

# OFFICE OF THE GOVERNOR

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BILL ANOATUBBY GOVERNOR

April 23, 2025

The Honorable Bruce Westerman Chairman House Committee on Natural Resources 1324-A Longworth HOB Washington, DC 20515

Dear Chairman Westerman:

Included with this letter are the Chickasaw Nation's comments in response to the questions from the House Committee on Natural Resources. We appreciate the opportunity to provide our feedback.

If you have any questions, please contact my office at (580) 436-7216.

Sincerely,

Bill Anoatubby, Governor

( anoatubby)

The Chickasaw Nation

BJA:rp

Enclosure

# Committee on Natural Resources Oversight Field Hearing Oklahoma City, OK April 4, 2025 9:00 AM (CDT)

**Questions from Rep. Westerman** for The Hon. Bill Anoatubby, Governor, Chickasaw Nation, Ada, OK

1. As one of the first tribes to participate in health care self-governance, Chickasaw Nation's health services have grown with the times. Please describe the tribe's experience with expanding services, were there any bureaucratic practices that inhibited this growth?

#### Response:

Since 1994, when The Chickasaw Nation became one of the first tribes in the country to compact with Indian Health Service (IHS) to assume administration and delivery of health care to First Americans, we have expanded many services and facilities to enhance the healthcare that is available, both preventative and treatment services. Our services and facilities have been expanded to meet the needs of our tribal communities as determined by our data, such as medical residency program, empowered living, public health, new electronic health record, developmental pediatrics, pharmacy (outpatient, inpatient and pharmacy refill center), laboratory, supply warehouses, alternate care sites, and pediatrics, There have been many challenges we have encountered and still encounter in several areas, for example:

# Third-party billing

- Untimely processing by Medicare contractors of our tribal contracts to become Medicare provider.
- Ensuring the correct payments are made from Medicare Part C (Medicare Advantage Plans) and Part D (Pharmacy) plans. This continues to be a daily issue. The solution would be to deem Indian health care providers "in-network" providers and require payment at the approved rate for Indian health care providers.
- Ensuring our Medicaid patients receive the Indian special protections and provisions for Medicaid found in the American Recovery and Reinvestment Act of 2009, Section 5006.
- Ensuring Patient Benefit Managers provide reimbursement as stated in statute.
- Working with commercial insurance payors to reimburse us at the market rates they pay other health care providers in a specific market.
- Ineligibility to participate in Medicare reimbursement for our medical residency program due to low Medicare penetration in our markets.
- Working with our Purchase and Referred Care patients who are billed inappropriately by outside vendors.
- Recognition of tribal sovereignty in executing third-party billing contracts.
- Ensuring insurance agents and the marketplace enroll our patients in the best possible plan for their needs.
- Tribes were forced to divert direct service dollars to support administrative program costs because full Contract Support Costs needs were not met for many years. However, this issue has been resolved with the updated IHS contract support cost policy.
- Electronic Health Record (IHS RPMS) inadequacies and funding constraints to update the EHR causes many issues with providing and supporting direct care.

2. The Chickasaw Nation's health care facilities are some of the top in the state. How has self-governance impacted the Chickasaw Nation's ability to adapt to the times and provide innovative solutions for its community at large?

#### Response:

Self-governance has allowed the Chickasaw Nation to take responsibility of our own health care system and deliver services that best fit the needs of our tribal community, our community as a whole and the state. Self-governance has essentially removed the IHS and government from our program process and allowed us to redesign, reallocate and operate programs in a much more efficient and effective manner. We govern our own health care system to national standards, such as the recent Malcolm Baldrige Award and provide innovative solutions to many health-related issues. We have been able to focus on nutrition, healthy lifestyle and physical fitness, education and provide community facilities where our people could exercise and obtain healthy foods. Our focus on preventative and other creative solutions to curb chronic diseases within our population is instrumental in meeting our Chickasaw Nation mission "To enhance the overall quality of life of the Chickasaw people."

a. In the realm of telehealth, how has self-governance provided opportunities that being a direct-service tribe would not?

#### Response:

The Chickasaw Nation has embedded telehealth opportunities for our most vulnerable patients in the manner we desire. We have also been able to integrate telehealth solutions in critical areas such as mental health, specialty services and urgent care. As a direct-service tribe, the tribe would be subject to operate under the IHS telehealth policy which may or may not be funded adequately or designed to meet the needs of their populations.

3. Supplemental funds often play a large role in a tribe's ability to pursue and innovate self-governance services. To what extent have additional funds been used to supplement the needs of your various self-governance programs?

# **Response:**

The Indian Health Service is funded at a small portion of the needs of Indian country. For FY2026, the IHS National Tribal Budget Formulation Workgroup identified \$63 billion as the total need for Indian Country.

The Oklahoma City Area, which comprises Oklahoma, Kansas and Texas, has the largest user population within all of IHS, however, the Area is the lowest funded IHS Area per capita. In FY 2024 the Oklahoma City Area per capita amount was \$2,335, compared to the IHS overall per capita amount of \$4,078. For reference, the total calendar year 2022 U.S. National Health Expenditure per person was \$13,493.

With this underfunding to provide health services to our communities, supplemental funds have accounted for more than half of our annual health budget.

The Department of Interior's (DOI) Tribal Interior Budget Council identified the full funding need for the Bureau of Indian Affairs (BIA) and Bureau of Indian Education (BIE) at \$27 billion in FY 2026, yet the President's BIA and BIE FY 2025 budget request was less than \$5 billion. Supplemental funding supports core tribal government functions such as tribal court, law enforcement, roads maintenance, natural resource management and realty as well as other services to our people such as Indian child welfare, welfare assistance, education and job placement and training.

## a. Where has your tribe found these supplemental resources?

#### **Response:**

Supplemental funds for the health system are derived from mostly third-party revenue, including Medicare, Medicaid and private insurance. We have also raised revenue through our businesses; this revenue is used to supplement or fund needed programs and services for the Chickasaw people and other First Americans in our community. For example, we provide millions in scholarships, grants and school supplies to thousands of students each year.

# b. What challenges has your tribe faced when pursuing supplemental funding?

#### Response:

There have been many challenges we have encountered and still encounter in several areas, for example:

- Third-party billing
  - o Untimely processing by Medicare contractors of our tribal contracts to become a Medicare provider.
  - Ensuring the correct payments are made from Medicare Part C (Medicare Advantage Plans) and Part D (Pharmacy) plans. This continues to be a daily issue. The solution would be to deem Indian healthcare providers "in-network" providers and require payment at the approved rate for Indian health care providers.
  - Ensuring our Medicaid patients receive the Indian special protections and provisions for Medicaid found in the American Recovery and Reinvestment Act of 2009, Section 5006.
  - o Ensuring Patient Benefit Managers provide reimbursement as stated in statute.
  - Working with commercial insurance payors to reimburse us at the market rates they pay other health care providers in a specific market.
  - o Ineligibility to participate in Medicare reimbursement for our medical residency program due to low Medicare penetration in our markets.
  - Ensuring insurance agents and the marketplace enroll our patients in the best possible plan for their needs.
- 4. What was the biggest benefit you've seen in your community after choosing to compact out healthcare programs from the Indian Health Service?

#### **Response:**

The greatest benefit has been the ability to expand services under tribal leadership and the many preventative and treatment services we are able to offer the citizens of our communities. The Chickasaw Nation is in a much better position to provide healthcare to First Americans under self-governance. Some of those expansions include, Inpatient Care including OB&GYN, Surgery, Internal Medicine, Intensive Care, and Physical Therapy; Ambulatory Care including Medical, Surgery, Dental, Physical Therapy, Optometry, and Audiology; Ancillary Services including Dietary, Laboratory, Pharmacy (including pharmacy refill center), and Radiology (radiographic, ultrasound, mammography, MRI, and CT studies); Emergency Medical Services including additional ER capacity and Urgent care; medical lodging, mobile medical unit; Preventive Health including Nutrition, Wellness Services, Health Education, Diabetes Programs, Public Health Nursing, and Environmental Health Services; Behavioral Health including Mental Health, Alcohol and Substance Abuse, and Behavioral Health; Administrative Support and Support Services.

5. As one of the first tribes to participate in self-governance with the Indian Health Service, please describe how the compacting process has changed in the past fifty years and where there is room for growth?

#### **Response:**

Self-governance growth within the U.S. Department of Health and Human Services aligns with the Make America Healthy Again initiative through the expansion of self-governance authority across the Agency. The Chickasaw Nation offers both health and human services to First Americans; other health and many of the human services are funded with grants from non-IHS agencies within the Department such as Centers for Disease Control, Substance Abuse and Mental Health Services Agency, the Administration for Children and Families and the Administration on Community Living. Administering these health and human service programs through one self-governance compact could enhance efficiencies and flexibilities to better serve the needs of First Americans within our community. In addition, there is room for self-governance growth within the DOI and the USDA. For example, The Chickasaw Nation is interested in discussing compacting the Tishomingo Wildlife Refuge with the DOI's Fish and Wildlife Service and the Chickasaw National Recreation Area in Sulphur with the DOI's National Park Service. The USDA's natural resource, land, food and nutrition programs could also be efficiently managed under a permanent self-governance program.

6. ISDEAA turns fifty this year. We have seen tremendous success with increased self-governance. Please share how turning to self-determination and self-governance has changed the trajectory of your tribe?

#### Response:

Self-governance is an exercise of our tribal sovereignty. We have done more than just take responsibility of our own tribal programs and systems, we have taken control of our tribe's destiny, as self-governance helped us move forward in enhancing our ability to self-govern. When we began operating our health care services under self-governance, we applied a holistic, mission-driven approach. We held listening sessions inviting large numbers of our citizens to attend to learn what mattered to them and what needs they prioritized. This approach helped inform our tribal decisions regarding which health care and other services to offer, as self-governance affords us the opportunity to redesign and reallocate funds to best meet the needs of our tribal communities.

We offered real solutions, and our health system grew as well as the number of patients. As we continued to expand and improve our health care system, more and more First Americans from many different tribes and locations chose to travel to our facilities to receive their health care services. We continue to have a vested interest in seeing our communities thrive for the betterment of Chickasaws, all who call the Chickasaw Nation home and meeting our Chickasaw Nation mission "To enhance the overall quality of life of the Chickasaw people."

7. What has been the biggest detriment to Chickasaw Nation's self-governance opportunities that Congress should be aware of?

#### Response:

A few of the detriments to self-governance in the beginning and over the years has been HHS and other agencies not paying full contract support costs; IHS opting to send new appropriated dollars through grant mechanisms instead of self-governance agreements; negligence of some government agencies to develop self-governance demonstration projects, and having compacts with single agencies, rather than an overall departmental compact to cover multiple agencies.

8. Please speak to how self-governance amplifies the government-to-government relationship the Chickasaw Nation has with the U.S. Federal government?

#### Response:

Exercising our sovereignty can take many forms. Many times, we exercise sovereignty in the form of mutually beneficial compacts with federal, state and local governments and agencies. Our diligent work with various governments has produced many benefits for our Chickasaws and our communities at large. We have been able to expand our facilities through the Joint Venture Construction Program whereby the Chickasaw Nation has invested millions of dollars for these facilities. As a sovereign nation, we work closely with the federal government, and as a good neighbor, we work closely with the state of Oklahoma. We also work actively at the local and municipal level. We have a vested interest in seeing our communities thrive for the betterment of Chickasaws, all who call the Chickasaw Nation home and meeting our Chickasaw Nation mission "To enhance the overall quality of life of the Chickasaw people." Because we work so closely with all levels of government, we are uniquely positioned to be a bridge between federal agencies, the state and municipalities.

9. What has been the biggest challenge to your community's economic development after engaging in self-determination agreements?

#### **Response:**

Some of the challenges include the federal government providing funds through grant processes, rather than through self-governance agreements. Also, many of the federal grants require matching funds which could disqualify tribes from participation. Material underfunding of programs, services, functions and activities coupled with growing responsibilities in areas such as law enforcement, detention, tribal courts, and social welfare has been a challenge to our community's economic development. This also includes historical underfunding of administrative and facility support costs (contract support and 1051 lease payments) and support to build internal capacity.

Other challenges to economic development include limited access to capital and the unwillingness of other federal agencies housing economic development programs, such as the USDA, Departments of Commerce and Treasury and the Small Business Administration, to fully embrace self-governance and self-determination. Many economic development programs do not offer tribal set-asides; while tribes might be eligible program recipients, sometimes they must access these programs through states or compete with non-tribal entities for program funds. To assist in our community's overall economic development, it would be beneficial for the federal government to expand self-governance into other agencies, such as, HHS expansion, and DOI expansion (including Fish and Wildlife Service and the National Park Service). The USDA's natural resource, land, food and nutrition programs could also be efficiently managed under a permanent self-governance program.

# 10. How can the-audit process tribal self-governance programs go through be improved?

## **Response:**

The audit for self-governance and other programs is a time-consuming process that requires tribal capacity in order to meet deadlines. It takes time for auditors to understand the complexity and uniqueness of each tribal nation and the diverse programs they operate. Additional time consideration for completion to complete this process may be helpful.

# 11. What changes should Congress make to the self-governance process to ensure continued successes for tribes?

# Response:

The expansion of self-governance authority, through both department demonstration programs and permanent self-governance laws, across federal agencies would honor the government-to-government relationship, reduce federal program inefficiencies and continue the success for tribes to meet program needs at the local level. Self-governance programs could be strengthened by ensuring agencies do not add additional regulatory barriers to program authority and funding.