

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES

Chapter TP 4-322

Health Services Revenue Fund Authorization



February 12, 2019

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SECTION 1: PURPOSE

To provide for a Tribal Health Services Revenue Fund, for the purpose of ensuring and enhancing the availability of resources to supplement and augment Federal Health Care Services provided to eligible Indians by the Redding Rancheria Indian Health Services Program.

SECTION 2: BACKGROUND AND INTENT

With restoration of Federal recognition of the Redding Rancheria Tribe, health care benefits provided by the Federal Government to Indians because of their status as Indians were also restored. These benefits are provided by the Indian Health Services based on the level of appropriations available each year. In order to ensure high quality care to its members and Indians in the neighboring community, the Redding Rancheria Tribe contracted with the Indian Health Services to provide services to eligible Indians in Trinity and the Western two thirds (2/3) of Shasta County. As a first step to improving services, the Tribe leased and later acquired a new health clinic. The Tribe is now liable for payment on the facility and for its upkeep.

Due to rapid growth of the Indian population, and medical inflation, federal appropriations have not kept pace with resource requirements. As a result the Indian Health Service places certain limits on care. However, the Tribe has the ability to obtain a fee for services provided either from private insurance or from other Federal and State sources. These fees are taken as receipts and are referred to as "third party collections" which are legally considered "program income" under federal law and are available to the Tribe to provide additional services which carry out the overall intent of the contract. Consistent with the IHS mission to elevate the health status of Indians to the highest possible level, the Tribal Council will interpret the authorized use of the fund as being any activity which contributes to the health status of the population or otherwise contributes to the overall program.

The Tribe has taken certain risks regarding the acquisition of the new facility in order to keep costs low while providing improved care. However, it is understood that there are some inherent risks as IHS could reduce funding, some other federally recognized Tribe might be awarded a part of the existing recurring resources, etc. Therefore, the Tribal Council has included within the policy a target minimum balance for the fund. Should any

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of these contingencies occur, this fund will provide a source of revenue to mitigate the negative impacts on the Tribe.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES (Reserved)

SECTION 6: GENERAL POLICY

(a) Fund Authorization

There is hereby authorized the Redding Rancheria Tribal “Health Services Special Revenue Fund” (Fund). The Fund shall be utilized to account for all receipts of program income from the Tribal Indian Health Services program. The Fund is established for the purpose of ensuring the availability of resources to finance supplemental health services in order to augment the services provided by the Federal Government. The Fund shall be accounted for as a special revenue fund.

(b) Contributions to the Fund

Primary contributions to the Fund shall be by receipt of “Third Party” collections from insurance carriers and Federal and State agencies. In addition, the Tribe is authorized to accept such donations or grants to the Fund as are made by individuals, foundations and other entities, provided that the use of such donations or grants are restricted only by policies of the Tribal Council.

(c) Custody

Contributions, assets and earnings of the Fund shall be custodied in a bank account, brokerage account, or trust account of either an institutional trust company or any combination thereof, approved by the Tribal Council.

(d) Management of Fund Assets

Assets placed in the Fund shall be managed in accordance with an investment policy adopted by the Tribal Council for Working Capital. Earnings on assets held in the Fund shall be credited to the Tribe’s General Fund.

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(e) Authorized Uses of the Fund

The authorized use of the Fund shall be for the expenditure for specific purposes as authorized by the Tribal Council by appropriating resolution. Such uses shall include activities which contribute directly or indirectly to promotion of the general health status of eligible Indians within the community. The funds may be expended either as direct or indirect costs and may be utilized as matching funds for other awards which meet the general intent of the Fund. General allocation and use of the Fund's revenues shall conform to the Tribal Health Program Management Policies. The Tribal Council shall set forth priorities for the Fund within the Health Services Program Management Policies.

(f) Appropriation Procedures

The authorization of use of the Fund will normally be done as part of the Tribe's budget planning process. The Tribal Council shall determine the amount of anticipated revenue and the requirements of annual budget shall be by Tribal Council appropriating resolution. Under normal circumstances, revenues to the Fund, except for pharmacy receipts utilized to provide for the cost of pharmaceuticals, shall be budgeted for use in the Calendar Year(s) following the year of receipt.

(g) Margin Borrowing and Leveraging of Fund Assets

(1) Margin Borrowing: provided the Fund is custodied in a brokerage account governed by regulation T limits on margin borrowing, margin borrowing against assets of the Fund may be authorized as follows:

(A) By the Chief Executive Officer, to minimize uncollateralized and/or uninsured cash balances in portfolios, while providing for authorized trading, transfers and wires to and from investment portfolios.

(B) By the Tribal Council;

(i) In order to invest in short term secure instruments that have a yield two percent or greater above the margin borrowing rate.

(ii) In order to provide short term (less than one year) bridge loans to Tribal projects awaiting other assured funding.

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(iii) Other important purposes as determined by the Tribal Council.

(2) Leverage of Fund Assets: The Tribal Council may assign or pledge fund assets to Tribal creditors in order to secure loans for Tribal projects at competitive rates or to provide debt reserves to assure issuance of a required loan.

(h) Reports on the Fund

The Chief Executive Officer shall provide an accounting for the fund, its receipts, disbursements and obligated and unobligated fund balance on a monthly basis to the Tribal Council. Such report shall include total outlays related to each separate appropriation from the fund and the remaining amount of such appropriation.

(i) Restrictions on Spending

The Tribal Council shall not authorize additional expenditures from the Fund which the total amount in the Fund is equal to or less than the amounts already appropriated for use. Additionally, the Tribal Council shall make an effort to retain a target minimum balance in the Fund to protect against unforeseen circumstances.

(j) Minimum Target Fund Balance

The minimum unappropriated target fund balance for the Fund shall be Five Hundred Thousand Dollars (\$500,000). This balance shall constitute a reserve for unforeseen events, and shall be augmented by any other reserves established pursuant to the Tribal Health Program Management Policies.

(k) Implementation

This policy is to be implemented immediately upon its adoption. The Chief Executive Officer shall be responsible to provide for all necessary procedures to carry out the provisions of this policy.

(l) Review

The Chief Executive Officer shall review this policy not less than once each year and shall make recommendations for such changes as are consistent

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with the intent of the fund including the recommended “desired fund balance” as provided above.

Legislative History:

Adopted by the Tribal Council on May 11, 1994.

Amended pursuant to Res. No. 04-29-98-B, dated April 29, 1998.

Amended pursuant to Res. No. 09-10-02-022, dated September 10, 2002.

Amended pursuant to Res. No. 009-02-03-04, dated February 3, 2004.

Amended pursuant to Res. No. 083-11-30-04, dated November 30, 2004.

Amended by Tribal Council Res. No. 014-02-12-19, dated February 12, 2019.