Historical Underfunding of Indian Health Service, the Effects of Insufficient Funding, and How Increased Funding Will Advance Health Outcomes

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Abstract

The United States Government made a promise through a series of treaties to provide Indian health services long ago. In 1955, the federal government created the Indian Health Service (IHS) to fulfill this promise. This agency operates with the goal of raising the health status of American Indians and Alaska Natives to the highest possible level. Although the agency serves approximately 2.7 million American Indian and Alaska Natives, it has been historically underfunded compared to other major federal health agencies. This underfunding contributes to several health issues Natives face. Many American Indians/Alaska Natives (Al/AN) rely solely upon IHS care, especially in rural areas. Adequate funding is a long overdue investment that would allow IHS programs to make progress towards making improvements to health disparities seen among AI/AN communities.

Objectives

This poster will highlight:

- Al/AN health disparities caused by significant underfunding.
- How underfunding of IHS is compared to other federal health agencies including Veterans Affairs Services (VA).
- Barriers to care for IHS that contribute to health outcomes.



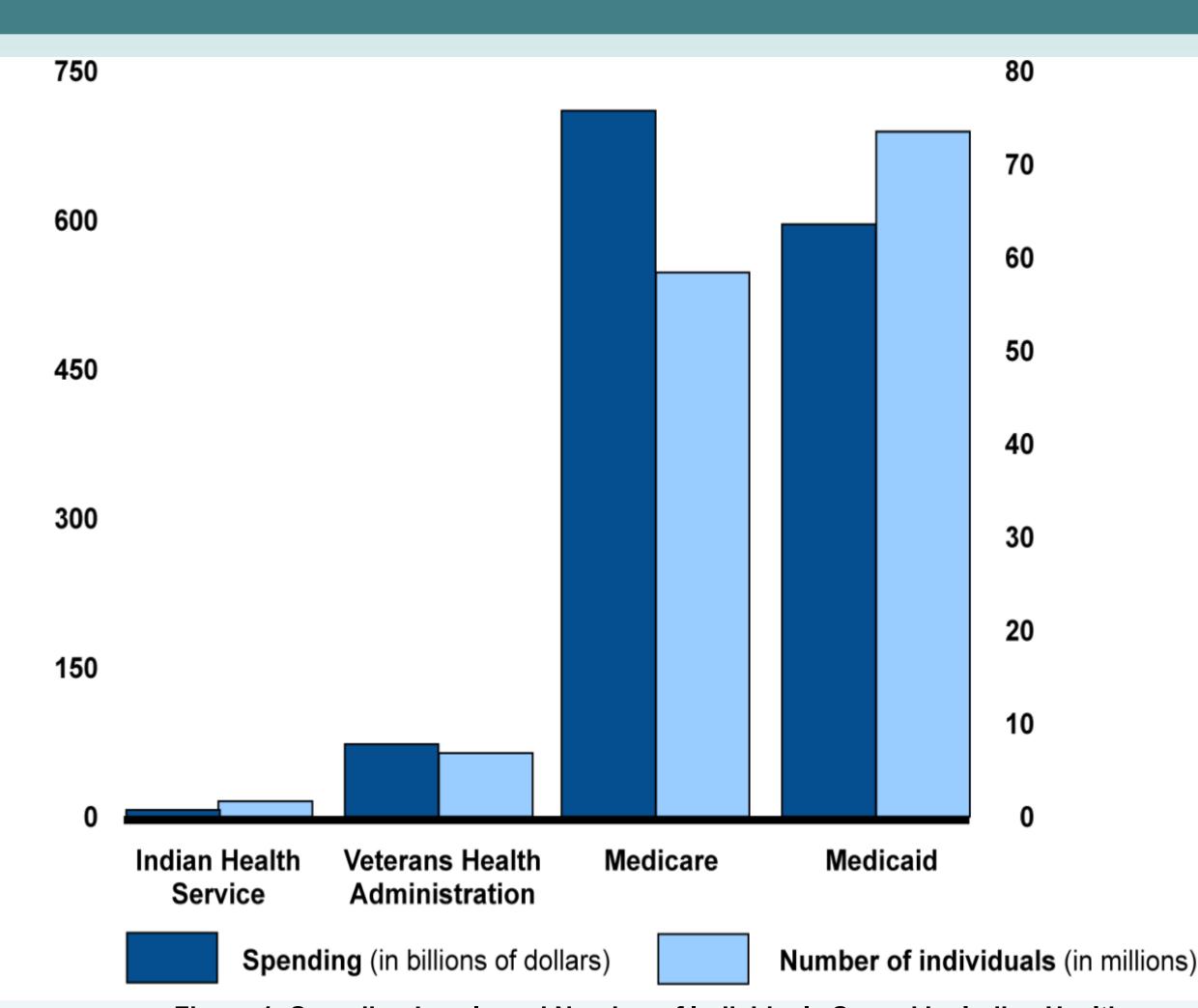


Figure 1: Spending Levels and Number of Individuals Served by Indian Health Service, Veterans Health Administration, Medicare, and Medicaid, 2017

Funding IHS

Unlike other federal healthcare programs, IHS relies on annual discretionary funding from congress, resulting in uncertainty of the annual budget.

- The IHS budget increases about 2-3% each year.
- The 2023 budget is \$9.3 billion, the National Indian Health Board recommends a fully funded budget is \$49.8 billion.

Health Disparities

The significant underfunding contributes directly to adverse health outcomes among AI/AN populations.

- A 2021 CDC report shows Al/AN had the second highest age-adjusted mortality rate of any population.
- Al/AN experience highest rates of Type 2
 Diabetes, chronic liver disease and cirrhosis deaths.
- Al/AN have the lowest life expectancy compared to other races and ethnicities.

Barriers to Care

- IHS clinics struggle to provide quality and timely care to Al/AN patients.
- Tribal communities are often located in rural locations and patients do not have access to other forms of health insurance to treat them elsewhere.
- Data shows an average vacancy for physicians, nurses and other providers at an of average 25%.
- A report conducted by the VA Inspector General finds the in FY 22 VHA saw a 22% increase in severe staffing shortages, compared to 2021.
- Challenges to filling these IHS vacancies include rural locations/ lack of housing, as well matching local market salaries for physicians.

IHS Area	Medical Officers Vacancy Rate	Physician Assistant Vacancy Rate	Pharmacist Vacancy Rate	Nurse Vacancy Rate	Advanced Practice Nurse Vacancy Rate	Dentist Vacancy Rate
Alaska	Data not available					
Albuquerque	16%	0%	17%	28%	36%	16%
Bemidji	60%	0%	23%	19%	38%	37%
Billings	51%	44%	16%	51%	48%	17%
California	50%	0%	0%	60%	0%	0%
Great Plains	38%	18%	17%	33%	28%	22%
Headquarters	38%	0%	0%	7%	0%	0%
Nashville	18%	100%	14%	38%	50%	20%
Navajo	12%	12%	10%	21%	9%	15%
Oklahoma City	14%	0%	11%	14%	7%	6%
Phoenix	31%	19%	15%	31%	31%	23%
Portland	50%	0%	0%	50%	0%	100%
Tucson	24%	17%	23%	36%	25%	30%
IHS Overall	26%	20%	15%	29%	25%	19%

Table 5. IHS Health Care Professions Vacancy Rates, By IHS Area, FY 2021

- IHS is comprised of 45 hospitals and 522 outpatient facilities. At these facilities, there were an estimated 39,367 inpatient admissions and 13.8 million outpatient visits in 2018. On average, IHS hospitals are 40 years of age, which is almost four times as old as other U.S. hospitals with an average age of 10.6 years.
- National Congress of American Indians stated at current rates of funding, if a new facility was built today, it would not be replaced for 200 to 250 years.

Next Steps

- In 2023 The Biden Administration took historical steps in proposing mandatory funding for IHS.
- Funding would grow over time, from \$9.3 billion in FY 2023 to \$36.7 billion in FY 2032, an increase of 296 percent over the 10-year budget window.
- While the increase in funding is a necessary step, it doesn't address current budget needs. AI/AN cannot wait 10 years for a fully funded budget.

Conclusion

- IHS and other federally funded health programs do not offer an apples-to-apples comparison since they significantly differ in many ways.
- Despite this difficulty in comparison, the widespread consensus is that IHS underfunded and continued poor health outcomes of AI/AN support this.
- The IHS system is being stretched to its limits without adequate funding.
- Budget increases have not kept pace with population increases and medical inflation.
- It is time for the U.S Government to provide quality health care to the 574 recognized tribes in this country.

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