



## HO-CHUNK NATION LEGISLATURE

*Governing Body of the Ho-Chunk Nation*

### HO-CHUNK NATION LEGISLATURE MEDICARE LIKE RATES FOR CONTRACT HEALTH ELIGIBLE TRIBAL EMPLOYEES RESOLUTION 12-22-09 B

- WHEREAS,** on November 1, 1994, the Secretary of the Interior approved a new Constitution for the Ho-Chunk Nation, formerly known as the Wisconsin Winnebago Tribe; and
- WHEREAS,** the Ho-Chunk Nation ("Nation") is a federally recognized Indian Tribe, organized pursuant to the Indian Reorganization Act of 1934; and
- WHEREAS,** Article V, Section 2(a) of the Constitution of the Ho-Chunk Nation ("Constitution") grants the Legislature the power to make laws, including codes, ordinances, resolutions, and statutes; and
- WHEREAS,** Article V, Section 2(d) of the Constitution grants the Legislature the power to authorize expenditures by law and appropriate funds to the various Departments in an annual budget; and
- WHEREAS,** Article V, Section 2(f) of the Constitution grants the Legislature the power to set the salaries; terms and conditions of employment for all government personnel; and
- WHEREAS,** Article V, Section 2(i) of the Constitution grants the Legislature the power to negotiate and enter into treaties, compacts, contracts, and agreements with other governments, organizations, or individuals; and
- WHEREAS,** the Ho-Chunk Nation offers health insurance to employees and their families, and seeks to offer competitive health benefits; and
- WHEREAS,** the Ho-Chunk Nation seeks to improve the health of employees and their families; and
- WHEREAS,** the Legislature has contracted with Cottingham & Butler Consulting Services as the Consultant for the Nation's Employee Benefits Insurance; and
- WHEREAS,** the Legislature held three meetings with Benjamin Butler, Vice President of Cottingham & Butler Consulting Services, to develop Wellness and Cost Savings Strategies for the Nation; and
- WHEREAS,** Mr. Butler made a number of recommendations and provided a hand-out entitled "Ho-Chunk Nation Wellness and Cost Savings Strategies December 2009" regarding wellness and cost savings strategies the Nation could use for its health insurance plan; and
- WHEREAS,** one recommendation was for the Nation to pay hospitals no more than Medicare-Like Rates (hereinafter "MLR") pursuant to the requirements of Section 506 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (hereinafter "MMA"); and
- WHEREAS,** MMA requires hospitals that furnish any Medicare-payable inpatient hospital medical care services to participate in all of the following:
- (a) the Contract Health Service (hereinafter "CHS") program of Indian Health Service (IHS) operated by IHS, Tribes, and Tribal Organizations; and

#### Executive Offices

W9814 Airport Road P.O. Box 667 Black River Falls, WI 54615  
(715) 284-9343 Fax (715) 284-3172 (800) 294-9343

- (a) the Contract Health Service (hereinafter "CHS") program of Indian Health Service (IHS) operated by IHS, Tribes, and Tribal Organizations; and
- (b) IHS-funded programs operated by urban Indian organizations. All of these programs are collectively referred to as I/T/Us, for any care that these programs purchase; and

**WHEREAS,** MMA defines a hospital as hospitals that participate in Medicare, including any hospitals located off-site and Critical Access Hospitals; and

**WHEREAS,** MMA provides authorization for CHS and urban Indian programs to pay no more than MLR for referred services furnished by Medicare-participating hospitals as of July 5, 2007; and

**WHEREAS,** payment of claims under CHS using the MLR structure is found at 42 Code of Federal Regulations § 136.30. Forty-two Code of Federal Regulations § 136.30 provides that the MLR payment methodology applies to all levels of care furnished by a Medicare-participating hospital, whether provided as inpatient, outpatient, skilled nursing facility, etc. that is authorized under the CHS; and

**WHEREAS,** by paying CHS-eligible claims at MLR, the Ho-Chunk Nation it is estimated will save approximately 50% of hospital claims. It is estimated that this will save the Nation the following:

- (a) under the Tribal Member Employee Plan \$1,400,000 to \$1,700,000 annually; and
- (b) under the Tribal Elder 60-64 and working Elder 65 plus Plan \$800,000 to \$1,200,000 annually.

**NOW THEREFORE BE IT RESOLVED,** that the Legislature, pursuant to its Constitutional authority, beginning April 1, 2010, establishes that the Nation to maximize its cost savings on its health care plan shall pay Medicare-Like Rates pursuant to the requirements of Section 506 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

**BE IT FURTHER RESOLVED,** that the Legislature, pursuant to its Constitutional authority, incorporates an approved referral/voucher process for all Contract Health eligible claims for eligible tribal member employees and their families, and elders age 60-64 covered by the Nations Health Plan.

**BE IT FURTHER RESOLVED,** that the Legislature, pursuant to its Constitutional authority, in order to assure claims are re-priced at Medicare-Like Rates, directs the Nation's Contract Health Service or Insurance Department program to issue vouchers prior to, or as soon as reasonably possible, re-pricing the claim to make use of Medicare-Like Rates. The vouchers may be issued by an approved member of the insurance department as long as they are providing a \$0 voucher.

**BE IT FURTHER RESOLVED,** that the Legislature, pursuant to its Constitutional authority, in order to implement this substantial cost saving directs the Insurance Department to hold meetings with Tribal Members to:

- (a) provide them new identification cards;
- (b) educate them about contacting contract health service for purchase orders;
- (c) educate them about the average 50% discounts; and
- (d) educate them about the Medicare-Like Rate savings to the Nation.

**BE IT FURTHER RESOLVED,** that the Legislature, pursuant to its Constitutional authority, directs the Insurance Department to take all of the following actions:

- (a) separate the Tribal Member medical plan into two plans – CHS and Non-CHS eligible;
- (b) incorporate plan document language outlining the voucher process; and
- (c) limit payment of hospital claims to no more than Medicare-Like Rates.

**CERTIFICATION**

I, the undersigned, as Tribal Secretary for the Ho-Chunk Nation, hereby certify that the Legislature of the Ho-Chunk Nation, composed of 13 members, of whom 11 constituting a quorum were present at a meeting duly called and convened and held on the 22<sup>nd</sup> day of December, 2009, that the foregoing resolution was adopted at said meeting by an affirmative vote of 9 members, 2 opposed, and 0 abstaining, pursuant to the authority of Article V, Section 2(a) and (x) of the Constitution of the Ho-Chunk Nation approved by the Secretary of the Interior on November 1, 1994, and that said resolution has not been rescinded or amended in any way. I further certify that this is a verified copy of said resolution.

Hope B. Smith  
Hope B. Smith, Tribal Secretary

12-22-09  
Date

