

ALLOCATION & EXPENDITURE GUIDANCE for \$13.8 Million in the FY 2008 Indian Health Care Improvement Fund (IHCIF)

Allocation Methodology for FY 2008

The IHCIF formula is applied to funding gaps calculated from Federal Disparity Index (FDI) methodology as updated using the latest available data (mostly from FY 2007). As specified by instructions from the Congress that accompanied the IHCIF appropriations, only sites scoring less than 40% of the FDI benchmark qualify for IHCIF in FY 2008. This instruction applies because \$13.8m appropriated in FY 2008 is insufficient to raise all sites to 40%. The actual amount of the IHCIF available is 62% of \$22m that would be necessary raise all sites to 40%. This approach differs somewhat from IHCIF instructions in FY 2005 which allowed a 2-tier qualifying threshold -- one-half of 2005 IHCIF funds went to sites scoring below 40% and one-half to sites scoring less than 60%.

Allocation Table

Tables "FY 2008 IHCIF Allocations" showing the IHCIF distribution by IHS Area and sites are attached to the allowance transmittals. Operating units (sites) within each IHS Area are listed in the second column. Amounts for qualifying units are listed in the eighth column labeled "2008 IHCIF @62 cents per \$".

Distribution Among Units Within the IHS Area

The national application of the allocation formula may incompletely account for certain complexities and variations in and among local level sites. The Area Office, after consultation with affected parties, has discretion to redistribute IHCIF funds among constituent sites based on additional local data such as health status and resource deficiency taking into account cost of providing health care services given local geographic, climatic, rural, and other considerations consistent with the language in section 1621 of the Indian Health Care Improvement Act.

Purpose and Use of Funds (Section 1621 of Indian Health Care Improvement Act)

The Secretary is authorized to expend funds which are appropriated under the authority of this section, through the Service, for the purposes of -

- (1) eliminating the deficiencies in health status and resources of all Indian tribes,

- (2) eliminating backlogs in the provision of health care services to Indians,
- (3) meeting the health needs of Indians in an efficient and equitable manner, and
- (4) augmenting the ability of the Service to meet the following health service responsibilities, either through direct or contract care or through contracts entered into pursuant to the Indian Self-Determination Act (25 U.S.C. 450f et seq.), with respect to those Indian tribes with the highest levels of health status and resource deficiencies:
 - (A) clinical care (direct and indirect) including clinical eye and vision care;
 - (B) preventive health, including screening mammography in accordance with section 1621k of this title;
 - (C) dental care (direct and indirect);
 - (D) mental health, including community mental health services, inpatient mental health services, dormitory mental health services, therapeutic and residential treatment centers, and training of traditional Indian practitioners;
 - (E) emergency medical services;
 - (F) treatment and control of, and rehabilitative care related to, alcoholism and drug abuse (including fetal alcohol syndrome) among Indians;
 - (G) accident prevention programs;
 - (H) home health care;
 - (I) community health representatives; and
 - (J) maintenance and repair.

Recurring Distribution

The \$13.8 million FY 2008 IHCIF is distributed on a **recurring** basis.