

# National Indian Health Board



## National Indian Health Board Resolution 14 – 04

### Support for Medicare Like Rate for Purchased/ Referred Care payments at the Indian Health Service

**WHEREAS**, the National Indian Health Board (NIHB), established in 1972, serves all Federally recognized American Indian/Alaska Native (AI/AN) Tribal governments by advocating for the improvement of health care delivery to AI/ANs, as well as upholding the Federal government's trust responsibility to AI/AN Tribal governments; and

**WHEREAS**, the unmet health needs of American Indians and Alaska Natives are severe and the health status of American Indians and Alaska Natives is far below that of the general population of the United States, resulting in an average life expectancy for American Indians and Alaska Natives 4.2 years less than that for the U.S. all races population; and

**WHEREAS**, the Indian Health Service and tribal Purchased/Referred Care programs (formerly known as Contract Health Services) purchase primary and specialty care services from private health care providers when those services are not available at Indian Health Service or Tribal health facilities; and

**WHEREAS**, Purchased/Referred Care services are chronically underfunded with an estimated needs gap of over \$770 million; and

**WHEREAS**, Purchased/Referred Care services programs continue to pay full billed charges for non-hospital services, in many cases the Indian Health Service may only treat the most desperate "Life" or "Limb" cases, leading to many undesirable health outcomes for American Indians and Alaska Natives, and ultimately increasing costs to the Indian Health delivery system; and

**WHEREAS**, in 2003, Congress established a payment rate cap on Purchased/Referred Care to Medicare-participating hospitals which has been implemented through regulations issued in 2007; and

**WHEREAS**, No similar cap currently exists for nonhospital providers under the Purchased/Referred Care program; and

**WHEREAS**, on April 11, 2013, the Government Accountability Office (GAO) issued a report noting that capping rates for nonhospital services could result in savings of hundreds of millions of dollars and an additional 253,000 patient visits annually for the Purchased/Referred Care Program; and

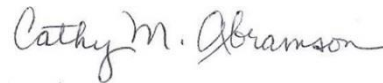
**WHEREAS**, the same GAO report recommended that “Congress should consider imposing a cap on payments for physician and other services made through IHS’s [Contract Health Services] program that is consistent with the rate paid by other federal agencies;” and

**NOW THEREFORE BE IT RESOLVED**, that the National Indian Health Board supports the enactment of legislation that would expand the Medicare-Like Rate cap to all nonhospital services, and

**BE IT FINALLY RESOLVED**, that the National Indian Health Board believes that enactment of Medicare-like rates for Purchased/Referred Care should not be used to reduce any appropriation to the IHS.

**CERTIFICATION**

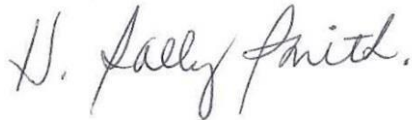
The foregoing resolution was adopted by the Board, with quorum present, on the 7th day of September, 2014.



---

Chairperson

**ATTEST:**



---

Recording Secretary