

Indian Health Service Budget Update

BEMIDJI AREA 2023 PRE-NEGOTIATIONS

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Budget Update Roadmap

Today we'll discuss two main topics:

- COVID-19 Funding Overview
- FY 2023 President's Budget

Indian Health Service COVID-19 Funding Overview

COVID-19 Funding Overview

The IHS has received over \$9 billion in COVID-19 resources, either through direct appropriations, or through HHS.

- ❖ Coronavirus Preparedness and Response Act: \$70 million
- ❖ Families First Coronavirus Response Act: \$64 million
- ❖ CARES Act: \$1.032 billion
- ❖ PPP & Health Care Enhancement Act: \$750 million
- ❖ Coronavirus Response & Relief Supp. Approps. Act: \$1 billion
- ❖ American Rescue Plan Act: \$6 billion

\$210 million ARPA Public Health Workforce

The American Rescue Plan Act (ARPA) appropriated \$7.7 billion to HHS for Public Health Workforce Activities.

- ❑ HHS allocated \$210 million of that amount to the IHS for specific purposes. The White House announced this allocation on November 10.
- ❑ These funds are in addition to the \$240 million for Public Health Workforce activities that the IHS received in direct appropriations from the ARPA.

Consultation and Confer

- ❑ IHS conducted a virtual learning session on these additional American Rescue Plan Act Public Health Workforce funds on December 9, 2021 at the monthly IHS Tribal and Urban Indian Organization Leader Call.
- ❑ The IHS then conducted virtual Tribal Consultations on December 14 and 22, 2021, and virtual confer on December 15, 2021.
- ❑ The IHS collected written comments through January 21, 2022.

Uses of Funds

The HHS allocation includes funding for the following activities:

- ❑ \$92 million to support nurses in Bureau of Indian Education Schools,
- ❑ \$47 million to enhance public health capacity and preparedness for IHS and Tribes,
- ❑ \$20 million to increase IHS emergency preparedness capacity,
- ❑ \$45 million for additional loan repayment awards, and
- ❑ \$6 million for core surveillance and epidemiology functions.

Nurses in Bureau of Indian Education Schools

The HHS allocation includes \$92 million over four years to provide nursing support to the 181 Bureau of Indian Education (BIE) funded K-12 schools.

❖ Funding will:

- Support a Registered Nurse to focus on student health, immunizations, vaccinations, COVID-19 testing needs, mental health, and other related needs at each of the 181 BIE schools.
- Be allocated to IHS and Tribal Health Programs that support the identified schools.
- Provide for a Student Health Nurse program lead and an evaluation.

Public Health Capacity Building

The HHS allocation includes a total of \$47 million to enhance public health capacity in Indian Country.

❖ **Public Health Department Capacity Building in Tribal Communities (\$47 million)**

- These funds will support Tribes, Tribal organizations, and Urban Indian Health Programs in:
 - Conducting Public Health Department functions, services and activities, and
 - Developing their Public Health management capabilities.

IHS Emergency Preparedness Capacity

The HHS allocation includes a total of \$20 million to build emergency preparedness capacity at IHS.

❖ IHS Emergency Preparedness Team (\$20 million)

- ❑ These funds will support additional Emergency Management staff and training at IHS HQ, IHS Area Offices, and Service Units.
- ❑ Current emergency management activities are performed in addition to regular duties.
- ❑ COVID-19 experience makes it clear that dedicated planning, training, and staffing are necessary moving forward.

Additional Loan Repayment Awards

The HHS allocation includes \$45 million to expand the IHS Loan Repayment Program to recruit and retain high quality health care professionals.

- ❖ These resources will support approximately 200 additional two-year loan repayment contracts.
- ❖ The funds will support recruitment and retention of health care professionals in IHS, Tribal, and Urban Indian Health Programs.

Core Surveillance & Epidemiological Activities

The HHS allocation includes a total of \$6 million for core surveillance and epidemiological activities.

- ❖ **Increase IHS capacity to monitor for and respond to vaccine-preventable diseases (\$2.3 million)**
 - These funds will enhance IHS analytical capacity and establish or improve data tracking systems that support monitoring of vaccine-preventable diseases.
- ❖ **IHS Mortality and Natality Data Activities and Reporting (\$3.6 million)**
 - These funds will allow the IHS to update natality and mortality information for future analysis.

Next Steps

- ❑ Reviewing comments from consultation and confer to finalize funding allocation decisions.
- ❑ Publish Dear Tribal and Urban Indian Organization Leader Letter with final funding allocation decisions.

Indian Health Service Fiscal Year 2023 Budget

Fiscal Year 2023 President's Budget

The FY 2023 President's Budget proposes the first ever fully mandatory budget for the IHS. In FY 2023, the Budget proposes a total of \$9.3 billion for the IHS, which is +\$2.5 billion above FY 2022. This includes four accounts:

- ❖ Services: \$6.3 billion
- ❖ Facilities: \$1.6 billion
- ❖ Contract Support Costs: \$1.142 billion
 - Remains an indefinite appropriation for fully funding CSC
- ❖ Payments for Tribal Leases: \$150 million
 - Remains an indefinite appropriation for fully funding the cost of section 105(I) leases

10-Year Funding Proposal

The mandatory budget proposal would be accomplished through new authorizing legislation, and would provide funding each year for 10 years.

- Funding culminates in a total of \$36.7 billion in FY 2032, which is an increase of nearly \$30 billion or a 296 percent over the 10-year window.
- Automatic increases for pay costs, inflation, and population growth are included each year.
- Proposed funding would be fully exempt from sequestration, and the IHS would be protected from government shutdowns.

Key Proposals

The mandatory budget proposal addresses a number of longstanding Tribal priorities and critical challenges through additional funding increases over 10 years, including:

- +\$11.2 billion in the Services Account over 5 years to address the 2018 Level of Need Funded deficiency; and
- +\$6 billion over 5 years to complete the IHS transition to a fully modernized EHR solution.

Key Proposals (*cont.*)

The mandatory budget proposal addresses a number of longstanding Tribal priorities and critical challenges through additional funding increases over 10 years, including:

- Fully Funds 1993 Health Care Facilities Construction Priority List over 5 years; and
- +\$454 million in the Facilities Account over 5 years to address medical equipment needs for IHS and Tribal Health Programs.

Funding Increases (*Services & Facilities*)

The FY 2023 President's Budget includes:

- \$207 million in Current Services funding to fully offset rising pay costs, medical and non-medical inflation, and population growth.
- The Budget also proposes automatic funding increases in the out-years for pay costs, inflation, and population growth.
- \$102 million for staffing and operating costs of newly-constructed health care facilities.

Funding Increases (*Services & Facilities*)

- The \$102 million in staffing and operating costs for new and replacement facilities includes funding for:
 - Naytahwaush Health Center in Naytahwaush, MN (JV)
 - Northeast Ambulatory Care Center in Scottsdale, AZ
 - Phoenix Indian Medical Center Central in Phoenix, AZ
 - Ysleta Del Sur Health Center in El Paso, TX (JV)
 - Alternative Rural Health Center in Dilkon, AZ
 - Elbowoods Memorial Health Center in New Town, ND (JV)
 - North Star Health Clinic in Seward, AK (JV)
 - Rapid City Health Center in Rapid City, SD

Services Program Increases

The FY 2023 President's Budget proposes significant general program increases to expand access to critical health care services across Indian Country. Those general program increases include:

- \$243 million for the Indian Health Care Improvement Fund;
- \$215 million for Hospitals and Health Clinics; and
- \$206 million for Purchased/Referred Care.

Services Program Increases

The FY 2023 President's Budget also proposes additional resources that would continue to support increased service levels resulting from American Rescue Plan Act (ARPA) funding. This \$211 million investment includes:

- \$77 million to continue support for Public Health Workforce activities initially funded by the ARPA for IHS and Tribal Health Programs;
- \$134 million to continue support for mental health and substance abuse prevention and treatment services initially funded by the ARPA for IHS and Tribal Health Programs; and
- \$9 million for Urban Indian Organizations to continue support for both activities.

Services Program Increases

The FY 2023 President's Budget also makes a number of targeted investments in the Services account to expand access to and improve the quality of health care services across the Indian health system.

These increases would also support HHS-wide initiatives, including an additional:

- \$47 million to eliminate HIV & Hepatitis C in Indian Country;
- \$9 million for opioid use prevention & treatment services; and
- \$4 million to address maternal mortality.

Services Program Increases (*cont.*)

Additional increases to the Hospitals and Health Clinics budget line include:

- \$27 million to offset the rising cost of shared services at HHS
- \$20 million for the National Community Health Aide Program
- \$20 million to address critical Emergency Medical Services needs
- \$10 million for Emergency Preparedness
- \$10 million to for a new Division of Telehealth

Services Program Increases (*cont.*)

Additional proposed increases to the Hospitals and Health Clinics budget line include:

- \$10 million for the Office of Quality
- \$9 million for the Office of Health Information Technology
- \$8 million for a new Cancer initiative
- \$3 million for a National Business Improvement Center
- \$1 million for Nurse Preceptorships

Services Program Increases (*cont.*)

Additional increases in the Services Account include:

- \$140 million for Electronic Health Record modernization
- \$48 million for Dental Health
- \$27 million for Urban Indian Health
- \$20 million for additional scholarship and loan repayment awards and other recruitment and retention strategies.
- \$18 million for Direct Operations

Services Program Increases (*cont.*)

Additional increases in the Services Account include:

- \$2.5 million for a Community Health Representatives program evaluation
- \$2 million for additional Tribal Management Grants
- \$1 million for New Tribes
- \$140k for the Self-Governance Program
- \$26k for the Alaska Immunization Program

Facilities Program Increases

Increases in the Facilities Account include:

- \$276 million for Health Care Facilities Construction, including
 - \$25 million for staff quarters
 - \$30 million for the Small Ambulatory Program
 - \$5 million for Green Infrastructure
 - \$10 million for a new Mid-Sized Ambulatory Facilities Demo Project
- \$172 million for Maintenance and Improvement
- \$71 million for Equipment

Facilities Program Increases *(cont.)*

Increases in the Facilities Account include:

- \$49 million for additional program support resources for Sanitation Facilities Construction projects, including projects funded through the Infrastructure Investment and Jobs Act,
- \$18 million to develop future Public Health Engineers

Special Diabetes Program for Indians

The budget includes \$147 million for the Special Diabetes Program for Indians (SDPI), which accounts for the 2% mandatory sequester.

- The President's Budget also proposes to exempt Special Diabetes Program for Indians funding from sequester, along with the rest of the IHS Budget.

