

Stenographic Transcript
Before the

Subcommittee on Emerging Threats and Capabilities

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO CONSIDER THE NOMINATIONS OF: THOMAS
McCAFFERY, TO BE ASSISTANT SECRETARY OF DEFENSE
FOR HEALTH AFFAIRS; AND WILLIAM BOOKLESS, TO BE
PRINCIPAL DEPUTY ADMINISTRATOR, NATIONAL NUCLEAR
SECURITY ADMINISTRATION

Thursday, November 29, 2018

Washington, D.C.

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U.S. Senate

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Committee on Armed Services

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Washington, D.C.

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12 The committee met, pursuant to notice, at 9:30 a.m. in
13 Room SD-G50, Dirksen Senate Office Building, Hon. Roger F.
14 Wicker, presiding.

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Committee Members Present: Senators Wicker, Fischer,
Rounds, Ernst, Tillis, Sullivan, Perdue, Scott, Reed,
Nelson, Gillibrand, Blumenthal, Donnelly, Kaine, King,
Heinrich, Warren, and Peters.

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1 OPENING STATEMENT OF HON. ROGER F. WICKER, U.S.

2 SENATOR FROM MISSISSIPPI

3 Senator Wicker: This committee will come to order.

4 The committee meets today to review the nominations of
5 Thomas McCaffery to be Assistant Secretary of Defense for
6 Health Affairs and William Bookless to be Principal Deputy
7 Administrator of the National Nuclear Security
8 Administration.

9 In order to exercise its legislative and oversight
10 responsibilities, it is important that this committee and
11 other appropriate committees of the Congress receive
12 testimony, briefings, and other communications of
13 information. So I ask each of you to respond verbally to
14 the following questions.

15 Have you adhered to applicable laws and regulations
16 governing conflicts of interest?

17 Mr. McCaffery: Yes.

18 Dr. Bookless: Yes.

19 Senator Wicker: Do you agree, when asked, to give your
20 personal views, even if those views differ from the
21 administration in power?

22 Mr. McCaffery: Yes.

23 Dr. Bookless: Yes.

24 Senator Wicker: Have you assumed any duties or
25 undertaken any actions which would appear to presume the

1 outcome of the confirmation process?

2 Mr. McCaffery: No.

3 Dr. Bookless: No.

4 Senator Wicker: Will you ensure your staff complies
5 with deadlines established for requested communications,
6 including questions for the record in hearings?

7 Mr. McCaffery: Yes.

8 Dr. Bookless: Yes.

9 Senator Wicker: Will you cooperate in providing
10 witnesses and briefers in response to congressional
11 requests?

12 Mr. McCaffery: Yes.

13 Dr. Bookless: Yes.

14 Senator Wicker: Will those witnesses be protected from
15 reprisal for their testimony or briefings?

16 Mr. McCaffery: Yes.

17 Dr. Bookless: Yes.

18 Senator Wicker: Do you agree, if confirmed, to appear
19 and testify upon request before this committee?

20 Mr. McCaffery: Yes.

21 Dr. Bookless: Yes.

22 Senator Wicker: On a daily basis.

23 [Laughter.]

24 Senator Wicker: I am just kidding.

25 Do you agree to provide documents, including copies of

1 electronic forms of communication, in a timely manner when
2 requested by a duly constituted committee or to consult with
3 the committee regarding the basis for any good faith delay
4 or denial in providing such documents?

5 Mr. McCaffery: Yes.

6 Dr. Bookless: Yes.

7 Senator Wicker: Mr. McCaffery, you have been nominated
8 to be Assistant Secretary of Defense for Health Affairs at a
9 time when the military health system is undergoing the most
10 significant reform in decades. If confirmed, you will face
11 numerous complex challenges. You will oversee the
12 transition of military hospitals and clinics from the
13 services to the Defense Health Agency. You will be
14 responsible for right-sizing medical personnel and
15 infrastructure to focus on the operational medical force
16 readiness requirements of combatant commanders. Improving
17 quality, safety, and access to care in military hospitals
18 and clinics in the civilian provider networks will be an
19 important area of focus, as will improving the value of
20 health care services for all beneficiaries. You will be
21 responsible for all this while ensuring that warfighters get
22 the most advanced medical care on the battlefield. This is
23 no small task.

24 Dr. Bookless, if confirmed as the Principal Deputy
25 Administrator of the NNSA, your most important task will be

1 helping to implement the 2018 Nuclear Posture Review. That
2 review confirmed what we already knew: we have been
3 standing still while our adversaries, namely China and
4 Russia, have been enlarging and diversifying their nuclear
5 arsenals. If confirmed, you will work to modernize and
6 maintain our nuclear warheads. You will also be responsible
7 for coordinating with the DOD on nuclear programs,
8 refurbishing or replacing the NNSA's aging infrastructure,
9 and recruiting and retaining some of the most specialized
10 workers in the world.

11 I thank you both for your willingness to serve in these
12 important positions. And before hearing your testimony, I
13 am delighted to recognize the ranking member, Senator Reed.

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

3 Senator Reed: Well, thank you, Mr. Chairman. I would
4 like to join you in welcoming our nominees and salute them
5 for their willingness to serve the nation in the Department
6 of Defense.

7 I would also like to thank their families who are here
8 today who are a big part of their ability to serve the
9 nation. So thank you all.

10 Mr. McCaffery, as the nominee for Assistant Secretary
11 of Defense for Health Affairs, you will face many
12 challenges.

13 However, I would like to begin by commending the combat
14 casualty care provided by the military health system over
15 the last 17 years of war in Iraq and Afghanistan. Our
16 battlefield injury survival rates were significantly better
17 than survival rates in any of our other nation's earlier
18 conflicts, and it is a testimony to the men and women who
19 you will lead.

20 As we make changes to modernize the military health
21 program, we must ensure that we sustain and even improve
22 this level of excellence in combat casualty care. We owe it
23 to our soldiers, sailors, airmen, and marines who fight our
24 nation's wars.

25 In recent defense authorization acts, Congress directed

1 the establishment of a more effective and efficient military
2 health system to meet both warfighter and beneficiary needs.
3 If confirmed, you will oversee a very significant change in
4 the administration of the health care benefits in the
5 military. You will be responsible for providing and
6 maintaining readiness of health care providers during
7 military operations and for the health of service members,
8 their families, and other eligible beneficiaries.

9 You will also be responsible for ensuring the smooth
10 transition of military hospitals and medical clinics from
11 the military departments to the Defense Health Agency and
12 for assisting the military departments in improving the
13 readiness of military personnel and the readiness of the
14 medical force that provides health care.

15 These changes, when fully implemented, will enhance
16 operational force readiness and at the same time will
17 improve access to higher quality care and improve patient
18 satisfaction for all beneficiaries. And I believe you are
19 up to this challenge.

20 Dr. Bookless, with your doctorate in physics and a
21 distinguished career of more than 35 years that includes
22 serving as the Deputy Associate Director of Lawrence
23 Livermore National Laboratory's nuclear weapons program, you
24 are an extremely qualified nominee.

25 If confirmed to be the Deputy Administrator of the

1 National Nuclear Security Administration, you will assume
2 the number two role in overseeing our nuclear weapons
3 stockpile, which has endured the highest workload in 30
4 years. At the same time, you will have to synchronize the
5 NNSA's work to meet the requirements of the Department of
6 Defense. Perhaps of greatest importance, you will have to
7 recruit and train a new generation of scientists, engineers,
8 and plant workers. This will be perhaps your most lasting
9 legacy as the workforce of the NNSA at its laboratories and
10 production plants are just as important a part of our
11 deterrent as our stockpile and its delivery system.

12 I would like to hear your views on attracting and
13 training a future workforce, as well as meeting the
14 requirements of the Department of Defense as it
15 recapitalizes the triad.

16 In particular, I would like to hear your thoughts on
17 meeting the DOD's plutonium pit requirements, which must be
18 carried out at Los Alamos National Laboratory while a new
19 pit production plant is built in the mixed oxide fuel
20 building at the Savannah River site. Maintaining the
21 workforce of experienced people who can design and operate
22 these facilities is essential.

23 I again thank the nominees for their willingness to be
24 here today and to serve their country.

25 Thank you very much, Mr. Chairman.

1 Senator Wicker: Thank you, Senator Reed.

2 And I would note that Senator Inhofe, our chairman, had
3 hoped to be here today to preside, but he has a scheduling
4 conflict elsewhere this morning and asked me to preside in
5 his place.

6 At this point, Mr. McCaffery, the chair will recognize
7 you for your opening statement. And please feel free to
8 introduce whatever family members you might have here.

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1 STATEMENT OF THOMAS McCAFFERY, TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR HEALTH AFFAIRS

3 Mr. McCaffery: Thank you. Senator Wicker, Ranking
4 Member Reed, members of the committee, thank you for the
5 opportunity to discuss with you today the important work of
6 the military health system.

7 I am honored by the President's nomination to serve as
8 Assistant Secretary of Defense for Health Affairs and
9 grateful for your consideration.

10 I do like to recognize two people with me today: my
11 wife, Sydney Young, and my daughter Logan. I definitely
12 would not be here today without their love and their
13 support. My wife did not just support me. She encouraged
14 my return to public service, and that support came with many
15 sacrifices on her part, as did that of my daughter. Asking
16 a 12-year-old to leave the only home she has known for all
17 her life and move across the country, right when she is
18 beginning middle school, is no small thing to ask. And so,
19 again, I really appreciate their love and support.

20 If confirmed, it will be my privilege to lead the
21 military health system during a period of unprecedented
22 transformative change. With readiness of our service
23 members as our first priority, we are implementing an
24 historic transition in how we manage our military treatment
25 facilities. We continue to modernize the TRICARE health

1 benefit for service members, retirees, and their families.
2 We are deploying a truly modern electronic health record
3 that will allow us to provide integrated standardized care
4 wherever we are needed, from the battlefield to our most
5 advanced medical centers, and into the civilian community.
6 If confirmed, I promise to bring to bear all the experience
7 I have gained in decades of work in the civilian and
8 government health care sectors to ensure that each of these
9 changes makes a difference where it matters most, on the
10 battlefield and with our patients.

11 From military treatment facility transformation to MHS
12 GENESIS deployment to TRICARE, the support of Congress and
13 especially this committee has been essential to each of our
14 key initiatives. In particular, the work you have done to
15 advocate for, encourage and enable structural reforms of the
16 military health system, such as the provisions that the
17 National Defense Authorization Acts for fiscal year 2017 and
18 fiscal year 2019, have been very critical. On behalf of the
19 men and women of the military health system and our over 9
20 million beneficiaries, thank you for that support.

21 As I consider the responsibilities I will carry out, if
22 confirmed, I always keep in mind someone who is not here
23 today, my father. John McCaffery enlisted in the Navy in
24 the spring of 1944, 9 hours after his high school
25 graduation. Within months, he was aboard the destroyer USS

1 Willard Keith in the Pacific. And for the rest of his life,
2 he remained close to his fellow sailors and immensely proud
3 of his service. Across the nation, millions of service
4 members, past and present, and their families carry that
5 same pride. If confirmed, I will do my utmost to ensure
6 that my actions as the senior medical official at the
7 Department of Defense are worthy of their pride, their
8 service, and their sacrifice.

9 Thank you and I look forward to your questions.

10 [The prepared statement of Mr. McCaffery follows:]

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1 Senator Wicker: Thank you, Mr. McCaffery.

2 Dr. Bookless, you are recognized, and again please
3 introduce special family or friends that you might have
4 brought with you today.

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1 STATEMENT OF WILLIAM BOOKLESS, TO BE PRINCIPAL DEPUTY
2 ADMINISTRATOR, NATIONAL NUCLEAR SECURITY ADMINISTRATION

3 Dr. Bookless: Senator Wicker, Ranking Member Reed,
4 distinguished members of the committee, it is an incredible
5 privilege to be here before you today. I am honored and
6 grateful for this opportunity to serve my country.

7 I thank President Trump, Secretary Perry, and Under
8 Secretary Gordon-Hagerty for placing their confidence in me,
9 putting forward my nomination as Principal Deputy
10 Administrator for the National Nuclear Security
11 Administration.

12 Mr. Chairman, if you will allow me, I would first like
13 to introduce and thank my family who are here today and
14 those that were unable to attend but watching from afar. I
15 would like to introduce my brother John, my daughter
16 Alexandra, and her husband Michael, who are here with us.
17 Alexandra is my oldest child and her birth, 1 year after I
18 finished my Ph.D., reinforced my need to do everything I can
19 to ensure the safety and security of the nation and its
20 citizens. My daughter Stephanie is watching from Chicago
21 with her fiance Chris. The love and support of my family
22 has been a true source of strength to me throughout my
23 career.

24 Watching from California is my wife of nearly 44 years,
25 Stacy. Her unwavering support during my long hours of work

1 and extensive travel has allowed me to focus on the
2 important issues that our country faced and continues to
3 confront today. When this opportunity arose, she did not
4 hesitate to once again back my decision to return to the
5 service of our nation. Her unconditional love and support
6 have made it possible for me to be here with you today.

7 It has been a special privilege to work in the nuclear
8 security enterprise for over 35 years. If confirmed as
9 Principal Deputy Administrator, I will have the honor to
10 serve again with the highly talented and dedicated men and
11 women of the National Nuclear Security Administration. The
12 men and women of NNSA work every day to maintain the safety,
13 security, reliability, and effectiveness of the nation's
14 nuclear weapons stockpile, reduce the threat of nuclear
15 proliferation and nuclear terrorism worldwide, and provide
16 nuclear propulsion for the U.S. Navy's fleet of aircraft
17 carriers and submarines.

18 The work performed at NNSA is vital to our nation's
19 national security and international stability. Having an
20 effective, responsive, and resilient weapons infrastructure
21 is necessary for maintaining a credible deterrent, assuring
22 our allies and partners, and enabling the United States'
23 capacity to hedge against an uncertain future. One of my
24 priorities, if confirmed, will be to support Under Secretary
25 Gordon-Hagerty in her efforts to ensure the effective

1 execution of the diverse work that is ongoing across our
2 nuclear weapons complex, including recapitalization and
3 reconstitution of the enterprise's infrastructure. This
4 work enables the United States to respond to the evolving
5 international security environment, which is far more
6 complex than at any time since the end of the Cold War.

7 Recruiting, retaining, and growing the nuclear security
8 enterprise's outstanding workforce is another one of my
9 priorities, if confirmed. I think having the right people
10 with the right skills in the right places is essential to
11 accomplishing NNSA's missions. Having worked with a number
12 of NNSA's talented scientists, engineers, and safety experts
13 in the field of nuclear weapon design, testing,
14 environmental health and safety, and nuclear security policy
15 development, I can say that I have had the privilege of
16 witnessing this firsthand over the course of my career. I
17 look forward to having the opportunity to work with the
18 Under Secretary, the labs, the plants to identify innovative
19 ways to accomplish this priority.

20 Another priority I have, if confirmed, is to carry out
21 the vision expressed by Under Secretary Gordon-Hagerty to
22 ensure that the proper management and governance structures
23 are in place to accomplish NNSA's nuclear security missions.
24 Having clear accountability and strong program management
25 focused on mission deliverables is critical to both

1 maintaining and achieving a modern and appropriately
2 tailored nuclear deterrent.

3 As has been highlighted previously by members of this
4 committee, the foundation of our national security is at a
5 crossroads. If confirmed, I will work tirelessly to ensure
6 that NNSA is providing the tools to support our national
7 security needs. I look forward to working with each of you
8 in achieving this mission and protecting our great nation.

9 I thank you again for inviting me to appear before you
10 today and for your continued support of the National Nuclear
11 Security Administration's important missions. I am prepared
12 to answer any questions you have.

13 [The prepared statement of Dr. Bookless follows:]

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1 Senator Wicker: Thank you very much to both of our
2 witnesses.

3 And now we will begin a round of questioning with 5
4 minutes on the clock for each Senator.

5 Mr. McCaffery, the Defense Health Agency assumed
6 management and control of military hospitals and clinics on
7 October 1st when several facilities transitioned from the
8 services to the Defense Health Agency. What good things
9 have we seen during this transition, and what problems have
10 been encountered?

11 Mr. McCaffery: So with regard to -- as you mentioned,
12 on October 1st, eight large military treatment facilities
13 and their associated clinics transferred from the individual
14 services to the Defense Health Agency. And one of the
15 positive things that we have learned is our approach in
16 implementing this mandate from Congress is to do this over a
17 phased transition. And so we have been able to use thus far
18 what we are learning in those sites to work out kinks in
19 terms of communication between the Defense Health Agency and
20 the individual service-run treatment facilities, and that
21 will then form how we continue the implementation with the
22 next big heavy lift on October 1st of 2019.

23 One of the positives that we learned is that while this
24 is a significant what I would say enterprise management
25 change, to borrow a Navy phrase, on the deck plate, the

1 service has continued. The support of our readiness mission
2 has continued uninterrupted. Patient care has been
3 uninterrupted in terms of the staff and the patients. I
4 think this change has been seamless, and we want to go
5 forward with that.

6 In terms of the challenges, I would say I think there
7 was a little trepidation on the part of the upper
8 management, and we were talking about this very significant
9 and dramatic change in the system of were our folks ready.
10 And I have had the opportunity to meet with the commanding
11 officers and the staff at the MTFs, and they are mission-
12 driven. They get the job done, and this is something that
13 they are able to carry out very effectively.

14 Senator Wicker: Was their trepidation or resistance?

15 Mr. McCaffery: I would say trepidation. We are making
16 a change that is probably the most significant change in
17 over 30 to 40 years in the system. And that magnitude of
18 change I think makes people nervous. There is anxiety,
19 which I think is very natural. But at the end of the day,
20 when I visited the MTFs that I was able to engage with, the
21 folks onsite, the leadership, the staff were clearly ready
22 to do this. They recognize the opportunity and they get the
23 mission done.

24 Senator Wicker: Thank you very much.

25 Dr. Bookless, some of NNSA's labs and plants are facing

1 a wave of retirements of senior technical staff. At some
2 sites, up to half of current staff will be eligible to
3 retire in the next few years.

4 How big of a problem is this and what do you think we
5 should do to encourage young people with technical skills to
6 come work for the NNSA in its laboratories so that we can
7 stay competitive in this area?

8 Dr. Bookless: Senator, I think that the laboratories
9 and plants have experienced challenges over the years with
10 recruiting the next generation workforce. I believe that
11 they have been very successful to date in keeping their
12 workforce fully staffed. But the challenges are
13 particularly difficult today with the competition with the
14 technical community. The competition for technically
15 trained individuals is high in the country.

16 Senator Wicker: In the private sector.

17 Dr. Bookless: In the private sector, correct. Well,
18 and in other parts of the government as well.

19 And I think right now, if I understand it correctly,
20 NNSA has many partnerships with both colleges, universities,
21 and the private sector in trying to attract the next
22 generation workforce. I think that that is something that,
23 if confirmed, I would be personally involved with and work
24 very hard to expand our partnerships with colleges and
25 universities. I think once we get individuals into our

1 system and they see the nature and importance of the work,
2 it is a very strong attractant.

3 Senator Wicker: Thank you very much.

4 Senator Reed?

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

6 Dr. Bookless, this committee has spent countless hours
7 on the issue of plutonium pit production. It is a critical
8 issue. We have to have a number of pits by about 2029, 2030
9 in order to ensure that our nuclear response is responsive.
10 And it is a critical national issue.

11 And my brief tour at Los Alamos convinced me how
12 complicated, how difficult it is and the limited expertise
13 to do it.

14 Are you at all concerned that this expertise could be
15 dissipated if we dissipate the production facilities?

16 Dr. Bookless: I believe that the resiliency provided
17 by having a second pit production site will be a very
18 important part of our ability to be both agile and
19 responsive for the future of the stockpile. Los Alamos will
20 retain the responsibility for plutonium science. They will
21 also be responsible for training the staff that will be
22 working at the Savannah River site after the pit facility
23 there is operational. And so I believe that the expertise
24 will be concentrated at Los Alamos for the science and
25 technology development.

1 I believe also, though, that the challenge of being
2 able to build 80 pits per year by 2030 can only be
3 accomplished if we take the bimodal approach that we are
4 taking.

5 Senator Reed: But I assume from your response that the
6 critical issue is what is the most effective pathway to the
7 80 pits a year, and that will always be the criterion that
8 you are using.

9 Dr. Bookless: That, combined with the resiliency,
10 having a second pit production site, will afford the nation.
11 Following the 1989 closure of the Rocky Flats plant -- we
12 only had one place to build that critical component, and
13 when that site closed, that ability went dormant for 30
14 years.

15 Senator Reed: Thank you.

16 Let me ask Mr. McCaffery. We all understand in the
17 United States there is this incredible and destructive
18 opioid epidemic, and a lot of it goes back to prescriptions
19 and practices and policies about prescribing opioids.

20 Within your new responsibilities, are you looking
21 forward to introducing an appropriate plan to effectively
22 deter opioid abuse in military facilities and the follow-on
23 veteran community?

24 Mr. McCaffery: Yes. The opioid crisis is a terrible,
25 living, ongoing tragedy for our society. What I want to do,

1 if confirmed, is really keep my foot on the gas for some of
2 the things that the military health system has been putting
3 in place over the last several years.

4 First of all, we look at having a comprehensive pain
5 management strategy where we encourage other therapies,
6 complementary medicine interventions before we look at
7 prescribing opioids. So that is a very key thing. We
8 actually have a joint kind of practice guidelines with the
9 VA on this, and we train our providers on it. We also train
10 our providers with regard to prescriptions of opiates, and
11 by the end of this year, in essence, our prescription drug
12 data bank will be accessible by other State data banks so
13 that we can track the prescription patterns of our
14 providers.

15 So less than 1 percent of our active duty have an
16 opiate disorder, and so my desire is to keep accelerating in
17 these areas and then, frankly, to work with other agencies
18 in terms of sharing some of our best practices.

19 Senator Reed: My time is very limited, but let me ask
20 a related question, which is the non-deployable members of
21 the armed forces, which many are for medical reasons. Do
22 you have a strategy? You only have a few seconds. I
23 apologize. Do you have or are you thinking of a strategy to
24 try to lower that non-deployable number?

25 Mr. McCaffery: Two things very quickly.

1 One, if we can -- again, something we have started --
2 we need to accelerate embedding providers like mental health
3 providers, physical therapists actually in operational units
4 so that we are addressing the illness or the injury
5 immediately so it does not fester and therefore we can get
6 active duty back to duty quickly.

7 And then number two, the Secretary has actually already
8 directed us to accelerate the timeline -- or decelerate the
9 timeline it takes for a service member who has been
10 designated as medically non-deployable to get through our
11 disability evaluation system quickly for that determination
12 of they can be retained and returned or, if not, how would
13 they separate or move on to the VA.

14 Senator Reed: Thank you very much. Gentlemen, thank
15 you.

16 Thank you, Mr. Chairman.

17 Senator Wicker: Thank you, Senator Reed.

18 Senator Tillis?

19 Senator Tillis: Thank you.

20 Mr. McCaffery, I heard in your opening statement that
21 your wife encouraged you to get back in public service. My
22 wife of 32 years -- every time she does that to me I am
23 wondering if she is just trying to get me out of the house.

24 [Laughter.]

25 Senator Tillis: But welcome.

1 And, Dr. Bookless, thank you for bringing so many
2 people with facial hair with you to support you.

3 [Laughter.]

4 Senator Tillis: Mr. McCaffery, with the Health Defense
5 Agency and the phases that we will go through to kind of
6 consolidate -- it is a natural tendency. It is what is
7 happening in the private sector. What are we actually doing
8 or what can you tell us we are inheriting in terms of
9 people, technology, infrastructures that are either
10 compatible or are going to have to be harmonized over time?

11 I do not know much about the individual
12 infrastructures, but if you saw two hospital systems and
13 clinic networks come together, you could have -- I think we
14 have got the same electronic health record across the
15 agency. But what about all the underlying systems and
16 technology and processes? Over time, what kind of
17 efficiencies and what kind of increases in patient service,
18 customer service can we expect to see? Recommendations
19 coming from the agency.

20 Mr. McCaffery: Yes. If confirmed, what I want to do
21 is actually, again, keep the foot on the gas of what
22 Congress has directed in terms of this transformation and
23 transferring all of the military treatment facilities over
24 time to the Defense Health Agency. And doing just that,
25 coming from the private sector, I came in looking at what we

1 called a military health system. It is really a federation
2 of three separate systems. And consolidating it under one
3 entity that also is in charge of our managed care contracts
4 and our work with the private sector -- by consolidating
5 that, I think what we are going to do is we are going to see
6 a lot of efficiencies on things like acquisition,
7 contracting for services now under one central --

8 Senator Tillis: That is music to my ears because if a
9 couple of years from now, you are not coming back and either
10 seeking authority or acting on current authorities,
11 strategic sourcing, getting better leverage out of the
12 supplier community, that would be a disappointment because a
13 natural part of what you do once you see this occur in the
14 private sector.

15 So they do not all come under one management structure,
16 which incidentally, if you do that, you could have reverse
17 energy. So it could actually be more expensive than them
18 operating individually if you do not get it right. So we
19 will be interested in getting your recommendations and any
20 need for further authorities.

21 The other thing I would like for you to think about --
22 you do not necessarily have to comment on it now, but down
23 at Camp Lejeune, we have worked on making that a medical
24 center and now with trauma capabilities. And something that
25 we are piloting there that I think has the potential for

1 being scaled in other jurisdictions is a public-private
2 partnership where we have got Marine doctors working with
3 the health care provider down there in their trauma facility
4 getting experience. We hope to get to a point to where we
5 have actually got Marine medics and helicopter pilots flying
6 out into that Golden Hour for trauma to be able to get
7 people and the 120 days a year where you cannot fly in
8 eastern North Carolina due to weather if it is a commercial
9 asset. There are all these sorts of things that we can do
10 while we have the capacity. We know what we do to build
11 into the system in a time of war where that capacity has to
12 be shifted, but we have so many opportunities to train and
13 serve the community and build tighter relationships with the
14 community and make all of our medical personnel across all
15 the lines of service better prepared to help at a time of
16 war and look forward to getting your feedback on it.

17 In my limited time, so if you will just know that I
18 will be probably reaching out to you and getting any
19 feedback we need on additional things that we can do in my
20 capacity as the Personnel Subcommittee chair, if I am
21 privileged enough to have that role next year.

22 The last thing, Dr. Bookless, in the remaining time.
23 In the NDAAs -- I have only been here for 4 years, but in
24 each of the NDAAs we sometimes talk about what we need to do
25 with some of our obsolete assets, nuclear assets. And we,

1 more or less, get into this discussion about, well, to draw
2 down some of those assets is to suggest that we are
3 unilaterally disarming. But it seems to me one of the
4 things that we need from the agency is an articulation of
5 why taking some of the assets that we have off the table to
6 plow them back into modernization, addressing safety
7 concerns. Are those things that you are concerned with and
8 think are a priority of the agency?

9 Dr. Bookless: I expect that, if confirmed, I would be
10 working with the Department of Defense to understand which
11 assets, if you are talking about weapon systems --

12 Senator Tillis: Yes.

13 Dr. Bookless: -- which weapon systems would be
14 decommissioned, and we take our lead on that in the NNSA
15 from the Department of Defense and the Nuclear Weapons
16 Council.

17 Senator Tillis: I think it is just important to have
18 that business perspective on the best and highest use of
19 resources. Obviously, the Department has to play the
20 ultimate role, but we have to have a discussion around what
21 is the best and highest use of the limited resources that we
22 have here. And if some of that is having a discussion
23 around decommissioning that gets plowed back in to the
24 Department's priorities, I think that we have to have more
25 people looking at that and building a case for it, or

1 disagreeing with it if you do not think there is a case for
2 it.

3 Dr. Bookless: Well, I think in the budgeting, I would
4 expect to be working with the Administrator and the
5 Department of Defense closely on the total lifecycle cost of
6 systems and how we can deliver the nation's deterrent in a
7 most cost effective way. The deterrent includes the
8 infrastructure that we want to rebuild and the workforce
9 that we need. So it will be a balancing act between all of
10 those things.

11 Senator Tillis: Thank you, Mr. Chairman.

12 Senator Wicker: Thank you, Senator Tillis.

13 Senator Heinrich?

14 Senator Heinrich: Dr. Bookless, you mentioned the need
15 for resiliency in the nuclear weapons enterprise. Do we
16 need to duplicate the Pantex facility where we assemble the
17 weapons with high explosives?

18 Dr. Bookless: At this time, I do not think we need to
19 duplicate the Pantex facility.

20 Senator Heinrich: Do we need to duplicate Y12 where we
21 deal with highly enriched uranium since it is our only
22 facility that does that?

23 Dr. Bookless: To go back to the first point, we do
24 have a backup capability at the Nevada test site for
25 assembly in an emergency.

1 Senator Heinrich: Do we need to duplicate Y12?

2 Dr. Bookless: Right now, I think there are no plans.

3 It is my understanding that we have --

4 Senator Heinrich: How about the tritium facilities at
5 Savannah River since that is our primary tritium facility?

6 Dr. Bookless: We have no plans at this time, or the
7 NNSA has no plans at this time that I am aware of.

8 Senator Heinrich: So why do we need to duplicate the
9 pit production facility at the risk of doubling the price
10 and not meeting our life extension program timelines, but we
11 do not need to duplicate and create resiliency in the rest
12 of the program?

13 Dr. Bookless: I think that right now for pit
14 production, my understanding is we do not have the capacity.
15 So we are not duplicating at this stage. We are planning to
16 have two locations going forward. We have no locations at
17 the moment.

18 Senator Heinrich: If we split the expertise between
19 two locations, are you concerned that we could end up with
20 two locations, neither of which could produce the pits that
21 we need?

22 Dr. Bookless: The expertise will continue to reside at
23 the Los Alamos National Laboratory, and they will be
24 responsible for assuring that the staff --

25 Senator Heinrich: These are not widgets. It is not

1 easy to manufacture these things. It will be impossible to
2 stand up a second facility without an enormous amount of
3 time spent by the existing very small pool of experts to
4 make that possible when we also need to stand up the first
5 primary production facility. How are you going to balance
6 those, and are you concerned about letting the timeline slip
7 that we need to hit for our life extension programs?

8 Dr. Bookless: Well, if confirmed, I look forward to
9 going into this whole subject much deeper.

10 Senator Heinrich: I look forward to that too.

11 Mr. McCaffery, TRICARE West. It has been plagued by
12 issues since Health Net started its contract in January of
13 this year. Some progress has been made and some is rather
14 generous, but serious problems remain. Foremost among these
15 is maintaining an accurate directory with the correct names,
16 phone numbers, and addresses of providers -- now, that seems
17 pretty trivial but that is a huge problem right now -- so
18 that military treatment facilities can accurately refer
19 patients. Health Net is actually contractually obligated to
20 maintain 95 percent accuracy in its provider directory. At
21 the end of October, they are not even halfway there. They
22 are at 42 percent. 42 percent is actually up from 25
23 percent in May. But most of the improvements actually
24 result from removing inaccurate and duplicate listings, not
25 improving data.

1 So when asked for a plan for how they would achieve 95
2 percent accuracy, Health Net was completely unwilling to
3 provide one. After nearly a year into the contract, this
4 level of inaccuracy is not only unacceptable but is directly
5 impacting the speed and the quality of care for our military
6 families.

7 So in your current role, you have oversight on this
8 issue. What are you and what is the Defense Health Agency
9 doing right now to address these issues?

10 Mr. McCaffery: So as you pointed out, the start of our
11 TRICARE contracts, the new ones, in 2018 had many challenges
12 and particularly with Health Net you mentioned, the provider
13 directories, adequacy of the network, and some of the
14 customer service issues.

15 What we have been doing with the Defense Health Agency
16 is actually exercising some of the tools we have in our
17 contract. Number one, we have been instituting corrective
18 action plans by which Health Net needs to come back and
19 identify progress to us on a regular basis. Both myself and
20 the Director of the Defense Health Agency have directly
21 engaged the executive leadership of Health Net and Centene
22 Corporation, their parent. We have also utilized
23 contractual ability to financially penalize Health Net.

24 So we will continue to work these corrective action
25 plans and use all the tools we have in our contract to hold

1 them accountable.

2 Senator Heinrich: Has that corrective action plan been
3 adequate to get the kind of response that you want to see
4 from Health Net?

5 Mr. McCaffery: On the provider directory issue, I
6 would not say it is adequate. We are still working it.

7 Senator Heinrich: Thank you.

8 Senator Wicker: Thank you, Senator Heinrich.

9 Senator King?

10 Senator King: Thank you, Mr. Chairman.

11 Mr. McCaffery, as I have talked to veterans in Maine,
12 one of the biggest issues that keeps coming up is the
13 transition from active duty to the VA. Is there a seamless
14 transfer now of electronic medical records between the
15 Department of Defense and the VA?

16 Mr. McCaffery: So right now, we are in the process, as
17 you may know, of instituting an enterprise-wide electronic
18 health record that will be the same record with the VA.
19 Right now, both VA providers and AMHS providers can access
20 the same database for either active duty or veterans, but we
21 do not have a seamless EHR. That is what the Department,
22 working with Congress, decided to do a couple of years ago,
23 and we have just started that initial deployment in the
24 Pacific Northwest and that deployment will roll out across
25 the country over the next several years.

1 At that end state, Senator, that is indeed what we will
2 have. We will have not two records that talk to each other,
3 but we have one single record for both the VA and for the
4 DOD. And so that will follow a service member seamlessly
5 from the point of entry into the military all the way out to
6 their separation and their entry into the VA system.

7 Senator King: I think that is a crucial development,
8 and I hope that it will be a high priority for you. And in
9 terms of the timing, just remember Eisenhower retook Europe
10 in 11 months. Let us see if we can get it done a little
11 faster than 2 or 3 years because this is so important to our
12 veterans and to people that are making that transition.

13 Let me ask another question. You have about 10 million
14 people in your system, as I recall, 9.4, something like
15 that. That gives you a tremendous opportunity to talk about
16 the cost of health care, which is a problem nationwide. The
17 cost of health care is going to break us no matter who is
18 paying. So it seems to me you have a particular opportunity
19 with a closed population to deal with issues like prevention
20 and method of payment and accountable care and all of those
21 kinds of things that could if not bend, but seriously
22 diminish the cost curve on health care. Is that a priority
23 for you?

24 Mr. McCaffery: Senator, that is music to my ears.
25 That is indeed a priority. If you look at the 9-plus

1 million beneficiaries we have, we need to do more to
2 leverage that and working with managed care contractors and
3 their providers and not to do things that we are just paying
4 for services --

5 Senator King: Right. If you are just another part of
6 the American health care system, it is going to break us in
7 this committee. And it seems to me you have an opportunity
8 because of this unique circumstance of having a sort of
9 closed population to really do some bold and creative things
10 in terms of the costs.

11 Mr. McCaffery: Right. And if confirmed, my commitment
12 is for us to act more like a large employer who leverages
13 their --

14 Senator King: Exactly, exactly. You are a major buyer
15 of health care services, and therefore, you should be able
16 to drive reforms in everything from drugs to medical devices
17 to care. I see this as a terrific opportunity for the
18 country, and I hope you will pursue it aggressively.

19 Mr. McCaffery: I will. It is for us to pay for
20 outcomes rather than volume of services.

21 Senator King: Dr. Bookless, one of the things that
22 keeps me awake at night is proliferation. Do you see this
23 as a part of your responsibility to think about and deal
24 with the risk of nuclear proliferation, North Korea, Iran,
25 and other countries, Pakistan? And how do you approach that

1 problem?

2 Dr. Bookless: Yes. I believe that the support of the
3 nation's nuclear nonproliferation goals is a critical part
4 of the NNSA. And I believe that NNSA has exercised
5 leadership in some elements of that, including the uranium
6 work that was done to try to pin down uranium that was no
7 longer needed -- it became surplus -- also to reduce the
8 highly enriched uranium in reactors around the world and to
9 push nuclear reactors that are used for research to using
10 low enriched uranium. And I believe that the NNSA has a
11 continuing role to support all verification regimes.

12 Senator King: I hope you will make this a priority
13 because we have been able to maintain a kind of nuclear
14 equilibrium for 70 years because nation states have had
15 control of this technology. The nightmare scenario is a
16 non-state actor getting a hold of a nuclear weapon. The
17 people that attacked us on September 11 killed about 3,000
18 people. If they could have, they would have killed 3
19 million. And we have to do everything possible to keep that
20 technology out of the hands of those who would use it
21 without restraint as the nation states have. So please make
22 that a very high priority for your work.

23 Dr. Bookless: If confirmed, that will be one of our
24 highest priorities.

25 Senator King: Thank you.

1 Thank you, Mr. Chairman.

2 Senator Wicker: Thank you, Senator King.

3 Senator Ernst?

4 Senator Ernst: Thank you, Mr. Chair.

5 And thank you, gentlemen, and to your family and
6 friends as well, thank you for being here and supporting
7 these gentlemen.

8 Mr. McCaffery, in your opening remarks, you did discuss
9 the transition in management of military treatment
10 facilities, as well as the deployment of the electronic
11 health record, which I am sure you have had a lot of
12 discussion on today.

13 But let us start with the treatment facilities. Can
14 you talk a little bit about how the change in management of
15 military treatment facilities will actually improve our
16 military medical readiness?

17 Mr. McCaffery: Yes. So right now the way the system
18 has been structured for the last decades, each of the
19 services, in essence, runs its own health care system and
20 has under that responsibility, obviously, making sure we
21 have a ready medical force, we have a medically ready
22 operational force. And they do that in a number of ways,
23 one of which is to run a health care system, to run a
24 facility where our military medical providers get currency
25 in the skills to be deployed.

1 I think one of the benefits of the move to consolidate
2 all of those MTFs under one entity, in essence, is going to
3 free up the medical organizations of each of the services to
4 focus more exclusively on the medical operational readiness
5 requirements. It is taking off their plate the
6 responsibility of the day-to-day running of a health care
7 facility. So I believe that is one benefit.

8 The second benefit is right now if I am a service
9 running an MTF and I have to, on an emergency basis, deploy
10 10 percent of my staff, my solution set to backfill and keep
11 that facility running is confined to my service. In the
12 future, when we have one enterprise, the solution set will
13 be much broader, and the Defense Health Agency will be able
14 to look across the system to figure out solutions to
15 backfill that MTF and support that readiness mission. So I
16 think there are some good benefits.

17 Senator Ernst: Would part of the solution then be
18 outsourcing to private entities or community hospitals
19 treatment for family members?

20 Mr. McCaffery: So one of the things we are doing is
21 looking kind of market by market to determine in that
22 particular market what is the best service that we want to
23 retain at our military treatment facility, what are things
24 that we could put out into the marketplace as a way to focus
25 what our MTFs are doing on those clinical issues that tie

1 most directly to their knowledge, skills, and abilities for
2 being deployed in the combat setting. So that is an option
3 and something that we are looking at.

4 Senator Ernst: Well, and I would just state that I am
5 not opposed to doing that. When I was with my husband at
6 Fort Jackson, I went to a private -- or a doctor outside of
7 the military treatment facility when I was pregnant, so
8 understanding that we had great quality care coming from a
9 provider outside of those services. And then when we PCSed
10 to Florida, then I was seen by Eglin Air Force Base, you
11 know, the facility on base. So it did not matter as long as
12 I was receiving quality care. So I will say as a military
13 spouse, whatever works best is what we want to focus on, of
14 course, focusing on our military members and making sure
15 that their skills are up to date and that they are doing
16 specifically what they would be doing as they move into
17 theater.

18 So I am open to your ideas and suggestions. I am
19 anxious to see where we can go in that area.

20 And then, let us talk about the electronic health
21 record as well. The MHS GENESIS platform did experience
22 some difficulties in its rollout when it was initially
23 introduced.

24 Can you talk a little bit about some of the progress
25 that has been made since that initial rollout?

1 Mr. McCaffery: Yes. The Department intentionally
2 chose a strategy to, in my words, do a test deployment
3 before deploying it across the system. And so we deployed
4 it to four military treatment facilities in the Pacific
5 Northwest with the intention of identifying what we knew
6 would be glitches and issues that come out of that.

7 My background in the commercial sector -- anytime you
8 introduce an EHR, it is disruptive. It changes practice
9 patterns. And you have a lot of changed management issues
10 to go in place. We had those issues.

11 I would say over 60 percent of the issues that we
12 identified, our internal Department inspectors identified
13 have been fixed. We have more work to do. Our plan is to
14 not roll out until the next wave until about a year from
15 now, September of 2019. So what we are doing is using our
16 lessons learned, some of the things around our training
17 methods, our changed management, some of the IT issues that
18 we encountered. We are now fixing and then be ready to use
19 those lessons learned in rolling out to the next wave.

20 Senator Ernst: Very good. I appreciate that.

21 Thank you, Mr. Chair.

22 Senator Wicker: Thank you, Senator Ernst.

23 Senator Kaine?

24 Senator Kaine: Thank you, Mr. Chair.

25 And thank you to our witnesses.

1 One, just kind of a statement of fair warning. Should
2 you be confirmed -- and I am confident you will be -- and if
3 you are back before us, I am going to start asking pretty
4 much all of our defense witnesses a question like this. We
5 mandated DOD to finally have audited financial statements in
6 the NDAA in 2015. 2018 is the first year where everybody
7 does.

8 Those audited financial statements are not just to put
9 on a shelf somewhere, and they are not just for Congress to
10 use to exercise oversight. We would expect the key DOD
11 officials in whatever department they are in to use those
12 audited financial statements to also drive efficiencies.
13 You are here asking for more money every year, and we need
14 more money to defend the nation. But I think it is a lot
15 easier to get more money if you are demonstrating that you
16 are trying to use tools like audited financial statements to
17 weed out excess or poorly performing programs and then
18 divert those resources into higher and better uses of the
19 resources. So this is something that I will be asking
20 witnesses about, and if you are back before us, I will raise
21 that.

22 Mr. McCaffery, I have two issues for you. In the NDAA
23 a couple years ago, we put in a requirement that the
24 military report to us statistics not just about suicide of
25 active duty military, but also military dependents. We

1 actually phrased it that the military needed to start
2 collecting that data. We were surprised when the military
3 reported suicide data and did not include the military
4 dependent data in the report. When our office reached out,
5 you said, oh, you just said we had to collect the data. You
6 did not say we had to report it. We did not find that
7 answer very satisfactory.

8 We dug into it further, and then the DOD did raise some
9 issues about in trying to collect that data, it is a little
10 more difficult than just military members to determine who
11 is the complete universe of military dependents. The DOD
12 has made a commitment when they put the annual suicide
13 report out this year that the military dependent data will
14 be in that public report.

15 And I just want to ask your commitment to making sure
16 that there is that degree of collection of data and
17 reporting so that we can get a handle on suicide among
18 military dependents so that we can do a better job of
19 dealing with that. And I would love your commitment on
20 that.

21 Mr. McCaffery: Yes. You definitely have my
22 commitment. Health Affairs is not the entity that directly
23 collects and makes that report, but we do, obviously, work
24 with the Defense Suicide Prevention Program. I know they
25 are on it. I was aware of the issue, the challenge of the

1 data collection. But I know that the Department is
2 committed to do that.

3 Senator Kaine: And if there are data collection issues
4 where we could do things in the NDAA to be helpful about
5 that, please share those with us as well.

6 Another issue that is health-related -- and it may not
7 be precisely in your bailiwick, but I am curious about it --
8 deals with a program that has the longest acronym I have
9 ever heard. Now, the Pentagon is famous for long acronyms.
10 But here is one, AMRDEC SAFE, the Army's Aviation and
11 Missile Research Development and Engineering Center Safe
12 Access File Exchange, ARMDEC SAFE.

13 This was a secure file transfer website set up for a
14 particular reason by the Army but then became routinely used
15 across all DOD to transfer large data files, including
16 personally identifiable information, protected health
17 information, and for official use only documents. I think
18 it was set up largely to allow sharing of files about
19 technology that we wanted to keep protected, but because it
20 worked so well, it started to be used more broadly to share
21 medical information.

22 The Army shut down the website for security reasons,
23 and that has impacted a number of users across DOD,
24 including health users who were using this particular
25 protocol to share health information in a secure fashion.

1 There is currently no other existing enterprise solution to
2 facilitate the sharing of these large PII file transfers.
3 The Defense Information System Agency -- I think they are
4 the one with the jurisdiction. They are working on a long-
5 term solution.

6 But this would impact directly upon the work that you
7 would be charged with, should you be confirmed. And I hope
8 you will work to make sure that there is a substitute that
9 is found that would allow sharing of that information in a
10 safe way.

11 Mr. McCaffery: You have my commitment. I will work
12 with our sister agency on that. I will stipulate that I am
13 not aware of this particular protocol and its history, but I
14 will definitely work with our sister agency.

15 Senator Kaine: Great. And we might reach out to have
16 further discussion.

17 Finally, Mr. Bookless, just a question. We had a
18 hearing 2 days ago in the Seapower Subcommittee. One of the
19 elements was the fragility of the industrial base. Give us
20 a grade on the strength of the industrial base on the
21 nuclear side of our defense endeavor.

22 Dr. Bookless: It might be difficult for me to give you
23 a grade exactly. I have not been privy to some of the
24 recent developments. But I do understand that the NNSA is
25 far along in providing a modernized base for uranium

1 operations and for plutonium research. And also, I think
2 right now, it is my understanding that there are some
3 questions about the non-nuclear component production rates
4 that can be achieved at Kansas City. But I believe that
5 there are plans for how that those can be achieved and
6 support the life extension programs that are underway.

7 Senator Kaine: Thank you. I look forward to more
8 discussion about that.

9 Thank you, Mr. Chair.

10 Senator Wicker: Senator Kaine, you apparently are not
11 aware that there was a competition within DOD for acronyms,
12 and that agency was one of the finalists.

13 [Laughter.]

14 Senator Wicker: Thank you very much.

15 Senator Scott?

16 Senator Scott: Thank you, Mr. Chairman.

17 Thank you to the panel for being here this morning.

18 I will start with Dr. Bookless. I hope you recognize
19 the important contribution that the Savannah River site has
20 made to our nation's defense priorities. Whether it is
21 cleaning up the Cold War-era environmental mess or
22 supporting our current strategic weapons programs, the
23 hardworking people at the SRS deserve our support.

24 Given NNSA's inconsistent track record with major
25 projects like MOX or the uranium processing facility, you

1 should understand why I am skeptical of NNSA's plan to bring
2 plutonium pit production to the Savannah River site.

3 What can you tell me about this project and how will it
4 be managed? And how can I breathe more confidence into my
5 constituents?

6 Dr. Bookless: I might not be able to explain to you
7 exactly how it will be realized at the Savannah River site,
8 having not been briefed into the --

9 Senator Scott: Well, let me start with this. Are you
10 aware of and supportive of the major contribution that the
11 workers have made from the Savannah River Site --

12 Dr. Bookless: Absolutely, and continue to make. The
13 tritium processing is still there.

14 Senator Scott: Yes.

15 Dr. Bookless: I believe that the plutonium pit
16 production at Savannah River would be an opportunity for the
17 Savannah River site to contribute in yet another way for a
18 very, very long time. That is not an interim
19 responsibility. That will be a very long-term
20 responsibility. And I believe that the history at the
21 Savannah River site is very rich.

22 Senator Scott: Thank you.

23 One thing, as we discussed in my office, I found very
24 hopeful is the fact that as we saw the MOX facility, it had
25 a finite opportunity as we worked to process the weapons-

1 grade plutonium. At the end of that process, there is an
2 insight, whereas we talked about the necessity of deterrence
3 for our nation is a significantly long-term process that
4 will require perhaps pit production of some form into the
5 unforeseen future. Is that accurate?

6 Dr. Bookless: That is my opinion, yes.

7 Senator Scott: South Carolinians are rightfully
8 concerned about the threat of nuclear terrorism around the
9 world. I am not sure America fully understands the
10 important role that the Savannah River site has played in
11 helping safeguard plutonium and highly enriched uranium.
12 But it has been critical to the safety of our nation here at
13 home, as well as abroad.

14 What are your views of NNSA's nonproliferation
15 activities, and will it be one of your priorities to promote
16 nuclear safety around the world while maintaining the
17 important mission again at the Savannah River site?

18 Dr. Bookless: If confirmed, yes, it will be one of my
19 priorities to assure that nuclear safety, both within the
20 U.S. and around the world, are supported at the highest
21 levels. And I would expect all of the NNSA sites, including
22 the Savannah River site, to be contributing to that goal.

23 Senator Scott: Thank you.

24 A priority of mine and of the surrounding communities
25 is the establishment of the AMC, Advanced Manufacturing

1 Collaborative. I think it is something that can help over
2 the long term with NNSA's need for new talented employees.
3 Department of Energy funding for it has been identified, but
4 it is being held up somewhere in the bureaucracy, perhaps at
5 the OMB.

6 I understand this is more of a Department of Energy
7 issue rather than an NNSA issue.

8 With the loss of MOX, it is more important than ever
9 that we move forward on the AMC. And will you commit to me,
10 my staff, and the Department of Energy to work to get this
11 critical capability off the ground?

12 Dr. Bookless: I will commit to understanding this
13 issue, the specific issue, better than I do today. But I
14 also commit that, as my remarks indicated earlier,
15 attracting, retaining, and training the highly talented
16 workforce necessary are important elements of our goal at
17 the NNSA. And the partnering with colleges, universities,
18 and the private sector, as this represents, would be a
19 natural fit to achieving NNSA's goals.

20 Senator Scott: Thank you.

21 Thank you, Mr. Chairman.

22 Senator Wicker: Thank you very much, Senator Scott.

23 Senator Perdue?

24 Senator Perdue: Thank you, Mr. Chair.

25 And thank you both for being willing to step up for

1 these large responsibilities.

2 Dr. Bookless, I would like to follow up on my
3 colleague's question although in the State of Georgia, we
4 claim the Savannah River as our own and we will debate that
5 with him offline.

6 But we do share one thing in common, and it is the
7 health of the Savannah River site. And this is a bigger
8 issue, and I would like you to speak to this in a little
9 more granularity about what you would do in this role and
10 how we could help you in that endeavor to ensure that large
11 -- these are future large infrastructure projects -- stay on
12 time and within budget, given recent experience with MOX.
13 We just talked about the uranium processing facility, and we
14 just talked about the last two attempts to recapitalize a
15 plutonium pit production capability.

16 We see a lot of people come and go here, but this is
17 one where you are going to have a large budget and these are
18 hugely important infrastructure projects. And my question
19 is, at some point does risk come into the equation? In
20 other words, how do you manage the risk, as well as the cost
21 and the time of bringing these huge infrastructure projects
22 online?

23 Dr. Bookless: It is my understanding that the NNSA has
24 developed several new processes that have begun to yield
25 results as far as keeping large projects on time and under

1 budget. And I look forward, if confirmed, to participating
2 and leading, hopefully, some of those efforts to improve our
3 performance. I believe that on time and within budget are
4 important elements of any project, and I intend to try to
5 assure that NNSA performs.

6 Senator Perdue: As Senator Kaine just mentioned, we do
7 have our first DOD audit coming in. And we will be working
8 on that as we go. And these big projects are going to be
9 part of that when the internal auditors -- so when you come
10 back, these will be topics that we will be talking about.

11 Dr. Bookless: I look forward to it.

12 Senator Perdue: Mr. McCaffery, the DOD and VA both
13 face similar interoperability and seamless care challenges
14 in migrating to the new MHS GENESIS EHR system. Not only do
15 they have to solve seamless care with each other, but they
16 also have to solve it with the communities since both
17 agencies will have a high percentage of patients that get
18 care from both communities.

19 And then there is the challenge of being interoperable
20 with legacy systems, not to mention VISTA and AHLTA during a
21 decade-long deployment.

22 What should be the VHA strategy to solving these
23 challenges in both the short and long term, and to what
24 extent will it collaborate with the VA to do so?

25 The thing that I am worried about is duplication. One

1 patient, two records, two systems, and even if you combine
2 the systems, do you advocate for two separate records for
3 DOD and VA?

4 Mr. McCaffery: Absolutely not, Senator. And indeed,
5 the strategy around the DOD purchase of the Cerner GENESIS
6 product is the same product, the same record that the VA
7 just recently signed and to contract with. So what is
8 really important about this is we are not setting up two
9 different records just to talk to each other. It is going
10 to be one record, a single instance, on the same IT
11 infrastructure.

12 Senator Perdue: How long will it take to implement
13 that?

14 Mr. McCaffery: So for the DOD schedule, we would
15 finish deployment I believe in fiscal year 2022. It is
16 either 2022 or 2023. We have started our initial
17 deployment. We will have another wave in the fall of 2019,
18 and then after that, we will be going in more aggressive
19 waves across the system.

20 But you may be aware. Recently Secretary Mattis and
21 Secretary Wilke -- in essence, they have signed a joint memo
22 committing to ensuring that we do not do this separately as
23 two different departments, but we are going to do this in a
24 joint effort. And we have actually already started
25 conversations with senior leadership at VA about how can we

1 construct a joint management entity to make sure that we are
2 making decisions together all along the way.

3 Senator Perdue: That is great. That is encouraging.

4 Dr. Bookless, I have one last quick question in the
5 time remaining.

6 Do you support the recommendation of the 2018 Nuclear
7 Posture Review, including the W76-2 submarine-launched low-
8 yield ballistic launch, authorized by the -- I think it is
9 the 2019 NDAA? What is your position on that?

10 Dr. Bookless: I do support it.

11 Senator Perdue: Okay, great.

12 Thank you, Mr. Chair.

13 Senator Wicker: Thank you, Senator Perdue.

14 Senator Sullivan?

15 Senator Sullivan: Thank you, Mr. Chairman.

16 And gentlemen, thank you for your willingness to serve
17 our great nation. And I also want to thank the families. I
18 know these jobs can be taxing on families. So thank you to
19 all the family members here who are supporting you.

20 Mr. McCaffery, I want to follow up on Senator Perdue's
21 questioning on the Cerner-VA-DOD health care records issues.

22 I also serve on the Veterans Affairs Committee. And this
23 is a really important topic. And I actually applaud the VA
24 and the DOD for undertaking it, but it is going to be
25 complicated, as you indicate. And the cooperation I think

1 is important that you indicated, but do we have a sense of
2 who is in charge of this? Because, as you know, one of the
3 problems that we see on this committee and other instances
4 in the federal bureaucracy is a lot of times there is
5 cooperation and jointness but, at the end of the day, there
6 seems to be no one in charge.

7 This to me seems to be an undertaking where we need
8 somebody in charge. Who is in charge of this? Do you know?

9 Mr. McCaffery: So as I mentioned, right now, we are
10 working with the leadership at the VA to determine the best
11 way to form a construct in which both entities together have
12 a framework with regard to making decisions that affect both
13 agencies and the rollout of the EHR. Wherever we end up in
14 terms of that construct -- it would be a construct that
15 would ultimately be reporting to both of the departments in
16 terms of the senior leadership.

17 I think what we have is we are in a great circumstance,
18 a great opportunity in that Secretary Wilke and Secretary
19 Mattis are very committed to making this effort a success,
20 and they recognize that one department is not going to be
21 able to succeed without the other.

22 While the record is the same and much of the mission
23 between the two departments is the same, there are different
24 populations, different benefits in each system. Those will
25 have to be recognized. And so it has got to be something

1 that is joint because it has to address both departments'
2 issues.

3 So in terms of who is in charge, it is the senior
4 leadership of both departments that are going to be in
5 charge. We are going to sink or swim together. And so we
6 have to do this in a joint fashion.

7 Senator Sullivan: Okay, thank you.

8 More importantly, the veterans of America are going to
9 sink or swim together in this. So that is the real key
10 point.

11 Let me ask another quick health care-related question.
12 You know, over the last several decades, but really in the
13 last 20 years, the role of women serving in our armed forces
14 has expanded. It has increased. What is DOD doing with
15 regard to some of the more pressing issues that relate to
16 health care for female service members in both deployed and
17 non-deployed environments given that this is an increasing
18 area of focus and participation in the military?

19 Mr. McCaffery: Yes. My understanding is at this point
20 16 to 17, 18 percent of the active duty are comprised of
21 female service members. And so the department has been
22 taking a look at and ensuring that when providing provision
23 of health care decisions and policies are taken, that we
24 identify any unique requirements with regard to women's
25 health. That goes everything that we offer a full range of

1 women health services at our military treatment facilities.
2 With regard to contraception and access to it, all of our
3 new recruits do get education on reproductive health. We
4 provide wide access to contraception, contraception
5 training, and counseling to our female service members. We
6 do things like ensuring they can get a 6-month prescription
7 for contraception before they deploy. So we make sure that
8 whatever we are doing, we are providing the care not only on
9 base but in the deployed environment as well.

10 Senator Sullivan: Dr. Bookless, let me ask a quick
11 question. My time is almost out here.

12 But the 2018 Nuclear Posture Review had a lot of
13 differences with regard to the 2010 Nuclear Posture Review.
14 Can you expound upon some of the differences and some of the
15 assumptions that went in to both of those reviews and how
16 they inform our strategy going forward now in today's
17 environment?

18 Dr. Bookless: I think one of the more significant
19 differences was the assessment that the current world
20 security environment is much more complex --

21 Senator Sullivan: Yes.

22 Dr. Bookless: -- than it was in 2010.

23 Senator Sullivan: Like Russia as an adversary in 2010
24 -- I do not think --

25 Dr. Bookless: And China as a strategic competitor.

1 Senator Sullivan: So what does all that imply for our
2 nuclear strategy?

3 Dr. Bookless: I believe it means that our nuclear
4 strategy has to be adjusted to be more flexible. Going
5 forward, we have to be prepared to address new challenges in
6 our deterrent. And a couple of those suggested new
7 directions were identified in the Nuclear Posture Review: a
8 low-yield ballistic missile warhead and the possibility of
9 getting a sea-launched cruise missile once again. That is
10 currently, it is my understanding, only in a study mode.
11 But those are examples of the kinds of changes that we are
12 looking at.

13 Also, I believe the recommitment to renewing the
14 infrastructure and the workforce for the future are critical
15 elements of our deterrent. It is not just the warheads. It
16 is the warheads, the infrastructure, and the people combined
17 that make up our deterrent.

18 Senator Sullivan: Thank you.

19 Thank you, Mr. Chairman.

20 Senator Wicker: Thank you, Senator Sullivan

21 Senator Warren?

22 Senator Warren: Thank you, Mr. Chairman.

23 Dr. Bookless, I want to start by thanking you for your
24 work supporting the 2010 Nuclear Posture Review and the New
25 START treaty between the United States and Russia. This is

1 a treaty that places verifiable and mutual limits on nuclear
2 weapons and on their delivery vehicles. This treaty expires
3 in 2021, but the U.S. and Russia can extend the treaty by 5
4 years to 2026 if both sides agree.

5 So let me start by asking, from a technical
6 perspective, can you talk about the benefits of the New
7 START treaty in terms of how it helps us gain insight into
8 Russia's nuclear program?

9 Dr. Bookless: I believe that the New START treaty and
10 really any nuclear arms treaty gives us that insight through
11 the agreement on a verification regime that allows us to
12 examine the facilities and nuclear capabilities of the other
13 nation. And so I believe that those insights are important
14 as we assess the threats that we face.

15 Senator Warren: So do you personally believe that it
16 is in the national security interest of the United States to
17 extend the New START treaty?

18 Dr. Bookless: I believe that -- if confirmed, I would
19 hope that I would be part of the dialogue that would go into
20 that discussion of whether the New START treaty should be
21 extended.

22 Senator Warren: Okay. But I am asking how you feel
23 about it. You are the person who is up for confirmation to
24 be the number two here, and I want to know your view
25 personally. You study this. You are an expert in the

1 field. Do you think it is in our national security interest
2 to extend the New START treaty?

3 Dr. Bookless: I would have to consider all of the
4 factors at the time that we were considering that extension
5 before I could answer your question.

6 Senator Warren: Oh, come on. So suppose you had to
7 answer it today. You know all the factors. You are an
8 expert. That is the reason you are sitting in front of us.
9 So based on what you know today, do you believe it is in our
10 national interest to extend the New START treaty?

11 Dr. Bookless: I think the New START treaty has
12 contributed to a stable international nuclear security
13 environment, and so today I would say, based on my
14 understanding, I would lean toward extending it.

15 Senator Warren: Okay. I am going to take that as a
16 yes.

17 So I think it is really a key point to remember, and it
18 is the reason I push on this. The United States gets much
19 more information about the Russian nuclear program from New
20 START than we would without the agreement, and I think that
21 is the point you have made.

22 I am seriously concerned that the Trump
23 administration's decision to withdraw from another arms
24 control agreement with Russia, the INF Treaty, is a
25 precursor to withdrawing from START or not renewing New

1 START. Allowing these treaties to expire would remove the
2 remaining limits on Russia's deployed nuclear warheads and
3 potentially spark another nuclear arms race, and that would
4 make America a lot less safe.

5 I have another question I want to ask about, and that
6 is, according to the American Psychiatric Association,
7 gambling disorder is a diagnosable addiction, similar to
8 alcohol addiction or drug addiction. In addition to causing
9 financial and legal problems, it is correlated with
10 increased incidence of suicide attempts and other behavioral
11 health issues. The National Council of Problem Gambling has
12 estimated that as many as 56,000 active duty members of the
13 military meet the criteria for gambling disorder.

14 Mr. McCaffery, do you believe that the Department of
15 Defense should take seriously the impact of gambling
16 disorder on military personnel, veterans, and their
17 families?

18 Mr. McCaffery: I do. I believe -- I would need to
19 check my facts, but I believe in either the NDAA 2018 or
20 2019, there was actually a request that the department look
21 at this issue to determine whether it should be added into
22 one of our screening tools, one of our mental health
23 assessment screening tools in terms of identifying mental
24 health issues or --

25 Senator Warren: So that is something Senator Daines

1 and I worked on and actually got -- we introduced a bill to
2 prevent gambling disorder in the military. Part of our bill
3 was put into this year's NDAA requiring the department to
4 include gambling disorder in health assessments of people in
5 the armed forces.

6 Can I just ask? Can we count on you to enforce that?

7 Mr. McCaffery: Most definitely.

8 Senator Warren: Good.

9 Let me ask you just one more question on this.
10 According to a 2017 analysis by the Government
11 Accountability Office, there are over 3,000 slot machines on
12 overseas military bases. Do you think it is a good idea to
13 allow slot machines on these bases to fund other
14 recreational activities?

15 Mr. McCaffery: Senator, I was not aware of that fact.

16 Senator Warren: Now you are.

17 Mr. McCaffery: Now I am, and I would look to my sister
18 agency within the department to engage them in terms of
19 their thinking about that and how that links to some of the
20 concerns that you raise regarding to gambling disorder.

21 Senator Warren: Well, I appreciate your attention to
22 all of the issues surrounding gambling disorder. This is a
23 problem for our military, for our military families, for our
24 veterans, and I look forward to working with you on it.
25 Thank you.

1 Thank you, Mr. Chairman.

2 Senator Wicker: Thank you, Senator Warren.

3 Senator Blumenthal: Thanks, Mr. Chairman.

4 Thank you both for your service, and thank you for
5 being here today.

6 As you may know, Mr. McCaffery, the NDAA passed
7 recently for 2019 has a provision that would amend the
8 liberal consideration standard for discharge review boards
9 and boards of correction of military records to include
10 claims of military sexual trauma, independent of whether
11 they result from PTS or TBI, as is currently required for
12 such consideration. Military sexual trauma survivors may
13 not develop PTS or TBI but still experience after effects
14 from assaults or other kinds of sexual abuse that is
15 involved while they are serving. And the results may be a
16 less than honorable discharge. The effort to correct that
17 discharge or to change it often is a very difficult one, and
18 this provision which I sponsored for the NDAA would try to
19 eliminate some of the hurdles for them.

20 Do you believe that survivors of military sexual trauma
21 may not, in fact, develop PTS or TBI but still experience
22 the after effects that influence behavior that could result
23 in less than an honorable discharge?

24 Mr. McCaffery: Senator, I will call out that I am not
25 familiar with some of the issues you raise with regard to

1 the discharge process and the policies around that. And so
2 I would hesitate kind of to weigh in in terms of how sexual
3 assaults have factored into that and what the NDAA 2019
4 change in policy is. I believe we wanted to look at any
5 kind of factor that affects any service member's mental
6 health or other issues. But, again, I do not want to kind
7 of get out of my lane and speak to something I am not all
8 that familiar with.

9 Senator Blumenthal: How adequate, talking generally
10 about PTS, do you think the military treatment is now?

11 Mr. McCaffery: I think we are doing a lot. I believe
12 we need to do more. Our emphasis really has been looking at
13 the best clinical guidelines and have practice guidelines
14 about how we identify, prevent, and then manage those with
15 PTSD. Roughly 2 percent of our active duty have been
16 diagnosed with PTSD. So our ability to systematically
17 identify and treat them -- we are down that path.

18 More importantly, as you know, we have invested
19 millions of dollars in a consortium with the VA and the
20 private sector on additional research on better ways to
21 diagnose PTSD, but more importantly, once diagnosed, what
22 are the best and most effective treatments for that.

23 Senator Blumenthal: I take it this will be a priority
24 for you.

25 Mr. McCaffery: Yes, it will.

1 Senator Blumenthal: And can you commit that you will
2 report back to us about what changes in policy and what
3 progress have been made?

4 Mr. McCaffery: Yes, I can commit to do that for you.

5 Senator Blumenthal: Thank you.

6 Thank you, Mr. Chairman.

7 Senator Wicker: Thank you, Senator Blumenthal.

8 Senator Donnelly: Thank you, Mr. Chairman.

9 Mr. McCaffery, as I started my time here in the Senate,
10 I focused on bipartisan approaches to suicide prevention.
11 In 2009, fellow Hoosier, Specialist Jake Sexton, an Indiana
12 National Guardsman, tragically took his life while on leave
13 from a deployment to Afghanistan. That story is far too
14 familiar for active, guard, and reserve service members and
15 vets alike.

16 Despite representing less than 10 percent of the
17 population, these Americans comprise almost 20 percent of
18 the suicides. The communities lose over 7,000 members every
19 year to suicide as they struggle with the stress of military
20 service that we as a nation and as a Congress ask of them.

21 The Jacob Sexton Military Suicide Prevention Act, which
22 I introduced in the Senate, addressed a critical gap in
23 mental health care for our troops when it was signed into
24 law in the 2014 NDAA. This law ensured every service
25 member, active, guard, and reserve, receives an annual

1 mental health assessment. I was pleased to hear from every
2 service secretary and chief last fall that the annual mental
3 health assessments have been 100 percent implemented.

4 But also, not later than a year after implementation,
5 DOD was required to provide a report to the Senate and House
6 Armed Services Committees evaluating the existing military
7 mental health practices and providing recommendations for
8 improvement.

9 I was disappointed not to see that report this fall. I
10 have been informed it will be complete by the end of the
11 year, and I think it is critical -- this report -- to ensure
12 that we close the gap on military suicide. Some of those
13 recommendations the department and services can undertake
14 themselves. Some will require congressional action. None
15 can get done, though, until we get the report and we get to
16 see what it has to say.

17 Can you tell me the status of that report, Mr.
18 McCaffery?

19 Mr. McCaffery: Yes, actually my staff informed me
20 earlier this week that I should be getting the report myself
21 in the next week or 2. And so we will take a look at it and
22 go through the approval process with the department, and our
23 commitment is to get that out as quickly as we can.

24 Senator Donnelly: What does "as quickly as you can"
25 mean?

1 Mr. McCaffery: Well, I can definitely for me, when it
2 hits my desk --

3 Senator Donnelly: I went to college and I had a lot of
4 friends who said I am going to graduate as soon as I can.
5 That did not necessarily mean there was any set date on
6 that. What would you say?

7 Mr. McCaffery: What I would say I think would be a
8 reasonable commitment to have this by the end of the year.

9 Senator Donnelly: Thank you very much.
10 Can you provide -- well, I guess you have not seen it
11 yet.

12 Mr. McCaffery: I have not seen it yet.

13 Senator Donnelly: Okay. As I said, we can continue to
14 make legislative fixes in the 2020 NDAA, but obviously, we
15 will need to get that done. And if confirmed, what are your
16 top priorities for combating military suicide and improving
17 mental health services?

18 Mr. McCaffery: Well, as you mentioned up front,
19 suicide is a horrible tragedy. I know two families that
20 have experienced it, and you never get over it. If I am
21 confirmed, my commitment would be to do a couple of things:
22 number one, accelerate some of the things that we have put
23 in place, in large part in partnership with Congress. I
24 believe the Sexton Act was the first step in making sure
25 that every year every service member has a mental health

1 assessment, but more importantly now, just about at the end
2 of this year, we should have fully implemented the
3 separation mental health exam, so again, another opportunity
4 for us to check in with our service members and see if we
5 can identify any at risk for suicide.

6 The other thing that we are doing, based upon research
7 to date, is looking at how we can update, working with the
8 VA, on the best clinical practices guidelines out there
9 based upon evidence of what works in terms of how we
10 identify and manage those at risk.

11 And most importantly, one of the things that I was very
12 heartened by in coming on board to the department was the
13 amount and the extent of research that the Department of
14 Defense sponsors in this area, and I think that is the key.
15 We identify risk factors. I think the next goal for us is
16 can we come up with predictive analytics.

17 Senator Donnelly: If I could mention one other thing
18 for you to look at. General Pete Chiarelli had talked about
19 this a lot, which was the formulary and the handoff from DOD
20 to Veterans Affairs, that our service members would be
21 receiving one medication and managing whatever challenges
22 they had pretty well. And then they find out it is not on
23 the formulary on the veterans side. And all of a sudden,
24 they are on a complete different medication and things
25 dramatically change. We really need to focus on making sure

1 that there is a smooth handoff between DOD and the VA so
2 that our service members do not wind up in a situation where
3 things start to slide backward on them. And I would ask
4 your very significant attention to that challenge.

5 Mr. McCaffery: You would have that, Senator.

6 Senator Donnelly: Thank you.

7 Thank you, Mr. Chairman.

8 Senator Wicker: Thank you, Senator Donnelly.

9 Senator Donnelly, who was your primary Republican
10 cosponsor on the Jacob Sexton Act?

11 Senator Donnelly: I was fortunate to have the help of
12 Senator Ernst. I was fortunate to have the help of Senator
13 Wicker, who has been an extraordinary partner. You know, I
14 will tell you this. It could never have been done without
15 Roger Wicker.

16 Senator Wicker: Well, you know, we do so many things
17 that do not get a lot of publicity. I would say that the
18 issues that are maybe not on the front page but just below
19 that are some of the most bipartisan accomplishments we
20 have. I appreciate your leadership on this issue. It will
21 be one of your great legacies.

22 Senator Donnelly: Thank you. I know what Senator
23 Wicker focused on so strongly too being from the State of
24 Mississippi that takes such good care of our veterans and of
25 our service members, that we have been losing over 400

1 service members every year. And Senator Wicker's remarkable
2 nonstop effort to end that has been really an inspiration to
3 me. It was a wonderful thing to partner with such a good
4 teammate.

5 Senator Wicker: Well, thank you for what you did on
6 that.

7 Let me just make one more point, if I might then,
8 before we close this down, Mr. McCaffery. On the non-
9 deployable problem that we talked about early on in this
10 hearing, you were asked some of the things we could do and
11 you said embedding mental health personnel. By that answer,
12 are you suggesting that it is mental health issues that are
13 among the primary factors for our unacceptable levels of
14 military --

15 Mr. McCaffery: It is one of the factors.

16 Senator Wicker: What are some of the others?

17 Mr. McCaffery: The largest one would be
18 musculoskeletal injuries. And so there I think the tide of
19 the physical therapist being embedded in operational units
20 -- and that is already happening with some of the services.

21 But another issue has been mental health. I do not
22 know how it compares in relationship to the musculoskeletal,
23 but it is, I think, some of the common injuries of training
24 and in a deployed setting that we need to do a better job
25 and intervening more quickly.

1 Senator Wicker: Right.

2 And then on the suicide prevention, I think it is worth
3 saying again, Senator Donnelly, that it is not up to the
4 military member to self-report. It is not up to the veteran
5 to self-report. And that is why the emphasis has been on
6 universal assessment on an annual basis so nobody has to
7 come forward and say I am having a problem because there is
8 a resistance among young, healthy people who would step
9 forward and volunteer for military duty to do that sort of
10 thing. So I think we are all agreed on that.

11 This has been a good hearing. Mr. Ranking Member,
12 thank you.

13 I am going to ask unanimous consent that we leave the
14 hearing record open for 24 hours to accept any additional
15 questions for the record. Without objection, that is so
16 ordered.

17 And, gentlemen, thank you for your testimony.

18 And we conclude this hearing.

19 [Whereupon, at 11:02 a.m., the hearing was adjourned.]

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