



# Chairman Ken Calvert

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

---

Fiscal Year 2019 Budget Hearing: Indian Health Service  
April 17, 2018  
Opening Statement

---

Good morning everyone and welcome to the House Appropriations Committee's oversight hearing on the Indian Health Service budget for federal fiscal year 2019.

We are joined this morning by the Acting Director of the Indian Health Service, Rear Admiral Michael Weahkee; Chief Medical Officer, Rear Admiral Michael Toedt; Director of Environmental Health and Engineering, Rear Admiral Gary Hartz; and the Acting Director of Finance and Accounting, Ms. Ann Church. Thank you all for being here today and for your dedication to the mission of the Indian Health Service.

As stated by Congress in the permanent reauthorization of the Indian Health Care Improvement Act, "it is the policy of this Nation, in fulfillment of its special trust responsibilities and legal obligations to Indians — to ensure the highest possible health status for Indians and urban Indians and to provide all resources necessary to effect that policy." The National Indian Health Board estimates that the full needs-based budget for the Indian Health Service is \$32 billion in 2019. The current fiscal year budget is \$6.9 billion and is comprised of \$5.5 billion in discretionary appropriations, \$150 million in mandatory appropriations, and an estimated \$1.2 billion in collections from Medicaid, Medicare, and other sources. The Administration proposes a \$114 million net decrease in appropriations for the IHS in 2019. While some of the specifics in the proposal may have merit and warrant further consideration by this subcommittee, I think it is safe to say that an overall cut to the Indian Health Service budget continues to be a nonstarter for this Republican Congress.

This subcommittee will continue to place the Indian Health Service budget among its highest priorities for 2019. Over the past eight years, the IHS budget as a percentage of the total bill has grown from 13 percent in 2010 to 16 percent in 2018. Over that same period, the IHS budget has increased by \$1.5 billion and accounted for half of the total growth of this bill. We are deeply proud of our work, but we recognize that much more work needs to be done.

In its latest Facilities' Needs Assessment Report to Congress, the IHS estimated that any facility built in 2016 won't be replaced for 400 years. An estimated 92,354 patient referrals for services only available outside the IHS system, costing an estimated \$424 million, were denied or deferred due to insufficient funds in 2016. Perhaps no other statistic sums up our challenge more than this one: The average life expectancy for American Indians and Alaska Natives is 4.8 years less than any other group of people in the United States.

The IHS user population is estimated to increase by 56,189 patients in 2019, costing an additional \$185 million. Pay costs across the IHS system in 2019 are an additional \$47 million. Inflation costs are an additional \$80 million. Contract support costs are an additional \$104 million. Six new or expanded facilities are scheduled to open in 2019, including three constructed via the joint venture program. Meeting the Federal government's obligation to staff these facilities is an additional \$159 million. Added together, fully meeting the Federal Government's contractual obligations and maintaining current levels of service in 2019 are estimated to cost an additional \$575 million above 2018.

The magnitude of the challenge before us is enormous, and is on par with the wildland fire funding challenge that this subcommittee has been battling for the last several years until recently finding a solution. That is why, like fire funding, the Administration and Congress need to continue to consider every option and strategy for providing high quality health care to American Indians and Alaska Natives, and fulfilling the commitments made by our predecessors. I look forward to continuing that discussion today and in the days ahead.

###