



Highlights of [GAO-06-642](#), a report to congressional committees

MILITARY PERSONNEL

Military Departments Need to Ensure That Full Costs of Converting Military Health Care Positions to Civilian Positions Are Reported to Congress

Why GAO Did This Study

Based on studies showing that many military members are performing tasks that are not considered military essential, the Air Force, Army, and Navy have plans to convert certain numbers of military health care positions to civilian positions. Questions have surfaced regarding the potential effects of these conversions on the Defense Health Program. The National Defense Authorization Act for Fiscal Year 2006 prohibits the military departments from performing any further conversions until the secretary of each department certifies to Congress that the conversions will not increase costs or decrease quality or access to care. The act also requires GAO to study the military departments' conversions and their potential effects. Specifically, GAO examined (1) the military departments' plans for and actions to date in converting military health care positions to civilian positions and the departments' experiences in filling the converted positions with civilians and (2) the potential effects of converting military health care positions to civilian positions on the Defense Health Program.

What GAO Recommends

GAO is making recommendations for the Department of Defense (DOD) to account for the full costs of military health care positions converted or planned for conversion. In reviewing a draft of this report, DOD agreed with GAO's recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-06-642.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Derek Stewart at (202) 512-5559 or stewartd@gao.gov.

What GAO Found

The Air Force, Army, and Navy have converted or have plans to convert several thousand military health care positions to civilian positions and have made progress in hiring civilian replacement personnel. From fiscal years 2005 through 2007, the Air Force, Army, and Navy collectively have converted or plan to convert a total of 5,507 military health care positions to civilian positions. Of the 5,507 military health care positions, the departments plan to convert 152 physician positions, 349 nurse positions, and 208 dental positions to civilian positions. In fiscal year 2006, there were a total of 10,352 military physicians, 9,138 nurses, and 3,020 dentists in the Air Force, Army, and Navy. The Navy is the most significantly affected of the three military departments, having converted or planning to convert a total of 2,676 military health care positions, representing 49 percent of the total 5,507 positions converted or planned for conversion. While the departments have been recruiting for about 4 to 7 months to hire civilian replacements for converted positions, to date, they have not experienced significant difficulties filling the civilian positions.

The military departments do not expect the conversions to affect medical readiness, quality of care, recruitment and retention of military health care personnel, or decrease beneficiaries' access to care. However, it is unknown whether the conversions will increase or decrease costs to DOD. At present, the military departments may not prepare their congressional certifications using cost data prepared by DOD's Office of Program Analysis and Evaluation, which is identifying the full costs for military health care positions. Instead, the military departments may use cost data that do not contain all the costs, like training, necessary to support a military medical position. Without accounting for the full costs in their methodologies, the military departments will not be able to make a true comparison of the total costs required to support military positions versus civilian positions. Moreover, Congress will be unable to judge the extent to which the departments' certifications are based on actual and anticipated compensation costs for civilian hires unless they include such delineations in their certifications.

Military to Civilian Health Care Position Conversions, Fiscal Years 2005-07

Military department	Actual conversions		Planned conversions	All conversions, FY 2005-07	
	FY 2005	FY 2006	FY 2007	Total	Percent
Air Force	0	401	813	1,214	22
Army	0	1,029	588	1,617	29
Navy	1,772	215	689	2,676	49
Total	1,772	1,645	2,090	5,507	
Percent of total conversions	32	30	38		100

Source: GAO analysis of Air Force, Army, and Navy data.