Chairman Lisa A. Murkowski Opening Statement
Committee on Appropriations Subcommittee on Interior, Environment, and Related Agencies

Hearing to Review the FY2019 Budget Request for the Indian Health Service

May 23, 2018

(As prepared for delivery)

Good morning everyone. The hearing will come to order.

Today we will examine the FY 2019 budget request for the Indian Health Service (IHS). I want to thank Rear Admiral Michael Weahkee, the Acting Director for the Indian Health Service, for appearing before us today. The head of the IHS is a tough job. It is also a critical one for us in Alaska, where all of the health care for Alaska Natives is delivered through compacts between tribal organizations and the IHS.

Director Weahkee is accompanied by Rear Admiral Michael Toedt, M.D., Chief Medical Officer, Gary Hartz, the Director of the Office of Environmental Health and Engineering, and Ann Church, the Acting Director for the Office of Finance and Accounting.

The IHS budget request for FY 2019 is $5.4 billion for programs within this subcommittee's jurisdiction. This is a decrease of $114 million, which is 2% below last year's enacted level. The budget proposes to change the Special Diabetes program, which provides $150 million annually, from a mandatory spending program to one subject to the discretionary appropriations process. However, Congress has already passed legislation to maintain this program as mandatory funding for FY 2018 and FY 2019 - a course of action which I strongly supported.

I'm pleased that the budget request provides full funding for Contract Support Costs by maintaining the indefinite appropriations language that I first included in the fiscal year 2016 appropriations bill. This has helped provide certainty for tribes and protected other IHS programs in case additional funds are needed to meet the government's legal obligations.

While this is an important area of agreement and this budget has less reductions than others we have seen in this Subcommittee's jurisdiction, I am very concerned that the budget request does not adequately meet the needs for health care delivery in Indian Country.

The Facilities appropriation is cut by 42% from $867 million to $506 million. This is difficult to understand when the current backlog of facilities on the Service's construction list is over $2 billion and the total need for facilities construction across Indian Country is estimated at $14.5 billion.

I'm also concerned that the budget does not adequately address the opioid epidemic, which has been especially acute for American Indians and Alaska Natives. The statistics are shocking. According to the Service's budget justification, American Indians and Alaska Natives had the highest drug overdose death rates in 2015. Equally distressing, the justification shows a 519 percent increase in drug overdose deaths from 1999-2015, the largest percentage increase of any population. The CDC has also reported that American Indians and Alaska Natives consistently had the highest drug overdose death rate by race every year from 2008-2015. When looking at opioids specifically, overdoses have increased four-fold during this time frame.

Your budget request indicates that the Indian Health Service will receive $150 million if the overall $10 billion request for opioid treatment programs through the Department of Health and Human Services Department is provided. Given the scale of this problem in Indian Country, I would have preferred that these funds were requested directly within the Indian Health Service budget so that this subcommittee would have more control over ensuring that you have adequate resources to address this issue.

For the last 2 years at these budget hearings, I have asked what steps the agency is taking to address the chronic problems with health care delivery in the Great Plains region. I have yet to be convinced that the Service has put in place an effective plan to address this issue. At last year's budget hearing with you Admiral Weahkee, we discussed at length the Wall Street Journal's investigation that documented multiple instances of patient deaths and generally deplorable conditions at the Winnebago, Pine Ridge, and Rosebud hospitals.

The Center for Medicare and Medicaid Services (CMS) removed the certification for some of these facilities so that they could no longer bill Medicare or Medicaid. As of July of last year, the Winnebago hospital had not received re-certification from the Center for Medicare and Medicaid Services (CMS) and the Rosebud and Pine Ridge hospitals were still operating under System Improvement Agreements with CMS.

In the omnibus appropriations bill, the subcommittee took a number of steps to address the situation in the Great Plains and elsewhere in the Indian Health Service. We doubled the amount of funds to address accreditation emergencies from $29 million to $58 million; provided $11.5 million for staffing quarters to alleviate housing shortages for health care professionals; and gave the agency new statutory authority to directly pay for housing subsidies for medical personnel to help with recruitment and retention in remote locations like the Great Plains.

During the time for questions, I will ask you for an update on the situation in the Great Plains and what specific steps you are taking to address the problems there. The shameful quality of care has gone on for too long, so I hope you can assure us that the agency is on a path to finally resolving this situation.

Thank you all for being here today. I now turn to Ranking Member Udall for any comments he would like to make.

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