



Little River Band of Ottawa Indians

375 River Street
Manistee, MI 49660
(231) 723-8288

Resolution # 05-0216-64

Approving Changing the Blue Cross Blue Shield Health Insurance Plan for Government and Enterprise Employees to a Self-Fund Plan

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (Tribe) is descended from, and is the political successor to, the Grand River Ottawa Bands, signatories of the 1836 Treaty of Washington (7 Stat. 491) with the United States, as reaffirmed by federal law in P.L. 103-324, enacted in 1994; and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribe adopted amendments to the Constitution on April 26, 2004, which became effective upon approval by the Assistant Secretary-Indian Affairs on May 13, 2004; and

WHEREAS, the Tribal Council is authorized under Article IV, Section 7(a) to provide for the public health, peace, morals, education and general welfare of the Little River Band and its members; and

WHEREAS, the Tribal Council, pursuant to Article IV, Section 7 (i)(2) of the Constitution, has the power to manage any funds within the exclusive control of the Tribe and to appropriate such funds for the benefit of the Tribe and its members; and

WHEREAS, an analysis of employee health benefit coverage's was conducted by the employee benefit consultant, Marsh & McLennen Companies ("Marsh"), to identify areas where cost savings could be generated without impacting the level of benefits available to tribal government employees; and

WHEREAS, Marsh completed an in-depth analysis of the health insurance plans currently carried by both the tribal government and casino (Tribal Entity); and

WHEREAS, the analysis indicated that the Tribal Entity has grown to a size where self-funding the claims under the health insurance provided to employees could result in substantial savings, based on historical loss experience; and

WHEREAS, the analysis indicated that the best option for changing to a self-funded plan was to remain with Blue Cross and Blue Shield of Michigan as the carrier and to work with them to make a seamless transition to the new structure; and

WHEREAS, this analysis was presented to the Tribal Council in a work session conducted on February 1, 2005; and

WHEREAS, it has been determined that changing the health policy of the government and casino to one coordinated policy is in the best long-term interests of the Tribe; and

WHEREAS, changing the health insurance policies to a self-funded option will allow for the Tribal Entity to maintain separate benefit levels (i.e. deductibles, co-pays, etc.) for governmental and casino employees that are identical to the coverage's currently offered under the fully insured plan; and

WHEREAS, the analysis indicates that a potential savings of over 13% is possible for the Tribal Entity based on historical loss experience which translates into a potential savings of over \$1 million annually; and

WHEREAS, by changing the health insurance plan to a self-funded option the Tribe will have access to better information such as loss types, etc. and will have more flexibility in design of plan options such as items covered, employee contributions, etc. which will provide the Tribe with opportunities in the future to have a positive impact on both the cost of health coverage's and the health of employees; and

WHEREAS, it has been determined through financial analysis by Marsh, and it is their recommendation which is concurred to by the Chief Financial Officer, that the self-funded plan be started on a "non-rollover" basis, as discussed and explained during the February 1, 2005 work session.

NOW THEREFORE IT IS RESOLVED THAT the Tribal Council hereby approves the change of the health insurance plans for both the tribal government and casino to a non-rollover self-funded plan through Blue Cross Blue Shield of Michigan; and

IT IS FURTHER RESOLVED THAT the Tribal Council authorizes the Tribal Ogema to execute all documents required to make this change in the health plan structure.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 8 FOR, 0 AGAINST, 0 ABSTAINING, and 1 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on February 16, 2005, at the Little River Band's Dome Room in Manistee, Michigan, with a quorum being present for such vote.

Tammy Kleeman-Brown
Tammy Kleeman-Brown, Tribal Councilor

Stephen Parsons
Stephen Parsons, Council Speaker

Attest:

Presentation of Resolution Budget Modification to Tribal Ogema:

Pursuant to Article V, Section 5(a)(6) and Section 5(c) of the Tribal Constitution, the foregoing Resolution # 05-0219-64, modifying the Operating Budget for Fiscal Year 2005 as set forth in Resolution #04-1215-510, has been presented to the Tribal Ogema by the Tribal Council Recorder for his/her approval.

Date delivered to Tribal Ogema: 2-18-05

Signature of Council Recorder: Tammy Kleeman-Brown

Action by the Tribal Ogema: ☒ Approved ☐ Disapproved (attach comments)

Date: 2/21/05

Signature of Ogema: [Signature]

Distribution: Council Records
Tribal Ogema
Tribal Court
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Accounting Department