

United States Senate  
WASHINGTON, DC 20510

September 27, 2011

The Honorable Kathleen Sebelius  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Ave, SW  
Washington, DC 20201

Dr. Yvette Roubideaux  
Director  
Indian Health Service  
The Reyes Building  
801 Thompson Avenue, Ste. 400  
Rockville, MD 20852

Dear Secretary Sebelius and Director Roubideaux:

We write in response to the U.S. Government Accountability Office (GAO) report (Report) released today entitled “*Indian Health Service: Increased Oversight Needed to Ensure Accuracy of Data Used for Estimating Contract Health Service Need.*” This Report documents a significant deficiency in oversight by the Indian Health Service (IHS) of the Contract Health Services (CHS). Even more troubling, in its comments to the GAO regarding the Report, the IHS did not directly respond to the GAO’s concerns by identifying or providing a clear and comprehensive corrective action plan to address the problems identified and recommendations made by GAO.

This Report is the first in a series of reports requested by a bipartisan group of Senators as well as mandated by the *Indian Health Care Improvement Act*, enacted as part of the *Patient Protection and Affordable Care Act* (Pub. Law 111-148). These reports have been requested of GAO because of the long standing problems with the CHS as reported by the Native American community and other constituents, healthcare experts, and CHS healthcare providers.

The CHS can be a critical life-line for Native Americans throughout the nation. The CHS provides them with health services not available in IHS and tribal health facilities. As a result, CHS may provide for the most complex and life-sustaining care needed by Native Americans.

In the last three years, the Administration and Congress have significantly increased funding available to the CHS. Yet, funding alone will not address the CHS operational problems. We recognize IHS has established a CHS working group to make recommendations to Director Roubideaux about improving the program. GAO reports that IHS expects recommendations from the working group by the end of the calendar year. Given the important role of CHS and long standing problems with the program, we believe swift and comprehensive action by the IHS

is required and insist that work to address the deficiencies identified by GAO begin immediately. Once recommendations are provided by the working group, they may be integrated into these efforts.

In particular, we are concerned that the series of recommendations made by the GAO relating to the collection and reporting of deferred and denied requests for CHS funding have been generally dismissed by IHS in its comments to GAO. The IHS suggests that they are in the process of developing a proposal that could substitute this data with actuarial analysis vis-à-vis the Federal Disparity Index (FDI).

Regardless of whether or not FDI data are utilized to develop an aggregate assessment of CHS need, deferral and denial data remain critical components in the oversight of the program and the validation of other data sources. The CHS working group made similar observations, recommending that the agency's collection of deferral and denial data be improved. However, as GAO notes, IHS had not developed a plan or timeline for such improvements as recently as June 2011. Thus, we request that GAO recommendations related to deferral and denial data are swiftly acted upon, along with GAO's other recommendations.

*Specifically, we are requesting, within the next 60 days, a clear and comprehensive corrective action plan from IHS that documents how the agency will address each of the problems and recommendations made by the GAO in this Report. In addition, the plan should include a timeline for: (1) specific corrective actions, (2) a date when each action will be commenced, (3) a date when each action is expected to be completed, and (4) identifiable goals that, when reached, will lead to the completion of each corrective action.*

We look forward to receiving the comprehensive corrective action plan and thank you for your continued dedication to providing high quality health care to Native Americans. If you have additional questions, please do not hesitate to contact us directly.

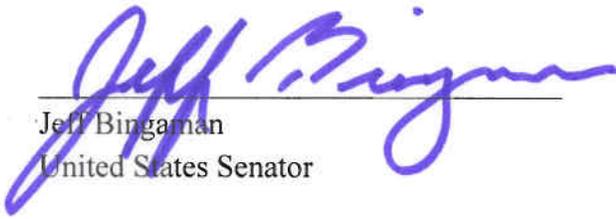
Sincerely,



Daniel Akaka  
Chairman, Senate Committee on Indian  
Affairs



John Barrasso  
Vice Chairman, Senate Committee on Indian  
Affairs



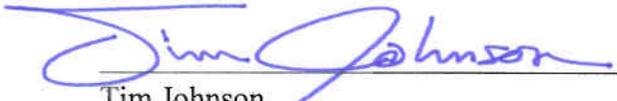
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Jeff Bingaman  
United States Senator



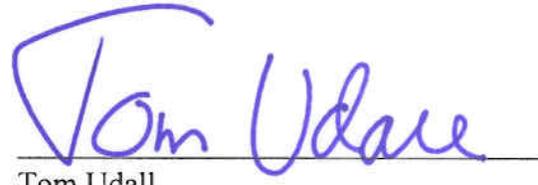
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Lisa Murkowski  
United States Senator



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Tim Johnson  
United States Senator



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Tom Udall  
United States Senator



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John Thune  
United States Senator