



Indian Health Service Press Release

IHS-01-2005
February 7, 2005

FOR IMMEDIATE RELEASE

Contact: (301) 443-3593, FAX (301) 443-0507

President Signs Fiscal Year 2005 Budget With 2.2% Increase for Indian Health Service

The final fiscal year (FY) 2005 budget authority for the Indian Health Service (IHS), an agency in the Department of Health and Human Services (HHS), is \$2.99 billion. This is a \$63 million, or approximately 2.2%, increase over the FY 2004 enacted budget level. Adding in funds from health insurance collections estimated at \$633 million, designated diabetes appropriations of \$150 million, and \$6 million for staff quarters rental collections, increases the budget for the IHS to \$3.8 billion in program level spending.

The FY 2005 IHS appropriation includes an \$11 million budget increase for the Indian Health Care Improvement Fund to further the goal of eliminating health status disparities among American Indians and Alaska Natives by reducing resource deficiencies for all Tribes. Because health deficiencies in Indian country can not be eliminated at once, the fund is allocated by formula to Tribes with the most severe deficiencies, where the funds will have the greatest immediate impact.

These increases reflect the impact of the Department's Tribal budget consultations and a continuing Federal Government commitment to provide for the health of members of federally recognized Tribes.

CURRENT SERVICES

The budget includes an additional \$9.4 million toward covering increased Federal employee pay costs and to allow Tribally run health programs to provide comparable pay raises to their staffs.

An additional \$23 million is included to add staffing for five outpatient facilities scheduled to open during FY 2005—the Pinon and Westside health centers that serve the Navajo and Tohono O'odam Nations in Arizona, the Dulce health center that serves the Jicarilla Apache Tribe in New Mexico, the Idabel facility that serves the Choctaw Nation in Oklahoma, the King Cove facility that serves the Agdaagux Tribe in Alaska, and the Annette Island health center that serves the Metlakatla Indian community in Alaska. When fully operational, these facilities will double the number of primary care provider visits that can be provided and bring new services to these sites, including a full range of ambulatory care services to Pinon; and laboratory, radiology and emergency care services to Annette Island.

HEALTH FACILITIES CONSTRUCTION

The budget includes \$89 million for health facilities construction, including \$36 million to complete construction of two outpatient facilities in FY 2006, serving the Navajo Nation at Red Mesa, AZ, and the Sisseton-Wahpeton Sioux Tribe at Sisseton, SD, area. When completed, the outpatient facilities will provide an additional 36 primary care provider visits, replace the 68-year-old Sisseton hospital, and bring 24-hour emergency care services to the Red Mesa area for the first time.

Approximately \$10 million is included to provide necessary staff housing for the health facilities at Zuni, NM; Fort Belknap, SD; and Wagner, SD. Having adequate local housing will make it easier to recruit and retain health care professionals at these sites.

Also included in the FY 2005 budget is \$19 million to fully fund construction of an outpatient facility serving the Cheyenne and Arapaho people in Clinton, OK, with an expected completion date in FY 2007. The new facility will be nearly twice the size of the existing Clinton Indian Hospital, which it is replacing. Services to be provided at the new facility will include audiology, physical therapy, health education, environmental health, and optometry, with a projected 12,385 primary care provider visits annually.

PREVENTIVE HEALTH SERVICES

The 2005 budget includes an additional \$2 million to expand the Director's Health Promotion and Disease Prevention Initiative through effective low-cost health interventions designed and implemented by the local community. The budget also includes an additional \$2.5 million to add new epidemiology centers and increase support for the existing seven centers. These centers are critical in helping to identify diseases to target, strategies for successful intervention, and testing of effectiveness of implemented health intervention.

Also, an additional \$2 million is included to add 30 (for a total of 516) new community health aides/practitioners (CHA/P) to provide service in Alaska Native communities with there is no access to IHS hospitals or outpatient facilities except by air. The CHA/P program provides the only local source of health care in many of these communities and helps to greatly reduce transportation costs by serving as an alternative to bringing patients to treatment centers.

CONTRACT HEALTH SERVICES

The budget includes an additional \$19 million for contract health service (CHS) costs. The IHS uses CHS funds to supplement the care provided in its own facilities by purchasing medical care from hospitals and health providers. These CHS funds pay for specialty care, including most types of surgery, and are used to purchase all medical care for Tribes that do not have an IHS facility nearby.

The Medicare Prescription Drug, Improvement, and Modernization Act will allow for the purchase of additional medical care by increasing IHS's bargaining power when buying services from Medicare-participating hospitals.

URBAN INDIAN HEALTH PROGRAM

In addition to providing funds for the provision of health care services to Indian people on or near reservations, the IHS 2005 budget also provides \$32 million to help support 34 urban Indian health organizations that provide service in cities with large numbers of Indian people. These organizations deliver primary medical services, basic preventive health services, outreach/referral services, and alcohol drug treatment services.

SPECIAL DIABETES PROGRAM FOR INDIANS:

The budget includes \$150 million for diabetes prevention/treatment grants. The IHS awards grants to 318 Tribes and Indian organizations. Over the past 4 years, \$500 million has been provided to support diabetes prevention and disease management activities at the local level. This program has substantially increased the availability of services such as basic clinical exams, newer treatment medications and therapies, laboratory tests to assess diabetes control and complications, screening for diabetes and pre-diabetes, nutrition education, and physical fitness activities.



NOTICE TO EDITORS: For additional information on this subject, please contact Dianne Dawson, Public Affairs Staff, at 301-443-3593. Additional information about the IHS is available on the IHS website <http://www.ihs.gov> and <http://info.ihs.gov>



FY 2005 Budget Overview for the Indian Health Service

(Dollars in thousands)

	FY 2004 (Enacted)	FY 2005 (Enacted)*	FY 2005 +/- FY 2004
Clinical Health Services:			
Hospitals & Clinics	\$1,249,781	\$1,289,418	+39,637
Dental Health	104,513	109,023	+4,511
Mental Health	53,294	55,060	+1,766
Alcohol & Substance Abuse	138,250	139,073	+823
Contract Health Services	479,070	498,068	+18,998
<i>Total, Clinical Services</i>	2,024,908	2,090,642	+65,734
Preventive Health Services:			
Public Health Nursing	42,581	45,015	+2,434
Health Education	11,793	12,429	+636
Community Health Reps.	50,996	51,365	+369
Immunization AK	1,561	1,572	+11
<i>Total, Preventive Health Programs</i>	106,931	110,381	+3,450
Other Services:			
Urban Health	31,619	31,816	+197
Health Professions	30,774	30,392	-382
Tribal Management	2,376	2,343	-33
Direct Operations	60,714	61,649	+935
Self-Governance/	5,644	5,586	-58
Contract Support Costs	267,398	263,683	-3,715
<i>Total, Health Services Programs</i>	2,530,364	2,596,492	+66,128
Indian Health Facilities:			
Maintenance & Improvement	48,897	49,204	+307
Sanitation Facilities	93,015	91,767	-1,248
Health Care Facilities Construction	94,554	88,597	-5,957
Facilities & Environmental Health Support	137,803	141,669	+3,866
Medical Equipment	17,081	17,337	+256
<i>Total, Facilities Programs</i>	391,350	388,574	-2,776
<i>TOTAL BUDGET AUTHORITY</i>	2,921,714	2,985,066	+63,352
Collections:			
Insurance (Medicare/Medicaid/private)	628,247	632,829(est)	+4,582
Staff Housing	6,172	6,200	+28
Allocations from other Sources:			
Special Diabetes Program for Indians	150	150	0
<i>TOTAL PROGRAM LEVEL</i>	3,706,133	3,774,095	+67,962

*Includes rescissions.