Tribal Budget Formulation Workgroup Recommends $950 Million for Urban Indian Health in FY23

Category: Advance Appropriations,Policy Blog
written by NCUIH | May 1, 2021

Other priorities include funds for construction or expansion of urban facilities and UIOs inclusion in the nationalization of the Community Health Aide Program

On February 11-13, 2021**,** the Tribal Budget Formulation Workgroup (TBFWG) convened to develop the National Tribal Budget Recommendation for fiscal year (FY) 2023. In May 2021, a summary of the TBFWG's Budget Recommendation was released in a document entitled Building Health Equity with Tribal Nations. The FY 2023 National Tribal Budget Recommendation for the Indian Health Service (IHS) is $49.8 billion, representing a 291% increase above the FY 2022 National Tribal Budget Recommendation planning base. The increase for IHS is a **need-based funding aggregate cost based on the FY 2018 estimate of 3.04 million eligible AI/ANs eligible to be served by IHS, Tribal and Urban health programs. The TBFWG stated, "Unfulfilled Trust and Treaty obligations results in American Indian and Alaskan Native people living sicker and dying younger than other Americans."**

The TBFWG recommended a **$794.262 million increase for the urban Indian health line item,** bringing the funding for Urban Indian Organizations (UIOs) to a total of approximately **$950 million (a 373.8% increase above the FY 2022 planning base). In FY 2021, Urban Indian health received $62.7 million. For FY 2022, which has not been funded yet, the House approved $200.5 million for urban Indian health. While there is a long way to go to reaching the full level of need funding for urban Indian health, the increased level of commitment from Congress demonstrates progress for Indian health.**

The IHS need-based funding aggregate cost estimate for FY 2023 is now approximately $49.8 billion, based on the FY 2018 estimate of 3.04 million eligible AI/ANs eligible to be served by IHS, Tribal and Urban health programs.

The TBFWG stated:

"As we inch closer to increased parity for urban Indians, it is imperative to highlight that up until the end of 2020 and beginning of 2021, UIOs have been deemed ineligible for cost-saving measures available to the other components of the IHS I/T/U system, including, among others, 100% Federal Medical Assistance Percentage (FMAP) for services provided at UIOs, reimbursement from the Department of Veterans Affairs (VA) for services provided to dually-eligible AI/AN Veterans, and liability coverage under the Federal Tort Claims Act (FTCA). Implementation of these hard-fought legislative victories at the agency level will require close attention to ensure that proper procedures and policies are put into place. Although these changes represent a step forward, associated issues remain. For example, UIOs will only remain eligible for 100% FMAP for two years and still are not receiving the IHS all-inclusive rate. Permanent policy fixes to address these issues are required."

Other TBFWG priorities for Urban Indian Health were:

- Funds for construction or expansion of urban facilities

- UIOs inclusion in the nationalization of the Community Health Aide Program (CHAP)
- No funding from Urban Indian Health line item withheld or reprogrammed from UIOs
- Retain eligibility for IHS UIOs to participate in grant programs

In addition, the TBFWG recommended that dedicated funding be provided to implement the new authorities and provisions of the Indian Health Care Improvement Act (IHCIA); President's Budget request for FY23 must include substantial, separate investments for Health IT modernization; Tribes, Tribal Programs, and UIOs be permanently exempt from sequestration and recissions; mandate advance appropriations for IHS; the Special Diabetes Program for Indians (SDPI) be permanently reauthorized and increase funding to $250 million per year; and federal agencies provide recurring funding to support public health infrastructure to address current and future public health emergencies.

About the IHS Budget Process and the Tribal Budget Formulation Workgroup:

The annual budget request of the IHS is the result of the budget formulation and consultation process that involves IHS, Tribal, and urban Indian health program representatives and providers from the local to the national level.

The TBFWG consists of two Tribal representatives from each of the 12 IHS Areas. Additional representatives from Indian organizations, participate in the workgroup at the discretion of the Director of IHS. The workgroup provides input and guidance to the IHS Headquarters budget formulation team throughout the remainder of the budget formulation cycle for that fiscal year. The workgroup prepares the final set of tribal budget recommendations with an accompanying testimony on the results of the national budget work session and presents to the IHS Director as well as to the HHS senior officials at the annual HHS Tribal Consultation meeting.

- **FY2023 Tribal Budget Formulation Workgroup Recommendations**