National Indian Health Board

TESTIMONY OF THE NATIONAL INDIAN HEALTH BOARD – VICTORIA KITCHEYAN, CHAIRMAN
AMERICAN INDIAN & ALASKAN NATIVE PUBLIC AND OUTSIDE WITNESS HEARING
HOUSE APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON INTERIOR
MARCH 6, 2019, 9:30AM

Chairwoman McCollum, Ranking Member Joyce, and Members of the Subcommittee, thank you for holding this important hearing. On behalf of the National Indian Health Board and the 573 federally-recognized Tribes we serve, I submit this testimony on the Indian Health Service (IHS) FY 2020 budget.

The federal government has yet to live up to the responsibility to provide adequate health services to nation's indigenous Peoples. Historical trauma, poverty, lack of access to healthy foods, loss of culture and many other social determinants of health as well as lack of a developed public health infrastructure in Indian Country all contribute to the poor state of American Indian/ Alaska Native (AI/AN) health. AI/ANs suffer some of the worst health disparities of all Americans. Overall life expectancy for AI/ANs is 5.5 years less than the national average. According to the Centers for Disease Control and Prevention, in 2016, AI/ANs had the second highest age-adjusted mortality rate of any demographic nationwide at 800.3 deaths per 100,000 people. In addition, AI/ANs have the highest uninsured rates (25.4%); higher rates of infant mortality (1.6 times the rate for Whites); higher rates of diabetes (7.3 times the rate for Whites); and significantly higher rates of suicide deaths (50% higher). AI/ANs also have the highest Hepatitis C mortality rates nationwide (10.8 per 100,000); and higher rates of chronic liver disease and cirrhosis deaths (2.3 times that of Whites). Further, while overall cancer rates for Whites declined from 1990 to 2009, they rose significantly for AI/ANs.

All of these determinants of health and poor health status could be dramatically improved with adequate investment into the health, public health and health delivery systems in Indian Country. In FY 2017, the IHS per capita expenditures for patient health services were just $3,332, compared to $9,207 per person for health care spending nationally.

Tribes are grateful for the recent increases to the IHS Appropriation over the last several years but we note that these increases have not really allowed for expanded services or improvements in equipment, buildings or staffing. While the IHS annual appropriated budget has increased significantly in funding amount since FY 2008, much of this increases simply covers needs associated with population growth, inflation, the rightful full funding of Contract Support Costs and maintenance of current services. This leaves little extra money for actually making marked improvements in health services or to build public health infrastructure for AI/ANs.

<u>IHS Advance Appropriations</u>

First, NIHB requests that this committee continue to work to secure advance appropriations for IHS. We thank Chairwoman McCollum for taking the lead on this issue in the House by introducing H.R. 1128 – the Indian Programs Advance Appropriations Act, which would enact advance appropriations for IHS services and other programs serving Indian Country. NIHB stands ready to assist you with moving this legislation through Congress.

The most recent 35-day government shutdown at the end of 2018 and start of 2019 destabilized Native health delivery and health care provider access; as well as Tribal Governments, families, children and individuals. With the further likelihood of shutdowns and delayed federal appropriations, Tribes firmly believe that advanced appropriations for IHS will allow for greater planning, more efficient spending, and higher quality care and government services for AI/ANs. As you are aware, the federal government has a unique government-to-government relationship with Tribes that is enshrined in the U.S. Constitution, upheld by U.S. Supreme Course case law, and reinforced by numerous federal statutes.

Advance appropriations would help honor the federal trust responsibility and help ensure that the federal government meets its obligations to the Tribes in the event that Congress cannot enact the federal appropriations by the start of each fiscal year. In September 2018, the Government Accountability Office (GAO) issued a report (GAO-18-652) that noted that "uncertainty resulting from recurring CRs and from government shutdowns has led to adverse financial effects on tribes and their health care programs." Clearly, the current funding schedule is diminishing the already strained IHS budget. Advance appropriations would help provide a better continuity of care, resulting in better health outcomes for AI/ANs, and would allow for more efficient use of appropriated dollars. Advance appropriations will not solve the chronic underfunding of the Indian health system. NIHB and Tribes have consistently supported moving IHS to mandatory funding as a permanent solution. However, we believe that advance appropriations is an important interim step while the IHS prepares to transition to mandatory funding.

Sequestration

We also urge you to fully exempt the Indian Health Service (IHS) from across the board sequestration cuts that might occur in FY 2020. Even a 2% reduction is too much for an agency that provides direct health services and is already severely underfunded. The IHS and other programs serving Indian Country should not be used to balance the federal budget, and failure to completely exempt Tribal governments from sequestration will mean that Tribal communities are deprived of essential functions, resulting in loss of opportunity and even loss of life.

FY 2020 Funding Recommendations

The following budget recommendations reflect the IHS Tribal Budget Formulation Workgroup (TBFWG) recommendations for FY 2020.[1] The workgroup is comprised of Tribal leaders, technicians and researchers, nationwide, who come together each year to form Indian Country's priorities as they relate to IHS. Tribes recommend **$36.8 billion** to fully fund IHS. This includes amounts for personal health services, wrap-around community health services and facility, capital investments. Within this $36.8 billion is: **$22 billion** for Medical Services; **$1.77 billion** for Dental and Vision Services; **$4.29 billion** for Community and Public Health Services; and **$9.28 billion** for facility upgrades and upfront costs (non-recurring investments). To begin the 12 year phase-in of the full $36.8 billion request, Tribes recommend a **$7.1 billion appropriation** in FY 2020. All areas of the IHS budget are important, and we hope to see a strong increase across the IHS budget for FY 2020. However, the Tribes have identified several top priorities including *Hospitals & Clinics; Purchased/Referred Care (PRC)*; *Mental Health*; *Alcohol & Substance Abuse Services;* and *Dental Services.*

Hospitals and Clinics – In FY 2020, Tribes recommend **$2.5 billion** for Hospitals and Clinics (H&C) which is $349 million over the FY 2019 enacted level. The Hospitals and Clinics (H & C) line item provides the base funding for the 650 hospitals, clinics, and health programs that operate on Indian reservations, predominantly in rural settings. IHS H&C faces tremendous challenges. Some of these factors include: Increased demand for services related to trends in significant population growth; increased rate of chronic diseases; rising medical inflation; difficulty in recruiting and retaining providers in rural health care settings; and lack of adequate facilities and equipment. Increasing H&C funding is necessary as it supports the following: all primary medical care services, including inpatient care; routine ambulatory care; medical support services, such as laboratory, pharmacy, medical records, information technology and other ancillary services. It also provides the greatest flexibility to support community

[1] The full FY 2020 Tribal Budget Request is available at http://nihb.org/legislative/budget_formulation.php

health initiatives targeting health conditions disproportionately affecting AI/ANs such as diabetes, maternal and child health, and communicable diseases including influenza, HIV/AIDS, and hepatitis.

Health IT: One area within the H&C line item is the area of Health Information Technology (HIT). IHS does not receive dedicated and sustainable funding for the agency to adequately support health IT infrastructure, including full deployment of electronic health records (EHRs). The current Resource and Patient Management System (RPMS), is a comprehensive suite of applications that supports virtually all clinical and business operations at IHS and most Tribal facilities, from patient registration to billing. Many Tribes are choosing to leave the system because the IHS cannot properly maintain and update the system which further exacerbates the challenges. This results in less funding for IHS to operate and maintain the system. The Veterans' Health Administration (VHA) has announced a move to a commercial off the shelf system. This puts RPMS at risk because it is linked to the VHA EHR and receives technical updates and changes as a result of the VHA's work. NIHB echoes the TBFWG request to create a separate funding line item for Health IT so that IHS can either update the current EHR or initiate a process similar to that of the VHA. This would also protect H&C funds to support direct care for patients.

Purchased/Referred Care (PRC) – In FY 2020, Tribes recommend **$1.4 billion** for the Purchased/Referred Care (PRC) program. This is $426 million above the FY 2019 enacted level. The PRC budget supports essential health care services from non-IHS or non-Tribal providers. In FY 2016, PRC denied over $423.6 million in services – that's 92,354 needed health care services that AI/ANs were denied from receiving. This core funding is still a top priority for the Tribes, as some geographic service Areas rely heavily on PRC dollars, and we hope to see it continued as a priority in FY 2020. These deferrals are real lives.

Mental Health – In FY 2020, Tribes are recommending **$254.7 million**. This is $149.4 million above FY 2019 enacted. This significant increase is needed to increase the ability of Tribal communities to develop innovative and culturally appropriate prevention programs that are so greatly needed in Tribal communities. Research has demonstrated that AI/ANs do not prefer to seek mental health services through Western models of care due to lack of cultural sensitivity; which suggests that AI/ANs are not receiving the services they need to help reduce these alarming statistics.[2] In the California Area, for example, the lack of funding is reflected in the 2017 Government Performance and Results Act (GPRA) Data. Over 2,500 youth and almost 10,000 AI/AN patients were not screened for depression at Tribal programs in the California Area. Of patients that were diagnosed with depression, only 30% received a prescription for antidepressants with enough medication (with refills) to last 12 weeks, and only 10% received enough medication (with refills) to last 6 months. An increase in funding and subsequent staffing would allow a greater percentage of the population to be screened, seen by behavioral health specialists and most importantly, treated.

Alcohol and Substance Abuse – In FY 2020, Tribes recommend **$351.2 million** for the Alcohol and Substance Abuse budget. This is $105.7 million above the FY 2019 enacted level. Of the challenges

[2] Beals, J., Novins, D.K., Whitesell, N.R., Spicer, P., & Mitchell, C.M., & Manson, S.M. (2005). Prevalence of mental disorders and utilization of mental health services in two American Indian reservation populations: Mental Health disparities in a national context. *American Journal of Psychiatry, 162,* 1723-1732.

Walls, M. L., Johnson, K. D., Whitbeck, L. B., & Hoyt, D. R. (2006). Mental health and substance abuse services preferences among American Indian people of the northern Midwest. *Community Mental Health Journal, 42*, 521 -535.

facing AI/AN communities and people, no challenge is more far reaching than the epidemic of alcohol and other substance abuse. Alcohol and substance abuse has grave impacts that ripple across Tribal communities causing upheaval and adverse experiences that begin or perpetuate a cycle of abuse breaking the social fabric of our traditions and ties to one another. Increasing resources to combat Alcohol and Substance Abuse is needed to break the cycle and reduce the disease and cost burden currently experienced by our Tribal communities. NIHB was pleased to see $10 million allocated for the Special Behavioral Health Pilot Program in the FY 2019 conference report. We encourage the Committee to build on this investment in FY 2020, and work with authorizing committees to enact mandatory appropriations for this program, as is the case for the Special Diabetes Program for Indians (SDPI). SDPI works because it is consistent, broad-based funding that reaches a significant amount of Tribes each year. We believe that this new program will experience the same success if it is given similar funding and structure.

Dental Health – For FY 2020, Tribes recommend **$288 million** for Dental Health. This is $83.3 million above the FY 2019 level. In the general U.S. population, there is one dentist for every 1,500 people, but in Indian Country, there is only one dentist for every 2,800 people. Nationally, American Indian children have the highest rate of tooth decay than any population group in the country. On the Pine Ridge Reservation, the W.K. Kellogg Foundation found that 40% of children and 60% of adults suffer from moderate to urgent dental needs, including infections and other problems that could become life-threatening. It is not an exaggeration to say that the current dental care delivery system is failing Tribal communities. This is why Tribes continue to advocate for the expansion of Dental Therapists (DTs), which have been practicing successfully in Alaska Native communities for over a decade. DTs are primary oral health providers and work as part of the dental team with a dentist to provide a limited scope of services to patients. DTs live and work in communities they serve providing routine care to patients so that the need for emergency services is minimized and patients are experiencing greater overall oral health outcomes.

Facilities: In FY 2020, Tribes recommend a total of **$887.9 million** for facilities appropriations which is an increase of $9 million over the FY 2019 enacted level. These increases will be used to increase maintenance and improvement on IHS facilities, speed up the funding of projects on the IHS Healthcare priority list, and improve sanitation conditions in Tribal communities. IHS facilities represent some of the oldest health facilities in the nation and at current rates of funding a new facility built today would not be replaced for another 400 years![3] Investments in Indian health facilities will allow the care provided in our communities to commensurate other health systems in the United States.

Other Sources of Indian Health Funding

While the above recommendations address the IHS budget, the federal trust responsibility for health extends beyond the IHS. For example, Medicaid represents roughly 67% of 3rd party revenue at the IHS, and 13% of overall IHS spending. Changes to Medicaid in order to curtail use – such as the imposition of work requirements – will only have the effect of taking funding away from the IHS budget. We also encourage this Subcommittee to work with **other agencies at the Department of Health and Human Services to ensure that funds reach Tribal communities**. Specific funding "set asides" for Tribes or language that directs the HHS to specifically fund Tribal communities will ensure that appropriated dollars reach Tribes.

[3] *"Federal Indian Trust Responsibility: The Quest for Equitable and Quality Indian Healthcare - The National Tribal Budget Formulation Workgroup's Recommendations on the Indian Health Service Fiscal Year 2018 Budget."* June 2016. P. 64.