

IHS Health Care Facilities Construction Program

The Indian Health Service (IHS) Health Care Facilities Construction (HCFC) Program is authorized to construct health care facilities and staff quarters, renovate/construct Youth Regional Treatment Centers for substance abuse, Joint Venture Construction Projects, provide construction funding for Tribal small ambulatory care facilities projects, replace/provide new dental units, and to assist non-IHS funded renovation projects.

Pursuant to the Indian Health Care Improvement Act (IHCIA), Public Law (P.L.) 94-437, the need for construction to provide health care facilities, including specialized facilities, and staff quarters is assessed through application of comprehensive priority system methodologies. The proposals are then evaluated objectively and ranked according to need.

The current IHS Health Care Facility Construction Priority List was last updated in 1991 and, according to the IHCIA, must be completed before new facilities are added. To determine the locations where new and replacement facilities are most critically needed, the IHS uses a comprehensive priority system, including methodologies for health care facilities and staff quarters construction. Projects for other authorized programs are identified in separate processes.

The Health Care Facilities Construction Priority System (HFCPS) is a three-phase process that establishes one national list for funding:

- Phase I: IHS Headquarters solicits proposals from the IHS Areas for urgently needed new or replacement health care facilities and essential staff quarters projects. Area Offices submit proposals and IHS uses the data (which has not yet been validated) in these proposals to apply a formulaic analysis to obtain a short list of proposals for more systematic review.
- Phase II: Area Offices review and update data for proposals identified in Phase I. These data are validated and then reviewed based on formulaic analysis of Facility Deficiency and Isolation criteria:
 - Facility Deficiency is determined using both the difference between the required space and the existing space (absolute need) and the ratio of the existing space/required space (relative need). Since the required space is determined by population and the workload to serve that population, the existing HFCPS is driven strongly by population. Existing space is the space available to support the provision of health care services. This space is adjusted for its condition and age.
 - Isolation is determined using the distance to alternative sources of care.
- Phase III: The HFCPS does not limit the number of projects to be evaluated for prioritization in Phase III. Proposals showing greatest need are evaluated in a detailed planning process that involves development and approval of a Program Justification Document (PJD). Formal justification documents are prepared for those scoring highest. Once justified and approved, projects are placed on the appropriate construction priority list and proposed for funding. The HFCPS establishes one national list that prioritizes funding needs for the top 10 inpatient and the top 10 outpatient facilities. Appropriations

for health care facility construction are allocated only to facilities on the national priority list.

Joint Venture Construction Program

Section 818 of the IHCIA, P.L. 94-437, authorizes the IHS to establish joint venture projects under which Tribes or Tribal organizations would acquire, construct, or renovate a health care facility and lease it to the IHS, at no cost, for a period of 20 years. Participants in this competitive program are selected from among eligible applicants who agree to provide an appropriate facility to IHS. The facility may be an inpatient or outpatient facility. The Tribe must use Tribal, private or other available (non-IHS) funds to design and construct the facility. In return the IHS will submit requests to Congress for funding for the staff, operations, and maintenance of the facility per the Joint Venture Agreement.

Proposals considered under this program are evaluated against the following criteria:

- The need for space at the location is verifiable when evaluated by using the criteria in the IHS planning methodologies;
- The Tribe is able to fund and manage the proposed project using its own (non-IHS) funds;
- The project is consistent with the IHS Health Systems Planning program; and
- The project is consistent with the IHS Area Health Facilities Master Plan.

Additional consideration is given to Tribes that elect to fully fund the equipment for the facility.

Small Ambulatory Program

Section 306 of the IHCIA, P.L. 94-437, authorizes the IHS to award grants to Tribes and/or Tribal organizations for construction, expansion, or modernization of ambulatory health care facilities located apart from a hospital. Where non-Indians will be served in a facility, the funds awarded under this authority may be used only to support construction proportionate to services provided to eligible American Indian and Alaska Native (AI/AN) people. The last year that IHS received appropriations to fund the Small Ambulatory Program was in 2006.

Participants in this program are selected competitively from eligible applicants who meet the following criteria:

- Only federally recognized Tribes that operate non-IHS outpatient facilities under P.L. 93-638 contracts are eligible to apply for this program.
- Facilities for which construction is funded under Section 301 or Section 307 of P.L. 94-437 are not eligible for this type of grant.
- Priority will be given to Tribes that can demonstrate a need for increased ambulatory health care services and insufficient capacity to deliver such services.
- The completed facility will be available to eligible Indians without regard to ability to pay or source of payment.

- The applicant can demonstrate the ability to financially support services at the completed facility.
- The completed facility will:
 - Have sufficient capacity to provide the required services.
 - Serve at least 500 eligible AI/AN people annually.
 - Provide care for a service area with a population of at least 2,000 eligible persons.