

Reflections on Reforming the Military Health Systems: A Conversation with Jonathan Woodson, M.D., Former Assistant Secretary of Defense for Health Affairs, U.S. Department of Defense

By Michael J. Keegan

Since December 2010, Dr. Jonathan Woodson has acted as the principal advisor of health affairs to multiple secretaries of defense. As assistant secretary of defense for health affairs, he led DoD's military health system, overseeing the Defense Department's \$50 billion health budget and shepherding this mission critical care system through major reform efforts.

I had the pleasure of interviewing Dr. Woodson shortly after he took the reins of MHS. Some five years later, just before he would leave his post, he joined me once again on *The Business of Government Hour* to reflect on his tenure: his efforts to reform the military health system, transform military medicine, and strengthen military medicine's global health engagement. I wanted to share his thoughts and insights from our conversation, which I invite you to listen to on *The Business of Government Hour*.

On the Mission and Scope of the Military Health System

MHS has several broad missions. If I had to encapsulate it in a single statement it would be: to support the defense of this nation and the military services by the provision of excellent care in the operational and garrison environments.

MHS helps ensure those in uniform are medically ready to deploy anywhere around the globe on a moment's notice. These medical professionals are also ready to go with them. There isn't another military medical force like it in the world with the expertise, assets, and global reach of our health system.

The MHS, however, is more than combat medicine. It's a complex system that weaves together:

- Healthcare delivery
- Medical education
- Public health



- Private sector partnerships
- Cutting edge medical research and development

We are an indispensable element of U.S. national security. Over these years, we have a proven our ability to adapt to changing circumstances—that's one of the medical legacies that emerged from our conflicts. We have gotten better over time, even as severity of injuries increased. American medicine is changing fast as well, and while our mission is constant, we need to adapt to ensure the highest states of readiness for our people.

The enacted FY 2016 budget provided \$51.2 billion, covering operations and maintenance, procurement, research and development, personnel, construction, and the Medicare Eligible Retiree Health Care Fund. As of FY 2016, nearly

150,000 personnel comprised the rolls of the MHS, including 84,000 uniformed military and 65,000 civilians.

The MHS is currently comprised of 918 facilities, including 55 military treatment facilities; 360 medical clinics; 249 dental clinics; and 254 veterinary clinics. We serve more than 9.4 million beneficiaries and our footprint is global. We have resources, facilities, labs, hospitals, and the ability to deploy and provide assistance anywhere in the world.

On Key Strategic Priorities

Over the last couple of years, I have focused on six key strategic focus areas, which I would like to highlight:

- **Modernize the Management of the MHS with an Enterprise Approach.** What does that mean from a practical perspective? A good example of this approach in practice was the establishment of the Defense Health Agency (DHA). Eighty-five percent (or more) of what we do across the services is the same. With DHA, we now have the management structure to better standardize those things that need to be standardized and acknowledge those activities that are truly service unique.
- **Pursue 21st Century Capabilities.** We have made a major strategic investment in developing a new Electronic Health Record: MHS Genesis. We are planning deployment in the Pacific Northwest in December 2016. I was also working to align our medical infrastructure with our population and the skills we need.
- **Balance Forces.** Today we have many more sub-specialists. We have many more critical specialties and so you need to develop a human capital program that allows you to assess, retain, recruit, and maintain a broad array of specialties. This focus is about getting a better understanding of what we need in an active force and what can be best provided from the reserve components. We made progress, but more work is needed.
- **Establish Strategic Partnerships.** MHS always had engagement with civilian peers, but in the past two years we have cemented some of these partnerships. We have a partnership with the American College of Surgeons to provide trauma training and share best practices. The Institute for Healthcare Improvement helps us on our journey to increase reliability. We have also tapped into experts who have helped other organizations with quality and safety initiatives.



- **Modernize TRICARE.** TRICARE is a very robust program that needed to be modernized in its administrative process to make it better for the beneficiaries. Much has happened this past year and Congress has helped, but more needs to be done. The issues we've had to deal with involve long-term stability of the program, modernizing for access, secure messaging, telemedicine, and quality and safety.
- **Sustain Global Health Engagement (GHE).** The MHS is an instrument of national security. We are a supporting organization to other federal partners. MHS brings unique knowledge, skills, and assets to the challenges. Responses to Ebola and Zika are just the most recent examples of how we can contribute.

On Challenges and Surprises

First of all, this job is probably the best job I have ever had, but it had its challenges. If you recall, I entered the job at the height of the country's involvement in Iraq and Afghanistan. While we needed to focus on these conflicts and the injuries born from them, I also had to pivot toward the future, making sure that we created a Military Health System that would be responsive to the department's future needs.

I would say my most serious challenge was striking a balance—tackling the signature injuries of these wars and providing the best, most coordinated care to our wounded warriors who gave so much while ensuring that the Military Health System remained on a sustainable footing.

At the time, prior to the Budget Control Act, MHS was 10 percent of the base budget of the DoD. If our cost continued to accelerate, then we would burn through the capability to train, man, equip, and modernize the rest of the force—all because of our costs. As a result, I had to develop a strategy to ensure that we were using every dollar efficiently and that we could reduce our costs over time. This gets into what was my first strategic line of effort, which was to bring in enterprise management. As a result, we established the Defense Health Agency to assume responsibility for all of the common business activities and to set common standards for the Military Health System.

The Defense Health Agency in its first two years has saved over \$700 million dollars. It's going to be the platform on which MHS remains good stewards of the taxpayers' dollars.

Though I was aware of the bureaucracy, once in the trenches I was surprised by its depth. I'm a guy who likes to make progress very rapidly and for that to happen it's important to get buy-in and to collaborate. You usually want to work from a basis of broad consensus, but sometimes when you have to move the ball you may need to ruffle a few feathers. It's a complex environment in which you have to be able to take bold action. You may need to challenge the conventional

wisdom and some of the conventional ways of doing business in order to get results.

On Leadership

One of the core leadership lessons I have learned is to be a servant leader. Frankly, if it ever becomes about you, you're going to fail. Your job is to equip the people you need to serve with the support systems and resources to do their jobs. I always say that leaders in a complex organization need to give the organization and their subordinates three things:

1. The leader needs to provide guidance. That includes the organizational vision and an expectation of the desired end state—what optimal looks like. You need to ensure that they understand the priorities. You need to ensure that they understand the ethical and moral framework in which you want to conduct business and how you expect business to be conducted; that's very important.
2. The leader must help staff design and create the organization to get the needed results. In other words, it's the Deming principle. He said every organization is perfectly designed to get the results it gets, so if you get bad results you have to look at the organizational structure. Your job as a leader is to help design the organization to get the results that you really want, to create the agility, flexibility, and discipline in a system to better position your staff to achieve the vision and goals of the organization.
3. The leader must marshal the proper resources so staff are well-equipped to do the job. Once you've done that you turn them loose because you have a talented pool. Your job is not to suppress or micromanage that talent, but rather to turn it loose so it can drive the organization to new heights.

On Embracing an Enterprise Management Approach

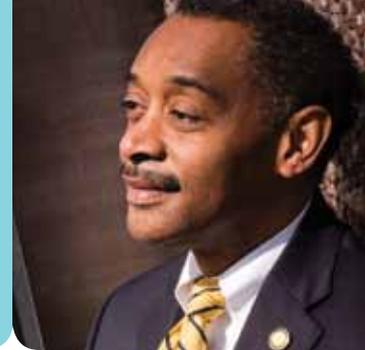
As they say, you never let a good crisis go by without leveraging some element of it to your benefit. When I first encountered Secretary Gates he was very concerned about the escalating cost of MHS. You may remember there was a famous quote that it was eating our lunch — potentially eating up resources to train, man, equip, and modernize the rest of the force, so it was a real challenge. Costs are one thing, but we also need to look at outcomes. We need to organize to ensure that we remain the best health system in the world, bar none, and that our outcomes save lives. Borrowing on experience from the civilian sector, I knew that we needed to reorganize so that we could decrease variability and gain efficiencies.



A Blackhawk and its crew from Company C 3rd Battalion, 126th Aviation, performs a medical evacuation of a Soldier from Bravo Company 182nd Infantry, during the Exportable Combat Training Capability exercises held here on Camp Edwards Massachusetts, June 16 2010. (U.S. Air Force Photo by Senior Airman Eric J. Kolesnikovas, Joint Force Headquarters Public Affairs/ flickr CC-BY)

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— Dr. Jonathan Woodson



To do that, I pursued and implemented an enterprise management approach, and the two-year-old Defense Health Agency represents this approach in action. An enterprise management approach is about looking at the challenges we face and opportunities we have through a DoD-wide approach. I’m a surgeon; there is not an Army way to perform heart surgery and a Navy way and an Air Force way to do surgery. There is the best way and we should all be following that path...together. Just expand that beyond surgery—to health IT, logistics, and building and maintaining our infrastructure—and the same concept holds.

We have started on that path, for example, with knee replacements. By narrowing down how many different types of artificial knees we purchase, we help standardize the product; that’s good for medicine and good for cost control. The interesting thing that we have done in the MHS is to introduce the concept of enterprise management without creating some sort of loss of autonomy for the services. We work closely together to drive these decisions. We have

open exchange of information and perspectives, and then we make the decisions and execute as an enterprise.

This is where you get into the Defense Health Agency, which is a joint agency that establishes those standards, acquires the business tools, and allows us to create performance improvement dashboards that senior leaders can monitor—to drill down to the individual military treatment facility so that we have a common sight picture. We know where to put resources. We know where there are problems and we can correct those problems. This is enterprise management.

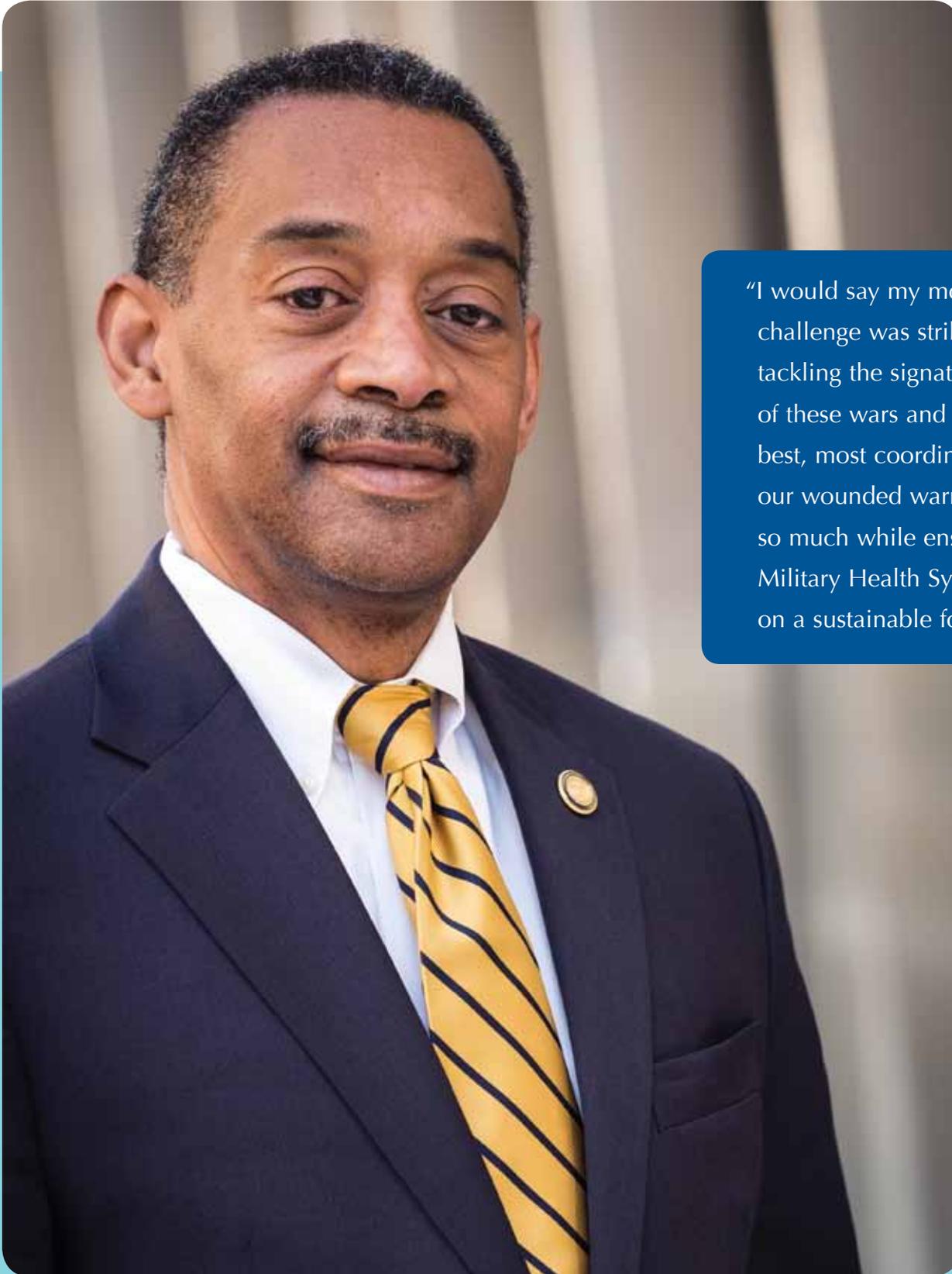
On Establishing the Defense Health Agency

The dual imperatives of ensuring superb medical support for current and future military operations and instituting enduring healthcare cost containment measures required MHS to continue to transform itself. The existing fiscal environment, combined with broad congressional support, sparked a need for change. It was in this environment that on June 14, 2011, Deputy Secretary of Defense William J. Lynn established an internal task force consisting of representatives from the military departments, the Joint Staff, and the Office of the Secretary of Defense. This task force was directed to evaluate options for the long-term governance of the MHS as well as the multi-service healthcare markets. In its work, the task force developed, assessed, and refined numerous variations of five potential organizational models. These included the idea of a unified medical command, a Defense Health Agency, management by one or more military departments, a hybrid model incorporating elements of the others, or an “as is” option.

The Defense Health Agency was not created in a vacuum, nor was it created to replace or remove service responsibility for the healthcare needs of the force. Rather, it is an organization that was built *for the services, by the services*—under the auspices of the Army, Navy, and Air Force medical departments. Our overriding mission is to have a medically ready force and ready medical force at all times; one that fully supports our vision of a Military Health System that is



World Health Care Congress (Photo from MilitaryHealth/flickr CC-BY)



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better, stronger, and more relevant—and beyond that, more viable. The central concept of the DHA is to create an environment for improved efficiencies and cost savings while maintaining the high standards of care our service members and beneficiaries expect.

On Enhancing the Global Health Engagement

The GHE consists of foreign engagement activities conducted by DoD with the armed forces, civilian authorities, or other agencies of a partner nation (PN). These GHE activities aim to establish, reconstitute, maintain, or improve capabilities or capacities of the PN's military, civilian health sector, and/or DoD in order to achieve the U.S. government national security objectives and DoD strategic objectives. It's worth noting that DoD has been engaged in international health issues for well over a century (Walter Reed, infectious disease work in Panama, etc). There's a wide spectrum to our engagement activities:

- **Force health protection.** We're consistently engaged in monitoring, preparing for, and responding to global public health threats
- **Infectious disease research/vaccines.** (HIV, Ebola, MERS-CoV)
- **Medical countermeasures.** Overseas labs in partner nations which conduct critical biosurveillance and R&D on emerging infectious disease threats
- **Building our partner nations' health system capacity and ensuring interoperability with them.** A healthy partner is one that is better prepared both to respond to threats within its own borders and to support international public health efforts
- **Humanitarian assistance and disaster response.** Natural disasters can stress health systems to their limits, so we have a vested interest in helping our partner nations prepare to face these threats, as well as ensuring our own capability to provide life-saving assistance to international relief efforts on short notice

We are most proud of the response to the Ebola epidemic. It bears repeating that the men and women who took part in United Assistance did an amazing job of supporting our partner nations and mitigating one of the most serious infectious disease threats in recent history. There's a critical lesson that we need to carry on from our global experience with Ebola: We can't afford to ignore these threats because they



An operating team at Naval Medical Center San Diego performs a thoracotomy to remove a cancerous portion of a lung using the World Health Organization Surgical Check List. The check list was created by the Institute for Health Care Improvement at the request of the WHO to improve communication and provide a more comprehensive way for surgeons to treat their patients. (Photo from MilitaryHealth/flickr CC-BY)

do not respect borders and they are, in many cases, too challenging for any one country to confront on their own.

We're continuing to support efforts to combat future outbreaks of Ebola and that preemptive approach is key. This is the tack that we'll need to take with future health threats, and that we're taking with the Zika virus today—proactively coordinating with our interagency USG partners to ensure that we're as prepared as possible to support a national and international response to limit the virus' impact. We need to be certain that our capabilities for conducting GHE are evolving to meet the needs of a world that is prone to change and the emergence of new and unfamiliar health threats.

On the Future Needs of MHS

There are a lot of forces at work when we try to determine future needs and capabilities:

- **Insight 1:** We have to try to anticipate where the world is moving and not just prepare to fight the last war.

- **Insight 2:** American medicine is changing, and that also influences the military health system, such as with increases in outpatient surgery and much less demand for large hospitals with lots of beds. There's greater sub-specialization—when a specific skill is needed, we see many physicians who are expert in one type of surgery—and less general surgery. And they tend to migrate around “centers of excellence.” For DoD, this means that we need to re-think where our physicians can best sustain their skills.

In large communities—National Capital Region, San Antonio, San Diego, etc.—we have large military populations and we should be able to keep our clinicians proficient. In smaller military communities we might not be able to generate enough workload to keep certain skills up. We may need to either (a) partner with civilian institutions even more than we do today, or (b) invest in greater “medical simulation” technology to give our medical staffs a way to sustain and continue to hone their skills.

On the Key Lessons Learned from Battlefield Medicine

I'd like to highlight three significant lessons for the future:

1. We can never be complacent! Yes, there are historic outcomes of which we are proud. But our own analysis shows we know why some people died in combat—blood loss being among the top reasons. Some of our trauma surgeons have intentionally set an audacious goal that there should be NO lives lost when we reach an injured service member who is still alive
2. Readiness is not just about trauma care and surgery! Preventive medicine and protective measures matter just as much. One of our historic successes was the lowest disease rate ever seen in a deployed environment. Disease and non-battle injuries historically dwarf combat injuries in every war—and this was no exception for us. Medical readiness means having a full complement of capabilities, and this is an important one. It is part of the reason we need to maintain a comprehensive health system in peacetime. Military readiness is not a pick-up game; it needs a full team with specific skills who are ready to go at a moment's notice.

3. We need to integrate with civilians even more. Both military and civilian providers can learn from each other. We need to break down obstacles to greater sharing and joint operations.

On Accomplishments and the Future

My proudest accomplishment was, again, being a servant leader in support of the 150,000 men and women of the Military Health System, giving them a new set of strategies and organizational environment to succeed in the future.

It's about the team and what we have achieved together. For over five years, I had the honor to represent 150,000 medical professionals in DoD. They each embody values of service above self, personal courage, and commitment to excellence in everything they do. I am proud of a number of things we have done. It is our commitment to the value of joint operations—both in the battlefield and back home; there's no turning back from the progress made and the lives saved—and the ability to provide hope and recovery to even the most grievously wounded: amputees back on active duty, quadruple amputees with limb transplants, and advances in prosthetics. MHS is pursuing a fresh approach to behavioral health. DoD is a leader in breaking down stigma, encouraging treatment, increasing access, and enabling supportive communities. Our work is not done, but we are on the right path and can be proud of what we done. ■

To learn more about the Military Health System, go to <http://www.health.mil/>



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