NCAI Listening Session Briefing

Health Care Facilities Construction (HCFC) Program





San Carlos Apache Health Center
Before and After

October 2026

Purpose and Authorities

Authorizing legislation: Snyder Act, 25 U.S.C. 13 | Transfer Act, 42 U.S.C. 2001 | IHCIA, as amended, 2010

HCFC program purpose

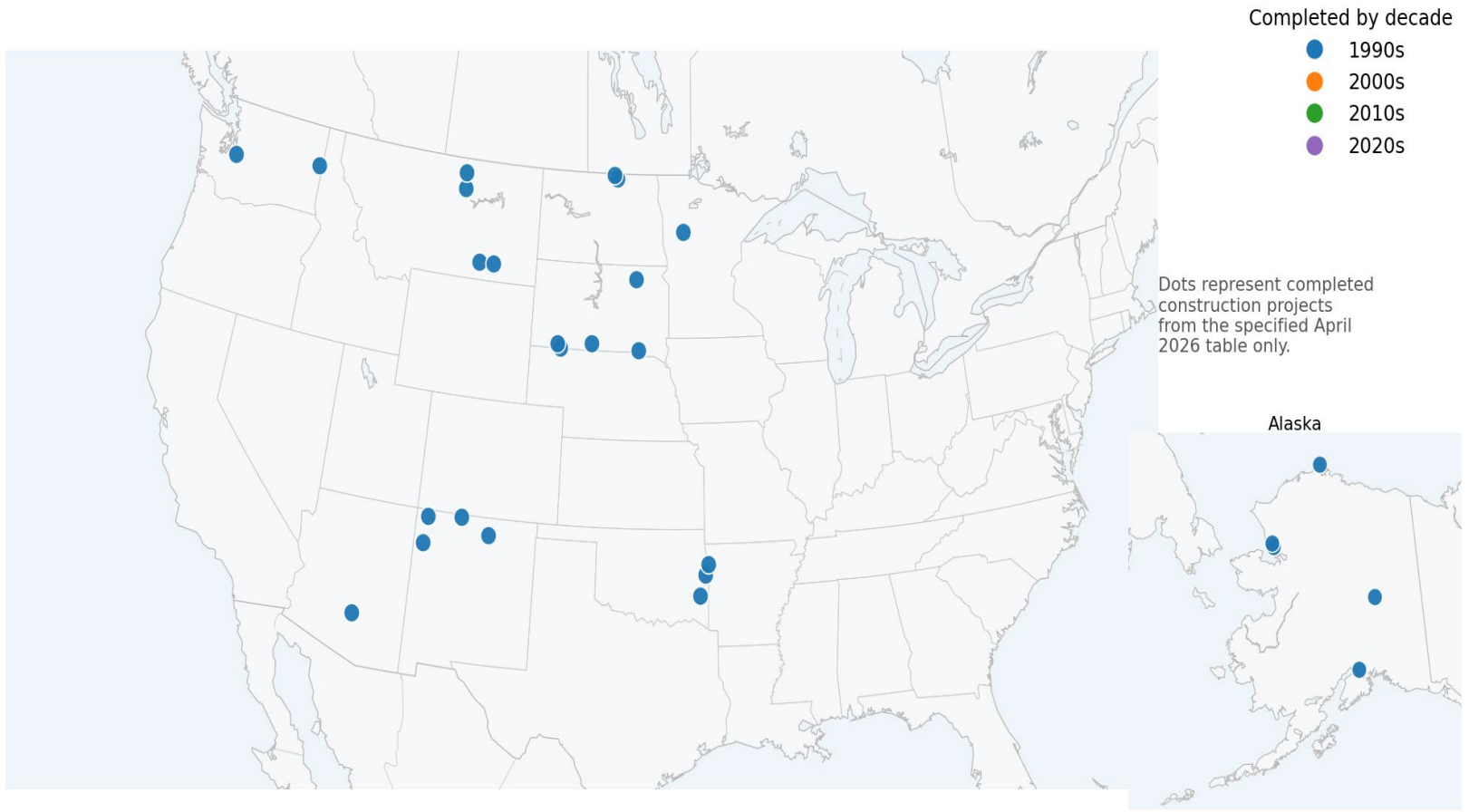
- ❑ The Indian Health Service's Health Care Facilities Construction (HCFC) program funds the construction and modernization of IHS and tribally operated health care facilities, helping improve access to care for American Indian and Alaska Native communities. US Public Law 100-713
- ❑ Office of Environmental Health and Engineering plans, executes, and sustains IHS facilities
- ❑ OEHE constructs healthcare facilities and staff quarters through several program authorities.
- ❑ Methods include Direct Federal contracting, P.L. 93-638 agreements, Self-Governance construction project agreements, and Joint Ventures.

1993 List and grandfathered priority protection

- ❑ Key IHCIA provision: 25 U.S.C. § 1631(c)(1)(D), Section 301
- ❑ Projects established under the priority system in effect on March 23, 2010, retain their priority
- ❑ Similar protections appear in 25 U.S.C. § 1631(g)
- ❑ IHS must complete the 1993 List before establishing and spending future funds on new or replacement healthcare facilities

HCFC appropriations will continue funding projects from the 1993 priority list until it is fully funded, after which a future and revised priority system would apply.

History: Completed HCFC Construction Footprint



Layer 1 of 4 — 1990s

28 projects added in the 1990s

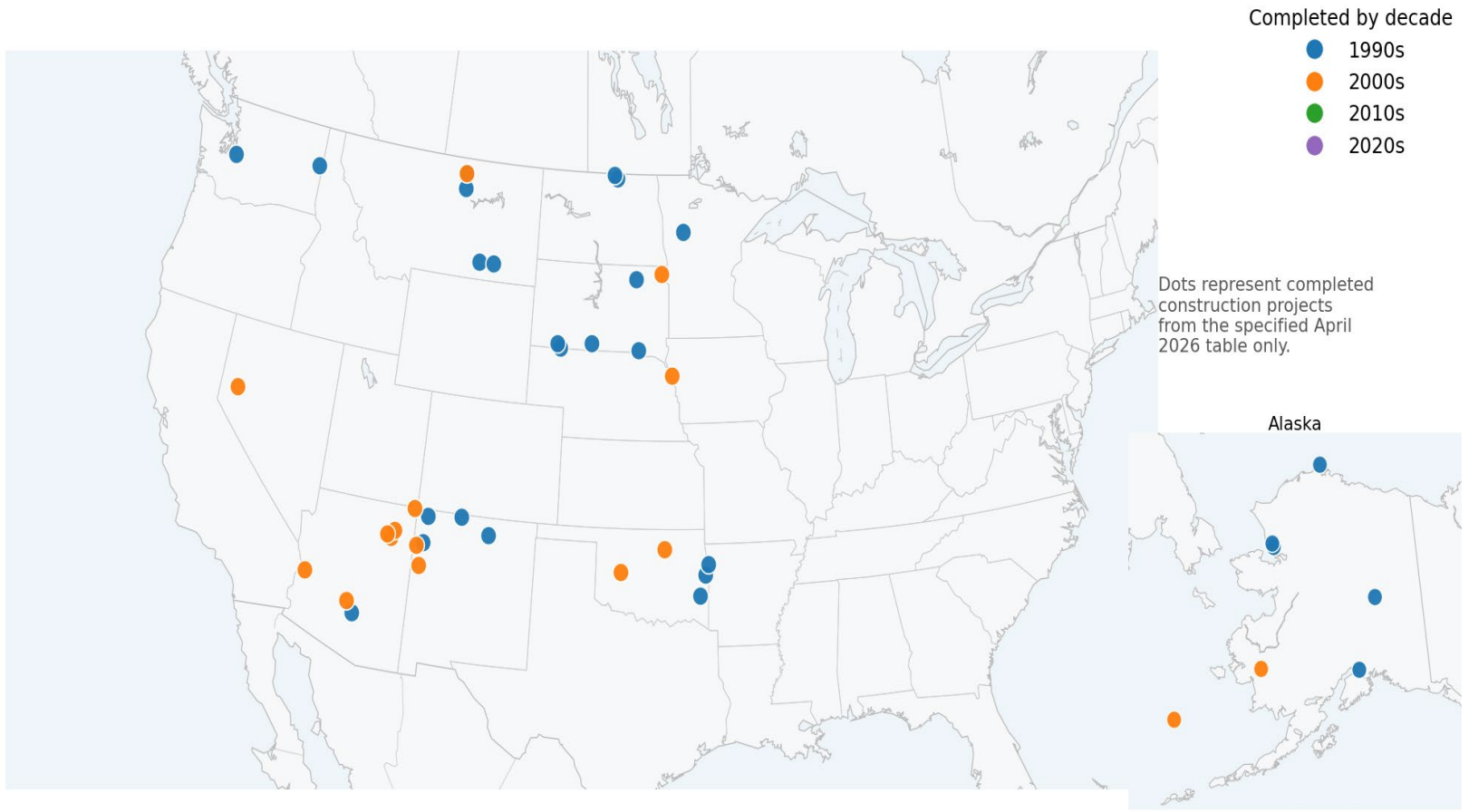
28 completed projects shown through 1990s

9 states represented

Use “Return” to advance through the decade layers.

Source: April 2026 Summary Report, Completed Construction FY 1992-Present. Map uses only Hospitals, Health Centers, Quarters, and Youth Regional Treatment Centers from the completed construction table.

History: Completed HCFC Construction Footprint



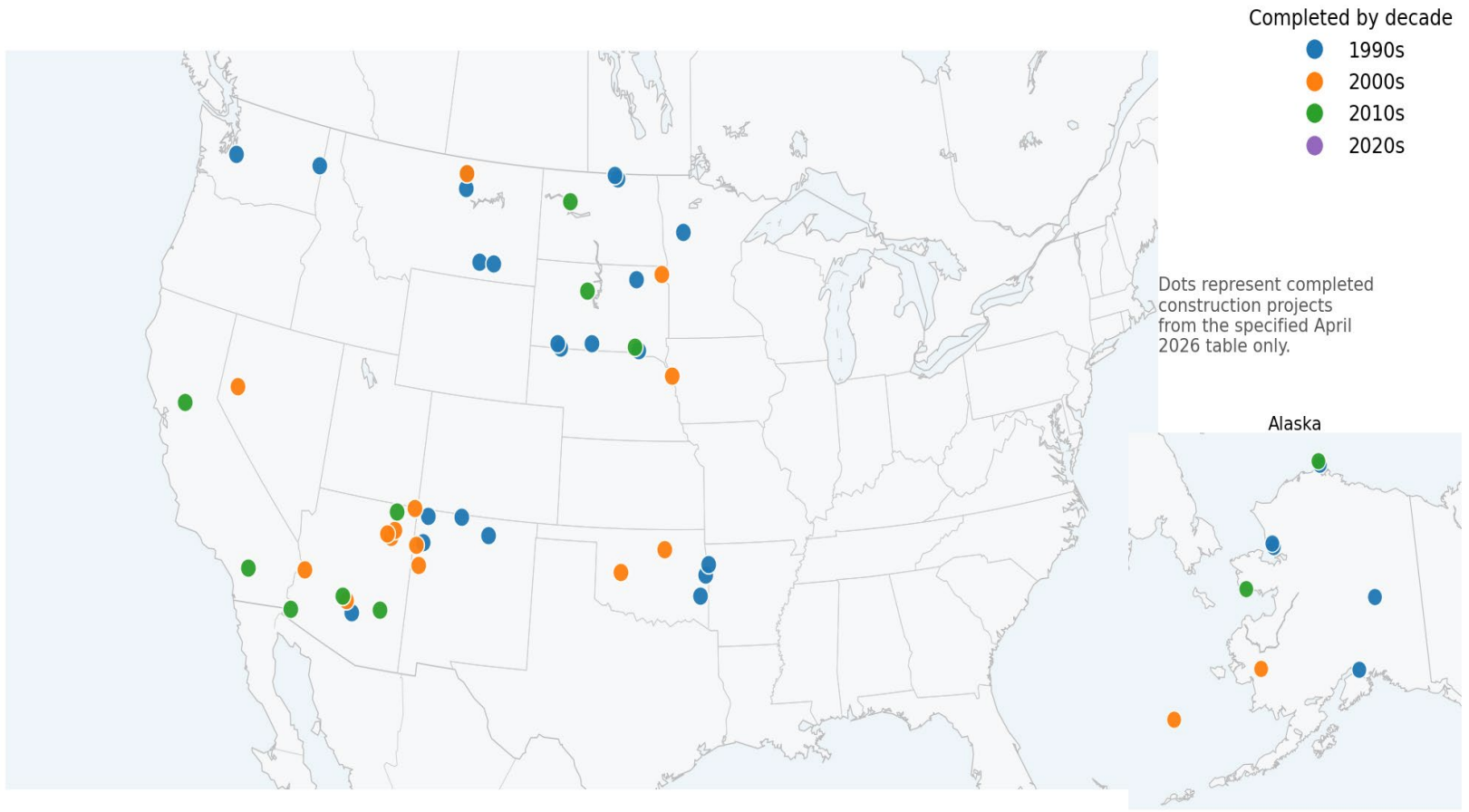
Layer 2 of 4 — 2000s

17 projects added in the 2000s

45 completed projects shown through 2000s

11 states represented

History: Completed HCFC Construction Footprint



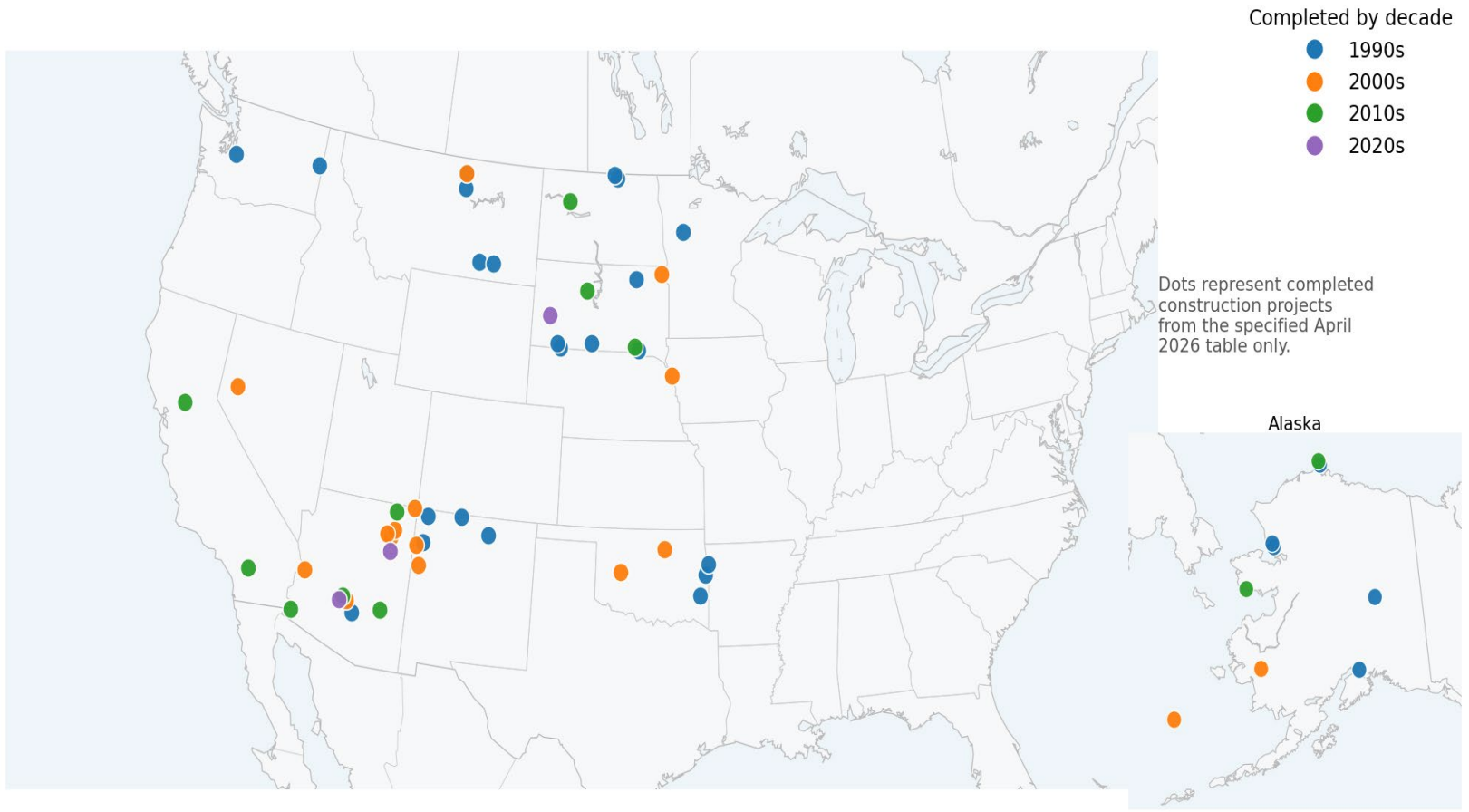
Layer 3 of 4 — 2010s

11 projects added in the 2010s

56 completed projects shown through 2010s

12 states represented

History: Completed HCFC Construction Footprint

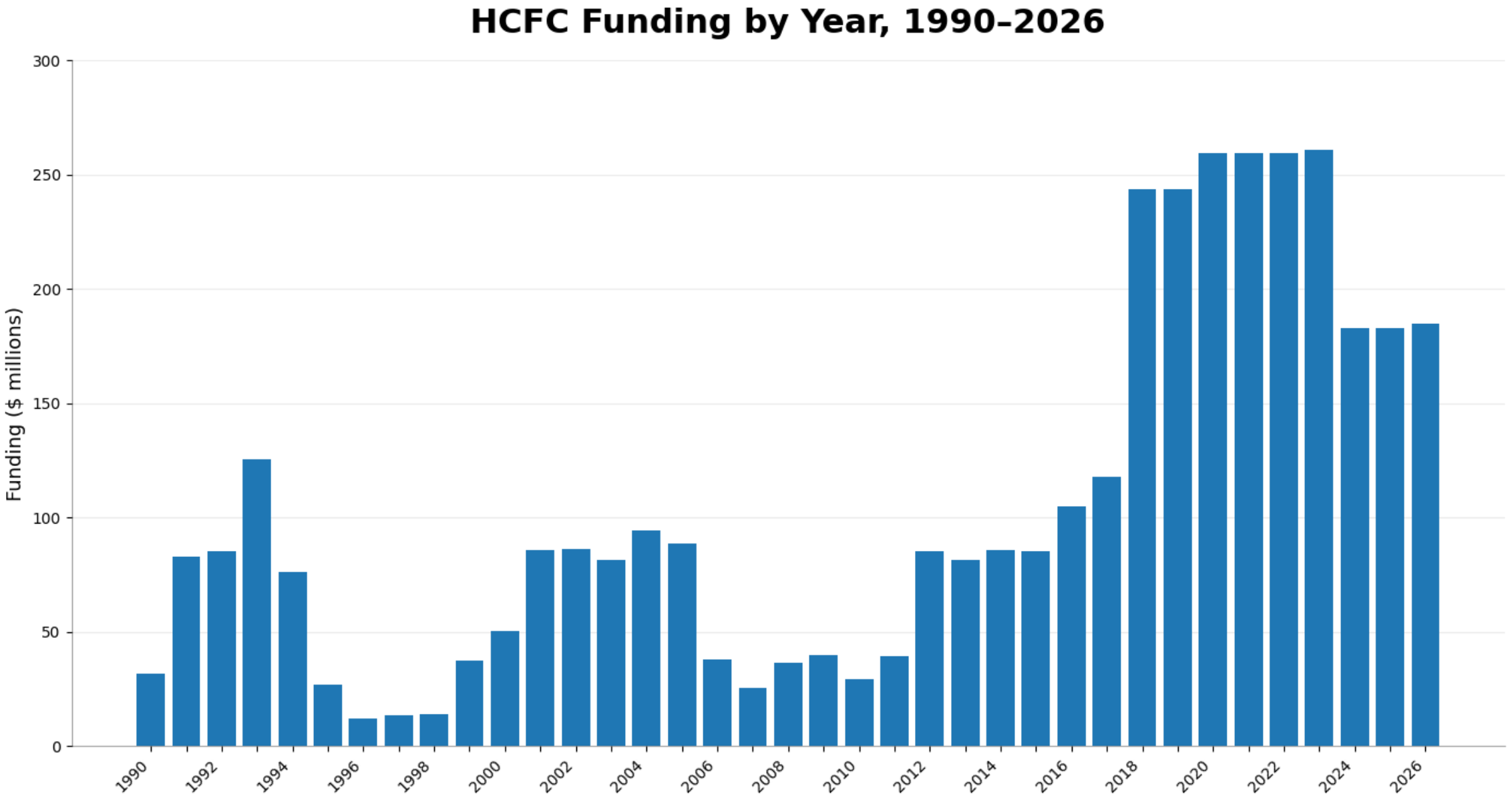


Layer 4 of 4 — 2020s

3 projects added in the 2020s

59 completed projects shown through 2020s

12 states represented



Total Health Care Facility Construction Funding from 1990 to today: **$3 billion**

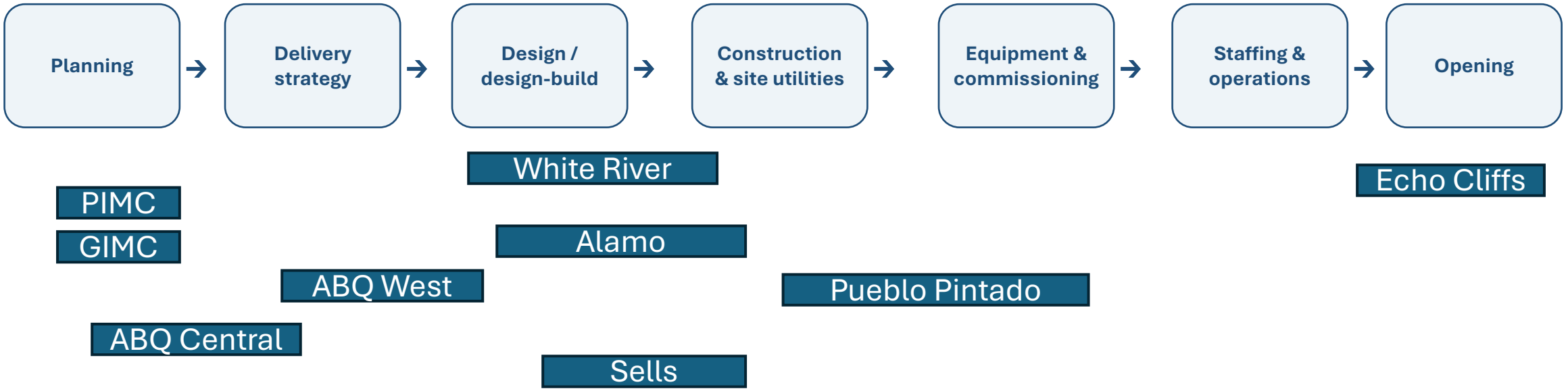
Staffing Funding is requested separately 18 months before a facility is complete

What Projects Remain

Project	Current phase	Current Estimate
Phoenix Indian Medical Center	Planning	$3.3B
Gallup Indian Medical Center	Planning	$2.0B
Whiteriver Hospital	Design/Build pre-solicitation	$1.3 B
Sells Alternative Rural Hospital	Design / site utilities	$700 M
Albuquerque Central Health Center	Design/Build pre-solicitation	$500 M
Albuquerque West Health Center	Design/Build pre-solicitation	$300 M

- These six projects represent the remaining on the current IHS Health Care Facility Priority List
- Total funding need is **~ $7.3 B** and subject to inflation and other market factors
- Targeting a 7-year funding timeline of approximately $1.2B annually
- IHS prefers to deliver through ISDEAA or Joint Ventures to empower Tribes and accelerate timelines

Project Milestones



Project milestone overlap

- Project phases can be in multiple phases due to funding and delivery decisions.
- Bid results, changes to delivery strategy, or programming changes can alter schedules.
- Equipment, staffing, housing, and transition to operations are essential to successful project planning.

Challenges

- **Market and site conditions**
- Rising Cost of Construction
  - Total costs are 30% higher since 2020
  - Rising 3-5% annually
- Inflation and extended schedules
  - 3.3% current inflation, 2026
  - 3% rate for 7 years mean 23% less purchasing power
- Material availability and lead times
- Limited bidders or contractor capacity
- Remote sites and limited infrastructure



- **Program and delivery conditions**
- Delivery strategy and Tribal coordination
  - Early discussion and tentative commitment can reduce planning timelines
  - Tribes show they get more value when they deliver instead of IHS
- Scope amendments and review timelines
  - Programmatic ripples grow into waves
- Sequencing dependencies across projects
- Staff quarters and operational readiness
  - Larger programs result in more quarters and increased land requirements
  - Partnership with tribal housing offices can offset some impacts

SPEED IS THE BEST SOLUTION

Path Forward

- ❑ Complete site selection and area master plan for Gallup Indian Medical Center
- ❑ Finalize services and programs for Phoenix Indian Medical Center considering new Tribal facilities and feedback
- ❑ Support White Mountain Apache Tribe site development activities
- ❑ Revise delivery strategy to support Joint Venture, Title I, Title V interest, phasing may shift to match interest
- ❑ Adjust bid packages to best match future appropriations
- ❑ Use Tribal feedback to validate facility needs.
- ❑ Partner with Tribes to deliver the right facilities as quickly and cost effectively as possible
- ❑ Build execution momentum that supports complete funding and effective transition to the future

Near-term focus:

- **Scope Projects**
- **Tribal Partners**
- **Funding Readiness**
- **Deliver Results**



PIMC Consultation

- Identify services and referral needs for the future Phoenix Indian Medical Center
- Tribal and Consortia partnership opportunities
- Inform delivery strategy for the replacement effort.
- Discuss phasing options to shorten delivery timeline.
- Ensure PIMC has the right services, capabilities, and partnerships



Tribal Consultation Dates
Location: TBD

Phoenix: November 9, 2026

Reno: December 1, 2026



Questions and Discussion