



APR 21 2003

Dear Tribal Leader:

In my efforts to keep you informed on activities at the Indian Health Service (IHS), I would like to update you on the consolidation of human resources (HR) offices in the Department of Health and Human Services (HHS). The Secretary's One Department vision supports the President's Management Agenda and sets goals to consolidate various administrative systems so that resources under HHS management are maximized to protect health and give a special helping hand to those in need of assistance. One administrative system being consolidated is the management of human resources (HR). Indian health leaders have been especially interested in HR management because of its impact on recruiting and retaining health care providers to serve in health programs in Tribal communities.

Within the process of participating on the IHS Restructuring Initiative Workgroup, some Indian health leaders acted on the opportunity to access the highest levels of the Department and advocate for Indian health issues through the One Department vision. The results were immediate. The Secretary supported the Agency's request for a \$130 million increase in the fiscal year (FY) 2004 budget request. His support for Indian health came at a time when other HHS operating components experienced minimal increases. The Secretary also reactivated the Intradepartmental Council on Native American Affairs to serve as an internal focal point for coordination and consultation on health and human service issues affecting American Indians and Alaska Natives. The IHS Director is the Vice-Chair of the Council and is in a key position of advocating Department-wide for the health of American Indians and Alaska Natives.

In carrying out the advocacy role, the IHS has had ongoing discussions with the Office of the Secretary about how the HR office consolidation might affect the delivery of health care in Tribal communities. Our discussions focused on the special personnel servicing needs for health care professionals who comprise more than 70 percent of the IHS work force. We have worked out the details of personnel servicing to IHS field locations as follows:


- In order to reach a HHS-wide streamlining goal for personnel servicing in FY 2003, the IHS will reduce its total number of personnel management specialists from 216 to 200. This reduction will be achieved by normal attrition, buyouts, and assignments to other positions in the IHS. The resources will remain in the IHS for the remainder of FY 2003.
- Beginning October 1, 2003, the HHS through its HR site in Baltimore, Maryland, will assume the supervision of all IHS personnel specialists. However, all personnel specialists will remain in their current positions at field locations until they vacate their positions. As positions are vacated, decisions will be made on moving the positions to the Baltimore site.

- Beginning October 1, 2003, the IHS will pay for personnel services through the HHS Service and Supply Fund. This arrangement is how other HHS Operating Divisions are paying for personnel servicing from HHS HR sites.
- During FY 2004, more streamlining will occur that will result in an additional reduction of 18 positions from those assigned to the HHS Baltimore HR site. Not all of that reduction will be from the positions dedicated to IHS servicing. Consistent with the FY 2003 streamlining, the FY 2004 streamlining will be achieved by normal attrition, buyouts, and assignments to other positions. The HHS will ensure that reductions do not adversely or disproportionately affect the delivery of personnel management services to IHS managers and employees.

The Office of the Secretary agreed to the arrangement because it enables the IHS to have on-site personnel services in its field locations. It supports the Secretary's goals of streamlining administrative functions to improve efficiency and effectiveness and to reduce costs thereby making more resources available to carry out the Agency mission. Equally important, this arrangement enables the IHS to maintain control of its financial resources to ensure that Tribal shares remain available so that the Agency can carry out its commitments under Public Law 93-638, the Indian Self-Determination and Education Assistance Act, as amended.

The One Department vision is bringing about a Department-wide approach to meet the Government's obligation to address the health needs of American Indians and Alaska Natives. As our partners you share the mission to achieve the highest level of health status for American Indians and Alaska Natives. I believe there are opportunities for IHS to further achieve that mission as a full participant in the One Department vision. In future letters to you, I will continue to update you on the One Department vision's positive impact on the IHS.

Sincerely yours,

  
Charles W. Grim, D.D.S., M.H.S.A.  
Assistant Surgeon General  
Interim Director