



# Indian Health Service Press Release

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**FOR IMMEDIATE RELEASE**

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## President Proposes 1.6% Increase in Fiscal Year 2005 Budget for Indian Health Service

The proposed budget authority for the Indian Health Service (IHS), an agency in the Department of Health and Human Services (HHS), for fiscal year (FY) 2005 is \$3 billion. This is a \$46 million, or approximately 1.6%, increase over the FY 2004 enacted budget level. Adding in funds from health insurance collections estimated at \$593 million, designated diabetes appropriations of \$150 million, and \$6 million for staff quarters rental collections, increases the proposed budget for the IHS to \$3.7 billion in program level spending. This increase reflects the impact of the Department's tribal budget consultations and a continuing Federal Government commitment to provide for the health of members of federally recognized tribes.

### **CUURENT SERVICES**

**Pay costs:** The budget includes an additional \$36 million toward covering increased Federal employee pay costs and to allow tribally run health programs to provide comparable pay raises to their staffs.

**Staffing of New Facilities:** An additional \$23 million is included to add staffing for five outpatient facilities scheduled to open during FY 2005; the Pinon and Westside health centers that serve the Navajo and Tohono O'odam Nations in Arizona, the Dulce health center that serves the Jicarilla Apache Tribe in New Mexico, the Idabel facility that serves the Choctaw Nation in Oklahoma, and the Annete Island health center that serves the Metlakatla Indian community in Alaska. When fully operational, these facilities will double the number of primary care provider visits that can be provided and bring new services to these sites, including a full range of ambulatory care services to Pinon; and laboratory, radiology and emergency care services to Annete Island.

### **SANITATION CONSTRUCTION**

The FY 2005 budget request includes \$103 million for sanitation construction – an increase of \$10 million, or 11%, over FY 2004, to provide safe water and waste disposal systems to Indian communities. Approximately 92% of American Indian and Alaska Native homes have been provided sanitation facilities since the inception of the IHS sanitation construction program. The IHS credits its sanitation constructions program with playing a key role in the long-term reductions it has achieved in infant mortality, gastroenteritis, and other environmentally related diseases. However, almost 8% of Indian homes still lack a safe indoor water supply, compared to 1% of all U.S. homes (in some areas, such as Alaska, up to 35% of homes lack safe indoor water supplies). Specifically, the President's budget request supports provision of safe water and waste disposal to an estimated 22,000 homes.

## **HEALTH FACILITIES CONSTRUCTION**

The budget includes \$42 million to complete construction of two outpatient facilities—serving the Navajo Nation at Red Mesa, AZ, and the Sisseton-Wahpeton Sioux Tribe at Sisseton, SD—and to provide necessary staff housing for the health facilities at Zuni, NM, and Wagner, SD. When completed, the outpatient facilities will provide an additional 36,000 primary care provider visits, replace the 68-year-old Sisseton hospital, and bring 24-hour emergency care services to the Red Mesa area for the first time. The IHS will also be able to add 13 units of staff quarters and replace 16 house trailers built over 40-50 years ago. Having decent local housing will make it easier to recruit and retain health care professionals at these sites.

## **PREVENTIVE HEALTH SERVICES**

The proposed 2005 budget includes an additional \$2 million to expand the Director's Health Promotion and Disease Prevention Initiative through effective low-cost health interventions designed and implemented by the local community. The request also includes an additional \$3 million to add 3 or 4 new epidemiology centers and increase support for the existing seven centers. These centers are critical in helping to identify diseases to target, strategies for successful intervention, and testing of effectiveness of implemented health intervention.

Also, an additional \$2 million is included to add 30 (for a total of 516) new community health aides/practitioners (CHA/P) to provide service in Alaska Native communities with there is no access to IHS hospitals or outpatient facilities except by air. The CHA/P program provides the only local source of health care in many of these communities and helps to greatly reduce transportation costs by serving as an alternative to bringing patients to treatment centers.

## **CONTRACT HEALTH SERVICES**

The budget includes an additional \$18 million for contract health service (CHS) costs. The IHS uses CHS funds to supplement the care provided in its own facilities by purchasing medical care from hospitals and health providers. These CHS funds pay for specialty care, including most types of surgery, and are used to purchase all medical care for Tribes that do not have an IHS facility nearby.

## **URBAN INDIAN HEALTH PROGRAM**

In addition to providing funds for the provision of health care services to Indian people on or near reservations, the IHS 2005 budget request also provides \$32 million to help support 34 urban Indian health organizations that provide service in cities with large numbers of Indian people. These organizations deliver primary medical services, basic preventive health services, outreach/referral services, and alcohol drug treatment services.

**SPECIAL DIABETES PROGRAM FOR INDIANS:** The budget includes \$150 million for diabetes prevention/treatment grants. The IHS awards grants to 318 Tribes and Indian organizations. Over the past 4 years, \$500 million has been provided to support diabetes prevention and disease management activities at the local level. This program has substantially increased the availability of services such as basic clinical exams, newer treatment medications and therapies, laboratory tests to assess diabetes control and complications, screening for diabetes and pre-diabetes, nutrition education, and physical fitness activities.



NOTICE TO EDITORS: For additional information on this subject, please contact Dianne Dawson, Public Affairs Staff, at 301-443-3593. Additional information about the IHS is available on the IHS website <http://www.ihs.gov> and <http://info.ihs.gov>



# FY 2005 Proposed Budget Overview for the Indian Health Service

*Dollars in Thousands*

*Numbers may not add up exactly due to rounding*

	FY 2004 (Omni. Conf. Mark) *	FY 2005 ( Proposed)	FY 2005 +/- FY 2004
<i>Clinical Health Services:</i>			
Hospitals & Clinics	\$1,249,781	\$1,295,353	+45,572
Dental Health	104,513	110,255	+5,742
Mental Health	53,294	55,801	+2,507
Alcohol & Substance Abuse	138,250	141,680	+3,430
Contract Health Services	479,070	496,085	+18,015
<b>Total, Clinical Services</b>	<b>\$2,024,908</b>	<b>2,100,174</b>	<b>+75,266</b>
<i>Preventive Health Services:</i>			
Public Health Nursing	42,581	45,576	+2995
Health Education	11,793	12,633	+840
Community Health Reps.	50,997	52,383	+1,387
Immunization AK	1,561	1604	+43
<b>Total, Preventive Health Programs</b>	<b>\$106,931</b>	<b>\$112,196</b>	<b>+5,265</b>
<i>Other Services:</i>			
Urban Health	31,619	32,410	+791
Health Professions	30,774	30,803	+29
Tribal Management	2,376	2,376	0
Direct Operations	60,714	61,795	+1,081
Self-Governance/	5,644	5,672	+28
Contract Support Costs	267,398	267,398	0
<b>Total, Health Services Programs</b>	<b>\$2,530,364</b>	<b>2,612,824</b>	<b>+82,460</b>
<i>Indian Health Facilities:</i>			
Maintenance & Improvement	48,897	48,897	0
Sanitation Facilities	93,015	103,158	+10,143
Health Care Facilities Construction	94,554	41,745	-52,809
Facilities & Environmental Health Support	137,803	143,567	+5,764
Medical Equipment	17,080	17,081	0
<b>Total, Facilities Programs</b>	<b>\$ 391,350</b>	<b>354,448</b>	<b>-36,902</b>
<b>TOTAL BUDGET AUTHORITY</b>	<b>\$2,921,714</b>	<b>\$2,967,272</b>	<b>+45,558</b>
<i>Collections:</i>			
Insurance (Medicare/Medicaid/private)	592,762 (est)	592,762 (est)	0
Staff Housing	5,900	5,900	0
<i>Allocations from other Sources:</i>			
Special Diabetes Program for Indians	150,000	150,000	0
<b>TOTAL PROGRAM LEVEL</b>	<b>\$3,670,376</b>	<b>\$3,715,934</b>	<b>+45,558</b>

\*Includes rescission of 0.646% plus additional of 0.59%