

**TESTIMONY OF LEANN DRA ROSS
ON BEHALF OF SOUTHCENTRAL FOUNDATION**

**BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS,
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES**

REGARDING FY 2027 APPROPRIATIONS FOR THE INDIAN HEALTH SERVICE

March 17, 2026

My name is Leandra Ross. I am the Vice President of Executive and Tribal Services at Southcentral Foundation (SCF), and I am an enrolled citizen of the Central Council of Tlingit and Haida Indian Tribes of Alaska, as well as a Salamatof Tribal member.

SCF is the designated tribal health care organization for 12 federally recognized Alaska Native Tribes: the Aleut Community of St. Paul Island, Chitina, Igiugig, Iliamna, Kokhanok, McGrath, Newhalen, Nikolai, Nondalton, Pedro Bay, Telida, and Takotna. We operate under the authority of the Cook Inlet Region, Inc., one of the 12 Alaska regional corporations established by the Alaska Native Claims Settlement Act of 1971. With over 3,000 employees, SCF is one of the ten largest employers in Alaska.

As an ISDEAA self-governance compactor, SCF provides health care services to over 70,000 customer owners (the term SCF uses to refer to IHS beneficiaries) in its service area, including 55,000 people living in the Municipality of Anchorage and the Matanuska-Susitna Borough and 15,000 residents of fifty-five rural Alaska Native villages. SCF also provides outpatient and inpatient services to an additional 155,000 Alaska Native and American Indian people living statewide through the Alaska Native Medical Center (ANMC), that SCF co-manages with the Alaska Native Tribal Health Consortium (ANTHC). SCF offers a wide variety of services, including primary care, dental, behavioral health, and addiction treatment, and has over 850,000 encounters annually across its healthcare system.

The Municipality of Anchorage and the Matanuska-Susitna Borough is home to half of the state's population—SCF operates an integrated system of clinics, treatment centers, and other facilities, including the ANMC hospital, two primary care clinics, community health and outpatient treatment centers, and behavioral health centers. The services SCF provides in and around Anchorage and Mat-Su support and complement a broader network of services SCF provides directly to the fifty-five rural communities in its service area, including operation of village clinics, support for rural primary care delivery by community-based providers, and provision of regularly-scheduled on-site clinical and dental services. The remote communities SCF serves are distributed throughout a diverse service area the size of Wyoming, and are regularly impacted by severe weather conditions, many are accessible only by boat or plane. We are proud to provide services to our customer owners in the face of these logistical challenges.

Thank you to the Subcommittee for the opportunity to once again address the ongoing funding needs of Southcentral Foundation. As this Subcommittee considers appropriations for IHS for FY 2027, we request that the Subcommittee direct its attention to the following issues:

1. Advance Appropriations

SCF appreciates this Subcommittee's efforts to ensure IHS received advance appropriations for FY 2026 and request that IHS advance appropriations be included in Congress's FY 2027 budget as well. Prior to 2023, IHS was the only federally funded direct health care provider solely funded through regular appropriations, leaving Tribes uniquely vulnerable to delays in the appropriations process. The FY 2019 government shutdown underscored the danger: funding delays caused dire impacts in Alaska Native and American Indian communities across the country, engendering substantial health risks as Tribes scrambled to identify alternative funding sources to keep facilities open and running, struggled to replace supplies, and lost administrative staff and medical providers because of lapses in pay. Conversely, the FY 2026 federal shutdown largely demonstrated the success of advance appropriations, shielding Tribal programs from most of the impacts, keeping clinic doors open.

Recent history makes the ongoing need for advance appropriations clear. Tribal health programs continue to face an uncertain funding climate—one which could very well lead to another government shutdown with devastating impacts. Advance appropriations have proven critical for ensuring continuity of care in the communities SCF serves. We urge the members of this Subcommittee to provide them again this year, and account for inflation and population growth in Tribal communities—a necessity to prevent a reduction in the real level of access to care.

2. Mandatory Appropriations, including Contract Support Costs and Sec. 105(l) Leases

We urge that Congress move toward full mandatory funding for IHS. Until IHS appropriations are made mandatory, Tribal health systems will remain susceptible to uncertainty, delays, and shutdowns. Without authorizing legislation, there is no guarantee that IHS will continue to receive advance appropriations which has served to protect Indian health. Additionally, the protection offered by advance appropriations does not extend to certain critical accounts for self-governance Tribes, including contract support costs, section 105(l) lease payments, facilities funding, and other essential health services. Self-governance Tribes and Tribal organizations rely on these programs to function effectively, and disruptions adversely impact the efficient provision of services.

SCF requests that Congress prioritize Contract Support Costs and section 105(l) lease payments to be made mandatory appropriations, even if it is not possible to make other categories of IHS appropriations mandatory at this time. Their current status outside advance appropriations leaves them unprotected in the event of a shutdown. Further, these line items make up a significant part of the IHS discretionary budget, and their unique status as indefinite discretionary funding severely restricts the amount of discretionary funding available for other purposes—and will continue to do so as the funding required for Contract Support Costs and section 105(l) lease payments necessarily continues to increase. Making these items mandatory would ensure they do not continue to stress the limited funding allocation the Subcommittee receives.

3. IHS Realignment

Although SCF supports the administration's ongoing efforts to modernize IHS processes and

streamline services for American Indian and Alaska Native people, we urge a intentional process which allows for meaningful consultation. For example, SCF recommends that Area Offices not be reduced as currently proposed by SCF recommends that a division for self-determination and self-governance be a central part of IHS realignment. Sixty five percent of the IHS budget is administered by Indian Tribes through self-governance agreements, and this will only continue to grow. It is also imperative that any cost savings realized as a result of realignment be used by IHS to improve services for IHS beneficiaries, including by returning Tribal shares to Area Tribes. The programs and departments subject to this appropriations process are reflections of the trust relationship the federal government has with Alaska Native and American Indian people.

4. Workforce Development and Housing

There is a drastic shortage of health care workers in America, at every clinical level—from doctors, nurses, dentists, and mental health specialists to medical assistants and other medical technicians. Navigating this workforce crisis is a critical priority for SCF, and we are exploring all avenues for recruiting talent and developing employees.

SCF has worked to build systems that recruit, train, and develop not only clinical staff but operational staff as well. But additional support from the federal government is needed. SCF thanks the Subcommittee for boosting Indian Health Professions in the FY 2026 budget and calls on the Subcommittee to continue this investment through additional funding. We note that the Indian Health Care Improvement Act (IHCIA) empowers IHS to set aside a percentage of the line item to fund scholarships offered by Tribes and Tribal organizations through this subaccount—but IHS has never done so. Tribes can innovate when given the chance. SCF currently supports 86 active students across registered nursing (28), behavioral health (29), and medical assisting (29), and we have successfully trained and retained 65 students as healthcare providers and technicians since the program started in 2022. We ask the Subcommittee to include report language directing IHS to make full use of this provision of IHCIA. SCF also concurs with the Subcommittee’s previous report language noting the impact of tax requirements on IHS scholarship and loan repayment funds.

A key factor impeding recruitment and retention of health professionals in rural Alaska, especially in those communities off the road system, is a severe lack of housing. Many of the rural communities SCF partners with lack sufficient housing even for residents. Funding for rural health professional housing would be extremely beneficial for SCF and other organizations seeking to overcome the unique challenges of providing healthcare services to these communities. Such funding would be particularly useful right now as states work to use other rural health dollars from the Centers for Medicare and Medicaid Services to develop rural workforce personnel and training needs. We recommend that Congress provide funding for professional housing needs in Alaska.

5. Behavioral Health Programs

Although Mental Health and Alcohol and Substance Abuse accounts saw small increases last year, the current funding levels are inadequate to address the scale of the problem and should be further increased. Tribes and Tribal organizations offering behavioral health services must currently patch together grants and third-party reimbursements to offer these important services.

Recent SAMHSA funding instability has revealed just how fragile this funding framework is.

Tribes and Tribal organizations have long requested that IHS behavioral health grants be delivered through ISDEAA funding mechanisms. SCF requests that the Subcommittee readopt report language from the FY 2019 Consolidated Appropriations Act Explanatory Statement.¹ In addition to reducing the cost and administrative burden on recipients, this approach would enable recipients to support innovative ways to address behavioral health. For example, SCF has recently undertaken several projects to improve the effectiveness of behavioral health services, including efforts to integrate them into primary care clinics. This integration has allowed for earlier interventions and same-day access to behavioral health clinicians. SCF also provides direct mental health and substance misuse treatment through a variety of programs. Expanding Tribal self-governance mechanisms for behavioral health funding could greatly benefit these programs.

6. The Impact of the Build America, Buy America Act

SCF understands and supports the goals of the Build America, Buy America Act because SCF shares the goal of supporting the communities we work with through employment and economic development. However, BABA restrictions impose a significant impact on federal financial assistance to Tribes and Tribal organizations. In Alaska (which already has some of the highest construction costs in the country) BABA can make entire projects infeasible and be prohibitive to planning. While a Tribal Public Interest waiver exists to BABA, the exemption is time-limited to specific agencies and include caps on project cost that often make them inapplicable to Alaska construction projects. Further, HHS is now beginning the process of implementing BABA to its agencies and programs. While it is sometimes possible to request a project-specific waiver of BABA requirements where it is currently applicable, in practice this leads to lengthy project delays. This in turn can result in Tribes and Tribal organizations missing entire construction seasons in rural areas where a barge can only head up-river with construction materials for a few months a year. SCF encourages the full Committee and Congress consider a narrow legislative Tribal exemption from BABA. An exemption would allow limited dollars meant to fulfill the federal government's trust responsibilities to have maximum impact and support Tribal communities.

Conclusion

SCF exemplifies the success of self-determination: a Tribal, two-time Malcolm Baldrige Awardee, customer-owned health care system that improves health outcomes. The organization has grown over the past few decades into an internationally known system of primary and behavioral health care. To continue our important work, we depend on Congress to fully fund the IHS programs that serve indigenous peoples across Alaska. Thank you again for the opportunity to provide testimony on behalf of the Southcentral Foundation and the Alaska Native people we partner with on their journey of health and wellness.

¹ Chairman Frelinghuysen (NJ). "Explanatory Statement Submitted by Mr. Frelinghuysen, Chairman of the House Committee on Appropriations, Regarding the House Amendment to Senate Amendment on H.R. 1625." Congressional Record 164:50 Book II (March 22, 2018) p. H2629, 'ISDEAA Contracts'. (<https://www.congress.gov/crec/2018/03/22/CREC-2018-03-22-bk2.pdf>).