



**FOR IMMEDIATE RELEASE**  
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**Alaska Native Tribal Health Consortium reaches landmark  
contract settlement with the U.S. Indian Health Service**  
*Settlement resolves 14 years of contract support costs claims*

**(Anchorage, Alaska) – June 27, 2014** – After years of negotiations, today the Alaska Native Tribal Health Consortium (ANTHC) has reached a historic settlement with the U.S. Indian Health Service (IHS) for the payment of 14 years of overdue contract support costs for providing health care services for more than 143,000 Alaska Native and American Indian people in Alaska. These contract support costs were legally and contractually due to ANTHC. Under the settlement agreement, the federal government will make a one-time \$153 million payment to ANTHC – the settlement amount of \$115.5 million combined with an additional \$37.5 million in interest. ANTHC is the largest Tribal health contractor in the nation and this settlement amount represents to date the largest of any contract support costs settlement by the IHS for any Tribe or Tribal health organization.

“We are pleased with today’s settlement of the long overdue payment – this is a significant step and will help us fulfill our commitment to provide essential health care and services to our people,” said Andy Teuber, ANTHC Chairman and President. “Yet, while this settlement will enable us to continue improving critically needed health care and access for one of the nation’s most underserved populations, we continue to struggle due to the funding gap left by an overall IHS budget that is less than half of what is needed to provide basic health care for our people. There is still a great deal of work to do to ensure that Alaska Native and American Indian people receive the health care and services they deserve.”

Under the Indian Self-Determination and Education Assistance Act, Tribes and Tribal organizations can contract with the IHS to fulfill the federal government’s trust responsibility to operate health programs and provide health care services to Alaska Native and American Indian people. ANTHC, together with other Alaska Tribes and Tribal organizations, made the unprecedented commitment to administer the entire Alaska Tribal Health System (ATHS). Contract support costs are fixed costs, such as audits and insurance, that Tribes and Tribal organizations must incur to operate health programs. When they are underpaid, Tribal providers are forced to divert resources from patient care and other services to make up the difference.

In recent months, six other ATHS organizations have received settlements of contract support costs, but there are many other Alaska Tribal health organizations that still have pending claims.

The Arctic Slope Native Association, the Cherokee Nation and the Shoshone Paiute Tribes made these settlements possible through their tireless efforts and advocacy. They began this battle for fair compensation before the turn of the century and twice fought to victories in the U.S. Supreme Court. Leadership at ANTHC and across the ATHS thanks these Tribal partners for setting the critical foundation to correct these actions.

ANTHC extends deep appreciation to Alaska Senators Mark Begich and Lisa Murkowski, and Congressman Don Young for holding the IHS accountable in ensuring a timely settlement process. The Alaska Delegation, along with Senators Maria Cantwell and Jon Tester, and Representatives Mike Simpson, Ken Calvert, Jim Moran, Betty McCollum and Tom Cole, successfully rejected efforts to override the Supreme Court victories and for the first time ever appropriated sufficient funding to pay all contract support costs, rather than only a fraction of them. ANTHC also thanks President Obama’s Administration for embracing the rule of law and committing to honor Tribal contracts on a going-forward basis.

ANTHC also recognizes the immeasurably valuable work of Lloyd Benton Miller and Sonosky, Chambers, Sachse, Miller & Munson; Dr. David Mather for his expert assistance over three decades in negotiating these contracts and in supporting

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ANTHC throughout these negotiations; and Southcentral Foundation and its Vice President of Finance, Lee Olson, for their skill and expertise in this effort. Without their assistance, we would not have reached this historic settlement.

ANTHC also thanks the Washington Post and other media outlets that reported on the injustice of Tribes and Tribal organizations not being fully paid under their contracts with the federal government. ANTHC also recognizes the U.S. Chamber of Commerce and the National Congress of American Indians for supporting the efforts of the Tribes in the Supreme Court.

**About the Alaska Native Tribal Health Consortium**

The Alaska Native Tribal Health Consortium is a not-for-profit Tribal health organization managed by Alaska Native Tribal governments and their regional health organizations. ANTHC provides statewide services in specialty medical care; construction of water, sanitation and health facilities; community health and research; telehealth and information technology. For more information, please visit [www.anthc.org](http://www.anthc.org).