



# Indian Health Service Budget Update

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15TH ANNUAL DIRECT SERVICE TRIBES NATIONAL MEETING

JULY 11, 2018

# Topics

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- ❖ Budget cycle context
- ❖ Updates by fiscal year
  - FY 2018
  - FY 2019
  - FY 2020
  - FY 2021
- ❖ Other key budget items

# Budget Cycle Context

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	CALENDAR YEAR 2018					
	July	August	September	October	November	December
<b>FY 2018</b>	Execution					
<b>FY 2019</b>	Congressional Phase			Execution		
<b>FY 2020</b>	Formulation					
<b>FY 2021</b>	Planning			Formulation		

# Fiscal Year 2018 Budget

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The enacted fiscal year (FY) 2018 budget includes a total discretionary budget authority of \$5.5 billion, which is \$498 million above the enacted FY 2017 funding level.

This includes three accounts:

- ❖ Services: \$3.9 billion
- ❖ Facilities: \$868 million
- ❖ Contract Support Costs: \$718 million
  - Remains an indefinite discretionary appropriation for fully funding CSC

# Appropriation to Allocation

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## Apportionment

- 45 days minimum
- From OMB to IHS; in 4 quarters

## Allotment

- 1 day
- From HQ to Area Directors

## Allowance

- 1-3 days, in general
- From Area Director to Service Unit CEOs

# FY 2018 Funding Increases

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- \$98 million for current services:
  - ✓ federal/tribal pay costs were distributed
  - inflation for Services is pending Agency decision (Facilities was distributed)
- \$66 million for newly-constructed healthcare facilities:
  - ✓ Choctaw Nation Regional Medical Center in Oklahoma (JVCP),
  - ✓ Flandreau Health Center in South Dakota (JVCP),
  - ✓ Red Tail Hawk Health Center in Arizona (plus expanded staff for Phoenix Indian Medical Center in Arizona),
  - ✓ Fort Yuma Health Center in California, and
  - Muskogee (Creek) Nation Health Center in Oklahoma (JVCP).

# FY 2018 Funding Increases - Services

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Increase of nearly \$104 million includes:

- \$72 million for the Indian Health Care Improvement Fund
- \$29 million for accreditation emergencies
- \$1 million for direct operations
- \$1 million for retinal cameras

*NEW* Authority: housing subsidy authority for civilian medical personnel serving in IHS-operated hospitals (funding would have to be identified)

# FY 2018 Funding Increases - Facilities

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Increase of \$312 million includes:

- \$110 million for health care facilities construction priority list
- ✓ \$10 million for the small ambulatory program
- \$5 million for staff quarters
- ✓ \$92 million for maintenance and improvement
- ✓ \$90 million for sanitation facilities construction
- \$5 million in facilities and environmental health support for the increased construction workload



# Indian Health Care Improvement Fund (IHCIF)

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- IHS received an increase of \$72 million in FY 2018 (a separate budget line, single-year funds)
- An IHS/Tribal Workgroup was convened in January 2018 to evaluate the existing formula and make recommendations for possible revisions:
  - Benchmark
  - Alternate Resources
  - User Count
  - Access to Care
- The IHCIF Workgroup recommendations are in active consultation – comment period ends Friday, July 13.
- Allocation of IHCIF appropriation anticipated in early August.

# FY 2019 President's Budget Request

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The Fiscal Year (FY) 2019 Budget requests a total discretionary budget authority of \$5.4 billion, which is \$413 million above the FY 2018 annualized continuing resolution level.

This includes four accounts:

- ❖ Services: \$3.9 billion
- ❖ Facilities: \$506 million
- ❖ Contract Support Costs: \$822 million
- ❖ Special Diabetes Program for Indians: \$150 million

The Budget provides \$10 billion in new resources across HHS to combat the opioid epidemic and address serious mental illness. IHS is proposed to receive \$150 million for opioid abuse prevention, treatment, and recovery support grants


# FY 2019 – Congressional Action

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- House – passed Full Committee 6/6/2018
  - Includes \$5.9 billion, which is an increase of \$370 million
  - Increases included for federal/tribal pay costs, staffing/operating costs of newly-constructed health care facilities, IHCF, new Tribes, tribal clinics, Urban health, scholarships and loan repayment, and CSC
- Senate – passed Full Committee 6/14/2018
  - Includes \$5.8 billion, which is an increase of \$234 million
  - Increases included for staffing/operating costs of newly-constructed health care facilities, new Tribes, tribal (village built) clinics, opioid grants, and CSC
- Both - restore funding for programs proposed for discontinuation; continue SDPI as mandatory
- Next: conference committee, final appropriation
  - Or, continuing resolution(s), omnibus appropriation

# FY 2020 Update

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- IHS National Tribal Budget Formulation Workgroup's FY 2020 budget recommendations: presentation to HHS leadership on April 11
  - IHS is meeting with the Secretary's Budget Council on July 19
  - HHS will submit a budget proposal to OMB in September
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# FY 2021 Update

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- FY 2020 Evaluation and FY 2021 Planning Meeting: Wednesday, April 25, Albuquerque, NM
- Highlights of key changes planned for FY 2021:
  - Additional pre-consultation orientation/education sessions
  - Area-specific reports prior to the National meeting
  - Improved documentation of decisions made at the National meeting
- Area sessions expected to occur October through December 2018

# Other Key Budget Related Items

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- The House Labor/HHS bill includes provisions impacting IHS and Tribes regarding a statement about Tribal sovereignty, prioritized loan repayment funding through HRSA's National Health Service Corps for providers working in IHS/Tribal programs, and prioritized funding for substance abuse disorder counselors for placements in IHS/Tribal facilities.
- 105(/) leases – Tribal/Urban Indian Organization Leader letters will be posted on July 10 announcing a consultation/confer period regarding a proposed funding solution. Comments due by July 27.
- Behavioral health funding – Tribal/Urban Indian Organization Leader letters posted on May 18 announcing consultation on funding to distribute initiative funds. Comments due August 1.

