

DEPARTMENT OF HEALTH AND HUMAN SERVICES

STATEMENT OF

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BEFORE THE

SENATE COMMITTEE ON INDIAN AFFAIRS

OVERSIGHT HEARING ON

"Reexamining the Substandard Quality of Indian Health Care in the Great Plains"

February 3, 2016

Chairman and Members of the Committee:

Good Afternoon. I am Robert G. McSwain, the Principal Deputy Director for the Indian Health Service (IHS) and accompanying me is Dr. Susan Karol, the Chief Medical Officer for IHS. I am pleased to have the opportunity to testify before the Senate Committee on Indian Affairs regarding operations of the Great Plains Area IHS Hospitals.

I first came to IHS in 1976 and have held positions throughout IHS since then. I am a proud member of the North Folk Rancheria of Mono Indians of California and personally understand the importance of the work that IHS does and I recognize the frustration among tribes and the members of this committee. I have worked over the past 40 years to improve the health of our people, and providing access to quality medical care is a top priority for IHS. When issues do arise, as regrettably has been the case in the Great Plains Area, IHS is committed to taking immediate actions to preserve patient safety above all else. We are also working to make a more lasting improvement in the quality of the care we provide and are committed to demonstrating lasting change.

Since 2010, IHS has been working to address quality issues in the Great Plains Area. We have worked to improve appropriate credentialing and privileging of providers, implement policies surrounding pharmacy controls and security, and implement financial management controls. The changes made in 2010 resulted in substantial reductions in discrepancies of unit counts for controlled substances, from approximately 3,600 in 2010 to only 81 in 2015. Additionally, financial management improvements have led to increased third party collections and more timely outside provider payments through the Purchased/Referred Care system.

We have also conducted focused management oversight reviews in all 12 IHS Areas to examine policies and practices related to hiring and human resources, funds management, Purchased/Referred Care, pharmacy controls, health professional licensure, and facility accreditation. IHS submitted a report to this Committee in July 2013 that summarized the review process, findings, corrective actions, and ongoing work at the agency. We made a commitment in the July 2013 Report to Congress to continue monitoring these functional areas in its annual assessment of high-risk functions in ongoing internal management control work under the Federal Managers Financial Integrity Act and related testing under OMB Circular A-123 Appendix A. Performance measures related to the findings are in all senior leadership performance plans, and accountability for implementation of appropriate corrective actions cascades down to all responsible employees.

In early 2015, IHS initiated a new Enterprise Risk Management Program (ERM) that linked this effort to ongoing management control activities under “A-123”, and added a new element to focus oversight of remediation of management control findings such as those found in the Committee’s 2010 investigation. A multi-year comprehensive contract was awarded to provide expert management support in a variety of health specialty areas that will begin its second year of performance in 2016. A comprehensive view of risk, or ERM will enable IHS management to identify, prioritize, and mitigate a variety of risks that will serve to inform strategic decisions. ERM will facilitate management decisions including: allocation of resources to mitigate risk in mission-critical areas; ensure program integrity goals are met; and to prioritize remediation efforts for deficiencies in both internal and external audits.

Despite these efforts, challenges remain. Some of the biggest challenges we face in the Great Plains are

associated with providing health care in rural geographically isolated communities. These include recruiting and retaining qualified healthcare staff, providing competitive salaries, and the availability of suitable housing, schools and community resources for staff. The Great Plains Area currently has over 250 vacancies for healthcare professionals and, specifically, a physician vacancy rate of 37 percent. As you can imagine, this number of vacancies hinders the delivery of safe, efficient, and quality health care. In addition, the relatively low inpatient volume and complexity of cases at some facilities does not support maintenance of clinical competencies while the geographic remoteness reduces access to training resources. These challenges are seen in most of the AI/AN communities served by the Great Plains Area, including the three of particular interest today.

The three hospitals at issue today, Omaha-Winnebago, Pine Ridge and Rosebud, have faced additional challenges, and, from October 2011 to January 2016, received non-compliance notifications from Centers for Medicare & Medicaid Services (CMS) regarding their Medicare Conditions of Participation, the specifics of which my CMS colleagues will address. IHS understands the severity of the CMS findings and has taken immediate measures to correct them and to implement safeguards to prevent recurrence. We are developing a comprehensive plan to ensure the safe delivery of care for all patients and to ensure full Medicare and Medicaid billing and payment for care at the three hospitals identified by CMS.

Since receiving the notices of non-compliance, the Great Plains Area has contracted with the Critical Management Solutions and Krasker Healthcare Consulting. They developed a comprehensive gap analysis and Corrective Action Plan for Omaha-Winnebago to correct the deficiencies CMS identified. A similar analysis is being completed for Pine Ridge and Rosebud. Corrective Action Plans are being

implemented for Omaha-Winnebago, Pine Ridge and Rosebud Hospitals. We are also working to better our communication with the tribes served by these facilities as we address specific shortcomings cited.

In response to various issues at the Great Plains hospitals, a review of the Great Plains Area Office (GPAO) was conducted October 6-8, 2015 in Aberdeen, SD, by senior IHS leaders from other areas and from headquarters. The purpose of the review was to assess the GPAO level of support provided to Service Units (SU) and healthcare facilities throughout the Great Plains Area (GPA). This internal review team identified a number of challenges and made a number of recommendations for improvement. These recommendations have been shared with the staff at the GPAO. A number of these recommendations have already been implemented, including the following: a centralized Governing Board process has been instituted to make the governance process more efficient and effective by GPA; additional clinical support for the service units by adding more clinical specialists in the GPA office is being pursued. Continued implementation of recommendations made by the October 2015 GPA Office review by IHS Headquarters is underway and, most importantly, GPA executive leadership will be held accountable for continued progress through the annual performance review. The GP Area Director has been charged with implementing all 29 recommendations from the report and is currently on schedule to complete all of them during 2016. This critical directive will be included, monitored and evaluated as part of performance management plans for 2016.

IHS will implement a Quality Improvement Division within the Great Plains Area office to ensure a continued quality effort is employed throughout GPA in response to identified areas for quality improvement.

While we believe these actions will address the concerns at issue in the immediate-term, we also

recognize the need for longer term solutions. IHS is addressing issues such as recruitment and retention in innovative ways, such as utilizing telemedicine, including tele-radiology, and tele-behavioral health, which has already increased the hours of available service for these specialties. At Pine Ridge, specifically, tele-behavioral health providers are seeing patients at three reservation locations, resulting in 46 hours of new services provided per month since June 2015. Pine Ridge has received equipment for a tele-health program to provide assessments of crisis patients with suicidal behavior in the emergency department. Additionally, there has been a high rate of patients who did not show up for their scheduled appointment, partially due to the lack of transportation. To address this issue, two new emergency case managers were hired and will be used to help contact patients regarding appointments and offer transportation to patients.

We have also worked across HHS to address some of the challenges we face. SAMHSA is working with Pine Ridge to provide additional resources to assist with combatting the rise in suicides, including helping the tribe secure a no cost extension for the tribe's FY 2015 Garrett Lee Smith grant, totaling approximately \$165,000. SAMHSA is also working with the tribe to secure additional funding through an emergency, non-competitive grant to fund additional services. And, the Administration for Children and Families has awarded the Oglala Sioux a grant for \$800,000 for the "Empowering the Youth Project." The goal of this project is to empower youth ages 8 to 24 to make changes in their communities, to be proud of their heritage, inspire them to celebrate life and see there is a positive future for them. We have also deployed additional Commissioned Corps officers to IHS facilities to provide extra emergency behavioral health assistance.

At a more systemic level, this year IHS is transforming its Hospital Consortium into the Quality Consortium. It coordinates activities aimed at improving the quality of care and enhancing patient safety. This level of oversight will lead to the development of the IHS as a high-reliability organization, meaning that it actively learns and adopts evidence based practices. The Quality Consortium is taking a system-wide approach to standardize and improve performance in certification, accreditation and governing body function to promote quality of health care delivery at federal health care sites.

In partnership with the Tribes and Great Plains Area Office, IHS will develop a Strategic Framework (Framework) and Sustainability Plan (Plan) to address management, quality, and business process improvements, which will include development of preliminary goals and objectives to promote sustainable practices for the Great Plains Area Office and Hospitals. Sustainability of improvement is the goal we must aim for. In collaboration with the tribes, the Framework will identify top priorities and strategies and the Plan will define and monitor targeted improvement over the next year, including strengthening the Governing Board oversight, one of the primary findings identified by CMS. The Plan will address deficient service delivery and administrative oversight as well as establish new policies, practices, and processes to support future compliance and continued performance improvement. IHS will also use lessons learned from the Great Plains Area to develop a national quality strategic plan for FY 2018-2022.

As part of overall management and accountability reforms, IHS will also implement a quarterly performance review process. The quarterly performance reviews will promote the discussion of performance measures and achievement of milestones among multiple levels of the organization and will be chaired by IHS senior staff. Discussion will include ongoing evaluation of program performance

and milestone achievement as a means for informing management decision-making and resource allocation. This Strategic Framework and Sustainability Plan will foster a culture of accountability and quality improvement, by 1) clearly communicating strategic goals, 2) identifying and monitoring metrics to indicate goal progress, and 3) promoting sustainable corrective actions to improve the quality of health care services delivered.

And, at headquarters, I have recently established a new Deputy Director position to oversee and focus the agency on improving quality improvement practices across IHS. Dorothy Dupree, our new Deputy Director for Quality Health Care, has the responsibility to ensure that, in our direct service facilities, such as the three of particular interest today, provide a higher quality of care, including working with external partners like states and other federal agencies. She has first-hand knowledge of managing an IHS area and will be looking for ways to sustain quality of care throughout our system at all times, not just when CMS identifies a facility with an issue. Ms. Dupree is an enrolled member of the Assiniboine & Sioux Tribe of Ft. Peck, MT.

Working with Dorothy will be Mary Smith, an enrolled member of the Cherokee Nation, who joined IHS a few months ago as Deputy Director. Mary has an extensive background advocating for Indian people and is steeped in health policy knowledge. Mary also has extensive management experience from her time in the private sector and state government.

Conclusion

IHS is committed to working towards improved customer service and ethical behavior, fairness and accountability in performance management, stronger financial management, and an improved Tribal

consultation process, to improve the quality of health care services received by our patients. We are also committed to working in a transparent partnership with the Rosebud, Pine Ridge and Omaha-Winnebago IHS Hospital leadership and their four respective Tribes' leadership.

Mr. Chairman, thank you again for your long-standing commitment to improve Indian health in the Great Plains Area and throughout Indian Health Service and for the opportunity to testify today. I will be happy to answer any questions you may have.