



**8th Annual  
Indian Health Service (IHS), Tribal, and  
Urban Partnership Conference  
“You Are The Essential Piece”**

# Missions

## IHS:

- Raise the physical, mental, social, and spiritual health of American Indians/Alaska Natives (AI/ANs) to the highest level, in partnership with the population we serve

## Office of Resource Access & Partnerships (ORAP):

- Enhance funding for AI/AN healthcare delivery by effective collection of third-party funds, efficient use of contract health service (CHS) funds, and maximizing partnership.

# Goals

## IHS:

- Assure that comprehensive, culturally acceptable personal and public health services are available and accessible to the service population

## ORAP:

- Provide quality healthcare to AI/ANs by maximizing all sources of funding and resources
- Implement business practices that improve efficiency and effectiveness, as well as quality healthcare
- Expand partnerships to build a dynamic AI/AN health network

# Director, IHS Initiatives

Behavioral Health Chronic Disease  
Management Health Promotion/Disease  
Prevention

“These Initiatives are linked together  
and have the potential to  
achieve positive improvements  
in the health of Indian people”

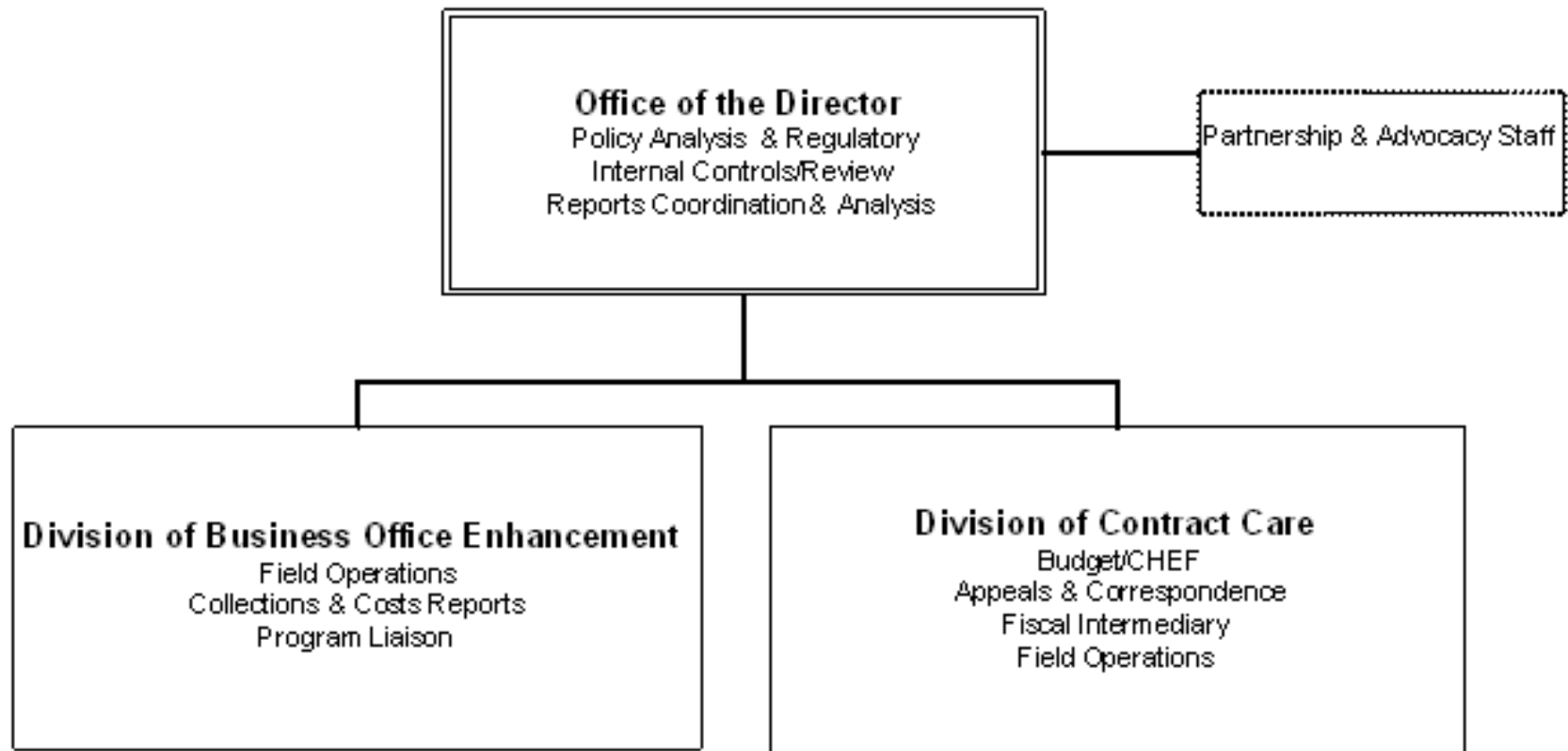
# **Cascade of objectives, Director's Performance Plan**

- Increase in third party collections by 3%  
(1. a1)**
- Increase partnerships/alliances by 4%  
(1. a2)**
- Maintain accreditation at 100% for IHS  
operated hospitals and clinics (1. a3)**
- Facilitate enrollment of 5,000 AI/AN  
Medicare beneficiaries in Part D**
- Expand faith-based and community  
partnerships (17. b)**

# Primary Objectives, ORAP

- **Provide leadership and direction to increase access to healthcare for AI/AN people in support of the IHS mission.**
  - **Increased collections**
  - **Increased utilization of alternate resources**
  - **Increased purchasing power in CHS (appropriations and savings)**
  - **Increase partnerships**
  - **Increase compliance and efficiencies**

# ORAP Organizational Structure



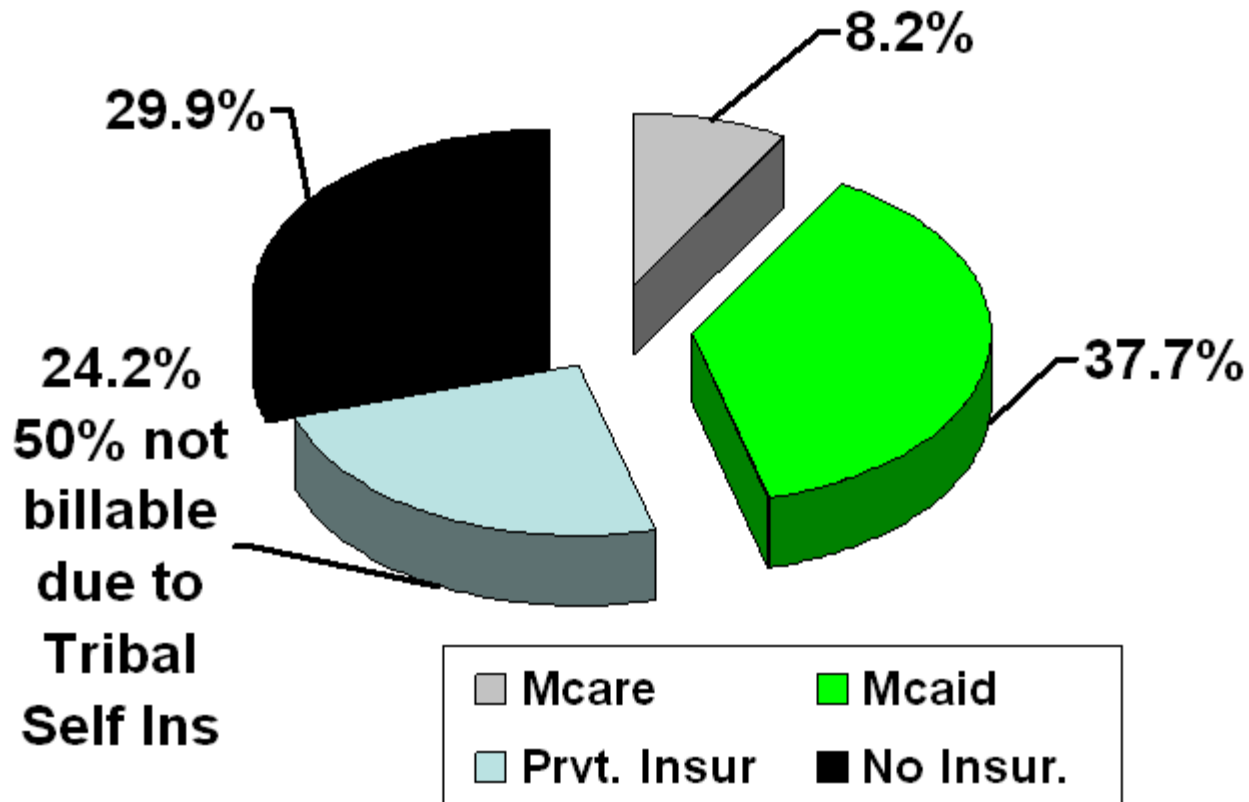
# ORAP FY 2006 Budgets



# **DBOE 2006 Priorities/Actions**

- Third-party revenue Internal Control Policy
  - **Training**
  - **Technical Assistance Evaluations**
- Federal Medical Care Recovery Act Policy
- Debt Collection Policy
- Cost Reports
- CMS Partnership
- IT Systems (Patient Accounts Management System [PAMS]/Patient Reg./3M)
- Revenue Operations Manual (ROM)

# IHS Eligibility, 1.435 Million Users 2005



# Five-Year Collection History

<b>Fiscal Year</b>	<b>Collection Total</b>	<b>Percentage Change over PY</b>
2001	\$472,142,761	
2002	\$529,134,698	12.07%
2003	\$585,796,694	10.71%
2004	\$628,246,937	7.25%
2005	\$671,322,033	6.86%
2006	\$677,831,000 (estimate)	0.97%

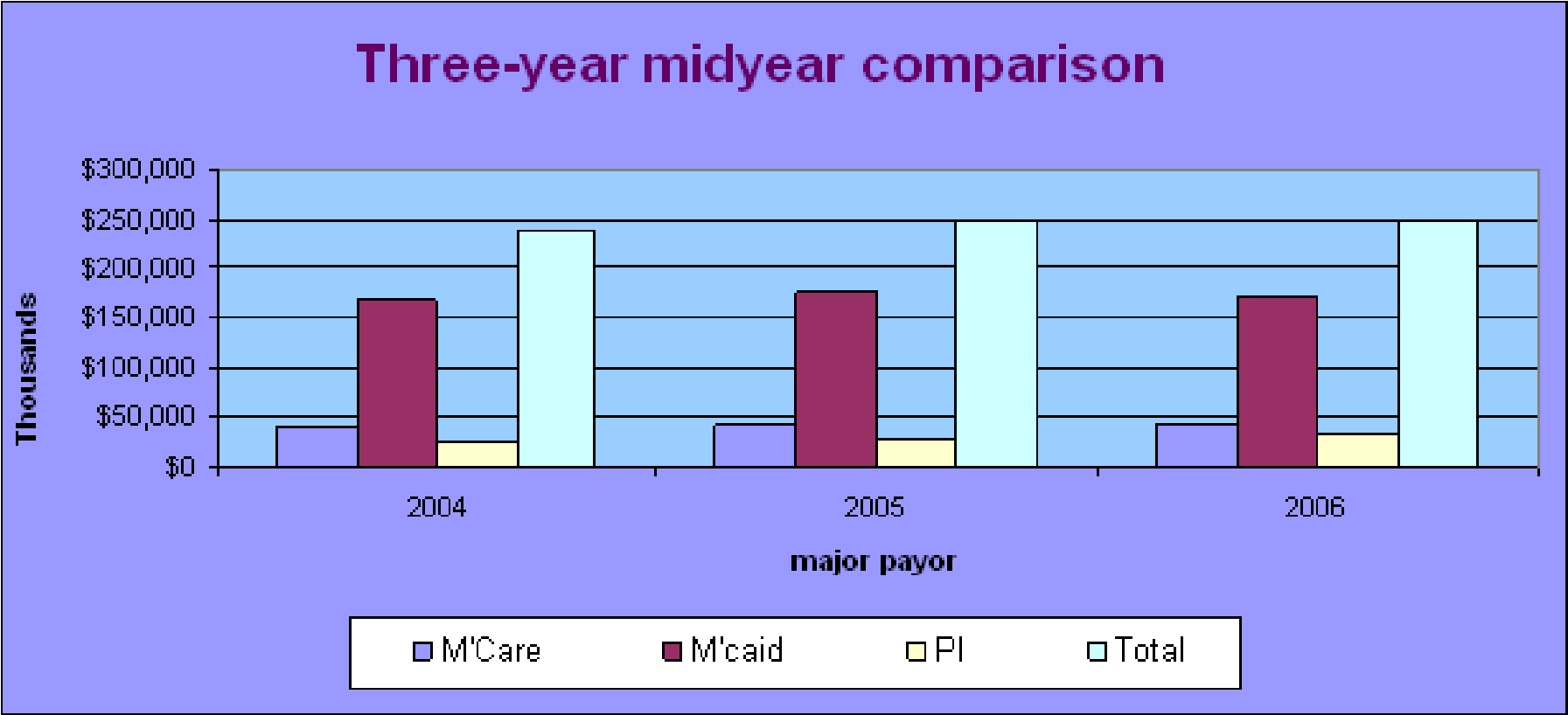
# Midyear Comparison (Third-Party Collections)

	<b>2004</b>	<b>2005</b>	<b>2006</b>
Aberdeen	\$32,649,502	\$34,099,924	\$29,736,892
Albuquerque	\$19,606,921	\$19,852,173	\$19,668,602
Bemidji	\$9,372,305	\$12,764,863	\$11,096,948
Billings	\$16,090,125	\$18,210,137	\$17,925,791
Navajo	\$70,912,606	\$76,131,763	\$77,213,412
Oklahoma	\$29,983,136	\$28,742,973	\$30,022,218
Phoenix	\$42,830,829	\$43,192,913	\$48,223,854
Portland	\$6,316,390	\$7,003,459	\$7,145,732
Tucson	\$6,638,765	\$6,887,549	\$6,786,605
<b>Total:</b>	<b>\$234,400,578</b>	<b>\$246,885,754</b>	<b>\$247,820,053</b>

# Midyear Comparison (Third-Party Collections)

	<b>2005 vs 2004</b>	<b>2006 vs 2005</b>
Aberdeen	104.44%	87.21%
Albuquerque	101.25%	99.08%
Bemidji	136.20%	86.93%
Billings	113.18%	98.44%
Navajo	107.36%	101.42%
Oklahoma	95.86%	104.45%
Phoenix	100.85%	111.65%
Portland	110.88%	102.03%
Tucson	103.75%	98.53%
Total:	105.33%	100.38%

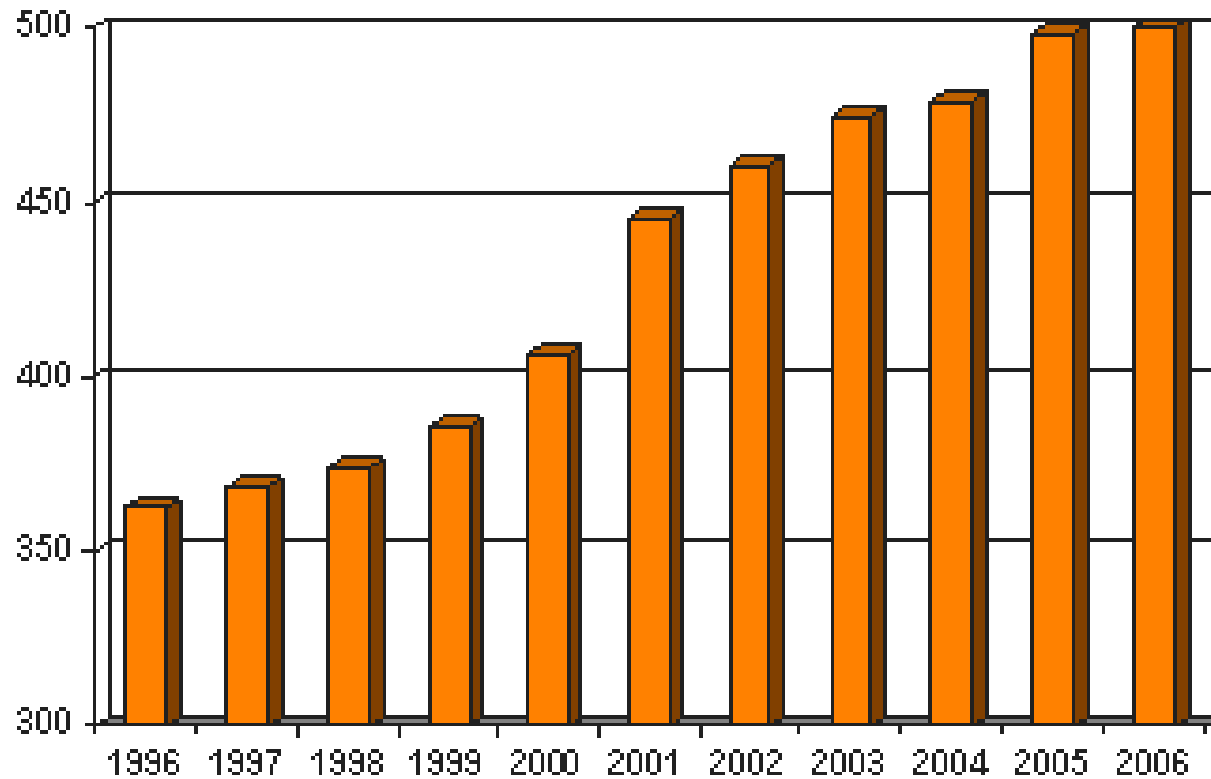
# Midyear Collection Comparison 2005 vs. 2006



# Division of Contract Care Priorities

- Medicare-Like Rates
- Departmental Contract Information System (DCIS)
- Unified Financial Management System (UFMS)
- PRISM
- CHS Manual Update
- Contract Health Service Delivery Areas (CHSDA) Update
- Catastrophic Health Emergency Fund (CHEF)
- Fiscal Intermediary

# CHS Budget \$s in Millions





# Denials: Eligible Care Not within Medical Priority

<u>Fiscal Year</u>	<u># of Denials</u>
2002	19,695
2003	19,121
2004	23,368
2005	33,106

# Maximizing CHS Funds

## Savings to IHS

## FY 2005

<b>Total Billed Charges</b>	<b>\$678 M</b>
<b>Contract Savings</b>	<b>318 M</b>
<b>Total Allowed</b>	<b>360 M</b>
<b>AR Savings</b>	<b><u>138 M</u></b>
<b>Total Paid</b>	<b>\$222 M (all FYs)</b>

Figures do not include Medicaid payments

All claims paid (for any Fiscal Year (FY) Purchase/Delivery Order (PDO) within  
FY 2005

Five Tribal programs use the FI

# CHS Overview

The CHS budget does not keep pace with inflation

- **CHS is funded at the Office of Management and Budget (OMB) medical inflation rate of 3.9%**
- **IHS, FI reports an inflation rate of 10.33%**

## CHEF

- **Supplements CHS by paying high-cost cases**
- **\$18M – FY 2006 Funding**
- **CHEF Threshold = \$25,000 for FY 2006**

# Partnerships

- **ORAP Partnerships—being further developed in 2006**
  - **Veterans Administration (VA) Partnerships**
  - **Health Resources and Services Administration Rural Health Care Task Force**
  - **Interagency Agreements with CMS i.e., Outreach and Education Training IHS-wide, Satellite training, Tribal Technical Advisory Group (TTAG), Medicare and Medicaid Policy Committee (MMPC)**
  - **Other....National Institutes of Health (NIH), CMS, NIKE**
- **Interagency Agreement Area Office-Wide Tracking System**
- **Partnership Web Page**

# Partnerships

- **Increase partnerships 4% over the FY 05 base in the areas of disease prevention, health disparities, and health infrastructure**
  - **HQs Current: 36 out of 83 (FY 05 Base) (42%)**
  - **Areas Current: 231 out of 247 (FY 05 Base) (93%)**
- **Develop FY05 baseline for faith- and community-based agreements by fourth quarter – (100% complete)**
- **Develop Web site by fourth quarter – Draft 50% complete**
- **Continue rewrite of manual chapter – Draft 50% complete**

# **FY 2005**

## **Headquarters and Area Office**

### **Agreements**

Total Number:	324
Total Dollar Amount:	\$93.8M
Incoming Dollar Amount:	\$41.2M
Outgoing Dollar Amount:	\$52.6M

# Overall ORAP Activities

- **Support Center**
- **OMB A-123 Internal Controls Workgroup**
- **Standardize PD and Skill sets**
- **Partnerships**
- **Implementing:**
  - **DCIS**
  - **PRISM**
  - **UFMS**
  - **Medicare-like rates**
  - **IT systems**

# Challenges

- **Increased funding/purchasing power**
- **Fully utilizing alternate resources**
- **State Medicaid programs decreasing services**
- **Aging population**
- **Meeting medical inflation needs**
- **Implementation of new systems**