



# NATIONAL CONGRESS OF AMERICAN INDIANS

## COMMITTEE ON NATURAL RESOURCES SUBCOMMITTEE ON INDIAN AND ALASKA NATIVE AFFAIRS

### OVERSIGHT HEARING ON FY 2013 BUDGET REQUEST FOR INDIAN HEALTH SERVICE AND THE OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

March 6, 2012

#### Testimony of Jefferson Keel, President National Congress of American Indians

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1516 P Street, N.W.  
Washington, DC 20005  
202.466.7767  
202.466.7797 fax  
www.ncai.org

Good afternoon, Chairman Young, Ranking Member Boran, and members of the Committee. Thank you for giving me the opportunity to testify today. My name is Jefferson Keel. I am the President of the National Congress of American Indians (NCAI) and Lt. Governor of the Chickasaw Nation.

NCAI is the oldest and largest American Indian organization in the United States. As the most representative national Indian organization, we serve the broad interests of tribal governments across the nation. NCAI was founded in 1944 in response to termination and assimilation policies. Since then, we have fought to preserve the treaty rights and sovereign status of Indian tribes and to ensure that Indian people may fully participate in the political system. As such, we strongly support the work of the Committee and look forward to working with you in empowering our tribal nations.

#### INDIAN HEALTH SERVICE

The President's budget request demonstrates the Administration's ongoing commitment to Indian Country – and in the case of health care – the recognition of the trust responsibility for providing health care in perpetuity to all American Indian and Alaska Native people. The increase of \$116 million in the Indian Health Service (IHS) budget request was a confirmation of that commitment.

Tribal leaders annually, through the National IHS Tribal Budget Formulation Workgroup, provide IHS with tribal leader priorities for the upcoming Fiscal Year. We applaud the Administration for including targeted funding increases that have long been a priority for the Workgroup. For example:

- \$20 million increase in Contract Health Services. Contract Health Services funds are necessary to purchase health care services where direct IHS and tribal health care is non-existent or unavailable and supplemental funds are needed to provide comprehensive care. IHS estimates that this increase will provide an additional 848 inpatient admissions, 31,705 outpatient visits, and 1,116 one-way transportation services.
- \$49 million increase in Staffing and Operating Costs for New Facilities. This request will fund the staffing and operating costs for six newly constructed health centers scheduled to open in FY 2013, including three Joint Venture projects. In

addition, the request will complete the funding requirements to staff and operate two Joint Venture projects scheduled to open in FY 2012.

- \$5 million increase in Contract Support Costs. The increase will be applied to the Contract Support Costs shortfall associated with ongoing contracts and compacts with tribes and tribal organizations under the Indian Self Determination and Educational Assistance Act. A recent estimate of the shortfall for Contract Support Costs at IHS is between \$70 and 80 million. Tribes and NCAI continue to urge the agency to provide the full amount required to pay these costs.

While these increases are much needed, we must be clear that the IHS budget remains woefully short of providing full funding to the IHS system; and only full funding will ensure that parity is achieved in our healthcare system. Providing funding increases that takes into account population growth and inflation so that current services can still be provided is an important budget principle.

Tribal leaders provided Congress and the Administration a blueprint to bring parity to Indian people. The Indian Health Care Improvement Act (IHCIA) includes programs and services designed to bring the IHS into the 21<sup>st</sup> century. However, as we all know, authorization only creates the program, appropriations are needed to fulfill its promise. Currently, there are twenty-three unfunded provisions in the IHCIA. Provisions that will provide opportunities for tribes to build tribal capacity, infrastructure, and most importantly – access to health care services.

I would like to highlight three essential authorized, yet un-appropriated sections.

- 1) Sec 146: Indian Country Modular Component Facilities Demonstration Program. This program would establish a demonstration program for construction of health care facilities using modular component construction.

Indian health facilities are in desperate need of modernization. And while we wait through a 40 year backlog in construction, this innovative demonstration project will enable interested tribes the opportunity to use modern facility construction methods to save money and improve health care services.

- 2) Sec 702: Behavioral Health Prevention and Treatment Services. This section amends current law by authorizing a comprehensive continuum of behavioral health care to include community-based care, detoxification, hospitalization, and intensive out-patient treatment.

American Indians and Alaska Natives face almost epidemic rates of suicide and substance abuse. But the services necessary to treat and prevent these diseases are inadequate and extraordinarily underfunded. The section authorizes the IHS to make an assessment of the need for mental health care and the availability and cost of inpatient mental health facilities to meet the need.

- 3) Sec 713: Child Sexual Abuse and Prevention Treatment Programs. The new language amends current law by expanding a regional demonstration project and authorizes the establishment of a culturally appropriate program, in each IHS area, to treat victims of child abuse and other family member victims.

The Justice Department has reported that Indians are at least twice as likely to be raped or sexually assaulted as all other races in the United States. The Government Accountability Office conducted a study in 2011 to gauge how the IHS and tribally operated hospitals were responding. The results were that services varied from hospital to hospital. The hospitals that provided services began to do so generally in response to an unmet need, not because of direction from IHS headquarters. Indian Country's health facilities must be equipped to assist abuse victims, and provide the services necessary to prevent these incidences from ever happening.

#### **OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS**

The FY 2013 budget request for the Office of Special Trustee (OST) focuses on continuing efforts in trust management reform, oversight, daily operations, and historical accounting. The request for OST totals \$146 million and reflects a \$6.1 million decrease from the FY 2012 enacted.

In past years tribal leadership has been critical of the OST, largely because of the reorganization of traditional Bureau of Indian Affairs (BIA) functions into a separate bureaucracy. At the same time, tribes have seen improvements, particularly in the accounting for trust funds. In general, tribes have supported a plan to sunset the OST, reintegrate its functions with BIA under the high level guidance of a Deputy Secretary for Indian Affairs, the creation of an independent oversight function, and have urged that more resources should be focused at the reservation level to support tribal resource management.

Last week, the new National Commission on Indian Trust Administration and Reform held its first meeting and began its work. At the same time, we began to see some fruit bear from the long efforts at historical accounting, with an announcement that more than 50 tribes have received settlement offers, and offers have been accepted by the Confederated Tribes of the Colville Reservation, the Fort Peck Tribes, and previously the Osage Nation. We expect that more settlements will be finalized in the coming weeks and months.

Given the progress on tribal trust settlements and the newly started work of the Commission, we would strongly encourage Congress to continue its funding of OST at the requested levels. We would also urge Congress to provide additional funds for appraisals because of the significant delays caused by a lack of appraisal services. In addition, there are concerns that the probate caseload is growing and additional resources may be needed.

In the future, we hope to see a diminishing need for historical accounting as tribal trust fund cases are resolved and the Cobell settlement is put to rest. We are optimistic that the Commission will develop a plan for the future of OST that focuses on reservation management of trust resources and will continue to improve the administration of Indian trust land and trust funds.

#### **Conclusion**

I would like to offer my comments, as well as NCAI's 2013 Budget Request for the record.

Thank you for inviting me to speak with you today; and thank you for making Indian nations a priority. We look forward to working with the Committee to continue to build upon our successes. I will be happy to answer any questions that you may have.