CHAPTER 5

MEDICAL LOGISTICS

MEDICAL/DENTAL
LOGISTICS HISTORY

In 1850 the United States Navy established the Naval Medical Supply Depot in Brooklyn, New York. In 1853, Congress authorized a separate manufacturing laboratory that enabled it to "produce medical supplies for the Medical Department of the Navy." In July 1952, the Naval Medical Supply Depot, Brooklyn was transferred to the Bureau of Supplies and Accounts. For the first time in 100 years the Navy Medical Department was no longer directly involved in centrally manufacturing, warehousing, or distributing medical supplies. All supplies would be controlled centrally with other commodities by the Department of Defense (DoD).

The DoD centralized supply system has served the Navy/Marine Corps Team and Navy Medicine well. Due to budget and staffing constraints medical logisticians have continued to seek more effective ways to procure, store and issue medical/dental materiel. Today the local Medical Logistics Department continues to provide total logistic support to facilities, utilizing all facets of the Defense Logistics Agency (DLA), Naval Supply Systems Command (NAVSYF), and Naval Medical Logistics Command (NAVMEDLOGCOM).

INTEGRATED LOGISTICS SUPPORT

Logistics encompasses the acquisition, accounting, sustainment, and disposition of assets within the Department of the Navy. NAVMEDLOGCOM works to ensure proper fiscal administration by directives, principles, and policies prescribed by the Comptroller of the Navy, with the ultimate responsibility resting on each Commanding Officer. A Hospital Corpsman should become familiar with the rules and regulations that govern the supply process.

Without the proper amount of medical and dental supplies and equipment at a command, the medical and dental department's operational readiness to treat patients would be compromised. Proper planning, inventory, and maintenance are essential for the operation of the medical and dental departments.

This chapter we will outline the proper procedures to use in estimating, procuring, and accounting for supply needs and operating funds. The last section will cover equipment technology & management and contingency supply blocks.

ORGANIZATIONAL STRUCTURE

The Chief, Bureau of Medicine and Surgery (BUMED) established a standard organizational structure for Medical Logistics Departments at all Naval Medical and Dental activities with logistics responsibilities.

The key functional areas within the organization are:

- Purchasing and contracting
- Materiel receipt, storage, and issue
- Supply inventory management
- Equipment Management Division
- Biomedical Equipment Maintenance Division
- Central processing and distribution
- Healthcare service contracting

The Medical Logistics Department will administer the in-house supply programs for the command. At some commands, additional functions such as Food Service or Linen Management may also be assigned to Medical Logistics.
The Defense Logistics Agency (DLA), via the Federal Supply System, maintains centralized inventory management and physical distribution of depot and vendor medical/dental materiel to Naval MTFs/DTFs worldwide.

Materiel managers have various methods of access available to procure medical and dental materiel from government and commercial sources. Because of rapid changes in medicine and the demand for state-of-the-art materiel, the DLA in cooperation with the Army, Navy, and Air Force has established various innovative forms of procurement to meet customer demands. Most notable is the current Defense Supply Center Philadelphia’s (DSCP) Prime Vendor Program and the International Merchant Purchase Authorization Card (I.M.P.A.C.), also known as the government-wide purchase card program.

KEY AREAS WITHIN MEDICAL LOGISTICS DEPARTMENTS

Purchasing and Contracting

- **Technical Review**: This division screens all requisitions to verify that items are available from a mandatory government source of supply or assist in determining commercial sources of supply. This section maintains vendor catalogs and Federal Supply Schedule (FSS) information.
- **Purchasing**: In this division, commercial procurement actions take place. The staff reviews purchase requests and determines the type and method of procurement.

Materiel Receipt, Storage, and Issue

- **Warehouse/Storeroom/Receipt Control**: This division plans and directs operations necessary to physically receive and control incoming and outgoing supplies and equipment for storage, direct turnover to the customer, or shipment to remote sites. This division maintains records of incoming receipts; prepares receipt documents; prepares government bills of lading; and processes invoices for payment.

Supply Inventory Management

- **Stock Control**: This division is responsible for the inventory management aspect of the materiel held in the warehouse or purchased for direct issue to a customer. Receipt and issue documents are processed here.

Equipment Management and Biomedical Equipment Repair Divisions

- **Equipment Management**: This division administers the command’s property utilization and disposal program. Guidance on the acquisition, accounting, and survey of equipment is done here. It identifies and accounts for plant property and minor medical and non-medical equipment within the command’s control.
- **Biomedical Equipment Maintenance (BIOMED)**: This division administers the medical/dental equipment preventive and corrective maintenance programs. It also oversees the following: equipment operation training; repair parts inventory; operator manual library; maintenance requests; and equipment maintenance contracts.
Central Processing and Distribution

- **Central Supply**: This division plans and directs operations necessary to order and receive materiel for working stock supplies, or PAR levels, which are predetermined stock levels maintained in the customer's working space based on established usage. Most central supply areas issue supplies to authorized outpatients who have a prescription for the materiel, i.e. dressings.

**NAVSUP & NAVMEDLOGCOM MANUALS, PUBLICATIONS, AND DIRECTIVES**

**LEARNING OBJECTIVE:**

*Explain the purpose and content of key supply manuals and instructions.*

**INTRODUCTION**


**NAVAL SUPPLY SYSTEMS COMMAND (NAVSUP) MANUAL, NAVSUP P-485**

The NAVSUP manual is designed to institute standardized supply procedures and consists of the following three volumes:

- **Volume I**: Naval Supply Procedures, Afloat
- **Volume II**: Naval Supply Procedures, Supply Appendices
- **Volume III**: Naval Supply Procedures, Ashore

The Naval Supply Procedures, NAVSUP P-485, establishes policies for operating and managing supply departments and activities. The procedures contained in this publication are the minimum essential for acceptable supply management and are mandatory unless specifically stated as optional.

**NAVSUP P-409, MILSTRIP/ MILSTRAP MANUAL**

The NAVSUP P-409 was published as a handy reference for personnel responsible for originating and processing MILSTRIP/ MILSTRAP documents. This small booklet contains common definitions, coding structures, and abbreviated code definitions used on a day-to-day basis.

**NAVMED P-5132, BUREAU OF MEDICINE AND SURGERY EQUIPMENT MANAGEMENT MANUAL**

The P-5132 is available via the NAVMEDLOGCOM homepage. It reiterates Department of the Navy policy and provides equipment management procedures to include budgeting, funding, acquisition, use, maintenance, repair, redistribution, and disposal of equipment.

**TERMINOLOGY**

To effectively procure and account for materials, be familiar with terminology commonly used in the supply system.

- **Procurement**: The act of obtaining materials or services.
- **Contracting Authority**: Refers to the dollar limitation and acquisition methods the command and purchasing agents are restricted to when placing government orders.
- **Commitment**: When appropriated funds have been approved and set aside by the fiscal officer for acquisition of goods and/or services.
- **Obligation**: When a qualified purchasing agent enters into a contractual agreement thereby obligating the Government with a vendor for goods and/or services.
• Unauthorized Commitment: When a government representative, lacking the authority to enter into a contract on behalf of the government, enters into an agreement with a vendor for goods and/or services. This person may be liable for paying for those goods and/or services.

• Ratification: The process in which an unauthorized commitment is reviewed by designated personnel. Appropriate contractual documentation is prepared and forwarded to the ratifying official to allow the vendor to be paid for goods and/or services rendered.

• Procurement Administrative Lead Time (PALT): The time it takes for the Purchasing Agent to place an order against a requisition. The PALT begins the day a valid requisition arrives in the procurement office and continues to the time the order is placed by the purchasing agent.

• Priority Designator: A two digit number used by the customer to determine the urgency of the requisitioned item.

• Required Delivery Date (RDD): The date the materiel is required by the customer.

• Authorized Requisitioner: A person designated in writing with signature authority to sign requisitions for supplies and services, usually the Division Officer or Department Head.

• Micro-Purchase: An acquisition of authorized supplies or services that do not exceed the current competitive threshold of $3000 (Micro-purchases are not required to be placed with a small business vendor.)

• Non-Procurement Official: A non-purchasing official who may place orders utilizing the Government-wide Commercial Purchase Card for orders less than $3000 and no more than a cumulative total of $20,000 per year.

• SERVMART: A source for the purchase of non-medical administrative material, including cleaning gear.

• Federal Acquisition Regulation (FAR): The primary regulation used by all Federal Executive agencies in their acquisition of supplies and services with appropriated funds.

• Defense FAR Supplement (DFARS): Regulations providing supplemental guidance to the Federal Acquisition Regulation for DoD activities.

• Navy Acquisition Procedures Supplement (NAPS): A document providing guidance to the FAR and DFARS for Navy contracting personnel in acquiring goods and/or services.

• Competitive Threshold: Requisitions exceeding the current competitive threshold of $3000 must receive quotes from a minimum of three vendors, unless a valid sole source justification is provided.

• Separation of Functions: Controls established to ensure the same person does not initiate, award, and receive materiel. If local circumstances make it impracticable for these functions to be performed by three separate individuals, at a minimum, the same individual shall not be responsible for the award and receipt of the materiel.

• Requisition: An order from an activity that is requesting material or services from another activity.

• Bulk Stock: Material in full, unbroken containers available for future use.

• Consumable: Supplies that are consumed or disposed of after use.

• Federal Supply Schedule (FSS): The collection of multiple award contracts used by Federal agencies, U.S. territories, Indian tribes and other specified entities to purchase supplies and services from outside vendors.

• Controlled Equipment: Items of equipment/equipment that require special management control because the material is essential for the mission or the protection of life, is relatively valuable, or easily converted to personal use.
Material: All supplies, repair parts, and equipment/equipment.

Non-Consumable: Supplies and materials that are not consumed or disposed of after their use. Buildings and equipment are non-consumable items.

Repair Part: Any item that has an application and appears in an allowance parts list (APL), stock number sequence list (SNSL), integrated stock list (ISL), Naval Ship Systems Command drawings, or a manufacturer's handbook.

Reserve Stock: Items on hand and available for issue for a specific purpose, not for general use (for example, decontamination supplies).

Standard Stock: Material under the control of an inventory manager and identified by a National Item Identification Number (NIIN).

OPERATING BUDGETS

The operating budget is the annual budget of an activity and is assigned by the Chief of Naval Operations (CNO), Fiscal Management Division, to major claimants. Examples of a major claimant include BUMED and Headquarters Marine Corps. Funds are distributed as operating targets or OPTARs which are generally apportioned in four equal quarterly divisions that represent the maximum amount that can be spent for each quarter of the FY. This system prevents over expenditure of funds early in the fiscal year and helps prevent financial problems at the end. Unused quarterly funds may be carried over to the next quarter simply by adding them to the new quarterly apportionment. At the end of the fourth quarter, all accounts are balanced and closed; new expenditures are not authorized until appropriated funds are made available for the new fiscal year.

FEDERAL SUPPLY CATALOG SYSTEM

LEARNING OBJECTIVES:

Explain the terms associated with the Federal Supply System (FSS).

Explain how to use the Federal Supply Catalog (FSC).

The Department of Defense Supply System contains more than 4 million items; of this total the Navy stocks more than 1 million items. To order supplies effectively from this system, a basic understanding of the DOD supply system terminology and structure is required. This includes the naming, description, classification, and numbering of all items carried under centralized control of the United States Government. Only one identification number is used for each item, from purchase to final disposal.

FEDERAL SUPPLY CLASSIFICATION SYSTEM

The Federal Supply Classification (FSC) System is designed to permit the classification of all items of supply used by the federal government. Each item of supply will be included in one FSC. The FSC is made up of 2 two-digit numeric codes: the federal supply group and the federal supply class. The federal supply group identifies, by title, the commodity area covered by the classes within each group.

The following is an example of the 6500 series Federal Supply Group and its classes used for the majority of the Medical, Dental, and Veterinary Equipment and Supplies:

- 6505 Drugs and Biologicals – (Note-Only items specifically formulated for human use are appropriate to this class.)
- 6508 Medicated Cosmetics and Toiletries
- 6509 Drugs and Biologicals, Veterinary Use
- 6510 Surgical Dressing Materials
SUPPLY MANAGEMENT

Criteria for Maintaining Stock on Hand in the Warehouse or Storeroom

The cost of keeping stock on hand includes not just the initial cost of the item, but the associated expense of storing, counting, and rotating the inventory. Each item added to the inventory must meet certain criteria. In certain, exceptional cases, a command may decide that an item must be available even if the need is infrequent.

Normally, items are added to stock based upon the demand for the materiel. Each request for an item by a customer is counted as a demand. The number of demands over a specified period is the demand frequency, i.e., 4 per quarter. Demands are categorized as recurring or non-recurring. A request for an item that is continuously used is normally a recurring demand. A non-recurring demand is generally for an item that is needed infrequently or for an exceptionally large one-time request for an item normally used in smaller quantities. Three recurring demands within one quarter are generally the minimum criteria for stocking an item in the warehouse.

The number of demands alone, however, is not the only criteria to consider. The cost of the item and its availability (how long it takes to bring it into the command) are also considered. An expensive item that can be purchased and received in a short period of time is not a good candidate for stock since buying enough to keep on hand to meet the customer's requirements would be very expensive. Additional item to consider is the shelf-life or expiration date.

Stockage Levels

Once the decision has been made to stock the item, a determination must be made as to how much of the item to keep and when to reorder. Automated software programs will calculate the stockage levels based upon the projected monthly usage. A change to any of the factors listed below will result in a change in the overall projected inventory.
Levels of Supply

There will be control over the level or quantity of supplies kept by departments. Without controls, policy changes or poor ordering procedures may result in some items being in short supply, while other items are stockpiled in quantities that would not be consumed for several years.

Supply Level Terminology

Supply levels are expressed in one of two ways: numerical terms and months of usage. Numerical is expressed as the total amount of supplies on hand. “Months of Usage” is the most common and best method to use in accounting for the amount of items used.

In expressing the supply level of any stock item, four measurements are used: operating level, safety level, storage objective, and requisitioning objective.

- **Operating Level**: This measurement indicates the quantity of material required to sustain operations during the interval between arrival of successive replenishment shipments, normally seven days of supply. The operating level should be based upon the length of the replenishment cycle.

- **Safety Level**: This measurement indicates the quantity of an item, over and above the operating level, that should be maintained to ensure that operations will continue if replenishment supplies are not received on time, or if there is an unpredictably heavy demand for supplies, generally 14 days of supply.

- **Stockage Objective**: This measurement indicates the minimum quantity of a stock item that is required to support current operations. It is the sum of the operating level and the safety level.

- **Requisitioning Objective**: This measurement indicates the maximum quantity of a stock item that should be kept on hand and on order to support operations. It is the sum of the operating and safety levels (a.k.a. stockage objective) and the quantity of an item that will be consumed in the interval between the submission of a requisition and the arrival of the supplies. Figure 5-1 illustrates the relationship between the various levels of supply.

![Diagram of Supply Level Relationship](image)

Figure 5-1.—Supply Level Relationship

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Usage Data

The most accurate guide in determining supply requirements is past experience, as reflected in accurate stock records. Stock record cards must be kept current to assist in the material usage notes. From this past usage data, a reasonable projection of future usage rates can be made. SAMS (SNAP Automated Medical System) is the current approved shipboard computer program used to track all aspects of medical supply.

- **Re-Order Point (ROP):** The level at which a replenishment action is indicated. If the on-hand quantity plus the quantity due-in is less than the re-order point, a replenishment action is indicated.

- **Order and Ship Time (OST):** Time elapsing between the initiation of stock replenishment action for an item of supply and the receipt of that item by the activity. OST is usually set for 30 days for items ordered under a routine priority through a federal supply depot; this time may be shorter for material ordered from a local source or when transportation times are shorter.

BUMED-CONTROLLED INVENTORY ITEMS

BUMED-controlled inventory items are essential to preserve life (medications), highly pilferable (hemostats, etc.), and/or have a high acquisition or replacement cost (CAT scan, X-Ray equipment). NAVMED FORM 6700/13 (≥$100K - <$249K) and NAVMED FORM 6700/12 (≥ $250K) respectively, are used to requisition standard stocked BUMED-controlled items. Forward the request through the chain of command to the NAVMEDLOGCOM for technical review (Figs. 5-2 and 5-3).
PROFESSIONAL BOOKS AND PUBLICATIONS

The listing of all books and publications that are required to be maintained at an activity can be found in NAVMEDCOMINST 5600.1 series, Procedures for Review of Naval Medical Command Publications, and NAVMEDCOMINST 6820.1 series, Professional Reference Materials and Publications. GSA periodically makes open-ended contracts that cover the procurement of books. All professional books and publications are procured using a credit card purchase under the provisions of these contracts.

REQUISITIONING AND CONTRACTING DOCUMENTS

Documents used to requisition and contract for medical/dental materiel vary based upon the method of purchase. The following documents are often used and can be either hard copy or generated via a computer system such as the Defense Medical Logistics Standard Support (DMLSS) for ashore activities or SAMS for afloat activities.

**DD Form 1348**—This form is used to order standard stock items that have a National Stock Number (NSN). Most of the information needed for a DD 1348 is represented by Military Standard Requisitioning and Issue Procedure (MILSTRIP) codes (Fig. 5-4).

**DD Form 1348-6**—This form is used to requisition materiel that cannot be identified by an NSN. It is usually more descriptive in nature and requires sources of supply, manufacturers' parts code information, and applicable substitutes. Equipment items from The Defense Supply Center Philadelphia (DSCP) Shared Procurement program are requisitioned with this form (Fig. 5-5).

**DD Form 1149 (Requisition and Invoice Shipping Document)**—This form is used as a requisition document and shipping document. It can be a local form for requisitioning single line or multiple line items of materiel. This is one form for ordering open market item(s) and allows for complete source and technical description of the item(s). It can also be used to document purchase card transactions, as well as provide documentation to ship materiel between activities. As a requisitioning document, use this form to procure GSA contract items such as medical books, journals, and standard and nonstandard BUMED-controlled items requiring local purchase action (Fig. 5-6).

![Figure 5-4.—DD 1348](image-url)
Figure 5-5.—DD 1348-6

Figure 5-6.—DD 1149

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DD Form 1155 (Order for Supplies and Services)—This form is an official purchase order document and is required whenever an open market order is placed with a vendor. It is usually completed by the purchasing staff and includes all ordering information (Fig. 5-7).

![DD Form 1155](image)

Figure 5-7.—DD 1155

CONTROL AND ROUTING OF PURCHASE REQUESTS

Depending on the type of order, the method of acquisition may vary once the purchase request is delivered to the purchasing agent. All purchase requests must go through the following process prior to the purchasing agent even seeing the requisition:

1. All requests must be forwarded on a standard requisition document such as the NAVCOMPT 2276, the DD 1149, or a command approved local form.
2. All requests must be signed by departmental or directorate authorized personnel.
3. All requisitions must obtain "Availability of Funds" certification. This will be automated with both DMLSS and SAMS. For hard copy requests and specialized high cost requests, this certification must be specifically obtained.
4. Certain requisitions require approval by designated approving officers prior to submission to the Medical Logistics Department, i.e. Management Information Department (MID) approval for computer items.
5. All purchase requests must be technically reviewed and screened. Supplies and services must be described in a generic manner to encourage maximum competition and eliminate features restrictive to one supplier.
6. Once the requisition has been technically reviewed and items are determined not to be available from mandatory or other than open market sources, the requisition document is ready for procurement action.

SOURCES OF SUPPLY

The medical/dental materiel required to support a facility is normally procured through the supply system of the Navy or Department of Defense. There is a hierarchy of sources of supply and they are considered in the following order:

1. Local activity stock or local SERVMART.
2. Federal Supply System (National Stock Number (NSN)).
3. Federal Prison Industries (FPI) - Also referred to as UNICOR. FPI is the government corporation of the District of Columbia. Commands are required to purchase available items at prices not exceeding current market prices from FPI unless a waiver has been granted or the exceptions outlined in NAVSUP 4200.85C series have been met. FPI items are typically furniture items.
4. National Industries for the Blind and Severely Handicapped (NIBINISH) - Commands are required to purchase commonly used supplies from certain non-profit organizations employing blind or severely handicapped persons. Technical review and procurement personnel should be aware of the supplies and services available from these institutions and utilize them to the fullest extent.

5. General Services Administration (GSA) Federal Supply Schedule (FSS) Contracts - There are contracts established by GSA and Veterans Affairs (VA) with commercial firms to provide supplies and services at stated prices for given periods of time. When placing orders under a FSS, purchasing agents do not seek further competition nor make a separate determination of fair and reasonable pricing. Commonly used medical and non-medical items can be obtained from Federal Supply Schedules.

6. Defense Personnel Support Center (DPSC) Shared Procurement Program for Equipment Items - These are long term requirements contracts established by DPSC for state-of-the-art equipment items at a significantly reduced price. Some items are mandatory and require a waiver from NAVMEDLOGCOM to locally purchase items other than the mandatory Shared Procurement item.

7. DoD Prime Vendor Requirements Contract - DPSC and the VA have established contracts with both pharmaceutical and medical/surgical commercial vendors to be the prime supplier for medical treatment facilities in a geographical area. If the Prime Vendor does not carry an item required by the treatment facility, Medical Logistics may request a Distribution and Pricing Agreement (DAPA) be initiated with the vendor for that item. The Prime Vendor shortens the logistics pipeline by utilizing electronic ordering methods which enables delivery of ordered material within 24 hours.

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**INVENTORY MANAGEMENT**

**LEARNING OBJECTIVES:**

*Explain specific characteristics of each type of supply inventory.*

*Explain how inventories are to be conducted.*

*Explain procedures for inventory reconciliation.*

**OVERVIEW**

Inventory, or stock on hand, is both a valuable management asset and a considerable financial investment. The official inventory is managed by the Medical Logistics Department.

This section uses various terms to refer to inventory control procedures. NAVSUP P-485 provides definitions for all the terms used in inventory control.

**Inventories**

An accurate physical inventory is a prerequisite to efficient inventory control. The primary objective of a physical inventory is to ensure the on-hand inventory balance reflects the automated stock records. Inventories are initiated by the Inventory Management or Stock Control section.

**Inventory Management Goals**

The goal is to have the right item, at sufficient quantity, at the best price, and when the customer wants it. The most successful initiative to streamline medical/dental logistics is the Prime Vendor program. This response time allows users to order only the quantities needed and reduce the amount of money, human resources, and storage space devoted to maintaining larger quantities of materiel.
INVENTORY PROCEDURES

Proper inventory procedures mandate a complete and correct item count. Inventories are conducted to bring stock and stock records into agreement (also called reconciliation), the importance of a complete, accurate, and legible inventory is critical to an effective and efficient supply system.

1. Compare the stock number on the inventory count sheet to the stock number on the materiel.
2. Verify the unit of issue.
3. Count the item and enter the total count by unit of issue on the inventory count sheet. Be sure to count the materiel in all locations listed for the item.
4. Verify all locations listed for the stock number.
5. Turn in individual count sheets when they are complete.
6. If there is a discrepancy between the amount shown in the automated inventory system and the physical count, a second count is required. The same person should not count the item the second time. If the second count does not match either the amount in the inventory system or the first count, a third count will be conducted. Counting will continue until two counts match! If all counts do not match, be sure to re-verify the unit of issue and locations. The supervisor should review the counts to determine why they differ.

TYPES OF INVENTORIES

There are several types of inventories, each with a specific purpose. These types of inventory are controlled substances, bulkhead-to-bulkhead, specific commodity, special material, spot, velocity, random sampling, departmental, and war.

Controlled Substances

Conducted monthly, unannounced inventory done by members of the Controlled Substances Inventory Board.

Bulkhead-to-Bulkhead (Wall-to-Wall)

Conducted annually; is a physical count of all the material within a specific storeroom. It is conducted when a random sampling of that storeroom fails to meet the inventory accuracy rate of 90 percent, or upon custodian turn-over.

Specific Commodity Inventory

Physical count of all items under the same cognizance symbol or federal supply class (such as 6515/6505), or that support the same operational function (e.g., bandages, IV fluids, needles, etc.).

Special Material Inventory

Physical count of all items that, because of their physical characteristics, costs, or other reasons, are specifically designated for separate identification and inventory control. Special material inventories include but are not limited to stocked items designated as classified or hazardous. Physical inventory of such material is required on a scheduled basis, as prescribed in the NAVSUP P-485.

NOTE:
Medical supplies are examples of both the specific commodity and special material inventories.

Spot Inventory

Unscheduled type of physical inventory verifying existence of a specific item. It is conducted when a requisition is returned showing the item is not in stock but the stock records indicate the item is on hand. A spot inventory is conducted when directed by higher authority or when a specific item has been found to be defective.
Location Surveys

During spot check inventories the location accuracy should also be verified. Location surveys can be done as a separate action if desired. The goal is to have 98% of the actual stock locations match the recorded location in the inventory management system.

Velocity Inventory

Required on items with a relatively high turnover rate. It is based on the premise that the faster an item moves the greater the room for error.

Random Sampling Inventory

Part of the annual scheduled inventory program. It is done to measure the stock record accuracy for a segment of material on hand.

Department Inventory

Inventories held in departments or clinics are not carried on the Medical Logistics inventory records, but represent a considerable investment and are a valuable asset to the command. The goal is to keep enough stock on hand to meet routine and peak demands while holding the financial investment to the minimum.

War Reserves

Known as War Reserve Materiel Requirements or Mobilization Requirements, it is those activities that have an expanded mission during wartime will also have materiel requirements identified to support the expanded mission. War reserve materiel is counted as part of the inventory so that stock can be rotated, but it cannot be issued for routine operations. Release of war reserve materiel assets in support of operational requirements is governed by OPNAVINST 4080.1 series.

SAFETY

All materiel must be stored in a clean and orderly manner, maximizing space and productivity, and ensuring an accurate inventory. The storage area must be kept clean. Aisles should be wide enough (generally 1.5 times the width of the largest cart or vehicle used) to permit easy passage by materiel handling equipment and must remain clear.

Use chocks behind vehicle tires when loading or unloading to prevent movement of the vehicle; especially important when the loading ramp is on a slope or a forklift is used to unload the vehicle.

Stack boxes evenly with labels facing the front. All containers marked with "UP" should be stored accordingly. Items should be stored off the floor; pallets may be used for this purpose. Sprinkler heads must be unobstructed. Boxes must be stored 18 inches below the sprinkler heads.

Storeroom personnel working in the warehouse should wear safety shoes for personal protection.

Issuing

The act of pulling stock from the shelves to fill a customer's requisition. The supplies and their documents are placed on a cart or in a distribution area before they are delivered to or picked up by the customer.

MATERIAL RECEIPT, CUSTODY, AND STOWAGE

Once the supplies are received, they must be identified, checked, and distributed to the appropriate storeroom or department, and documentation as to their receipt, custody and stowage must be completed.
Material Receipt

In the receipt of government-owned materials, responsibility for receipts takes on an added importance because of the many types of material receipts and the required accountability.

Receipt Documentation

There are several types of receipt papers. The most commonly encountered receipt is the DoD Single Line Item Release/Receipt Document, DD Form 1348 (Fig. 5-4). Regardless of the type of receipt document, the end-use receiver must:

- Date the document upon receipt
- Circle the quantity accepted
- Sign the document to indicate receipt

Receiving Procedures

Small quantities of supplies received on a daily basis require no special preparations for receipt. Stock large quantities of supplies in a central area out of the traffic flow and hold there until preliminary identification and package count are completed. Then sort supplies according to the department or storeroom to which they will be distributed.

RECEIPT PROCESSING—CHECKING-IN MATIERIEL

Checking-in materiel means making sure the materiel received is the same as the materiel ordered and it is in good condition. When a government or commercial supplier fills an order and ships the materiel, a shipping document is provided to verify what is included in the shipment.

Types of Documents Used in the Receiving Process

Some forms used for ordering supplies will be used in the receiving process. Order for Supplies or Services/Request for Quotations (DD Form 1155), Request for Contractual Procurement (NAVCOMPT Form 2276), and Materiel Inspection and Receiving Report (DD Form 250) are used for inspection and acceptance of locally procured items. Upon receipt of a shipment, the appropriate purchase order/contract will be pulled and verified with the receiving document.

Prompt receipt processing is essential in certification of the invoice. Once the invoice is verified against the shipment received, the paperwork should be processed promptly to ensure payment is made and no interest is charged. Refer to your local policy for distribution of invoice copies (Fig. 5-8).

Figure 5-8.—DD 250
Receiving Process

1. Is it yours?
   a. Verify that the shipment is for the command. Each command has a unique, six-character Unit Identifier Code (UIC) assigned for the purpose of identification. This UIC is the first part of the document number.
   b. Verify the serial number assigned to track it.
   c. If the shipment does not belong to the command and the delivery truck is still there, bring it to the driver's attention.
   d. If the shipment was received by mail or the delivery vehicle has left, consult the local SOP for guidance on misdirected shipments.
   e. If the materiel is for your command, begin the check-in process.

2. Damage
   a. One of the first checks is a visual inspection for damage: dented, crushed, or liquid stained. Follow local policies to report damaged containers. If the containers are in good condition, proceed with the check-in.

3. Compare Shipping Document to the Actual Item Received
   a. The shipper prepares a document to identify what is included in the shipment. Shipping documents are found in a plastic envelope on the outside of the exterior pack or container. Sometimes the document is placed inside the container. There may be one packing slip for several items or a separate document for each requisition in the shipment.
   b. Check the stock or catalog number. Make sure the stock or catalog number printed on the box is the same as the stock or catalog number on the shipping document.
   c. Check the unit of issue. The unit of issue on the item or container should match the unit of issue on the shipping document.

UNIT OF ISSUE.—Describes how an item is packaged for sale by the distributor. Some items are issued in boxes, bottles, packages, or tubes. Often a product will be sold by the box or package with smaller boxes, tubes, or bottles inside. The unit of measure is the smallest internal package (one Band-Aid out of a box of 100); if your activity issues materiel by the unit of measure, it will account for the materiel by both the unit of issue (the way it is packaged for sale by the distributor) and the unit of measure (the smallest distribution quantity). Sometimes the outside of the container will be marked with a two (2) character code to identify the unit of issue of the materiel inside.

Example: 12 BT.

d. Check the quantity. Make sure the quantity received is the same as the quantity printed on the shipping document. When the quantity received matches the quantity printed on the shipping document, annotate verification on the document. This can be done by circling or placing a check next to the quantity field, or writing in the quantity received. If the quantities do not match, be sure to clearly mark the discrepancy.

One way to do this is, using a red pen:
- Line through the incorrect quantity printed in the quantity field of the shipping document
- Write the actual quantity received next to the quantity field
- Circle the actual quantity received
4. Stock or Direct Turn Over (DTO)  
   a. Stocked items are stored in the warehouse until a customer orders them. These items are routinely used (another term is "demand supported"); they are kept on hand to meet the needs of customers.
   b. Direct Turn Over items are items ordered by a customer that are to be issued directly to that customer.

5. Expiration Dated Material  
   a. Materiel that deteriorates over time is has expiration date or shelf life. The manufacturer prints the expiration date on the exterior pack and on the unit pack. The abbreviation EXP is often used for expiration date.
   b. Routine shipments received by the activity should have at least six (6) months of shelf life left at the time they are received. In some cases, when a high priority requisition is submitted, materiel with a life expectancy of less than six months may be shipped with the expectation that it will be used immediately.
   c. Check the date and mark any materiel that has less than six months life remaining.

6. Equipment  
   a. Check in equipment using steps 1-2 and following policies.
   b. Accountable equipment must have a property tag before being issued to the customer.
   c. All medical and dental equipment is inspected by the biomedical equipment department/division.
   d. Equipment check-in procedures are discussed in the biomedical equipment & technology management section.

7. Signing the Document  
   a. After verification actions are completed, the receiving document should be signed and dated to signify completion of the check-in process.
   b. **Make sure the signature is legible!**

8. Marking the Boxes  
   a. DTO materiel should be marked with the customer's name or identification number and then placed in a distribution area.
   b. The materiel will be delivered to the customer who will sign the receiving report or the receiving section notifies the customer that materiel is ready for pick-up and signature.
   c. The document signed by the customer will become the official file copy.

9. Forwarding Documents  
   a. Shipments can be received as one item or a truckload. It is important to maintain control of all the receipt documents.
   b. As the check-in for each document is completed, set the document aside where it will not be confused with other paperwork.
   c. For some commercial shipments, interest is charged if the receipt is not processed and the bill paid in a timely manner.
   d. Once the entire check-in process is complete, the receipts are forwarded to the stock control section and entered into the automated inventory management system.
Report of Discrepancy (ROD)

The Report of Discrepancy (ROD), SF 364 (Fig. 5-9), is the method by which activities report shipping type (issue) discrepancies and packaging discrepancies on the part of the shipper. It is filed with the DoD Supply System when a shipping type (item or packaging) discrepancy is found. The report serves two purposes: the customer is provided an exchange of items or financial reimbursement and the shipper is made aware that a physical distribution problem exists. Discrepancies are most often discovered during the receiving process; review the information in NAVMED P-5132 and follow local procedures.

Shipping-type (issue) discrepancies are:

- Excess or shortage in quantity; if the quantity is short, look for a suffix code after the document number that identifies this as a partial shipment rather than a shortage
- Damage caused prior to shipment (damage to interior contents)
- Incorrect item pulled and shipped (be sure the item received is actually a discrepancy and not a substitute item)
- Item is not identifiable - missing paperwork, etc.

**NOTE:**
Some packaging discrepancies are: improper packing, marking, unit of issue, or preservation method (i.e., refrigerated or frozen).

**MATERIAL STORAGE**

**Location**

Rows of shelving and individual sections should be numbered to facilitate storage and retrieval of material. Locations are alphanumeric codes that designate a specific spot in the warehouse. Some items may require more than one storage location; the additional locations should be noted on a cross-reference card at each storage site to ensure all stock is properly inventoried.

**Storerooms/Supply Lockers**

**GENERAL.**—When in charge of a storeroom the HM is also responsible for maintaining cleanliness and organization of the space and custody of the key(s). Proper temperatures should be monitored to avoid deterioration of products. Rotation of the stock and using products before the expiration date are critical to patient care.

**SHIPBOARD.**—Rust is an ever-present enemy and constant vigilance is required to keep it under control. Rust spots should be chipped, wire brushed or sanded, primed, and spot painted. Tighten loose bolts promptly to prevent possible damage to the storeroom or its contents. Examine pipes, valves, electrical systems, watertight fittings, and fire-fighting equipment daily, and report any defect to the supply officer.
Before getting underway into open seas, thoroughly inspect and secure storerooms to prevent stores from shifting due to the ships motion. Lash bulk stores to bulkheads, stanchions, or battens, and secure the fronts of open bins and shelves to prevent stores from falling out on the deck.

Areas of the Warehouse

Depending upon the size of the warehouse, separate, distinct areas may be established:

- **Administration**: The space within the warehouse used for clerical or management functions.

- **Receiving**: Where incoming shipments are checked-in and data about the shipment is recorded. Materiel should remain in the receiving area until the check-in process is complete. After the physical check-in is complete, the receipt information is entered into the automated medical inventory system.

- **Storing**: The act of putting materiel into a specific area of the warehouse. The majority of the warehouse floor space is devoted to storage. Following are specific areas of storage.

- **Bulk**: Contains large boxes stored on box pallets or racks such as solutions, toilet paper, and plastic urinals.

- **Bin/Small Item/Loose**: Contains surgical instruments, dental materiel, and other small items.

- **Cage**: Provides storage, under lock and key, for items that have potential for abuse or are likely to be pilfered such as needles and syringes. Access to this area is limited.

- **Vault**: Provides secure storage for controlled substances (i.e., morphine and codeine). These items have a high abuse or pilferage potential thus federal law requires them to be stored in an approved, secure enclosure. It may be a freestanding vault of 750 pounds or more or it may be built into the warehouse. Access to this area is restricted.

- **Shelving by Stock Number Sequence**: Used in small storage areas such as the vault and cage.

- **Creating a New Location**: Sometimes there is no room on the shelf for the new materiel. Even when a location is empty, it is still reserved while waiting for another shipment of the materiel shown on the label or placard. Do not remove the placard or cross out the existing label on an empty location. Create additional storage spaces/locations per local policy and document the new location.

Stock Rotation

To prevent deterioration of items, the oldest products should always be issued first. This is the FIFO (first in, first out) method. This is especially important when managing items marked with a shelf life code or expiration date. Non-expiration dated materiel is rotated by manufactured (MFR) date. This date can be found on the outside of the exterior pack or on the item.

In the bulk area, items are rotated from top to bottom; in other areas, materiel is pulled from front to back. For example: a box with an expiration date of 06/2011 will be placed on top, or in front of, a box with an expiration date of 11/2012. A box with a manufacture date of 04/2012 will be placed on top, or in front of another box with a manufacture date of 07/2014.

An active shelf life management program identifies stock that will expire prior to being used. A monthly surveillance check should be performed to verify the rotation of stock procedure is being implemented.

Shelf-Life Material

Shelf-life material is subject to deterioration. These items are assigned a shelf-life code listed in the Navy Management Data List (NAVSUP Publication 4100).
SPECIAL STOWAGE OF ITEMS

LEARNING OBJECTIVE:
Identify hazardous materials and how they are labeled.

This section will cover the classifications of material and discuss storage requirements for special types of material. The Naval Ships Technical Manual (NSTM) and the Hazardous Materials Information System (HMIS) outline the requirements for shipboard stowage of dangerous materials and lists the materials under each classification.

HAZARDOUS MATERIALS

Hazardous material includes all types of compressed gases and materials that present a fire hazard or are otherwise dangerous. Paint and oil constitute the bulk of material in this category. Paint and flammable liquid storerooms are normally provided with alarm and CO₂ smothering systems that can be activated by automatic temperature-sensitive devices inside storerooms and by manual controls outside storerooms. These storerooms are located, when practical, below the full-load water line, near either end of the vessel, but not adjacent to a magazine. They are equipped with watertight doors.

The Occupational Safety & Health Administration (OSHA) establishes regulations regarding the rights of employees to know the potential dangers associated with hazardous chemicals in the workplace. The goal is to reduce the risk of injury or illness caused by hazardous’ chemicals in the workplace.

Accomplishing this goal requires information and communication; therefore, OSHA issued The Hazard Communication Standard. This standard helps protect the Corpsman’s right to work in a safe and healthy environment. It requires the HM to not only be informed about hazardous chemicals in the workplace, but also to be trained to work safely with these materials. Each Medical and Dental Treatment Facility is guided by BUMED instructions to develop, implement, and maintain a written hazard communication program. This includes labeling, Material Safety Data Sheets (MSDS), and employee training.

Labeling and MSDS

Products considered hazardous should come from the manufacturer with a label identifying the chemicals and containing an appropriate hazard warning. MSDSs provide information on the hazards of potentially harmful materiel and precautions for using such materiel safely. OSHA regulations require all employers, including health facilities, to keep MSDSs on file for each hazardous chemical used. By law, chemical manufacturers, suppliers, and distributors are required to supply MSDSs with their initial shipments of hazardous chemicals. An up-to-date file of these sheets must be maintained and available to all employees.

Material Safety Data Sheets (MSDS)

These are maintained in the working area of the warehouse. All personnel must be able to locate the MSDS and understand each section as they provide specific information.

Hazardous Technical Information Services (HTIS): HTIS is located at Defense Supply Center, Richmond and maintains a data base of Materiel Safety Data Sheets. The helpline telephone number is 1-800-848-4847 or DSN 695-5168 and is staffed from 0730-1700 EST.

General Precautions for Handling Materials

By knowing the general precautions and following manufacturer’s instructions when handling materials, the HM can easily prevent hazardous situations or accidents. Use only proper cleanup procedures. HMs must dispose of all hazardous chemicals according to the MSDS instructions, applicable local, state, and federal regulations.
For protection, avoid skin contact with chemicals and minimize chemical vapor in the air whenever possible. Wear the appropriate protective eyewear, gloves, and a mask in order to protect from injury.

Never leave chemical bottles open. If left open, vapors can escape into the air and chemicals can be easily spilled when bottles are left open. Do not use a flame near flammable chemicals. Eating, smoking, or drinking is prohibited in areas where chemicals are used. Eating can cause chemicals to be ingested and smoking can cause chemicals to ignite or explode. Proper ventilation can eliminate hazards associated with most gases and chemicals. Storage rooms must be properly furnished and maintained.

**GAS AND CHEMICAL HAZARDS**

A variety of gases and chemicals are used or produced in medical and dental facilities. It is important to be aware of the hazards and to take the necessary precautions.

**Gases**

Ensure proper labeling, storage, and use of compressed gases, such as oxygen, nitrogen, and propane, according to published standards. The use of nitrous oxide conscious sedation requires special training and the use of Personal Protective Equipment (PPE) by personnel during the administration of the gas.

Stow compressed gases on the weather deck, or properly mounted in a shock resistant bracket, and securely fastened in a vertical position. Protect the cylinder valves from accumulations of dust, ice and snow, and screen the cylinders from direct rays of the sun. **NAVSUP P-485** contains more specific information concerning handling compressed gas cylinders.

**Toxic Vapors**

Toxic vapors can be generated when mixing impression and denture materials and various medical materials. Using adhesive, solvents, acids, chemical sterilizer agents; mixing radiographic processing solutions; and mixing some disinfectant agents can emit toxic vapors. Besides the danger from the vapors, direct contact with many materials, such as etchant acids, radiographic solutions, endodontic materials, or bleaching agents can cause chemical burns of the skin or eyes.

**Chemical Storage**

Proper storage of chemicals is critical for safety and guidance is located in MSDSs. The type of container and cabinet, security, and proximity to other chemicals, materials, heat, or open flame are areas that need consideration and control.

**Flammable Liquids**

Many items used in medicine and dentistry are flammable. Solvents such as acetone and alcohol are examples. When using flammable liquids, always have adequate ventilation, never use where sparks or flames are present, and have a fire extinguisher available. Store flammable liquids and bulk quantities in tightly covered containers in an approved flammable storage locker.

**Flammable Storage**

An enclosed area containing items that must be kept away from sparks or open flames. If the command is using a flammable locker, it must remain locked. Keep a fire extinguisher nearby. Acetone, methanol, paint, and isopropyl (rubbing) alcohol are examples of items stored in this area.
Alcohol

Stowed in a locked container in the paint and flammable liquid storeroom, to which only the supply officer (or other officer designated in writing by the commanding officer) has the key or combination.

Corrosive Storage

Corrosive Storage can be a special, separate room, or more commonly, a lockable storage container used to store acids. Because of the potential danger in handling acids, there should be a shower or eyewash station nearby. This storage area must have a way to contain spills. This is accomplished by a brim around the area or containers under the bottles or boxes within the locker. The area should be well ventilated to remove any vapors.

Acid

Unless classified as safe material, is stowed in an acid locker. Acid lockers are leak-proof and lead-lined boxes, chests, or lockers specifically designed for stowing bottles or containers of acid.

Acid Etchants

Acid Etchants come as solutions and gels are used for acid etch techniques used in sealants or composites. Always wear protective applicable PPE to avoid skin contact. Always handle acid-soaked items with forceps or gloves. If spills occur, use a commercial acid spill kit.

Organic Chemicals

Organic Chemicals include alcohols, ketones, esters, solvents, and monomers, such as methyl acrylate. After each use, clean the outside surfaces of the containers to prevent residual material from contacting the next user.

Gypsum Products

Gypsum Products include dental plaster and stone which are considered hazards because of the dust particles circulated. It is important to minimize exposure to the dust during handling, as it may cause respiratory problems.

Radiographic Chemicals

Radiographic Chemicals are used to process radiographs. Radiographic solutions and chemicals should be stored in tightly covered containers in a cool, dark place.

SUSPENDED OR “J” STOCK

Suspended or “J” stock is used to store material unsuitable for issue. Suspended stock must be separated from other storage areas and the area clearly marked to eliminate confusion with serviceable or “good” stock. Damaged, expired or material temporarily suspended from use by medical materials recall notices is held in this area.

Suspended material that is normally kept in a special storage area for security or temperature control reasons will stay in that special storage area while suspended. The stock must be clearly marked as “SUSPENDED” to avoid accidental issue of the item. One way to do this is to tape off the shelf where suspended stock is held.

REPAIR PARTS

Repair parts should be stored in their original containers.

MEDICAL WASTE

Medical and dental departments generate and accumulate large amounts of medical waste. Medical and dental departments will cooperate fully with other departments (supply, safety, etc.) to establish and enforce appropriate command policy involved in disposal of plastic materials and medical waste. Treatment facilities have designated areas to store medical waste.
BIOMEDICAL EQUIPMENT
TECHNOLOGY & MANAGEMENT

LEARNING OBJECTIVE:

Explain the responsibilities and accountability required for management of equipment.

TERMINOLOGY AND DEFINITIONS

Defense Medical Logistics Standard Support (DMLSS)

Centrally-managed automated system for use by logistics personnel to procure, maintain, and dispose of consumables and equipment. Medical/Dental Equipment—devices used in medical/dental diagnosis, therapy, and treatment of injury or disease.

Types of Maintenance Requirements (MRs)

- **Scheduled Maintenance**: Called preventive maintenance (PM) ashore and preventive maintenance system (PMS) afloat, serves to ensure inherent reliability, increase operational availability, and prevent excessive wear of moving parts.

- **Unscheduled Maintenance (UM)**: Corrective maintenance for the repair of equipment breakage or malfunctions.

- **No maintenance required (NMR)**: Equipment that normally requires no scheduled maintenance.

Heritage Assets

Recognized to be of historical or natural significance; cultural, educational, or artistic importance; or possess significant architectural characteristics. Located in museums or registered with the Naval Historical Center or the Marine Corps Museums Branch; expected to be preserved indefinitely.

Stewardship Land

Land not acquired for, or in connection with General (PP&E).

General PP&E

Divided into two sub-categories: Real property (i.e., land, building, and structures), and Personal Property, defined below.

Personal Property is a subcategory of General PP&E, (sometimes referred to as Garrison Property) is defined as those items used, but not consumed, to produce goods or services in support of DoN’s mission. Personal Property includes: office equipment, industrial plant equipment, vehicles, material handling equipment, automated data processing (ADP) equipment, government-furnished equipment (GFE), leased assets, and military equipment (i.e. weapons, weapon systems, and weapon system components and support equipment.) Personal Property does not include: inventory items (e.g., items intended for sale), operating materials and supplies, real property (i.e., land buildings and structures), or items of an historical nature.

Navy Assets

There are three categories of Property, Plant, and Equipment (PP&E) that have been defined in SECNAVINST 7320.10 series, Department of the Navy (DoN) Personal Property Policies and Procedures, for accounting and reporting purposes.
Categories of Personal Property include Capitalized, Minor, and Sub-minor.

**Capitalized Personal Property** must meet all of the following criteria:

- Has an acquisition cost, book value, or when applicable, an estimated fair market value equal to or greater than $250,000.
- Has an estimated recovery period equal to or greater than 24 months.
- Is not intended for sale in the ordinary course of operations.
- Has been acquired or constructed with the intention of being used or available to be used by DoN in its operations.

**Minor Personal Property** has an acquisition cost greater than $5,000 and less than $250,000, or has an acquisition cost greater than $250,000 but does not meet all the capitalization “criteria.”

**Sub-Minor Personal Property** is any asset that has an acquisition cost of $5,000 or less.

**Tracking of Equipment Data in an MTF/DTF**

All equipment is processed through the Equipment Management Division. The equipment is safety tested, assigned an equipment control number, and added to the Defense Medical Logistics Standard Support (DMLSS) System. The customer ordering the equipment is notified of the equipment receipt after these steps are completed. Accountability and acceptance of equipment should be documented on the purchase order by the signature of an authorized individual within the receiving department. Records should be maintained to adequately identify the location and person responsible for each item of equipment at any time. A custodian and sub-custodian will be assigned to each equipment item in the inventory.

**Medical & Dental Equipment with Patient Data**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule provides federal protections for protected health information held by covered entities and gives patients’ rights with respect to that information. HMs are mandated to secure any equipment within the department, that may contain patient data (Name, SSN, diagnosis, pictures, etc.) and stored on some type of media (Hard drives, Floppy Disk, etc.).

**EQUIPMENT MANAGEMENT PROGRAM**

**Equipment Manager**

The Command’s Equipment Manager, appointed by the Commanding Officer, has primary responsibility for comprehensive management of medical equipment within a treatment facility. Comprehensive management includes planning, procuring, receiving, property accounting, installation, inventory, replacement, and disposal of equipment. Planning will precede all equipment acquisition.

**Equipment Manager’s Responsibilities**

Scheduling, supervising and coordinating procedures to ensure complete and accurate physical inventories are some of the duties. Equipment managers process equipment custody transfers between departments and maintain documentation to support transfers between departments and outside activities. Property records kept by the equipment manager should reflect the current location and who has custody of the item of equipment. The Equipment Manager plays a key role in the Equipment Program Review Committee (EPRC).
Role of the Equipment Program Review Committee (EPRC)

This committee provides oversight of scarce equipment resources in the most cost effective manner possible. The program allows conservation of resources while enabling quality health care delivery. The committee should meet at least semi-annually to formulate and prioritize minor equipment requirements and to establish priorities for investment equipment.

Equipment Budget Call

The Equipment Manager under the direction of the EPRC will request departments to submit minor equipment requirements for the upcoming fiscal year. The EPRC will compile all requirements submitted and will prioritize the acquisition of each within locally available funding levels twice each fiscal year.

Acquisition of Equipment

Equipment should not be purchased before screening other medical/dental activities in search of available sharable or idle equipment. Published lists of excess/available equipment are managed via the Shared Procurement Program and can be obtained from NAVMEDLOGCOM.

Certain items of equipment require special approval before acquisition can take place. The EPRC screens all requirements and prioritizes them in the order in which the facility would like them purchased. Special approvals required should be obtained prior to submission to the EPRC. Some items of equipment that require special approval are:

- Filing and records keeping equipment
- Telecommunication equipment (frequency allocation)
- Federal Information Processing (FIP) Life cycle managed equipment such as computers, telephone systems, etc.
- Simulation manikins

Refer to the NAVMED P-5132 for additional references for obtaining special approvals.

After preparing a purchase request, the fiscal department will ensure funds are available. After funds availability certification is obtained, the purchase request is ready for procurement.

Funding for Minor Equipment and Investment Equipment

The Operation and Maintenance (O&M) appropriation is the source of funding for expense items such as minor equipment. O&M funding is used when the cost of equipment falls below the investment equipment threshold which is currently $250,000.

Leased Equipment

Leasing is appropriate if it is to the government's advantage and/or used as an interim measure when the following two criteria are met:

- Immediate use of the equipment is required to meet program or system goals
- Circumstances do not currently support buying the equipment. Note: If leasing is justified, a lease with option to buy is preferable in most cases
Safe Medical Devices Act (SMDA) of 1990

The SMDA of 1990 established a mandatory requirement for treatment facilities to report all incidents that reasonably suggest there is a probability that a medical/dental device has caused or contributed to the death, serious injury, or serious illness of a patient. Internal controls and reporting mechanisms must be established to ensure the Head, Biomedical Engineering, the Equipment Manager, and Command Safety Manager are notified of any incident to ensure the equipment is removed from service and thoroughly checked. A SF-380, Reporting and Processing Medical Material Complaints/Quality Improvement Report, is prepared and submitted to the Defense Personnel Support Center (DPSC) per the timelines outlined in the Reporting Unsatisfactory Equipment section.

Reporting Unsatisfactory Equipment

When a piece of equipment is received or used and found to be unsatisfactory or presents a hazard to the patient or operator, the below reports are to be completed. Classifications of complaints are grouped in three classes and are as follows:

- **Type I**: Materiel determined to be harmful or defective to the extent that use may or has caused serious illness or death.

- **Type II**: Materiel, other than equipment, suspected of being harmful, deteriorated, or otherwise unsuitable for use.

- **Type III**: Equipment determined to be unsatisfactory because of malfunction, design deficiency, defect, faulty materiel, workmanship, or performance. Equipment may be used unless the item presents a possible direct hazard (i.e., electrical shock, sharp edges, or other safety hazards).

Report Type I complaints immediately. Type II and III complaints are to be reported as soon as possible but not later than 10 days from the date of the incident.

Defense Personnel Support Center (DPSC) serves as the single Department of Defense (DOD) focal point for processing of medical and dental materiel/equipment complaints. Below is a summarization of equipment conditions that would require a report to be completed and forwarded to DPSC.

**Inventories and Inspections**

BUMED activities are responsible for completing two different types of inventories. A Master Equipment Inventory conducted annually and a Triennial Inventory to be conducted every third year. The Equipment Manager is responsible for setting up procedures to follow when conducting physical inventories.

**NAVMED P-5132** contains instructions as to the necessary data to be recorded for each item during an inventory, along with submission requirements. The collected data from the physical inventory will be used to update the current inventory in DMLSS.

Biomedical Equipment Maintenance Division (BIOMED)

The BIOMED division serves as a resource for questions and to provide preventive and corrective maintenance. It is staffed by specially trained Bio-Medical Equipment Technicians (BMET). The HM must be familiar with the equipment in the treatment facility in order to be effective in daily clinical operations.

Basic Expectations:

- Recognize the major components of each piece of equipment
- Perform routine user maintenance on equipment (Level I Maintenance)

The first rule for operating and performing user maintenance on equipment is to carefully read the manufacturer’s instructions. Copies of this literature should be in the LPO/LCPO’s office or BIOMED.
Preventive maintenance for all medical/dental equipment is a part of the Equipment Management Program. A HM may be tasked with assisting the BMET with locating equipment that belongs to the department.

**Maintenance Levels**

Proper care and use by the equipment operator, combined with regularly scheduled maintenance, ensure maximum reliability and prolongs the useful life of equipment. BIOMED is responsible for performing or coordinating, and recording preventive maintenance on all medical and dental equipment. Preventive maintenance will be performed on all medical/dental equipment utilizing a risk-based management program. NAVMEDLOGCOM is the technical manager for this program and provides training and technical guidance. All newly acquired equipment will be safety checked by a BMET before leaving the equipment management division.

The three maintenance levels are as follows:

- **Level I (Performance Testing):** Level I preventive maintenance is the responsibility of the equipment operator and consists of operator maintenance that is performed before, during, and after equipment usage. It is the basic maintenance required to keep equipment operating on a daily basis. This is performed by the personnel utilizing the equipment within the department.

- **Level II (Preventive Maintenance):** Intermediate maintenance relates to scheduled periodic (planned) technical inspection, lubrications requiring disassembly, replacement of worn or deteriorated parts, interior cleaning, calibration verification or adjustment, and verification of Level I performance. Level II maintenance is to be performed by a BMET or contracted service.

- **Level III:** Consists of maintenance requiring complete overhaul of the equipment item and is considered depot-level maintenance or equipment manufacturer service center level maintenance. At command discretion, performance of Level III is permitted. Level III maintenance will usually result in extension of service life and should be documented in the appropriate service history.

**NOTE:**

If a contractor is responsible for Level II or Level III maintenance, only approved personnel may coordinate Level II and III maintenance with the contractor assigned.

Services coordinated by unapproved personnel may result in a voided warranty, voided contract, and or an unauthorized commitment.
MAINTENANCE WORK ORDERS

The Medical/Dental Maintenance Work Order (NAVMED 6700/4) shown in Figure 5-10, or DMLSS work orders are used to determine workload and assign priorities. BMETs receiving equipment not properly functioning will complete the top section of the NAVMED 6700/4. Depending upon the BIOMED departmental workload and availability of loaner equipment, they may assign a functioning piece of equipment on a loan basis until the equipment repairs are completed.

Figure 5-10.—Medical/Dental Maintenance Work Order – NAVMED 6700/4

Excess Equipment

Excess equipment represents a source of material resources for other facilities. Redistribution of excess equipment provides the gaining facility with the opportunity to economically obtain equipment with only the cost of packing, crating and handling. Equipment identified as excess, which can be redistributed within the command to other departments, must be requested using a memorandum of transfer to the Equipment Manager. Property records will be updated to reflect a change in custodian.

PROPERTY SURVEYS

A property survey (or investigation) is the procedure used when Navy property or Defense Logistics Agency material is lost, damaged, or destroyed and must be completed in a timely manner. The purpose of a survey is to determine responsibility for the loss and to determine the actual loss to the United States Government. The forms discussed in the following paragraphs are used in connection with survey procedures.

Financial Liability Investigation of Property Loss

Missing, Lost, Stolen, or Recovered equipment that has been determined to have been lost, damaged, or destroyed must be surveyed to account for the amount of loss to the government. The Commanding Officer will report all incidents IAW NAVMED P-5132, Bureau of Medicine and Surgery, Equipment Management Manual. Upon discovery, the accountable or responsible official will initiate a Report of Survey, DD Form 200 (Fig. 5-11).

Detailed instructions for preparing DD Form 200 are found in NAVSUP Manual, Volume III, Supply Ashore. An officer will be appointed in writing by the Commanding Officer, and will be authorized to approve/disapprove Reports of

Survey when no evidence of negligence or abuse exists. The appointed officer may act as the Survey Officer. When abuse or neglect is suspected, a survey board will conduct the investigation. The survey board provides greater surveillance over lost or damaged equipment and facilitates processing actions.

5-28
CONTINGENCY SUPPLY BLOCKS

LEARNING OBJECTIVE:

Describe assemblage and management procedures for medical contingency supply blocks.

The HM may be assigned to a Health Services Augmentation Program (HSAP) team. The HSAP gives detailed information on policies, procedures, and responsibilities on the various types of teams. These specialty units require supplies and equipment that may not be available or are in limited supply in the area to which deployed; contingency supply blocks have been established to meet this need.

Contingency supply blocks consist of functionally packaged medical and dental equipment and supplies. Each block is assembled to meet the needs of a specific unit. For example, a surgical supply block contains enough equipment to establish one operating room and sufficient supplies for 100 major surgical cases. These blocks are utilized to supply assets with the FMF and CBs.

ASSEMBLING THE BLOCK

The contents of each contingency supply block are outlined in an Authorized Medical Allowance List (AMAL) specific to that block. NAVMEDLOGCOM is responsible for developing, publishing, maintaining, and coordinating a comprehensive review of all AMALs on at least an annual basis. The AMAL is the basic source document used to sustain supply block management. The preface of the AMAL contains instructions for maintaining, packing, and marking the block.
Authorized Medical/Dental Allowance List
(AMAL/ADAL)

The AMAL/ADAL is the minimum amount of medical/dental material to be maintained by an operational platform or on order at any given time. Revisions are based on changes to the Federal Supply System, professional recommendations, and Type Commanders. The amount of material as noted in an AMAL/ADAL is designated by NAVMEDLOGCOM for each specific operational platform and area covered. Submit recommendations for changes to the AMALs/ADALs to NAVMEDLOGCOM where it will be reviewed and approved through the TYCOM.

Ships no longer receive contingency supply blocks due to improved turnaround on supply requests regardless of location. Ships use the AMAL/ADAL lists to maintain individual item supply levels for overall compliance.

MANAGING THE BLOCK

Contingency supply blocks contain dated, shelf-life, or deteriorative items such as pharmaceuticals, intravenous solutions, and prepackaged items. Dated items in the block must have an expiration date sufficiently far in the future to allow for a lengthy deployment (up to 6 months). Monthly status and quarterly readiness reports ensure the designated supply blocks are ready for rapid deployment. This reporting process allows the team members to become familiar with the contents of the block and the operability of all equipment.

SUMMARY

This chapter identified Naval Supply publications; introduced the Federal Supply Catalog System; outlined procedures used to estimate supply needs, procure supplies and material; and outlined procedures to account for supplies and operating funds. Supply management affects the availability of supplies when most needed (deployment or emergency) thus application of the principles and procedures outlined will ensure operational readiness and mission satisfaction.