



MAR 30 2009

Dear Tribal Leader:

I am providing you with my decisions regarding the national distribution of funds for the Special Diabetes Program for Indians (SDPI) for fiscal year (FY) 2010 – FY 2011.

Congress enacted the “Medicare Improvements for Patients and Providers Act of 2008,” Public Law 110-275, on July 9, 2008, which extended the SDPI for 2 more years - FY 2010 through FY 2011 - with annual appropriations of \$150 million. This extension provides the opportunity to continue the 399 successful diabetes grant programs that operate under this funding.

With this new funding, we will enter the 13th year of the SDPI grant program. We can all be proud of the successful contributions we have made towards treating and preventing diabetes in American Indian and Alaska Native (AI/AN) communities. I extend my gratitude to the members of the Tribal Leaders Diabetes Committee (TLDC) and participants of the Area Tribal consultations for their willingness to listen to all viewpoints, while openly and respectfully formulating the input that influences Agency decision-making. To that end, greater coordination and communication between Tribes, IHS Areas, and Agency leadership is essential.

Annual Distribution of the SDPI Funding

The annual distribution of the SDPI funding will remain the same for FY 2010 and FY 2011. The Tribes recommended using the most current diabetes prevalence data and Indian Health Service (IHS) user population data to update the national distribution formula. I have reviewed the options presented by this change and have decided to “hold harmless” the SDPI funding to the Areas. This means that the distribution amounts will remain the same for FY 2010 - FY 2011, as has been done for the past 6 years.

I appreciate the TLDC’s foresight in realizing the need to start the process of considering formula changes for possible SDPI funding in FY 2012. The TLDC will identify members from the existing Committee to form a workgroup to develop formula changes for the distribution of possible SDPI funding for FY 2012 with the support from Kelly Acton, M.D., Director, IHS Division of Diabetes Treatment and Prevention (DDTP) and Mr. Cliff Wiggins, IHS Headquarters Operation Research Analyst. This TLDC workgroup will commence work before September 2009.

Funding for Community-Directed Grants

As recommended by the Tribes, the funding for the SDPI community-directed grants will remain the same for FY 2010 – FY 2011. The DDTP is directed to incorporate quality improvement findings from the Chronic Care Initiative (CCI) into the FY 2010 – FY 2011 SDPI Request for Application (RFA), particularly in communities that have both SDPI and CCI projects in place.

SDPI Funding for Demonstration Project Grants

As recommended by the Tribes, the available funding for the SDPI demonstration project grants will remain the same for FY 2010 – FY 2011. For the past 5 years, the demonstration project grants have been assisting Tribes and the IHS in understanding how best to implement successful diabetes prevention and cardiovascular disease risk reduction interventions in diverse AI/AN settings. Integrating these findings into the community-directed grant programs will ensure long term sustainability. Accordingly, I have directed demonstration project grantees to begin the process of transitioning into the community-directed grant programs. These actions are expected to be completed by the end of FY 2011.

I am directing Dr. Acton to:

- 1) Organize a 1-day workgroup, as recommended by the TLDC, to meet in Albuquerque, New Mexico, to accomplish the following tasks:
 - a) examine the feasibility of integrating and transitioning the SDPI demonstration projects into the community-directed grant programs;
 - b) develop a formal transition plan for integration of these funds by the end of FY 2011;
 - c) provide advice on how the “lessons learned” from these projects since 2004 can be transitioned into Learning Communities that other SDPI grantees can use as a model. Learning Communities in SDPI settings are virtual groups of providers who collect information and experiences on specific clinical and educational topics. By sharing practical and useful strategies that work within the Indian health system and developing materials and training, they can serve as continuing resources for other grantees; and
 - d) provide a set of recommendations to me for consideration in making final decisions regarding the transition of the SDPI demonstration projects.

This workgroup should meet no later than May 30, 2009, and include community-directed and demonstration project grant representatives, along with contract and compact Tribes.

- 2) Develop a new competitive RFA for the Healthy Heart and Diabetes Prevention Demonstration Projects to be made available for FY 2010 funding. To ensure equity for grantees--both the current demonstration project grantees, who have done a very good job over the past 5 years, and community-directed grant recipients, who were promised they would have an opportunity to compete for and benefit from these programs at the end of 5 years--the RFA competition will be open to **all current** SDPI grant programs able to meet the strict eligibility criteria.

SDPI Funding for the Urban Indian Health Programs Set-Aside

As recommended by the Tribes, for FY 2010 and FY 2011, the set-aside funding for Urban Indian health programs will remain the same at \$7.5 million annually.

SDPI Funding for the Data Improvement Set-Aside

As recommended by the Tribes, for FY 2010 and FY 2011, the funding for the data improvement set-aside will remain the same at \$5.2 million annually. To address Tribal concerns regarding accountability for how this funding is being used at the Area and national levels, the DDTP and the IHS Office of Information Technology (OIT) are directed to incorporate additional accountability requirements for use of these funds.

The TLDC recommended making data available to Tribal diabetes programs from the Resource and Patient Management System (RPMS) to assess the effectiveness of diabetes programs. I am directing the IHS Office of Public Health Support (OPHS) and the OIT to coordinate efforts to make RPMS data more accessible and usable at the local level (within the limits of existing laws). Efforts are also to be made to use SDPI data improvement funds to enhance the functionality of diabetes management software within the RPMS and begin to incorporate diabetes program and chronic care needs tracking within the iCare system.

Funding for Administrative Support Set-Aside

As recommended by the Tribes, administrative support set-aside funding will remain the same for community-directed grants at \$4.1 million annually and \$4.1 million annually for demonstration project grants, with continued accountability for funds expended.

The DDTP and the IHS Grants Policy Staff (GPS) will be charged to use SDPI administrative funding to hire the personnel necessary to accomplish required Federal functions. In addition, the DDTP will be directed to use these funds to develop national resource centers (comprised of Tribes, Tribal organizations, Urban and/or Federal entities) who will, through cooperative agreements, assist the DDTP in coordinating SDPI activities and Learning Communities within the IHS, Tribal, and Urban environment to provide more technical assistance, build capacity, and enhance the Agency's ability to capture "lessons learned" and communicate these findings throughout the Indian health system.

SDPI Funding for the Centers for Disease Control and Prevention (CDC) Native Diabetes Wellness Program

As recommended by the Tribes, FY 2010 and FY 2011 funding for the CDC Native Diabetes Wellness Program will remain the same at \$1 million annually.

SDPI Grant Eligibility

As recommended by the Tribes, entities eligible to apply for the new FY 2010 and FY 2011 SDPI funding will remain the same. Eligible entities include Tribes, Tribal organizations, the IHS, and Urban Indian health programs.

Opportunity to Revise Applications

New SDPI funding applications that do not meet the minimum score will be provided an opportunity to revise the application based on feedback from the application reviewers.

Technical Assistance for Grantee Development of Applications for new SDPI Funding

I have directed the DDTP and the GPS to: a) continue use of WebEx technology for training purposes; b) provide technical assistance to small Tribes and remote locations to make WebEx training and technology accessible; c) continue to provide funding directly to the Areas so that technical assistance related to the development of the new RFA can be provided locally; and d) provide technical assistance on a variety of RFA-specific topics, including, but not limited to, budget development, budget management, grants management, program evaluation, clinical care, education strategies, developing objectives, etc.

I believe that development of national resource centers will build internal capacity and the use of Learning Communities to capture and enhance expert-to-peer and peer-to-peer sharing will provide this additional technical assistance.

Different Levels of Competition for new SDPI Funding Applications

As recommended by the Tribes, the IHS will consider Tribal views on this important issue in developing the competitive announcement for the new SDPI funding.

Collaborative Partnerships to Support Clinical Services

To support clinical services within each Area (throughout the SDPI grant program), the GPS is directed to identify the appropriate grant mechanism that will allow collaboration between Tribes and the IHS. The GPS is also tasked with providing technical support to grantees interested in pursuing such collaborative partnerships wherever possible.

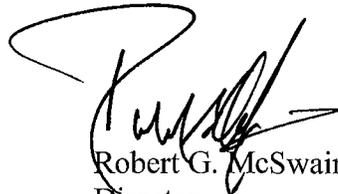
Selection Criteria for New SDPI Funding Application Reviewers

As recommended by the Tribes, the IHS will consider Tribal views on appropriate considerations and qualifications for use as selection criteria for new SDPI RFA reviewers.

I appreciate your involvement and forbearance as we work together to ensure that the SDPI funding extension is put to the most efficient and beneficial use. Your participation through Tribal consultations, Self-Governance processes, and individual contacts has greatly enhanced our decision-making process.

If you have additional questions or comments, please contact Dr. Acton, Director, DDTP at (505) 248-4182, or Ms. Michelle Bulls, Chief Grants Management Officer, at (301) 443-6290.

Sincerely yours,



Robert G. McSwain
Director