DEPARTMENT OF HEALTH AND HUMAN SERVICES

STATEMENT OF

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BEFORE THE

UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON NATURAL RESOURCES

Subcommittee on Indian and Alaska Native Affairs

Hearing on

H.R. 3229 – To amend the Indian Health Care Improvement Act to Authorize Advance Appropriations for the Indian Health Service by Providing 2-Fiscal Year Budget Activity, and for Other Purposes

July 15, 2014

STATEMENT OF THE INDIAN HEALTH SERVICE

I am Elizabeth Fowler, Deputy Director for Management Operations, Indian Health Service (IHS). I am pleased to provide this statement on H.R. 3229, a bill to amend the Indian Health Care Improvement Act to authorize advance appropriations for the IHS.

The IHS is an agency within the Department of Health and Human Services (HHS) that provides a comprehensive health care delivery system for approximately 2.1 million American Indians and Alaska Natives from 566 federally recognized Tribes in 35 states. The IHS system consists of 12 Area Offices, which are further divided into 168 Service Units that provide care at the local level. Health services are provided directly by the IHS, through Tribally-contracted and operated health programs, through services purchased from private providers, and through urban Indian health programs.

When appropriations are not enacted on time and the government is either shut down or funded in increments, continuity of patient care is impacted, particularly in Tribal and urban health programs. Federal programs operate on an obligations-based system against levels of budget authority, but for Tribal and urban health programs, cash flow is critical to support the operation of their programs. It is primarily for this reason that Tribes have expressed support for advance appropriations for the IHS.

While advance appropriations could address some of the challenges of uncertain timing of annual appropriations, they would not address the more urgent issues of 1) adequately funding IHS within discretionary levels that are sufficient to support critical investments, as proposed by the President, and 2) completing annual appropriations by the beginning of the fiscal year. The impact of sequestration and tight discretionary budget caps have been clearly felt in Indian country. In FY 2013, the Joint Committee sequestration reduced IHS funding by over $200 million. No amount of planning can mitigate the effect of these cuts. Furthermore, the long-term impact of tight discretionary caps on the health and well-being of American Indians and Alaska Natives could be severe. Health care services through IHS and tribal facilities

would decrease over time, further harming a disproportionately sick and poor population. The FY 2015 Budget requests $200 million for IHS as part of the proposed Opportunity, Growth, and Security Initiative, which is fully paid for through a set of mandatory spending reforms and tax loophole closers.

IHS appreciates the Sub-Committee's desire to address some of the fiscal challenges faced by IHS-funded programs that arise from the temporary and often recurrent nature of Continuing Resolutions and threat of possible future government shutdowns. As a Deputy Director of IHS I am not the Administration's authority or decision-maker on matters related to the structure of the Federal budget process. I am, however, acutely aware of the challenges posed by any forms of funding uncertainty to Indian Country and the impact such uncertainty can have on patients and providers.

Thank you and I am happy to answer questions.