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# An Avoidable Harm: Impacts of Government Shutdowns and Discretionary Funding on Urban Indian Organizations

Recent findings from an Urban Indian Health Institute study reveal the immediate need for advance appropriations and mandatory spending for the Indian Health Service.

The Indian Health Service (IHS) is the agency tasked with fulfilling the federal government's trust responsibility and treaty obligations to provide quality healthcare to 5.2 million American Indian and Alaska Native (AI/AN) individuals (Jones & Ramirez, n.d.). Congress' overreliance on annual appropriations for IHS has resulted in thousands of Indian Health Care Providers mitigating the negative impacts of lapses in patient services, undo administrative stress, and limited growth, all of which are a violation of the federal trust responsibility and the Indian Health Care Improvement Act (IHCA).

Urban Indian Health Institute (UIHI) conducted a rigorous qualitative study lasting from March 2019 to March 2020 that involved leadership at Urban Indian Organizations (UIOs) in Urban Indian Health Program (UIHP) service areas in seven of the eleven IHS regions and included 676,000 AI/AN (Dominguez, 2016). Study findings revealed negative impacts on financial stability, provision of direct services, and community relationships among UIOs. The study also found that advance appropriations and mandatory spending for IHS are the most common policy recommendations to address the negative impacts of government shutdowns and fulfill trust and treaty obligations to AI/AN.

As UIOs prepare for the FY21 appropriation process, an overreliance on discretionary funding for IHS unnecessarily jeopardizes the wellness of AI/AN patients. The devastating impacts of COVID-19 among tribal and urban Indian communities is well documented (Klemko, 2020; Hatcher et al., 2020). The continued subjection to government shutdowns during the COVID-19 pandemic would likely further the negative impacts found in this study, leaving Indian Health Care Providers and the families they serve in a precarious and unstable situation.

## Of the organizations interviewed:

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**All were impacted** by a government shutdown in recent years.

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75% were forced to **reduce** or **suspend** services or programming.

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63% **furloughed** staff.

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The majority said a government shutdown **impacted their relationship with the community** they serve.

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38% reported the need to **limit their growth** and **pause the development** of new programs because of funding instability.

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63% expressed a desire for either **advance appropriation** authority or **mandatory spending** for IHS.

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Several UIOs specifically referenced the funding structure of the Veterans Health Administration of the Department of Veteran's Affairs (VA) as an **alternative funding** model for the IHS.

“...I feel like when these things happen and we have to close our doors or consider furloughing programs, we're allowing ... for a vulnerable person to lose their life.”

—UIO Staff Member

## The following solutions were identified by study participants:

### Policy Solutions

- Immediate authorization of advance appropriations for a portion of IHS annual appropriations.
- Recategorization of IHS appropriations as mandatory spending from discretionary funding.
- Full funding of IHS over a 12-year period beginning in FY2021 as recommended by the National Tribal Budget Formulation Workgroup.

### Administrative Solutions

- Increased training and technical assistance for IHS-funded organizations seeking status as a Federally Qualified Health Center or wishing to diversify funding.



## About the Urban Indian Health Program

The Urban Indian Health Program (UIHP) consists of 41 Urban Indian Organizations authorized by Title V of IHCIA as amended and designated by IHS. UIHPs operate 74 health facilities in 22 states. The average UIHP grant or contract from IHS is only \$281,128, but the need is far greater. As a result, many UIHPs rely on third-party reimbursements from Medicaid, Medicare, and private health insurance and grants to provide basic services.

## References

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## About Indian Healthcare System Appropriations

IHCIA was permanently reauthorized in 2010, in [Title X Part III of the Patient Protection and Affordable Care Act](#), affirming the responsibility of the federal government and to enact legislation that improves the health and well-being of American Indian and Alaska Native people. IHS relies on discretionary spending and annual appropriations to cover of its operating costs. In the event of a continuing resolution or government shutdown, this mechanism creates gaps in funding (Tobey et al. 2020). IHS is chronically underfunded with previous appropriations meeting only 50% of the organization's needs (U. S. Government Accountability Office, 2018).