(date)

Re: Protection of the Indian Health Care Improvement Act and Other Critical Indian Provisions

Dear\_\_\_\_\_\_\_\_\_\_\_:

We write you today about the work the Congress is currently undertaking to begin the process of health care reform via a budget reconciliation process.

We do not know how the final process or bill will end up, but we are particularly concerned about: 1) maintaining the permanent reauthorization of the Indian Health Care Improvement Act (IHCIA) which was incorporated through a reference in Section 10221 the Affordable Care Act (ACA); 2) maintaining other Indian-specific laws enacted through the ACA but which are wholly unrelated to the ACA; and 3) maintaining full federal funding for Medicaid services provided to Indians through the Indian health system in any Medicaid reform, rather than shifting those costs onto [[INSERT STATE NAME]] and other states.

Although the ACA incorporates through a cross-reference the permanent reauthorization of the IHCIA, that statute precedes by decades the ACA. In fact, the IHCIA is completely unrelated to the remainder of the ACA, is non-controversial and includes important authorization for the delivery of health care services to American Indians and Alaska Natives that the Tribe relies on to deliver health care to American Indian beneficiaries. The IHCIA is also the foundation of the United States’ obligation for health care for American Indians/Alaska Natives. And as we understand the reconciliation instructions, its provisions are to apply to budget-related matters only and the IHCIA, whose funding is discretionary, should not be included in a reconciliation bill. It is critical that the IHCIA be exempt from any repeal.

The ACA was also used to enact other Indian-specific provisions of law that are also wholly unrelated to the ACA. These critically important provisions include Section 2901 which makes Indian health programs the payer of last resort; Section 2902 which allows the IHS to bill Medicare Part B; and Section 9021 which excludes Indian health benefits from taxation. All three of these provisions should be exempt from any repeal.

Finally, we are aware of several proposals to cap federal funding for Medicaid and CHIP by block granting the Medicaid/CHIP programs to states. We feel strongly that any final bill should maintain full federal funding for all Medicaid services provided through the Indian health system, rather than passing this obligation on to states. The current requirement that the federal government pays 100% Federal Medical Assistance Percentage for services to American Indians/Alaska Natives received through the Indian health system must be maintained. We are concerned that without a carve out, the move to block grants would effectively shift those costs from the federal government to the States. For instance, the elimination of the 100% FMAP for Indians in [[INSERT STATE NAME]] would cost our state thousands of dollars on an annual basis. Other Indian-specific Medicaid protections should also be preserved, including Section 1916(j) of the Social Security Act, which provides that American Indians/Alaska Natives are exempted from premiums co-pays or cost-sharing.

Finally, we are also concerned about the effect that repealing the ACA and/or moving to a block grant would have on Medicaid funding in our State. The Indian health system is funded at approximately 50% of need, and Medicaid expansion has been critically important to IHS and tribally run facilities in [[INSERT STATE NAME]]. It has been instrumental in allowing us to expand coverage to treat preventable conditions and preserve scarce Purchased/Referred Care dollars. It has also benefitted other non-Indian hospital providers in the State, who may have to provide emergent care for our members when Purchased/Referred care funding is insufficient. Any effort to reform Medicaid should respect State funding and eligibility determinations, and allow them to maintain current levels of federal funding and current Medicaid eligibility levels at no increased cost.

We hope that you will keep us informed on the details and language of any health care reform legislation moving forward and would welcome the opportunity review it in draft form. Please contact \_\_\_\_\_\_\_\_\_ or \_\_\_\_\_ regarding this legislation and/or if we may provide any additional information about our health care programs.

Thank you.

Sincerely,