



June 23, 2025

Dear North Dakota and South Dakota Tribal Leaders:

I am writing to provide an update on important developments with regard to the Purchased/Referred Care (PRC) program. The Indian Health Care Improvement Act, 25 U.S.C. § 1678a(a), directs the Indian Health Service (IHS) to designate the States of North Dakota and South Dakota as state-wide Purchased/Referred Care Delivery Areas (PRCDAs) for the purpose of providing PRC services to members of Indian Tribes in those states. However, § 1678a(b) prohibits the designation from decreasing health care services to Indians residing on any reservation, or in any county that has a common boundary with any reservation, in the States of North Dakota or South Dakota.

By letter dated September 11, 2023, the Indian Health Service (IHS) initiated Tribal Consultation to seek your input on the feasibility of creating Purchase/Referred Care Delivery Areas (PRCDAs) for the State of North Dakota and the State of South Dakota. After receiving your guidance and recommendations, the next step was to secure a contract to begin the feasibility study. On February 21, 2025, the IHS awarded a contract with Tribalhealth Alliance, LLC (THA) to conduct a feasibility study regarding the potential designation of North Dakota and South Dakota as state-wide PRCDAs. The IHS Office of Resource Access and Partnerships (ORAP) is the lead program responsible for oversight and management of this work.

The IHS is working closely with the THA to conduct outreach to Tribes in North Dakota and South Dakota. We anticipate completion of the feasibility study in October of this year, absent any significant delays in obtaining data.

The feasibility study will include the following: an estimate of the potential number of newly eligible PRC beneficiaries for Tribes in both states; an estimate of the costs and strategies to implement each state-wide PRCDAs; and the identification of any obstacles to expanding either state-wide PRCDAs. After the study is completed, I will summarize our results on the effects of each state-wide redesignation prior to making final Agency decisions.

I look forward to hearing your comments and working together to address this matter. If you have any questions, please contact CDR Tracy Sanchez, Acting Director, ORAP, IHS, by telephone at (301) 443-3216 or by email at tracy.sanchez@ihs.gov.

Sincerely,

Phillip B.
Smith -S

Digitally signed by Phillip
B. Smith -S
Date: 2025.06.23
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P. Benjamin Smith, M.B.A., M.A.
Acting Director