



DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION
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July 5, 2005
BAM #1

Chairman:
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The Honorable James H. Bilbray
The Honorable Philip E. Coyle, III
Admiral Harold W. Gehman, Jr., USN (Ret.)
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The Honorable Samuel K. Skinner
Brigadier General Sue Ellen Turner, USAF (Ret.)

Executive Director:
Charles Battaglia

Mr. Bob Meyer
Director
BRAC Clearinghouse
1401 Oak St.
Roslyn VA 22209

Dear Mr. Meyer:

I respectfully request a written response from the Department of Defense concerning the enclosed document:

X COBRA run:

Please provide a separate and discrete COBRA run depicting the 20-year net present value (costs) or savings for the conversion of the Great Lakes Naval Hospital to an outpatient clinic and ambulatory surgery center (a component of Recommendation Med-12).

I would appreciate your response by July 18, 2005. Please provide a control number for this request and do not hesitate to contact me if I can provide further information concerning this request.

Yours sincerely,

Frank Cirillo
Director
Review & Analysis



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON, DC

July 15, 2005

MEMORANDUM FOR OSD BRAC Clearinghouse

FROM: AF/SGE
1780 Air Force Pentagon
Washington, DC 20330-1780

SUBJECT: OSD BRAC Clearinghouse Tasker 0475C - Great Lakes

Attached is the Medical Joint Cross Service Group response to the referenced query.

If you have any questions, please contact me at (703) 692-6990 or
mark.hamilton@pentagon.af.mil.

A handwritten signature in black ink that reads "Mark A. Hamilton".

MARK A. HAMILTON, COL, USAF, BSC
Secretary
Medical Joint Cross Service Group

Attachments:

1. Response to Query
2. Summary of COBRA Run
3. COBRA Output file (electronic)

Query:

Please provide a separate and discrete COBRA run depicting the 20-year net present value (costs) or savings for the conversion of the Great Lakes Naval Hospital to an outpatient clinic and ambulatory surgery center (a component of Recommendation Med-12).

Response to Query:

Files attached include the COBRA file and a summary of the COBRA results.

The Net Present Value Report for the Great Lakes Naval Hospital is provided below as well as a summary of the Costs/Savings associated with the realignment of the inpatient mission. The COBRA (cbr file) is also attached for any further questions.

Payback Year : Immediate
 NPV in 2025(\$K): -155,266
 1-Time Cost(\$K): 2,363
 Annual Savings (\$K): 11,849

Year	Cost(\$)	Adjusted Cost(\$)	NPV(\$)
2006	71,744	70,760	70,760
2007	-799,449	-767,010	-696,250
2008	-7,076,078	-6,604,042	-7,300,293
2009	-11,848,612	-10,757,010	-18,057,302
2010	-11,848,612	-10,464,017	-28,521,320
2011	-11,848,612	-10,179,005	-38,700,325
2012	-11,848,612	-9,901,756	-48,602,081
2013	-11,848,612	-9,632,058	-58,234,139
2014	-11,848,612	-9,369,706	-67,603,846
2015	-11,848,612	-9,114,500	-76,718,346
2016	-11,848,612	-8,866,246	-85,584,592
2017	-11,848,612	-8,624,753	-94,209,345
2018	-11,848,612	-8,389,837	-102,599,182
2019	-11,848,612	-8,161,320	-110,760,502
2020	-11,848,612	-7,939,027	-118,699,530
2021	-11,848,612	-7,722,789	-126,422,319
2022	-11,848,612	-7,512,441	-133,934,760
2023	-11,848,612	-7,307,822	-141,242,582
2024	-11,848,612	-7,108,776	-148,351,358
2025	-11,848,612	-6,915,152	-155,266,510