April 8, 2015

Robert McSwain
Acting Director
Indian Health Service
Department of Health and Human Services
Suite 400, The Reyes Building
Rockville, MD 20852

RE: Rates of CSC Settlement and Claim Resolutions

Dear Acting Director McSwain:

On behalf of the Tribal-Self Governance Advisory Committee (TSGAC), I am writing to commend you on the accelerated rate with which the Indian Health Service (IHS) and Obama Administration has settled Tribal claims for underpayment of contract support costs (CSC) throughout 2014 and 2015. Your leadership, as well as that as that of Senior Advisor to the Secretary for American Indians and Alaska Natives, Dr. Yvette Roubideaux, has greatly contributed to the over 860 claims that have been settled to date. In November 2013, only 3 claims for underpayment of CSC, totaling $1.5 million, had been settled. As of January 16, 2015, 861 claims had been settled for a total of $679 million. We are confident that under your leadership, Tribes and IHS will continue to settle the remaining claims for underpayment of CSC.

Additionally, TSGAC appreciates the steps that IHS and the Administration have recently taken towards finding long term solutions to ensure that CSC is fully funded. President Obama’s FY 2016 budget request to Congress proposed fully funding CSC in FY 2016 and to shift CSC from discretionary appropriations to mandatory spending in FY 2017. The proposal to shift CSC from discretionary appropriations to mandatory spending came as a direct result of extensive consultation with Tribal leaders and subject matter experts, including members of TSGAC, in mid-2014. While many details regarding the proposal to make CSC funding mandatory are yet to be finalized, and although the TSGAC has recommended earlier implementation of the proposal beginning in FY 2016, we greatly appreciate knowing that IHS leadership is listening and responding to input received from Self-Governance Tribes. The members of TSGAC look forward to working with you during the coming months to refine and support many of the proposals included in the President’s FY 2016 budget request.

TSGAC further appreciates the several IHS CSC Workgroup and Technical Workgroup meetings that have been held throughout 2014 and 2015. These meetings have allowed Tribal leaders, Federal officials, and other subject matter experts to come together to explore and implement better methods of predicting future CSC need and updating IHS CSC policy. These changes, together with full CSC funding, will hopefully
eliminate the need for Tribes to file claims for underpayment of CSC in future years. The CSC Workgroup meetings have been collaborative in nature and allowed for an open dialogue that will help protect the future budgets of Self-Governance, contracting, and direct service Tribes. While there is still much work left for the CSC Workgroup and Technical Workgroup to do, the efforts thus far have been positive.

Once again, I want to thank you for the dedication you have shown to expediting the process of settling CSC claims and updating federal CSC policy within a full-funding environment. While there are still a significant number of CSC claims yet to be settled, we remain committed to our work to find a path forward and ensure a timely resolution of outstanding claims and consistent full funding of CSC.

If you would like to discuss further, please do not hesitate to contact me at (860) 862-6192; or via email: lmalerba@moheganmail.com. Thank you.

Sincerely,

[Signature]

Chief Marilynn (Lynn) Malerba
Chair, Tribal Self-Governance Advisory Committee

cc: TSGAC and Technical Workgroup Members
    P. Benjamin Smith, Director, Office of Tribal Self-Governance, IHS
    Dr. Yvette Roubideaux, M.D., M.P.H., Senior Advisor to the Secretary for American Indians and Alaska Natives, Immediate Office of the Secretary, HHS