

January 9, 2019

Dear Tribal Member,

Due to recent calls to the Tribal Member office about benefits, we've been made aware that there are corrections to the Plan that needed to be completed. When the change was made from RWI to a new broker and new insurance provider, RWI provided a two page Tribal Member Plan document that outlined Tribal Member benefits. The document was used to load Tribal Member benefits in to the UMR system however, RWI and Native Care Health had historically not processed claims according to the Tribal Member Plan document.

We appreciate your calls, informing of how the Plan has been processing Tribal benefits. The information you provided led to a call with UMR to align Tribal Member Plan benefits in the UMR system with how you've received benefits in the past, regardless of the Plan document provided to us. Benefits are being updated in the UMR system at this time. Thank you for your calls and input.

When the Business Committee made the decision to change brokers from RWI to another broker agency, an immediate \$28,000 per month (\$340,000 per year) in broker fee savings was realized by the Tribe. Other reductions in broker fees and commissions has shown the \$340,000 per year savings to be on the low side while broker services and Plan management services have increased. Advanced technology with Plan management will allow the Business Committee to have more control over cost, make business decisions based on detailed, factual data and potentially increase savings and accurately plan for budgeted healthcare costs for the Tribe in the future.

With the new broker agency, the Business Committee put the Quapaw entities (Downstream, Quapaw Casino & the Quapaw Government) employee healthcare plans out to bid in the healthcare marketplace. Three bids were obtained. Of the three bids, two bids showed savings for the Tribal Plans of \$1.7 million to \$2.6 million respectively over the previous RWI / Native Care Health arrangement. The Business Committee made the decision to make a change.

Several factors are considered when bidding healthcare plan pricing. For example, the size and percent of claim savings provided from physician and hospital PPO networks. The networks are now nationwide and will provide our insured employees with much larger discounted pricing and many more providers, including in-network choices with Mercy and Freeman providers in the Joplin, MO area that were not previously available.

The intent of this letter is to thank you for your patience and your input. It's also to help provide an understanding of the factual based decisions made by the Business Committee to better manage the healthcare plans and save healthcare dollars for the Quapaw Nation.