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United States House of Representatives Committee on Appropriations
Subcommittee on Interior, Environment and Related Agencies

Testimony on American Indian/Alaska Native Programs

March 18, 2016

Good Morning Mr. Chairman and Members of the Committee. Thank you for the opportunity to testify today on these important budget issues. My name is Robert Flying Hawk and I am the Chairman of the Business and Claims Committee of the Yankton Sioux Tribe. I also serve as the Treasurer of the Great Plains Tribal Chairmen's Health Board as well as the Great Plains representative on the Centers for Disease Control Tribal Advisory Committee.

As a proud and resilient treaty tribe with high unemployment and very little private income, we have suffered greatly from recent budget decisions. While this Subcommittee has worked hard to provide increases in the actual number of dollars provided to the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) over the past few years, and we greatly appreciate those efforts, I want to make clear for the record that most of those increases have done nothing more than cover a portion of the actual increases in costs that our programs have encountered. The Administration consistently hides this fact by including statements such as "this is X amount above the current FY 2016 level" in its budget justification. But, what it leaves out is the second part of the sentence which is "and it is going to cost the Tribes Y amount over the current FY 2016 level to do the same thing."

We see this misleading approach throughout the BIA and IHS proposed budgets. Take for example, the Hospital and Clinics Budget of IHS. In its budget justification IHS says that it is increasing Hospital and Clinics funding by $122.773 million. When you take that budget justification apart, however, you find that $25.6 million of this is going to inflation, $21.2 million is going to increased population, $16 million is going to fund staffing at new facilities, $9 million is going to new leases, and $2 million is going to "quality improvements" which are largely directed at Winnebago, Rosebud, and Pine Ridge. Then another $20 million is going to upgrade the IHS computer systems. That leaves an actual remaining nationwide increase of $4 million for domestic violence work. So I ask you Sir- where are the increased services for patients?

I know that you have heard this before, but it merits repeating it for the record. We all teach our children that when they are faced with financial difficulties and they need to put themselves on a budget, they have to take a hard and honest look at what they are spending and "cut the fat." We at Yankton agree with this philosophy. What we also tell our children is to try not to cut back on necessary things that are already

underfunded. Unfortunately, that is not the approach that sequestration took a few years ago. It is also not the approach that the budget committees are taking today, and it is not the approach that sequestration based funding threatens to use in the future.

As I noted just a few minutes ago, the BIA and IHS budgets are developed using a percentage higher or a percentage lower than the prior year base. That is why tribes, like Yankton, have never completely recovered from the impacts of the last sequestration cuts. We lost that base and we have never received it back.

While the Congress has been able to dodge sequestration these past few years, the budget targets that it is using all come from the targets laid out in that same Budget Reform Act. So, unless and until, the Congress comes up with a way to hit those spending targets without ignoring programs like ours that everyone agrees are already severely unfunded, nothing is going to change.

Another prime example of the misleading language in the IHS budget is its use of word "referred." Because we only have a small clinic on our reservation, every day our people receive "referrals" from IHS physicians to specialists, labs, and hospitals. They used to go to those referrals assuming that any costs incurred would be borne by the IHS. Unfortunately, that is no longer the case. At Yankton, we have an ever increasing number of tribal members who have received thousands of dollars in medical bills in the mail that they did not expect, and that they cannot pay. This has become so prevalent that we now have tribal members who are refusing to seek the referral care that is necessary to protect their health, and in some cases, even their life, because they fear the possibility of being bankrupted by unpaid medical expenses.

While I appreciate this Subcommittee's on-going efforts to increase the referral care budget over the past few years, I feel strongly that it is high time for two things to happen. First, that referred care budget has to be examined against the actual need in the Aberdeen Area, taking into account distance, our lack of quality hospitals, and the number of Indian people who require this service. Second, the IHS should be mandated to notify a patient in advance when it is not prepared to pay for a referral care visit and related costs. The IHS needs to acknowledge that unpaid medical bills can literally bankrupt a family, and our people have a right to make an informed decision about the care that they choose to seek.

This is especially true in the case of our veterans. A veteran may not initially want to drive 100 miles or wait three months to see a specialist, especially when the IHS is offering him a specialist which is only 30 miles away and an appointment in 48 hours. He might feel differently, however, if he knew that he was going to receive a $20,000 bill for taking IHS up on its offer. Please, just direct the IHS to tell our people the truth when making the referrals.

Along those same lines, we are especially concerned about the referred care budget this year because of what is happening as a result of the Centers for Medicare & Medicaid Services (CMS) certification problems at Winnebago, Rosebud, and Pine Ridge. While we are extremely pleased that IHS is making an effort to help the members of those tribes by referring a sizable number of their patients out for private emergency rooms and private providers, we are, and have to be, concerned about how these decisions are going to impact the referred care budget for Yankton and the other tribes in the region. Simply put, no one has told us, or any of the tribes for that matter, where the additional funds are coming from to pay for these unanticipated and unbudgeted costs. In the Aberdeen Service Area all of the referred care funds

come from a single pot of money. Thus, we are fearful that this new increase in demand is going to result in insufficient funds for everyone at the end of the year. We hope this is not true, but we worry. So, while we do not want to see our relatives at Winnebago, Rosebud, and Pine Ridge denied care, we do ask that this Subcommittee direct the IHS to explain to you and to us what the current referred care funding situation is in the Aberdeen Region.

Yankton was very pleased that the Senate Indian Affairs Committee chose to devote a full day to examining the problems with health care delivery in the Aberdeen Service Area. While we can understand why the CMS certification problems at Winnebago, Rosebud, and Pine Ridge took center stage at that hearing, we want to state for the record that things are not much better at Yankton and the other smaller, less visible tribes in our Region. As the Senate Indian Affairs Committee has finally started to realize, the Aberdeen Service Area has historically received a disproportionately low percentage of the IHS budget and this fact has to be corrected.

The BIA is also very capable of misleading the Tribes and the Congress. A prime example of this is seen in the BIA budget justification for HIP. This justification proudly boasts an "increase over the FY 2016 spending level" for this vital program. But, what that statement fails to note is that this increase, even if fully funded will still leave that program funding over 40% below the amount that we were receiving the year before sequestration.

Yankton has felt a very direct impact from the cuts in HIP. While we have a waiting list for homes that is growing every day, we now have a number of potentially usable homes with boards on the windows because we lack the HIP funds to make the required repairs. Many of the homes in the Aberdeen Area do not qualify for HUD assistance because of when they were originally built or how they were originally funded, but leaving them vacant makes no sense. Please think about this when you are deciding what to do with the HIP budget.

While HIP is just one very small example of underfunding, there are many more examples that we could provide to the Subcommittee. My colleagues from other tribal nations will, no doubt, highlight many of those for your today. Lastly, I do want to leave you with a staggering figure contained in a recent Region-Wide Underfunded Obligations Report – that data shows the Great Plains Region is underfunded by approximately $248 million.

I could point out any number of specific discrepancies between what the IHS and BIA say that they are doing, but I will simply close by asking you to do two things: read their justifications carefully and think about what they are actually saying, it is all there, you just need to subtract from the increase the things that are required to maintain the status quo for tribes like Yankton; and continue to fight as hard as you can to provide us with a level of funding that has a reasonable relationship to our actual needs.

Thank you for the opportunity to appear here today. I will be happy to answer any questions you might have.