



JAN 7 2016

Dear Tribal Leader:

I am writing to initiate a consultation on the Indian Health Service (IHS) Contract Support Costs (CSC) policy. Our goal is to update and implement a new policy in 2016. The policy has been developed and revised several times since 1992 through coordination and consultation with American Indian and Alaska Native (AI/AN) Tribes and Tribal Organizations, with the purpose of providing uniform and equitable guidance on the preparation and negotiation of requests for CSC funds for new and existing awards authorized by the Indian Self-Determination and Education Assistance Act (ISDEAA), 25 U.S.C. § 450 et seq.

The current policy is located in the Indian Health Manual at Part 6, Chapter 3 (2007). You may access the policy online at: https://www.ihs.gov/ihm/index.cfm?module=dsp_ihm_pc_p6c3. The IHS last initiated consultation on this policy in October 2011 and identified the need to establish a workgroup of Tribal leaders to work with the IHS to review, evaluate, and make recommendations to the policy (IHS CSC Workgroup).

Shortly after, in June 2012, the Supreme Court rendered a decision on CSC claims against the Department of the Interior in the case of *Salazar v. Ramah Navajo Chapter*, 132 S. Ct. 2181 (2012) (*Ramah*). The impact of this decision generated additional review for IHS, which was not a party to the *Ramah* case, and its CSC policy. After the decision, Congress requested that the IHS consult with AI/AN Tribes and Tribal Organizations on long-term solutions for CSC. The IHS utilized the expertise of the IHS CSC Workgroup to review and develop recommendations to improve CSC business processes, including the negotiation of CSC.

On November 23, 2015, I received a proposed draft IHS CSC Policy from the IHS Tribal Self-Governance Advisory Committee and I have since received input and recommendations from the IHS CSC Workgroup to refocus attention on updating this policy in light of the experience gained since the 2012 *Ramah* decision. To accomplish our goal to update the policy in 2016, the IHS CSC Workgroup will meet several times over the next two months to draft a revised policy that will be available for your review and comment in the first quarter of 2016.

Please watch for updates on the IHS website at <http://www.ihs.gov/>. In addition, the IHS will provide updates at national meetings such as the National Congress of American Indians or National Indian Health Board, as well as, during IHS Direct Service Tribes Advisory Committee and Tribal Self-Governance Advisory Committee quarterly meetings.

As we update the policy, I invite you to provide input or feedback in writing to me at the address below or electronically to the e-mail address consultation@ihs.gov.

Please send written comments to:

Robert G. McSwain
Principal Deputy Director
Indian Health Service
5600 Fishers Lane
Mail stop: 08E86
Rockville, MD 20857

Sincerely,

/Robert G. McSwain/

Robert G. McSwain
Principal Deputy Director