



Highlights of [GAO-08-20](#), a report to the Committee on Health, Education, Labor, and Pensions, U.S. Senate

Why GAO Did This Study

The 2005 Base Realignment and Closure (BRAC) provision required the Department of Defense (DOD) to close the Armed Forces Institute of Pathology (AFIP). GAO was asked to address the status and potential impact of implementing this BRAC provision. This report discusses (1) key services AFIP provides to the military and civilian communities; (2) DOD's plans to terminate, relocate, or outsource services currently provided by AFIP; and (3) the potential impacts of disestablishing AFIP on military and civilian communities. New legislation requires DOD to consider this GAO report as it develops its plan for the reorganization of AFIP. GAO reviewed DOD's plans, analysis, and other relevant information, and interviewed officials from the public and private sectors.

What GAO Recommends

GAO recommends DOD report to Congress on (1) its strategies for organizing consultation services; (2) the repository's assets and their potential use; and (3) its strategies for using the repository. DOD generally concurred with GAO's findings and conclusions. GAO has modified its recommendations to reflect concerns DOD raised about additional steps it needs to take before it can report on its strategies for using the repository. VA stated that GAO's report was factually accurate, but believed that it did not sufficiently describe the impact of closing AFIP. GAO believes that this report provides a balanced assessment of AFIP's services and the impact of its closing.

To view the full product, including the scope and methodology, click on [GAO-08-20](#). For more information, contact Randall B. Williamson at (202) 512-7114 or williamsonr@gao.gov.

MILITARY BASE REALIGNMENTS AND CLOSURES

Impact of Terminating, Relocating, or Outsourcing the Services of the Armed Forces Institute of Pathology

What GAO Found

AFIP pathologists perform three key services—diagnostic consultations, education, and research—primarily for physicians from DOD, the Department of Veterans Affairs (VA), and civilian institutions. AFIP provides consultations when physicians cannot make a diagnosis or are unsure of their initial diagnosis. About half of its 40,000 consultations in 2006 were for DOD physicians, and the rest were nearly equally divided between VA and civilian physicians. AFIP's educational services train physicians in diagnosing the most difficult-to-diagnose diseases. Civilian physicians use these services more extensively than military physicians. In addition, AFIP pathologists collaborate with others on research applicable to military operations and general medicine, often using material from AFIP's repository of tissue specimens to gain a better understanding of disease diagnosis and treatment.

To implement the 2005 BRAC provision, DOD plans to terminate most services currently provided by AFIP and is developing plans to relocate or outsource others. DOD plans to outsource some diagnostic consultations to the private sector through a newly established office and use its pathologists for consultations when possible. With the exception of two courses, DOD does not plan to retain AFIP's educational program. DOD also plans to halt AFIP's research and realign the repository, which is AFIP's primary research resource. The BRAC provision allows DOD flexibility to retain services that were not specifically addressed in the provision. As a result, DOD will retain four additional AFIP services and is considering whether to retain six others. DOD had planned to begin implementation of the BRAC provision related to AFIP in July 2007 and complete action by September 2011, but statutory requirements prevent DOD from reorganizing or relocating AFIP functions until after DOD submits a detailed plan and timetable for the proposed implementation of these changes to congressional committees no later than December 31, 2007. Once the plan has been submitted, DOD can resume reorganizing and relocating AFIP.

Discontinuing, relocating, or outsourcing AFIP services may have minimal impact on DOD, VA, and civilian communities because pathology services are available from alternate sources, but a smooth transition depends on DOD's actions to address the challenges in developing new approaches to obtaining pathology expertise and managing the repository. For consultations, these challenges are to determine how to use existing pathology resources, obtain outside expertise, and ensure coordination and funding of services to avoid disincentives to quality care. While DOD has begun to identify the challenges, it has not developed strategies to address them. Similarly, whether the repository will continue to be a rich resource for military and civilian research depends on how DOD populates, maintains, and provides access to it in the future, but DOD has not developed strategies to address these issues. DOD contracted for a study, due to be completed in October 2008, of the usefulness of the material in the repository. DOD plans to use this study to help make decisions about managing the repository.