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**Midwest Alliance of Sovereign Tribes  
Fall Meeting  
Bloomington, Minnesota  
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**“Key IHS Issues”  
by**

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It is a pleasure to be here with you today. I believe for the Indian Health Service to be responsive to the needs of Indian people, we must hear from all those who represent American Indian and Alaska Native people. That is why during my tenure as the senior official of the Indian Health Service I will attend as many meetings like this as possible, or my Area Director Representatives, like Dr. Annette, will attend.

The decisions of the agency that affect Indian people are not made without Tribal participation and involvement; that is how decisions have been made in the past and that is how decisions will be made in the future. The more Tribal participation there is I believe the better the decisions will be. However, there will be times when a decision reflects a consensus rather than exclusive interests. It is those mutual interests, as the mission statement of the Midwest Alliance of Sovereign Tribes recognizes, that can “advance, protect, preserve, and enhance” the programs we have and the creation of programs we need. As the Midwest Alliance of Sovereign Tribes advocates for the Nations of the Midwest, alliances of other Tribes across the nation also advocate for their Nations. And it is the mutual interests of all Tribal Nations that must be considered in reaching decisions at the national level, so that national decisions can pave the way for more effective and relevant local and Tribal decisions. The political reality on the national stage at the Cabinet level or the Congressional level is that when there is no consensus of what is important, then

Tribes are perceived as not being able to reach an agreement. A member of Congress explained the political consequences more succinctly: members of Congress see no benefit to take action on issues where there is no agreement, because it ensures that someone is going to be disappointed. When there is no agreement, doing nothing allows them to avoid conflict and carries no liability, and they can devote their attention to their constituent groups who have reached agreement.

That is why I consider meetings such as this so critical as we determine what actions can be taken to ensure that we can achieve our mutual goals: to raise the health status of American Indian and Alaska Native people to the highest level possible, and to advance, protect, preserve, and enhance the mutual interest, treaty rights, Sovereignty, and cultural way of life of the Sovereign Indian Nations.

*The text is the basis of Dr. Grim’s oral remarks at the Midwest Alliance of Sovereign Tribes in Bloomington, Minnesota, on Monday, October 21, 2002. It should be used with the understanding that some material may have been added or omitted during presentation.*

One crucial area of concern to all of us is the IHS budget for the upcoming years. With the ever-increasing emphasis and priority on the war on terrorism and fluctuating national economic conditions, increases for our programs rely even more heavily on third-party resources and other federal programs that Tribal and urban Indian health programs can access. The Tribes have always known that the health needs of the American Indian and Alaska Native population cannot be achieved through the IHS budget alone when the country faces other pressing needs and equally compelling priorities. And it is those other priorities that are affecting the passage of the 2003 budget. As those differences get worked out we are operating under a continuing resolution through November 22<sup>nd</sup>, at fiscal year 2002 levels.

The President's 2003 budget request for the agency included a 2 percent increase over 2002 levels. And the development of the 2004 budget is underway, with the guidance that agencies submit their fiscal 2004 budget at fiscal 2003 Presidential requested levels. Any proposed spending increases must be justified with "credible" performance information and offset by cuts elsewhere. If there is any good news in this scenario, that is it. The IHS budget formulation process, which includes Tribal and urban Indian participation from the local level on up to agency level, provides the credible performance information needed to support requests for increases. The combined performance of the IHS, Tribal, and urban Indian health programs is recognized by the Department and we are encouraged that that recognition extends to supporting increases that may exceed the mandated levels. Nothing is guaranteed but the Department and this Administration have continually demonstrated their support for our programs because we are able to demonstrate their effectiveness and I believe we can count on their support for an increase in the IHS 2004 budget request above the 2003 level.

Until the war on terrorism enters a lower phase, it would be unreasonable to expect increases that might have been possible before 9-11 for many years to come. This presents us with the challenge of making the most of the resources we have, through effective management practices and innovative collaborations, as well as seeking alternative resources inside and outside of the Federal government to direct at Indian health care needs.

During my past 20 years with the Indian Health Service, I have had the privilege of meeting many Tribal Leaders and Governors. I welcome this new opportunity to meet even more as we work together to improve the health status of American Indian and Alaska Native people.

The Agency has an enviable history of meeting challenges head on and triumphing over them. That track record will be invaluable as we continue to maintain our services and also meet a changing health picture for American Indians and Alaska Natives. There will be multiple opportunities to employ our talents at administration, management, and health delivery to meet challenges of health reform, Department reorganization, and the President's management agenda.

I realize there is a great deal of curiosity as to what my focus will be for the agency. Personally, one focus will be to learn from you. The combination of services provided in the 5-state Bemidji Area by the 34 Tribes, 5 urban Indian health programs, and the Indian Health Service demonstrate the dedication and innovation you all have to meet the health needs of your people.

And to further meet those health needs, you are exploring ways to provide greater flexibility within laws and regulations to provide even more services to those you serve and those you wish to serve. That is one path to making a change that will not only help you achieve your goals but also those of other Tribal Nations.

As one of my management priorities, I have established an initiative to anticipate and assess the impact on Indian health programs of interpretations or decisions that affect our revenue sources. And we will then work with those agencies and help them consider and understand the consequences of their decisions on Indian Country. Right now we are working with the Centers for Medicare and Medicaid Services regarding their decision to implement changes to the Medicare Outpatient Payment System program – changes that would reduce the reimbursement revenue that Tribal, urban Indian, and IHS health programs are currently eligible to receive.

Laws and regulations also determine who we, the Indian Health Service, serve. And based on those laws we have an "open-door" policy to provide care. When those services are assumed by a Tribe under self-determination laws, eligible members will continue to receive services if that was part of the contract, compact, or funding agreement. Changing the law would, necessarily, change the policy. However, changing the law may not be the only solution. It has been proposed that a national beneficiary access workgroup be established to address the access and eligibility issues across the nation.

However, options to modify the current IHS open-door policy would have to maintain access and services. Recommendations that would reduce or exclude those whom we serve would not be acceptable to the agency, the Department, or the Administration

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I want to explore how we can increase our capacity to recruit new health professionals and what we can do to extend the length of time that they serve with us. And in order to help eliminate health disparities, we need to focus on disease prevention and treatment. Preventing disease and injury I consider a worthwhile financial and resource investment that will result in long-term savings by reducing the need for providing acute care and expensive treatment processes. And these savings can be redirected to strengthening prevention efforts and promoting positive lifestyle changes, and also for developing programs to care for our elderly. Our successes at improving health includes the benefit of having our elders with us and healthy throughout their lifetime, and we need to have programs of care that will sustain their quality of life with their families and within their communities for as long as possible.

Before I was selected to lead this agency, I was the Area Director for the Oklahoma City Area. That was a complex and challenging job. And I now realize that it was one-twelfth as complex as running the entire Agency. The complexity of the Indian Health Service was examined by a joint Tribal/Urban/IHS Restructuring Initiative Workgroup. Their 58 recommendations have been provided to you for your consideration and comments. By the end of this year I expect to forward the final recommendations for a 5-year strategy to restructure the Agency to the Department. In support of that workgroup and restructuring initiative, I have also established a workgroup that is to restructure the IHS Headquarters to reflect and respond to the changes the Tribes have recommended to the Agency and the Department.

It sounds like a lot is going on. And there is. Recently I met with the Secretary and Deputy Secretary. They asked what the agency had accomplished as a result of various decisions or activities I had initiated since my appointment. First, I hadn't been counting the days since my appointment and was surprised that 60 days had passed. I was also surprised when I was provided a list that contained 84 items. It is amazing to me how much this agency accomplishes and how easy they make it look. I know that it is not easy. I know the effort and the hours and the sacrifice that is behind what appears to be even the simplest of achievements. And I know the importance of even 84 items in the overall larger scheme of things – because each effort moves this agency forward and allows all of us to provide more than 11 million patient services a year. Everything we do is important.

As I mentioned before, I consider the foundation of the effectiveness of our health programs to be the

consultation between us to establish the health priorities, policies, and programs to meet the health needs of American Indians and Alaska Natives. Effective and meaningful consultation will continue. It is through consultation that the Indian Health Service has achieved the status it has today with Indian country, with the Federal Government, and on the international stage.

I have great interest in attending your meetings over the next few days to learn of your concerns, achievements, and priorities. Prioritizing health issues has never been easy and will never be easy. Finding mutual priorities and solutions helps us to make the tough decisions. I commend you, the members of the Midwest Alliance of Sovereign Tribes, for the dedication and resourcefulness you have shown in meeting the needs of Indian people. And it is an honor to be a part of such a dedicated group of people who serve in the Indian health system of this nation. They are helping us achieve our goal of improving the health and quality of life for American Indian and Alaska Native people wherever they live.

Thank you for inviting me and I look forward to meeting and listening to you more over the coming days as we continue our journey of health leadership together.

Thank you.