



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 2, 2023

Dear Tribal Leader:

The Biden Administration remains committed to conducting regular, meaningful, and robust consultation with Tribal Nations as discussed in the January 26, 2021, *Presidential Memorandum on Tribal Consultation and Strengthening Nation-to-Nation Relationships*.

In coordination with the U.S. Department of Health and Human Services (HHS), the Office of Budget and Management (OMB) is initiating Tribal Consultation to seek your input and recommendations on the FY 2024 President's Budget proposal to shift funding for the HHS Indian Health Service (IHS) from discretionary to mandatory beginning in FY 2025. In particular, we are interested in Tribal views on the proposed mandatory funding formula for IHS. Under the proposed mandatory structure, IHS funding would grow automatically to address inflationary factors, key operational needs, and existing backlogs in both healthcare services and facilities. More information on the proposal can be found in the attachment (Appendix A).

This consultation will be held virtually on June 2, 2023, from 2:00 – 5:00 p.m. ET. Please note that your feedback on the FY 2024 Budget proposal will help guide the formulation of the President's FY 2025 Budget. OMB intends to hold a separate Tribal consultation later this year specifically to inform the FY 2025 Budget formulation process.

To help facilitate your input and recommendations, we would welcome your input on the following discussion points, in addition to any other feedback you would like to provide:

1. Input on how mandatory funding for IHS should grow in the outyears, including specific feedback on the different components of the proposed mandatory formula.
2. Specific feedback on the highest priority programs and activities recommended for investment in the FY 2024 budget, including associated funding levels.
3. Specific suggestions on how the Administration can build support for enactment of this proposal.

We encourage you to register as soon as possible using this link:

<https://www.zoomgov.com/meeting/register/vJsc9yqqzluGT9LZmARnvsD6RLiTFyr20Q>

We will prioritize Tribal leader participation in this consultation; please note that Tribal consultations are not for press purposes.

Once you register, you will receive a confirmation email and a unique participant link. If registration is not possible, or if you have trouble registering, please email tribalconsultation@omb.eop.gov. OMB welcomes your written comments as well. If you would like to submit written comments and recommendations on the mandatory funding approaches, please submit comments by Friday, June 30, 2023. You can submit written comments via email at consultation@omb.eop.gov.

Thank you for your support and partnership as we continue to work collaboratively to move toward sustainable, mandatory funding for the IHS.

Sincerely,

A handwritten signature in black ink that reads "Shalanda D. Young". The signature is fluid and cursive, with the first name "Shalanda" being the most prominent part.

Shalanda Young
Director

Appendix A: Summary of the FY 2024 President's Budget IHS Mandatory Proposal

As you know, the fiscal year 2024 President's Budget proposes that beginning in FY 2025, the entire budget shift to mandatory funding. Under the proposed mandatory structure, IHS funding would grow automatically to address inflationary factors, key operational needs, and existing backlogs in both healthcare services and facilities.

As proposed, the mandatory formula culminates in a total funding level of approximately \$44.0 billion in FY 2033. In total, the mandatory budget would provide nearly \$288 billion for the IHS over ten-years.

Funding would automatically grow to account for the following factors:

- Inflationary factors including Consumer Price Index for All Consumers medical and non-medical inflation, population growth, and pay cost growth.
- Staffing increases for newly constructed or expanded health care facilities.
- Funding for new federally recognized tribes.

The proposal also includes the following:

- Increased funding to address the Level of Need Gap documented by the 2018 Indian Health Care Improvement Fund workgroup. The budget would continue growth for direct services once the 2018 gap is addressed.
- Recurring funding for long-COVID treatment and to sustain investments made in the American Rescue Plan Act for behavioral health and public health workforce activities.
- Increased funding from FY 2025 to FY 2029 to address the remaining projects on the 1993 Health Care Facilities Construction Priority List. Funding will continue to increase each year beginning in FY 2030 to begin addressing the full scope of Facilities needs as identified in the most recent IHS Facilities Needs Assessment Report to Congress.
- Increased funding for Sanitation Facilities Construction starting in FY 2027 due to the significant resources appropriated for this program in the Infrastructure Investment and Jobs Act (IIJA). FY 2027 is the first year IHS will not receive IIJA resources for this purpose.
- Increased funding from FY 2025 and FY 2026 for Maintenance and Improvement and Medical Equipment to address current backlogs. Once the backlogs are addressed, the budget ensures sufficient funding is maintained for ongoing maintenance and equipment needs.
- Increased funding for Facilities and Environmental Health Support proportional to growth in the other IHS facilities programs to ensure adequate staffing and operational capacity to carry out proposed facilities funding increases.
- Establishes a new dedicated funding stream to address public health capacity and infrastructure needs in Indian Country. This funding will support an innovative hub-and-spoke model to address local public health needs in partnership with tribes and urban Indian organizations. Establishing a new program to build public health capacity is a key

lesson learned from the COVID-19 pandemic, and a top recommendation shared by tribal leaders in consultation with HHS.

- Grows funding for Direct Operations to ensure IHS has adequate administrative capacity to implement and oversee significant proposed funding increases.
- Fully-funds the IHS Electronic Health Record modernization effort from FY 2024-FY 2029 and Once the EHR modernization effort is complete, the budget ensures sufficient recurring funding is maintained for ongoing maintenance of the new system.