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## BAUCUS ENCOURAGES IMPROVEMENTS IN INDIAN HEALTH SERVICE PAYMENT COLLECTION

*Finance Chair Urges IHS to Improve Collection, Free Up Dollars for Quality Health Care Delivery*

**Washington, DC**— Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today on a new Government Accountability Office (GAO) report that found the Indian Health Service (IHS) may not have adequate procedures in place to maximize its collection of payments owed to the agency by private insurers. Baucus requested that GAO conduct the report as part of an ongoing effort to improve IHS collection from private insurers, which will free up resources to improve health care for Native Americans and Alaskan Natives.

**“In the past, IHS has failed basic tests of efficiency and proper management, but Director Roubideaux has assured me that changes are being made to improve IHS’s collection of payments,”** Baucus said. **“Right now, American Indians and Alaskan Natives are suffering because IHS lacks adequate resources to provide the quality care they need, but these improvements will provide more dollars to deliver that care. These lapses are unacceptable. I will be tracking the improvement effort carefully and will demand a follow-up report by GAO.”**

According to the report, IHS does have procedures in place for billing and collecting revenue from private insurers, but those procedures are not in line with the agency’s current financial management system, making it difficult to maximize collection of payments.

Likewise, in discussions with IHS offices, GAO found that none had well-defined debt management plans to enhance the collection and that IHS headquarters did not properly oversee its Area and Service Unit offices. Additionally, the Office of Resource Access and Partnerships, whose responsibility it is to perform policy compliance reviews, is currently understaffed.

Among its recommendations, GAO called for IHS to develop tools for managing and monitoring its business cycle, including payment collection and debt management.

IHS has taken steps to ensure the accuracy of its reports and debt management procedures by increasing its oversight capabilities, implementing a new web-based monitoring service and giving direct line authority to a new position entitled the Deputy Director of Field Operations.

View the full GAO report, “Indian Health Service: Updated Policies and Procedures and Increased Oversight Needed for Billings and Collections from Private Insurers,” at <http://www.gao.gov/new.items/d1042r.pdf>.

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