

DEPARTMENT OF HEALTH AND HUMAN SERVICES

STATEMENT

OF

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DIRECTOR

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BEFORE THE

SENATE COMMITTEE ON INDIAN AFFAIRS

OF THE

UNITED STATES CONGRESS

OVERSIGHT HEARING ON

ABERDEEN AREA REVIEW

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STATEMENT OF THE INDIAN HEALTH SERVICE

Mr. Chairman and Members of the Committee:

Good Morning. I am Dr. Yvette Roubideaux, Director of the Indian Health Service (IHS). I am pleased to have the opportunity to testify on the Senate Committee on Indian Affairs' ongoing review of the Aberdeen Area's programs and operations. And, I am honored to have served the IHS during your tenure as Chairman of this Committee. Your leadership and concerns have had a direct impact on the manner in which IHS goes about conducting the business of delivering health care to Indian people; and, I am personally grateful for the direction you have provided toward improving health outcomes of American Indians.

As I noted in my testimony before this Committee in September, I am a member of the Rosebud Sioux Tribe of South Dakota. I have a long history with the Indian Health Service Aberdeen Area. I am aware of the longstanding challenges facing the Area, including insufficient accountability with respect to performance and financial management, and the difficulties of providing care in rural, remote, and impoverished communities with existing resources. We are determined to make meaningful progress toward addressing these issues by utilizing existing resources.

In September, I testified that the Area's management problems are not solely attributable to limited resources, but it does play a role. We can manage our human and financial resources more capably, and that is what I am committed to doing.

In fact, my priorities for our agency during my time as Director are focused on changing and improving the entire IHS system in numerous ways. Our patients, our staff, and our Tribes are all in agreement that we need to reform the IHS. I know the members of this Committee are committed to the same goal, and your investigation has been helpful in identifying additional problems and providing valuable input as we continue to work to bring needed and lasting change to the agency. As you know all too well, a quick fix won't work here – and that's why we're focused on the fundamental changes necessary for long-term success.

In addition, I continue to work to advance my priority goals for IHS in the Aberdeen Area which has helped to address many of the specific concerns raised by this Committee. I will report on these goals and then discuss both updates to the Aberdeen Area review since September and reviews for all 12 of the Areas.

Priorities for IHS reform

In September, I testified about the four agency priorities that will guide fundamental reform in IHS and the work of the agency in the coming years. Specific to my priority to reform the IHS and immediately following this Committee's September hearing, I implemented several actions to make improvements. I issued a clear and specific agency-wide directive to address the concern about individuals on the Office of Inspector General Exclusion List being hired in the Aberdeen Area. I made it clear to all IHS staff that hiring employees on the OIG General Exclusion List is unacceptable. All management and appropriate Human Resource staff were instructed to check each potential hire against the OIG Exclusion List *before* they are hired, as a part of the initial routine background clearance for all employees, and document that the Exclusion List was checked.

In addition, supervisors must also certify they have conducted reference checks, and ensure the OIG Exclusion list was checked in each case before making a selection or hiring. If any individuals are hired that appear on the OIG Exclusion List, the hiring supervisor will be held accountable. I can testify today that no Aberdeen Area employee or contractor working in the Area, which totals 2,114 individuals, is on the OIG Exclusion List. Since the hearing, we checked all 15,700 IHS employees against the OIG Exclusion List and we currently have no employees on the list.

In addition, all new hires and contractors will now undergo fingerprint checks before they report for duty, and funds are committed to upgrade software for finger printing for all 13 IHS sites in the Aberdeen Area. All new Area contracts will include pre-clearance security requirements before contractors are hired to work in our facilities.

While these actions cover the agency's own hiring process, we also issued a new policy on October 29 to ensure these same background clearance requirements apply to our contractors. New contracts awarded after October 29, 2010, must have a contract term of "security pre-clearance" for any employees referred to IHS through the contract. The contractor will be responsible for appropriate security clearance of the contract employee they are providing to the Indian Health Service, before the employee arrives on-site. Some contracts currently have this requirement. However, if the pre-clearance requirement is not currently a term in a particular contract, then the individuals who are sent to IHS through these contracts should be treated the same as employees who were hired or already on board prior to October 29. Those employees, if they will be assigned to IHS for an extended period of time, will be cleared after they begin working, as they would have been prior to the October 29 policy change. Existing contractors will be notified of this policy change.

The Committee has also previously expressed concern regarding drug diversion and pharmacy security. I am pleased to report we are strengthening pharmacy security in the Aberdeen Area. The Area Director, Ms. Red Thunder, is making funding available to purchase camera/security systems for all IHS locations. She will ensure that security measures are strengthened, including monthly monitoring of inventories of controlled substances; implementation of caged controlled substance work areas; and limited access to pharmacy work areas that include a swipe card and combination keypad lock by authorized personnel only. Seven IHS sites are renovating pharmacy areas to heighten security measures. The number of pharmacists will be increased to ensure sufficient monitoring of controlled substances. I have also directed all IHS Area Directors to review security in their pharmacies and implement security measures if not already in place.

During the September hearing before this Committee, we discussed the problem of provider's practicing on expired or restricted licenses. On an Agency-wide basis, we are reforming our hiring process to address this issue. In the Aberdeen Area, the Director is requiring additional steps in the hiring process to ensure healthcare providers have current licenses. She has instructed the Human Resources office to change the application process so that only qualified applicants who submit a copy of their current license will be cleared for referral on a selection certification, and all selecting officials are required to validate applicant licenses before selection is made. A checklist is now available for

managers to ensure all requirements are met in clearing applicants against the OIG Exclusion List, and that fingerprints are cleared and licenses have been validated before an applicant reports for duty.

The issue of prolonged use of administrative leave was also previously raised by the Committee. The Aberdeen Area Director has issued a directive outlining the administrative leave policy and requiring strict adherence to the policy. All administrative leave over eight hours must be approved by the Area Director. All leave approving officials are required to examine employee timecards each pay period to ensure compliance. I have instructed all IHS Area Directors to review their use of administrative leave and take similar actions to correct any problems they find.

The Aberdeen Area Director has implemented other actions to increase oversight and accountability of Area management and staff. Ethics and Integrity training is required as part of orientation for all new staff and is also available to all staff. Since July, at least 133 employees have completed the training. The Area Director has required monthly conference calls with Chief Executive Officers to ensure the Agency priorities are communicated to staff and to provide a forum for discussing ways of improving processes/systems and accountability. She has responded to all requests from the HHS's Program Integrity Task Force and submitted all required documents on a timely basis.

In addition to the actions listed above, the Aberdeen Area has continued to implement the recommendations made from the Area Management Review completed in April 2010. Since September, the Area Director directed all Chief Executive Officers at 12 IHS sites to provide education on the Contract Health Services guidelines and regulations to the general public, Tribal leaders, patients, and vendors, and to provide annual training for all 21 IHS and Tribal Contract Health Services programs. The training includes a provider education manual outlining the paths for navigating the IHS and CHS programs.

The Area Director implemented a comprehensive agency orientation program for all new employees, which includes a weekly video conference for all new hires and current staff.

The Area Director closed out FY 2010 budget deficit-free and FY 2010 third-party collections surpassed FY 2009 collections by \$34 million.

The Area Director requires all meetings with Tribal leadership and service unit governing body meeting agendas be structured to reflect the Agency priorities.

The Area Director has required annual reviews of service unit functions and requires corrective action plans be posted on a shared internal website for monitoring compliance with all service unit plans.

The Area Director requested and has signed a formal agreement with the IHS Headquarters Equal Employment Opportunity (EEO) program to provide oversight for the Aberdeen Area EEO functions, including the development of a training plan for all supervisors, managers, and counselors. The training will include Basic EEO, Alternative Dispute Resolution, and NoFear Act. She has required all 12 IHS sites to identify counselors to attend the training.

The Area Director has begun holding quarterly meetings between Service Unit executive leadership and Area Office staff to address budgets, human resources, and facility accreditation issues. CEO's are required to review productivity reports on various services in order to monitor productivity and service delivery and ensure appropriate action is taken when areas of deficiency are identified through performance indicators, such as the Government Performance Results Act measures.

The Area Director has filled all but one of the Area Chief Executive Officer positions at 12 IHS sites, and interviews are being scheduled in consultation with tribes to fill the remaining CEO vacancy. All, but two of the Clinical Director positions at IHS sites are filled and the Area is actively recruiting to fill these positions. Of course, Area Director, Ms. Red Thunder and her leadership team have not always been perfect. Nevertheless, she has done a commendable job of making meaningful progress in addressing management issues, at times, under extremely challenging conditions – in an Area known for having particularly

serious problems. That's one of the reasons why Ron His Horse is Thunder stated during the last hearing that tribes consider Ms. Red Thunder the best Aberdeen Area Director they have ever had.

IHS Reform for all 12 Areas

I originally began this work last year, by initiating a series of administrative reviews of all 12 IHS Areas to examine key administrative functions in order to identify best practices and areas for improvement. As a result of concerns expressed by the Committee that some of the issues identified in the Aberdeen Area may be occurring in other Areas, we-intensified our activities to review other Areas and develop a structure for more regular oversight of the management of all 12 IHS Areas. The reviews were designed to obtain an initial assessment of the administrative issues in all the IHS Areas, and included some, but not all, of the issues raised by the Committee's investigation. However, in response to the Committee's concerns, I have instructed senior leadership to do the following:

- a. Incorporate all the concerns raised by the Committee's investigation into the Area reviews;
- b. Accelerate the reviews so that all 12 Area reviews are completed within a two-year time period;
- c. Implement recommendations of the Aberdeen Area Program Integrity Task Force; and,

- d. Develop a timetable for reviewing all IHS-operated facilities with a focus on identifying and reviewing the highest risk facilities first.

In response to the Committee's announcement of its investigation into problems in the Aberdeen Area, the HHS Council on Program Integrity established the Aberdeen Area Program Integrity Task Force. The Task Force is reviewing IHS policies and standards, as well as the problems identified by the Committee to ensure that: (1) proper policies and procedures are in place in the Aberdeen Area; and (2) those policies and procedures result in corrective actions that prevent problems and improve service in the Aberdeen Area. We will use the Task Force's recommendations, which will be completed by early spring, to help formulate the reviews in all 12 Areas.

While these reviews are conducted over a two year period with available resources, I plan to implement corrective actions at the time problems are identified and will not wait until the end of the two year period to correct problems. I am committed to working to correct any problems as soon as they are identified and I have already begun to address issues raised in the last hearing. We will have the ability to incorporate into reviews an oversight function to make sure actions I have directed Area Directors to take have been implemented. I am also incorporating specific measurable performance indicators that must be met by all agency senior leadership, including Area Directors and CEOs, that will demonstrate whether improvements have actually

been made. I will hold senior leadership and Area Directors accountable for failure to implement these corrective actions.

I want to assure the Committee that the Administration supports my efforts to change and improve the way the IHS does business, and the way its employees provide health care.

The IHS is committed to cooperating fully with the Chairman's investigation. My staff and I have worked to be as responsive as possible to the Committee's requests for documents within the stated timeframes, and to answer follow-up questions and requests for clarification expeditiously. Providing complete and timely agency responses to all the Committee's information requests is and will continue to be a top priority of mine through the completion of the Committee's review of the Aberdeen Area operations.

Mr. Chairman, this concludes my statement. Thank you again for your long-standing commitment to improve Indian health, both in the Aberdeen Area and throughout IHS, and for the opportunity to testify today on the Aberdeen Area Indian Health Service programs.

I will be happy to answer any questions you may have.