Proposed Legislation to Lift US Debt Limit Threatens Native Health Care

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written by Meredith Raimondi | April 28, 2023

On April 17, 2023, Speaker of the House Kevin McCarthy (R-CA-20) proposed legislation to lift the US debt limit for a year. The proposal includes several measures, including reverting federal spending to Fiscal Year (FY) 2022 levels, limiting spending increases to 1% a year for the next 10 years, rescinding any unspent Covid-19 funds, and enacting stricter work requirements for social programs such as Medicaid. President Biden has indicated that he would veto the legislation should it pass through Congress.

In response to the proposed legislation, the National Council of Urban Indian Health (NCUIH) Chief Executive Officer, Francys Crevier (Algonquin) stated, "The federal government must continue to work towards its trust and treaty obligation to maintain and improve the health of American Indians and Alaska Natives. Unfortunately, this legislation proposes senseless cuts at a time when our providers are making strides to improve the health of our communities. The United States' promises to Native people are non-negotiable and our families should not be victims of DC politics over the debt ceiling."

These proposals would significantly impact healthcare access for Native communities. The federal government's trust responsibility includes a duty to provide "federal health services to maintain and improve the health of the Indians." The federal government cannot fulfill this responsibility if it does not provide the Indian health system with adequate funding. If federal spending is reverted to FY 2022 levels, the Indian Health Service (IHS) line item would see a 4.7% reduction to $6.63 billion, while the urban Indian line item would see an 18.8% reduction. Funding cuts have historically forced Indian health providers to make difficult decisions about the scope of the healthcare services they can offer to Native patients. The $220 million reduction in IHS' budget authority for FY 2013 resulted in an estimated reduction of 3,000 inpatient admissions and 804,000 outpatient visits for AI/ANs. According to the Tribal Budget Formulation Workgroup, the amount for FY 2024 IHS should be at least $51.4 billion.

NCUIH is collaborating with Congressional leaders to safeguard Indian health funding, which faces potential reductions amidst the current budgetary deliberations. On March 24, 2023, a bipartisan group of 38 Congressional leaders submitted a letter stating, "Cuts from sequestration force [Indian Health Service, Tribal Programs, and UIOs] to make difficult decisions about the scope of healthcare services they can offer to Native patients…At a minimum, funding must be maintained and protected as budget-cutting measures are being considered."

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