



JUN - 8 2001

Indian Health Service
Rockville M D 20857

Dear Tribal Leader:

This letter is to inform you of my decision on distributing the \$15 million increase for the alcohol program that the Indian Health Service (IHS) received in (FY) 2001.

I have decided to allocate the \$15 million increase (totaling \$14.947 million after subtracting the congressionally-directed rescission) on a non-recurring basis for FY 2001. I have also decided to set aside \$3 million, for FY 2001 only, for improvements in the data collection and analysis of the alcohol programs. This set aside was recommended by a majority of the tribes.

After subtracting the rescission and the \$3 million set aside for data, the balance of \$11.967 million will be distributed to IHS Areas in the lower 48 States this year. The allocation will be based on each Area's proportional share of the total alcohol budget for FY 2000. For example, if an Area received 10 percent of the total IHS alcohol budget, it will receive 10 percent of the increase. This "pro rata" distribution allocates the greatest amount to those Areas with the greatest mortality associated with alcohol abuse. This approach received wide acceptance by most tribes.

The distribution of resources to communities and locations is delegated to the Areas in consultation with tribal leadership. During your Area consultations, please consider allocating these resources based on greatest health need and where there are proven effective interventions.

I will convene a national summit to discuss the tribal leadership's goals for the alcohol activities over the next 3 to 5 years and to determine a distribution plan for subsequent years. Ideally, this meeting will include the participation of the Department of Justice, the Department of Interior, and our partners in the Department of Health and Human Services to clarify further approaches to joint funding that will best serve your communities. I look forward to the development of a tribal

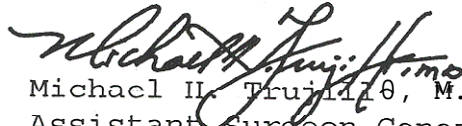
leaders strategic plan with recommendations on an approach to allocate these funds on a recurring basis in FY 2002.

I believe that we can use future funding to help achieve an identified set of goals. We discussed many concerns in the summit last September, but have not planned a strategy for addressing chemical abuse since the late 1980s.

Before making decisions on the allocation of these resources, the Agency conducted tribal consultation in which you and your colleagues shared your views. I am most thankful for your participation and the dialogue that we shared about the difficulty of addressing health needs with significant funding shortages.

I look forward to working with you in improving the health of American Indian and Alaska Native people.

Sincerely yours,



Michael H. Trujillo, M.D., M.P.H., M.S.
Assistant Surgeon General
Director

Attachment