IHS Tribal Self-Governance Advisory Committee (TSGAC)
February 24-25, 2026
Location: Embassy Suites, 900 10th St NW, Washington, DC 20001

MEETING MINUTES

Opening Prayer

Chairman Tony Hilaire of the Lummi Nation provided the opening prayer and blessing.

Roll Call and Introductions

Quorum achieved.

Committee Business

Committee business included reviewing and discussing the December 2025 meeting minutes, committee operational updates, and approving the nomination from Wichita and Affiliated Tribes.

Discussion with HHS Leadership

Mark Cruz, Senior Advisor to the Secretary, HHS

A senior HHS advisor provided an overview of recent leadership changes within the Office of the Secretary and noted that additional senior staff have been brought into leadership positions to strengthen coordination across the Department.

The advisor emphasized that Tribal health remains a priority for HHS and outlined several initiatives currently underway, including:

- Phasing out the use of mercury dental amalgams within Indian Health Service facilities.
- Accelerating hiring efforts across IHS to address longstanding workforce shortages and reduce vacancy rates.
- Establishing a $1 billion initiative to address the backlog of Indian Health Service health facility construction projects.
- Continued efforts to improve implementation of Public Law 102-477.
- Strengthening collaboration across HHS operating divisions, including CMS, CDC, HRSA, SAMHSA, ACL, and ACF.
- Expanding Tribal engagement and outreach throughout 2026.
- Increasing the use of Native languages when distributing public health education materials.

The advisor also stressed the importance of demonstrating measurable improvements in Tribal health outcomes and encouraged Tribal Nations to continue sharing success stories and data that can support future advocacy with Congress and the Administration.

Tribal Health Priorities

Committee members emphasized that Tribal Nations have become leaders in delivering innovative health care solutions and should be viewed as partners in solving broader national health challenges rather than simply recipients of federal programs.

Discussion focused on several key themes:

- The increasing complexity of Tribal health systems, including behavioral health, substance use treatment, dementia care, specialty medicine, and long-term care.
- Continued workforce shortages and the increasing costs associated with recruiting physicians, psychiatrists, behavioral health professionals, and other specialists.
- The importance of preserving Tribal flexibility to design health systems that reflect local community needs.
- Recognition that third-party revenue, Medicare, Medicaid, and other reimbursement authorities are essential components of Tribal health care financing and cannot be viewed separately from IHS appropriations.
- The need for continued federal support for innovative financing tools, including Section 105(l) leases and modern health facility development.

Committee members also cautioned against federal policies that narrowly interpret Tribal authorities and encouraged HHS to implement existing authorities consistent with the intent of the Indian Self-Determination and Education Assistance Act (ISDEAA) by maximizing Tribal flexibility whenever possible.

Public Law 102-477 Implementation

The Committee continued its discussion regarding implementation of Public Law 102-477, particularly HHS's role in reviewing and approving 477 plans.

HHS reported that:

- No new formal implementation process has been adopted.
- The Department is working to improve internal coordination and address pending requests.
- Recent requests involving Head Start were voluntarily withdrawn and will be resubmitted for fresh review.
- The Department continues to work closely with the Bureau of Indian Affairs and other participating agencies to improve coordination.

HHS acknowledged that implementation remains challenging because Congress did not provide additional staffing or administrative resources when expanding the program to additional agencies. As a result, HHS is exploring ways to improve coordination, including

development of an electronic tracking system that would allow Tribes to monitor the status of 477 applications throughout the review process.

Head Start

Committee members asked how Tribes and HHS could work together to include Head Start within Self-Governance and 477 authorities.

HHS responded that while it continues to explore available administrative options, congressional action would provide the clearest and most durable pathway for expanding Head Start eligibility under 477. Committee members emphasized that integrating preventive and early childhood programs aligns with the overall purpose of Tribal Self-Governance and should remain a legislative priority.

Capacity for 477 Administration

Committee members raised concerns that discussions surrounding 477 implementation have largely focused on federal administrative capacity while giving less attention to Tribal capacity.

HHS acknowledged those concerns and stated that its immediate priority is improving internal systems while continuing to coordinate with Tribal partners. The Department also recognized the need to create additional administrative capacity and improve transparency throughout the review process.

IHS Realignment

The Committee began discussion regarding the ongoing IHS realignment effort.

Members expressed concern that, while consultation materials have provided additional details, Tribes still do not have a complete understanding of how the proposed organizational changes will function once fully implemented.

Several members emphasized that:

- The reorganization should strengthen—not weaken—IHS's ability to support Tribal Self-Governance.
- Equal attention should be given to supporting Self-Governance Tribes alongside direct service operations.
- Tribes continue to seek a clearer picture of the long-term organizational structure and how it will improve support for Tribal Nations exercising Self-Governance authority.

Discussion with IHS Leadership
Clayton Fulton and IHS Leadership Team

IHS Workforce and Agency Priorities

IHS leadership reported significant progress on the agency's workforce initiative following approval of a plan to hire approximately 3,300 additional employees. Initial hiring efforts are focused on clinical positions, with expansion into area offices and headquarters expected later in the year. Leadership emphasized that rebuilding the workforce is essential to improving responsiveness, negotiations, communication, and overall service delivery.

In addition to immediate hiring, IHS outlined longer-term workforce development efforts, including expanding scholarship opportunities, internships, partnerships with educational institutions, and other pipeline programs designed to recruit future Native health professionals. Committee members were encouraged to help identify qualified candidates interested in serving Indian Country.

Veterans Affairs Partnership

IHS highlighted ongoing collaboration with the Department of Veterans Affairs to improve services for Native veterans through the newly established Office of Indian Veteran Support. Priorities include strengthening reimbursement agreements, expanding resource sharing, improving access to behavioral health services, enhancing telehealth, and coordinating outreach to Native veterans. The office also continues working to improve implementation of the VA-IHS Memorandum of Understanding and address recommendations from prior GAO reviews.

Health Information Technology

Leadership reaffirmed its commitment to continued consultation on Health IT modernization and implementation of the new electronic health record system. Additional Tribal consultations are planned as implementation progresses, with the first pilot deployment anticipated at the Lawton Indian Medical Center.

Facilities Questionnaires and Negotiations

Committee members expressed continued concern regarding the increasing use of facility questionnaires during Self-Governance negotiations.

Discussion focused on:

- Delays in processing amendments while questionnaires remain incomplete.
- Inconsistent requirements among IHS Areas.
- Questions that appear unrelated to negotiating funding agreements.

- Potential confusion between facility additions, Section 105(l) leases, CMS enrollment, equipment inventories, and funding agreement negotiations.

IHS acknowledged that no national policy currently governs the questionnaires and agreed that the decentralized approach has produced inconsistent practices. Leadership committed to reviewing the issue nationally, reducing duplication, and developing a more streamlined and consistent process.

Follow-Up

- Review current facility questionnaire practices across all IHS Areas.
- Separate negotiation requirements from CMS enrollment, Section 105(l), and other administrative processes where appropriate.
- Improve consistency and transparency during negotiations.

IHS Realignment

The Committee continued discussions regarding the proposed IHS realignment.

Members acknowledged improvements in transparency compared to earlier discussions but reiterated concerns that many Tribal comments submitted during consultation could be overlooked without a clear explanation of how they influence the final proposal.

IHS leadership responded that:

- The proposal remains under development.
- No fixed implementation deadline exists.
- Consultation comments will be summarized and incorporated into future drafts.
- A third version of the proposal will be developed before publication of any formal Federal Register notice.
- Future versions will more clearly identify changes resulting from Tribal recommendations.

Veterans Affairs Discussion

Department of Veterans Affairs and IHS Coordination

VA Reimbursement Agreements

The Committee continued discussions with the Department of Veterans Affairs regarding implementation of VA reimbursement agreements.

Topics included:

- Billing for Purchased/Referred Care (PRC) services.
- Opportunities to simplify documentation requirements.
- Updating billing guidance based on lessons learned.
- Continued discussions regarding referrals between VA providers and Tribal facilities.
- Pharmacy reimbursement methodologies.
- Opportunities to improve electronic billing.

VA officials acknowledged that several issues remain unresolved and expressed willingness to continue working collaboratively with Tribal representatives to improve reimbursement processes while remaining consistent with applicable federal authorities.

Committee members also raised concerns regarding a proposed Veterans Benefits Administration disability rating policy and requested meaningful Tribal consultation should future policy changes move forward. VA officials confirmed that the proposal is currently paused but acknowledged the importance of consultation if future action occurs.

Follow-Up

- Continue joint discussions to streamline PRC billing.
- Update billing guidance as improvements are adopted.
- Continue discussions regarding referrals between VA and Tribal providers.
- Improve communication materials explaining reimbursement authorities.
- Ensure Tribal consultation on future disability policy changes affecting Native veterans.

Office of Tribal Self-Determination and Self-Governance (OSD) Update

Rena Macy

The Office of Tribal Self-Determination and Self-Governance provided an update on current activities.

Highlights included:

- Continued review of new Title V eligibility applications.
- Streamlined eligibility determinations with responses now targeted within 30 days.
- Progress on overdue Self-Governance annual reports to Congress.
- Progress on Contract Support Cost annual reports.
- Continued work on planning and negotiation grants.
- Ongoing development of an external Section 105(l) lease guide.
- Planned expansion of external training opportunities covering negotiations, Contract Support Costs, and program income.

The Office also shared current participation statistics, noting that approximately 65 percent of IHS funding is now administered under Self-Governance agreements and highlighting continued growth in the number of participating Tribes and Tribal organizations.

Follow-Up

- Finalize and release the Section 105(l) lease guide for Tribal consultation.
- Expand outreach regarding planning and negotiation grants.

Negotiation Capacity

Committee members expressed concern that staffing shortages within IHS negotiation offices continue to delay negotiations and amendments.

Leadership acknowledged:

- Significant shortages among negotiators.
- Need for additional hiring and succession planning.
- Plans to strengthen negotiation teams as part of the broader workforce initiative.

Members emphasized that timely negotiations directly affect Tribal infrastructure projects, health facilities, and services delivered to Tribal citizens.

Follow-Up

- Prioritize hiring and training additional negotiators.
- Improve communication with Tribes regarding negotiation timelines.
- Ensure adequate staffing across all IHS Areas.

Contract Support Costs and Program Income

The Committee discussed implementation of the program income initiative and Contract Support Cost activities.

IHS reported that:

- Participation by Tribes remains lower than expected.
- Additional outreach and training will be necessary.
- New educational materials and recorded trainings are being developed.
- Headquarters staff remain available to assist during negotiations.

Committee members encouraged additional joint training opportunities to help Tribes better understand program income requirements and improve participation.

Follow-Up

- Increase Tribal outreach and technical assistance.
- Standardize program income training and documentation.
- Continue processing pending Contract Support Cost negotiations.

Day One Adjournment

The meeting ended for the day at approximately 5:00 p.m.

DAY TWO – WEDNESDAY, FEBRUARY 25, 2026

The TSGAC reconvened on Wednesday, February 25, 2026, at approximately 9:00 a.m.

Budget Update

Jillian Curtis, Director, Office of Finance and Accounting, IHS

Ms. Curtis delivered a comprehensive presentation regarding current IHS appropriations, contract support cost claims, and Section 105l lease funding obligations, and budgetary outlooks for future fiscal years.

Committee members asked detailed questions regarding the operational impacts of the federal shutdown, delayed apportionments from OMB, and the need for advance appropriations for CSC and Section 105l payments. Members emphasized that Tribes experienced uncertainty during the shutdown period because advance appropriations did not fully cover all Self-Governance obligations.

Discussion also focused on IHS's staffing capacity to process claims and agreements, with several members expressing concern about delays in negotiations and payments. Jillian Curtis provided a detailed budget and finance update regarding:

- Contract Support Cost (CSC) claims;
- Contract Disputes Act (CDA) claims;
- FY 2026 enacted appropriations;
- FY 2027 budget status;
- Advance appropriations;
- Section 105(l) lease funding;
- Electronic health record modernization; and
- Related appropriations issues.

CSC and CDA Claims Update

Ms. Curtis reported:

- IHS had received 679 claims totaling approximately $4.7 billion;
- 660 claims remained outstanding, totaling approximately $3.9 billion;
- 111 claims had been closed through settlement or denial;
- Approximately $965 million in claims had been settled for approximately $576 million;
- Additional claim years were currently in the settlement process; and
- IHS continued encouraging Tribes to submit claims promptly.

Members discussed settlement processing capacity, staffing limitations, and ongoing efforts to improve processing timelines.

FY 2026 Budget and Advance Appropriations

Ms. Curtis reviewed the FY 2026 enacted budget and advance appropriations structure.

Key points included:

- Total IHS funding reached approximately $8 billion;
- Funding reflected approximately a $1.1 billion increase over FY 2025;
- Advance appropriations for FY 2027 totaled approximately $5.3 billion;
- Certain programs remained excluded from advance appropriations, including CSC and Section 105(l) lease payments;
- Shutdown experiences demonstrated operational challenges associated with excluded accounts; and
- IHS continued discussions with OMB regarding apportionment delays and advance appropriations needs.

CSC and Section 105(l) Funding

Ms. Curtis highlighted significant increases in:

- Contract Support Costs, which increased by approximately $768 million to an estimated $1.8 billion; and
- Section 105(l) lease funding increased by approximately $217 million to approximately $366 million.

The discussion included the impact of the San Carlos Apache Supreme Court decision, funding realities, and ongoing budgetary pressures.

Special Diabetes Program for Indians (SDPI)

Ms. Curtis also noted the positive developments regarding SDPI funding and reauthorization.

IPA Agreements / MOA Discussion
CAPT Kelly Battese and Kristen Young

TSGAC discussed recent amendments and operational changes involving:

- Intergovernmental Personnel Act (IPA) agreements;
- Memoranda of Agreement (MOAs);
- Tribal workforce capacity;
- Financial responsibilities; and
- Lack of Tribal consultation regarding policy changes.

Committee members expressed concern regarding:

- Administrative changes occurring without consultation;
- Increased Tribal financial exposure;
- Operational burdens on Tribal health systems; and
- Reduced Tribal flexibility in workforce arrangements.

Participants emphasized the importance of meaningful Tribal consultation before implementation of additional changes.

Behavioral Health Grants Discussion
Dr. Glorinda Segay, Division of Behavioral Health

Dr. Segay provided updates regarding several behavioral health initiatives and grant programs.
Programs discussed included:

- Substance Abuse Prevention, Treatment, and Aftercare (SAPTA);
- Suicide Prevention, Intervention, and Postvention (SPIP);
- Domestic Violence Prevention grants;
- Forensic Healthcare Services (EPICC);
- Community Opioid Intervention Prevention Program (COIP);
- Youth Regional Treatment Center Aftercare Pilot Program (YRTC);
- Behavioral Health Integration Initiative;
- Zero Suicide initiatives; and
- Other behavioral health grant cycles.

Committee members acknowledged the value of these grants but reiterated longstanding concerns that competitive grants are not the preferred delivery mechanism for Tribal behavioral health services.

Members encouraged IHS to:

- Transition behavioral health funding into Tribal funding agreements where appropriate.
- Develop formula-based funding approaches rather than competitive grants.
- Coordinate more effectively with SAMHSA, DOJ, BIA, CMS, and other federal agencies.
- Reduce fragmentation across behavioral health funding streams and support integrated Tribal behavioral health systems.

Tribal Self-Governance Update
Jay Spaan, Executive Director, Tribal Self-Governance

Jay Spaan provided updates regarding Tribal Self-Governance activities, including:

- Educational partnerships with the University of Nevada, Las Vegas, and Arizona State University;
- Expansion of Tribal Self-Governance curriculum offerings;
- Technical assistance efforts;
- Ongoing policy work; and
- 2026 Tribal Self-Governance Conference.

ACA / IHCIA Update
Hobbs Straus Dean & Walker Representatives

Representatives from Hobbs Straus Dean & Walker provided updates regarding:

- Affordable Care Act (ACA) developments;
- Indian Health Care Improvement Act (IHCIA) issues;
- Federal legislative developments;
- Healthcare policy trends; and
- Emerging legal and administrative issues affecting Tribal healthcare systems.

Adjournment
A motion to adjourn was made and seconded. The motion was carried unanimously by voice vote with no objections noted.