



## Indian Health Service

### National Congress of American Indians

October 27, 2014

#### *Indian Health Service Update*

by

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Good morning. I am Dr. Yvette Roubideaux, Acting Director of the Indian Health Service (IHS). It's great to be here with you today at the National Congress of American Indians (NCAI) Annual Conference. And congratulations on the 70th anniversary of the NCAI! Today I will provide an update on the work we're doing to change and improve the IHS.

Thanks in large part to tribal input and support, we have made a lot of progress on increasing the IHS budget. Compared to the fiscal year (FY) FY 2008 level, the IHS budget has increased every year during the Obama Administration except in FY 2013, which is the year we were subject to an across-the-board rescission and sequestration. However, the FY 2014 budget included an increase to \$4.4 billion, getting us up over the FY 2012 amount. And the FY 2015 President's Budget Request proposed to increase the IHS budget to the \$4.6 billion level. If this Budget Request is enacted, the IHS budget will have increased 38% compared to the 2008 level. Currently, we are on a continuing resolution through December 11, and we hope we get our FY 2015 budget soon thereafter, but the timeline is uncertain depending on the outcome of the November elections.

However, even with the increases we have received, we still have more to do on the budget. It is clear that a lack of adequate resources is a huge barrier to fully meeting the mission of the IHS. For instance, per capita expenditures for IHS are much lower than those for other federal healthcare sources, such as Medicare, VA, and Medicaid. That's why we'll continue to fight hard for budget increases as a top priority.

And we have good news on Contact Support Costs (CSC) – we've made significant progress on IHS CSC past claims settlement! Last November we only had three claims settled, with 60 offers on the table and 82 claims analyzed. Based on our October 24 data, we now have approximately 1,259 claims that have analyses either completed or in progress; offers made on 879 claims; and 674

*The text is the basis of Dr. Roubideaux's oral remarks at the National Congress of American Indians Conference on October 27, 2014. It should be used with the understanding that some material may have been added or omitted during presentation.*

claims with settlement agreements or final settlements, for a total value for settled claims of \$640 million. Our goal is to make as many offers to Tribes as possible by the end of the calendar year. IHS continues to schedule settlement conferences to meet with Tribes to make offers on remaining claims. If you have questions on the status of your claims, please contact your Area Director.

In terms of CSC appropriations, in my May 12 letter to tribal leaders, I explained that the FY 2014 Consolidated Appropriations Act did not limit the total amount of funds to be expended for the payment of CSC, and that the Services appropriation would need to be used to cover CSC even if other parts of the budget are reduced. You may have heard that IHS had to reprogram \$25.1 million from Services funding to fully fund CSC in FY 2014, in addition to the \$10 million identified earlier this year.

It's clear that we need a long-term solution to avoid this scenario in future years. After our tribal consultation on this issue over the past few months, it is clear that Tribes want full funding of CSC, but not at the expense of other parts of the budget. IHS is discussing recommendations from Tribes for the long-term solution with the Office of Management and Budget, and then will discuss with Congress. Thank you for your input on this issue.

At IHS, we must remain committed to continuing our work to change and improve the IHS, in consultation with Tribes and guided by our four agency priorities. These priorities serve as a framework to guide our efforts to change and improve the IHS. We have lots of evidence that we're making a positive impact as we work to implement our agency priorities. But as we all know, we still have more to do. We know that Tribes and the people we're serving are counting on us to constantly be working on ways to improve the care that we deliver.

Our first priority is to renew and strengthen our partnership with Tribes. We completed all 12 of the IHS Director's Area listening sessions as planned in FY 2014. These listening sessions are an important venue for me to hear about Area and local issues. It was very valuable to meet with you in person and hear your ideas and recommendations. We are now reviewing all the recommendations and working on follow up. We also continue to consult in various other forums. We want to continue improving consultation at the Area and local levels and we have asked our CEOs at our federal facilities to reach out and consult with the Tribes they serve.

Our second IHS priority is "to bring reform to the IHS." This priority has two parts – the first part involves the Affordable Care Act; the second part is about internal IHS reform.

In terms of the Affordable Care Act, we want every American Indian and Alaska Native to see what benefits are available to them. So we still need Tribes' help on several things, which include:

- Continuing to help tribal members who can enroll monthly in the Marketplaces;
- Preparing for the next open enrollment period that starts on November 15 and ends on February 15;
- Helping with Medicaid and CHIP enrollment throughout the year;
- Helping tribal members and those eligible for IHS to understand how to claim an exemption from the tax penalty if they do not have health insurance coverage; and
- Helping those who get insurance to understand it, and to know how to use it.

We recently had some good news - Secretary Sylvia Burwell announced last month that individuals eligible to receive health care services from an IHS, tribal, or urban Indian health care provider will

be able to claim an exemption from the shared responsibility payment through the tax filing process, starting with the 2014 tax year. This benefit gives individuals who are eligible to receive services from an Indian health care provider the same tax filing option as members of federally recognized Tribes. Both groups will also continue to have the option of submitting the exemption application through the Health Insurance Marketplace.

But even though this exemption is available, we still want American Indians and Alaska Natives to understand their potential benefits in the Marketplace because they might be newly eligible for Medicaid, or might find that health insurance is now very affordable. And we continue to hope that the Medicaid Expansion will be adopted in more states.

The Affordable Care Act is about options for health coverage in addition to access to the IHS health care system. Patients who are eligible can still come to IHS. And they might find out that they can access affordable coverage or are now eligible for Medicaid in states that have expanded it. Right now, approximately 30% of our patients have no coverage at all and no access to services other than IHS. This is the group that may benefit the most from the Affordable Care Act.

That's why we're continuing to encourage outreach and enrollment activities at all of our facilities. The business office is the place that focuses on outreach and education of our patients. The Centers for Medicare and Medicaid Services recently released the latest version of the Certified Application Counselor training, and we are encouraging all facilities to have staff take the updated training.

We're also continuing to work with our tribal partners on outreach, education, and enrollment in tribal communities through the National Indian Health Outreach and Education initiative. Thank you to NCAI for your help, especially with being the main resource for tribal employer options.

The potential for the Affordable Care Act to improve options and coverage for our patients is great, and even greater is the possibility of IHS receiving more revenues from third-party reimbursements, which means we can provide more care for everyone. In FY 2014, IHS third-party collections increased by \$48 million from the previous year, in part due to improved business practices, and in part likely due to the Affordable Care Act. So we need everyone's help with outreach, education, and enrollment efforts. If you have any questions about IHS or the Affordable Care Act, you can email [acainformation@ihs.gov](mailto:acainformation@ihs.gov) or go to our website at [www.ihs.gov/aca](http://www.ihs.gov/aca).

IHS continues to implement provisions of the Indian Health Care Improvement Act reauthorization included in the Affordable Care Act.

IHS is making improvements in its Contract Health Services program, now called Purchased and Referred Care. The 52% increase in funding since 2008 means more programs are funding referrals beyond Medical Priority 1, but there is still \$785 million in denied and deferred referrals to fund. In order to fund more referrals, we need more funding.

IHS is also working on administrative options to require Medicare-participating providers to accept payment from IHS for referred care for non-hospital and physician services at Medicare-like rates, which are generally lower than full-billed charges and will help save funding for referrals.

When we refer patients out to Medicare-participating hospitals for care, these hospitals are required by law to accept payments from IHS using a "Medicare-Like Rate" which is usually lower than full

billed charges and helps us save our referral funding. But we do not have the authority to bill at these lower rates for non-hospital and physician services. In June, the House introduced legislation on this.

IHS has been meeting with the new IHS Facilities Appropriations Advisory Board as they develop recommendations on funding for facilities. IHS also recently announced a new round of applications for the Joint Venture Construction Program, and we received 37 pre-applications. We have approved 13 to move to the final application phase, and will select about seven of those to move forward with agreements. So it was very competitive, as expected.

We also continue to submit bills and receive reimbursements from the Department of Veterans Affairs (VA) for direct services provided to eligible veterans in our federal facilities, and tribal sites are working with VA to develop agreements. To date, IHS and tribal programs have received over \$10 million in reimbursements from the VA.

We're also continuing our work on internal reform efforts to change and improve the IHS, based on the input we received from Tribes and staff. To improve the way we do business, we're working with HHS and our Area Directors to improve how we manage our budgets and to improve our financial management. We're also working to make our business practices more consistent and effective throughout the system. To improve how we lead and manage staff, we're using the new HHS supervisory training for our managers, and improving our performance management process.

And we're working on improvements in the hiring process, pay systems and other strategies to improve recruitment and retention, which are big issues at all of our sites. To help ease public/private sector pay disparities, IHS will be implementing the new Title 38 Physician and Dentist Pay salary tables authorized by the VA effective November 30, 2014.

Our third priority is to improve the quality of and access to care. We're working on a number of initiatives to help improve the quality of care. One of the most important of these is our Improving Patient Care, or IPC, program, which is our patient-centered medical home initiative that is designed to improve the coordination of care for patients. We have implemented this in 172 sites, and our plan is to implement in every site in IHS. Many of these sites are doing outstanding work, including reducing waiting times, improving no-show rates, and arranging the system so that patients can see the same providers each time they come to the clinic, which results in better coordination of care.

Our Hospital Consortium is working to implement more system-wide approaches to improving quality, safety, and accreditation of IHS hospitals.

We are continuing to improve RPMS, our electronic health record system, which is now certified for Meaningful Use Stage 2 and helps us measure outcomes of care.

We also continue to work with Tribes on behavioral health issues.

Tribes have emphasized prevention, and we know that breast feeding reduces the risk of childhood obesity. Currently 11 out of 13 IHS hospitals with obstetric services have received the national Baby Friendly Hospital designation. This is our major contribution to the First Lady's *Let's Move! in Indian Country* initiative.

I am so proud of our progress on this important youth initiative. IHS is actually a national leader in this area. Recently I visited the Zuni Pueblo for the *Let's Move! in Indian Country* third Anniversary celebration. While there, I visited the Zuni Comprehensive Health Center and saw firsthand how they are actively promoting breastfeeding. I helped celebrate their recent national designation as a Baby-Friendly Hospital, and we were joined by several families with infants who have participated in the program.

Quality of care is also about being prepared. I know that you may be concerned about the news about Ebola Virus Disease. We know that even though the risk is low, our patients and the Tribes we serve want us to be prepared at IHS.

It's important to understand the facts about Ebola Virus Disease:

- It is transmitted by coming into direct contact with the body fluids of someone who is showing symptoms. It is not transmitted in the air like the flu.
- It is a problem in West Africa, and you have heard about the few cases in the US.
- In order to be diagnosed with Ebola, a person has to have symptoms along with a travel history or direct contact, and it can occur 2-21 days after exposure.
- The most important thing we can do is stop the outbreak in West Africa. The US is leading an international effort there. What we can do here in the U.S. is be prepared.

Again, while the risk is low, IHS is engaging in activities to enhance our preparedness just in case. We are constantly reviewing guidelines as they are updated and we are holding trainings and webinars for staff. IHS facilities are completing facility action plans and readiness evaluations as one step in our planning. And a small number of Commissioned Corps officers have deployed to West Africa to help stop the outbreak there.

We have heard your concerns, and have communicated those to HHS, and we will keep you updated on this issue. Even though the risk is low, IHS knows that our patients and the Tribes we serve want us to be prepared, and we are doing everything we can to be as prepared as possible.

With such important work to do to improve the health of Native communities, we are grateful for our partnership with NCAI, which has helped us improve and advance health care services for American Indian and Alaska Native people in a number of ways. Thank you again to NCAI for helping us with our ACA outreach and education.

And we're so grateful for your advocacy for the funding for the Special Diabetes Program for Indians (SDPI). This successful program has shown that, in partnership with our communities, we can prevent and treat diabetes in Indian country with innovative and culturally appropriate activities. Our recent Report to Congress showed outcomes and improvements in diabetes care throughout our system. And our recent outcomes paper for the SDPI Diabetes Prevention Program showed that these programs can reduce new cases of diabetes through lifestyle changes.

The most important impact of the combined and sustained clinical improvements from the SDPI is seen in the dramatic drop in the rate of end stage renal disease in American Indian and Alaska Native people with diabetes when compared with other racial and ethnic groups in the U.S. We have shown that with additional funding, and additional focus on quality improvement, we can make a difference. We can provide quality diabetes care to treat and prevent diabetes in our communities. We certainly hope that Congress will authorize this program beyond FY 2015.

Our efforts, such as the SDPI, are making a difference. We have made some progress, but we know we have more to do. I will close now by just saying how much we need and appreciate the valuable support of the NCAI, and everyone here today, as we work together to ensure that all American Indian and Alaska Native people get the health care they need and deserve.

Thank you.