QUALITY OF LIFE

The President, Secretary of Defense, and the Joint Chiefs of Staff are deeply committed to providing for the welfare of the men and women who serve the nation so well, and for their families. The initiatives presented in this Chapter contribute significantly to improving the quality of life for service members and their families, while preserving high levels of personnel readiness. The Secretary of Defense hosted three separate forums to highlight the Department’s commitment to improving the quality of life of service members and families of the armed forces. Improving health care, housing and compensation are part of the thrust of the Department’s efforts. The Quality of Life Executive Committee has continued to focus the Department’s attention on areas that need a leadership and resourcing focus. Quality of Life continues to receive support at all levels of command and is an area that continues to dramatically improve. Additionally the Department conducted its first Quality of Life Technology Conference to highlight the areas of where technology is being applied to improve both quality of life as well as service delivery programs. Two examples of such innovative programs include Navy Lifelines and Air Force Crossroads. These two programs take a completely fresh look at service delivery and serve as front end portals for a vast array of services, information and programs.

The Department initiated an effort this year that promotes the financial stability of junior enlisted members and their families. This included work with credit unions, banks and financial planning organizations as well as with non-governmental organizations to ensure that all facets of making the pay of junior enlisted members for further was closely examined and promoted within the Department and within the larger military community. The Department initiated a partnership with the U.S. Chamber of Commerce to join with corporate America on a member of initiatives to include spouse employment. This initiative lays the groundwork for finding career and training opportunities for military spouses.

COMPENSATION AND BENEFITS

America’s Military Services continue to meet significant recruiting and retention challenges. One of the keys to success will be to continue to ensure an appropriate quality of life for its service personnel. The nation is experiencing economic prosperity and a growing demand for the skills, experience, and knowledge maintained by its service personnel. These developments mean intensified competition for the high-quality men and women needed for the armed forces. In response to these developments, the Department took actions last year to improve the quality of personnel recruited and retained in America’s armed forces. With the continued support of Congress, the Department sponsored major improvements in basic pay, special and incentive pays, and retirement for the Service personnel. These enhancements were essential to retain skills necessary for mission success and to compensate personnel fairly for their outstanding performance and dedicated service to the nation. For FY 2001 the Department sponsored a
A major initiative to increase housing allowances and improve the standard of living for military personnel. FY 2001 pay and allowance enhancements include:

- A pay raise of 3.7 percent, effective January 1, 2001, which was 0.5 percent above the average increase in private sector wages. DoD must plan for similar raises in pay for the future in order to compete effectively with the private sector.

- A major housing allowance initiative designed to reduce service members’ out-of-pocket costs for living off-post to zero on average. The Department has reduced out-of-pocket costs for the average service member by 4 percent (from 19 percent in FY 2000 to 15 percent in FY 2001). The Department is committed to cutting the average out-of-pocket expenses to 11.3 percent by FY 2002 and reducing them to zero by FY 2005.

- Robust targeting of manning and skill level shortages with special and incentive pays, coupled with management initiatives to correct shortfalls continues in FY 2001. The Department is improving and refining certain bonus programs, to include adjusting aviator continuation pay within Congressional limits and will continue the excellent work begun in FY 2000 to target additional critical retention points for pilots. Efforts are underway to meet the need for increasing selective reenlistment and enlistment bonus programs. Further, much needed reform of Career Sea Pay is being implemented in FY 2001 to improve at-sea manning. Additionally, Hardship Duty Pay is to increase substantially in FY 2001, and Special Duty Assignment Pay is to increase for a limited number of specialties with further program expansion planned for FY 2002.

The Five Year Defense Plan will continue the work begun in FY 2000 to improve compensation for the uniformed forces and support critical recruiting and retention concerns. These initiatives include quality of life improvements and targeted incentive pays, special pays, and bonuses to respond to critical recruiting and retention indicators.

The FY 2000 pay table reform and the ongoing 9th Quadrennial Review of Military Compensation will help ensure a competitive compensation system that aids the effort to recruit and retain quality people and builds the foundation for the 21st century military.

COMMUNITY PROGRAMS

FAMILY SUPPORT

Family well-being is an essential component of the readiness posture of the Department. With the majority of the force married, the Department recognizes the integral link between family readiness and total force readiness. In FY 2000, the Department initiated a number of efforts to promote family readiness and family well-being.

The Department sponsored a world-wide Family Readiness Conference with over 800 participants. The conference participants represented a wide-range of family support personnel from both the active and reserve components. The Department’s senior leadership addressed the participants stressing the importance of family support. Likewise, the conference sessions stressed the significance of economic well-being, community development and family well-being for its total force.
Recognizing the importance of promoting the need for expanded employment opportunities for spouses of service members, the Department held a Spouse Employment Summit designed to build a powerful course of action for improving military Spouse Employment Assistance Programs. The Summit assisted the Department and the Military Services to better position themselves to take action to enhance military spouse careers, family income and retention of high quality military personnel.

The Department activated DoD Job Search, the first Department of Labor/America’s Job Bank associate site. Although this web site serves transitioning military personnel, future projects will focus on spouse needs and developing employment opportunities.

Family support services were augmented by six interrelated web sites providing information on relocation, personal financial management, transition, child and youth services, teen services and more. Individual Services have also established a number of web sites to provide information on policies and programs and to allow customers to gain access to real-time information. The Department has chartered a special Information Technology Working Group to assess current information technology tools that exist and to develop a strategic plan that will complement existing quality of life programs and delivery services to meet its 21st century requirements.

Recognizing that deployment and family separation are two of the most demanding parts of military life, the Department has undertaken a number of initiatives to ensure it has the right mix of family readiness programs to support families. These initiatives include Department-wide deployment of e-mail and teleconferencing capabilities to support deployed members and promote family cohesiveness and well-being.

The Services have all introduced and expanded their mentoring programs such as Army Family Team Building and Marine Corps Family Team Building to help young military families adjust to the challenges and take advantage of the opportunities of military life. Such programs not only build skills for coping with the unique demands of military life but they build, strengthen, support and increase the capacity of the community to care for each other. Many of these programs are provided by volunteer staff members who then gain/build marketable skills.

The partnership between the active and reserve component family readiness staff continues to yield improved programs and support services for the families of Guard/Reserve personnel. With the increased reliance on the reserve components to accomplish the Department’s mission, these programs and services support the critical family readiness portion of the total force readiness posture.

**CHILDREN AND YOUTH**

The DoD child development system encompasses child development centers, family child care, school-age care programs, and resource and referral programs. Child care is available at approximately 300 DoD locations, including over 800 centers and 9,000 family child care homes. DoD currently meets 58 percent of the need for DoD child care services, and the Services expect to reach the Department’s goal of 65 percent by 2003. The National Defense Authorization Act for Fiscal Year 2000, Section 584, presented legislation to provide flexibility for expansion and enhancement of the current program if it is in the best interest of the government. The Services are conducting pilot tests to gauge the success of specific programs. To date, 96 percent of DoD centers have achieved national accreditation.
Military youth issues are extremely important. The Department’s Strategic Youth Action Plan continues to provide a road map for youth policy and programs into the 21st century. This plan has had a major impact on every facet of military youth programs. In response to the growing national concerns about the welfare of youth, a partnership between the Department of Defense (Office of Children and Youth); Department of Justice (DoJ) Office of Juvenile Justice and Delinquency Prevention (OJJDP); and the Boys and Girls Clubs of America (B&GCA) was established. Assessments will be conducted in military communities to identify at-risk youth behavior and provide installation commanders with strategies to address significant problems. This service will be provided upon request from installation commanders at no charge, on a first come, first serve basis until the funding is exhausted. The Services continue to pursue affiliation with the Boys and Girls Clubs of America. Affiliation provides military youth programs with access to Boys and Girls Club training programs, program assistance, and allows military youth to participate in national Boys and Girls Club events and competitions. The Services are on track to reach 100 percent affiliation by 2002.

Consistent with the Department’s efforts to improve government-wide effectiveness and comply with Government Performance and Results Act requirements, the Air Force has begun to focus on building the strengths of their communities through a results-management approach to program activities. Programs are developed using an Integrated Delivery System at all command levels to meet identified community results via shared responsibility and resources within the base helping agencies.

The Domestic Violence Task Force was initiated in 2000 and will provide its first report to the Department in the first half of 2001. This report will be provided to Congress in May 2001.

MORALE, WELFARE, AND RECREATION

The Department provides MWR programs to support the readiness of the force and the retention of valued service members. MWR programs serve both a peacetime and a wartime function. At home stations, MWR programs are the most visible programs and provide the most tangible evidence that the leadership cares about quality of life. In wartime or during deployments, MWR programs are the lifeline for after duty activity for troops, providing both respite from arduous conditions and a link to American culture and their home lives.

The changing nature of recreational pursuits requires the Department to have programs that are adaptive, targeted, and responsive to the service member. The Department has responded to the changing nature of recreation service delivery today with a vision to provide comparable MWR programs and activities across Services and installations. Technology is also contributing to the changing nature of recreation today in the Department. Examples of this change are high-tech offerings, such as the Cyber Net Cafe at Naval Station Norfolk, that allows service members to have lunch, surf the Internet, or read the latest bestsellers, and physical fitness centers that use smart cards to customize training programs.

To position these programs to provide strong community support, the Department is pursuing the following strategic goals:

- Modernize and upgrade MWR programs, with an immediate focus on physical fitness and library programs. The Department launched Operation Be Fit, a special initiative to improve fitness programs, increase individual participation in fitness activities, and educate the military community on the benefits of an active lifestyle. From a Defense Department point of view, DoD
gains an increase in productivity and decreased absenteeism, a more physically and mentally capable military force, lower health care costs, and improved quality of life within the military community. On January 25, 1999, the Department established a new policy of mandatory core standards for DoD MWR physical fitness centers. Additionally, the Department is developing uniform physical fitness standards and test methods for all Services.

- Pursue an aggressive strategy to improve DoD libraries. The Department’s vision is for libraries to be modern information hubs with Internet access that promote educational advancement through lifelong learning, and where people can relax and read their hometown newspaper or favorite magazine. The Department operates 556 libraries of which 260 are land-based recreational libraries. Another 296 libraries provide services aboard ships and submarines. The Department continues to build and renovate libraries and add alternative opportunities for lifelong learning through use of the Internet and other delivery methods. The Department is adding communication lines to increase Internet access, computer hardware access to include CD-ROM drives and software, and access to standard library databases and computer systems that interface with other government and public libraries.

- Improve MWR management and ensure that MWR programs are funded with the right levels and types of funds. MWR programs are arranged in three categories: Category A–mission sustaining activities, Category B–community support activities, and Category C–revenue generating activities. Programs receive appropriated fund support based upon their relationship to the military mission. In 1995, the Department established funding standards to ensure an adequate appropriated fund base for these programs. The military departments have made steady progress in achieving these standards. MWR accounts increased overall by $35 million in the FY 2001 budget.

- Continue robust MWR support of deployed forces. DoD is committed to continuing robust MWR support for its deployed forces. Many MWR programs are now being provided in permanent structures throughout the deployed area. MWR specialists are providing a multi-faceted, well-rounded recreation programs including top notch fitness centers, computer terminals with internet access and entertainment shows. The Army, Navy, Air Force, and Marine Corps Exchange Service stores are providing for service members’ basic needs.

**RELIGIOUS MINISTRIES**

Military chaplains of both the active and reserve components minister and serve in a mobile and global environment, wherever United States Forces serve. Chaplains provide religious ministry responsive to the needs of service members, families and other authorized personnel at home station or deployed including joint and multi-national task forces. Chaplains from active and reserve components coordinate in joint and multi-national task forces for worship opportunities, sacramental ministrations, pastoral care, religious education and advise the commander on the impact of religion on operations. Chaplains have fielded self-contained mobile (containerized) chapels, highly diverse religious literature, faith rations, and special holy day observance resource packets. Chaplains participate in pre-deployment briefings for service members and their families to prepare them for the separation and its unique and stressful challenges. Redeployment briefings by chaplains and reunion retreats provide continuous support to service members and families throughout the process of serving in U.S. global security commitments. Chaplains provide a spiritual
dimension to family support, Critical Event Stress Debriefings, medical and quality of life programs. The chaplaincy continues to be an integral part of the military operational structure and participates fully in global commitments.

EDUCATION

DEPARTMENT OF DEFENSE EDUCATION ACTIVITY

The DoD Education Activity (DoDEA) operates two distinct programs: the DoD Domestic Dependents Elementary and Secondary Schools (DDESS) for family members at locations within the United States and its territories, and the DoD Dependents Schools (DoDDS) for family members outside the continental United States. Today, DoDEA has a staff of 13,400 and serves 112,206 students in 24 districts and 224 schools located in fourteen countries, seven states, Guam and Puerto Rico. The DDESS systems serves 34,294 students in 70 schools, while DoDDS serves 77,912 students in its 154 schools. Students come from the military communities as well as the children of civilian federal employees throughout the world.

FOCUS ON QUALITY

The DoDEA instructional program provides a comprehensive curriculum from pre-kindergarten through the 12th grade that is competitive with that of any school system in the United States. DoDEA students’ academic performance is noteworthy. Key ingredients that have helped keep the spotlight on student achievement are: strong community and parental involvement, a sustained and rigorous focus on excellence in teaching and learning, and a data-driven accountability system to identify student learning gaps and measure and report student progress. DoDEA students take the CTB TerraNova norm referenced achievement test. Every year, at every grade level tested, and in every subject area, DoDEA students score above the national average. In 2000, 70 percent of all students scored in the top two quarters, while only an average of 7.3 students scored in the lowest quarter.

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On the National Assessment of Educational Progress (NAEP), the “nation’s report card,” DoDEA students consistently rank at the top of the national scale. DoDEA’s national ranking for NAEP reading is assessed.
in 43 states and jurisdictions and national ranking for NAEP writing is assessed in 39 states and jurisdictions. Results are shown in Table 10-2.

| DoDDS National Ranking for the NAEP Assessment 1994–1998 by System and by Ethnic Group |
|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
|                                              | 1998 Reading                                  | 1998 Writing                                  |
|                                              | 4th Grade     | 8th Grade     | 8th Grade     |
| DoDDS                                        | 5th          | 4th           | 2nd           |
| African American                             | 1st          | 1st           | 2nd           |
| Hispanic                                     | 1st          | 2nd           | 1st           |

DDESS’s national ranking for NAEP reading is assessed in 43 states and jurisdictions and national ranking for NAEP writing is assessed in 39 states and jurisdictions. Results are shown in Table 10-3.

| DoDDS National Ranking for the NAEP Assessment 1994–1998 by System and by Ethnic Group |
|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
|                                              | 1998 Reading                                  | 1998 Writing                                  |
|                                              | 4th Grade     | 8th Grade     | 8th Grade     |
| DoDDS                                        | 7th          | 4th           | 1st           |
| African American                             | 2nd          | 2nd           | 1st           |
| Hispanic                                     | 2nd          | 1st           | 1st           |

With a graduation rate of over 97 percent, DoDEA’s 3,000 1999 seniors earned more than $29 million in scholarships and grants. DoDEA attracts and retains highly educated and very talented teachers. 67 percent of DoDEA’s teachers hold advanced degrees, a significantly higher percentage than the national average of 47 percent.

**STRATEGIC PLAN NETS IMPROVEMENTS**

Over the past five years, DoDEA has supported the President’s national education agenda through its 1995-2000 Community Strategic Plan (CSP). In its final year, this plan has been the springboard for many educational, funding, and organizational improvements. As a result, DoDEA has been able to accelerate
the expansion of full-day kindergarten, reduce class size in grades 1 to 3, and add new guidance counselors and school psychologists to meet ratios recommended by the professional associations for counselors and psychologists. These actions set counselor student ratios at 1 per 300 (down from 1:500) and psychologist/student ratios at 1 per 1000 (down from 1:3000). Further, the 1995–2000 CSP began a system-wide effort to modernize schools and improve the learning environments with technology. All schools are connected to the Internet—most have the connection in the media center allowing the greatest access. By the end of 2001, all schools will be wired with a full-school Local Area Network connecting all classrooms, laboratories, and other school learning sites in the Internet. At the end of 2000, DoDEA had an average student-to-computer ratio of 4:1.

DoDEA is set to launch its new 2001–2006 Community Strategic Plan in school year 2001–2002. This plan is focused around 4 major goal categories: Highest Student Achievement; Performance-Driven, Efficient Management Systems; Motivated, High Performing, Diverse Workforce; and Network of Partnerships Promoting Achievement. The plan provides the roadmap for keeping DoDEA in the forefront in advancing the Department’s agenda for education and as a leader in the nation for improving student performance and achievement.

OFF DUTY/VOLUNTARY EDUCATION

The Department provides academic counseling, testing, and college degree programs through education centers on nearly 300 military installations around the world, thereby operating one of the largest continuing education programs in the world. In addition to classroom instruction, courses are available using various technology-supported modes of instructional delivery. Service members generally receive financial assistance to cover up to 75 percent of tuition costs. However, 100 percent is available to those serving in contingency areas or aboard ships at sea. Participation in this program remains strong. Service members enroll in about 600,000 courses a year and nearly 30,000 earn a degree each year. Policy changes have recently been implemented to provide greater flexibility in using tuition assistance to earn certification or licensure in various technical and vocational fields.

CONNECTING WITH AMERICA ON EDUCATION

The Department recently created a new Educational Opportunities Directorate. The new Directorate is to provide a focal point for creating and implementing a strategy at the national level for collaboration to improve educational opportunities for all military related students; advocate for DoD education policy for schools other than those operated by DoD; place adult continuing education programs with other educational program activities; and be a central office geared to advocate partnerships with American communities for programs such as transition of service members back to civilian employment and Troops to Teachers. Adult Education programs and the Transition Program are already in place and working well.

The early focus of the new Directorate will be on enlarging DoD’s role in advocating for a quality, consistent education for all military children. Demographics show that there are just over 965,000 children in ages 3-18 in military families. DoD schools—both overseas and stateside, educate about 110,000 students. That means that over 850,000 military-connected students attend education programs in civilian communities. Until this new Directorate was established, no office or agency had the specific responsibility to advocate for those students not attending DoD schools.
Six round tables will be conducted across the United States in places such as Savannah, Georgia; San Diego, California; Seattle, Washington; and Norfolk, Virginia. The purpose of the forums is to collect information on the issues facing the students of military families as they transition from school system to school system across the country and overseas. It is the intent to use this information in collaboration with the public school systems to develop a national agenda that will insure a continuum of quality education for all military children, no matter where their parents are assigned.

**HOW SERVICE MEMBERS LIVE**

**COMMISSARIES**

The Defense Commissary Agency (DeCA) operates a worldwide system of approximately 290 commissaries that provide quality groceries at cost, plus a 5 percent surcharge, to active duty military members, retirees, members of the National Guard and Reserve, and their families.

Recognized as a key benefit that is critical to recruiting and retention, commissaries provide patrons with average savings of 27 percent on purchases over commercial supermarkets. Since 1991, DeCA has achieved major savings without adversely impacting the level of the benefit or savings to the troops, and has significantly reduced operating costs. During FY 2000, the agency worked to satisfy its patrons by improving customer service and upgrading facilities, and initiated a new Best Value Item program designed to increase customer savings. DeCA is determined to increase its effectiveness in FY 2001 through sound management, a well-trained and dedicated workforce, quick responses to customer concerns, and the achievement of additional cost-cutting efficiencies through the utilization of the latest retail technologies.

**MILITARY EXCHANGES**

Today’s exchanges form an important element of the military non-pay compensation package and are a critical component of quality of life. There are three separate exchange systems: the Army and Air Force Exchange system, the Navy Exchange Service Command, and the Marine Corps Exchange. The mission of exchanges fulfills two important benefits; they provide authorized patrons with quality goods and services at low prices, and they contribute their earnings to the services’ quality of life programs. Over the past ten years, exchanges have contributed $2.9 billion to these programs. Exchanges support military members engaged in a variety of contingency operations, such as the peacekeeping mission in Bosnia, and those recently fighting forest fires in the American northwest. The Department has completed an extensive review of the merits of creating an integrated exchange system. DoD has determined that the best way to capitalize on recommendations is to initiate a series of cooperative efforts among the exchanges and individual service exchange actions to maximize efficiencies, which will offset operational costs, ensure modernization of facilities, improve patron services and ensure contributions to MWR programs.

**MILITARY HOUSING**

The Department continues to pursue the goals of eliminating gang latrine barracks by 2008 and eliminating inadequate on-base housing. The FY 2001 budget request included $748.5 million to add new housing units and to replace or revitalize approximately 6,300 inadequate family housing units and $2.7 billion to lease, operate, and maintain family housing units. The Department’s housing privatization initiative remains essential to meet the Department’s housing requirements by leveraging DoD’s resources with
private sector capital and expertise. Additionally, the Department has realigned more than $3 billion into the housing allowance program to reduce service members out-of-pocket costs for off-base housing to zero on average by 2005. The Department’s MILCON budget request also included $713 million to eliminate over 12,000 inadequate unaccompanied personnel housing spaces. The unaccompanied personnel housing program is on track to meet its 2008 goal. DoD’s detailed efforts to improve military family and unaccompanied personnel housing are discussed in Chapter 15.

SAFETY AND HEALTH

The President directed the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Services to aggressively pursue unified Force Health Protection strategies to protect Service members and their family members from health hazards associated with Military Service. DoD is pursuing Force Health Protection strategies that build healthy units and communities, while improving both force morale and warfighting capabilities. The operational force is exposed to health threats throughout its service in CONUS fixed facilities (garrison, base, shore), deployment, employment, and redeployment. DoD is developing the needed policy and procedures to conduct occupational and environmental health threat assessments for all locations, and maintains an unbroken comprehensive record of current health and past health threats and resultant exposure levels for 100,000 U.S. military personnel (the Millennium Cohort Study) over their entire military service cycle. When these efforts are fully implemented commanders will be provided a more complete view of potential health threats with the integration of assessments from these and other threat assessments from intelligence (e.g., land mines, directed enemy fire, and fratricide) and safety (e.g., injuries, vehicle accidents, explosive safety, and aviation mishaps).

HEALTH CARE

The Military Health System (MHS) protects the health of military forces, cares for them when they are ill or injured anywhere around the globe, and offers comprehensive health services to all eligible beneficiaries. The MHS serves 8.1 million beneficiaries and its health program, TRICARE, delivers health services to beneficiaries worldwide in 81 hospitals and over 500 clinics that are augmented by managed care support contractors. The health of deployed forces is inextricably linked to the operation of a robust peacetime health care system of hospitals and clinics. The FY 2001 appropriation for the Military Health System is $17.2 billion, which represents 5.9 percent of the defense program.

HEALTH CARE

TRICARE INITIATIVES

The Department recognizes health care as a key quality of life issue for service members and their families, and that providing high quality, accessible health care is critical to recruitment and retention efforts. It was this recognition that generated visits to all TRICARE regions to identify areas for improvement and to seek both beneficiary and provider views on health care operations. Complementing these health initiatives, the Secretary of Defense hosted several forums and invited service members and their families to share ideas for how the Department can improve all aspects of military life, including health care. As a result of these many initiatives, the Department has introduced a number of initiatives to improve access to and the
delivery of health services through TRICARE as well as to simplify the program for all beneficiaries. The following initiatives are underway:

- Encouraging increased enrollment in TRICARE Prime
- Improving telephone access
- Improving and standardizing appointment processes
- Improving primary care
- Improving access to care for those with special and extraordinary health needs
- Improving TRICARE claims processing, to include on-line claims status checks
- Implementing TRICARE Prime in remote areas for active duty personnel
- Establishing automatic re-enrollment for TRICARE Prime enrollees
- Establishing Beneficiary Counseling and Assistance Coordinators to help beneficiaries seeking assistance or experiencing health care problems
- Establishing a debt collection assistance program to assist beneficiaries whose medical bills have gone to a collection agency or credit bureau

The findings of an independent study of eight of the 12 TRICARE regions by the Center of Naval Analyses/Institute of Defense Analyses reflect the success of efforts to improve TRICARE. Beneficiary satisfaction has increased over time and the results are consistent across the regions. Beneficiaries were particularly pleased with improved access to care and the quality of the care they received.

The Department is currently working implementation of health care improvements outlined in the Fiscal Year 2001 National Defense Authorization Act, including:

- Eliminate co-payments for active duty family members enrolled in TRICARE Prime and receiving civilian care
- Expand TRICARE Prime to include family members residing with their active duty sponsor in remote areas
- Improve access to health care for retirees throughout their lives
- Enhance the patient safety program to eliminate medical errors
- Create a TRICARE Universal Beneficiary Card recognizable around the world and simplify the transfer of enrollment from one region to another
• Improve access to TRICARE Service Centers

• Adequately fund the Defense Health Program to ensure high quality of care for all beneficiaries

The Department is committed to working with the Military Departments and the Congress to realize these improvements to the Military Health System and to implement the new authorizations contained in the National Defense Authorization Act for Fiscal Year 2001. These new authorizations represent the most significant changes to the Military Health System in several decades. Central to the authorizations are the expanded benefits for those ages 65 and over. These senior beneficiaries of military medicine will gain pharmacy benefits effective April 1, 2001 and entitlement to TRICARE for Life on October 1, 2001.

HEALTH PROMOTION AND PREVENTIVE HEALTH

Health promotion and preventive health programs lead to a constantly fit and ready force, healthy communities at home and abroad, in peacetime and in conflict, and reflect a model health care delivery system. The MHS is seeking to reduce health risks and optimize health status for the beneficiary population by meeting and exceeding Healthy People (2010) goals and by implementing system-wide use of “Put Prevention into Practice”. DoD has organized a flag-level Prevention, Safety and Health Promotion Council to prioritize health and fitness objectives and implement a Department-wide plan to accomplish these objectives. Examples include deglamorization, reduction, and elimination of tobacco use; promotion of responsible alcohol use and elimination of alcohol abuse; suicide prevention; injury and occupational illness reduction; and the reduction of sexually transmitted diseases. Expansion of the Women, Infants and Children (WIC) program overseas is another concrete example of health promotion and a Quality of Life Initiative that improves morale and readiness. This program is available to military beneficiaries in the United States through county health departments. Beginning in early 2001, the Department initially will conduct the program at five locations overseas. The WIC program offers nutritional supplements, education and nutritional counseling to eligible DoD personnel stationed overseas.

OPTIMIZING THE MILITARY HEALTH SYSTEM

The Military Health System continually examines its health care quality programs and seeks ways to gain maximum efficiencies in its TRICARE operations. Most significant among these efforts is the implementation of the MHS optimization plan. The plan supports the tenets of population health, including enrolling and assessing populations, forecasting demand, employing demand management strategies, managing capacities, and employing best business practices. To achieve MHS optimization, the plan uses condition management strategies, community outreach, and outcomes analyses. The expected result of optimization is to increase the capacity of military hospitals and clinics, thus bringing more patients back into military medical facilities for care.

A major initiative in optimizing the MHS is the TRICARE Region 11 Lead Agent Pilot Program. This test uses the optimization plan as a business guide and redefines the role of the lead agent who functions as a regional coordinator and is responsible for providing a uniform health care benefit throughout a specific geographic region.
MHS INFORMATION MANAGEMENT TECHNOLOGY

The MHS Information Management/Information Technology (IM/IT) program has a comprehensive review and evaluation process that links IT investments to medical readiness and MHS optimization requirements. This process produces a portfolio of IT investments and validates and streamlines the development, fielding and sustainment of IT systems supporting patient care and health care management. It includes various initiatives to incorporate performance targets and to measure and manage progress toward meeting established goals.

IT investments supporting medical readiness and/or optimization requirements include:

- The Military Computer-based Patient Record also called the Composite Health Care System II. This system will vastly improve day-to-day tasks required to deliver quality health care and will form the information foundation for advancements in patient safety, force health protection, population health, and military performance within TRICARE. Worldwide deployment will be completed in 2003.

- The Defense Medical Logistics Standard Support Program, the first MHS IT program to receive Clinger-Cohen Certification and worldwide deployment authority for its Release 2.0, provides customer-focused material management, ordering and enhanced management capabilities. Release 3.0, which includes state-of-the-art electronic commerce and web-enabled capabilities, and maintenance of wartime medical assemblages, has been accelerated to bring these functionalities to the field and to realize increased return on investment.

- The Expense Assignment System, a significant improvement in the financial management capabilities of military hospitals, was developed and has begun fielding.

- Population Health Operational Tracking and Optimization (PHOTO), a key executive information system, gives health care providers a tool to proactively manage beneficiary health as well as providing a standard set of metrics for assessing effectiveness of MHS population health management initiatives.

- The Pharmacy Data Transaction Service (PDTS) enhances patient safety by merging patient medication information from disparate dispensing locations into a single data repository allowing the identification of potential medication interactions or overlaps in therapy prior to dispensing the medication. The system also enables a robust reporting capability on pharmacy utilization. Currently, the National Mail Order Program and several of the pharmacy retail networks are already on-line, with over 200,000 transactions processed weekly. This system is being activated at the remaining pharmacy retail networks and in TRICARE’s military treatment facilities during the next year.

- The Computer/Electronic Accommodations Program (CAP), a recognized leader in DoD, provides assistive technology and accommodations for people with disabilities. The CAP filled over 2,700 accommodations, including 206 accommodations to ensure access to the MHS. Because of its tremendous success, CAP is being considered as the single program to serve other federal agencies.
Accessible and quality medical care for active duty members, retirees, and eligible family members directly affects the Department's ability to attract and retain the quality men and women required to sustain the all-volunteer force. Consequently, the MHS continues to strive to meet its strategic goals of joint medical readiness, healthy communities and becoming a model health system.

**RECRUITING HIGH QUALITY INDIVIDUALS**

**CHALLENGES IN A CHANGING RECRUITING ENVIRONMENT**

Recruiting has been extremely challenging over the past several years. The challenge in FY 2000 was due to a robust economy, abundant employment opportunities in the civilian sector, increased interest among potential recruits in attending college, and fewer veterans to serve as role models. The Navy and Marine Corps were on track all year to achieve their recruiting missions while the Army and Air Force struggled. Nonetheless, through innovative programs and a summer surge the Army and Air Force ended FY 2000 above their recruiting goals.

As Table 10-5 shows, FY 2000 was a mixed year for recruiting in the Selected Reserve. For FY 2000, the Army Reserve, the Marine Corps Reserve, the Army National Guard, and the Air National Guard achieved at least 100 percent of their recruiting goal.

The Department has initiated a range of initiatives to address the challenges of recruiting, including authorizing the Services to increase enlistment bonuses and offer a combination of enlistment bonus and Service college funds. The Services also increased the number of production recruiters, and reprogrammed funds to increase recruitment advertising. Because it is costly to replace a recruit who leaves early, the Department is also focusing on reducing first-term attrition. A joint-Service working group is reviewing a series of options to stem such early losses. The Department also is continuing its two-year recruiting reengineering effort, which is testing and evaluating a series of recruiting initiatives to identify and create new market opportunities; improve recruiter efficiency and effectiveness by exploiting recent advances in technology; and reduce attrition. The Department also implemented a number of far-ranging initiatives to revitalize the advertising program in response to the Secretary of Defense’s 1999 review of advertising. A Department-wide advertising program has been reengineered and, where feasible, advertising is being contracted out with media experts. All of these initiatives will help the Department better communicate its message to America’s youth and the people who influence their decisions.
### Table 10-4

**Quality and Number of Enlisted Accessions—Active**

<table>
<thead>
<tr>
<th>Category (OSD Standard) Service</th>
<th>FY 2000 Indices</th>
<th>Acquisitionsa (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent High School Diploma Grads (90)</td>
<td>Percent Above Average Cat I-IIIA (60)</td>
</tr>
<tr>
<td>Army</td>
<td>90</td>
<td>64</td>
</tr>
<tr>
<td>Navy</td>
<td>90</td>
<td>62</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>95</td>
<td>64</td>
</tr>
<tr>
<td>Air Force</td>
<td>99</td>
<td>73</td>
</tr>
<tr>
<td>Total</td>
<td>91</td>
<td>66</td>
</tr>
</tbody>
</table>

a Includes prior service accessions. Only Army and Navy recruit to a prior service mission.
b Based on Service recruiting production reports and DoD FY 2000 budget estimates (includes prior service accessions).c The Army ran a test program, GED+, that allowed specially screened GED holders to enlist. These people are not included in this number.

### Table 10-5

**Quality and Number of Enlisted Accessions—Reserve**

<table>
<thead>
<tr>
<th>Category (OSD Standard) Service</th>
<th>FY 2000 Indices</th>
<th>Acquisitionsa (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent High School Diploma Grads (90)</td>
<td>Percent Above Average Cat I-IIIA (60)</td>
</tr>
<tr>
<td>Army Reserve</td>
<td>90</td>
<td>62</td>
</tr>
<tr>
<td>Naval Reserve</td>
<td>92</td>
<td>76</td>
</tr>
<tr>
<td>Marine Corps Reserve</td>
<td>97</td>
<td>76</td>
</tr>
<tr>
<td>Air Force Reserve</td>
<td>93</td>
<td>73</td>
</tr>
<tr>
<td>Army National Guard</td>
<td>87</td>
<td>61</td>
</tr>
<tr>
<td>Air National Guard</td>
<td>96</td>
<td>78</td>
</tr>
<tr>
<td>Total</td>
<td>89</td>
<td>65</td>
</tr>
</tbody>
</table>

a Includes prior service accessions.
b Based on Service recruiting production reports and DoD FY 2000 budget estimates (includes prior service accessions).c The Air Force Reserve goal includes officer and enlisted data.
NATIONAL SERVICE AND RECRUITING PROGRAMS

The Department continues to review the potential impact of National Service on military recruiting and believes that both programs can coexist successfully. The National Service program is smaller and the value of its benefits is lower than the value of military enlistment benefits.

IMPROVING FORCE MANAGEMENT

PROMOTIONS

The promotion system has benefited from stabilized manning in the officer and enlisted communities. Enlisted pin-on-timing has not appreciably changed in recent years. What has changed is the higher selection rates than in the previous years. The Department anticipates that these higher selection rates, based primarily on force structure changes, will continue for the future. This will provide for increased opportunities for members of the enlisted force to achieve positions of higher responsibility and authority. Officer promotions have also remained steady as a result of stabilized officer manning levels. The predictability of both promotion opportunity and timing reduces the level of anxiety and assists in the individual's career planning decisions. For the future, the Department expects continued stability in officer promotions.

EQUAL OPPORTUNITY

Through the years, the Department has put into place policies and programs that allow all military members to serve the nation in an environment of dignity and mutual respect. In the 21st century, DoD will continue to put a high premium on equal opportunity as a military necessity because it contributes to the readiness of the force. It does this by allowing the Department to recruit from the widest pool of qualified applicants, assign and train persons according to the needs of the Services, evaluate personnel based on their performance, and protect all personnel from unlawful discrimination and harassment.

Top down commitment to equal opportunity, beginning with senior DoD and Service leadership continues to bring about aggressive military equal opportunity programs. These programs include provisions for mandatory, recurring education and training programs in human relations and equal opportunity for all service members; procedures for processing complaints of discrimination and sexual harassment; and requirements for each Service to implement affirmative action plans. Additionally, the Services developed individual climate surveys to give local leadership a sense of racial and ethnic relations within their units, and in November 1999, DoD released two milestone reports that together provided a comprehensive, global assessment of equal opportunity progress.

The Armed Forces Equal Opportunity Survey was the first of its kind aimed at developing a full picture of equal opportunity-related perceptions and behaviors within the armed forces. Survey questions covered positive racial/ethnic interactions, insensitive, discriminatory, harassing and even violent interactions, and perceptions of official actions, both to maintain equal opportunity and to deal with failures in equal opportunity. The career progression study reviews the key stages of officer career progression, such as recruiting, commissioning, training, assignment, evaluation, promotion, and retention. Several approaches were employed to analyze the career progression of women and minority officers, including trend analysis, statistical modeling, and focus groups and interviews. With the release of both reports, the Secretary of
Defense called for the Department to renew its dedication and redouble its efforts to maintain dominance as the world’s greatest and most diverse fighting force.

WOMEN IN THE MILITARY
DEFENSE ADVISORY COMMITTEE ON WOMEN IN THE SERVICES

The Defense Advisory Committee on Women in the Services (DACOWITS) was established in 1951 to assist the armed forces in recruiting quality women for military service. The role of DACOWITS has since evolved into advising the Secretary of Defense on all policies relating to the utilization and quality of life of female Service members, as well as general quality of life issues for all Service members.

In 2000, DACOWITS members conducted over 80 CONUS installation visits covering all five Services including the Reserve Forces. Additionally the Executive Committee conducted overseas installation visits in Germany, Italy, Kosovo, Jordan and Sicily. Over 1500 Servicewomen and Servicemen provided their views to DACOWITS members on such priority issues as child care, leadership, health care, pay, OPTEMPO/PERSTEMPO and housing. Command climates were, for the most part, generally supportive of women in the Services. In 2000, DACOWITS focused on:

- Ensuring a safe, healthy and responsive environment for military women and their families to live and work. Areas of emphasis include: appropriate pay and compensation; and affordable, available and accessible quality healthcare, housing and child/youth care
- Promoting a fair, equitable and professional work environment for women
- Addressing disparities in promotion/selection opportunities
- Encouraging command climates that foster good order and discipline
- Supporting measures that ensure an environment free from unlawful discrimination
- Ensuring that women have the opportunity, free from artificial barriers, to contribute to the Nation’s defense commensurate with their talents and abilities
- Addressing issues of recruiting, training and retention of the most qualified women

CIVILIAN PERSONNEL
WORKFORCE SHAPING

Over the past 11 years, the Department has been extremely successful in reducing the number of civilian positions efficiently, humanely, and without mission disruption. This has largely been the result of strategic planning, close program oversight, and the use of innovative transition tools. However, the aging of the DoD workforce, combined with constrained hiring during this period, has created significant real and anticipated skill imbalances within the Department. Annual accessions have fallen to about 20,000 new employees a year—a replacement rate of less than three percent. In addition, over a third of the
Department’s current employees are more than 50 years old and approaching retirement. The net effect is a workforce that is not balanced by age or experience and that risks the orderly transfer of institutional knowledge. To mitigate these threats and to accommodate ongoing planned reductions, the Department is revising its overall employment strategy to focus on workforce shaping. Doing so involves a four-part strategy: research into what is happening; planned recruitment and accession management; development and retention; and careful transition management. Where appropriate, the Department is seeking legislative authority to further this strategy.

RESEARCH ON CIVILIAN WORKFORCE ISSUES
During FY 2000 the Department expanded its already active program of analytical activities related to civilian manpower issues using both in-house and contractor researchers. Internal staff have undertaken a wide variety of studies on topics such as changes in civilian work-year costs, trends in separation rates, and progress in meeting equal opportunity goals. In addition, results from an in-house micro-simulation projection model have allowed policy makers to anticipate future workforce developments, such as continued aging, and adjust personnel policies accordingly.

The special research projects underway in FY 2000 included: the promotion and retention of high-quality DoD civilians; the sources and durability of savings from privatizing DoD support activities (through the A-76 program); the changing nature of work performed by DoD civilians; the ability of DoD to employ high-quality scientists and engineers in DoD laboratories; and the applicability of selected military manpower management practices to the civilian workforce. Projects centering on education and career development include a study of Defense civilian career development programs, a survey of mid-level education and training options, and completion of a relational database management system for the Defense Leadership and Management Program. Special studies covered topics as diverse as the aviation maintenance workforce and the Department’s use of employment incentives. Taken together, these studies are promoting an unprecedented wealth of insights into the civilian workforce.

CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT
With fewer and fewer employees to complete a more complex mission, DoD has adopted a more corporate approach to training, education, and development of the civilian workforce. The most visible evidence is the Defense Leadership and Management Program (DLAMP), a Department-wide program of joint civilian education and development. Implementing recommendations of the Commission on Roles and Missions of the Armed Forces, DLAMP fosters an environment of shared understanding and sense of mission among civilian employees and military personnel. Inaugurated in 1997, the program incorporates defense-focused graduate education, rotational assignments in a wide variety of occupations and organizations, and professional military education into a comprehensive program designed to prepare employees for 3,000 of the Department’s top civilian leadership positions.

DLAMP has grown to over 1,100 participants, with an anticipated addition of 350 new participants each year. The program has conducted 135 graduate courses, with 1,837 participants. It has dramatically increased civilian participation at the senior service schools, and has sent participants to a new three-month Professional Military Education course at the National Defense University. While the program’s overall level of support and the educational opportunities is not directly related to participant promotions, it is
important to note that 41 individuals were selected for senior executive service positions while participating in DLAMP.

To further its investment in people, the Department is beginning work on a program to address developing leadership and management competencies. The Department has also proposed legislation aimed at expanding the opportunities for funding employee efforts to obtain college degrees. Combined with renewed use of recruitment and retention bonuses and streamlined methods for hiring employees, this proposal should improve the hiring process and enhance overall retention, particularly of younger employees. The Department is expanding studies into recruitment and retention patterns with an eye toward further innovation. Used in conjunction with managed attrition through expanded buyout and early retirement, such initiatives will provide the Department a solid basis on which to shape the workforce of the 21st century.

LABOR-MANAGEMENT PARTNERSHIPS

One of the key objectives of Civilian Personnel Policy has been to strengthen labor-management relations. To implement the recommendations of the Defense Partnership Council (DPC), DoD established a partnership web page. Among other things, this website served to announce opportunities for training on a range of topics, including how to begin a partnership, non-adversarial bargaining, mediation, and interest-based problem solving. Further, the Department provided on-site assistance to nascent partnerships and to parties engaging in interest-based bargaining. The Secretariat provided a model for partnership activity throughout the year. For example, the Deputy Under Secretary (Installations) and the Deputy Assistant Secretary of Defense (Civilian Personnel Policy) kept the DPC apprised of strategic sourcing efforts within the Department and regularly met with union officials to ensure mutual understanding of goals and concerns on this critical effort. In addition, the Department formed several labor-management working-groups to address potential employee pay problems, some of which were based on the recommendations of interested unions. This fiscal year also saw the publication of a comprehensive study of DoD sites eligible for partnerships; this report now stands as a model for the rest of government.

CIVILIAN PERSONNEL REGIONALIZATION AND SYSTEMS MODERNIZATION

The Department has made major strides toward modernizing the delivery of civilian personnel support services during FY 2000. November 1999 saw the completion of efforts to align administrative support into 22 component regional support centers. Through these consolidations and the deployment of a single automated support system, the modern Defense Civilian Personnel Data System (DCPDS), the Department expects to attain a ratio of 88 employees served per personnel specialist by the end of FY 2001 compared to the baseline of 61:1.

Relying at its core on commercial off-the-shelf software, the modern DCPDS provides personnel transaction and management information support down to the lowest organizational levels of the Department. Indeed, managers will have system access from their desktop computers. When fully deployed, the modern DCPDS will contain records for approximately 800,000 employees, including those for local national, nonappropriated fund, and military technician employees. It will provide the automated backbone that will ensure the success of regionalization.
The Department deployed a modern DCPDS to three operational test sites in the first quarter of FY 2000. Based on system qualification testing completed in February 2000, the evaluators recommended it for full deployment. The DoD Chief Information Officer certified that this system complied with the Clinger-Cohen Act requirements and was ready for deployment in May 2000. Deployment should be completed during calendar year 2001. Once fully deployed, the modern DCPDS will be one of the largest automated personnel systems in the world.

DEMONSTRATION PROJECTS
Personnel demonstration projects allow federal agencies to test innovative personnel management practices by waiving civil service regulations. The Military Departments are conducting demonstrations in nine science and technology reinvention laboratories (four Army, three Navy, and one Air Force). Additionally, the civilian acquisition workforce personnel demonstration is operating DoD-wide. During FY 2000, DoD submitted two more Army laboratory proposals to the Office of Personnel Management for review and approval; these demonstrations are slated to begin this year.

NONAPPROPRIATED FUND (NAF) UNIFORM HEALTH BENEFITS PROGRAM
Consistent with Congressional direction, DoD successfully implemented the NAF Uniform Health Benefits Program on January 1, 2000, to replace the six separate and different non-Health Maintenance Organization (HMO) health benefit programs previously offered by NAF employers. The new program provides comprehensive benefits including hospitalization, medical and surgical care, mental health and substance abuse services, vision and hearing benefits, preventive care, coverage for prescription drugs, and optional comprehensive dental coverage. A third-party administrator provides access to networks of doctors, hospitals, health care facilities, and pharmacies, and performs claims administration for the Program. Where available, HMO plans continue to be offered by NAF employers.

Each NAF employer experienced increases in medical plan enrollments over 1999 enrollment levels. The DoD NAF Uniform Health Benefits Program improves benefits for many employees, particularly in the area of post-retirement medical care. Many employees also pay lower premiums than they paid under the NAF employer plans in 1999. Approximately 40,000 DoD NAF employees and retirees and their family members are now enrolled in the DoD NAF Health Benefits Program.

INJURY AND UNEMPLOYMENT COMPENSATION
The Department’s consolidated injury compensation and unemployment compensation programs again set the government-wide standard. The program’s active evaluation and verification methods for reviewing claims include the use of DoD liaison personnel collocated with Department of Labor district offices, home visits, and a comprehensive automated data tracking system deployed at 415 installations. Since 1994, these methods have directly contributed to cost avoidance of $74.6 million in the Department’s injury compensation bill. In addition, by auditing unemployment compensation claims, DoD avoided $7.6 million in erroneous charges.

FIELD ADVISORY SERVICES
In FY 2000, Field Advisory Services (FAS) continued to provide the highest level of technical advisory support to approximately 11,500 personnel specialists in over 400 customer service units and 22 regional offices worldwide. To serve the changing needs of the DoD human resources community, FAS now
provides technical advisory services and policy support through four functional branches: Benefits and Entitlements, Classification and Pay, Labor and Employee Relations, and Staffing and Development. Its modern phone system, database, and Internet capabilities allow immediate access to personnel advisors and to written materials. Annually, FAS trains approximately 8,000 personnel specialists, managers, and employees; reviews over 100 labor agreements; dispatches over 23,000 technical guidelines and job aids; responds quickly (normally within one day) to over 20,000 field inquiries; and provides detailed, comprehensive support in the development of policies and programs affecting the Department’s civilian personnel.

CONCLUSION

Quality of Life Programs that meet the changing needs of service members and their families, both active and reserve, deployed overseas and those serving in the United States continue to be a highly visible and important priority within the Department. The Department recruits individuals and retains families. This can only be done by making QoL a daily priority at all levels within the Department. QoL has a direct impact on Military readiness. Leveraging technology, improving education, improving health care, housing and how service members are paid, recruited and retained all are critical components of Quality of Life. The Quality of Life Executive Committee on behalf of the Secretary of Defense ensures that QoL needs are addressed and reviewed on an ongoing basis. It also reviews all resource decisions to ensure that QoL is not adversely impacted. The QoL EXCOM also assists the Secretary in conducting forums and programs reviews to ensure that QoL needs are articulated and that they are being met.