



NOV 13 2017

Dear Tribal Leader:

I am writing to share an update on Indian Health Service (IHS) actions relating to the Indian Health Care Improvement Fund (IHCIF), which is authorized by the Indian Health Care Improvement Act (25 U.S.C. § 1621). This includes our immediate plans to establish a new IHS/Tribal IHCIF workgroup to review the existing IHCIF formula and recommend changes for future use. The IHCIF formula was established to determine the overall level of need funded for health care facilities operated by the IHS, Tribes, or Tribal organizations.

With the beginning of the fiscal year (FY) and action by Congress on the FY 2018 budget, a possibility of receiving a funding increase for the IHCIF in FY 2018 makes our actions particularly timely.

After reauthorization of the Indian Health Care Improvement Act in 2010, the IHS initiated Tribal Consultation on the IHCIF and its formula on December 30, 2010. The IHS shared its decisions made after Tribal Consultation in a subsequent letter to Tribal Leaders dated November 25, 2011. The letters are available on the IHS website at: <https://www.ihs.gov/newsroom/triballeaderletters/>.

A review of the IHCIF formula at this time acknowledges the considerable changes in the health care environment since the 2010 Tribal Consultation on IHCIF. The IHS is currently updating the data used in the existing IHCIF formula by collecting and analyzing the FY 2016 user population numbers, recurring base budgets at IHS and Tribal sites, geographic cost differentials, and health status data. We anticipate having this data update completed in January 2018, at which time we plan to share our findings in a report to the IHS/Tribal IHCIF workgroup to assist them in conducting their work.

In the interim between now and January, we are looking to establish a new IHS/Tribal IHCIF workgroup. With regard to the IHCIF formula, the workgroup will assess a number of factors, which include, but are not limited to, the impact of past allocations in addressing funding inequities and the effects of the current health care environment on the formula. The IHS/Tribal IHCIF workgroup will also make recommendations regarding the IHCIF formula that will be sent out for Tribal Consultation prior to the IHS issuing a decision on any changes.

Throughout this month, IHS Area Directors will reach out to Tribal Leaders to identify individuals interested in serving as a primary or alternate Tribal representative to the workgroup. As with all workgroups chartered by the IHS, this body will operate under the intergovernmental exemption to the Federal Advisory Committee Act as authorized by the Unfunded Mandates Reform Act (2 U.S.C. § 1534(b)). An elected Tribal official (or a designated employee with authority to act on the behalf of a Tribal official), may contact your local Area Director for consideration (in writing), by no later than **Friday, December 1**.

We would also welcome your feedback and recommendations on topics for IHS/Tribal IHCIF workgroup consideration.

- Please send your comments electronically through December 15 to the following e-mail address: IHCIFcomments@ihs.gov.

We look forward to engaging with you in this important work. Thank you for your support. If you have any questions, please contact Ms. Ann Church, Acting Director, Office of Finance and Accounting, IHS, by telephone at (301) 443-1270 or by e-mail at ann.church@ihs.gov.

Sincerely,

/Michael D. Weahkee/

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