



Testimony  
Before the Committee on Indian Affairs,  
U.S. Senate

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## HIGH RISK

# Agencies Need to Continue Efforts to Address Management Weaknesses of Federal Programs Serving Indian Tribes

Statement of Frank Rusco, Director  
Natural Resources and Environment

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Chairman Hoeven, Vice Chairman Udall, and Members of the Committee:

I am pleased to be here today to discuss the status of actions by the Departments of the Interior (Interior) and Health and Human Services (HHS) to address issues that led to the high-risk designation we made related to the federal management of programs that serve tribes and their members. We added this area to our High Risk List in February 2017 because of our concern about the ability of agencies within these departments to manage (1) education and health care programs that serve tribes and their members and (2) Indian energy resources.<sup>1</sup> In particular, we found numerous weaknesses in how Interior’s Bureau of Indian Education (BIE) and Bureau of Indian Affairs (BIA)—under the office of the Assistant Secretary- Indian Affairs (Indian Affairs)—managed education and energy resources and how HHS’s Indian Health Service (IHS) managed health care services. We reported that these management weaknesses jeopardized the health and safety of American Indians served by these programs and limited opportunities for tribes and their members to use energy resources to create economic benefits and improve the well-being of their communities. This testimony provides examples of actions taken and progress made by these agencies to address the five criteria we use for determining whether to remove a high-risk designation (leadership commitment, capacity, action plan, monitoring, and demonstrated progress).

In 2016, Congress found in the Indian Trust Asset Reform Act that “through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a unique trust responsibility to protect and support Indian tribes and Indians.”<sup>2</sup> As further stated in that act, the fiduciary responsibilities of the United States to Indians arise in part from commitments made in treaties and agreements, in exchange for which Indians surrendered claims to vast tracts of land. The act notes that this history of federal-tribal relations and understandings has benefitted the people of the United States and established “enduring and enforceable [f]ederal obligations to which the national honor has been committed.” Through improvements to federal management of programs that serve tribes and their members, agencies can improve the efficiency of federal programs under which services are provided to tribes and their members.

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<sup>1</sup>GAO, *High-Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, [GAO-17-317](#) (Washington, D.C.: Feb. 15, 2017).

<sup>2</sup>Pub. L. No. 114-178, § 101 (2016)(codified at 25 U.S.C. § 5601).

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Such improvements would be consistent with the expressed view of Congress as to the federal government's trust responsibilities and would strengthen confidence in the performance and accountability of the federal government. In light of this unique trust responsibility and concerns about the federal government's management of Indian education and health care programs and Indian energy resources and because these issues uniquely affect tribal nations and their members, we added the federal management of programs serving tribes and their members as a high-risk area in February 2017.<sup>3</sup>

The focus of this high-risk area is on management weaknesses within federal agencies that administer programs that serve tribes and their members. However, not all federal programs are administered by federal agencies. In accordance with federal Indian policy that recognizes the right of Indian tribes to self-government and that supports tribal self-determination, a number of tribes have elected to take over the administration of certain federal programs and services from BIA, BIE, and IHS. Our recommendations identified in the high-risk area are neither reflective of the performance of programs administered by tribes nor directed at any tribally operated programs and activities.

We have ongoing work reviewing tribes' use of selected legal mechanisms to take over the administration of federal programs from BIA and to assume control and decision-making authority over surface leasing of their lands. In addition, we have ongoing work related to health care programs that serve tribes and their members. Specifically, we are reviewing: (1) provider vacancies in IHS; (2) the use of advance appropriation authority for federal health programs and any applications to IHS; (3) how IHS compares with the Veterans Health Administration, Medicare, and Medicaid in terms of overall structure, user characteristics and service utilization, and funding levels; and (4) access to care for American Indian veterans. The results of these reviews will help inform future updates to the High Risk List.

For this statement, we drew on findings from our reports issued from September 2011 through September 2017 and updated that work by reviewing agency documentation and interviewing agency officials. To conduct our previously issued work, on which this testimony draws, we reviewed relevant federal laws, regulations, and policies; reviewed

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<sup>3</sup>[GAO-17-317](#).

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agency documentation; and interviewed tribal, federal, and industry officials, among others. More detailed information on the scope and methodology of our work can be found in each of the reports cited in our High-Risk Series report.<sup>4</sup> We conducted the work on which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

Since 1990, generally every 2 years at the start of a new Congress, we call attention to agencies and program areas that are high risk due to their vulnerability to mismanagement or that are most in need of transformation.<sup>5</sup> Our high-risk program is intended to help inform the congressional oversight agenda and to improve government performance. Since 1990, a total of 61 different areas have appeared on the High-Risk List. Of these, 24 areas have been removed, and 2 areas have been consolidated. On average, the high-risk areas that were removed from the list had been on it for 9 years after they were initially added.

Our experience with the High-Risk List over the past 25 years has shown that the key elements needed to make progress in high-risk areas are top-level attention by the administration and agency leaders grounded in the five criteria for removing high-risk designations, which we reported on in November 2000.<sup>6</sup> We found that when legislative and agency actions, including those in response to our recommendations, result in significant progress toward resolving a high-risk problem, we will remove the high-risk designation. However, implementing our recommendations alone will not result in the removal of the designation, because the condition that led to the recommendations is symptomatic of systemic management weaknesses. In cases in which we remove the high-risk designation, we continue to closely monitor the areas. If significant problems again arise,

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<sup>4</sup>[GAO-17-317](#).

<sup>5</sup>In our High-Risk List, we also call attention to agencies and program areas that are high risk due to fraud, waste, and abuse, but we do not include such areas in this report.

<sup>6</sup>GAO, *Determining Performance and Accountability Challenges and High Risks*, [GAO-01-159SP](#) (Washington, D.C.: November 2001).

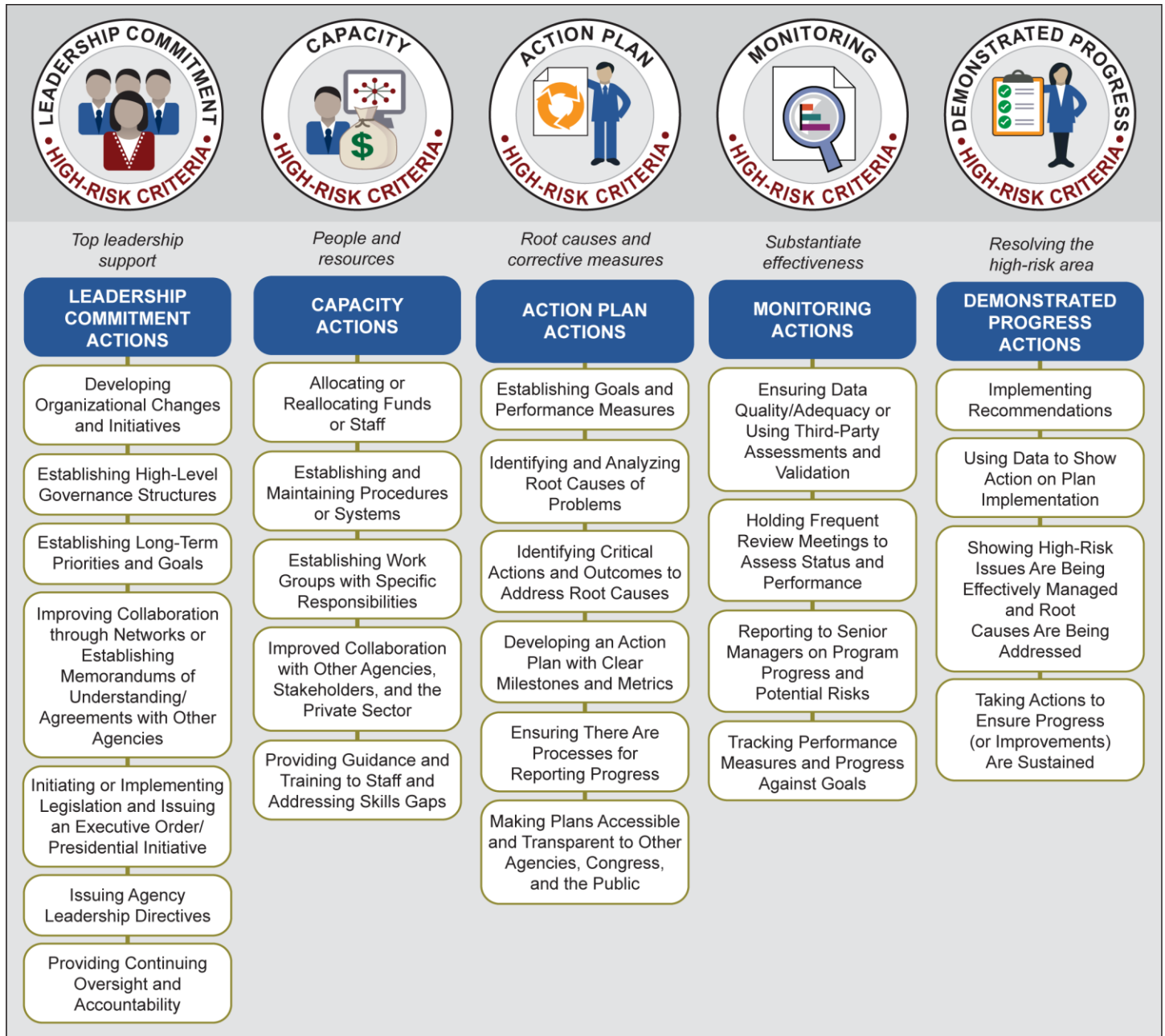
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we will consider reapplying the high-risk designation. The five criteria for removing high-risk designations are:

- **Leadership commitment.** Demonstrated strong commitment and top leadership support to address the risks.
- **Capacity.** Agency has the capacity (i.e., people and other resources) to resolve the risk(s).
- **Action plan.** A corrective action plan that defines the root causes, identifies effective solutions, and provides for substantially completing corrective measures in the near term, including steps necessary to implement solutions we recommended.
- **Monitoring.** A program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.
- **Demonstrated progress.** Ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.

These five criteria form a road map for efforts to improve and ultimately address high-risk issues. Addressing some of the criteria leads to progress, and satisfying all of the criteria is central to removal from the list. Figure 1 shows the five criteria for removal for a designated high-risk area and examples of agency actions leading to progress toward removal.

**Figure 1: Criteria Agencies Must Meet Before High-Risk Designations Can Be Removed and Examples of Actions Leading to Progress toward Removal**



Source: GAO. | GAO-18-616T

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Importantly, the actions listed are not “stand alone” efforts taken in isolation of other actions to address high-risk issues. That is, actions taken under one criterion may be important to meeting other criteria as well. For example, top leadership can demonstrate its commitment by establishing a corrective action plan, including long-term priorities and goals to address the high-risk issue and by using data to gauge progress—actions that are also vital to addressing the action plan and monitoring criteria. When an agency meets all five of these criteria, we can remove the agency from the High Risk List. We rate agency progress on the criteria using the following definitions:

- **Met.** Actions have been taken that meet the criterion. There are no significant actions that need to be taken to further address this criterion.
- **Partially Met.** Some, but not all, actions necessary to meet the criterion have been taken.
- **Not Met.** Few, if any, actions toward meeting the criterion have been taken.

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## Agencies Made Some Progress Addressing the Management Weaknesses That Led to the 2017 High Risk Designation

Officials from Indian Affairs, BIE, BIA, and IHS expressed their commitment to addressing the issues that led to the high-risk designation for federal management of programs that serve tribes and their members. Since we last testified before this committee on September 13, 2017, we met with agency leaders and worked with each agency to identify actions the agencies took or plan to take to address the concerns that contributed to the designation.<sup>7</sup> We determined that Indian Affairs, BIE, BIA, and IHS demonstrated varying levels of progress to partially meet most or all of the criteria for removing a high-risk designation. However, additional progress is needed for the agencies to fully address the criteria and related management weaknesses, particularly in the areas of leadership commitment and capacity.

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### Leadership Commitment

To meet the leadership commitment criterion for removal of a high-risk designation, an agency needs to have demonstrated strong commitment and top leadership support to address management weaknesses. The

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<sup>7</sup>GAO, *High Risk: Status of Prior Recommendations on Federal Management of Programs Serving Indian Tribes*, [GAO-17-790T](#) (Washington, D.C.: Sept. 13, 2017).

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following examples show actions Indian Affairs, BIE, BIA, and IHS took to partially meet the leadership commitment criterion.

- **Education.** Indian Affairs' leaders have demonstrated commitment to addressing key weaknesses in the management of BIE schools in several ways. For example, the BIE Director formed an internal working group, convened meetings with other senior leaders within Indian Affairs, and publicly stated that his agency is committed to ensuring implementation of our recommendations on Indian education. In addition, the BIE Director and other Indian Affairs leaders and senior managers have met with us frequently to discuss outstanding recommendations, actions they have taken to address these recommendations, and additional actions they could take. In particular, the BIE Director met with us on nine occasions over the past year to discuss our recommendations and instructed his staff to provide us draft policies and procedures related to our recommendations. However, it is important that Indian Affairs leaders be able to sustain this level of commitment to solving problems in Indian education. Since 2012, there have been six Assistant-Secretaries of Indian Affairs and five BIE Directors. There has also been leadership turnover in other key offices responsible for implementing our recommendations on Indian education. We have previously reported that leadership turnover hampered Indian Affairs' efforts to make improvements to Indian education.<sup>8</sup> We believe that ensuring stable leadership and a sustained focus on needed changes is vital to the successful management of BIE schools.
- **Energy.** BIA officials demonstrated leadership commitment by, for example, issuing a memorandum requiring all regions and their agency offices<sup>9</sup> to use a centralized data management system to track requests for land title status reports.<sup>10</sup> Using this type of centralized approach for tracking such requests may improve BIA's ability to provide needed oversight of federal actions associated with energy development and ensure documents needed for the development of energy resources are provided in a timely manner. In addition, BIA

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<sup>8</sup> GAO, *Indian Affairs: Better Management and Accountability Needed to Improve Indian Education*, [GAO-13-774](#) (Washington, D.C.: Sept 24, 2013).

<sup>9</sup>BIA, through its 12 regions, more than 80 agency offices, and headquarters office, generally has primary authority for managing Indian energy resources and the development process.

<sup>10</sup>A land title status report is required before leasing land and minerals held in trust or obtaining a right-of-way to traverse land held in trust.



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officials frequently met with us over the last 9 months to discuss the bureau's progress in addressing recommendations related to Indian energy. However, Indian Affairs does not have a permanent Assistant Secretary. BIA does not have a permanent Director, and BIA's Office of Trust Service—which has significant responsibility over Indian energy activities—does not have a permanent Director or Deputy Director. We have seen turnover in these leadership positions as officials have been brought in to temporarily fill these roles. As officials are brought in temporarily, previously identified plans and time frames for completing some activities have changed, and BIA has found itself starting over on the process to identify or implement corrective actions.

- **Health Care.** IHS officials demonstrated leadership commitment by regularly meeting with us to discuss the agency's progress in addressing our recommendations. IHS has continued to implement its Quality Framework by acquiring a software system to centralize the credentialing of clinical providers, developing a patient experience of care survey, and developing standards for limiting patient wait time. However, IHS still does not have permanent leadership—including a Director of IHS—which is necessary for the agency to demonstrate its commitment to improvement. Since 2012, there have been five IHS Acting Directors, and there has been leadership turnover in other key positions, such as area directors.<sup>11</sup> For example, in January 2017 we reported that officials from four of the nine area offices in our review reported that they had at least three area directors over the prior 5 years.<sup>12</sup> We also reported that inconsistent area office and health care facility leadership is detrimental to the oversight of facility operations and the supervision of personnel.

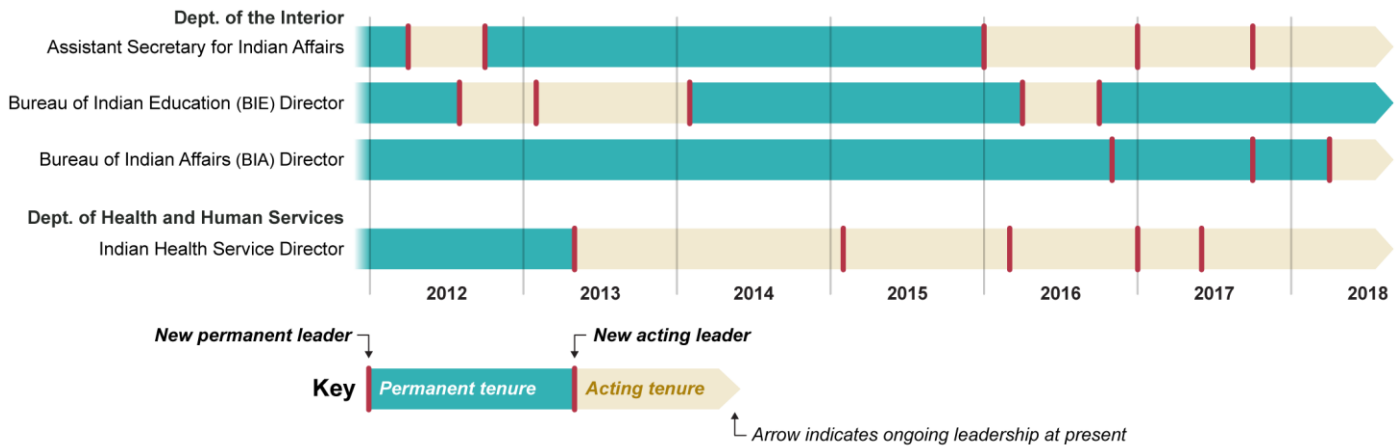
To fully meet the leadership commitment criterion, all agencies will need, among other things, stable, permanent leadership that has assigned the tasks needed to address weaknesses and that holds those assigned accountable for progress. For a timeline of senior leadership turnover in Indian Affairs, BIE, BIA, and IHS from 2012 through 2018, see Figure 2.

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<sup>11</sup>IHS oversees its health care facilities through a decentralized system of area offices, which are led by area directors.

<sup>12</sup> GAO, *Indian Health Service: Actions Needed to Improve Oversight of Quality of Care*, [GAO-17-181](#) (Washington, D.C.: Jan. 9, 2017).

**Figure 2: Senior Leadership in Agencies Responsible for Education, Energy, and Health Care Programs Serving Tribes**



Source: GAO analysis of information from the Departments of the Interior and Health and Human Services. | GAO-18-616T

## Capacity

To meet the capacity criterion, an agency needs to demonstrate that it has the capacity (i.e., people and other resources) to resolve its management weaknesses. Indian Affairs, BIE, BIA, and IHS each made some progress in identifying capacity and resources to implement some of our recommendations, but BIA and IHS officials reported to us that the agencies do not have the people and resources needed to fully implement other recommendations. The following examples show actions Indian Affairs, BIE, BIA, and IHS took to partially meet the capacity criterion.

- Education.** BIE and other Indian Affairs offices that support BIE schools have made some progress in demonstrating capacity to address risks to Indian education. For example, BIE hired a full-time program analyst to coordinate its working group and help oversee the implementation of our recommendations on Indian education. This official has played a key role in coordinating the agency's implementation efforts and has provided us with regular updates on the status of these efforts. BIE has also conducted hiring in various offices in recent years as part of a 2014 Secretarial Order to reorganize the bureau.<sup>13</sup> For example, it has hired school safety officers and personnel in offices supporting the oversight of school

<sup>13</sup>U.S. Department of the Interior, Secretarial Order 3334: Restructuring the Bureau of Indian Education. (Washington, D.C.: June 16, 2014).

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spending. However, about 50 percent of all BIE positions have not been filled, including new positions that have been added as a result of the agency's restructuring, according to a BIE official. Moreover, agency officials told us that vacancies remain in several key positions, including the Chief Academic Officer and the Associate Deputy Director for Bureau Operated Schools. Furthermore, BIE and other Indian Affairs offices that support BIE schools have not developed a workforce plan to address staffing and training gaps with key staff, which we previously recommended. Such a plan is important to allow BIE and other Indian Affairs offices to better understand workforce needs and leverage resources to meet them. BIE officials told us they have held workforce planning sessions and anticipate completing work on our recommendation to develop a workforce plan at the end of 2018.

- **Energy.** In November 2016, we recommended that BIA establish a documented process for assessing the workforce at its agency offices.<sup>14</sup> BIA has taken a number of actions, such as conducting an internal survey to identify general workforce needs related to oil and gas development. This survey information supported staffing decisions for the recently created Indian Energy Service Center. However, BIA officials told us the bureau does not have the staff or resources to implement a comprehensive workforce planning system that would be needed to ensure it has staff in place to meet its organizational needs.
- **Health Care.** IHS has made some progress in demonstrating it has the capacity and resources necessary to address the program risks we identified in our reports. For example, IHS officials stated that the agency is expanding the role of internal audit staff within its enterprise risk management program to augment internal audits and complement audits by the HHS Inspector General and GAO. However, according to IHS, there are still vacancies in several key positions, including the Director of the Office of Resource Access and Partnerships, and the Office of Finance and Accounting.

To fully meet the capacity criterion, all of the agencies need to assess tradeoffs between these and other administration priorities in terms of people and resources, and the agencies should provide to decision

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<sup>14</sup>GAO, *Indian Energy Development: Additional Actions by Federal Agencies Needed to Overcome Factors Hindering Development*, [GAO-17-43](#) (Washington, D.C.: Nov. 17, 2016).

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makers key information on resources needed to address management weaknesses.

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## Action Plan

To meet the action plan criterion, an agency needs to have a corrective action plan that defines the root causes, identifies effective solutions, and provides for substantially completing corrective measures in the near term, including steps necessary to implement the solutions we recommended. Indian Affairs, BIE, BIA, and IHS have shown progress in identifying actions to address many of our recommendations—leading us to believe they can partially meet the action plan criterion before our next update of the High Risk List. For example:

- **Education.** BIE has taken several steps to develop action plans to address management weaknesses. For example, BIE implemented a new policy for overseeing BIE school spending, including developing written procedures and risk criteria for monitoring school expenditures. BIE also developed a strategic plan, which we recommended in September 2013.<sup>15</sup> The plan provides the agency with goals and strategies for improving its management and oversight of Indian education, and establishes detailed actions and milestones for the implementation. BIE has notified us that it has completed the plan and expects to publish it on June 11, 2018, and will begin implementation starting in July 2018. We will review the strategic plan once it has been published. In addition, Indian Affairs' Office of Facilities, Property & Safety Management has developed and implemented revised comprehensive guidelines that addressed several of our findings on weaknesses with BIE school safety identified in our March 2016 report.<sup>16</sup> However, Indian Affairs has not provided us with evidence that it has developed and put in place action plans on other important issues, such as a comprehensive, long-term capital asset plan to inform its allocation of school construction funds, which we recommended in May 2017.<sup>17</sup>

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<sup>15</sup>GAO, *Indian Affairs: Better Management and Accountability Needed to Improve Indian Education*, [GAO-13-774](#) (Washington, D.C.: Sept. 24, 2013).

<sup>16</sup>GAO, *Indian Affairs: Key Actions Needed to Ensure Safety and Health at Indian School Facilities*, [GAO-16-313](#) (Washington, D.C.: Mar. 10, 2016).

<sup>17</sup>GAO, *Indian Affairs: Actions Needed to Better Manage Indian School Construction Projects*, [GAO-17-447](#) (Washington, D.C.: May 24, 2017).

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- **Energy.** BIA officials met with us several times over the past few months to discuss planned actions for addressing management weaknesses related to Indian energy resources, and they identified actions they have taken to help implement some of our recommendations. For instance, BIA officials told us they have proposed several modifications to the bureau's land records data management system that will enable increased tracking and monitoring of key documents that BIA must review prior to the development of Indian energy resources. BIA officials we met with have demonstrated an understanding that addressing long-standing management weaknesses is not accomplished through a single action but through comprehensive planning and continued movement toward a goal. However, the agency does not have a comprehensive plan to address the root causes of all identified management shortcomings.
  - **Health Care.** Senior leaders in IHS have prioritized addressing our recommendations by meeting with us frequently and implementing four recommendations we highlighted in our February 2017 update to the High Risk List.<sup>18</sup> IHS incorporated our recommendations into its risk management work plan starting in 2017, and according to IHS officials, they will annually review the effectiveness of the agency's internal controls, and where controls are deemed insufficient, take actions to strengthen them. IHS officials we met with have demonstrated an understanding that addressing long-standing management weaknesses requires that they develop a corrective action plan that defines root causes, identifies solutions, and provides for substantially completing corrective measures. However, agency officials have not yet developed a corrective action plan.

To fully meet the action plan criterion, a comprehensive plan that identifies actions to address the root causes of its management shortcomings would have to come from top leadership with a commitment to provide sufficient capacity and resources to take the necessary actions to address management shortcomings and risks.

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## Monitoring

To meet the monitoring criterion, an agency needs to demonstrate that a program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures. For example, agencies can demonstrate that they have a systematic way to track performance measures and progress against goals identified in their

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<sup>18</sup>[GAO-17-317](#)

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action plans. We have been working with the agencies to help clarify the need to establish a framework for monitoring progress that includes goals and performance measures to track their efforts and ultimately verify the effectiveness of their efforts. BIA and IHS made progress in holding frequent review meetings to assess the status of implementing our recommendations but have not yet taken needed steps to monitor their progress in addressing the root causes of their management weaknesses. In addition, Indian Affairs has made some progress in meeting the monitoring criterion on Indian education. For example, the agency has implemented a plan to monitor the effectiveness of corrective measures to address school safety program weaknesses. However, the agency has not yet demonstrated that it is monitoring other areas, such as showing that it is using safety program outcomes to evaluate and manage the performance of regional safety inspectors. To fully meet the monitoring criterion, the agencies need to set up goals and performance measures as they develop action plans and take further actions to monitor the effectiveness of actions to address root causes of identified management shortcomings.

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## Demonstrated Progress

To meet the demonstrated progress criterion, an agency needs to demonstrate progress in implementing corrective measures and in resolving the high-risk area. We made 50 recommendations to improve management weaknesses at Indian Affairs, BIE, BIA, and IHS, of which 34 are still open. Since our testimony in September 2017, we found that Indian Affairs has made significant progress in implementing corrective actions in education as demonstrated by our closure of nearly a third of our recommendations directed to Indian Affairs related to education programs.<sup>19</sup> We found that BIA and IHS also made some progress in implementing corrective actions related to the management of energy resources and healthcare programs. Specifically, since our testimony in September 2017, BIA took actions resulting in the implementation of 2 of 14 recommendations, and IHS took actions that resulted in the implementation of four recommendations. The following examples show actions Indian Affairs, BIA, and IHS took to partially meet the demonstrated progress criterion.

- **Education.** As of early June 2018, Indian Affairs had fully addressed 8 of the 23 outstanding education recommendations we identified in

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<sup>19</sup>[GAO-17-790T](#).

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our September 2017 testimony, and we have closed them.<sup>20</sup> BIE implemented half of the closed recommendations, including 2 on oversight of BIE school spending identified as high priority in a March 2018 letter from the Comptroller General to the Secretary of the Interior. The rest of the recommendations we closed were implemented by personnel in Indian Affairs' Office of Facilities, Property & Safety Management and related to oversight of school safety and construction. Overall, Indian Affairs' efforts since we issued our High Risk List update in February 2017 represent a significant increase in activity implementing our recommendations.<sup>21</sup> Substantial work, however, remains to address our outstanding recommendations in several key areas, such as in accountability for BIE school safety and school construction projects. For example, BIA has reported taking some actions to address recommendations in our May 2017 report on improving accountability of its safety employees who inspect BIE schools.<sup>22</sup> However, it has not provided us with documentation of these actions.

- **Energy.** In June 2015, we recommended that BIA take steps to improve its geographic information system (GIS) capabilities to ensure it can verify ownership in a timely manner.<sup>23</sup> Since our last update in September 2017, BIA has made significant progress in enhancing its GIS capabilities by integrating map-viewing technology and capabilities into its land management data system. In addition, we recommended that BIA take steps to identify cadastral survey needs.<sup>24</sup> BIA's enhanced map-viewing technology also allows the bureau to identify land boundary discrepancies, which can then be researched and corrected. Further, BIA identified unmet survey needs that were contained within the defunct cadastral request system and developed a new mechanism for its regions and agency offices to make survey requests. We believe these actions show significant progress in addressing management weaknesses associated with data limitations and outdated technology.

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<sup>20</sup>GAO-17-790T.

<sup>21</sup>GAO-17-317.

<sup>22</sup>GAO, *Indian Affairs: Further Actions Needed to Improve Oversight and Accountability for School Safety Inspections*, GAO-17-421 (Washington, D.C.: May 24, 2017).

<sup>23</sup>GAO, *Indian Energy Development: Poor Management by BIA Has Hindered Energy Development on Indian Lands*, GAO-15-502 (Washington, D.C.: June 15, 2015).

<sup>24</sup>A cadastral survey is, in effect, the public record of the extent, value, and ownership of land.



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- **Health Care.** In April 2013, we recommended that IHS monitor patient access to physician and other nonhospital care to assess how capped payment rates may benefit or impede the availability of care.<sup>25</sup> In response to our recommendation, IHS developed an online tracking tool that enables the agency to document providers that refuse to contract for lower rates. In October 2017, IHS officials met in person with us and provided a demonstration of the tracking tool.

To fully meet the demonstrating progress criterion, agencies need to continue taking actions to ensure sustained progress and show that management shortcomings are being effectively managed and root causes are being addressed.

In conclusion, we see some progress in all of the criteria, including leadership commitment, at all agencies, especially related to education programs. However, permanent leadership that provides continuing oversight and accountability is needed. We also see varying levels of progress at all of the agencies in understanding what they need to do to be removed from the High Risk List by identifying steps that can be incorporated into corrective action plans to address most recommendations. We look forward to working with the agencies to track their progress in implementing a framework for monitoring and validating the effectiveness of planned corrective actions. In addition, the agencies all have made progress in implementing some key recommendations, for demonstrated progress in resolving the high-risk area. Perhaps the biggest challenge for the agencies will be achieving the capacity and identifying the resources required to address the deficiencies in their programs and activities. This challenge cannot be overcome by the agencies without a commitment from the administration to prioritize fixing management weaknesses in programs and activities that serve tribes and their members.

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Chairman Hoeven, Vice Chairman Udall, and Members of the Committee, this completes my prepared statement. I would be pleased to respond to any questions that you may have.

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<sup>25</sup> GAO, *Indian Health Service: Capping Payment Rates for Nonhospital Services Could Save Millions of Dollars for Contract Health Services*, [GAO-13-272](#) (Washington, D.C.: April 11, 2013).



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## GAO Contacts and Staff Acknowledgments

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