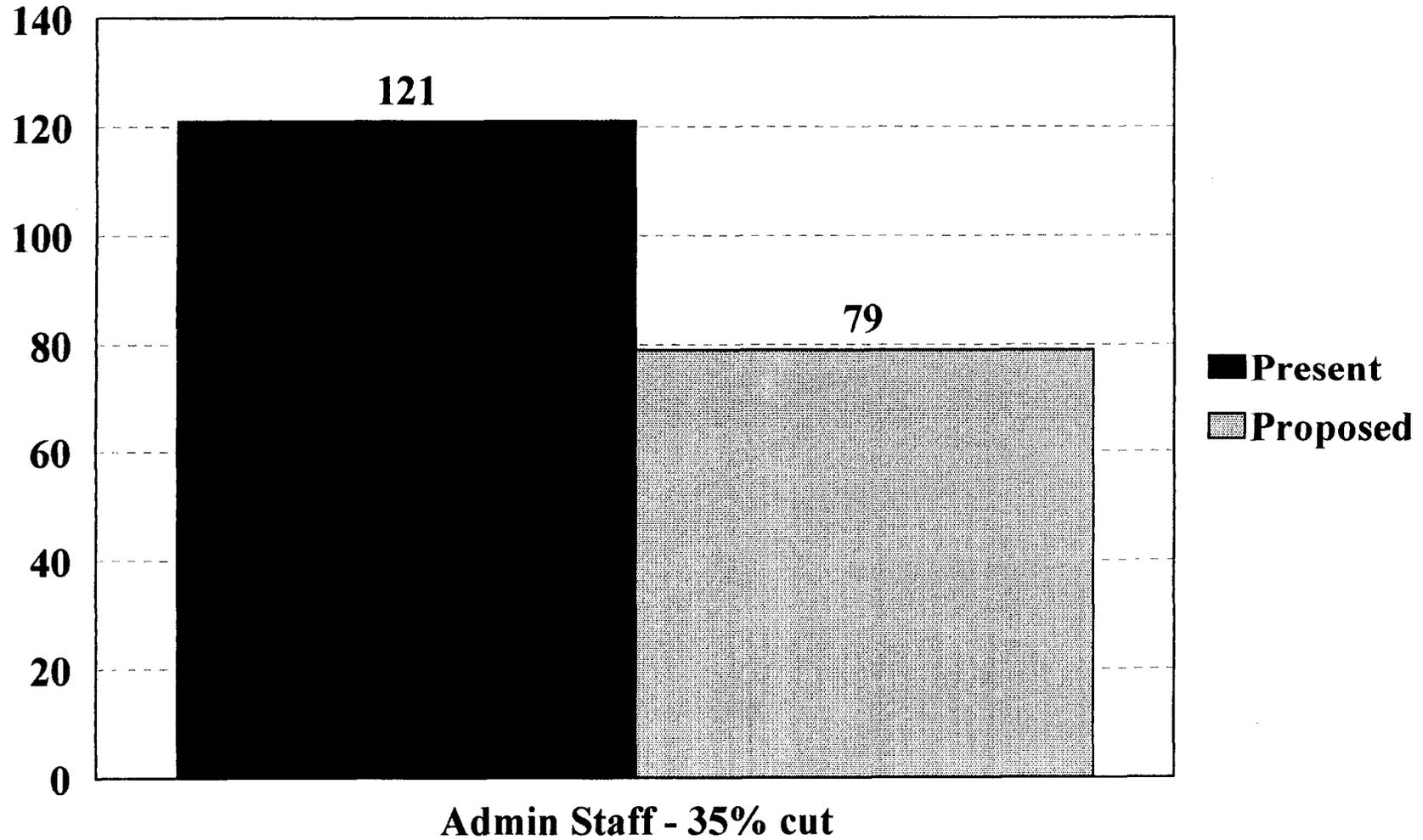
From MEDDAC to Clinic

What it Means...

- ▶ **The "Super-clinic"**
- ▶ **Reductions in administrative services**
- ▶ **Difficult to measure**
- ▶ **Majority of requirements for administrative and ancillary support remain**

From MEDDAC to Clinic

Admin Personnel Eliminated



From MEDDAC to Clinic

Community Services that are Affected

▶ **Logistics**

- **Facilities Management**
- **Property Management**
- **Material Distribution**
- **Medical Maintenance**
- **Medical Warehouse**



From MEDDAC to Clinic

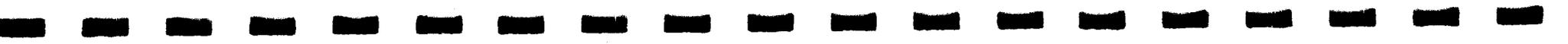
Community Services that are Affected

▶ **Patient Administration**

- **Third Party Collection**
- **Medical Evaluation Boards**
- **Follow-up care instructions**

▶ **Health Promotion**

- **Community Health**
- **Occupational Health**



From MEDDAC to Clinic

Community Services that are Affected

- ▶ **Utilization Management**
 - **Case Management**
 - **Record Review**
 - **Patient and Facility Data Analysis**

- ▶ **Safety**
 - **Hospital Specific**
 - **JCAHO**



From MEDDAC to Clinic

Community Services that are Affected

- ▶ **Information Management**
 - **Systems Management**
 - **Records Management**
 - **Forms and Publications**

- ▶ **Resource Management**
 - **Fund distribution, certification**
 - **Economic Analysis**
 - **Review and Analysis**
 - **MEPRS / UCAPERS**



From MEDDAC to Clinic

Community Services that are Affected

- ▶ **Plans, Training, Mobilization, & Security**
 - **National Disaster Medical System Coordinator**
 - **Mobilization/Disaster Planning**
 - **Hospital/Personnel Security**
 - **Training**

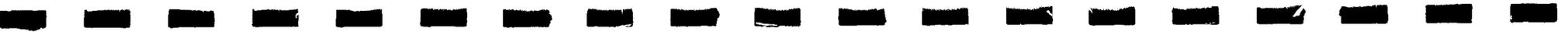


From MEDDAC to Clinic

Community Services that are Affected

- ▶ **Clinical Support Division**
 - **Clinic Administration**
 - **Clinic Standardization**
 - **Patient Relations**

- ▶ **Nutrition Care**
 - **Dietary Counselling**
 - **Preparation of Special Diets**
 - **Kenner's Dining Facility**



From MEDDAC to Clinic

Community Services that are Affected

- ▶ **Nursing Education Department**
 - **Combat Lifesaver Program**
 - **ACLS / BCLS**



Implementation of Benchmark Model

Benchmark Model

What it means...

- ▶ **Staffing model based on historical patient data with site unique factors added**
- ▶ **Clinic staffs are developed using the results of the study**
- ▶ **Clinic efficiency is emphasized**
- ▶ **Fort Lee and Fort Meade are the first posts to have the benchmarking model applied**

Benchmark Model

What Happens to Kenner Services...

Clinics that lose staff**	Present Provider	Proposed Provider	Present Support Staff	Proposed Support Staff
Primary Care	8	4.4	9	9.2
Pathology	1	1	28	14
Surgery	4	3.7	36	16.5
Pharmacy	5	4.4	15	8
Community Health	1	0	12	4.5

** If said efficiency is not achieved these clinics could cause additional CHAMPUS costs.

Benchmark Model

What happens to Kenner services...

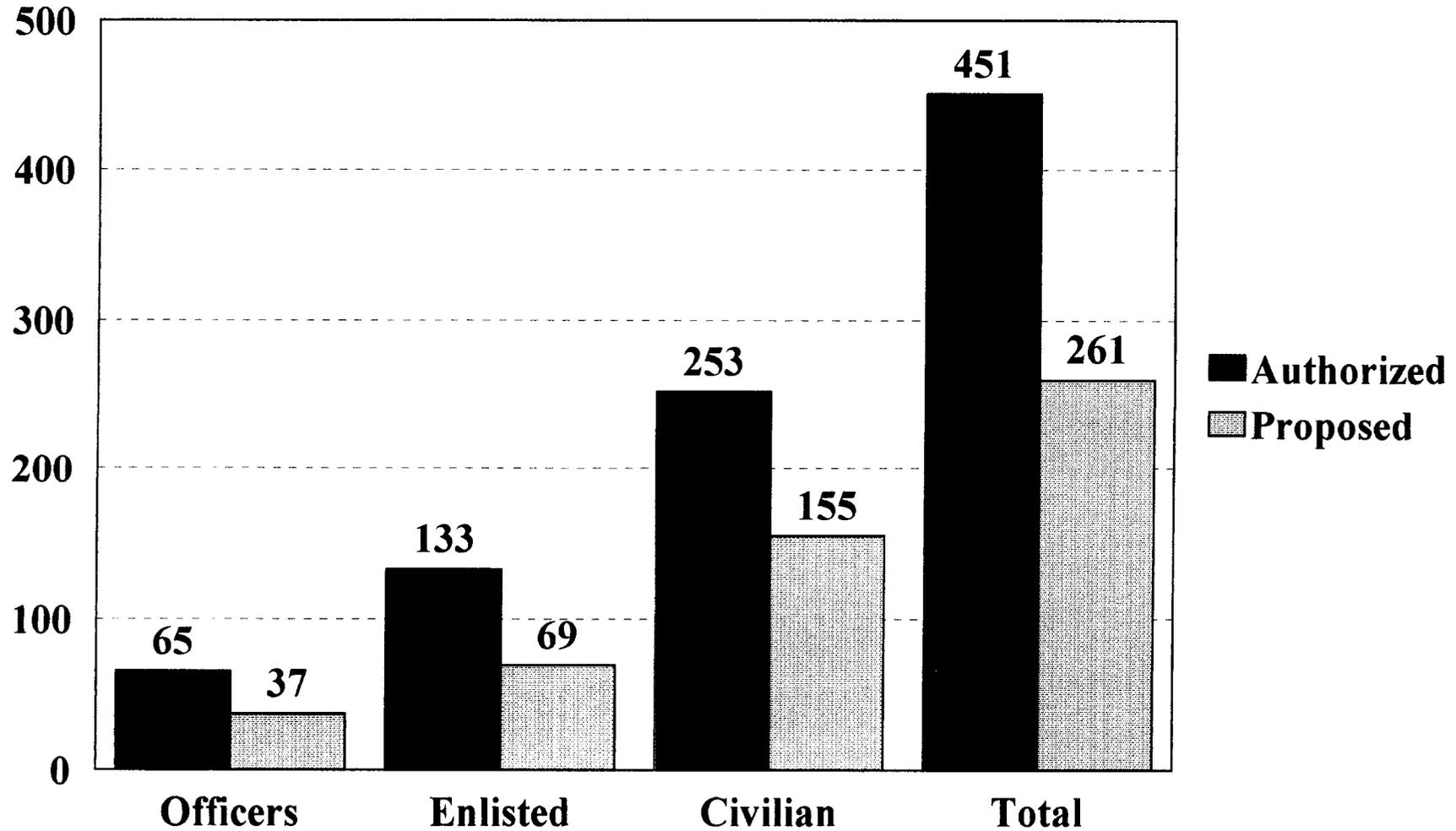
Clinics that gain staff	Present Provider	Proposed Provider	Present Support Staff	Proposed Support Staff
ER	4	4.7	14	16.5
Physical Therapy	2	2.5	4	5.5



Total Personnel Reductions

Staff Reductions

Total Staff: 451**

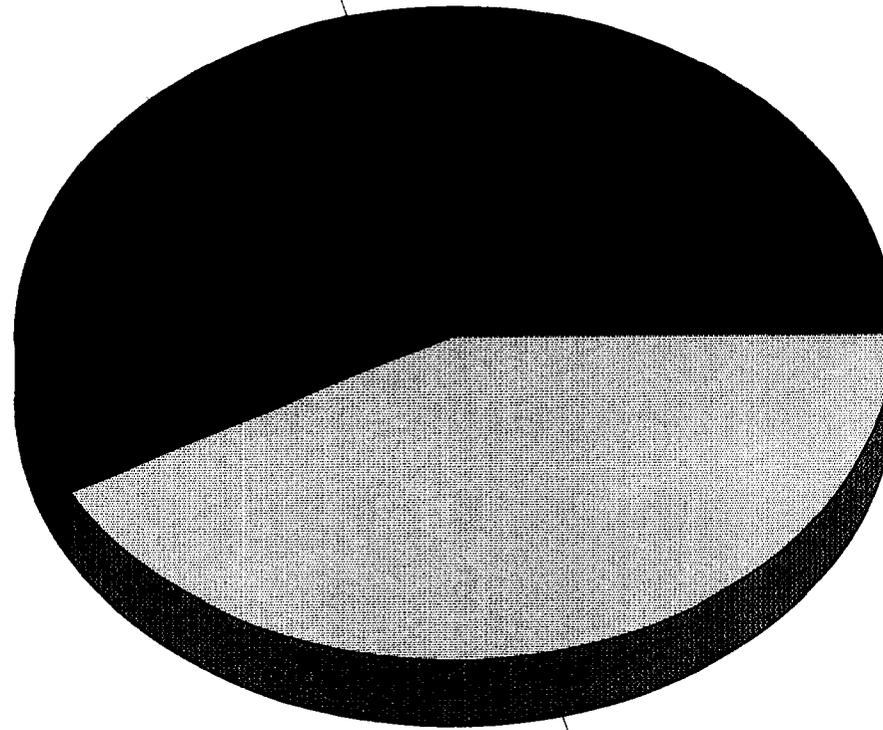


****Reflects authorized personnel only. Kenner employs 35 personnel over the authorized amount.**

Staff Percentages

Total Staff: 451

Proposed Staff
57.9%



Staff Cut
42.1%



Questions?

Document Separator

White Paper

Task Name: Joint Automatic Test Equipment Activities (ATE)

NAWCAD Lakehurst POC:

Steve Roman, Support Equipment/Aircraft Launch & Recovery, Code 4.8.2
A/C Support Equipment/ATE/TPS/Hardware/Software, Code 4.8.3
William Molloy, Support Equipment/ATE, Code 4.8.3.1
Mukund Modi, Support Equipment/ATE/CASS, Code 4.8.3.2

CECOM Fort Monmouth POC:

Richard Pribyl, Head of Logistics & Maintenance Directorate
Larry Nolan, Weapons System Support Division Chief
Michael Cuzzo, TPS Branch Chief

Overview:

For the US military, automatic test equipment (ATE) is the cornerstone of support equipment for complex systems. While traditional ATE was designed to be unique to a given weapon system, the services have migrated to standardized ATE systems that will support future "factory to field" architectures, maximizing weapons system availability and minimizing logistics requirements.

The Navy has implemented the concept of a centralized test and integration facility (TIF) for Government and industry in which ATE are shared among multiple users. Carrying this concept one step further, the Naval Air Warfare Center Aircraft Division (NAWC AD) Lakehurst and the Army Communications and Electronics Command (CECOM) at Fort Monmouth, New Jersey have joined together in an effort to share personnel, technological expertise, and ATE facilities as the first step in the creation of a joint service maintenance facility.

Background:

As early as 1993, Congress issued a directive to the Secretary of Defense to develop a DoD-wide ATE policy requiring commonality in standards among the services. As a result of this directive, offload and acquisition of TPSs are to utilize either the Consolidated Automated Support System (CASS) or Integrated Family of Test Equipment (IFTE) testers whenever possible. At the same time, many new ATE and maintenance support programs are being directed to look at tri-service solutions for near-term deployment.

NAWC AD Lakehurst currently supports several programs sponsored by the Naval Air Systems Command (NAVAIR) and the Office of the Secretary of Defense (OSD) that are defining the future test system standards and architectures for a tri-service maintenance environment. Programs such as Automatic Test System (ATS), A Broad

transportability and reuse of technical data

- identifying products and additional services for ATE integration and test joint TPS tool development (System Synthesis Model)
enhanced integration with end users (depot, flight operations)
- maximizing cross-service ATE effectiveness
- utilizing an Army/Navy/Industry team approach to develop an organic/industry support structure in a joint environment

A possible long-term goal is to create a joint IFTE/CASS maintenance facility for technology evaluation, test and integration. This facility would support both current and future TPS needs, architectures and system evolution resulting from current DoD ATS/ABBET and JAST efforts, as well as CASS and IFTE pre-planned product improvement (P3I) enhancements. This joint technology and expertise could then be transferred to other ATE support facilities.

Value of Product/Service:

Benefits to be derived from a full-scale implementation include::

- substantial reduction in DoD maintenance costs for all services through consolidation
- maintenance/enhancement of the current technology posture for IFTE/CASS TPS development (technology facilitation)
- providing a platform for complementary programs (technology transition)
- expansion of the potential customer base and technology transfer opportunities for both CASS and IFTE systems:
 - Federal Aviation Administration (FAA)
 - National Aeronautics Space Administration (NASA)
- cost avoidance by elimination of service specific facility

Based Environment for Test (ABBET) and the Joint Advanced Strike Technology (JAST) programs will require test, evaluation, and integration facilities as products and services are delivered. The effort has been initiated to develop a joint ATE support equipment and Test Program Set (TPS) capability with the Army at the CECOM Fort Monmouth that could provide this test and integration platform needed for such future efforts.

Efforts to promote joint ATE hardware, software, and TPS activities between the Army TPS Center at CECOM, Ft. Monmouth (Logistics and Maintenance Directorate) and the Navy ATE Software Center at NAWCAD Lakehurst (Support Equipment/Aircraft Launch and Recovery competency) began in January, 1994. As part of their overall business strategy, both the TPS Center at CECOM and the ATE Software Center at Lakehurst were seeking to upgrade and expand their level of operations. The Army early on expressed interest in the Navy LASAR licensing agreement with Teradyne, and in the Navy Test Integration Facility (TIF) concept.

The following sequence of events have resulted in the development of a draft Memorandum of Agreement (MOA) being drawn up between these two ATE centers to share technology, resources and personnel wherever economically or strategically feasible.

- | | |
|----------------|---|
| January, 1994 | CECOM TPS Center strategic planning meeting/initial Navy joint effort discussed. |
| February, 1994 | Presentation of Navy concept for Right to Copy (RTC) licensing and TIFs at CECOM |
| July, 1994 | Presentation of Army TPS capability/business structure at Lakehurst PDO; Army vision of joint ATE environment |
| January, 1995 | Lakehurst presentation of CASS ATE environment, TPS development and support, LASAR V6 Right To Copy (RTC) licensing, training, and support activities
tour of Lakehurst ATE facilities |
| February, 1995 | Creation of a draft Memorandum of Agreement (in progress);
Tour of Army TPS Center facilities
Presentation of Navy ATS executive agent by NAWCADLKE |

Objectives:

The primary objective is to provide a vehicle for accomplishing technology and personnel sharing between two DoD facilities that both operate ATE/TPS Centers for the purpose of DoD maintenance support. This will be accomplished by:

- enhancing existing ATE/TPS design and development processes
- enhancing current level of complementary services
TPS development/quality improvements
- identifying software engineering and technology transfer opportunities
data compatibility

Document Separator

DoD ATS R&D PROGRAM PLAN

FOR FY95

**prepared
by
ATS R&D IPT
for
ATS Executive Agent Office
approved
by
ATS Management Board
October 1994**

1.0 INTRODUCTION

The role of electronics in the performance of all major DoD weapon systems has become increasingly important over the past several decades. It has been the goal of the DoD to give its people the qualitative edge essential to successfully fighting and winning a war, and this has been achieved by continual development and implementation of new electronic technologies in new and existing weapon systems. The test and repair of these electronic systems is essential for maintaining the readiness of the armed services, providing the continual replenishment of the system components required in peacetime and in war. With the increasing importance and sophistication of weapon electronics, however, the complexity of repairing weapon systems has increased proportionally.

To address the requirements for testing weapon system electronics, the DoD has spent about \$50 Billion over the past 12 years in the acquisition and support of Automatic Test Systems (ATS). It is projected that spending on the acquisition and support of ATS will continue, as new test requirements emerge, existing test systems become obsolete, and test technology matures. It is critical that the DoD chart a new course in fulfilling its test requirements by buying smarter, through the fostering of technologies and processes which will enable it to reduce the cost of test.

2.0 PURPOSE

The purpose of this document is to outline a program of development and investment designed to reduce the cost of test for the DoD. In the past, it has been common for the acquisition of ATS to be based on criteria specific to one weapon system or service. In the current environment of budget restraints and limited resources, it is no longer feasible for ATS to be developed or acquired without taking a broad perspective of the DoD testing needs. Developing ATS commonly between weapons systems and services by the identification of common hardware, software and information standards is critical for maintaining readiness within budget and schedule constraints.

It is also no longer feasible for the DoD to develop and maintain most of its test solutions in a form unique to the military. The ATS and test software tool industry is maturing, and developing a number of technologies that can address DoD test requirements. To further mature the industry, it is in the DoD's interest to create partnerships with industry to develop the standards needed to address mutual test requirements. This position was recognized in the recent Secretary of Defense memo on specifications and standards, which specifically requires the development of partnerships with industry for the development of non-government standards. The only way in which the services can significantly reduce the cost of test is to participate in the development of standards and tools used by both the DoD and industry. This will allow the cost of tool and hardware development to be amortized across the test market, as vendors compete for market share. By playing a significant role in the development of these tools and standards, the DoD can ensure that its needs are accommodated in the development of comprehensive, integrated and inter-operable test solutions.

3.0 BACKGROUND

In the development of any weapon system, it is the Program Manager's responsibility to provide the system on time and within budget. Any risks which could impact cost and schedule are minimized, including the development of test equipment for the system. As a result, weapon systems typically are delivered with ATS that has been designed or selected for that weapon system. While this optimized the solution for the program manager, on a service or DoD level this adds another complex piece of support equipment and software to the inventory which can only be used for that application. This problem is compounded by the proprietary nature of these test solutions; the DoD is often unable to expand use of the test system to meet other requirements. Proprietary hardware and software locks the user to the providing contractor for support and upgrades, usually at a significant cost. The answer to this situation is the standardization of hardware and software architectures, to allow the creation of open and flexible systems.

There has been considerable effort and interest over the past 10 years in moving towards standard Automatic Test Systems within the DoD, in order to avoid the expense of ATS tailored to one weapon system (i.e., IFTE, CASS, and MATE). This interest is magnified by the current budgetary trend, where manpower, money and resources are quickly being scaled back. These approaches help in reducing the hardware and management expenses through more efficient use of resources. They also help to some extent in reducing software support costs, by eliminating the multitude of operating systems and test languages used by the many different ATS systems in the inventory. Even with standard hardware architectures, however, the cost of automatic test is unacceptably high.

One reason the cost of test remains high is due to the difficulty in scaling back software support. Whether a service fields one of a particular weapon system or five, the software required to support that system remains the same and requires the same number of programmers. Unless the means by which test software is developed is significantly changed, little savings can be obtained in software support when a system is downsized. Another cost driver is the duplication in test and tester development and acquisition processes between the Air Force, Army, Navy, and commercial industry. Test requirements common to the services are fulfilled using different test platforms, test development environments, data requirements, etc. Pooling test requirements between the services would provide greater purchasing power in the test industry, and prevent duplicate expenditures on the development of similar technologies. Finally, the economies of re-hosting existing TPSs to other platforms due to obsolescence or non-supportability drive up the cost of test. Typically, the large cost of re-hosting causes organizations to acquire new ATS for re-host platforms, to maximize the life of the re-hosted test programs. If re-hosting costs could be cut, it would be more practical to re-host to ATS already in the DoD inventory, increasing the efficiency by which we use those resources.

As a consequence of the increasingly urgent need to reduce the cost of automatic test, new test technologies and methods are being evaluated and supported by the DoD. Software methodologies such as object-oriented programming and software interface standardization promise to enable reuse of test programs and information automation of test development and transportability of test programs between multiple testers. Standard interfaces and services in the development of test software, applications, and test platforms will enable the DoD to purchase and integrate commercial test equipment and software tools from various vendors, and integrate them into more capable and flexible test systems.

The government has recently emphasized the use of commercial off-the-shelf hardware and software, and the implementation of commercial standards in system acquisition and development. It is now government policy (SecDef memo - Specifications and Standards) to work with industry in developing the standards needed to address government requirements. By focusing a DoD R&D effort on the maturation of standards that benefit both government and industry, the tools generated to work within those standards benefit all parties. In participating in the development of these technologies and standards with industry, the DoD will act as a catalyst for the advancement of test in the manufacturing arena, reducing time to market for new products and enhancing industry's efficiency and competitiveness. This fosters the development of open hardware and software systems addressing government as well as industry requirements and encouraging greater competition for government and industry market share based on cost, quality and capability. The expanded marketplace then drives the improvement and growth of new tools and capabilities, reducing the expense of the government investing in creating its own tools.

4.0 NEED

The DoD needs driving the pursuit of ATS R&D activities revolve around two related problems; high costs and dwindling budgets. These problems are impacting the readiness of the DoD at the same time that the sophistication of weapon system electronics is increasing and the technology embedded in the DoD ATS inventory is falling behind in meeting test requirements. To meet those needs, the DoD must work together with industry to forge a common solution to the high cost of test, participating in the production of standards and tools necessary to create an integrated and efficient test environment. Specifically the DoD need to:

- a. Reduce the cost of creating test by defining standard hardware and software interfaces used by ATS and test tools. Standard hardware interfaces would allow the simplification and reuse of test adapters used to connect test equipment to the items being tested. In addition, they would allow greater use of open test systems, in which instrumentation made by different commercial vendors can be easily interchanged. Standard software interfaces would allow the application of software test tools from different vendors in a single flexible test environment to be readily adaptable to changing test requirements. This approach would allow existing test systems to integrate new technologies and meet new test requirements without compelling the acquisition of entirely new ATS.

- b. Reduce the cost of test by evolving a test programming approach that promotes code and information reuse. If test information and applications are captured in a manner that allows reuse in testing related functions or equipment, the time required to develop new tests can be cut dramatically. This technology, combined with an efficient means of storing and manipulating test code and information, would provide the test developer with "power tools" needed to construct tests for the increasingly sophisticated electronics used today. Reusable test code and information would then make the development of new tests an investment instead of an expense.
- c. Maximize utilization of existing test assets, by facilitating development of a test environment that is independent of the tester it resides on. This would allow our existing investment in ATS to continue to provide useful capability.
- d. Provide a test environment that is tolerant of changes in ATS configuration. As the DoD follows the trend of extending the life of existing weapon systems through modifications and upgrades, the test equipment used to support that system must be upgraded to meet the evolving test requirements. Traditionally, test programs had been easily impacted by such changes, resulting in a need to modify all the test software when the hardware is changed. TPS immunity to configuration changes can be extended to allow complete changes in ATS platform while minimizing the impact to the test software, allowing migration of test software to new testers as needed. This also allows the sharing of test capabilities between the services when common equipment and test requirements exist.
- e. Eliminate the duplication in investments in test technologies between the services, by creating a comprehensive approach to ATS R&D that meets test needs for each of the services. This includes providing a process for integrating common test requirements, sharing the results of investments in ATS R&D, and providing the combined purchasing power of the services to drive down acquisition costs.
- f. Pursue the economic benefits to be gained by following the intent of the Secretary of Defense memo on Specifications and Standards. The teaming of government and industry in the development of standards that work to the benefit of both achieves two things; a reduction in cost of test for industry resulting in increased competitiveness, and the amortization of the cost of software tools across the marketplace, so that improvements of the tools are driven by market pressures rather than DoD expenditures.

5.0 PROGRAM DESCRIPTION

This ATS R&D program has three distinct technical challenges to implement an open architecture:

1. Converge ATS functional interfaces
2. Define next generation test software environment
3. Develop ATS DoD modernization processes

5.1 Converge ATS Functional Interfaces

This effort will define a new generation of modular, scalable ATS interfaces and switches that can be used in the narrow low-cost applications of the factory, as well as the broad based ATS needed for repair. Interface convergence will support using low cost adapters that interface between the unit under test and the ATS throughout the tested items life cycle.

5.1.1 ATS Family Interface Capability and Next Generation Modular Interface Specification

The purpose of this effort is to develop a parametric/pin information matrix of joint service ATS (CASS, IFTE, etc) and a superior set of tester interface specifications specifically structured to accomplish ATS convergence and TPS transportability across all DOD services and levels of testing (design through field maintenance). Identify commonality goals and a phased, evolutionary approach to eliminating the differences in interfaces among DoD ATS permitting interoperability.

5.1.2 TPS Interoperability Support Tools

This task focuses upon obstacles that impede the transportability of Test Program Sets (TPSs) across test platforms. The main objective of this task is to provide a methodology to manage resources more efficiently. This methodology would enable the rehosting of TPSs from one test platform to another in an economical manner. There are two parts to the accomplishment of this objective. The first part is short in nature and provides a methodology to transport TPSs between test systems including the DoD family of testers. The longer part focuses upon creating commercial standards that facilitate rehost with minimal requirements.

5.2 Define Next Generation Test Software Environment

This new environment will be designed to support differences between factory and repair operations. This effort will develop and evolve the next generation test software environment, defined by appropriate tools and standards. The environment will: (1) enable the single, consistent capture and re-application of product definition and test information throughout the life cycle; (2) provide mechanisms for acquiring test information concurrently with product design; (3) define manufacturing go-path test to be applied directly to repair certification. Also, this environment will have to be designed to support use of multiple languages for programming individual components, thereby eliminating a barrier to commercial applications. The U.S. commercial manufacturing test industry has indicated strong support for development of a joint DoD-commercial environment which can be applied to commercial high volume manufacture as well as DoD unique manufacture.

5.2.1 CAE Design Interface Specification

This task focuses upon developing interfaces that can be standardized to allow Computer Aided Engineering (CAE) design data that defines the physical and functional characteristics of the Unit Under Test (UUT), to be incorporated into a test environment. The end objective of this effort is to have standardized specifications for the electronic exchange of data at the interface between the test domain and the design domain. The specification of these interfaces will enable industry to create or modify tools maximizing the automated transfer of information between the design and test domains. Capturing and using this information will reduce the cost of test development and maintenance while improving the quality of tests by reducing the duplication of product design data.

5.2.2 Test Strategy/Requirements Specification

This task focuses on developing a standard approach to using tester independent test specifications and encapsulated test objects for applications that determine test strategy. This results in reusable tests that are more flexible, providing better quality of testing and reduced cost of test program rehost. The end objective of this effort is to define standard interfaces to aid automated test strategy development including augmented testability analysis, definition of a standard interface for tester independent test strategy generators, requirements for encapsulated test objects, investigation of automated tools for generating test procedures from test requirement specifications, and standardized maintenance data formats and interfaces.

5.2.3 Language Concepts, Definition, and Standardization

The purpose of this effort is to eliminate the proliferation of test languages in the DoD and Industry, to develop a long term solution for controlling the growth of this test language, and to fulfill the systems engineering task for the next generation test environment portion of the ATS R&D plan. Develop standard test languages to explicitly represent test requirements, test specifications, and test procedure interfaces for both commercial and DoD needs. Develop language syntax and semantics to improve portability. Model language on the use of virtual instruments.

5.2.4 Test Practices and Libraries

The purpose of this project is to improve the processes and products of the test software community by promoting reuse of software entities. Software reuse in the process domain will be applicable to applicable to software engineering-intensive systems for the life cycle of test software and will result in earlier identification and improved management of test development technical risk, shortened system development and maintenance time, and increased productivity. Software reuse in the product domain will provide higher quality and reliability of engineering-intensive systems test information and programs. The overall objective is to identify, specify, and prototype standard test practices for making measurements associated with test requirements and formulate the practices into reusable modules that can be stored and retrieved from standard libraries.

5.3 Develop ATS DoD Modernization Processes

DoD has unique test requirements for which test stimulus and measurement devices (e.g., electro-optics and millimeter wave) would not be expected to be available in the commercial market. This effort will develop and evolve the DoD's modernization processes for ATS by defining a standard way of defining test requirements and developing tools to aide in the decision making process about these test requirements. Also, this effort will define the processes for defining standard test methods and acquiring test resources that the DoD doesn't currently possess.

5.3.1 Evolving Test Requirements

Upgraded weapon system performance places new requirements on automatic testing and diagnostics. Significant drivers of new test requirements that will be included in this research are: (1) all up missile rounds, (2) missile guidance systems based on radar, acoustic, EO, inertial, and GPS, (3) digital speed and pin count, (4) TPS real time test control sequencing, (5) test standard bus interface IEEE 1149.1, 1149.5,..., (6) general bus interfaces, (7) noise measurements, (8) extended RF frequency ranges, and (9) EO apertures. There is a lack of convenient methods and tools to help analyze ATS capabilities to meet testing needs. The acuteness of this problem is increasing as new test requirements are introduced. Create a database that documents and links weapon missions, performance envelope, and test requirements at all levels. Provide a capability to assess the compatibility of existing ATS to meet a wide range of testing requirements.

5.3.2 Test Methods Specifications

Evolving test requirements will necessitate new test methods; for example, measurement of phase noise in ultra sensitive infra red detectors. Identify where new testing methods have been generated due to new test requirements. Investigate the testing domain to determine alternatives for performing new test methods. Prototype, evaluate, and write specifications for new test methods. Provide specifications for new test methods to commercial ATS equipment/system manufacturing and vendors for development of new ATS hardware or software.

5.3.3 Test Resource Development and Demonstration

DoD weapon system programs will be characterized by a few new starts but more numerous weapon system performance improvement programs. Upgraded weapon system performance places new requirements on automatic testing and diagnostics. Commercially available and unique DoD test resources will suffer obsolescence while at the same time new test requirements will evolve. Lead time necessary for ATS equipment vendors to develop and make more capable test resources will increase. To translate new test requirement envelopes into specifications for new or modifications to DoD unique or commercially available test resources.

5.3.4 Tools for Analysis of ATSs and UUTs

UUT design or modification affects whether or not a designated ATS can perform necessary tests. A number of ATS models (e.g., CASS SSM) assesses test coverage and through-put performance capabilities for each potential UUT that might be tested in the future. Develop and establish methods for concurrent analysis of UUT design and impact upon designated ATS test envelope.

6.0 APPROACH

6.1 Programmatic

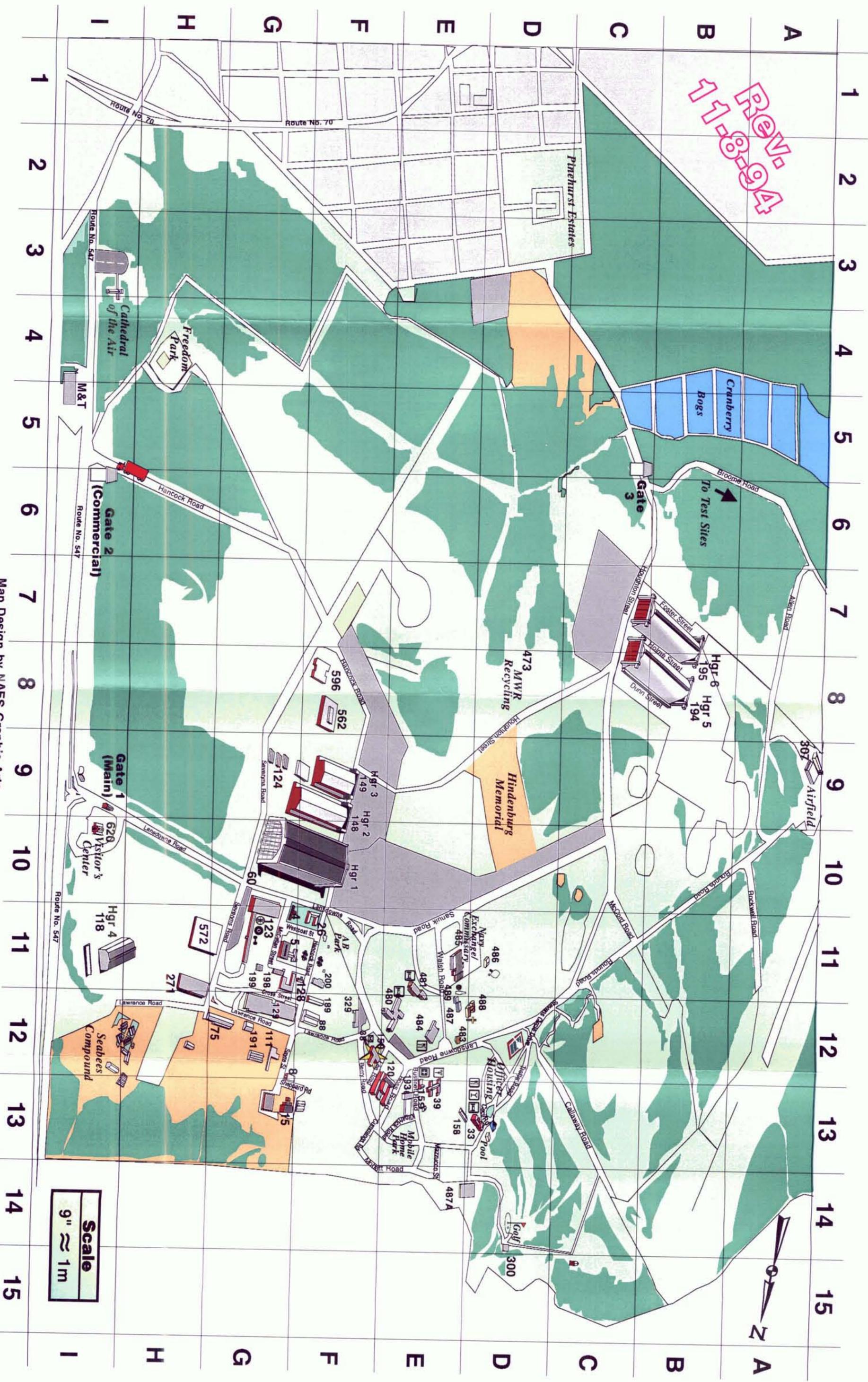
This program will be a 6.3 R&D effort that will be budgeted as part of the EAO. The EAO will be responsible for this program and get guidance on the direction of this program from the AMB and OSD. The EAO ATS R&D program manager will be responsible for producing, justifying, and securing the POA&M on a yearly basis. The EAO will be responsible for approving (with guidance from the AMB) and authorizing funding to the individual services for execution of this program on a yearly basis. For FY95 and FY96 existing service contracts will be used for contract support on this program. For FY97 and subsequent years the ATS R&D program manager will supply a new contract vehicle for contractor support and prototype efforts.

6.2 Technical

Each service will have a project manager and technical leader that will be responsible for the overall management and systems engineering for all of the R&D program tasks being executed in their service. Each task will have a lead service that will be responsible for the technical and management leadership. The lead service will have co-leaders from the other services to ensure that their services requirements are being fulfilled by this task. The co-leaders will also be responsible for the execution of their portion of the work being performed on this task. Each task of the R&D program has a detailed master plan with a WBS that will be used by the task team to execute this effort. These detailed plans are in attachment (A) of this master plan.

Document Separator

REV-11-8-94



Scale
9" ≈ 1m

Map Design by NAES Graphic Arts
Code 7.2.4.2

Document Separator

NAWCAD LAKEHURST MILITARY VALUE



PRESENTED TO:

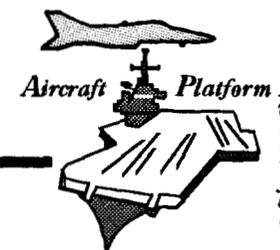
DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

MR. A. CORNELLA

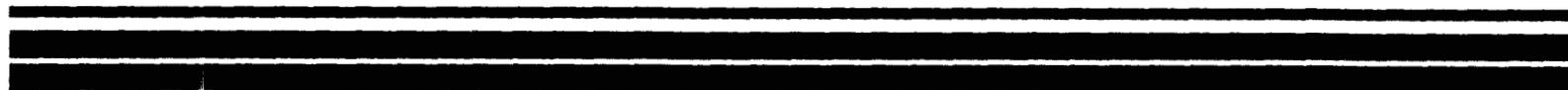
3 MAY 1995



PURPOSE

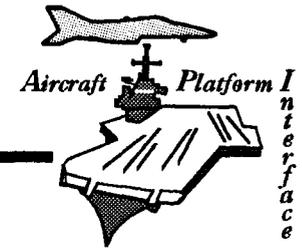


TO DESCRIBE AND EXPLAIN THE MILITARY VALUE OF
NAWCAD LAKEHURST AND THE BRAC SCENARIO.

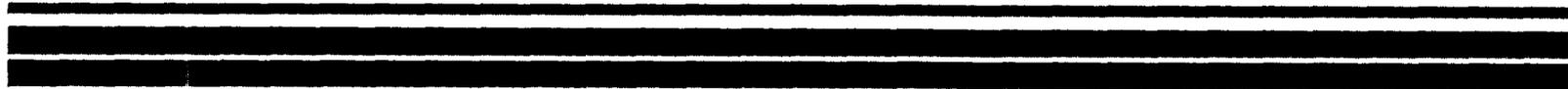


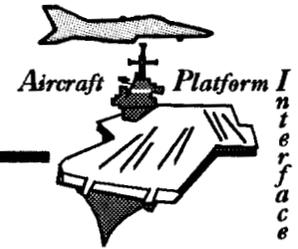


OUTLINE



- MISSION STATEMENT AND TECHNICAL FUNCTIONS
- LOCATION/ENVIRONMENT, FACILITIES AND OTHER CAPABILITIES
- MANPOWER
- COMMUNITY INVOLVEMENT AND AWARDS
- FINANCIAL
- SCENARIO DESCRIPTION

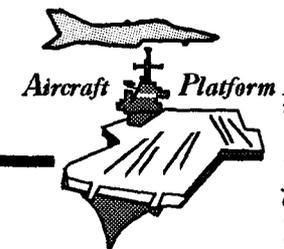




MISSION STATEMENT AND TECHNICAL FUNCTIONS



NAWCAD LAKEHURST MISSION



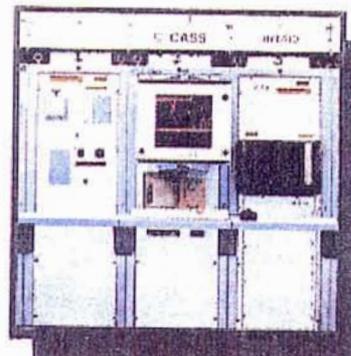
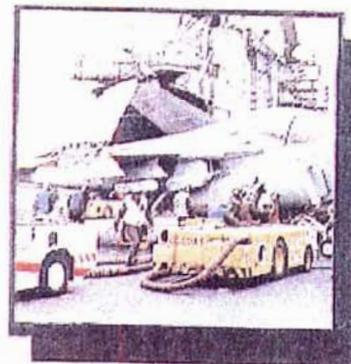
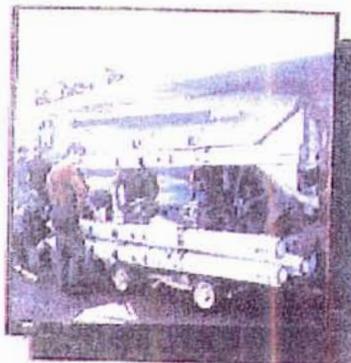
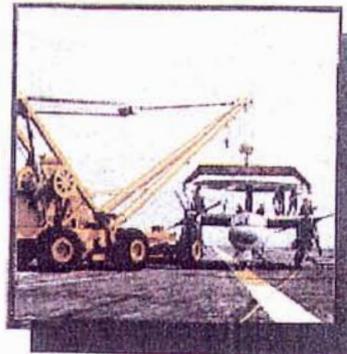
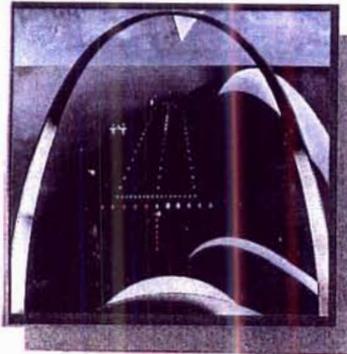
TO CONDUCT PROGRAMS OF TECHNOLOGY DEVELOPMENT, ENGINEERING, DEVELOPMENTAL EVALUATION AND VERIFICATION, SYSTEMS INTEGRATION, LIMITED MANUFACTURING, PROCUREMENT, INTEGRATED LOGISTICS SUPPORT MANAGEMENT, AND FLEET ENGINEERING SUPPORT FOR AIRCRAFT PLATFORM INTERFACE (API) SYSTEMS INCLUDING:

- TERMINAL GUIDANCE
- RECOVERY
- HANDLING
- PROPULSION SUPPORT
- AVIONICS SUPPORT
- SERVICING AND MAINTENANCE
- AIRCRAFT/WEAPONS/SHIP COMPATIBILITY
- TAKEOFF





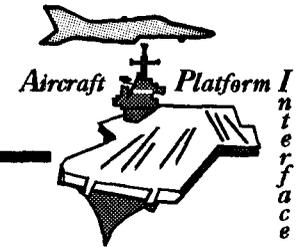
AIRCRAFT PLATFORM INTERFACE



- Terminal Guidance
- Recovery
- Handling
- Propulsion Support
- Avionic Support
- Servicing and Maintenance
- Aircraft/Weapons/Ship Compatibility
- Takeoff



NAWCAD LAKEHURST UNIQUE ROLE



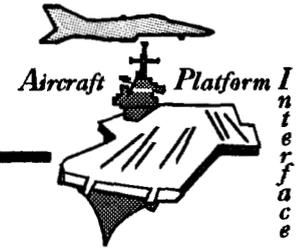
- FULL SPECTRUM LIFE-CYCLE RESPONSIBILITY FOR SUPPORT EQUIPMENT AND AIRCRAFT LAUNCH AND RECOVERY EQUIPMENT
- SYSTEMS INTEGRATOR FOR AIRCRAFT PLATFORM INTERFACE EQUIPMENT AND PROCESSES
- PRIME CONTRACTOR FOR AIRCRAFT LAUNCH AND RECOVERY EQUIPMENT
- SOLE SUPPLIER OF SELECTED FLIGHT CRITICAL ALRE ITEMS

LAKEHURST IS THE CRITICAL LINK BETWEEN THE AIR NAVY AND THE SEA NAVY. WITHOUT THIS LINK THERE IS NO NAVAL AVIATION.

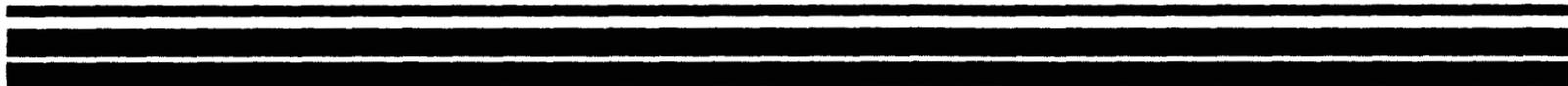




MAJOR DEVELOPMENT PROJECTS

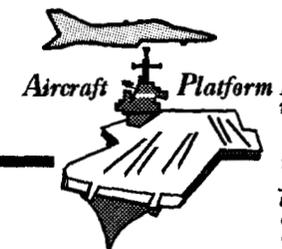


- M-29 USMC EXPEDITIONARY AIRFIELD ARRESTING GEAR
- MK7 MOD 4 ARRESTING GEAR FOR CVN 76
- V/STOL OPTICAL LANDING SYSTEM
- ELECTROMAGNETIC LAUNCHER SYSTEM
- A/S32P-25 SHIPBOARD FIRE TRUCK
- AIRCRAFT GENERATOR TEST STAND
- UKM-7 TELEMETRIC TEST SET

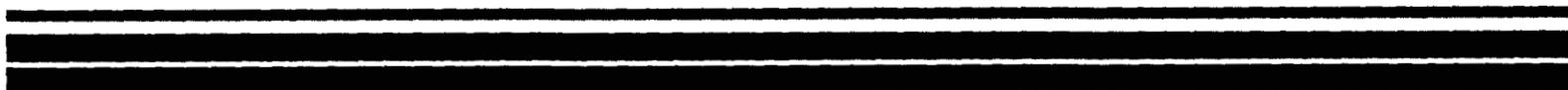




MAJOR ACQUISITION PROJECTS

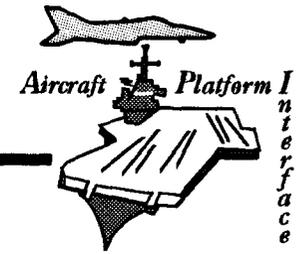


- CVN 74/75/76 GOVERNMENT FURNISHED EQUIPMENT
- RECOVERY ASSIST, SECURING, AND TRAVERSING SYSTEM (RAST)
- NAVY ENVIRONMENTAL LEADERSHIP PROGRAM/POLLUTION PREVENTION (NELP/PP)
- F/A-18 FOREIGN MILITARY SALES SUPPORT EQUIPMENT
- UNIVERSAL JET AIR START UNIT
- STANDARD ENGINE TEST SYSTEM
- INTEGRATED SHIPBOARD INFORMATION SYSTEM
- AVIATION DATA MANAGEMENT AND CONTROL SYSTEM

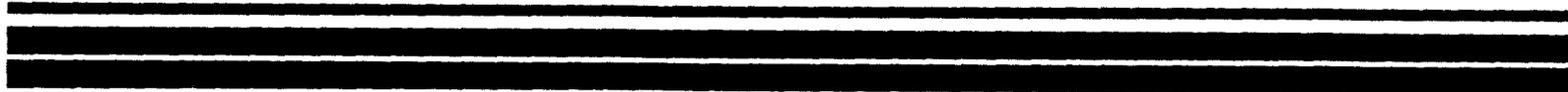


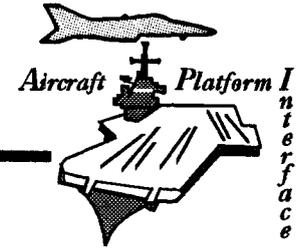


IN-SERVICE ENGINEERING



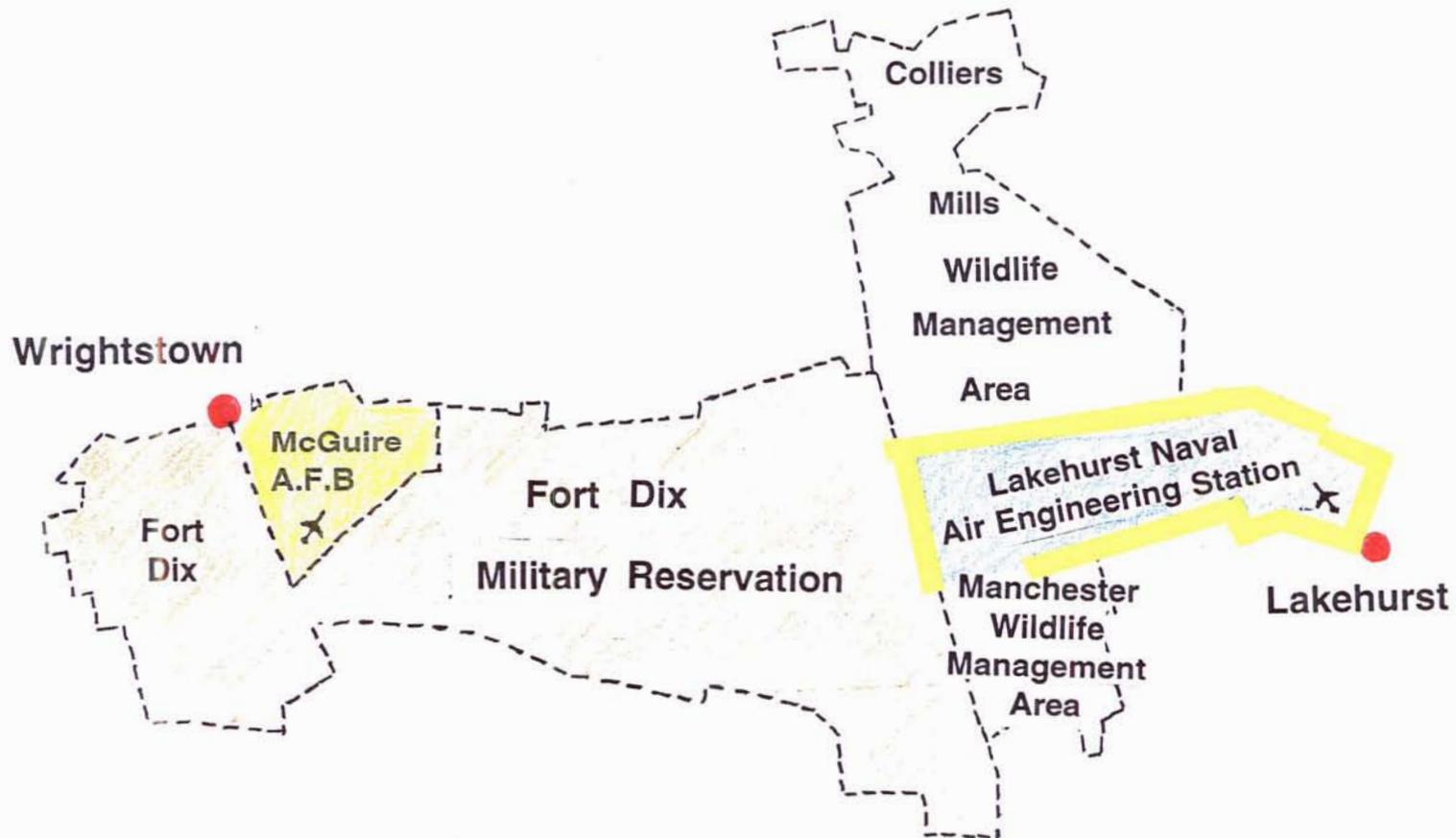
- 227 DEDICATED PERSONNEL PROVIDING FLEET SUPPORT FOR ALRE AND SE WORLDWIDE
 - SENT TECH REP TEAM TO CV 67 IN PERSIAN GULF DURING DESERT STORM TO CHANGE CATAPULT LAUNCH VALVE
 - SENT TEST TEAM TO CV63 TO RESOLVE CATAPULT STEAM LEAKAGE
 - INSTALLED A TURBOJET/FAN ENGINE TEST SYSTEM AT NAF ATSUGI JAPAN
 - SENT TECH REP TO TROUBLESHOOT CRASH CRANE ABOARD USS WASP/ESSEX
- QUALITY SERVICE TO THE FLEET RECOGNIZED BY "ATTABOYS" FROM SHIPS COMMANDING OFFICERS AND FLEET COMMANDERS





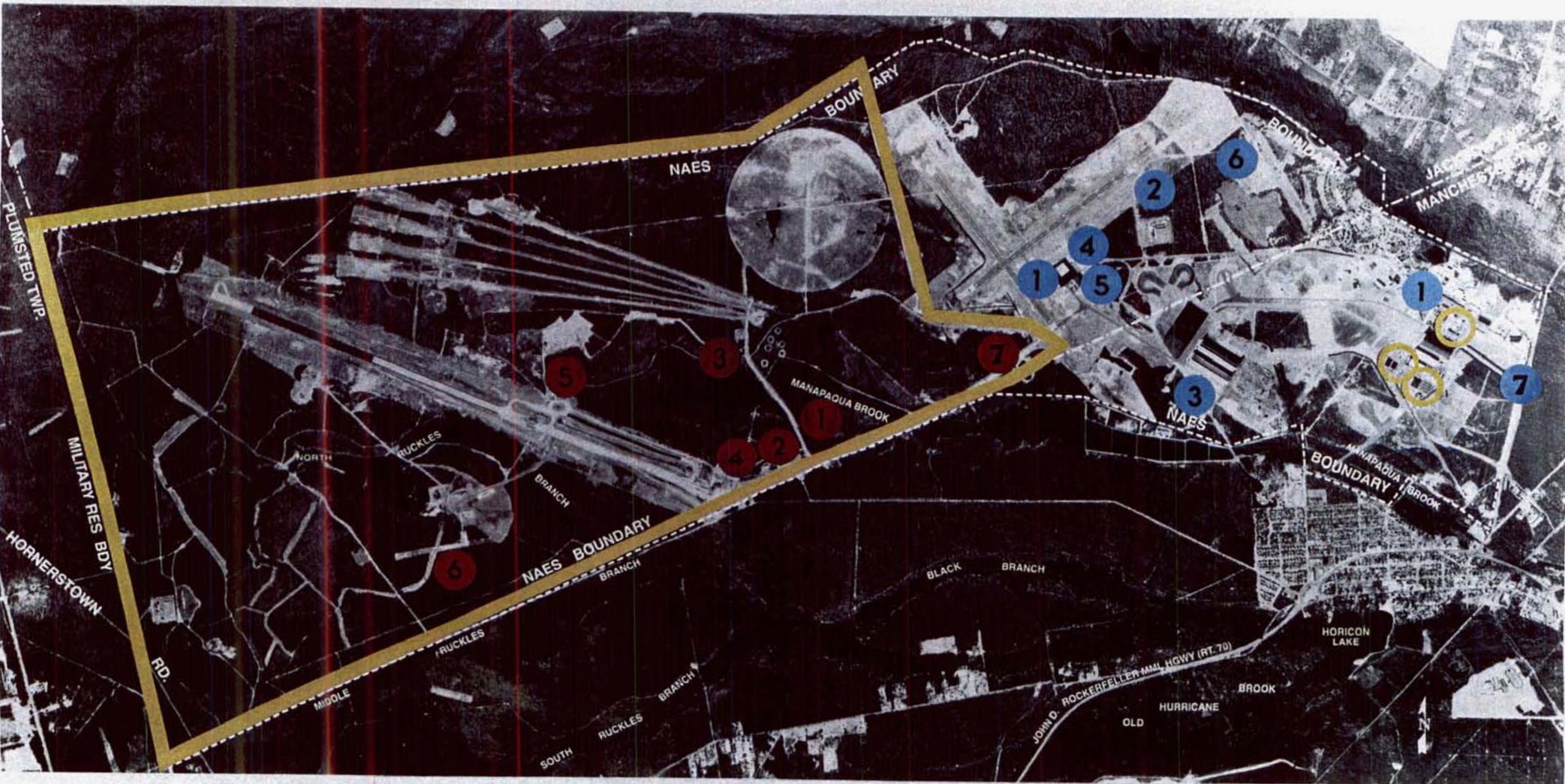
LOCATION/ENVIRONMENT, FACILITIES AND OTHER CAPABILITIES

LOCATION/ENVIRONMENT



NO ENVIRONMENTAL RESTRICTIONS THAT CONSTRAIN OPERATIONS

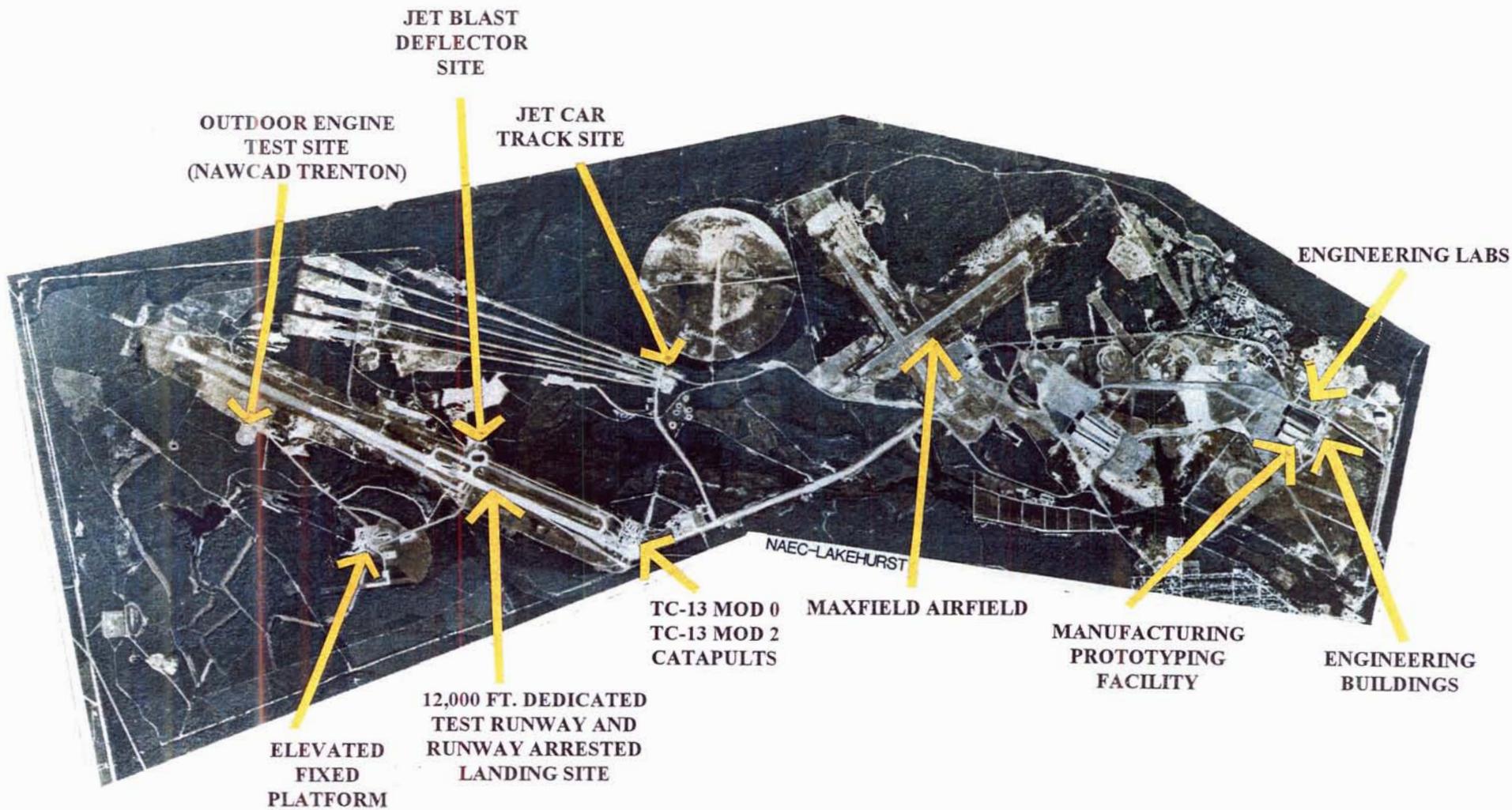
CONSTRUCTION REQUIRED AT LAKEHURST DUE TO BRAC '95



- EXISTING LOCATION
- NEW LOCATION
- RETAINED BUILDINGS/FACILITIES

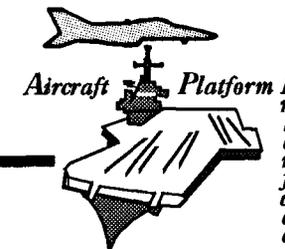
- ① FIRE STATION
- ② HAZARDOUS WASTE FACILITY
- ③ FUEL FACILITY
- ④ AIRCRAFT HANGER
- ⑤ CONTROL TOWER
- ⑥ EXPLOSIVE MAGAZINE
- ⑦ GATE/GUARD HOUSE

NAWCAD LAKEHURST





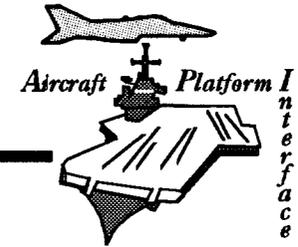
UNIQUE FACILITIES



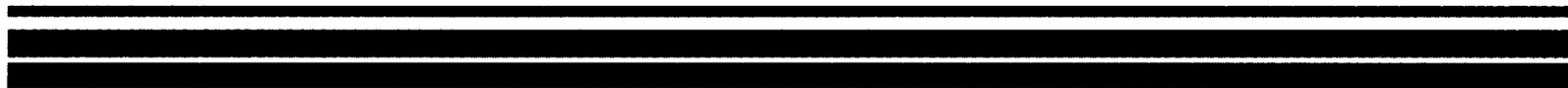
	REPLACEMENT VALUE
• IN-GROUND CATAPULTS (TC-13 MOD 0, TC-13 MOD 2)	\$120.5M
• RUNWAY ARRESTED LANDING SITE (MK7 MOD 2, MK7 MOD 3)	\$28.5M
• DEDICATED TEST RUNWAY	\$17.7M
• ELEVATED FIXED PLATFORM WITH RECOVERY ASSIST, SECURING, AND TRAVERSING INSTALLED	\$4.2M
• OUTDOOR ENGINE TEST SITE (NAWCADTRN)	\$4.6M
• JET BLAST DEFLECTOR SITE	\$3.3M
• JET CAR TRACKS (3)	\$24.5M
• ENGINEERING LABS	\$14.1M
• MANUFACTURING/PROTOTYPING COMPLEX	\$198M

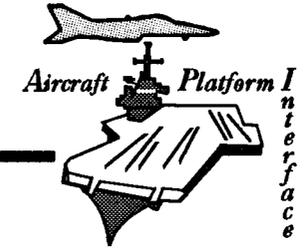


ADDITIONAL CAPABILITIES



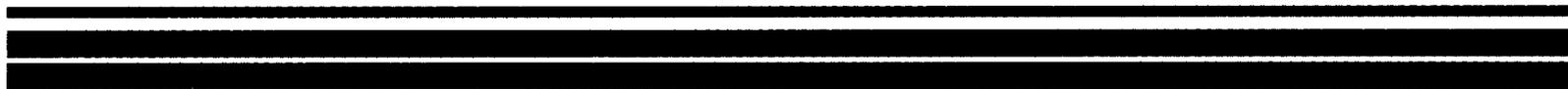
- LOCAL AREA NETWORK
- NAVAL AIR SYSTEMS WIDE AREA NETWORK
- VIDEO TELECONFERENCING CENTER
- COMPUTER AIDED ENGINEERING
- MOBILIZATION POTENTIAL
- AUTOMATIC TEST EQUIPMENT SOFTWARE FACILITY
- DATA HANDLING CENTER





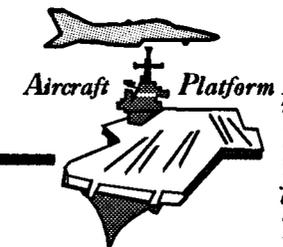
MANPOWER

THE WORLD'S AIRCRAFT PLATFORM INTERFACE EXPERTS RESIDE AT NAVY LAKEHURST. AN AWARD WINNING WORKFORCE DEDICATED TO COST EFFECTIVE, RELIABLE, TECHNICALLY SUPERIOR SUPPORT TO NAVAL AVIATION.





CENTER POPULATION



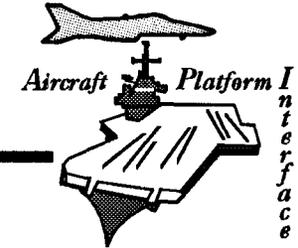
	ON BOARD 21 APRIL 1995		
COMMAND	MIL	CIV	TOT
NAWCAD	239	1957	2196*
TENANTS	173	362	535
NON-APPROPRIATED FUNDED		82	82
CONTRACTOR ON-SITE		293	293
RESERVISTS	88		88
TOTAL	500	2694	3194

* INCLUDES 111 OFF-SITE REPRESENTATIVES

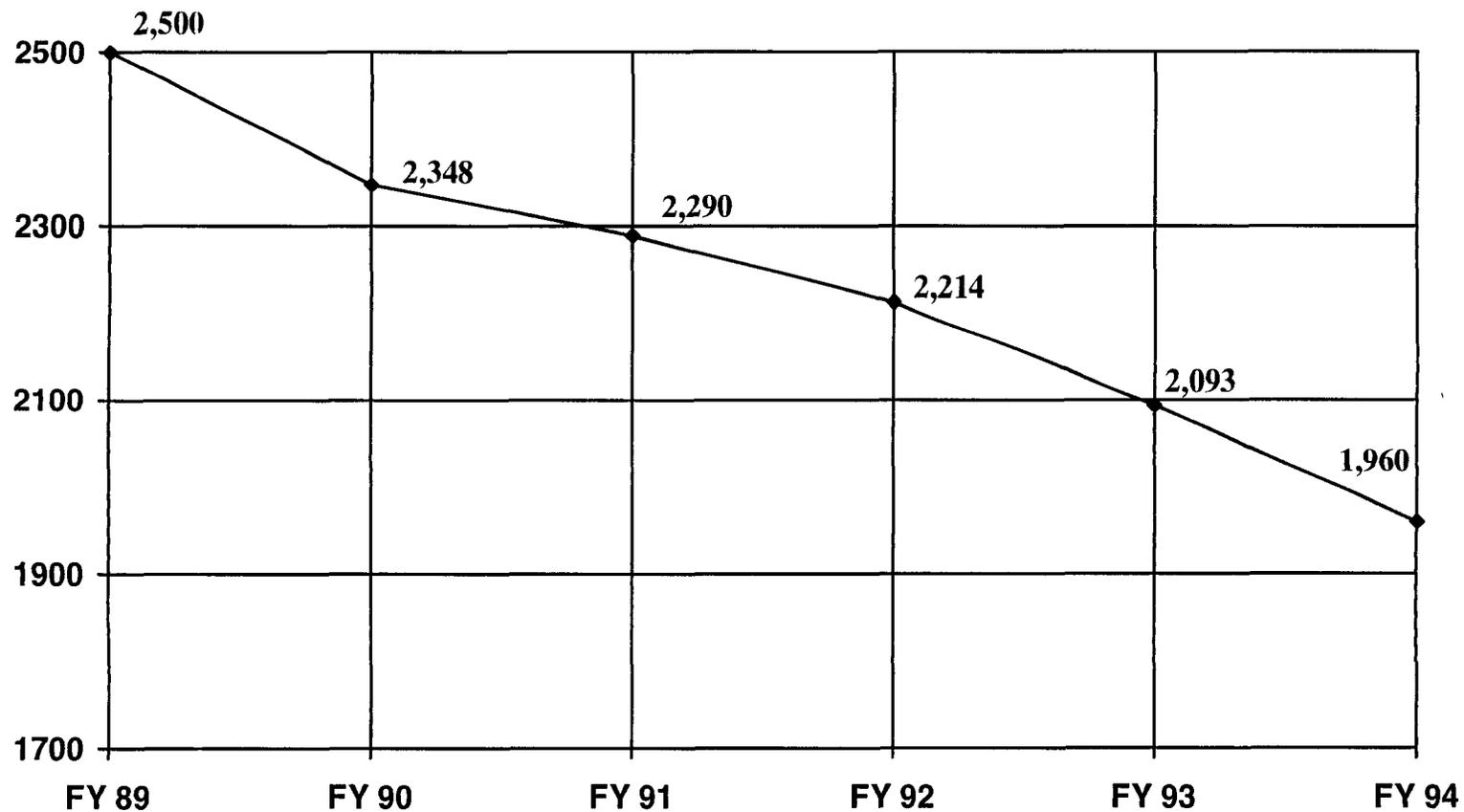




EMPLOYEES CHARGEABLE TO END STRENGTH FY89 - FY94

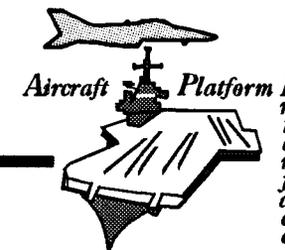


NAWCAD LAKEHURST



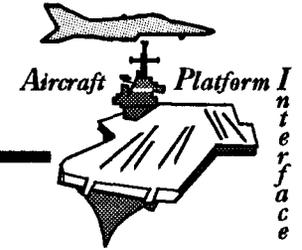


TENANT COMMANDS



- *NAVAL AIR TECHNICAL TRAINING CENTER DETACHMENT*
 - *U.S. ARMY CECOM ELECTRONICS INTEGRATION DIRECTORATE/AIRBORNE ENGINEERING EVALUATION SUPPORT ACTIVITY*
 - *NAVAL MOBILE CONSTRUCTION BATTALION 21*

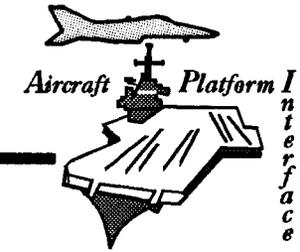
 - NAVAL AIR WARFARE CENTER AIRCRAFT DIVISION TRENTON
 - NAVAL FACILITIES COMMAND NORTHERN DIVISION PHILADELPHIA
 - NAVAL TELECOMMUNICATIONS COMMAND NAVTELCOMCEN
 - DEFENSE PRINTING SERVICE BRANCH OFFICE
 - COMMISSARY
 - NAVAL INVESTIGATIVE SERVICE
 - PERSONNEL SUPPORT DETACHMENT
 - NAVAL DENTAL CLINIC
 - NAVAL MEDICAL CLINIC
 - DEFENSE REUTILIZATION AND MARKETING OFFICE
 - DEFENSE FINANCE AND ACCOUNTING SERVICE
 - DEPARTMENT OF JUSTICE
 - OCEAN COUNTY VOCATIONAL TECHNICAL SCHOOL
-
-
-



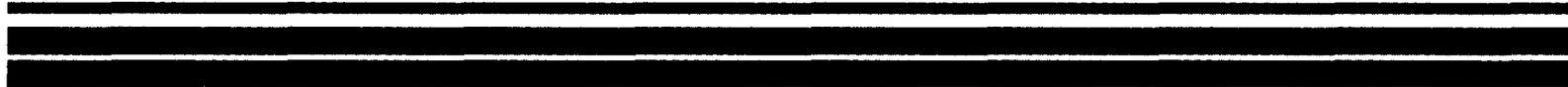
COMMUNITY INVOLVEMENT AND AWARDS



COMMUNITY INVOLVEMENT



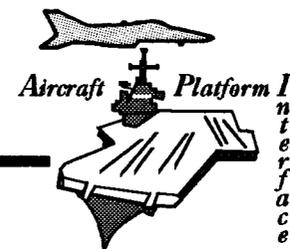
- LARGEST EMPLOYER IN OCEAN COUNTY
- ADOPT-A-SCHOOL PROGRAM
- CAREER TECHNICAL INSTITUTE
- UNITED WAY EXECUTIVE
- SEA SCOUTS
- MULTIPLE MUTUAL AID AGREEMENTS WITH LOCAL COMMUNITIES
- VOCATIONAL INDUSTRIAL CLUBS OF AMERICA
- RESEARCH METHODS IN ECOLOGY AND ENVIRONMENTAL SCIENCE



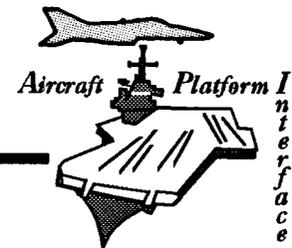


AWARDS

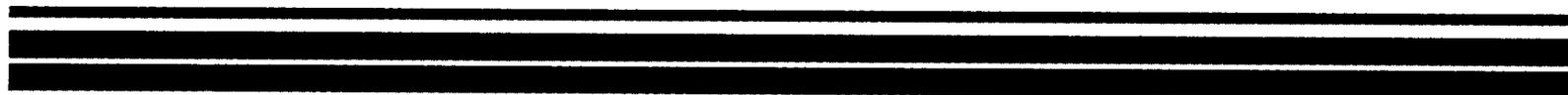
1992 THROUGH 1995



- QUALITY IMPROVEMENT PROTOTYPE (QIP) AWARD
 - DEFENSE STANDARDIZATION PROGRAM OUTSTANDING PERFORMANCE AWARD
 - DOD ENVIRONMENTAL SHOWCASE INSTALLATION AWARD
 - SECNAV ENERGY CONSERVATION AWARD
 - NAVY CHIEF OF INFORMATION (CHINFO) MERIT AWARD - FIRST PLACE
 - OSD GOLD NUGGET AWARD
 - EPA STRATOSPHERIC OZONE AWARD
 - SILVER GULL AWARD
-
-
-



FINANCIAL



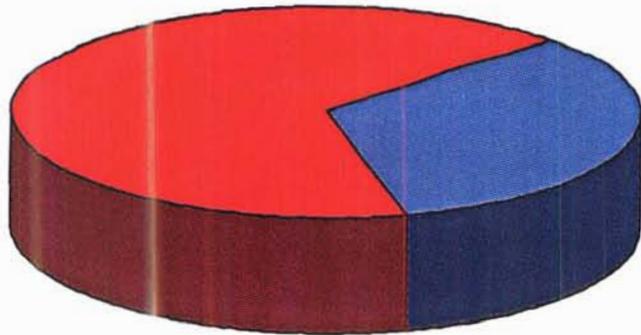


FUNDING



FY94 ACTUAL

DIRECT CITE
\$412.6M

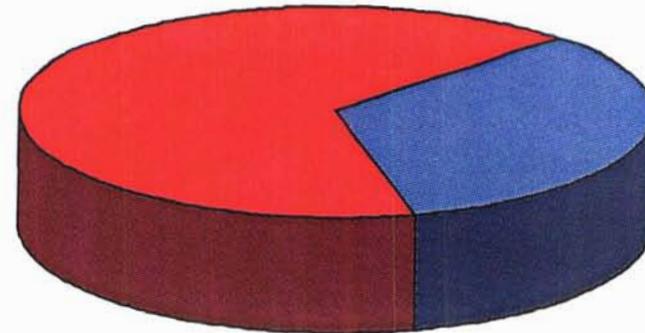


REIMBURSABLE
\$205.3M

TOTAL = \$617.9M

FY95 PROJECTED

DIRECT CITE
\$412.2M



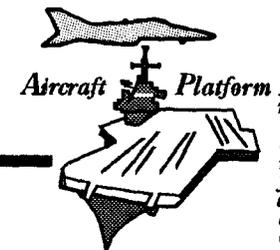
REIMBURSABLE
\$226.3M

TOTAL = \$638.5M



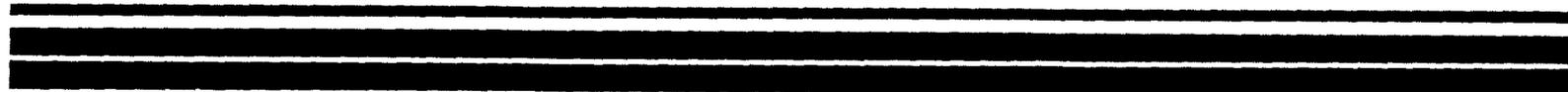


HISTORICAL ORDERS RECEIVED



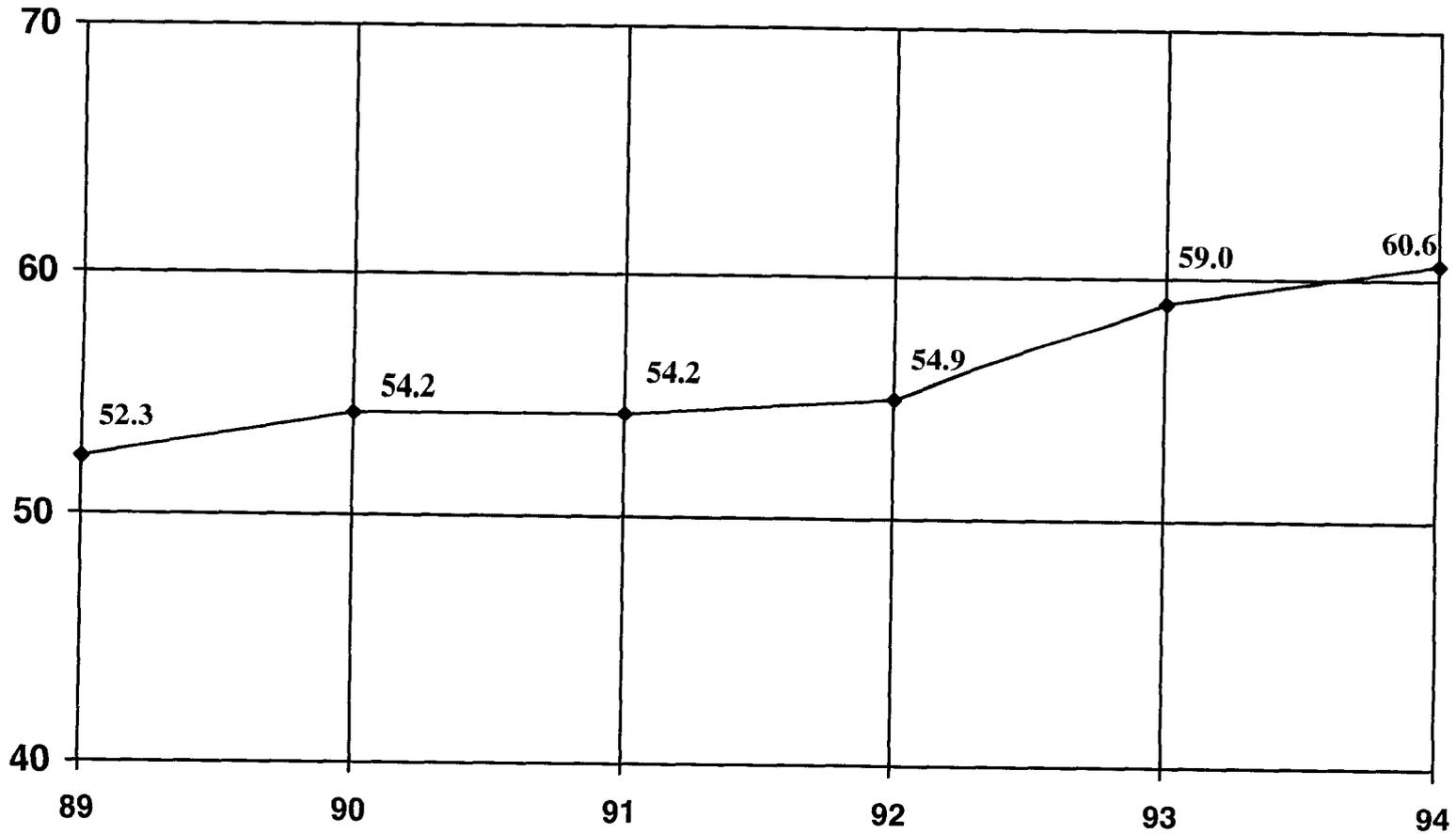
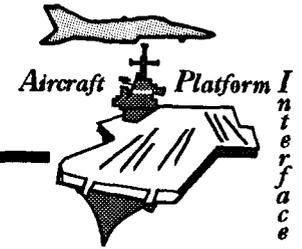
FISCAL YEAR	FY91	FY92	FY93	FY94	FY95
REIMBURSABLE	179.2	167.3	219.1*	205.3	226.3
DIRECT CITE	123.1	119.8	348.0**	412.6	412.2
TOTALS	302.3	287.1	567.1	617.9	638.5

- * ONE TIME RATE INCREASE DUE TO AOR RECOUPMENT
- ** DUE TO HEADQUARTERS SEPO RESPONSIBILITIES BEING DECENTRALIZED AND TRANSITIONED TO NAWCADLKE



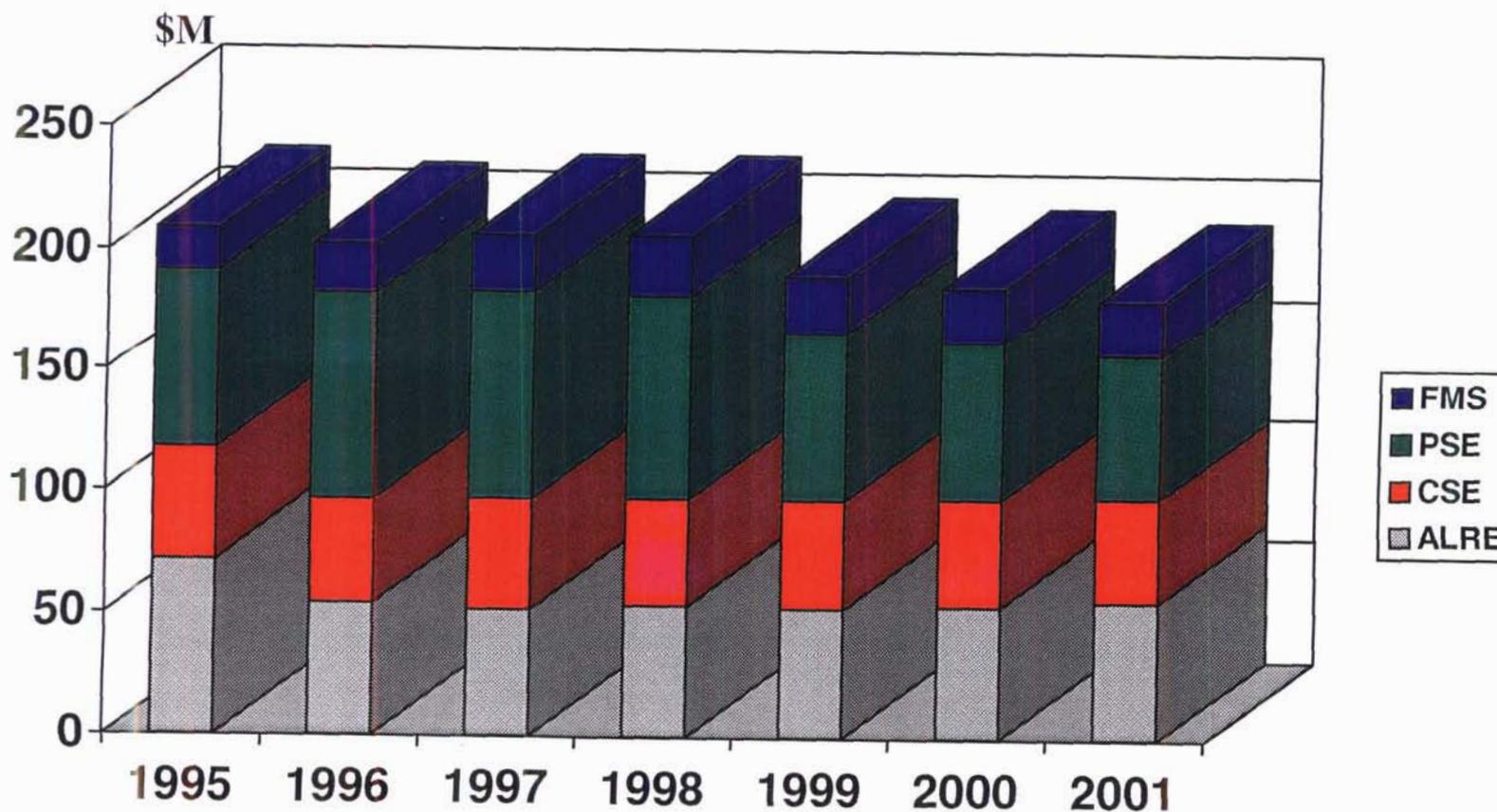


PRODUCTIVITY RATIO FY89 - FY94



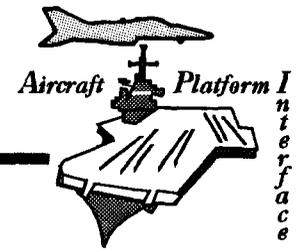


SE AND ALRE WORKLOAD FUNDING PROJECTION

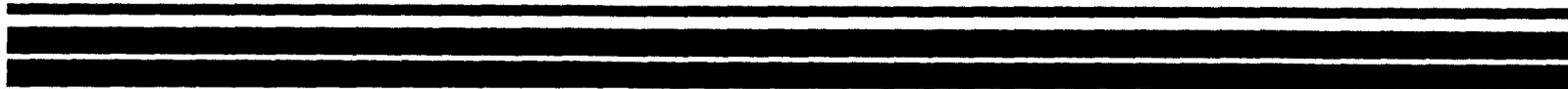


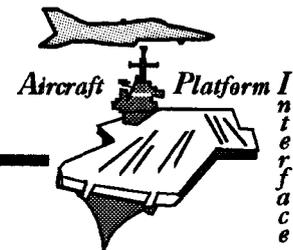


MILITARY VALUE



*LAKEHURST IS THE CRITICAL LINK BETWEEN THE AIR
NAVY AND THE SEA NAVY. WITHOUT THIS LINK THERE IS
NO NAVAL AVIATION.*





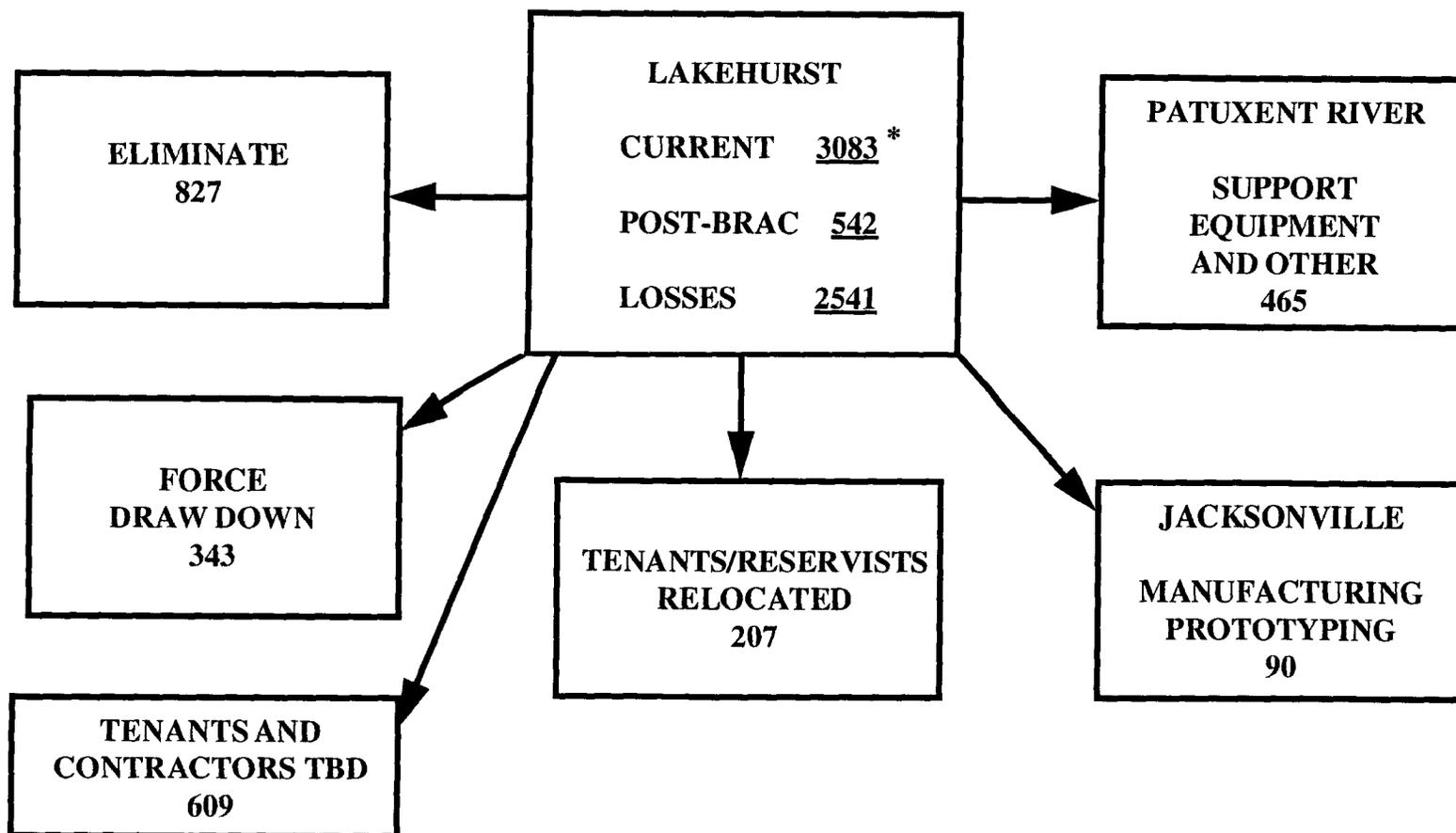
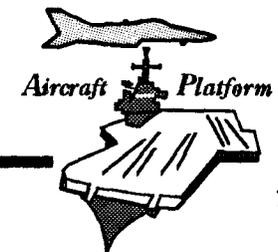
SCENARIO DESCRIPTION





BRAC 95 IMPACT

NAWCAD LAKEHURST POPULATION



* DOES NOT INCLUDE 111 OFF-SITE REPRESENTATIVES

Retained Complex on East Side of Lakehurst



Note:
ALRE Manufacturing/Prototyping
in these buildings moves to
Jacksonville

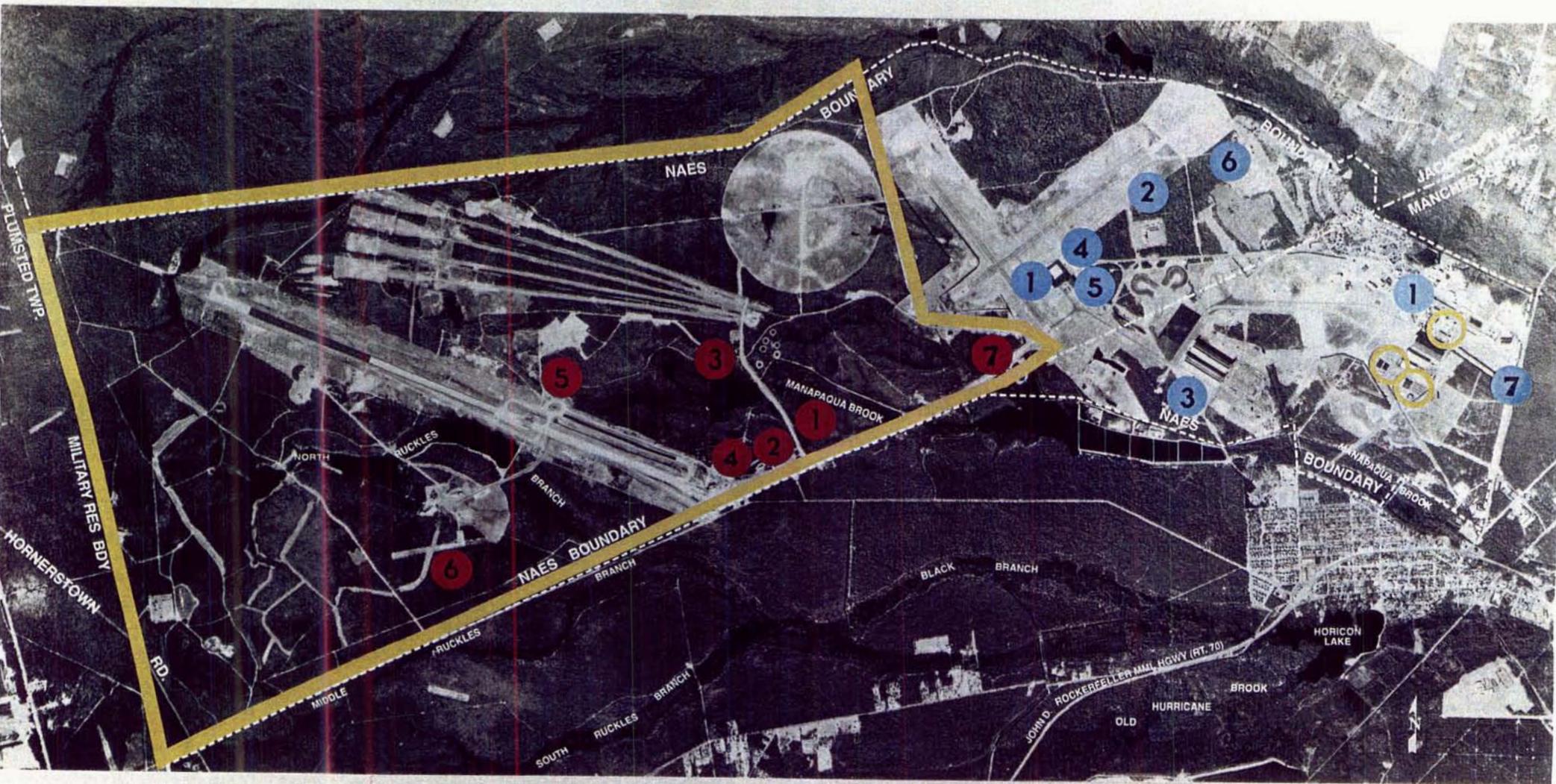
SE Function relocates
to Patuxent River

Note:
Historic Hanger One -
NATTC School
moves to Pensocola

Engineering Labs
and
Support Facility

ALRE
Engineering and Support
Buildings

CONSTRUCTION REQUIRED AT LAKEHURST DUE TO BRAC '95

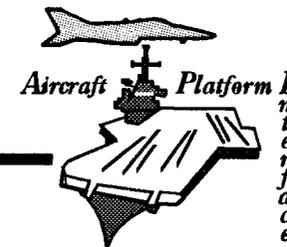


- EXISTING LOCATION
- NEW LOCATION
- — RETAINED BUILDINGS/FACILITIES

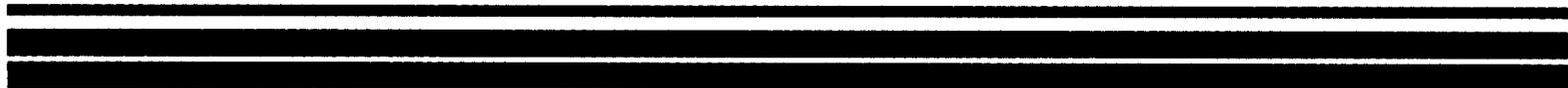
- ① FIRE STATION
- ② HAZARDOUS WASTE FACILITY
- ③ FUEL FACILITY
- ④ AIRCRAFT HANGER
- ⑤ CONTROL TOWER
- ⑥ EXPLOSIVE MAGAZINE
- ⑦ GATE/GUARD HOUSE



SUMMARY



UNIQUE FACILITIES AND WORLD CLASS PEOPLE MAKE NAVY LAKEHURST THE CRITICAL LINK BETWEEN THE AIR NAVY AND THE SEA NAVY. WITHOUT THIS LINK THERE IS NO NAVAL AVIATION.



Document Separator

1995

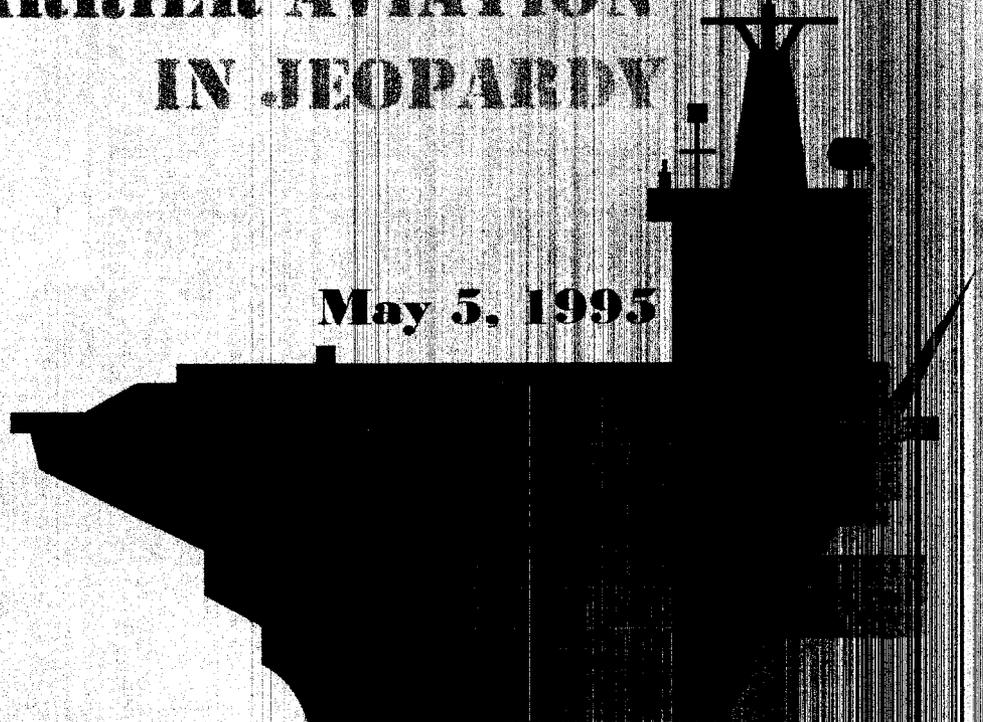
Base Realignment and Closure Commission

Report to the Commissioners



**THE LAKEHURST RECOMMENDATION:
CARRIER AVIATION
IN JEOPARDY**

May 5, 1995



**Submitted by
Save Lakehurst Base Committee**

**Naval
Air
Warfare
Center
Aircraft
Division
Lakehurst**

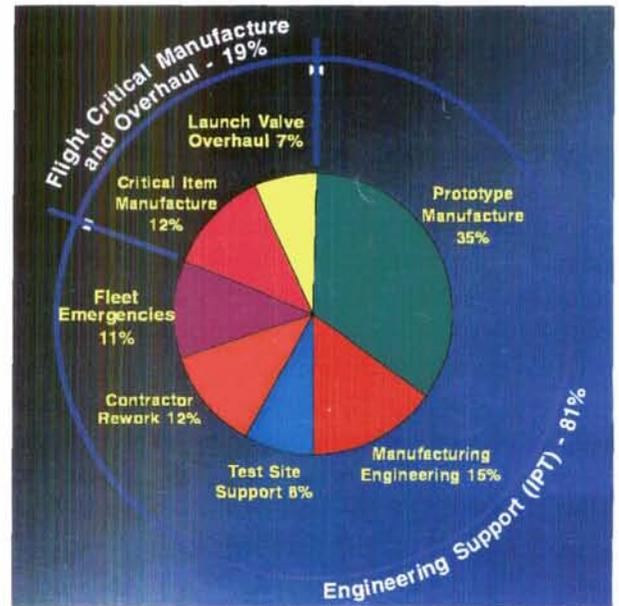


**Prototype Manufacturing Department
TOUR GUIDE**

1. Department Overview

WELCOME to the Prototype Manufacturing Department of the Naval Air Warfare Center, Aircraft Division, Lakehurst (NAWCADLKE).

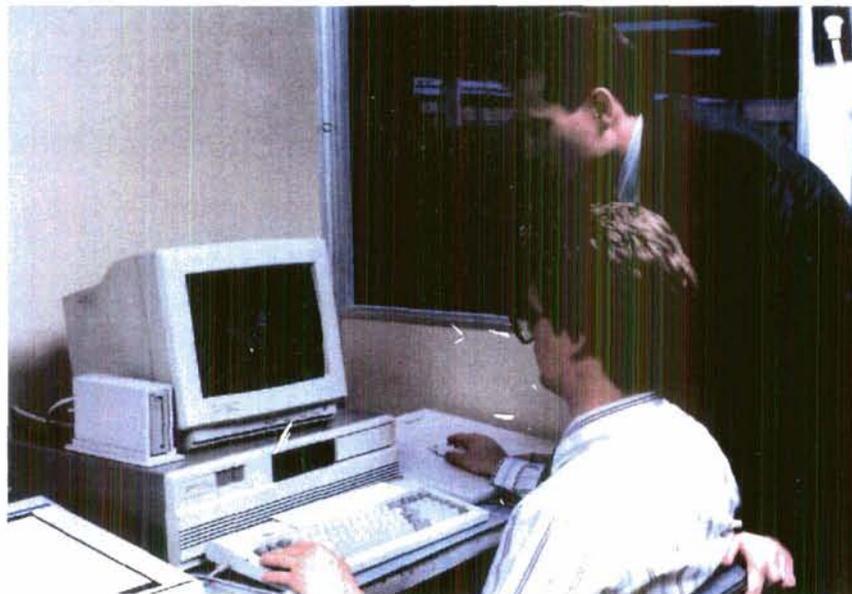
We are an integrated, flexible engineering and prototype manufacturing facility. We perform manufacturing engineering and produce prototypes. We are part of an Integrated Product Team that is collocated with the Navy's Aircraft Launch and Recovery Equipment design engineers and the Navy's air launch test capability. Two-hundred fourteen dedicated manufacturing engineers, technicians, highly trained and specially skilled artisans, and a skilled management team provide prototypes and test articles, procurement data packages and fleet equipment (service) changes, Engineering Investigations, correction of defective (contractor default) assemblies, and act as a last source of supply and repair for Fleet critical items.



This tour guide will help you understand the different stations at which the tour will stop.

2. Concurrent Engineering and Computer Aided Design/Computer Aided Manufacturing

Working in close cooperation with our prototype customers in the engineering and test departments, we provide producibility engineering and other manufacturing related engineering services. Employing computer aided design programs, we are able to assist in the design of parts and assemblies. Conversion programs allow us to convert computer aided designs directly to command codes (tool paths) for our computer numerical controlled machine tools.



3. Torque Release Coupling



Torque release couplings are an integral element of the carrier arresting system. During operations, a failed coupling resulted in the loss of an F-14. In response to this Fleet emergency, the Prototype Department provided modified units until new couplings were designed, prototyped, and tested at NAWCADLKE. As a result of our rapid response, Fleet readiness was maintained.

4. Power Cylinder



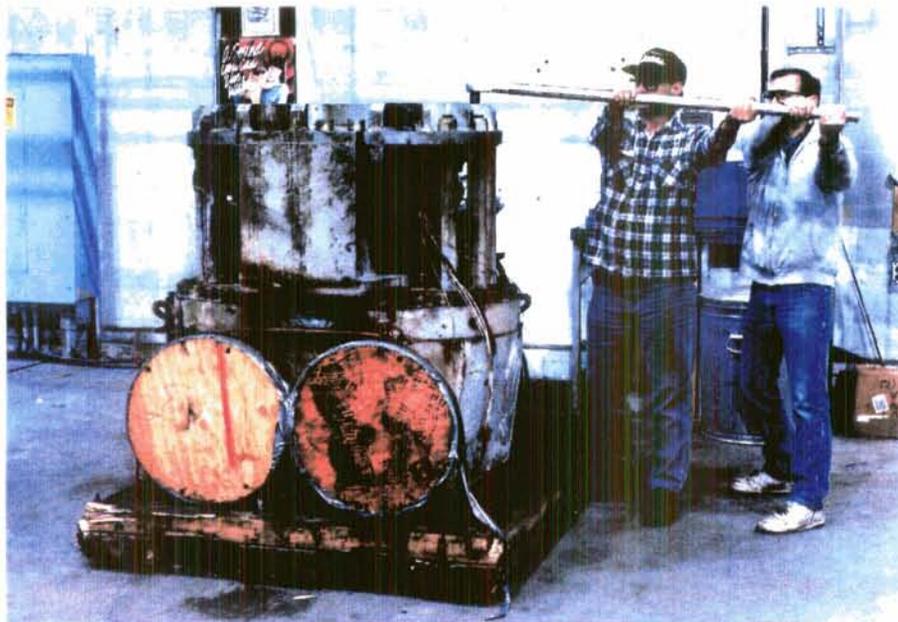
Power cylinders, a principal element of aircraft carrier catapults, weigh 4400 lbs. and are 21" in diameter by 12 feet long. The contractor making the current lot of 452 cylinders defaulted. To enable the CVN-75 Carrier to be completed on schedule, we are completing 56 of the cylinders recovered from the defaulted contractor.

5. Aircraft Arresting Engines



Improvements to arresting engines, the "shock absorbers" which catch landing aircraft, are produced and integrated into the arresting engines at the Prototype Manufacturing Department.

6. Low Loss Launch Valves



Low Loss Launch Valves release the steam into the catapult power cylinders. After a thorough inspection and engineering evaluation by both Engineering and Prototype Manufacturing engineers, Low Loss Launch Valves are overhauled and returned for fleet use. Design and Manufacturing engineers evaluate the repair procedure and results to assure functionality of the overhauled valve. Acceptance tests are performed both at Prototype Manufacturing and Test Departments. We are the Navy's last source of repair for this critical item.

7. Rotary Retract Engines

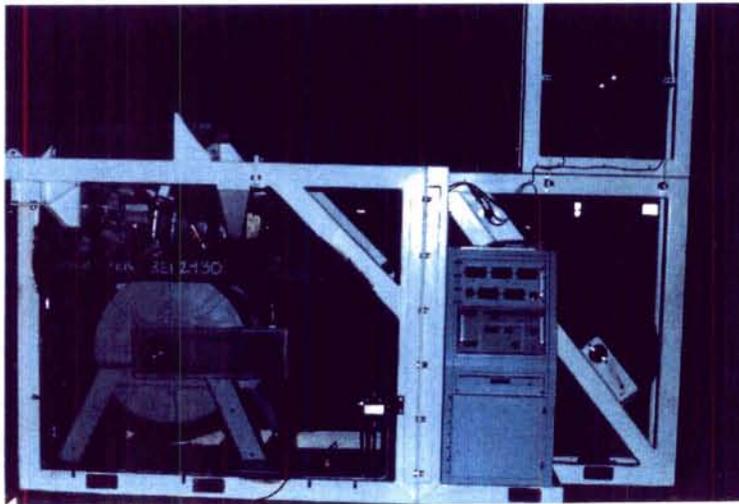
After a catapult shot, these engines retract the launch shuttle and the "spear" which travels in the power cylinders. The Prototype Manufacturing Department works with the collocated engineering and test groups to develop, integrate and test design changes, integrate service changes, and recover hardware produced by defaulting contractors.

8. Jet Blast Deflectors



Jet Blast Deflectors, like the one in use in the picture above, are manufactured at NAWCADLKE. We have developed and incorporated design changes into the units, provided technical guidance to contractors for out-sourced items, we have produced them to meet ship installation dates, and we are the last source of supply for these items which are essential to Fleet operations and readiness.

9. Inflight Refueling System Test Stand



The Marine Inflight Refueling System test stand pictured below is another example of a system designed, prototyped, and tested by the NAWCADLKE Engineering, Prototype Manufacturing, and Test Team. This test stand creates a new capability to test refueling systems prior to installation on KC-130 aircraft.

10. Quality Assurance

The quality assurance team uses a wide range of inspection and test equipment and methods to verify products produced at the Prototype Manufacturing Department. In addition, they participate in Fleet Engineering Investigations and inspect products delivered from defaulting contractors.

11. Metal Fabrication

The Metal Fabrication shop provides the ability to cut, bend, press, shear, and punch metals ranging from light weight sheet stock to heavy plates. We have the capability to shear 3/4" plate and plasma cut up to 12 inches of steel with a one-sixteenth inch tolerance.

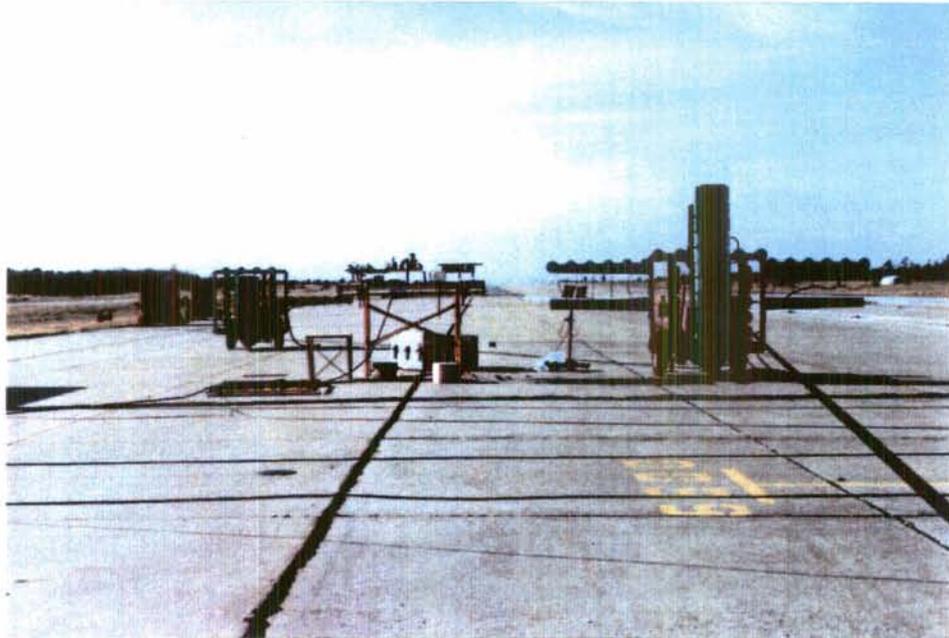
12. Weld Shops

The Prototype Manufacturing Department Weld Shops can join a wide range of dissimilar metals using rod, MIG, and TIG welding machines. Items from light weight sheet to the filling of voids in heavy steel castings are welded.

13. CNC Machining

State of the art computer numerical control machine tools provide the capability to repeatedly produce precision machined parts. Our broad based capability can machine cut small sub-assembly parts from blocks of metal and we can machine large castings to precise tolerances.

14. Improved Fresnel Lens Optical Landing System



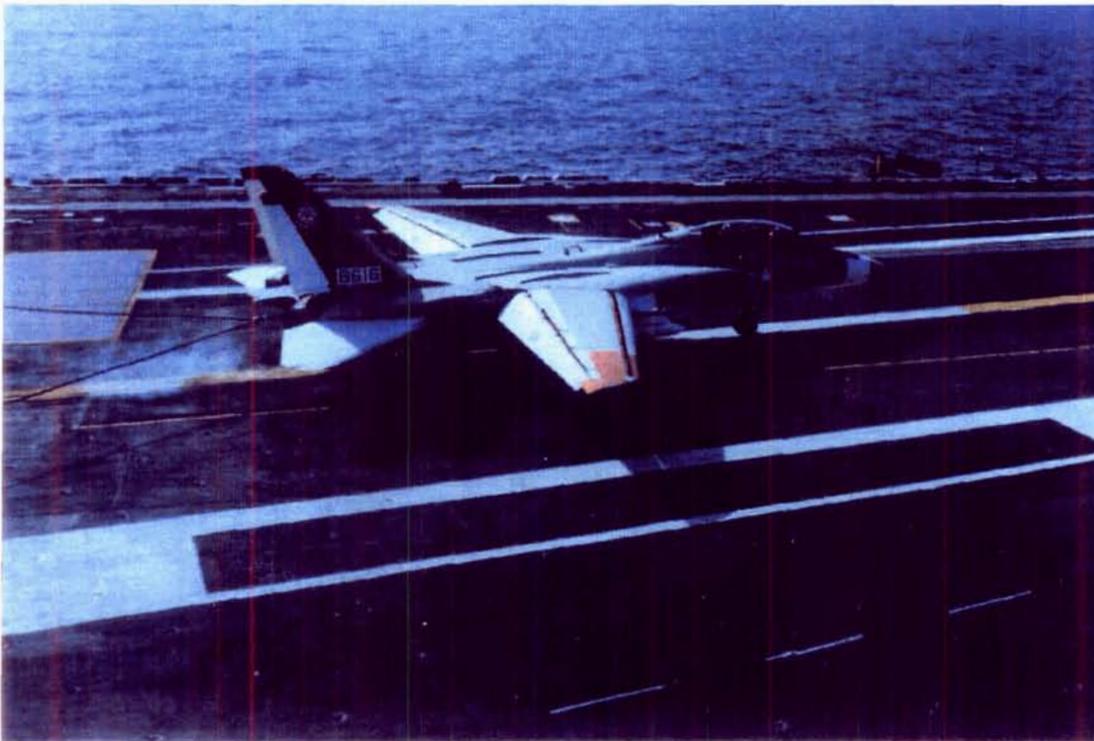
A recent NAWCADLKE Team concurrent engineering system designers, producibility engineers, and prototype manufacturers is developing an improved fresnel lens glide slope data system which will have better stabilization and better environmental resistance. Two operational prototypes are being made using both internal manufacturing and contractor supplied components.

15. Conventional Machining

Large, conventional grinding, milling, drilling, boring, and cutting machines provide the capacity to form both large and small items without the program development time associated with CNC equipment.

16. Cross Deck Pendants

Using specially configured presses, cross deck pendants, like one being caught below, are one of the critical items manufactured at NAWCADLKE. The Prototype Manufacturing Department produces specially manufactured terminals which are swaged to the end of commercially produced wire rope. Since the test methods for product verification are destructive (see below), these items are manufactured using strict process controls.



17. Cross Deck Pendant Pull Test

The Prototype Manufacturing Department maintains a locally manufactured test cell for continually verifying the Cross Deck Pendant manufacturing process. Small test assemblies are made using the same process as the final assemblies. These test cables are then pulled until failure to validate the manufacturing process and test the cable strength and durability. After cable failure, any withdrawal of the cable from the swaged terminal ends is measured.

18. Purchase Cable Cycle Test

A second unique, locally manufactured test cell is used by the Prototype Manufacturing Department to assure the quality of the purchase cables which we manufacture. Purchase cables are the cable which connects the Cross Deck Pendant cable to the Arresting Engine.

19. Heat Treatment and Grit Blasting

We maintain a series of electric and gas furnaces which provide the capability to harden and soften metals. Our electric furnaces can either harden, anneal (soften) or temper metals. In addition, our gas furnaces can anneal, temper, carburize and case hard metals. Everything from small items of only a few inches in length to six foot long Jet Blast Deflector components can be heat treated.

A collocated grit (sand) blasting capability allows us to remove the scale caused during heat treatment, strip paints, and prepare surfaces for painting. One of our blast medias is baking soda, an environmentally friendly blast media.

20. Aircraft Generator Test Stand

A new test stand, designed at NAWCADLKE, is being prototyped and tested at the Prototype Manufacturing Department. Currently generators must be installed on the aircraft for test. This stand provides hydraulic and air cooling, generator controls, and a load bank to measure performance. It is compatible with all aircraft generators.

21. Water Jet

A new water jet cutting system is being installed and tested. Using computer controls, this system allows us to cut complex shapes out of a wide range of materials, including aluminum, steel, and foam. It is capable of cutting these shapes out of steel stock which is up to six inches thick.



The Prototype Manufacturing Team

Thursday, May 4, 1995

Lakehurst makes bid to avoid closing

By Craig LaBan
INQUIRER CORRESPONDENT

LAKEHURST — The deafening roar of Lakehurst's naval jets made the concrete tremble beneath Commissioner Al Cornella's feet. The fighter planes — an F-14 and an F-18 — were catapulted into a perfect blue sky in his honor, as plumes of steam escaped from giant underground valves.

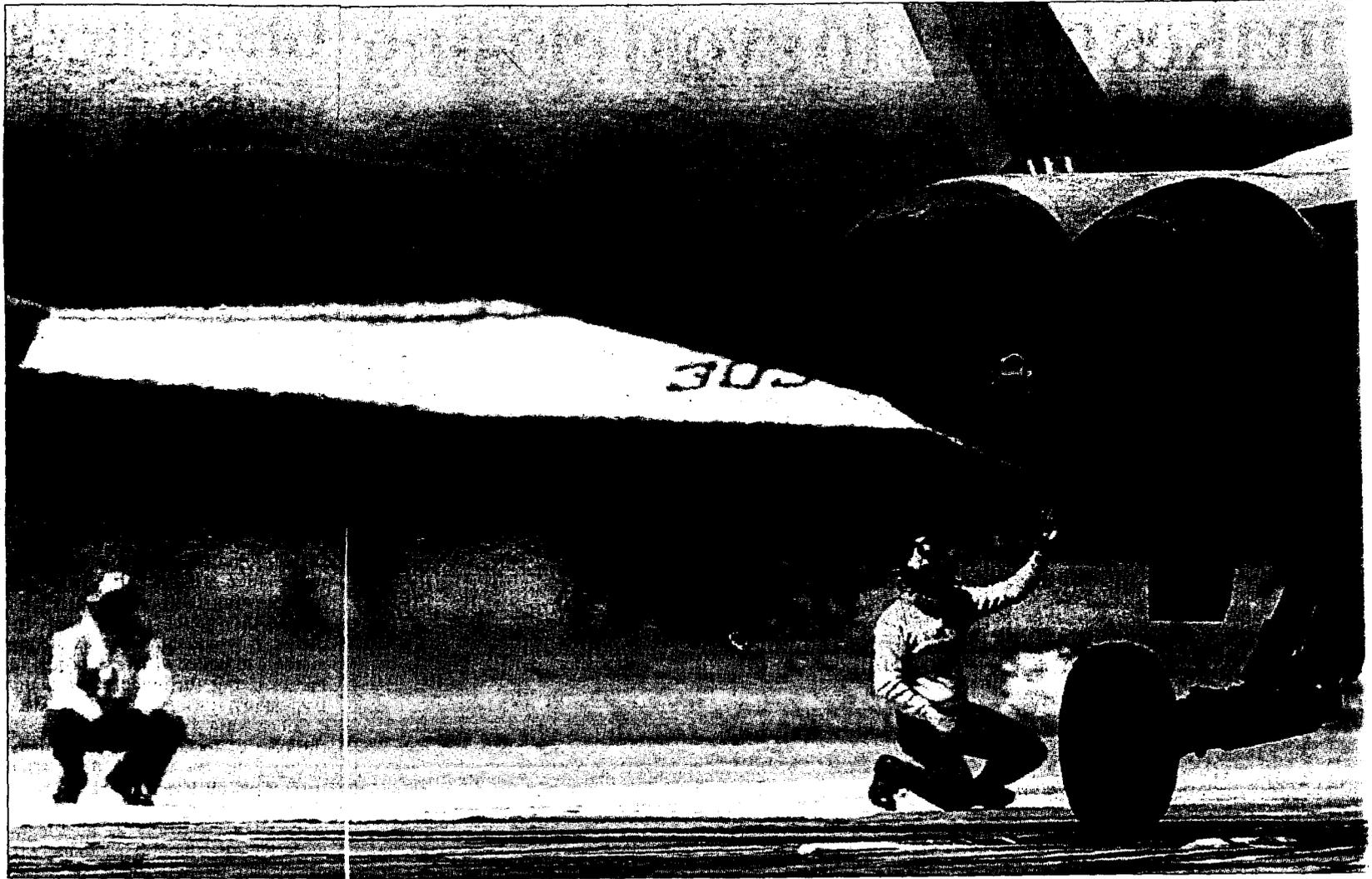
There were demonstrations and ceremony everywhere Cornella went during his visit to the Lakehurst Naval Air Engineering Station yesterday, his every move shadowed by a contingent of military and New Jersey politicians. And when he arrived

Officials gave a tour to a member of the base-closure panel.

at the end of his tour, more than 500 members of the the surrounding community were there to greet him with patriotic banners and a ragtime band.

It was an impressive show. But it remains to be seen whether it will be enough to save the base from closure during the current round of military base cuts.

Cornella is one of eight commissioners on the Defense Base Closure and Realignment Commission (BRAC), which is empowered to decide the fate of 146 domestic military bases that have been recommended



This F-18 jet was part of a demonstration yesterday at Lakehurst for Al Cornella of the Defense Base Closure and Realignment Commission.

For The Inquirer / DAVID M. WARR

for cutbacks or closure.

Lakehurst is the only Navy facility that designs, tests, manufactures and repairs landing and take-off equipment for aircraft carriers all in one place. The facility is scheduled to be dismantled, its departments divided

and sent to bases in Florida and Maryland. In all, its closure would cost as much as \$70 million to the local economy and an estimated 4,100 military and civilian jobs, said U.S. Rep. Chris Smith.

Cornella told the community

group that the BRAC process was necessary because the reduction in military infrastructure over the last decade has lagged far behind cuts in personnel and the budget.

Even so, he gave the group a ray of hope. "If I feel that this base can be

saved and that there is a case to be made, nothing would make me happier," he said. "Believe me."

His visits yesterday to Lakehurst Ocean County, and later to the Army's Fort Dix, which is slated for

See **LAKEHURST** on S2

Lakehurst makes effort to avoid closing

LAKEHURST from S1
reduction in staff, were a prelude to a hearing on the bases that will be held in New York City tomorrow aboard the U.S.S. Intrepid. On Tuesday, Cornella visited the Bayonne Military Ocean Terminal, which has also been recommended for closure.

Smith was optimistic that new cost estimates for closing Lakehurst, which were provided last week by the base commander to BRAC, will convince the commissioners that dismantling the base makes no financial sense. The recent figures estimate the total cost to be about \$190 million, he said, about \$93 million more than originally stated by the Navy.

"We are going to examine these costs to make sure that they're accurate," said Cornella. "We will place a great emphasis on that in our final deliberations."

Tomorrow's hearing will culminate two months of preparations at Lakehurst — with frantic number-crunching and reconnaissance visits to rival bases — in an effort to prove that the Department of Defense made a mistake when it named the base for closure in late February.

In the two previous rounds of cut-backs, in 1991 and 1993, only 15 percent of all recommendations were reversed. If Lakehurst's proponents succeed in fending off closure, the commission would name new bases to be considered for closure on June 10.

The commission will conduct deliberations in the last two weeks of June before making a final recommendation to President Clinton. If Clinton approves the list, Congress will vote on it by this fall.

In addition to their financial arguments, Smith and Lakehurst consultant Mike Hagy insist that splitting up the facility could result in dangerous



For The Inquirer / DAVID M. WARREN

Steam from a catapult launcher rises before a crowd of officials who toured the Lakehurst Naval Air Engineering Station yesterday. Lakehurst is slated to be shut down in the next round of base closings.

delays in repairing and retooling launch and landing equipment. Yesterday they previewed a video — also to be shown tomorrow — that shows a plane plummeting into the sea after a catapult failure.

"I feel very, very strongly that we could put our men and women in danger by dismantling a system that works," said Hagy, who was a Navy pilot from 1974 to 1991. "This is a

carrier aviation story right in the Pinelands."

Ron Vaccaro, who writes computer software for testing equipment at the base, agreed that delays in repairing equipment could result from dismantling of the base and could have serious consequences for the fleet.

"When you're out in the middle of the Indian Ocean and they need something in a hurry, no one can

turn it around as fast as Lakehurst," he said. "We work together well here."

Like many other employees at the base, however, Vaccaro, who will be transferred to Maryland if the recommendations are implemented, has other reasons for not wanting Lakehurst to close.

"I married a local girl," he said. "And we don't want to go."

May 5, 1995

1995 Base Realignment And Closure Act

Report to the Commissioners

for the

**Naval Air Engineering Station, Lakehurst,
New Jersey**

and the

**Naval Air Warfare Center Aircraft Division
Lakehurst**

Aboard the Intrepid Sea, Air and Space Museum

New York City Harbor

May 5, 1995

**Prepared by the
Save Lakehurst Base Committee**

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Congress of the United States
House of Representatives
Washington, DC 20515

May 5, 1995

Mr. Alan Dixon
Chairman, BRAC Commission
1700 North Moore Street
Suite 1425
Arlington, VA 22209

Dear Mr. Dixon:

We have conducted an in-depth review of the facts concerning the U.S. Navy's recommendation to realign the Naval Air Engineering Station, Lakehurst, N.J. We are gravely concerned about the recommendation's impact on the national security, particularly with regard to Naval carrier aviation and operations. We have two major concerns:

Lakehurst is the only facility of its kind in the world. Lakehurst provides our only capability for developing, manufacturing and testing aircraft carrier catapult and arresting gear. In December, 1994, the Navy conceded this fact and abandoned its plan to completely close Lakehurst. Instead, the Navy now proposes to tear apart aspects of the Lakehurst mission and relocate some of the tandem work in Maryland and Florida. The present co-location of these functions, called "*concurrent engineering*", has provided the fleet with a 99.999998% success rate in more than 2 million aircraft launch and recoveries. If the Navy's recommendation to dismantle these functions is implemented, this success rate will undoubtedly suffer. At a mere one-half percent decrease in quality, the Navy would lose seven aircraft a day, or shut down carrier operations.

The Navy's process for arriving at the Lakehurst recommendation and its supporting data is questionable. In January 1995, we presented the Secretary of the Navy with concerns about the completeness and integrity of the data used to support and justify the Lakehurst realignment scenario. Our investigation revealed that the Navy's data collection and certification process omitted tenant costs, military construction costs, and operational reoccurring costs. In their April 15th report, the General Accounting Office calls these omissions "cost exclusions". Additionally, with regard to Lakehurst, the GAO echoed our concerns and stated: "we believe the [BRAC] Commission should more thoroughly examine the basis for cost exclusions..." Our analysis shows that when the full costs are calculated, the proposed Lakehurst scenario is counterproductive and antithetical to the BRAC objectives to save money and enhance military readiness.

Mr. Alan Dixon
May 5, 1995
Page Two

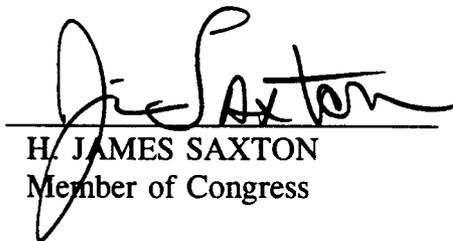
Over the past several weeks, our community group, Save Lakehurst Base, has provided the BRAC staff with in-depth data supporting our analysis. The enclosed report represents an overview of our findings and conclusions. Included are questions for the BRAC's query to the U.S. Navy. We strongly urge that these questions be fully answered to the Commissioners' satisfaction before decisions are reached regarding the disposition of the Lakehurst base.

We believe wholeheartedly that the proposal to realign Lakehurst jeopardizes our military readiness and national security. We are grateful for the BRAC process and for the public hearings which offer us the opportunity to provide you with the facts and data we have uncovered. We are confident that you and your fellow commissioners will find the complete facts and full data analysis helpful and enlightening as you deliberate on your final recommendation to the President.

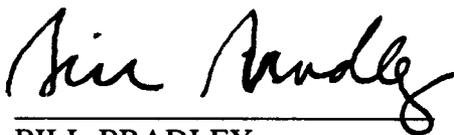
Sincerely,



CHRISTOPHER H. SMITH
Member of Congress



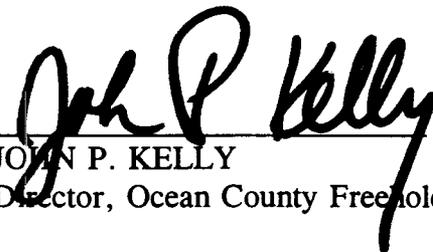
H. JAMES SAXTON
Member of Congress



BILL BRADLEY
U.S. Senator



FRANK LAUTENBERG
U.S. Senator



JOHN P. KELLY
Director, Ocean County Freeholder Board

Section 2:

Lakehurst Realignment Scenario

Background: In Attachment X-7, page X-25 of its March 1995 report to the Department of Defense (DoD), the Secretary of the Navy described the scenario for closing the Naval Air Engineering Station (NAES) at Lakehurst, New Jersey, and the realignment of the Naval Air Warfare Center Aircraft Division (NAWCAD) Lakehurst. While the recommendation was cited as "closure," the scenario actually depicted a realignment action for selected Aircraft Launch and Recovery Equipment (ALRE) functions at the technical center. For background information, the Navy's recommendation follows:

Recommendation: Close the Naval Air Engineering Station at Lakehurst, New Jersey and the Naval Air Warfare Center, Aircraft Division, Lakehurst, New Jersey, except transfer in place certain facilities and equipment to the Naval Air Warfare Center, Aircraft Division, Patuxent River, Maryland. Relocate other functions and associated personnel and equipment to the Naval Air Warfare Center, Aircraft Division, Patuxent River, Maryland and the Naval Aviation Depot, Jacksonville, Florida. Relocate the Naval Air Technical Training Center Detachment, Lakehurst, to Naval Air Station, Pensacola, Florida. Relocate Naval Mobile Construction Battalion 21, the U.S. Army Airborne Engineering Evaluation Support Branch, and the Defense Reutilization and Marketing Office to other government-owned spaces.

Justification: There is an overall reduction in operational forces and a sharp decline of the DoN budget through FY 2001. Specific reductions for technical centers are difficult to determine, because these activities are supported through customer orders. However, the level of forces and of the budget are reliable indicators of sharp declines in the technical center workload through FY 2001, which leads to a recognition of excess capacity in these activities. This excess and the imbalance in force and resource levels dictate closure/realignment or consolidation of activities wherever practicable. The closure and realignment of this activity permits the elimination of the command and support structure of this activity and the consolidation of its most critical functions at a major technical center, allowing synergism with its parent command and more fully utilizing available capabilities at major depot activities. This recommendation retains at Lakehurst only those facilities and personnel essential to conducting catapult and arresting gear testing and fleet support.

Return on Investment: According to the Navy's Base Structure Evaluation Committee (BSEC) the total estimated one-time cost to implement this recommendation is \$96.9 million. The net of all costs and savings during the implementation period is a cost of \$5 million.

May 5, 1995

investment expected in three years. The net present value of the costs and savings over 20 years is a savings of \$358.7 million.

Impacts:

Economic Impact on Communities: Assuming no economic recovery, this recommendation could result in a maximum potential reduction of 4126 jobs (1763 direct jobs and 2362 indirect jobs) over the 1996-to-2001 period in the Monmouth-Ocean, New Jersey PMSA economic area, which is 1.0 percent of the economic area employment. The cumulative economic impact of all BRAC-95 recommendations and all prior-round BRAC actions in the economic area over the 1994-to-2001 period could result in a maximum potential increase equal to 1.1 percent of the employment in the economic area.

Community Infrastructure Impact: There is no known community infrastructure impact at any receiving installation.

Environmental Impact: The closure of NAWCAD Lakehurst will have a generally positive impact on the environment because of the relocation of appropriate functions and personnel out of an area that is in severe non-attainment for ozone. NAWC Patuxent River is currently in attainment for CO, and the additional functions and personnel are not expected to significantly affect this status. Each of the gaining sites have sufficient capacity in their respective utility infrastructure to handle the additional personnel. There is no adverse impact on threatened/endangered species, sensitive habitats and wetlands, or cultural/historical resources occasioned by this recommendation.

Section 3:

Lakehurst: Carrier Aviation in Jeopardy

BRAC Hearing

A thorough investigation of the Navy's recommendation for closing Navy Lakehurst was conducted by the community from December 22, 1994 to May 1, 1995. The investigation resulted in the community's recommendation to the Base Realignment and Closure (BRAC) Commission to remove Navy Lakehurst from the closure list. The community's recommendation was presented to the BRAC Commission in open hearing on Friday, May 5, 1995, aboard the Intrepid Sea, Air and Space Museum, New York City Harbor.

Representing the community with oral testimony were Congressman Christopher Smith, (R-NJ), and Commander Michael Hagy, US Navy (Ret.). Senator Bill Bradley (D-NJ), Senator Frank Lautenberg (D-NJ) and Congressman Jim Saxton (R-NJ), were active supporters of the community's investigation and remained involved throughout the process. Their written testimony has been submitted separately for the record. Rear Admiral Richard Friichtenicht, US Navy, (Ret.), former Lakehurst Commanding Officer, and Lieutenant Commander Arthur Lindberg, US Navy (Ret.), Chairman of Save Lakehurst Base Committee, were sworn witnesses to provide additional information if necessary.

An addendum to this report contains the testimony of Congressman Christopher Smith and Commander Michael Hagy (Ret.). To aid the Commissioners and the public with understanding Lakehurst's mission and critical support to Naval Aviation and our national security, the community produced a videotape, which was presented at the May 5 hearing. The videotape, which focuses on the potential consequences of implementing the Navy's recommendation for Lakehurst, is a part of the permanent record.

The main points of the videotape have been outlined for this report.

Videotape:

LAKEHURST: CARRIER AVIATION IN JEOPARDY

Lakehurst Videotape Presentation

Highlights of the videotape presented on Friday, May 5, 1995, in open hearing before the Base Realignment and Closure Commission aboard the Intrepid Sea, Air and Space Museum, New York City Harbor.

May 5, 1995

- Aircraft carriers are in business for one reason: the launching and recovering of high-performance combat aircraft;
- Lakehurst provides the aircraft launch and recovery equipment and support equipment, without Lakehurst aircraft carriers cannot operate;
- Lakehurst is the only facility of its kind in the world;
- The type of support is for single-point failure of flight critical components, "flight critical " means the potential for loss of aircraft and crew;
- The Navy tried to close Lakehurst but failed; testing functions cannot be replicated without huge costs and loss of essential productivity;
- Failing complete closure, the Navy intends to split apart the engineering and manufacturing functions and send them to Maryland and Florida;
- Navy says it would cost \$97 million to realign Lakehurst with a 3-year payback; independent review says costs will exceed \$200 million and require more than 51-years to payback;
- GAO has reviewed the Navy's decision process and data in regard to Lakehurst, says BRAC should "closely examine" Lakehurst's data and cost figures;
- Lakehurst uses concurrent engineering to deliver the highest quality service to the fleet; private companies use concurrent engineering because it saves 30% on product life cycle costs; DoD is requiring the services to pursue concurrent engineering, yet Navy wants to break apart Lakehurst's highly successful system.
- Since test equipment must remain at Lakehurst, why is the Navy persisting in splitting apart the engineering and manufacturing functions;
- Sailor on busy carrier deck explains why arresting gear is critical to safety;
- Senior Navy civilian manager says sending manufacturing to JAX is "not a brilliant option", yet Navy proposes to do just that;
- Costs and turnaround times on equipment due to shipping, personnel travel and TDY costs would soar from \$33,000 to some \$18 million annually;
- Response time to the fleet will suffer because historic losses in personnel refusing to relocate means ALRE and SE engineers and manufacturing artisans will not move;
- Why is the Navy insisting on moving manufacturing to NADEP Jacksonville, instead of a shipyard or other heavy manufacturing activity;

May 5, 1995

- Navy has three depots with 38% overcapacity; are they' attempting to backfill this excess with Lakehurst's operation;
- The Lakehurst questions have a profound impact on national security; during the last 5 years more than 2 million successful carrier aircraft launch and recoveries, Lakehurst equipment has delivered a stunning 99.999998% quality rate to the Fleet;
- Decrease quality to just 99.44% and the Navy could lose 7 aircraft a day, an unacceptable loss of aircraft would require the Navy to shut down carrier operations until the new system created by this scenario could be fixed-- no matter what it costs;
- US cannot afford to lose its carrier capabilities-- its an open opportunity for aggression.

Section 4:

Lakehurst Scenario: Data Discrepancies

Introduction

Public Law 101-510 states that each military service will, "... provide a fair process that will result in the timely closure and realignment of military installations inside the United States." The Save Lakehurst Base Committee reviewed the process used by the U.S. Navy to reach the recommendation for closure. Our investigation revealed a pattern of inaccurate, incomplete and in some cases, manipulated data collection. This pattern clearly calls into question the Navy's compliance with Public Law 101-510's requirement for a "fair" process. Each of these irregularities is supported by auditable documentation.

The New Jersey Congressional delegation informed the Secretary of the Navy about the data irregularities in January, 1995. The Navy maintained its position that no irregularities could be found in its process in regard to Lakehurst, and that the Lakehurst data was essentially correct. However, the General Accounting Office report to the BRAC Commission on April 15, 1995, questioned the Navy's process for determining its final recommendations for Lakehurst, as well as the validity of the data collected and the estimated return on the investment. The Navy's recommendation for Lakehurst is based on this questionable data.

The Lakehurst Scenario Discrepancies section of the Commissioners Report outlines the individual data discrepancies. A more detailed explanation and supporting documentation for each discrepancy has been provided to the BRAC staff in Volumes I and II of the Chronology of Data Discrepancies.

Explanation of Chronology of Data Discrepancies

The two-volume Chronology of Data Discrepancies document provides a chronology of irregularities discovered in the data used by the Department of the Navy Base Structure Evaluation Committee (BSEC) in making its recommendation to the Secretary of the Navy to close the Naval Air Engineering Station at Lakehurst, New Jersey and realign the missions of the Naval Air Warfare Center Aircraft Division Lakehurst.

The discrepancies discovered by the community indicate the Navy:

- ✓ Underestimated Lakehurst unquestionable military value;
- ✓ Underestimated the Lakehurst scenario's financial return on investment;
- ✓ Underestimated the Lakehurst scenario's economic and environmental impacts;

The chronology provide the following information for each discrepancy:

- **Identification:** The identification number assigned to the discrepancy;
- **Summary:** A description of the event or decision causing the discrepancy;
- **Scenario Impact:** Quantification of the discrepancy's impact on costs;
- **Documentation:** The auditable supporting documents.

The data discrepancies are identified as follows:

- ✓ **Discrepancy # 1:** Aircraft Launch and Recovery Equipment (ALRE) Research, Development, Test and Evaluation;
- ✓ **Discrepancy # 2:** Aircraft Launch and Recovery Equipment (ALRE) Production Manufacturing and Prototype;
- ✓ **Discrepancy # 3:** Aircraft Support Equipment (SE);
- ✓ **Discrepancy # 4:** Aircraft Support Equipment (SE) Prototype Manufacturing;
- ✓ **Discrepancy # 5:** Aircraft Launch and Recovery Equipment (ALRE) Benefits of Concurrent Engineering;
- ✓ **Discrepancy # 6:** Department of the Navy: Technical Center Military Value Matrix;
- ✓ **Discrepancy # 7:** Army Airborne Engineering Evaluation Support Branch (AAEESB);
- ✓ **Discrepancy # 8:** Naval Air Technical Training Center (NATTC);
- ✓ **Discrepancy # 9:** Defense Reutilization and Marketing Office (DRMO);
- ✓ **Discrepancy #10:** Naval Mobile Construction Battalion 21 (NMCB-21);
- ✓ **Discrepancy #11:** Naval Aviation Engineering Support Unit (NAESU);
- ✓ **Discrepancy #12:** NAVAIRSYSCOM PMA-251 and PMA-260;
- ✓ **Discrepancy #13:** Navy Lakehurst: National Historic District;
- ✓ **Discrepancy #14:** Naval Air Engineering Station (NAES) Benefits of Joint Use Opportunities, and
- ✓ **Discrepancy #15:** Naval Air Engineering Station (NAES) Benefits of Public/Private Ventures

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Discrepancy # 1: Aircraft Launch and Recovery Equipment (ALRE) Research, Development, Test & Evaluation (RDT&E)

Summary:

Insufficient and incorrect certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting costs incurred in the realignment of the Aircraft Launch and Recovery Equipment (ALRE) Research, Development, Test and Evaluation (RDT&E) functions at the Naval Air Engineering Station (NAES), Lakehurst, New Jersey. The BSEC then further reduced initial cost estimates and minimized recurring cost data.

Scenario Impact:

On 01 FEB 95, the Commander, NAVAIRSYSCOM, certified in his data response to the Navy's Base Structure Analysis Team (BSAT) that Scenario #3-20-0162-123 was economically feasible, militarily prudent and based on accurate data. In his Executive Summary, COMNAVAIRSYSCOM states:

"NAWC LAKEHURST'S MISSION INCLUDES FULL LIFE CYCLE ENGINEERING AND TECHNICAL SUPPORT OF AIRCRAFT LAUNCH, RECOVERY, AND SUPPORT EQUIPMENT USED ABOARD NAVAL AIRCRAFT CARRIERS, AIR CAPABLE SHIPS, AMPHIBIOUS SHIPS, AND MARINE EXPEDITIONARY AIRFIELDS. NAWC LAKEHURST IS THE ONLY FACILITY IN EITHER GOVERNMENT OR PRIVATE INDUSTRY THAT HAS A CORE AIRCRAFT LAUNCH AND RECOVERY CAPABILITY. TO SATISFY THE PREVIOUSLY STATED REQUIREMENT, THE U.S. NAVY REQUIRES THIS CORE CAPABILITY TO BE MAINTAINED."

This realignment proposal, the so-called "fencing scenario," recognizes the exceptional strategic importance, unparalleled military value, and enormous financial and environmental costs in relocating the ALRE RDT&E. Some 500 military and civilian personnel would remain behind to operate the facilities.

In fact, these core Aircraft Launch and Recovery equipment (ALRE) functions are *geographically tied* to their present location at the New Jersey base, except transfer in place certain facilities and equipment to the Naval Air Warfare Center, Aircraft Division, Patuxent River, Maryland.

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Based on certified data provided by COMNAVAIRSYSCOM to the Navy BSEC:

MILCON Requirement:	\$15,672,000
Personnel Costs:	\$ 2,603,000
Overhead Costs:	\$10,768,000
Moving Costs:	\$43,853,000
Environmental Mitigation Costs:	\$ 300,000
Total one-time cost incurred by US Government:	\$73,196,000

In fact, the certified data provided by COMNAVAIRSYSCOM underestimated the military construction (MILCON) costs required in this "fencing" scenario.

Based on data provided to the Committee to Save Lakehurst Base:

MILCON Requirement:	\$23,388,000
Personnel Costs:	\$ 2,516,954
Overhead Costs:	\$10,768,082
Moving Costs:	\$44,815,646
Environmental Mitigation Costs:	\$ 300,000
One-time Unique Costs:	\$10,564,000
Total one-time cost incurred by US Government:	\$92,352,682

The Navy projects a one-time savings in this scenario of \$1,664,825. The actual total one-time cost that would be incurred by the U.S. Government will exceed \$92,000,000 in order to maintain the same capabilities currently on-line at NAES Lakehurst.

Of the 542 civilian and military personnel remaining at Lakehurst, only 102 would be provided for the necessary basekeeper support functions required of the ALRE RDT&E sites. The actual requirement is 160 personnel to ensure proper support for security, fire protection, supply, public works, environmental and other basekeeper functions.

Finally, significant recurring costs will be incurred each year for the travel, production loss and inherent product-cycle delays in dismantling the Navy's ALRE team.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 2: Aircraft Launch and Recovery Equipment (ALRE) Production Manufacturing and Prototype

Summary:

Insufficient and incorrect certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting costs incurred in the relocation for the Aircraft Launch and Recovery Equipment (ALRE) Production Manufacturing and Prototype functions from Hangars 2 and 3, Naval Air Engineering Station (NAES), Lakehurst, New Jersey to Naval Air Depot, (NADEP) Jacksonville, Florida. The BSEC then further reduced initial cost estimates and minimized recurring cost data, providing incorrect data to the Secretary of the Navy.

Scenario Impact:

The proposed relocation of the Aircraft Launch and Recovery Equipment (ALRE) Prototype and Manufacturing functions from NAES Lakehurst to NADEP Jacksonville would adversely impact flight critical items for carrier operations, as well as incur significant initial and recurring costs. The Navy does not project any savings to the U.S. Government in the execution of this relocation action.

The BSEC reported to the Secretary of the Navy a one-time cost of \$1,641,000 to complete the relocation of Production Manufacturing and Prototyping, and recurring costs of only \$327,000 per year. The BSEC did agree with COMNAVAIRSYSCOM's position that there will be no savings to the government realized as a result of this realignment action. Actual data submissions by COMNAVAIRSYSCOM refute this cost projection.

Based on certified data provided by COMNAVAIRSYSCOM to the Navy BSEC:

One-time Unique Costs:	\$ 1,541,000
One-time Moving Costs:	\$15,550,000
MILCON Requirement:	\$ 9,460,000
 Total one-time cost incurred by US Government:	 \$26,551,000

In fact, the facilities requirements for Production Manufacturing and Prototyping clearly exceed any capabilities currently possessed by NADEP Jacksonville. The certified data provided by COMNAVAIRSYSCOM underestimated the military construction (MILCON) costs required in this relocation scenario. In addition, the time required for this process increases Lakehurst's present 12-month cycle per Low Loss Launch Valves (LLLV's are a critical component of catapults) by an additional five months. Since the Navy has not maintained a single "in stock" valve during the past five years, the Jacksonville scenario requires the purchase of 5 - 8 additional

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LLLV's, at a cost of \$558,000 per valve, in order to prevent unacceptable reductions in fleet carrier readiness. The actual initial costs required to maintain the same capabilities currently on-line at NAES Lakehurst would be:

Based on data provided to the Committee to Save Lakehurst Base:

One-time Unique Costs:	(Electrical & Foundation Preparation)	\$ 6,000,000
One-time Unique Costs:	(Minimum of 5 additional LLLV's)	\$ 2,790,000
One-time Moving Costs:		\$15,550,000
MILCON Requirement:		\$10,790,000

Total one-time cost incurred by US Government: \$35,040,000

Although the ALRE manufacturing functions would be located in Florida, the ALRE Research, Development, Test and Evaluation (RDT&E) functions would remain at Lakehurst, New Jersey. This situation would incur significant delays in the rework and test procedures for ALRE support of carrier aviation. These delays would affect aircraft catapults, arresting gear, emergency barricades, etc. In addition, this relocation scenario will incur significant costs in lost productivity time, and will deprive the Fleet of critical industrial capabilities during the months involved in the tear-down, packing, shipping and reassembling of manufacturing machinery and equipment.

Based on certified data provided by COMNAVAIRSYSCOM to the Navy BSEC:

Annualized Recurring Costs:		
ALRE Components shipping costs (JAX to Lakehurst):		\$ 140,000
Recurring Costs for Travel & TDY:		\$ 1,180,000
Lakehurst Engineering & Tech Services Contract (29 Workyears):		\$ 2,610,000
Lakehurst Support Services Contract (145 Workyears):		\$ 8,700,000

Annual Recurring cost incurred by US Government: \$12,630,000

The certified data provided by COMNAVAIRSYSCOM underestimated the annual recurring costs required in this relocation scenario. As an example, analysis of the proposed process for reworking Low Loss Launch Valves (LLLV) critical to aircraft catapult launchers would begin in Jacksonville, Florida. After reworking, the LLLV's would be shipped to Lakehurst, New Jersey, for necessary testing, and if rework were required, necessitate the components return to Florida for a repeat of the cycle. With the requirement for on-site engineering support, personnel travel time, component shipping time and related costs for each 12,000 pound LLLV the proposed scenario demands significant initial and recurring costs not currently present in maintaining the function at NAES Lakehurst.

In addition, the time required for this process increases Lakehurst's present 12-month cycle per LLLV by an additional five months. This will increase the present annual rework costs

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by \$189,000 per valve. The costs of packing, interstate freight charges and personnel travel/TDY costs adds a \$59,000 cost per valve. Using current rework levels of 5 LLLV shipments per year, the annual recurring costs for reworking LLLV's would exceed \$3,185,000. Similar projections can be made for cross-deck pendants and prototype components packing, interstate freight charges and personnel travel/TDY costs.

Based on data provided to the Committee to Save Lakehurst Base:

Annualized Recurring Costs:

➤ Travel and TDY Costs:	\$ 1,180,000
➤ Engineering and Technical Services Contract:	\$ 2,610,000
➤ Rework for five launch valves (LLLV's) per year:	\$ 3,185,000
➤ Support Services Contract:	\$ 8,700,000

Annual Recurring cost incurred by US Government: \$16,295,000

The BSEC eliminated or reduced these costs in order to protect NADEP Jacksonville from further BRAC deliberations and potential closure. Joint Scenario #102 and #102A demonstrated the viability of a Jacksonville Regional Maintenance Activity (RMA). The second scenario, #102A, envisioned the closure of NADEP Jacksonville, with several of its maintenance functions remaining as part of the RMA. This scenario estimated a one-time cost of \$9,100,000; an immediate return on investment; an annual steady-state savings of \$37,300,000; and a 20-year savings of over \$500,000,000.

In its deliberations on 13 JAN 95, the BSEC stated that NADEP Jacksonville "... was removed from consideration for the following reasons:

"Although the concept is an ongoing DoN initiative, the RMA is in the development phase, consequently this analysis was based on data that does not meet DoN's standards for BRAC";
and

"NADEP Jacksonville was identified as a receiving site that enabled the closure of a major technical center."

Note the BSEC's projected savings in the realignment scenario for Lakehurst projects annual savings of \$37,200,000. This savings is the "smoke and mirror-image" of the real savings of \$37,300,000 anticipated from the creation of the Regional Maintenance Activity proposed by the Joint Cross-Service Group in its Scenario #102A. If Lakehurst is being used by the Navy to thwart the justified closure of NADEP Jacksonville, then the savings "lost" to the U.S. Government must be included in the annual recurring costs of the Lakehurst scenario

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Based on data provided by the Joint Cross-Service Group to the Navy BSEC:

Annualized Recurring Costs:

➤ Travel and TDY Costs:	\$ 1,180,000
➤ Engineering and Technical Services Contract:	\$ 2,610,000
➤ Rework for five launch valves (LLV's) per year:	\$ 3,185,000
➤ Support Services Contract:	\$ 8,700,000
➤ "Lost Savings" to U.S. Government:	\$37,300,000

Annual Recurring cost incurred by US Government: \$53,595,000

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 3: Aircraft Support Equipment (SE)

Summary:

Insufficient and incorrect certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting costs incurred in the relocation for the Support Equipment (SE) functions from Naval Air Engineering Station (NAES), Lakehurst, New Jersey to Naval Air Station Patuxent River, Maryland, and to Naval Air Depot, (NADEP) Jacksonville, Florida. The BSEC then further reduced initial cost estimates and minimized recurring cost data, providing incorrect data to the Secretary of the Navy.

Scenario Impact:

The proposed relocation of the Support Equipment (SE) functions from NAES Lakehurst to NAS Patuxent River and NADEP Jacksonville would adversely impact flight critical items for carrier operations in the areas of aircraft handling, servicing and maintenance, avionics support and propulsion support. It would also incur significant initial and recurring costs.

Based on certified data provided by COMNAVAIRSYSCOM to the Navy BSEC:

➤ MILCON Requirement:	\$21,656,000
➤ One-time Unique Costs:	\$ 250,000
Total one-time cost incurred by US Government:	\$21,906,000
Annualized Recurring Costs:	
➤ Recurring Costs for O & M:	\$ 2,486,000
➤ Recurring Costs for Military personnel:	\$ 92,000
Annual Recurring cost incurred by US Government:	\$ 2,578,000

The certified data provided by COMNAVAIRSYSCOM underestimated the annual recurring costs required in this relocation scenario. Although the Support Equipment functions would be located in Maryland, the Test functions (i.e.- Electro-Magnetic Interference and Environmental) would remain at Lakehurst, New Jersey. This situation would incur significant costs in lost productivity due to travel to and from the test sites. These delays would have affect carrier aircraft readiness.

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Based on data provided to the Committee to Save Lakehurst Base:

➤ Engineering and Technical Services Contract (60 Work Years):	\$11,610,000
➤ Recurring Costs for O & M:	\$ 2,568,000
➤ Recurring Costs for Military personnel:	\$ 99,000

Annual Recurring cost incurred by US Government: \$14,277,000

It is of particular concern that the aircraft SE production manufacturing and prototyping functions have been ignored in this scenario. Only the ALRE functions are supported in the relocation to NADEP Jacksonville, Florida. The inability to prototype, manufacture and rework critical SE items would seriously impact Naval Aviation.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 4: Aircraft Support Equipment (SE) Prototyping

Summary:

Insufficient certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting costs incurred in the relocation of Support Equipment (SE) functions from Naval Air Engineering Station (NAES), Lakehurst, New Jersey to Naval Air Station (NAS), Patuxent River, Maryland; and the relocation of Prototype functions to Naval Air Depot, (NADEP) Jacksonville, Florida. The cost data provided to the BSEC were limited to Aircraft launch and Recovery equipment (ALRE) Prototyping and production manufacturing, and did not include costs required to conduct SE Prototype Manufacturing.

Scenario Impact:

The proposed relocation of the Aircraft Support Equipment (SE) functions from NAES Lakehurst to NAS Patuxent River completely overlooks the requirement to provide prototype manufacturing capabilities necessary to test and validate SE design. The scenario states "The ALRE prototype and manufacturing function is relocated to NADEP Jacksonville in Jacksonville, Florida." In Fiscal Year 1995, SE prototype manufacturing represented 34% of the Manufacturing Technology Department's workload. The 55.41 SE workyears essentially equal the 54.93 ALRE workyears proposed for relocation to NADEP Jacksonville.

The costs associated with this scenario do not include additional travel and temporary duty (TDY) expenses for SE engineers required to travel from Maryland to Florida and New Jersey to resolve technical problems with the prototyping efforts. Of greater concern, it would appear that the Navy will lose its SE prototype capability. This loss would adversely impact flight critical items for carrier operations including aircraft handling, service, maintenance, avionics and propulsion support.

These SE prototyping efforts are inherent government functions and cannot be outsourced to private contractors. Prototyping work differs from production manufacturing performed by aviation depots and commercial contractors in its emphasis on innovation and flexibility (versus adherence to delivery and cost schedules) in attempting to validate newly developed designs. Attempts to combine depot production manufacturing with prototyping efforts will incur significant production line downtime and delivery schedule delays.

Under the existing Integrated Program Team (IPT) concept, all team members are within walking distance of the facilities at Lakehurst. This team is responsible for the life cycle management of all Navy SE from requirements definition, design, development, prototype manufacture and integrated logistics support. This reduces life cycle costs as much as 30%. The Lakehurst operation has proven successful by focusing on core capabilities while outsourcing non-critical functions.

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The certified data provided by COMNAVAIRSYSCOM underestimated the annual recurring costs required in this relocation scenario. Although the Support Equipment functions would be located in Maryland, the RDT&E functions would remain in New Jersey while prototype would relocate to Florida. This situation would incur significant delays in the test and engineering procedures for support of carrier aviation.

Based on certified data provided by COMNAVAIRSYSCOM to the Navy BSEC:

Annualized Recurring Costs:

- | | |
|---|--------------|
| ➤ SE Prototype Manufacturing Labor (50 Work Years): | \$ 6,000,000 |
| ➤ SE Engineers TDY from NAS Patuxent: | \$ 1,000,000 |

Annual Recurring cost incurred by US Government: \$ 7,000,000

Documentation:

- Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 5: Aircraft Launch and Recovery Equipment (ALRE) and Aircraft Support Equipment (SE) Benefits of Concurrent Engineering

Summary:

Inadequate certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting costs incurred in the closure of the Naval Air Engineering Station, Lakehurst, New Jersey and the realignment of missions at the Naval Air Warfare Center Aircraft Division Lakehurst. No consideration for the recurring costs of dismantling the present Concurrent Engineering operations at Lakehurst that support Aircraft Launch and Recovery Equipment (ALRE) and Aircraft Support Equipment (SE).

Scenario Impact:

Much has been written about the *synergism* gained in collocating all functions relating to the Aircraft Launch and Recovery Equipment (ALRE) and Aircraft Support Equipment (SE) at Lakehurst. Unfortunately, the Department of the Navy made no effort to quantify or explore the impact of dismantling the present-day operations at Lakehurst. In stripping away its Prototype, Production Manufacturing and Aircraft Support Equipment Engineering functions, the remaining ALRE Research, Development, Test and Evaluation (RDT&E) functions will be seriously impacted. This invaluable capability is as critical to Naval Aviation as the ALRE RDT&E in-ground catapults and arresting engines at Lakehurst.

In dismantling the business of ALRE and Aircraft SE now collocated at Lakehurst, the Navy will relinquish its world-class industrial benchmark of Concurrent Engineering. As defined by the Defense Systems Management College:

"Concurrent Engineering is a systematic approach to the integrated, concurrent design of products and their related processes, including manufacture and support. This approach is intended to cause the developers, from the outset, to consider all elements of the product life cycle from conception through disposal, including quality, cost, schedule, and user requirements."

American leaders of industry are recognizing the economic benefits and adopting the concepts of Concurrent Engineering. Recent users of concurrent engineering include Boeing Aircraft, Bell Helicopter, General Electric and Allison. Their reported savings exceed 30% of the anticipated project costs. Savings are realized due to the collocation of project engineers, Research, Prototype Development, Test, Evaluation and Production Manufacturing.

The proposed decision to dismantle the Concurrent Engineering operations at Lakehurst cannot be justified as a "sound business decision." The Navy is on record as recognizing there are

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no savings. The Navy knowingly and deliberately eliminated significant initial and recurring costs from certified data provided by COMNAVAIRSYSCOM. In relocating the Aircraft Support Equipment (SE) functions from Lakehurst to Naval Air Station Patuxent River, Maryland, one-time initial costs of \$21,906,000 and annual recurring costs of \$14,277,00 are projected. In the relocation of the Prototyping and Production Manufacturing functions to Naval Air Depot, Jacksonville, Florida over \$35,000,000 in initial costs, and \$16,000,000 in annual recurring costs, were eliminated from certified data.

The resultant loss in benefits predicted in this realignment action would dismay any private sector business leader:

✗ Increased cycle times due to:

- ✓ increases in development time;
- ✓ increases in materials and component lead times; and
- ✓ increases in engineering change impacts.

✗ Increased costs due to:

- ✓ increases in delays awaiting progress inspections;
- ✓ increases in field failures and warranty costs;
- ✓ increases in scrap, rework and repair costs; and
- ✓ increases in bid and proposal costs per project.

✗ Decreased product quality:

- ✓ Quality measurement is based on successful launches and recoveries of aircraft;
- ✓ In past 5 years, 2,000,000 catapult assisted take-offs and arrested landings.
- ✓ Loss of 4 aircraft during past 5 years due to an ALRE failure equates to a performance factor of 99.999998% reliability.

Based on certified data provided by COMNAVAIRSYSCOM to the Navy's BSEC, the actual one-time cost for the realignment of Aircraft Support Equipment, Prototyping and Production Manufacturing Functions from the Naval Air Engineering Station, Lakehurst, New Jersey will exceed \$56,000,000.

Based on data provided to the Save the Lakehurst Base Committee, the projected increase in ALRE and Aircraft SE production life-cycle costs following the dismantling of the Concurrent Engineering operations at the Naval Air Engineering Station, Lakehurst, New Jersey will exceed 30% of the current annual workload costs. This 30% increase will apply to all ALRE and Aircraft SE functions including the Prototyping, Production Manufacturing, Research, Development, Test and Evaluation functions.

Documentation:

- ✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 6: Department of the Navy: Technical Center Military Value Matrix

Summary:

Incorrect assumptions made by the Base Structure Evaluation Committee (BSEC) based on inadequate information provided by the Commander, NAVAIRSYSCOM. These inaccuracies resulted in a 14th place ranking for the Naval Air Engineering Station, Lakehurst, New Jersey, in the Department of the Navy's 1995 Military Value Matrix for Technical Centers.

Scenario Impact:

During the BRAC-93 process, the Naval Air Engineering Station, Lakehurst, New Jersey, was assigned a Military Value ranking of 6 among the Navy's Technical Centers. The 14th place ranking of Lakehurst's military facilities in the Navy's 1995 Military Value Matrix for Technical Centers is incorrect.

During the BSEC's deliberations of 8 SEP 94, the Technical Centers' "Military Value Weighting Factors" were recomputed. The following "Que Seq" questions from the 1995 Military Value Matrix dated 30 NOV 94 are challenged for the negative response of "zero military value." should be reassigned a value of "1," and their weighting factors added to the military value of the Lakehurst facility:

<u>Question :</u>	<u>Weight:</u>	<u>Statement:</u>	<u>Data Call:</u>
1	2.451	Includes full-spectrum life cycle responsibility.	#13
4	1.944	Includes systems integration responsibility.	#5 & #13
11	0.499	Includes support to formal training of naval forces.	#4 & #5
17	0.481	Includes joint/lead service assignments.	#13
25	0.296	Include a min. 100 in-house WY's in Def Systems.	#4, #5, & #13
27	0.148	Include a min. 100 in-house WY's in Gen Mission.	#4, #5, & #13
31	0.593	Include a min. 100 in-house WY's in Dev/Dev Supt.	#5, & #12
44	0.074	Gen Mssn Supt of DoN in-house tech WY's is =>5%.	#4, & #13
48	0.519	RDT&E of DoN in-house tech WY's is =>5%.	#5
49	0.222	Acquisition of DoN in-house tech WY's is =>5%.	#5
50	0.499	Lifetime Supt of DoN in-house tech WY's is =>5%.	#5
54	0.296	Technical functions are performed for surface ships.	#1, #5, & #13
77	0.305 *	More than 1,000 acres available for expansion.	#5, #12 & #13
100	0.200	Site maintains facilities for contingencies.	#4, #5, & #12
143	0.741	Location natural features essential to facility mission.	#5, #12 & #13
146	0.198	Location provides favorable weather conditions.	#13
203	0.247	Directly impact Naval Force training. (20-39 WY's)	#4

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Note: (*) Requires question number 76 to be reevaluated and assigned a "0" vice "1".

If the criteria were equally applied to all technical facilities under consideration, then Lakehurst's scores for the above items would be similar to those of other field activities within NAVAIRSYSCOM. In every case, a comparison of the values assigned demonstrates the inequity in the process used by the Navy's BSEC. In fact, either the values for Lakehurst should be raised, or the values for other NAVAIR field activities be zeroized, (e.g.- Patuxent River, Jacksonville, China Lake, et al)

Using the weighted factors identified above, the military value for the Lakehurst facility would be increased by 9.507. This would increase Lakehurst's military value to 44.45, and enhancing its ranking among the Navy's Technical Centers from 14th to 7th place. A reasonable expectation based on its 1993 ranking of 6th place among Technical Centers.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 7: Army Airborne Engineering Evaluation Support Branch (AAEESB)

Summary:

Insufficient certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting cost of relocation for the Army Airborne Engineering Evaluation Support Branch (AAEESB) from the Naval Air Engineering Station, Lakehurst, New Jersey to an "Unknown Army Base" in New Jersey. Initial costs estimated at zero. Minimal recurring costs for military personnel support and base operations support included.

Scenario Impact:

The proposed closing of NAES Lakehurst requires the U.S. Army to relocate its Army Airborne Engineering Evaluation Support Branch to another aviation-capable facility. On 19 DEC 94, the Office of the Chief of Staff, Department of the Army (DA) provided to the Navy's Base Structure Analysis Team (BSAT) its response to a data call in regard to AAEEB. The Army's stated desire was to retain its air operations at Lakehurst, however, for the purposes of the Navy's data call the Army Chief of Staff provided estimated initial costs of relocating the unit to Fort Belvoir, Virginia. It is the DA's position that no excess facilities exist for this unit within the New Jersey area. No personnel moving costs were included.

Based on certified data provided by U.S. Army's Chief of Staff to the Navy BSAT:

One-Time Moving Costs of 150 short tons of equipment:		\$ 25,000
MILCON Requirements:		
➤ Air Maintenance (Air Ops) 22,000 sq. ft		\$ 4,400,000
➤ Administrative 3,100 sq. ft		\$ 600,000
➤ RDT&E 25,000 sq. ft		\$ 6,500,000
Total one-time cost incurred by US Government:		\$11,525,000

Based on data provided to the Committee to Save Lakehurst Base:

Recurring Annual Costs:		
➤ Base Operations Support (BOS):		\$ 250,000
➤ Military Personnel Housing Allowance:		\$ 30,000
Recurring annual cost incurred by US Government:		\$ 280,000

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It is the official position of the U.S. Army to maintain CECOM's Army Airborne Engineering Evaluation Support Branch at NAES Lakehurst if possible. In the event the realignment scenario is reversed by the BRAC Commission, CECOM has expressed interest in expanding its current level of aviation-activities at the Lakehurst facility.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy #8: Naval Air Technical Training Center (NATTC)

Summary:

Insufficient and incorrect certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting cost of relocation for the Naval Air Technical Training Center (NATTC) from Hangar 1, Naval Air Engineering Station, Lakehurst, New Jersey to Naval Air Station Pensacola, Florida. BSEC then further eliminated all remaining costs, allowing only \$199,000 for "Personal Support Equipment."

Scenario Impact:

The proposed closing of NAES Lakehurst provides the final rationale for the Naval Education and Training Command to relocate the Aircraft Launch and Recovery Equipment (ALRE) from NAES Lakehurst to NAS Pensacola. No initial costs, beyond that of partial shipping of some training materials were included in the one-time cost estimate.

Based on certified data provided by NATTC to COMNAVAIRSYSCOM:

Disassembly, packaging and reinstalling of TC-13 Catapult:	\$ 6,464,000
Disassembly, packaging and reinstalling of Mk-7 Arresting Gear:	\$ 2,734,000
Disassembly, packaging and reinstalling of VLA Equipment:	\$ 1,048,000
Disassembly, packaging and reinstalling of 11F12 Simulator:	\$ 1,048,000
One-Time Moving Costs of ALRE Training Materials:	\$ 271,000
MILCON Requirements:	\$17,054,000
Disassembly and disposal of remaining ALRE training equipment:	\$ 4,591,000
Total one-time cost incurred by US Government:	\$33,210,000

Based on certified data provided by NATTC to COMNAVAIRSYSCOM:

Annualized Recurring Costs:	
➤ RPMA and BOS:	\$ 660,000
➤ Housing Allowance:	\$ 140,000
Annual Recurring cost incurred by US Government:	\$ 800,000

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The Navy's BSEC disallowed "lost productivity" costs, stating that "judicious management" of existing resources would eliminate this expense incurred in closing or relocating any military functions. Unfortunately, during the planned shutdown and relocation of NATTC Lakehurst, this area of important Fleet training will cease, causing disruptions in Fleet personnel assignments and creating the potential for personnel to report to their carriers untrained. In this case, there is no other place in which to receive this specialized training except in the real-world of carrier operations. If real-world experiences were a sufficient, practical and safe option, the Navy would have disestablished NATTC years ago. In fact, it does not intend to close NATTC, merely move its highly successful current operation at Lakehurst to a new location at a cost of \$33,210,000.

The Navy does not project any savings to the U.S. Government in relocating NATTC from NAES Lakehurst to NAS Pensacola. In fact, the Navy's decision to maintain its Aircraft Launch and Recovery Equipment at Lakehurst provides an obvious training asset to the men and women preparing to use this equipment aboard Fleet aircraft carriers. Should the decision to close NAES be overturned by the BRAC Commission, NATTC should remain an integral part of Navy Lakehurst.

Documentation:

Provided to the 1995 BRAC Commission Staff on April 28, 1995

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Discrepancy # 9: Defense Reutilization and Marketing Office (DRMO)

Summary:

Insufficient certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting cost of relocation for the Defense Reutilization and Marketing Office (DRMO) from the Naval Air Engineering Station, Lakehurst, New Jersey to "Base X-2," New Jersey. Initial costs estimated at zero for assumed relocation to McGuire Air Force Base, New Jersey.

Scenario Impact:

The proposed closing of NAES Lakehurst requires the Defense Logistics Agency to relocate its Defense Reutilization and Marketing Office to another DoD facility. On 19 DEC 94, the Navy's Base Structure Evaluation Committee (BSEC) deliberated on the initial costs for relocating this tenant activity. The following excerpt is germane:

"MILCON is proposed at McGuire AFB to house the Defense Reutilization and Marketing Officer (SIC) personnel presently at Lakehurst. Since it is not DoN's responsibility to build new facilities for these personnel, the BSEC directed that MILCON at McGuire be eliminated."

The Defense Logistics Agency has expressed its desire to retain its property disposal operations at Lakehurst. In their response to the Navy position, the DLA repudiated the relocation to McGuire due to the extensive storage and land requirements of the present operation. The DLA position is that no excess facilities exist for this unit within the New Jersey area.

This relocation will require significant construction expense (MILCON), major disruption in the existing operation incurring significant productivity loss, the shipping of heavy equipment and personnel relocation costs. Estimates for heavy equipment and inventory tonnage are unknown until relocation site is chosen. All construction figures assume relocation within New Jersey.

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Based on data provided by DRMO to the Committee to Save Lakehurst Base:

One-Time Moving Costs of equipment:		\$ 37,500
One-Time Relocation Costs for personnel:		\$ 1,457,000
MILCON Requirements:		
➤ Covered Storage:	70,560 sq. ft	\$ 11,278,000
➤ Administrative:	3,100 sq. ft	\$ 627,000
➤ Material/POV/Staging Area:	33,000 sq. ft	\$ 3,423,000
➤ In-ground Truck Scales:		\$ 55,000
➤ Security Fencing:		\$ 48,000

Total one-time cost incurred by US Government if relocated intact: \$ 16,925,500

Documentation:

Provided to the 1995 BRAC Commission Staff on April 28, 1995

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Discrepancy # 10: Naval Mobile Construction Battalion 21 (NMCB-21)

Summary:

Insufficient certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting cost of relocation for the Naval Mobile Construction Battalion 21 (NMCB-21) from the Naval Air Engineering Station, Lakehurst, New Jersey to "Base X-1," New Jersey. The BSEC estimated the initial costs at "zero" for this tenant relocation.

Scenario Impact:

The proposed closing of NAES Lakehurst requires the relocation of the Naval Mobile Construction Battalion 21 (NMCB-21) to another DoD facility. COMNAVAIRSYSCOM noted in his 01 FEB 95 certified data response to the Navy's BSEC:

"TENANT (NMCB-21) WAS UNABLE TO PROVIDE CONSTRUCTION COSTS, COST OF MOVING MISSION EQUIPMENT, AND OTHER DISPOSITIONS SINCE ULTIMATE GAINING BASE WAS NOT KNOWN."

On 27 MAR 95, the Commanding Officer of NMCB-21 provided his certified response to the data call requested by the Commanding Officer, Naval Air Engineering Station, Lakehurst, New Jersey. The following excerpt is germane:

"The following cost estimate is based on the assumption that NMCB-21 will occupy the authorized space allotted for a Battalion (26,000 SF) at Fort Dix, New Jersey."

Based on certified data provided by CO, NMCB-21 to CO, NAES Lakehurst:

MILCON Requirements:	\$ 694,250
Partial Payment on Inter-Service Support Agreement with Ft. Dix:	\$ 150,000
One-Time Moving Costs of Materials:	\$ 18,000
Movement of Heavy Construction Equipment:	\$ 5,000
Total one-time cost incurred by US Government:	\$ 867,250

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Based on certified data provided by CO, NMCB-21 to CO, NAES Lakehurst:

Annualized Recurring Costs:

➤ Inter-Service Support Agreement with Ft. Dix: \$ 195,000

Annual Recurring cost incurred by US Government: \$ 195,000

The Commanding Officer of NMCB-21 has expressed his desire to retain the current operations at Lakehurst, even if the facility is closed. His proposal to have a stand-alone, fenced compound with its own entrance gate and access road to was disapproved as too expensive an alternative by the Navy's BSEC.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

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Discrepancy # 11: Naval Aviation Engineering Support Unit (NAESU)

Summary:

The Secretary of the Navy has proposed the closure of the Naval Aviation Engineering Support Unit (NAESU), Philadelphia, Pennsylvania. The remaining necessary functions, personnel and equipment are to be relocated to California and consolidated with the Naval Aviation Depot, North Island, California, at a proposed one-time cost of \$2,500,000.

Scenario Impact:

The 1991 Base Realignment And Closure (BRAC) Commission approved the closure of the Philadelphia Naval Base and Station. The Naval Aviation Engineering Support Unit (NAESU), a tenant activity of the base, was required to relocate by the end of Fiscal Year 1995

After review, the Navy elected to reunite NAESU, once a department of the Naval Air Engineering Center, Philadelphia, with its former parent Command-- the Naval Air Engineering Station now located in Lakehurst, New Jersey. NAESU was assigned Military Construction (MILCON) Project P-232, "Engineering Management Facility," with Fiscal Year 1993 programming utilizing Base Closure Account Funds.

The Commander, Naval Air Systems Command (NAVAIRSYSCOM), disagreed with this decision. A study team was chartered to "specifically review the four logistics Expense Operating Budget (EOB) activities, of which NAESU is one." The study resulted in a recommendation to combine NAESU with another of the EOB activities in Fiscal Year 1996. This decision effectively blocked the BRAC funding of MILCON Project P-232.

Navy and Department of Defense analysis and review during BRAC-93 reaffirmed the Navy's original decision to relocate NAESU to Lakehurst as approved following the BRAC-91 decisions. Once again, the decision to move to Lakehurst was thwarted by the Commander, NAVAIRSYSCOM. The recommendation to close NAESU Philadelphia, yet retain it's functions by relocating to California, has been submitted to the BRAC-95 Commission.

NAESU is now being considered for relocation to the Naval Aviation Depot (NADEP) San Diego, California. The continued delays and indecision demonstrated throughout this scenario, circumventing DoN and DoD decisions reached over three BRAC Commissions, is a direct result of the Commander, NAVAIRSYSCOM having squandered NAESU's opportunities to rejoin its natural parent Command at Navy Lakehurst.

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In the Navy's "Report of BSEC Deliberations on 9 February 1995," the following rationale for relocating NAESU from Philadelphia to San Diego:

"In looking at ASO Philadelphia, DoN determined that two of its tenants, NAESU and NATSF, could economically be relocated to NADEP North Island to consume excess capacity at that site.

Though not reflected in the COBRA analysis, the movement of NAESU and NATSF should produce savings for the DLA which moves into usable spaces at the ASO compound."

This statement depicts the "shell game" played by the Navy as it seeks "smoke and mirror" savings for the 1995 round of closures and realignments. From no other source (except its own deliberations) would the BSEC tolerate or accept the phrase "Though not reflected in the COBRA analysis. . . (this movement) should produce savings." This relocation is not based on the realities of military value, initial costs or everyday common sense.

In the DoD Report to the BRAC Commission, Attachment X-14 on page X-41 discusses the rationale for relocating NAESU from Philadelphia to San Diego:

"Closure of this facility eliminates excess capacity within the technical center subcategory by using available capacity at NADEP North Island and achieves the synergy from having the drawings and manuals collocated with an in-service maintenance activity at a major fleet concentration."

In fact the actual savings and resulting synergy that could be achieved would best occur if the NAESU were returned to its original parent Command at Lakehurst. Based on existing data provided by COMNAVAIRSYSCOM, the total one-time cost incurred in NAESU relocation to Lakehurst would be \$ 1,400,000. Based on data in the DoD Base Closure And Realignment Report to the Commission, the total one-time cost incurred in NAESU relocation to San Diego would be \$ 2,500,000. If Lakehurst were to remain intact, NAESU could return to its nearby original military unit with less cost and fewer losses in experienced personnel.

Savings to US Government if NAESU relocates to Lakehurst: \$ 900,000

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 12: PMA-260 and PMA-251

Summary:

The 1993 Base Realignment And Closure (BRAC) Commission approved the realignment of the Naval Air Warfare System Headquarters. The majority of the Headquarters Staff functions were to be relocated to Naval Air Station, Patuxent River, Maryland. Selected Staff functions, including Program Managers (PMA's) were ordered to join their Field Activities to realize the synergism inherent in collocation with their primary support team members. Two of these Headquarters Staff functions were directed to relocate to the Naval Air Engineering Station, Lakehurst, New Jersey, by the end of Fiscal Year 1995.

Scenario Impact:

The Aircraft Launch and Recovery Equipment (ALRE) Program Manager, PMA-251, is responsible for the Product Focused life Cycle management of ALRE systems. This includes the definition, development, test and evaluation, acquisition, life cycle support, and readiness improvements of ALRE systems. The Program Manager provides customer support to all classes of aviation, air-capable and amphibious ships. These services include the entire spectrum of technical support as provided by the Naval Air Warfare Center Aircraft Division located at Lakehurst, New Jersey. Working together as an Integrated Program Team (IPT), the potential synergism of co-locating the PMA with its primary field activity was identified in early 1988.

The scope of the Aviation Support Equipment (SE) Program manager, PMA-260, consists of research, engineering, design, development, test and evaluation, acquisition, production, logistics support, life cycle management, upgrade, transition, and disposal of Common Support Equipment (CSE). While responsibility for integrating the Navy's total SE program lies with PMA-260, primary acquisition responsibility for Peculiar Support Equipment (PSE), applicable to a single weapon system, lies with the appropriate weapon system Program Executive Officer (PEO).

The benefits of Concurrent Engineering, discussed in Discrepancy #5, clearly demonstrates the validity of the Navy's prior decisions on co-locating PMA-251 and PMA-260 with their Integrated Program Teams at NAES Lakehurst. The 1993 Base Realignment and Closure Commission (BRAC) agreed with the Navy's recommendations, and approved the relocation of these Headquarters Staff functions to Lakehurst.

Acting independently and without proper authority, the Commander, Naval Air Systems Command elected to relocate PMA-251 and PMA-260 to the Naval Air Station, Patuxent River, Maryland. The Military Construction (MILCON) expense of this decision are hidden in the overall Headquarters relocation costs at Naval Air Station Patuxent River, Maryland. The lost

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productivity gains in collocating the program managers with their field activities was not considered.

Documentation:

Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 13: Navy Lakehurst: National Historic District

Summary:

Insufficient certified data provided to the Base Structure Evaluation Committee (BSEC) by the Commander, NAVAIRSYSCOM, in reporting the initial costs of necessary restorations and the recurring costs to the government of maintaining the National Historic District located aboard the Naval Air Engineering Station, Lakehurst, New Jersey.

Scenario Impact:

In Attachment X-7, page X-25 of its March 1995 report to the Department of Defense (DoD), the Secretary of the Navy described the scenario for closing the Naval Air Engineering Station (NAES) at Lakehurst, New Jersey, and the realignment of the Naval Air Warfare Center Aircraft Division (NAWCAD) Lakehurst. In evaluating the scenario's economic impact, the Secretary of the Navy stated:

"There is no adverse impact on threatened/endangered species, sensitive habitats and wetlands, or cultural/historical resources occasioned by this recommendation."

Evidently, the Secretary was not aware of the Cultural Resources Survey (CRS) conducted for the Naval Air Engineering Station (NAES) at Lakehurst, New Jersey. The CRS was carried out by Baystate Environmental Consultants at the direction of the Northern Division, Naval Facilities Engineering Command, Lester, Pennsylvania.

In accordance with Section 110 of the National Historic Preservation Act of 1966, Executive Order 11593, and OPNAVINST 5090.1A, "Environmental Resources Program Manual," NAES Lakehurst is required to consider the effects of its current and future operations on cultural resources contained within the Station. According to this report, "The buildings at NAES Lakehurst define a lighter-than-air (LTA) Historic District that is potentially eligible for inclusion in the National register of Historic Places."

In addition, known archaeological sites aboard the Station include an eighteenth-century road, a mid-nineteenth-century dwelling, a sawmill, facilities related to the Russian Imperial Army and the United States Army Proving Grounds, and the German dirigible Hindenburg crash site. Notwithstanding the preliminary evaluations of NAES Lakehurst, the archeological resources may include both historic and prehistoric sites.

The so-called "fenced" scenario proposed by the Navy will require extensive environmental clean-up of the areas *outside* the proposed security fencing. For example, it is estimated that the required clean-up of the unexpended ordnance left behind by the Russian

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Imperial Army and the United States Army during the Station's use as an ordnance proving grounds will exceed \$20,000,000. The required clean-up of the Production manufacturing and Prototyping buildings, required *after* they are shut-down and machinery relocated to Naval Air Depot Jacksonville, Florida will exceed \$8,000,000.

The LTA Historic District encompasses 112 buildings and structures and the Hindenburg crash site. This area includes the internationally recognized "Air Dock One," also known as Hangar 1. This national historic landmark is one of the world's largest man-made structures. The Navy has neither requested or received agreement from the National Park Service or any other agency to accept responsibility for the maintenance of this structure. In fact the Navy has no plan to address any of these issues, and is willing to address them after the Base Realignment and Closure (BRAC) Commission makes its ruling on the Lakehurst scenario.

Based on data provided to the Committee to Save Lakehurst Base:

One-Time clean-up costs of unexpended ordnance:	\$20,000,000
One-Time clean-up costs of Industrial facilities:	\$ 8,000,000
One-Time Moving Costs of ALRE inventories from Hangar One:	\$ 5,000,000
One-Time Environmental Impact Study for NAES Lakehurst:	\$ 2,500,000

Total one-time cost incurred by US Government: \$35,500,000

Annualized Recurring Costs:

➤ Hangar One Operations & Maintenance:	\$ 953,000
➤ Security, Admission and Tour Personnel:	\$ 125,000

Annual Recurring cost incurred by US Government: \$ 1,078,000

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Discrepancy # 14: Naval Air Engineering Station (NAES) Benefits of Joint Use Opportunities

Summary:

Improper guidance provided to the Commanding Officer, Naval Air Engineering Station, Lakehurst, New Jersey, by the Commander, NAVAIRSYSCOM, forbidding his participation in a joint-use study for the New Jersey region. Incorrect assertions made by COMNAVAIRSYSCOM as to restrictions placed upon joint-use studies during the Base Realignment and Closure process

Scenario Impact:

In early 1993, Congress issued a directive to the Secretary of Defense to seek Department of Defense (DoD) opportunities for Joint Cross-Service use of common facilities and services. The 1993 Base Realignment and Closure (BRAC) Commission encouraged the military service Chiefs to vigorously pursue these joint-use opportunities whenever practicable.

In support of the 1995 BRAC process, the Secretary of Defense initiated four Joint Cross-Service Group studies in the following commonality areas:

- ✓ Depot Maintenance
- ✓ Undergraduate Pilot Training
- ✓ Medical
- ✓ Labs, Test and Evaluation

On April 4, 1995, the Heads of each of the DoD Joint Cross-Service Groups (JCSG) provided testimony to the Base Realignment and Closure Commission. It should be noted that the JCSG recommended two scenarios that would directly affect NAES Lakehurst.

The first recommendation centers on the creation of a Regional Maintenance Activity (RMA) at Jacksonville, Florida. This long-overdue initiative would save the government millions of dollars annually by eliminating redundant capabilities and consolidating five administrative and command support staffs throughout the Jacksonville region.

JCSG Scenario #102A recommended the closure of Naval Air Depot (NADEP) Jacksonville, retaining several of its maintenance functions on-site as part of the RMA. This scenario estimated a one-time cost of \$9,100,000; an immediate return on investment; an annual steady-state savings of \$37,300,000; and a 20-year savings of over \$500,000,000. COMNAVAIRSYSCOM and the Navy's Base Structure Evaluation Committee (BSEC) removed

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NADEP Jacksonville from further JCSG consideration by "trading" its real savings for the "smoke and mirrors" savings of NAES Lakehurst. The 1995 Base Realignment and Closure Commission should approve the DoD Joint Cross-Service Group's recommendation to close NADEP Jacksonville and create a Regional Maintenance Activity.

The second JCSG recommendation centers on the consolidation of the Navy and Air Force Test and Evaluation of high- performance jet aircraft. This scenario has run afoul of COMNAVAIRSYSCOM's plan for the explosive and unnecessary growth of the Naval Air Station at Patuxent River, Maryland. This facility has gained activities throughout the BRAC process without military purpose or financial justification.

NAES Lakehurst should not have its highly-successful and DoD-approved Concurrent Engineering operations dismantled and shipped to NAS Patuxent River; merely to continue the unprogrammed and unnecessary growth of a facility whose continued operation as a Test and Evaluation site for jet aircraft is questionable at best. The 1995 Base Realignment and Closure Commission should approve the DoD Joint Cross-Service Group's recommendation to consolidate the Navy's and Air Force's jet Test and Evaluation operations at a more suitable site. A study of the savings in eliminating redundant capabilities and unnecessary command and support functions will reveal the validity of this JCSG recommendation.

The BRAC Commission should recommend to the Secretary of the Navy to immediately remove the arbitrary and unjustified restrictions placed upon the Commanding Officer, NAES Lakehurst against participating in joint-use regional studies. The potential savings in joint-use opportunities with Fort Dix and McGuire Air Force base should be vigorously pursued as per the direction of the DoD.

Other offers of relocating forces to the Lakehurst facility, made by the New Jersey Air National Guard (NJANG), should be encouraged and completed without further interference from COMNAVAIRSYSCOM. Finally, the Lakehurst-Army Communications and Electronics Command (CECOM) proposal to create a joint Army-Navy maintenance facility at NAES Lakehurst for Joint Automatic Test Equipment (ATE) should be approved and established as a model of joint use at the grass roots of our military services.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

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Discrepancy # 15: Naval Air Engineering Station (NAES) Benefits of Public/Private Ventures

Summary:

Inadequate guidance and support provided to the Commanding Officer, Naval Air Engineering Station, Lakehurst, New Jersey, by the Commander, NAVAIRSYSCOM. No consideration for the economic benefits of pursuing partnerships with industry and the local community in Public/Private Ventures (P/PV).

Scenario Impact:

Lakehurst has successfully pursued and realized a public/private partnership with the Ocean County Vocational School. In 1994, the school's Career and Technical institute (CTI) established its operations in a beautifully restored section of Historic Hangar One. The resulting partnership between the public and private sectors has been measurable in terms of economic benefit to both participants. CTI has achieved significant long-term savings in its annual facilities and utilities costs. The Navy has a viable tenant that maintains its facilities in mint condition, while providing a source of low-cost training support in General Aviation and Computer Aided Design (CAD) education.

NAES Lakehurst boasts one of the Navy's highest production to overhead ratios of 61%. As the Navy reduces its aircraft carrier fleet to twelve active duty carriers, the planned downsizing of the military and civilian personnel of Lakehurst continues. As a result, one area of potential public/private partnerships is the Production Manufacturing and Prototyping functions at NAES Lakehurst. With unique and critical machines required to support the Navy's carriers, opportunities exist for civilian contractors to use these incredible machines at a reimbursement to the Navy.

This potential to further reduce the overhead costs of NAES Lakehurst, while preserving its unique machinery and artisan personnel is an opportunity to be vigorously pursued by the Navy. Interest expressed by the Philadelphia Industrial Development Corporation to explore possible partnerships with its development of the recently closed Naval Base and Shipyard at Philadelphia are ongoing. An NAES Lakehurst "White Paper" provides the foundation for future public/private enterprises, if the Lakehurst facility is removed from the 1995 Base Realignment and Closure Commission's final list of military activities.

Documentation:

✓ Provided to the 1995 BRAC Commission Staff on April 28, 1995

Section 5:

Lakehurst Scenario: Financial Overview

BACKGROUND

The 8 final selection criteria employed by the Base Realignment and Closure Commission are a major consideration when closing or realigning any military base. Necessarily, the integrity of the process for obtaining the data, and therefore the viability of the cost estimates, is critical to achieving the desired return on investment. The Navy's process and the data generated was called into question and reported to the Secretary of the Navy by New Jersey's Congressional delegation on February 3, 1995. The General Accounting Office's (GAO) April 15, 1995 report to the BRAC echoes the delegation's concerns about the Navy's process.

Throughout the summer and fall of 1994, the Navy issued "data calls" on various closure scenarios for Lakehurst. The responses were required to contain data that was "certified" through the responding activity's chain of command. Theoretically, once the baseline data was generated at Lakehurst, the information was forwarded back through the chain of command for review, where it received its final certification by the Commander, Naval Air Systems Command. Once certified, the data was analyzed by the Navy's Base Structure Analysis Team (BSAT), then submitted for consideration by the Navy's Base Structure Evaluation Committee (BSEC) for final determination.

On February 1, 1995 the Commander, NAVAIRSYSCOM, submitted his final certified data response to the Navy's Base Structure Evaluation Committee (BSEC) for Scenario #3-20-0162-123. This final submission was identified as "Option Package: NAWC Lakehurst Data Call 13." In this scenario, the Navy proposed to maintain the Aircraft Launch and Recovery Equipment (ALRE) testing facility at Lakehurst. The Support Equipment Engineering function would move to Patuxent River, Maryland, and the Prototype and Production Manufacturing functions would move to Jacksonville, Florida. The NAVAIRSYSCOM submission of February 1, 1995 provides the basis for the following financial analysis.

On February 20, 1995, the last known COBRA (version 5.08) Realignment Report for Scenario #3-20-0162-123 was generated. This report forms the basis for the Navy's final recommendations to the Secretary of Defense. Scenario #3-20-0162-123 was developed after previous data calls proved that the Navy could not close Lakehurst because its functions could not be replicated without enormous financial, environmental and lost productivity costs.

An independent review of the data revealed substantial differences in the NAVAIRSYSCOM certified costs and the costs presented to the Department of Defense by the BSEC. Further review and independent data collection conducted for comparison purposes revealed an even greater difference in costs.

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The following data provides the actual one-time costs incurred in the Lakehurst Realignment Scenario. The information was obtained from the following sources:

✓ Certified data provided to Commander, NAVAIRSYSCOM by the Commanding Officer, Naval Air Engineering Station, Lakehurst, NJ.;

✓ Certified data provided to the Navy's Base Structure Analysis Team by Commander, NAVAIRSYSCOM,

✓ Information obtained from the transcribed reports of the Navy's Base Structure Evaluation Committee's Deliberations; and

✓ Information provided to the Save Lakehurst Committee by Military and Civilian employees of the Department of Defense.

PROJECTED ONE-TIME SCENARIO COSTS

Total One-Time Cost Incurred by U.S. Government:

Navy's Base Structure Evaluation Committee Data:	\$ 96,943,000
Commander, Naval Air Systems Command Certified Data:	\$ 162,274,000
Save Lakehurst Base Committee Data:	\$ 218,613,750

PROJECTED RECURRING SCENARIO COSTS

Annual Recurring Costs to U.S. Government Beginning 1999:

Navy's Base Structure Evaluation Committee Data:	\$ 4,622,000
Commander, Naval Air Systems Command Certified Data:	\$ 12,630,000
Save Lakehurst Base Committee Data:	\$ 30,394,000

PROJECTED RECURRING SCENARIO SAVINGS

Annual Recurring Savings to U.S. Government Beginning 1999:

Navy's Base Structure Evaluation Committee Data	\$ 37,200,000
Commander, Naval Air Systems Command Certified Data	\$ 11,610,000
Save Lakehurst Base Committee Data:	\$ 8,000,000

PROJECTED NET PRESENT VALUE

Net Present Value in 20 Years:

Navy's Base Structure Evaluation Committee Data	(-) \$ 358,000,000
Commander, Naval Air Systems Command Certified Data	\$ 58,735
Save Lakehurst Base Committee Data:	\$ 104,359

PROJECTED RETURN ON INVESTMENT FOR SCENARIO

Return On Investment for U.S. Government:

Navy's Base Structure Evaluation Committee Data	2002 (3 Years)
Commander, Naval Air Systems Command Certified Data	2029 (30 Years)
Save Lakehurst Base Committee Data:	2050 (51 Years)

Section 6:

Lakehurst Scenario: Questions for the Navy

The following questions have been developed for the Commissioners' consideration and for submission to the Navy for response. The nature of these questions should provide insight into the depth of our investigation, as well as to the types of irregularities noted in the Navy's process and subsequent data analysis.

1. Naval Air Engineering Station Lakehurst Tenants:

Lakehurst Tenants: Documented and certified evidence, openly shared with the Navy and made available to the General Accounting Office, clearly demonstrates the Navy's BSEC knowingly eliminated and denied the need to include the costs of relocating Lakehurst's tenants as a result of the closure action. Quoting the Navy's BSEC during its deliberations of December 19, 1994:

"Since it is not DoN's responsibility to build new facilities for these personnel, the BSEC directed that MILCON (for Lakehurst's tenants) be eliminated."

These include the Army Airborne Engineering Evaluation Support Branch (AAEESB), the Defense Logistics Agency's Defense Reutilization and Marketing Office (DRMO), and the Naval Mobile Construction Battalion Twenty One (NMCB-21).

AAEESB: Why did the Navy estimate a zero cost for the relocation of the Army Airborne Engineering Evaluation Support Branch (AAEESB) when it had certified data from the Department of the Army's Office of the Chief of Staff? This information, dated December, 1994, expressed the Army's desire to remain place at Navy Lakehurst, however if required to relocate the operation it provided an estimate of \$11,525,000.

DRMO: Why did the Navy estimate a zero cost for the relocation of the Defense Logistics Agency's Defense Reutilization and Marketing Office (DRMO) when it had been provided data from the DRMO's Director? This information, dated December, 1994, expressed DRMO's desire to remain place at Navy Lakehurst, however if required to reconstruct its current operations it provided an estimate of \$16,925,500.

NMCB-21: Why did the Navy estimate a zero cost for the relocation of the Naval Mobile Construction Battalion Twenty-One (NMCB-21) when it had been provided certified data from its Commanding Officer? This information expressed the Command's desire to remain place at Navy Lakehurst, however if required to reconstruct its current operations it provided an estimate of \$867,250

NATTC: Even the costs for relocating the Navy's one-of-a-kind training devices, as well as the costs for necessary construction, for the Navy's own Naval Air Technical Training Center (NATTC) were effectively eliminated, quoting a cost of only \$199,000. The actual estimates for the relocation of the activity exceeds \$33,000,000. The Navy states its facilities at NAS Pensacola have the excess capacity to eliminate the requirement for \$17,000,000 in military construction. Even so, why is the Navy standing by its estimate of \$199,000 for the relocation of NATTC, when relocating the training equipment alone will exceed \$16,000,000?

2. Naval Aviation Depot (NADEP) Jacksonville:

Joint-Use Facilities: The Joint Cross-Services Group has proposed the establishment of business-oriented joint-use activities for Depots, Laboratories, Research & Development, Medical Services and Under-Graduate Pilot training. Why, when many Fortune 500 Companies have learned the value and viability of "Hub and Spoke" operations does the Navy continue to resist consolidating its redundant and costly functions with those of its sister services?

Joint Cross-Services Group Scenario(s): Scenarios #102 and #102A proposed the creation of a Jacksonville Regional Maintenance Activity (RMA). Scenario #102, calling for the closure of NADEP Jacksonville, was rejected by the Navy as too costly an alternative. Scenario #102A, proposed to the Joint Cross-Services Group by the Navy, called for the closure of NADEP Jacksonville, but recommended the retention of four major sub-system repair capabilities at Jacksonville as a part of the RMA. This alternative boasted a one-time cost of only \$9,000,000, a one-year return on investment and an annual savings of \$37,000,000.

The Navy stated it could not accomplish Scenario #102A, because NADEP Jacksonville's continued existence facilitated the "...closure of a major technical center (Lakehurst)." Navy Lakehurst is not closing, the costs of moving a small detachment from Lakehurst to Jacksonville will cost over \$26,000,000 and incur annual recurring costs exceeding \$14,000,000. Why is the Navy sacrificing its "golden nugget" of aircraft carrier support operations at Lakehurst to save NADEP Jacksonville?

Inadequate NADEP Facilities: The Navy BSEC estimated \$1,500,000 in relocation costs for moving the Prototyping and Production Manufacturing functions from Lakehurst to Jacksonville. The facilities identified at Jacksonville are too small, the ceilings too low and the foundations inadequate to support the necessary machinery and crane operations proposed for relocation. Why are inadequate facilities proposed to substitute for the world-class operations currently at Lakehurst? Why does the Navy persist in trying to justify the \$1,500,000 relocation cost in the face of documented, certified data indicating the requirement for over \$26,000,000?

NADEP Over-Capacity: There are three NADEP's, one (San Diego) on the West Coast and two (Jacksonville and Cherry Point) on the East Coast. With an acknowledged over-capacity of 38%, why isn't the Navy closing one of the two East Coast NADEP's?

3. Aircraft Support Equipment (SE) at Lakehurst:

Travel and TDY: What are the projected annual recurring costs for TDY and travel for SE engineers from NAS PAX to Lakehurst and to Jacksonville and return?

SE Prototyping: The proposed relocation of the Aircraft Support Equipment (SE) functions from NAES Lakehurst to NAS Patuxent River completely overlooks the requirement to provide prototype manufacturing capabilities necessary to test and validate SE design. In FY-95, SE prototype manufacturing represented 34% of the Manufacturing Technology Department's workload. The 55.41 SE workyears essentially equal the 54.93 ALRE workyears proposed for relocation to NADEP Jacksonville.

➤ In relocating SE to NAS PAX, did NAVAIR intentionally eliminate its capacity to conduct SE prototyping?

➤ Is the SE Prototyping considered inherent government functions, or does NAVAIR intend to outsource these workyears to private contractors? If so, what are the estimated costs for this outsourcing?

4. Concurrent Engineering at Lakehurst:

Lost Productivity Costs: What are the estimated lost productivity costs incurred during the break-up of the Lakehurst ALRE Concurrent Engineering system?

➤ What period of time does the Navy estimate to be required to tear-down, package, ship, unpack and rebuild the ALRE Prototype and Production Manufacturing machinery in its move from Lakehurst to Jacksonville?

Concurrent Engineering: Concurrent Engineering has demonstrated a savings of some 30% over the product's life cycle costs. Why does NAVAIR recommend the dismantling of the ALRE Concurrent Engineering system at Lakehurst?

5. Technical Centers Military Value Matrix:

Matrix Weighting: Did the Navy evenly and equitably apply the weighting criteria used in the Technical Centers Military Value Matrix to all NAVAIR activities?"

➤ "If so, how do you explain the values for Questions # 1, 4, 11, 17, 25, 27, 31, 44, 48, 49, 50, 54, 77, 100, 143, 146, and 202 for Lakehurst were zero, despite contradictory evidence clearly documented in the 13 Lakehurst data calls?"

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➤ "If the values for these areas are zero for Lakehurst due to 'interpretation,' why are the values for other NAVAIR field activities (e.g. - Patuxent River, Jacksonville, China Lake, et al) not interpreted in the same manner?"

6. Naval Air Station Patuxent River, Maryland:

Technical Centers Military Value Matrix:

➤ Questions 57-60: Please describe specifically what percent of NAS PAX administrative and laboratory space is adequate, which percentage is inadequate, and what percentage(s) fall into other categories (please name). If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Question 63: Please describe specifically what amount of money (between \$500,000 and \$5,000,000) is needed to correct inadequacies at NAS PAX, and describe how those funds would be spent. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Questions 66-68: Please confirm that less than 10,000 square feet of existing government owned space and/or zero square feet of government owned space is available for expansion at NAS PAX, and give the exact number of such square footage (if any) available for expansion. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Questions 69-71: Please confirm that less than 10,000 square feet of existing government owned space can be constructed for expansion at NAS PAX, and give the exact number of such square footage available for expansion. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Questions 72-74: Please confirm that expansion opportunities can support less than 50 additional personnel and/or zero additional persons at NAS PAX, and give the exact number of persons that could be supported. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Questions 75-77: Please confirm that less than 250 unimproved and unencumbered acres are available for expansion at NAS PAX, and give the exact number of such acres. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

➤ Questions 80-82: Please confirm that less than 10 acres with roads and utilities are available for expansion at NAS PAX, and give the exact number of such acres. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

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➤ With regard to the column in the Technical Centers Workload Capacity Data Table on personnel expansion potential, please confirm that the number of expansion personnel that NAS PAX can currently absorb and support is zero additional persons. If your answer varies from the Technical Centers Military Values Matrix, please explain that variance.

Proposed Movement of NAVAIR activities to NAS PAX:

➤ With respect to the positions expected to be lost from any Warminster, Trenton, Lakehurst, Indianapolis and NAVAIR Headquarters functions, how many of these civilian positions are expected to be relocated to PAX? Please break this number down by military and civilian positions and by the year in which the positions are to be added at PAX?

➤ With respect to the Budgeted Workyears for Technical Centers for Warminster facilities, how many of these workyears are expected to be relocated to PAX? Please break this answer down by the years in which the workyears are to be added at PAX, and please carry the answer forward as many years as necessary to complete the realignment. (i.e., beyond 1997 if necessary)?

➤ With respect to PAX MILCON costs, please describe in detail all ongoing or planned MILCON at PAX attributable to the movement of positions, equipment, etc. from all NAVAIR, NAWC and any other government activities? Please breakdown these costs by individual building or facility involved, describing the nature of the construction involved.

➤ With respect to "Personnel" costs, please describe in detail all personnel costs attributable to movement of positions, equipment, etc. from all NAVAIR, NAWC and any other government activities?

➤ With respect to "Overhead" costs, please describe in detail all overhead costs attributable to movement of positions, equipment, etc. from all NAVAIR, NAWC and any other government activities?

➤ With respect to "Moving" costs, please describe in detail all moving costs attributable to movement of positions, equipment, etc. from all NAVAIR, NAWC and any other government activities?

➤ With respect to "Other" costs, please describe in detail all moving costs attributable to movement of positions, equipment, etc. from all NAVAIR, NAWC and any other government activities?

➤ Please list the current number of employees at PAX, breaking the number down both by military/civilian and technical/administrative/other categories

➤ Please list the future number of employees that would be located at PAX, assuming that all past and proposed BRAC recommendations are to be implemented. Please

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break down this number both by military/civilian and technical/administrative/other categories, for each year until those recommendations are fully implemented.

➤ Please list the total number of square feet of useable space at PAX, breaking this number down into technical/administrative/other categories.

➤ Please list the total amount of Military Construction that would be located at PAX, assuming that all past and proposed BRAC recommendations are to be implemented. Please break down this number into technical/administrative/other categories, stating the year each MILCON is expected to be completed.

➤ Please list the total number of square feet of useable space that would be located at PAX, assuming that all past and proposed BRAC recommendations are to be implemented. breaking this number down into technical/administrative/other categories.

➤ Please list the name, address, telephone number, and rank/position of all individuals answering these questions.

7. Relocation of Naval Aviation Engineering Support Unit Philadelphia:

➤ Why has COMNAVAIRSYSCOM refused the direction provided by the Navy and the two previous Base Realignment and Closure Commissions to relocate the Naval Aviation Engineering Support Unit (NAESU), Philadelphia, to NAES Lakehurst?

➤ Please describe specifically what are the estimated costs for the relocation of NAESU to NADEP San Diego?

➤ Please describe specifically (Building # and square feet) what existing spaces are in excess at NADEP San Diego?

➤ Please describe specifically what existing spaces at NADEP San Diego will be used for the relocation of the NAESU without construction or renovation costs?

8. Relocation of Program Managers Activities PMA-251 and PMA-260:

➤ Why was the decision to relocate PMA-251 and PMA-260 to Lakehurst changed in favor of NAS PAX?

➤ Please describe specifically the estimated costs for the relocation of PMA-251 and PMA-260 to NAS PAX?

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➤ Please describe specifically (Building numbers and square footage) what existing spaces at NAS PAX are in excess that afford the relocation of the PMA's without construction or renovation costs?

9. The Request for Regional Joint-Use Studies:

➤ What specific portion of Public Law 101-510 (the Base Realignment and Closure Act) forbids participation by Navy Activity Commanders in regional joint-use studies?

➤ Are you aware that in the CDRFORSCOM Unclassified Message DTG 281503Z NOV 94 the participation of Fort Dix, McGuire Air Force Base and NAWCAD Lakehurst was solicited for a regional joint-use study?

➤ Please explain why the Commander, NAVAIRSYSCOM specifically forbid the CO, NAWCAD Lakehurst in participating in this joint-use study for the New Jersey region

➤ What is the NAVAIRSYSCOM's position on the joint-use concepts directed by the Secretary of Defense, in particular-- the Joint Service-Group's recommendation for a Regional Maintenance Activity at Jacksonville, Florida?

10. Naval Air Engineering Station Lakehurst

Carrier Support:

➤ The time required to dismantle, pack, ship and reassemble the current Production Manufacturing system at Lakehurst and relocate it to NADEP Jacksonville will require an additional five to eight Low Loss Launch Valves (LLLV's are a critical component of catapults). Since the Navy has not maintained a single "in stock" valve during the past five years, the Jacksonville scenario requires the purchase of 5 - 8 additional LLLV's, at a cost of \$558,000 per valve, in order to prevent unacceptable reductions in fleet carrier readiness. What are the Navy's plans, and which contractor has been identified to meet this critical component shortfall?

False Savings:

➤ The BSEC's projected savings in the realignment scenario for Lakehurst projects annual savings of \$37,200,000. This savings is the "smoke and mirror-image" of the real savings of \$37,300,000 anticipated from the creation of the Regional Maintenance Activity proposed by the Joint Cross-Service Group in its Scenario #102A. If Lakehurst is being used by the Navy to thwart the justified closure of NADEP Jacksonville, will the BRAC Commission allow the savings "lost" to the U.S. Government to be included in the annual recurring costs of the Lakehurst scenario?

Support Equipment (SE):

➤ The certified data provided by COMNAVAIRSYSCOM underestimated the annual recurring costs required in this relocation scenario. Although the Support Equipment functions would be located in Maryland, the Test functions (i.e.- Electro-Magnetic Interference and Environmental) would remain at Lakehurst, New Jersey. Will the BRAC Commission allow the significant costs in lost productivity due to travel to and from the test sites to be included in the costs of this scenario?

Support Equipment (SE) Prototyping:

➤ It is of particular concern that the aircraft SE production manufacturing and prototyping functions have been ignored in this scenario. Only the ALRE functions are supported in the relocation to NADEP Jacksonville, Florida. The inability to prototype, manufacture and rework critical SE items would seriously impact Naval Aviation. What is the Navy's plan to reestablish this capability, after it is dismantled at NAES Lakehurst? Is this another "hidden" MILCON for future expansion at NAS Patuxent River, Maryland?

Concurrent Engineering:

➤ Concurrent Engineering is a systematic approach to the integrated, concurrent design of products and their related processes, including manufacture and support. This approach is intended to cause the developers, from the outset, to consider all elements of the product life cycle from conception through disposal, including quality, cost, schedule, and user requirements. What is the Navy's answer to the projected 30% increase in costs due to the dismantling of this system?

Military Value:

➤ During the BRAC-93 process, the Naval Air Engineering Station, Lakehurst, New Jersey, was assigned a Military Value ranking of 6 among the Navy's Technical Centers. The 14th place ranking of Lakehurst's military facilities in the Navy's 1995 Military Value Matrix for Technical Centers is incorrect. Based upon honest answers to the Military Value questions, Lakehurst would be ranked 7th among the Navy's Technical Centers.

➤ Why has the Navy so blatantly ignored the correct responses to these questions? If the criteria were equally applied to all technical facilities under consideration, then Lakehurst's scores for the above items would be similar to those of other field activities within NAVAIRSYSCOM. In every case, a comparison of the values assigned demonstrates the inequity in the process used by the Navy's BSEC. In fact, either the values for Lakehurst should be raised, or the values for other NAVAIR field activities be zeroized, (e.g.- Patuxent River,

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Jacksonville, China Lake, et al). What is the Navy's response to this allegation of incorrect ranking?

Environmental Impact:

➤ In Attachment X-7, page X-25 of its March 1995 report to the Department of Defense (DoD), the Secretary of the Navy described the scenario for closing the Naval Air Engineering Station (NAES) at Lakehurst, New Jersey, and the realignment of the Naval Air Warfare Center Aircraft Division (NAWCAD) Lakehurst. In evaluating the scenario's economic impact, the Secretary of the Navy stated: "There is no adverse impact on threatened/endangered species, sensitive habitats and wetlands, or cultural/historical resources occasioned by this recommendation." Was the Secretary unaware of the Cultural Resources Survey (CRS) conducted for the Naval Air Engineering Station (NAES) at Lakehurst, New Jersey?

➤ Did the Navy not know that the CRS was carried out by Baystate Environmental Consultants at the direction of the Northern Division, Naval Facilities Engineering Command, Lester, Pennsylvania?

Historical District:

➤ In accordance with Section 110 of the National Historic Preservation Act of 1966, Executive Order 11593, and OPNAVINST 5090.1A, "Environmental Resources Program Manual," NAES Lakehurst is required to consider the effects of its current and future operations on cultural resources contained within the Station. According to this report, "The buildings at NAES Lakehurst define a lighter-than-air (LTA) Historic District that is potentially eligible for inclusion in the National register of Historic Places." In addition, known archaeological sites aboard the Station include an eighteenth-century road, a mid-nineteenth-century dwelling, a sawmill, facilities related to the Russian Imperial Army and the United States Army Proving Grounds, and the German dirigible Hindenburg crash site. What is the Navy's position in regard to the Lakehurst historical district?

Pinelands:

➤ The so-called "fenced" scenario proposed by the Navy will require extensive environmental clean-up of the areas *outside* the proposed security fencing. For example, it is estimated that the required clean-up of the unexpended ordnance left behind by the Russian Imperial Army and the United States Army during the Station's use as an ordnance proving grounds will exceed \$20,000,000. What is the Navy's response to this allegation?

Section 7:

Points of Contact

Naval Air Warfare Center Aircraft Division Lakehurst

Commanding Officer	Capt Leroy Farr	908-323-2380
Executive Director	Tom Brennan	908-323-2335
Director of Manufacturing	Richard Headley	908-323-2394
Base Executive Director	Martin Borowski	908-323-2369
Base Public Works	Charles Mink	908-323-2601

Tenant Commands at NAES Lakehurst

Naval Air Technical Training Detachment (NATTC)		
Officer-in-Charge	LCDR David Kennedy	908-323-7359
Army Airborne Engineering Evaluation Support Branch (AAEESB)		
Commanding Officer	Lt. Col Orlando Spalding	908-323-2112
Defense Reutilization & Marketing Office (DRMO)		
Deputy Director	Ms. Joanne Reitemeyer	908-323-2755
Naval Mobile Construction Battalion 21 (NMCB-21)		
Commanding Officer	CDR Douglas Ault, CEC	814-237-8103
Ocean County Vocational-Technical School: Career & Technical Institute (CTI)		
Principal	George Samson, Jr.	908-657-4000

Naval Air Engineering Support Unit Philadelphia

Technical Director	Oscar Semora	215-897-5620
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Naval Facilities Command

Northern Division Historic Landmarks	Tina Deiniger, P.E.	610-595-0759
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BRAC Consultative Support	Tobias Messitt	202-371-6241
BRAC Consultative Support		

Save the Lakehurst Base Committee

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Vice Chair	Norm Wolff	908-270-5211
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Ocean County Freeholder Director	John Kelly	908-929-2003
Ocean County Freeholder Deputy Director	James Lacey	908-929-2004
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Business Coordinator	Emil Kaunitz, Jr.	908-341-1011

Save the Lakehurst Base Committee BRAC Consultants

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Section 8:

Glossary of Acronyms

AAEESB	Army Airborne Engineering Evaluation Support Branch
ALRE	Aircraft Launch and Recovery Equipment
API	Aircraft Platform Interface
ASO	Aviation Supply Office
ATE	Automatic Test Equipment
ATS	Automatic Test System
BOS	Base Operations Support
BRAC Commission	Base Realignment And Closure Commission
BSAT	Base Structure Analysis Team (Navy)
BSEC	Base Structure Evaluation Committee (Navy)
CALASSES	Carrier Aircraft Launch & Support Systems Equipment Simulator
CAPT	Captain (Pay Grade O-6)
CASS	Consolidated Automated Support System
CDR	Commander (Commanding Officer; or Pay Grade O-5)
CECOM	(Army) Communications and Electronics Command
CINCLANT	Commander-in-Chief Atlantic
CINCLANTFLT	Commander-in-Chief Atlantic Fleet
CINCPAC	Commander-in-Chief Pacific
CINCPACFLT	Commander-in-Chief Pacific Fleet
CNO	Chief of Naval Operations
COBRA	Costing Of Base Realignment (Computer model)
COMNAVAIRSYSCOM	Commander, Naval Air Systems Command
COMNAVSEASYSYSCOM	Commander, Naval Sea Systems Command
CSE	Common Support Equipment (multi-aircraft use)
DA	Department of the Army
DBOF	Defense Base Operations Fund
DLA	Defense Logistics Agency
DoD	Department of Defense
DoN	Department of the Navy
DRMO	Defense Reutilization and Marketing Office
EFP	Elevated Fixed Platform (Full-sized ship's landing zone)
EMALS	Electromagnetic Aircraft Launch System (non-steam catapult)
EOB	Expense Operating Budget (Logistic activities)

FAA	Federal Aviation Administration
GAO	General Accounting Office
GSE	Ground Support Equipment (for aircraft servicing)
HQ	Headquarters
JAST	Joint Advanced Strike Technology
JAX	Jacksonville, Florida
JCSG	Joint Cross-Service Group
LCDR	Lieutenant Commander (Pay Grade O-4)
LLLV	Low Loss Launch Valve (Critical component of catapults)
LZ	Landing Zone
MHM Associates	Managers Helping Managers (Philadelphia Consultants)
MILCON	Military Construction
MOA	Memorandum Of Agreement
NAEC Philadelphia	Naval Air Engineering Center (now NAES Lakehurst)
NAEC Lakehurst	Naval Air Engineering Center (now NAES Lakehurst)
NAES Lakehurst	Naval Air Engineering Station, Lakehurst
NAESU Philadelphia	Naval Air Engineering Support Unit, Philadelphia
NADEP	Naval Aviation Depot (Aviation repair facilities)
Navy IG	Navy Inspector General
NAS	Naval Air Station (also Naval Audit Service)
NASA	National Aeronautics and Space Administration
NATTC	Naval Air Technical Training Center
NAVAIRSYSCOM	Naval Air Systems Command
NAVSEASYSYSCOM	Naval Sea Systems Command
NAWC	Naval Air Warfare Center
NAWCAD	Naval Air Warfare Center Aircraft Division
NAWCADLKE	Naval Air Warfare Center Aircraft Division Lakehurst
NAWCHQ	Naval Air Warfare Center Headquarters
NCMA	Navy Civilian Managers Association
NETC	Naval Education and Training Command
NIS	Naval Investigative Service
NMCB-21	Naval Mobile Construction Battalion Twenty-One
O&M	Operations and Maintenance
PAX	Patuxent River, Maryland
PMA	Program Management Activity
PCS	Permanent Change of Station (Personnel moving costs)
POL	Petroleum, Oil and Lubricants
RDT&E	Research, Development, Test and Evaluation

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ROI	Return On Investment
SE	Support Equipment (for aircraft servicing)
SECDEF	Secretary of Defense
SECNAV	Secretary of the Navy
TIF	Test and Integration Facility
TPS	Test Program Set
UIC	Unit Identification Code
VTC	Video Teleconference Center

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Addendum

Testimony

Before the 1995 Base Realignment and Closure Commission

Aboard the Intrepid Sea, Air and Space Museum

New York City Harbor

May 5, 1995

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CHRISTOPHER H. SMITH
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COOPERATION IN EUROPE**
CHAIRMAN

Testimony of Rep. Chris Smith (R-NJ)
Base Realignment and Closure Commission Hearing
New York City, New York
May 5, 1995

Mr. Chairman and Members of the Commission,

Aircraft carriers and the planes that fly off of them remain our most useful, potent, flexible and cost effective means of projecting military power around the world. Navy Lakehurst with its over 3000 employees has proven to be indispensable -- the lynchpin -- to successful carrier aviation and the projection of U.S. military might.

As Chairman of both the International Operations and Human Rights Committee and the Commission on Security and Cooperation in Europe, I am acutely aware that, notwithstanding the demise of the Berlin Wall and the initial euphoria over the breakup of the Soviet Union, the world grows **more volatile, more uncertain and more dangerous** by the day.

Only the most naive observer could conclude that peace is at hand. Much of the world today is a cauldron of ethnic animosity, resurgent communism and religious extremism. Numerous post-Cold War democracies are at risk or in serious turmoil.

The genocide in Bosnia, the slaughter in Chechnya and Rwanda,

pervasive instability in the Middle East, Iran and Iraq's tenacious quest to procure weapons of mass destruction and delivery vehicles, and escalating threats posed by North Korea and the People's Republic of China, underscore the significant post-Cold War threats to U.S. security, regional stability and peace.

Since 1945, aircraft carriers, which today number 12 with 13 airwings, with a replacement price tag of \$82 billion, have been deployed to crisis spots more than 200 times.

It is my judgment that the probability is exceedingly high -- a near certainty -- that U.S. naval airpower will again be summoned to avert, mitigate or solve a crisis somewhere in the world. It's not a matter of if, but when and where.

The Pentagon's recommendation to radically realign the missions of Lakehurst Naval Air Warfare Center puts carrier aviation at risk, especially in the short term, and will cost two to three times more than the Pentagon suggests.

Navy Lakehurst is a unique, one-of-its-kind, world-class facility whose primary function is to ensure that aircraft safely launch and recover from the deck of a carrier or other platform and that support equipment assist in the service of planes, parts and ordnance at sea.

The long and distinguished record of Navy Lakehurst in technology development, engineering, developmental evaluation and verification, systems

integration, prototype, and manufacturing of Air Launch and Recovery Equipment (ALRE) and Support Equipment (SE) is nothing short of breathtaking.

The collocation of the means of development, manufacturing and testing of aircraft carrier catapult and arresting gear and support equipment works extremely well! Why break it up?

In almost every instance at sea, our planes launch as advertised. Our aircraft are recovered without incident. If a glitch is found in design of a flight critical item, who does the Fleet call? Navy Lakehurst. There, at Lakehurst, the requisite problem solvers are immediately available in close proximity to one another to design it, manufacture it, to fix it without delay -- whatever "it" turns out to be.

The DOD scenario says relocate the prototype manufacturing of ALRE to the Navy Depot in Jacksonville, Florida, and the SE to Patuxent River, Maryland. Artificially separating the testing and evaluation capabilities -- the big catapults and arresting gear -- from the prototype manufacturing function defies logic. It's unnatural. In a crisis situation, it could mean delays -- costly delays -- that put a mission in jeopardy.

Delays, whether measured in hours or days, during a crisis, could quickly put the lives of our pilots, crews and sailors at risk. Any delays are likely to mean a degradation of mission competence and safety. And I defy anyone to make the case that flight readiness and safety are improved or even

remain the same when design and manufacture of flight critical prototyped items are separated from the test and evaluation function.

Can tearing apart a textbook case of concurrent engineering that has proven itself, over and over, be justified to save some money?

I think not.

But, incredibly, the DOD scenario doesn't save money, it will actually cost taxpayers more for many decades.

With all due respect, the DOD alleged cost savings are bogus.

The actual cost of realignment is likely to be between two to three times higher than what the DOD said it would be. That's not a minor miscalculation but a gross error. If someone working for me on my Committee costed out a program or scenario so shoddily, I'd fire him for the good of the order.

Thankfully, GAO, too, has misgivings about the numbers and specifically asked you and your fellow Commissioners to "more thoroughly examine the basis for the cost exclusions associated with scenarios in the technical centers..." Lakehurst is singled out by name.

Simply put, the DOD recommendation estimates the one time cost of realignment at just under \$97 million.

The certified data from Admiral William Bowes, Commander of Naval

Air Systems Command, put the cost at \$162 million. The SAVE Lakehurst Committee data calculates the cost at \$218 million. And, a fourth set of figures released this week by the Lakehurst Naval Air Warfare Center puts the price tag to implement the scenario at between \$269 and \$289 million. If anything is clear, it's that the costs are spiralling upward, not in the direction of savings.

Thus, the return on investment isn't three years as DOD says but more like half a century.

What the Pentagon did to arrive at its phony \$97 million figure was to disallow huge documented costs of moving ALRE and SE multi-ton machines to Jacksonville and Patuxent respectively, disregard recurring costs of shipping prototyped items to Lakehurst for testing, and understate military construction costs at all the bases.

The Department of Defense said, for example, that the Naval Air Technical Training Center (NATTC) could move to Pensacola for a song and a dance -- \$199,000. That's ridiculous. MILCON alone to house the giant mock carrier simulator exceeds \$9 million. Moreover, the DOD figures show no costs associated with moving the enormous simulator to Florida.

Here's another example.

The Pentagon has told you nothing about the one time moving costs of ALRE machines to Jacksonville. They acknowledge a mere \$1.5 million for machine foundations and electric services. The Commander of Naval Air Systems Command Admiral William Bowes, on the other hand, has certified

that if the scenario is imposed, 123 ALRE machines will have to be sent packing to Jacksonville at a whopping cost of \$15.5 million. And that's assuming they have a place to put them and that some of the older one-of-a-kind machines don't break en route.

The pattern of unreliable cost estimates repeats itself over and over in the DOD data. Check it out!

I've visited each of the potential receiving stations. Unlike Lakehurst, the Naval Depot in Jacksonville has excess capacity -- lots of it. But not the type of capacity needed to absorb the special Lakehurst mission. That would require yet another costly MILCON.

Let me note that both of my older brothers are pilots -- Tom, as it happens, flew A-7 fighter bombers off the U.S.S. Enterprise in the 70s. He made numerous successful launches and recoveries. I didn't know it then, but the safety of my brother's life and hundreds like him was assured because of the competence and professionalism of the team at Navy Lakehurst.

The DOD recommendation should be reversed.

NAWC LAKEHURST SCENARIO COST ESTIMATES

<i>Data Source</i>	<i>One-Time Costs</i>	<i>Payback</i>
NAVY BSEC (DOD RECOMMENDATION)	\$97,000,000	3 Years (2002)
ADM. WILLIAM BOWES COMMANDER NAVAIRSYSCOM	\$162,300,000 +NADEP JAX MILCON +123 ALRE Machines Relocation +Additional Lakehurst MILCON	30 Years (2029)
SAVE LAKEHURST COMMITTEE	\$218,600,000 +Tenant Relocations +NAS Pensacola MILCON +55 Workyears SE Prototype +Additional NAS Patuxent MILCON	51 Years (2050)
NAWC LAKEHURST NAVY IMPLEMENTATION BUDGET CALL (4/10/95)	\$269,000,000- \$289,000,000 +Tenant Relocations +NAS Pensacola MILCON +Additional Lakehurst MILCON	51+ Years (2???)

Testimony

Before the 1995 Base Realignment and Closure Commission

Lakehurst, New Jersey

Commander Michael R. Hagy, USN (Ret.)

Good afternoon, ladies and gentlemen. As I listened to Congressman Smith and I watched the videotape, I once again felt the enormity of the Lakehurst decision. As a Naval Aviator, I am fully aware of the potential consequences of the Lakehurst recommendation.

Please understand that I do not stand before you as an individual representing my personal or professional views, or even those of the community. From the beginning it was clear that those of us here today represent thousands of Navy men and women, present and future, who will be affected by the decisions about Navy Lakehurst. They are the people who, if the Navy's recommendation is implemented, will make your decision work, no matter what the costs.

Of course the Navy would never knowingly accept the loss of a single aircraft due to failures in aircraft launch and recovery equipment. Yet these failures do occur. Today, due to aircraft launch and recovery equipment, we have lost four aircraft in more than two million launches. You saw the figures in the videotape. Four losses in two million represents a 99.999998% success rate.

If the Navy's recommendation is implemented, the *potential* for loss of aircraft and their aircrews will rise. If we persist in moving forward with a questionable decision, then we are knowingly accepting the consequences. I suggest that we know the potential for losses now. And we can prevent those losses.

For you see, if we choose to split up the unparalleled capabilities currently in place at Lakehurst, the quality of the support for carrier aviation will suffer. But not for long. The Navy cannot tolerate a reduction in capability to launch, recover and service combat aircraft at sea. If something does go wrong, it will be fixed-- no matter what it costs.

I would like you to meet the people of Navy Lakehurst. Hundreds of them are here today with us in this hearing room. They are the engineers, artisans and support people, military and civilian, who know only too well the importance of the work they do for Naval Aviation. They are the people who deliver the critical flight equipment that launches, recovers and supports aircraft at sea. They support the pilots, plane captains, aircrewmen, ordnance loaders, catapult and arresting gear operators, service crews and others who operate and support Naval aviation at sea. They are here today to represent the interests of these Navy people, and to be blunt-- their very lives.

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Today we have and will continue to offer you insight on the military value of the concurrent engineering operation that exists today at Lakehurst. In the Lakehurst case, the Navy itself has demonstrated that the base is unique. Throughout the summer and fall of 1994 and on into the winter of 1995, the Navy collected data to support a closure decision. Finally, reluctantly, they determined they could not close Lakehurst because they could not replicate the testing facility without investing hundreds of millions of dollars and incurring unacceptable lost productivity costs during transition.

We've been attempting to figure out why, after the Navy determined that Lakehurst was too valuable to close, that they doggedly pursued realignment. Here's a fascinating fact about Lakehurst. At a time when government is reengineering itself, collapsing operations and trying to improve efficiency and quality, Lakehurst is so progressive that the Navy didn't recognize the gold mine it has. From every angle we approached the Lakehurst recommendation, the plan to realign did not make sense at best, and presented a potential disaster at worst. The disaster can be averted. All we must do is understand the value--both in financial and in performance terms-- of something called "concurrent engineering."

Concurrent Engineering is a deceptively simple concept. The organization co-locates its engineers, prototype artisans, manufacturers and support personnel all in one place. The return on investment--both in financial and performance measurements--is impressive.

By integrating the team in one location, the life-cycle costs for products can be reduced by 30% over production models. You've seen that Lakehurst delivers at a 99.999998% success rate. Such a successful operation isn't built overnight. You may already know that Lakehurst won the Federal Quality Institute's 1993 President's Quality Award. The Presidential Award for Quality is the Federal Government's equivalent of the prestigious Malcolm Baldrige National Quality Award. Lakehurst has been a model of concurrent engineering for the past 20 years. The Navy proposes to tear it apart in a fraction of that time.

Let me now focus our discussion to the practical affects of concurrent engineering. Let's get down to real-world examples of what makes Lakehurst so important *as it exists today* to the aircraft carrier Fleet. Perhaps that will help in determining what Lakehurst should look like in the future. In that future, as defined by the Navy, the existing carrier fleet will remain a viable force through the year 2025.

I flew hundreds of missions as a Naval Flight Instructor. Instructors feel no single greater responsibility than the safety of his or her student. This low-tech, inoffensive-looking piece of metal is my first real-world story.

The large nut you see before you is a commercial-grade, cast-metal piece that a shipyard substituted for the higher grade component demanded by the experts at Lakehurst. The piece fits into the hydraulic lines of a Low Loss Launch Valve, a 12,000 pound critical control piece that

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channels the steam to launch an aircraft off the carrier deck. That substituted nut failed during the launch of a Navy T-2C trainer jet. The instructor lived. The pilot was killed.

I'll take you through the sequence of events that occurs when such a tragedy hits.

Today, as in the past, the first reaction to an aircraft loss from a carrier is to cease launching aircraft. The Commander's second action is to get all the planes still in the air safely down. The next step is simple. Call Navy Lakehurst and begin the process of conducting an Engineering Investigation into the mishap. A special team of investigators, known as the NAWC Lakehurst Carrier Field Service Unit, launches from Norfolk, Virginia and races to the carrier wherever she is located.

Meanwhile, normally within a matter of hours, a concurrent engineering "Tiger Team" of Lakehurst civilian and military professionals-- engineers, artisans, support personnel-- form to analyze the mishap. Their job is to quickly determine a solution that provides the Navy the ability to resume launching aircraft from its carriers.

In this case, two actions were necessary. The first was to inspect all the hydraulic line union nuts to ensure that no other substitutions had been made. The second was to reengineer the nut with a stronger, machined piece of steel. The Lakehurst team responded with lightening speed to redesign, prototype and test this new configuration. Within 48 hours, the new nut had been introduced into the Fleet supply system. Because the nut has a unique configuration, it has no commercially produced substitute. Few commercial companies possess the capability to respond so quickly or effectively.

In 1991, Lakehurst's ability to respond prevented a crisis in the hours before Desert Storm. This little piece of metal nearly brought naval aviation's role in the deserts of Kuwait and Iraq to a standstill. The cast metal fitting you see is for the pilot's gas mask. The problem was, the cast metal fitting was found to be defective. All 540 naval pilots were at high risk and could not go into combat in a biological warfare environment.

No commercial company could produce these fittings in time for our Navy to safely fly in a potentially hostile chemical or biological environment. The Navy turned to the experts at Lakehurst. An emergency "Tiger Team" was formed to try and develop a "work-around" for this critical flight component. They succeeded. In nine days, 540 new gas mask components were delivered and installed in our Navy's aircraft.

An interesting side-bar to this story is that the Lakehurst experts saved the government \$125,000. Most importantly, however, this concurrent engineering capability provided a safe breathing environment for our combat pilots. Looking back, we know the contributions played by Naval Aviators in the early stages of the war. We now know that Lakehurst's concurrent engineering played a key role in their safe deployment.

May 5, 1995

My last story is more personal. I want to tell you about my closest and best friend still serving in our Navy today. Ted is the epitome of an F-14 pilot. Confident, capable and somewhat cocky, his life nearly ended for the sake of a defective weld on this piece of equipment.

I've heard Ted tell his story many times. How his aircraft seemed to jerk to a stop as the tailhook caught the arresting wire. How his aircraft did not completely come to rest, but rolled off the side of the aircraft carrier. How his ejection sequence pulled him out of the cockpit of a perfectly operational F-14 Tomcat, worth an estimated \$50 million dollars, and saved his life.

You already know what the Navy did next. Stop launching aircraft, get those still in the air safely down somewhere, anywhere. Inspect the failed component on all carriers throughout the Fleet. And of course, call Navy Lakehurst.

Within hours the full impact of the Engineering Investigation were apparent to the Navy. This torque release coupling device, manufactured by a private company, failed at this weld point. Further investigation revealed these couplings were installed on all aircraft carrier arresting engines and throughout the Navy's supply system. Our Navy's ability to recover aircraft was now at extreme risk, because the weld was judged to be discrepant and subject to unpredictable failure.

Literally working around the clock, the Lakehurst concurrent engineering team reworked every torque release coupling in the Fleet and throughout its supply system. To prevent a recurrence of this mishap, the Lakehurst team then designed, prototyped and tested this replacement coupling. Manufactured from a single piece of sturdy metal, it is an incredible demonstration of the term "flight critical" support.

These pieces of metal are not high-tech. It doesn't take a rocket scientist to see they are literally the nuts and bolts that any commercial activity could produce-- if they were free to operate on a 24-hour basis, without requests for proposals, bid rooms and contracts. And of course, if they possessed the incredible synergy of the aircraft platform interface experts co-located today at Navy Lakehurst.

We've talked about the value of Lakehurst's contribution to life, property and national security. Now let's talk about the Navy's financial analysis on Lakehurst. We know that you, the members of the 1995 Commission, must determine opportunities for real savings. Let us assure you they will not be found in the Lakehurst recommendation. Your Staff has been provided three sets of financial analysis.

The numbers outlined in the next five tables are dramatic. First we listed the Navy's estimated costs that were provided to the Secretary of Defense. Second on the list are the Navy's certified numbers from the Commander, Naval Air Systems Command to the Navy's Base Structure Evaluation Committee. Finally, we've listed our own estimates, which include many costs that, on the way up the chain, were "zeroized", or deleted altogether.

Here are those numbers. They are summarized in this report in Section 5.

PROJECTED ONE-TIME SCENARIO COSTS

Total One-Time Cost Incurred by U.S. Government

Navy's Base Structure Evaluation Committee Data:	\$ 96,943,000
Commander, Naval Air Systems Command Certified Data:	\$ 162,274,000
Save Lakehurst Base Committee Data:	\$ 218,613,750

PROJECTED RECURRING SCENARIO COSTS

Annual Recurring Costs to U.S. Government Beginning 1999

Navy's Base Structure Evaluation Committee Data:	\$ 4,622,000
Commander, Naval Air Systems Command Certified Data:	\$ 12,630,000
Save Lakehurst Base Committee Data:	\$ 30,394,000

PROJECTED RECURRING SCENARIO SAVINGS

Annual Recurring Savings to U.S. Government Beginning 1999

Navy's Base Structure Evaluation Committee Data	\$ 37,200,000
Commander, Naval Air Systems Command Certified Data	\$ 11,610,000
Save Lakehurst Base Committee Data:	\$ 8,000,000

PROJECTED NET PRESENT VALUE

Net Present Value in 20 Years

Navy's Base Structure Evaluation Committee Data	(-) \$ 358,000,000
Commander, Naval Air Systems Command Certified Data	\$ 58,735
Save Lakehurst Base Committee Data:	\$ 104,359

PROJECTED RETURN ON INVESTMENT FOR SCENARIO

Return On Investment for U.S. Government

Navy's Base Structure Evaluation Committee Data	2002 (3 Years)
Commander, Naval Air Systems Command Certified Data	2029 (30 Years)
Save Lakehurst Base Committee Data:	2050 (51 Years)

We hope you are now asking the most important question about the Navy's recommendation for Lakehurst: *WHY?* Like any other impartial person who has heard our case, we hope you will want these questions answered before final decisions are made about Lakehurst:

- Why would the Navy recommend realigning a one-of-a-kind facility with such unparalleled military value?
- Why would the Secretary of Defense, with a clear mandate to centralize and downsize, support an action that clearly decentralizes and escalates costs?
- And why would you, the impartial members of this Commission, not overrule the Secretary of Defense and remove Lakehurst from this recommend closure action?

In the past 25 years, I've flown many, many missions for the United States Navy. My adult years have been dedicated to serving our Navy and our country. Now, as a private citizen, this is my final mission for Naval Aviation.

In all the hours, in all the weeks, in all the months I've spent analyzing the Lakehurst recommendation, I stand before you and say without equivocation: This does not make sense. Implement this recommendation and Navy people will become casualties. Our multi-billion dollar investments will suffer. The American public will pay outrageous tax dollars to fix a system that now delivers an unprecedented level of quality. You can avert these consequences. I urge you, with all the honesty of a Naval Aviator and an American citizen, take Lakehurst off the list. Let this facility continue to meet the demands of naval aviation in the years to come.

Thank you for giving our community this opportunity. If there are any questions, we would like to take this opportunity answer them.

Document Separator

BRAC '95 Situation

- ★ NAWC/AD Lakehurst's Manufacturing and Prototype (P&M) Department is Slated to be Reduced and Moved to NADEP Jacksonville, Leaving Engineering and Testing at Lakehurst
- ★ Move Slated Only for ALRE P&M -- They Forgot P&M of Support Equipment

BRAC '95 Rationale

- ★ Reduce Cost of Excessive Overhead --
Hence Save Money
- ★ NADEP Jacksonville Repairs Engines --
They can Support the ALRE P&M Work

BRAC '95 Background

- ★ The Navy Examined and Rejected the "Shut Down Lakehurst and Do the Work at a More Affordable Location" Concept -- TOO COSTLY
- ★ They Did NOT Examine Any Alternative Methods to Reduce Cost of Manufacturing

Problems

- ★ **The Best Manufacturing Principles Will be Violated if this Proposed Action is Approved:
Concurrent Engineering, Total Quality Management, Co-Location, and Integrated Process Teams**
- ★ **The Overarching Issue of Excessive Overhead is not Addressed by the Government's BRAC Proposal**

Solution

- ★ **Partnering With Academia, ORCMT (Y-12), and Industry Will:**
 - 1. Provide Training and Enhanced Efficiency of the Artisans**
 - 2. Solve the Most Difficult Manufacturing Problems**
 - 3. Provides Outside Work to Drastically Reduce the Overcapacity and Offer Variety and Challenging Work to the Artisans**
 - 4. Support Concurrent Engineering and Integrated Product Process Team Principles**

Partnering

- ★ Reduces Risk (Brings More Extended Family Skill/Talent to Solve Problems)
- ★ Reduces Costs (Distributes Overhead)
- ★ Provides Flexible Base for Future Uncertainties
- ★ Produces a Win-Win-Win Situation (Navy - Y-12 - Industry)

Atcn 1

Defense Manufacturing Council (DMC)
Priorities and Integrated Approach
to
OSD/Service Oversight

March 7, 1995

R. Noel Longuemare
PAUSY/AT

Outline

- DMC objectives
- Top level strategy
- DMC Offsite and follow-up
- What we can do - - now
- Expectations from this conference

Atcn

- 1 - THIS LONGUEMARE BELIEF
- 2 - SECDEF PEARL MESSAGE
- 3 - DMC ACTIONS SUMMARY
- 4 - IMPLEMENTING SPECS/STDS REFORM
- 5 - AUTOMATIC ACP INFO PPT
- 6 - JDAAM: EXPERIMENT IN REFORM
- 7 - LEAN AIRCRAFT INITIATIVE
- 8 - RAND: NEW MGMT PARADIGM

Defense Manufacturing Objectives

Scope:

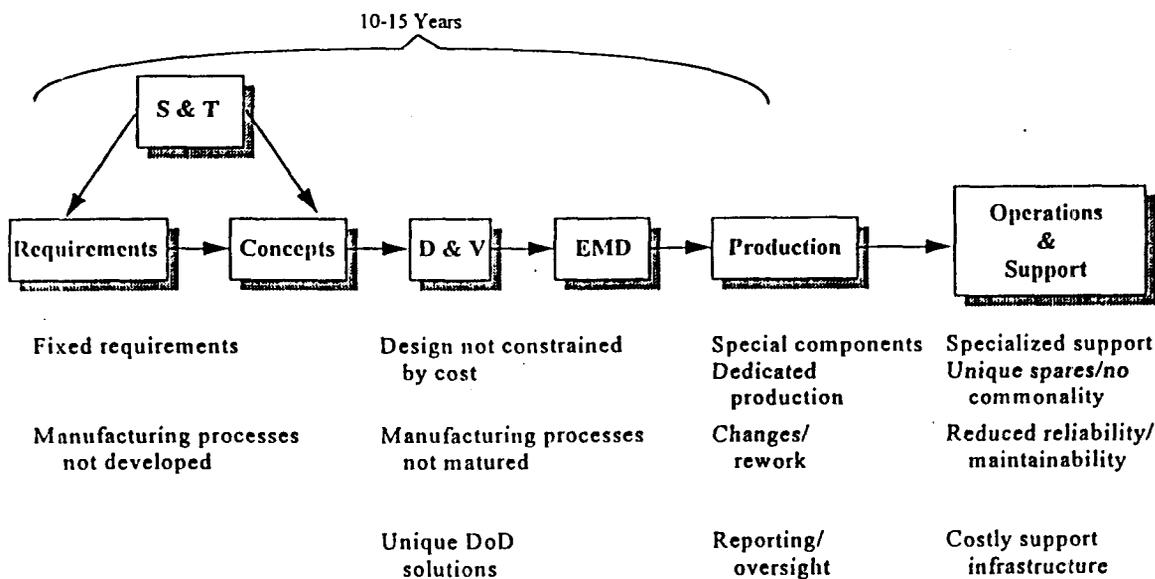
- **Big "M" manufacturing...** includes all the technical and business processes involved in **developing, producing,** and **supporting** a weapon system

Objectives:

- **Encourage modern manufacturing processes, methods, and systems** to obtain **cost reduction** and **shorter cycle times** for **emerging** and **ongoing** programs
- **Accelerate acquisition reform** needed to enable the revised manufacturing approaches
- **Assure a continued technological edge**
- **Establish a self-sustaining mechanism for change**

Classic

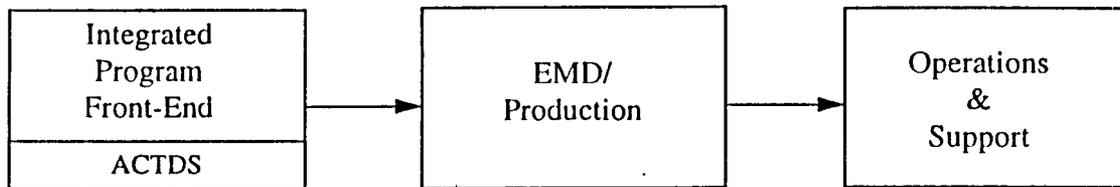
~~Current~~ Serial DoD Processes Are Slow and Costly



Cost Driver Targets for Modern Manufacturing

Objective New Process

Cost Driven, Tailored Review & Oversight, Modern Manufacturing



- Cost driven
- Tradeable requirements
- Demonstrated Manufacturing Processes
- Commercial processes
- Integrated team
- S&T focus on processes and cost

- Cost/performance trades
- Design for 6 σ quality
- Shared production facilities
- Reduced reporting and oversight
- Commercial processes
- Continued cost reduction incentives

- Self contained diagnostics
- Electronic Support Systems - CALS/EDI
- Common facilities
- Commercial support
- Spares at production prices
- Total asset visibility

5

Emerging Strategy/Recommendations

- **IPPD focus on cost reduction**
 - Combine business and engineering manufacturing strategies
 - Must have OSD and Service champions
 - Need more focus on front-end -- requirements and planning
- **“Pilots” as change agents**
 - Every program is a potential “pilot”
 - Self-sustaining mechanism for innovation and proliferation
- **PEOs/PMs as key implementers**
 - Need sharing process/lessons learned, benchmarks
 - Proliferate through Materiel Commands
 - Support and education
 - Implement on every program

6

DMC Offsite

18-19 November 94

- **Extensive representation of the OSD & Service acquisition leadership**
- **Four primary topics:** (reference conference read-aheads)
 - **Process maturation/benchmarking**
 - **Pilots as an agent of change**
 - **Cost as an independent variable**
 - **Cost-related incentives**

Offsite Summary: Some Paradigm Shifts

- A **Shift from Regulation/Enforcement to Incentives** - should be applied across the board
- A Shift from **Product Focus** to Greater Emphasis on **Front-End Manufacturing Technology, Manufacturability and Supportability**
- A shift from **Performance Focus** to a **Balanced Approach** achieved through trades using “**cost of performance**” as a primary decision parameter
- A rapid **Shift from the Classic Acquisition Approach** to tailored, innovative, streamlined programs using “**Pilot-like**” mechanism as agents of change
- A shift from **Pentagon decisions made in Organizational Isolation** to integrated team action thru an **Institutionalized IPT** approach

Proposed Integrated Approach to Oversight

Desired Change in HQs Staff Role

- Objective:** Significant cost and cycle time reduction through innovation and enabling policies
- Current perception:** HQ implements functional oversight responsibility w/o responsibility for end-product
- Desired role:** Enable process improvement incorporating innovation and shared responsibility
- Elements of solution:** New Roles:
- “Integrated Team” to identify early issues and tradeoffs
 - Focus on process improvement, not process “defense”
 - Focus on tradeoffs to meet cost targets

Potential Changes to DAB Oversight

- **Delete many milestone review documents** while maintaining Information needed for oversight
- **Tailor** remaining documents
- Use of **COEA** to support analysis of **cost as an independent variable**
- Use **IPTs** to help **plan** for reviews, **identify** and **resolve issues early**
- Take a **fresh look** at existing review requirements --- update to conform with above

The SBIRS Streamlining Story

	<u>Usual</u>	<u>New</u>
•Review Process	360 Days	60 Days
•Documentation	More than 1000 pages -- Multiple Documents	36 pages -- Single Acquisition and Management Plan
•RFP	MILSPEC	Performance Based

We Plan to Adapt and Use This From Now On

New Cost Challenge

How to Factor in Process Improvements?

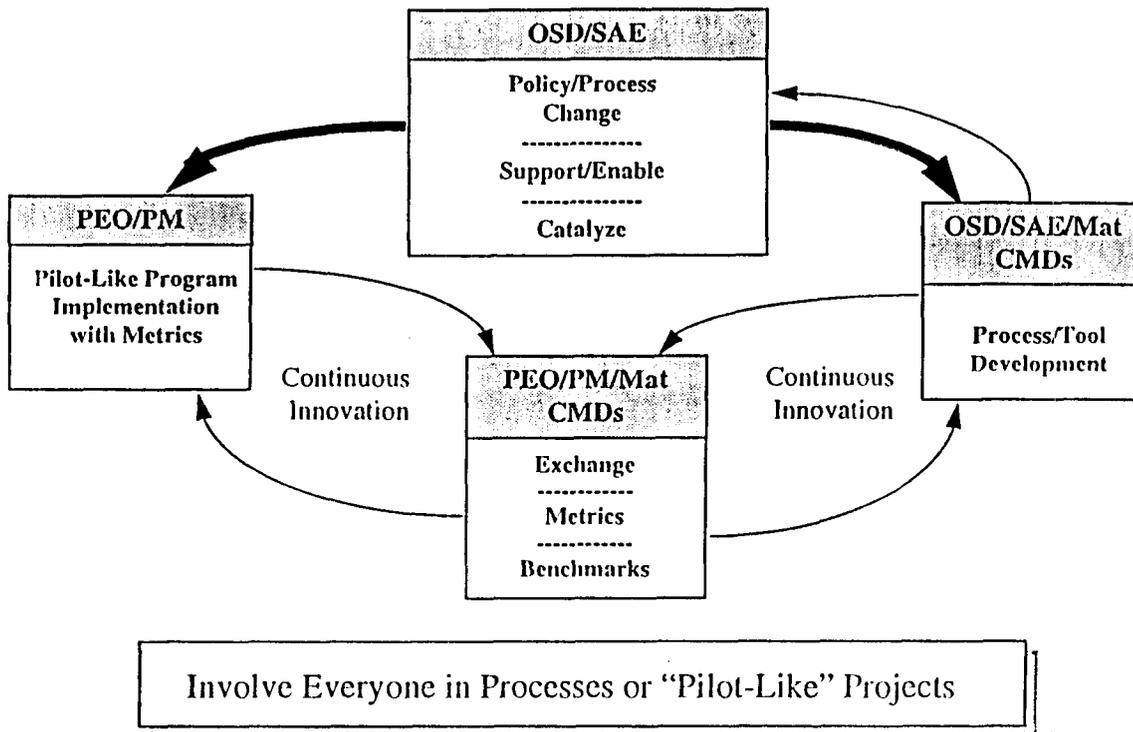
Cost Reduction Targets	Focus to Reduce Cost	% Total Cost Potentially Affected
• Inherent cost of design	Requirements, design simplification	30%
• MilSpec parts and processes	Commercial parts and processes	20%
• Over capacity/quantity changes	More Realistic, Stable, Lower Rates	20%
• Rework/late changes	Process maturity Early design iterations (IPPD)	20%
• Eliminate unique DoD business requirements	Commercial reporting, accounting	10%

Potential Acquisition Cost Reductions

Source	Focus	Potential Reductions on "Systems"
• Cost/Requirements tradeoffs to get best value	Continued tradeoffs through EMD, "cost as an independent variable"	30-50%
• Modern manufacturing methods	IPPD engineering, flexible manufacturing, 6σ quality	20-30%
• Reduce DoD-unique business requirements and oversight	Oversight, reporting	15-30%
• Commercial processes and products	Parts, components, some end-items	10-20%

Cost Reductions of Over 50% Are Within Our Reach

Self Sustaining Process for Change



16

Some "Pilot-Like" Changes to Ongoing Weapon System Programs

- Use cost as the driving priority
- Apply IPPD in modifications and P3I
- Convert to commercial parts and processes
- Reduce oversight, reporting, unique requirements
- Reduce sustaining engineering
- Increase reliability
- Use "near paperless contracting" (e.g., JAST)
- Apply Contractor and Government integrated databases (CITIS)
- Etc.

Need Streamlined Contract Vehicles and Incentives,
e.g., New Form of VECP

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What We Can Do - - NOW!

- **Set aggressive cost goals** (30 - 50% below previous);
 - Institute Trade-off Process
- **Implement IPPD** for cost reduction
 - Integrated OSD/Service team
 - Government/Contractor team --- process emphasis
- **Ensure process maturity** prior to EMD
- **Apply incentives**
- **Use on ALL programs** --- New, Upgrades, Retrofit

*We can do most of what needs to be done NOW
through PEO/PM Innovation, Waivers, and SAE backing*

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Role of PEOs/PMs & SYSCOM Managers

PEOs

- **Sponsor innovation, streamlining and risk taking** (for cost reduction)
- **Exchange experiences** rapidly -- within and outside sector
- **Advocate and support process change on All Programs**
- **Get your SAE backing**

PMs

- **Innovate and take risks** (for streamlining & cost reduction)
- **Institute and support process change**
- **Master the new industrial processes** (e.g., IPPD)

*We need to Institutionalize This
on ALL of Your Programs*

19

Expectations From This Conference

- To **get buy-in** on DMC objectives and strategy at the PEO/SYSCOM leadership level
- To **find out** what **impediments** are **hindering** you in executing these objectives
- To **“jump start”** a **self-sustaining process** for change via this conference

ATTN 2

DMC CONFERENCE (Summary of Notes Taken)
Dr. Perry's Message

Down sizing of operational military near completion.

Acquisition of new temporarily being sacrificed for readiness... acquisition account will go up in '97

Worried about balanced budget amendment mentality... Defense is at least half of all Federal discretionary spending... where else can they take the funding?

* Downsizing and base closing savings are programmed.....must make acquisition reform and IPDT work!

DMC CONFERENCE RECOMMENDATIONS

* SUPPORT RISK MANAGERS - RATHER THAN HARASS AND WOUND THEM

"OSD is risk avoidance personified, don't expect them to make any decisions.....keep all the decisions at the service level"

Funding for innovation, up-front efforts is the first to go in any budget drill.

Type of efforts and culture change discussed at this conference will take years

In declining defense market, DoD cannot expect industry to fund all changes

"No matter what you do or don't do in DEM/VAL.....budget decisions are made in isolation

Comptroller and PA&E types have to be brought on board and give these reform efforts priority along with other bills

Make financial types part of the IPTs ? (yes we must vs. no....they can't change their spots

Eliminate mindless dollar thresholds - empower your PMs

Make sure there is a real reason for any OSD level decision rather than preparing to spend money

DMC CONFERENCE RECOMMENDATIONS

Difficulties Implementing IPDTs

DoD hierarchical structure rewards individuals....not teams

Dedicated, in the PO types are rewarded and trusted over matrix support specialists

Personnel, at all levels, do not stay in POs long enough to see IPDT strategies through

Lack of Metrics.....Lack of training in IPDT

Industry attitude "this too will pass"

But industry is being forced into IPDTs to survive downsizing, and to keep viable suppliers

Must convince *oversight types who use check lists* that they have not been doing this for years

Deploy oversight personnel to field, make this type of support part of their evaluation

DMC initiatives such as "Focused Pilots" and "Cost as an independent variable" need to be explained

DMC CONFERENCE RECOMMENDATIONS

INSIGHT VS. OVERSIGHT

DAB must become part of Integrated Product Development Teams

Issues must be worked leading up to a DAB...not as part of the DAB

Must get away from arbitrary personal or functional requirements that collectively unbalance a PMs program

OSD, DAB and other oversight functions must become facilitators... experienced people who bring knowledge and methods to the PM *to help him work his problems*

All of the above applies to Service staffs and independent functional organizations

Assistance can be provided without compromising independent assessment role (in fact, real insight enhances it)

Functionals must understanding PM's efforts to balance program

DMC CONFERENCE RECOMMENDATIONS
Should we have another Conference

Involve more Program Managers

Cross talk between PMs and PMs in different services& sectors beneficial by itself

Involve PMs who need/have the opportunity to employ IPDT approach

Have meeting every 6 months

Involve more DAB principals and financial types.....get their real time reaction to ideas

Bring in industry!

Defense and non-defense

ATCH 3

I-# = Incentives; C-# = Cost; P-# = Process Maturation; A-# = Pilots

* - To be addressed at PEO/SYSCOM Conference

NO.	Action	Description	OPR	OCR	Dates	Status
I-1	Request PEO/PM input for inventory of incentive practices	Prepare a USD(A&T) or PDUSD(A&T) request to PEO community, through the SAEs, to share their experiences.	OASD(ES)IA John Goodman (x70051)	DP, SAEs, DLA/DCMC	15-Dec-94	Completed
I-2	Establish "Incentives Practices" as agenda item at PEO Conference	Establish "Incentives Practices" as a discussion item at the March PEO conference and consider a recurring event at both PEO and PM conferences to "showcase" incentives that reduce cost.	OASD(ES)IA John Goodman (x70051)	PDUSD(A&T), DMC,DSMC	31-Dec-94	Completed
I-3	Compile and communicate contract incentives inventory	Compile inventory and communicate it via existing PM tools such as Air Force AFAM and Navy JAM utilities; update periodically.	OASD(ES)IA John Goodman (x70051)	DP, SAEs, AFAMP, JAM PM, Army	30-Jun-95	.
I-4	Develop list of impediments (Incorporate into I-1)	Request the PEOs/PMs, through the SAEs, to submit candidates for the "Top Ten" list of bureaucratic impediments.	OASD(ES)IA John Goodman (x70051)	Same as I-1	15-Dec-94	Completed
I-5	USD(A&T) discussion w/Comptroller	USD(A&T) discussion with Comptroller re viability of keeping part of cost reductions in the program for risk incentives	OASD(ES)IA John Goodman (x70051)	USD(A&T), DP, API, Army	Ongoing	ES Talking Paper Completed
I-6	Catalog and communicate management incentives	Catalog and communicate management incentives and awards available to SAEs, PEOs, and Acquisition Commanders to motivate acquisition workforce. Incorporated into I-1 and I-3.	OASD(ES)IA John Goodman (x70051)	DP, P&R, SAEs, DCMC	Request: Dec-94 Communicate 30-Jun-95	Request Completed
I-7	Prepare "Bill of Rights"	Prepare PMs "Bill of Rights" for USD(A&T) signature. Obtain clarification from USD(A)/PDUSD(A&T) and suggestions for incorporation into "Bill of Rights" from PM community	Dir, API Irv Hlickstein (x50218)	USD(A&T), PDUSD(A&T) SAEs, PEOs, DSMC	28-Feb-95	Draft to PM's signed out 1/11/95

NO	Action	Description	OPR	OCR	Dates	Statu
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C-1	Develop integrated team approach to mission needs, cost goals . . .	Potential main focus of IPT implementation & cost/performance trade study team(to include JCS, PA&E, Comptroller)	S&TS - Mutz (x50525)	API, TSE&E, JROC, PA&E	30-Jun-95	Cost/ Performance Tiger Team
C-2	Set initial cost goals/targets on all new programs/mods	Include some ATDs and ACTDs, concept phase, D/V, and mods. Initial feedback in 4 months.	Navy SAE Dan Porter (602-2852)	SAE IPT	30-Apr-95	.
C-3	Develop needed models for selected programs:	Start with JAST and selected others. Action Plan in 3 months.	JAST Program Office	OSD, CAIG, SAE IPT	30-Mar-95	Ongoing
		Mission effectiveness	Navy SAE Dan Porter (602-2852)	OSD, CAIG, SAE IPT	30-Mar-95	IDA/CAIG Actions Underway
		Early cost goals setting	Navy SAE Dan Porter (602-2852)	OSD- CAIG, SAE IPT	30-Mar-95	IDA/CAIG Actions Underway
		System cost/performance trades	Navy SAE Dan Porter (602-2852)	OSD, CAIG, SAE IPT	30-Mar-95	Cost/ Performance Tiger Team
		Manufacturing	Navy SAE Dan Porter (602-2852)	OSD, CAIG, SAE IPT	30-Mar-95	IDA/CAIG Actions Underway
C-4	Link indirect costs to Gov. policies/process	Estimate effect of acquisition reform and commercial practices	CAIG	SAE IPT	30-Mar-95	.
C-5	Learn how to contract programs with flexibility to execute trades	Include ACTDs and ATDs, concept phases, D/V, mods. Initial feedback in 6 months	Navy SAE Dan Porter (602-2852)	DUUSD(AT)	30-Jun-95	.
C-6	Start the process of changing "values"	Develop a program of policy statements, industry dialogue, road shows, PEO meetings	PDUSD(AT)	All	28-Feb-95	.
C-7	Make unit cost/LCC objectives a major topic of each DAB meeting	Letter(s) from USD(A) and SAEs followed by immediate action. Institutionalize through PAT on "Systems Acquisition Oversight and Review"	USD(A&T), SAEs	S&TS Mutz - (x50525)	31-Jan-95	.

NO	Action	Description	OPR	OCR	Dates	Stat
P-1	Endorse use of IPTs	DoD should endorse the use of IPTs for all programs and extend their use to the OSD and Service staffs	DUSD(AR) D,API	SAEs SAI/AQ Mr. Mattice	TBD	IPPD/IPT Memo
P-2	Use process metrics	Use process metrics to measure and improve program and process performance	AF PEO/IA - BGen Childress (x79400)	Other Services' Aviation PEOs - MGen Irby(?) Tom Eden- NAVAIR	24-Feb-95	*
P-3	Make training an acquisition workforce priority	Training in the effective operation of IPTs, training in achieving process maturity, continual upgrading of professional skills, etc.	D, AETCD - Dr. McMichael (x78080)	President, DAU - Mr. Crean (845-6733)	TBD	Ongoing
P-4	Expand use of benchmarking processes - (Incorporate into P-2)	Expand use of benchmarking processes including the expansion of LAI and other "lean" activities	AF PEO/IA - BGen Childress	Other Services' Aviation PEOs - MGen Irby(?) Tom Eden- NAVAIR	24-Feb-95	*
P-5	Incentivize contractors	Incentivize contractors to mature their manufacturing processes. Review the canceled "Industrial Modernization Improvement Program" to identify and apply those parts of the program that were beneficial. (Part of I-1, I-2, I-3, I-4)	OASD(ES)/IA John Goodman (x70051)	Same as I-3	Same as I-3	Stand alone IMIP not required
P-6	Develop best methods approach for affordability and manufacturing process maturity	Develop an approach to enable program managers to incorporate the best methods for achieving affordability and manufacturing process maturity in RFPs	PDUSD(A&T) Mutz-(x50525)	SAEs SAI/AQ - Mr. Mattice	31-Mar-95	*
P-7	Screen 6.3 Technology Programs	Screen 6.3 Technology Programs to determine which should be funded to make manufacturing affordability an explicit objective	Reliance Chairman - ADM Pelaez (x64767)	SAI/AQ - Mr. Mattice, SARD-ZT - Mr. Singley, WI/MT - Dr. Kessler	31-Mar-95	Ongoing

NO	Action	Description	OPR	OCR	Dates	Stat
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A-1	USD(A&T) letter	USD(A&T) publish, by letter to the entire acquisition community, his emphasis on trying ideas to improve our practices and then passing on the lessons learned.	USD(A&T)	PDUSD(A&T)	1-Dec-94	Completed
A-2	Establish metrics	Establish metrics for monitoring the implementation of changes. To be done in consonance with the metrics working group established to devise metrics for formally approved Pilot Programs.	DUSD(AR)	Dr. Ken Oscar (274-9560)	TBD Program Specific Event Based	*
A-3	Articles in Program Manager Magazine, Service Newsletters, and Acquisition Bulletins	Publish in PM magazine, Service newsletters, and Acquisition bulletins outlining the intent of our efforts to promulgate the results of "pilot" efforts in acquisition improvement throughout the Acquisition Community	PDUSD(A&T)	SAEs	31-Jan-95	PM Article Imminent
A-4	Lessons Learned Data Base	Establish lessons learned data base, providing an abstract of initiative, the circumstances of the program, successes, and POC for additional information. Take advantage of ongoing efforts within DUSD(AR)	DUSD(AR)	SAEs	31 Mar-95	*
A-5	PEO symposia	Hold regular PEO symposia - PEO/MATCOM/SYSCOM Cdrs to kick off the program of using Pilots as change agents	PDUSD(A&T) Mutz-(x50525)	DMC (with IDA support), DSMC	Next: Mar-95 then Semiannually	*
A-6	Tailor Programs & Philosophy	Start tailoring programs in accordance with the philosophy established in USD(A&T)'s letter, the vision to be announced at the first PEO symposium and good acquisition practice.	Army SAE, Col Geis (x56153) AF - 7 Navy - 7	Acquisition Community	Immediately	Ongoing - Review one Service per DMC Meeting
A-7	SAE Roadshows	Start SAE planned "roadshows," incorporating the actions generated under this initiative as one of the topics	SAEs		IAW SAE schedules	Ongoing

NO	Action	Description	OPR	OCR	Dates	Status
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A-8	Training, Education, and Communication Strategic Plan	Develop strategic plan to integrate acquisition community-wide training, education and communication	DUSD(AR)	SAEs	15-Feb-95	*
A-9	Semi-annual PM symposia	Hold semi-annual PM symposia; full day information exchanges in which PMs present their acquisition streamlining/improvement/reform initiatives and results	USD(A&T) Mutz-(x50525)	PEOs/PMs	31-May-95	*
A-10	Begin formal feedback process	Start a formal feedback process of reporting the implementation of changes into programs	Army SAE, Col Geis (x56153) AF - ? Navy - ?	PEOs/PMs	30 Jun-95	Ongoing - Review one Service per DMC Meeting



Atch 4

IMPLEMENTING SPECS AND STANDARDS REFORM

MAJOR TASKINGS

- Establish Performance-Oriented Solicitation Process NLT Dec 1994
- Implement Document Improvement Process
 - "Fix" 62 mgt and mfg standards NLT June 1996
 - "Fix" all specs and stds ASAP
- Create Irreversible Cultural Change

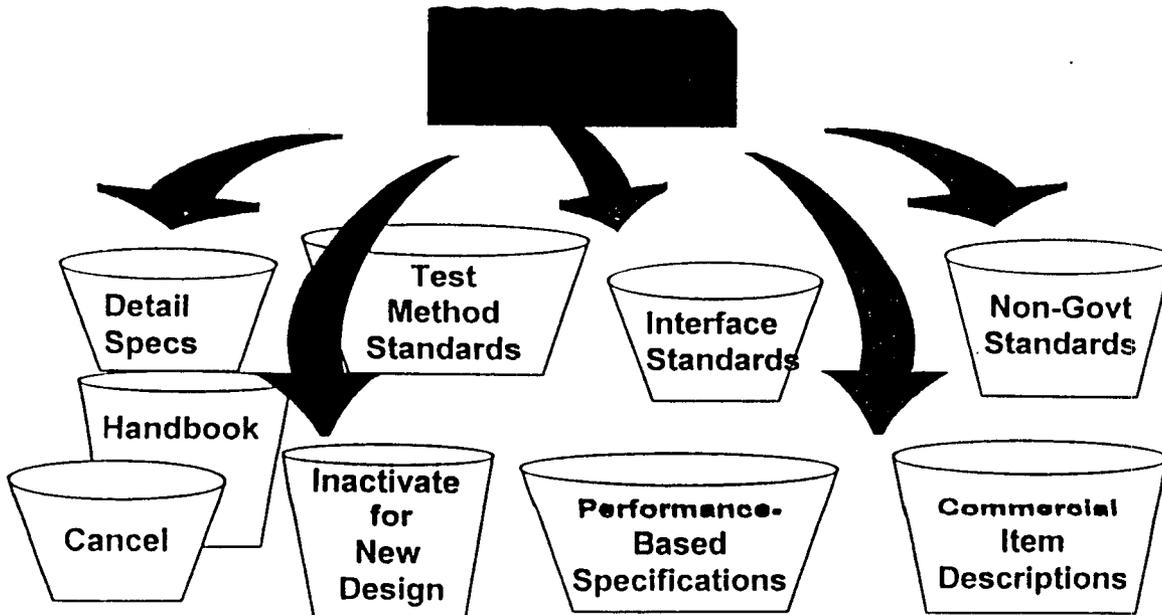
SOLICITATION PROCESS

		DSIC	Svc/Agcy HQTRS	Buying Commands	Preparing Activities
RFP Process	Performance RFP Guidance		X		
	Develop & Review Performance RFPs		X	X	
Waiver Process	Develop Common Waiver Process	X			
	Assign Waiver Responsibility		X		
	Request/Grant Waivers		X	X	

DOCUMENT IMPROVEMENT PROCESS

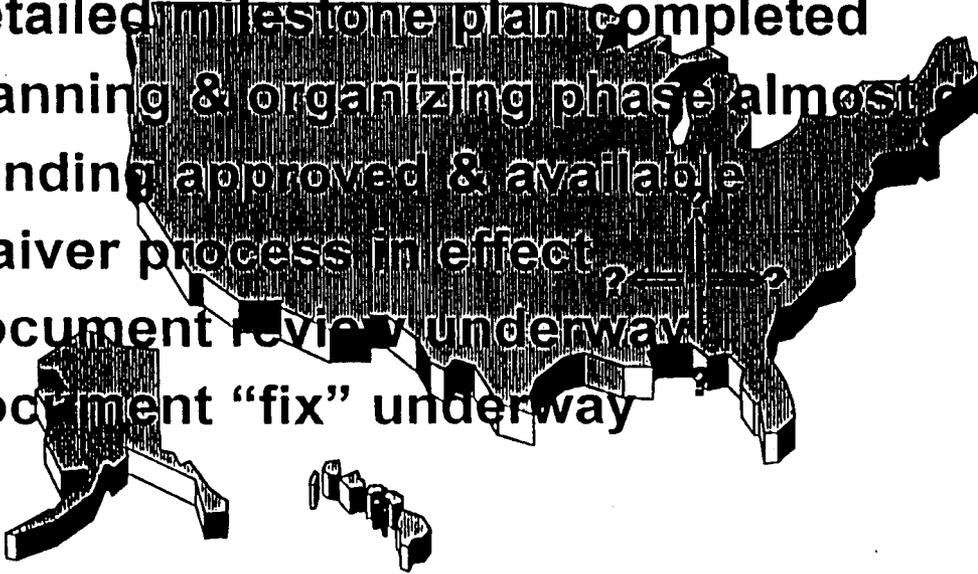
		DSIC	Svc/Agcy HQTRS	Buying Commands	Preparing Activities
Planning	Establish Priorities & Schedule	X			
	Establish Decision Criteria	X			
	Establish Common Review Technique	X	X		
Execution	Review Documents				X
	Prioritize Document "Fix"	X	X	X	
	"Fix" Documents				X

Long Term Program



Where Are We Now?

- Detailed milestone plan completed
- Planning & organizing phase almost done
- Funding approved & available
- Waiver process in effect
- Document review underway
- Document "fix" underway



**AUTOMATED ACQUISITION INFORMATION (AAI)
PROCESS ACTION TEAM (PAT)**

ATTCH
5

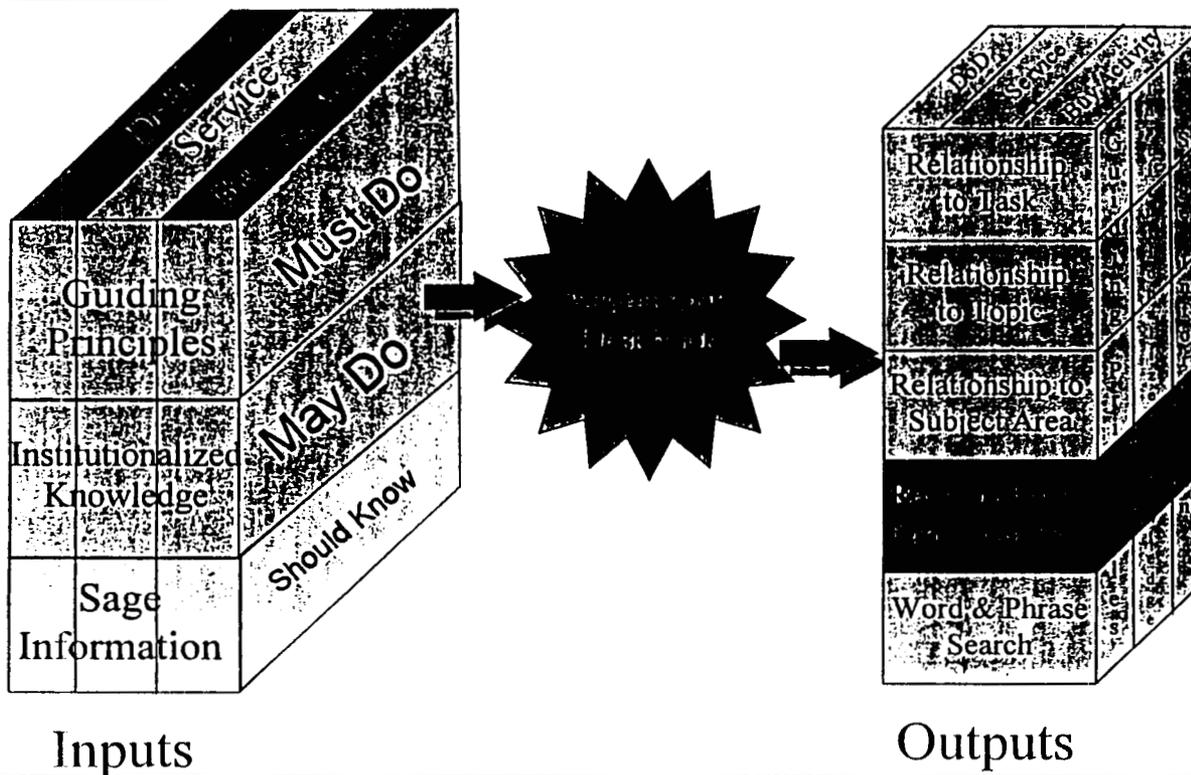
**BRIEF FOR
PEO/SYSCOM COMMANDER
TRANSITIONAL CONFERENCE**

7 MARCH 1995

**AUTOMATED ACQUISITION INFORMATION
(AAI) GOALS**

1. AAI processes will provide timely and effective sharing and flow of information.
2. A streamlined automated tracking, monitoring and reporting information process exists that is integrated with program management planning and execution tools.
3. A "library" (e.g., inventory, index, catalog) of acquisition tools and information will be accessible to all.
4. Training and support on AAI systems will be fully institutionalized.

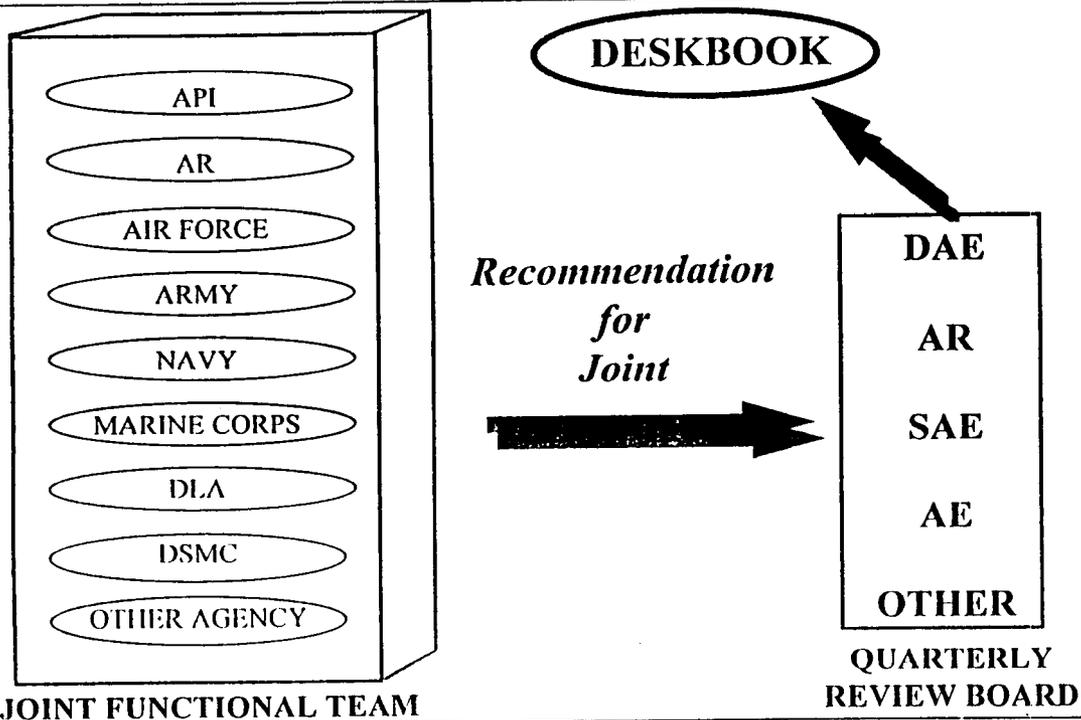
ACQUISITION DESKBOOK INPUTS & OUTPUTS



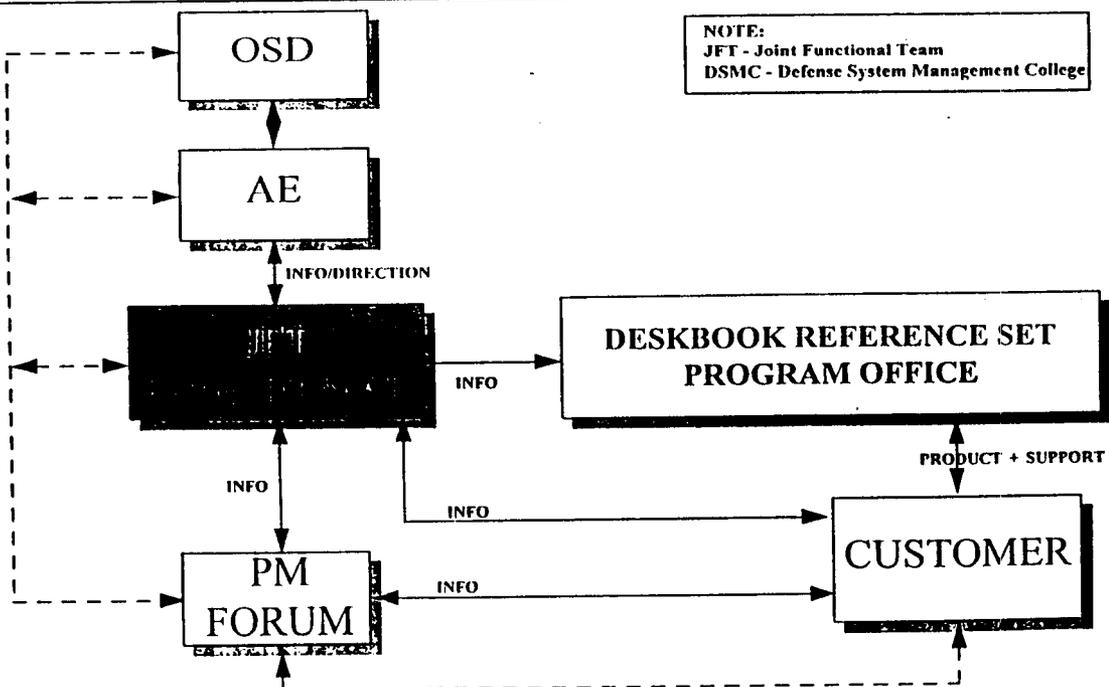
JOINT FUNCTIONAL TEAM (JFT)

- Members assigned by and responsible to SAE/AE
- Individual JFT members responsible for service/agency specific information
- JFT chaired by Acquisition Program Integration (API) representative to recommend joint opportunities

IDENTIFYING JOINT OPPORTUNITIES



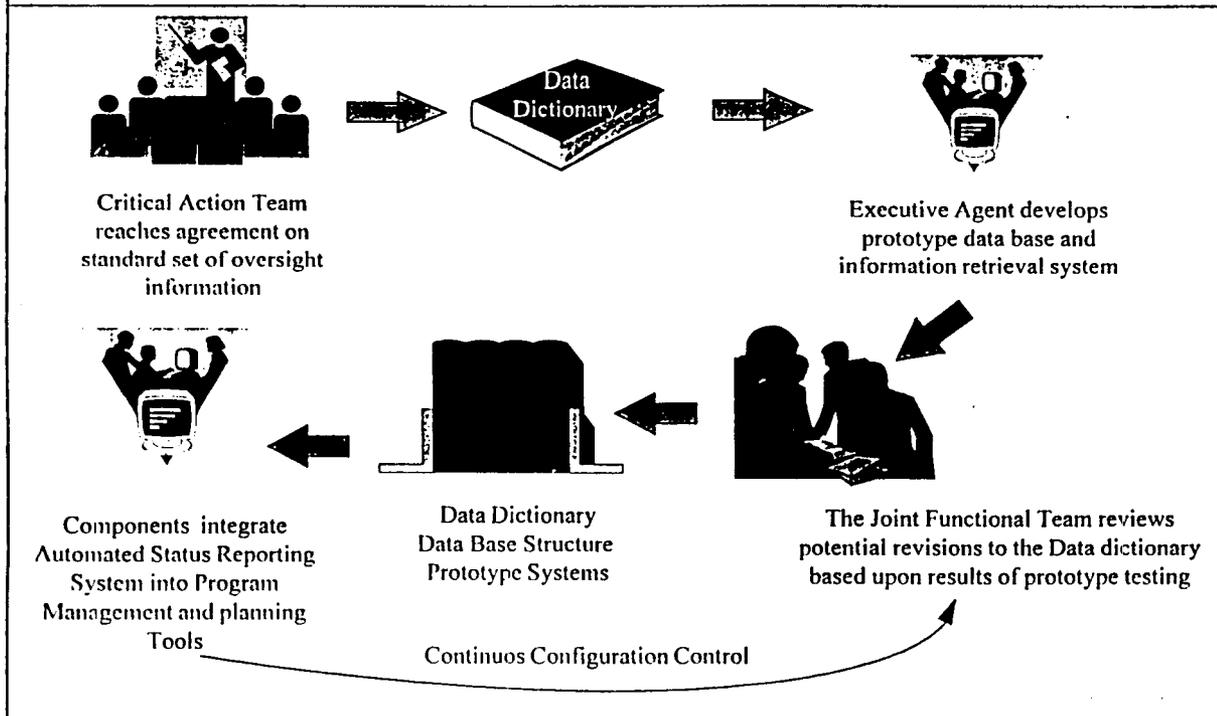
DESKBOOK JOINT INFORMATION PROCESS



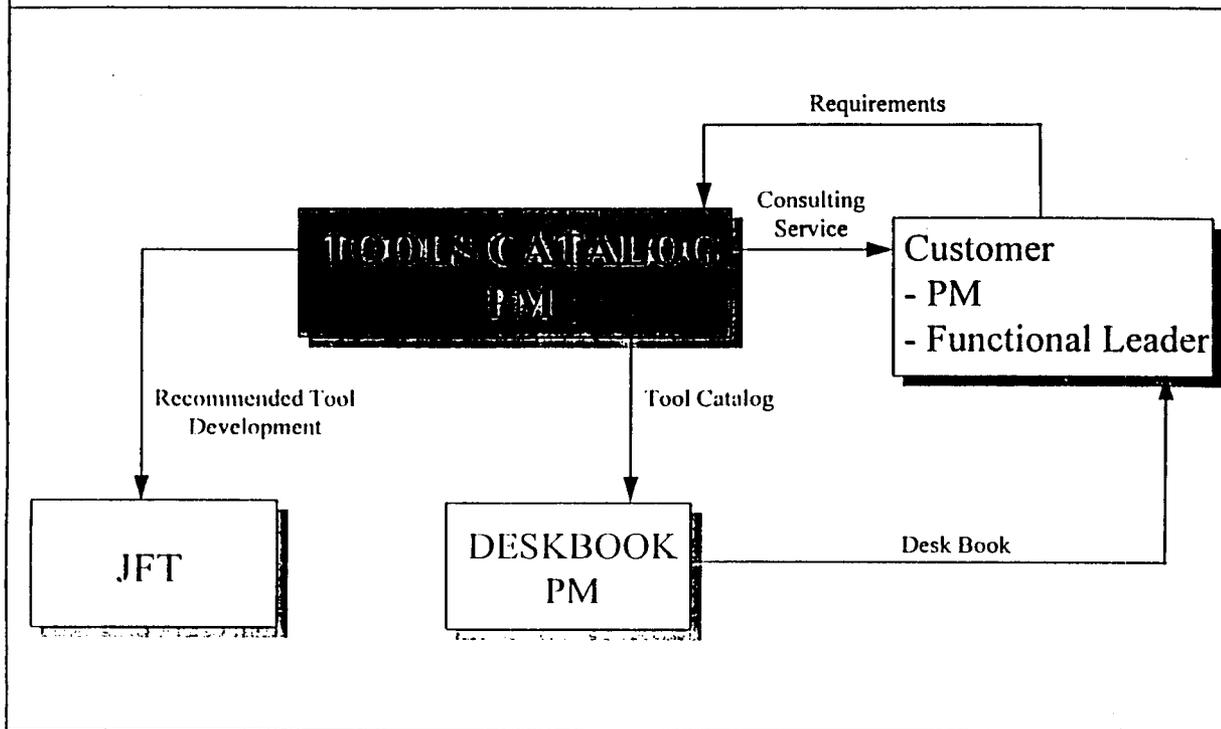
ATTRIBUTES FOR AUTOMATED STATUS REPORTING SYSTEM

- Single Logical Database for all programs (ACAT I - ACAT IV)
- Standard Data Dictionary
- Database Structure is under configuration control
- Accessible by all authorized DoD acquisition components
- Aggregate database is classified
 - Individual physical databases may be unclassified

DEVELOPMENT PROCESS FOR THE AUTOMATED STATUS REPORTING SYSTEM



TOOLS CATALOG PM



TRAINING SUPPORT FOR AAI

- Develop Revised Course Curriculum for DAU
 - Target: All Course
 - Message: New Way of Doing Business
- Field Training Package available - Oct 95
- Pilot Training Program (30 students) Dec 95
- Imbed within All Courses, at all levels by Mar 96
- Publicize thru PM Forum, Brochures, Demos, Conferences

ATCU #6



JDAM - AN EXPERIMENT IN REFORM

TERRY R. LITTLE
SPD
8 MAR 95

22795

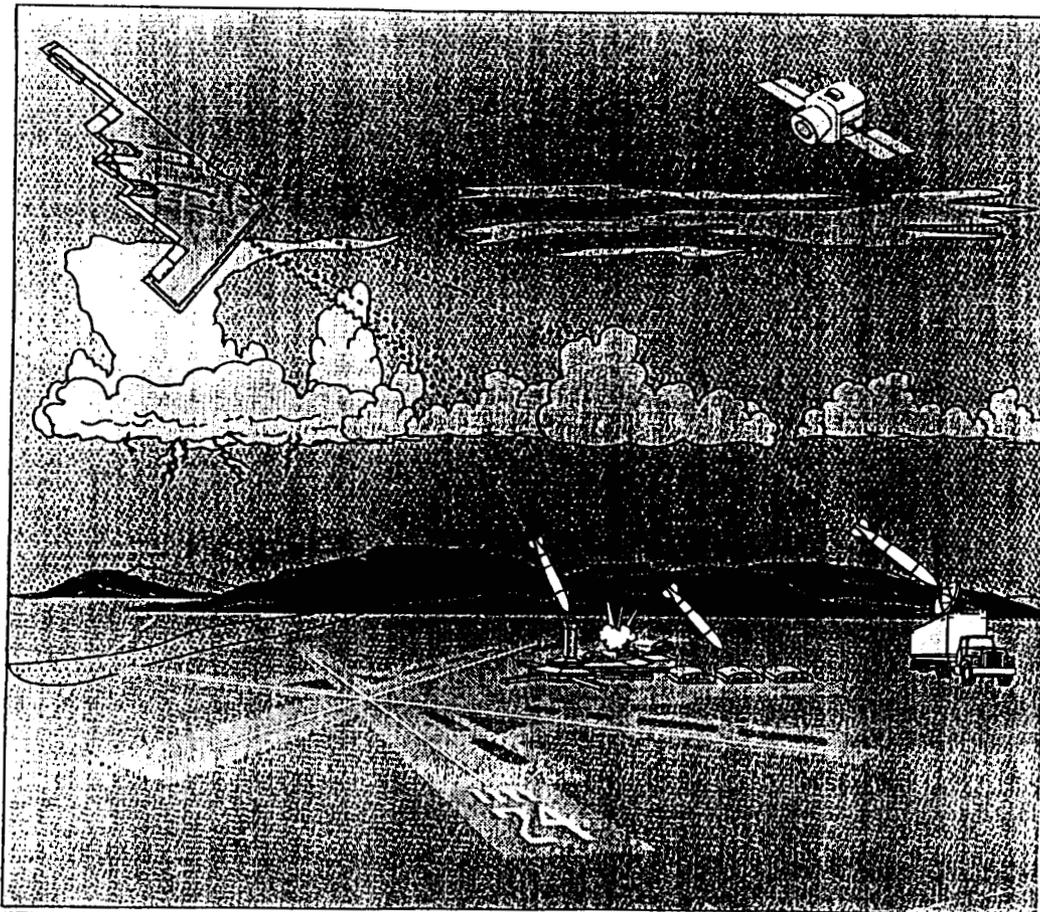
ACORFMTL/PPDS 1

OVERVIEW

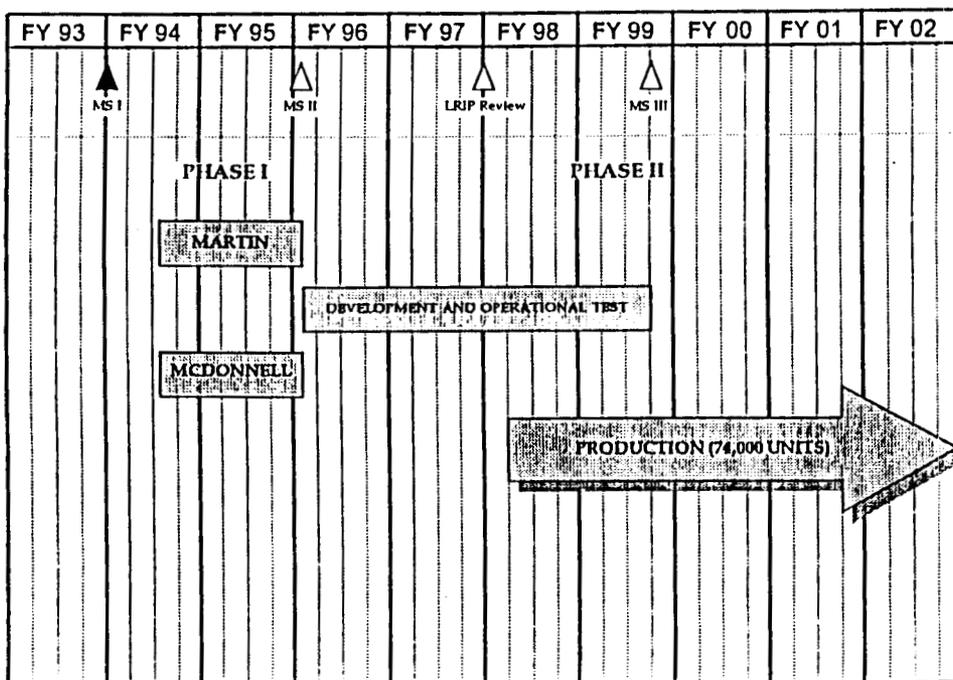
- BACKGROUND - WHAT'S A JDAM?
- MANUFACTURING DEVELOPMENT INITIATIVE
- ACQUISITION REFORM PILOT PROGRAM
- CONCLUDING THOUGHTS

22795

ACORFMTL/PPDS 2



JDAM PROGRAM SCHEDULE



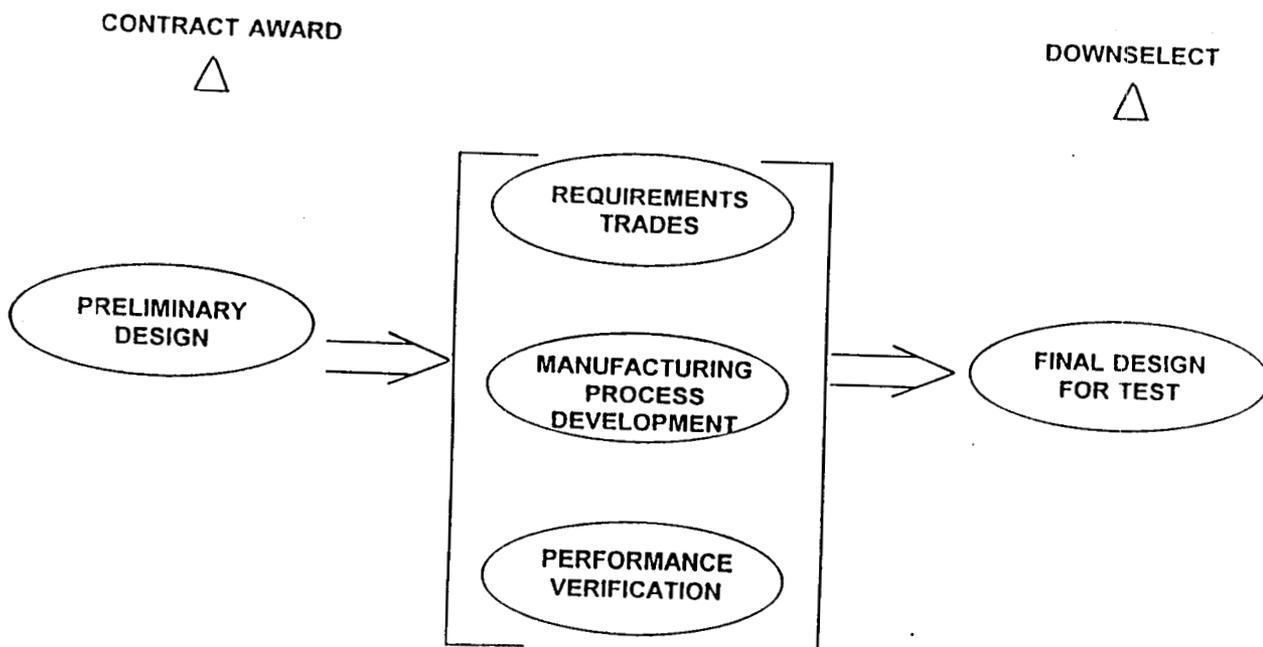
MANUFACTURING DEVELOPMENT INITIATIVE (MDI)

- BROAD BASED INITIATIVE TO ENHANCE AFFORDABILITY AND QUALITY
 - TECHNICAL AND BUSINESS ASPECTS
 - JDAM IS PILOT PROGRAM
- MDI HAS MAJOR SECONDARY EFFECTS
 - SMOOTHES PRODUCTION TRANSITION
 - IMPROVES DEVELOPMENT HARDWARE

22195

ACOREM1UPPCA 5

PHASE I DEVELOPMENT ACTIVITIES



22195

ACOREM1UPPDS 8

AVERAGE UNIT PRODUCTION PRICE (AUPP)

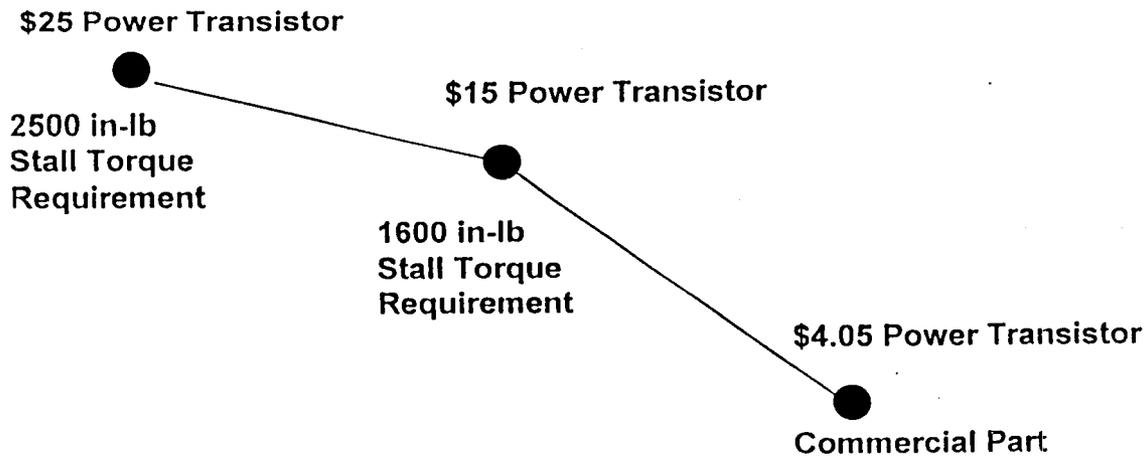
- PRICE FOR THAT PART OF PRODUCTION COST WITHIN CONTRACTOR CONTROL
 - INCLUDES ECPs, UNAMORTIZED TOOLING/TEST EQUIPMENT, LONG LEAD, WARRANTY, etc
 - CALCULATED BY DIVIDING ADJUSTED CONTRACT COST BY NUMBER OF UNITS (INSIDE-THE-BELTWAY COST)
- CONTRACTOR-PROPOSED AS PART OF SYSTEM SPECIFICATION (i.e., REQUIREMENT)

PRICE BECOMES AN INDEPENDENT VARIABLE DURING DESIGN PHASE

227/95

ACORFM1UPPDS 9

REQUIREMENTS TRADES AN EXAMPLE CASE

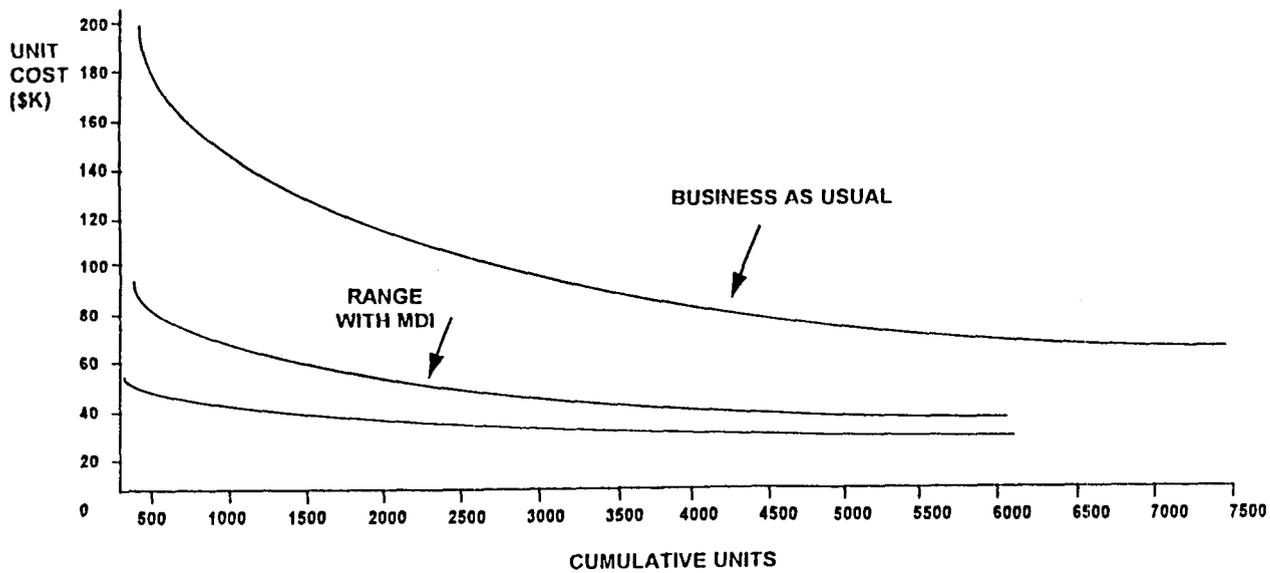


Savings: $\frac{\$20.95 \text{ Savings Transistor}}{1} \times \frac{24}{\text{System}} \times 74,000 \text{ Systems} = \37.2 Million

227/95

ACORFM1UPPDS 10

EFFECTS OF MDI ON JDAM UNIT COST



2/27/99

ACORF/MTL/PPDS 12

ACQUISITION REFORM PILOT PROGRAM

2/27/99

ACORF/MTL/PPDS 13

WHY PROCUREMENT REFORM

SOME PERSONAL ANECDOTES

- 3 YEARS FROM JDAM REQUIREMENT TO CONTRACT AWARD
- DAB DOCUMENTATION - 6 FEET HIGH, 10,000 MANHOURS TO PREPARE
- 2 MONTH OSD REVIEW OF RFP (\$10M COST TO BIDDERS)
- JDAM RFP = 1000 PLUS PAGES
- 48 BRIEFINGS TO SENIOR STAFF (1993)
- JDAM PROPOSALS - 5,000 PAGES PER CONTRACTOR

22784

ACORFMU/PPDS 14

DOD AND COMMERCIAL PRACTICE COMPARISON

	<u>DoD HISTORICAL</u>	<u>COMMERCIAL</u>
BUYER/SELLER RELATIONSHIPS	ADVERSARIAL, OPPORTUNISTIC	COLLABORATIVE, LONG TERM
BUYER SPECIFICATION	DETAILED "HOW-TOs"	END ITEM PERFORMANCE
BUYER-IN PROCESS OVERSIGHT	LOTS (WITH FLOW DOWN)	LITTLE (WITHOUT FLOW DOWN)
PRIMARY AWARD CRITERIA	PROMISES AND LOWEST COST	PAST PERFORMANCE AND BEST VALUE
DATA AND REPORTING	EXTENSIVE AND FORMAL	MINIMAL, BY EXCEPTION AND INFORMAL
BASIC FOR NEGOTIATION	COSTS	PRICE

22784

ACORFMU/PPDS 15

GOVERNMENT MANAGEMENT TEAM

- PARKINSON'S LAW APPLIES
 - "THE AMOUNT OF WORK EXPANDS TO OCCUPY THE NUMBER OF PEOPLE ALLOTTED TO DO IT"
- JDAM MANAGEMENT TEAM IS ONE HALF NOMINAL
 - FURTHER DOWNSIZING AFTER DOWNSELECT (TOUGH PROBLEM)
 - EXPECT SUBSTANTIAL COST BENEFITS - DIRECT AND INDIRECT
- NEED TO RE-ENGINEER GOVERNMENT ROLE
 - WORK INTERFACES CONTINUING
 - FACILITATE
 - EVALUATE SPORADIC
- STAFF TO CONTINUING ROLE - TEMPORARILY SUPPLEMENT FOR SPORADIC ROLE

20799

ACORFM1UPPOS 11

INTEGRATED PRODUCT TEAMS (IPTs)

- GOVT-CONTRACTOR COLLABORATIVE ARRANGEMENT
- GOVT TEAM MEMBERS
 - WORK THE INTERFACES WITH GOVERNMENT ORGANIZATIONS
 - HAVE DELEGATED DECISION-MAKING AUTHORITY
 - IDENTIFY AND DESTROY BARRIERS TO GETTING PRODUCT BETTER, CHEAPER AND/OR FASTER
 - PARTICIPATE IN DAY-TO-DAY DECISION-MAKING WITH CONTRACTOR
 - ADVOCATE FOR THE CONTRACTOR GOALS
 - ARE ACCOUNTABLE FOR PERFORMANCE AS TEAM MEMBERS
- NO OVERSIGHT RESPONSIBILITY

20799

ACORFM1UPPOS 11

LEAN CONTRACT REQUIREMENTS

- STATEMENTS OF WORK - NOW
 - EMD - SEVEN PAGES
 - LOW RATE PRODUCTION - ONE PAGE
- NO MIL-STDs, MIL-SPECs OR "HOW-TOs"
- REDUCED CDRLs BY TWO THIRDS SINCE CONTRACT AWARD

20795

ACORFMUUPDS 19

EXTENDED WARRANTY CONCEPT

- LIFETIME (20 YEAR) REPAIR WARRANTY INCLUDED IN PRODUCTION PRICE
- UNQUALIFIED: "IF IT BREAKS WE'LL FIX IT"
- PRICE AT SPEC RELIABILITY VALUE

20795

ACORFMUUPDS 20

REGION A (“CARROTS”)

- PRICE PROPOSAL ONLY
- NO COMPETITION GUARANTEE AT PRIME OR SUB LEVEL
- CONTRACTOR CONFIGURATION CONTROL
- 3% AWARD FEE FOR QUALITY, DELIVERY TIMELINESS
- NO IN-PLANT GOVERNMENT OVERSIGHT (EXCLUDING A FINAL ACCEPTANCE AUTHORITY)

22794

ACOREMULPPDS 24

REGION B (“STICKS”)

- FULL COST AND PRICING DATA REQUIRED WITH PROPOSAL
- CONTRACTOR QUALIFIES SECOND SOURCE, PAYS LIQUIDATED DAMAGES FOR ANY DELAY
- CONFIGURATION CONTROL REVERTS TO GOVERNMENT
- CONTRACTOR SUPPLIES TECH DATA FOR ORGANIC DEPOT (NO COST TO GOVT)
- NO PROVISIONS FOR AWARD FEE
- GOVERNMENT RESERVES RIGHT FOR IN-PLANT OVERSIGHT

22794

ACOREMULPPDS 25

OTHER INITIATIVES

- FLAT PROGRAM OFFICE ORGANIZATION
 - DUAL HATS
 - DE-FUNCTIONALIZATION
- PAY-FOR-PERFORMANCE
- LIMITED FLOW DOWN TO SUBCONTRACTORS
- MILESTONE BILLING

3/21/95

ACORN/MTL/PPDS 25

SOME PERSONAL VIEWS

- "PROCUREMENT REFORM" IS MORE ABOUT RESTORING TRUST AND INNOVATION THAN ABOUT CHANGING REGULATIONS OR STATUTES
- "COMMERCIAL" IS MORE ABOUT BEING FLEXIBLE AND DOING WHAT MAKES SENSE THAN ABOUT HAVING A UNIVERSAL PROCESS TEMPLATE
- ENORMOUS RESISTANCE TO ACQUISITION REFORM REMAINS WITHIN DOD AND THE DEFENSE INDUSTRY
- CHANGE "LEVERS" A MUST TO FORCE CULTURAL CHANGE
 - MAJOR MANPOWER REDUCTIONS
 - OUTSIDE RE-ENGINEERING
 - ELEVATING PAST PERFORMANCE AS DOMINANT SELECTION CRITERION FOR CONTRACTORS
 - CARROTS AND STICKS FOR INDIVIDUALS

3/2/95

ACORN/MTL/PPDS 27

SUMMARY

**STREAMLINING IS A CONTINUING, CHALLENGING
PROCESS DEMANDING INNOVATION AND NO
SMALL MEASURE OF PERSISTENCE**

Atcn #7

Lean Defense Aircraft Model Framework



Lean Aircraft Initiative

Massachusetts Institute of Technology

December 7, 1994

LEAN FACTORY OPERATIONS

FEATURES	ENABLERS	METRICS	BENEFITS
<ul style="list-style-type: none"> • Minimum inventory • Zero buffers • Negligible scrap rework and repair • Low set-up times • Small batch sizes • Equipment organized according to process flow • Optimized process flow • Dynamic production control and tracking • Synchronized flow with a Pull system • Production load balanced to assembly operations • Short flow (throughput) times • Minimum inspection and testing • Systems in place for detecting defects and quickly tracing ultimate cause • Problems fixed systematically • Minimum tooling, flexible tooling • Process variability understood • Processes under control with known capabilities • Reduced government oversight • High equipment reliability • Customer incentivizing good performance • Flexible machines and tools • Reliable machines and processing equipment • Worker involvement in preventative maintenance of machinery • Level loading of production to demand for parts/assemblies • Reduced workspace • Feedback between field, manufacturing and design 	<ul style="list-style-type: none"> • Activity based costing (ABC) • Design that defines key characteristics • Geometric dimensioning & tolerancing • SPC use on key characteristics • Program to reduce variability and increase Process Capability (C_{pk}) • Cellular manufacturing • Prevention, detection and elimination of defects at the root • MRP II • Devise ways to perform rapid in process inspection using simple devices that will not allow installation of defective or improperly oriented parts • Automated scheduling • Process flow simulation • Quick setup and flexible tools • Reduce the distance between process steps and reduce the overall space occupied • Just-in-time • Pull flow • Use of designed experiments to improve process yields • Precision assembly techniques • On-line process and operations documentation 	<ul style="list-style-type: none"> • First pass yields • Defects - scrap, repair, rework • Lot sizes • Inventory turns • WIP turns • MRB actions by type of problem • Flow times • Process Capability (C_{pk}) • Cost of quality • Number of squawks on delivery • Set-up times • workspace (ft²) per product • Repair workspace (ft²) • Utilized capacity • Equipment reliability • Hours of preventative maintenance per equipment in use • Delivery schedule performance • Direct labor hours to total throughput or flow time • Direct costs compared to overhead costs by work center • Number of liaison engineering calls • Number of people that touch part or paperwork • Amount of traveled work • Number of shims used 	<ul style="list-style-type: none"> • Less down time of machines • Flow time reduction • Faster responses to changes in demand, design, schedule, etc. • Higher quality product as measured by less defects and more consistency of performance • Ability to affordably do lower quantities • Reduced inventory • Permanent elimination of problems • Ease of assembly • Less use of shims • Better understanding of process

December 2, 1991

LEAN SUPPLIER SYSTEM AND RELATIONSHIPS

FEATURES	ENABLERS	METRICS	BENEFITS
<ul style="list-style-type: none"> • Access to customer and supplier production information • Reduced number of suppliers • Just-in-time deliveries to customer • Good communication between customer and supplier • Both customer and supplier identify factors that could lower costs or improve quality • Continually declining prices over supplied item life • Production smoothing between customer and supplier • Advanced notice to suppliers of changes in rate and quantity • Joint problem-solving, cost, technology and risk sharing • Supplier's production synchronized with customer production/assembly line • Sharing bad times with suppliers • Keeping suppliers fully informed about performance and working with supplier to improve • Cost consciousness exemplified by both supplier and customer 	<ul style="list-style-type: none"> • Partnering with suppliers • Promote sharing of improvements across supplier chain • Supplier involvement in design • Supplier responsible for design • Long term relationships with suppliers • Gainsharing and risk sharing • Certification of suppliers • Tiering of suppliers 	<ul style="list-style-type: none"> • Supplier Process Capability (C_{pk}) • On time delivery • Defect rate (rejects per million) • Costs • Reliability • Lead time from order to delivery • Part number percentage from suppliers • Cost percentage from suppliers • Subcontract award cycle time • Procurement efficiency • Percent of shipments to stock or factory floor 	<ul style="list-style-type: none"> • Fewer suppliers • Lower costs • Faster response • Higher quality performance • Minimum transaction and coordination costs

December 2, 1991

PATH TO LEAN:

1. Define new lean enterprise paradigm.
2. Instill concept of new enterprise in company from top to bottom. Ensure long term corporate management support. Continually reconfirm lean concepts through training, readings, and upper management actions. If successful all in company will share the new paradigm and vision.
3. Develop internal information system to give real time data on all aspects of company. Use as few and as simple a set of metrics as possible which reveal how effectively operations support enterprise and customers' needs.
4. Gain partnership with employees to eliminate waste and to improve all processes. Reduce variability wherever possible.
5. Make all process flows visible; be able to describe and simulate entire process. Reduce process flow time while leveling input demands and balancing flow output to product cycle time.
6. Work with internal and external suppliers to reduce inventory in all areas.
7. Develop understanding of process capabilities and factor this in design of new products. Simultaneously develop concept, process and product.
8. Support and encourage continuous improvement.

PRINCIPLES OF LEAN MANUFACTURING:

Ultimate Goals:

- Competitiveness
- Profitability
- Customer satisfaction

Major Goals:

- Perfect first time quality
- Zero waste
- Continuous improvement
- Flexible to changes

Desired Outcome:

- Low product cost
- Improved product quality
- High productivity
- Efficiency at lower scale of production to include small lot size and process flexibility
- Rapid development, concept-to-fielding cycle
- Product mix diversity

Enablers

- Supplier involvement in design.
- Supplier responsible for design.
- Establishment of long term supplier relationships.
- Certification of suppliers.
- Long term commitment on both sides.
- Risk sharing.

LEAN DESIGN AND DEVELOPMENT:

Features

- Design weighs performance with ability to manufacture including ease of assembly, test and maintenance/support while balancing cost.
- Simultaneous development of manufacturing processes, products and production tools to minimize lag between completion of design and start of production and to provide up front feedback on impact of design options.
- Feature based design that shows the key characteristics of the design so that manufacturing can plan for a capable process relative to the key characteristics.
- Use simplest solution to set of requirements.
- Performance, producibility and cost subject to design trades.
- Hardware-software codesign with simultaneous design of hardware and software solutions.
- Design in robustness to process variability.
- Minimal change traffic.
- Involvement of floor level production workers, suppliers and customers.
- Customer and supplier involved in requirements definition, an interactive process with design development including allowance for changes in requirements.
- Reliance on supplier to perform detail engineering for components.

Enablers

- Effective leader of the team whose job is to champion the product concept throughout development and production.
- Tightly knit team assembled from functional departments used to facilitate communication between diverse functional groups for the duration of the project. Low rate of personnel turnover in team. Involvement of internal manufacturing, suppliers and customers on the team.
- Communication among team members to solve problems and resolve critical design trade-offs as early as possible in the life of the project.
- Common design database available to all designers, suppliers and manufacturing organizations.

LEAN FACTORY OPERATIONS

Features

- **Elimination of all non-value added activities** and minimal floor space requirements.
- **Minimal inventory of parts and work in process.**
- **Optimized process flow** characterized by minimum number of steps, minimum distance between process steps, leveling of input demands and balancing flow output to product cycle time all resulting in reducing flow time.
- **Process variability understood** with key processes under active control performing with known capabilities. Minimal use of inspection to ensure conformance.
- **Minimal use of tooling** characterized by parts that fit without shims, adjustment or trim. Tooling in use flexible for multiple tasks.
- **Functional tiers of suppliers** using performance rather than detail design specifications.
- **Production teams** responsible for a *set of assembly steps* and continuous improvement.
- **Dynamic production control (scheduling) and tracking.**
- **Few supervisory and overhead personnel.**
- **System for detecting defects** that quickly traces every problem, once discovered, to its ultimate cause. Negligible scrap, rework and repair evident. Rapid decision cycle for disposition of defective parts.
- **Problems fixed systematically** as soon as they occur (stopping production line if necessary), striving for zero defects.
- **Integration and feedback** between manufacturing and product design/development.
- **Flexible manufacturing organization** that allows:
 - Small lot sizes
 - Product mix/diversity
 - Response to changes
 - Efficiency at smaller scales of production

Enablers

- **Quick setup and flexible tools.**
- **Establishment of manufacturing cells** followed by linking different cells.
- **Reduction of work in process (WIP) inventory** to the point where a pull flow system can be established.
- **Use of simulation** to optimize the flow through a process or plant.
- **Use of statistical process control** on key design characteristics or critical processes.
- **Reduce process variability** and strive for high process capability.
- **Devise ways to perform rapid in process inspection** using simple devices that prevent installation of defective or improperly oriented parts.

RAND

The New Management Paradigm

A Review of Principles and Practices

Arnold Levine, Jeff Luck

Prepared for the United States Air Force

Project AIR FORCE

Approved for public release; distribution unlimited

Preface

A revolution is under way in private industry. In the 1950s and 1960s, a few innovative firms found ways to improve their performance markedly, putting pressure on their competitors to respond or lose market share. As firms in other industries observed the innovations under way, they began to adopt these new practices. Each innovation produced an innovative response. By the 1980s, the increasingly dynamic and unforgiving business environment began to look like something qualitatively new. The business literature began to fill with a body of "new business practices."

Mr. Grover Duru, Air Force/Aircraft Missile and Support Division (AF/LGSW) on the Air Staff, suggested that RAND examine the implications of these new practices for Air Force logistics. Somewhat skeptical that the environment of private firms was similar enough to that of Air Force support activities to make any innovations transferable, we nonetheless initiated the business practices study under the leadership of Raymond A. Pyles. This literature survey began as the first analytic step in that study. Our initial insights from the business literature quickly evolved into an Air Force concept called "lean logistics," which seeks to use a variety of new business practices to make the Air Force logistics structure far more responsive to operational users who operate in an uncertain environment.

As our work on lean logistics proceeded, we continued to survey the business literature. This report is the end result of that survey effort. Although Air Force lean logistics grew directly from the work that started with this survey, we see the survey as an independent product with the potential for broad applicability in public agencies. From our work on lean logistics, we learned that it takes much effort to apply the principles developed here to particular policy contexts like Air Force logistics. That said, just as it provided a useful starting point for Air Force lean logistics, this survey is expected to provide a similarly useful starting point in other public policy contexts.

The survey should interest anyone studying new business practices and seeking to understand how to apply these practices in new settings. In particular, it helps impose a sense of order on the diverse range of experiments that private firms have tried, suggesting that many of these experiments share a great deal in

AFCM8

Summary

Over the past 20 years, a new management paradigm has emerged that is the antithesis of mass production. Firms employing this new paradigm rely on an integrated set of principles and implementing practices. First, to get new products to market quickly, they integrate marketing, research and development, engineering, design, production, and distribution. Second, to respond quickly to shifting demand, they aim at producing small lot sizes, with minimal setup times—a practice known as lean production. Third, to make every aspect of production more visible, they work with fewer, more qualified suppliers and involve them in every phase of production, from product development on. Finally, they delegate much greater operational responsibility to those who design and manufacture the product.

The purpose of this report is to use an intensive survey of the literature to describe and analyze this new management paradigm. By providing a framework for understanding a very complicated subject, the report will serve as a resource for government managers and anyone else interested in those practices that are shaping manufacturing and service industries throughout the world.

The justification for organizing this report as a literature survey proceeds at several levels. A survey can summarize a vast amount of research and synthesize the experience of many executives and managers. Further, some of this literature shapes the context in which discussion of the new management paradigm occurs. Last, a literature review brings out the complexity of the practices and the different ways in which the authors evaluate their impacts.

This report recognizes the limitations of a literature that concentrates on implementation successes rather than failures, appears biased toward larger firms, often lacks methodological rigor, and may overstate the adoption of these practices in various industries. Nevertheless, an integrating study such as this may have substantial value, because it provides evidence that some companies in some industries have reorganized their operations in ways that dramatically improve the quality of their products, the speed with which they design and manufacture them, and the cost savings they pass on to their customers.

Fundamental Principles Underlying New Management Paradigm

Although the routes by which companies adopt the new management paradigm vary greatly, the underlying principles of their operations are remarkably uniform and simple. Two principles underlie the management practices of the new paradigm: (1) customer satisfaction is central to the survival and prosperity of the firm, and (2) the firm is a *system of interdependent processes* that produces the products and services customers purchase.

Satisfying the Customer

Satisfying the customer depends on first identifying the different customers who potentially need the firms' products and services. Firms can do this by developing service strategies that allow them to segment the markets to be served, by researching their customers, and by concentrating on activities that provide a competitive advantage. By segmenting markets, firms can design products that meet the different needs of the different parts of the customer base. By researching this base, they can learn what customers really want and modify or change their products accordingly. By focusing on those activities that add value to their products and by contracting for items that others can produce more efficiently, companies can concentrate on their chosen markets better than their competitors can.

Because satisfying the customer is so demanding, the entire enterprise must be organized to achieving that end. Thus, senior executives committed to Total Quality Management (TQM) on behalf of the customer would probably restructure the organization around a set of goals directed to that end.

The Firm as a System of Interdependent Processes

Most activities in a firm are performed as part of one of three types of processes: manufacturing processes that transform physical objects, distribution processes that transport and store those objects, and business processes (such as accounting, order processing, and human resources) that act on electronic, paper, or spoken information.

Fragmentation of these processes across functional departments lengthens cycle times beyond the minimum needed to accomplish all of a process's value-added tasks. Moreover, managing such processes is difficult, costly, and almost unavoidably inefficient. Firms that address these problems by synchronizing

Information on competitors may be relatively easy to obtain, many firms will not allow competitors to study the details of how their processes operate.

Benchmarking of similar processes in other industries not only circumvents that problem, but also provides the opportunity to get fresh leads that may increase competitive advantage.

Quality Improvement. Improving processes to prevent defects, rather than reworking or scrapping items found to be defective during inspections, is highly cost-effective. Time and resources put into managing around defects can be freed up, and the producer themselves are much less likely to fall in the field. Pursuit of quality through improved processes is not limited to manufacturing since poor quality in business and distribution processes immediately affects customers and is expensive to correct.

Continuous Improvement. Firms that synchronize processes and prevent defects can devote more effort to improving their future competitive position. Rather than just reacting to events, managers and workers can spend more of their time anticipating problems, preventing more subtle defects, and further improving efficiency. This cycle of continuous incremental improvements has important long-term consequences. In some industries, continuous improvement is necessary just to keep pace with rising customer expectations. In addition, the cumulative effects of such improvements can be dramatic. Firms that neglect them in favor of "home run" innovations can be overtaken by competitors.

The long-run challenge for firms is how to achieve both continuous incremental improvements and the step-function improvements that come from designing new products and facilities and reengineering processes. Organizationally, it means periodically carrying out bold, strategic reengineering while nurturing steady, participative incremental improvements.

Catalog of Practices: Generating New Products

Because the two fundamental principles discussed above are embodied in a bewildering variety of institutional arrangements, it is more effective to discuss business practices in terms of the entire cycle through which a firm develops, manufactures, and distributes its products.

Learning What the Customer Wants

Lean production firms treat their customers as integral parts of product development and manufacturing. Such firms have many practices at their

Multifunction Project Teams

Compared with ongoing manufacturing, distribution, and business processes, those that involve new products and facilities occur only infrequently. But their outcomes are vital to a firm's success, since they determine the products it offers and much of its fixed cost structure. The products developed must meet all relevant quality criteria, at a price customers are willing to pay, and reach market quickly, before customer preferences change or competitors introduce rival products. And the development process itself must be cost-efficient. Project teams are a better vehicle for development processes than traditional departments. Drawing on experts from many functions, the team is staffed early from bringing their departmental myopia to the project. Suppliers are selected from bringing their cross-functional communication and prevent team members steps help build cross-functional communication and prevent team members from bringing their departmental myopia to the project. Suppliers are selected early and brought on as full members of the team.

Catalog of Practices: Building and Moving Products

Supplier Selection and Management

In the new management paradigm, the new emphasis is on lean production, which has two consequences for purchaser-vendor relations. First, the buying organization concentrates on those core functions that confer competitive advantage—provide potential access to a wide variety of markets, significantly contribute to customer satisfaction, and are difficult for competitors to imitate—and looks to outside sources for everything else. Second, large firms prefer long-term relationships with a small group of core suppliers for a number of reasons, including that the firms can achieve huge savings in transaction costs and that suppliers guaranteed a share of business are more motivated to work with their prime customers.

Production

Firms that master the new business practices integrate structured quality improvement programs with production. They first define what they mean by quality and, using that definition, improve processes by simplifying them and by eliminating waste.

Quality Improvement. Ensuring conformance to specification, or preventing defects, is the initial focus of most quality programs. Statistical Process Control (SPC) is based on the principle that, since the source of defects is variation in

One approach to production control is Goldratt's Theory of Constraints, which focuses first on finding the relatively few bottleneck (constraint) subprocesses that limit the throughput capacity of an entire shop. The theory's strong points are its emphases on identifying and relieving bottlenecks and on reforming cost accounting systems to make them more relevant for managing production. On the other hand, it does not emphasize the benefits to be gained from eliminating waste and reducing variability in nonbottleneck processes or from training and empowering workers.

Flexibility. The dramatic reduction in setup times and manufacturing cycle times has allowed some firms to make production more flexible—not just making products to order, but customizing them to a degree never before feasible. Although investing in flexibility can be costly, the guidelines outlined in this section enable firms to achieve quantum increases in their ability to respond to variable demand. These measures carry relatively modest costs and set the stage for more sophisticated future investments, such as dedicated manufacturing cells for those products that make up the bulk of sales and maintaining some flexible, fast-response job shop capacity to meet for items with lower, but more variable, demand.

Shipping and Distribution

Lean production presupposes a network that links suppliers, producers, and carriers, because small quantities have to be shipped on frequent and rigid schedules. Integrated transportation and distribution systems are the concomitant of lean production, providing strategic weapons that enable firms to enhance customer service, cut distribution costs, and reduce the carrying costs of producers' inventories.

Integrated and Automated Distribution. The move toward integrated transportation and distribution has two principal features: unified distribution networks and communications among order processing, manufacturing, and distribution. Firms use electronic data interchange (EDI) to automate management reporting and rate-and-routing information, accept invoices from suppliers in standard formats and pay them electronically, and track shipment status and location. They can use EDI and comparable systems to gain control over costs and greater leverage in negotiating with carriers. They are also using warehouses, where they use them at all, more intelligently. By means of specialized hardware and software, warehouse managers can track all items and materials-handling equipment, thereby avoiding the logging, put away, and picking found in less advanced facilities.

Failure to link organizations and technology is behind the problems most organizations have in integrating new systems into the existing structure. Successful information system developments, like Otis Elevator's OTISLINE and Federal Express's COSMOS IIB, share certain features:

- Sponsors have a clear idea at the outset of what automated information systems can do to make the organization more productive.
- Modernizing a system offers significant benefits that justify the investment.
- Even where technological solutions are aggressive, they are well within proven technology.
- Solutions are data-driven.

For these and comparable firms, information systems are integral to their business strategies. They have shifted their attention from systems to information, from technology to the uses to which the technology can be put. At the same time, automation gives rise to two paradoxes that result from the availability of cheap, powerful technology. The first is that the more powerful the technology, the more harm it does when isolated within the organization. The other is that training becomes more necessary as technology becomes easier to use.

Management Accounting

Current accounting systems provide misleading information about internal costs of the firm, because the traditional allocation of indirect to direct product costs can lead to wrong assessments of true costs. The new accounting approach, which is an outgrowth of lean production's view of systems as integrated wholes is activity-based—virtually all costs can be broken down and then traced to groups of products and support activities. Activity-based costing makes it easier to identify expensive resources, resources whose consumption varies by product type, and resources where demand patterns do not correspond to traditional allocation measures. It also points to opportunities for increasing profits: it justifies new production systems by explaining how and why they are profitable and by quantifying their benefits. By unraveling the costs of producing an item, it enables executives to decide where to focus their investments.

Organizational Design, Human Resources, and Management

Several human resources policies support process redesign and enhance the efficiency of the redesigned processes.

Implementation Issues

Although this report relates many stories of firms that successfully adopted the new management paradigm, we have left important questions about implementation unaddressed:

- What fraction of firms has adopted the new paradigm?
- What performance benefits are to be expected from adopting it?
- What lessons can be gathered from the experience of firms that have either successfully adopted the new paradigm or tried to do so and failed.

How Extensive Is Adoption of the New Management Paradigm?

There are no rigorous, objective evaluations of the prevalence of new business practices we call the new management paradigm across the full range of firms and industries. Although researchers have used surveys and case studies to evaluate the adoption of innovative management practices, both are deficient in several respects. Surveys may be sent to a biased sample of firms, and firms that have adopted the new paradigm may be more likely to respond than firms that have not. Further, from published reports it is difficult to assess the degree of possible ambiguity or bias in the wording of questions or the analysis of data. Even a firm that has implemented a subset of the interrelated practices discussed in this report may not really have adopted a new paradigm.

Detailed case studies are more effective than surveys for determining the depth and breadth of implementation of new practices by individual firms. Even here, the subjects of case studies usually are not chosen representatively, and implementation successes are probably reported more often than failures. On the evidence, U.S. firms in several industries seem to lag foreign competitors in implementing new business practices. More important, the rates of adoption of the new paradigm differ significantly across sectors of the economy—intensive in some industries, diffuse in many others, and scarcely begun in a few. The evidence suggests that implementation is most widespread in manufacturing and logistics-based firms, as well as financial services firms, such as banking and insurance. The extent to which other service industries adopt new business practices is less clear, either because their complex outputs are less easily defined or because they have large numbers of relatively independent workers interacting individually with clients.

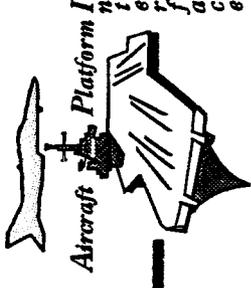
Implementation Lessons

This literature survey suggests three lessons that can be drawn from a study of new business practices. First, focus on changing what matters to customers. Implementing these practices will not work unless senior managers invest their time and resources in making them work. Given the scarcity of these resources, changes that do not affect core processes can be seen as failures, even if some short-term efficiency gains result. Firms can survey their customers, benchmark competitors' products, or adopt certain practices that are necessary just to survive in an industry—let alone create unique competitive advantages.

Second, the intervention of top management is essential for new business practices to succeed. Only top management has the authority to ensure that sufficient resources are allocated to implementation and to resolve those interdepartmental disagreements that can arise when cross-functional processes are redesigned.

Third, and related to the first two lessons, it falls to top management to choose the philosophy the organization needs to implement new processes and whether these changes should be radical and immediate or incremental and cumulative. There are many approaches to adopting the new management paradigm and texts to explain how best to incorporate it.

Yet none of these texts provides anything like a recipe for successfully implementing new business practices. The literature on which this report draws indicates clearly that transforming businesses and entire industries is lengthy and demanding and not assured of success. The incentive to change is not simply that adoption of certain practices can lead to better products and services. It is, rather, that firms losing competitiveness are more likely to risk the organizational pain that comes with adopting the paradigm. In fact, this may well be the most important conclusion to which a review of the management literature leads.

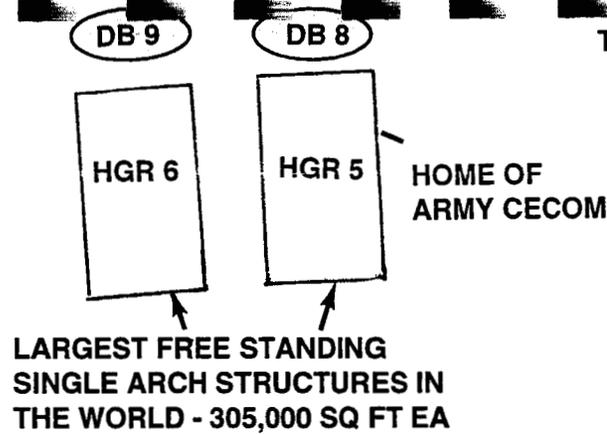
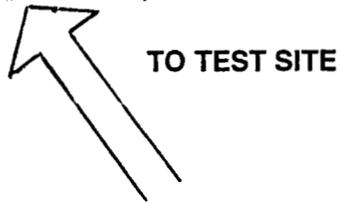


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**NAES AND NAWCAD
LAKEHURST ITINERARY FOR
COMMISSIONER**

A. CORNELLA





MANUFACTURE/PROTOTYPE

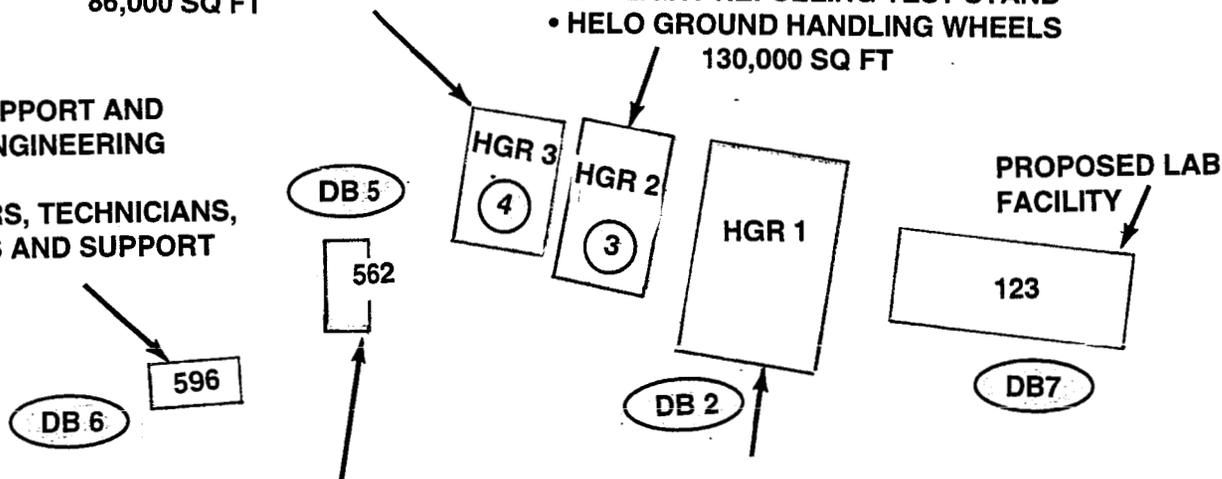
- CONCURRENT ENGINEERING
 - ENVIRONMENTAL TEST LAB
 - CATAPULT LAUNCH VALVES
 - CATAPULT CYLINDERS
 - JET BLAST DEFLECTOR PANELS
 - ARRESTING GEAR ENGINES
 - IN-FLIGHT REFUELING TEST STAND
 - HELO GROUND HANDLING WHEELS
- 130,000 SQ FT

MANUFACTURE

- CARRIER OPS ANALYSIS ROOM
 - CROSS-DECK PENDANTS
 - CABLE CYCLE TESTING
 - A/C GENERATOR TEST STAND
- 86,000 SQ FT



- LOGISTICS SUPPORT AND IN-SERVICE ENGINEERING
- 43,000 SQ FT
- 370 ENGINEERS, TECHNICIANS, LOGISTICIANS AND SUPPORT PERSONNEL



- PROGRAM MANAGEMENT
- ALRE AND SE ENGINEERING AND ACQUISITION SUPPORT
- 101,000 SQ FT
- 620 ENGINEERS, TECHNICIANS AND SUPPORT PERSONNEL

NATIONAL HISTORIC MONUMENT -
310,000 SQ FT

HOME OF OCEAN COUNTY CAREER AND TECHNICAL INSTITUTE (CTI)

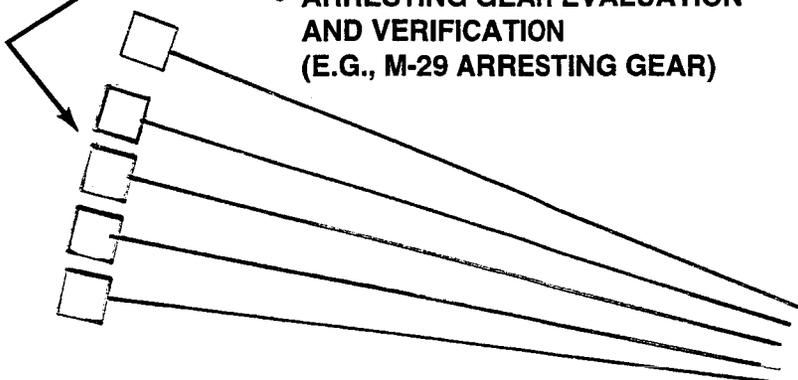
HOME OF NATTC CALASSES

JET CAR TRACK SITE

3 ACTIVE 1-1 1/2 MILE TRACKS

- WIRE ROPE ACCEPTANCE
- BARRICADE TEST
- ARRESTING GEAR EVALUATION AND VERIFICATION (E.G., M-29 ARRESTING GEAR)

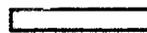
10



MAXFIELD AIRFIELD

2-5000 FT RUNWAYS

JET BLAST DEFLECTOR TEST SITE



DB 12

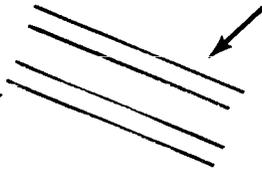
IN-GROUND SHIPBOARD MK7 MODS 1, 2, 3 ARRESTING GEAR

E-28 LAND BASED ARRESTING GEAR

12,000 FT RUNWAY ARRESTED LANDING SITE (RALS)
• ROLL-IN OR FLY-IN ARRESTMENTS

11

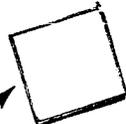
TC-13 MOD 0 CATAPULT (DEADLOAD LAUNCH)



13

TC-13 MOD 2 LOW PRESSURE CATAPULT (AIRCRAFT LAUNCH)

ELEVATED FIXED PLATFORM WITH RECOVERY ASSIST, SECURING, AND TRAVERSING (RAST) SYSTEM INSTALLED



14

FROM ENGINEERING/SUPPORT COMPLEX

