

# **REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES**

## **Chapter TP 9-800**

### **PRC Self-Funded Health Plan**



**January 10, 2017**

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Chapter TP 9-800  
PRC Self-Funded Health Program

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#### SECTION 1: PURPOSE

To authorize the establishment of the Redding Rancheria PRC Self-Funded Health Program (the "PRC-SFHP") to ensure optimum access to health care for eligible CHS (PRC) patients of the Redding Rancheria Tribal Health Center through access to a broad network of quality providers of health care.

To ensure that medical rates charged by third party providers of health care are established with favorable discounts, including Medicare-Like Rates, where permitted, and monitored through appropriate claims management processes.

To coordinate the use of Indian Self-Determination and Education Assistance Act ("ISDEAA") funds to purchase health benefits coverage for eligible beneficiaries of the Tribe's PRC program through tribal self-insurance and/or private insurance policies in accordance with 25 U.S.C. Section 1642.

To provide management of risk of large claims through access to the Catastrophic Health Emergency Fund ("CHEF"), in accordance with 25 U.S.C. Section 1621a.

To pay for expenses of operating a program of tribal self-insurance for eligible beneficiaries of the Tribe's PRC program, including administration and stop loss insurance to limit the financial risks to the Tribe and the PRC program for claims not otherwise covered through CHEF, in accordance with 25 U.S.C. Section 1642(c).

To preserve the status of the PRC-SFHP as a payer of last resort, in accordance with 25 U.S.C. Section 1623(b).

To contribute to health status by augmenting health care available under the PRC program priorities through additional funding of tribal / employer contributions on behalf of Redding Rancheria members and employees and their families.

#### SECTION 2: BACKGROUND AND INTENT

- (a) Redding Rancheria Tribal Health Center has been established by the Redding Rancheria and designated in a Compact of Self-Governance between Redding Rancheria and the United States Government to serve as a tribal organization authorized to administer Indian Health Service ("IHS") and Contract Health Service ("CHS" or "PRC") programs, now referred to as Purchased and Referred Care, under the Indian Self Determination and Education Assistance Act ("ISDEAA").
- (b) PRC programs, whether operated by the Federal government or by an Indian Tribe or Tribal Organization pursuant to the Indian Self-Determination and Education Act, are required under the "payer of last

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resort” rule, 42 CFR 136.61 (as now codified as part of the Patient Protection and Affordable Care Act, 25 U.S.C. Section 1623(b)) to exhaust alternate resources and must generally treat insurance and benefit plan coverage as primary. Tribes and tribal self-insurance programs (“TSIPs”) are not included in the statutory definition of an alternate resource. 25 U.S.C. Section 1621e(f) also provides an exception to the payer of last resort rule expressly prohibiting reimbursements from TSIPs, unless agreed to by the Tribe on an annual basis, and allowing TSIPs to be disregarded as an alternate resource. TSIPs, therefore, may take a secondary position to IHS (Direct Care) and CHS (PRC).

- (c) Redding Rancheria sponsors a TSIP for members, and eligible dependents, of the Redding Rancheria (the “Member TSIP”), regardless of employment, and the PRC-SFHP for members and other eligible individuals who receive PRC through the Tribe’s PRC program, both of which are TSIPs within the meaning of 25 U.S.C. Section 1621e(f).
- (d) The Redding Rancheria Tribal Health Center (the “Health Center”) is empowered to authorize certain care under its PRC program for which Medicare-participating facilities must accept Medicare-Like Rates (“MLR”) as payment in full, when such care, in addition to being authorized under CHS (PRC) guidelines, is consistent with Section 506 of the Medicare Modernization Act of 2003 (the “MMA”) and the final regulations issued thereunder at 42 CFR 136.30-136.32 and 42 CFR 489.29 (the “MLR Regulations”).
- (e) 25 U.S.C. Section 1621e(f), as modified by the Patient Protection and Affordable Care Act, expressly authorizes arrangements whereby TSIPs can agree to reimburse IHS and CHS programs.
- (f) The Tribe, through its ISDEAA Funding Agreement with IHS has reserved the right to provide some or all ISDEAA programs, services, functions and activities (“PSFAs”) through the purchase of health care coverage in any manner, including through a tribally owned and operated health care plan, a state or locally authorized or licensed health care plan, a health insurance provider or managed care organization, a self-insurance plan, or a high deductible or health savings account plan as provided in 25 U.S.C. § 1642(a), or to use ISDEAA funds for operating expenses of the Tribe’s self-insurance program, including administration and insurance to limit the financial risks to the Tribe in offering a self-insurance program as provided in 25 U.S.C. § 1642(c).
- (g) The ISDEAA Funding Agreement makes provisions for adjusting benefits, where a tribe augments funding for health programs as follows: “Without

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limitation, the Tribe may enter into reimbursement agreements and establish fee schedules that take into account such factors as the availability of alternate resources and supplemental funding or other resources contributed by particular tribes with members receiving services through the Tribe's programs or facilities."

- (h) The Tribal Council intends to provide for a comprehensive health plan for members of the Redding Rancheria and other PRC eligible employees of the Redding Rancheria, and to augment through the health plan services that are not available under normal PRC priorities, using non-IHS compact resources.

### SECTION 3: DEFINITIONS

As used within this chapter, the following terms shall mean:

- (a) Tribal Self-Insurance Plan (TSIP): A self-insured health plan or plan(s) providing for medical benefits for members and employees of the Redding Rancheria and their spouses and dependents, as defined in 25 U.S.C. §1621e, et seq.
- (b) Redding Rancheria Tribal Health Center (Health Center): Any health facilities and programs operated by the Redding Rancheria pursuant to a Compact of Self-Governance with the United States Department of Health and Human Services under the provisions of ISDEAA.
- (c) Member TSIP: The TSIP established by the Redding Rancheria for enrolled members of the Redding Rancheria and eligible dependents, regardless of employment status. The Member TSIP does not cover PRC.
- (d) PRC Self-Funded Health Program (PRC-SFHP): The TSIP established by the Redding Rancheria for enrolled members of the Redding Rancheria and other eligible individuals receiving PRC through the Tribe's Health Center. The PRC-SFHP also includes non-PRC eligible spouse and dependent coverage paid for with non-ISDEAA funds.

### SECTION 4: DELEGATED AUTHORITY

The Chief Executive Officer is authorized to:

- (a) Adopt and amend PRC-SFHP documents and forms, as necessary, subject to consistency with this policy and limitations established by the Tribal Council.

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- (b) Administer this policy, including the adoption of operating procedures for the purpose of coordinating primary and secondary payers between tribal and non-tribal health programs, insurance and alternate resources, as applicable, including reimbursing the Redding Rancheria Tribal Health Center pursuant to 25 U.S.C. Section 1621e, et seq. Such policy will provide for identification of health services for which Indian Health Service and CHS (PRC) and other ISDEAA resources, including the PRC-SFHP, shall cover as the primary payer and those circumstances under which the Redding Rancheria may reimburse the program.
- (c) Combine and/or coordinate the PRC-SFHP with employee medical benefit self-insurance programs adopted pursuant to Chapters TP 1-800, TP 7-700 and Resolution No. 078-12-07-10, and to administer such programs in common to the extent combined administration is feasible given available network and administration services.
- (d) To coordinate processes needed to secure CHEF for large PRC-SFHP claims, to acquire individual and aggregate stop loss, with limits appropriate to contain overall risk for claims not covered through CHEF, and to employ administrators, professional provider networks and other service providers to develop and administer the PRC-SFHP.
- (e) To establish premium rates to be charged the PRC-SFHP, to determine premiums to be paid for non-PRC eligible participants and for plan benefits in excess of established PRC priorities, and to administer appropriate reserves.
- (f) To establish cost sharing requirements for non-PRC eligible spouses and dependents covered under the PRC-SFHP.
- (g) To establish pre-authorization and / or cost sharing arrangements to manage the cost of non-network care and outside pharmacy costs or services.
- (h) To establish PRC authorization or referral procedures to coordinate PRC through the PRC-SFHP consistent with the Compact and applicable law.
- (i) To implement such operating procedures and to delegate such duties as are necessary to the efficient operation of the PRC-SFHP and implementation of this policy.

#### SECTION 5: AUTHORIZED PROGRAMS AND SERVICES

- (a) This program is authorized to provide PRC benefits consistent with current PRC guidelines and benefits that are otherwise available through tribal

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TSIPs and negotiated TSIP network arrangements, taking into account that no standard deductibles, co-pays or cost sharing shall apply to benefits for PRC eligible participants under the PRC-SFHP.

- (b) In addition to medical benefits, the program is authorized to provide for administration of claims, access to provider networks, benefit and risk management consulting, prudent levels of individual and aggregate stop loss insurance, and such other administrative costs as are necessary for prudent management.

#### SECTION 6: ELIGIBILITY, PRIORITIES AND PAYMENT FOR SERVICES

- (a) Eligibility

- (1) Members of the Redding Rancheria and their spouses and dependents who are active registered patients of the Redding Rancheria Tribal Health Center and are otherwise eligible for CHS (PRC).
- (2) Native American employees of the Redding Rancheria who are active registered patients of the Redding Rancheria Tribal Health Center and are otherwise eligible for CHS (PRC).
- (3) Native spouses and dependents of Native American employees who are active registered patients of the Redding Rancheria Tribal Health Center, are otherwise eligible for CHS (PRC) and are not eligible for MediCal, Medicare or other employer based coverage.
- (4) Non-native and non CHS eligible spouses and dependents of persons who are eligible under (1) and (2) above.
- (5) At the discretion of the Chief Executive Officer, other eligible CHS (PRC) patients who have no alternate resource, have a compliant denial from California and agree to premium reimbursement consistent with amounts determined under the provisions of Section 7(d) of this policy.

- (b) Priorities and Payment for Services

- (1) Priority for coverage shall be with PRC eligible individuals who meet Section 6(a)(1) through (4).
- (2) Payment for plan expenses shall be made from Redding Rancheria Tribal Health Center budgets authorized for the purpose of the plan.

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- (3) Premiums representing the cost of benefits materially exceeding those available under the RRTHC CHS (PRC) Program for beneficiaries not included in the plan, and for those persons covered under the plan who are not PRC eligible shall be reimbursed with non-ISDEAA funds.

SECTION 7: COORDINATION POLICY

- (a) The Redding Rancheria TSIPs, including the PRC-SFHP, will not be treated as an alternate resource with regard to services or coverage provided by an IHS facility (direct care) or Contract Health Services program, operated as a federal Indian Health Service program, whether operated directly by Indian Health Services or by an Indian tribe, consortium of tribes or tribal organizations pursuant to a self-determination contract or self-governance compact under P.L. 93-638, as amended. The PRC-SFHP shall contain a coordination of benefits provision and other language, as necessary, to ensure that other Tribal TSIPs pay behind the Health Program and/or the PRC-SFHP, as applicable, except as agreed to by the Tribe and in accordance with 25 U.S.C. Section 1621e(f), as applicable.
- (b) Benefits under this policy may include all CHS (PRC) benefits otherwise available to registered CHS (PRC) patients and consistent with the TSIP and TSIP network arrangements as may be authorized by the Chief Executive Officer.
- (c) The plan adopted pursuant to this policy shall be a CHS (PRC) funded program and therefore shall not be considered an alternate resource for any IHS funded direct service program or CHS (PRC) program not operated by the Redding Rancheria.
- (d) The PRC-SFHP shall pay secondary to Medicaid and other care or plans as provided in 25 U.S.C. Section 1623(b).
- (e) The Chief Executive Officer shall adopt procedures to ensure that services and benefits of the program financed through premiums chargeable to the Redding Rancheria Tribal Health Center are reasonably consistent with services and benefits available to CHS (PRC) eligible beneficiaries that are not covered by this policy. Such procedures may include year-end adjustments or premium adjustments in future periods as the circumstances shall dictate.
- (f) Amounts paid under Section 6(e)(2) of this policy shall be from Health Services Funds collected in prior year subject to budgeting for use in subsequent year in accordance with Section 6(e) of Chapter TP 4-322



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“Health Services Fund Authorization” of the Redding Rancheria Tribal Government Policies, and such amounts as shall be deemed prudent may be reserved for claims adjustments and future year benefits.

- (g) Nothing in the policy is intended to waive the sovereign immunity of the Redding Rancheria.

Legislative History

Originally adopted by Tribal Council Resolution # 01-01-10-17 on January 10, 2017.