



**INDIAN HEALTH SERVICE**  
**American Recovery and Reinvestment Act**  
*Implementation Plan for*  
**Maintenance & Improvement (\$100 million)**

The Recovery Act funds will be used for infrastructure projects to improve the condition, fire-life safety, energy conservation, and operational efficiency of existing Indian Health Service (IHS) and Tribal healthcare facilities. IHS health care services are provided in over 700 IHS and tribal health care sites throughout 36 states, mostly in rural and isolated areas. Total space (IHS and tribal) is over 1.6 million square meters (17.2 million square feet) with a replacement cost in excess of \$3.1 billion. Funds are targeted to facility maintenance and improvement (M&I) projects in IHS Areas based on detailed assessments of facility age, conditions, and deficiencies. These deficiencies are identified as the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) for IHS and reporting Tribal facilities, and totaled \$476,052,000 as of April 24, 2009. Projects will be executed using a combination of federal construction contracts and Indian self-determination (P.L. 93-638) construction project agreements. High priority projects will be selected in partnership with tribes and tribal organizations. The IHS will use up to 3% of the funds for administrative costs, project management, and transparency reporting required by the Recovery Act.

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**Funding**

**Funding Table For Discretionary Programs, Maintenance and Improvement**  
(dollars in millions)

*Recovery Act funding for major maintenance and improvement activities*

<i>Activities</i>	<i>Total Appropriated</i>	<i>Planned Obligations</i>	
		<i>FY 2009</i>	<i>FY 2010</i>
• Repair, alteration and improvement of IHS and Tribal health care facilities	\$97.0	\$75.0	\$22.0
• Administration	3.0	0.8	2.2
<b>Total</b>	<b>\$100.0</b>	<b>\$75.8</b>	<b>\$24.2</b>

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**Objectives**

*accomplishments expected from spending Recovery Act funds*

Some IHS and Tribal facilities are old, overcrowded, and hampered by outdated designs that can impair efficient modern healthcare delivery practices. The Recovery Act funding will be used for facility infrastructure projects to:

- Maintain and improve deteriorating facilities.
- Mediate sub-standard conditions and upgrade to modern fire-life safety standards.
- Modify outdated facilities to improve patient flow, capacity, facilitate modern medical practices.
- Enhance energy conservation.
- Provide economic stimulus and jobs.
- Reduce the system-wide backlog of essential maintenance needed in facilities.

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**Activities**

*major categories of work and investment for Recovery Act funds*

<i>Maintenance &amp; Improvement Projects by Categories</i>		
Category	Number of Projects	Cost (\$)*
Improve Facility Condition	164	49,999,385
Energy Conservation	70	21,927,365
Program Enhancements	42	17,771,202
Fire-Life-Safety	23	6,009,347

Sustainability	1	100,000
	302	96,018,865

\*Remaining balance of \$981,135 is held in reserve pending actual award amounts which may differ from current projections. Additional projects will be funded with any unused reserve funds.

- Projects may address multiple categories of work; however one category was selected for reporting purposes.

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**Characteristics**

categories of recipients to perform the work and methods of selection

**Types of Recipients**

- Tribal governments and/or Tribal Organizations
- Private-sector construction vendors

**Types of Financial Awards**

Project awards will be managed through the IHS Area Offices.

- Federal construction contracts (approximately: \$41 million).
- Tribal P.L. 93-638 construction project agreements (approximately: \$55 million).

Recipient Type	Number of Projects	Cost (\$)
Federal Contracts - New	66	33,330,693
Federal Contracts - Existing	17	7,357,813
Tribes/Tribal Organizations	219	55,330,359
	302	96,018,865

**Methods of Selection**

Recipients will be selected in accordance with applicable contracting solicitation requirements under the Federal Acquisition Regulations (FAR) or under P.L. 93-638, the Indian Self-Determination Act. New and existing contracts and compacts will be used.

Area (States Covered)	Number of Projects	Cost (\$)
Aberdeen (IA, ND, NE, SD)	39	15,210,000
Alaska (AK)	37	19,219,128
Albuquerque (CO, NM, TX, UT)	14	5,286,705
Bemidji (IL, MI, MN, WI)	42	4,887,473
Billings (MT, WY)	26	4,299,000
California (CA)	30	2,975,039
Nashville (AL, CT, FL, LA, MA, ME, MS, NC, NS, NY, RI, SC, TN, TX)	7	3,435,076
Navajo (AZ, NM)	28	13,305,928
Oklahoma (KS, OK, TX)	24	8,458,080
Phoenix (AZ, CA, NM, NV, UT)	25	12,000,000
Portland (ID, OR, UT, WA)	24	4,392,436
Tucson (AZ)	6	2,550,000
	302	96,018,865

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**Schedule**

*timing of major phases of work*

- The projects will be completed between the 2<sup>nd</sup> Qtr of FY 2010 and the end of FY 2012.
- If significant events occur during the implementation of these projects that impact attainment of one or more projects, the schedule will be amended accordingly.

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**Environmental Review**

*applicable laws and regulations*

- All Recovery Act projects will be reviewed for environmental compliance. Maintenance and Improvement projects comply with National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA) and other environmental regulations.
- To satisfy Section 1609(c) reporting requirements of the Recovery Act, the IHS will report the status and progress of the environmental review of all Recovery Act funded projects using the prescribed President’s Council on Environmental Quality format.

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**Measures**

*how benefits expected from spending Recovery Act funds will be measured*

Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) is an indication of the overall condition at IHS and tribal facilities and of the repair need in these facilities. Approximately 300 projects will be funded.

<i>Outputs</i>	<i>Frequency Measured</i>	<i>Measures Available for Public Access</i>
Percent of Recovery Act projects completed	<ul style="list-style-type: none"> <li>• Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>• Supplemental information on HHS.gov/Recovery</li> </ul>

Explanation of Measure: M&I projects improve the condition, fire-life safety, and efficiency of existing healthcare facilities and enhances energy conservation. The percentage of Maintenance and Improvement (M&I) projects completed is the number of completed construction projects (numerator) divided by the total number of M&I projects funded by the Recovery Act (denominator). Projects are considered fully complete when all phases of construction are certified as complete. Progress will be monitored and reported quarterly. The goal is to complete 100% of M&I projects by the by the end of FY 2012. Many less complex projects are anticipated to be completed in FY 2010 and FY 2011.

<i>Outputs</i>	<i>Frequency Measured</i>	<i>Measures Available for Public Access</i>
Percentage reduction in the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) through Recovery Act funding	<ul style="list-style-type: none"> <li>• Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>• Supplemental information on HHS.gov/Recovery</li> </ul>

Explanation of Measure: The Backlog of Maintenance and Repair (BEMAR) is an IHS-wide inventory of needed maintenance and repair projects. As maintenance and repair projects are completed the BEMAR deficiency is reduced (improved). As BEMAR is reduced, system-wide capacity for safe and efficient patient care is increased. The percentage reduction measure is the amount the system-wide BEMAR is reduced by completion of Recovery Act projects (numerator) divided by the original system-wide baseline BEMAR (denominator).

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**Monitoring**

All Recovery Act programs will be assessed for risk and to ensure that appropriate internal controls are in place throughout the entire funding cycle. These assessments will be done

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*steps to identify risks, high & low performance*

consistent with the statutory requirements of the Federal Manager's Financial Integrity Act and the Improper Payments Information Act, as well as OMB's Circular A-123 "Management's Responsibility for Internal Control."

- The Unified Financial Management System (UFMS) will record all Recovery Act funds and expenditures and allow program and project managers to monitor financial activity.
- IHS will incorporate implementation of Recovery Act into its FY 2009 Management Control Plan, i.e., the agency's management control system for ensuring compliance with the Federal Managers' Financial Integrity Act.
- Monitor recipient progress reports at least quarterly or more frequently if required to correct risks.
- Identify deviations from planned schedule or performance.
- IHS gives feedback and corrective measures to recipients as necessary to mitigate risks.
- All Recovery Act programs will be assessed for risk and to ensure that appropriate internal controls are in place throughout the entire funding cycle. These assessments will be done consistent with the statutory requirements of the Federal Manager's Financial Integrity Act and the Improper Payments Information Act, as well as OMB's circular A-123 "Management's Responsibility for Internal Control."
- Assignment of Project Managers.

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**Transparency**

*plans to assure Recovery Act implementation is open and transparent to the public*

IHS will be open and transparent in all of its contracting competitions and regulations that involve spending of Recovery Act funding consistent with statutory and OMB guidance.

IHS will also ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009. IHS will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance. IHS will provide technical assistance to grantees and contractors and fully utilize Project Officers to ensure compliance with reporting requirements.

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- The IHS will ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009.
- All Tribal and Federal contracts will include relevant reporting requirements for use of Recovery Act funds.
- The IHS will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance.
- The IHS will provide technical assistance to recipients and fully utilize Project Officers.

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**Accountability**

*steps to hold managers and recipients accountable for Recovery Act*

To ensure that managers are held to high standards of accountability in achieving program goals under the Recovery Act, IHS will build on and strengthen existing processes. Senior IHS Office of Environmental Health and Engineering program officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and

business function managers.

- IHS Health Care Facilities officials will meet regularly to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions.
  - The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and business function managers.
  - Incorporate the Recovery Act into the IHS FY 2009 Management Control Plan.
  - Track Recovery Act projects and funds in the Unified Financial Management System.
  - M&I Projects comply with:
    - National design standards.
    - Worker health and safety standards and coverage standards.
    - Project approval processes.
  - Track and report use of funds for administration.
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**Barriers to Implementation**

*potential legal, regulatory, processing capacity or other matters which could impede effective implementation*

- Recovery Act funding is approximately twice the annual funding level for maintenance and improvement creating a surge which affects IHS and tribal finance, acquisition, and facilities operations. The IHS may require additional staffing to effectively implement and monitor these projects.
  - Due to the many remote IHS and tribal facility sites, the availability of contractors and skilled labor impacts construction works and contractors. The IHS will monitor this situation.
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**Federal Infrastructure Requirements**

*steps toward sustainability, efficiency, and reduced environmental impacts*

- Approximately \$22 million will be invested in major energy and sustainability related projects.
  - All projects at Federal sites will comply with the Department of Health and Human Services Sustainable Buildings Implementation Plan, which outlines the guidance on incorporating of sustainability principles into the existing and new buildings.
  - Projects will reduce ongoing energy usage.
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