

Indian Health Service Budget Update

ALL TRIBAL AND URBAN INDIAN ORGANIZATION LEADERS CALL

APRIL 29, 2022



Indian Health Service Fiscal Year 2022 Budget



Fiscal Year 2022 Budget

The enacted fiscal year (FY) 2022 budget includes a total discretionary budget authority of \$6.6 billion, which is \$395 million, or 6%, above the enacted FY 2021 funding level.

- The bill does not include advance appropriations, and does not reclassify Contract Support Costs and Tribal Lease Payments to mandatory funding.

This includes four accounts:

- ❖ Services: \$4.7 billion
- ❖ Facilities: \$940 million
- ❖ Contract Support Costs: \$880 million
 - Remains an indefinite discretionary appropriation for fully funding CSC
- ❖ Payments for Tribal Leases: \$150 million
 - Remains indefinite discretionary appropriation for fully funding the cost of section 105(I) leases

Funding Increases (*Services & Facilities*)

- \$120 million in Current Services for pay costs, as well as medical and non-medical inflation
- \$99 million for staffing and operating costs of newly-constructed healthcare facilities

Funding Increases (*Services & Facilities*)

- The \$99 million in staffing and operating costs for new and replacement facilities includes:
 - Yukon-Kuskokwim Primary Care Center in Bethel, AK (JV)
 - Naytahwaush Health Center in Naytahwaush, MN (JV)
 - Northeast Ambulatory Care Center in Scottsdale, AZ
 - Phoenix Indian Medical Center Central in Phoenix, AZ
 - Ysleta Del Sur Health Center in El Paso, TX (JV)
 - Alternative Rural Health Center in Dilkon, AZ
 - Elbowoods Memorial Health Center in New Town, ND (JV)
 - North Star Health Clinic in Seward, AK (JV)

Services Program Increases

Increases to the Hospitals and Health Clinics budget line include:

- \$14 million for Tribal Epidemiology Centers
- \$3 million for a new Produce Pilot Program
- \$1 million for maternal health
- \$500k for additional Alzheimer's grants

The bill maintains funding for the HIV/Hep C initiative at the FY 2021 level of \$5 million.

Services Program Increases (Cont.)

Increases to other budget lines within the Services account include:

- \$111 million for modernization of the IHS Electronic Health Record system
- \$2 million for Dental Health
 - \$1 million for expanding Dental Support Centers
 - \$1 million for the Electronic Dental Record
- \$1 million for Alcohol and Substance Abuse for additional opioid grants

Services Program Increases (Cont.)

Increases to other budget lines within the Services account include:

- \$10 million for Urban Indian Health
- \$10 million for Direct Operations
- \$5 million for additional Loan Repayment Awards
- \$2 million for Public Health Nursing

Facilities Program Increases

Increases in the Facilities appropriation account include:

- \$3 million for preliminary engineering reports
- \$1 million for emergency generators

Health Care Facilities Construction funding remains flat with FY 2021 and includes:

- \$10 million for staffing quarters
- \$25 million for the Small Ambulatory Program
- \$5 million for green infrastructure

Additional Budget Highlights

- Earmarks \$40 million in Sanitation Facilities Construction Funding for specific projects directed by Congress in Alaska, New Mexico, and Oregon.
- Mandatory Funds: Special Diabetes Program for Indians
 - Extended through FY 2023 at the current \$150 million funding level.
 - However, FY 2023 funding is impacted by the mandatory sequester, reducing total funding available to \$147 million.

Indian Health Service Fiscal Year 2023 Budget



Fiscal Year 2023 President's Budget

The FY 2023 President's Budget proposes the first ever fully mandatory budget for the IHS. In FY 2023, the Budget proposes a total of \$9.3 billion for the IHS, which is +\$2.5 billion above FY 2022. This includes four accounts:

- ❖ Services: \$6.3 billion
- ❖ Facilities: \$1.6 billion
- ❖ Contract Support Costs: \$1.142 billion
 - Remains an indefinite appropriation for fully funding CSC
- ❖ Payments for Tribal Leases: \$150 million
 - Remains an indefinite appropriation for fully funding the cost of section 105(I) leases

10-Year Funding Proposal

The mandatory budget proposal would be accomplished through new authorizing legislation, and would provide funding each year for 10 years.

- Funding culminates in a total of \$36.7 billion in FY 2032, which is an increase of nearly \$30 billion or a 296 percent over the 10-year window.
- Automatic increases for pay costs, inflation, and population growth are included each year.
- Proposed funding would be fully exempt from sequestration, and the IHS would be protected from government shutdowns.

Key Proposals

The mandatory budget proposal addresses a number of longstanding Tribal priorities and critical challenges through additional funding increases over 10 years, including:

- +\$11.2 billion in the Services Account over 5 years to address the 2018 Level of Need Funded deficiency; and
- +\$6 billion over 5 years to complete the IHS transition to a fully modernized EHR solution.

Key Proposals (*cont.*)

The mandatory budget proposal addresses a number of longstanding Tribal priorities and critical challenges through additional funding increases over 10 years, including:

- Fully Funds 1993 Health Care Facilities Construction Priority List over 5 years; and
- +\$454 million in the Facilities Account over 5 years to address medical equipment needs for IHS and Tribal Health Programs.

Funding Increases (*Services & Facilities*)

The FY 2023 President's Budget includes:

- \$207 million in Current Services funding to fully offset rising pay costs, medical and non-medical inflation, and population growth.
- The Budget also proposes automatic funding increases in the out-years for pay costs, inflation, and population growth.
- \$102 million for staffing and operating costs of newly-constructed health care facilities.

Funding Increases (*Services & Facilities*)

- The \$102 million in staffing and operating costs for new and replacement facilities includes funding for:
 - Naytahwaush Health Center in Naytahwaush, MN (JV)
 - Northeast Ambulatory Care Center in Scottsdale, AZ
 - Phoenix Indian Medical Center Central in Phoenix, AZ
 - Ysleta Del Sur Health Center in El Paso, TX (JV)
 - Alternative Rural Health Center in Dilkon, AZ
 - Elbowoods Memorial Health Center in New Town, ND (JV)
 - North Star Health Clinic in Seward, AK (JV)
 - Rapid City Health Center in Rapid City, SD

Services Program Increases

The FY 2023 President's Budget proposes significant general program increases to expand access to critical health care services across Indian Country. Those general program increases include:

- \$243 million for the Indian Health Care Improvement Fund;
- \$215 million for Hospitals and Health Clinics; and
- \$206 million for Purchased/Referred Care.

Services Program Increases

The FY 2023 President's Budget also proposes additional resources that would continue to support increased service levels resulting from American Rescue Plan Act (ARPA) funding. This \$211 million investment includes:

- \$77 million to continue support for Public Health Workforce activities initially funded by the ARPA for IHS and Tribal Health Programs;
- \$134 million to continue support for mental health and substance abuse prevention and treatment services initially funded by the ARPA for IHS and Tribal Health Programs; and
- \$9 million for Urban Indian Organizations to continue support for both activities.

Services Program Increases

The FY 2023 President's Budget also makes a number of targeted investments in the Services account to expand access to and improve the quality of health care services across the Indian health system.

These increases would also support HHS-wide initiatives, including an additional:

- \$47 million to eliminate HIV & Hepatitis C in Indian Country;
- \$9 million for opioid use prevention & treatment services; and
- \$4 million to address maternal mortality.

Services Program Increases (*cont.*)

Additional increases to the Hospitals and Health Clinics budget line include:

- \$27 million to offset the rising cost of shared services at HHS
- \$20 million for the National Community Health Aide Program
- \$20 million to address critical Emergency Medical Services needs
- \$10 million for Emergency Preparedness
- \$10 million to for a new Division of Telehealth

Services Program Increases (*cont.*)

Additional proposed increases to the Hospitals and Health Clinics budget line include:

- \$10 million for the Office of Quality
- \$9 million for the Office of Health Information Technology
- \$8 million for a new Cancer initiative
- \$3 million for a National Business Improvement Center
- \$1 million for Nurse Preceptorships

Services Program Increases (*cont.*)

Additional increases in the Services Account include:

- \$140 million for Electronic Health Record modernization
- \$48 million for Dental Health
- \$27 million for Urban Indian Health
- \$20 million for additional scholarship and loan repayment awards and other recruitment and retention strategies.
- \$18 million for Direct Operations

Services Program Increases (*cont.*)

Additional increases in the Services Account include:

- \$2.5 million for a Community Health Representatives program evaluation
- \$2 million for additional Tribal Management Grants
- \$1 million for New Tribes
- \$140k for the Self-Governance Program
- \$26k for the Alaska Immunization Program

Facilities Program Increases

Increases in the Facilities Account include:

- \$276 million for Health Care Facilities Construction, including
 - \$25 million for staff quarters
 - \$30 million for the Small Ambulatory Program
 - \$5 million for Green Infrastructure
 - \$10 million for a new Mid-Sized Ambulatory Facilities Demo Project
- \$172 million for Maintenance and Improvement
- \$71 million for Equipment

Facilities Program Increases *(cont.)*

Increases in the Facilities Account include:

- \$49 million for additional program support resources for Sanitation Facilities Construction projects, including projects funded through the Infrastructure Investment and Jobs Act,
- \$18 million to develop future Public Health Engineers

Special Diabetes Program for Indians

The budget includes \$147 million for the Special Diabetes Program for Indians (SDPI), which accounts for the 2% mandatory sequester.

- The President's Budget also proposes to exempt Special Diabetes Program for Indians funding from sequester, along with the rest of the IHS Budget.

