



Indian Health Services: Maintenance & Improvement

The Recovery Act funds will be used for infrastructure projects to improve the condition, fire-life safety, energy conservation, and operational efficiency of existing Indian Health Service (IHS) and Tribal healthcare facilities. IHS health care services are provided in over 700 IHS and tribal health care sites throughout 36 states, mostly in rural and isolated areas. Total space (IHS and tribal) is over 1.6 million square meters (17.2 million square feet) with a replacement cost in excess of \$3.1 billion. Funds are targeted to facility maintenance and improvement (M&I) projects in IHS Areas based on detailed assessments of facility age, conditions, and deficiencies. These deficiencies are identified as the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) for IHS and reporting Tribal facilities, and totaled \$476,052,000 as of April 24, 2009. Projects will be executed using a combination of federal construction contracts and Indian self-determination (P.L. 93-638) construction project agreements. High priority projects will be selected in partnership with tribes and tribal organizations. The IHS will use up to 3% of the funds for administrative costs, project management, and transparency reporting required by the Recovery Act.

A. Funding Table

(Dollars in Millions)

	Total Appropriated	Planned Obligations FY 2009	Planned Obligations FY 2010
Repair, alteration and improvement of IHS and Tribal health care facilities	\$97.0	\$75.0	\$22.0
Administration	3.0	0.8	2.2
Total	100.0	75.8	24.2

B. Objectives

Some IHS and Tribal facilities are old, overcrowded, and hampered by outdated designs that can impair efficient modern healthcare delivery practices. The Recovery Act funding will be used for facility infrastructure projects to:

- Maintain and improve deteriorating facilities.
- Mediate sub-standard conditions and upgrade to modern fire-life safety standards.
- Modify outdated facilities to improve patient flow, capacity, facilitate modern medical practices.
- Enhance energy conservation.
- Provide economic stimulus and jobs.
- Reduce the system-wide backlog of essential maintenance needed in facilities.

C. Activities

Maintenance & Improvement Projects by Categories

Category	# of Projects	Cost (\$)*
-----------------	----------------------	-------------------



Department of Health and Human Services
 American Recovery and Reinvestment Act
 Strengthening Community Healthcare Services



Improve Facility Condition	164	49,999,385
Energy Conservation	70	21,927,365
Program Enhancements	42	17,771,202
Fire-Life-Safety	23	6,009,347
Security	2	211,566
Sustainability	1	100,000
	302	96,018,865

*Remaining balance of \$981,135 is held in reserve pending actual award amounts which may differ from current projections. Additional projects will be funded with any unused reserve funds.

- Projects may address multiple categories of work; however one category was selected for reporting purposes.

D. Characteristics

Types of Recipients

- Tribal governments and/or Tribal Organizations
- Private-sector construction vendors

Types of Financial Awards

Project awards will be managed through the IHS Area Offices.

- Federal construction contracts (approximately: \$41 million).
- Tribal P.L. 93-638 construction project agreements (approximately: \$55 million).

Maintenance & Improvement Projects by Recipient Type

Category	# of Projects	Cost (\$)
Federal Contracts - New	66	33,330,693
Federal Contracts - Existing	17	7,357,813
Tribes/Tribal Organizations	219	55,330,359
	302	96,018,865

Methods of Selection

Recipients will be selected in accordance with applicable contracting solicitation requirements under the Federal Acquisition Regulations (FAR) or under P.L. 93-638, the Indian Self-Determination Act. New and existing contracts and compacts will be used.

Maintenance & Improvement Projects by Area

Area (States Covered)	# of Projects	Cost (\$)
Aberdeen (IA, ND, NE, SD)	39	15,210,000
Alaska (AK)	37	19,219,128
Albuquerque (CO, NM, TX, UT)	14	5,286,705
Bemidji (IL, MI, MN, WI)	42	4,887,473
Billings (MT, WY)	26	4,299,000
California (CA)	30	2,975,039
Nashville (AL, CT, FL, LA, MA, ME, MS, NC, NS, NY, RI, SC, TN, TX)	7	3,435,076
Navajo (AZ, NM)	28	13,305,928
Oklahoma (KS, OK, TX)	24	8,458,080



Area (States Covered)	# of Projects	Cost (\$)
Phoenix (AZ, CA, NM, NV, UT)	25	12,000,000
Portland (ID, OR, UT, WA)	24	4,392,436
Tucson (AZ)	6	2,550,000
	302	96,018,865

E. Delivery Schedule

- The projects will be completed between the 2nd Qtr of FY 2010 and the end of FY 2012.
- If significant events occur during the implementation of these projects that impact attainment of one or more projects, the schedule will be amended accordingly.

F. Environmental Review Compliance

- All Recovery Act projects will be reviewed for environmental compliance. Maintenance and Improvement projects comply with National Environmental Policy Act (NEPA) and National Historic Preservation Act (NHPA) and other environmental regulations.
- To satisfy Section 1609(c) reporting requirements of the Recovery Act, the IHS will report the status and progress of the environmental review of all Recovery Act funded projects using the prescribed President's Council on Environmental Quality format.

G. Measures

Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) is an indication of the overall condition at IHS and tribal facilities and of the repair need in these facilities. Approximately 300 projects will be funded.

Measure	Type	Frequency Measured	Available for Public Access
Percent of Recovery Act projects completed	Output	Quarterly	Supplemental information on HHS.gov/Recovery

Explanation of Measure: M&I projects improve the condition, fire-life safety, and efficiency of existing healthcare facilities and enhances energy conservation. The percentage of Maintenance and Improvement (M&I) projects completed is the number of completed construction projects (numerator) divided by the total number of M&I projects funded by the Recovery Act (denominator). Projects are considered fully complete when all phases of construction are certified as complete. Progress will be monitored and reported quarterly. The goal is to complete 100% of M&I projects by the by the end of FY 2012. Many less complex projects are anticipated to be completed in FY 2010 and FY 2011.

Measure	Type	Frequency Measured	Available for Public Access
Percentage reduction in the Backlog of Essential Maintenance, Alteration, and	Output	Quarterly	Supplemental information on HHS.gov/Recovery



Measure	Type	Frequency Measured	Available for Public Access
Repair (BEMAR) through Recovery Act funding			

Explanation of Measure: The Backlog of Maintenance and Repair (BEMAR) is an IHS-wide inventory of needed maintenance and repair projects. As maintenance and repair projects are completed the BEMAR deficiency is reduced (improved). As BEMAR is reduced, system-wide capacity for safe and efficient patient care is increased. The percentage reduction measure is the amount the system-wide BEMAR is reduced by completion of Recovery Act projects (numerator) divided by the original system-wide baseline BEMAR (denominator).

H. Monitoring and Evaluation

All Recovery Act programs will be assessed for risk and to ensure that appropriate internal controls are in place throughout the entire funding cycle. These assessments will be done consistent with the statutory requirements of the Federal Manager’s Financial Integrity Act and the Improper Payments Information Act, as well as OMB’s Circular A-123 “Management’s Responsibility for Internal Control.”

- The Unified Financial Management System (UFMS) will record all Recovery Act funds and expenditures and allow program and project managers to monitor financial activity.
- IHS will incorporate implementation of Recovery Act into its FY 2009 Management Control Plan, i.e., the agency’s management control system for ensuring compliance with the Federal Managers’ Financial Integrity Act.
- Monitor recipient progress reports at least quarterly or more frequently if required to correct risks.
- Identify deviations from planned schedule or performance.
- IHS gives feedback and corrective measures to recipients as necessary to mitigate risks.
- All Recovery Act programs will be assessed for risk and to ensure that appropriate internal controls are in place throughout the entire funding cycle. These assessments will be done consistent with the statutory requirements of the Federal Manager’s Financial Integrity Act and the Improper Payments Information Act, as well as OMB’s circular A-123 “Management’s Responsibility for Internal Control.”
- Assignment of Project Managers.

I. Transparency

IHS will be open and transparent in all of its contracting competitions and regulations that involve spending of Recovery Act funding consistent with statutory and OMB guidance.

IHS will also ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009. IHS will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and



Department of Health and Human Services
American Recovery and Reinvestment Act
Strengthening Community Healthcare Services



other program guidance. IHS will provide technical assistance to grantees and contractors and fully utilize Project Officers to ensure compliance with reporting requirements.

- The IHS will be open and transparent in all of its contracting that involve spending of Recovery Act funding consistent with statutory and OMB guidance.
- The IHS will ensure that recipient reporting required by Section 1512 of the Recovery Act and OMB guidance is made available to the public on Recovery.gov by October 10, 2009.
- All Tribal and Federal contracts will include relevant reporting requirements for use of Recovery Act funds.
- The IHS will inform recipients of their reporting obligation through standard terms and conditions, grant announcements, contract solicitations, and other program guidance.
- The IHS will provide technical assistance to recipients and fully utilize Project Officers.

J. Accountability

To ensure that managers are held to high standards of accountability in achieving program goals under the Recovery Act, IHS will build on and strengthen existing processes. Senior IHS Office of Environmental Health and Engineering program officials will meet regularly with senior Department officials to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions. The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and business function managers.

- IHS Health Care Facilities officials will meet regularly to ensure that projects are meeting their program goals, assessing and mitigating risks, ensuring transparency, and incorporating corrective actions.
- The personnel performance appraisal system will also incorporate Recovery Act program stewardship responsibilities for program and business function managers.
- Incorporate the Recovery Act into the IHS FY 2009 Management Control Plan.
- Track Recovery Act projects and funds in the Unified Financial Management System.
- M&I Projects comply with:
 - National design standards.
 - Worker health and safety standards and coverage standards.
 - Project approval processes.
- Track and report use of funds for administration.

K. Barriers to Effective Implementation

- Recovery Act funding is approximately twice the annual funding level for maintenance and improvement creating a surge which affects IHS and tribal finance, acquisition, and facilities operations. The IHS may require additional staffing to effectively implement and monitor these projects.



Department of Health and Human Services
American Recovery and Reinvestment Act
Strengthening Community Healthcare Services



- Due to the many remote IHS and tribal facility sites, the availability of contractors and skilled labor impacts construction works and contractors. The IHS will monitor this situation.

L. Federal Infrastructure

- Approximately \$22 million will be invested in major energy and sustainability related projects.
- All projects at Federal sites will comply with the Department of Health and Human Services Sustainable Buildings Implementation Plan, which outlines the guidance on incorporating of sustainability principles into the existing and new buildings.
- Projects will reduce ongoing energy usage.