National Indian Health Board

TESTIMONY OF THE NATIONAL INDIAN HEALTH BOARD – VICTORIA KITCHEYAN, CHAIRPERSON, SENATE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES MAY 16, 2019

Chairwoman Murkowski, Ranking Member Udall, and Members of the Subcommittee, thank you for the opportunity to submit testimony in regards to FY 2020 appropriations. On behalf of the National Indian Health Board (NIHB) and the 573 federally-recognized Tribes we serve, I submit this testimony on the Indian Health Service (IHS) FY 2020 budget.

Over the course of a century, the United States federal government entered into over 500 individual treaties with Tribal Nations that established the foundation for what we now call the federal trust responsibility, which encompasses the provision of healthcare and public health services. This trust responsibility for health has been reaffirmed by Supreme Court rulings, federal legislation, and presidential executive orders. The Indian Health Service (IHS) is the primary federal agency entrusted with carrying out this duty; however, IHS has never been funded at the level of need. In fact, FY 2017 per capita expenditures for medical care amounted to just $4,078 within IHS, compared to $9,726 nationally. Chronic underfunding of IHS has resulted in a lower quality of life and higher burden of preventable diseases among American Indians and Alaska Natives (AI/ANs). For example, in South Dakota, average life expectancy for American Indians and Alaska Natives is 58 years, compared to 82 years for non-Hispanic Whites.[1]

IHS Advance Appropriations

First, NIHB wishes to thank Chairwoman Murkowski and Ranking Member Udall for their leadership and strong support for securing advance appropriations for IHS. The most recent 35-day government shutdown destabilized Tribal governments and Native health delivery systems; as well as Native families, children and individuals. In fact, IHS was the only federal health system impacted by the shutdown. Moreover, while IHS funding is not responsible for the federal deficit nor were budget disputes preceding the shutdown specific to IHS, the Indian health system nevertheless felt the burden of the shutdown as many Tribes scrambled to keep health facilities open, to keep providers on their payroll, and to maintain services.

Advance appropriations honors the federal trust responsibility and helps ensure that the federal government meets its obligations for health services to Tribes. Advance appropriations also protect Native health systems in the event that Congress cannot pass a full budget by the start of each fiscal year. In September 2018, the Government Accountability Office (GAO) issued a report (GAO-18-652) stating, "…uncertainty resulting from recurring continuing resolutions and from government shutdowns has led to adverse financial effects on tribes and their health care programs." Thus, advance appropriations would help provide better continuity of care, and would help insulate Tribes from unrelated budget negotiations. While advance appropriations will not solve chronic underfunding of IHS, Tribes and NIHB believe that advance appropriations are an important interim step that will prepare the IHS for a transition to mandatory funding.

Sequestration

[1] South Dakota Department of Health. 2012. Mortality Rates. https://doh.sd.gov/Statistics/2012Vital/Mortality.pdf

We also urge you to fully exempt the Indian Health Service (IHS) from sequestration cuts that might occur in FY 2020. Even a 2% reduction is too much for an agency that provides direct health services and is already severely underfunded. Failure to completely exempt Tribal governments from sequestration will mean that Tribal communities are deprived of essential functions, resulting in loss of opportunity and even loss of life.

FY 2020 Funding Recommendations

Tribes and NIHB were pleased to see new line item requests in the FY 2020 President's Budget including a $25 million line item to modernize Electronic Health Records (EHRs); $25 million for HIV/AIDS and Hepatitis C prevention and treatment; and $20 million for a national Community Health Aide Program (CHAP). But while Indian Country supports funding for these initiatives, they must not come at the expense of other vitally important line items. For example, Tribes were dismayed at the proposed elimination of the Health Education program; by the roughly $39 million in cuts to the Community Health Representative (CHR) program; approximately $80 million in cuts to the Health Care Facilities Construction budget; and $52 million in proposed cuts to preventive health services in the President's Budget. These cuts would devastate an Indian health system that has little dedicated funding for public health and preventative services. Thus, we strongly urge the Committee to ensure critical programs are maintained and increased, in addition to securing funding for the new line items.

IHS Tribal Budget Formulation Workgroup Recommendations

The following budget recommendations reflect the IHS Tribal Budget Formulation Workgroup (TBFWG) recommendations for FY 2021. The workgroup is comprised of Tribal leaders, technicians and researchers who come together each year to form Indian Country's priorities as they relate to IHS. Tribes recommend **$36.8 billion** to fully fund IHS. Specifically, this amount includes **$22 billion** for Medical Services; **$1.77 billion** for Dental and Vision Services; **$4.29 billion** for Community and Public Health Services; and **$9.28 billion** for facility upgrades and upfront costs (non-recurring investments). To begin the 12 year phase-in of the full $36.8 billion request, Tribes recommend a **$7.1 billion appropriation** in FY 2020. While all areas of the IHS budget are essential and an in need of strong increases for FY 2020, Tribes have identified several top priorities: *Hospitals & Clinics; Purchased/Referred Care (PRC)*; *Mental Health*; *Alcohol & Substance Abuse Services;* and *Dental Services.*

Hospitals and Clinics: In FY 2020, Tribes recommend **$2.5 billion** for Hospitals and Clinics (H&C) which is $349 million over the FY 2019 enacted level. The H&C line item provides the base funding for the 650 hospitals, clinics, and health programs that operate on Indian reservations, predominantly in rural settings. IHS H&C are challenged by factors including increased demand resulting from a significantly growing population; increased rate of chronic diseases; rising medical inflation; difficulty in recruiting and retaining providers in rural health care settings; and lack of adequate facilities and equipment. Increasing H&C funding is necessary as it supports the following: all primary medical care services, including inpatient care; routine ambulatory care; and medical support services, such as laboratory, pharmacy, medical records, and information

technology. It also provides the greatest flexibility to support public health initiatives targeting health conditions disproportionately affecting AI/ANs such as diabetes, cancer, and hepatitis.

Community Health Aide Program/Community Health Representatives: For FY 2020, Tribes recommend **$83.2 million** for the CHR program, which is an increase of $20.3 million above the FY 2019 enacted level. The President's Budget Request for FY 2020 proposes to phase out the CHR Program and replace it with a national CHAP initiative. While the CHAP initiative has shown much success, its expansion should not come at the expense of the critically important and highly successful CHR program. If this request were to be accepted, health services would fall flat and neither program would likely be able to effectively operate. For generations, CHRs have been integral to the fabric of health delivery in Indian Country and Tribes do not wish to see this historic program discontinued. CHRs provide services such as in-home patient assessment of medical conditions, glucose testing and blood pressure tests, preventive health screenings, and case management. They also help interpret prescriptions, which is critical for patient safety, especially for drugs with high risk of misuse.

There are more than 1,600 CHRs representing over 250 Tribes in all 12 IHS Areas, and 96% of CHR programs are operated by Tribes in partnership with IHS – one of the best examples of the Nation to Nation relationship between Tribes and the Federal government. Program data from FY 2016 demonstrated that CHRs conducted 340,270 home visits and provided 1,102,164 patient contacts/services on a variety of health related conditions. It is likely that far more contacts were made but not reflected in data due to reporting challenges. The Tribal recommendation for this line item would be to increase funding for the sole purpose of service delivery of CHR program services and functions. The CHAP program is also supported as a separate recommendation.

Health IT: IHS does not receive dedicated and sustainable funding to adequately support health IT infrastructure and training, including full deployment of EHRs. The current Resource and Patient Management System (RPMS) is a comprehensive suite of applications that supports virtually all clinical and business operations at IHS and most Tribal facilities, from patient registration to billing. Many Tribes are choosing to leave the system because IHS cannot properly maintain and update the system due to budget constraints and interoperability challenges. In addition, the Veterans' Health Administration (VHA) has announced a move to a commercial off the shelf system. This puts RPMS at risk because it is linked to the VHA EHR and receives technical updates and changes as a result of the VHA's work. NIHB echoes the TBFWG request to create a separate funding line item for Health IT to protect H& C funds to support direct care services. The President's Budget has proposed a dedicated line item for EHR, so that IHS can either update the current EHR or initiate a process similar to that of the VHA.

Purchased/Referred Care (PRC): For FY 2020, Tribes recommend **$1.4 billion** for the Purchased/Referred Care (PRC) program. This is $426 million above the FY 2019 enacted level. The PRC budget supports essential health care services from non-IHS or non-Tribal providers. In FY 2016, PRC denied over $423.6 million in services – that's 92,354 needed health care services that AI/ANs were denied from receiving due to budget constraints. That is unacceptable. Deferral of care costs lives in Indian Country, and contributes to the lower health status of AI/ANs.

Mental Health: For FY 2020, Tribes are recommending **$254.7 million**. This is $149.4 million above FY 2019 enacted. Addressing mental health disparities remains a top priority in Indian Country, and a significant increase in this line item helps ensure Tribal communities can develop innovative and culturally appropriate prevention programs. Research has demonstrated that AI/ANs do not prefer to seek mental health services through Western models of care due to lack of cultural sensitivity; which suggests that AI/ANs are not receiving the services they need to help reduce these alarming statistics.[2] In the California Area, for example, lack of funding is reflected by 2017 Government Performance and Results Act (GPRA) data. Of patients that were diagnosed with depression, only 30% received a prescription for antidepressants with enough medication and refills to last 12 weeks, and only 10% received enough to last 6 months. An increase in funding and subsequent staffing would allow a greater percentage of the population to be seen and treated by behavioral health specialists.

Alcohol and Substance Abuse: For FY 2020, Tribes recommend **$351.2 million** for the Alcohol and Substance Abuse budget. This is $105.7 million above the FY 2019 enacted level. Alcohol and substance addiction have grave impacts that ripple across Indian Country causing adverse health outcomes that break the social fabric of Tribal traditions and ties. NIHB was pleased to see $10 million allocated for the Special Behavioral Health Pilot Program in the FY 2019 conference report. We encourage the Committee to continue building on this investment, and work with authorizing committees to enact mandatory appropriations for this program, as is the case for the Special Diabetes Program for Indians (SDPI). SDPI works because it is consistent, broad-based funding that reaches a significant amount of Tribes, with a funding structure that Tribes prefer.

Dental Health: For FY 2020, Tribes recommend **$288 million** for Dental Health. This is $83.3 million above the FY 2019 level. In the general U.S. population, there is one dentist for every 1,500 people; but in Indian Country, there is only one dentist for every 2,800 people. Nationally, AI/AN children have the highest rate of tooth decay. This is why Tribes continue to advocate for the expansion of Dental Therapists (DTs), whom have been practicing successfully in Alaskan Native Villages for over a decade. DTs are primary oral health providers that live and work in the communities they serve providing routine care to patients so that the need for emergency services is minimized and patients are experiencing greater overall oral health outcomes.

Facilities: For FY 2020, Tribes recommend a total of **$887.9 million** for facilities appropriations which is an increase of $9 million over the FY 2019 enacted level. These increases will be used to improve maintenance of IHS facilities, speed up the funding of projects on the IHS Healthcare priority list, and improve sanitation conditions in Tribal communities. IHS facilities are some of the oldest health facilities in the nation. Whereas the average age of mainstream hospital is roughly 10 years, at current rates of funding, an IHS facility built today would not be replaced for another 400 years![3] Investments in Indian health facilities will allow the care provided in our communities to commensurate other health systems in the United States.

[2] Walls, M. L., Johnson, K. D., Whitbeck, L. B., & Hoyt, D. R. (2006). Mental health and substance abuse services preferences among American Indian people of the northern Midwest. *Community Mental Health Journal, 42*, 521 -535.
[3] Federal Indian Trust Responsibility: The Quest for Equitable and Quality Indian Healthcare - The National Tribal Budget Formulation Workgroup's Recommendations on the Indian Health Service Fiscal Year 2018 Budget." June 2016. P. 64.