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

- (Authorizing Response to RFP Submitted by Medco, Inc., for Pharmacy Prescription Data Entry Operation Located on the Lands of the Fort Apache Indian Reservation)
- WHEREAS, pursuant to Section 1(a), 1(b) and 1(i) 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, negotiate, make and perform contracts, and manage all economic affairs and enterprises; and
- WHEREAS, the Director of Enterprises, together with Sage Business Solutions, L.L.C. ("SAGE"), a consultant to the Tribe, did present an analysis of a request for proposals submitted by MEDCO Health Solutions, Inc. ("MEDCO"), to the Tribe, as attached and incorporated by this reference; and
- WHEREAS, MEDCO is a pharmacy benefit management company, which provides programs and services for its clients and the members of their prescription benefit plans; and
- WHEREAS, SAGE represents that MEDCO is a reputable company with \$35 billion in revenue, operations throughout the United States and the Commonwealth of Puerto Rico, headquartered in Franklin Lakes, New Jersey, and whose clients include Blue Cross/Blue Shield plans, managed care organizations, insurance carriers, third-party benefit plan administrators, government agencies, and union-sponsored benefit plans; and
- WHEREAS, the RFP seeks to employ between 165-175 pharmacy prescription data entry positions on an Arizona Indian reservation, as well as one manager, two supervisors, one business planner, one MIS manager, one MIS technician, two pharmacists; and
- WHEREAS, for the purposes of its operations, MEDCO seeks to lease a building of approximately 8,200 square feet, with access to T1 computer communication lines; sewer connections, restrooms, lunch area and a locker room, and will pay for all building improvements; and
- WHEREAS, MEDCO seeks to begin operations in January, 2006, with 25 employees, and to add 25 more employees each quarter of 2006; and
- WHEREAS, the Director of Enterprises proposes that SAGE prepare and submit the response to MEDCO at a cost of \$3,750 plus reasonable expenses; and
- WHEREAS, the Home Center Warehouse is available for such use proposed by MEDCO, as well as the Seven Mile Community Building for initial training; and
- WHEREAS, the Tribal Council finds that the MEDCO RFP has the potential for important, positive benefits for the Tribe's overall economic development in the best interests of the Tribe.

NOW THEREFORE BE IT RESOLVED by the White Mountain Apache Tribal Council that:

- 1. A response to the MEDCO RFP by the Chairman, with the assistance of SAGE and the Director of Enterprises, on behalf of the White Mountain, is hereby approved, according to the analysis presented to the Council by SAGE, as attached and incorporated by this reference.
- 2. The Home Center Warehouse and the Seven Mile Community are hereby approved for use by MEDCO.
- 3. A lease agreement between the Tribe and MEDCO is hereby authorized.
- 4. Payment to SAGE in the amount of \$3,750 plus reasonable expenses required for the response to the MEDCO RFP for the Enterprise budget is hereby authorized.
- 5. The Chairman, or in his absence the Vice-Chairman, is hereby authorized to negotiate and execute any and all documents necessary to effectuate the intent of this resolution.

The foregoing resolution was on <u>NOVEMBER 9, 2005</u>, duly adopted by a vote of <u>SIX</u> for and <u>ZERO</u> against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (h), (i), (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).

Chairman of the Pribal Council

Secretary of the Tribal Counci

Medco RFP

Prepared For:



Presented By:



SAGE BUSINESS SOLUTIONS

Limited Liability Corporation

October 24th, 2005

Project Overview

- 165+ pharmacy prescriptions Data Entry positions on an Arizona reservation. Medco has issued a request for proposals (RFP) to solicit proposals for
- Timeframe of project
- Go live January 2006 with 25 people
- Add an additional 25+ employees each quarter of 2006 for a total of 100 jobs by the end of 2006.
- Potential maximum of 165-175 employees by end of ramp up
- Jobs & Positions
- 1 Manager, 2-Supervisors, 1- Business Planner, 1-MIS manager, 1-MIS technician, 2- Pharmacists, 160+ Data Entry Clerks
- Working Hours
- 3:00am 11:30am, 11:30am 8:00pm

Medco Overview

- benefit plans, as well as for the physicians and pharmacies for the members government agencies; and union-sponsored benefit plans. It has operations use. It offers various programs and services, including plan design, clinical programs and services for its clients and the members of their prescription Cross/Blue Shield plans; managed care organizations; insurance carriers; third-party benefit plan administrators; employers; federal, state, and local in the United States and Commonwealth of Puerto Rico. The company is services, and Web-based services. The company's clients include Blue Medco Health Solutions, Inc., a pharmacy benefit manager, provides management, pharmacy management, health management, physician headquartered in Franklin Lakes, New Jersey.
- \$35 billion dollars a year in revenue.

Project Requirements

- The Tribe will provide a building to Medco specifications. Medco will lease the building from the Tribe at prevailing rates and pay for all building improvements.
- If WMAT wins the bid Medco will hire qualified applicants with WMAT members having priority.
- All positions will be Medco employees.
- The WMAT has no responsibilities other than providing the building for lease to Medco.
- A proposal must be submitted to Medco by Thursday, October 27th.

PROPOSED SOLUTION

- Use the 5,900 square foot Home Center storage building that was built last year.
- There is no cost to the Tribe other than the \$3,750 fee for Sage to write the proposal and market the concept.
- Medco will pay the \$825,000 for the tenant improvement and building expansion.
- Build out a second floor to increase usable space to 8,500 square feet Build out to building meet Medco specifications.
- Build a parking lot
- . All employees will be Medco employees they will be responsible for hiring, training, and paying for salaries. There will be an Indian preference for staffing this operation.
- Medco will pay for all furniture, equipment and computers systems.

RFP Preparation Costs

- Sage Business Solutions, LLC will prepare and submit the RFP to Medco by the deadline posted in the RFP for a cost of \$3,750 including expenses for trips to WMAT, postage, printing and binding costs.
- Review RFP requirements
- Submit requested information (workforce information, demographics, building description, lease costs)
- Identify building and prepare cost estimates for improvements
- Provide a copy of the completed RFP to WMAT and Medco
- We will meet with Medco representatives and market the WMAT solution.