1. PURPOSE. Pursuant to the authority vested in the Secretary of Defense by Title 10, United States Code (U.S.C) (Reference (a)), and in accordance with Deputy Secretary of Defense Memorandum (Reference (b)), this directive:

   a. Establishes the DHA with the mission, organization and management, responsibilities and functions, relationships, and authorities as described in this directive.

   b. Effective October 1, 2013, disestablishes the TRICARE Management Activity (TMA), transfers appropriate TMA functions to the DHA, and cancels DoD Directive (DoDD) 5136.12 (Reference (c)). Any reference in law, rule, regulation, or issuance to TMA will be deemed to be a reference to DHA, unless otherwise specified by the Secretary of Defense.

2. APPLICABILITY. This directive applies to:

   a. OSD, the Military Departments (including the Coast Guard at all times, including when it is a service in the Department of Homeland Security by agreement with that Department), the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this directive as the “DoD Components”).

   b. The Commissioned Corps of the Public Health Service and the Commissioned Corps of the National Oceanic and Atmospheric Administration, under agreement with the Department of Health and Human Services.

3. MISSION. DHA:

   a. Manages TRICARE.
b. Manages and executes the Defense Health Program (DHP) appropriation and DoD Military Health System (MHS) funding from the Medicare Eligible Retiree Health Care Fund, as directed by the Assistant Secretary of Defense for Health Affairs (ASD(HA)).

c. Supports coordinated management of enhanced multi-Service markets to create and sustain a cost-effective, coordinated, and high-quality health care system in those areas designated in the table of Enclosure 2.

d. Exercises management responsibility for shared services, functions, and activities of the MHS and its common business and clinical processes, as directed by the ASD(HA).

e. Exercises authority, direction, and control over medical treatment facilities (MTFs) within the National Capital Region (NCR) that are assigned to the DHA.

f. Supports the effective execution of the DoD medical mission.

4. ORGANIZATION AND MANAGEMENT

a. The DHA is established as a Defense Agency, in accordance with sections 191 and 192 of Reference (a), under the authority, direction, and control of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), through the ASD(HA).

b. The DHA is designated a combat support agency (CSA), in accordance with section 193 of Reference (a) and DoDD 3000.06 (Reference (d)). This designation applies to that portion of the DHA mission involving support for operating forces engaged in planning for, or conducting, military operations, including support during conflict or in the conduct of other military activities related to countering threats to U.S. national security. This portion of the DHA mission is focused on providing support to echelons at the Combatant Command level and below.

c. The DHA consists of:

   (1) A Director, who is recommended by and reports to the ASD(HA). Unless otherwise determined by the Secretary of Defense, the Director, DHA, is appointed in accordance with section 601 of Reference (a) as a general or flag officer in the grade of Lieutenant General or Vice Admiral and published on the Joint Duty Assignment List (JDAL) in accordance with DoD Instruction (DoDI) 1300.19 (Reference (e)).

   (2) The NCR Directorate, whose mission is to manage an integrated health care delivery system within the NCR and exercise authority, direction, and control over assigned MTFs.

      (a) The position of Director, NCR Directorate, will be filled by a general or flag officer in the grade of Major General or Rear Admiral and published on the JDAL.
(b) The positions of Director, Walter Reed National Military Medical Center (WRNMMC), and Director, Fort Belvoir Community Hospital (FBCH), will be filled by officers in the rank appropriate to the respective position's scope and responsibility and published on the JDAL.

(c) Any reference in law, rule, regulation, or issuance to Joint Task Force NCR—Medical (JTF-CapMed) will be deemed to be a reference to the NCR Directorate, unless otherwise specified by the ASD(HA).

(3) Additional subordinate organizational elements established by the Director, DHA, within resources assigned by the Secretary of Defense.

5. RESPONSIBILITIES AND FUNCTIONS

a. The Director, DHA:

(1) Carries out the agency mission and assigned responsibilities and functions in accordance with direction from the ASD(HA), adopted with the advice and assistance of governance councils established by the USD(P&R) and ASD(HA), including senior representatives of the Military Departments.

(2) Organizes, directs, and manages the DHA and all assigned resources.

(3) Manages the execution of policy developed by the ASD(HA), pursuant to DoDD 5136.01 (Reference (f)), in the administration of all DoD medical and dental programs authorized by Reference (a). Issues program direction for the execution of policy within the MHS. When issued to the Military Departments, program direction is transmitted through the Secretaries of those Departments.

(4) Develops technical guidance, regulations, and instructions, as required, to manage TRICARE and to support the ASD(HA) in administration of all medical and dental programs, authorized by Reference (a).

(5) Serves as the program manager for TRICARE health and medical resources, supervising and administering TRICARE programs, funding, and other resources within the DoD, as directed by the ASD(HA) and within the established MHS governance processes.

(a) Prepares and submits program and budget requirements to resource health and medical activities and programs, pursuant to guidance of the ASD(HA), for the DoD Planning, Programming, Budgeting, and Execution (PPBE) process, in accordance with DoDI 7000.14 (Reference (g)).

(b) Supports, as requested, the ASD(HA)’s presentation and justification of the DoD Unified Medical Program and budget throughout the PPBE process, including representations before Congress.
(c) Executes funds as programmed and budgeted for TRICARE, in accordance with instructions issued by the ASD(HA), fiscal guidance issued by the Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense (USD(C)/CFO), and applicable law.

(6) Exercises oversight and provides program direction for information management and information technology systems, programs, and services, in accordance with DoD policies and guidance issued by the DoD Chief Information Officer, and in coordination with the USD(AT&L), in accordance with the policies and procedures governing the Department of Defense Acquisition System, where applicable.

(7) Supports the conduct of studies and research activities to assist the ASD(HA) and others, as necessary, in support of their responsibilities and to support the management and implementation of health policies for the MHS developed by the ASD(HA).

(8) Contracts for managed-care support, dental support, other health programs, claims processing services, studies and research support, supplies, equipment, and other services necessary to administer TRICARE and other functions assigned to the DHA in support of the MHS.

(9) Supports the Military Services in implementation of TRICARE by providing beneficiary information, centralized administration, and program and contract management for health care services.

(10) Exercises authority, direction, and control over each TRICARE regional office and TRICARE area office.

(11) Exercises management responsibility for shared services, functions, and activities in the MHS, including but not limited to, the TRICARE Health Plan, pharmacy programs, medical education and training, medical research and development, health information technology, facility planning, public health, medical logistics, acquisition, budget and resource management, other common business and clinical processes, and other shared or common functions or processes, as determined by the ASD(HA). The Director, DHA will develop appropriate management models to most effectively and efficiently assume responsibility for particular functions and processes.

(12) Identifies, to the ASD(HA), other opportunities for medical and health shared services and makes recommendations on appropriate governance and oversight arrangements.

(13) Exercises authority, direction, and control, through the NCR Directorate, over the WRNMMC, the FBCH, and their subordinate clinics. Carries out Market Manager authorities, consistent with paragraph 5a(14), for all other military MTFs that are determined to reside within the NCR market.
(14) Assists the Market Manager in enhanced multi-Service markets who has authority to:

(a) Manage and allocate the budget for the market.

(b) Direct the adoption of common clinical and business functions for the market.

(c) Optimize readiness to deploy medically ready forces and ready medical forces.

(d) Direct the movement of workload and workforce between or among the MTFs in the respective market area.

(e) Take other actions as authorized by ASD(HA).

(15) Supports the Combatant Commands, through the Chairman of the Joint Chiefs of Staff, in addition to the responsibilities listed in Reference (d), to:

(a) Recommend medical research and development initiatives to support or enhance Combatant Commands military operations.

(b) Manage data standards and standard health information technology to support Combatant Commands and the MHS capabilities. Establish and maintain appropriate health information technology support to Combatant Command, in coordination with the USD(AT&L) and in accordance with the policies and procedures governing the Department of Defense Acquisition System, where applicable.

(c) Advise and assist on DoD health readiness including, but not limited to, medical logistics, pharmacy support, and public health matters to OSD, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Military Departments, other DoD Components, and other designated organizations, as appropriate, for planning and execution of military operations.

(d) Participate fully in the Joint Combat Capabilities Assessment to determine the readiness of joint medical capabilities against strategic documents and Combatant Commander’s operational plans.

(e) Support U.S. Northern Command and provide medical support and resources when a designated NCR medical command order is executed as part of an operational plan.

(16) Implements policy and executes programs to support recovering Service members, their families, and caregivers.

(17) Supports the responsibilities and functions of the ASD(HA) and performs other duties that the Secretary of Defense, the USD(P&R), or the ASD(HA) may prescribe.

b. The Director, DHA, may not direct a change in the structure of the chain of command within a Military Department or with respect to medical personnel assigned to that command.
6. RELATIONSHIPS

a. In the performance of assigned responsibilities and functions, the Director, DHA:

   (1) Reports directly to the ASD(HA).

   (2) Coordinates and exchanges information with the other DoD Component heads and
the OSD Principal Staff Assistants having collateral or related responsibilities and functions.

   (3) Uses existing systems, facilities, and services of the DoD and other federal agencies,
when possible, to avoid duplication of effort and to achieve maximum efficiency and economy.

   (4) Maintains appropriate liaison, consultation, and coordination with other
governmental and non-governmental agencies, as required, to exchange information and advice
on programs in the fields of assigned responsibility.

   (5) Collaborates with the Military Departments to ensure an integrated and standardized
TRICARE and healthcare delivery system.

   (6) In managing TRICARE, coordinates with the Military Departments on matters
regarding administration of military treatment facilities and MHS personnel under their
jurisdiction.

b. The Secretaries of the Military Departments:

   (1) Communicate Service-specific requirements and requests relating to shared services,
activities, and functions to the Director, DHA.

   (2) Provide military personnel and other authorized resources to support the activities of
the DHA.

   (3) Ensure that the Service Medical Departments remain accountable for the delivery of
patient care, and related medical and health services in facilities under their jurisdiction,
consistent with this directive.

c. The Chairman of the Joint Chiefs of Staff carries out oversight functions, in accordance
with Reference (d), with respect to the designation of the DHA as a CSA.

d. The Director, Defense Legal Services Agency, provides legal advice and services for the
DHA.

e. The other DoD Component heads coordinate with the Director, DHA, as appropriate, on
matters relating to DHA operations, functions, and responsibilities.
7. **AUTHORITIES.** The Director, DHA, is hereby delegated authority to:

   a. Obtain reports and information, in accordance with the DoDI 8910.01 (Reference (h)), as necessary, in carrying out assigned responsibilities and functions.

   b. Communicate directly with the other DoD Component heads, as necessary, in carrying out assigned responsibilities and functions, including requests for advice or assistance. Communications to the Military Departments are transmitted through the Secretaries of the Military Departments, or as otherwise provided in law or directed by the Secretary of Defense in other DoD issuances. Communications to the Combatant Commanders will be in accordance with paragraph 4b(3) above the signature of DoDD 5100.01 (Reference (i)).

   c. Communicate with other U.S. Government officials, members of the public, and representatives of foreign governments, as appropriate, in carrying out assigned responsibilities and functions. Communications with representatives of the Legislative Branch must be conducted through the Office of the Assistant Secretary of Defense for Legislative Affairs, except for communications with the Defense Appropriations Committees, which will be coordinated with the Office of the USD(C)/CFO and be consistent with the DoD Legislative Program.

   d. Serve as the Component acquisition executive, head of agency, and head of contracting activity within the meaning and limitations of DoDD 5000.01, (Reference (j), DoDI 5000.02 (Reference (k)), and subpart 2.1 of the Federal Acquisition Regulation (FAR), as supplemented by section 202.101 of the Defense FAR Supplement (Reference (l)).

   e. Exercise the administrative authorities contained in Enclosure 3.

8. **ADMINISTRATION**

   a. The Secretaries of the Military Departments assign military personnel to the DHA in accordance with approved authorizations and established procedures. In addition, military personnel for the WRNMMC, the FBCH, and the other MTFs within the NCR Directorate will be provided by the Military Departments according to manning documents maintained by the DHA.

   b. The other DoD Components may provide support for Headquarters, DHA, and DHA field elements through interservice support agreements, in accordance with DoDI 4000.19 (Reference (m)).

9. **EFFECTIVE DATE.** This directive:

b. Must be reissued, cancelled, or certified current within 5 years of its publication in to be considered current accordance with DoDI 5025.01 (Reference (n)).

c. Will expire effective September 30, 2023 and be removed from the DoD Issuances Website if it hasn’t been reissued or cancelled in accordance with Reference (n).

\[Signature\]

Ashton B. Carter
Deputy Secretary of Defense

Enclosures
1. References
2. Enhanced Multi-Service Markets
3. Delegations of Authority

Glossary
ENCLOSURE 1

REFERENCES

(a) Title 10, United States Code
(b) Deputy Secretary of Defense Memorandum, “Implementation of Military Health System Governance Reform,” March 11, 2013
(c) DoD Directive 5136.12, “TRICARE Management Activity (TMA),” May 31, 2001 (hereby cancelled effective October 1, 2013)
(f) DoD Directive 5136.01, “Assistant Secretary of Defense for Health Affairs (ASD(HA)),” June 4, 2008
(h) DoD Instruction 8910.01, “Information Collection and Reporting,” March 6, 2007, as amended
(m) DoD Instruction 4000.19, “Support Agreements,” April 25, 2013
(n) DoD Instruction 5025.01, “DoD Directives Program,” September 26, 2012, as amended
(o) Title 5, United States Code
(r) DoD Instruction 5105.18, “DoD Intergovernmental and Intragovernmental Committee Management Program,” July 10, 2009, as amended
(s) Executive Order 10450, “Security Requirements for Government Employment,” April 27, 1953
(w) Title 26, United States Code (also known as the “Internal Revenue Code of 1986,” as amended)
(x) Sections 405(p)(1) and 405(p)(2) of Title 42, United States Code (also known as the “Social Security Act,” as amended)
(y) Joint Federal Travel Regulations, Volume 1, “Uniformed Service Members,” current edition\(^1\)


(aa) Title 5, Code of Federal Regulations
(ab) Title 37, United States Code
(ac) Title 44, United States Code
(ae) Title 31, United States Code


\(^2\) Available at http://www.defensetravel.dod.mil/Docs/perdiem/JTR(Ch1-7).pdf
## ENHANCED MULTI-SERVICE MARKETS

**Table.** Enhanced Multi-Service Market Areas

<table>
<thead>
<tr>
<th>Geographical Area</th>
<th>Market Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tidewater, Virginia</td>
<td>Navy</td>
</tr>
<tr>
<td>Puget Sound, Washington</td>
<td>Army</td>
</tr>
<tr>
<td>Colorado Springs, Colorado</td>
<td>Rotate between Air Force and Army</td>
</tr>
<tr>
<td>San Antonio, Texas</td>
<td>Rotate between Air Force and Army</td>
</tr>
<tr>
<td>Oahu, Hawaii</td>
<td>Army</td>
</tr>
<tr>
<td>NCR</td>
<td>NCR Directorate, DHA</td>
</tr>
</tbody>
</table>
ENCLOSURE 3

DELEGATIONS OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, and subject to the authority, direction, and control of the USD(P&R) and the ASD(HA), and in accordance with DoD policies and issuances, the Director, DHA, or in the absence of the Director, the person acting for the Director, is hereby delegated authority, as required, in the administration and operation of the DHA to:

   a. Exercise the powers vested in the Secretary of Defense by sections 301, 302(b), 3101, 4103, 4302, and 5107 of Title 5, U.S.C. (Reference (o)) on the employment, pay, performance management, direction, and general administration of DHA civilian personnel.

   b. Fix rates of pay of wage grade employees exempted from Chapter 51 of (Reference (o), also known as “The Classification Act of 1949,” by section 5102 of Reference (o) on the basis of rates established under the Federal Wage System. In fixing such rates, the Director, DHA, must follow the wage schedule established by the DoD Wage Fixing Authority.

   c. Administer oaths of office to those entering DoD or any other oath required by law in connection with employment therein, pursuant to section 2903 of Reference (o), and designate in writing, as may be necessary, officers and employees of the DHA to perform this function.

   d. Establish a DHA Incentive Awards Board, and pay cash awards to, and incur necessary expenses for, the honorary recognition of civilian employees of the U.S. Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or services, benefit or affect DHA, in accordance with section 4503 of Reference (o), applicable Office of Personnel Management regulations, and Subchapter 451 of DoDI 1400.25 (Reference (p)).

   e. Maintain an official seal and attest to the authenticity of official DHA records under that seal.

   f. Establish and maintain, consistent with Reference (n), for functions assigned, a DHA publication system for regulations, instructions, and reference documents produced by the DHA, as well as any changes made to those publications.

      (1) The Director, DHA, must ensure that all OSD and DoD Components and non-DoD federal agencies with equity in a DHA publication are given the opportunity to coordinate when such publication is written, changed, or revised.

      (2) For assigned functions, approved DHA publications are binding on DoD Components.

   g. As necessary, use advisory committees and employ temporary or intermittent experts or consultants, as approved by the Secretary of Defense or the Director of Administration and
Management, for the performance of DHA functions, in accordance with sections 173 and 174 of Reference (a); section 3109 of Reference (o); Appendix 2 of Reference (o), also known as the “Federal Advisory Committee Act”; DoDI 5105.04 (Reference (q)); and DoDI 5105.18 (Reference (r)).

h. In accordance with Executive Order 10450 (Reference (s)), Executive Order 12968 (Reference (t)); and DoDD 5200.2 (Reference (u)), as appropriate:

(1) Designate any position in the DHA as a sensitive position.

(2) Authorize, in exceptional circumstances where official functions must be performed prior to the completion of an investigation and adjudication process, temporary access to a sensitive position in the DHA to individuals for whom an appropriate investigation is underway.

(3) Initiate personnel security investigations and, if necessary, in the interest of national security, suspend a security clearance for personnel assigned, detailed to, or employed by the DHA. Any action under this paragraph must be taken in accordance with procedures prescribed in DoD 5200.2-R (Reference (v)).

i. Act as the agent for the collection and payment of employment taxes pursuant to Chapter 21 of Title 26, U.S.C., also known as “The Internal Revenue Code of 1986,” as amended (Reference (w)). As such agent, make all determinations and certifications with respect to DHA employees that are required or provided for under:

(1) Section 3122 of Title 26, U.S.C., also known as the “Internal Revenue Code of 1986,” as amended (Reference (w)).

(2) Sections 405(p)(1) and 405(p)(2) of Title 42, U.S.C., also known as the “Social Security Act,” as amended (Reference (x)).

j. Authorize and approve:

(1) Temporary duty travel for uniformed Service members assigned or detailed to the DHA, in accordance with Volume 1 of the Joint Federal Travel Regulations (Reference (y)).

(2) Travel for DHA civilian personnel, in accordance with Volume 2 of the Joint Travel Regulations (Reference (z)).

(3) Invitational travel to eligible non-DoD personnel whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, DHA activities, in accordance with Title 5, Code of Federal Regulations (Reference (aa)).

(4) Overtime work for DHA civilian personnel, in accordance with section 5542 of Reference (o) and parts 550 and 551 of Reference (aa).
k. Approve funds for incidental travel expenses that assigned or detailed DHA uniformed Service members may incur when they attend technical, scientific, professional meetings, or other similar events when the approval of the Secretary of Defense or designee is required by section 455 of Title 37, U.S.C. (Reference (ab)) and sections 4110 and 4111 of Reference (o).

l. Develop, establish, and maintain an active and continuing records management program, pursuant to section 3102 of Title 44, U.S.C. (Reference (ac)) and DoDD 5015.2 (Reference (ad)).

m. Use the government-wide Purchase Card for making appropriate purchases of material and services, other than personal services, for the DHA, when it is determined more advantageous and consistent with the best interests of the government.

n. Publish advertisements, notices, or proposals in newspapers, magazines, or other public periodicals, as required for the effective administration and operation of the DHA, consistent with section 3702 of Reference (ac).

o. Enter into interagency and intraagency support agreements, as the receiver or supplier, with the other DoD Components, non-DoD Federal Government departments and agencies, and State and local governments, as required for the effective performance of DHA functions and responsibilities, consistent with section 1535 of Title 31, U.S.C. (Reference (ae)) and Reference (o).

p. Enter into and administer contracts, directly or through a Military Department, a DoD contract administration services component, or other federal agency, as appropriate, for supplies, equipment, property, and services required to accomplish the DHA mission. To the extent that any law or Executive order specifically limits the exercise of such authority to persons at the Secretarial level of a Military Department, such authority must be exercised by the appropriate Under Secretary of Defense or Assistant Secretary of Defense.

q. Enter into and administer grants, cooperative agreements, and other authorized transactions with any agency, university, nonprofit corporation, or other organization to perform or support DHA mission-related work. Establish procedures for DHA to administer all authorities and responsibilities specified in sections 2358, 2371, and 2371a of Reference (a).

r. Establish and maintain appropriate property accounts for the DHA and appoint boards of survey, approve reports of survey, relieve personal liability, and drop accountability for the DHA property contained in the authorized property accounts that has been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

s. Issue the necessary security regulations for the protection of property and places under the jurisdiction of the Director DHA, pursuant to DoDI 5200.08 (Reference (af)).

t. Lease property under the control of the DHA, under terms that will promote the national defense or that will be in the public interest, pursuant to section 2667 of Reference (a).
u. Exercise the authority delegated to the Secretary of Defense by the Administrator of the General Services Administration for the disposal of surplus personal property.

v. Redelegate these authorities as appropriate, and in writing, except as otherwise specifically indicated in this directive or as otherwise provided by law or regulation.
GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

ASD(HA) Assistant Secretary of Defense for Health Affairs
CSA combat support agency
DHA Defense Health Agency
DHP Defense Health Program
DoDD DoD Directive
DoDI DoD Instruction
FAR Federal Acquisition Regulation
FBCH Fort Belvoir Community Hospital
JDAL Joint Duty Assignment List
JTF-CAPMED Joint Task Force National Capital Region Medical
MHS Military Health System
MTF medical treatment facility
NCR National Capital Region
PPBE Planning, Programming, Budgeting, and Execution
TMA TRICARE Management Activity
USD(C)/CFO Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense
USD(P&R) Under Secretary of Defense for Personnel and Readiness
WRNMMC Walter Reed National Military Medical Center

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this directive.

DHP appropriation. A single appropriation consisting of operation and maintenance, research and development, and other procurement funds designed to finance the non-military personnel requirements of the MHS.
**DoD Unified Medical Program.** A combination of the DHP appropriation, the medical military construction appropriation, military personnel funds for military personnel supporting the MHS, and the estimated payments to the DoD Medicare-Eligible Retiree Health Care Fund.

**enhanced multi-Service market.** Geographic MHS markets served by more than one Military Department under the direction of a designated Market Manager with enhanced authorities.

**MHS.** The DoD medical and dental programs, personnel, facilities, and other assets, operating pursuant to chapter 55 of Reference (a), by which the DoD provides health care services and support to the Military Services during military operations, and health care services and support under TRICARE to members of the Military Services, their family members, and others entitled to DoD medical care.

**TRICARE.** The DoD medical and dental programs, operating pursuant to chapter 55 of Reference (a), under which medical and dental services are provided to DoD health care beneficiaries. The term includes all activities described in the definition of the term “TRICARE Program” in section 1072(7) of Reference (a)).

**TRICARE Regional Office/TRICARE Area Office.** The DHA office charged with ensuring consistent implementation and management of MHS policies and the uniform health benefit within a geographical area designated by the ASD(HA).