



SEP 14 2018

Dear Tribal Leader and Urban Indian Organization Leader:

I am writing to provide you with my decision on the Indian Health Service (IHS) proposal to reprogram a portion of the fiscal year (FY) 2018 funding increase appropriated for inflation to fund lease cost agreements with Tribes or Tribal Organizations authorized under section 105(l) of the Indian Self-Determination and Education Assistance Act (ISDEAA).

The IHS announced this Tribal Consultation and Urban Confer on July 10 and received a total of 48 written comments. I appreciate the input provided through these written responses. A summary of the comments is provided as an enclosure to this letter, which includes general expressions of disapproval of the proposal.

I understand the concerns raised in the comments about redirecting additional funds appropriated for the purpose of addressing inflation. However, as I indicated in the July 10 letter announcing Consultation and Confer on this matter, if the IHS did not use the inflation funds for funding these 105(l) lease cost agreements, the Agency would need to reprogram base budget funding from Federal Service Units, Area Offices, and Headquarters, disproportionately impacting parts of our IHS, Tribal, and Urban health system. Other resources, for example, supplemental appropriations, are not feasible, and the IHS must use existing appropriations within the FY 2018 Services account to meet the payment requirement of section 105(l) of the ISDEAA.

Therefore, for FY 2018 only, I decided to reprogram \$25 million from the \$70.4 million inflation increase received in the IHS's FY 2018 Services appropriation to address the 105(l) lease cost agreements. The IHS completed the required formal congressional notification process and reprogrammed funds from each of the Services budget line items that received a portion of the inflation funding increase, with the exception of Purchased/Referred Care, which is funded at an earmarked amount in appropriations language. The remaining \$45.4 million of the \$70.4 million total inflation funding increase has been allotted to Area Offices for further distribution to Service Units and/or payment to Tribes, Tribal Organizations, and Urban Indian organizations through their ISDEAA compact/contract or Indian Health Care Improvement Act contract.

The IHS will continue to consult with Tribal Leaders and Confer with Urban Indian Organization Leaders, as well as Congress, as we work together to identify and discuss long-term solutions. Thank you for your continued support and partnership with the IHS.

Sincerely,

/Michael D. Weahkee/

RADM Michael D. Weahkee, MBA, MHSA
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Acting Director

Enclosure