Indian Health Service Testimony

House Natural Resources Committee Subcommittee on Indian and Insular Affairs

Legislative Hearing

H.R. 3620 – The Southcentral Foundation Land Transfer Act of 2025

H.R. 3670 – The IHS Provider Expansion Act of 2025

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Good morning, Chairman Hurd, Ranking Member Leger Fernandez, and Members of this Subcommittee. Thank you for the opportunity to testify on H.R. 3620, the Southcentral Foundation Land Transfer Act, and H.R. 3670, the Indian Health Service Provider Expansion Act.

The Indian Health Service (IHS) is an agency within the Department of Health and Human Services (HHS), and our mission is to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives (AI/ANs) to the highest level. This mission is carried out in partnership with AI/AN Tribal communities through a network of over 600 Federal and Tribal health facilities and 41 Urban Indian Organizations that are located across 37 states and provide health care services to approximately 2.8 million AI/AN people annually.

The IHS was established by statute and is the principal Federal health care provider and health advocate for AI/AN people. The IHS was established to carry out the responsibilities, authorities, and functions of the United States, as provided in Federal statutes and treaties to provide health care services to Indians and Indian tribes. IHS is the 18th largest health care system in the United States.

H.R. 3620

H.R. 3620, the Southcentral Foundation Land Transfer Act would direct the Secretary of the Health and Human Services to convey certain land in Anchorage, Alaska to the Southcentral Foundation by warranty deed.

Under H.R. 3620, the Southcentral Foundation (SCF) would not provide the Federal Government with any consideration for the property. In addition, the Federal Government would not retain any reversionary interest in the property in the event SCF ceases to provide health care services. The bill would also require completing the conveyance as soon as practicable, but no later than

two years from enactment. H.R. 3620 would free SCF of any liability that it otherwise would have assumed for any environmental contamination that may have occurred on or before the date of the transfer, except that the Secretary would not be liable for any contamination that occurred after the date that SCF controlled, occupied, and used the property.

We have seen similar bills of this sort move through Congress in previous years mandating transfer by warranty deed rather than by quitclaim deed. As with previous similar bills, HHS is concerned about the details of H.R. 3620.

In particular, the bill describes the use of the conveyance to be for health care purposes but does not specify the actual health programs in service to American Indians and Alaska Natives. Thus, conveyance of this property under H.R. 3620 does not guarantee health care services specifically for American Indians and Alaska Natives.

In addition, barring retention of a reversionary interest (as is statutorily required for transfers of property under the Indian Self-Determination and Education Assistance Act) deprives HHS of a means to ensure that the property will return to HHS ownership if, at any time, the property ceases to be used for the provision of health services in furtherance of the purposes of this bill. This means the Federal Government would not be able to impose any obligation, term, or condition on the Tribal Health Organization with regard to the property. It effectively deprives HHS of a means to ensure that the property will continue to be used for health care services.

HHS prefers to avoid Indian Self-Determination and Education Assistance Act (ISDEAA) transfers by warranty deed as such deeds create the potential for liability if a competing property interest is subsequently discovered. The requirements of this bill differ from the Secretary's existing statutory property disposal procedures including the ISDEAA and IHS regulations at 25 C.F.R. Part 900, Subpart I.

H.R. 3620 Section 4(d)(1) regarding "Conditions" mandates the conveyance by warranty deed. However, as stated above, the HHS practice under established procedures is to convey property by quitclaim deed. If the Secretary conveys the property by warranty deed, HHS would be responsible for clearing any liens or encumbrances, not just at the time of conveyance, but anytime thereafter. Therefore, HHS can be called upon at any time to defend the title and clear encumbrances, which is a potential liability of unknown cost.

Again, we welcome the opportunity to work with this subcommittee and the drafter of the bill on prospective amendments, including the reference to the environmental warranty required by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

With these concerns in mind, HHS supports the purposes of the bill to convey the property to the Southcentral Foundation in order to facilitate providing improved health services to American Indians and Alaska Natives in Alaska.

H.R. 3670

H.R. 3670 would amend the Indian Health Care Improvement Act (IHCIA) to establish an Office of Graduate Medical Education (GME) Programs in the IHS. The legislation, through this established IHS office, would create a mechanism for future health care professionals, paraprofessionals, and other health related professionals to participate in residency and fellowship programs. The office would also oversee, serve as the hub, and consult and coordinate with academic institutions on current residency and fellowship programs at IHS facilities. The IHS office would also work with academic institutions to coordinate medical student and elective rotations and educational track programs.

In furtherance of the office, the Secretary of HHS would work with other HHS agencies, such as Health Resources and Services Administration, the Centers for Medicare and Medicaid Services, and other Departments, such as, Labor and Veterans Affairs, to create an interagency working group to assist in the development of the IHS office and plan for long term stability of the IHS office. The legislation also seeks quarterly reports to Congress, every three months, for 10 years, on the activities of the working group and authorizes \$4 million for fiscal year 2027 and each following fiscal year.

In the IHS there are over 1,330 vacancies for health care professionals including physicians, dentists, nurses, pharmacists, physician assistants, and nurse practitioners, and the overall vacancy rate for IHS is 29%, with primary positions, such as Physicians, Physician Assistants, Nurses, and Dentists, having an average 33% vacancy rate.

The IHS welcomes the opportunity to work with this subcommittee and the bill sponsor to fine tune the legislation.

We look forward to continuing our work with Congress on these bills and welcome the opportunity to provide technical assistance as requested by the Subcommittee or its Members. We are committed to working closely with our stakeholders and understand the importance of working with partners to address the needs of American Indians and Alaska Natives.