
APPENDIX C. ECONOMIC ANALYSIS FORMAT

C-1. General

The Economic Analysis format is to be used when preparing a request for high-cost equipment. An economic analysis is required on all medical equipment with a unit or system cost of \$1 million or more. This economic analysis is required by AR 40-65, *Review Procedures for High-Cost Medical Equipment*.

C-2. Acquisition Costs

The \$1 million threshold will include all costs actually incurred in the acquisition. These costs are to be considered regardless of the source of funds for each cost and even if the costs are separate from the vendor's price for the equipment itself. These costs should include:

- a. Design
- b. Survey
- c. Facility alteration
- d. Installation
- e. Transportation and training

C-3. Format

The format and instructions for preparing the Economic Analysis is contained in AR 40-65. The report should:

- a. Be worded in a concise manner which is complete and understandable without having to refer to the basic question.
- b. No question should be answered N/A.
- c. The report should state why the question is not applicable.
- d. The workload data should be applicable only to the equipment or system being requested.
- e. The cost analysis section must be complete. Cost per procedure and annual cost of work performed in other federal or civilian health-care facilities must be completed, and relate to workload and cost for in-house capability.