

**MINUTES OF THE NOVEMBER 17, 2004 MEETING OF THE MJCSG PRINCIPALS  
VIA TELECONFERENCE**

**LOCATION:** Pentagon, Room 5E1084 and Denver, CO (AMSUS) LG Taylor's Suite 0900 EST

**Attending:** LG Taylor – Chair; ADM Arthur NAVY SG; Mr. Yaglom – Representing MG; Webb USA SG; Col Harmon – Representing MG Porr J-4; CAPT Shimkas – Representing CAPT Cullison USMC SG; Mr. Chan – HA; Dr. Opsut – OSD/HA; Col Hamilton – Secretary; Mr. Curry - USA OTSG; CAPT Hight – BUMED; Lt Col Jones – USAF/SG; Maj Fristoe – HA/TMA; Maj Harper – AF/SGSF; Mr. Christensen - CNA; Col Jacob – AF/SGE

**Decisions:**

- Approved, All space planning factors (medical, education, RDA)
- Approved, Infrastructure moving cost
- Approved use of Base X, with comment
- Approved use of MEPRS codes

**Action Items:**

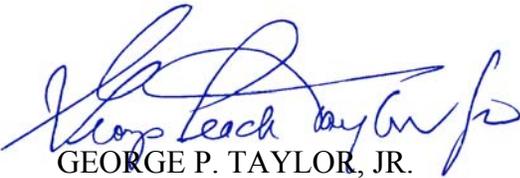
- Infrastructure for outpatient-- equal flight med. sq. ft. to primary care sq. ft.
- RDA is \$390 mean gross sq. ft.
- Blood bank sq. ft. cost ratio
- RDA Admin space tracks with Tech group
- COBRA spreadsheet by 24 Nov 04

**Meeting Overview:**

- Approved Base X**. Secretary began the “Scenario Overview for COBRA” brief introduction covering framework, outline and overview. As the model shows facilities closing, military medical personnel will be moved to other assignments and may displace civilian workers at other military facilities. MJCSG staff is not considering any military/civilian conversions as a part of its deliberations at this time. Chair remarked that it makes sense that military/civilian conversions could be done later in the process, as necessary. Group discussion commenced centered on costs and personnel. The holding onto military manpower may negate a lot of savings. However, we are reducing the infrastructure, and generally, medical personnel may be needed to support war readiness. Secretary then proposed a method for bookkeeping medical personnel. As the MJCSG staff prepare recommendations, the bookkeeping of the military staff that are either in motion to a new assignment or are excised is complicated by the fact that the final disposition of that staff may not be known. Methods to facilitate final staff accounting includes: that would facilitate a final staffing accounting includes:
  1. Booking all military into Base X as a temporary marginal account for redistribution later. This would allow for Criteria 5 analysis to include potential costs for moving personnel. In some cases, like the Uniformed Services University Closure and the analysis of the National Capital Region, the personnel may be moved directly to receiving activities without transit through Base X.

2. All civilian and contract personnel will normally be shown as savings for each action. The MJCSG Staff would reconcile this military manpower by redistribution once the recommendations are drafted. This would allow for flexibility in the redistribution and reduce the workload for the MJCSG. Any military personnel that remain after the redistribution of the Base X account would be potential savings as directed by the MJCSG. RDA workgroup received information concerning infrastructure lab/tech and admin space from their main office in VA. Chair requested they also contact Tech JCSG. RDA stated that the Medical JCSG are ahead of the Tech JCSG in calculating the sf of space needed, however they will follow up with Tech group as suggested. Construction cost factors were briefed with COBRA rep. stating that DOD pricing consistently underestimates the cost to build new lab spaces. USN asked if there is a different rate for blood banking. COBRA rep. stated that recent buildings have shown there is a difference in the cost for building blood banking facilities. On the first line of the slide, BSL-2; \$390/GSF, RDA was asked by USN/SG if that meant \$390 per gross sf. RDA stated they would check on it and get back with at the next meeting 3 Dec 04. Under health services equipment, the senior officers approved moving costs determination (see slide 15).

- **Approved use of MEPR codes.** For health services, manpower use of Base X and use of MEPR codes for the gaining facility. MJCSG concurred on the use of MEPR codes. Discussion followed the slide on health services cost and savings slide (see slide 17). Chair asked if all members felt comfortable with the slide. Secretary stated that when the Services see slide 17, they may have questions that the MJCSG will need to be prepared to answer. The Chair asked the Secretary, "What type of questions do you anticipate?" Secretary stated that the use of MEPR's codes; how MJCSG calculate savings; purchase care cost. USN strongly stated a need for rigor in the MJCSG military judgment process. The Principals are looking to the working group to prepare documents, full of cogent reasons in white paper format. The Chair stated that we must be careful in doing our preparation because the Services have a sound appeals process where they can pull our scenarios.
- Discussion then followed concerning scheduling of data runs. Changing of the ADPL in the RVU area shows that we are holding it flat in the inpatient system. We have a lot more excess. Chair stated that we have a smooth flow of the primary care area and do not seem to give up much so it seems a reasonable excursion. Secretary stated that leads us to another question about looking at satellite contracts or keep the brick and mortar present process.
- NEXT MEETING: 0-6 Lead Meeting, 2 Dec 2004, Pentagon Room, 2C554, 1530 -1700.
- NEXT PRINCIPAL MEETING: 3 Dec 2004, Pentagon Room, 2C554, 1500 – 1700.



GEORGE P. TAYLOR, JR.  
Lieutenant General, USAF, MC, CFS  
Chair

Attachments:

1. Agenda
2. Scenario Overview for COBRA

# *Medical Joint Cross Service Group*

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## **Scenario Overview for COBRA**

**17 November 2004**



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- Type of briefing: **DECISION**
  - Outcome: Provide an analytical framework for each workgroup for the Cost of Base Realignment Actions (COBRA)
  - Overview of COBRA
    - Infrastructure
    - Health Services
    - Education & Training
    - Research, Development & Acquisition



# Overview of COBRA

DCN: 11375

- **COBRA will calculate estimates of costs, savings, & cost avoidance for each scenario**
- **Scenarios/COBRA runs will be scheduled between 2006 and 2011**
- **COBRA estimates are not budget quality**
- **Standardizes MJCSG estimates and services responses**
  - **Services approve/certify/or recommend changes**



# Overview of COBRA Continued

DCN: 11375

- **Personnel –**
  - **Not a manpower exercise; however, significant savings will come from a smaller military/civilian work force**
  - **Force Structure Plan – 1:1 exchange for required military**
  - **Initially create a “holding installation” for all military (Base ‘x’)**
  - **Co-locate Services in one location (joint staffing)**
- **Equipment –**
  - **Assume minimal movement of equipment**
  - **Movement costs based on estimates of tonnage**
- **Infrastructure**
  - **Approved MILCON projects are a cost avoidance**
- **Information Technology**
- **Environmental Costs**
- **Unique Costs**
  - **Contract termination costs/savings**
  - **Calibration/Set-up costs**



# Infrastructure

DCN: 11375

	<b>Closing a Function Scenario</b>	<b>Realignment (moving) of a Function Scenario</b>
<b>Losing Installation</b>	<ul style="list-style-type: none"><li>■ MILCON project cost avoidance</li><li>■ No SRM savings (unless close entire activity)</li></ul>	<ul style="list-style-type: none"><li>■ MILCON project cost avoidance</li><li>■ No SRM savings (unless close entire activity)</li></ul>
<b>Gaining Installation</b>	N/A	<ul style="list-style-type: none"><li>■ Alteration of existing space + Addition</li><li>■ Parking/AT-FP</li></ul>



# *Infrastructure*

DCN: 11375

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- **AF - MILCON projects (potential impacts)**
    - **FY07 Pope Clinic Replacement (\$19.5M)**
    - **FY09 USAFA BEE Rpmt (\$2M)**



- **Army - MILCON projects (potential impacts)**
  - **FY05/06 Ft Belvoir Hospital Rpmt (\$100M)**
  - **FY07 West Point Hospital Alt (\$20M)**
  - **FY07/08 Aberdeen CHPPM (\$83.6M)**
  - **FY08 Ft Sam Med Instruction Facility (\$10.2M)**
  - **FY08 Ft Jackson Blood Donor (\$6.4M)**
  - **FY09/11 Walter Reed Alteration (\$78.6M)**
  - **FY11 Camp Bullis Nutrition Care Training (\$5.2M)**



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- **Navy - MILCON projects (potential impacts)**
    - **FY06 USUHS Addition (\$10.35M)**
    - **FY07/08/09 Great Lakes Hospital Rpmt (\$161M)**



## Health Services Planning Factors - Outpatient

Function	BGSF*	Pacing Item
Primary Care + Ancillary + Optometry + Mental Health	852 208 102 213	Exam room
Specialty Care	732	Exam room
Dental	611	DTR
Admin	+ 10%	
Flight Med (AF)	325 + SME	Per 100 eligible population

\* BGSF = Building Gross Square Feet



## Health Services Planning Factors - Inpatient

Function	BGSF*	Pacing Item
Med/Surg	711	Patient bed
LDR	3,386	LDR
Post-Partum	711	Patient Bed
ICU	950	Patient Bed
Admin	+ 10%	

\* BGSF = Building Gross Square Feet



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- **Education & Training**
  - **BGSF = Building Gross Square Feet**
    - **100 BGSF/student**
    - **Based on weighted average of medical school houses @ Ft Sam, Great Lakes, & Sheppard**



## MED/DEN RDA Planning Factors

SPACE	FACTOR	SOURCE
Laboratory	210 nSF/per Tech FTE	HFPA/Consult Study (CS)
Adm Space	80 nSF/Adm FTE	HFPA/CS
Tech Space	Net/Gross SF 1.9 conversion factor	HFPA/CS
Adm Space	Net/Gross SF 1.5 conversion factor	HFPA/CS
BSL-2	\$ 390/GSF construction costs-CC	HFPA/CS
Adm Space	\$ 170/GSF -CC	HFPA/CS
Vivarium* See Next Slide	\$475-\$425-\$500-CC	HFPA/CS
Rehab Costs**	70% of new/ 62% of new-CC	HFPA/CS
Major Equipment Space	\$390-CC	HFPA/CS



## ■ MED/ DEN RDA Planning Factors :

### ■ \* Vivarium Spaces:

Vivarium (Animal Holding, non Primate)-\$475/GSF

Vivarium (Animal Holding, Non-Human Primates)-  
\$425/GSF

Vivarium (Support Areas-Cage Wash,etc)-\$500/GSF

### ■ \*\* Rehab Costs-Building built before 1970-70% of new construction costs

Rehab Costs-Building built after 1970- 62% of new construction costs

Planning Factors sent to Installations/Activities for their use as Work Sheet Enclosures.



## ■ Equipment

### ■ Health Services

- Add 25% of project cost for initial outfitting of equipment (< \$250K)
- Investment equipment (> \$250K) determined case by case basis



## ■ Manpower

- **Losing facility – All authorized military manpower is transferred to Base X. Authorized civilian manpower is excessed. If some functions remain, authorized manpower is divided as a proportion of officers, enlisted, and civilians assigned to specific MEPRS codes plus proportional overhead.**
- **Gaining facility – Only proportion of authorized manpower assigned to specific MEPRS codes is transferred to gaining facility plus proportional overhead.**
- **Unique Costs/Saving – open ended questions for services to fill in any additional costs/savings**
- **Environmental – None / Services**
- **Economic Impact - Service**



- **Mission Costs/Savings**
  - **Direct Care – Savings**
    - Total expenses from MEPRS less manpower, depreciation
    - If some functions remain, retain specific MEPRS code expenses
  - **Direct Care – Costs**
    - If some functions transfer, specific MEPRS code expenses added to gaining facility\_\_\_\_\_
  - **Purchased Care - Cost**
    - COBRA calculates Ret  $< & > 65$  based upon Admissions, Visits, Prescriptions  $*(CHAMPUS \text{ cost} * \text{Gov't cost share})$
    - Manually apply same methodology for AD & ADFM
  - **Purchased Care - Savings**
    - If some functions transfer, calculate recapture savings for retirees using same COBRA methodology - AD/ADFM a wash
- **Included in MEPRS but separate in COBRA (Mission Support Contractors, Information Technology, & Mission Costs/Savings)**



# *Education & Training*

DCN: 11375

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- **Manpower**
    - **Losing facility – All authorized military manpower is transferred to gaining installation. Authorized civilian manpower is exceeded.**
  - **Billeting/Messing –Mil Dep to determine availability or cost to provide services**
  - **Equipment**
    - **Plan on moving existing except where building new space**



- **Manpower**
  - **Losing facility – Maintain FTEs as a proportion of authorized Tech/Adm O/E/CIV to assigned Sites for Center of Excellence with a 20% reduction in Adm support**
  - **Gaining facility – Proportion of FTEs moved to new facility of authorized Tech/Adm O/E/CIV for that Center of Excellence**
- **Infrastructure**
  - **Gaining facility**
    - **Construct new (sq ft) \* RDA cost factor-- Planned MILCON**
  - **Losing facility**
    - **Cost - None**
    - **Savings – Reduces leased space**
- **Equipment – Excess all equip <\$ 250k**
  - **Cost – Mov't of equip > \$250k Unique to RDA (estimate of equipment weight)**



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- **Mission Costs/Savings**
    - **Use of RDA personnel as faculty in E&T and auxiliary healthcare providers**
  - **Unique Costs/Saving – open ended questions for services to fill in any additional costs/savings**
  - **Environmental – None/ Service**
  - **Economic Impact - Service**