

**Responses of the Honorable Jarred-Michael Erickson, Chairman, Confederated Tribes of the Colville Reservation, to questions for the record from April 30, 2024, legislative hearing on the H.R. 7516, the “Purchased and Referred Care Improvement Act.”**

Questions from Rep. Westerman:

1. In your written testimony, you stated how detrimental the dysfunction in the PRC system has been for the Colville tribe and subsequently Colville tribal members.

Control of the PRC program was returned to the Colville Service Unit in 2022. Since then:

**a. Has the PRC program improved since control was returned to the Colville Service Unit?**

The PRC program is worse following the Portland Area Office’s transfer of the program back to the Colville Service Unit because the Area Office allowed thousands of open purchase orders to accumulate while it had the program. This has created a significant additional workload for our local IHS employees, who are trying to clear the backlog of open purchase orders while processing new PRC requests from tribal members.

**b. Has IHS improved the timeliness of their payments to providers since 2022?**

Our local IHS staff is trying to improve the timeliness of payments to providers, but this effort has been hampered by the legacy of the Portland Area Office’s administration of the PRC program. Much of the local IHS staff’s time has been spent trying to pay PRC providers for unpaid purchase orders that accumulated during the Portland Area Office’s administration of the program. Local IHS staff are also trying to renew PRC provider agreements with local providers that left the PRC program during that same time because of unpaid bills.

Also, one of the chokepoints in the PRC process is the fiscal intermediary (FI). The FI’s role is to evaluate the bills that providers generate for a PRC patient visit and adjust them (if needed) downward if the provider is billing for services or amounts that IHS will not pay under the PRC provider agreement. IHS has contracted with Blue Cross/Blue Shield (BCBS) in Albuquerque, NM, to serve as the FI for the PRC program. Tribes have no control over the FI or its workload, so often the delay in providers being paid is due to delays on the part of the FI. IHS manages the FI contract and presumably could prod BCBS to perform better through penalties in its agreement with the FI.

**c. Are there any further improvements the Colville Service Unit needs to implement?**

Several. The lack of staff and high vacancy rate for provider and administrative positions must be addressed by IHS. We understand that IHS is in the process of increasing the salaries of PRC personnel to make them less likely to leave for other IHS positions, which would be a helpful step if implemented.

IHS must also update its hiring practices. On May 1, 2024, the Colville Service Unit lost its only full-time doctor. This departure was long planned, but because of IHS personnel policies, IHS cannot advertise a position until the position is vacant. This means that the Colville Service Unit will be without a full-time doctor for some time as IHS must start the advertising process from the beginning. This is not a Colville Service Unit issue as much as it is a IHS headquarters issue.

Finally, IHS must improve its custody of paper records and its transition from paper records to electronic health records. During the time that the Portland Area Office administered the PRC program, paper documents were lost, destroyed, and otherwise not inputted into IHS's electronic health records system. This has resulted in tribal members being ineligible to receive PRC care through no fault of their own because their eligibility records were not in the system. For those tribal members whose records were not transitioned into the system, they must produce written eligibility documentation anew to receive future PRC care—even those that have lived their entire lives on the Colville Reservation.

2. Please expand on your written statement about how IHS's inability to pay PRC claims can discourage tribal members from seeking health care.

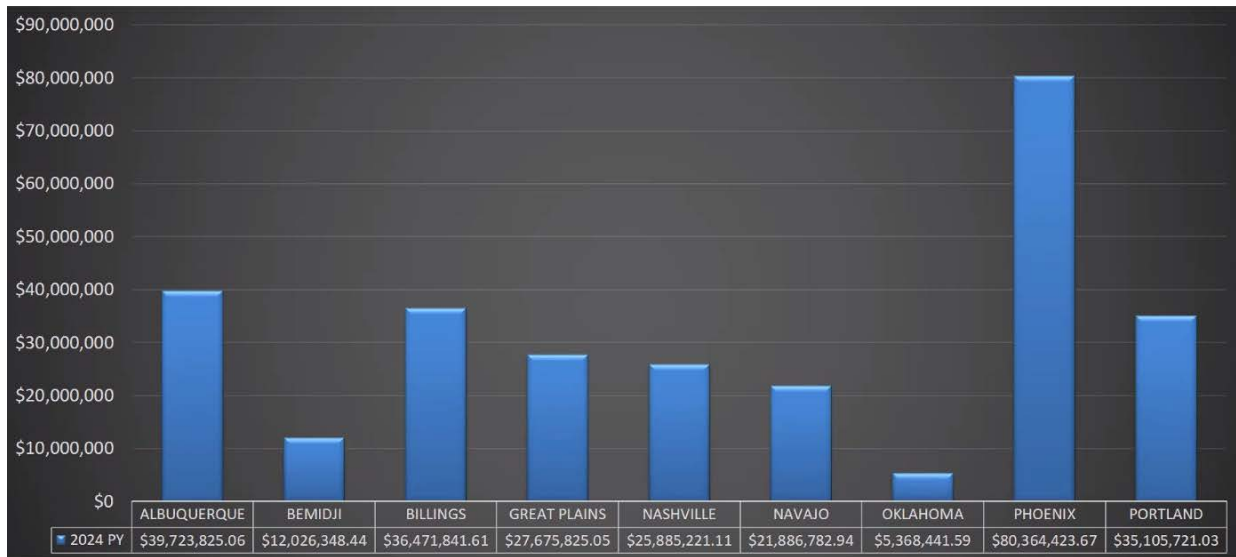
- a. **How does poor health care impact a tribal member's willingness to seek out health care?**

IHS's mismanagement of the PRC affects tribal members in multiple ways. There is a fear that if they get PRC care authorized by IHS that they will inevitably end up getting sent to collections agencies because of IHS's history of not being able to pay providers on time. Fearing this outcome, tribal members will avoid seeking care for minor medical conditions that may evolve into serious, or even life-threatening, conditions months or years later. Tribal members have lost faith in IHS and have, unfortunately, become apathetic to receiving health care until it is too late.

3. **Are you aware of any PRC program carryover funds in your region, and if so, can you provide the committee with numbers and/or documentation showing this?**

The most recent numbers that we are aware of are numbers that IHS provided in February 2024 to IHS's PRC Workgroup. Those numbers are in the graphic below and show that the Portland IHS area with \$35,105,721.03 in PRC carryover as of January 15, 2024. The Phoenix IHS Area had \$80,364,423.67 in carryover as of that same date. The amount of carryover reflected in this chart is generally consistent with the carryover balances that these IHS area offices had in 2023.

## Prior Year Funds by Area as of 1/15/2024



#### 4. **What other information and/or examples of how the PRC program has affected Colville tribal members would you like to provide to the Committee?**

Apart from the issues with IHS paying PRC providers, when the Portland Area IHS administered the PRC program for the Colville Service Unit, it imposed onerous documentation requirements not required by the IHS handbook or any other IHS authority on Colville tribal members. These requirements included requiring tribal members—including elders—on an annual basis, to produce utility bills, blood quantum and other proof of tribal enrollment, and other information not required by the IHS regulations or handbook to PRC care. Those who were unable to produce this information either went without care or obtained care on their own and subsequently faced collection agencies when IHS refused to pay. The Portland IHS Area Director, Marcus Martinez, informed the CCT in late 2022 that the additional eligibility requirements should never have been imposed, but the damage had already been done.

There are also scores of examples of how IHS's mismanagement of the PRC program has affected Colville tribal members. Here are a few:

- One individual received a \$54,000 bill after his wife, a tribal member, passed away following injuries sustained in a car accident. For unknown reasons, IHS refused to pay for the wife's emergency care. Because IHS refused to pay, the husband used money out of the insurance proceeds for the vehicle to pay the medical bills. Even though the widower used insurance funds for the totaled vehicle—and not insurance proceeds for his wife's medical care—IHS refused to reimburse the widower for the out-of-pocket payment for what should have been IHS covered emergency services.

- A tribal member was deemed ineligible for services mid-cancer treatment due to the gratuitous eligibility documentation requirements that the Portland Area Office imposed during its direct administration of the PRC program for the Colville Service Unit.
- A tribal elder receiving dental care experienced extreme weight loss while waiting for dental implants and dentures after a tooth extraction, services that were delayed because of PRC administrative issues.