

Pursuing IT Standardization and Consolidation: Insights from Dave Bowen, Director of Health Information Technology and Chief Information Officer, Defense Health Agency, U.S. Department of Defense

By Michael J. Keegan



The provision of health services is a critical and significant mission within each branch of the U.S. Military, as well as an integral part of the U.S. Department of Defense's Military Health System, MHS.

MHS relies on information and technology to carry out its mission and meet DOD's quadruple aim: to achieve medical readiness, improve the health of its people, enhance the

experience of care, and lower its health care costs. To do this, it depends on access to high-quality, timely, and reliable information and the technology that makes that possible—advances in technology that are clinically relevant, technically feasible, and financially viable.

What is the information technology strategy for DOD's Defense Health Agency (DHA)? How does the creation of the Defense Health Agency enhance IT efforts to deliver care anytime, anywhere? How is DHA modernizing its technology infrastructure and working toward a robust, integrated electronic health record? Dave Bowen, chief information officer at the Defense Health Agency, shares his insights on these topics and more. The following is an edited excerpt of our discussion on *The Business of Government Hour*.

Would you provide an overview of the continuing evolution of the mission of DoD's Military Health System?

 **Dave Bowen:** We are a global health care system—direct care providers in over 400 military treatment facilities, hospitals, and clinics, [and] purchased care through ... civilian providers and institutions. We strive to provide optimal health care services in support of our nation's military missions anytime, anywhere. We also provide premier care for military service members, their family, retirees, and their families. Our personnel are ready to go into harm's way to deliver care.

We build bridges to peace through humanitarian support whenever and wherever needed, notably [on] hospital ships. In FY13, MHS' budget was \$50 billion. It's the unified medical program that supports the physical and mental health care of over 9.6 million patients worldwide. Today, approximately 230,000 MHS users depend on information technology services delivered through civil defense organizations. These include the Tricare Management Activity and each of the armed services' medical departments.

How does the creation of the Defense Health Agency enhance your IT efforts?

 **Dave Bowen:** It has been challenging for our health IT customers to determine who was accountable for health IT performance. Reforming the management of the IT infrastructure will give us the ability to manage health IT delivery all the way to the desktop. There will no longer be any confusion about who is accountable for health IT. It will be us, within the DHA IT directorate.

[In 2011, an internal DoD task force reviewed the structure of the military health system. It provided options to improve the system, which in March 2013 called for the establishment of the Defense Health Agency. DHA incorporated the TRICARE Management Activity (TMA) as well as the Joint Task Force National Capital Region Medical, and back-office mission support functions.]

DHA began in October 2013. We consolidated a number of back office services into shared services—facility services, health plan operational services, logistic services, and IT.

Under the IT directorate, each health IT business process will be aligned to a leader, reflecting our commitment to ownership and accountability. We're basically consolidating the health IT component of all the military services. To support the transition, the chief information officers and their associated service IT management functions have transitioned into the Defense Health Agency and [are] actively involved in all the planning for providing health IT on a shared-services basis.



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The military services’ CIOs actually have a dual role. They will continue to advise each department’s surgeons general on IT matters and guide IT delivery within the services until all IT functions transition under the Defense Health Agency. We anticipate that’s going to be about a two-year process. The service CIOs will retain direct authority over their service-specific resources until we reach full operational capability around October 2015. In the end, we seek an enterprise-wide, integrated IT environment with standardized infrastructure and applications down to the desktop.

Would you give us a brief overview of the mission of the Office of the Chief Information Officer (OCIO) within DHA? How is it organized, the size of its overall budget, and the number of full-time employees?



Dave Bowen: In October 2013, we transitioned 744 people into the office of the CIO. We developed an organization that has six vertical divisions, essentially using best of breed, best practices from industry. [These] are innovation and modern technology, governance, customer relations, infrastructure solution delivery, information delivery and analytics, and security and privacy. Our budget for this year is around \$2.2 billion across those six verticals. When we reach full operating capability, we expect to be between 8,000 and 9,000 employees and contractors. Certainly the 2.2 billion-dollar number will be at least that, maybe more.

What can you tell us about MHS’ quadruple aim? How do your efforts support the department’s overall mission?



Dave Bowen: We support the overall mission of the Military Health System that we call the quadruple aim. There are four pillars to the mission. In FY13, senior MHS leadership agreed to explicitly emphasize the quadruple aim as the key strategic direction for the organization. The four pillars of the quadruple aim include readiness, which means being able to field a medically ready force and deliver health care anytime, anywhere in support of the full range of military operations.

The second component is promoting better health among service members ... promoting better health choices and reducing the number of clinical visits. We’re moving from simply delivering health care to focusing on prevention.

The third aim is better care ... the finest in the world, safe, timely, effective, efficient, equitable, and patient- and family-centered.

The final aim [is to do] this more effectively and at lower cost. We need to create value by focusing on quality, eliminating waste, and reducing unwanted variation. We’re going to consider the total cost of care over time, not just the cost of an individual health care activity. We have both near- and long-term objectives to become more agile in our decision-making and maximize longer-term opportunities to change the trajectory of our cost growth through a healthier population.

What are your top management challenges?



Dave Bowen: The MHS health budget is almost 10 percent of the total budget of the Department of Defense. This includes the total defense health program and all the care that we provide. Given budget realities, we have a strong focus on cost control and reduction, coupled with a need to take MHS into the 21st century.

We face a significant challenge—the high cost to support and maintain our current systems—and yet, our need to transition from the legacy system to new, more modern systems that will reduce costs. Today, sustainment costs eat about 90% of our budget—it is this push-pull challenge around the high current costs and the need to fund the future.

The second challenge involves properly collecting health care data of our members who receive care from external service providers. We need to get the data generated from external health care activities back into our members’ military record ... trying to get data back from them continues to be a challenge because of privacy regulations and lack of interoperability of systems.

The third challenge is identifying and selecting a replacement for current systems. How do we make a selection? How do we deploy a new system across 400 care sites in our direct care system alone, as well as properly equipping our ships and submarines?

Under the DHA governance structure within the new information technology directorate, we're going to ensure that the right service leadership is involved in the health IT requirements generation process, and that we deliver the right application in the right way at the right time.

Would you tell us about your efforts in supporting the development of the integrated Electronic Health Record?



Dave Bowen: Much of the activity in this area predates my arrival. There was an initial agreement that DOD and VA would jointly acquire an electronic health record or jointly develop an electronic health record. The plan was to acquire a best of breed solution—the best pharmacy system, best lab system, best radiology system. The Interagency Program Office manage[s] this activity, and they were doing great things and moving forward. I joined the agency in September 2012, and towards the end of 2012 it became clear to department leadership that this was going to be a long and expensive process.

Upon this realization and reflection, the strategy shifted to adopt a best-of-suite core application strategy. VA chose to pursue such a strategy, but instead of buying a new core, VA would modify its current core. Now without a partner, DoD leadership consulting with Congress decided to buy a commercial product. We are moving down this road focusing on acquiring a commercial product. The acquisition testing and logistics area has been assigned the responsibility for overseeing this acquisition.

My office is going to be involved with implementing what is acquired. What are my interface requirements? How do I interface to my current legacy systems that will remain and not be replaced? What kind of infrastructure footprint do we have to lay down for running this on basically a worldwide basis? My experience in the commercial world will assist our efforts and help identify what's going to be our training methodology, deployment methodology, how we're going to run the new systems at the same time we run the old systems. It's a very important project.

What are some of the major opportunities your organization will encounter in the future; and, how do you envision your office will evolve to meet those challenges and seize those opportunities?



Dave Bowen: We have to reduce the cost of our direct care system ... proactively promote health [and] proactively connect with our commercial providers to get our

members' health data into our system for as complete a record as possible.

We also have an opportunity to take an enterprise-wide view of our system. This will permit us to pose strategic questions as we move to realizing our future state. For example, prior to buying an application to address a certain need, let's be sure that we're buying a solution that we can leverage across the enterprise for all services and military treatment facilities. We must be cost-effective with our investments, taking an enterprise view, and making sure that investments are in the interest of the overall organization.

We also have an opportunity to focus on accountability and results in the IT arena, results in terms of clinical performance in our military treatment facilities, in our hospitals, and better results coming from our private care providers. We are actively encouraging our business leadership to standardize the clinical processes we have in place. We have to adopt best practices, reduce the variability of outcomes, and drive down the costs of care.

In an era of fiscal constraint, it's critical that agency leaders act with strategic intent and keep the workforce motivated to meet mission. How do you keep your employees focused and motivated in the face of dramatic and sometimes painful changes?



Dave Bowen: I would respond to that with three words: communicate, communicate, communicate! You can't communicate enough these days. We have a far-flung operation and getting information out and feedback from the far reaches of our organization is critical. If we can do that well, we will continue to have a motivated workforce, despite the fact that we're facing seriously challenging budget constraints. ■

To learn more about Defense Health Agency, go to www.health.mil/About-MHS/Defense-Health-Agency



To hear *The Business of Government Hour's* interview with Dave Bowen, go to the Center's website at www.businessofgovernment.org.



To download the show as a podcast on your computer or MP3 player, from the Center's website at www.businessofgovernment.org, right click on an audio segment, select Save Target As, and save the file.



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