2004 Direct Service Tribes
First Annual Meeting
"As long as the grass grows and the rivers flow…"
June 1-4, 2004
Phoenix, Arizona

"Direct Services is a Self-Determination Option"

by

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June 2, 2004

It is an honor to be here with you today, on behalf of the Indian Health Service (IHS) and Health and Human Services (HHS), at this historic First Annual Meeting of the Direct Services Tribes. I want to thank Carole Anne Heart and Councilman Garland Brunoe for their leadership on the planning committee for this conference. This has been an effort primarily driven by Tribal representatives, with Indian Health Service staff facilitating and supporting your efforts. I commend you all for your strength and your commitment in ensuring that all Tribes' voices and positions are heard.

The foundation of the Indian Health Service is to uphold the Federal Government's obligation to promote healthy American Indian and Alaska Native people, communities, and cultures, and to honor and protect the inherent sovereign rights of Tribal Governments. The mission of the Indian Health Service, in partnership with American Indian and Alaska Native Tribes, is to raise their physical, mental, social and spiritual health to the highest possible level. This partnership provides options for Tribal Governments to help determine the manner in which the IHS mission is accomplished.

Tribes have a right to contract or compact for these health services under the Indian Self-Determination Act. An equal expression of Tribal Self-Determination is the right not to contract, and to have Indian Health Service provide these health services to your Tribal members.

The Secretary and the Deputy Secretary are committed to visiting and consulting with Tribes. They travel regularly into Indian country for the purpose of expanding access to HHS programs. The Secretary's "One Department" initiative, when it comes to Tribal

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issues, has resulted in many significant gains. Some of the more significant accomplishments of the past year include:

Improved Tribal Access to HHS Resources: Between FY 2001 and FY 2003 HHS resources that were provided to Tribes or expended for the benefit of Tribes increased $3.9 billion in 2001 to $4.4 billion in 2003. These gains came in both appropriated funding as well as increased Tribal access to non-earmarked funds and increases in discretionary set asides. This reflects an 11% increase in access to HHS funding for Tribes over a 2-year period.

Medicare Reform Act: The Secretary, the Administration, Tribal leaders, and IHS staff worked very hard to modernize Medicare so that American Indians and Alaska Natives would benefit. The President's leadership, Secretary Thompson's support, and Tribal advocacy ensured that the Act contained provisions that would benefit all Americans. One intent of this bipartisan agreement was to ensure that Indian health programs are included in future regulations, policies, and programs that will be developed from this legislation. Federal reimbursement of emergency health services furnished to undocumented aliens, the Temporary Drug Discount Card provision, and the Permanent Medicare Part D Drug Benefit beginning January 2006, are all responsive to Tribal legislative priorities identified for Centers for Medicare and Medicaid Services.

CMS Tribal Technical Advisory Group: In response to Tribal leader's comments at the regional Tribal consultation session supporting a C-M-S-T-T-A-G, HHS established the T-T-A-G requested by Tribal leaders. The first formal meeting was held on February 10, 2004 in Washington, D.C.

HHS Tribal/ State Relations Collaboration Project: HHS, the National Congress of American Indians and the American Public Human Services Association have entered into a collaborative project to work together on health and human services provided to Indian Tribes and Native organizations. This is in response to Tribal leader's comments at the regional Tribal consultation sessions requesting HHS to help bridge Tribal/state relations for HHS programs administered through states. HHS is forming a workgroup to focus on key areas of priorities identified by Tribes such as TANF, Child Welfare, and Information Systems.

HHS Restructuring: During regional consultation sessions, Tribes requested that IHS be exempted from the FTE reductions and the Human Resources consolidation associated with the HHS restructuring and consolidation efforts. In keeping with these recommendations IHS FTE targets for FY 2004 and 2005 have been revised to preclude reductions and the IHS HR function is not included in the HHS HR consolidation initiative.

Head Start Program: During the regional consultation sessions, Tribal leaders urged that the Head Start program not be moved to the Department of Education. In keeping with this recommendation the Head Start Program will remain in HHS.

HHS Revising Tribal Consultation Policy: In response to Tribal leader comments at the regional Tribal consultation sessions to improve Tribal consultation and inter-governmental relations, the Secretary is revising the existing HHS Tribal consultation policy and is involving Tribal leaders in this process. A workgroup is being formed to assist HHS in completing the revisions. Indian Health Service is working with Tribal leaders to revise our own Tribal consultation policy. This is an important Tribal initiative and I am committed to facilitating and completing this process over the next few months.

I am committed to Tribal consultation and working on a government-to-government basis with all Tribes, regardless of their Self-Determination choices. By continuing to work on a government-to-government basis with all Tribal governments, we foster greater understanding and ensure that we meet our goal to make available and accessible comprehensive, culturally acceptable personal and public health services.

I will provide a brief update on key IHS issues on which you have had a direct impact. Some of these will be discussed in more detail during this conference.

One important issue on which I have sought input from Tribes is the restructuring of the IHS Headquarters. In April I presented my reorganization plan to the Secretary and gained his approval to move forward with implementation. The new structure will reflect current and emerging priorities of the Agency. The new structure will have three offices inside the Office of the Director and seven offices outside the Office of the Director. The three "interior" offices include the Office of Tribal Programs, the Office of Tribal Self-Governance, and the Office of Urban Indian Health. I have placed those offices that have direct contact with Tribes and Tribal organizations, and with urban Indian health, in the immediate Office of the Director so that I can better respond to important issues impacting the provision of services to Tribal governments and urban Indian programs. Implementation of the restructuring has begun and should be complete by the end of the fiscal year.

Tribal consultation can have a very positive impact on the IHS budget. In February the President released his 2005 budget request for the Indian Health Service, which contains an overall program increase of $98 million. The total proposed budget authority for the IHS for FY 2005 is $3 billion. Adding in funds from health insurance collections estimated at nearly $600 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 spending. In the President's State of the Union address, he said he would try to hold discretionary spending to less than 1%. The HHS budget increase was 1.2%, and the IHS budget increase reflects a 1.6% increase. While this is not as great an increase as Tribal leaders have indicated is needed overall, it is almost double the average discretionary spending target across the Federal Government for FY 05. And an important part of that 1.6% increase is $2 million earmarked for health promotion and disease prevention activities.

One of the ways we maximize our limited financial resources is to look for opportunities to build networks and partnerships wherever possible within HHS, with other Federal agencies, and also with private organizations. We are focusing many of these collaborations and partnerships in the area of health promotion and disease prevention. Examples of organizations with which we have existing partnerships include The National Congress of American Indians, the National Boys & Girls Clubs of America, the United National Indian Tribal Youth, the American Indian section of the Society for the Advancement of Chicanos and Native Americans into Science program, the CJ Foundation, and the NIKE Corporation.

We are collaborating with NIKE on the promotion of healthy lifestyles and healthy choices. The Memorandum of Understanding (MOU) is a voluntary collaboration between business and government that aims to dramatically increase the amount of health information available in American Indian and Alaska Native communities. The goal of the MOU is to help those communities gain a better understanding of the importance of exercise at any age, particularly for those individuals with diabetes. One of the outcomes was that NIKE conducted a 3-day training course for Tribal members to certify them as physical fitness coordinators. The trainers are now expected to implement fitness and exercise programs for

their communities. NIKE and the IHS hope to conduct similar training programs for additional regions of the country.

Another beneficial partnership is one that focuses on the health needs of American Indian and Alaska Native veterans. The Department of Veterans Affairs and the Department of Health and Human Services established a Memorandum of Understanding to improve the access and quality of health care for our nation's American Indian and Alaska Native veterans. We have long had partnerships with the VA in the regions where we operate together, but this MOU is intended to take a national approach to helping out both the veteran community and the Indian community. By the end of this year, each Veterans Health Administration network and facility manager will have met with their IHS counterparts and local Tribal leaders to develop a comprehensive plan, describing how they intend to meet the needs of the American Indian and Alaska Native veterans living in that region. This partnership is going to make a difference in the lives of so many people who truly deserve our care and our thanks.

The most effective and efficient use of our critical resources and partnerships requires that we have the best possible health professional and support staff to deliver services. Over 70% of IHS hospitals and 25% of health centers are directly operated by IHS. However, there continues to be an increasing national shortage of health professionals. Within the Indian Health delivery system the need is growing as more staff members retire, as new facilities are constructed with their larger staffing needs, and as our patient population increases. Some current health professional vacancy rates stand at 11 percent for Physicians, 24 percent for Dental, 11 percent for Nursing, and 7 percent for Pharmacy.

The Secretary and the Deputy Secretary, and their staff, have frequently visited Indian Country and they know of our challenges and shortages. To aid the agency, last July the Secretary designated that at least 275 of the 1000 new Commissioned Corps officers recruited would be assigned to the Indian Health Service before the end of September 2004. The cost of additional staff will be offset in part by the reduction of contracted staff services. As a larger Commissioned Corps force is developed, the length of deployments will be shortened as well as their frequency. For extended deployments, those absences may be covered by the revitalization of the Inactive Reserve Corps, a part of Secretary Thompson's Commissioned Corps Transformation Initiative. Since the Secretary began the transformation initiative in August 2001 – the Inactive Reserve has provided over 2,000 work days of coverage for the Indian Health Service – demonstrating the effectiveness of the system.

I want to thank Tribal Leaders for your commitment and the many hours of time that you dedicate to consultation with the Department and the Agency on critical legislative and policy issues. This is an historic meeting that reinforces the foundation and the mission of the Indian Health Service, and makes clear that choosing to have health services directly provided by the IHS is an equal expression of Tribal Self-Determination. Your rights will continue to be honored and your voices will continue to be heard through Tribal consultation at all levels of government. The Secretary and I will continue to advocate for greater Tribal access to more programs within HHS.

I appreciate the opportunity to speak with you today and to partner with you in accomplishing the IHS mission of raising the health status of American Indians and Alaska Native people to the highest possible level. Your contributions to Indian health benefit many people beyond your own Tribes, and will continue beyond your own generation.

Thank you.

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