



USET

SOVEREIGNTY PROTECTION FUND

USET SPF Alert

IHS Announces Allocation Decisions for \$4.3 billion in ARP Funding

Dear USET SPF Membership,

Today, the Indian Health Service (IHS) issued a [“Dear Tribal Leader” Letter](#) announcing funding allocation decisions for \$4.3 billion of the \$6.1 billion administered by the agency under the [American Rescue Plan Act of 2021 \(ARPA\)](#). The decisions on six of ten funding categories are as follows:

\$2 Billion for Lost Revenue

IHS will allocate \$1.920 billion to IHS and Tribal health programs (THPs) using existing distribution methodologies for proportionate increases based on Hospitals and Health Clinics, Dental Health, Alcohol and Substance Abuse, and Mental Health funding amounts. \$80 million will be provided to Urban Indian Organizations (UIOs) Contract Support Costs (CSC) do not apply to these funds.

\$500 million for Additional Health Care Services, including Purchased/Referred Care (PRC)

IHS will allocate \$480 million to IHS federal health programs and THPs, using existing distribution methodologies for proportionate increases based on Hospitals and Health Clinics and PRC funding amounts. A Tribal Health Program’s eligible CSC may be added to this funding, and the IHS and each Tribal Health Program will negotiate these amounts after these payments are made. \$20 million will be provided to UIOs.

\$140 million for Information Technology, Telehealth Infrastructure, and the IHS Electronic Health Record

IHS will allocate \$67 million to IHS federal health programs and THPs, using existing distribution methodologies for proportionate increases based on Hospitals and Health Clinics, Mental Health, and Alcohol and Substance Abuse funding amounts. A Tribal Health Program’s eligible CSC may be added to this funding, and the IHS and each Tribal Health Program will negotiate these amounts after these payments are made. \$3 million will be provided to UIOs. IHS will retain \$70 million for IHS electronic health record modernization.

\$600 million for COVID-19 Vaccine-related Activities

IHS will allocate \$526 million to IHS federal health programs and THPs, using existing distribution methodologies for proportionate increases based on Hospitals and Health Clinics, PRC, Public Health Nursing, and Community Health Representatives funding amounts. A Tribal Health Program’s eligible CSC may be added to this funding, and the

IHS and each Tribal Health Program will negotiate these amounts after these payments are made. \$24 million will be provided to UIOs and IHS will retain \$50 million to “maintain systems improvements necessitated by the Agency’s role in vaccine distribution.”

\$1 billion to Detect, Diagnose, Trace, Monitor, and Mitigate COVID-19 Infections

Of the \$1.5 billion appropriated in the ARPA, the IHS will allocate \$1 billion in this first distribution of funds. \$960 million will be provided to IHS federal health care programs and THPs, using existing distribution methodologies for proportionate increases based on Hospitals and Health Clinics, PRC, Mental Health, Alcohol and Substance Abuse, Public Health Nursing, and Community Health Representatives funding amounts. A Tribal Health Program’s eligible CSC may be added to this funding, and the IHS and each Tribal Health Program will negotiate these amounts after these payments are made. \$40 million will be provided to UIOs.

IHS stated it would be sharing its decisions on the remaining \$1.8 billion in a forthcoming letter. This includes \$500 million from the above COVID-19 detection, surveillance, and mitigation funding, as well as \$240 million for Public Health Workforce, \$420 million for Behavioral Health, \$600 million for Construction & Maintenance, and \$10 million for potable water. For your reference, we provide USET SPF’s [comments](#) in response to IHS’ March 2021 consultation on the distribution of this funding.

USET SPF will continue to monitor the allocation and distribution of these funds. We will provide further information as it becomes available.