

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

NOMINATIONS

Tuesday, November 7, 2017

Washington, D.C.

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Tuesday, November 7, 2017

U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 10:05 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

Committee Members Present: Senators McCain [presiding], Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Perdue, Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, Heinrich, Warren, and Peters.

1 OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
2 FROM ARIZONA

3 Chairman McCain: Good morning. The Senate Armed
4 Services Committee meets today to consider the nominations
5 of Robert F. Behler to be the director of Operational Test
6 and Evaluation; Dean Winslow to be Assistant Secretary of
7 Defense for Health Affairs -- I have a special interest in
8 you this morning, Dr. Winslow -- that was supposed to be a
9 joke; Thomas B. Modly to be Under Secretary of the Navy; and
10 James F. Geurts to be Assistant Secretary of the Navy for
11 Research, Development, and Acquisition.

12 We thank you all for joining us this morning. We also
13 welcome your family and friends here with us today. As is
14 our tradition, at the beginning of your testimony, we invite
15 you to introduce those who are joining you.

16 It is the standard of this committee to ask certain
17 questions in order to exercise its legislative and oversight
18 responsibilities. It is important that this committee and
19 other appropriate committees of Congress be able to receive
20 testimony, briefings, and other communications of
21 information. I would ask that you each provide responses to
22 the following questions.

23 By the way, we had some difficulties a week or so ago,
24 and we will not stand for a lack of communication or lack of
25 responses to questions, or we will exercise our

1 constitutional responsibilities, which is not moving forward
2 with your nominations. If you take a look at the
3 Constitution of the United States, that is clearly in our
4 area of responsibility.

5 Okay, have you adhered to applicable laws and
6 regulations governing conflicts of interest? You can just
7 answer by saying yes or no.

8 Mr. Behler: Yes.

9 Dr. Winslow: Yes.

10 Mr. Modly: Yes.

11 Mr. Geurts: Yes.

12 Chairman McCain: Will you ensure that your staff
13 complies with deadlines established for requested
14 communications, including questions for the record in
15 hearings?

16 Mr. Behler: Yes.

17 Dr. Winslow: Yes.

18 Mr. Modly: Yes.

19 Mr. Geurts: Yes.

20 Chairman McCain: Will you cooperate in providing
21 witnesses and briefers in response to congressional
22 requests?

23 Mr. Behler: Yes.

24 Dr. Winslow: Yes.

25 Mr. Modly: Yes.

1 Mr. Geurts: Yes.

2 Chairman McCain: Will those witnesses be protected
3 from reprisal for their testimony or briefings?

4 Mr. Behler: Yes.

5 Dr. Winslow: Yes.

6 Mr. Modly: Yes.

7 Mr. Geurts: Yes.

8 Chairman McCain: Do you agree, if confirmed, to appear
9 and testify upon request before this committee?

10 Mr. Behler: Yes.

11 Dr. Winslow: Yes.

12 Mr. Modly: Yes.

13 Mr. Geurts: Yes.

14 Chairman McCain: Do you agree to provide documents,
15 including copies of electronic forms of communications, in a
16 timely manner when requested by a duly constituted committee
17 or to consult with the committee regarding the basis for any
18 good-faith delay or denial in providing such documents?

19 Mr. Behler: Yes.

20 Dr. Winslow: Yes.

21 Mr. Modly: Yes.

22 Mr. Geurts: Yes.

23 Chairman McCain: Have you assumed any duties or
24 undertaken any actions which would appear to presume the
25 outcome of the confirmation process?

1 Mr. Behler: No.

2 Dr. Winslow: No.

3 Mr. Modly: No.

4 Mr. Geurts: No.

5 Chairman McCain: Mr. Behler, the director of
6 Operational Test and Evaluation is a vital congressionally
7 mandated position in the Department of Defense. If
8 confirmed, we will rely on you to provide us with unbiased
9 assessments on the performance of major defense acquisition
10 programs. This is a critical time to have a strong, capable
11 director in place.

12 Often, it seems as though the department is in a rush
13 to push some platforms, like the F-35, through testing and
14 evaluation prematurely while at the same time delaying the
15 delivery of other capabilities required to help us maintain
16 our warfighting advantages.

17 On the issue of the F-35, gentlemen, I have been
18 screwing around with the F-35 for the last 12 years, and the
19 costs have gone out of control. In universities and
20 colleges around the country, they will be teaching this as a
21 classic example of failure. The cost overruns have been out
22 of control. The plane is still not judged ready for full
23 combat mode. And, frankly, a lot of us grew a little tired
24 of hearing the F-35 people come before us, both uniformed
25 and not uniformed, to tell us everything is going to be

1 fine. Everything is still not fine with the F-35.

2 In our hearing a few days ago, we had the point made
3 that we have wasted \$50 billion of taxpayer money -- \$50
4 billion -- on things like WIN-T, Future Combat Systems, and
5 others. We need to do things differently, and we intend to
6 exercise our oversight.

7 I remain disappointed by the department's inability or
8 unwillingness to take advantage of the acquisition reforms
9 this committee has mandated over the past 3 years. If
10 confirmed, we will look to you to make positive changes to
11 our testing and evaluation practices to support the
12 implementation of these reforms. We cannot afford
13 unnecessary delays in delivering new capabilities to our
14 warfighters, and yet, we must ensure that we deliver systems
15 that are safe and reliable. We will expect you, if
16 confirmed, to balance these conflicting priorities.

17 By the way, the RAND study, which was briefed to every
18 member of this committee, is deeply disturbing. I urge all
19 four of you to take a look at that RAND study, because there
20 is a number of aspects of that RAND study about the closure
21 of potential adversaries and the disappearance of our
22 critical advantages that is taking place as we speak.

23 Dr. Winslow, if confirmed, you will assume leadership
24 of the Military Health System at a critical time. Over the
25 last 2 years, the Congress has enacted sweeping reforms to

1 fix the current system. With this reform legislation, we
2 have created a health system that improves quality, safety,
3 access to care, and the experience of care, creating more
4 health care value for all beneficiaries while ensuring
5 warfighters get the most advanced medical care on the
6 battlefield. If confirmed, you will be charged with
7 implementing these reforms.

8 One of your most significant challenges will be
9 standing up the Defense Health Agency as a single
10 organization to lead our Military Health System and
11 transform the current disjointed medical command structure
12 into a more efficient, agile one.

13 Beyond that, we will look to you to help change the
14 culture within the Military Health System from a system-
15 first culture to a patient-first one. No doubt, this will
16 be the hardest thing you must do, but without a major
17 cultural change throughout the entire Military Health
18 System, true transformation cannot occur, and our
19 warfighters and their families will not get the high-value
20 health care they deserve.

21 Mr. Modly, the next Under Secretary of the Navy will
22 take on this role during a crucial and complex time for
23 maritime power. Recent collisions at sea have put a
24 spotlight on major problems in our naval training and
25 readiness. While Congress is at fault for years of

1 inadequate and unpredictable funding, our Navy leadership
2 must also be held accountable.

3 If confirmed, we expect you to commit to implementing
4 corrective actions to fix the problems identified in a
5 recent report on these collisions. When you do so, you will
6 have an ally in this chairman and this committee to provide
7 you the resources needed to course correct.

8 By the way, we were pleased that the Chief of Naval
9 Operations gave us a thorough briefing and identified many
10 of the problems that existed that caused the terrible
11 tragedies that have taken place.

12 As you may know, we had a little ceremony over at the
13 Pentagon with the families, and there is nothing more
14 touching and moving than to see the families of those 18-,
15 19-, 20-year-old kids.

16 Among the most critical of your duties will be to serve
17 as chief management officer for the Department of Navy. I
18 look forward to hearing how you would undertake this
19 challenge and how your experience and leadership will enable
20 our Navy to be ready to fight and win decisively.

21 Some of the greatest threats and challenges of the
22 future will be in the maritime domain, and it is important
23 that we do all we can to give our sailors and marines what
24 they need to succeed.

25 Mr. Geurts, if confirmed, you will be responsible for

1 managing Navy acquisition programs at this critical moment
2 for the service. Our Navy has been too small too long.
3 Despite a requirement for more than 300 ships for the last
4 decade, the fleet has remained between 270 and 290 ships.
5 These capacity shortfalls have helped drive present
6 readiness challenges.

7 This committee is responsible for ensuring that
8 acquisition programs are delivered at cost, on schedule, and
9 with promised capabilities. We will look to you to be a
10 reliable partner in our oversight.

11 The Navy has a troubled acquisition history well-known
12 to this committee: Cost overruns more than double the price
13 of each littoral combat ship, and promised capabilities are
14 years behind schedule; requests for the USS Gerald R. Ford
15 aircraft carrier had \$2.4 billion in cost growth and
16 delivered 20 months late; and the Navy wants to award the
17 next aircraft carrier at a cost of \$12.6 billion. I remain
18 concerned with the ability to deliver the F-35 program on
19 its latest delayed schedule and within its already massive
20 budget.

21 If confirmed, you must learn from past mistakes, commit
22 to not repeating them in the future, and hold yourself and
23 those working for you accountable.

24 To all the witnesses, I thank you for your willingness
25 to serve and look forward to hearing your testimony on how

1 you intend to lead the department through these challenging
2 times.

3 I say to my colleagues, if we get a quorum --

4 Senator Reed: I think we have one, sir.

5 Chairman McCain: We have a quorum?

6 Senator Reed: One more.

7 Chairman McCain: Okay, we need one more member, so
8 that we can move the nominees to the floor.

9 Senator Reed: And we have someone arriving right now,
10 Mr. Chairman, Senator Strange.

11 Chairman McCain: Senator Strange, you have destroyed
12 the whole decorum of the committee here.

13 [Laughter.]

14 Chairman McCain: Since a quorum is now present, I ask
15 the committee to consider the nominations of Mark Esper to
16 be Secretary of the Army; Robert Wilkie to be Under
17 Secretary of Defense for personnel and readiness; Joseph
18 Kernan to be Under Secretary of Defense for intelligence;
19 and Guy Roberts to be Assistant Secretary of Defense for
20 nuclear, chemical, and biological defense programs.

21 Is there a motion to favorably report these four
22 nominees to the Senate?

23 Senator Reed: So moved.

24 Chairman McCain: Is there a second?

25 Senator Inhofe: Second.

1 Chairman McCain: All those in favor?

2 [Chorus of ayes.]

3 Chairman McCain: The motion carries, and we will
4 report these nominations to be before the United States
5 Senate.

6 Senator Reed?

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1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Thank you, Mr. Chairman. And let me
4 join you in welcoming the nominees and thank them for their
5 willingness to serve in these positions of great
6 responsibility at the Department of Defense.

7 I would also like to thank the families of the nominees
8 for the vital role that they play in supporting your efforts
9 and those of our service men and women.

10 Mr. Behler, you are nominated to serve in the important
11 role of director of Operational Test and Evaluation. If
12 confirmed, you will have the unique job to make sure that
13 the systems that we deploy to our warfighters are
14 operationally effective and suitable. You will be given the
15 special authority to report independently to this committee
16 and tell us the truth about how effective weapons systems
17 and platforms really are, and we encourage you to do that on
18 all occasions.

19 You will also be facing all the same organizational and
20 resource challenges that the others here are facing while
21 trying to help the Department of Defense move faster in a
22 rapidly changing threat environment and while trying to test
23 new kinds of systems in areas like space, cyberspace, and
24 laser systems. I look forward to hearing how you intend to
25 address these challenges and work with us to ensure that our

1 warfighters get the best possible equipment in the field.

2 Dr. Winslow, you have extensive medical experience,
3 including experience in private sector health care, academic
4 medicine, public and university hospitals, community
5 hospitals, the pharmaceutical industry, as well as military
6 medicine. As a member of the Louisiana and Delaware
7 National Guard, you served as a flight surgeon and commanded
8 medical units. Your military service includes several
9 combat and operational deployments, including multiple
10 deployments through Operation Provide Comfort, Operation
11 Northern Watch, Operation Iraqi Freedom, and Operation
12 Enduring Freedom.

13 This broad experience and all the varied aspects of
14 medical practice should prepare you well for the position of
15 Assistant Secretary of Defense for Health Affairs, where you
16 will oversee a major change in focus in the military health
17 care system to insist on focus on medical readiness.

18 Dr. Winslow, we are all very proud of the outstanding
19 medical care provided to the servicemembers wounded and
20 injured on the battlefield. Combat casualties have been
21 significantly reduced because of the excellent care
22 delivered by our military medical providers. We trust that,
23 if confirmed, under your leadership, this quality of care
24 will be maintained and, indeed, improved.

25 Mr. Modly and Mr. Geurts are nominated to serve in

1 leadership positions in the Department of the Navy, and, if
2 confirmed, they will be faced with a number of critical
3 issues. The Navy and Marine Corps have historically had to
4 deal with the day-to-day strains of deployment and high
5 operating tempos. With everyone's concerns about supporting
6 the readiness of our deployed and nondeployed forces,
7 efforts in managing improvements in the force and its
8 supporting structure will be critical.

9 As a first priority, it seems to me that Navy
10 leadership should focus on improving readiness of the
11 existing forces. However, the leadership will also be able
12 and must concentrate on other issues. We will need to grow
13 the Navy to respond to the force structure assessment
14 released by the Chief of Naval Operations late last year.

15 As complicated as it might be to increase the number of
16 ships in the fleet, even a ship-count increase will not
17 solve the problem. The CNO released a paper earlier this
18 year titled, "The Future Navy," in which the CNO said, in
19 part, more platforms are necessary but not sufficient. The
20 Navy must also incorporate new technologies and new
21 operational concepts. This emphasis on new technologies and
22 operational concepts are challenges you both will face, if
23 confirmed.

24 Again, I would like to thank all of you for your
25 willingness to serve our Nation, and I look forward to

1 hearing your thoughts and ideas.

2 Thank you very much, Mr. Chairman.

3 Chairman McCain: Thank you.

4 We will begin with you, Mr. Behler.

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1 STATEMENT OF ROBERT F. BEHLER, TO BE DIRECTOR OF
2 OPERATIONAL TEST AND EVALUATION

3 Mr. Behler: Thank you. Mr. Chairman, Senator Reed,
4 members of the committee, I am honored to appear before you
5 as the nominee to be the director of Operational Test and
6 Evaluation for the Department of Defense.

7 I wish to thank President Trump for having confidence
8 in me to serve in this important position and to Secretary
9 Mattis for supporting my nomination.

10 Our Nation's military advantage originates with our
11 dedicated men and women, but their weapons and equipment are
12 indispensable to our Nation's ability to deter aggression
13 and prevail in conflict. These weapons incorporate some of
14 the world's most sophisticated technologies and must be
15 adequately tested to prove they are combat ready in all
16 warfighting domains, including cyberspace.

17 I have spent my entire career in the areas of national
18 defense, testing, and engineering, and managing complex
19 technical challenges. I have employed weapons in combat and
20 have been both a developmental and operational test pilot.
21 And, for the last 5 years, I have been immersed in the
22 technical areas of software engineering and cybersecurity,
23 an experience that I believe has particular relevance in
24 today's acquisition and testing environment.

25 I believe it is critical to accelerate the speed of

1 acquisition for our weapons systems to continually deliver
2 competitive advantage to our warfighters. I am convinced
3 that Operational Test and Evaluation adds the necessary
4 insight for timely, informed decisions on acquisition and
5 deployment.

6 From personal experience, I know there are three
7 imperatives in combat: believe in yourself, your fellow
8 warriors and your training; believe in your mission and
9 commanders; and believe in your equipment and weapons. If
10 confirmed, I pledge to provide independent and objective
11 assessments to protect every dollar of the taxpayers'
12 investment, and to ensure the equipment and weapons we are
13 providing to our warfighters are effective, suitable, and
14 survivable in combat.

15 Accompanying me today is my wife of over 40 years,
16 Colonel Naomi Behler, U.S. Air Force, Nurse-Corps, retired.

17 Chairman McCain: Welcome.

18 Mr. Behler: Between us, Naomi and I have dedicated 58
19 years of active military service defending this Nation.

20 Thank you, Mr. Chairman, and members of this committee,
21 for your time and attention, I look forward to answering
22 your questions.

23 [The prepared statement of Mr. Behler follows:]

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1 Chairman McCain: Thank you.

2 Dr. Winslow?

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1 STATEMENT OF DEAN L. WINSLOW, M.D., TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR HEALTH AFFAIRS

3 Dr. Winslow: Senator McCain, Senator Reed, and other
4 members of the Armed Services Committee, it is an honor to
5 be here. It is humbling to be considered for this position.
6 I thank Secretary Mattis and the President for placing their
7 trust and confidence in me.

8 Senator McCain, as a young Air Force officer going
9 Aerospace Medicine Primary and Survival, Evasion,
10 Resistance, and Escape training in the early 1980s, one of
11 your fellow POWs spoke to our class and mentioned your
12 particular name as an exemplar of courage and integrity, and
13 I have always looked up to you, sir.

14 Chairman McCain: Thank you.

15 Dr. Winslow: I would like to acknowledge two people in
16 the audience, my brother, Dick, and my wife, Julie
17 Parsonnet, a professor at Stanford, without whose support
18 and love I would not be here today. Although not physically
19 present, I also would like to acknowledge the love and
20 support of our four children, particularly my youngest son
21 who grew up without his dad for a significant number of
22 times during my six deployments to Iraq and Afghanistan.

23 I also would like to thank my 88-year-old mother who
24 while raising four kids spent decades as a public-school
25 teacher in Dover and later in Wilmington.

1 Lastly, I would like to thank my colleagues at Stanford
2 for their support and encouragement.

3 The Military Health System is a large and vital
4 component of our strong U.S. military. Our charge can be
5 summarized into six core missions: one, care for the warrior
6 at home and while deployed; two, care of our military
7 families and retirees; three, teaching the next generation
8 of MHS providers; four, leadership in global health and
9 humanitarian operations; five, biomedical research that is
10 essential to our future success; six, military public
11 health, environmental health, and occupational health and
12 safety.

13 Consolidation of patient care services under the DHA
14 creates the structure whereby we can reduce variation, which
15 is a hallmark of highly functioning health care systems
16 across the services, improve quality, employ evidence-based
17 medicine, and markedly improve the cost-effectiveness of our
18 MHS by consolidating headquarters functions, thereby
19 maximizing the tooth-to-tail ratio in our MHS.

20 I envision helping create a high-functioning,
21 integrated health care system on the lines of some of our
22 country's better integrated health care systems. I will
23 mention Kaiser, Intermountain Health, Carolinas Medical
24 Center, as a couple examples.

25 While on the topic of DHA, I also would like to

1 acknowledge the efforts of my predecessor, Dr. Jonathan
2 Woodson, who had the vision and vigorously championed the
3 creation of this organization.

4 I will also push to increase the capabilities of our
5 MHS not only in war but also in our peacetime mission of
6 caring for our military members, their families, and
7 retirees. Rather than being a distraction from our primary
8 mission of providing care to the warrior on the battlefield,
9 doing high-quality primary care, preventive medicine, and
10 caring for critically ill, complicated patients in peacetime
11 enhances our ability to do so downrange.

12 As a Guard flight surgeon in the field, I observed the
13 ongoing deep and intense experience in caring for
14 complicated patients in civilian practice is one reason
15 while our Reserve component doctors, nurses, and medics are
16 generally all-stars when they deploy.

17 We need to leverage the capabilities of our Reserve
18 component members. We also need to work closely with the
19 VA. The implementation of a common electronic health record
20 will certainly facilitate this.

21 If I am confirmed, one of my first visits I will make
22 is to Dr. David Shulkin, Secretary of Veterans Affairs. We
23 need to be able to care for each other's patients in a
24 seamless manner and use each other's personnel and
25 resources, particularly in regions interchangeably where

1 there may be an imbalance.

2 In the past, my impression is that various voices have
3 encouraged the MHS to downsize and increasingly outsource
4 care of dependents and Active Duty military to the TRICARE
5 system. While TRICARE will likely be one component of our
6 care delivery system for the foreseeable future, we can,
7 under the umbrella of DHA, build a much better system. We
8 need to repatriate our most complicated patients and make
9 maximum use of our MHS flagship hospitals.

10 So, for example, a military member or dependent living
11 on the East Coast who develops a malignancy should generally
12 get state-of-the-art care at Walter Reed, not necessarily a
13 civilian center through TRICARE.

14 Beginning in the 1980s, MHS began a dramatic downsizing
15 of medical facilities. While some of this made sense under
16 the larger BRAC decisions, overall, I am concerned that, in
17 retrospect, we may have cut too close to the bone. We need
18 to make sure that we adequately resource both our primary
19 care facilities --

20 Chairman McCain: How have we cut too close to the
21 bone, Dr. Winslow?

22 Dr. Winslow: What is that, sir?

23 Chairman McCain: How have we cut too close to the
24 bone?

25 Dr. Winslow: I think you had mentioned, sir, or

1 Senator Reed, that in many cases, there is lack of access to
2 care now as a result.

3 Chairman McCain: Excuse me? If I am a veteran and I
4 need health care, can't I just go to a civilian doctor or
5 medical care and have them pay for it rather than have 50
6 people die on a waiting list for the VA in Phoenix?

7 Dr. Winslow: Sir, one of the things that I am talking
8 about is that we, in some areas of our country, may have an
9 imbalance where we have more than adequate resources in our
10 military health care system and relative lack in the VA. In
11 other situations, it may be the opposite. I am just
12 proposing --

13 Chairman McCain: And whose problem is that?

14 Dr. Winslow: Well, I think it is a system problem, and
15 I will work with Secretary Shulkin --

16 Chairman McCain: You are aware that 50 veterans died
17 on a nonexistent waiting list for care at the Phoenix VA?
18 You are aware of that, doctor?

19 Dr. Winslow: Yes, sir.

20 Chairman McCain: And how do we fix that?

21 Dr. Winslow: Again, sir --

22 Chairman McCain: Not by expanding the bureaucracy but
23 by giving the veterans a choice as to where to go to get
24 their health care, just like someone on Medicare can.

25 So I am disturbed by your comments, doctor, because if

1 the system is not working, one of the biggest problems we
2 have is with our veterans unable to get the care that they
3 have earned and deserve. And so for you to say that, you
4 have a misconception or you and I have a fundamental
5 difference of opinion about what kind of care our veterans
6 deserve and are getting. And it is not adequate, and it is
7 wrong.

8 Again, I have a special -- special -- concern about the
9 50 veterans who died on a nonexistent waiting list at the
10 Phoenix VA.

11 So I think you ought to correct your statement for the
12 record.

13 Dr. Winslow: Okay, sir. Again, I just want to clarify
14 that I was talking about the military health care system
15 primarily and just how we needed to have a better, more
16 seamless interface with the VA. That was the main thrust.
17 I apologize, sir, if I was not clear.

18 Chairman McCain: I thank you.

19 Dr. Winslow: Thank you. Just for the record, I get my
20 own health care through the VA.

21 Chairman McCain: I thank you for that, but we are
22 still having enormous difficulties with getting our veterans
23 the care they need, including, by the way, suicide
24 prevention.

25 Dr. Winslow: I agree, sir.

1 Chairman McCain: We are not happy with the state of
2 military health care, doctor. And I think you ought to
3 understand that before we confirm you. Go ahead.

4 Dr. Winslow: Yes, sir.

5 Secretary Mattis is known to be a strong advocate for
6 soft power as well as strengthening the lethality of our
7 military. The U.S. military's leadership in humanitarian
8 operations domestically and abroad has been an unqualified
9 victory for American soft power. Our Guard, Reserve, and
10 Active Duty response to Hurricane Katrina in Louisiana and
11 Mississippi in 2005, and our rapid response to the Ebola
12 outbreak in West Africa in 2014 to 2015, highlighted the
13 importance of our military and the MHS, in particular, in
14 being able to provide order in the midst of chaos and to
15 save lives.

16 Going back to the time of Major Walter Reed, the U.S.
17 has been a leader in global health. We need to redouble our
18 MHS efforts to work with foreign national departments of
19 health, foreign militaries, and NGOs in order to maintain
20 our leadership in this area.

21 As an infectious disease physician, I believe this to
22 not only to be a moral approach but also of great national
23 security importance.

24 Lastly, we need to increase our funding of military
25 research, both weapons-related and in the biomedical

1 sciences. We also need to be careful to not too closely
2 prescribe to strict "support of the warfighter" requirements
3 since often the benefits of basic research are not realized
4 for decades. Two relevant examples: one, most of the
5 currently used lifesaving medications throughout the world
6 for the treatment of malaria were developed by U.S. military
7 scientists at Walter Reed Army Institute of Research and
8 came out of basic science research programs, which had been
9 ongoing for decades; two, 50 years ago, lasers, which were
10 largely developed at an Air Force Research Laboratory, were
11 interesting experiments conducted by physicists with no
12 foreseen practical applications. In less than 3 decades,
13 this technology became one of the critically enabling
14 technologies, which made precision guided munitions
15 possible.

16 It also needs to be kept in mind that good science is
17 never done in a vacuum. Therefore, it is critically
18 important that Congress adequately funds research by the
19 NIH, the National Science Foundation, CDC, Department of
20 Energy, and the EPA.

21 Threats are rapidly emerging, and DOD cannot do this
22 important work alone. Research is an investment in our
23 Nation's future, and not adequately funding research and
24 science education will result in abdicating our leadership
25 role in the world.

1 Finally, I would like to thank this committee for
2 considering my appointment as ASD-Health Affairs. It was an
3 honor to be asked by Jim Mattis and the President to take
4 this job. Working for Jim Mattis is the dream of just about
5 any of us who have served in uniform over the past several
6 decades, and I cannot wait to start this job and began again
7 caring for soldiers, sailors, airmen, marines, and their
8 families.

9 Thank you, Mr. Chairman, and I welcome questions.

10 [The prepared statement of Dr. Winslow follows:]

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1 Chairman McCain: Thank you.
2 Mr. Modly?
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1 STATEMENT OF THOMAS B. MODLY, TO BE UNDER SECRETARY OF
2 THE NAVY

3 Mr. Modly: Chairman McCain, Ranking Member Reed,
4 members of this committee, I am deeply honored to appear
5 before you today as President Trump's nominee for Under
6 Secretary of the Navy. I am extremely grateful to the
7 President and Secretary Mattis for their consideration of me
8 for this position, and, if confirmed, I will dedicate myself
9 to ensuring that their confidence in me was well-placed.

10 I can think of no greater honor than to be asked to
11 help lead the brave men and women who make up the greatest
12 naval forces in the world. If confirmed, you have my word
13 that I will do everything in my power to ensure the
14 prominence and dominance of the United States Navy and
15 Marine Corps will not be diminished or eclipsed by our
16 adversaries.

17 I have submitted a longer statement that I request be
18 entered into the record, but I also would like to summarize
19 those thoughts at this time.

20 Chairman McCain: Without objection.

21 Mr. Modly: Thank you, sir.

22 I would like to thank my wife, Robyn, who is here with
23 me today as she is every day in love, support, prayer, and
24 dedication to me and my family. I would also like to thank
25 my friend and mentor, the Honorable Chris Lehman, and my

1 classmate the Honorable Dino Aviles, who are also here today
2 as my guests.

3 My wife, Robin, and I have four children, Noelle, Zak,
4 Natalie, and Dorian, but they could not be here today. Both
5 my son and son-in-law are serving on Active Duty today in
6 the Air Force, which gives me special appreciation for the
7 solemn duty I will have, if confirmed, to care for the
8 safety and security of our people in uniform.

9 Mr. Chairman, Ranking Member Reed, and members of the
10 committee, 69 years ago, my father made a decision to risk
11 his life and abandon everything he knew in order to escape
12 from behind the Iron Curtain in Hungary. He made this
13 decision after he refused to join the Communist Party and
14 once he realized that this refusal would dim any prospects
15 for a future filled with real possibilities.

16 Two years later, he came here, to this great Nation,
17 enlisted in the U.S. Army, and eventually built a life for
18 himself and my mother, who was also a refugee from Communist
19 Yugoslavia. Although I was born here, my father always made
20 me acutely aware of what the United States and our Armed
21 Forces meant and continued to mean to oppressed people in
22 other parts of the world. It built in me a very personal
23 sense of service and patriotism, which is at the core of who
24 I am.

25 Thirty-one years after my father left Hungary, I had

1 the incredible honor of taking the oath of office as a
2 midshipman at the United States Naval Academy. To be here
3 today as the President's nominee to be the Under Secretary
4 of the Navy is something I could not have imagined on that
5 day. However, it is no more important of an event to me
6 than that day in Annapolis back in 1979.

7 Every year, thousands of other young people across the
8 country take that same oath to join our Navy and our Marine
9 Corps. It is the most important day of that young person's
10 life. If confirmed, my focus and energy will be on them.
11 These young sailors and marines have voluntarily pledged
12 their lives to defend us, and we must match their commitment
13 by ensuring that they are well-equipped, well-led, and armed
14 with the capabilities to dominate and defeat our
15 adversaries, if necessary.

16 As Secretary Spencer stated in his confirmation hearing
17 just a few months ago, the Department of the Navy has been
18 besieged by a perfect storm of circumstances that threaten
19 its ability to perform its critical missions in defense of
20 the Nation. I refer to this storm as a dangerous dichotomy.
21 On the one side of this dichotomy, we are facing a far more
22 complex and dynamic international security environment, one
23 in which our adversaries are more capable, assertive, and
24 diverse than ever before. On the other side, there has been
25 intense Federal budget pressure, which has produced

1 insufficient resources to sustain and modernize our forces
2 in a way that is commensurate to these increased security
3 challenges and demands.

4 The result, I fear, is a force that is carrying far too
5 much risk today and into the future. Significant course
6 corrections are required. And if confirmed, I will support
7 Secretary Mattis, Secretary Spencer, and this committee in
8 ensuring that we arrest this trajectory and turn in the
9 direction that our Nation requires and that our sailors and
10 marines deserve.

11 If confirmed, I will be committed to driving the
12 Department of Navy to embody two prominent characteristics:
13 agility and accountability, agility because the complexity
14 of our national security environment dictates it, and
15 accountability because the American people both demand
16 deserve it. I believe these are the two most powerful
17 indicators in determining whether any organization, public
18 or private, will be successful over the long run.

19 Enterprises that are agile, those that can quickly
20 adjust and innovate, are the ones that survive and thrive,
21 while those that cannot are left to wither and die.
22 Similarly, enterprises that do not drive accountability to
23 all levels have difficulty understanding their own mistakes,
24 correcting for them, and advancing a culture that rewards
25 the proper behaviors. The business case histories of

1 companies that were deficient in one or both of these two
2 characteristics is lengthy, and those lessons are as
3 relevant to a small company in Silicon Valley as they are
4 the largest military department in the world, like the
5 United States Navy and Marine Corps.

6 Senators, a few months ago, I stood in a square in
7 Budapest not far away from where my father grew up. In
8 plain view from that square is one of the most beautiful and
9 ornate buildings in Europe, the Hungarian Parliament
10 Building. When I first saw this building in 1970, its top
11 spire was adorned with a red communist star. Today, that
12 symbol of authoritarianism and oppression is gone. In stark
13 contrast and in plain view of that spire stands a bronze
14 statue of President Ronald Reagan.

15 The personal significance of this to me was profound.
16 I joined the Navy in 1979 when Hungary was still firmly
17 entrenched behind the Iron Curtain and the Department the
18 Navy was at an inflection point. I served as an Active Duty
19 Navy officer when President Reagan and the American people
20 fully committed to rebuilding our military to push back the
21 challenge of the Soviet Union and protect our interests
22 around the globe. The fact that an American President now
23 stands in that square is a testament to what our ideals, our
24 values, and our resolve through our military strength can
25 produce.

1 I firmly believe that the United States needs a strong,
2 confident, and capable Navy and Marine Corps team, and the
3 world depends on the United States to have one. If
4 confirmed, achieving and sustaining this will be my mission.

5 Thank you, and I look forward to your questions.

6 [The prepared statement of Mr. Modly follows:]

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1 Chairman McCain: Mr. Geurts?
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1 STATEMENT OF JAMES F. GEURTS, TO BE ASSISTANT
2 SECRETARY OF THE NAVY FOR RESEARCH, DEVELOPMENT, AND
3 ACQUISITION

4 Mr. Geurts: Chairman McCain, Ranking Member Reed, and
5 distinguished members of the committee, I am honored to
6 appear before you today as the President's nominee to be the
7 Assistant Secretary of the Navy for Research, Development
8 and Acquisition.

9 I would like to thank the President, Secretary Mattis,
10 and Secretary Spencer for their confidence in nominating me
11 and, if confirmed, the opportunity to equip and support the
12 finest Navy and Marine Corps in the world. I thank this
13 committee for its consideration of my nomination.

14 Before I begin my formal comments, I would like to
15 express my appreciation to my wife, Kelly, for her love, her
16 dedication to our family, and her support throughout my
17 military and government career.

18 Chairman McCain: Welcome.

19 Mr. Geurts: Her dedication to helping others as a
20 lifelong public-school teacher serves as a shining example
21 of servant leadership and the criticality of investing in
22 our future generations. I am happy she could join us here
23 today.

24 I also would like to recognize our sons, Jimmy and
25 Brandon, who could not be here with us today. Their

1 creative talents and kindness to others has always provided
2 me with a sense of optimism for the future.

3 I would also like to recognize my mother and father, as
4 well as my brother and sisters, for the love and support
5 they have always provided me.

6 Finally, I would like to thank all the great mentors,
7 leaders, teammates, allies, and friends who have helped me
8 along the way.

9 As I sit before this committee as the nominee to be the
10 Assistant Secretary of the Navy for Research, Development,
11 and Acquisition, there is one thing that is very clear to
12 me: We will not be able to support today's ongoing
13 operations, improve readiness and lethality, and
14 recapitalize the Department of the Navy without changing the
15 way we develop, acquire, and maintain combat capabilities
16 for our sailors and marines.

17 I applaud the committee for their efforts in reforming
18 the department's acquisition policies. Should I be
19 confirmed, you have my commitment to implement these
20 policies, as well as work closely with the committee to
21 recommend additional opportunities to improve our ability to
22 protect and enable our sailors and marines today and in the
23 future.

24 For the last decade, I have had the honor of being an
25 acquisition leader in the United States Special Operations

1 Command, equipping and supporting our special operators
2 operating around the world. That experience reinforced my
3 long-held belief that it is possible to execute an
4 operationally responsive acquisition system when there is a
5 clear understanding of intent; a sense of urgency at all
6 levels of the organization; a close connection between the
7 acquirer and operator; transparency to all stakeholders; and
8 a trained, empowered, and accountable acquisition work
9 force.

10 The challenges facing the Department of the Navy are
11 many. We need to improve their readiness and lethality
12 while simultaneously growing their capacity. We need to be
13 innovative and creative, while also ensuring we are
14 relentless stewards of the taxpayers' money. Business as
15 usual will not deliver the results the Secretary of the
16 Navy, the Chief of Naval Operations, and the Commandant of
17 the Marine Corps demand, and our sailors and marines
18 deserve.

19 These challenges will not be solved overnight and will
20 require an acquisition team that is empowered, mission-
21 focused, accountable, resourced, and acts with a sense of
22 urgency. If confirmed, I look forward to working with
23 Congress and the department to take on these challenges.

24 In closing, I would like to thank the committee for its
25 consideration of my nomination, and I look forward to

1 answering your questions.

2 [The prepared statement of Mr. Geurts follows:]

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1 Chairman McCain: Thank you, Mr. Geurts.

2 Mr. Modly and Mr. Geurts, a few years ago, when I asked
3 a former Chief of Naval Operations who was responsible for
4 the \$2 billion cost overrun on the USS Gerald R. Ford, he
5 said he did not know. When I asked a former Air Force Chief
6 of Staff about F-35 cost overruns, he did not think anyone
7 had been fired.

8 Maintaining cost control of the Navy's budget must be a
9 foremost priority. What is your response?

10 By the way, we have not had an audit ever. We have not
11 had an audit. Don't you think we should audit? Don't you
12 think we should have an audit as to what the taxpayers'
13 dollars are being spent for?

14 We will begin with you, Mr. Modly.

15 Mr. Modly: Senator McCain, these are at the heart of
16 the business challenges in the Department of the Navy, but I
17 would separate them.

18 There is an issue of accountability. That is a problem
19 because it is almost incomprehensible that programs of those
20 magnitude, that it is difficult to determine who is
21 responsible for that. We should know this all the way
22 through the process of an acquisition of that size.

23 Chairman McCain: Do you think we can do an audit?

24 Mr. Modly: Then there is a financial audit, a separate
25 question.

1 My understanding, and when I was in the department 15
2 years ago, is that they are continuing to move toward having
3 full financial accountability. It is a difficult challenge.
4 There are a lot of systems involved.

5 Chairman McCain: It is a bit slow.

6 Mr. Modly: Yes, sir, it is. It is. It is not
7 acceptable, either. And, if confirmed, that will be one of
8 the things that I will spend a lot of my attention on.

9 Chairman McCain: Well, could I just say, with the
10 benefit of having been on this committee for a number of
11 years, witnesses come before nomination hearings. They say,
12 "We will do an audit." The audit has not been done.

13 I want you and Mr. Geurts to make this your highest
14 priority. How can the taxpayers have any confidence in what
15 we are spending their money on if we do not know what they
16 are spending it on?

17 Mr. Modly: You are absolutely right, Senator. They
18 cannot. And we cannot either, and the committee cannot
19 either. And that is going to be one of my highest
20 priorities, if confirmed.

21 Chairman McCain: Mr. Geurts?

22 Mr. Geurts: Yes, Mr. Chairman. I would say that
23 accountability has to occur at all levels, and Secretary
24 Spencer has made that his absolute priority.

25 In terms of the acquisition programs, accountability

1 starts and stops with me. That is a start, but that is not
2 sufficient. That has to be pushed all the way down the
3 organization so that we align accountability and
4 responsibility, and hold those accountable who do not
5 deliver on those acquisition programs.

6 If confirmed, one of the first things I am going to do
7 is review all the acquisition programs and understand where
8 we do not have those programs in the right spot, either from
9 a cost schedule or performance standpoint, or if they are
10 not delivering the capability our warfighters need for the
11 future. Where we find those, I will recommend either
12 modifying them or canceling those programs, so we can invest
13 our dollars in the critical needs that we have for the Navy.

14 Chairman McCain: Both of you, if confirmed, will you
15 support full and open competition of existing U.S. and
16 foreign designs for a new frigate?

17 Mr. Modly: Yes, Senator.

18 Mr. Geurts: Yes, I will, Senator.

19 Chairman McCain: Dr. Winslow, sometimes we have
20 questions for the record, and we are not totally aware of
21 the answer, although your name is on it, so you are
22 responsible.

23 You had your response on a personnel and readiness
24 legal team that did not originate from you, although your
25 name is on it, and it concerns your stated response to an

1 advance policy question, and this is your quote.

2 "Therapeutic abortion services should be provided by the
3 military in appropriately staffed facilities."

4 What do you mean by that?

5 Dr. Winslow: Again, sir, that was in response to one
6 of the questions I was asked in the larger context of making
7 sure that we adequately provide for women's health in the
8 Military Health System. Sir, I would like to thank you for
9 the opportunity to clarify my statement.

10 First, I want to make it clear that I am aware that
11 Federal law does not allow military medical treatment
12 facilities or DOD funds to be used to provide abortions,
13 except in certain circumstances, which I will not go into.
14 In all other cases, patients who wish to obtain an abortion
15 must be referred to a private facility and will not have
16 government funding. Taxpayer funding for abortions has been
17 prohibited except in these limited cases for decades.

18 The use of the term "therapeutic abortion" is a common
19 medical term that I should have explained better that speaks
20 broadly to abortions performed for a recognized, appropriate
21 medical necessity, generally when the life of the mother is
22 at risk. That being said, this procedure should only be
23 authorized as prescribed under existing statutory authority.

24 Chairman McCain: Mr. Behler, what are your views on
25 the state of the relationship between the Office of the

1 Director of Operational Test and Evaluation and the Senate
2 Armed Services Committee in particular, and with Congress in
3 general?

4 Mr. Behler: The relationship between DOT&E and this
5 committee, I believe, is in very good shape. I think my
6 predecessor was very open with the committee and Congress in
7 general about the adequacy of testing and the capabilities
8 of the systems being tested. I really do not understand the
9 full sense in the other side, in the House, of how the DOT&E
10 is perceived. But I will tell you, if confirmed, one of my
11 pledges to you is to be open and transparent and unvarnished
12 opinion to the questions you ask, and I will be ready to
13 respond to any of them.

14 Chairman McCain: Mr. Modly, I would be very interested
15 in a written statement from you as to how we are going to
16 have an audit, okay? I am telling you, one of the most
17 frustrating aspects of my time here on this committee is
18 witnesses coming forward in a confirmation hearing and
19 saying, "Yes, we are going to do it." This has been going
20 on for years and years and years. And it is not acceptable.

21 I just want to point out that, unless we get this
22 audit, this committee will start acting in ways that will
23 force it, because we will withhold acquisition, and we will
24 withhold authorization.

25 You cannot run an organization efficiently if you do

1 not know how much it costs. Frankly, you all have been
2 getting away with it for years. We are not going to do that
3 anymore.

4 At the last hearing, we identified 50 billion dollars'
5 worth totally wasted, not just nothing to show for it but
6 totally wasted. That is an abrogation of our
7 responsibility, and we intend to exercise it, I am sure,
8 more vigorously. Okay? So you are warned. We want an
9 audit. We want an audit.

10 Mr. Modly: Senator, if confirmed, I will ensure we
11 will have an audit in the Navy.

12 Chairman McCain: All right. Thank you very much.

13 Senator Reed?

14 Senator Reed: Thank you very much, Mr. Chairman.

15 Mr. Behler, you have one of the most important jobs in
16 the Department of Defense because you have to constantly
17 tell painful truths. So ironically, your effectiveness in
18 the DOD is inversely proportional to your popularity, and
19 over here, it is directly proportional to your popularity.

20 So we would ask you, I think I speak for all my
21 colleagues, to continue that effort. And also, if there are
22 issues that come up, let us know directly, because we depend
23 upon your insights crucially.

24 One thing we always like to see in the Department of
25 Defense is the "fly before you buy" philosophy of making the

1 equipment, testing, et cetera. Can you tell us how you can
2 make that more of the model rather than the deviation from
3 the model?

4 Mr. Behler: Yes, sir. I can. I think it is a process
5 to get to "fly before buy." It goes back to
6 experimentation.

7 When we do prototyping, then experimentation, then we
8 have an understanding of what the system is capable of
9 doing. It does not have to really have wings on it to fly
10 before buy, as you quite understand. I think it goes
11 through that logic.

12 I come from a school back in the Edwards days where we
13 flew a lot of airplanes that were basically prototypes, and
14 they led to some marvelous production aircraft like the F-
15 16, F-18, C-17, and the list goes on and on. That is kind
16 of a feeling I think that should be reignited here from an
17 innovation standpoint, because, in acquisition, I think
18 there are things we have to do to increase innovation.

19 Right now, we are risk-adverse; it takes too long; and
20 it costs too much. Those are three inhibitors for
21 innovation. I think the "fly before buy" will definitely
22 help that out.

23 Senator Reed: Just a comment, I think one of the
24 issues we see is we almost have to make a leap over our
25 current development process to new systems, a lot of them

1 commercial systems, particularly in cyber, particularly in
2 the newer advances. We are seeing some of our adversaries
3 do that quite effectively. So I think that will be part of
4 your portfolio, too, not just evaluating what they are doing
5 but suggest to the services how they can leap over their
6 current procurement processes and get to something different
7 and better.

8 Mr. Behler: Right. I agree, sir.

9 Senator Reed: Thank you.

10 Doctor, thank you for your service in so many different
11 ways. You, of course, in your comments, were talking about
12 the Department of Defense and made references to the VA,
13 which is a separate system entirely. There is a
14 collaboration in terms of medical health records and trying
15 to integrate. But basically, you are going to be
16 responsible for the DOD.

17 And one of the big issues is, how do we responsibly,
18 without diminishing care, reduce the cost? Right now, it is
19 about 9 percent of the base budget. The projections of
20 health care spending keep going up and up and up, so it
21 squeezes out readiness, and it squeezes out acquisition. Do
22 you have any thoughts on that?

23 Dr. Winslow: Several thoughts on that, sir. First of
24 all, just to put it in perspective, the rate of increased
25 costs to the Military Health System has actually not been as

1 great as that in our somewhat dysfunctional civilian health
2 care system that we have.

3 Having said that, though, just to use the words "I am
4 all in" in consolidating headquarters functions under the
5 DHA, as I said, increasing the tooth-to-tail. More
6 importantly, what I am committed to is making sure that we
7 create in DOD a high-functioning health care system that
8 focuses on preventive medicine, quality, and, again, does
9 things in a standardized way.

10 Again, I am a pilot as well. If I climbed into a C-130
11 at Little Rock Air Force Base, even if I was normally flying
12 with Delaware, I could call for the before-start engine
13 checklist and it would be done the same at every single C-
14 130 base in the United States.

15 So, again, you can only take that analogy so far, but
16 there is a lot that can be done in other organizations like
17 Kaiser, Intermountain Health and others that we can look to
18 that have cracked this nut. Again, having an integrated
19 system that takes basically primary care, preventive
20 medicine as well as tertiary care in flagship hospitals, we
21 can do it.

22 Again, no matter how long, if I am confirmed to serve
23 in this position, you have my promise that that is going to
24 be the goal, and we will save money, and we will have better
25 health outcomes. That is what I am all about, sir.

1 Senator Reed: Thank you very much.

2 Mr. Modly and Mr. Geurts, you are both going to have
3 overlapping responsibilities, because a big part of your
4 portfolio as the deputy, and specific portfolio as
5 acquisition. What innovative techniques do you think you
6 can employ in terms of acquisition process, starting with
7 Mr. Modly and then Mr. Geurts?

8 Mr. Modly: Thank you for the question, Senator Reed.
9 I will defer a lot of this to my colleague here, since this
10 is his level of expertise.

11 But in my experience, I think one of the problems that
12 we have had in the Navy and in other parts of the Department
13 of Defense is an inability to lock into requirements early.
14 I was fortunate to watch a hearing where former Secretary
15 Lehman talked about how they were able to build a 600-ship
16 Navy quickly. One of the key elements of that strategy was
17 being able to lock in requirements early.

18 We have to have flexible platforms, but at the same
19 time, if our acquisition process is flexible and allows for
20 multiple changes, we end up with the cost overruns that we
21 have seen in many systems. So I think one of the primary
22 things that we could do is to drive toward greater locking
23 in of requirements early on, particularly on the large, very
24 expensive programs.

25 Senator Reed: And your comments, Mr. Geurts, please?

1 Mr. Geurts: Yes, Senator. I think, along with my
2 colleague here, I think a couple of the keys are having a
3 sense of urgency amongst the whole organization. My
4 experience at Special Operations Command has shown that when
5 you have a sense of urgency in the whole organization, that
6 can help. When you empower the folks responsible for the
7 jobs to do their job and then hold them accountable, that
8 allows you to accelerate.

9 Chairman McCain: Mr. Geurts?

10 Mr. Geurts: Yes, sir.

11 Chairman McCain: As I pointed out earlier, no one has
12 been held responsible for a \$2 billion cost overrun on our
13 aircraft carrier. No one has been held accountable for an
14 \$18 billion loss in Future Combat Systems. No one. It
15 comes up to \$50 billion, and I know of no one who has been
16 fired.

17 Mr. Geurts: Absolutely, Senator. And at least for the
18 Navy acquisition programs, I will be that accountable
19 person. Part of what I will be doing is pressing that
20 accountability down to the program level. I think that will
21 also help.

22 Then, finally, and your committee has done a lot of
23 work in ensuring the service chiefs and all of their
24 subordinate commands are intimately involved as we are
25 building these acquisition programs to make sure what we are

1 fielding is relevant, meets the need, and is effective when
2 it gets there.

3 I think those elements can take what the Navy does well
4 in many cases and allow it to do much better in the future.

5 Senator Reed: Thank you.

6 Chairman McCain: Senator Inhofe?

7 Senator Inhofe: Thank you, Mr. Chairman.

8 I am going to ask the same question I did last week
9 when we had a comparable hearing. One of the problems we
10 have and have had for quite some time is the public does not
11 understand the level of threat that we are facing in this
12 country. I have been proud recently of the military,
13 because I have been on this committee for 23 years now, for
14 the first time coming forth and being really square with the
15 American people.

16 We had the Army general vice chief of staff in a
17 hearing before this committee in February talking about only
18 one-third of our BCTs, one-fourth the CABs, and one-half the
19 divisions were ready. Then we had General Dunford say, and
20 this is a quote, and this is just last month, "If we don't
21 address this dynamic with sustained, sufficient, and
22 predictable funding over the course of several years, we
23 will lose our qualitative and quantitative competitive
24 edge."

25 I would like to ask each of the four of you, do you

1 agree with these two generals? And would you be as
2 forthright in your presentations as they are?

3 Dr. Winslow: Yes, sir.

4 Mr. Modly: Yes, sir.

5 Mr. Behler: Yes, sir.

6 Mr. Geurts: Yes, sir.

7 Senator Inhofe: All right, I think I heard four.

8 All right, Mr. Behler, this is a very serious question
9 I want to ask you, and I would like to have a very direct
10 answer. What were you doing last Saturday afternoon?

11 Mr. Behler: I have to admit, sir, I was in front of a
12 TV, watching Oklahoma beat Oklahoma State in Bedlam, and it
13 was a good outcome.

14 [Laughter.]

15 Senator Inhofe: I was going to ask you if you enjoyed
16 the outcome.

17 Mr. Behler: I did.

18 Senator Inhofe: Well, anyway, for my friends here, he
19 is a graduate of Oklahoma University, and he is the right
20 guy, in my opinion, for this job that he is pursuing.

21 So the question I would ask you, when you are
22 confirmed, it is an extremely important position to help
23 this committee with the one issue that comes up more than
24 anything else, and that is acquisition reform. I can
25 remember this not only the years I have been in the Senate

1 on this committee but also 8 years in the House, and we have
2 not had it to satisfaction.

3 I think your background is particularly suited to be
4 addressing this. I would ask that, when you are confirmed,
5 to pay particular attention to a major system that is
6 scheduled to undergo a second round of OT&E early next year,
7 and that is the Paladin Integrated Management, or the PIM
8 program, which will fix some but not all of the -- are you
9 familiar with the program? What are your thoughts about it?

10 Mr. Behler: I am, sir. I am familiar with the program
11 at the pedestrian level. I have not studied the actual
12 acquisitions.

13 Senator Inhofe: As you know, many of the weapons
14 systems that the Army is working on are upgrades to existing
15 systems. A specific example is found in the PIM upgrade,
16 because we have known issues with our breech mechanism, the
17 same breech that is in the field today.

18 So I would say, is there a problem using some of the
19 legacy parts with new systems?

20 Mr. Behler: There is, sir. Let me begin by saying I
21 appreciate your endorsement for this position.

22 If confirmed, I will look into testing these systems,
23 because I am sure the Paladin is not the only system that is
24 being upgraded and still has lots of legacy problems. An
25 airplane I flew, the U-2, was flown first in 1960, and it

1 still flies really bad. But we continue to upgrade it, and
2 we make it more and more effective.

3 I think the way that we can make this more productive
4 in testing is to test early, test often, and test it both in
5 the development sense and an operational sense
6 simultaneously.

7 Senator Inhofe: Okay. I appreciate that. My time is
8 getting away from me here.

9 Mr. Modly, you will join a Navy that faces historic
10 readiness challenges, and I think you are aware with that.
11 In fact, I know you are.

12 At my Readiness Subcommittee hearing back in February,
13 Admiral Moran testified that the Navy could only meet about
14 40 percent of demand from regional combat commanders. He
15 went on to say, and this is a quote, "It has become clear to
16 me that the Navy's overall readiness has reached its lowest
17 level in many years, and all of that is due to inconsistent
18 and insufficient funding that does not match the demand that
19 Navy forces have."

20 So I would say that when he said that the delays in
21 maintenance periods directly impact the time sailors have to
22 train and hone their skills prior to deployment, this is a
23 problem. Those who are forward-deployed are getting their
24 readiness taken care of at the expense of the home. If it
25 is that serious, what do you think the condition is right

1 now with the home forces?

2 Mr. Modly: Senator, I have not received specific
3 information. I would not argue with Admiral Moran on his
4 assessment of that, but my understanding is that the
5 readiness is quite poor not with just with respect to the
6 training that we are giving our sailors and marines but also
7 with respect to our facilities, lots of improvements that
8 should have been made to our infrastructure have not been
9 made over the last several years, and this is causing real
10 readiness problems now.

11 Senator Inhofe: And I agree with that.

12 Lastly, and I have one for the record for Dr. Winslow,
13 but, lastly, Mr. Geurts, you have had the same job that you
14 are actually being nominated for now except in Special Ops.
15 I think you have been doing that since 2009? Is that
16 correct? And you have a running start on this. Do you
17 think that is going to help you?

18 Mr. Geurts: Yes, sir. I appreciate that. I have
19 actually been in acquisition about 30 years now, both as an
20 Air Force officer and special ops. So in my career, very
21 unique that most of mine have been in joint positions, so I
22 think my experience both in Special Ops as well as working
23 with all the different service acquisition systems, I think
24 that will help identify best practices, lessons learned, and
25 help us improve our outcomes for the acquisition programs.

1 Senator Inhofe: I agree. Good luck.

2 Thank you, Mr. Chairman.

3 Senator Reed: [Presiding.] On behalf of Chairman
4 McCain, Senator Shaheen?

5 Senator Shaheen: Thank you, Mr. Chairman.

6 And thank you to each of you for being willing to
7 accept the nominations that you have all been asked to take
8 on.

9 I want to direct this question to you, Dr. Winslow.

10 Though, in fact, I would hope that each of you on the
11 panel with think about how you would respond to it.

12 I know that we have all been glued to the television
13 over the tragedy in Sutherland Springs, Texas. Reports on
14 the shooter indicate that he had committed domestic violence
15 while he was in the Air Force, that he had fractured his
16 stepson's skull and brutally choked and beat his wife at the
17 time.

18 It has also been reported that the Air Force
19 acknowledged that it failed to report this domestic violence
20 incident to National Instant Criminal Background Check
21 System. In fact, data from December 2016 shows that the
22 entire Department of Defense has just a single misdemeanor
23 conviction on file with NICS.

24 Furthermore, despite being convicted of violent
25 assault, Mr. Kelley's discharge was categorized as bad

1 conduct rather than dishonorable.

2 So I believe we need a zero tolerance policy for
3 domestic violence in our armed services, just as we have
4 said for many years we have a zero policy on sexual assault
5 in our military.

6 So do you believe, Dr. Winslow, that a man who was
7 convicted for the type of domestic violence that has been
8 reported about Mr. Kelley, including choking his wife and
9 cracking the skull of a child, should receive a dishonorable
10 discharge under the United States Code of Military Justice?

11 Dr. Winslow: Senator Shaheen, first of all, I just
12 learned about this yesterday when I got off the plane from
13 London where my wife and I are teaching at Oxford this fall.
14 It is horrible. As a doctor who cares for not only men but
15 also women and children, I find that this is just terribly
16 sad. And also as a parent and grandparent, this is just
17 horrible.

18 I would also, though, just like to approach this from
19 two standpoints. Number one, we know in medicine that
20 mistakes happen, and what we try to do when mistakes happen
21 is you try to build systems in. So I look at some of this,
22 this lack of reporting, as a single point failure.
23 Generally, and again, I am sure Mr. Behler would agree, when
24 you are designing weapons systems and things, the last thing
25 you want is to engineer it so a single point of failure

1 results in such a tragic outcome.

2 So I am not making excuses for the Air Force. I do not
3 know why they did not report it. But again, single point
4 failure is a systems issue.

5 But I also would like to, and I may get in trouble with
6 other members of the committee, just say how insane it is
7 that, in the United States of America, a civilian can go out
8 and buy a semi-automatic assault rifle like an AR-15, which
9 apparently was the weapon that was used. I think that is an
10 issue not as much for this committee, but elsewhere. So,
11 again, obviously --

12 Chairman McCain: [Presiding.] Dr. Winslow, I do not
13 think that is your area of responsibility or expertise.

14 Dr. Winslow: Okay.

15 Senator Shaheen: Just to be clear, Dr. Winslow, my
16 question is not about the single point of failure, though I
17 really think we need to take a look at that. It is about
18 the concern that the Department of Defense is not looking at
19 domestic violence as a crime in the way that we should be.
20 And that we would allow somebody who has been convicted who
21 spent a year in prison because of domestic violence gets
22 discharged under bad conduct as opposed to dishonorable is
23 the problem that I am trying to point out.

24 I think our Department of Defense and our military
25 should recognize this as a crime the way the civilian system

1 has recognized this as a crime and should dishonorably
2 discharge anybody who has been convicted of domestic
3 violence within the military, and there should be a no-
4 tolerance policy for this.

5 I asked you that question, Dr. Winslow, because, in the
6 civilian system, often the medical system is part of helping
7 to address issues around domestic violence and raising
8 those. And I would hope that you would take that on as part
9 of your charge in the military, if you are confirmed,
10 because this is totally intolerable, that we should allow
11 this to go on and not dishonorably discharge people who do
12 these kinds of crimes.

13 Thank you, Mr. Chairman.

14 Dr. Winslow: Senator, just to respond, I agree with
15 you completely. But again, just understand, though, as sort
16 of the director of the Military Health System that the type
17 of discharge that a military member would receive is more in
18 the area of the JAG Corps, the Judge Advocate General's
19 Corps.

20 But, again, I agree with you completely just as a
21 private citizen.

22 Senator Shaheen: No, I understand that. But I hope
23 that you will be willing to raise it up the chain of command
24 within the military. And I would hope that each of you
25 would do that, because this is unacceptable that we should

1 allow domestic violence to continue and not recognize that
2 it is a dishonorable act and people should be treated that
3 way when they are discharged from the service.

4 Dr. Winslow: You have my commitment, ma'am.

5 Senator McCain: Senator Ernst?

6 Senator Ernst: Thank you, Mr. Chair.

7 Gentlemen, thank you for joining us today. I
8 appreciate you being willing to step up and take on these
9 duties.

10 Mr. Modly, I would like to start with you, sir. As I
11 am sure you know, our aircrew continue to experience
12 physiological episodes in high-performance aircraft, so the
13 F-22, T-45, F-18, and now even in the F-35. Yet we still
14 have not found a fix for this issue.

15 A few months ago, the Air Force announced that it was
16 testing sensors for the F-35 Alpha that actually monitor the
17 pilots' inhale and exhale gases. And, automatically, it
18 will activate an emergency oxygen system, if there is a
19 problem.

20 This is something that I have recommended both to the
21 Air Force and to the Navy. So I am pleased to see that they
22 are finally taking action on that.

23 If confirmed, do you commit to finding solutions to
24 this problem? And how would you ensure these solutions are
25 shared across aircraft and service branches, so we do not

1 see those same repeats of mistakes that will undermine our
2 warfighting readiness?

3 Mr. Modly: Senator, thanks for that question. It is a
4 very personal question for me. I have a son who is an F-16
5 pilot, or training to be one. And when I learned about
6 these issues in the Navy, I immediately thought, what is
7 happening in the Air Force? Because whatever is happening
8 in the Navy, we need to be able to share information across
9 the services because these aircraft are basically subjected
10 to the same conditions and the same flight parameters.

11 As a former pilot myself, I understand. My
12 understanding is this is something that has just happened.
13 They have been using this oxygen generation system for years
14 and years, and it is a problem that has just come on the
15 scene now.

16 This would be, if confirmed, one of my highest
17 priorities, because we cannot be putting our pilots into
18 situations where they are not safe. And if we do not know
19 why it is not safe, then we should not be putting them in
20 those conditions.

21 Senator Ernst: Absolutely. Thank you so much for that
22 commitment. I do appreciate it.

23 Dr. Winslow, as the ETC, Emerging Threats and
24 Capabilities chair, one of the areas of concern for me for
25 our special operators, in particular, is brain trauma that

1 can only be evaluated and diagnosed postmortem, which is not
2 good for operators.

3 I recently visited Navy SEALs who are now baselining
4 their brain conditions prior to combat operations to better
5 diagnose those unseen injuries throughout that member's
6 lifecycle. The goal is to be sure that we are offering
7 these members, their families, the benefits that they have
8 earned and deserve, and the treatment they deserve. With
9 modern technology, we can do this.

10 So do you agree? And will you work with me to ensure
11 that we standardize this process of baselining activities
12 across the services, and enact policies and practices to be
13 sure we appropriately monitor traumatic brain injury?

14 Dr. Winslow: Yes, Senator. You have my firm
15 commitment to do that.

16 Senator Ernst: Okay. I appreciate it.

17 And in that same vein, I recently learned that the SEAL
18 teams are now incorporating on-staff psychologists as part
19 of their routine physical and mental health resiliency
20 efforts. Will you work with me to expand this type of
21 program across SOCOM so our Rangers, Delta Force, and other
22 special operators can benefit from that treatment as well?

23 Dr. Winslow: I will.

24 Senator Ernst: And I think it is very important that
25 we share that information. I thought this was really

1 wonderful to see, because we are so concerned about not only
2 veterans suicide but suicide of members that are currently
3 serving. We know our special operators undergo some
4 significant trauma as they are out doing their day-to-day
5 activities.

6 Mr. Geurts, you completely understand this as well. So
7 I do appreciate that.

8 Mr. Modly, we will go back to you. While you and
9 Secretary Spencer both served in the military, the majority
10 of your careers, however, have been spent in the private
11 sector. How does that enable you to complement one another?
12 And how do you bridge the gap with uniformed Navy and Marine
13 leaders who have spent their entire careers focused on
14 military operations?

15 Mr. Modly: Senator, I have spent a significant amount
16 of my career in the private sector, but I have also spent a
17 significant amount of my career in the military and in
18 government. In the time I have spent in the last 10 years
19 in the private sector has been doing work in the global
20 defense space, so I have taken teams to Iraq and Afghanistan
21 to work on economic development missions there, became very
22 close with the troops there and understood what they are
23 dealing with, what their families are dealing with.

24 So my career is not something I would consider to be
25 purely private sector. I have tried to take the lessons I

1 have learned in the private sector, lessons that I talked
2 about in my statement about agility and accountability, and
3 basic organizational concepts that I think can apply to a
4 military or defense organization, and have tried to do that
5 throughout the course of my career.

6 And Secretary Spencer has tremendous experience on the
7 financial side of business, but our roots are both in naval
8 aviation. He was a Marine Corps pilot, and I was a Navy
9 helicopter pilot. So I think we understand, maybe more so
10 than some others who spent their entire time in the private
11 sector.

12 Senator Ernst: And I appreciate that very much.

13 Thank you, gentlemen. And thanks to your families as
14 well for joining you today. Thank you.

15 Chairman McCain: Senator Kaine?

16 Senator Kaine: Thank you, Mr. Chair. And thanks to
17 the witnesses. Congratulations on your nominations.

18 Just one quick comment. It is not necessarily in the
19 purview, but just to follow up for Senator Shaheen, because
20 of the Texas incident, I think we do need to understand what
21 the DOD policy is about data going into the NICS system.

22 I was Governor in Virginia when the horrible shooting
23 happened at Virginia Tech, and it turned out there was a
24 glitch in what was happening with introduction of data into
25 the NICS system. You are supposed to be introduced into the

1 NICS system, in this case, if you have been adjudicated
2 mentally ill and dangerous.

3 Virginia, actually, led the Nation in putting that data
4 into the system, but judges were mistakenly not entering the
5 data if somebody was adjudicated mentally ill and dangerous
6 and they were not ordered to inpatient care. If they were
7 adjudicated but given outpatient care, the data was not
8 going into the system. I was able to fix that by executive
9 order.

10 So you can have a great system and have a small glitch,
11 or you can have a bad system and not be introducing data at
12 all. We need to understand which that is and what the DOD
13 is going to do to make sure that material is entered.

14 Mr. Modly, I want to follow up on Senator Ernst's
15 question to you. You have a good background because you
16 have been in the military, you have been in the government
17 in a civilian role, but also, I think your work with the
18 Pricewaterhouse is good.

19 I feel the same way as my colleagues who asked you
20 about this audit question. I think 2017, Senator King and I
21 were talking, that was the year that the audits, we were
22 supposed to have full audits done, and we are not there yet.
23 And the public needs them, and this committee needs them.

24 Talk a little bit about how your work in the private
25 sector at Pricewaterhouse will help you approach the audit

1 task on the Navy side, but also share whether there is any
2 likely conflict because of your work. There are only four
3 big accounting firms that do this work now. Is there any
4 likely conflict there? And how will you deal with that?

5 Mr. Modly: Senator, thanks for the question. With
6 respect to conflicts, let me address that first. If
7 confirmed, I will rely on ODC in the department to ensure
8 that there are no conflicts of interest for me. The audit
9 award for the Navy has been given to Ernst & Young, so they
10 will be the auditors. I do not have relationships with
11 them. I have never worked for them before. That audit is
12 going to proceed in fiscal year 2018, and they have already
13 started to do a substantial amount of work to get ready for
14 that audit.

15 I think the audit is important. What is more important
16 is what you learn from the audit. So I can tell you
17 unequivocally, having not seen a single financial statement
18 in the Navy in great detail, that they are not going to pass
19 this audit.

20 Senator Kaine: Right.

21 Mr. Modly: However, there are lots of very important
22 things that they can learn from this audit, and they just
23 need to get on with it. If confirmed, I will be watching
24 this very, very carefully to understand that we are learning
25 the right lessons and that we are focusing on the right

1 things to fix, because there are really three things that
2 can come out of the audit that I think are very important.

3 The first is that, going back to Senator McCain's
4 point, you have to have some confidence between the
5 organization that is spending money and the organization
6 that is giving you money. Right now, there isn't that. It
7 is deteriorated because we cannot show where the money is
8 going effectively.

9 The second thing is that, as you go through the process
10 of preparing yourself to be able to have an audit, or you
11 find deficiencies that you have in the audit, you become
12 better as a business operation. As you start addressing
13 those things, you become better as a business operation and
14 your processes get better and the culture changes because
15 people are more conscious of what they are doing with the
16 money, because it becomes part of their job.

17 The last part of it is, once you get into that point
18 where you feel comfortable with the numbers, you can start
19 using those numbers to make better management decisions,
20 because those numbers have fidelity. Everyone agrees on
21 them, and you can start understanding truly what your costs
22 are.

23 So for me, this is an effort that has to continue for
24 years and years and years. I do not want to throw cold
25 water on anyone's expectations that there is going to be a

1 clean audit or unqualified audit --

2 Senator Kaine: Yes, I think if there was, we would not
3 believe it. The first audit is not going to be as good as
4 the second audit either. Don't let the perfect be the enemy
5 of the good. I think the key is to start at this process,
6 and then not only help the Navy be better but help the audit
7 process be better in future years, and I have confidence in
8 your ability to do that.

9 To both you, Mr. Modly and Mr. Geurts, one of the
10 issues that comes up sometimes when we talk about
11 acquisition issues is to try to do it in the most fiscally
12 responsive way. On the carrier program, Senator McCain has
13 talked about cost overruns on the Ford class. The current
14 Secretary has spoken highly of the idea of block buying,
15 using the block-buy concept to meet the statutory
16 requirement, but do it in a way that will bring costs down.
17 Obviously, you only do it if it really brings costs down.
18 You do not do it if it does not.

19 But are you familiar with the Secretary's comments on
20 that and open to trying to pursue that if, in fact, it is a
21 cost-effective way to purchase these platforms?

22 Mr. Modly: Senator, I am very much in favor of that if
23 it is less expensive to do it that way. And it has to be
24 significantly less expensive to do it that way. So if it is
25 just a marginal increase, I am not sure that the benefit is

1 there.

2 So I think this is where we have to work with our
3 industry partners and really get them to understand that we
4 are doing this. It is good for them. It makes their jobs
5 easier. But there has to be a benefit for the department to
6 do it that way.

7 Senator Kaine: Mr. Geurts?

8 Mr. Geurts: Yes, Senator, I agree with Mr. Modly.
9 There certainly can be instances where there is great
10 benefit, especially when you have a lot of capital invested
11 and you have to create infrastructure.

12 As I understand it, the Navy has three big multiyears
13 coming up or being proposed for 2018. So I think, if
14 confirmed, one of the things I am going to look at is, one,
15 how do we have those multiyears structured? And, two, does
16 it give us flexibility as we want to accelerate our
17 production to 355 or greater ships? Do we have the
18 flexibility in there to add in ships to take advantage of
19 that multiyear? And then finally, do we have mechanisms so
20 that if there is common equipment between different
21 multiyear buys, you can almost get a double effect because
22 then you can buy common equipment across those multiyears
23 and get an even quantity discount?

24 Senator Kaine: Thank you very much.

25 Thanks, Mr. Chair.

1 Chairman McCain: Senator Cotton?

2 Senator Cotton: Thank you, gentlemen, for appearing
3 today and for all of you being willing once again to serve
4 our country.

5 Dr. Winslow, I want to return to a topic that was
6 touched on briefly earlier, Section 702 of last year's
7 National Defense Authorization Act, which transfers the
8 direct oversight control and management of our military
9 treatment facilities and services to the Defense Health
10 Agency. This committee has heard from the department that
11 the department plans to implement a so-called component
12 model to administer and manage those facilities by
13 establishing intermediate medical commands that would be
14 subject to two lines of authority, the Defense Health Agency
15 and the services.

16 I am not sure, did we get a direct answer from you on
17 whether or not you think that that approach to the
18 requirements of Section 702 meets the committee's intent?

19 Dr. Winslow: I support that. Again --

20 Senator Cotton: You support not just 702 and the
21 committee's intent but the component model the department
22 proposes?

23 Dr. Winslow: Yes. I support that as well.

24 Senator Cotton: Okay. How substantial are the
25 differences across the services between the kinds of medical

1 treatment that our soldiers, sailors, airmen, and marines
2 need? Obviously, you face somewhat different medical
3 challenges from, say, flying an advanced aircraft, as
4 Senator Ernst has highlighted for us, to being an Army
5 infantryman on the ground. Just how substantial are those
6 differences across services?

7 Dr. Winslow: Senator Cotton, I will be really honest,
8 this is something that I am going to have to get up to speed
9 on a little bit more. My main knowledge is 35 years as an
10 Air Force and Air National Guard officer, so a little bit
11 more knowledge of the folks that wear the blue suits, though
12 I have worked extensively, particularly deployed with the
13 U.S. Army.

14 Again, my concern is just, as I mentioned in my
15 introductory remarks, that highly functioning health care
16 systems, as a general rule, have reduced variation. Some of
17 this comes from the Toyota lean sort of philosophy.

18 So my job will be really to implement this plan and to
19 try to reduce variation across the services. And let's do
20 evidence-based, cost-effective medicine and remember our
21 mission that we have.

22 Senator Cotton: I would tend to agree with that. I do
23 think there obviously has to be some allowances for the
24 different tasks that our soldier, sailors, airmen, and
25 marines take on, but I think the reduction in variation

1 obviously does tend to control costs. I would assume that
2 spouses, the husbands and wives of our servicemembers and
3 their children, would face less variation across the
4 services?

5 Dr. Winslow: Absolutely. Again, I feel also very
6 strongly that the better care that we give our dependents
7 and small number of retirees -- I am not talking about
8 veterans -- but, again, that that actually increases your
9 readiness as a medical force to care for the warfighters.
10 So they are not mutually exclusive; they are complementary.

11 So we will do a much better job across the full
12 spectrum of, say, those six components that I pointed out of
13 our mission as the MHS.

14 Senator Cotton: Thank you. Obviously, there is no
15 direct civilian analog for our military, but can you say, on
16 balance, whether the same population of civilians, people
17 who tend to be teenagers, 20s, early 30s, in the military
18 versus civilians on balance are in better shape, better
19 health in the military versus civilian life?

20 Dr. Winslow: There is no question about that, sir.
21 One of the things -- again, I am digressing a little bit --
22 that concerns me, and it has been pointed out in other
23 testimony before this committee, is that 25 percent, 30
24 percent, maybe, of our high school students and even people
25 in their early 20s meet physical qualifications for military

1 service. I think that is a bigger issue.

2 But our military is very fit. But we can do better.
3 Again, medical readiness is a very important issue, and that
4 is also a very high priority of Secretary Mattis.

5 Senator Cotton: Yes. I agree. I think it helps that
6 you have NCOs and junior officers that can tell soldiers,
7 sailors, airmen, and marines to go in for their checkups or
8 else. I noticed that teenagers and 20-somethings do not
9 always act maybe in their best interests in these matters,
10 but that leadership down to the team level does make a
11 difference.

12 What I am driving at on all these questions is that I
13 think this year's budget request was almost 9 percent for
14 health and medical services coming from the administration.
15 Obviously, that is a no-defect mission. If we do not
16 provide for servicemembers and their families, they will not
17 be ready to go fight our wars.

18 But given the general cost curves in health care in our
19 society, if we do not stay on top of it, it is going to
20 increase in the future. I think the more money that we end
21 up spending on health care and our services above what is
22 required to through lean operations, reducing variation,
23 consolidating headquarters functions will be taking away
24 from money that those very same soldiers, sailors, airmen,
25 and marines need, in the terms of more training, better

1 equipment, more lethal weapons.

2 I appreciate your willingness to take on the tough
3 task.

4 Once again, gentlemen, I appreciate everyone's
5 willingness to serve our country again.

6 My time has expired.

7 Chairman McCain: Senator King?

8 Senator King: Thank you, Mr. Chairman.

9 Mr. Modly, I was really touched by your opening
10 statement. It was a story of America, your dad coming here
11 as a refugee from Hungary, your ending up at the Naval
12 Academy, and your sitting here today.

13 But I could not help but note the irony of the fact
14 that we are now talking about cutting refugees in half. We
15 are talking about point systems for people getting into the
16 country. I know that my great-great-grandfather who came
17 here, I am told by family legend, was a 16-year-old runaway
18 from London. He would have gotten no points except for
19 perhaps his proficiency in English under some kind of point-
20 based immigration system.

21 I do not expect you to respond to this, but it troubles
22 me greatly that we are talking about cutting off the flow
23 that leads us to have people like yourself willing to serve
24 our country as you have throughout your career and as you
25 are proposing to do before this committee.

1 Mr. Geurts, in the National Defense Act, which just
2 passed, in the committee report, there is discussion about
3 the buildup of the Navy and the importance of the industrial
4 base and the importance of surface combatants in that
5 industrial base. The concern that I want to raise with you
6 is that there is also in the bill an authorization for a
7 multiyear acquisition of DDG destroyers for a Flight III,
8 which is yet to be built, and there is a lot of new
9 technology in it.

10 All I want from you today is a commitment to talk to
11 the representatives of the two shipyards to understand their
12 concerns about the readiness of that design for a multiyear
13 commitment. Will you give me that commitment today?

14 Mr. Geurts: Yes, Senator, I will.

15 Senator King: I appreciate that.

16 Mr. Geurts, on the acquisition side, some of the
17 testimony we had about a year ago in this committee that I
18 found very disturbing was that, essentially, smaller
19 companies in Silicon Valley will not even join the system.
20 They will not propose. They will not respond to RFPs,
21 because it is too slow, too cumbersome, too burdensome.

22 I wonder if you have thoughts about remedying that,
23 because if we are missing the innovation and thinking of
24 smaller startup companies, we are going to lose our
25 qualitative edge.

1 Mr. Geurts: Yes, Senator. My experience, specifically
2 the last 10 years, is that small business really brings
3 agility and innovation. At Special Ops last year, almost 32
4 percent of our direct contracts went direct to smalls. And
5 so for that mission set, we found small business to be
6 agile. They had new ideas. They had new ways --

7 Senator King: How do we break down the barriers? We
8 had testimony. I think the fellow was sitting right where
9 you are sitting. He said we do not even want to play.

10 Mr. Geurts: Yes, sir. I think, if I am confirmed, I
11 will take the same mindset I did at Special Operations
12 Command, break down the barriers, break down those
13 disincentives. The committee has put forth a number of
14 really powerful authorities in the last 2 years that allow
15 us to go to nontraditionals without all the trappings of
16 these large companies.

17 So I think, especially in the prototyping,
18 experimenting, getting products quickly phase, that is
19 really where small business brings a dynamic and agile
20 element to the force. So if confirmed, that is certainly
21 going to be a focus area of mine, of how we bring that
22 agility.

23 Senator King: And I think do not ignore off-the-shelf.
24 You talked about unconventional. I am starting to think, in
25 the Pentagon, unconventional is something you can go and buy

1 that has already been developed and perfected. So I hope
2 that is part of your thinking as well.

3 Mr. Geurts: Absolutely, Senator. When the CNO talks
4 about improving both the capacity and the capability, I
5 think one element that would allow you to rapidly put new
6 capability into the Navy and Marine Corps are some of these
7 off-the-shelf technologies, some of these things we can
8 quickly add to existing platforms that allow them to do new
9 missions or missions better.

10 Senator King: But part of your job is going to be to
11 push back against the officers who say, oh, no, we need a
12 custom system just for our little particular need.

13 Mr. Geurts: Absolutely, sir. I had that challenge at
14 Special Operations Command. And when they see the
15 capability and have confidence in the acquisition system,
16 that it can deliver it, then you see really that
17 acceleration of capability into the fleet.

18 Senator King: And timeliness, as you point out, is a
19 huge part of the issue.

20 Mr. Geurts: Yes, sir.

21 Senator King: Twenty years to develop a new aircraft,
22 or whatever it is, is just not acceptable.

23 Mr. Geurts: Senator McCain referenced the RAND study.
24 I have had access to that in my current position. That
25 sense of the threat, and how serious that threat is, is

1 driving everything I am thinking about, my whole approach.
2 So anything that allows us to rapidly and cost-effectively
3 get capability in the fleet now is of primary interest to
4 me.

5 Senator King: Thank you.

6 Mr. Behler, I am out of time, but I just want to point
7 out the importance of independence in your position. You
8 have to be willing to be the unpopular guy at the table with
9 your colleagues, and you cannot fall in love with the
10 project yourself. You have to give them and us the
11 unvarnished truth in terms of effectiveness and testing and
12 results.

13 Mr. Behler: I will do that.

14 Senator King: Thank you.

15 Thank you, Mr. Chairman.

16 Chairman McCain: Mr. Geurts, I suggest you go out to
17 Silicon Valley. I suggest you go out there and sit down and
18 meet with those people. They have answers, and they have
19 equipment, and they can sell it to you off-the-shelf.

20 And the CIA's relationship with Silicon Valley has been
21 excellent. DOD's relationship with Silicon Valley has been--
22 - it will be another one of these disgraceful chapters that
23 will be written about. That is where the innovators are,
24 sir. And they are the ones saying, look, we can make this
25 for you, and we have it on the shelf. You can go to

1 RadioShack and get some of this stuff. Instead, we spend
2 billions and waste it.

3 So one of the many disappointments that Senator Reed
4 and I have is the failure of the relationship between DOD
5 and Silicon Valley, and, frankly, the success story of the
6 CIA and Silicon Valley. Look at what they are doing.
7 Imitation is the highest form of flattery.

8 Mr. Geurts: Yes, Senator. You have my commitment
9 that, if confirmed, I will engage with them early and often.

10 Chairman McCain: And I can tell you that they are not
11 really eager to do business with DOD because of the problems
12 that they have had. So you ought to look at the whole
13 process that they are going through.

14 Senator Hirono?

15 Senator Hirono: Thank you, Mr. Chairman.

16 Dr. Winslow, I note that in your testimony you said
17 that one of the first people that you will be meeting with
18 will be Secretary Shulkin of Veterans Affairs, because you
19 want to care for both the Active Duty and the retirees in a
20 seamless way. I encourage you to put a lot of focus into
21 that, because I recall Secretaries Shinseki and Gates saying
22 the same thing. And here we are, many years later, and
23 obviously, that kind of seamless care has not occurred yet.

24 So thank you for that. And I will be looking to you,
25 should you be confirmed, for that to happen.

1 I have a question for Mr. Behler. Military test ranges
2 in the United States are a precious resource. We have in
3 Hawaii the Pacific Missile Range Facility Barking Sands, or
4 PMRF. It is especially unique as it has features such as
5 undersea and missile testing areas, which would be very
6 difficult if not impossible to replicate. And operational
7 tests are often conducted at ranges like Barking Sands.

8 Can you share your thoughts very briefly on the vital
9 importance of these types of ranges? And, of course, if
10 confirmed, I would invite you to visit PMRF, so you can see
11 for yourself what happens there.

12 Mr. Behler: Thank you, Senator. I agree with you.
13 Test ranges are a national asset. For someone who flew in
14 test ranges, I know how important it is. I spent most of my
15 time out in California flying in a restricted 2508 area,
16 which was 200 miles by 200 miles, and most of it went to
17 infinity. That is where we were able to do all sorts of
18 testing right in the middle of China Lake, doing weapons
19 testing and so on.

20 Open air testing and underwater testing is really
21 important to make sure we understand what the weapons are
22 doing. So I will take you up, if confirmed, and visit your
23 site.

24 Senator Hirono: It is good to know that, in you, we
25 have someone who understands the importance of these kinds

1 of test facilities.

2 With regard to shipyard maintenance contracts, this is
3 a question for Mr. Modly, the Navy is currently undergoing a
4 process by which it plans to change the model of how it
5 contracts for the private sector for ship maintenance. I am
6 sure that there are cases where the new model may work. But
7 in my opinion, it is not a one-size-fits-all solution for
8 everyone.

9 As you know, we have a very different situation at
10 Pearl Harbor than we do at our other shipyards in terms of
11 private maintenance companies which are available, as well
12 as mobility and construct of the labor force. This is
13 something that I have expressed my concerns to the Navy
14 leadership about.

15 Mr. Modly, if confirmed, will you look at the
16 conditions at the shipyards and take a critical look at the
17 consequences of providing a blanket solution for very
18 diverse situations. Just because the Navy announced it was
19 going one way does not mean it has to follow through if the
20 outcomes could be detrimental to the conditions at a
21 particular shipyard, such as Pearl Harbor.

22 Mr. Modly: Yes, Senator. If confirmed, I will take a
23 look at that situation. I have not been briefed or have any
24 understanding of the level of those issues, but I will
25 definitely take a look.

1 Senator Hirono: The main thing is it is a recognition
2 that it is not one-size-fits-all at our shipyards.

3 Mr. Geurts, there have been some questions about your
4 ability to bring people together, Silicon Valley. I know
5 that you have been a driving force for innovative
6 acquisition strategies at SOCOM, so I know that you will
7 continue to provide those kinds of opportunities to bring
8 people together.

9 One last question, with regard to the cost overruns,
10 Mr. Modly, you testified that with regard to acquisition
11 cost overruns, if we can lock in the requirements early on,
12 especially in the most expensive of our programs, that would
13 help us with our cost overruns. And by locking in
14 requirements, are you mainly looking at design requirements
15 being locked in early so that we are not doing constant
16 change orders?

17 Mr. Modly: That is correct, Senator. That is what I
18 am referring to.

19 Senator Hirono: So, Mr. Geurts, would you agree that
20 locking in those kinds of requirements early on would be
21 critical to saving money?

22 Mr. Geurts: Absolutely, Senator.

23 Senator Hirono: So my time is running out, but, very
24 briefly, do either of you have any ideas on what changes we
25 could implement to lock in those requirements early on?

1 Because obviously, that is not happening right now.

2 Mr. Geurts: Ma'am, one of the, I think, strengths of
3 the Navy process, as well as the drive from this committee,
4 is bringing in the service chiefs early on into the process.
5 The Navy has a way that the service chief and I cochair
6 reviews of programs. If it is early in the program, the CNO
7 or the commandant has kind of the lead in that review to
8 make sure requirements are accurate to meet the warfighting
9 capability he or she is looking for. And then on the
10 backend, I will look at the acquisition programs. But they
11 are still involved.

12 So that constant linkup between requirements and
13 acquisition is absolutely critical to get a good program
14 outcome.

15 Senator Hirono: Mr. Modly, briefly?

16 Mr. Modly: Senator, I had experience in the department
17 10 years ago looking at business systems modernization. The
18 easiest stick you can use in the department is money. If
19 people want to invest in a program, they have to be able to
20 prove that the requirements are locked in, that it is
21 consistent with an architecture that makes sense for the
22 department, that there is interoperability. If not, they do
23 not get funding from us.

24 So it focuses people's attention pretty quickly. If
25 confirmed, I will make sure that I work with Mr. Geurts, if

1 he is confirmed, to ensure that this happens.

2 Senator Hirono: Thank you.

3 Chairman McCain: Senator Blumenthal?

4 Senator Blumenthal: Thank you, Mr. Chairman.

5 First, I want to join in the chairman's remarks, Dr.
6 Winslow, earlier, on the importance of providing choices.
7 The program is named of the Choice Program. For our
8 veterans who have to wait too long or travel too far, there
9 are measures in the law, and the kinds of medical service
10 ought not to be in question. And I am hoping that you will
11 make sure that this program is implemented.

12 I recognize that you are going to be in the Department
13 of Defense military medical program. But one of the issues
14 has been the exchange of information between the two
15 systems, our Active Duty military and then Veterans' medical
16 programs, the interoperability of the computer programs. So
17 I hope you will give the area priority.

18 I want to tell the whole panel, but particularly Mr.
19 Modly, that I am writing today to the Secretary of Defense,
20 General Mattis, to urge strongly that action be taken to
21 ensure that all convictions in courts-martial -- in other
22 words, every judgment of conviction for felonies and every
23 conviction for domestic abuse or violence be reported
24 properly to the Federal database.

25 That did not happen with regard to the shooter who is

1 responsible for this horrific tragedy in Texas. I know
2 there is an IG investigation underway within the Air Force,
3 but my question is whether the Department of Defense other
4 branches of our military services are following the law as
5 they should be. It is the law that those convictions be
6 reported. The 2007 law requires that every such conviction
7 be reported both in civilian criminal justice courts and
8 courts-martial.

9 And in this instance, there are 26 people who might
10 well be alive today, we will never know for sure. But if
11 the shooter had been barred from buying a gun from a
12 licensed dealer, he might not have received one. He might
13 well have bought one somewhere else. We will never know for
14 sure.

15 But I hope you will undertake, if and when you are
16 confirmed as the Under Secretary of the Navy, to ensure that
17 the Navy follows that procedure.

18 Mr. Modly: Senator, if confirmed, I will ensure that
19 that happens.

20 Senator Blumenthal: Thank you.

21 Dr. Winslow, I would like to ask you, in the time I
22 have left, and the chairman raised this issue as well,
23 suicide in the military is still a problem, probably
24 relating in many ways to post-traumatic stress, the
25 invisible wounds of war. Can you address in somewhat more

1 detail what can be done about both PTS and about the
2 continuing challenge of suicide in the military?

3 Dr. Winslow: Senator, first of all, if I am confirmed,
4 that will be a high priority of mine, first of all, to get
5 up to speed about what efforts are currently ongoing. I
6 know between the military health care system, DOD, and the
7 VA, there are programs in place. The adequacy of those I
8 will need to assess. There is also, though, a lot of
9 important research going on in DOD and the VA to look at
10 these issues.

11 Another area, though, that I am very interested in,
12 Senator, is how we prepare troops for the traumatic events
13 that they may witness in combat. I think that is another
14 area that I would particularly like to put some energy into,
15 if I am confirmed for this position.

16 Senator Blumenthal: How promising is the research that
17 you have seen?

18 Dr. Winslow: Sir, again, that is not my particular
19 area of expertise, but I think a lot of understanding has
20 occurred over the last 10 years. Understand, this is a
21 relatively new term that really only has been in use in
22 psychiatry for less than 30 years. It actually does apply
23 to the civilian world as well.

24 But I think that it is an all-out effort, and I am
25 going to get up to speed and make sure that, as rapidly as

1 possible, we apply those lessons learned to help our troops
2 and their families.

3 Senator Blumenthal: I hope, as well, that you will
4 take a part in the review of past discharges, some of them
5 less than honorable, which may have been related to PTS in a
6 time when, as you have absolutely correctly recognized,
7 there was no diagnosis or recognition of PTS. So people
8 were given less than honorable discharges, some of them
9 because they were suffering from conditions that were
10 undiagnosed at the time.

11 But my time has expired. And I thank the chairman.

12 Chairman McCain: Senator Warren?

13 Senator Warren: Thank you, Mr. Chairman. I also want
14 to thank our witnesses today and your families for your
15 willingness to serve.

16 General Behler, I would like to ask for your views on
17 how the Operational Test and Evaluation office incorporates
18 modern software development practices into its testing
19 schedule. You know, we often think of weapons like the F-35
20 Joint Strike Fighter or a Patriot missile as just a fighter
21 or just a missile when, in reality, they are complex
22 software systems.

23 Each individual F-35 has more than 8 million lines of
24 code in order to make that jet a flying sensor. Today,
25 commercial software is developed in interpretive sprints,

1 allowing it to be tested and adapted very quickly. But that
2 is not how we traditionally test in DOD procurement, and I
3 am concerned that we are incorporating testing far too late
4 in the development process.

5 So, General Behler, let me start, do you agree with
6 that assessment?

7 Mr. Behler: Thank you for that question, Senator. I
8 do agree with that.

9 Let me begin by saying that, today in a weapons system
10 development, I believe that software is the building
11 material of choice. We are building systems around software
12 and software around hardware. And as I look at our current
13 and projected weapons systems in the Department of Defense,
14 they are not enabled by software. They are defined by
15 software.

16 Senator Warren: Right. So how do we do the testing
17 better?

18 Mr. Behler: Your question is spot on because we are
19 kind of in a back-and-forth between, as mentioned, Silicon
20 Valley does this iterative incremental development process
21 called DevOps, or sometimes called agile acquisition, where
22 we have these big, monumental programs that have to have
23 software to even start the weapons system, for being
24 effective.

25 I will have to say right up front, if confirmed, that

1 is something I am going to have to figure out if we have the
2 right amount of people in DOT&E that understand the deep
3 domain experience and understanding of software to start off
4 with. Software is developing so fast, our ability to test
5 it is lagging. Our facilities to test it is lagging.

6 Senator Warren: So this is helpful. I am glad you are
7 focused in this direction. You will let us know if there
8 are things we can do to help.

9 I think the military of the future is going to be even
10 more dependent on software. And given the relative gains of
11 North Korea and China and Russia and Iran that they have
12 made in recent years in offensive cyber capabilities, it is
13 something we just absolutely have to get right.

14 So I want to ask one other question, and that is of
15 you, Mr. Geurts. You have been the acquisition executive
16 for Special Operations Command for a number of years, and I
17 appreciate how you have prioritized agility and innovation
18 in that role. But let's face it, Special Operations is near
19 the top in the flexibility that it is given when it comes to
20 acquisition, and you are about to move to a military
21 department that does not have that same flexibility. In the
22 case of the Navy, where multiyear programs are the norm and
23 a shipbuilding plan has a 30-year time horizon, acquisition
24 rules undoubtedly should be different.

25 So here is what I want to ask. How does your

1 experience at SOCOM inform your outlook as a service
2 acquisition executive? And what are some of the areas of
3 Navy acquisition that could benefit from more agility?

4 Mr. Geurts: Yes, Senator. That is an excellent
5 question. If you look at my career, it is an interesting
6 mix of big platform work in the Air Force as well as my
7 recent experience at SOCOM.

8 What is interesting at SOCOM is we have unique
9 authorities as a combatant command to do acquisition, but we
10 do not have unique authorities in how we do acquisition.
11 What is different there is it tends to be a sense of urgency
12 across the entire command because you are in a combatant
13 command. We tend to leverage lots of different tools. We
14 do not try to perfect one different tool. Then we have a
15 very close connection between the operator and the acquirer.

16 I think all three of those things are absolutely
17 scalable at the service level.

18 Senator Warren: Good. I am actually very glad to hear
19 that. That is a very encouraging response. We are, of
20 course, going to hold that to you.

21 Mr. Geurts: Yes, Senator.

22 Senator Warren: And we should.

23 I am also concerned that DOD is not prioritizing basic
24 research, particularly in areas like oceanography and
25 underwater acoustics. I am about out of time, so I will

1 take just an enthusiastic yes for an answer, and that is, if
2 confirmed, will you commit to making funding for basic
3 research a priority? And if you do have a word or two about
4 areas you want to prioritize, I think this is really
5 important.

6 Mr. Geurts: You have my enthusiastic yes.

7 Senator Warren: Good. And we can talk about areas.
8 Thank you.

9 Thank you, Mr. Chairman.

10 Chairman McCain: Senator Wicker?

11 Senator Wicker: Thank you, Mr. Chairman.

12 My question is for Mr. Modly, and it concerns the 355-
13 ship requirement. As I hope you know, Mr. Modly, this
14 committee has taken this requirement seriously, as has the
15 House Armed Services Committee. We have included language
16 in both authorization bills to facilitate this. I was
17 disappointed to hear the Acting Under Secretary of the Navy,
18 Mr. Thomas Dee, say recently that the Navy's 355-ship
19 requirement is probably out of reach until the 2050s.

20 I am, frankly, a little tired of hearing this sort of
21 thing from the Navy. We had a 307-ship requirement. We had
22 a 313-ship requirement. I would continue to ask about that,
23 members of this committee would continue to ask about that,
24 and we would get lip service but no action.

25 Now, as I understand it from hearings that we have had,

1 generals and admirals throughout the service have been asked
2 what the need is, and then we have trimmed it down to
3 accommodate the fiscal constraints that we have, and that
4 355 ships is our minimum needed to protect the United
5 States' interests.

6 I am glad to know that the Chief of Naval Operations
7 supports this requirement. I am heartened to know that the
8 Secretary of Navy disagrees with Mr. Dee. And I think a
9 355-ship fleet should be our goal for the next decade. And
10 I can tell you that members of this committee, the
11 leadership of this committee, are looking at ways to make
12 this a reality.

13 So do you take this 355-ship requirement seriously, Mr.
14 Modly?

15 Mr. Modly: Yes, Senator.

16 Senator Wicker: And are you committed to achieving
17 this 355-ship requirement?

18 Mr. Modly: Yes, Senator.

19 Senator Wicker: If confirmed, can I count on you to
20 support the requirement without hedging and equivocation?

21 Mr. Modly: Yes, Senator.

22 Senator Wicker: The John S. McCain and Fitzgerald
23 collisions reminded us that the Navy has a supply-and-demand
24 problem. There are not enough ships to meet growing mission
25 requirements.

1 We are going to try to do our part in Congress. We
2 need the top civilian and uniformed leadership in the Navy
3 to get behind its own requirements.

4 Mr. Modly, what are your thoughts about innovative ways
5 to accomplish this goal? Are there better ways to buy ships
6 faster? What other procurement methods have you given
7 thought to about attaining this 355-ship requirement?

8 Mr. Modly: Senator, I think we are going to have to be
9 creative, first of all, because shipbuilding capacity needs
10 to be invested in, in order to be able to meet this goal.

11 We have ships that we currently have in fairly decent
12 condition that have been mothballed that can be brought out
13 at a much lower cost than actually acquiring a new ship.

14 I am very much in favor of the frigate program where
15 they are going to be looking at existing designs rather than
16 starting from scratch. There are proven designs, ships that
17 are in the water that are performing missions around the
18 world that we can look at.

19 I think those are some of the ways that we can really
20 accelerate the path towards 355.

21 Senator Wicker: We can extend the lives of current
22 ships, can we not?

23 Mr. Modly: Yes, sir.

24 Senator Wicker: Yes. And, Mr. Geurts, you are nodding
25 your head.

1 Mr. Geurts: Yes, sir. I would agree with Mr. Modly.
2 I think you have to take a multiple approach year. Extend
3 the ships you have as long as you can, aggressively look to
4 increase ship production at the max rate that the industrial
5 supply can handle, and then work closely on those ships we
6 may have in Ready Reserve that we could activate rapidly to
7 get up on the step.

8 Senator Wicker: And to both of you gentlemen, isn't it
9 a fact that our current shipyards have capacity for
10 increased shipbuilding manufacturing currently? Isn't that
11 a fact?

12 Mr. Modly: It is my understanding, sir, that they have
13 the capacity. But to meet the goals to get to 355, they are
14 going to have to invest, too. But they are only going to
15 invest if they know there is a commitment from the Navy to
16 do this. It only makes sense for them from a business
17 perspective, and I support their perspective on that.

18 So we have to show resolve that this is what we are
19 going to do.

20 Senator Wicker: Thank you very much. And we want to
21 help you from this side of the table also to show resolve,
22 because our Nation needs it, and the people who stepped
23 forward and volunteered for hazardous service in support of
24 their country need it and deserve it.

25 Thank you very much.

1 Thank you, Mr. Chairman.

2 Chairman McCain: Well, I thank the Senator from
3 Mississippi.

4 Mr. Geurts, has anyone been fired from the cost
5 overruns associated with littoral combat ship USS Gerald R.
6 Ford? Any of these outrageous cost overruns, do you know of
7 anybody who has been fired?

8 Mr. Geurts: Sir, I do not know of anybody who has been
9 fired for those particular programs, but I --

10 Chairman McCain: Do you think anybody should be held
11 responsible for a Future Combat Systems that wastes billions
12 of dollars and has to be completely shelved?

13 Mr. Geurts: Yes, sir. I think we need to have
14 accountability for all of our acquisition programs.

15 Chairman McCain: Well, I just have to tell you the
16 frustrating aspect of this whole issue we are discussing is
17 that no one is being held responsible, which is the
18 military-industrial-congressional complex. It has to stop.

19 Senator Reed and I will be looking at legislation that
20 requires people to be held responsible. It is not
21 acceptable. When I go back to Arizona and say we wasted \$2
22 billion on an aircraft carrier that we are never going to
23 retrieve, and no one is being held responsible, my
24 constituents are not very satisfied.

25 We have to do things differently. We have a new

1 administration. We have a new team. Jack and I support
2 this team, but it cannot continue.

3 And, Dr. Winslow, you may want to clean up this
4 abortion issue, okay? Because as I read it, your answer
5 was, "speaks broadly to abortions performed for a
6 recognized, appropriate medical necessity." You better
7 clean it up, doctor, or you are going to have trouble
8 getting it through the Senate, okay?

9 Dr. Winslow: Yes, sir.

10 Chairman McCain: We intend to move your nominations
11 probably at the next meeting on Thursday. I thank the
12 witnesses for their willingness to serve.

13 This hearing is adjourned.

14 [Whereupon, at 12:02 p.m., the hearing was adjourned.]

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