

Bay infant mortality prevention program, \$500,000 for technology improvements and AIDS research at epidemiology centers, \$5,000,000 for loan repayment with emphasis on critical shortage specialties such as pharmacists, dentists and podiatrists, \$220,000 for the pharmacy residents program, \$1,000,000 for emergency medical services, \$1,000,000 to hire podiatrists and \$3,000,000 for technology upgrades.

For dental health programs, increases include \$2,365,000 for pay costs, \$792,000 for staffing of new facilities and \$8,000,000 for increased dental services. Increases in mental health programs include \$1,488,000 for pay costs and \$384,000 for staffing of new facilities. There is an increase of \$3,717,000 for pay costs associated with alcohol and substance abuse programs and a program increase of \$40,000,000 for contract health services. Increases of \$1,099,000 for pay costs and \$643,000 for staffing of new facilities are provided for public health nursing.

Health education programs are increased by \$326,000 for pay costs and \$134,000 for staffing of new facilities. The community health representative program is increased by \$1,787,000 for pay costs. Increases for the Alaska immunization program include \$70,000 for pay costs and \$2,000 for additional immunizations.

Increases for urban health programs include \$1,096,000 for pay costs and \$1,000,000 to incorporate the Southwest Indian Polytechnic Institute dental program into the urban Indian health program in the Albuquerque, NM, area. The urban program for that area is funded pursuant to title V of the Indian Health Care Improvement Act and run by First Nations Community HealthSources. With these additional funds, dental services will be available for the large urban Indian population in the Albuquerque, NM, area.

Other pay cost increases include \$62,000 for Indian health professions, \$2,075,000 for direct operations and \$294,000 for self-governance. Contract support costs increases include up to \$10,000,000 for new and expanded contracts and \$10,000,000 for existing contracts.

Finally, there are decreases of \$10,005,000 for staffing of new facilities because these costs have been spread among the appropriate accounts and \$22,000,000, which was a general increase in House floor action that has been spread among various accounts in the conference agreement.

The managers agree to the following:

1. The Service needs to do a better job of estimating costs, including the distribution of pay cost increases. These numbers should not be a "moving target" that changes substantially and continuously after the budget submission as was the case this year.

2. The Service should distribute the Indian health care improvement fund in accordance with the level of need methodology to ensure that the most underfunded tribes are funded at more equitable levels. There should be no set-aside of a portion of these funds to be distributed under an alternative methodology. The managers recognize that the LNF methodology may need some improvements and the Service should continue to make the necessary refinements.

3. The Service should report to the House and Senate Committees on Appropriations prior to finalizing any policy on the distribution of the Indian health care improvement fund for fiscal year 2001. The managers urge the Service to establish a minimum level of funds to be provided to individual service units. The Service also should provide a report on how the fiscal year 2000 funds were used to improve services to Indians and Alaska Natives.

4. Despite the reprimand in the House report, the Service has still not provided the

required plan of action to augment and strengthen its podiatric care program. Because of the pressing need in this area, the managers have taken actions in this conference report to address the problem. The report is still required as requested last year, and the managers expect that the directed consultation with outside groups will be fully and clearly explained in that report.

5. The Service should accept the offer from the American Podiatric Medical Association to assist in the recruitment and screening of candidates to fill podiatry positions in the Service. The APMA deserves credit for pursuing much needed improvements in the podiatry programs at IHS and has an excellent record with respect to prevention of diabetic amputations. The Service should consult with APMA on both the use of the \$1,000,000 increase provided to hire additional podiatrists and the use of the loan repayment program for podiatrists.

6. The Senate-required report on the proposed distribution of the general funding increase is not necessary because the increase has been distributed across the various programs in the conference agreement.

7. The Senate requirement to investigate possible inequities in funding allocations applies not only to the Ponca and the Salish and Kootenai tribes but to all tribes. The House has received several complaints from Oklahoma tribes. This investigation should be done in the context of the Indian Health Care Improvement Fund and the level of need methodology and does not require a separate report.

8. Within the funding provided for contract health services, the Indian Health Service should allocate an increase to the Ketchikan Indian Corporation's (KIC) recurring budget for hospital-related services for patients of KIC and the Organized Village of Saxman (OVS) to help implement the agreement reached by the Indian Health Service, KIC, OVS and the Southeast Alaska Regional Health Corporation on September 12, 2000. The additional funding will enable KIC to purchase additional related services at the local Ketchikan General Hospital. The managers remain concerned that the viability of Alaska Native regional entities must be preserved. The accommodation by the managers of the September 12, 2000 agreement in no way is intended to imply that similar requests for similar arrangements will be encouraged or supported elsewhere in Alaska.

Bill Language.—The conference agreement does not include language proposed by the Senate preventing contract health payments in excess of Medicare and Medicaid rates. The Secretary of Health and Human Services has authority to address this issue through the regulatory process. The conference agreement does not include language proposed by the Senate giving tribes access to prime vendor rates that are available to the Service. This authority was enacted earlier this year. Language is included raising the amount for the Catastrophic Health Emergency Fund from \$12,000,000 to \$15,000,000 and raising the cap for the loan repayment program from \$17,000,000 to \$22,000,000.

The conference agreement includes language proposed by the Senate providing up to \$10,000,000 for contract support costs associated with new and expanded self-determination contracts and self-governance compacts. The managers note that, unlike the Bureau of Indian Affairs, that funds all contract support cost requirements at the same rate, the Service has a varying scale. The managers urge the Office of Management and Budget to work with the BIA and the IHS to address discrepancies between the two bureaus with respect to the calculation and distribution of contract support costs. At present, the IHS pays many more categories

of costs than does BIA, and the rate of contract support cost payments relative to the level of need is higher in IHS than in BIA. These discrepancies should be addressed, and the managers suggest that the Office of Management and Budget is the appropriate organization to do so.

INDIAN HEALTH FACILITIES

The conference agreement provides \$363,904,000 for Indian health facilities instead of \$336,423,000 as proposed by the House and \$349,350,000 as proposed by the Senate. The numerical changes described below are to the House recommended level.

In maintenance and improvement, increases include \$2,000,000 to address the maintenance backlog and \$1,000,000 for the Northwest Portland area AMEX program with the understanding that AMEX includes cost sharing in excess of 50 percent and there will be no increase for base funding requirements for these projects. Increases for sanitation facilities include \$206,000 for pay costs and a program increase of \$1,500,000.

For hospital and clinic construction, there are increases of \$118,000 for the Parker, AZ, clinic, \$5,000,000 for small ambulatory facilities with the understanding that there will be no additional operating funds associated with these projects, \$5,000,000 for staff quarters in Bethel, AK, \$5,000,000 for joint ventures and \$2,000,000 for Hopi, AZ, staff quarters.

For facilities and environmental health support, increases include \$3,657,000 for pay costs and \$1,665,000 for staffing of new facilities. There is also an increase of \$2,000,000 for equipment to raise the total annual funding available for equipment at tribally built facilities from \$3 million to \$5 million and a decrease of \$1,665,000 for staffing of new facilities because this amount has been included in the facilities and environmental health support activity.

The managers agree to the following:

1. The Service is urged to package together several staff quarters projects whenever possible to attract more bidders for construction projects and to lower costs. The various projects on the priority list for Navajo and other tribes in the area should be reviewed as potential candidates for packaging as should staff quarters projects in other areas where such projects can be combined to attract additional interest and achieve savings.

2. For the joint venture program, up to 3 projects may be funded, at least 2 of which are replacement facilities.

3. Any funds not needed for completion of individual construction projects should be reported to the House and Senate Committees on Appropriations as soon as identified. These funds should subsequently be used to offset requirements for other projects on the priority list. To the extent that such funds become available in fiscal year 2001, they may be used for clinic design for the next three facilities on the outpatient priority list.

Bill Language.—The conference agreement includes language, as proposed by the Senate, directing funds to the Yukon-Kuskokwim Health Corporation for construction of the Bethel, AK, staff quarters and earmarking \$5,000,000 for the joint venture program with specific instructions on program implementation. The House had no similar provisions. Language also is included increasing the earmark for funds to be provided to the Hopi Tribe from \$240,000 to \$2,240,000 to reduce the debt incurred by the Tribe in providing staff quarters associated with the new Hopi Health Center. Language also is included permitting the use of contracts for small ambulatory facilities.