



# NATIONAL CONGRESS OF AMERICAN INDIANS

## Testimony of the National Congress of American Indians on FY2003 Appropriations for the Indian Health Service

### Subcommittee on Interior Appropriations April 5, 2002

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On behalf on the National Congress of American Indians and its more than 200 member tribal nations, we are pleased to have the opportunity to present written testimony on FY 2003 appropriations for the Indian Health Service (IHS).

The tragic events of September 11 brought forth the strength and the determination of our nation to survive in the face of adversity. It is this same spirit that has carried Indian Country through years of annihilation and termination. It is this same spirit that has propelled Indian Nations forward into an era of self-determination and self-governance. And it is in this same spirit of resolve that Indian Nations come before Congress to talk about honoring the federal government's treaty obligations and trust responsibilities throughout the FY 2003 budget and appropriations process.

On February 4, President Bush proposed a \$2.13 trillion budget for FY 2003 that included generally level funding for Indian programs, continuing the trend of consistent declines in federal per capita spending for Indians compared to per capita expenditures for the population at large. This trend demonstrates the abject failure of the federal government to commit the serious resources needed to fully honor its trust commitment to Indian tribes.

The federal trust responsibility represents the legal obligation made by the U.S. government to Indian tribes when their lands were ceded to the United States. This obligation is codified in numerous treaties, statutes, Presidential directives, judicial opinions, and international doctrines. It can be divided into three general areas – protection of Indian trust lands; protection of tribal self-governance; and provision of basic social, medical, and educational services for tribal members.

NCAI realizes that Congress must make difficult budget choices this year. As elected officials, tribal leaders certainly understand the competing priorities that you must weigh over the coming months. However, the fact that the federal government has a solemn responsibility to address the serious needs facing Indian Country remains unchanged, whatever the economic climate.

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We at NCAI urge you to make a strong across-the-board commitment to meeting the federal trust obligation by fully funding those programs that are vital to the creation of healthy Indian Nations.

The President has requested \$2.9 billion for the Indian Health Service, a \$60 million increase over the current funding level, but an effective decrease in funding when new absorption requirements and mandatory pay cost increases are figured in. Of the total request, \$2.5 billion is proposed for Indian health services and \$370.5 million, a less than \$1 million increase, is proposed for facilities. Because most of the increases under the President's budget are targeted for mandatory pay-cost adjustments and staffing at new facilities, the budget request falls far short of allowing the IHS to break even with FY 2002 funding levels once the new absorption requirements under the President's budget are accounted for.

Measured in constant dollars, per capita spending for health care in the IHS service population is actually lower today than it was in 1977. Over the past ten years alone, population growth and inflation costs have increased by over 46 percent, while IHS funding has risen by only 36 percent.

Indian Country is all-too-familiar with the disproportionate impact that diseases such as diabetes, heart disease, and cancer have in American Indian and Alaska Native communities. In January, the Centers for Disease Control released a study<sup>1</sup> which found that, between 1990 and 1998, the lung cancer death rate for American Indians and Alaska Natives increased by 28 percent and the percent of low birthweight infants increased by 11 percent. The study also found that American Indians and Alaska Natives do not appear to have experienced the same improvements in suicide, breast cancer, and stroke death rates that other racial/ethnic groups have seen.

To help address these health disparities in a meaningful way, the IHS Level-of-Need Funding Workgroup has identified an \$18 billion needs-based budget for the IHS, including a nonrecurring \$8.7 billion facilities request and \$10 billion to fully fund the health needs for American Indians and Alaska Natives.

A ten-year phase-in of the \$18 billion needs-based budget can be achieved through several years of appropriations increases. If a first year increase of \$2.6 billion were appropriated (a 112 percent increase), the following years' increases would decline to 20 percent in year five and 10 percent in year ten. The first year increase would be substantially more to help offset the more than \$2 billion lost to inflation over the past eight years.

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<sup>1</sup> Department of Health and Human Services, Centers for Disease Control, *Trends in Racial and Ethnic-Specific Rates for the Health Status Indicators: United States, 1990-98*, January, 2002.

NCAI strongly supports the needs-based budget request for the IHS<sup>2</sup>, and urges Congress to take actions to close the gap between IHS funding levels and the health care needs of American Indians and Alaska Natives. Unfortunately, the President's budget request fails on this front.

The Northwest Portland Area Indian Health Board (NPAIHB) estimates that approximately \$313 million is needed just to maintain current IHS services, including \$51.4 million for population growth, \$212 million for inflation, and \$60 million for contract support costs. The Administration request is less than one-fifth of that amount, which means the very real likelihood of fewer services provided through several programs, including Alcohol and Substance Abuse, Contract Health Services, Health Education, Community Health Representatives, and Urban Health.

With respect to contract support funding, NCAI is disappointed that the President has requested only a \$2.5 million increase, which would bring funding to \$270.7 million. This amount is woefully below the amount needed to cover the current \$100 million IHS contract support shortfall. We fully urge the Subcommittee to support meaningful increases to address this shortfall so that tribes are not penalized for assuming program responsibility in accordance with their rights under the Indian Self-Determination and Education Assistance Act, P.L. 93-638.

NCAI is extremely troubled by the essentially level funding request for IHS facilities. Over the past decade, the IHS facilities maintenance and improvement account has increased by less than five percent, even though the inventory of buildings had increased much more than that. The federal government's investment in IHS facilities is depreciating rapidly because of the lack of funding for regular maintenance activities. In fact, the IHS in January 2002 identified a \$484 million backlog in facilities maintenance and repair.

Finally, NCAI would like to express our concerns about the Administration's proposal to consolidate 50 public affairs and 20 legislative affairs offices within the Department of Health and Human Services into one central office. For IHS, \$838,000 and eight FTEs would be transferred from the IHS budget to the Office of the Secretary to implement this change. There are few details about this proposal, including whether the IHS legislative affairs office would be physically located away from the day-to-day IHS operations in Rockville, Maryland, or whether current IHS legislative affairs staff would be detailed to work on other issues.

We are pleased that the Senate budget resolution, S. Con. Res. 100, adds \$1 billion to the President's request for the IHS, which would increase IHS funding by 37 percent over the current level. The majority of the increase would go to clinical services, with the remainder

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<sup>2</sup> See attached resolution #SPO-01-070.

for contract support costs and to restore the proposed cuts to facilities. We strongly urge you to support this funding level as the budget and appropriations process continues.

Thank you for this opportunity to present written testimony regarding the FY 2003 appropriations for the Bureau of Indian Affairs. The National Congress of American Indians calls upon Congress to fulfill the federal government's fiduciary duty to American Indians and Alaska Native people. This responsibility should never be compromised or diminished because of any political agenda or budget cut scenario. Tribes throughout the nation relinquished their lands and in return received a trust obligation, and we ask that Congress maintain this solemn obligation to Indian Country and continue to assist tribal governments as we strive to reduce the health disparities that so disproportionately affect our Nations.