DEPARTMENT OF HEALTH AND HUMAN SERVICES

STATEMENT

OF

CHARLES W. GRIM, D.D.S, M.H.S.A.

ASSISTANT SURGEON GENERAL, DIRECTOR

INDIAN HEALTH SERVICE

BEFORE THE

SENATE COMMITTEE ON INDIAN AFFAIRS

OF THE

UNITED STATES SENATE

OVERSIGHT HEARING

ON

THE PRESIDENT'S FY 2008 BUDGET REQUEST

FOR THE

INDIAN HEALTH SERVICE

FEBRUARY 15, 2007

STATEMENT OF THE INDIAN HEALTH SERVICE

Mr. Chairman and Members of the Committee:

Good Morning. I am Dr. Charles W. Grim, Director of the Indian Health Service. Today I am accompanied by Mr. Robert McSwain, Deputy Director of the IHS, Dr. Douglas Peter, Acting Chief Medical Officer, and Mr. Gary Hartz, Director, Environmental Health and Engineering. We are pleased to have the opportunity to testify on the President's FY 2008 budget request for the Indian Health Service.

The IHS is the Federal agency responsible for delivering health services to more than 1.9 million American Indians and Alaska Natives. In carrying out this responsibility, the IHS maintains a unique relationship with more than 560 sovereign Tribal governments that represent this service population in some of the most remote and harsh environments within the United States as well as in modern metropolitan locations such as Anchorage and Phoenix. These relationships and the geographic diversity offer extraordinary opportunities and challenges to managing and delivering health services.

The IHS and Tribal programs provide a comprehensive scope of individual and public

health services, including preventive, clinical, and environmental health services. In addition, the IHS and Tribal health programs purchase medical care and urgent health services through the Contract Health Services program, when the care is otherwise not available at their facilities. For all of the American Indians and Alaska Natives served by these programs, the IHS is committed to its mission to raise their physical, mental, social, and spiritual health to the highest level.

This mission is supported by the Department of Health and Human Services (HHS), as reflected in the many partnerships we have established with other HHS operating divisions and the Department's commitment to its Intradepartmental Council on Native American Affairs (ICNAA). I have the pleasure of serving as the Vice-Chair of the ICNAA whose role is to assure coordination across HHS in support of American Indian, Alaska Native, and Native American health and human services issues. The Administration takes seriously its commitment to honor the unique legal relationship with, and responsibility to, eligible American Indians and Alaska Natives by providing effective health care services.

Through the government's longstanding support of Indian health care, the IHS, in partnership with the people we serve, has demonstrated the ability to effectively utilize available resources to improve the health status of American Indians and Alaska Natives. The clearest example of this is the drop in mortality rates over the past few

decades. More recently, this effectiveness has been demonstrated by the programs' success in achieving their annual performance targets as well as by the intermediate outcomes of the Special Diabetes Program for Indians. For example, in FY 2006 the IHS Tribal, and Urban programs increased the proportion of diabetic patients assessed for kidney disease by 17 percent and increased the proportion of diabetic patients with ideal blood sugar control by 3 percent. Early identification of kidney disease and keeping blood sugar at the ideal level are significant in preventing or delaying the onset of diabetic complications, which may require costly care such as dialysis or renal transplant.

Although we are very pleased with these achievements, we recognize that there is still progress to be made. American Indian and Alaska Native mortality rates for alcoholism, cervical cancer, motor vehicle crashes, diabetes, unintentional injuries, homicide, and suicide continue to be higher than the mortality rates for other Americans. Many of the health problems contributing to these higher mortality rates are behavioral. For example, the rate of violence for American Indian and Alaska Native youth aged 12-17 is 65 percent greater than the national rate for youth. And while diabetes is a major focus of prevention and treatment efforts across Indian country, the prevalence is still growing and occurring in an increasingly younger population.

The IHS and our stakeholders remain resolved and deeply committed to address these disparities. We are joined in the implementation of three health initiatives I launched in FY 2005 with the specific intent of achieving positive improvements in these areas of preventable health problems. The Health Promotion/Disease Prevention, Behavioral Health, and Chronic Care Initiatives target underlying risk factors for morbidity and mortality as well as the reengineering of the IHS and Tribal Indian health delivery system to incorporate the best practices documented in the scientific literature. Collaborations with other Federal agencies, States, and foundations are also integral components of each Initiative.

I am pleased to present a budget request to you that allows the IHS to continue these efforts and address needs expressed by Tribes. As partners with the IHS in delivering needed health care to American Indians and Alaska Natives, Tribal leaders and health program representatives participate in an extensive consultation process on the IHS budget. In addition, the Department holds annual budget consultation sessions, both regionally and nationally, to give Indian Tribes opportunities to present their budget priorities and recommendations to the Department. I am pleased to say that this budget addresses health care needs that the tribes have emphasized as critical by including the increases necessary to assure that the current level of services for American Indians and Alaska Natives is maintained in FY 2008 and that additional services associated with the growing American Indian and Alaska Native population are covered.

The President's budget request for the IHS totals $4.1 billion, a net increase of $212 million or 7 percent above the annualized FY 2007 Continuing Resolution funding level and an increase of $101 million over the FY 2007 President's Budget. In comparison, the overall discretionary budget request for HHS is an increase of $95 million or .1% over the FY 2007 Continuing Resolution funding level. The request will allow IHS and Tribal health programs to maintain access to health care by providing $41 million to fund pay raises for Federal and Tribal employees, and $88 million to cover increases in the cost of delivering health care and to address the growing American Indian and Alaska Native population. Staffing and operating costs for two newly constructed health facilities are also included in the amount of $19 million. One of these facilities is the Muskogee Health Center in Oklahoma. The Cherokee Nation funded the construction of the Health Center under a Joint Venture agreement and now IHS is requesting funds to staff and operate it. The other facility is a Youth Regional Treatment Center (YRTC) located in Wadsworth, Nevada. This YRTC will provide short-term, structured transitional living services to adolescents with alcohol and/or substance abuse addiction. The budget request also includes additional funding of $64 million to restore program losses that would be experienced under the annualized FY 2007 Continuing Resolution, which did not include increases necessary to maintain service levels.

To target these priority increases, the budget request eliminates funding for the

Urban Indian Health Programs, which is $33 million at the FY 2007 CR level, and reduces funding for the Facilities Appropriation by $24 million. The focus of the President's budget request for IHS is on provision of health care services and ensuring that the basic needs of all IHS and Tribal health programs are met. Therefore, the budget request targets additional funding for the provision of health care on or near Indian reservations in order to serve a population who cannot readily access health care from outside the IHS or Tribal system. The request for Health Care Facilities Construction is $ 12.7 million, to continue the construction of the Barrow, Alaska Hospital. Consistent across HHS, facilities funding requests are focused on maintaining existing facilities and completing projects that received initial funding in previous years.

The proposed budget that I have just described provides a continued investment in the maintenance and support of the IHS and Tribal public health system to provide access to high quality medical and preventive services as a means of improving health status. It reflects a continued Federal commitment to American Indians and Alaska Natives.

Thank you for this opportunity to present the President's FY 2008 budget request for the IHS. We are pleased to answer any questions that you may have.