Chairman Ken Calvert

Subcommittee on Interior, Environment, and Related Agencies
House Committee on Appropriations

Fiscal Year 2017 Budget Oversight Hearing: Indian Health
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Opening Statement as Prepared

Good morning and welcome to this oversight hearing on the fiscal year 2017 budget for the Indian Health Service.

Funding for Indian country has been a nonpartisan priority of this subcommittee for many years now. Working together, we've grown funding for American Indian and Alaska Native programs in a greater amount and at a faster rate than any other programs in this appropriation bill.

As a result, contract support costs are now fully funded, freeing up operations funds for operations, and affording tribes the capacity to run additional programs, rather than relying on the Federal government to do it for them. Funds to meet extraordinary medical costs for victims of disasters or catastrophic illnesses, which used to run out in the middle of the year, and thus spawned the common refrain in Indian country, "Don't get sick after June," are now, finally, in FY17, estimated to last the entire year. More children are receiving proper dental care. More teens are receiving the help and support they need to battle substance abuse and suicide. More providers are being recruited because we're helping to pay back their student loans. More new care facilities are opening their doors each year. The list of accomplishments goes on and on, and we are deeply proud of our work. But we also recognize that we still have a long way to go before the health disparities in the American Indian and Alaska Native population, compared to the nation as a whole, become a thing of the past.

I hope that today's hearing will help highlight the measureable differences that recent funding increases have made. As a subcommittee, we need to be able to communicate to our colleagues in Congress that the sacrifices we make elsewhere in this appropriation bill, in order to increase funding for Indian country, is actually *saving lives*.

Saving more lives, however, is not simply a function of more money. The Indian Health Service is battling a management crisis in the Great Plains Area, for example. The crisis reached a new low point recently when the Centers for Medicare and Medicaid Services (CMS) terminated its agreement with the Omaha-Winnebago Indian Hospital, because the conditions at the hospital posed "an immediate jeopardy to the health and safety of patients." Just a few months later, CMS threatened to do the same at two additional Indian Health Service hospitals in the Great Plains Area. All three hospitals are directly run by the Indian Health Service (rather than by the tribes), and all three remain open for business under intense management scrutiny.

That said, it is not my wish to focus today's hearing on the crisis in the Great Plains. The Senate Committee on Indian Affairs has already held one hearing on the matter, and I doubt it will be the last. I also do not wish to imply that funding and management are unrelated. We all know that it takes money to hire and retain good people. My point is this: When the Indian Health Service struggles with management and accountability, this subcommittee struggles even more to find the money, the offsets, and the votes to fund increases for the Indian Health Service.

The President's FY17 budget will be particularly challenging. The Bipartisan Budget Act of 2015 increases FY17 discretionary budget authority by less than one-tenth of one percent, and yet the President is proposing an eight percent, $377 million increase for the IHS without any realistic offsets elsewhere in the budget. Of the proposed increase, $241 million is just to keep pace with tribal and federal pay costs, contract support costs, medical inflation, and population growth, in order to maintain current levels of service.

Proposed program increases, developed in close consultation with tribal leaders, which are necessary to staff newly constructed facilities and to make any real progress to decrease the health disparities of American Indians and Alaska Natives compared to the nation as a whole, are an additional $136 million.

With us today from the Indian Health Service to get into the details and to answer questions are Principal Deputy Director and current Acting Director, Mr. Robert McSwain, and his second in command, Deputy Director Mary Smith. Welcome back Mr. McSwain, and welcome aboard, Ms. Smith. We've been looking forward to your testimony today.

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