

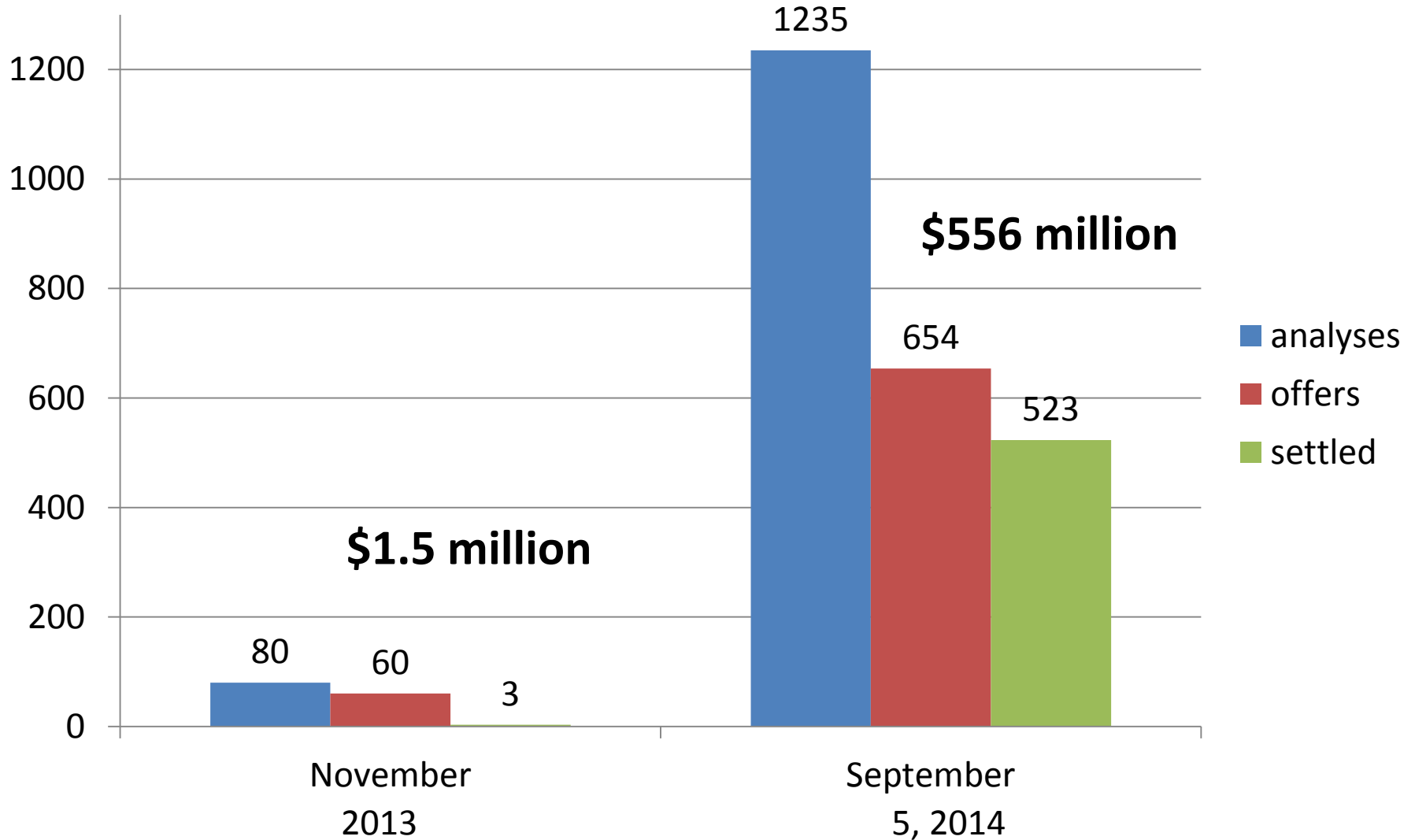


IHS Contract Support Costs Update

**Yvette Roubideaux, M.D., M.P.H.
Acting Director, Indian Health Service**

*All-Tribes Call/Webinar
September 19, 2014*

IHS CSC Claims Settlement Progress



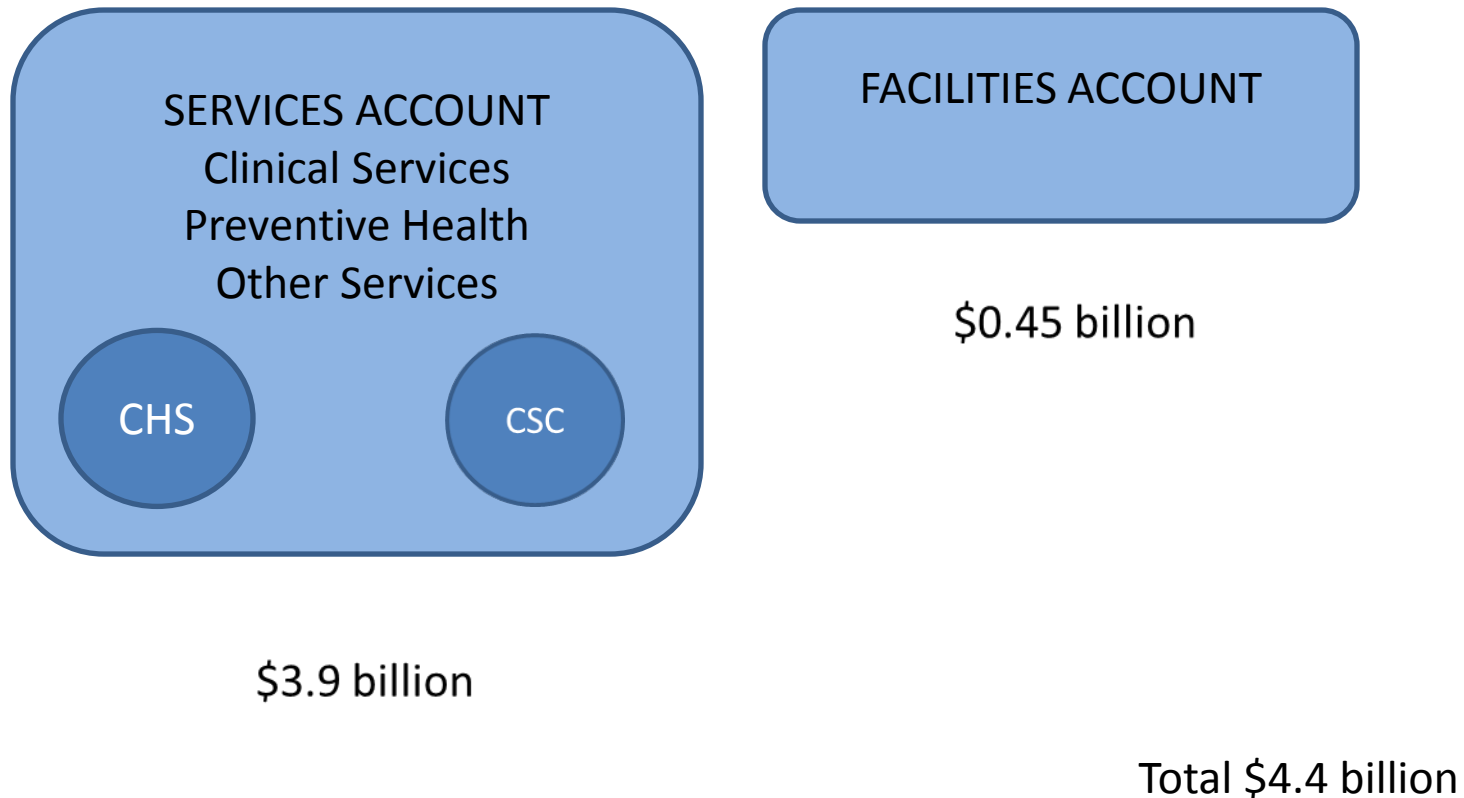


CSC Appropriations

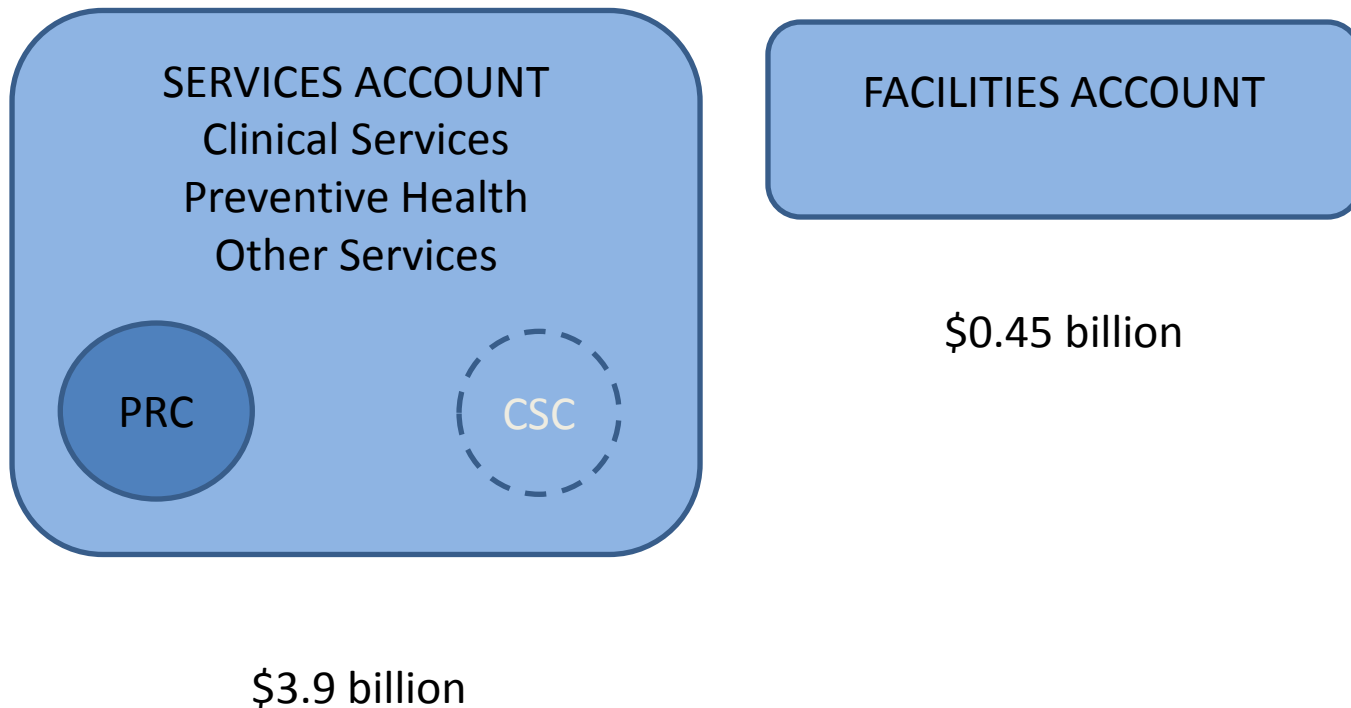


- FY 2014 Consolidated Appropriations Act did not limit the total amount of funds in the IHS Services Appropriation to be expended for the payment of CSC
- Commitment to full funding of CSC in FY 2014
- Congress – fund three priorities: PRC, new staffing, fully fund CSC.
- Consult with Tribes, OMB and Congress on a long term solution for CSC appropriations.

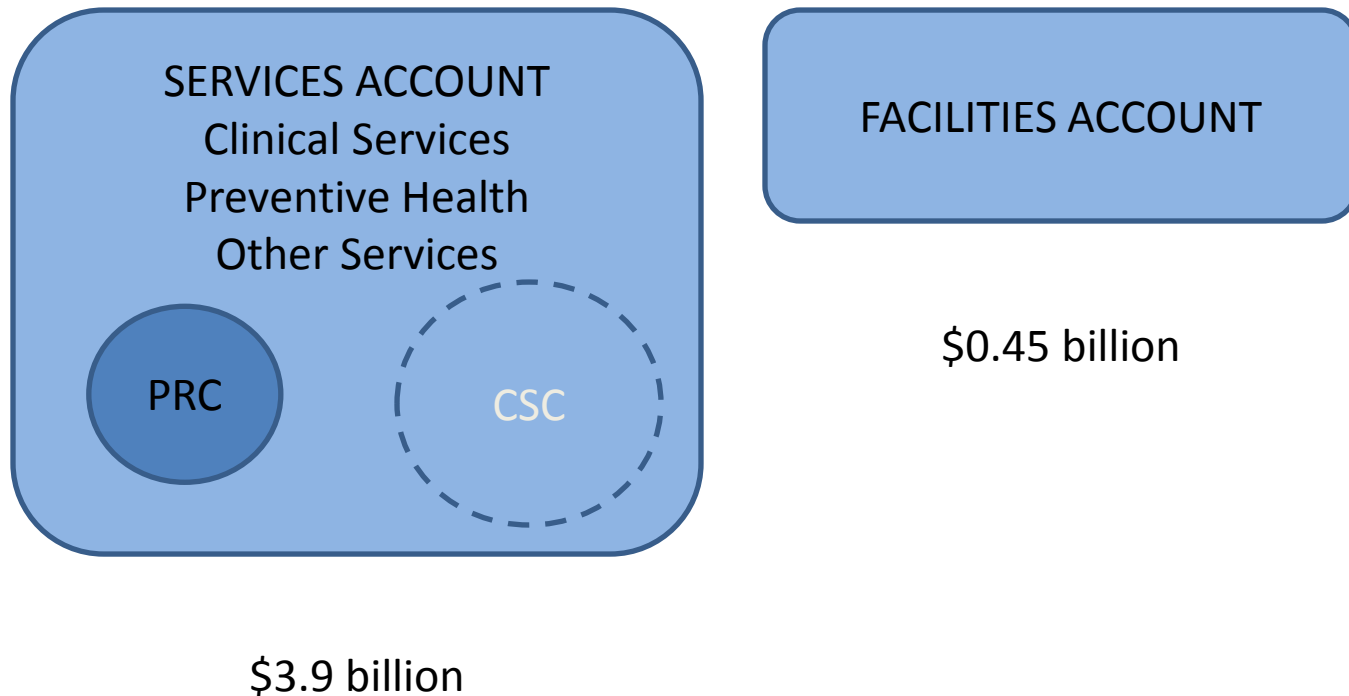
IHS Appropriations– FY 2013



IHS Appropriations– FY 2014



IHS Appropriations





CSC Appropriations



- In May, other items in the services budget were reduced by \$10 million to fully fund CSC
- Due to several factors, IHS recently notified Congress of its intent to reprogram a maximum of \$48 million to fully fund CSC from the FY 2014 appropriation



CSC Appropriations



- Why did the CSC Need increase and why is it so hard to predict?
 - CSC amounts change during the budget process and throughout the fiscal year
 - Estimates initially from budget formulation
 - Estimates change with final budget from Congress
 - New CSC need from some increases in budget
 - During year, CSC calculation can change – updated indirect cost rates, change in program base due to increased funding, change in inflation rates, etc.
 - Policy allows for reconciliation of CSC payments during the year to ensure full funding and to recover any overpayments of CSC and redistribute the amounts
 - Tribes can request new and expanded contracts which require additional CSC need as late as August 17
 - Tribes can request to renegotiate CSC throughout the year, no deadlines

Additional CSC Estimated Need Since May

Ongoing/existing programs (but includes new staffing already paid to Tribes in FY14)

- Additional Direct CSC need due to inflation rate: \$ 2.2M
- Additional Indirect CSC need: \$10.9M
- Overpayments not yet repaid: \$ 7.1M
- Sub-total: \$20.2M

New negotiations this year

- New and Expanded (not paid yet): \$ 1.6M
- Requests to renegotiate Direct/Indirect CSC: \$22.4M
- Sub-total: \$24.0M
- Total estimated additional need: \$44.2M
- Reprogramming request: \$48.0M

Additional CSC Estimated Need Since May – Aug and Sept updates

	<u>8/22/14</u>	<u>9/15/14</u>
<u>Ongoing/existing programs</u>		
• Additional Direct CSC need due to inflation rate:	\$ 2.2M	\$ 3.0M
• Additional Indirect CSC need:	\$10.9M	\$13.0M
• Overpayments not yet repaid:	\$ 7.1M	\$ 8.1M
• Sub-total:	\$20.2M	\$24.1M
<u>New negotiations this year</u>		
• New and Expanded (not paid yet):	\$ 1.6M	\$ 3.0M
• Requests to renegotiate Direct/Indirect CSC:	\$22.4M	\$ 4.9M
• Sub-total:	\$24.0M	\$ 7.9M
• Total estimated additional need:	\$44.2M	\$32.0M
• CSC funds unobligated:		\$ 6.9M
• Reprogramming request:	\$48.0M	\$25.1M



CSC Appropriations



- Will continue reconciliation through the end of the year
- Will reprogram funding from headquarters first, then Areas, then Service Units
- Need for a long term solution
- Tribal consultation input under review

IHS Appropriations

