



JUL 26 2012

Dear Tribal Leader:

I am writing today to provide an update on progress on our agency priorities and our efforts to change and improve the Indian Health Service (IHS). Specifically, I am providing an update on our agency response to the 2010 Senate Committee on Indian Affairs (SCIA) Investigation of the IHS Aberdeen Area, and our overall reform efforts to improve the way we do business. In 2010, the SCIA conducted an investigation of the IHS Aberdeen Area, and found serious deficiencies in management, employee accountability, financial integrity, and oversight of facilities. Specific findings included missing and stolen narcotics; misuse of Contract Health Service (CHS) funds; providers practicing with expired licenses; and excessive use of administrative leave. The SCIA requested comprehensive investigations of all IHS Areas to ensure that the same problems that were found in the IHS Aberdeen Area were not occurring elsewhere.

The IHS Aberdeen Area immediately implemented corrective actions in response to the investigation findings, and continues to report regularly to IHS Headquarters on their progress. Headquarters (HQ) Oversight Reviews were scheduled for all IHS Areas in 2011/2012 that include the following review objectives: pre-employment suitability; judicious use of administrative leave; health professional licensure; pharmacy control/security; CHS program; financial management; and accreditation of IHS facilities. To date, IHS has conducted investigations in eight IHS Areas. The HQ Oversight Reviews revealed that while policies are generally in place to address the issues under review, in some cases there is inconsistent implementation. When problems have been found, Areas were required to develop corrective action plans to ensure timely corrections. Measurable performance measures related to these issues have been added to all performance plans for senior leadership in IHS, and all federal IHS employees are required to help with progress on these issues in their performance plans. Stronger, more specific performance management plans that clearly set employee performance expectations with measurable goals and targets, aligned with clear agency priorities has helped IHS achieve improved outcomes.

Improvements across the agency have proactively addressed many of the issues identified by the SCIA and they have benefitted the IHS health care facilities within the Aberdeen Area. One of the findings of the SCIA investigation of the IHS Aberdeen Area was the hiring of a few individuals who appeared on the Office of Inspector General (OIG) Exclusion List and they should have been excluded from federal hire based on past offenses. I implemented a national requirement in October 2010 for all new hires to undergo a pre-employment security clearance. To date, significant improvements have been made across the agency. All new federal employees and contract employees must have a favorable fingerprint check and be confirmed to not be on the Office of Inspector General (OIG) Exclusion List before they are hired. While these required steps in the federal hiring process take time, they help assure our patients that we are hiring suitable and quality staff.

One of the findings of the SCIA investigation of the IHS Aberdeen Area was excessive use of administrative leave that was, in some cases, unreasonably or unjustifiably prolonged. Since the investigation, we implemented guidance IHS-wide that requires a written justification, approved

by senior management, for the use of administrative leave beyond an 8 hour period, and only where warranted to avoid loss of government information or property or for safety concerns.

In terms of health professional licensure, the IHS Aberdeen Area now more closely tracks the status of health professional licenses at the local and Area level to promptly identify expired licenses or privileges. Providers are held accountable for taking action immediately to renew their licenses. All IHS facilities are required to track credentialing and privileging of their health care providers.

Accreditation of health care facilities has been an issue in the IHS Aberdeen Area and IHS has worked to assist the local IHS health care facilities in their preparation for accreditation and certification reviews with mock surveys and training. Several IHS staffs have attended training on certification hosted by the Centers for Medicare & Medicaid Services, and all IHS health care facilities have maintained their certification and accreditation to date. The IHS has partnered with the USPHS Commissioned Corps to accomplish several internal deployments of personnel to help local IHS health care facilities address certification or accreditation review findings. Nationally, IHS is implementing a new “hospital consortium” to develop a consistent approach to accreditation and certification among its IHS hospitals through development and sharing of quality improvement strategies.

Pharmacy control and security has been improved within the IHS Aberdeen Area and system-wide with the ongoing installation of security measures such as cages and cameras, as well as the hiring of additional staff. In the IHS Aberdeen Area, discrepancies in counts of controlled substances have been reduced 96.5%, from approximately 3653 occurrences in September of 2010 to only 128 occurrences in August of 2011. Prescription drug abuse, diversion, reporting of controlled substances data to state Prescription Monitoring Programs, and chronic pain management strategies were central to the discussions and action plans at the IHS National Combined Councils meeting earlier this month. Results will be discussed at the upcoming IHS Tribal Consultation Summit.

Financial management improvements have also been implemented in the IHS Aberdeen Area and throughout IHS. All IHS operated facilities are required to balance their budgets at the end of the year so that there is no transfer of funding between IHS service units, and third party collections remain at the facility where they were received as required in the recent reauthorization of the Indian Health Care Improvement Act. Better tracking of key financial and accounting indicators has resulted in improvements in the day-to-day management and administrative control of funds. Third party collections have also increased, allowing for improvements in local IHS services.

Improvements in the CHS Program that are being implemented system-wide are also being implemented in the Aberdeen Area, and IHS is doing a better job of promptly paying bills to outside providers for referrals that are approved for payment by IHS. The IHS Aberdeen Area leadership is meeting with outside providers to educate them on the requirements and rules for payment of referrals to the private sector for health care. Due to agency increases in CHS funding in recent years, more referrals are being approved for payment, and in some IHS

and tribally operated CHS programs, IHS is paying for more than life or limb (priority 1) referrals. I sent the most recent recommendations of the CHS Tribal workgroup to all Tribal leaders in June, and we are already implementing many of the recommendations to improve the business of the CHS program. IHS developed and is implementing a corrective action plan in response to the recent GAO report on CHS unmet need.

As part of our internal IHS reform efforts, we have also made progress on improving human resource management. EEO complaints have been reduced and hiring, recruitment and retention processes have improved. Supervisor training is being conducted across all Areas to ensure that managers have the basic fundamentals needed to address day to day supervisory issues. Information has been provided to all employees to ensure they are familiar with available and appropriate channels to file complaints and grievances.

These system-wide management improvements have led to overall improvements in the way IHS conducts its business. Outcomes described above, and other internal IHS reform efforts, include system-wide pre-employment background and OIG exclusion list checks prior to hire, reduced EEO complaints, reduction in hiring time to 81 days from the previous 140 day average, system-wide supervisor training, improvements in pay disparities for certain health providers to improve recruitment efforts, better budget and financial management as evidenced by IHS' best performance on its annual audit last year, reduced unobligated balances for certain funds, better management of limited resources, reduced travel expenses, activities to improve customer services, and for the first time, IHS met all of its clinical Government Performance and Results Act (GPRA) measures in fiscal year 2011.

These improvements have changed the way IHS does business, and even though we have achieved significant improvements and outcomes, more work needs to be done. I appreciate your input and recommendations as we continue to make progress on our agency priorities. I have attached a summary of some of our agency accomplishments in 2011 that was developed for the Department of Health and Human Services Annual Tribal Budget Consultation in March, 2012. As you may know, we have received a 29 percent increase in the IHS budget over the past four years, and this increase in funding has allowed us to make improvements and increase access to care for the patients we serve. I appreciate your partnership, and look forward to continuing to make progress on changing and improving the IHS. If you have recommendations or suggestions for how we can continue to reform the IHS, please e-mail your comments to [consultation@ihs.gov](mailto:consultation@ihs.gov).

Sincerely,

/Yvette Roubideaux/

Yvette Roubideaux, M.D., M.P.H.  
Director

Enclosure



## **Indian Health Service**

### *Fiscal Year 2011 Accomplishments*

#### **1. Renew and Strengthen our Partnership with Tribes**

- IHS' partnership with Tribes is fundamental to improving the health of the communities it serves and IHS has consulted with Tribes in various formats and has made improvements based on their priority recommendations.
- IHS has implemented improvements in consultation at the national level, consulted on a variety of Tribal priorities, held over 350 Tribal delegation meetings to date and held Tribal listening sessions by phone, videoconference or in person with all 12 IHS Areas each year. IHS meets regularly with Tribal advisory groups and workgroups, attended Tribal meetings and conferences.
- IHS established a new Tribal consultation website to post all letters sent to Tribes.
- IHS has been working on Area and local improvements in consultation and partnership.
- Tribal consultation is fundamental to the IHS budget formulation process and each year IHS incorporates Tribal priorities into its budget requests.
- IHS held its first Tribal Consultation Summit in July 2011 where Tribes could learn about current consultation activities in a “one stop shop” event as recommended by Tribes. Two Tribal Consultation Summits are planned for FY2012 (March 13-14, 2012 in Arlington VA; July, 2012 in Denver, CO).

#### **2. Reform the IHS**

- IHS continues to receive budget increases, indicating continued strong support of IHS by this administration and Congress.
- IHS is also making progress on reforming the IHS with an emphasis on improving the way it does business and how it leads and manages its staff. Setting a strong tone at the top for change and improvement, improving financial management, making business operations more consistent, efficient and effective,

and improving performance management and accountability have brought needed changes at all levels of the agency.

- IHS made significant improvements in how it manages and monitors budgets by improving IHS Area Offices and service unit budget management, returning third-party collections to the IHS facility of origin, regularly monitoring performance targets, and making improvements in the use of the Unified Financial Management System, which is IHS' accounting system. As a result, IHS was able to demonstrate its best performance ever as a part of the 2011 HHS CFO audit.
- IHS reduced its average hiring time from 140 days to 81 days by making improvements in the processes it uses to hire employees.
- IHS continued its work to address the issues that were raised in the Senate Committee on Indian Affairs Investigation of the Aberdeen Area and the corrective actions that were implemented are resulting in improvements. Pre-employment suitability assessments and background checks are being conducted, providers are required to be credentialed and privileged to provide care, the use of administrative leave has decreased, pharmacy security has improved and financial management has improved.
- IHS is conducting reviews of all IHS Areas to ensure the issues identified by the Senate Committee on Indian Affairs are not occurring elsewhere. So far, IHS has completed reviews of seven IHS Areas.
- Improvements in the EEO program in the Aberdeen Area, in collaboration with IHS headquarters, resulted in a reduction in EEO complaints by 50 percent.
- IHS has also been working on improving pay disparities in selected healthcare provider positions to help with recruitment efforts.
- The CHS budget has increased 46 percent since 2008; as a result some CHS programs are able to pay for more than priority-one referrals and services. While the overall need is still significant, the increases are making a difference. With this 46 percent increase in funding, an additional 7,400 inpatient admissions, 278,000 outpatient visits and 10,000 one way transportations have been purchased.
- IHS has negotiated lower rates with the Fiscal Intermediary (FI) that pays the claims for health services provided in the private sector programs. By reducing the rates from \$30.31 to \$28.00 per claim, the IHS estimates it will save over \$997,000 based on the estimated 468,000 claims processed in FY 2011.
- The IHS Director's Workgroup for Improving CHS has recommended specific activities to improve the business of the CHS Program, to better estimate the need, and to provide better education about the program to staff, Tribes, patients and outside providers. IHS is also notifying outside providers that they cannot hold patients responsible for medical bills when the referral is approved by IHS for payment and is working with outside providers to ensure better coordination of referrals and their payment.
- IHS developed a table summarizing current progress on implementing the permanent reauthorization of the Indian Health Care Improvement Act.

- IHS funded national and regional Indian health organizations/boards to help with outreach and education on the new benefits of the Affordable Care Act.

### **3. Improve the Quality of and Access to Care**

- IHS and Tribal programs met all the clinical GPRA targets in FY2011 for the first time, demonstrating that with strong teamwork and focus, improvements can be made.
- Several GPRA measures have demonstrated significant increases from 2008 to 2011, as follows:
  - 12,606 additional diabetic patients received nephropathy assessments for a relative 26% increase.
  - Dental sealants placed have increased by 35,686 for a relative 15% increase.
  - 24,860 additional patients were screened for colorectal cancer for a 57% relative increase.
  - 23,585 additional smokers received tobacco cessation intervention for a relative increase of 54%.
  - 132,161 additional patients were screened for depression for a relative increase of 66%.
- The GPRA measure for cardiovascular disease (CVD) is a comprehensive assessment for five CVD-related risk factors (blood pressure, LDL, tobacco use, BMI, and lifestyle counseling).
  - 4,767 additional patients were screened for a 48% relative increase.
  - An additional 5,269 women received mammography screening for a relative 23% increase.
- IHS was the first large federal system to achieve certification of its electronic health record (EHR), thus enabling facilities to register to receive HER incentive payments for meaningful use.
- IHS obligated 100 percent of its Recovery Act funding on time and many patients are benefiting from new equipment, health care facility construction and renovations, sanitation facility construction and information technology improvements.
- An IHS team was awarded as a Secretary's pick for the *HHSInnovates Awards* for its Influenza Awareness System.
- The IHS Director established a new Director's Award for Customer Service and awarded 19 individual and team recipients from IHS and Tribal programs.
- The Improving Patient Care (IPC) Program, IHS' patient centered medical home initiative, has expanded to 90 sites in the Indian health system and IHS plans to expand this initiative throughout its system.
- The Special Diabetes Program for Indians (SDPI) continues its successful activities to prevent and treat diabetes. The grantees have shown that in partnership with communities, they can reduce diabetes and cardiovascular disease risk factors in Indian country with innovative and culturally appropriate activities. For example, the Diabetes Prevention Program, designed as a demonstration project to translate research findings into real world settings, achieved the same level of weight loss as the original Diabetes Prevention Program Research study funded by the National Institutes of Health. The SDPI is authorized through 2013.
- IHS' Methamphetamine and Suicide Prevention Initiative is reporting some impressive accomplishments. During the first year of this congressionally-funded initiative:

- - 4,370 individuals were identified with a methamphetamine disorder;
  - - 1,240 people entered a methamphetamine treatment program;
  - - Over 4,000 people participated in suicide prevention activities;
  - - 42,895 youth participated in prevention or intervention programs; and
  - - 647 people were trained in suicide crisis response.
- In 2011, IHS' Domestic Violence Prevention Initiative's accomplishments include:
    - - Developed 21 interdisciplinary Sexual Assault Response Teams;
    - - Served over 2,100 victims of domestic violence and/or sexual assault;
    - - Screened over 9,100 patients for domestic violence;
    - - Made over 3,300 referrals for mostly domestic violence services;
    - - Reached nearly 9,500 community members through community and educational events; and
    - - Provided 37 trainings events for approximately 442 participants on domestic violence, mandated - reporting for abuse, child maltreatment, dating violence, and bullying. -
  - IHS established its first Sexual Assault Treatment Policy under the authority of the reauthorization of the Indian Health Care Improvement Act and the Tribal Law and Order Act.
  - IHS Health Care Facilities Construction (HCFC) funding has increased by 132 percent since FY 2008 and is helping complete the hospital in Barrow, AK, continue construction in Kayenta and San Carlos, AZ, and begin the design of the Southern California Youth Regional Treatment Center. Recovery Act funds have helped complete health care facilities in Eagle Butte, South Dakota last year and Nome, Alaska this year.
  - IHS is implementing its Memorandum of Understanding with the Department of Veterans Affairs (VA) and working with Tribes at the Area and local levels to help improve coordination of care for Native veterans.
  - IHS' collaboration with the Health Resources and Services Administration has resulted in designations of all 490 IHS, Tribal, and urban Indian health sites as eligible for the National Health Service Corps loan repayment and scholarship programs and 221 additional providers working in Indian health sites.

#### **4. Make all our work transparent, accountable, fair and inclusive**

- The IHS Director's Blog has become an important source of information for Tribes, employees, and other stakeholders with approximately 35,000 hits in the past year.
- The principles of transparency, accountability, fairness and inclusiveness guide IHS' work and decision-making. The decisions made need to benefit all the patients IHS serves, whether they are served by direct service, Tribally-managed or urban Indian health programs.
- The IHS performance management system has more specific, measurable elements that are based on the agency priorities and which help ensure accountability for improving the organization and have resulted in better outcomes.

These improvements and accomplishments are a result of IHS' overall work to change and improve the agency in partnership with Tribes. For updates, visit the IHS website at [www.ihs.gov](http://www.ihs.gov).