

CP
4



2004 AIRSpeed Events



18/19



AIRSpeed

“The NAVAIR Approach.....”



3-Year effort that leverages Theory of Constraints (TOC), Lean principles and Six-Sigma techniques to dramatically improve depot maintenance, cycle time, reduce depot pipeline and increase the total Fleet supply chain velocity.

Corporate Goal: 20 percent overall Cycle Time Reduction

- Reduce Work-In-Process (WIP) Inventory
- Increase throughput by increasing speed
- Improve Scheduling Accuracy and On-time Delivery
- Reduce Number of Assets in Depot Pipeline
- Reduce Operating Expenses

NAVAIR



AIRSpeed

NADEP Cherry Point AIRSpeed Goals *



- **Components:**
Reduce overall Component TAT 20% by FY06
 - **Engines:**
Reduce TAT by 15% for all engines by FY06
 - **H-53 Aircraft SDLM & IMC:**
Reduce Cycle Time by 20% by FY05
 - **AV-8B Aircraft TUP & IMP:**
Reduce Actual Cycle Time by 30% by FY06
- * On product lines where AIRSpeed has been implemented



AIRSpeed

Our AIRSpeed Mission...



Incorporate the most current business initiatives to:

- Reduce cycle times
 - Reduce resources required
- And yet...
- meet the requirements and needs of the 21st century Warfighter

By implementing initiatives that...

- enhance value, responsiveness and flexibility
- increase velocity and quality of products and services
- eliminate waste and inefficiencies in existing processes
- innovate new, more efficient and effective processes
- share, export and integrate AIRSpeed initiatives across the naval aviation enterprise

NAV AIR



AIRSpeed

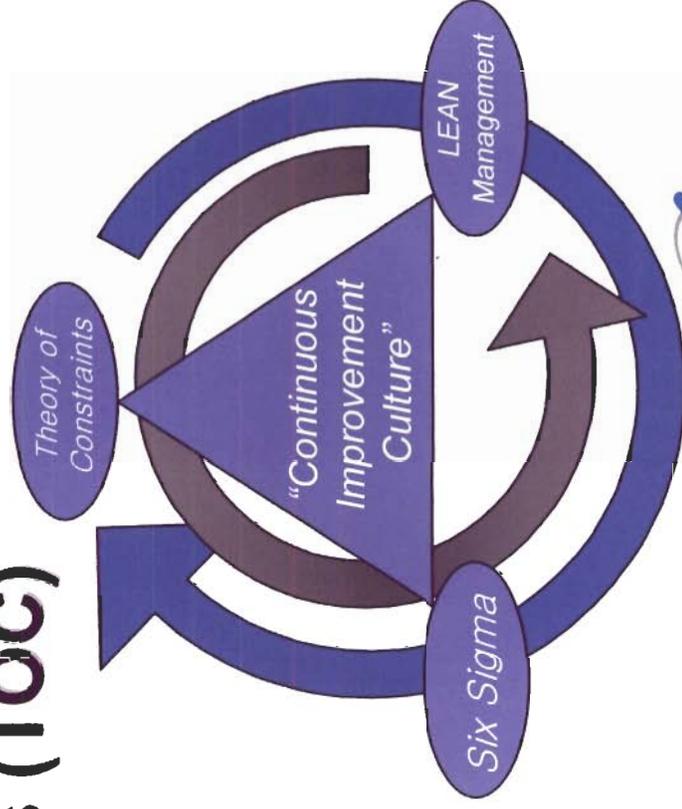
AIRSpeed Tools



Theory of Constraints (TOC)

Lean/5S

Six Sigma

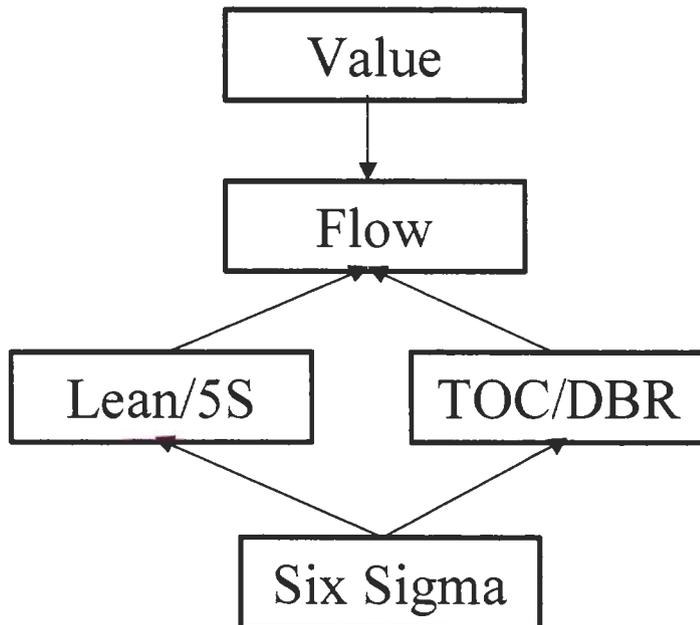
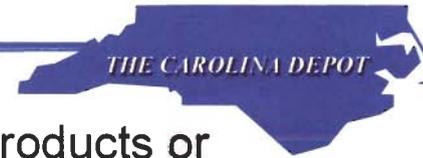


NAVY AIR



AIRSpeed

How The Tools Work Together?



Determine what products or services create value

Identify waste and value creating activities (Map the processes)

Use Lean and TOC to improve flow

Use Six Sigma to drive out process variation and improve quality



AIR Speed



Management Philosophies

Theory of Constraints (TOC)

Lean/5S

Six Sigma



AIRSpeed

TOC Process



1. Define the Enterprise and its purpose or goal
2. Determine how to measure the purpose or goal

Five Focusing Steps

1. Identify the constraint
2. Decide how to exploit the constraint
3. Subordinate everything to the constraint
4. Elevate the constraint
5. Sustain the effort – Do not allow inertia to become the constraint

NAV AIR

H-46 TOC Throughput Improvement

Maintained continuous improvement over the past 5 years through significant work scope increases from 9000 hrs to 14,012 standard hours!

H-46 WORK-IN-PROCESS *BEFORE*



- TURNAROUND TIME = 215 DAYS FY99 AVG
- AIRCRAFT IN WORK = 28
- BEGAN THEORY OF CONSTRAINTS (TOC) 1999
- SIGNIFICANT WORK SCOPE INCREASES '99-01

MANAGEABLE WORK-IN-PROCESS *AFTER*



- CURRENT A/C WIP=18, LAST 12 COMPLETED in FY04 AVG = 163 DAYS
- SDLM & IMC WORK SCOPE INCREASED IN FY05
 - SDLM 13,165 to 14,012
 - IMC 12,024 to 12,673
- INCREASED # OF A/C PRODUCED MEETING WAR SURGE
- MAINTAINED SAME STAFFING LEVEL OVER PAST 5 YEARS

ABLE TO RETURN FULL SQUADRON TO FLEET, INCREASING FLEET READINESS

6



AIRSpeed



Management Philosophies

Theory of Constraints (TOC)

Lean/5S+1

Six Sigma



96119 Shaft Area April 2004



Before:

- ← Floor Space: 1224 sq ft
- Walking Distance: 429 ft

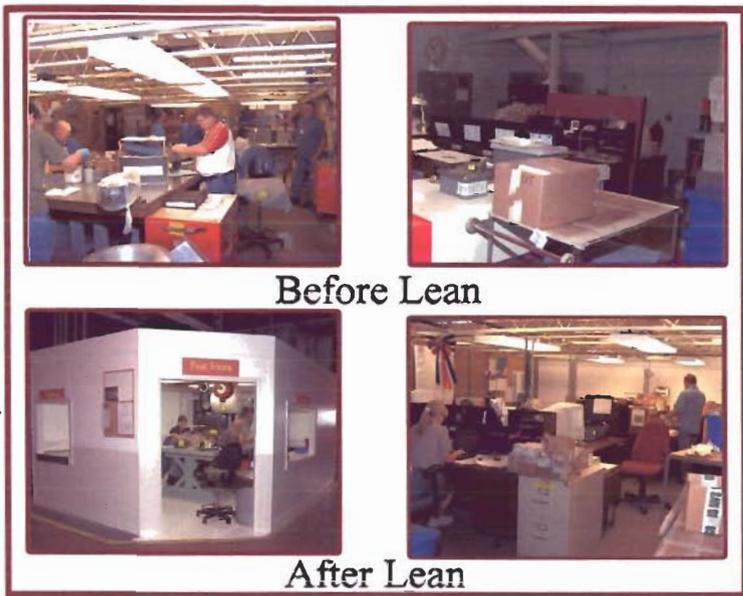
After:

- Floor Space: 816 sq ft. →
- Walking Distance: 304 ft.



T58 Fuel Controls Lean Results

AIRSpeed



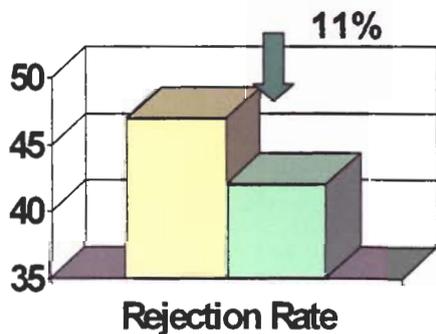
Initiative Supports T58 Engine and Components Production Schedules

Date: 24 May 2004
By: CP

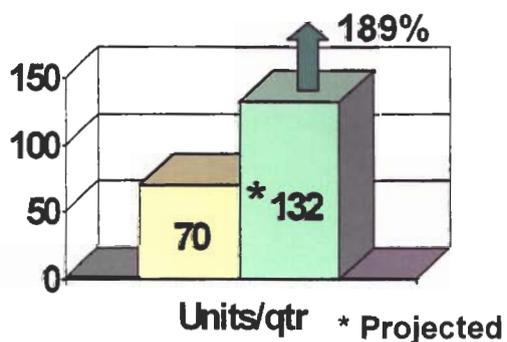
New Final Finish

New PC Area

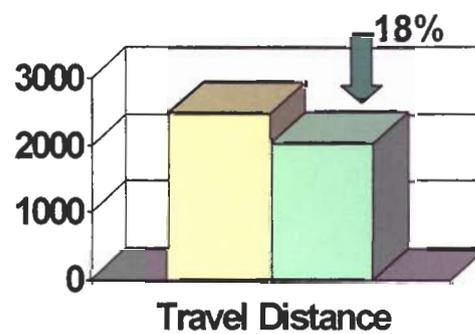
As of 10/31/04



Pre Event Post Event



Pre Event Post Event



Pre Event Post Event

12



96335 Visual Tray T58 Fuel Control

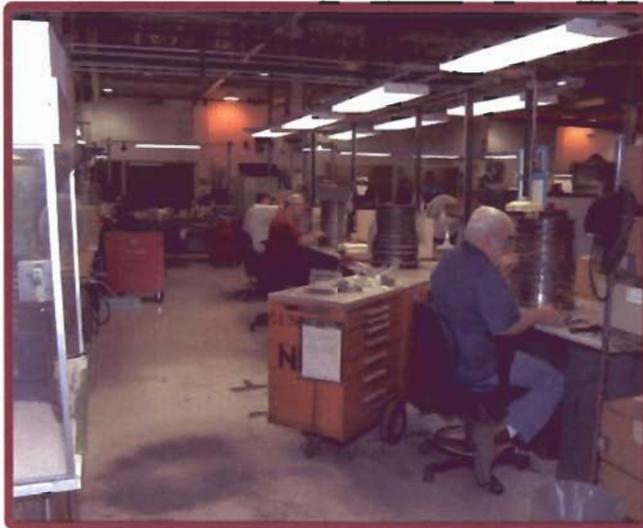




96555 T64 Engine Assy Shop GE Event May 2004 Initial Lean Event



Before Lean



After Lean

T64 Engine Shop GE Event May 2004

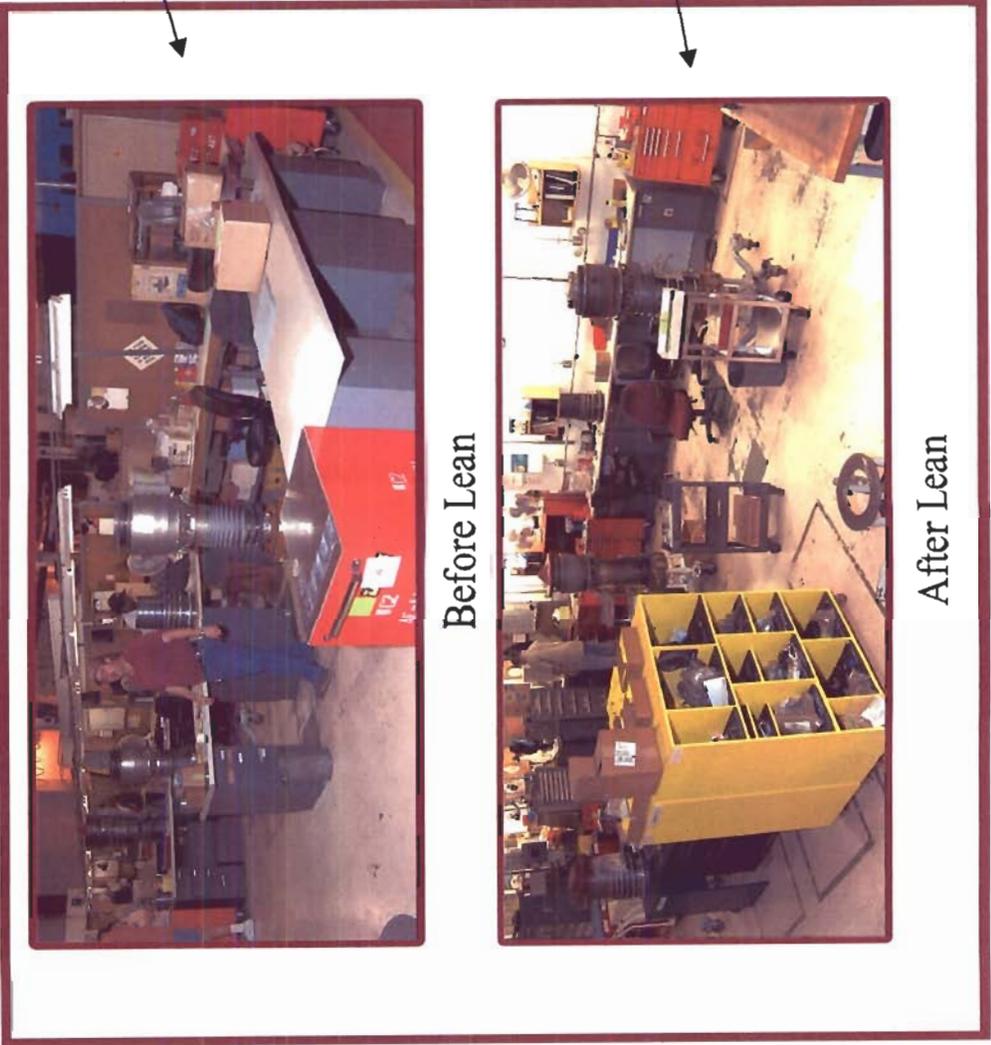


Before Lean



After Lean

T64 Assembly Shop Lean Results



**3 Separate
Assembly
Stations**

**Date: 19 April 2004
By: CP & GE**

**5 Synchronous
Stations**

Before Lean

After Lean

T58-16 Engine GE Event July 2004



Before:

Floor Space 680 Sq Ft

Walk Distance: 2620 Ft



After:

Floor Space 280 Sq Ft (59% Diff)

Walk Distance 500 Ft (85% Diff)

T58 Power Turbine GE Event July 2004

Before

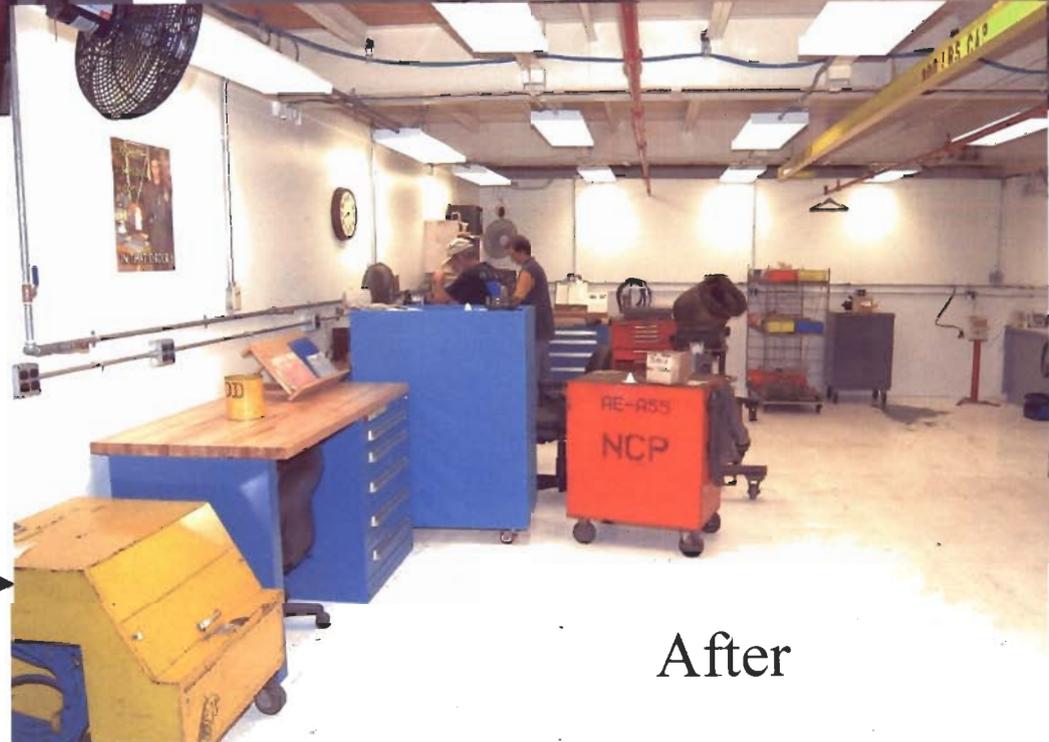


During



Before:
Floor 840 sq ft
Walk Distance – 5235 ft

After:
Floor Space 244 Sq Ft (71% Diff)
Walk Distance: 2371 ft (55% Diff)

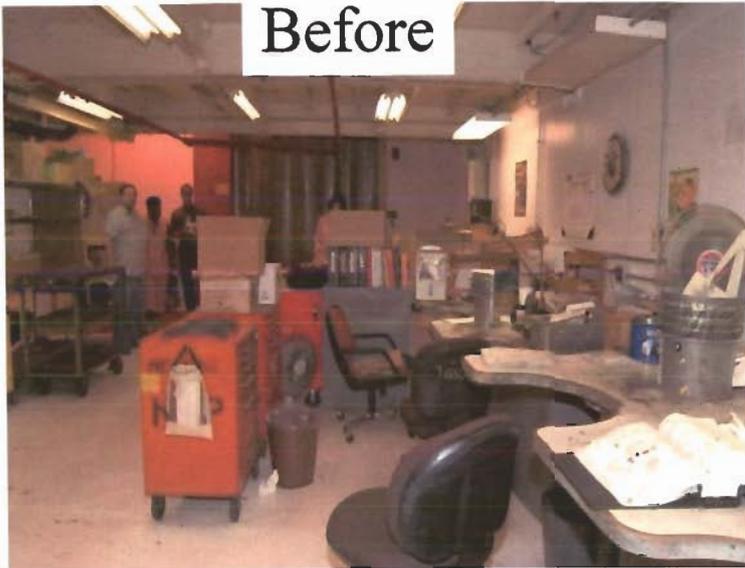


After



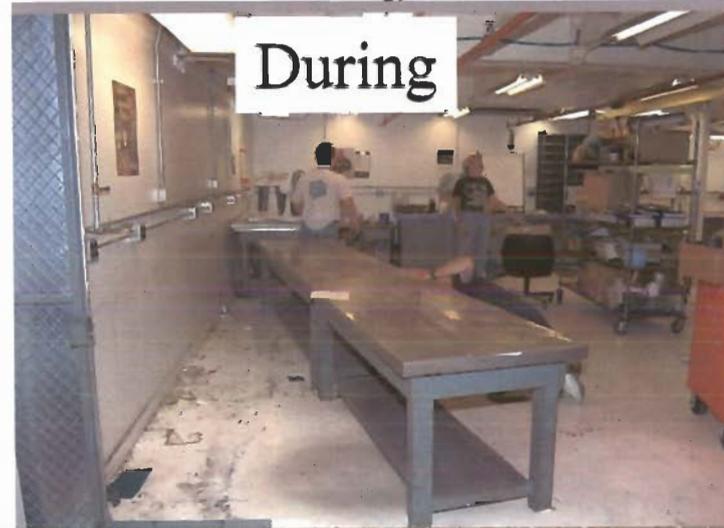
T58 Stator Case GE Event July 2004

Before



Floor Space 364 Sq Ft
Walk Distance 2176 Ft

During



After



Floor Space 210 Sq Ft. (42% Diff) →
Walk Distance 655 Ft (70% Diff)



T64 Power Turbine GE Event July 2004

Before



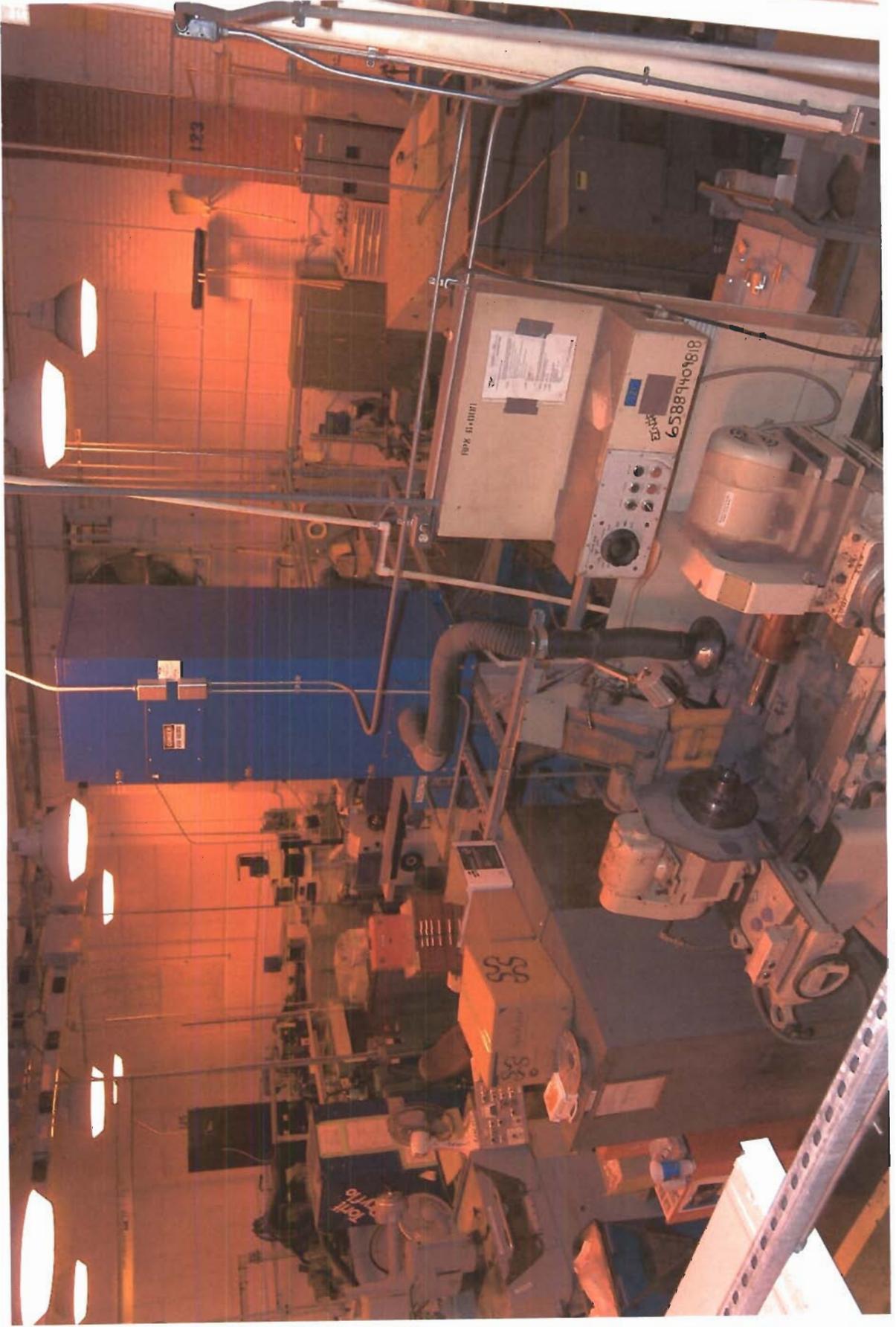
Floor Space: 1160 sq ft.
Walking Distance: 6004 ft.

After



Floor Space: 560 sq ft.
Walking Distance: 1200 ft.

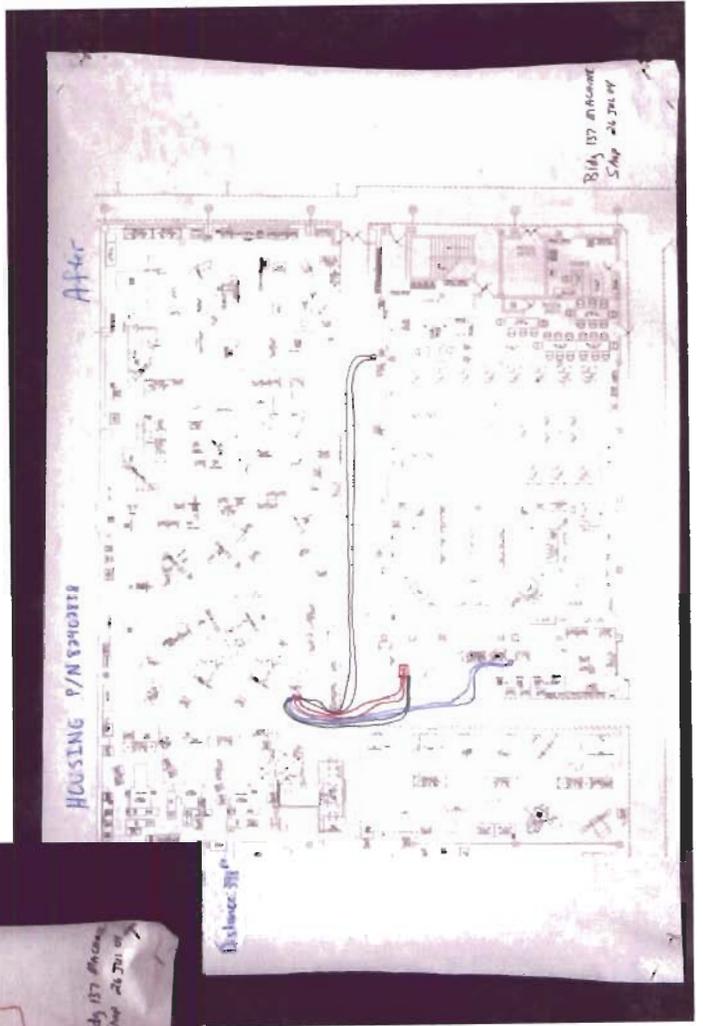
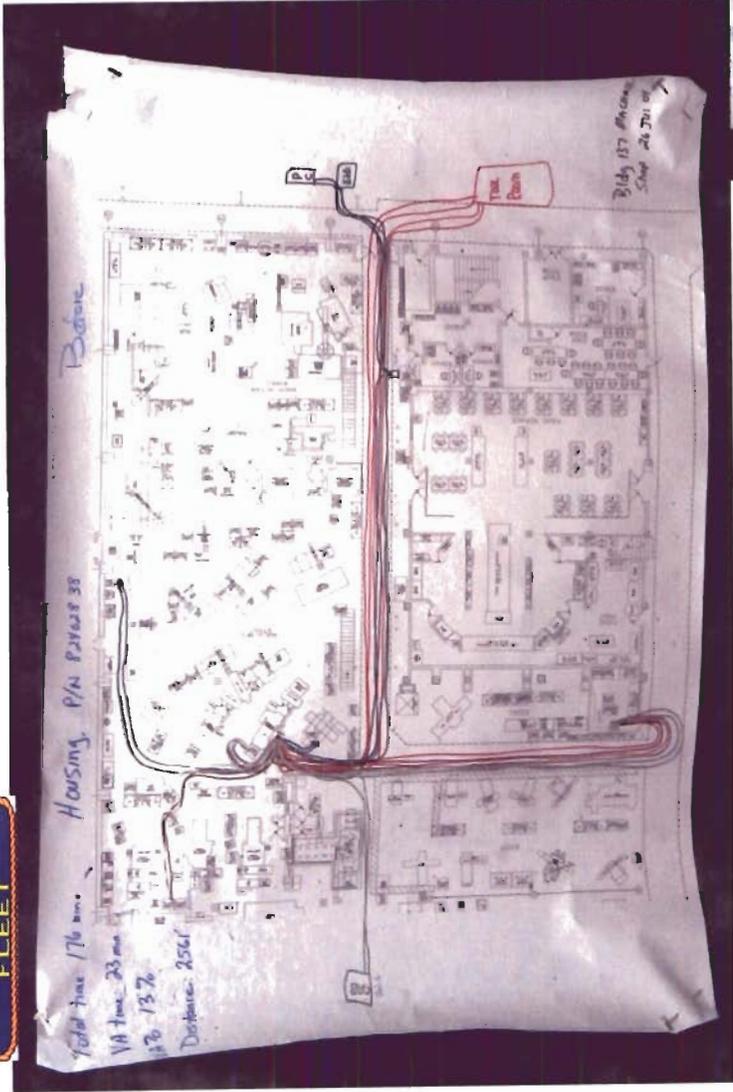
93562 Machine Shop Jig Bore July 2004





Jig Bore Value Stream Mapping

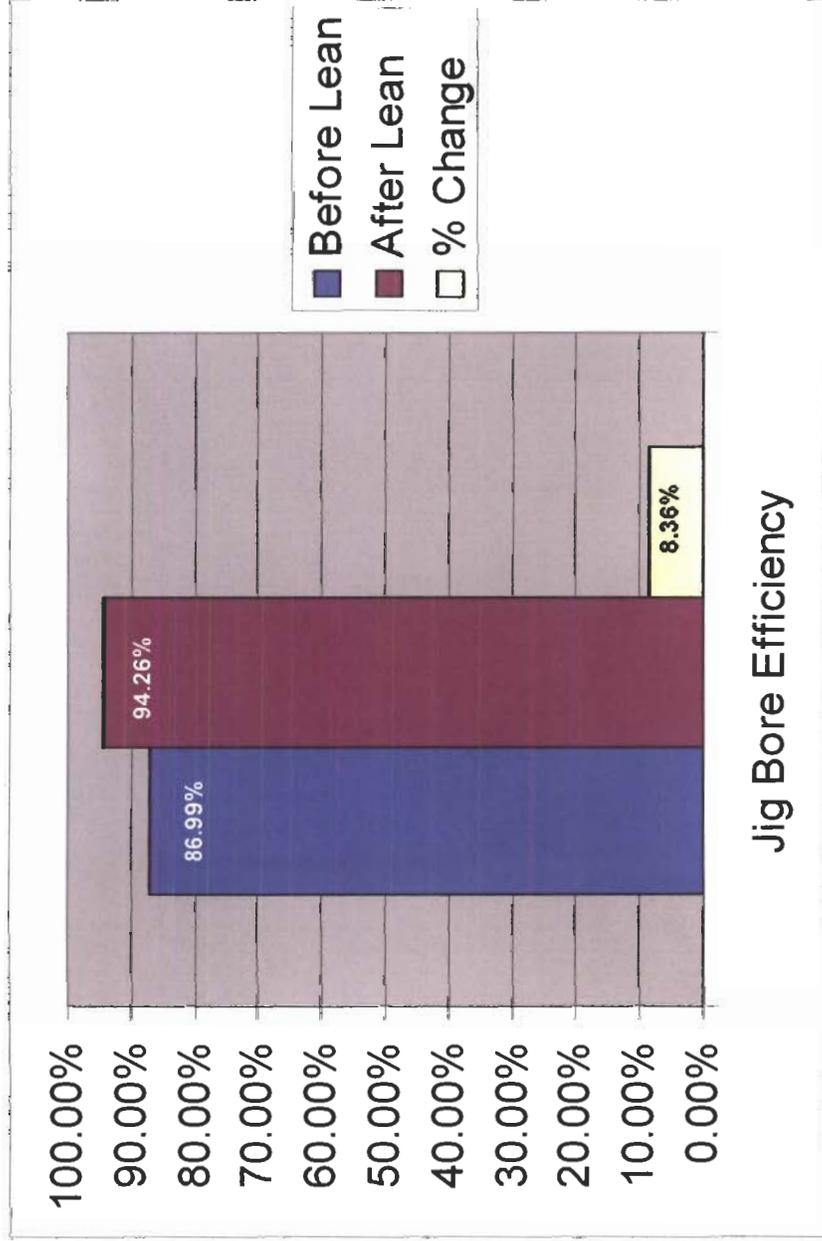
Before



After



Jig Bore Metrics as of Sep 2004



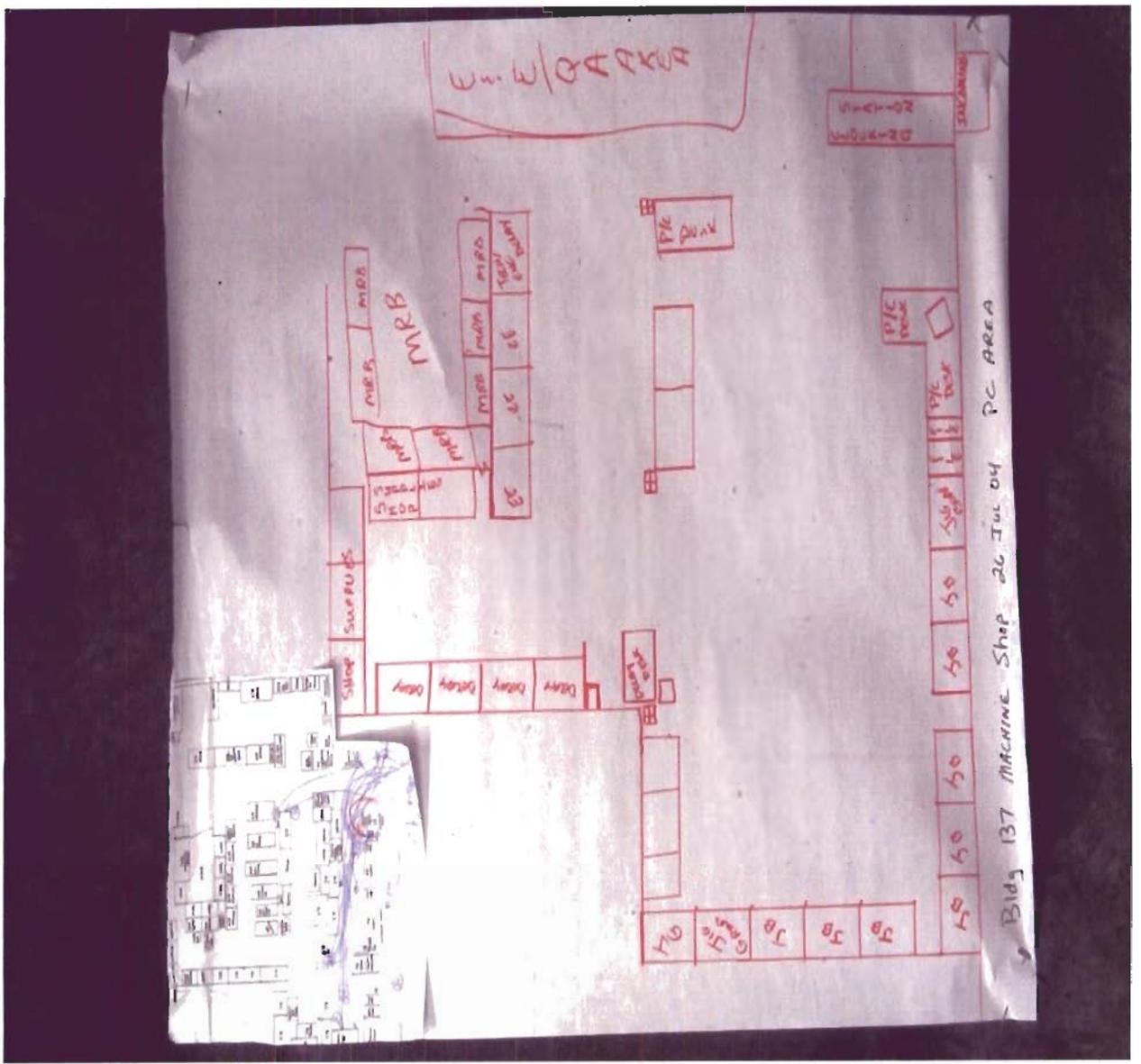


93562 Machine Shop PC Layout



Before

After





T64 Engine Disassembly August 2004





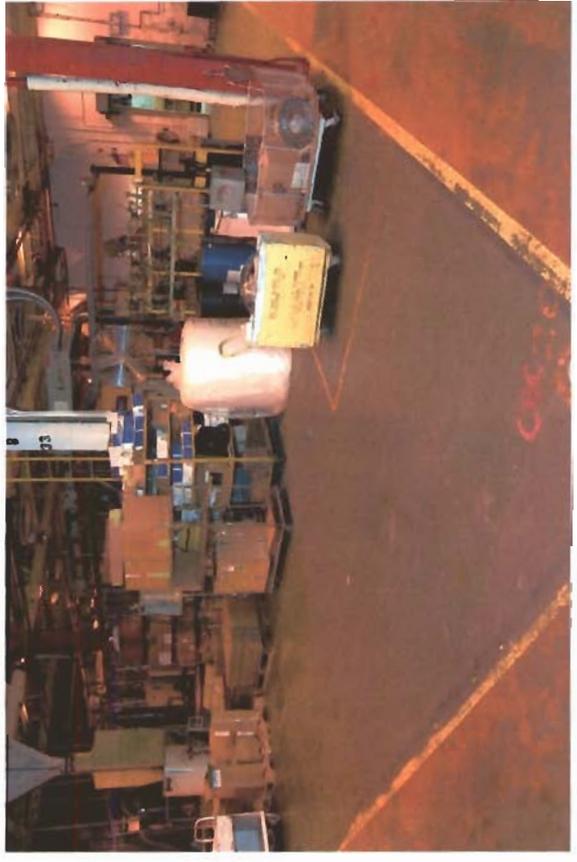
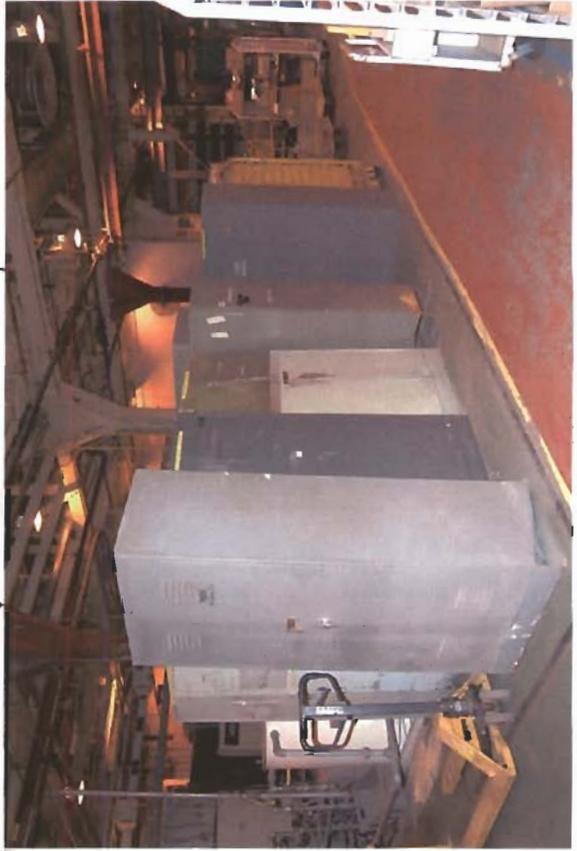
93111B Clean Shop August 2004



Before

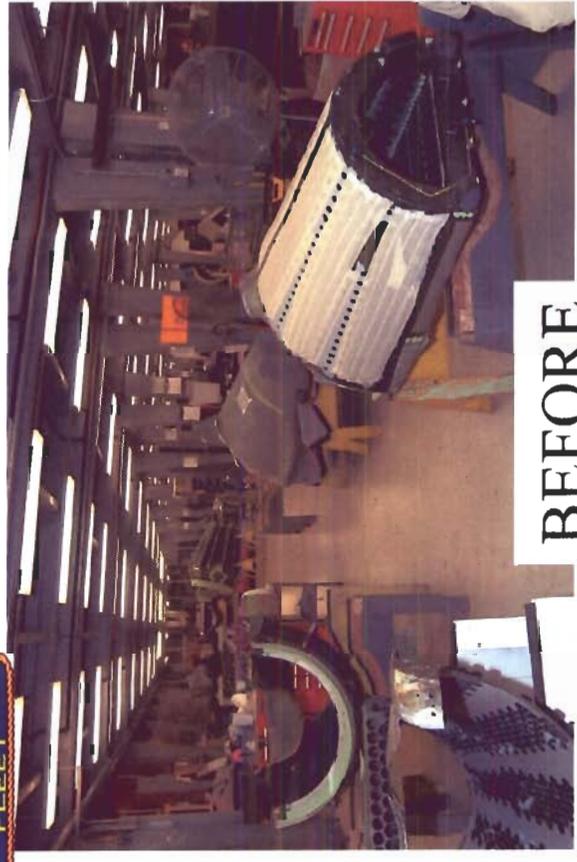


After



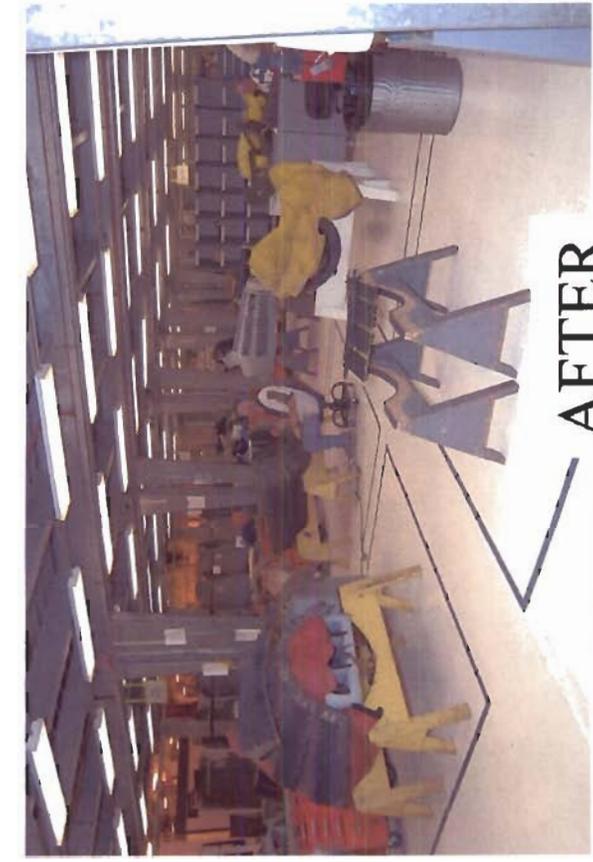


95802 EAPS November 2004



BEFORE

Walking Distance: 10,682 ft



AFTER

Walking Distance: 3,183 ft

24



“ERNIE GURNEY”



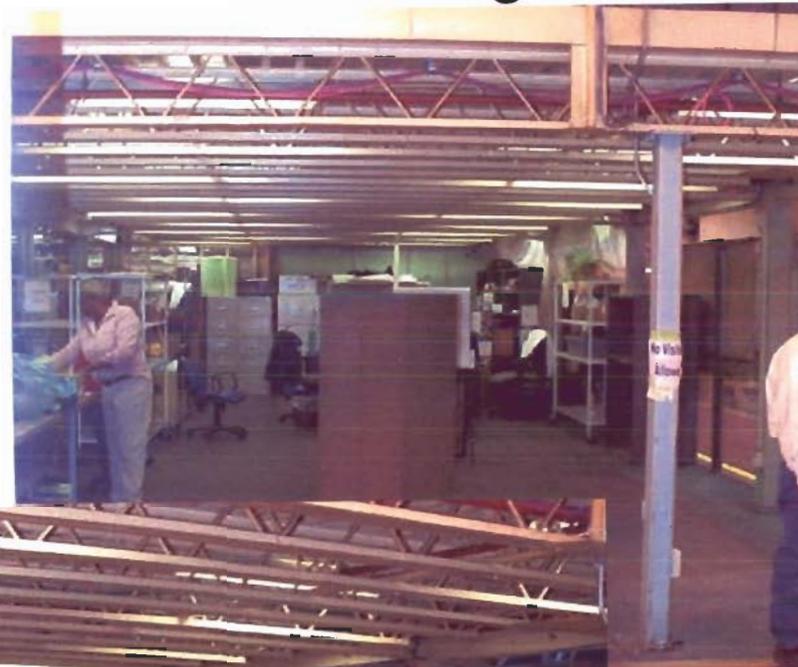


Machine Shop GE Event Bldg 133 (PC Area)



Before

During



December 2004

After →



T64 Assembly "Lean Two"

Station 1 Cycle Time Variation Recommendation

Air Seal Supermarket

RECOMMENDATIONS

STATION #1:

- SUPER MARKET OF AIR SEALS (Supplier) MACHINE Shop? RAW MAT

SOALS	SOALS	SOALS	SOALS
DIA A	DIA B	DIA C	DIA D
...

STATION #2:

- NEED ADDITIONAL DIMENSIONAL DATA ON Comp. Rotor + COMPENSER DIAMETER TO IDENTIFY SOURCE OF VARIATION
- MEASURE SAMPLE OF 6 COMP ROTOR & SIX COMP CASES BEFORE/AFTER COATING PROCESS.

Short Term Fix

VARIATION

STATION 2.*

- ROTOR/CASE ASSY PROCESS
- BLEEDING COMPRESSOR BLADES & VANES - TIME CONSUMING
- TIR IS ONLY MEASUREMENT REQUIRED - NO DIAMETER REC.



*** MATCH GRIND LONG TERM FIX**

Long Term Fix

Station 2 Cycle Time Variation Recommendation

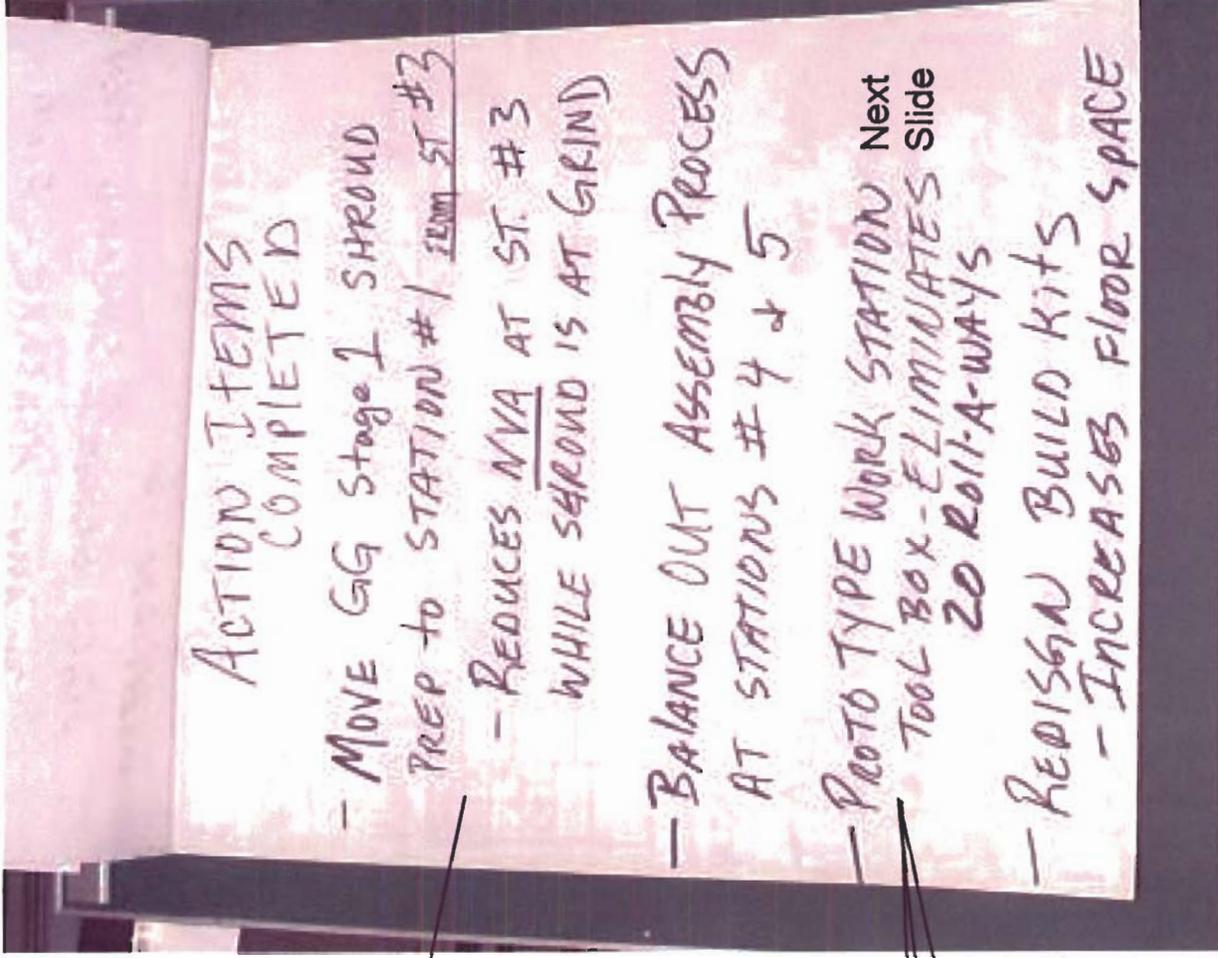
T64 Assembly "Lean Two"

Move GG Stage 1 Shroud Prep from Station 3 to 1



From Station 3 to Station 1

Eliminate Individual Tool Boxes



T64 Engine Assembly Station 1 – Job Specific Tool Kit



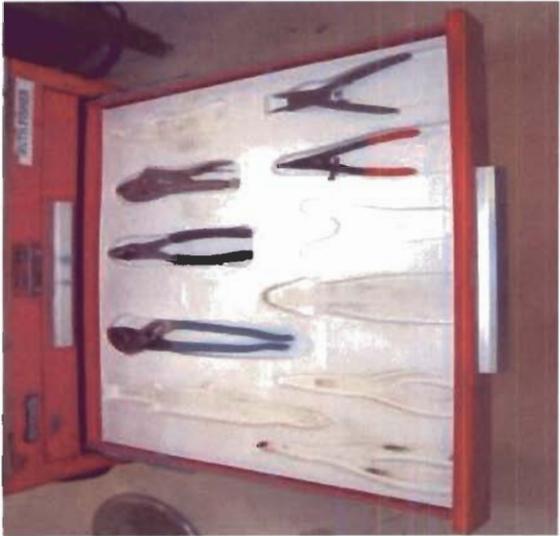
Required Hand Tools
For Station 1



Special Tools For Station 1

96555 GE Lean 2 T64 Assembly December 2004

T64 Assembly Station 1 - Eliminated Hand Tools (Results of Job Specific Tool Kit)



Eliminate Displayed Tools from Individual Tool Box – Station 1



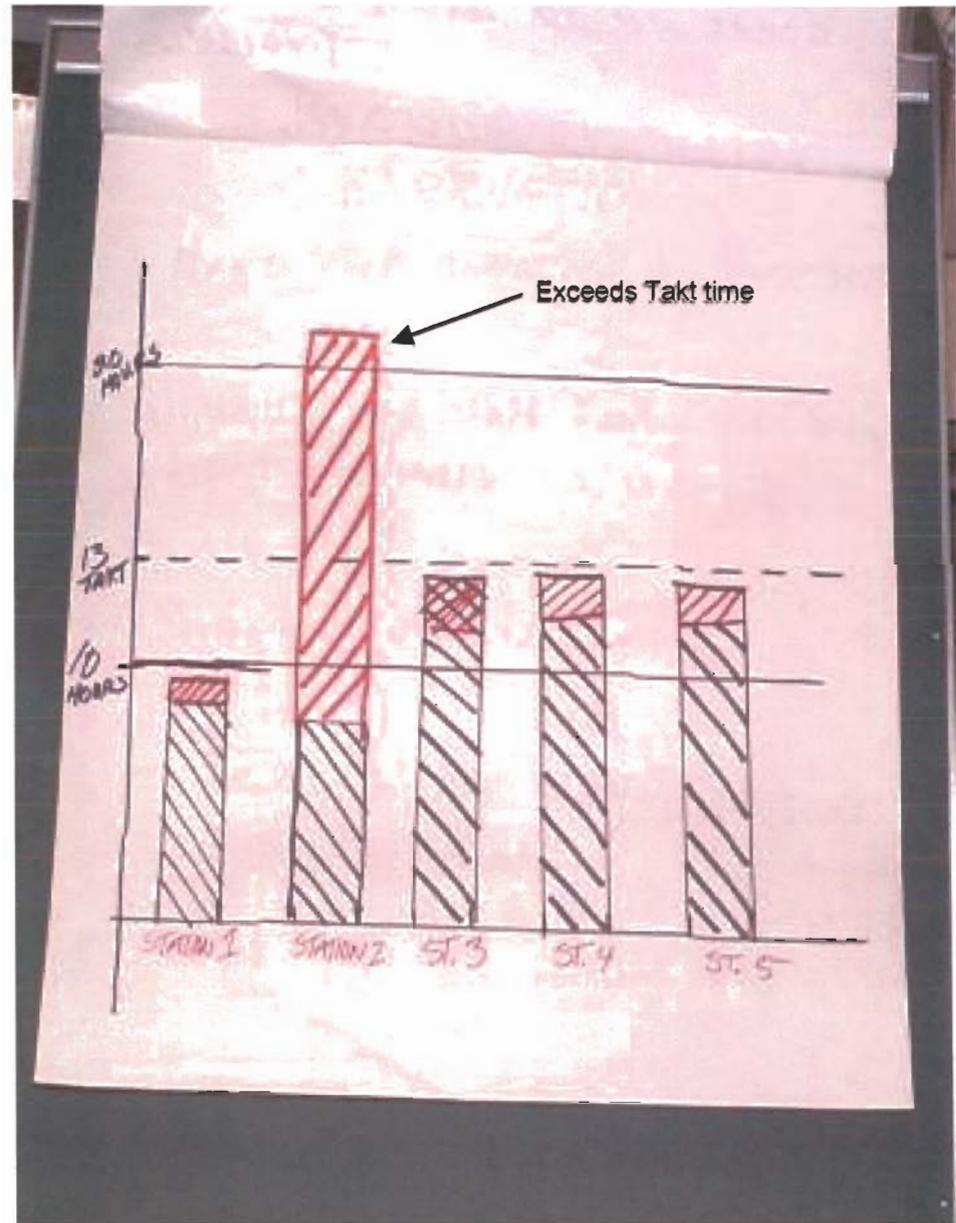
T64 Assembly "Lean Two"

Cycle time following improvements

• Stations 1, 3, 4, 5 cycle times below Takt

Station 2 exceeds Takt time

• To Be Addressed By Match Grind





AIRSpeed Lean Events 2005



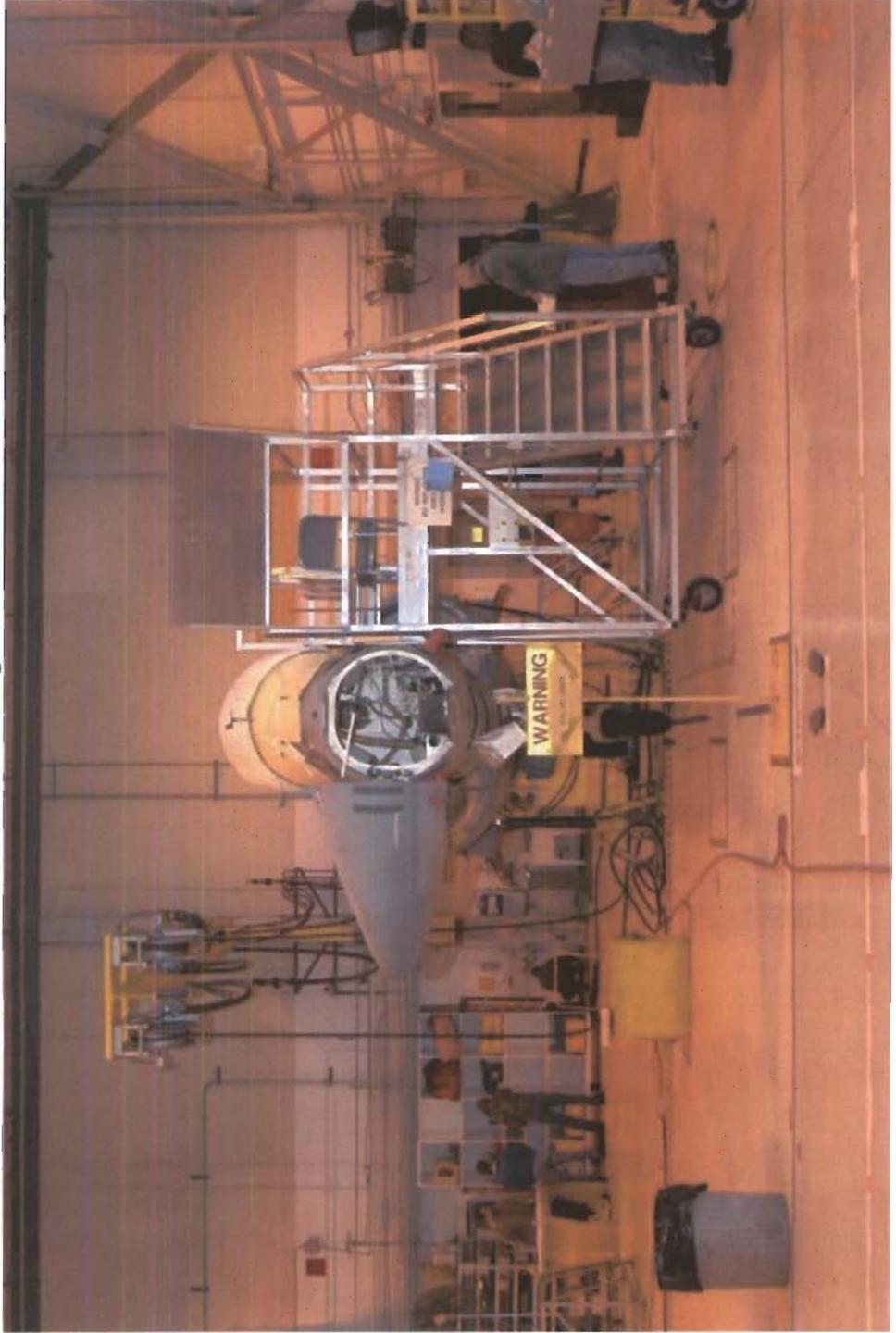


AV-8 Final Assembly Cell – Before February 2005





AV-8 Final Assembly Cell – After February 2005





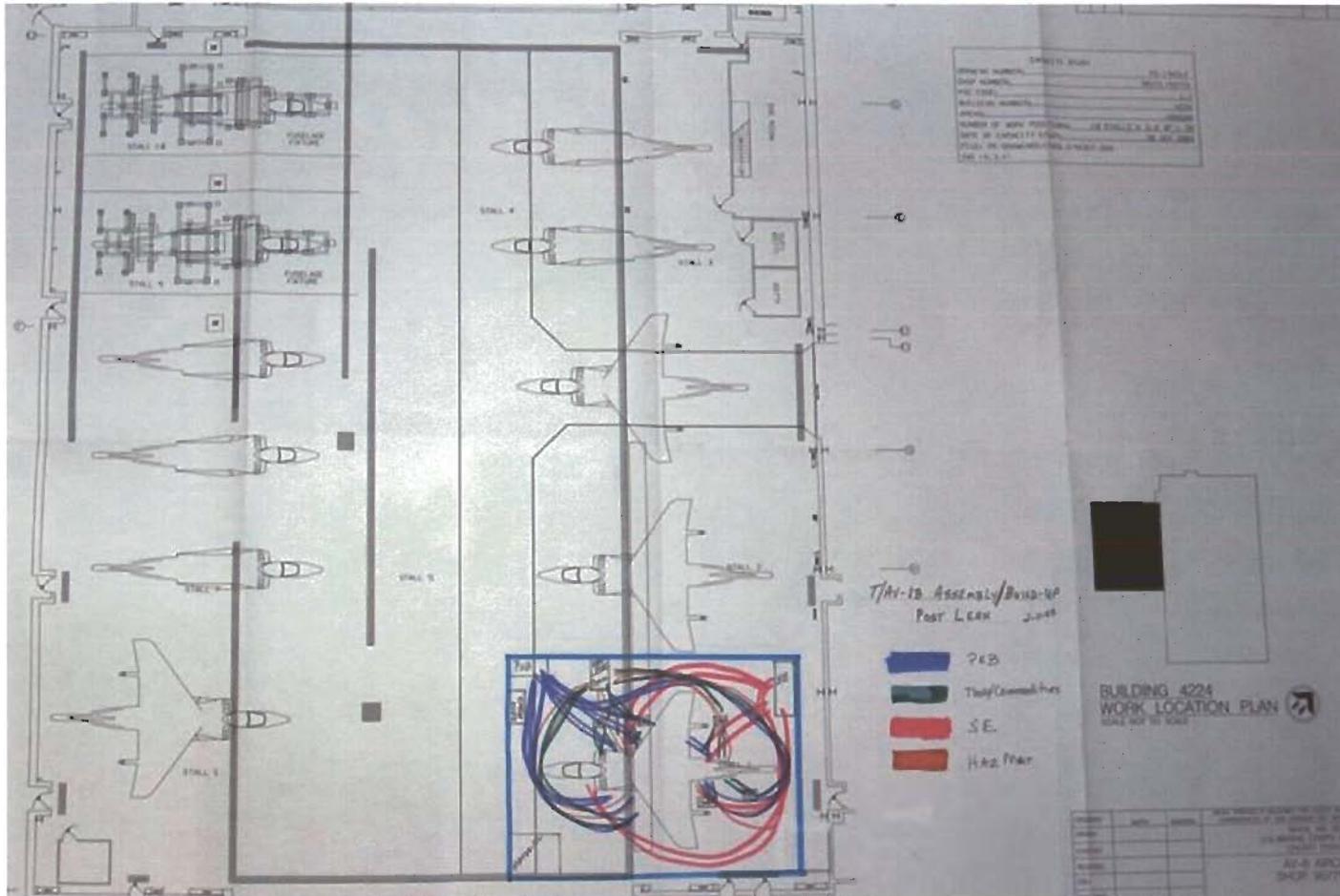
Walking Distances Before – 6007 Miles/year



AV-8 Event February 2005



Walking Distances After – 57 Miles/year



AV-8 Event – February 2005

ch



AV-8 Hangar During Phase I



February 2005



PEB'S

AV-8 Line
February 2005



HAZ-MAT



**AV-8 Line
February 2005**

***Hazardous Material Carts Designed for Work Cell
Delivered to cell each morning***



SSE Equipment



***AV-8 Line February 2005. Stored in work cell.
“A place for everything & everything in its place.”***



T/AV-8B AIRSPEED Event # 2

25 March 2005





Team #1 Charter (Kitting)

Problem Statement:

Doors, parts and hardware not readily available at point of use creating extra workload and turn around time for Final Assembly Cell.

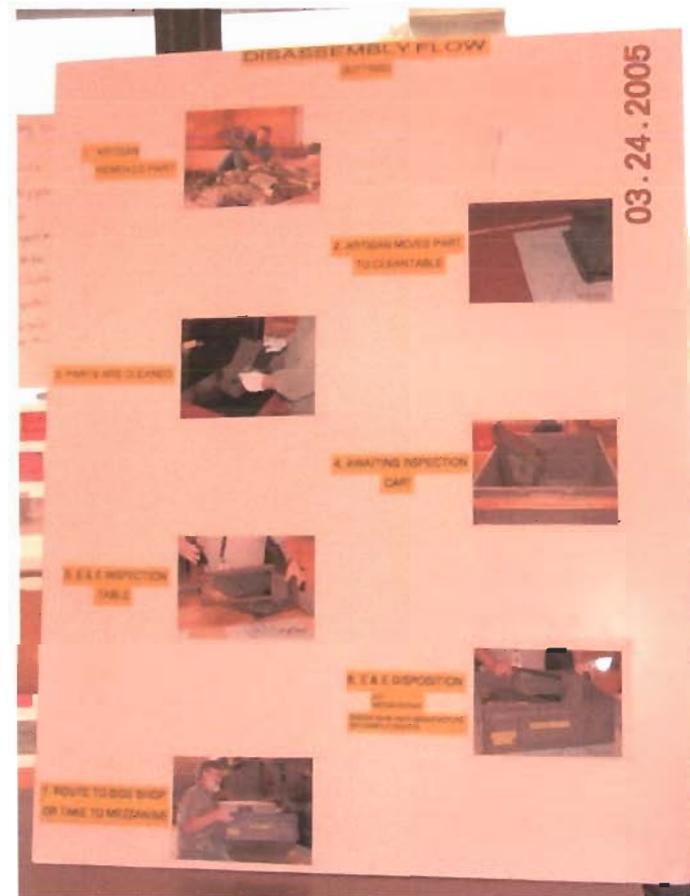
Team Objective:

Design kitting system and process to enable better tracking and point of use storage of aircraft parts for AV-8 Final Assembly cell.

Measurable Success target:

Establish storage racks for heat shields and doors. Create prototype process for kitting aircraft parts.

Kitting Team Accomplishments



97



5S Team Accomplishments

- **5S Mezzanine for kit storage**
 - **5S SSE room**
 - **Community toolbox built**
- **Established location for Wing shop outside of hangar. Flow will be established during future event.**
- **Established Red-Tag area and drafted BSP.**
- **Relocated cleaning tank to point of use**

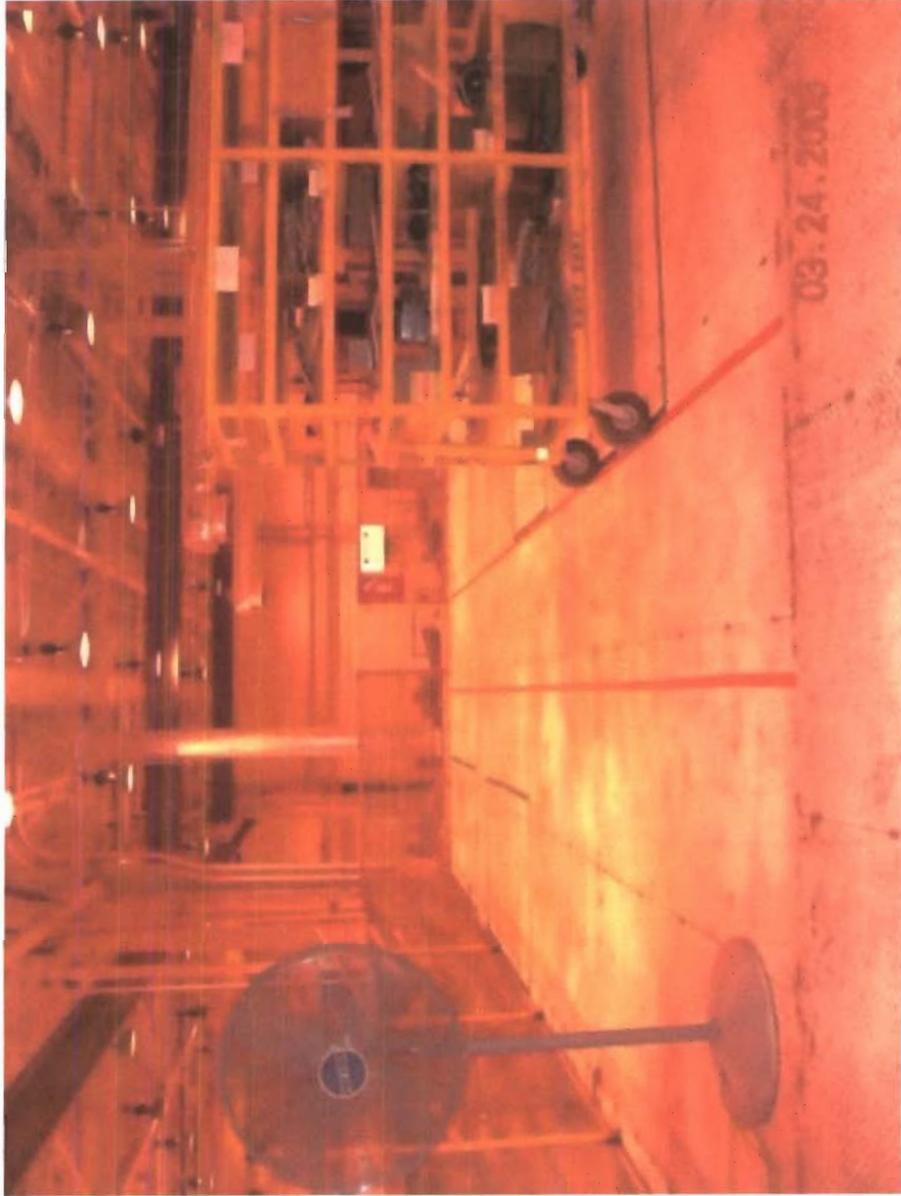


Mezzanine Before



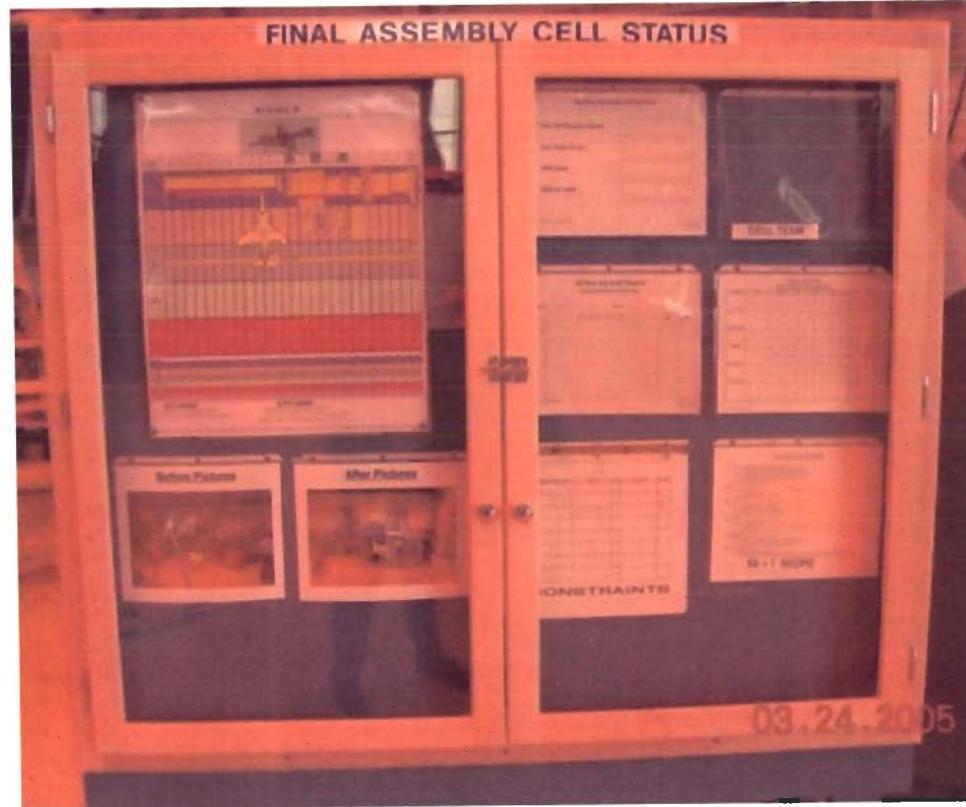


Mezzanine After





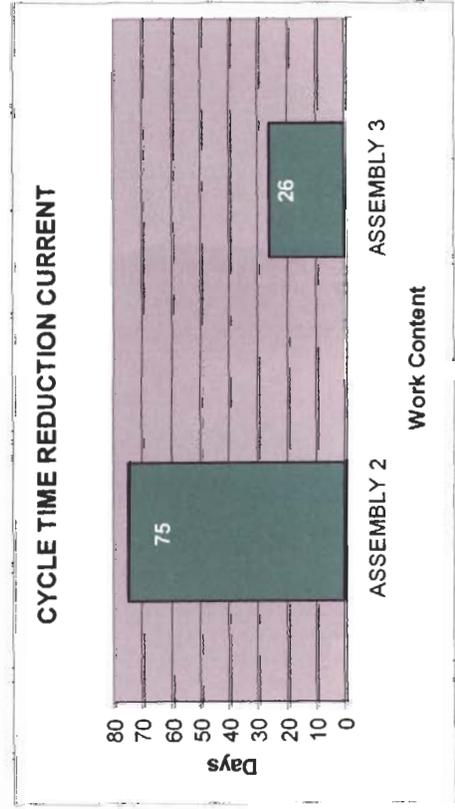
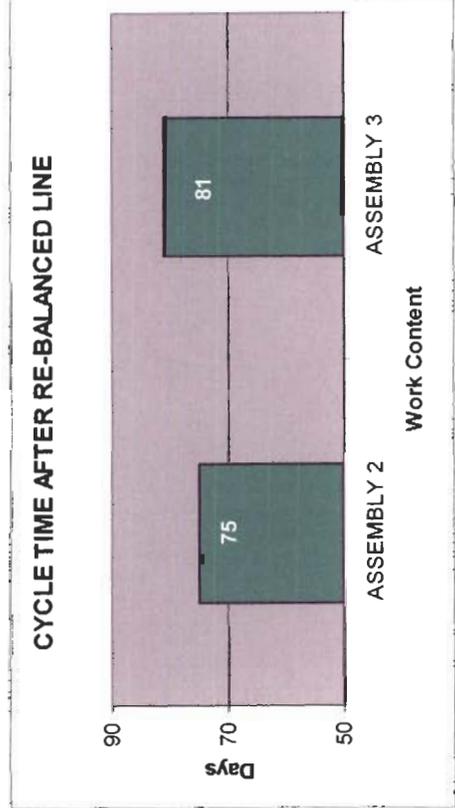
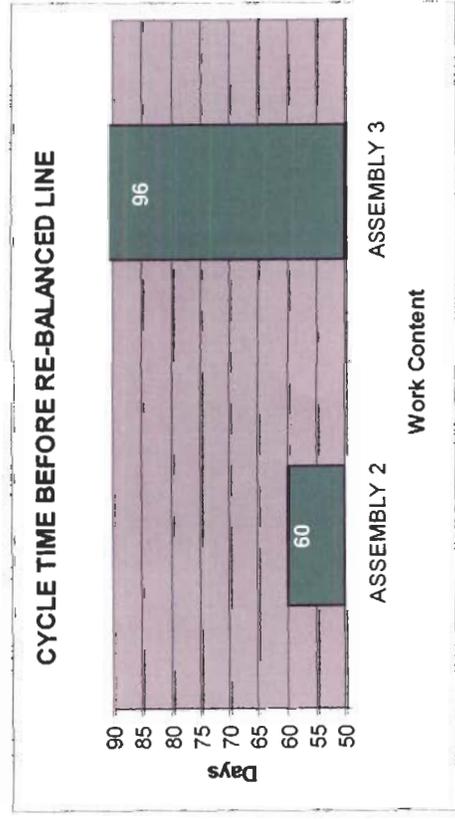
Data Display Board Team Accomplishments





Metrics

Final Assembly Cell



- Standard Work
- Value Stream Mapping
- Line Balancing
- POU Tools
- Deck adjustment (in work)



Return On Investment for the Fleet



•Final Assembly Cell

- Previous TCT: 96 work days
- Event #2 LEAN projection results:
 - 15 work days shifted to Assembly 2
 - 55 work days re-aligned in parallel with other tasks within cell eliminating NVA time
- Post Event #2 TCT: 26 work days
- Equates to >81 calendar days aircraft is available to the fleet for operations!!!!



Return On Investment for the Fleet

- **Reduction of 81 cal days aircraft is at Depot**
- **Increase of 81 cal days aircraft is available to fleet**
- **Estimated additional sortie generation:**
 - **Assumptions:**
 - **Aircraft flown 50% of the time = 40 fly days**
 - **Fly day = 3 sorties/day @ 1.3 hrs/sortie**
 - **Increase of 120 sorties & 156 flight hours!!!**
 - **(WLS remains constant; only NVA time removed!**



T/AV-8B AIRSPEED Event #3

2-6 May 2005





Cherry Point

AV-8 Production Line - Pre-Lean - Oct 2004



55



Cherry Point



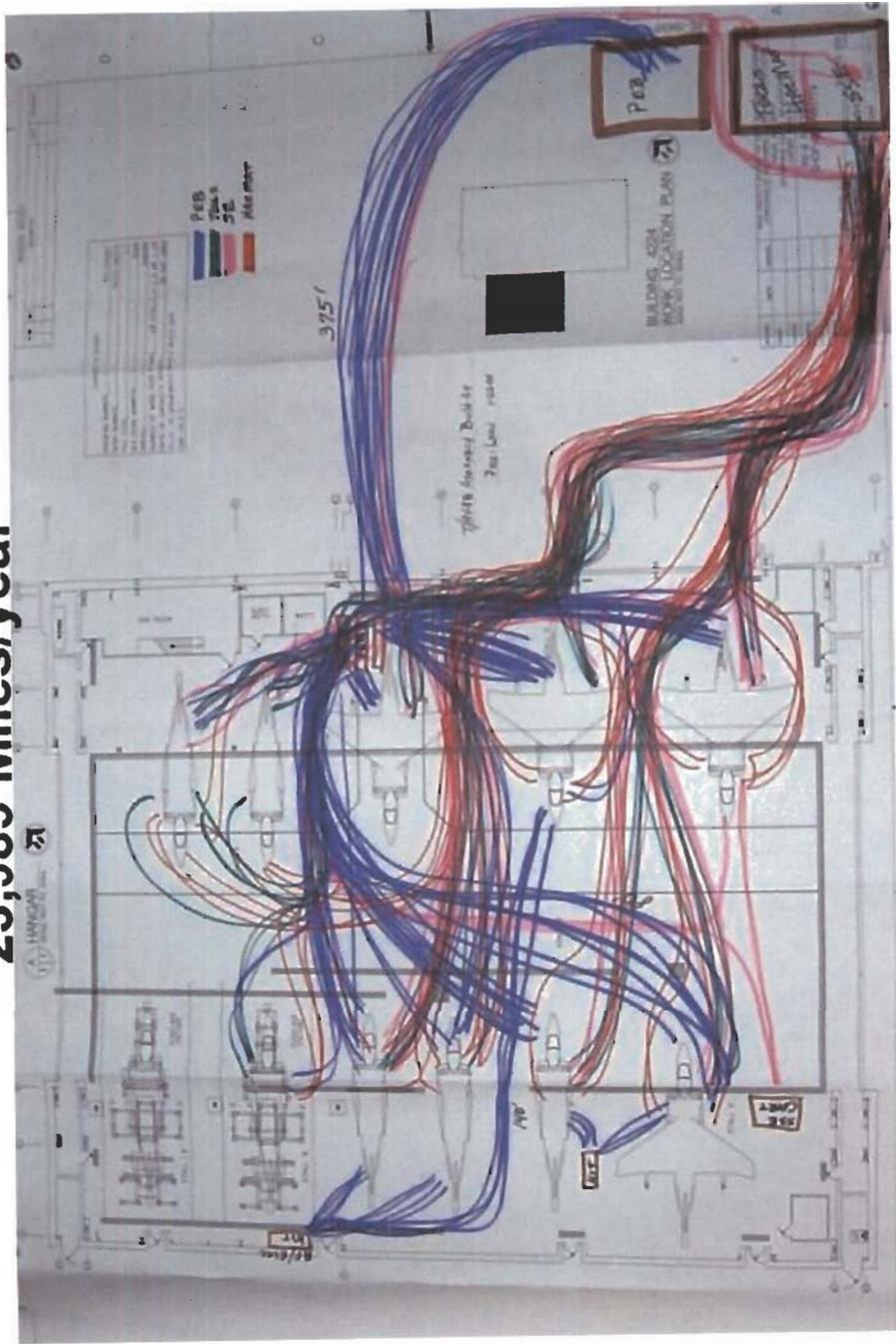
AV-8 Production Line - Post-Lean - May 2005



5.6

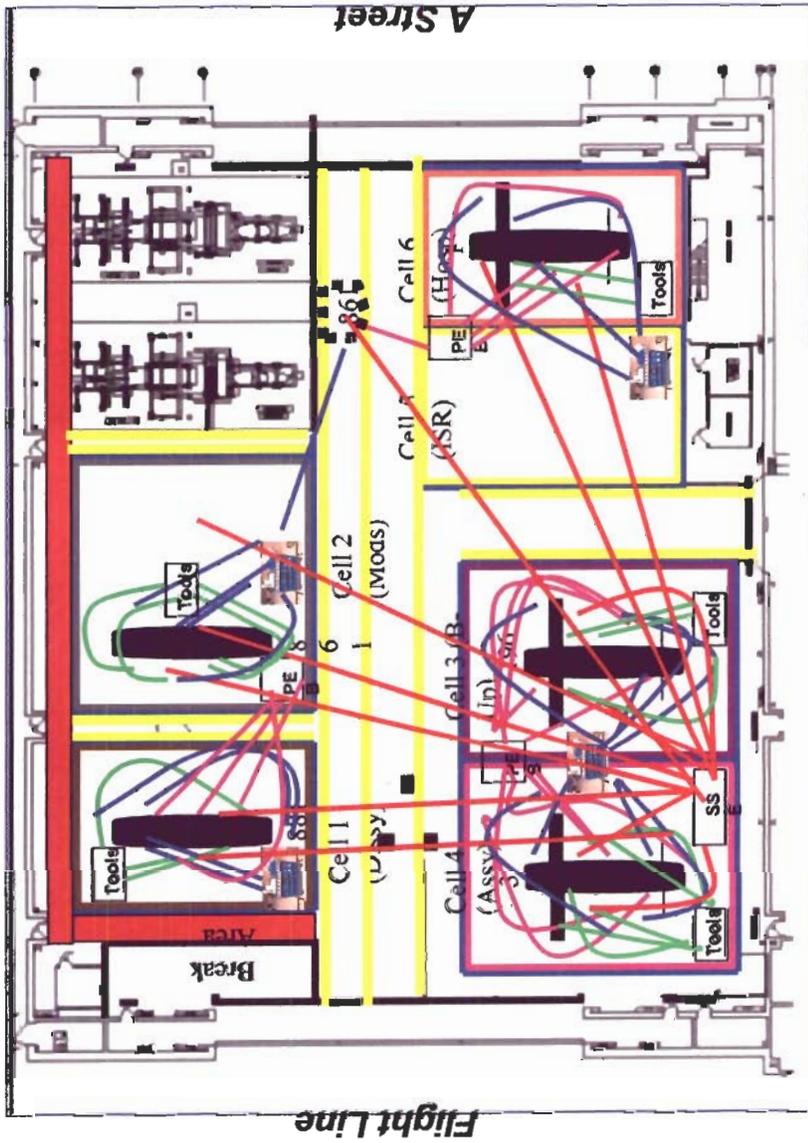


Entire Hangar Walking Distances Before Event #3 23,989 Miles/year





**Entire Hangar
Walking Distances After Event #3
228 Miles/year**



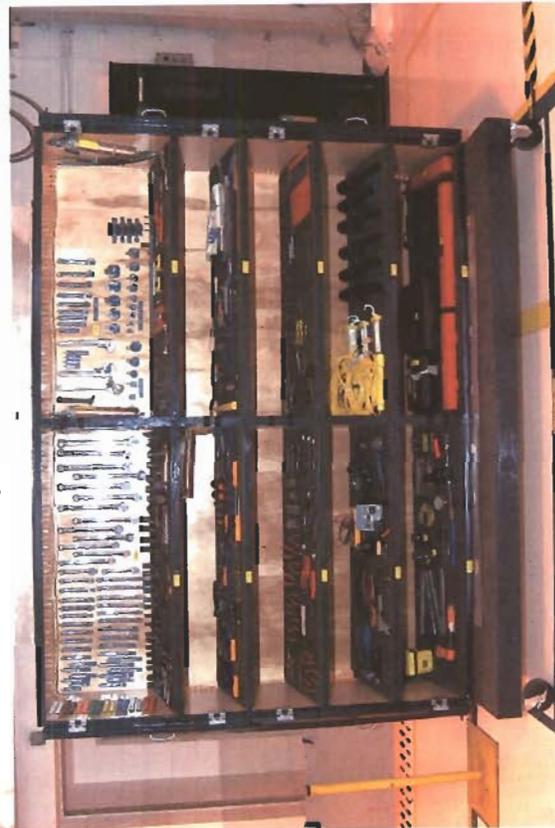


Tool Storage



Final Assembly Toolboxes – Before

1,631 tools in nine boxes



Assembly Cell Toolbox – After

539 tools in one box





Parts storage



← 15' x 5' →

**Parts cart footprint –
Before**

Total of 900 sq.ft. used

**Parts cart footprint –
Future**

Total of 180 sq.ft. used

← 5' x 3' →





Event #3 Improvements

Event Totals			
	Pre-Event Walk (Per Year)	Post-Event Walk (Per Year)	% Improved
Artisian Travel Distance (miles)	23988.56	228.18	99.0%
Artisan time away from aircraft (hours)	7996.19	76.06	
Cost of NVA Travel Time (\$100/hr burdened rate)	\$799,619	\$7,606	
Opportunity cost (days lost)	1,230	11.7	

This calculation encompasses the entire hangar and supercedes the distance improvements reported after Event #1



Where are we going?





AIRSpeed



Management Philosophies

Theory of Constraints (TOC)

Lean/5S

Six Sigma

AIR*Speed*



Customer Focused and Data Driven



Six Sigma is:

- A business strategy to achieve customer and financial objectives
- A discipline for driving process improvement
- A set of tools to transform data into information
- A development program for future leaders

NAV  AIR



AIRSpeed

Customer Focused and Data Driven



Six Sigma:

- Delivers value to customers
- Ties people, projects and metrics directly to customer requirements
- Engages customers at all levels with data-driven results
- Provides the disciplines and tools to meet financial objectives
- Drives products, processes and services to Six Sigma levels
- Removes variation and raises entitlement of processes
- Applies to every employee and site



AIR*Speed*

DMAIC Problem Solving Process



- **Define** – The project team is formed, customer requirements determined, project scope set and charter written
- **Measure** – Identify the data to be collected and determine the current sigma performance
- **Analyze** – Analyze the data and process to determine root causes of defects
- **Improve** – Brainstorm solutions and test the recommendations
- **Control** – Tools and techniques are applied to ensure performance remains high

May 2005

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
			AIRSpeed Boot Camp (96119)			
			F402 Engine Prep Work and Training (Phase 1)			
			AIRSpeed Event - AV8 Aircraft (Phase 2)			
			AIRSpeed Event - Engines, Components, and Supply Chain Solution			
8	9	10	11	12	13	14
		55 Training (2 Hrs)				
		Hyd Acts/Winch Shop (94408)	55 Event			
		AV8 Aircraft Stabilization (Phase 3)				
		AIRSpeed Lean Event - F402 Engines Rolls Royce (Phase 2)				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
15	16	17	18	19	20	21
			Gold Plate Initial Analysis (Phase 0)			
			F402 Engine Stabilization (Phase 3)			
			AV8 Aircraft Initial Analysis (Phase 0)			
			AIRSpeed Event - Engines, Components, and Supply Chain Solution			
22	23	24	25	26	27	28
		55 Training (2 Hrs)				
		T-58 Engine/PC Shop (96552)	55 Event			
		AV8 Aircraft Initial Analysis (Phase 0)				
		Gold Plate Initial Analysis (Phase 0)				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
29	30	31				
			AV8 Aircraft Prep Work and Training (Phase 1)			
			Gold Plate Prep Work and Training (Phase 1)			
			AIRSpeed Event - Engines, Components, and Supply Chain Solution			

June 2005

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
		AV8 Aircraft Prep Work and Training (Phase 1)				
		Gold Plate- Prep Work and Training (Phase 1)				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
6	6	7	8	9	10	11
		5S Training (2 Hrs)	Paint Shop (9317B) 6S Event			
		AV8 Aircraft Prep Work and Training (Phase 1)				
		Gold Plate- Prep Work and Training (Phase 1)				
		AIRSpeed Boot Camp				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
12	13	14	Follow Up on 9 May F402 Aircraft AIRSpeed Event (Phase 4)	16	17	18
		AIRSpeed Event - AV8 Aircraft (Phase 2)				
		AIRSpeed Lean Event - Gold Plate (Phase 2)				
		AIRSpeed Boot Camp				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
19	20	21	22	23	24	25
		5S Training (2 Hrs)				
		Test Engine/PC Shop (96555) 6S Event				
		AV8 Aircraft Stabilization (Phase 3)				
		Gold Plate Stabilization (Phase 3)				
		AIRSpeed Boot Camp				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				
26	27	28	29	30		
		5S Training (2 Hrs)				
		Ordinance/Survival Equip Shop (94601) 6S Event				
		AV8 Aircraft Initial Analysis (Phase 0)				
		AIRSpeed Event - Engines, Components, and Supply Chain Solution				

Any Questions?



CP-5

FROM	TO	Number of personnel moved.
Cherry Point	MCAS Beaufort, NC (FRC EAST)	~12
	CP Lejeune (MCAS New River) (EAST)	~15
	NAS JRB New Orleans (MID ATLANTIC)	~2
	NAS Oceana (MID ATLANTIC)	~53
	NAS Patuxent River (MID ATLANTIC)	~ 8
	NAS Norfolk (MID ATLANTIC)	~14
	Total	~94 104

Number of personnel eliminated by FRC		
	FRC East	~190
	FRC MID-ATLANTIC	~338
	Total	~528
	GRAND TOTAL	~632

log 1 of 5

NAVAIRDEPC Cherry Point
 FY 2005 of the FY 2006/2007 CON Biennial Budget Plan

DBC PGM	DESCRIPTION	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	BUDGET	YEAR-END
													Sep-05	ESTIMATE
TOTAL DIRECT LABOR HOURS														
0	Aircraft Plan	99,809	191,126	290,896	452,863	564,484	699,604	820,581	941,558	1,068,296	1,187,164	1,311,693	1,425,631	1,337,631
0	Aircraft Actual	99,809	191,126	290,896	391,615	480,272	582,934	677,514	0	0	0	0	0	0
0	Concurrent Modification	0	0	0	0	0	0	0	0	0	0	0	0	0
0	Aircraft Actual (with Concurrent Mod)	99,809	191,126	290,896	391,615	480,272	582,934	677,514	0	0	0	0	0	0
0	Variance	0	0	0	(61,248)	(84,212)	(116,670)	(143,067)	0	0	0	0	0	0
0	Variance %	0.0%	0.0%	0.0%	-13.5%	-14.9%	-16.7%	-17.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	Engines Plan	27,173	53,577	82,487	87,754	108,071	132,666	154,944	177,222	200,561	223,006	246,519	268,961	268,961
2	Engines Actual	27,173	53,577	82,487	108,692	133,129	165,513	194,920	0	0	0	0	0	0
2	Variance	0	0	0	20,938	25,058	32,847	39,976	0	0	0	0	0	0
2	Variance %	0.0%	0.0%	0.0%	23.9%	23.2%	24.8%	25.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Components Plan	84,013	168,042	260,756	436,546	541,542	668,643	783,414	898,185	1,018,421	1,131,963	1,250,912	1,363,816	1,363,816
3	Components Actual	84,013	168,042	260,756	349,111	446,511	563,146	652,929	0	0	0	0	0	0
3	Variance	0	0	0	(87,435)	(95,031)	(105,497)	(130,485)	0	0	0	0	0	0
3	Variance %	0.0%	0.0%	0.0%	-20.0%	-17.5%	-15.8%	-16.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Other Support Plan	93,045	187,521	281,219	385,401	474,848	583,127	679,506	775,885	876,854	973,389	1,074,521	1,176,619	1,176,619
4	Competency 3.0 O&M,N + O&M,NR	24,364	49,676	75,711	103,008	128,222	140,057	186,925	0	0	0	0	0	0
4	Competency 3.0 APN	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Competency 3.0 Other Funded	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Competency 3.0 Total Actual	24,364	49,676	75,711	103,008	128,222	140,057	186,925	0	0	0	0	0	0
4	Competency 4.0 O&M,N + O&M,NR	39,353	78,872	122,172	162,742	202,901	221,514	292,042	0	0	0	0	0	0
4	Competency 4.0 APN	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Competency 4.0 Other Funded	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Competency 4.0 Total Actual	39,353	78,872	122,172	162,742	202,901	221,514	292,042	0	0	0	0	0	0
4	Other Actual	29,328	58,973	83,336	110,104	138,290	214,614	195,604	0	0	0	0	0	0
4	Total Other Support Actual	93,045	187,521	281,219	375,854	469,413	576,185	674,571	0	0	0	0	0	0
4	Variance	0	0	0	(9,547)	(5,435)	(6,942)	(4,935)	0	0	0	0	0	0
4	Variance %	0.0%	0.0%	0.0%	-2.5%	-1.1%	-1.2%	-0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Manufacturing Plan	14,138	29,429	45,376	38,307	47,533	58,701	68,911	79,121	89,817	100,050	110,770	121,005	121,005
5	Manufacturing Actual	14,138	29,429	45,376	63,305	79,724	98,069	113,289	0	0	0	0	0	0
5	Variance	0	0	0	24,998	32,191	39,368	44,378	0	0	0	0	0	0
5	Variance %	0.0%	0.0%	0.0%	65.3%	67.7%	67.1%	64.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Plan		318,178	629,695	960,734	1,400,871	1,736,478	2,142,741	2,507,356	2,871,971	3,253,949	3,615,572	3,994,415	4,356,032	4,268,032
Total Actual		318,178	629,695	960,734	1,288,577	1,609,049	1,985,847	2,313,223	0	0	0	0	0	0
Variance		0	0	0	(112,294)	(127,429)	(156,894)	(194,133)	0	0	0	0	0	0
Variance %		0.0%	0.0%	0.0%	-8.0%	-7.3%	-7.3%	-7.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

ESTIMATED # PERSONNEL
 AS A RESULT OF DIRECT
 AND INDIRECT VARIANCE

120
 120
 240

NAVAIRDEPC Cherry Point
 FY 2005 of the FY 2006/2007 CON Biennial Budget Plan

DBC PGM	DESCRIPTION	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	BUDGET Sep-05	YEAR-END ESTIMATE
(DIRECT EXPENSE (\$K))														
4500	0 Aircraft Plan	5,511	12,127	17,656	25,490	32,304	40,552	47,992	55,432	63,227	70,541	78,203	85,517	82,517
4500	0 Aircraft Actual	5,511	12,127	17,656	23,312	28,272	35,616	41,502	0	0	0	0	0	0
4500	0 Concurrent Modification	0	0	0	0	0	0	0	0	0	0	0	0	0
4500	0 Aircraft Actual (with Concurrent Mod)	5,511	12,127	17,656	23,312	28,272	35,616	41,502	0	0	0	0	0	0
4500	0 Variance	0	0	0	(2,178)	(4,032)	(4,936)	(6,490)	0	0	0	0	0	0
4500	0 Variance %	0.0%	0.0%	0.0%	-8.5%	-12.5%	-12.2%	-13.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4500	2 Engines Plan	7,555	15,624	24,694	32,806	40,625	50,090	58,641	67,192	76,150	84,756	93,772	102,378	102,378
4500	2 Engines Actual	7,555	15,624	24,694	33,215	38,078	51,278	61,138	0	0	0	0	0	0
4500	2 Variance	0	0	0	409	(2,547)	1,188	2,497	0	0	0	0	0	0
4500	2 Variance %	0.0%	0.0%	0.0%	1.2%	-6.3%	2.4%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4500	3 Components Plan	16,910	39,508	62,940	91,181	115,107	142,908	168,596	194,284	220,930	246,360	272,738	298,161	301,161
4500	3 Components Actual	16,910	39,508	62,940	86,650	111,484	139,863	161,926	0	0	0	0	0	0
4500	3 Variance	0	0	0	(4,531)	(3,623)	(3,045)	(6,670)	0	0	0	0	0	0
4500	3 Variance %	0.0%	0.0%	0.0%	-5.0%	-3.1%	-2.1%	-4.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4500	4 Other Support Plan	6,769	13,818	21,522	31,387	38,177	46,396	53,740	61,084	68,778	76,130	83,829	91,179	91,179
4500	4 Competency 3.0 O&M,N + O&M,NR	1,696	3,526	5,423	7,205	8,823	9,675	12,961	0	0	0	0	0	0
4500	4 Competency 3.0 APN	0	0	0	0	0	0	0	0	0	0	0	0	0
4500	4 Competency 3.0 Other Funded	0	0	0	0	0	0	0	0	0	0	0	0	0
4500	4 Competency 3.0 Total Actual	1,696	3,526	5,423	7,205	8,823	9,675	12,961	0	0	0	0	0	0
4500	4 Competency 4.0 O&M,N + O&M,NR	2,336	4,676	7,731	10,291	13,628	14,712	19,081	0	0	0	0	0	0
4500	4 Competency 4.0 APN	0	0	0	0	0	0	0	0	0	0	0	0	0
4500	4 Competency 4.0 Other Funded	0	0	0	0	0	0	0	0	0	0	0	0	0
4500	4 Competency 4.0 Total Actual	2,336	4,676	7,731	10,291	13,628	14,712	19,081	0	0	0	0	0	0
4500	4 All Other Actual	2,737	5,616	8,368	11,431	14,966	22,028	21,568	0	0	0	0	0	0
4500	4 Total Other Support Actual	6,769	13,818	21,522	28,927	37,417	46,415	53,610	0	0	0	0	0	0
4500	4 Variance	0	0	0	(2,460)	(760)	19	(130)	0	0	0	0	0	0
4500	4 Variance %	0.0%	0.0%	0.0%	-7.8%	-2.0%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4500	5 Manufacturing Plan	825	1,241	2,503	2,358	2,511	2,695	2,864	3,033	3,209	3,379	3,556	3,726	3,726
4500	5 Manufacturing Actual	825	1,241	2,503	3,237	3,441	3,984	4,222	0	0	0	0	0	0
4500	5 Variance	0	0	0	879	930	1,289	1,358	0	0	0	0	0	0
4500	5 Variance %	0.0%	0.0%	0.0%	37.3%	37.0%	47.8%	47.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4500	Total Plan	37,570	82,318	129,315	183,222	228,724	282,641	331,833	381,025	432,294	481,166	532,098	580,961	580,961
4500	Total Actual	37,570	82,318	129,315	175,341	218,692	277,156	322,398	0	0	0	0	0	0
4500	Variance	0	0	0	(7,881)	(10,032)	(5,485)	(9,435)	0	0	0	0	0	0
4500	Variance %	0.0%	0.0%	0.0%	-4.3%	-4.4%	-1.9%	-2.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

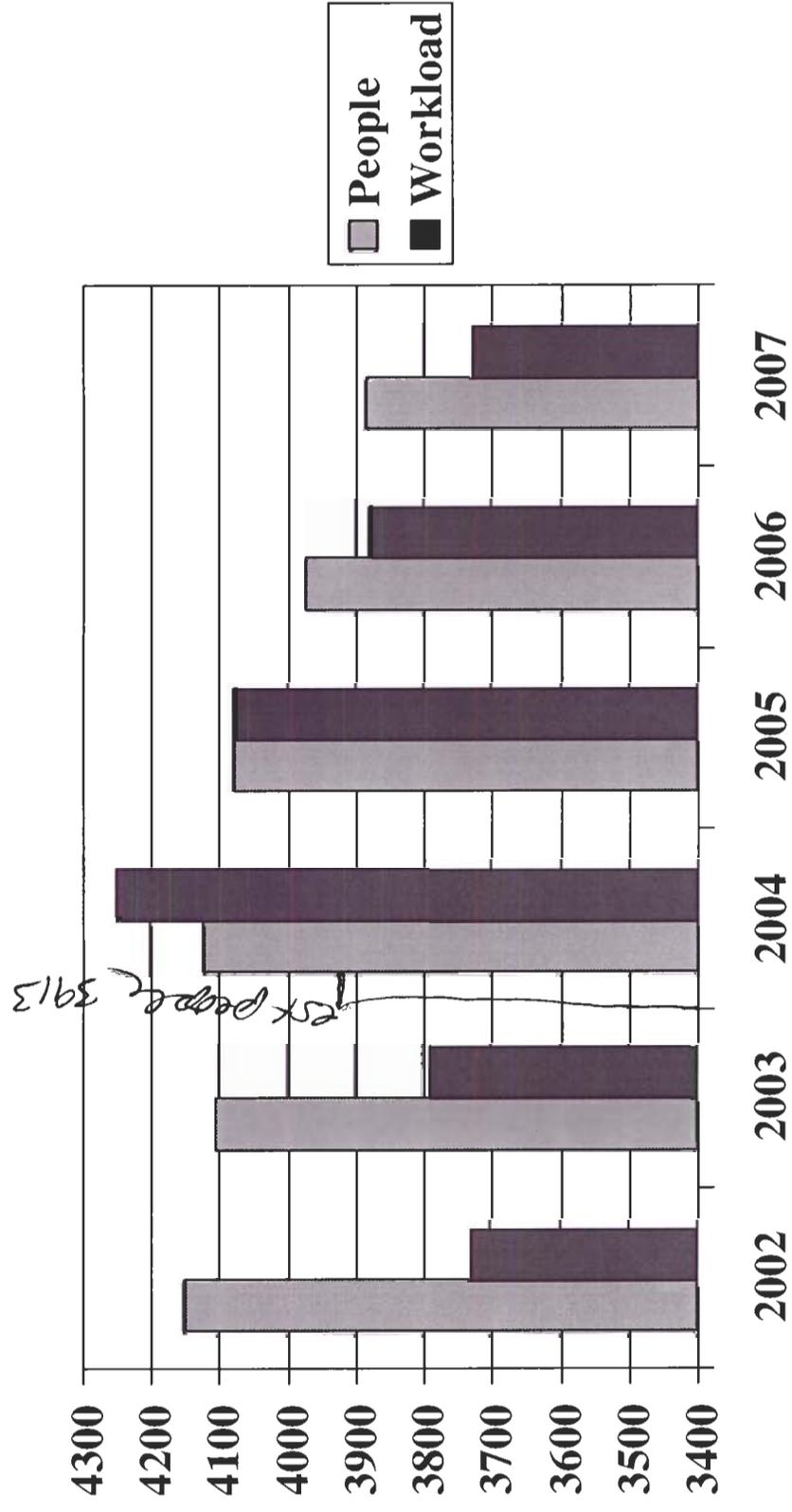
W.D. Co. E.

DESCRIPTION (000's)		Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05
OVHD	Total Plan	16,217	36,504	58,041	80,711	100,171	123,726	144,933	166,140	188,358	209,355	231,352	252,085
OVHD	Total Actual	16,217	36,504	58,041	77,579	94,235	116,228	135,771	0	0	0	0	0
OVHD	Variance	0	0	0	(3,132)	(5,936)	(7,498)	(9,162)	0	0	0	0	0
OVHD	Variance %	0.00%	0.00%	0.00%	-3.88%	-5.93%	-6.06%	-6.32%	0	0	0	0	0

4
MB

People and Workload Fluctuations

add Reg'd Perms



5/15/5

0105

INDUSTRIAL BUDGET INFORMATION SYSTEM
STANDARD WORKSHEET
AMOUNT IN THOUSANDS
NADEP / NADPCHER

	FY 2002 CON	FY 2003 CON	FY 2004 CON	FY 2005 CON
***** ** Flying Hours by Fuel Type ** *****				
FH01	FLYING HOURS - JP-4	0	0	0
FH02	FLYING HOURS - JP-5	786	785	842
FH03	FLYING HOURS - JP-8	0	0	0
FH04	FLYING HOURS - AVGAS	0	0	0
<hr/>				
FH00	FLYING HOURS - PROGRAM *	786	785	842
***** ** End Strength ** *****				
9000	PERSONNEL ON BOARD - END OF PERIOD	3,827	3,627	3,583
9010	CIVILIAN PERSONNEL *	3,787	3,581	3,538
9011	GRADED PERSONNEL	1,611	1,547	1,557
9012	UNGRADED PERSONNEL	2,169	2,025	1,974
9013	TEMPORARY EMPLOYEE/OTHER	7	9	7
9014	FOREIGN NATIONAL DIRECT HIRES (FND)	0	0	0
9015	FOREIGN NATIONAL INDIRECT HIRES (F)	0	0	0
9020	MILITARY *	40	46	45
9021	OFFICER PERSONNEL	18	19	19
9022	ENLISTED PERSONNEL	22	27	26

* MACHINE CALCULATED - DO NOT SUBMIT

03 PRES 3,979,817 3913 3,971,193 3910

04 PRES 4,113,414 4085 3,813,640 4102

05 PRES 4,248,643 4083 4,356,032 4268

ADIT
PER.

0106

INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
STANDARD WORKSHEET
AMOUNT IN THOUSANDS
NADEP / NADPCHER

	FY 2002 CON	FY 2003 CON	FY 2004 CON	FY 2005 CON
***** ** Labor Hours ** *****				
9100 DIRECT LABOR HRS(W/O CONTRACTOR)*	3,454,623	3,437,398	3,448,092	3,429,319
9105 MILITARY (DLH)	0	0	0	0
9106 CONTRACTOR (DLH)	274,842	245,514	531,725	541,874
9110 CIVILIAN (DLH) *	3,454,623	3,437,398	3,448,092	3,429,319
9111 REGULAR (DLH)	3,203,970	3,193,173	3,271,617	3,252,844
9112 OVERTIME (DLH)	250,653	244,225	176,475	176,475
9130 CIVILIAN (DLH) PROD NON-ADD	0	0	0	0
9135 PRODUCTION DPMT PROCESS NON-ADD	0	0	0	0
9140 CIVILIAN FNIH (DLH) NON-ADD *	0	0	0	0
9141 REGULAR FNIH (DLH) NON-ADD	0	0	0	0
9142 OVERTIME FNIH (DLH) NON-ADD	0	0	0	0
9200 INDIRECT LABOR HOURS (IDLH) *	3,515,506	2,949,343	2,855,936	2,857,686
9205 MILITARY (IDLH) *	90,121	96,048	94,320	94,320
9206 CONTRACTOR (IDLH) *	331,410	283,780	284,847	281,087
9210 CIVILIAN (IDLH) *	3,425,385	2,853,295	2,761,616	2,763,366
9211 REGULAR (IDLH) *	3,291,490	2,718,224	2,638,600	2,640,350
9212 OVERTIME (IDLH) *	133,895	135,071	123,016	123,016
9220 CIVILIAN IDLH-SERVICE COST CNTRS *	0	0	0	0
9221 REGULAR IDLH SERVICE	0	0	0	0
9222 OVERTIME IDLH SERVICE	0	0	0	0
9230 CIVILIAN IDLH-PROD COST CNTR *	2,710,055	2,460,622	2,376,320	2,372,927
9231 REGULAR IDLH PRODUCTION	2,602,298	2,350,276	2,275,822	2,272,429

Handwritten notes:
 3,977,817 (written over 3,448,092)
 3,971,193 (written over 3,429,319)

2

9232	OVERTIME IDLH PRODUCTION	107,757	110,346	100,498	100,498
9240	CIVILIAN IDLH-GEN COST CNTRS*	715,330	392,673	385,296	390,439
9241	REGULAR IDLH GENERAL	689,192	367,948	362,778	367,921
9242	OVERTIME IDLH GENERAL	26,138	24,725	22,518	22,518
9243	CIVILIAN FNIH (IDLH) PROD NON-ADD *	0	0	0	0
9244	REGULAR FNIH (IDLH) PROD. NON-ADD	0	0	0	0
9245	OVERTIME FNIH (IDLH) PROD NON-ADD	0	0	0	0
9247	CIVILIAN FNIH (IDLH) GEN NONADD *	0	0	0	0
9248	REGULAR FNIH (IDLH) GEN NONADD	0	0	0	0
9249	OVERTIME FNIH (IDLH) GEN NONADD	0	0	0	0

INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2002 CON	FY 2003 CON	FY 2004 CON	FY 2005 CON
9250 CIVILIAN LEAVE HOURS PAID	1,420,008	1,477,883	1,474,201	1,448,424
9251 CIVILIAN DIRECT LABOR LV HRS *	700,437	798,311	816,048	799,481
9252 CIV IDL LEAVE HRS - SVCE CTRS *	0	0	0	0
9253 CIV IDL LEAVE HRS - PRODUCTION *	568,902	587,583	567,665	558,515
9254 CIV IDL LEAVE HRS - G & A *	150,669	91,989	90,489	90,428
9260 NON-BASIC HOURS TOTAL ALL COST CEN	0	0	0	0
9261 QUASI CENTERS NON-ADD (SHIPYARDS)	0	0	0	0
9280 TOTAL PAID LABOR HOURS *	8,300,016	7,768,576	7,683,910	7,641,109
9281 TOTAL PD LABOR HRS - DIRECT *	4,155,061	4,235,709	4,264,140	4,228,800
9282 TOTAL PD LABOR HRS-SVCE CTRS *	0	0	0	0
9283 TOTAL PD LABOR HRS-PRODUCTION *	3,278,957	3,048,205	2,943,985	2,931,442
9284 TOTAL PD LABOR HRS -G & A *	865,999	484,662	475,785	480,867
928A TOTAL REGULAR HOURS *	6,495,460	5,911,397	5,910,217	5,893,194
928B TOTAL OVERTIME HOURS *	384,548	379,296	299,491	299,491
9290 TOTAL WORKYEARS EXPENDED *	4,011	3,756	3,694	3,687
9291 DIRECT LABOR WORKYEARS *	2,013	2,051	2,051	2,042
9292 IDL WRKYRS - SVCE CTRS *	0	0	0	0
9293 IDL WRKYRS - PRODUCTION *	1,580	1,470	1,414	1,413
9294 IDL WRKYRS - G & A *	417	234	229	232
92A0 TOTAL WRKYRS EXPENDED(LESS OT) *	3,791	3,539	3,523	3,516
92A1 DIRECT LABOR WRKYRS (LESS OT) *	1,870	1,912	1,950	1,941
92A2 IDL WRKYRS-SVCE CTRS(LESS OT) *	0	0	0	0
92A3 IDL WRKYRS-PRODUCTION (LESS OT) *	1,519	1,407	1,357	1,356
92A4 IDL WRKYRS-G & A (LESS OT) *	402	220	216	220

* MACHINE CALCULATED - DO NOT SUBMIT

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INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2002 CON	FY 2003 CON	FY 2004 CON	FY 2005 CON
***** ** Military Labor Hours ** *****				
MILITARY HOURS				
9105	MILITARY (DLH)	0	0	0
9272	MILITARY SERVICE CENTER HOURS	0	0	0
9273	MILITARY PROD OVHD HRS	9,505	8,352	8,384
9274	MILITARY G & A HRS	80,616	87,696	85,936
9275	MILITARY OTHER HRS	0	0	0
9270	TOTAL MILITARY HOURS *	90,121	96,048	94,320
MILITARY WORKYEARS				
92M1	MILITARY DIRECT WORKYEARS *	0	0	0
92M2	MILITARY SERVICE CENTER WRKYRS *	0	0	0
92M3	MILITARY PROD OVHD WRKYRS *	5	4	4
92M4	MILITARY G & A WRKYRS *	39	42	41
92M5	MILITARY OTHER WRKYRS *	0	0	0
92M0	TOTAL MILITARY WRKYRS *	43	46	45
***** ** Contractor Labor Hours ** *****				
CONTRACTOR HOURS				
9106	CONTRACTOR (DLH)	274,842	245,514	531,725
9226	CONTRACTOR SERVICE CENTER HOURS	0	46,063	35,060
9236	CONTRACTOR PROD OVHD HRS	55,573	69,684	113,104
9246	CONTRACTOR G & A HRS	275,837	168,033	136,683
927C	TOTAL CONTRACTOR HOURS *	606,252	529,294	816,572

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CONTRACTOR WORKYEARS

92C1	CONTRACTOR DIRECT WORKYEARS *	132	118	254	260
92C2	CONTRACTOR SERVICE CENTER WRKYRS *	0	22	17	15
92C3	CONTRACTOR PROD OVHD WKYRS *	27	33	54	54
92C4	CONTRACTOR G & A WORKYEARS *	132	80	65	65
		-----	-----	-----	-----
92C0	TOTAL CONTRACTOR WRKYRS *	290	253	390	394

* MACHINE CALCULATED - DO NOT SUBMIT

INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2003 CON	FY 2004 CON	FY 2005 CON
01P0 TOTAL PROGRAM COSTS *	743,998	786,687	747,510

INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2003 CON	FY 2004 CON	FY 2005 CON
***** ** Flying Hours by Fuel Type ** *****			
FH01 FLYING HOURS - JP-4	0	0	0
FH02 FLYING HOURS - JP-5	825	801	801
FH03 FLYING HOURS - JP-8	0	0	0
FH04 FLYING HOURS - AVGAS	0	0	0
FH00 FLYING HOURS - PROGRAM *	825	801	801
***** ** End Strength ** *****			
9000 PERSONNEL ON BOARD - END OF PERIOD	3,899	3,906	3,902
9010 CIVILIAN PERSONNEL *	3,859	3,861	3,861
9011 GRADED PERSONNEL	1,619	1,643	1,662
9012 UNGRADED PERSONNEL	2,216	2,204	2,179
9013 TEMPORARY EMPLOYEE/OTHER	24	14	20
9014 FOREIGN NATIONAL DIRECT HIRES (FND	0	0	0
9015 FOREIGN NATIONAL INDIRECT HIRES (F	0	0	0
9020 MILITARY *	40	45	41
9021 OFFICER PERSONNEL	18	19	16
9022 ENLISTED PERSONNEL	22	26	25

* MACHINE CALCULATED - DO NOT SUBMIT

7

INDUSTRIAL BUDGET INFORMATION SYSTEM (NIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2003 CON	FY 2004 CON	FY 2005 CON
***** ** Labor Hours ** *****			
9100 DIRECT LABOR HRS (W/O CONTRACTOR) *	3,429,468	3,754,594	3,437,036
9105 MILITARY (DLH)	0	0	0
9106 CONTRACTOR (DLH)	362,139	358,820	376,604
9110 CIVILIAN (DLH) *	3,429,468	3,754,594	3,437,036
9111 REGULAR (DLH)	3,146,580	3,215,853	3,141,716
9112 OVERTIME (DLH)	282,888	538,741	295,320
9130 CIVILIAN (DLH) PROD NON-ADD	0	0	0
9135 PRODUCTION DPMT PROCESS NON-ADD	0	0	0
9140 CIVILIAN FNIH (DLH) NON-ADD *	0	0	0
9141 REGULAR FNIH (DLH) NON-ADD	0	0	0
9142 OVERTIME FNIH (DLH) NON-ADD	0	0	0
9200 INDIRECT LABOR HOURS (IDLH) *	3,527,969	3,570,489	3,521,200
9205 MILITARY (IDLH) *	86,200	94,320	85,608
9206 CONTRACTOR (IDLH) *	212,920	221,733	225,646
9210 CIVILIAN (IDLH) *	3,441,769	3,476,169	3,435,592
9211 REGULAR (IDLH) *	3,299,517	3,195,798	3,268,023
9212 OVERTIME (IDLH) *	142,253	280,371	167,569
9220 CIVILIAN IDLH-SERVICE COST CNTRS *	0	0	0
9221 REGULAR IDLH SERVICE	0	0	0
9222 OVERTIME IDLH SERVICE	0	0	0
9230 CIVILIAN IDLH-PROD COST CNTR *	2,726,502	2,749,382	2,717,320
9231 REGULAR IDLH PRODUCTION	2,610,273	2,526,642	2,583,744
9232 OVERTIME IDLH PRODUCTION	116,229	222,740	133,576
9240 CIVILIAN IDLH-GEN COST CNTRS *	715,267	726,787	718,272
9241 REGULAR IDLH GENERAL	689,244	669,156	684,279
9242 OVERTIME IDLH GENERAL	26,023	57,631	33,993
9243 CIVILIAN FNIH (IDLH) PROD NON-ADD *	0	0	0
9244 REGULAR FNIH (IDLH) PROD. NON-ADD	0	0	0
9245 OVERTIME FNIH (IDLH) PROD NON-ADD	0	0	0
9247 CIVILIAN FNIH (IDLH) GEN NONADD *	0	0	0
9248 REGULAR FNIH (IDLH) GEN NONADD	0	0	0
9249 OVERTIME FNIH (IDLH) GEN NONADD	0	0	0

4,113,414
3,813,640

2

INDUSTRIAL BUDGET INFORMATION SYSTEM (MIFRPT)
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2003 CON	FY 2004 CON	FY 2005 CON
9250 CIVILIAN LEAVE HOURS PAID	1,467,136	1,569,426	1,554,502
9251 CIVILIAN DIRECT LABOR LV HRS *	716,163	787,168	761,934
9252 CIV IDL LEAVE HRS - SVCE CTRS *	0	0	0
9253 CIV IDL LEAVE HRS - PRODUCTION *	594,101	618,464	626,615
9254 CIV IDL LEAVE HRS - G & A *	156,872	163,795	165,952
9260 NON-BASIC HOURS TOTAL ALL COST CEN	0	0	0
9261 QUASI CENTERS NON-ADD (SHIPYARDS)	0	0	0
9280 TOTAL PAID LABOR HOURS *	8,338,374	8,800,189	8,427,130
9281 TOTAL PD LABOR HRS - DIRECT *	4,145,632	4,541,762	4,198,970
9282 TOTAL PD LABOR HRS-SVCE CTRS *	0	0	0
9283 TOTAL PD LABOR HRS-PRODUCTION *	3,320,603	3,367,846	3,343,935
9284 TOTAL PD LABOR HRS -G & A *	872,139	890,582	884,224
928A TOTAL REGULAR HOURS *	6,446,097	6,411,651	6,409,739
928B TOTAL OVERTIME HOURS *	425,141	819,112	462,889
9290 TOTAL WORKYEARS EXPENDED *	4,033	4,276	4,079
9291 DIRECT LABOR WORKYEARS *	2,012	2,218	2,038
9292 IDL WRKYRS - SVCE CTRS *	0	0	0
9293 IDL WRKYRS - PRODUCTION *	1,601	1,628	1,614
9294 IDL WRKYRS - G & A *	420	430	427
92A0 TOTAL WRKYRS EXPENDED(LESS OT) *	3,790	3,808	3,814
92A1 DIRECT LABOR WRKYRS (LESS OT) *	1,850	1,910	1,870
92A2 IDL WRKYRS-SVCE CTRS(LESS OT) *	0	0	0
92A3 IDL WRKYRS-PRODUCTION (LESS OT) *	1,535	1,501	1,538
92A4 IDL WRKYRS-G & A (LESS OT) *	405	397	407

* MACHINE CALCULATED - DO NOT SUBMIT

+277

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6

INDUSTRIAL BUDGET INFORMATION SYSTEM
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2003 CON	FY 2004 CON	FY 2005 CON	
***** ** Military Labor Hours ** *****				
MILITARY HOURS				
9105	MILITARY (DLH)	0	0	0
9272	MILITARY SERVICE CENTER HOURS	0	0	0
9273	MILITARY PROD OVHD HRS	7,056	8,384	8,352
9274	MILITARY G & A HRS	79,144	85,936	77,256
9275	MILITARY OTHER HRS	0	0	0
9270	TOTAL MILITARY HOURS *	86,200	94,320	85,608
MILITARY WORKYEARS				
92M1	MILITARY DIRECT WORKYEARS *	0	0	0
92M2	MILITARY SERVICE CENTER WRKYRS *	0	0	0
92M3	MILITARY PROD OVHD WRKYRS *	3	4	4
92M4	MILITARY G & A WRKYRS *	38	41	37
92M5	MILITARY OTHER WRKYRS *	0	0	0
92M0	TOTAL MILITARY WRKYRS *	41	45	41
***** ** Contractor Labor Hours ** *****				
CONTRACTOR HOURS				
9106	CONTRACTOR (DLH)	362,139	358,820	376,604
9226	CONTRACTOR SERVICE CENTER HOURS	0	68,933	73,449
9236	CONTRACTOR PROD OVHD HRS	48,207	44,052	43,878
9246	CONTRACTOR G & A HRS	164,712	108,748	108,319
927C	TOTAL CONTRACTOR HOURS *	575,058	580,553	602,250
CONTRACTOR WORKYEARS				
92C1	CONTRACTOR DIRECT WORKYEARS *	173	171	180
92C2	CONTRACTOR SERVICE CENTER WRKYRS *	0	33	35
92C3	CONTRACTOR PROD OVHD WKYRS *	23	21	21
92C4	CONTRACTOR G & A WORKYEARS *	79	52	52
92C0	TOTAL CONTRACTOR WRKYRS *	275	277	288

* MACHINE CALCULATED - DO NOT SUBMIT

INDUSTRIAL BUDGET INFORMATION SYSTEM
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADPCHER

	FY 2004 CON	FY 2005 CON	FY 2006 CON	FY 2007 CON
***** ** Flying Hours by Fuel Type ** *****				
FH01 FLYING HOURS - JP-4	0	0	0	0
FH02 FLYING HOURS - JP-5	842	844	856	856
FH03 FLYING HOURS - JP-8	0	0	0	0
FH04 FLYING HOURS - AVGAS	0	0	0	0
FH00 FLYING HOURS - PROGRAM *	842	844	856	856
***** ** End Strength ** *****				
9000 PERSONNEL ON BOARD - END OF PERIOD	3,874	3,854	3,771	3,772
9010 CIVILIAN PERSONNEL *	3,833	3,813	3,731	3,732
9011 GRADED PERSONNEL	1,582	1,597	1,549	1,535
9012 UNGRADED PERSONNEL	2,248	2,183	2,140	2,146
9013 TEMPORARY EMPLOYEE/OTHER	3	33	42	51
9014 FOREIGN NATIONAL DIRECT HIRES (FND)	0	0	0	0
9015 FOREIGN NATIONAL INDIRECT HIRES (F	0	0	0	0
9020 MILITARY *	41	41	40	40
9021 OFFICER PERSONNEL	19	16	17	17
9022 ENLISTED PERSONNEL	22	25	23	23

* MACHINE CALCULATED - DO NOT SUBMIT

INDUSTRIAL BUDGET INFORMATION SYSTEM
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NUMBER / UNDECIMAL

	FY 2004 CON	FY 2005 CON	FY 2006 CON	FY 2007 CON
***** ** Labor Hours ** *****				
9100 DIRECT LABOR HRS(W/O CONTRACTOR)*	3,860,588	3,663,412	3,767,465	3,701,175
9105 MILITARY (DLH)	0	0	0	0
9106 CONTRACTOR (DLH)	388,055	692,620	227,459	314,417
9110 CIVILIAN (DLH) *	3,860,588	3,663,412	3,767,465	3,701,175
9111 REGULAR (DLH)	3,447,024	3,347,695	3,396,586	3,344,342
9112 OVERTIME (DLH)	413,564	315,717	370,879	356,833
9130 CIVILIAN (DLH) PROD NON-ADD	0	0	0	0
9135 PRODUCTION DEPT PROCESS NON-ADD	0	0	0	0
9140 CIVILIAN FNIH (DLH) NON-ADD *	0	0	0	0
9141 REGULAR FNIH (DLH) NON-ADD	0	0	0	0
9142 OVERTIME FNIH (DLH) NON-ADD	0	0	0	0
9200 INDIRECT LABOR HOURS (IDLH) *	3,439,614	3,325,685	3,128,425	3,184,502
9205 MILITARY (IDLH) *	85,650	85,608	83,200	83,200
9206 CONTRACTOR (IDLH) *	160,208	301,481	117,178	151,698
9210 CIVILIAN (IDLH) *	3,353,964	3,240,077	3,045,225	3,101,302
9211 REGULAR (IDLH) *	3,173,085	3,115,257	2,919,477	2,973,471
9212 OVERTIME (IDLH) *	180,879	124,820	125,748	127,831
9220 CIVILIAN IDLH-SERVICE COST CNTRS *	0	0	0	0
9221 REGULAR IDLH SERVICE	0	0	0	0
9222 OVERTIME IDLH SERVICE	0	0	0	0
9230 CIVILIAN IDLH-PROD COST CNTR *	2,703,957	2,607,466	2,442,723	2,488,122
9231 REGULAR IDLH PRODUCTION	2,546,052	2,498,307	2,332,753	2,376,330
9232 OVERTIME IDLH PRODUCTION	157,905	109,159	109,970	111,792
9240 CIVILIAN IDLH-GEN COST CNTRS *	650,007	632,611	602,502	613,180
9241 REGULAR IDLH GENERAL	627,033	616,950	586,724	597,341
9242 OVERTIME IDLH GENERAL	22,974	15,661	15,778	16,039
9243 CIVILIAN FNIH (IDLH) PROD NON-ADD *	0	0	0	0
9244 REGULAR FNIH (IDLH) PROD. NON-ADD	0	0	0	0
9245 OVERTIME FNIH (IDLH) PROD NON-ADD	0	0	0	0
9247 CIVILIAN FNIH (IDLH) GEN NONADD *	0	0	0	0
9248 REGULAR FNIH (IDLH) GEN NONADD	0	0	0	0
9249 OVERTIME FNIH (IDLH) GEN NONADD	0	0	0	0

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INDUSTRIAL BUDGET INFORMATION SYSTEM
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEP / NADEPCHER

	FY 2004 CON	FY 2005 CON	FY 2006 CON	FY 2007 CON
9250 CIVILIAN LEAVE HOURS PAID	1,388,454	1,455,033	1,403,878	1,404,208
9251 CIVILIAN DIRECT LABOR LV HRS *	722,954	753,681	754,962	743,319
9252 CIV IDL LEAVE HRS - SVCE CTRS *	0	0	0	0
9253 CIV IDL LEAVE HRS - PRODUCTION *	533,991	562,455	518,504	528,168
9254 CIV IDL LEAVE HRS - G & A *	131,509	138,896	130,412	132,722
9260 NON-BASIC HOURS TOTAL ALL COST CEN	0	0	0	0
9261 QUASI CENTERS NON-ADD (SHIPYARDS)	0	0	0	0
9280 TOTAL PAID LABOR HOURS *	8,603,006	8,358,521	8,216,568	8,206,685
9281 TOTAL PD LABOR HRS - DIRECT *	4,583,542	4,417,093	4,522,427	4,444,494
9282 TOTAL PD LABOR HRS-SVCE CTRS *	0	0	0	0
9283 TOTAL PD LABOR HRS-PRODUCTION *	3,237,948	3,169,921	2,961,227	3,016,290
9284 TOTAL PD LABOR HRS -G & A *	781,516	771,507	732,914	745,902
928A TOTAL REGULAR HOURS *	6,620,109	6,462,952	6,316,063	6,227,813
928B TOTAL OVERTIME HOURS *	594,443	440,537	496,627	484,664
9290 TOTAL WORKYEARS EXPENDED *	4,161	4,044	3,995	3,989
9291 DIRECT LABOR WORKYEARS *	2,226	2,145	2,208	2,169
9292 IDL WRKYRS - SVCE CTRS *	0	0	0	0
9293 IDL WRKYRS - PRODUCTION *	1,560	1,528	1,434	1,460
9294 IDL WRKYRS - G & A *	375	371	354	360
92A0 TOTAL WRKYRS EXPENDED(LESS OT) *	3,821	3,792	3,712	3,713
92A1 DIRECT LABOR WRKYRS (LESS OT) *	1,989	1,964	1,996	1,965
92A2 IDL WRKYRS-SVCE CTRS(LESS OT) *	0	0	0	0
92A3 IDL WRKYRS-PRODUCTION (LESS OT) *	1,469	1,466	1,371	1,396
92A4 IDL WRKYRS-G & A (LESS OT) *	362	362	345	351

* MACHINE CALCULATED - DO NOT SUBMIT

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476

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INDUSTRIAL BUDGET INFORMATION SYSTEM
 STANDARD WORKSHEET
 AMOUNT IN THOUSANDS
 NADEF / NADPCHER

	FY 2004 CON	FY 2005 CON	FY 2006 CON	FY 2007 CON	
***** ** Military Labor Hours ** *****					
MILITARY HOURS					
9105	MILITARY (DLH)	0	0	0	0
9272	MILITARY SERVICE CENTER HOURS	0	0	0	0
9273	MILITARY PROD OVHD HRS	8,858	8,352	8,320	8,320
9274	MILITARY G & A HRS	76,792	77,256	74,880	74,880
9275	MILITARY OTHER HRS	0	0	0	0
9270	TOTAL MILITARY HOURS *	85,650	85,608	83,200	83,200
MILITARY WORKYEARS					
92M1	MILITARY DIRECT WORKYEARS *	0	0	0	0
92M2	MILITARY SERVICE CENTER WRKYRS *	0	0	0	0
92M3	MILITARY PROD OVHD WRKYRS *	4	4	4	4
92M4	MILITARY G & A WRKYRS *	37	37	36	36
92M5	MILITARY OTHER WRKYRS *	0	0	0	0
92M0	TOTAL MILITARY WRKYRS *	41	41	40	40
***** ** Contractor Labor Hours ** *****					
CONTRACTOR HOURS					
9106	CONTRACTOR (DLH)	388,055	692,620	227,459	314,417
9226	CONTRACTOR SERVICE CENTER HOURS	0	72,887	0	7,420
9236	CONTRACTOR PROD OVHD HRS	76,098	135,102	63,689	85,099
9246	CONTRACTOR G & A HRS	84,110	93,492	53,489	59,179
927C	TOTAL CONTRACTOR HOURS *	548,264	994,101	344,637	466,115
CONTRACTOR WORKYEARS					
92C1	CONTRACTOR DIRECT WORKYEARS *	185	332	109	151
92C2	CONTRACTOR SERVICE CENTER WRKYRS *	0	35	0	4
92C3	CONTRACTOR PROD OVHD WRKYRS *	36	65	31	41
92C4	CONTRACTOR G & A WORKYEARS *	40	45	26	28
92C0	TOTAL CONTRACTOR WRKYRS *	262	476	166	224

* MACHINE CALCULATED - DO NOT SUBMIT

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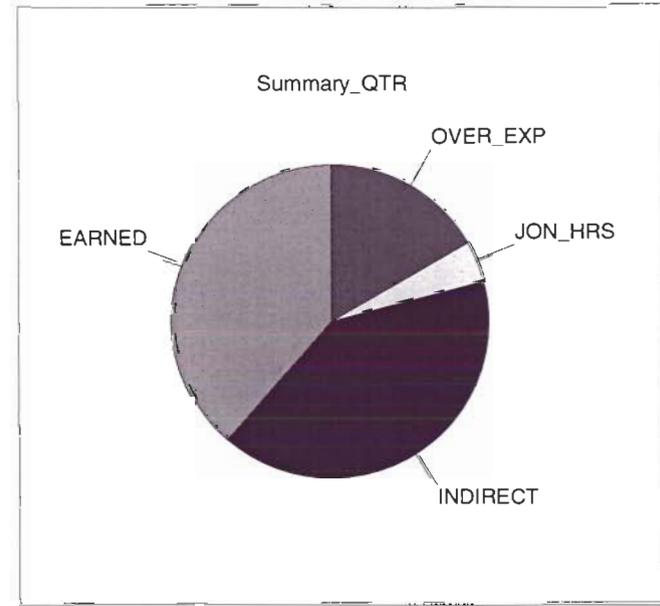
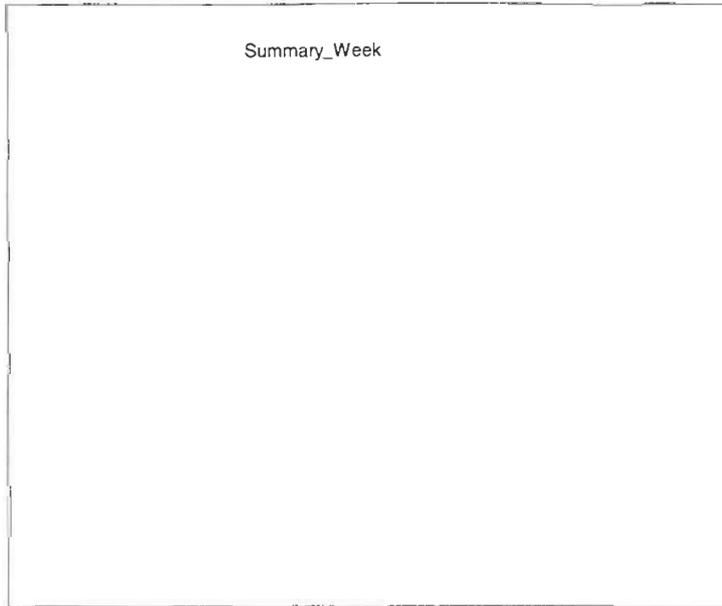
NA Cherry Point Report

Date: 27-MAY-05 09:32 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
---------	---------

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	38.54
INDIRECT	40.59
JON_HRS	4.25
OVER_EXP	16.62

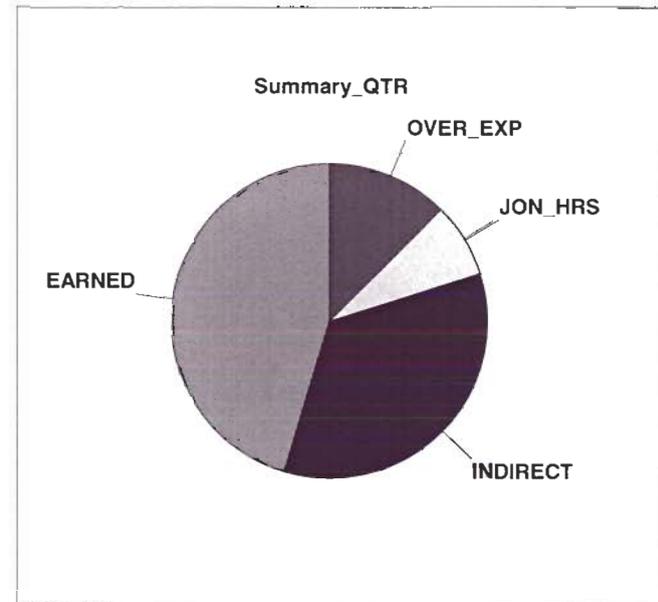
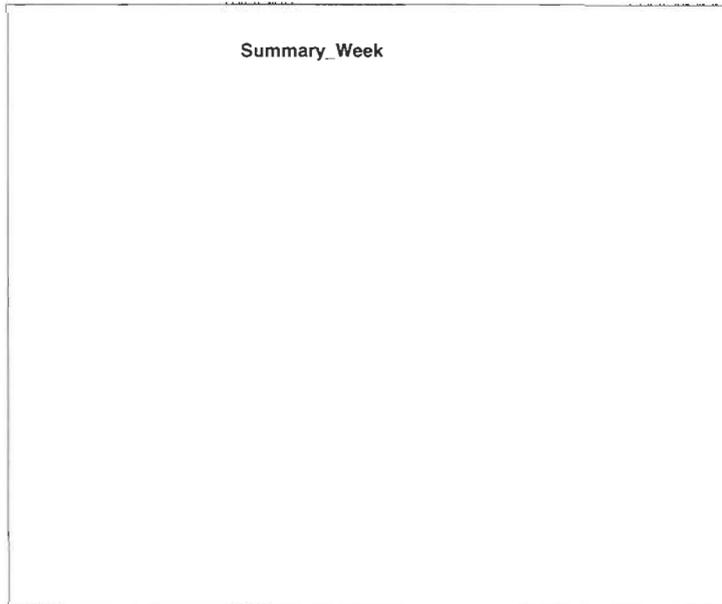
NA ' Cherry Point Report

To Date: 27-MAY-05 09:33 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
---------	---------

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	45.37
INDIRECT	34.59
JON_HRS	7.60
OVER_EXP	12.45

3

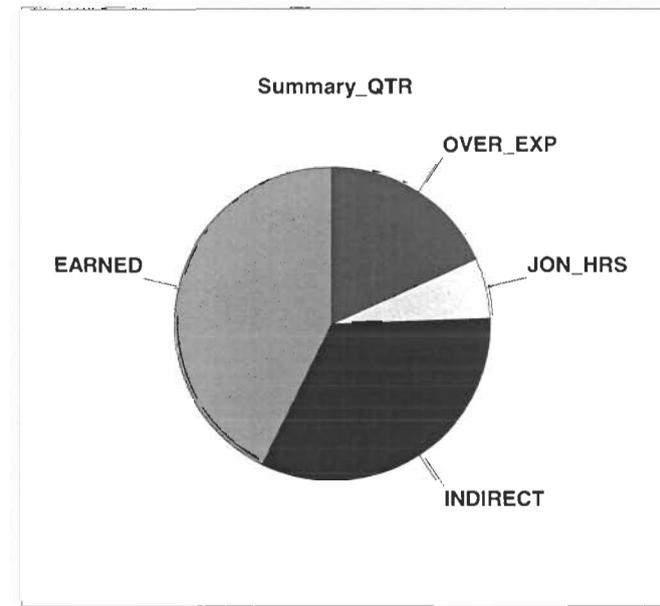
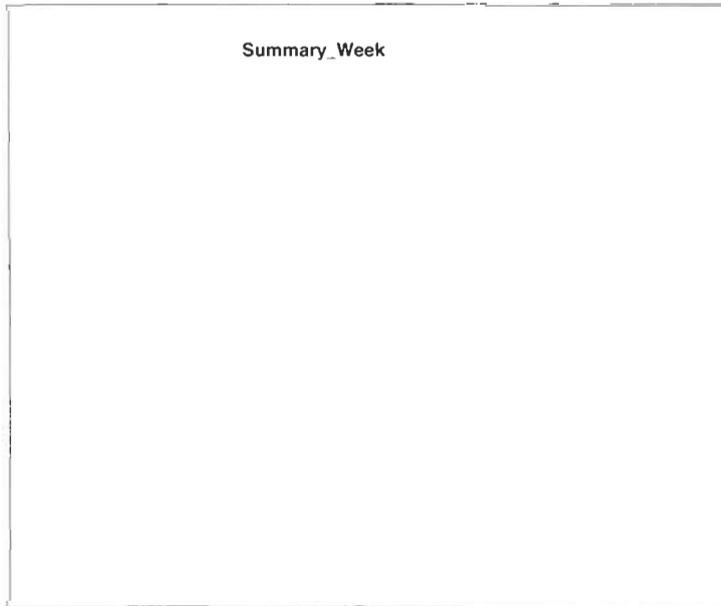
NA Cherry Point Report

Date: 27-MAY-05 09:34 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
---------	---------

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	42.76
INDIRECT	32.84
JON_HRS	6.24
OVER_EXP	18.17

NA Cherry Point Report

Date: 27-MAY-05 09:34 AM

EAPs Shop

Performance Summary Report for the Year

Report
DW-201EL

Shop: 95802 Week: Quarter: Year: 2003 Week begins on: 05/15/2005 Requestor: FENNELLMB

P R O G R A M	EXPENDED HOURS						EFFICIENCY						BULK			TOTAL EXP		
	YEAR TO DATE			OVERTIME			LAST WEEK			YEAR TO DATE			YEAR TO DATE			WEEK	YEAR	
	1,A,B,D	2,C,E	REWORK	JON,WONO OPER	THIS WEEK	QTR TO DATE	STD CD	EXPHR S	EFFI CIEN CY IN	STD CD 1,2,A,B, C,D	EXP HRS 1,2,A, B,C,D	EFFICI ENCY INDEX	888888HR 5	STD	ALLOC EXP	IND VAR	TOTAL EXP LAST WEE	TOTAL EXP QTR TO DATE
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
0	1485	7703		17		234			.0	8361	7792	107.3						9209
2		8							.0			.0						8
3	4056	14483		37		537			.0	17257	16186	106.6						18576
4		8							.0	7	7	95.9						8
5		6							.0			.0						6
:									.0			.0						
D	5541	22208		54		771			.0	25625	23985	106.8						27803
I		70	66	4157		80			.0			.0						4227
T	5541	22278	66	4211		851			.0	25625	23985	106.8						32030

INDIRECT (LESS LEAVE)

Cost Code	SUPERVISOR	ADMIN/NO APPRENTICE	NON APP TRAINING	NON APP TRAINING	ADMIN TRAINING	TIME ALLOWED	DELAYS	CLEAN UP	SHOP GENERAL	CALIB INHOUSE	PREV MAINT ORG TOOLS	NORR MAINT ORG TOOLS	MINOR ORG TOOLS&EQ	HAZARD WASTE	ERROR	ALL OTHER	TOTAL
	MA	AA	NA	NB,NC	AJ	QA	MB	MG	MJ	LA	KB	KC	KD		760	OTHER	TOTAL
WEEK																	
YEAR	2109			881		315		79					8		16	883	4290

ALL HOURS DIRECT, INDIRECT AND LEAVE

	EXPENDED HOURS					LEAVE									LABOR DISTRIBUTION	
	TOT DIRECT	TOT INDIRECT	TOT AVAILABLE	TOT LEAVE	GRAND TOTAL	ANNUAL	ANNUAL %	SICK	SICK %	HOLIDAY	OTHER W. PAY	WO. PAY	TOTAL %	DIRECT %	INDIRECT %	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
LAST WEEK																.0
YEAR TO DATE	27803	4227	32030	9748	41762	3223	7.7	2060	4.9	1768	1118	1641	23.3	86.8	13.2	

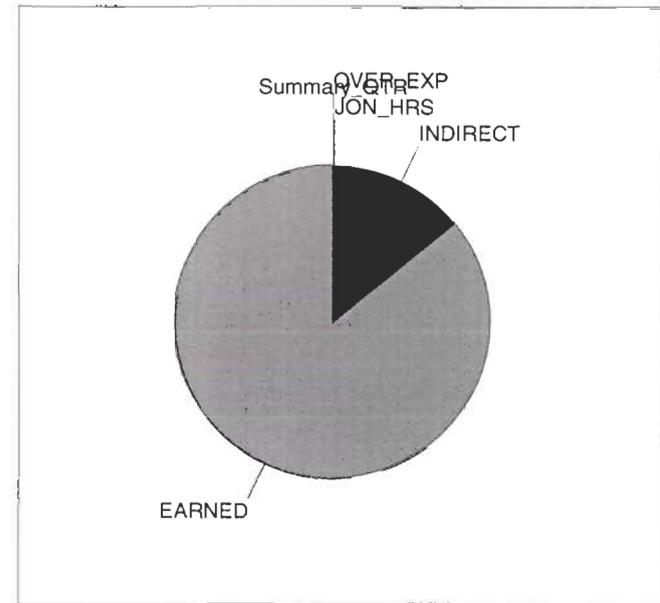
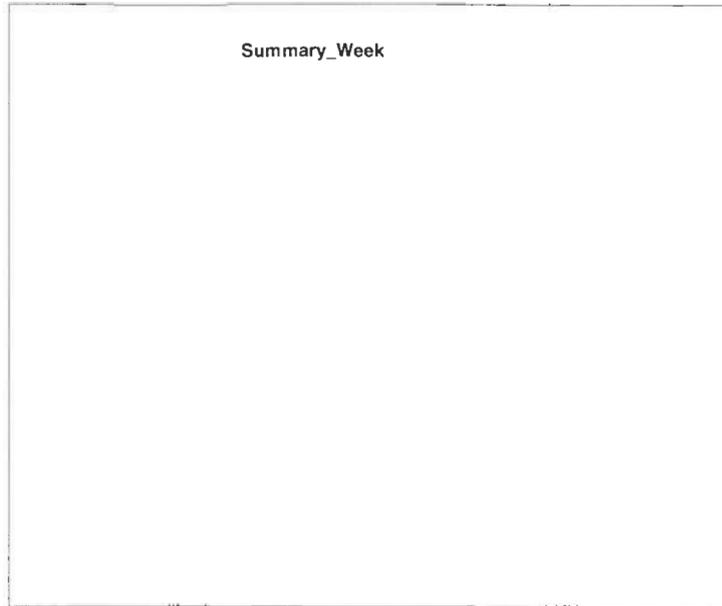
NA P Cherry Point Report

To: Date: 27-MAY-05 09:34 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
EARNED	85.93
INDIRECT	13.89
JON_HRS	.18
OVER_EXP	.00

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	85.93
INDIRECT	13.89
JON_HRS	.18
OVER_EXP	.00

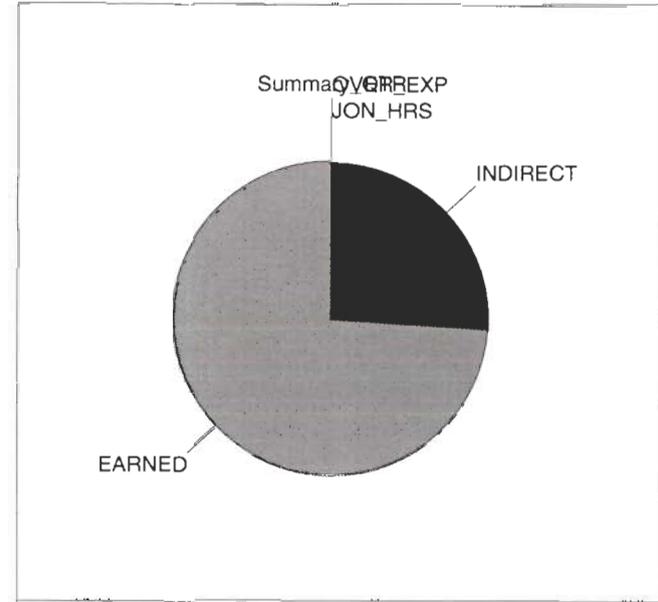
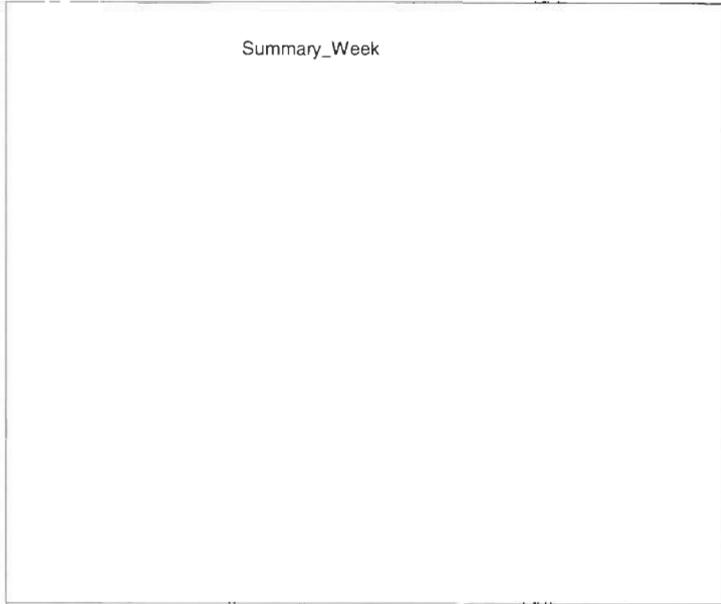
NA Cherry Point Report

Date: 27-MAY-05 09:35 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
---------	---------

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	74.02
INDIRECT	25.94
JON_HRS	.05
OVER_EXP	.00

9

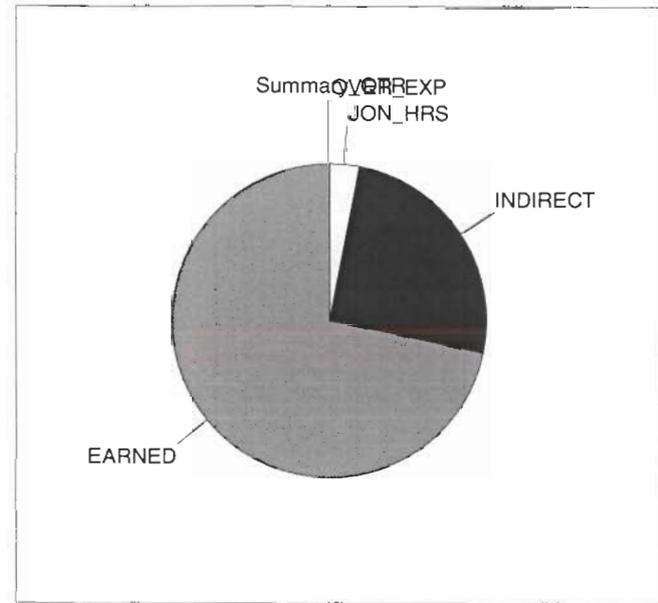
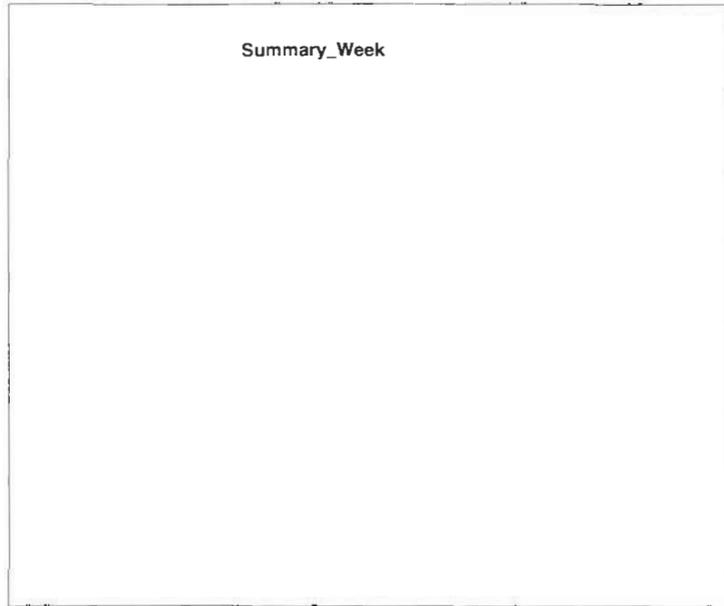
NAI Cherry Point Report

Today's Date: 27-MAY-05 09:35 AM

Report
DW-201EL

Performance Summary Report for the Year

Shop: Week: Quarter: Year: Week begins on: Requestor:



PERCENTS PER WEEK

PROGRAM	PERCENT
EARNED	71.70
INDIRECT	25.34
JON_HRS	2.97
OVER_EXP	.00

EARNED Hours is Equal to Column 8 Total.
 OVER_EXP Hours is Equal to Column 17 Indirect +
 (Column 9 Total(EXP) - Column 8 Total(STD)).
 If Column 9T > Column 8T = 0
 (Can not display Negative values).
 JON_HRS is Equal to Column 5 Direct..
 INDIRECT is Equal to Column 5 Indirect.

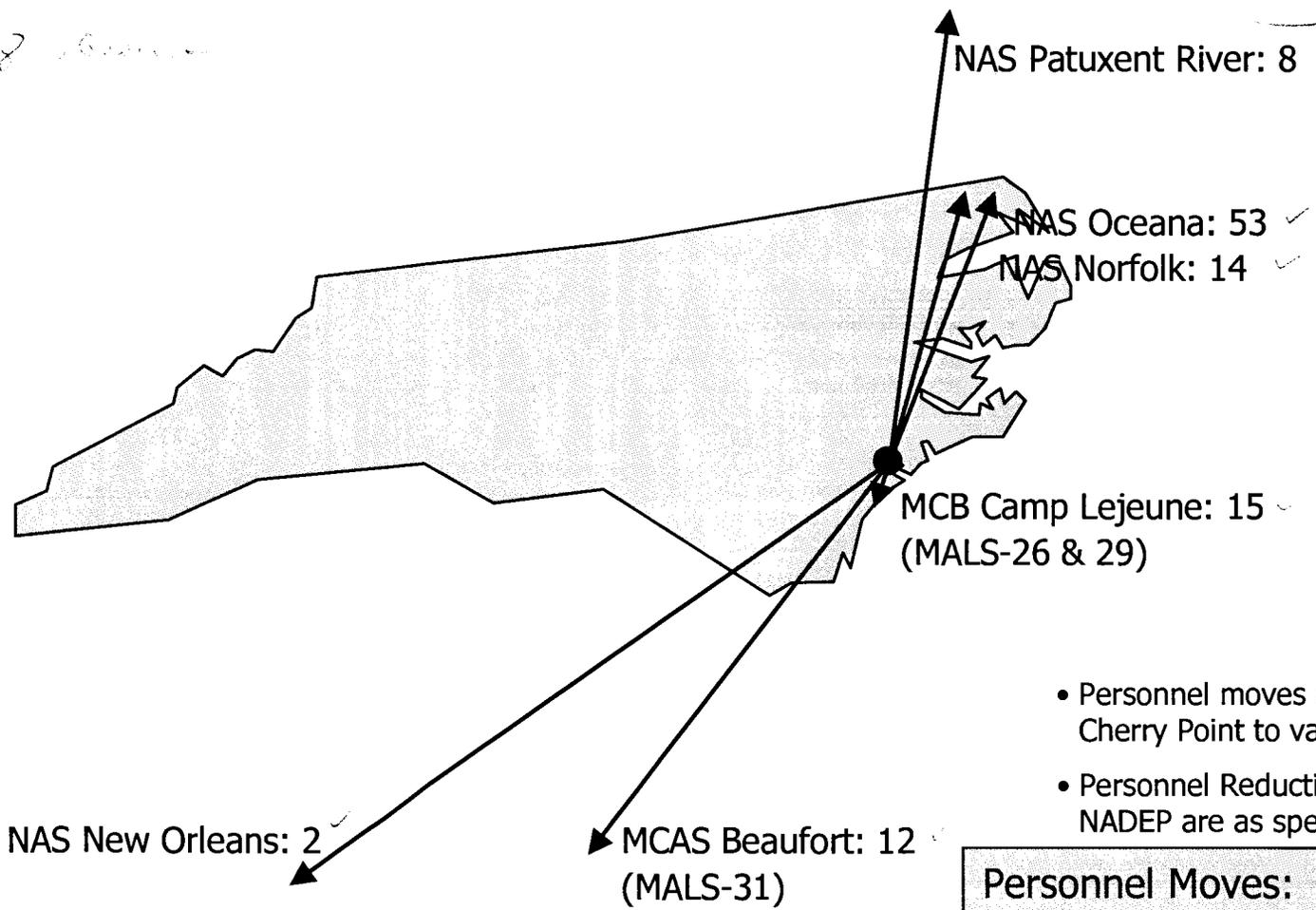
PERCENTS PER QTR

PROGRAM	PERCENT
EARNED	71.70
INDIRECT	25.34
JON_HRS	2.97
OVER_EXP	.00

NADEP Cherry Point/FRC East Personnel Moves

190 ...
338 ...

UH1Y }
AH1Z } - UH 11
V-22 } AH1Z
 } - H46



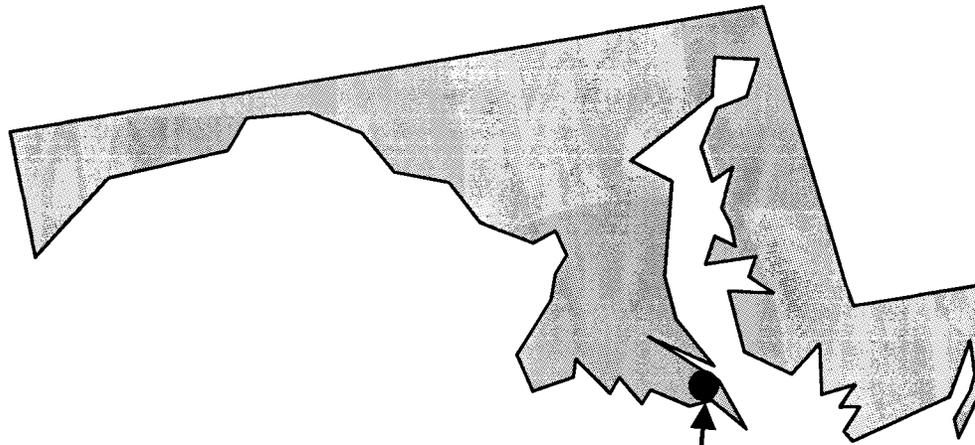
- Personnel moves are from NADEP Cherry Point to various FRC sites.
- Personnel Reductions at the NADEP are as specified in COBRA.

Personnel Moves:	104
Personnel Reductions :	<u>528</u>
TOTAL:	632
Source: BRAC COBRA Tool	

NADEP Cherry Point/FRC East Personnel Moves

Personnel Moves	2006	2007	2008	2009	2010	2011
Transfers from NADEP CHERRY POINT, NC to MCAS BEAUFORT, SC IND-0123, MX 1.4K (IND-0099A)						
Civilian Positions:	0	0	12	0	0	0
Transfers from NADEP CHERRY POINT, NC to MCB CP LEJEUNE, NC IND-0123, MX 1.4K (IND-0099A)						
Civilian Positions:	0	0	15	0	0	0
Transfers from NADEP CHERRY POINT, NC to NAS NEW ORLEANS, LA IND-0126, MX 1.4N (IND-102A)						
Civilian Positions:	0	2	0	0	0	0
Transfers from NADEP CHERRY POINT, NC to NAS NORFOLK, VA IND-0126, MX 1.4N (IND-0102A)						
Civilian Positions:	0	14	0	0	0	0
Transfers from NADEP CHERRY POINT, NC to NAS OCEANA, VA IND-0126, MX 1.4N (IND-0102A)						
Civilian Positions:	0	53	0	0	0	0
Transfers from NADEP CHERRY POINT, NC to NAS PAX RIVER, MD IND-0126, MX 1.4N (IND-0102A)						
Civilian Positions:	0	8	0	0	0	0
TOTAL:	0	77	27	0	0	0

AIMD Patuxent River/FRC Mid-Atlantic Personnel Moves



NADEP Cherry Point: 8

- Personnel moves are from NADEP Cherry Point to NAS Patuxent River.
- Personnel Reductions at NAS Patuxent River are as specified in COBRA.

Personnel Moves:	8
Personnel Reductions (Military):	8
TOTAL:	0
Source: BRAC COBRA Tool	

AIMD Patuxent River/FRC Mid-Atlantic Personnel Moves

Personnel Moves	2006	2007	2008	2009	2010	2011
Transfers from NADEP CHERRY POINT, NC to NAS PATUXENT RIVER, MD IND-0126, MX 1.4N (IND-0102A)						
Civilian Positions:	0	8	0	0	0	0
TOTAL:	0	8	0	0	0	0

Naval Hospital Cherry Point



BRAC Commission Brief
25 May 2005



Mission Statement



NAVY MEDICINE
World Class Care...Anytime, Anywhere

Enhance readiness while providing safe, quality health care services.

We are ready.

We will help keep you ready.

We will take care of all those entrusted to our care.

We will be the preferred choice for safe, quality health care services while maintaining a superior state of readiness.



General Info

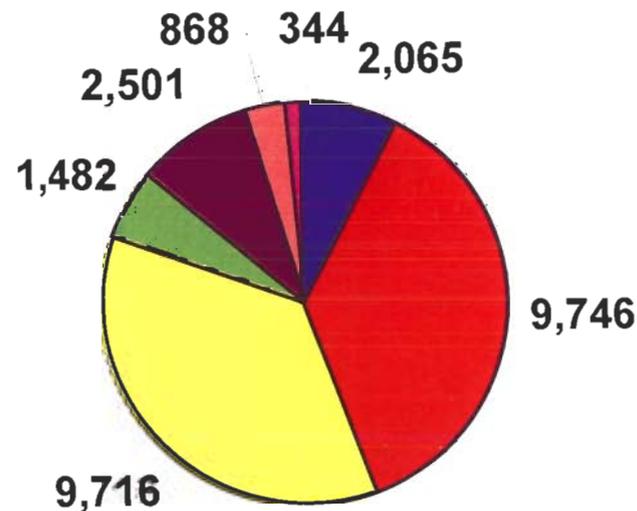
- **Hospital Opened: 1 October 1994**
- **Square footage**
 - Main Hospital 201,822 sq ft.
 - Facilities Bldg 13,953 sq ft.
 - Occ Health Bldg 5,642 sq ft.
- **Total Annual budget** \$56M
- **Total Staffing** 410
 - Military 237
 - Contract 50
 - Civilian 123
- **Economic Impact (FY04)**
 - Labor \$7.2M
 - Contracts \$6.8M
 - Revised Financing \$14.5M
 - **Total** **\$28.5M**



Enrollment



Total: 15,764



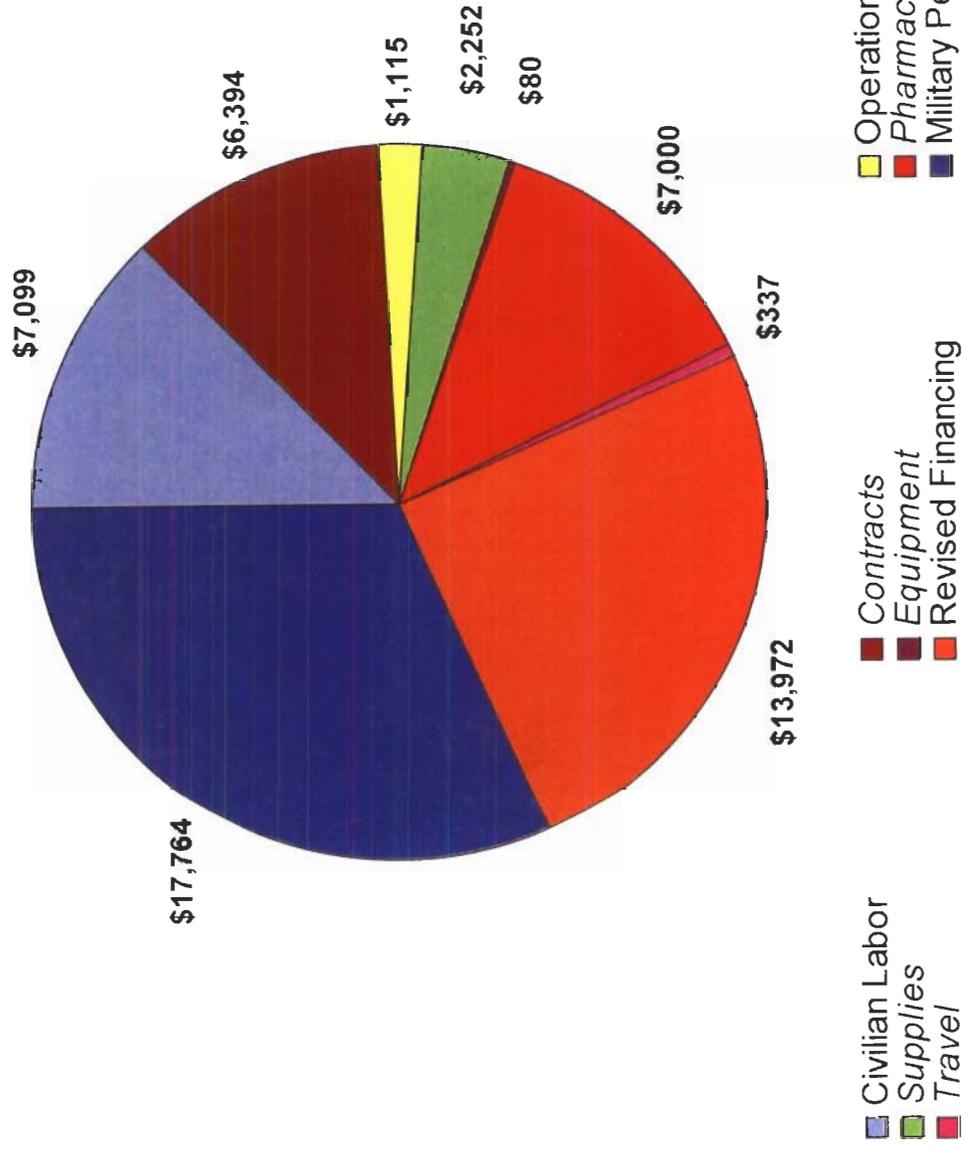
Ops Forces are provided Pharmacy, Ancillary, and Specialty Care Services

■ AD ■ AD-OPS ■ ADFM ■ Retirees ■ Retiree FM ■ TFL ■ USCG



Budget including Collections

\$56.0M





Scope of Services

■ Primary Care

- Force Health Protection
- Family Medicine (includes Peds)
- Health Promotion (HELMS)
- Aviation Medicine

■ Ancillary Services

- Diagnostic Radiology
- Laboratory Services
- Pharmacy
- Physical Therapy

■ Specialty Care

- General Surgery
- Anesthesia

■ Specialty Care

- Emergency Medicine
- Internal Medicine
- Mental Health
- OB/GYN
- Optometry
- Preventive Medicine
- Oral Surgery
- Orthopaedics
- Urology
- Industrial Hygiene
- Occupational Medicine
- Chiropractic
- Dietetics
- Podiatry



Average Daily Operations

■ Surgeries	4
■ Admissions	4
■ Births	2
■ X-rays	147
■ Lab Procedures	595
■ Prescriptions	1,014
■ Aviation Physicals	13
■ Outpatient Visits	562
■ Emergency Room Visits	57





Pitt Memorial Hospital

75 miles
Greenville, NC

Craven Regional Medical

Center
20 miles
New Bern, NC

Carteret General Hospital

20 miles
Morehead City, NC



New Hanover Regional Medical

Center
87 miles
Wilmington, NC

Naval Hospital, Camp Lejeune

45 miles
Jacksonville, NC



Patient Care Info FY04

Total Outpatient Visits	150,405
Total Admissions	1,545
Total Deliveries	586
Number of Prescriptions	370,219
Total # of Procedures Performed in OR	1,208



Patient Level Statistics

Top 10 Outpatient Diagnoses

Counseling, other, health advice	9.6%
General medical examination	6.9%
Examination of eyes and vision	6.9%
Normal pregnancy	6.5%
Physical therapy, other	5.6%
Health supervision of infant or child	2.6%
Acute upper respiratory infec, unspec	2.5%
Follow up examination, other	2.2%
Dislocation, lumbar vertebra	1.7%
Otitis media, unspecified	1.5%
Total	46%



Patient Level Statistics

Top 5 Ambulatory Procedure Visits

Surgical and diagnostic arthroscopy	8.2%
Surgical endoscopy	7.2%
Hernia repair	6.4%
Surgical laparoscopy, cholecystectomy	3.2%
Excision of cyst or other benign or malignant tumors	2.5%
Total	28%

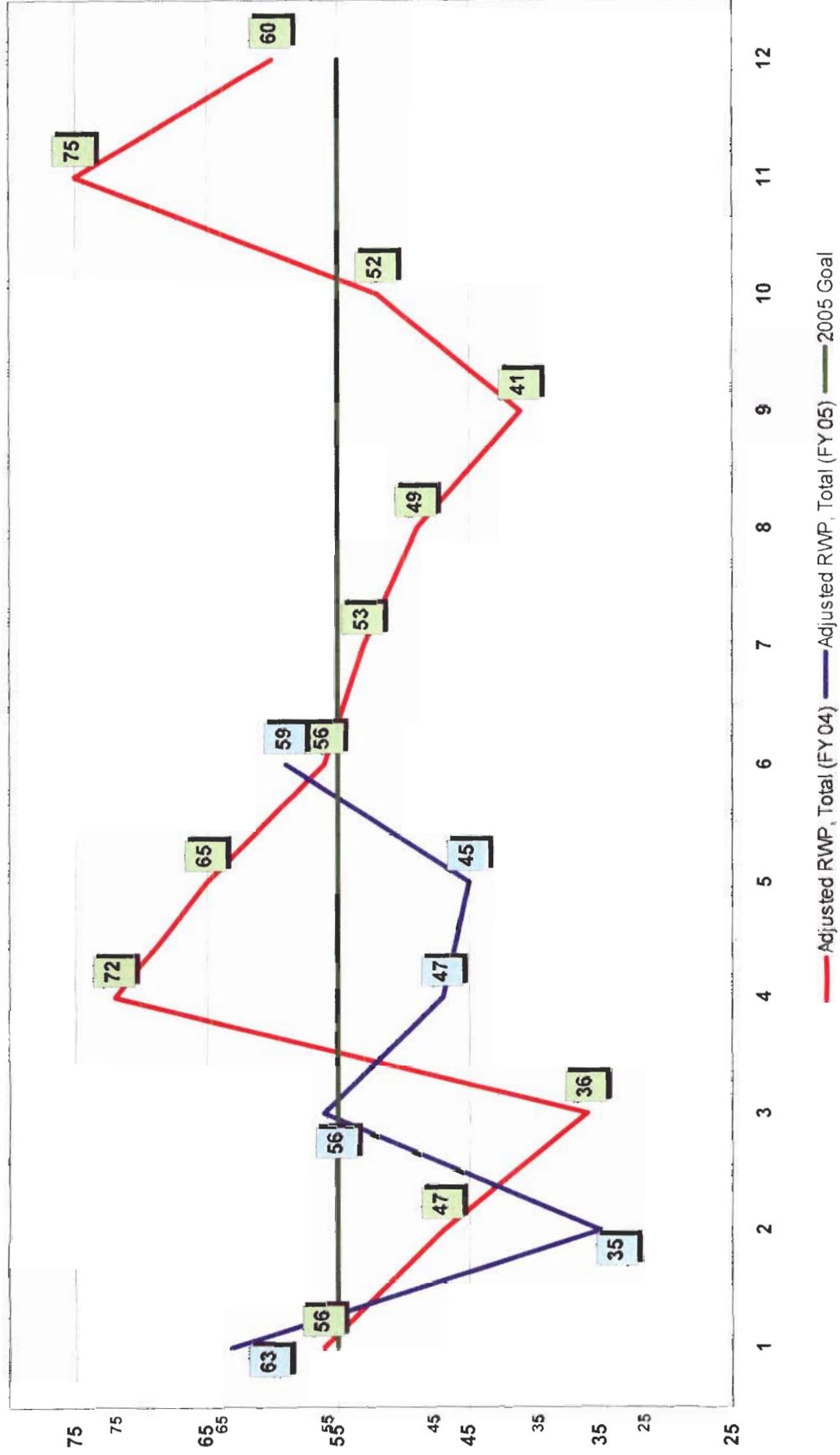


NHCP Same Day Surgery

- Direct Costs
 - Support Services
 - Administrative
 - Ancillary Services
 - Pharmacy
 - Laboratory
 - Radiology
 - Surgical Suite Care
 - Total Costs
- \$51.6K
 - \$57.9K
 - \$265.5K
 - \$375.0K



RWP (Inpatient) Workload





Patient Level Statistics

Top 5 Inpatient Admissions

Normal Newborn	49%
Vaginal Delivery w/o Complication	19%
Vaginal Delivery w Complication	11%
Cesarean Section w/o Complication	7%
Neonate, Birthwt >2499G, w/o signif	6%
Total	92%



BRAC Scenario

- Inpatient workload will transfer to the civilian medical network

Authorized Billets affected:

- 12 Officers
- 21 Enlisted
- 22 Civilian Billets

Inpatient MEPRS A; EJ; EIC

Admin MEPRS EB; ED; EE; EF; EG; EH

Estimated cost of inpatient care: \$11,030K

Estimated cost savings: \$2,340K

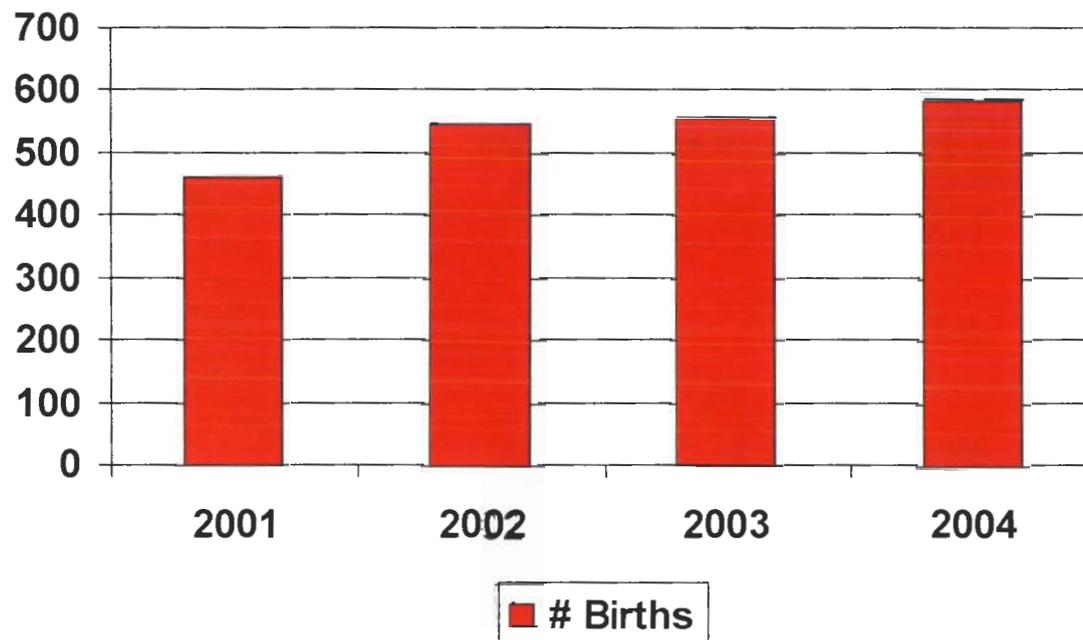


Current Staffing

Inpatient Staff	Number (+/-)
■ Military Labor	31 (-2)
■ GS Civilian Staff	13 (-9)
<hr/>	
Total	34 (-11)



Estimated Inpatient Network Costs



FY 2004
586 Births
Estimated Network Costs \$5.7K per Birth*
Total Cost \$3,321K

*Average cost of births excluding ancillary or delivery charges.



NHCP Inpatient Care Costs

- Direct Costs
 - Support Services
 - Administrative
 - Ancillary Services
 - Pharmacy
 - Laboratory
 - Radiology
 - Surgical Suite Care
 - Total Costs
 - Estimated Savings
- | |
|--------------|
| ■ \$2,788.2K |
| ■ \$1,117.7K |
| ■ \$1,743.0K |
| ■ \$5,648.9K |
| ■ \$2,327.9K |



Post-BRAC NHCP

Corpus Christi Model

- APV performed at MTF
- Inpatient Care at Civilian Facilities

Quantico Model

- Outpatient Care performed at MTF
- All other care shifted to network or other MTFs

Newport Model

- APV performed at MTF
- Mil Providers Credentialed at Civilian Hospital



Other Concerns

- Squadron Additions
- Emergency Room Implications
- Adequacy of OB Provider Network
- Ability to Credential Military Providers at Civilian Hospitals
- Outpatient Workload Impacts
- Staff/Patient Travel Times

Naval Hospital Cherry Point



Questions?



Questions for Navy Hospital Cherry Point?

What is your average daily census (or workload)?

For the last few years, what was your average daily census?

How much excess capacity do you have at your facility?

What is the proportion of outpatient to inpatient visits?

What is the proportion of total cost dedicated to inpatient vs. outpatient services?

Is your service population different for outpatient vs. inpatient services?

What is your present service population (i.e. number of active duty, active duty family members (ADFM), retirees, etc.)?

How many are enrolled in: TRICARE Prime
TRICARE Extra
TRICARE Standard

What proportion of your service population gets its care from the civilian provider network?

How much of your inpatient care comes through your emergency department?

Where will your emergency care be diverted once the hospital becomes a clinic and ambulatory surgical center?

What medical services will remain as part of the clinic and ambulatory surgery center?

Will there be any construction or remodeling that will take place to convert the hospital to a clinic and ambulatory surgery center?

If yes, what is the cost; is there MILCON for that?

Please provide a list of hospitals, including VA medical centers, within 40 miles of your facility?

How can you assure that service members, their dependents and retirees will receive timely inpatient services through the civilian provider network?

What is the estimated additional cost of providing inpatient services through the civilian network?

What are the estimated additional costs of providing inpatient services through the civilian medical network?

Are there any cost savings by providing inpatient services through the civilian medical network?

If so, what are those savings and how were they calculated?

25 May 05

Questions for Naval Hospital Cherry Point

Colleen Turner – BRAC Commission
Tom Pantelides – BRAC Commission
CAPT Fletcher – Commanding Officer
CAPT Mandia – Executive Officer
CAPT De la Pena – Director Outpatient Clinics
CAPT Pendrick – Director Surgical Clinics
CDR Perez-Lugo – Director for Administration
LCDR Higgins – Director Ancillary Services
LT Reyes – Director for Resources
LT Skorey – Head, Managed Care Department
Darleen Jones – BOD Project Manager

1. What is your average daily census (or workload)? For the last few years, what was your average daily census?

Fiscal Year	Average Daily Patient Load
2001	8.31
2002	9.84
2003	8.57
2004	9.20
2005	7.81

2. How much excess capacity do you have at your facility?

Based on staffing, we do not have excess capacity; however, we do have additional bed spaces and square footage to accommodate surges in inpatient care for short periods of time.

Staffing:

NHCP	COB FY03	COB FY04	COB FY05	BA ¹	NMP ²
Officers	83	83	80	88	73
Enlisted	154	162	153	196	158
Civilian Gs	136	128	120	123	
Civilian Contract	87	95	88		
Total	461	447	441		

Note 1: Basic allowance (BA) essentially equals those billets projected in the FYDP.

Note 2: Navy Manning Plan (NMP) represents our fair share of BA based on actual end-strength. For CONUS facilities NMP is +/- 90% of BA. As our BA is increased or decreased, our NMP allowance increases/decreases as well.

Beds:

NHCP Beds	Active	Inactive	Total	Constructed
IPCU	22	6	28	23
L&D	3		3	3
PACU	6	4	10	10
ER	10		10	10

Square Footage for Inpatient Care (3rd floor):

IPCU	9981
L&D	1172
OR	11351

Square Footage for other activities (3rd floor):

Nursing Administration	278
Training & Education	3182
Religious Services	554
Performance Improvement & Patient Safety	803

3. What is the proportion of outpatient to inpatient visits?

Fiscal Year	Inpatient Dispositions	Outpatient Encounters
2001	1,393	149,746
2002	1,620	149,035
2003	1,506	159,504
2004	1,547	162,204

4. What is the proportion of total cost dedicated to inpatient vs. outpatient services?

FY 2004

Total Costs for Inpatient Care
(Including indirect costs) \$ 5,648,900 (17%)

Total Cost for Outpatient Care
(Including indirect costs) \$27,545,918 (83%)

Grand Totals \$33,194,818

5. Is your service population different for outpatient vs. inpatient services?

Since our inpatient population is primarily mothers and newborns (92%) the average inpatient population is younger than our outpatient population age mixture which includes TFL (TRICARE for Life) and retirees.

6. What is your present service population (i.e. number of active duty (AD), active duty family members (ADFM), retirees, etc.)?

Naval Hospital Cherry Point Catchment Area May 2005	
Enrolled to Naval Hospital Cherry Point	
AD	2090
ADFM	9621
Retiree/Retiree FM	4196
Total	15907
Supported by NHCP	
Ops Forces	7166
TFL (TFL patients that have PCM at NHCP)	860
Total	8026
Prime Patients Enrolled to Civilian PCM	
ADFM	265
Retiree/Retiree FM	396
Total	661
Non-Prime Patients in Catchment Area	
**Standard/TFL(TFL patients that do not have PCM at NHCP)	9887
Total Catchment Area Population	32482

**Standard/TFL patients are not enrolled to the MTF or HealthNet; therefore, we do not track the exact numbers for this category. NHCP tracks TFL patients that receive healthcare services in the MTF.

What proportion of your service population gets its care from the civilian provider network?

The percentage based on total catchment area population (see chart above) is 33 percent ((661+9887)/32482). The percentage based on those patients who have opted for TRICARE Prime is less than 3% (661/(15907+8026+661))

7. How much of your inpatient care comes through your emergency department?

FY 03	FY 04	FY 05
133	131	82

8. Where will your emergency care be diverted once the hospital becomes a clinic and ambulatory surgical center?

- Craven Regional Medical Center, New Bern, NC - 20 miles
- Carteret General Hospital, Morehead City, NC - 20 miles (non-network)
- Naval Hospital, Camp Lejeune, Jacksonville, NC - 45 miles
- Pitt Memorial Hospital, Greenville, NC - 75 miles
- New Hanover Regional Medical Center, Wilmington, NC - 87 miles

9. What medical services will remain as part of the clinic and ambulatory surgery center?

Primary Care	Specialty Care
Force Health Protection (1) (2) (3)	Emergency Medicine/Urgent Care Center (1) (2) (3)
Family Medicine/Primary Care/Peds (1) (2) (3)	Internal Medicine (1) (2) (3)
Health Promotions (HELMS) (1) (2) (3)	Mental Health (1) (2) (3)
Aviation Medicine (1) (2) (3)	OB (2)
Ancillary Services	Optometry (1) (2) (3)
Diagnostic Radiology (1) (2) (3)	Preventive Medicine (1) (2) (3)
Laboratory Services (1) (2) (3)	Oral Surgery (1) (2) (3)
Pharmacy (1) (2) (3)	Orthopaedics (1) (2)
Physical Therapy (1) (2) (3)	Industrial Hygiene (1) (2) (3)
Specialty Care	Occupational Medicine (1) (2) (3)
General Surgery (1) (2)	Chiropractic (1) (2) (3)
Anesthesia (1) (2)	Dietetics (1) (2) (3)
GYN (1) (2) (3)	Podiatry (1) (2)

- Notes: (1) Outpatient + Ambulatory Surgical Center on-site
 (2) Outpatient + Ambulatory Surgical Center on-site + civilian hospital privileges
 (3) Outpatient Clinic only

10. Will there be any construction or remodeling that will take place to convert the hospital to a clinic and ambulatory surgery center? If yes, what is the cost; is there MILCON for that?

There will not be any construction or remodeling to convert the hospital to a clinic and ambulatory surgery center.

11. Please provide a list of hospitals, including VA medical centers, within 40 miles of your facility?

- Craven Regional Medical Center - New Bern, NC 20 miles
- VA Outpatient Clinic-Morehead City (do not see our patients-not on network)
- Carteret General Hospital, Morehead City, NC (not on network) 20 miles

12. How can you assure that service members, their dependents and retirees will receive timely inpatient services through the civilian provider network?

Naval Hospital Cherry Point will continue to work with the MCSC to ensure that there is an adequate civilian network for our beneficiaries. It is the responsibility of the contractor to ensure that there is an ample specialty network to provide needed services to the NHCP beneficiaries. The current contractor is Health Net. Health Net employs a local Field Optimization Manager and will be hiring a local Community Provider Representative. Both of these people work closely with the MTF and the civilian community to ensure timely, safe, appropriate care for our beneficiaries. We believe the MCSC will be readily able to ensure adequate civilian hospital capacity for our patients. However, the MCSC may encounter some difficulty in ensuring the availability of civilian providers, given the sparseness of the local, eastern-NC network.

13. What is the estimated additional cost of providing inpatient services through the civilian network?

The estimated cost of providing the care through the civilian network would be: \$3,321,000. This cost is estimated from 586 births at a rate of \$5,700 per birth as estimated with our network provider.

14. Are there any cost savings by providing inpatient services through the civilian medical network? If so, what are those savings and how were they calculated?

The cost savings would be, \$2,327,900 which is calculated by taking the total costs as derived from our Expense Assignment System which include:

Direct Costs (personnel, supplies, contracts, misc.):	\$2,788,200
Ancillary Services (Lab, Radiology, Pharmacy):	\$1,117,700
Support Services (Administrative Costs):	\$1,743,000
For a Total:	\$5,648,900

This total estimate for the services in the civilian network was then subtracted for a total savings.

Total MTF Cost:	\$5,648,900
Total Network Cost:	\$3,321,000
Total Savings:	\$2,327,900

Credentialing of NHCP Military Physicians at Local Civilian Hospitals

Issue: Granting of Civilian Hospital Staff Privileges to Military Physicians

Background: In anticipation of various post-BRAC scenarios for Naval Hospital Cherry Point, the BRAC committee members and the CO/XO of Naval Hospital visited both Craven Regional Medical Center and Carteret General Hospital to hold discussions on the BRAC issue and their ability to absorb the hospital's inpatient workload (primarily OB). We also discussed their position of credentialing military providers and allowing them to provide inpatient services at their facility (i.e., the "Newport" model).

Discussion: In order to work at a civilian hospital, military physicians will need to be granted privileges based on each hospital's Medical Staff By-laws. These by-laws are similar for both hospitals and include the following requirements:

- Medical license issued by the state of North Carolina
- Board certified or actively pursuing board certification (board eligible)
- Able to respond to emergencies within 30 minutes
- ER call with the acceptance of "unassigned" patients – this would mean that military physicians need to take care on non-military patients that present to the ER for care. This implies that each military physician carry NC medical malpractice coverage since these patient's are not covered under the federal tort system. Craven Hospital and the OB/GYN group that supports Craven would not support a waiver of this requirement for military physicians. Carteret Hospital was willing to work the issue – for example, have a military call schedule that would take care of military patients in conjunction with a civilian call schedule that would take care of non-military patients.

- Medical malpractice coverage – military physicians taking care of military patients would be covered under federal tort system.

- Cannot be on-call for more than one hospital at a time – this would preclude having the same military physician cover call at both Craven and Carteret Hospitals at the same time.

Recommendation: None. For information purposes only.

**CRAVEN REGIONAL MEDICAL CENTER
ADMINISTRATIVE TEAM**

RAYMOND BUDRYS
President/CEO

W. FRED COHOON
Vice-President, Operations

ROSANNE V. LEAHY
Vice-President, Nursing Services

G. RAY LEGGETT
Vice-President, Administration

BRUCE A. MARTIN
Vice-President, Human Resources

RONALD B. MAY, M.D.
Vice-President, Medical Affairs

JOHN B. SATTERFIELD, JR.
Vice-President, Finance

CYNTHIA L. TURCO
Vice-President, Legal Affairs