**Special NIHB Annual Consumer Conference Edition**

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* In addition to our weekly update, this week’s Washington Report highlights some of issues and topics that will be covered next week at the Annual Consumer Conference.

**Annual Consumer Conference**

NIHB’s 28th Annual Consumer Conference Just Days Away

The National Indian Health Board (NIHB) is honored to welcome tribal leaders, health administrators, policy makers, and area health boards to the 28th Annual Consumer Conference (ACC) in Anchorage, Alaska at the Dena’ina Civic and Convention Center from September 26-29, 2011.

NIHB is happy to have many noted speakers at this year’s conference, but especially excited to highlight two Alaska Native healthy heroes: John Baker, 2011 Iditarod Sled Dog Champion, and Callan Chythlook-Sifsof, 2010 Winter Olympian Snowboarder!

Online registration will continue through Sunday, September 25 and on-site registration will be available. For more details, visit the [ACC’s website](http://www.acc-alaska.org).

**Tribes and Exchanges**

Through the regulation comment process and Tribal consultation, Tribes and Tribal organizations are providing comments to ensure that individual Indians and the Indian health care delivery system benefit in the implementation of state based exchanges. Issues such as inclusion of the Indian Health Service/Tribal/Urban Indian Health providers, the definition of Indian in the law, and Indian addendum are the latest discussions. These issues and other related topics will be presented at the following sessions:

**Tuesday, September 27, 2011**

2:00-3:30 pm

Workshop: The implications of National Health Reform for the Indian Health Service and Tribally operated Health Care Systems

**Wednesday, September 28, 2011**

10:15 am – 11:00 am

Plenary: Key Issues in Structuring an Exchange from the Tribal Perspective: Building the Foundation

Repeated Workshop: 2:00-3:30pm & 3:45 pm - 5:15pm

Supporting Indian County’s Diabetes Program

Created in 1997, the Special Diabetes Program for Indians (SDPI) has grown to become this nation’s most strategic and successful effort in treating and combating diabetes in Indian Country. Today, this grant program provides funds for diabetes prevention and treatment to 404 IHS, Tribal and urban Indian health programs across the United States.

The SDPI is set to expire on October 1, 2013 unless Congress acts to renew it. Supporting this program and ensuring its survival remains a top priority for the NIHB. Learn more about SDPI at Thursday’s plenary session.

Thursday, September 29, 2011
10:45 – 11:30 am
The Special Diabetes Program for Indians (SDPI): History, Harmony & Hope.

ADMINISTRATION UPDATES

Government Accountability Office Releases Report on Contract Health

The Government Accountability Office (GAO) released its report on Contract Health Services today. The Patient Protection and Affordable Care Act (ACA) requires GAO to study the adequacy of federal funding for the Indian Health Service’s (IHS) Contract Health Service (CHS) program.

GAO examined (1) the extent to which IHS ensures the data it collects on unfunded services are accurate to determine a reliable estimate of CHS program need, (2) the extent to which federal and tribal CHS programs report having funds available to pay for contract health services, and (3) the experiences of external providers in obtaining payment from the CHS program. GAO surveyed 66 federal and 177 tribal CHS programs and spoke to IHS officials and 23 providers.

GAO recommends that the Department of Health and Human Services (HHS) direct IHS to ensure unfunded services data are accurately recorded, CHS program funds management is improved, and provider communication is enhanced. HHS noted how IHS would address the recommendations; describing the proposed new method to estimate need. IHS’s steps will address some recommendations, but immediate steps are needed to improve the collection of unfunded services data to determine program need.

To view the report online, click here.

Also, there will be a plenary session at the Annual Consumer Conference regarding this report.

Tuesday, September 27, 2011
10:45 – 11:30 am
Update on the Contract Health Services Review by the US Office of Government Accountability

President Announces Deficit Plan that Includes Changes to Medicare, Medicaid

The President’s plan to reduce the federal deficit by an additional $3 trillion over the next decade, announced on September 19th, contains some changes to federally-funded health care benefits. The proposal envisions $248 billion in savings from Medicare over 10 years and an additional $72 billion from Medicaid. According to the Administration, the proposed Medicare changes would extend the solvency of the program’s trust fund by about three years and continue to control costs in the long run.

The proposal includes savings in a number of areas, including Medicare and Medicaid program changes, prescription drug control costs, and cuts to the Preventative and Public Health Fund. The plan does not contain an increase in the Medicare eligibility age, which was the concern of many. Moreover, the President said that he would veto any legislation passed by Congress that has changes to Medicare, but “does not raise serious revenues by asking the wealthiest Americans or biggest corporations to pay their fair share.”
All of the proposed changes for Medicare affecting beneficiaries would begin in 2017 and apply to new enrollees. The plan increases the premiums for Parts B and D for upper-income Medicare beneficiaries, estimated to save the government $20 billion over 10 years. This will result in about a quarter of higher income beneficiaries paying the increased premiums that only a small percentage of beneficiaries pay now. The plan also would add a new $100 co-payment for home health care services not preceded by an inpatient stay, $25 increases in Part B deductibles every two years from 2017-2021, and place a surcharge on some Medigap insurance policies.

A proposed change to Medicaid aims to save $14.9 billion over 10 years by instituting a new single blended rate for the federal share of Medicaid payments. States would receive higher federal matching rates if they enroll more newly eligible Medicaid recipients. There is some concern, however, that the new blended rate would shift more costs to states and therefore, onto low-income families.

The proposal’s largest health savings item — worth $135 billion over 10 years — would require drug makers to extend to low-income Medicare enrollees the same discount they give Medicaid beneficiaries, reducing individual costs, as well. The President’s plan also would trim $3.5 billion from the $15 billion over 10 years allocated to the law’s Prevention and Public Health Fund, to be used for other programs. Additionally, it would prohibit pharmaceutical companies from paying generic competitors to delay marketing cheaper drugs and reduce the period during which makers of generic drugs are denied access to safety and efficacy data used to make brand-name biologic drugs.

In order to be signed into law, the President’s plan must be adopted by both Houses of Congress whose Joint Select Committee on Deficit Reduction (or Super Committee) is working on its own plan.

To read the President’s proposal, click here.

Office of Management Budget Fiscal Year 2013 Budget Guidance Issued Requiring Cuts in Agency Requests

On August 17th, the Office of Management and Budget (OMB) issued guidance to Federal Agencies, including the Indian Health Service (IHS), regarding budget requests for Fiscal Year (FY) 2013. In preparation to become compliant with funding levels set in the Budget Control Act of 2011, the directive instructs Agencies to prepare requests for FY2013 containing cuts of both five and ten percent to FY2011 levels.

These cuts cannot come in the form of across-the-board reductions, reductions in mandatory spending, reclassifying discretionary spending as mandatory, or new user-fee requirements. However, with IHS already operating at a funding level of just 56.5% of need, cuts of this magnitude could have deleterious effects on the health of the nearly 2 million American Indians and Alaska Natives (AI/ANs) currently being served.

NIHB is currently preparing a letter to President Obama requesting that this Administration and Congress exempt IHS from these cuts. NIHB will continue to monitor the situation and report on any updates.

To view the OMB guidance, click here.

For more information on the process of Tribal input in the budget formation, we suggest you attend that following workshop:

Tuesday, September 27, 2011
3:30 pm – 3:45 pm
Workshop: The Tribal Voice in the Indian Health Service (IHS) Budget Formulation Process

HILL UPDATES

House Approves Continuing Resolution with 1.5% in Across-the-Board Cuts, Senate Tables

Just before 1:00 am on September 23, the U.S. House of Representatives approved a short-term Continuing Resolution (CR) that would keep the Federal government operating through November
18 by a vote of 219 to 203. Just six Democrats voted for the package that cuts 1.5% across-the-board from discretionary and defense spending, with 23 Republicans voting against it. However, on the afternoon of September 23, the Senate voted to table the controversial funding measure by a vote of 59-36.

The controversy centers on funding for the Federal Emergency Management Agency (FEMA). In designing the bill, the House Majority included $3.65 billion in funding for FEMA complete with partial offsets achieved through deep cuts to a democrat-favored clean vehicle program and the rescission of $100 million from a loan-guarantee program that aided the now bankrupt energy firm, Solyndra. Last week, the Senate Majority passed a bill that would fund FEMA at a level of $6.9 billion without attaching offsets.

Funding for FEMA will run out on September 26 and with cleanup from a host of recent disasters still underway, additional funding is sorely needed. Moreover, the end of the fiscal year is approaching on September 30 and as work on individual appropriations bills is going slowly, Congress must pass a CR in order to avoid a government shutdown. With no agreement in sight, it looks as though Congress must work through the weekend, and possibly through a Rosh Hashanah recess, or risk the negative consequences.

Senate Appropriations Committee Approves FY2012 Labor-HHS-Education Bill

On September 21, the Senate Appropriations Full Committee approved a Fiscal Year (FY) 2012 spending bill that would provide $158 billion in discretionary funding, including offsets and cap adjustments for the Labor, Health and Human Services and Education departments and related agencies. According to the Committee, the 302(b) allocation and the program level are roughly $300 million below the fiscal 2011 level.

The bill aims to strengthen fiscal responsibility, leverage health, education, and worker training reforms, and invest in the future. Specifically, the bill includes provisions to maintain the maximum Pell Grant award level; create a new center at the National Institutes of Health (NIH) dedicated to translating basic research into cures; double funding for the Promise Neighborhoods community transformation program; preserve the number of children served by Head Start; and nearly double the funding for locally led efforts to prevent chronic disease.

Click here to review the bill summary.

Click [here](http://www.nihb.org/legislative/washington_rep ort.php) to review the bill summary.

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