Good morning. It’s a pleasure to be here today with all of you at the 11th Annual Advances in Indian Health conference. I am glad you had the chance to attend this conference; it is an excellent opportunity to share information on the latest advances in health care that we can all use to care for our American Indian and Alaska Native patients. As a former Indian Health Service (IHS) physician, I know the importance of taking advantage of these opportunities to expand your health care knowledge and to meet and interact with your colleagues.

Today, I will give you an update on what we are doing to change and improve the IHS.

In his State of the Union speech, President Obama talked about “winning the future.” While we face many challenges, we must out-innovate, out-educate, and out-build the rest of the world. We can secure prosperity for ourselves and future generations of Americans by taking responsibility for our deficit, investing in what makes us stronger, and reforming government. Above all, we must overcome the politics that divide us and work together to win the future.

I believe we are making progress in winning the future for the IHS, our patients, and the communities we serve. After almost two years as the IHS Director, I believe we are changing and improving for the better. But to keep making progress, we need to continue to work together, especially as we face the challenges ahead. I hope you are participating in efforts at your facilities to help us reform the IHS.

Today, I would like to update you on progress on our four agency priorities:

- The first priority is to renew and strengthen our partnership with Tribes;
- Our second priority is to bring internal reform to IHS;
- The third priority is to improve the quality of and access to care for patients who are served by IHS; and
- The fourth priority is to have everything we do be as transparent, accountable, fair, and inclusive as possible.
Tribal consultation is one of our highest priorities. I believe the only way we are going to improve the health of our communities is to work in partnership with them. From my public health training and my experience working as a provider in IHS in the past, it is clear to me that we cannot solve the health problems of our patients alone – we need to partner with our communities and our patients to find solutions to the challenges we face. We can be so much more effective by working together.

Our IHS Tribal Consultation Policy describes the need for national, IHS Area, and local consultation. We have done a lot to improve consultation at the national level – I have visited all 12 IHS Areas, held over 300 tribal delegation meetings, and regularly meet with tribal advisory groups and attend tribal meetings.

I am happy to see so many tribal leaders taking leadership roles on health issues. Now is the time to improve our tribal consultation and partnerships at the Area and local levels. I encourage you to find ways to work with your local community on health issues. I know that many of you already do this type of outreach. It really makes a big difference.

We have been consulting with Tribes on numerous issues, including:
- Improving the tribal consultation process;
- Improving our Contract Health Services, or CHS, program;
- Priorities for health reform and implementation of the Indian Health Care Improvement Act;
- The IHS fiscal year 2013 budget;
- Implementation of the Memorandum of Understanding (MOU) between the Department of Veterans Affairs (VA) and the IHS;
- Our Indian Healthcare Improvement Fund allocation;
- The Special Diabetes Program for Indians (SDPI) 2-year extension; and
- A Tribal Epidemiology Centers data sharing agreement.

All of these consultations will result in better decisions for the future of IHS and will help us improve patient care.

We are fortunate that President Obama has expressed a commitment to honor treaty rights and consult with Tribes, as he demonstrated when he met with tribal leaders in the Roosevelt Room at the White House in December 2010. Department of Health and Human Services (HHS) Secretary Sebelius also values tribal consultation, evidenced by the formation of the Secretary’s Tribal Advisory Committee. She also recently signed the updated HHS tribal consultation policy.

I meet with Tribes regularly at headquarters and with various tribal advisory workgroups and committees. I enjoy listening to the health priorities of tribal leaders in my meetings with them. We really have common goals – such as better patient care and the need for more funding and services.

Again, I hope you are reaching out to the patients and Tribes served by your health facility as you do this important work. We will be so much more successful if we work in partnership with our Tribes. We don’t have to be in an adversarial relationship – we can find ways to work in partnership. I encourage you to look at our new tribal consultation website, and review the letters we send to Tribes for more information.
Our second priority is “to bring reform to the IHS.” This priority has two parts – the first part includes passage of the health reform law, the Affordable Care Act, and the Indian Health Care Improvement Act. The second part is about internal IHS reform – how we are changing and improving the organization.

We are grateful for passage of the Affordable Care Act because it will make quality, affordable healthcare accessible to all Americans, including our First Americans. It is designed to increase access to health insurance, help those who have insurance, and reduce healthcare costs.

The focus of this past year has been on access to health insurance, with many new insurance reforms. Also, discussions have begun on implementation of the State Insurance Exchanges in 2014, as well as the Medicaid eligibility expansion of up to 133% of poverty level that will also start in 2014.

This year, we are starting to hear more about health care delivery system reforms, such as the accountable care organizations and the new Partnership for Patients, which was just launched this past month. The Partnership for Patients will help reduce medical harm by focusing on reducing hospital acquired conditions and hospital readmissions. We will be working on this initiative soon.

The Affordable Care Act has the potential to benefit American Indian and Alaska Native individuals and Tribes, and IHS, tribal, and urban Indian health facilities. Greater access to health insurance will help individuals in terms of more coverage and choices, and our health facilities in terms of reimbursements. However, our efforts to change and improve the IHS are even more important because we must make sure we are competitive and that our patients continue to see us if they have better access to insurance coverage. I hope you are thinking about this issue back at your local facility.

HHS is taking the lead on implementation of the Affordable Care Act, and IHS is working closely with HHS on the provisions that impact American Indians and Alaska Natives. We have been conducting consultation activities on many parts of the Act.

The Indian Health Care Improvement Act (IHCIA) was included in the Affordable Care Act – which is great for Indian Country because this law is the main legislation that authorizes Congress to fund health care services for American Indians and Alaska Natives. And the IHCIA was permanently reauthorized!

The IHCIA updates and modernizes the IHS. The provisions are numerous but many of them give IHS new authorities. This includes:

- New and expanded authorities for behavioral health prevention and treatment services;
- New and expanded authorities for urban Indian health programs;
- Authorities for the provision of long-term care services;
- Authorities for various demonstration projects, including innovative health care facility construction and health professional shortages;
- The authority for provision of dialysis services;
- Authorities to improve the CHS program;
- And authorities to improve facilitation of care between the IHS and VA.
These are just examples of what is in the new law. IHS is the lead on implementation and is working quickly to implement provisions of the law, in consultation with Tribes. We recognize that education and communication are priorities at this time. So we are taking steps to keep everyone informed:

- You can find updates on our implementation process on my Director’s Blog at www.ihs.gov;
- HHS has a website – www.healthcare.gov – that helps the public understand how health reform benefits them;
- The National Indian Health Board, National Congress of American Indians, and National Council of Urban Indian Health are helping IHS with outreach and education; and
- We are using Dear Tribal Leader Letters to keep everyone updated.

I am encouraging everyone in the Indian health system to learn everything they can about this important new law and its impact on Indian health care.

The next part of our second priority is about bringing internal reform to the IHS. In order to get the support we dearly need, the IHS must demonstrate a willingness to change and improve. It is clear that Tribes, staff, and our patients want change.

By internal IHS reform, I mean we need to look at what we do well, and be honest about where we need to improve. We requested and received input on tribal and staff priorities for how to change and improve the IHS. Tribal priorities for internal reform included:
- More funding for IHS, including a review of how we allocate funding;
- Improvements in our CHS program; and
- Improvements in the tribal consultation process.

We're working on these priorities, as I have already described.

We know that funding and the budget are going to be the subject of a national discussion and that we are headed for potentially tough budget times. However, the more we can show that we are working to change and improve, the more support we will have in these discussions.

We're also making progress on the top staff priorities for internal IHS reform. Overall, staff emphasized improving the way we do business and how we lead and manage our staff. I’ve sent messages to IHS staff on improving our business and management practices – such as the importance of customer service, ethics, performance management, and professionalism. Many of our staff members want improvements in these areas, and our work starts with a strong message from the top that these are important areas for all of us.

To improve the way we do business, we're working with HHS and our Area Directors to improve how we manage and plan our budgets and improve our financial management. We're working to make our business practices more consistent and effective throughout the system.

To improve how we lead and manage staff, we're working on specific activities to improve and streamline the hiring process by making it more efficient and proactive, and less time-consuming. We're also working on improvements in pay systems and strategies to improve recruitment and retention. It has been historically difficult for the IHS to recruit and retain healthcare providers, due to remote locations and noncompetitive salaries. We need to make sure that the way we do business is not causing us to lose the opportunity to hire and keep good staff. Performance
management, rewarding employees who perform well, and holding poor performing employees accountable also will help us make improvements.

We have been working to address the issues raised in the Senate Committee on Indian Affairs investigation of the IHS Aberdeen Area, and we are now conducting reviews of all IHS Areas to make sure that the findings of the investigation are not happening elsewhere.

We have been working closely with our Area Directors to make improvements and reforms. We are also working with our Area CEOs to support and encourage them in helping to change and improve the IHS.

The third priority is to improve the quality of and access to care. Improving customer service is the most important activity for us as we move forward, and I am seeing some great new activities throughout the system.

The Improving Patient Care (IPC) initiative – our patient-centered medical home initiative – is an important part of how IHS will make progress on this priority. Our plan is to expand this to 100 new sites and to gain support for expanding these types of activities to all of our sites. We are making improvements to the IPC, including building more internal capacity, simplifying and focusing the activities, creating a better evaluation, and making it work at all sites, not just those that have more resources or staff. It is basically about teamwork, improvement in care delivery, and a focus on the patient. This initiative will be more important as we move forward, especially in Affordable Care Act health delivery reform activities.

We recently announced the positive results from the SDPI Diabetes Prevention and Healthy Heart Initiative Demonstration Projects. They showed that in partnership with our communities, we can reduce diabetes and cardiovascular disease risk factors in Indian Country with innovative and culturally appropriate activities. The recent 2-year extension of the SDPI will help us continue these successful activities.

We also just launched the Healthy Weight for Life initiative, which will unify all our efforts to promote a healthy weight among American Indians and Alaska Natives across the lifespan. We now have Action Guides and a website that provide evidence-based, proven approaches to help fight the obesity epidemic that is threatening the health and well-being of Indian people. While progress has been made, overweight and obesity continue to drive up high rates of chronic disease. Taking action now is vital.

In reference to our customer service priority – a group of headquarters employees was recognized for receiving the highest number of votes for being the “best at customer service at headquarters” during a recent general staff meeting where I asked everyone to vote. I rewarded them with tickets to the White House Spring Garden Tour. I hope you are doing things at your local facility to reward employees for good customer service.

Collaborations with other agencies are important in our efforts to improve the quality of and access to care. We have a number of key collaborations we are working on with other federal entities, including the Health Resources and Services Administration, the VA, the Centers for Medicare and Medicaid Services, the Department of the Interior (DOI), the U.S. Public Health Service Commissioned Corps, and the Substance Abuse and Mental Health Services Administration (SAMHSA).
I met with VA Secretary Shinseki last year when we signed an updated MOU between IHS and the VA to improve collaboration and coordination of care for eligible veterans. We will be working on implementation more at the local levels soon.

I also have met with Assistant Secretary of Indian Affairs Larry Echohawk and his staff about several collaborative efforts, including suicide prevention. DOI, SAMHSA, and IHS held listening sessions on suicide prevention with Tribes recently and plan a suicide prevention summit this summer.

We are working with HHS, the Assistant Secretary of Health, and the Surgeon General on improvements and reorganization of the Commissioned Corps. I recently asked for input on how to improve the Commissioned Corps within IHS from officers employed by IHS. The top five priorities for improvement included awards, communication, deployments, hiring times, and training. We will be working on making improvements in these areas in the near future.

The Recovery Act funding has helped in our reform and improvement efforts. For example, it has helped us improve quality by providing funds for new CT scanners - each CT scanner we are able to purchase with Recovery Act funds should help save around $1 million in CHS referrals for head injuries.

And I am proud to say that with the help of Recovery Act funds, IHS has become the first large healthcare system to have a certified electronic health record (EHR). And we are working hard to implement the meaningful use of electronic health records in the Indian health system. For IHS, tribal, and urban Indian health sites that use the IHS Resource and Patient Management System (RPMS), this is an important first step in the process to qualify for and receive the new EHR Incentive Payments from Medicare and Medicaid. This could help bring valuable new resources to the Indian health care system.

We have developed some materials to explain the EHR Incentive Programs for both Medicare and Medicaid and how adopting, implementing, upgrading, or demonstrating meaningful use of a certified EHR can qualify for incentive payments. It is important to know that all eligible hospitals and professionals must register as a first step to qualifying for the incentive payments. If you go to my Director’s blog, you can get access to the RPMS EHR certification press release, a fact sheet, some slides with basic steps, and websites for more information. It is now time for all eligible hospitals and eligible professionals to take steps to qualify for EHR incentive payments for meaningful use from Medicare and/or Medicaid.

Our fourth priority is to make everything transparent, accountable, fair, and inclusive. These principles guide our work and decision-making. I have been communicating more, including messages from the Director and my director’s blog. I encourage you to communicate as much as possible about your local activities.

Accountability for individual and program performance is important. In order to get the support we need, we have to demonstrate that our activities result in improved outcomes – for local programs and for the system as a whole. I hope you are looking at what you are doing that is effective and also looking at what you can improve.
We are also implementing the IHCIA provision that directs IHS to establish a policy to “confer” with urban Indian health organizations. This will help us communicate better with the organizations that we help fund to provide health services in urban communities.

To get updates on implementation of health care reform and other Indian health issues, you can visit my “Director’s Corner,” which is linked to the IHS home page. There you can get information on presentations, Dear Tribal Leader letters, new and ongoing health initiatives, and other messages. You will also see an orange “Director’s Blog” button that you can click on that will take you to my blog.

I use the Director’s Blog to post brief updates on our activities and the latest IHS news at least weekly. My recent blog on the EHR certification that I just mentioned can be found here. This is one of many efforts to be more transparent about what we're doing as an agency. I think it’s important for the public to know that meeting with Tribes is important to the agency, and putting updates and pictures about the meetings on the blog helps.

I encourage you to find innovative ways to communicate about your activities to your patients and to your local community.

In summary – the IHS provides healthcare to American Indians and Alaska Natives under challenging circumstances. However, we are working to change and improve the IHS through our reform efforts. These efforts should help us do better at the business of healthcare and provide better quality services.

The Affordable Care Act, and the reauthorization of the IHCIA, will also help Tribes and the IHS provide better care to American Indian and Alaska Native people. But we must be competitive so that our patients will still choose to use our healthcare services.

Overall, we are beginning to make progress on our priorities and are moving forward on the challenging work to change and improve the IHS. While changing and improving the IHS may seem like a daunting and challenging task, I still believe we're in a unique time in history, where we have a supportive President and administration, including lots of support at HHS, and bipartisan support in Congress for reform. We must take advantage of this opportunity to change and improve the IHS.

Thank you for all that you are doing to help us change and improve the IHS. I hope you enjoy the rest of the meeting.