



Issue 28

ARMY ACQUISITION REFORM



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MEDCOM ESTIMATES SAVINGS OF \$4.3 MILLION



The Southeast Health Service Support Area (HSSA) has changed its way of doing business. The Southeast Contracting Center at Dwight David Eisenhower Army Medical Center awarded a regional consolidated service contract for use by each of its nine Medical Treatment Facilities (MFTs). In the past, each MFT either leased or purchased all the equipment and chemicals required for various types of chemistry tests. As a result of the consolidated service contract, cost for each test performed has been reduced by 87% (from 97 cents to 13 cents). The MEDCOM estimates annual savings of \$4.3 million over the five year life of the contract.



SAMPLE LOT TESTING REDUCTION PRODUCES \$ 750K SAVINGS

The Army Acquisition Reform Initiative of “Reducing Sample Lot Testing” has proven to be a valuable tool, by reducing non-value testing. By reducing unique Sample Lot Testing the Army can take advantage of commercial program testing; reduce the total testing requirement; and reduce redundancy in testing. Use of this initiative by TACOM saved \$400K on Bradley follow-on testing; \$150K on M1070 tractor follow-on testing; and \$200K PLS follow-on testing.



UPDATE: STAND-DOWN ACQUISITION REFORM ACCELERATION DAY FEED BACK

On 6 June 1996, Mr. Decker signed a memorandum designating HQAMC as a collection point for Acquisition Day Feedback from HQAMC; AMC MSCs; all PEOs (less STAMIS); SSDC, and PM Chem Demil. This feedback information has been reviewed and summarized by subject matter experts at HQAMC. On 12 July 1996, the consolidated report, along with the original feedback information was forwarded by SARDA to the Defense Acquisition University.

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