

# Indian Health Service Budget Update

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# Key Topics

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- FY 2021 Funding Highlights
- FY 2022 President's Budget Blueprint
- American Rescue Plan Act

# Indian Health Service FY 2021 Funding Highlights

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# Fiscal Year 2021 Funding Highlights

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The enacted fiscal year (FY) 2021 budget includes a total discretionary budget authority of \$6.2 billion, which is \$189 million above the enacted FY 2020 funding level.

This includes four accounts:

- ❖ Services: \$4.3 billion
- ❖ Facilities: \$918 million
- ❖ Contract Support Costs: \$916 million
  - Remains an indefinite discretionary appropriation for fully funding CSC
- ❖ Payments for Tribal Leases: \$101 million
  - A new indefinite discretionary appropriation for fully funding the cost of section 105(I) leases

# FY 2021 Key Increases

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The IHS received a number of funding increases in FY 2021 Enacted, including:

- \$26.5 million for the IHS Electronic Health Record (total of \$34.5 million);
- \$5 million for Ending HIV and Hepatitis C,
- \$5 million for Alzheimer's Grants,
- \$5 million for Maternal Health, and
- \$5 million general program increases for Purchased/Referred Care, Mental Health, Alcohol & Substance Abuse, Urban Indian Health

# Indian Health Service FY 2022 Budget Blueprint

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# Fiscal Year 2022 Budget Blueprint

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On April 9<sup>th</sup>, the Administration released the FY 2022 President's Budget Blueprint.

The FY 2022 Budget Blueprint proposes:

- ❖ +\$2.2 billion for the IHS, a 36 percent increase above FY 2021
- ❖ Advance Appropriations for IHS funding, and
- ❖ Consultation and Confer on mandatory funding for the IHS.

# President's Budgets in Transition Years

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During a Presidential Transition year, the incoming Administration typically releases the President's Budget in two parts:

- The Budget Blueprint (also sometimes called the “skinny” budget)
- The full President's Budget



# The Budget Blueprint

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The Budget Blueprint was released on April 9<sup>th</sup>. This high level document typically outlines:

- Total spending for the Federal government,
- Topline budget totals for Federal Departments and Agencies, and
- The highest profile policy proposals in each Department.

# The Full President's Budget

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After the release of the Budget Blueprint, the Administration finalizes the detailed information typically associated with the roll out of the President's Budget. These materials are typically published in May. This release includes the:

- OMB budget documents,
- Congressional Justifications, and
- HHS Budget in Brief.

# Indian Health Service American Rescue Plan Act

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# American Rescue Plan Act, 2021

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On March 11<sup>th</sup>, the President signed the American Rescue Plan Act of 2021 (ARPA).

The Act appropriates \$6.1 billion for IHS, Tribal, and Urban Indian Health Programs.

❖ These funds are mandatory, and are available until expended (no-year or x-year funds).

# American Rescue Plan Act, 2021 (*cont.*)

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The Act also provides the authority to use the funds retroactively for eligible costs incurred before the date of enactment.

- ❖ The statute specifies that the funds can be used for costs incurred after January 31, 2020, the date of public health emergency declaration.
- ❖ It also includes language stipulating that these funds are provided on a one-time, non-recurring basis, and can only be used for the purposes outlined in the statute.

# Uses of Funds

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The Act identifies funding amounts for specific purposes, including:

- ❖ \$2 billion for lost third party revenue
- ❖ \$500 million for direct health care services, including Purchased/Referred Care
- ❖ \$84 million for Urban Indian Organizations

# Uses of Funds (*cont.*)

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The Act identifies funding amounts for specific purposes, including:

- ❖ \$600 million to plan, prepare for, promote, distribute, administer and track COVID-19 vaccines, and other vaccine-related purposes.
- ❖ \$1.5 billion to detect, diagnose, trace, and monitor COVID-19 infections, mitigation activities, and other related activities.
- ❖ \$240 million to establish, expand, and sustain a public health workforce to prevent, prepare for, and respond to COVID-19, and other public health workforce activities.

The Act also includes language that permits each of these appropriations to be used for all of the purposes identified above. This provides additional flexibility to allocate funding as needed at the local level.

# Uses of Funds (*cont.*)

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The Act identifies funding amounts for specific purposes, including:

- ❖ \$420 million for mental health and substance abuse prevention and treatment
- ❖ \$140 million for IT, telehealth, and the IHS Electronic Health Record System
- ❖ \$10 million for potable water delivery



## Uses of Funds (*cont.*)

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Finally, the Act provides \$600 million for COVID-19 related facilities activities including the:

- ❖ lease, purchase, construction, alteration, renovation, or equipping of health facilities to respond to COVID-19, and for maintenance and improvement projects necessary to respond to COVID-19.

These funds are authorized to be allocated to IHS, Tribal, and urban Indian health programs.

# Timing of Distribution

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The IHS conducted Tribal Consultation and Urban Confer the week of March 15<sup>th</sup>.

- ❖ The IHS expects to announce the first allocation of funding from the American Rescue Plan Act in the coming days, via Dear Tribal Leader and Urban Indian Organization Leader Letter.

