



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Fiscal Year
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Indian Health Service

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EXECUTIVE SUMMARY

Agency Overview

United States Government and Indian Nations

The provision of Federal health services to American Indians and Alaska Natives is based on a special relationship between Indian Tribes and the United States. The Indian Commerce Clause of the United States Constitution, as well as numerous treaties and court decisions, have affirmed this special relationship and the plenary power of Congress to create statutes that benefit Indian people. Principal among these statutes is the Snyder Act of 1921, which provides the basic authority for health services provided by the Federal Government to American Indians and Alaska Natives.

The Indian Health Service and Its Partnership with Tribes

For more than 120 years, Federal trust responsibility for American Indian and Alaska Native health care passed among different government branches. In 1955, this responsibility was officially transferred to the Public Health Service.

In the 1970s, Federal Indian policy was re-evaluated by the Nixon Administration, which adopted a policy of Indian self-determination. This policy promotes Tribal administration of Federal Indian programs, including health care. Self-Determination does not lessen any Federal obligation, but provides an opportunity for Tribes to assume the responsibility of providing health care for their members.

The Indian Self-Determination and Education Assistance Act of 1975 (ISDEAA), as amended, and the Indian Health Care Improvement Act of 1976 (IHCIA), as amended, have provided new opportunities for the IHS and Tribes to deliver care. The IHCIA includes specific authorizations for providing health care services to urban Indian populations, to administer an Indian health professions program, and the ability to collect from Medicare/Medicaid and other third party insurers for services rendered at IHS or Tribal facilities. Under the ISDEAA, many Tribes have assumed the administrative and program direction roles that were previously carried out by the Federal government. Tribes currently administer over one-half of IHS resources through ISDEAA contracts and compacts. The IHS administers the remaining resources and manages those facilities where Tribes have elected not to contract or compact their health programs.

Mission

The mission of the Indian Health Service is to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level.

Overview of Budget Request

The FY 2011 President's Budget request for the Indian Health Service is \$4,406,429,000 in discretionary budget authority -- a significant increase of \$354,054,000, or 8.7 percent, over the FY 2010 appropriations level. The request includes funds to support activities identified by Tribes as budget priorities including increases to maintain the current level of services provided; expand access to care; increase resources for the Contract Health Services program; fund contract support costs; target two chronic disease health priorities; fund substance abuse treatment programs; and address essential health information technology activities. The budget request includes the following specific funding increases:

CURRENT SERVICES (+\$175.6 million)

Federal, Tribal, Urban Pay Costs (+\$24.4 million)

The budget request projects a 1.4 percent pay raise for both civilian employees and Commissioned Officers. The \$24.4 million requested will fund these pay raises entirely, including commensurate pay raises for Tribal and Urban Indian health program employees.

Population Growth (+\$52.5 million)

This request will address the increased service need arising from the growth in the American Indian and Alaska Native population. The population is growing at an average rate of 1.5 percent annually and the \$52.5 million requested will provide for the additional services needed for these additional patients eligible for care.

Inflation (+\$60.0 million)

This request will address the rising costs of providing health care. The \$60.0 million is the calculated need to address a 1.5 percent non-medical inflation rate and a 3.3 percent medical inflation rate.

Staffing and Operating Costs for New Facilities (+\$38.8 million)

This request will fund the staffing and operating costs for two newly constructed Health Centers scheduled to open in FY 2011, with potential for two Joint Venture projects to be completed as well. In addition, the request will complete the funding requirements to staff and operate three Joint Venture projects that are scheduled to open in FY 2010. They reflect an investment in the construction of the facilities to expand access to care in locations where existing capacity is most overextended.

PROGRAM INCREASES (+\$178.5 million)

Indian Health Care Improvement Fund (+\$44 million)

The Indian Health Care Improvement Fund was established by Congress to address funding inequities among Indian health care programs. To diminish health care service backlogs, this program increase will be allocated to IHS and Tribal service sites with

the greatest deficiencies. Funding will allow highly deficient sites to expand health care services and reduce backlogs for primary care.

Health Information Technology Security (+\$4 million)

IHS' Health Information Technology (HIT) solution (the Resource and Patient Management System or RPMS) continues to expand to meet additional reporting requirements and provide increased but essential HIT services to patients, providers and communities. This request will address critical health information technology security maintenance and enhancements. Although RPMS is a secure health information system, the recent government mandates to exchange health information increase the security needed to facilitate the external exchanges. In addition, changes in security standards associated with meaningful use will increase security requirements. Additional resources will be employed to provide expert security management of health information. Certification and Accreditation of enhancements to RPMS and continued funding for the Network and Operations Security Center (NOSC) are also planned for FY 2011.

Chronic Diseases (+\$2.5 million)

This request will address the prevention of chronic illness in the American Indian and Alaska Native population through new, targeted efforts aimed at reducing their principal risk factors (smoking, obesity, sedentary lifestyle). These cross-cutting approaches add new capability to the Indian health system and offer the opportunity to reduce the risk of and consequences from these debilitating and costly chronic diseases.

Alcohol and Substance Abuse (+\$4 million)

This request is for a new competitive IHS grant program to expand access to and improve the quality of treatment for substance abuse treatment services as part of the national drug control strategy. The program will target sites with the greatest need for substance abuse services. The main goal of the grant program will be to enable Indian Health Service, Tribal and Urban facilities to hire additional staff to provide evidence-based and practice-based culturally competent treatment services. The total request for Alcohol and Substance Abuse in FY 2011 is \$206 million.

Contract Health Services (+\$46 million)

This request will enable the IHS to address the ongoing need for contract health services as evidenced by continued denials of care for the reason of not being within medical priorities. Within this amount, an increase of \$5 million will be targeted to the Catastrophic Health Emergency Fund (CHEF) for a total funding level for CHEF of \$56 million. The total request for Contract Health Services in FY 2011 is \$863 million. This increase will fund approximately 200 additional high cost cases, which will alleviate the effects of high cost cases and enable CHS programs to provide more services at the lower priority levels.

Improve Third Party Collections (+\$1 million)

These funds are requested to fund a new grant program to assist urban Indian clinics in improving third party collections.

Contract Support Costs (+\$40 million)

The entire requested increase will be applied against existing CSC shortfall associated with ongoing contracts and compacts. The IHS projects that 280 of the total 329 Tribes and Tribal Organizations with P.L. 93-638 contracts and compacts will have CSC shortfalls at the end of FY 2010. The proposed increase will allow continued progress in addressing the CSC needs of tribally operated programs to improve quality of care for AI/ANs. The total request for CSC in FY 2011 is \$444 million.

Health Care Facilities Construction (+\$37 million over the FY 2010 level)

Funding for construction of new health facilities is increased in this budget request to continue the construction of the replacement hospital at Barrow, Alaska; and continue the construction of the health centers at San Carlos and Kayenta, Arizona. The total request for Health Care Facilities Construction in FY 2011 is \$66 million.

AMERICAN RECOVERY AND REINVESTMENT ACT

The Indian Health Service is currently implementing the FY 2009 American Recovery and Reinvestment Act (ARRA) funding for Indian Health Services of \$85 million – Health Information Technology, and Indian Health Facilities of \$415 million – Health Care Facilities Construction, Maintenance and Improvement of Health Care Facilities, Sanitation Facilities Construction, and Medical Equipment. The obligation of funding will continue through FY 2010 and the final projects will be completed by FY 2013. The IHS is also implementing ARRA projects funded by other Agencies such as the \$90 million through two Interagency Agreements with the Environmental Protection Agency for the Safe Drinking Water Act and the Clean Water Act. An exhibit is provided below to show obligations and performance of these programs through FY 2011. These projects are stimulating the economy, investing, and reinvesting in the health information technology and facilities infrastructure to support the Indian Health Delivery System.

EXHIBIT

Summary of Recovery Act Obligations and Performance

(dollars in millions)

ARRA Implementation Plan	FY 2009	FY 2010	FY 2011	FY 2009 – FY 2011
Health Information Technology	\$40	\$45	-	\$85
Health Care Facilities Construction	\$133	\$94	-	\$227
Maintenance & Improvement	\$44	\$56	-	\$100
Sanitation Facilities Construction	\$66	\$2	-	\$68
Equipment	\$11	\$9	-	\$20
Total Obligations	\$294	\$206	\$0	\$500

Source: Approved Indian Health Services and Indian Health Facilities SF-132.

Selected Performance Measures for Implementation Plans Listed Above

Health Information Technology

Performance Measure	FY 2009 Result	FY 2010 Target	FY 2011 Target
Percentage of all orders that are electronically entered into the Electronic Health Record	N/A	65%	75%

Maintenance & Improvement

Performance Measure	FY 2009 Result	FY 2010 Target	FY 2011 Target
Percentage reduction in the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) through Recovery Act Funding	N/A	6.7%	13.7%

Explanation of Measure: The Backlog of Maintenance and Repair (BEMAR) is an IHS-wide inventory of needed maintenance and repair projects. As maintenance and repair projects are completed the BEMAR deficiency is reduced (improved). As BEMAR is reduced, system-wide capacity for safe and efficient patient care is increased. The percentage reduction measure is the amount the system-wide BEMAR is reduced by completion of Recovery Act projects (numerator) divided by the original system-wide baseline BEMAR (denominator).

Sanitation Facilities Construction

Performance Measure	FY 2009 Result	FY 2010 Target	FY 2011 Target
Number of existing AI/AN homes provided with sanitation facilities funded projects. Cumulative	29,859	30,000	30,050

Note: All funding received in 2009

Data Source: Sanitation Tracking and Reporting System (STARS)

Equipment

Performance Measure	FY 2009 Result	FY 2010 Target	FY 2011 Target
Increased access to diagnostic services with new CT scanners	N/A	N/A	1,300

Explanation of Measure: The number of diagnostic CT diagnostic services will increase at the 2 sites receiving a new CT scanner. This output indicator measures additional services performed due to Recovery Act funding. CT scanners play an important diagnostic role for providers, especially in treating trauma patients. The purchase and installation of CTs at IHS and tribal emergency departments will enhance quality of care and access to care, and will reduce expensive patient transports to other facilities for services.

**All Purpose Table
Indian Health Service**

(Dollars in Thousands)

Jan 20, 2010

Program	FY 2009		FY 2010	FY 2011
	Appropriation	Recovery Act	Appropriation	Pres. Budget Request
SERVICES				
Hospitals & Health Clinics	1,597,777	85,000	1,754,383	1,893,292
Dental Health	141,936	0	152,634	161,262
Mental Health	67,748	0	72,786	77,076
Alcohol & Substance Abuse	183,769	0	194,409	205,770
Contract Health Services	634,477	0	779,347	862,765
Total, Clinical Services	2,625,707	85,000	2,953,559	3,200,165
Public Health Nursing	59,885	0	64,071	67,571
Health Education	15,723	0	16,682	17,489
Community Health Reps.	57,796	0	61,628	63,991
Immunization AK	1,823	0	1,934	2,009
Total, Preventive Health	135,227	0	144,315	151,060
Urban Health	36,189	0	43,139	45,502
Indian Health Professions	37,500	0	40,743	41,413
Tribal Management	2,586	0	2,586	2,669
Direct Operations	65,345	0	68,720	69,845
Self-Governance	6,004	0	6,066	6,201
Contract Support Costs	282,398	0	398,490	444,332
Total, Other Services	430,022	0	559,744	609,962
TOTAL, SERVICES	3,190,956	85,000	3,657,618	3,961,187
FACILITIES				
Maintenance & Improvement	53,915	100,000	53,915	55,523
Sanitation Facilities Construction	95,857	68,000	95,857	97,710
Health Care Facilities Construction	40,000	227,000	29,234	66,192
Facilities & Environmental Health Support	178,329	0	193,087	202,106
Equipment	22,067	20,000	22,664	23,711
TOTAL, FACILITIES	390,168	415,000	394,757	445,242
TOTAL, BUDGET AUTHORITY	3,581,124	500,000	4,052,375	4,406,429
COLLECTIONS				
Medicare	169,364	0	172,024	172,024
Medicaid	550,222	0	562,674	562,674
Subtotal, M / M	719,586	0	734,698	734,698
Private Insurance	94,042	0	94,042	94,042
Total, M / M / PI**	813,628	0	828,740	828,740
Quarters	6,288	0	6,288	6,288
Default Recovery Funds*	0	0	0	300
TOTAL, COLLECTIONS	819,916	0	835,028	835,328
Special Diabetes Program for Indians	150,000	0	150,000	150,000
TOTAL, SDPI	150,000	0	150,000	150,000
TOTAL, PROGRAM LEVEL	4,551,040	500,000	5,037,403	5,391,757

* New item in FY 2011 and amount is an estimate; see justification in Indian Health Professions narrative.

** Represents estimates of collections from public and private insurers for current and future fiscal years. Estimates are based on actual FY 2008 collections and current reimbursements rates. These estimates may change as a result of actual FY 2009 collections, changes to the types of services covered by insurers, and transition of program from Federal to tribally-operated.

INDIAN HEALTH SERVICE

FY 2011

Detail of Changes

(Dollars in Thousands)

Jan 8, 2010

Sub Sub Activity	FY 2009		FY 2010	CURRENT SERVICES							PROGRAM EXPANSION								Prog. Expans. Subtotal	FY 2011 Budget Request
	Omnibus	ARRA	Enacted	Federal Pay		Tribal Pay	Inflation Non-Med 1.5% Med 3.3%	Population Growth 1.5%	Staffing for New Facilities	Curr.Svcs Subtotal	Health		Alcohol/		Improve 3rd Party Collection	Contract Support Costs	Health Care Fac. Constr.			
				Civ 1.4%	CO 1.4%						IHCI Fund	IT Security	Chronic Diseases	Subs Abuse				CHS/ CHEF		
SERVICES																				
Hospitals & Health Clinics	1,597,777	85,000	1,754,383	5,953	1,135	8,576	17,227	26,278	29,211	88,380	44,000	4,000	2,529	0	0	0	0	0	50,529	1,893,292
Dental Services	141,936	0	152,634	603	280	671	1,454	2,271	3,349	8,628	0	0	0	0	0	0	0	0	0	161,262
Mental Health	67,748	0	72,786	338	37	373	748	1,092	1,702	4,290	0	0	0	0	0	0	0	0	0	77,076
Alcohol & Substance Abuse	183,769	0	194,409	166	11	1,663	2,605	2,916	0	7,361	0	0	0	4,000	0	0	0	0	4,000	205,770
Contract Health Services	634,477	0	779,347	6	0	0	25,722	11,690	0	37,418	0	0	0	0	46,000	0	0	0	46,000	862,765
Total, Clinical Services	2,625,707	85,000	2,953,559	7,066	1,463	11,283	47,756	44,247	34,262	146,077	44,000	4,000	2,529	4,000	46,000	0	0	0	100,529	3,200,165
Public Health Nursing	59,885	0	64,071	318	56	292	559	961	1,314	3,500	0	0	0	0	0	0	0	0	0	67,571
Health Education	15,723	0	16,682	43	0	127	195	250	192	807	0	0	0	0	0	0	0	0	0	17,489
Comm. Health Reps	57,796	0	61,628	3	0	618	818	924	0	2,363	0	0	0	0	0	0	0	0	0	63,991
Immunization AK	1,823	0	1,934	0	0	20	26	29	0	75	0	0	0	0	0	0	0	0	0	2,009
Total, Preventive Health	135,227	0	144,315	364	56	1,057	1,598	2,164	1,506	6,745	0	0	0	0	0	0	0	0	0	151,060
Urban Health	36,189	0	43,139	14	14	266	496	572	0	1,362	0	0	0	0	1,000	0	0	1,000	0	45,502
Indian Health Professions	37,500	0	40,743	20	2	0	648	0	0	670	0	0	0	0	0	0	0	0	0	41,413
Tribal Management	2,586	0	2,586	0	0	0	83	0	0	83	0	0	0	0	0	0	0	0	0	2,669
Direct Operations	65,345	0	68,720	538	84	167	336	0	0	1,125	0	0	0	0	0	0	0	0	0	69,845
Self-Governance	6,004	0	6,066	36	0	0	99	0	0	135	0	0	0	0	0	0	0	0	0	6,201
Contract Support Cost	282,398	0	398,490	0	0	0	5,842	0	0	5,842	0	0	0	0	0	0	40,000	0	40,000	444,332
Total, Other Services	430,022	0	559,744	608	100	433	7,504	572	0	9,217	0	0	0	0	1,000	40,000	0	41,000	609,962	
Total, Services	3,190,956	85,000	3,657,618	8,038	1,619	12,773	56,858	46,983	35,768	162,039	44,000	4,000	2,529	4,000	46,000	1,000	40,000	0	141,529	3,961,187
FACILITIES																				
Maintenance & Improvement	53,915	100,000	53,915	0	0	0	799	809	0	1,608	0	0	0	0	0	0	0	0	0	55,523
Sanitation Facilities Constr.	95,857	68,000	95,857	60	15	0	340	1,438	0	1,853	0	0	0	0	0	0	0	0	0	97,710
Health Care Fac. Constr.	40,000	227,000	29,234	0	0	0	0	0	0	0	0	0	0	0	0	0	36,958	36,958	66,192	
Facil. & Envir. Hlth Supp.	178,329	0	193,087	816	387	644	1,273	2,896	3,003	9,019	0	0	0	0	0	0	0	0	0	202,106
Equipment	22,067	20,000	22,664	0	0	0	707	340	0	1,047	0	0	0	0	0	0	0	0	0	23,711
Total, Facilities	390,168	415,000	394,757	876	402	644	3,119	5,483	3,003	13,527	0	0	0	0	0	0	36,958	36,958	445,242	
TOTAL, IHS	3,581,124	500,000	4,052,375	8,914	2,021	13,417	59,977	52,466	38,771	175,566	44,000	4,000	2,529	4,000	46,000	1,000	40,000	36,958	178,487	4,406,429

CJ-7

Statement of Personnel Resources INDIAN HEALTH SERVICE			
	2009	FY 2010	FY 2011
	Actual	Estimate	President's Budget
Direct:			
Hospitals & Health Clinics	6,284	6,433	6,443
Dental Health	743	748	750
Mental Health	266	268	268
Alcohol & Substance Abuse	179	179	179
Contract Health Services	7	7	7
Total, Clinical Services	7,479	7,635	7,647
Public Health Nursing	258	262	263
Health Education	26	26	26
Community Health Reps	7	7	7
Immunization, AK	0	0	0
Total, Preventive Health	291	295	296
Urban Health	7	7	7
Indian Health Professions	18	18	18
Tribal Management	0	0	0
Direct Operations	327	335	335
Self Governance	13	13	13
Contract Support Costs	0	0	0
Total, SERVICES	8,135	8,303	8,316
Maint. & Improvement	0	0	0
Sanitation Facilities	170	170	170
Hlth Care Facs Construction	0	0	0
Facil. & Envir. Hlth Support	1,032	1,037	1,039
Equipment	0	0	0
Total, FACILITIES	1,202	1,207	1,209
Total, Direct FTE	9,337	9,510	9,525
Reimbursable:			
Buybacks	1,366	1,366	1,366
Medicare	813	813	813
Medicaid	3,376	3,376	3,376
Private Insurance	518	518	518
Quarters	28	28	28
Total, Reimbursable FTE	6,101	6,101	6,101
Trust Funds (Gift)	23	23	23
TOTAL FTE	15,461	15,634	15,649
Total, Civilian FTE	13,293	13,442	13,455
Total, Military FTE	2,145	2,169	2,171

Indian Health Service Breakdown of Program Level

(Dollars in Thousands)

Jan 27, 2010

Sub Sub Activity	2009 Enacted					2010 Enacted				
	Budget Authority	Private Insurance Collections	Medicare/Medicaid	Personnel Quarters	Total Program Level	Budget Authority	Private Insurance Collections	Medicare/Medicaid	Personnel Quarters	Total Program Level
SERVICES:										
Hospitals & Health Clinics	1,597,777	94,042	719,586 ^{2/}	0	2,411,405	1,754,383	94,042	734,698 ^{2/}	0	2,583,123
Dental Health	141,936	0	0	0	141,936	152,634	0	0	0	152,634
Mental Health	67,748	0	0	0	67,748	72,786	0	0	0	72,786
Alcohol & Substance Abuse	183,769	0	0	0	183,769	194,409	0	0	0	194,409
Contract Health Services	634,477	0	0	0	634,477	779,347	0	0	0	779,347
Total, Clinical Services	2,625,707	94,042	719,586	0	3,439,335	2,953,559	94,042	734,698	0	3,782,299
Public Health Nursing	59,885	0	0	0	59,885	64,071	0	0	0	64,071
Health Education	15,723	0	0	0	15,723	16,682	0	0	0	16,682
Comm. Health Reps.	57,796	0	0	0	57,796	61,628	0	0	0	61,628
Immunization AK	1,823	0	0	0	1,823	1,934	0	0	0	1,934
Total, Preventive Health	135,227	0	0	0	135,227	144,315	0	0	0	144,315
Urban Health	36,189	0	0	0	36,189	43,139	0	0	0	43,139
Indian Health Professions	37,500	0	0	0	37,500	40,743	0	0	0	40,743
Tribal Management	2,586	0	0	0	2,586	2,586	0	0	0	2,586
Direct Operations	65,345	0	0	0	65,345	68,720	0	0	0	68,720
Self-Governance	6,004	0	0	0	6,004	6,066	0	0	0	6,066
Contract Support Costs	282,398	0	0	0	282,398	398,490	0	0	0	398,490
Total, Other Services	430,022	0	0	0	430,022	559,744	0	0	0	559,744
TOTAL, SERVICES	3,190,956	94,042	719,586	0	4,004,584	3,657,618	94,042	734,698	0	4,486,358
FACILITIES:										
Maintenance & Improvement	53,915	0	0	6,288	60,203	53,915	0	0	6,288	60,203
Sanitation Facilities Construction	95,857	0	0	0	95,857	95,857	0	0	0	95,857
Health Care Facs. Constr.	40,000	0	0	0	40,000	29,234	0	0	0	29,234
Facil. & Envir. Health Support	178,329	0	0	0	178,329	193,087	0	0	0	193,087
Equipment	22,067	0	0	0	22,067	22,664	0	0	0	22,664
TOTAL, FACILITIES	390,168	0	0	6,288	396,456	394,757	0	0	6,288	401,045
TOTAL, IHS	3,581,124	94,042	719,586	6,288	4,401,040	4,052,375	94,042	734,698	6,288	4,887,403
Special Diabetes Program for Indians ^{1/}	150,000	0	0	0	150,000	150,000	0	0	0	150,000
GRAND TOTAL	3,731,124	94,042	719,586	6,288	4,551,040	4,202,375	94,042	734,698	6,288	5,037,403

^{1/} The Special Diabetes Program for Indians is reauthorized for a total of \$150,000,000 in FY 2010.

^{2/} Includes \$29,203,000 in Medicaid/Medicare for CMS estimates of tribal collections as well as \$138,469,000 for tribal direct collection estimates, which began in FY 2002.

Indian Health Service Breakdown of Program Level

(Dollars in Thousands)

Jan 27, 2010

Sub Sub Activity	2011 Request					Increase/Decrease of 2011 Over 2010					
	Budget Authority	Private			Personnel Quarters	Total Program Level	Budget Authority	Private			Total Program Level
		Insurance Collections	Medicare/Medicaid					Insurance Collections	Medicare/Medicaid		
SERVICES:											
Hospitals & Health Clinics	1,893,292	94,042	734,698 ^{2/}	0	2,722,032	138,909	0	0	0	138,909	
Dental Health	161,262	0	0	0	161,262	8,628	0	0	0	8,628	
Mental Health	77,076	0	0	0	77,076	4,290	0	0	0	4,290	
Alcohol & Substance Abuse	205,770	0	0	0	205,770	11,361	0	0	0	11,361	
Contract Health Services	862,765	0	0	0	862,765	83,418	0	0	0	83,418	
Total, Clinical Services	3,200,165	94,042	734,698	0	4,028,905	246,606	0	0	0	246,606	
Public Health Nursing	67,571	0	0	0	67,571	3,500	0	0	0	3,500	
Health Education	17,489	0	0	0	17,489	807	0	0	0	807	
Comm. Health Reps.	63,991	0	0	0	63,991	2,363	0	0	0	2,363	
Immunization AK	2,009	0	0	0	2,009	75	0	0	0	75	
Total, Preventive Health	151,060	0	0	0	151,060	6,745	0	0	0	6,745	
Urban Health	45,502	0	0	0	45,502	2,363	0	0	0	2,363	
Indian Health Professions	41,413	0	0	0	41,413	670	0	0	0	670	
Tribal Management	2,669	0	0	0	2,669	83	0	0	0	83	
Direct Operations	69,845	0	0	0	69,845	1,125	0	0	0	1,125	
Self-Governance	6,201	0	0	0	6,201	135	0	0	0	135	
Contract Support Costs	444,332	0	0	0	444,332	45,842	0	0	0	45,842	
TOTAL, SERVICES	3,961,187	94,042	734,698	0	4,789,927	303,569	0	0	0	303,569	
FACILITIES:											
Maintenance & Improvement	55,523	0	0	6,288	61,811	1,608	0	0	0	1,608	
Sanitation Facilities Construction	97,710	0	0	0	97,710	1,853	0	0	0	1,853	
Health Care Facs. Constr.	66,192	0	0	0	66,192	36,958	0	0	0	36,958	
Facil. & Envir. Health Support	202,106	0	0	0	202,106	9,019	0	0	0	9,019	
Equipment	23,711	0	0	0	23,711	1,047	0	0	0	1,047	
TOTAL, FACILITIES	445,242	0	0	6,288	451,530	50,485	0	0	0	50,485	
TOTAL, IHS	4,406,429	94,042	734,698	6,288	5,241,457	354,054	0	0	0	354,054	
Default Recovery Funds	0	0	0	0	300	0	0	0	0	0	
Special Diabetes Program for Indians ^{1/}	150,000	0	0	0	150,000	0	0	0	0	0	
GRAND TOTAL	4,556,429	94,042	734,698	6,288	5,391,757	354,054	0	0	0	354,054	

^{1/} The Special Diabetes Program for Indians is reauthorized for a total of \$150,000,000 in FY 2011.

^{2/} Includes \$29,203,000 in Medicaid/Medicare for CMS estimates of tribal collections as well as \$132,766,000 for tribal direct collection estimates, which began in FY 2002.

INDIAN HEALTH SERVICE
STAFFING AND OPERATING COSTS FOR NEW / EXPANDED FACILITIES
FY 2011 Requirements*

(Dollars in Thousands)

rev Oct 8, 2009

Sub Sub Activity	Joint Venture Place Holder	Little Axe, OK Absentee Shawnee Health Center Joint Venture		New Town, ND Elbowoods Health Center		Ada, OK Carl Albert Hospital Replacement Joint Venture		Lakeport, CA Lake County Tribal Health Center Joint Venture		Eagle Butte, SD Cheyenne River Health Center		TOTAL	
		Pos	Amount	Pos	Amount	Pos	Amount	Pos	Amount	FTE	Amount	FTE/Pos.	Amount
Opening Date (cal. yr):		Jul 2010		Oct 2010		May 2010		Sept 2010		Sep 2011			
Hospitals & Health Clinics	\$9,843	61	\$5,522	73	\$6,436	38	\$4,045	21	\$1,948	15	\$1,417	208	\$29,211
Dental Health		15	1,466	6	614	8	836	2	195	2	238	33	3,349
Mental Health		9	785	0	0	5	564	4	353	0	0	18	1,702
Total, Clinical Services	9,843	85	7,773	79	7,050	51	5,445	27	2,496	17	1,655	259	34,262
Public Health Nursing		4	453	2	230	3	303	2	235	1	93	12	1,314
Health Education		0	0	1	86	1	106	0	0	0	0	2	192
Total, Preventive Health	0	4	453	3	316	4	409	2	235	1	93	14	1,506
Total, Services	9,843	89	8,226	82	7,366	55	5,854	29	2,731	18	1,748	273	35,768
Facilities Support		4	755	3	648	3	678	2	305	2	244	14	2,630
Environmental Health Support		0	0	3	373	0	0	0	0	0	0	3	373
Total, FEHS	0	4	755	6	1,021	3	678	2	305	2	244	17	3,003
Total, Facilities	0	4	755	6	1,021	3	678	2	305	2	244	17	3,003
Grand Total ¹	\$9,843	93	\$8,981	88	\$8,387	58	\$6,532	31	\$3,036	20	\$1,992	290	\$38,771

¹ Includes utilities

* 2 additional new facilities may come on line for funding in FY 2011

INDIAN HEALTH SERVICE
Urban Indian Health
 Summary of Changes

FY 2010	\$43,139,000
Total estimated budget authority	43,139,000
Less Obligations	(43,139,000)
FY 2011 President's Budget	45,502,000
Less Obligations	(45,502,000)
Net Change	2,363,000
Less Obligations	(2,363,000)

	FY 2010		Change from Base		
	FTE	BA	FTE	BA	
INCREASES					
A. Built-In:					
1	2011 Pay Raise at 1.4% civilian and CO	--	n/a	--	28,000
2	Tribal Pay Cost	--	n/a	--	266,000
3	Within Grade Increase	--	n/a	--	0
4	Increased Cost of Travel	--	129,000	--	3,000
6	Increased Cost of Transportation & Things	--	2,000	--	0
7	Increased Cost of Printing	--	0	--	0
8	Increased Cost of Rents, Communications, & Utilities	--	83,000	--	0
9	Increased Cost of Health Care Provided under Contracts & Grants	--	3,277,000	--	48,000
10	Increased Cost of Supplies	--	31,000	--	1,000
11	Increased Cost of Medical or other Equipment	--	15,000	--	1,000
12	Increased Cost of Land & Structure	--	0	--	0
13	Increased Cost of Grants	--	38,323,000	--	444,000
14	Increased Cost of Insurance / Indemnities	--	0	--	0
15	Increased Cost of Interest / Dividends	--	0	--	0
16	Population Growth	--	n/a	--	572,000
	Subtotal, Built-In	--	41,860,000	--	1,363,000
B.	Urban Indian Health Program	--	5,000,000	--	1,000,000
TOTAL INCREASES		--	46,860,000	--	2,363,000
DECREASES					
A. Built-In					
	Absorption of Built-In Increases	--	0	--	0
TOTAL DECREASES		--	0	--	0
NET CHANGE		--	\$46,860,000	--	\$2,363,000

The budget funds Headquarters and 12 Area offices operations, and Tribal shares (as indicated by the table below).

	FY 2009 Omnibus	FY 2010 Enacted	FY 2011 Pres. Budget
Headquarters (56.5%)	\$36,413,491	\$38,826,800	\$39,462,425
<i>Title I Contracts (non-add)</i>	1,960,802	2,062,075	2,095,833
<i>Title V Compacts (non-add)</i>	5,535,116	5,820,999	5,916,293
Area Offices (12) (43.5%)	28,931,509	29,893,200	30,382,575
<i>Title I Contracts (non-add)</i>	832,267	875,253	889,582
<i>Title V Compacts (non-add)</i>	8,459,679	8,896,612	9,042,256
BA	\$65,345,000	\$68,720,000	\$69,845,000

The Direct Operations budget supports the leadership and overall management of the IHS to ensure effective support for the IHS mission. This includes oversight of financial, human, facilities, information and support resources and systems. Performance measurement is built into all oversight measures, both in program delivery and administrative support systems.

Leadership and direction also includes specific focus on the HHS Performance Objectives. For FY 2011, IHS activities will continue to focus on performance measures and program assessment performance objectives.

Significant activities include the establishment of performance plans that cascade throughout the agency and provide for performance accountability at all levels of the agency. The Direct Operations budget also supports leadership and oversight for the accomplishment of the performance measures that are included in the IHS FY 2010 Annual Performance Plan. The measures address many of the administrative aspects of providing health care to AI/AN population and comply with the requirements of performance measures and other Departmental goals of achieving equivalent and improved health status for all Americans. In addition, management improvements will be guided by the Department's Performance Objectives and the priorities of the Secretary of Health and Human Services.

Headquarters, through this activity, will continue to develop and expand its crosscutting collaborations and partnerships with other Federal agencies and outside organizations to meet many performance measures and objectives. A FY 2011 performance goal for Direct Operations is to continue the implementation of a human capital strategy to assist managers with succession planning activities. Twenty-seven percent of IHS employees will be eligible for retirement in 2011. Enhancing the IHS workforce's knowledge and skills in areas such as financial management, entrepreneurship and the application of regulations has been identified as critical to meet the IHS' current and future needs to fulfilling the mission of the IHS.

FUNDING HISTORY

Fiscal Year	Amount
2006	\$62,194,000
2007	\$63,631,000
2008	\$63,624,000
2009 Recovery Act	\$0
2009 Omnibus	\$65,345,000
2010 Enacted	\$68,720,000

BUDGET REQUEST

The FY 2011 budget request for Direct Operations is \$69,845,000, an increase of \$1,125,000 over the FY 2010 Enacted level. The increase will provide:

Current Services +\$1,125,000

Pay Costs +\$789,000 – will fund pay increases for Federal and Tribal employees.

Inflation +\$336,000 – will fund non-medical inflation costs.

DEPARTMENT OF HEALTH & HUMAN SERVICES
 Indian Health Service
 Services: 75-0390-0-1-551
SELF-GOVERNANCE

(Dollars in Thousands)

	FY 2009		FY 2010	FY 2011	FY 2011 +/- FY 2010 Appropriation
	Appropriation	Recovery Act	Appropriation	Pres. Budget Request	
BA	\$6,004	\$0	\$6,066	\$6,201	+\$135
FTE	13	0	13	13	0

Authorizing Legislation 25 U.S.C. 450, Self-Determination and Education Assistance Act, as amended

FY 2011 AuthorizationPermanent

Allocation Method Direct Federal, Cooperative Agreements and Self-Governance Compacts

PROGRAM DESCRIPTION AND ACCOMPLISHMENTS

In FY 1992, the IHS was instructed by Congress to initiate planning activities with Tribal governments with approved Department of Interior self-governance compacts for the development of a Self-Governance Demonstration Project (SGDP) as authorized by P.L. 100-472. Through enactment of P.L. 102-573, the Indian Health Care Amendments of 1992, authority to fund the Tribal SGDPs was extended to IHS and the Office of Tribal Self-Governance (OTSG) was established. Through enactment of P.L.106-260, the Tribal Self-Governance Amendments of 2000, permanent authority was given to IHS through Title V, Tribal Self-Governance.

Since 1993, the IHS, with Tribal representatives, has developed formula methodologies for identification of tribal shares for all Indian Tribes. Tribal shares are those program and administrative funds that Tribes are eligible to assume and may choose to receive from Headquarters and Area organizational levels of the IHS. Currently, \$2.594 billion of the IHS budget is under Tribal Health Administration of which approximately \$1.282 billion will be transferred to tribes in support of Tribal Self-Governance with 133 compacts and 154 funding agreements in FY 2011. The remaining balance is used to administer Title I, Urban Health, Contract Support Costs and Tribal Management Grants.

The Self-Governance budget supports a system of care implemented at the local level by Tribal governments through their Compacts and Funding Agreements. The Self-Governance budget further supports accomplishments through:

- Agency performance measure achievement through various Tribal pilot projects throughout the country which are funded through the Self-Governance budget;
- Funding for ambulances to all Indian tribes and tribal organizations;
- Funding to an Indian tribal organization to provide technical assistance, coordination of meeting dates, locations, etc. in development of an annual report to Congress;
- Funding of Interagency Agreement between IHS and U.S. Department of Veterans Affairs to provide support and training to Community Health Representatives, first responders, modular curriculum development/online training, and specialty field training/support for suicide prevention and response.
- Expressing a clear vision of health information technology that conveys the benefits to patients, providers and payers. OTSG continues to provide funding for Government Performance Results Act (GPRA) projects. Specifically, the Alaska and Nashville Area have worked conjointly with the IHS in developing the Clinical Reporting System software application, which is a reporting tool for performance measures as well as other indicators. It is available to all tribes.

Therefore, Self-Governance does not directly control the assessment of these Tribal programs and services. It supports Tribal efforts to pursue their local goals through special programs, advocacy, technical assistance and administrative support.

FUNDING HISTORY

Fiscal Year	Amount
2006	\$5,668,000
2007	\$5,763,000
2008	\$5,836,000
2009 Omnibus	\$6,004,000
2009 Recovery	\$0
2010 Enacted	\$6,066,000

BUDGET REQUEST

The FY 2011 budget request of \$6,201,000 is an increase of \$135,000 over the FY 2010 Enacted Level of \$6,066,000. This increase will provide funds for:

Pay Costs: +\$36,000 – to fund the pay increases anticipated in FY 2011 for Federal employees, specifically for the Office of Tribal Self-Governance located within IHS Headquarters.

Inflation: +\$99,000 – to cover inflation.

The Self-Governance budget will support the provision of technical assistance to approximately 400 federally recognized Indian tribes and tribal organizations compacted with Indian Health Service (IHS); fund up to 16 Indian Tribes with Planning and Negotiation Cooperative Agreements; continue to fund the performance projects; and address tribal shares funding needs in IHS Areas and Headquarters for any Indian tribe(s) newly entering self-governance.

The total funding for Self-Governance will provide:

- \$3.0 million (or 48%) will be used for the operating budget of the OTSG: 13 FTEs - payroll costs, travel, supplies, rents/communications and contractual services; reimbursement travel

**Indian Health Service
Summary of Inpatient Admissions and Outpatient Visits
Federal and Tribal
FY 2008 Data**

Direct Care Admissions

	IHS	Tribal	TOTAL
TOTAL	32,923	21,204	54,127
Aberdeen	4,515		4,515
Alaska		11,788	11,788
Albuquerque	1,719		1,719
Bemidji	461		461
Billings	2,127		2,127
California			*
Nashville		1,207	1,207
Navajo	13,363	3,152	16,515
Oklahoma	4,540	4,495	9,035
Phoenix	5,572	562	6,134
Portland			*
Tucson	626		626

* No direct inpatient facilities in FY 2008

Direct Care Outpatient Visits

	IHS	Tribal	TOTAL
TOTAL	4,813,024	6,034,216	10,847,240
Aberdeen	749,608	98,336	847,944
Alaska	**	1,441,928	1,441,928
Albuquerque	461,688	71,961	533,649
Bemidji	255,001	618,070	873,071
Billings	485,387	118,080	603,467
California	**	487,381	487,381
Nashville	8,891	391,373	400,264
Navajo	1,047,161	332,165	1,379,326
Oklahoma	692,303	1,541,765	2,234,068
Phoenix	730,831	365,125	1,095,956
Portland	254,722	508,855	763,577
Tucson	127,432	59,177	186,609

** No IHS facilities in FY 2008

**INDIAN HEALTH SERVICE
Immunization Expenditures**

	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	Increase or Decrease
Infants and Children	\$12,527,528	\$12,903,354	\$13,329,165	+\$425,811
Adults 65+	\$1,734,588	\$1,786,625	\$1,845,584	+\$58,959
HPV vaccine Female 19-26 years))	\$8,823,797	\$9,088,511	\$9,388,432	+\$299,921
Adult 19 – 64 years influenza			\$3,210,800	\$3,210,800
Monitoring	\$103,800	\$106,914	\$110,442	+\$3,528
Total:	\$23,189,713	\$23,885,404	\$27,884,423	+\$3,999,018

1/ The immunization estimates do not include the Hepatitis B and Haemophilus Immunization program (Alaska) budget line item

The Indian Health Service (IHS) patient care data system does not calculate itemized costs for the treatment of various conditions. Therefore, an indirect method was used for calculating immunization costs based on an estimated patient population and the amount of staff time for required immunizations, as well as the immunization costs not available through the Vaccines for Children program.

Immunization costs were categorized by age groups; infants and children (3 to 27 months of age), and adults ≥ 65 years of age. In addition costs for two specific vaccines – HPV and influenza - were included for two age groups, as well as an estimate of monitoring costs.

By combining these two groups, an estimate of \$10,540,043 was calculated for the IHS immunization expenditures in FY 2004 with inflation costs added into the equation. Since then, costs have been iterated using inflation rates and the addition of new expenses, such as the introduction of a new vaccine:

FY 2008 Estimated Costs = FY 2007 cost times 4.2 percent
 FY 2009 Estimated Costs = FY 2008 cost times 3.8 percent
 FY 2010 Estimated Costs = FY 2009 cost times 3.0 percent
 FY 2011 Estimated Costs = FY 2010 cost times 3.3 percent

For FY 2011, \$3,210,800 was added for adult (19 – 64 year old) flu vaccination. The total cost does not include inflation, which may affect future estimated costs. The methodology was calculated based on the following assumptions:

1. 50% coverage of the 19 – 64 year old population (~ 401,349)
2. Cost of a dose of influenza vaccine at \$8.00.

Overall, the estimated costs for these immunizations are affected by:

1. Individuals outside these target groups are regular recipients of immunizations (e.g., HBg and influenza immunization for health care workers and those at specific risk for other vaccine-preventable diseases), however, there is not a methodology to estimate the size of these groups.
2. There is not a methodology to estimate indirect costs or administrative overhead associated with the administration of immunizations, or operation of the immunization program.

DEPARTMENT OF HEALTH AND HUMAN SERVICE
 Indian Health Service
 Drug Control Budget
 FY 2011

RESOURCE SUMMARY

	Budget Authority (in Millions)		
	2009 Enacted	2010 Enacted	2011 Estimate
Drug Resources by Function			
Prevention	18.139	18.771	19.208
Treatment	73.379	77.246	83.921
Total Drug Resources by Function	\$91.518	\$96.017	\$103.130
Drug Resources by Decision Unit			
Alcohol and Substance Abuse	87.162	91.661	98.774
Urban Indian Health Program	4.356	4.356	4.356
Total Drug Resources by Decision Unit	\$91.518	\$96.017	\$103.130

Drug Resources Personnel Summary			
Total FTEs (direct only)	168	171	174
Drug Resources as a Percent of Budget			
Agency Budget	\$ 4,551.040	\$ 5,037.403	\$5,391.757
Drug Resources Percentage	2.01%	1.91%	1.91%

MISSION

The Indian Health Service (IHS), an agency within the Department of Health and Human Services, is responsible for providing federal health services to American Indians and Alaska Natives. IHS supports substance abuse treatment and prevention services as part of this mission.

Methodology

The Indian Health Service (IHS) includes the appropriation for Alcohol and Substance Abuse (excluding the amount designated as Adult Alcohol Treatment) and the portion of Urban Indian Health Program (UIHP) funds for National Institute on Alcohol Abuse and Alcoholism programs transferred to the IHS under the UIHP budget.

BUDGET

In FY 2011, IHS requests \$103.1 million for its drug control activities. This is \$7.113 million above the FY 2010 Enacted level.

Alcohol and Substance Abuse

Total FY 2011 Request: \$205.7 million

The FY 2011 request includes an increase in funding for Alcohol and Substance Abuse for a new competitive grant program to expand access to and improve the quality of treatment for substance abuse treatment services. The program will target sites with the greatest need for substance abuse services. The main goal of the grant program will be to enable I/T/Us to hire additional staff to provide evidence-based and practice-based culturally competent treatment services. All grant recipients will be required to report on appropriate performance measures, including mandatory reporting of the number of addicted patients that received services.

FY 2011 Program Changes

In FY 2011, IHS will continue to serve American Indian and Alaska Natives impacted by methamphetamine abuse through its Youth Regional Treatment Centers and other federal and Tribally-operated substance abuse treatment and prevention programs. IHS, through the Methamphetamine and Suicide Prevention Initiative (MSPI), provides Area allocations funding for pilot projects and federal grant awards -114 Area Tribal awardees, 11 Urban grantees, 3 Tribal Youth grantees, and one federally-operated Youth Regional Treatment Center (YRTC) program award to establish evidence based or practice based methamphetamine and suicide prevention and intervention pilot projects. The award and grant recipients will participate on regular conference calls on methamphetamine and suicide prevention initiative. The goal of the group conference calls is to share evidence based and promising practices in methamphetamine and suicide prevention programs in American Indian/Alaska Native communities. In addition, an annual meeting on methamphetamine and suicide interventions will be held to share evidence-based and practice-based models.

Urban Indian Health Program- Alcohol and Substance Abuse Title V Grants

Total FY 2011 Request: \$45.5 million

The FY 2011 budget estimate includes funds for the Urban Indian Health Program, a portion of which is provided in the form of federal grants to 34 urban Indian 501(c)3 non-profit organizations to carry out alcohol and substance abuse prevention and treatment activities in the communities served. All urban programs have active partnerships with their local Veteran's Health Administration programs and several have identified joint program alcohol and substance abuse initiatives.

The FY 2011 Budget includes funding for the Urban Indian Health Program. In FY 2011, IHS will continue to serve urban American Indians and Alaskan Natives impacted by alcohol and substance abuse through the Title V grant program, Alcohol and Substance Abuse Prevention and Treatment. Substance abuse prevention and education programs services address alcohol/drugs, suicide, self-esteem, injury control, domestic violence, and sexual abuse.

Performance

Introduction

This section on the FY 2009 performance of the drug control portion of the IHS Alcohol and Substance Abuse Program is based on agency GPRA documents. The IHS Alcohol and Substance Abuse Program undertakes anti-drug abuse activities to raise community awareness and target high-risk groups in addition to educating staff on issues and skills related to substance abuse. In 2007, IHS' Tribally-Operated Health Program (TOHPs) including its drug control activities, were assessed in FY 2005 and received an assessment rating of "Adequate."

IHS Alcohol and Substance Abuse Program		
Selected Measures of Performance	FY 2009 Target	FY 2009 Achieved
Alcohol-use screening among appropriate female patients	47%	52%
Accreditation rate for Youth Regional Treatment Centers*	100%	91%

* In operation 18 months or more.

Discussion

The measures reported in the table indicate results from both Tribally-Operated Health Programs and Federally-Administered Health Programs. Currently, Tribally-Operated Health Programs have 17 measures, including alcohol- and health- related performance indicators.

The percent of appropriate female patients screened for alcohol-use (Fetal Alcohol Syndrome prevention) at Federally-operated facilities increased from 47% in FY 2008 to 52% in FY 2009, which is 5% over our target of 47%.

The accreditation measure – 'Accreditation rate for Youth Regional Treatment Centers' – was not met in FY 2009. The FY 2010 and FY 2011 performance target will remain 100% and the agency is confident that the target will be met.

IHS also conducts the Comprehensive Update in Substance Abuse and Dependence course. This course is provided twice a year to IHS/Tribal/Urban primary care providers to enhance professional skills in addiction prevention, intervention and treatment. The program includes a section on prevention, recognition, and treatment of opioid dependence. Safe prescribing activities have become a high priority for IHS. Activities include the development of a lending library (video and slide materials) designed to improve provider in-service capability and community presentations. Approximately 50 primary care providers receive this training each year.