



United South and Eastern Tribes, Inc.

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USET Resolution No. 2014:020

SUPPORT FOR THE INTRODUCTION AND ENACTMENT OF LEGISLATION THAT WOULD EXPAND THE MEDICARE-LIKE RATE CAP TO ALL NONHOSPITAL SERVICES

- WHEREAS,** United South and Eastern Tribes Incorporated (USET) is an intertribal organization comprised of twenty-six (26) federally recognized Tribes; and
- WHEREAS,** the actions taken by the USET Board of Directors officially represent the intentions of each member Tribe, as the Board of Directors comprises delegates from the member Tribes' leadership; and
- WHEREAS,** in 2003 Congress established a payment rate cap on Contract Health Services (CHS) payments to Medicare-participating hospitals which was implemented in 2007 through regulations issued by the U.S. Department of Health and Human Services; and
- WHEREAS,** the regulations require Medicare participating hospitals to accept payment rates no more than what Medicare would pay for the same service, also known as Medicare-Like Rates; and
- WHEREAS,** the Medicare-Like Rates regulations, 42 C.F.R. 136.30, do not apply to physician services or to providers at nonhospital locations; and
- WHEREAS,** CHS programs continue to be chronically underfunded and unable to pay for all eligible services; and
- WHEREAS,** the Office of Inspector General has found that CHS programs continue to routinely pay full billed charges for nonhospital claims, and that 71 percent of payments made for nonhospital claims were paid at rates higher than Medicare rates; and
- WHEREAS,** CHS programs continue to face difficulties negotiating lower rates with providers, particularly in rural areas; and
- WHEREAS,** on April 11, 2013, the Government Accounting Office (GAO) issued a report noting that the Department of Veterans Affairs and Department of Defense have imposed a rate cap on nonhospital services and recommended that "Congress should consider imposing a cap on payments for physician and other nonhospital services made through IHS's CHS program that is consistent with the rate paid by other federal agencies;" and
- WHEREAS,** the GAO report found that the Indian Health Service (IHS) CHS program continues to pay full billed charges for nonhospital services, resulting in the needless waste of scarce CHS program dollars; and
- WHEREAS,** the GAO report concluded that expanding the Medicare-Like Rate cap to nonhospital services would save IHS and Tribal CHS programs hundreds of millions of dollars; and

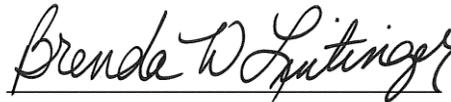
- WHEREAS,** legislation to expand Medicare-Like Rates has been drafted that would implement the recommendations of the GAO report; and
- WHEREAS,** the legislation is budget neutral and would result in significant cost savings for IHS and Tribal CHS programs; and
- WHEREAS,** in December 2010, the United States recognized the rights of its First Peoples through its support of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), whose provisions and principles support and promote the purposes of this resolution; therefore, be it
- RESOLVED** the USET Board of Directors supports the introduction and enactment of legislation that would expand the Medicare-Like Rate cap to all nonhospital services; and, be it further
- RESOLVED** that legislation to expand the Medicare-Like Rate cap to nonhospital services is a budget neutral solution that is critically needed to preserve scarce Contract Health Services program resources and increase the amount and quality of care provided to American Indian/Alaska Native peoples.

CERTIFICATION

This resolution was duly passed at the USET Annual Meeting, at which a quorum was present, in Cherokee, NC, on Thursday, October 31, 2013.



Brian Patterson, President
United South and Eastern Tribes, Inc.



Brenda Lintinger, Secretary
United South and Eastern Tribes, Inc.

“Because there is strength in Unity”