

# 2001 REQUEST -- EXECUTIVE SUMMARY

## GENERAL STATEMENT

The Indian Health Service (IHS) has the responsibility for the delivery of health services to Federally-recognized American Indians and Alaska Natives (AI/AN) through a system of IHS, tribal, and urban (I/T/U) operated facilities and programs based on treaties, judicial determinations, and Acts of Congress. The **Mission** of the agency is to raise the physical, mental, social, and spiritual health of AI/AN to the highest level, in partnership with the population served. The agency **Goal** is to assure that comprehensive, culturally acceptable personal and public health services are available and accessible to the service population. The mission and goal are addressed through four **Strategic Objectives**, which are: 1) Improve health status; 2) Provide health services; 3) Assure partnerships and consultation with I/T/U; and 4) Perform core functions and advocacy.

## OVERVIEW OF THE BUDGET

This budget request and performance plan represents the next incremental step necessary to eliminate the health disparities that prevail in the AI/AN population. It is consistent with the Agency's mission, the Department's strategic plan, and the HHS Initiative to Eliminate Racial and Ethnic Disparities in Health.

The Indian Health Service proposes **an increase of \$229.7 million and 99 FTE** in FY 2001 above the FY 2000 appropriation. This budget would provide an additional \$125.1 million to restore access to basic health care, including current services, contract support costs, and health care facilities construction, \$93.7 million in program increases for Services, and \$10.9 million in program increases for the Facilities program. These investments will: 1) to restore the I/T/U capacity and infrastructure to provide access to high quality primary and secondary medical services, and basic preventive services, and 2) halt the recent **declines in certain health status indicators**.

## POLICY BASIS AND FORMULATION PROCESS FOR FY 2001 BUDGET REQUEST

The Federal Commitment is to Raise AI/AN Health Status in Partnership with Tribal Governments.

From a policy perspective, this budget request is perhaps the most strongly supported proposal in the Agency's history; it is based on both new and longstanding Federal policy and commitment for improving health status by assuring the availability of basic health care services for members of federally recognized Indian tribes. The request supports the following three policy initiatives:

- the President's Race Initiative, specifically the HHS **Initiative to Eliminate Racial and Ethnic Disparities in Health**,
- the proposed **Healthy People 2010** and its goal of achieving equivalent and improved health status for all Americans over the next decade,
- the DHHS Strategic Plan:

- Goal 1 - Reduce major threats to health and productivity of all Americans.
- Goal 2 - Improve the economic and social well being of individuals and families, and communities in the United States.
- Goal 3 - Improve accesses to health services and ensures the integrity of the Nation's health entitlement and safety net program.
- Goal 4 - Improve the quality of health care and human services.
- Goal 5 - Improve public health systems.

In addition, the Indian Health Care Improvement Act also reflects the reaffirmation of the U.S. government's commitment to Indian tribes to improve the health of their people. The Act states "The Congress hereby declares that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligations to the American Indian people to **assure the highest possible health status** for Indians and urban Indians and to provide all the resources necessary to affect that policy."

Furthermore, the President of the United States reaffirmed the significance of the "government to government" relationship between tribes and the federal government in his Executive memorandum of April 1994, concerning consultation with AI/AN tribal leadership.

#### **BUDGET PRIORITIES AND STRATEGIES**

The primary policy basis for this budget request is eliminating health disparities between the AI/AN population and the general U.S. population. This budget request supports this intent by **restoring access** to the basic health services, including assuring that there are **adequate facilities and equipment** for the provision of health services, providing **adequate contract support services** to the tribal health delivery system, and **holding the line against further loss of declines in health status**.

This budget is intended to enhance the integration of clinical expertise from medical, behavioral health, and community health staff in order to address the top health problems identified by the I/T/U. The community-based public health model is strengthened by emphasizing prevention strategies throughout the clinical service activities as well as expanding the community health programs and supporting partnerships with community resources such as public safety programs, schools, and other community based organizations.

#### **Restoring Access to Basic Health Care - \$125 million**

The first priority in the budget proposal is to **restore access** to basic health services. The IHS has demonstrated the ability to effectively utilize available resources to provide effective services and improve the health status of the AI/AN people. However, this **record of achievement has eroded** in recent years to redress the declining access to essential individual and community health services, the Area I/T/Us identified funding current services items as their first priority for budget increases for FY 2001. The requested funds provide the next investment required to

enhance the I/T/U public health system to a level that can reduce health disparities by providing access to high quality medical and preventive services.

An essential component of supporting access to services and improving health status in the long run is to assure that there are **adequate facilities and equipment** for the provision of health services. The average age of IHS facilities is 32 years. The age of facilities make the efficient, safe, and pleasant provision of services difficult at many locations.

Also critical is the provision of **adequate contract support services** to the tribal health delivery system. These requested funds are necessary for tribal communities to assure that there are utilities, training, clerical staff, administrative and financial services needed to operate health programs. Without this funding, the supports are either not available, or these services must be funded from resources that would otherwise fund health service activities. This investment is **consistent with the Administration's commitment to expanding tribal participation in the management of the programs** and the principles of the Indian Self-Determination Act.

#### Reducing the Gap in Health Disparities - \$105 million

The proposals mentioned above will keep the program. The next proposals are intended to **move forward towards health improvements**. The request addresses the multiple health issues affecting the AI/AN population and is the beginning of a long-term plan for continuing improvements in the health of the AI/AN population. The proposal targets the health problems identified as highest priority by the I/T/U and responsible for much of the disparity in health status for the AI/AN population. These include alcoholism and substance abuse, diabetes, cancer, mental health, elder health, heart disease, injuries, dental health, maternal and child health, domestic violence, infectious diseases, and sanitation. The support for public health infrastructure is also fundamental to these initiatives. These investments will support surveillance, prevention and treatment services and are based on "**best practices**" defined in health literature. This is **consistent with the Presidential Executive Order** directing Federal entities to employ such industry standards. These targeted efforts will be monitored in the performance plan.

Another need is water and sewer systems for new and existing homes at the community level. The AI/AN homes are seven times more likely to be without clean water than homes in the broader U.S. This construction need must be addressed if further progress is to be made in preventing infectious diseases and improving the quality of life.

#### Conclusion

In summary this budget request and performance plan will redress declining access to individual and community health services. The request provides the next increment required enhancing the I/T/U public health system so that it can again continue to make significant improvements in the health status of AI/AN people.

FY 2001 Budget Request Summary  
(Services and Facilities)

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or Decrease
Budget Authority.....	\$2,240,345,000	\$2,390,728,000	\$2,620,429,000	+\$229,701,000
Program Level.1/	\$2,668,931,000	\$2,830,018,000	\$3,059,719,000	+\$229,701,000
FTE.....	14,586	14,673	14,823	+150

1/ The Balanced Budget Act of 1997 included an increase of \$30,000,000 for the prevention and treatment of diabetes. This amount will be available each year through FY 2002.

The request of \$2,620,429,000 and 14,823 is a net increase of \$229,701,000 and 150 FTE over the FY 2000 appropriation of \$2,390,728,000 and 14,673 FTE. The formulation process included tribal and urban consultation and participation throughout. The following summarizes the IHS Budget Request:

**RESTORING ACCESS - FY 2001 Current Services: +\$177,632,000 and 51 FTE**

The IHS is requesting an increase of \$177,632,000 for Current Services which includes funding for pay raises, inflation, Contract Support Costs, new staffing and related operating costs for new facilities, and health care facilities replacement construction projects. All current service funding pays for annual costs that are attributable to the rapidly expanding AI/AN population and required to maintain the current level of health care provided. The current services increase of \$177,632,000 includes the following:

- \$60,675,000 for Pay Costs.
- \$11,720,000 and 51 FTE for Phasing-In of Staffing and Operating Costs for new facilities.
- \$65,237,000 for the following health care facilities construction projects: Ft Defiance, AZ Hospital and design of staff quarters (\$40,115,000); Winnebago, NE Hospital (\$12,286,000); Parker, AZ Health Center (\$7,578,000); Pawnee, OK Health Center design (\$1,745,000); Small Ambulatory Grant Program (\$2,513,000); Dental Units (\$1,000,000).
- \$40,000,000 for Contract Support Costs.

**Program Increases: +\$104,563,000 and +99 FTE**

\$8,000,000 for the Indian Health Care Improvement Fund.

\$7,000,000 for Information Technology and Epidemiology Centers.

\$85,589,000 and 99 FTE for Health Disparities.

\$1,983,000 to address Alcohol and Substance Abuse.

\$3,880,000 to address Diabetes.

\$970,000 to address Cancer.

\$3,952,000 to address Mental Health.

\$1,940,000 to address Elder Health.

\$1,455,000 to address Heart Disease.

\$2,959,000 to address Injuries.

\$3,257,000 to address Dental Health.

\$2,912,000 to address Maternal and Child Health.

\$1,940,000 to address Domestic/Community Violence.

\$970,000 to address Infectious Diseases.

\$2,912,000 for Emergency Medical Services.

\$40,916,000 for Contract Health Services.

\$2,027,000 for Public Health Nursing.

\$1,007,000 for Health Education.

\$3,339,000 for Community Health Representatives.

\$2,000 for the Alaska Immunization Program.

\$2,974,000 for Urban Indian Health.

\$2,168,000 for Indian Health Professions.

\$2,000 for Tribal Management.

\$43,000 for Direct Operations.

\$20,000 for Self-Governance.

\$3,961,000 for Sanitation Facilities Construction.

\$1,974,000 for Maintenance and Improvement.

\$2,000,000 for Facilities and Environmental Health Support

**Program Decreases: -\$52,494,000**

-\$50,393,000 for Non-recurring Health Care Facilities Construction Funds

-\$2,101,000 for Equipment.