Exhibit R-2, RDT&E Budget Item Justification: PB 2014 Defense Health Program										DATE: March 2013	

APPROPRIATION/BUDGET ACTIVITY
0130: *Defense Health Program*
BA 2: *RDT&E*

R-1 ITEM NOMENCLATURE
PE 0605023HP: *Integrated Electronic Health Record (iEHR)*

COST ($ in Millions)	All Prior Years	FY 2012	FY 2013[#]	FY 2014 Base	FY 2014 OCO[##]	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
Total Program Element	-	0.000	0.000	64.100	-	64.100	42.000	40.299	27.801	28.301	Continuing	Continuing
444A: *Integrated Electronic Health Record (Tri-Service)*	-	0.000	0.000	64.100	-	64.100	42.000	40.299	27.801	28.301	Continuing	Continuing

[#] FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012
[##] The FY 2014 OCO Request will be submitted at a later date

A. Mission Description and Budget Item Justification

The Integrated Electronic Health Record (iEHR) (a follow on to originally proposed Electronic Health Record Way Ahead) is designed to provide a comprehensive, longitudinal, electronic health record that is available anytime and anywhere for the lifetime of the patient. The overarching goal of the program is to create an authoritative source of health information for the estimated 18 million DoD and VA beneficiaries. The iEHR will deliver a highly flexible, reliable, secure, maintainable and sustainable system. Successful fielding of iEHR will result in enhanced quality of care / patient safety, reduced costs, and improved data visibility. Comprehensive and current health information collected from multiple sources will be readily accessible by DoD and VA providers at Theater, DoD and VA facilities. This readily accessible health information will be directly leveraged to optimize medical care, monitor force health, manage health risks, and to enhance individual performance. It is envisioned that iEHR will eventually replace/sunset existing legacy systems, such as DoD's AHLTA and CHCS, and VA's Veterans Health Information Systems and Technology Architecture (VistA) and Computerized Patient Record System (CPRS).

The iEHR program shall be an integrated, multi-increment effort with the Department of Defense and Department of Veterans Affairs. It shall be bound by a common architecture, common data model, and common presentation layer. iEHR will also include a mix of Commercial Off - The Shelf (COTS), Government Off the Shelf (GOTS) and Open Source capabilities, in addition to reuse of enduring unique capabilities. In October, 2011, the DoD/VA Interagency Program Office (IPO) was chartered, to include program management and execution of iEHR. With the active participation of clinical staff from both Departments, the iEHR program will harmonize healthcare delivery processes and products. The DoD/VA Interagency Clinical Informatics Board (ICIB) and the IPO have jointly prioritized 54 clinical capabilities and grouped them into six planning increments based on functional priority, technical feasibility, and financial viability. To date, iEHR Increments 1 and 2 have been authorized for execution.

iEHR RDT&E is reported under the program element 0605013 through FY 2013 inclusive, but will be reported under new program element 0605023 for FY 2014 and out.

Exhibit R-2, RDT&E Budget Item Justification: PB 2014 Defense Health Program				DATE: March 2013	
APPROPRIATION/BUDGET ACTIVITY 0130: *Defense Health Program* BA 2: *RDT&E*			**R-1 ITEM NOMENCLATURE** PE 0605023HP: *Integrated Electronic Health Record (iEHR)*		

B. Program Change Summary ($ in Millions)	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total
Previous President's Budget	0.000	0.000	0.000	-	0.000
Current President's Budget	0.000	0.000	64.100	-	64.100
Total Adjustments	0.000	0.000	64.100	-	64.100
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Integrated Electronic Health Record (Tri-Service)	-	-	64.100	-	64.100

Change Summary Explanation

FY 2012: No Change

FY 2013: No Change

FY 2014: Realignment from DHP RDT&E, PE 0605013-Information Technology Development (-$64.100 million) to DHP RDT&E, PE 0605023-Integrated Electronic Health Record (iEHR) (+$64.100 million) for Integrated Electronic Health Record (iEHR).

Exhibit R-2A, RDT&E Project Justification: PB 2014 Defense Health Program		DATE: March 2013

APPROPRIATION/BUDGET ACTIVITY 0130: *Defense Health Program* BA 2: *RDT&E*	R-1 ITEM NOMENCLATURE PE 0605023HP: *Integrated Electronic Health Record (iEHR)*	PROJECT 444A: *Integrated Electronic Health Record (Tri-Service)*

COST ($ in Millions)	All Prior Years	FY 2012	FY 2013#	FY 2014 Base	FY 2014 OCO ##	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
444A: *Integrated Electronic Health Record (Tri-Service)*	-	0.000	0.000	64.100	-	64.100	42.000	40.299	27.801	28.301	Continuing	Continuing

FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012

The FY 2014 OCO Request will be submitted at a later date

A. Mission Description and Budget Item Justification

Integrated Electronic Health Record (iEHR) (a follow on to the originally proposed Electronic Health Record Way Ahead) is designed to provide a comprehensive, longitudinal, electronic health record that is available anytime and anywhere for the lifetime of the patient. The overarching goal of the program is to create an authoritative source of health information for the estimated 18 million DoD and VA beneficiaries. The iEHR will deliver a highly flexible, reliable, secure, maintainable and sustainable system. Successful fielding of iEHR will result in enhanced quality of care / patient safety, reduced costs, and improved data visibility. Comprehensive and current health information collected from multiple sources will be readily accessible by DoD and VA providers at Theater, DoD and VA facilities. This readily accessible health information will be directly leveraged to optimize medical care, monitor force health, manage health risks, and to enhance individual performance. It is envisioned that iEHR will eventually replace/sunset existing legacy systems, such as DoD's AHLTA and CHCS, and VA's Veterans Health Information Systems and Technology Architecture (VistA) and Computerized Patient Record System (CPRS).

The iEHR program shall be an integrated, multi-increment effort with the Department of Defense and Department of Veterans Affairs. It shall be bound by a common architecture, common data model, and common presentation layer. iEHR will also include a mix of Commercial Off - The Shelf (COTS), Government Off the Shelf (GOTS) and Open Source capabilities, in addition to reuse of enduring unique capabilities. In October, 2011, the DoD/VA Interagency Program Office (IPO) was chartered, to include program management and execution of iEHR. With the active participation of clinical staff from both Departments, the iEHR program will harmonize healthcare delivery processes and products. The DoD/VA Interagency Clinical Informatics Board (ICIB) and the IPO have jointly prioritized 54 clinical capabilities and grouped them into six planning increments based on functional priority, technical feasibility, and financial viability. To date, iEHR Increments 1 and 2 have been authorized for execution.

iEHR RDT&E is reported under the program element 0605013 through FY 2013 inclusive, but will be reported under new program element 0605023 for FY 2014 and out.

B. Accomplishments/Planned Programs ($ in Millions)

	FY 2012	FY 2013	FY 2014
Title: Integrated Electronic Health Record (iEHR) (Tri-Service)	0.000	0.000	64.100
Description: iEHR Increment 1 combines risk reduction and proof of concept activities. It will: (1) deliver two user-facing capabilities, Single Sign-On (SSO) and Context Management (CM); (2) conduct a pilot to inform a path forward to allow the practitioner to record (i.e., write-back) patient data to the electronic record in the authoritative data store, and; (3) include			

Exhibit R-2A, RDT&E Project Justification: PB 2014 Defense Health Program		DATE: March 2013
APPROPRIATION/BUDGET ACTIVITY 0130: *Defense Health Program* BA 2: *RDT&E*	R-1 ITEM NOMENCLATURE PE 0605023HP: *Integrated Electronic Health Record (iEHR)*	PROJECT 444A: *Integrated Electronic Health Record (Tri-Service)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2012	FY 2013	FY 2014
supporting activities such as virtualization, a regionalization pilot, establishment of an iEHR Development Test Center/ Environment (DTC/DTE) configuration, and critical Clinical Data Repository (CDR) upgrades. iEHR Increment 2 focuses on architecture, design, infrastructure, and initial clinical capabilities. It will deliver: (1) infrastructure and core services to support clinical capability insertion into the new iEHR baseline (Service Oriented Architecture (SOA) Suite/ Enterprise Service Bus (ESB), Identity Management, Portal Framework, Access Control); (2) new clinical care graphical user interface; (3) Laboratory, Immunization, and Pharmacy clinical capabilities and; (4) Pharmacy "fixes" at the James A. Lovell Federal Health Care Center (JAL FHCC). In support of an Initial Operating Capability (IOC) in September 2014, iEHR Increment 2 Laboratory and Immunization clinical capabilities (e.g., orders and results management) will be deployed to the Hampton Roads and San Antonio DoD and VA treatment facilities, with Pharmacy "fixes" deployed at JAL FHCC, North Chicago, IL. Full deployment of Increment 2 scheduled to occur by Fiscal Year (FY) 2016 to nine regional data centers (two in the initial deployment, seven additional in the full deployment). Laboratory, Immunization, and Pharmacy clinical capabilities will be operationalized at nine VA facilities, nine DoD facilities, and at least one associated satellite facility per region. *FY 2014 Plans:* iEHR Increment 2 will deliver: (1) infrastructure and core services to support clinical capability insertion into the new iEHR baseline (Service Oriented Architecture (SOA) Suite/ Enterprise Service Bus (ESB), Identity Management, Portal Framework, Access Control); (2) new clinical care graphical user interface; (3) Laboratory, Immunization, and Pharmacy clinical capabilities and; (4) Pharmacy "fixes" at the James A. Lovell Federal Health Care Center (JALFHCC). -Complete following Increment 2 activities: -- Capability development -- Baseline integration and testing -- Capability deployment, installation and checkout of IOC sites -- Security Accreditation -- Operational Assessment -- Obtain Milestone C deployment decision -- IOT&E In support of an Initial Operating Capability (IOC) in September 2014, iEHR Increment 2 Laboratory and Immunization clinical capabilities (e.g., orders and results management) will be deployed to the Hampton Roads and San Antonio DoD and VA treatment facilities, with Pharmacy "fixes" deployed at JALFHCC North Chicago.			
Accomplishments/Planned Programs Subtotals	0.000	0.000	64.100

Exhibit R-2A, RDT&E Project Justification: PB 2014 Defense Health Program		DATE: March 2013

APPROPRIATION/BUDGET ACTIVITY 0130: *Defense Health Program* BA 2: *RDT&E*	R-1 ITEM NOMENCLATURE PE 0605023HP: *Integrated Electronic Health Record (iEHR)*	PROJECT 444A: *Integrated Electronic Health Record (Tri-Service)*

C. Other Program Funding Summary ($ in Millions)

Line Item	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
• BA-1, PE 0807784HP: *Information Technology Development -*	0.000	0.000	75.801		75.801	108.422	110.501	129.293	128.742	Continuing	Continuing
• BA-3, 0807784HP: *Replacement/ Modernization*	0.000	0.000	204.200		204.200	65.600	66.300	61.000	62.098	Continuing	Continuing

Remarks

D. Acquisition Strategy

Evaluate and use the most appropriate business, technical, contract and support strategies and acquisition approach to minimize costs, reduce program risks, and remain within schedule while meeting program objectives. Strategy is revised as required as a result of periodic program reviews or major decisions.

E. Performance Metrics

Each program establishes performance measurements which are usually included in the MHS IT Annual Performance Plan. Program cost, schedule and performance are measured periodically using a systematic approach. The results of these measurements are presented to management on a regular basis in various as part of the Integrated Product and Process Development (IPPD) process, In Process Reviews (IPRs), or other reviews to determine program effectiveness and provide new direction as needed to ensure the efficient use of resources. Performance metrics for specific major projects may be viewed at the OMB Federal IT Dashboard website.