DoD/VA MEMORANDUM OF UNDERSTANDING

HEALTH RESOURCES SHARING FOR JOINT VENTURE CONSTRUCTION

1. Purpose:

This Memorandum of Understanding (MOU) establishes procedures to be used by the Department of Defense (DoD) and the Department of Veterans Affairs (VA) to plan, program, and execute joint venture construction projects for health care facilities.

2. Applicability:

Policy and guidance contained herein applies to all DoD and VA organization elements. The offices of primary responsibility within DoD for operations and planning is the Operations and Management Support Office (OMS), for construction is the Defense Medical Facilities Office (DMFO), and for advanced Health Care Planning for selection of viable joint projects is the Resource Analysis and Management Systems (RAMS). The office of primary responsibility for construction within VA is the Office of Facilities (O/F) and for advanced planning for selection of viable joint venture projects, it is the Veterans Health Administration (VHA). Procedures for advanced planning of joint venture projects are covered in Part A of the MOU. Procedures for establishing and executing joint venture projects are covered in Part B of this MOU. Information resources management procedures relating to joint ventures are covered in Part C of this MOU.

3. Policy:

It is the policy of the DoD and VA to share resources to maximize health facility utilization, improve health care delivery, and optimize cost-effectiveness. This policy is supported by the DoD/VA health care resources sharing legislation, Pub L. 97-174, 38 U.S.C. 5011, the Economy Act, 31 U.S.C. 1535, and other project specific statutory authorities. To support this policy, the DoD and VA will plan, program, and execute joint venture construction projects when it is in the best interests of the Government to do so.

Deputy Assistant Secretary of Defense (Health Services Operations)	8/4/92 Date	Deputy Assistant Secretary for Facilities	22 SEP Date
Assistant Secretary of Defense (Health Affairs)	6 Aug 92 Date	Chief Medical Director Department of Veterans Affairs	9/27/ Date

PART A: PROCEDURES FOR ADVANCED PLANNING FOR JOINT VENTURE CONSTRUCTION HEALTH RESOURCE SHARING

1. Memorandum of Understanding:

Initial identification and consideration for a potential joint venture construction project will be conducted by field level organizations of a DoD Military Department and VHA. They will develop a Memorandum of Understanding (MOU) that outlines the basic concepts of a joint venture between the two field facilities and details the benefits of the proposed joint venture. DoD personnel will forward the MOU for approval by the Assistant Secretary of Defense (Health Affairs). The MOU will be forwarded through the Surgeon General of the Military Department concerned and through OMS, RAMS, and DMFO to the ASD(HA). Veterans Affairs personnel will forward the MOU for approval to the Chief Medical Director of the VA.

2. Concept of Operations:

a. If the MOU for the joint venture is approved, the involved field activities will form a Joint Venture Planning Team, who will further develop the project by preparing a detailed Concept of Operations document. The Concept of Operations will develop the framework of the joint venture, the expectations of the parties involved, and the functional relationships between the parties in the joint venture. It should include such information as:

- project requirements (i.e., goal, mission, and scope)
- project planning basis (i.e., assumptions and criteria)
- project management structure
- project construction requirements (e.g., phases and timelines)
- project impact on other resources
- expected/anticipated benefits/savings
- special funding responsibilities/procedures
- activity responsibilities pertaining to:
    - -o- special/physical relationships
    - -o- types of services rendered
    - -o- staffing arrangements
    - -o- logistics
    - -o- types of information systems
      See part C, 2.b. for the required coordination pertaining to the information systems aspects of the Concept of Operations.

b. The Concept of Operations will be forwarded for consideration to the same authorities who approved the MOU, or their designated representatives. When approved, the MOU and Concept of Operations will become the base documents for implementing the joint venture.

c. A copy of the approved MOU and Concept of Operations will be submitted to the Defense Medical Systems Support Center (DMSSC) and the VA Medical Information Resources Management Office (MIRMO). DMSSC will serve as the primary office of responsibility for information resources issues in DoD; MIRMO will serve the same function in VA.

3. An agreement shall take effect upon approval of the Assistant Secretary of Defense (Health Affairs) and Chief Medical Director of the VA, or their respective designees.

PART B: PROCEDURES FOR JOINT VENTURE CONSTRUCTION HEALTH RESOURCES SHARING

1. Procedures:

a. When a signed MOU and a Concept of Operations is obtained as outlined in Part A, and a major construction project is required, a request for programming will be submitted to DMFO by the Military Department and to O/F by VHA. A copy of the signed documents and a copy of the proposed milestones for the joint venture will accompany the request.

b. At this point, representatives from the DMFO, VHA, and O/F will be assigned to the Joint Venture Planning Team which should have been established at the field level. Formal facility planning will start under the direction of the responsible organization in the Department having the lead in the joint venture.

c. The Joint Venture Planning Team will establish a formal organization and coordinating structure to ensure close communication between all parties involved throughout the construction planning process.

d. The Joint Venture planning team will develop a Joint Planning Document. The document will include a description of the organization and communications structure developed by the planning team. The planning document will also include a brief description of the project, a scope, an estimated cost, a site, and detailed justification. A source document, such as the Department of Defense DD Form 1391 or the Veterans Affairs for 10-1191 will be used. It will also include the relative proportion of the DoD and VA contributions to the project cost and a description of the basis for this apportionment. The document will clearly identify the project as a "Joint Venture" and cite the date of the MOU and Concept of Operations.

2. Programming:

a. In February each year, representatives from the DMFO, RAMS, VHA, and O/F will meet to review approved joint venture projects, those in initial planning, as well as candidates for further study identified in the planning process by DMFO and VHA. From this list they will assign each project to a fiscal year for programming purposes. This list will be submitted by each office to the appropriate authority for review and approval. Once approved, this DoD/VA Joint Venture Construction Program will be the basis for formal programming and budgeting.

b. Should any change to the scope, cost, or fiscal year of a project on this list be necessary by either Department, a written notice will be sent along with the reason for the change through the authority approving the list.

3. Budgeting:

a. At the annual meeting in February, DoD and VA will make a preliminary commitment to those projects to be included in the next fiscal year budget. Where funds from both Departments are required, every effort will be made not to defer these projects.

b. In August of each year, representatives from DoD and VA will meet to review the scope and cost estimates for projects proposed for inclusion in the next budget submission. Timely information will be provided by the design agent for the project.

c. DoD and VA will assist one another during congressional budgetary review process and coordinate on congressional inquiries relating to the joint venture.

4. Design and Construction:

a. One government organizational element will be designated as the design agent for the project and one as the construction agent by the Department having the lead in the joint venture. The same organization element may function in both capacities.

b. Representatives from DoD and VA who will be involved in the execution of design and construction will form a Joint Venture Design/Construction Team. It will be chaired by a representative from the organizational element designated by DMFO or O/F, depending on the Department having the lead in the joint venture. The team will include key personnel from DMFO, the Military Departments, O/F, and VHA. This team should also ensure representation from the Joint Planning Team at the field level. Members will be designated in writing by their respective organization.

c. The Team will begin meeting as soon as the lead Department releases the project for design. At this time they will develop a Joint Venture Design/Construction Management Plan to be approved by the DMFO, the Military Service, VHA, and O/F.

d. Design will be executed by the lead design/construction agent as directed by the O/F and DMFO.

e. The lead design/construction agent will determine the appropriate time to request funds from the other Department.

f. When requested, design funds will be promptly transferred to the appropriate design agent.

g. The design and construction process will be executed in accordance with the established Joint Venture Design/Construction Management Plan.

h. Both Departments will allocate funds to the Agents for design and construction in accordance with congressional authorizations/appropriations. Funds allocations will support the project timelines. Fiscal records and reporting will be structured to meet each Department's needs.

i. Active participation by appropriate Agency elements is mandatory to ensure operational and statutory requirements are met. Team leadership will be tailored to project circumstances. Project managers will adopt the necessary variances to agency criteria to accommodate unique sharing impacts, and satisfy functional requirements outlined in the Concept of Operations within project parameters.

PART C: PROCEDURES FOR INFORMATION SYSTEMS RESOURCES SHARING AT VA/DOD JOINT VENTURE MEDICAL FACILITIES

1. General:

a. VA Medical Center Directors and DoD Medical Facility Commanders should be alert to developments in the information systems field of their respective medical facility, Military Department, information systems centers (ISC), and agency information systems software development initiatives. All initiatives should be in compliance with Corporate Information Management (CIM) programs in DoD and VA.

2. Procedures:

a. Members of the Joint Venture Planning Team, to include representative from both Departments, will identify areas for medical information resource sharing. The team will identify functional and technological information systems requirements in the Joint Venture Construction MOU prepared for the ASD(HA) and the Chief Medical Director.

b. The Joint Venture Construction MOU will be expanded into the Concept of Operations by the Team in consultation with the MIRMO at VA and the following offices under the Office of the Assistant Secretary of Defense for Health Affairs (Health Services Operations):

- Defense Medical Systems Support Center (DMSSC)
- Composite Health Care System (CHCS)
- Medical Functional Integration Management Office (MFIM)

The methodology for providing the information systems requirements (i.e., construction, hardware upgrade, acquisition, full time equivalent employees, communication links, space, staff education and training, etc.) will be included in the Concept of Operations.

c. A copy of the MOU and Concept of Operations will be submitted to DMSSC and MIRMO. DMSSC will ensure that CHCS and MFIM receive copies of the approved MOU and Concept of Operations. DMSSC and MIRMO will assign representative(s), as indicated, to work with the Team on the information systems part of the Operation and Management Plan to implement the MOU. This plan should include the following information:

1. Software functions required by both facilities (i.e., Admissions, Discharge and Transfer, Clinical Laboratory, Radiology, and Scheduling, etc.).

2. Workload criteria (i.e., sizing model criteria required by each agency).

3. Systems integrations approach (i.e., identification of host system, unique local software requirements, hardware platform, any special requirements, software development requirements, or the need for early deployment of an computer system/reallocation of system funding).

4. Resource requirements (i.e., statement detailing the resources to be provided by each agency, cost of resources, or reimbursement methodology).

5. A statement explaining how the arrangement would obviate the need for similar resources provided by both agencies.

6. Affirmation of conformance with DoD systems architecture.

7. Approval procedures for Information Resources Management Agreements.

a. Each information resources management sharing agreement developed locally in support of the Joint Venture MOU and Concept of Operations will be submitted through the chain of command locally specified for approval of VA/DoD health care resources haring agreements.

b. In accordance with Public Law 97-174, Section 3.(d)(5), an agreement shall go into effect in accordance with its terms on the 46th day after the receipt of the proposed agreement by the chain of command, unless earlier disapproved; or, if earlier approved by VA and DoD, on the date of approval.

c. Approval of amendments to existing agreements will follow the same procedures described above for initial agreements.