



**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

**(Adoption of Wells Fargo Health Insurance to Act as Broker and Consultant
for the Tribe's Employee Health Plan)**

- WHEREAS,** pursuant to Article IV, Section 1(a) and 1(s) of the Constitution of the White Mountain Apache Tribe, *inter alia*, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe; and
- WHEREAS,** to maintain a healthy workforce and to retain quality employees the Tribe has for many years offered group health insurance benefits to its employees; and
- WHEREAS,** the cost for the Tribe to provide quality health insurance to its employees has increased substantially over the last 10 years; and
- WHEREAS,** the Tribe has worked with several insurance companies and third-party administrators to administer the Tribe's self-funded insurance plan; and
- WHEREAS,** for several years Summit, Inc. acted as the third party administrator for the Tribe's plan, however in 2006 the Tribe contracted with the Pequot Plus Health Benefits, to administer the Tribe's self-funded insurance plan; and
- WHEREAS,** over the course of a two year period Pequot mismanaged claims and failed to recognize the uniqueness of operating a health benefits plan in conjunction with a workforce that had access to and was referred by Indian Health Service; and
- WHEREAS,** as a result of Pequot's gross negligence in administering the plan the Tribe's reserve accounts were depleted and claims went unpaid causing the Tribe and its employees catastrophic financial harm; and
- WHEREAS,** because of the unpaid claims the majority of local health care providers refuse to see members of the Tribe's group health insurance plan; and
- WHEREAS,** after terminating the contract with Pequot the Tribe contracted with Summit, Inc. to act as a third party administrator for the plan however Summit failed to provide any solutions for dealing with the past balances and allowed the Tribe to face even greater financial risk by not working with a stop-loss provider to cover large claims, claims management was left to the Tribe's benefits director which resulted in claims being paid in a way that failed to maximize the dollars available for claims; and
- WHEREAS,** Wells Fargo Insurance Services approached the Tribe to provide consultant broker services for the Tribe's health benefits plan; and
- WHEREAS,** the Tribe has an on-going and positive business relationship with Wells Fargo Financial Services; and

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- WHEREAS,** Wells Fargo is one of the largest and most well-respected banking and insurance institutions in the United States and the world; and
- WHEREAS,** the Tribe is in need of the expertise and leverage to navigate the financial hardship caused by Pequot's mismanagement of the health benefits plan; and
- WHEREAS,** Wells Fargo has committed to providing a plan that is sustainable and affordable to Tribal employees and to provide expertise in administering the plan; and
- WHEREAS,** Wells Fargo has partnered with Tall Tree administrators to serve as the third party administrator for the health benefits plan; and
- WHEREAS,** the Tribal employees represent a large group of health service consumers for the White Mountain region, Wells Fargo will work with the Tribe to leverage the group's value to local providers to persuade providers to negotiate past claims and to see Tribal group members again; and
- WHEREAS,** at this time it is in the Tribe's best interest to terminate the contract for health benefits management and administration with Summit, Inc. and enter into an agreement with Wells Fargo.

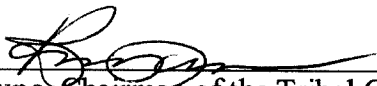
BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby terminate the contract for health benefits management and administration with Summit, Inc.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby agrees to contract with Well Fargo to provide broker and consultant services for the Tribe's self-funded health benefits plan and to contract with Tall Tree administrators for third party administration for the plan.

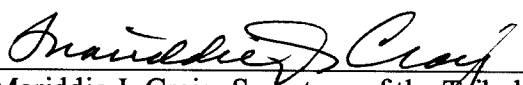
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall govern.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Vice Chairman, is hereby authorized to execute any and all documents necessary to effectuate the intent of this Resolution.

The foregoing resolution was on **DECEMBER 10, 2010** duly adopted by a vote of **SEVEN** for and **ZERO** against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (k), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Ronnie Lupe, Chairman of the Tribal Council



Mariddie J. Craig, Secretary of the Tribal Council