

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
Health Care Facilities Construction

Program Authorization: Program authorized by U.S.C. 13 Snyder Act, P.L. 83-568, Transfer Act, 42 U.S.C. 2001, P.L. 94-437, Indian Health Care Improvement Act, as amended, P.L. 99-570, Omnibus Drug Bill.

	2000	2001	2002	2002 Est. +/-	2002 Est. +/-
	<u>Actual</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>2000 Actual</u>	<u>2001 Approp.</u>
<u>Program Output Data:</u>					
Hospitals:					
Ft. Defiance, AZ- Equip/Qtrs <u>1</u> /.....	\$24,285,000	\$40,026,000	\$14,327,000	-\$9,958,000	-\$25,699,000
Winnebago, NE-Constr.	<u>9,714,000</u>	<u>12,259,000</u>	<u>23,241,000</u>	<u>+13,527,000</u>	<u>+\$10,982,000</u>
Total Inpatient.....	\$33,999,000	\$52,285,000	\$37,568,000	+\$3,569,000	-\$14,717,000
 Outpatient Care Fac.:					
Parker, AZ-Complete Constr.....	\$9,714,000	\$8,310,000	0	-\$9,714,000	-\$8,310,000
Red Mesa, AZ-Phase I Constr.....	2,000,000	0	0	-2,000,000	0
Pawnee, OK -Design....	<u>0</u>	<u>\$1,741,000</u>	<u>0</u>	<u>0</u>	<u>-\$1,741,000</u>
Total Outpatient.....	\$11,714,000	\$10,051,000	\$0	-\$11,714,000	-\$10,051,000
 Staff Quarters:					
Bethel, AK.....	\$0	\$4,989,000	\$0	\$0	-\$4,989,000
Zuni, NM.....	<u>920,000</u>	<u>0</u>	<u>0</u>	<u>-920,000</u>	<u>0</u>
Total Staff Qtrs...	\$920,000	\$4,989,000	\$0	-\$920,000	-\$4,989,000
Joint Venture Proj.	\$0	\$4,989,000	\$0	\$0	-\$4,989,000
Small Ambulatory Grants	\$0	\$9,978,000	\$0	\$0	-\$9,978,000
Dental Units.....	\$1,000,000	\$998,000	\$0	-\$1,000,000	-\$998,000
 Special Project:					
Polacca (Hopi), AZ Qtrs. Assist.....	\$2,760,000	\$2,235,000	\$0	-\$2,760,000	-\$2,235,000
TOTAL.....	\$50,393,000	\$85,525,000	\$37,568,000	\$12,825,000	-\$47,957,000

1/ Includes \$3,001,000 to construct infrastructure for the staff quarters in Ft. Defiance, AZ.

The Hospital and Outpatient Care Facility projects are shown in priority order but they are not prioritized against other identified activities that are listed. For example, Red Mesa outpatient facility does not have a higher priority than Joint Venture Projects.

PURPOSE AND METHOD OF OPERATION

FY 2001 Base

The objectives of the Indian Health Service (IHS) Health Care Facilities Construction Program are to enhance IHS health care delivery capacity by providing for optimum availability of functional, well-maintained IHS and tribally-operated health care facilities and provide staff housing at IHS health care delivery locations if no suitable housing alternative is available. The IHS capital improvement program, funded through this budget activity, is authorized to construct health care facilities and staff quarters, administer the IHS/Tribal Joint Venture Construction Program, renovate/construct Youth Regional Treatment Centers for substance abuse, provide construction grants for small ambulatory care facilities,

replace/provide new dental units, and to assist non-IHS funded renovation projects.

To determine the locations where new and replacement facilities are most critically needed, the IHS has developed and is implementing comprehensive priority system methodologies for health care facilities and staff quarters construction. As needed, IHS Headquarters solicits proposals from the IHS Areas for essential staff quarters projects, replacement/new dental units, and for urgently needed new or replacement health care facilities. These proposals are evaluated and prioritized. Formal justification documents are prepared for those scoring highest. Once justified, projects are placed on the appropriate construction priority list and proposed for funding.

Health Care Facilities Construction Program

During FY 1990, in consultation with the tribes, the IHS revised its Health Facilities Construction Priority System (HFCPS) methodology. The HFCPS ranks proposals using factors reflecting the total amount of space needed; age and condition of the existing facility, if any; degree of the isolation of population to be served in the proposed facility; and availability of alternate health care resources. There are three phases to the HFCPS. During FY 1991, Phase I of the methodology was applied to 149 IHS Area-generated proposals to construct new or replacement health care facilities. Based on the Phase I result, the IHS proceeded with Phase II of the methodology, using a more detailed analysis of the 28 highest ranked proposals. During FY 1992, the IHS consulted with tribes about incorporating additional flexibility into the HFCPS in order to give consideration to new concepts, such as low acuity beds in health centers, as directed by the Congress in the FY 1992 Conference Report on IHS appropriations. Few tribes urged that IHS make changes to the HFCPS. In FY 1993, 23 of the 28 proposals considered in Phase II were advanced to Phase III. IHS Area Offices were asked to develop Program Justification Documents (PJDs) for each of the 23 proposed facilities. As PJDs are approved, projects are added to the Health Facilities Construction Priority Lists.

The IHS has two processes for reviewing the staff housing needs. Under the Quarters Construction Priority System methodology, the IHS reviews the need for additional quarters at all existing health care facilities. Phases I and II of this methodology were last applied in 1991. As the Program Justification Document for Quarters (PJDQ) are completed for these projects, they are added to the Quarters Construction Priority List. The second process responds to the Department of Health and Human Service office of the Inspector General report of April 17, 1990, regarding needed improvements for planning and construction of IHS staff housing. The IHS began reviewing the need for quarters at each location where new or replacement health care facilities are being planned.

Where quarters are required, IHS completes a PJDQ as a part of the PJD for the health care facility and the quarters need is included with facilities construction project on the Health Care Facilities Construction Priority List.

The Department of the Interior and Related Agencies Appropriations Act for FY 1991 (P.L. 101-512) authorized and partially funded a "joint venture demonstration program to equip, supply, operate, and maintain up to three health centers." These health centers were to be "selected on a competitive basis from those tribal applicants agreeing to provide an appropriate facility for use as a health center for a minimum of 20 years,

under a no cost lease." The costs of facility construction are borne by participating tribes. The IHS is responsible for all costs associated with staffing, equipping, and operating the facilities. This authority was re-designated as Section 818(e) and further amended by the 1992 amendments to Public Law 94-437, the Indian Health Care Improvement Act (IHCIA).

The IHS is authorized to construct Youth Regional Treatment Centers (YRTC) by section 704 of the IHCIA, P.L. 94-437, as amended. A YRTC is to be constructed in each IHS Area except that two each are to be constructed in California and Alaska to provide substance abuse treatment to Indian youth.

The IHS is authorized to award construction grants to tribes or tribal organizations by section 306 of the IHCIA, P.L. 94-437, as amended. Grants may be awarded only to tribes operating non-IHS outpatient facilities under P.L. 93-638 contracts. These are referred to as Small Ambulatory Care Facility Construction Grants.

The IHS is authorized to accept renovations and modernizations of any Service facility through non-IHS funded sources and to assist by providing equipment and personnel by section 305 of the IHCIA, P.L. 94-437, as amended.

Appropriations for IHS in FY 1994-2001 included funding to replace and build new dental units.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>	
1997	\$14,500,000	
1998	\$41,400,000	
1999	\$41,087,000	
2000	\$50,393,000	
2001	\$85,525,000	Enacted

Accomplishments

In FY 2000:

- (1) For the Fort Defiance, Arizona, replacement hospital project, the appropriated \$24,285,000 was used to continue construction of the replacement hospital portion of the project.
- (2) For the Winnebago, Nebraska, replacement hospital project, the appropriated \$9,714,000 was used to start construction.
- (3) For the new Hopi Health Center in Polacca, Arizona, the \$2,760,000 appropriated was used to reduce the debt incurred by the Hopi Tribe in providing staff quarters needed to support the new health center.
- (4) The \$9,714,000 appropriated for the replacement Parker Health Center, Parker, Arizona, was used to continue construction.
- (5) The \$2,000,000 appropriated for the new health center in Red Mesa, Arizona, was used for project design.
- (6) The \$920,000 appropriated for staff quarters, at the Zuni, New Mexico, health care facility, was for the first phase design-build construction.

- (7) The \$1,000,000 appropriated for the dental units construction program was added to funds previously appropriated and allowed three additional dental units to be processed for design and construction.

Performance Measures

The following performance indicator is included in the IHS 2001 Annual Performance Plan. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN. At the FY 2002 funding level, IHS could achieve the following:

Indicator 31: Improve critically needed access to health care services by providing the following physical infrastructure:

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$37,568,000 is a net decrease of \$47,957,000 over the FY 2001 Enacted level of \$85,525,000.

Fort Defiance Hospital, Fort Defiance, AZ: +\$14,327,000

Funds in this request will be used to fully fund and finish the Ft Defiance hospital, by furnishing and installing medical equipment needed to complete the replacement hospital portion of the project (\$11,326,000), and begin to construct staff quarters for this project (\$3,001,000) by providing infrastructure which includes site work, water, sewer, and electric.

This project is located in The Navajo Nation, in Fort Defiance, Arizona. The replacement IHS health care facility will provide a comprehensive health care program, having limited inpatient services for gynecological and general ambulatory surgery, obstetrical, pediatric, intensive care, labor and delivery, and for adolescent psychiatric nursing; plus a full range of non-specialty ambulatory care, community health, dental, and associated support services. The acute care program will have 36 beds, which consists of 12 for medical/surgical, 4 for ICU/CCU, 8 for pediatrics, 7 for obstetrical, and 5 for labor/delivery/recovery/post partum. An additional, 20 beds will be used by the adolescent psychiatric nursing unit. The project includes new staff quarters, which will replace existing unsuitable units and provide additional housing, all of which will provide housing to support an increased staffing level. The number of new staff quarters units is being determined through a planning validation

The existing main hospital building, being a historical structure that was constructed in 1938 as a TB sanitorium, cannot be altered.

process. The use of existing housing sites will continue, and the new housing will be located next to the replacement hospital. Even though renovations were made in 1972 and 1977, the current 49-bed hospital, which has been converted from the original 136-bed unit, is functionally inadequate to support the health care needs of the user population. Patient care and support services are currently provided in limited spaces in the main building and eight additional separate buildings. There was no room on the present site for additional

construction and the adjacent land is not available. Therefore, the only option is to provide a replacement facility on a new site.

The FY 2002 budget requests sufficient funds to complete the hospital portion of the project and to begin construction of staff quarters for this remote site. A total of 193 units of staff quarters are planned.

Winnebago Hospital, Winnebago, NE: +\$23,241,000

Funds in this request will be used to fully fund and finish the construction of the Winnebago hospital.

The proposed replacement Indian Health Service (IHS) health care facility will incorporate all inpatient, birthing center, diagnostic, ambulatory, community health, administrative, and support services into one structure. It will consist of 9 162 gross square meters (GSM) of new space and 1 505 GSM of renovated space in the existing facility for the expanded Drug Dependency Unit (DDU). Remaining temporary and permanent structures on the site will be demolished. The replacement facility will be constructed adjacent to the existing hospital to support the DDU. Accessibility will be enhanced for pedestrian, public, service, and emergency vehicle traffic.

The existing IHS hospital in Winnebago, Nebraska, which was built in 1932, cannot support the current needs of the service population. The original hospital was constructed as a 40 bed, full service inpatient facility with surgery, labor/delivery, and ambulatory services. The original planned functions of the other permanent structures were as a garage, garage/warehouse, and a quarter/apartment unit. The temporary buildings were designed with minimum space allowances for offices and for outpatient exam rooms and an emergency/urgent care room.

Due primarily to accreditation criteria and lack of support space, the original planned services have been scaled down to the current 30-bed capacity with 12 beds dedicated to the DDU. Four departments (Community Health Services, Dental Services, Property and Supply, and Facilities Management) are located outside the hospital proper, in buildings on or near the hospital campus. The existing hospital and other buildings are not large enough to house the proposed health care program. Scattered existing structures and lack of space within existing buildings compromise interdepartmental relationships.

The construction contract was awarded in September 2000.

INDIAN HEALTH FACILITIES
CONSTRUCTED SINCE FY 1980

<u>Hospitals:</u>	<u>Year</u>	<u>Total</u>
	<u>Completed</u>	<u>Appropriated</u>
Bethel, AK	1980	\$34,100,000
Ada, OK	1980	\$14,374,000
Cherokee, NC	1981	\$10,341,000
Red Lake, MN	1981	\$9,566,000
Chinle, AZ	1982	\$19,758,000
Tahlequah, OK	1983	\$21,334,000
Browning, MT	1985	\$15,086,000
Kanakanak, AK	1987	\$16,578,000
Crownpoint, NM	1987	\$17,734,000
Sacaton, AZ	1988	\$15,765,000
Rosebud, SD	1989	\$20,000,000
Pine Ridge, SD	1993	\$27,090,000

Shiprock, NM	1995	\$51,558,000
Crow Agency, MT	1995	\$23,091,000
Kotzebue, AK	1995	\$62,483,000
Anchorage, AK	1997	\$167,915,000
Talihina, OK	1999	*
Subtotal		<u>\$526,773,000</u>

Health Centers:

Cibecue, AZ	1980	\$750,000
Lodge Grass, MT	1982	\$1,485,000
Inscription House, AZ	1983	\$3,890,000
Ft. Duchesne, UT	1984	\$2,220,000
Tsaile, AZ	1984	\$3,856,000
Huerfano, NM	1984	\$3,304,000
Ft. Thompson, SD	1988	\$3,449,000
Wolf Point, MT	1990	\$3,654,000
Kyle, SD	1990	\$3,209,000
Toppenish, WA	1990	\$9,350,000
Ft. Hall, ID	1990	\$6,002,000
Sallisaw, OK	1992	\$4,265,000
Puyallup, WA	1993	\$8,472,000
Taos, NM	1993	\$5,765,000
Wagner, SD	1993	\$6,119,000
Belcourt, ND (OPD)	1994	\$19,449,000
Tohatchi, NM	1995	\$9,279,000
Stilwell, OK	1995	\$7,663,000
Ft. Belknap, MT		\$18,885,000
Hays, MT	1997	
Harlem, MT	1998	
White Earth, MN	1998	\$13,462,000
Lame Deer, MT	1999	\$14,100,000
Hopi, AZ	2000	\$34,558,000
Subtotal		<u>\$183,186,000</u>

- Funded and constructed by the Choctaw Tribe.

Indian Health Facilities
Constructed Since FY 1980

	<u>Year Completed</u>	<u>Total Appropriated</u>
<u>Personnel Quarters:</u>		
Chinle & Inscription House, AZ (Design)		\$336,000
Inscription House, AZ (21)	1982	\$1,764,000
Chinle, AZ (161)	1983	\$12,236,000
Huerfano, NM (9)	1983	1/
Ft. Duchesne, UT (9)	1984	1/
Crownpoint, NM (36)	1984	\$3,352,000
Tsaile, AZ (23)	1985	\$2,141,000
Ft. Thompson, SD (13)	1985	\$1,279,000
Kanakanak, AK (17)	1986	\$4,133,000
Browning, MT (26)	1987	\$2,470,000
Kyle, SD (24)	1987	\$1,615,000
Supai, AZ (2)	1990	\$246,000
Rosebud, SD (29 of 66)	1990	\$7,345,000

Neah Bay, WA (4)	1991	\$472,000
Dulce, NM (4)	1993	\$515,000
Barrow, AK (29)	1993	\$18,183,000
Rosebud, SD (remaining 37 units)	1993	\$7,695,000
Pine Ridge, SD (45)	1993	\$9,517,000
Kotzebue, AK (50)	1993	\$26,155,000
Belcourt, ND (21)	1997	\$3,912,000
Subtotal		<u>\$103,366,000</u>
<u>Youth Regional Treatment Centers:</u>		
Alaska - Fairbanks, AK	1993	\$1,466,000
Alaska - Mt. Edgecumbe, AK	1994	\$866,000
Phoenix - Sacaton, AZ	1994	\$2,357,000
Portland - Spokane, WA	1996	\$7,343,000
Aberdeen - Chief Gall, SD	1996	\$5,373,000
Subtotal		<u>\$17,405,000</u>
<u>Joint Venture Demonstration Projects:</u>		
Warm Springs, OR	1993	\$959,000
Poteau, OK	1994	\$700,000
Subtotal		<u>\$1,659,000</u>
GRAND TOTAL		\$832,389,000

1/ Funds reprogrammed from Chinle and Inscription House

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