



**PALA BAND OF
MISSION INDIANS**

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January 22, 2015

Via email to <http://regulations.gov>.

Dr. Yvette Roubideaux, M.D., M.P.H. Acting Director
Indian Health Service
801 Thompson Avenue, Suite 440
Rockville, MD 20852

Re. Federal Register Document Number: 2014-28508

Comment in support of proposed rule: Payment for Physician and Other Health Care Professional Services Purchased by Indian Health Programs and Medical Charges Associated with Non-Hospital-Based Care

Dear Dr. Roubideaux,

We are writing to comment and express our strong support for expanding Medicare-Like Rates to Medical Charges Associated with Non-Hospital-Based Care.

Although the GAO estimates are likely quite conservative, they conclude that tribal CHS programs could have saved an additional \$68.2 million for services provided in 2010. All told, the GAO estimates that tribal and federal CHS programs combined could have saved \$126.4 million in 2010 if Medicare-Like Rates had been in place for non-hospital based care.

The GAO report notes that both the VA and the DOD have already implemented a Medicare-type equivalent rate for non-hospital services, and concludes that "Congress should consider imposing a cap on payments for physician and other nonhospital services made through IHS's CHS program that is consistent with the rate paid by other federal agencies." The Department of Health and Human Services (HHS) reviewed the report and concurs with GAO's conclusions and recommendations.

We were pleased to see that the Department has moved forward with proposed rulemaking that Congress enact legislation expanding the Medicare-Like Rate cap to non-hospital services, and that the Director's Workgroup on Improving Contract Health Services has also recommended that the Medicare-Like Rates be expanded to non-hospital services.

Due to difficulties in negotiating contract rates, the IHS and tribal CHS programs routinely continue to pay far more for non-hospital services than what Medicare or private insurance would pay for the same service. IHS and tribal CHS program may well be the only entities in the United States that routinely pay full billed charges for non-hospital services. Private insurance as well as federal programs such as Medicare, VA, and DOD, routinely pay only a fraction of full billed charges, and the uninsured who are billed full charges often lack the means to pay. In an era where IHS and tribes are still struggling through the long history of chronic and endemic underfunding of the Indian health system, there is no reason why IHS and tribal CHS programs should continue to overpay third party providers using scare CHS funds.

Our comment is to fully support the proposed rule in enacting legislation that will expand the Medicare-Like Rate cap to non-hospital services.

Respectfully Submitted, 

/Robert Smith/

Robert Smith 
Tribal Chairman
Pala Band of Mission Indians