

# Indian Health Service Budget Update

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# Road Map

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- ☐ Advance Appropriations Implementation
- ☐ FY 2024 President's Budget
- ☐ FY 2025 Tribal Budget Formulation Update

# Future Tribal Budget Formulation Dates

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At the work session, the NTBFW identified dates for the following upcoming meetings:

- The FY 2025/FY 2026 Planning & Evaluation Session will take place on August 16, 2023.
- FY 2026 National Tribal Budget Formulation Work Session will take place on February 14-15, 2024.

# Advance Appropriations Update

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# Advance Appropriations

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For the first time ever, the FY 2023 budget includes a total of \$5.1 billion in advance appropriations for the Indian Health Service. This includes almost all programs in the Services and Facilities Accounts.

- ☐ For programs that received Advance Appropriations, the FY 2024 funding levels are flat with FY 2023.
- ☐ The full year funding level will be available for these programs on October 1, 2023 regardless of whether Congress enacts a Continuing Resolution, or if there is a government shutdown.

# Advance Appropriations (*cont.*)

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Since FY 2024 advance appropriations funding levels are flat with FY 2023, the IHS will have to seek anomalies for any funding needs above that amount under a FY 2024 Continuing Resolution.

- For example, the IHS will likely need to request additional funding through an anomaly for FY 2024 Staffing and Operating Costs for New Facilities under an FY 2024 Continuing Resolution.

# Advance Appropriations (*cont.*)

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Activities that did not receive advance appropriations include:

- ☐ Electronic Health Record Modernization
- ☐ Indian Health Care Improvement Fund
- ☐ Health Care Facilities Construction
- ☐ Sanitation Facilities Construction
- ☐ Contract Support Costs
- ☐ Section 105(/) Lease Payments

# Advance Appropriations (*cont.*)

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FY 2024 funding for activities that did not receive advance appropriations varies depending on Congressional action.

Program/Activity	CR on Oct. 1	Shutdown on Oct. 1	CR on Oct. 1, then Shutdown
EHR Modernization	Pro-rata	No new funding	Pro-rata until lapse
Indian Health Care Improvement Fund	Pro-rata	No new funding	Pro-rata until lapse
Health Care Facilities Construction	Pro-rata	No new funding	Pro-rata until lapse
Sanitation Facilities Construction	Pro-rata	No new funding	Pro-rata until lapse
Contract Support Costs	Full Funding	No new funding	Full Funding until lapse
Section 105(I) Leases	Full Funding	No new funding	Full Funding until lapse

# Advance Appropriations (*cont.*)

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The IHS's goal is to start the allocation process for the FY 2024 Advance Appropriation as soon as possible once the funds become available on October 1, 2023.

- The IHS is collaborating with the HHS Office of the Assistant Secretary for Financial Resources (ASFR) to finalize an implementation plan.
- The IHS and ASFR will work collaboratively with OMB to ensure apportionment timelines support this goal.

# FY 2024 President's Budget

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# FY 2024 President's Budget

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The FY 2024 President's Budget builds on the FY 2024 advance appropriation using a two-pronged approach.

- ❑ In FY 2024, the Budget requests \$9.7 billion, which is \$2.5 billion or 36% above FY 2023 Enacted.
- ❑ Funding for Services & Facilities activities are requested as discretionary.
- ❑ The Budget proposes to reclassify Contract Support Costs and section 105(/) leases as mandatory, and exempt the full IHS budget from sequestration.

# FY 2024 President's Budget (*Cont.*)

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Starting in FY 2025, the budget requests a mandatory funding formula for the next 9 years, culminating in a total score of \$44 billion in FY 2033.

- ❑ This proposal would provide a total increase of \$192 billion over 10 years for the IHS budget, which is a 519 percent increase over FY 2023 Enacted.
- ❑ The funding formula would automatically adjust for inflation and pay costs, population growth, staffing and operating costs for new facilities, and new federally-recognized Tribes.

# FY 2024 President's Budget (*Cont.*)

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Over the 10 year budget window, the FY 2024 President's Budget would fully fund:

- ☐ The FY 2018 Level of Need Funded analysis, and provide additional growth for direct health care services;
- ☐ Electronic Health Record modernization;
- ☐ The 1993 Health Care Facilities Construction Priority List;
- ☐ The current Backlog of Essential Maintenance and Repair (BEMAR).

# FY 2024 President's Budget (*Cont.*)

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Over the 10 year budget window, the FY 2024 President's Budget would also support new or expanded initiatives including:

- ❑ The Cancer Moonshot;
- ❑ Public Health Capacity Building; and
- ❑ COVID-19 response activities including for long-COVID.

## FY 2024 President's Budget (*Cont.*)

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The FY 2024 President's Budget also proposes to extend the Special Diabetes Program for Indians (SDPI) for three years beginning in FY 2024.

- ❑ The Budget proposes to increase funding for SDPI to \$250 million, and index that growth to medical inflation.
- ❑ The approach would provide \$260 million in FY 2025 and \$270 million in FY 2026 for SDPI.

# FY 2025 National Tribal Budget Formulation Work Session

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# NTBFW Work Session

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The FY 2025 National Tribal Budget Formulation Work Session took place on Feb. 14-15, 2023.

- The total recommended funding level for FY 2025 is \$53.8 billion in mandatory funding.
- This number serves as a “proxy” for a full funding budget, and is \$46.6 billion above FY 2023 Enacted.

## NTBFW Work Session (*Cont.*)

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The top 5 funding priorities are:

- Hospitals & Health Clinics
- Purchased/Referred Care
- Alcohol & Substance Abuse
- Mental Health
- Indian Health Care Improvement Fund

# Next Steps

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The NTBFW Technical Team will work to create a document outlining the recommendations of the workgroup, and hot topics raised by each Area.

- The NTBFW Co-Chairs will present the recommendations during the HHS Tribal Budget Consultation taking place on April 18 & 19, 2023.
- IHS will use the Tribal Budget Recommendations as the foundation for developing the FY 2025 budget request.

# Mandatory Funding Sub-Work Group

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The NTBFW mandatory funding sub-work group will convene for the first time later this month.

- The kick-off meeting is scheduled for March 27, 2023.
- IHS will be following up with the sub-work group members to schedule a specific time, and provide a draft agenda for consideration.

