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Dear Tribal Leader:

The Indian Health Service (IHS) received \$500 million for improvements in Indian health through the American Recovery and Reinvestment Act of 2009 (Recovery Act). The primary purpose of the Recovery Act is to stimulate the economy by providing funding to Federal agencies and Tribal, State, and local governments for projects that will create jobs. With this purpose in mind, the Recovery Act includes \$227 million for health facilities construction, \$100 million for maintenance and improvements, \$85 million for health information technology, \$68 million for sanitation facilities construction, and \$20 million for health equipment that will help improve healthcare in Indian Country.

Recovery Act health facility construction funds will be used to complete the construction of the new IHS Eagle Butte Health Center in Eagle Butte, South Dakota, and the Norton Sound Regional Hospital in Nome, Alaska. The new Eagle Butte Health Center will serve approximately 9,300 American Indians residing on the Cheyenne River Reservation and replace the existing facility, which, at approximately one-third its size, is stressed to meet community needs. The new Norton Sound facility replaces a 61-year-old hospital that is similarly stretched to capacity. These projects will create a substantial number of new jobs in construction, transportation, and other professions, and help fight unemployment in both locations.

Recovery Act sanitation facilities funds will be used to complete 169 sanitation facilities projects underway in 24 states. These projects will provide potable water, wastewater disposal and solid waste systems to nearly 16,000 American Indian and Alaska Native (AI/AN) homes and communities, help foster economic growth, and create jobs.

Many IHS and Tribal facilities require structural renovation, expansion, and updates to accommodate modern healthcare delivery practices. By providing targeted funding for 302 maintenance and improvement projects, the Recovery Act will provide substantial upgrades to Indian health system facilities, expanding care delivery options to address the growing medical service needs throughout Indian Country.

Recovery Act funds will be used to modernize electronic health information technology throughout the Indian health system, strengthening the existing infrastructure and positioning the Agency and Tribes to take better advantage of data to enhance quality improvement processes, evaluate patient outcomes, and achieve operational efficiency and productivity gains. I am pleased and encouraged to note that approximately 95 percent of Recovery Act-funded health information technology activities will be accomplished through commercial contracts and Indian Self-Determination and Education Assistance Act (ISDEAA) agreements with Tribes and Tribal organizations. The IHS will use up to 5 percent of these dedicated funds for administrative costs, project management, and Recovery Act transparency reporting.

Finally, Recovery Act funds will be used to purchase over 200 pieces of medical equipment, including 62 ambulances and 10 Computed Tomography (CT) scanners, all of which will contribute substantially to improved patient care. Additional items slated for purchase include cardiac monitoring equipment, equipment for integration of electronic patient records, blood chemistry analyzers, dental equipment, emergency defibrillators, and x-ray systems, among others. Recovery Act-acquired equipment will be distributed across 25 states.

In drafting the Recovery Act, Congress explicitly identified ISDEAA Contract and Self-Governance Compact funding agreements as mechanisms that could be used by the IHS to distribute the funds to Tribes and Tribal organizations in the most time-sensitive manner possible. Recovery Act funds are allocated by Congress on a one-time basis for a specific purpose, separate and apart from ISDEAA contract or compact funding.

Enclosed is a contract/compact Addendum. This document is the result of many meetings in a very short timeframe and numerous compromises by all parties within the IHS, and among the IHS, the DOI, and the Office of Management and Budget (OMB). Addendum provisions reflect funding requirements imposed on recipients by the Recovery Act and are intended to clarify responsibilities associated with accepting Recovery Act funds.

A signed and dated Addendum must accompany any request for Recovery Act funds for equipment and construction, including Subpart J contracts and Subpart N agreements. The IHS and the OMB intend for this Addendum to be used as is, without change, and the document is not subject to negotiation. Accordingly, each Tribe or Tribal organization entering into an agreement must accept and sign the Addendum in its totality in order to access Recovery Act funds.

If you are interested in tracking the progress of Department of Health and Human Services/IHS activities funded through the Recovery Act, including detailed lists of the funding categories described above, please visit the Department's Recovery Act Web site at www.hhs.gov/recovery. To track the status of all Federal funding provided through the Recovery Act, along with up-to-date data on the expenditure of funds, please visit www.recovery.gov.

Questions related to Title V Self-Governance compacts or funding agreements should be directed to Ms. Hankie Ortiz, Director, Office of Tribal Self-Governance, IHS, at (301) 443-7821. For questions related to Title I contracts or annual funding agreements, please contact Mr. Ron Demaray, Acting Director, Office of Tribal Programs, IHS, at (301) 443-1104.

Sincerely yours,

/Yvette Roubideaux/

Yvette Roubideaux, M.D., M.P.H.
Director

Enclosure: Addendum to Tribal Contracting Agreements to Transfer Funds Pursuant to the American Recovery and Reinvestment Act of 2009