



## Greater Tompkins County Municipal Health Insurance Consortium

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*"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."*

### **RESOLUTION NO. 029-2023 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2024**

MOVED by Mr. Fairbrother, seconded by Ms. Molter, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Audit and Finance and Executive Committees have had detailed discussions and have considered the Consortium's 2024 budget and premium rates, and

WHEREAS, the Board of Directors has adopted a policy that provides guidance on targets for net income, fund balance, and both statutory and discretionary reserve levels, in addition to creating a mechanism by which excess net income/fund balance can be returned to members, and

WHEREAS, the 2024 proposed budget reflects the adopted budget guidelines (Resolution No. 015-2020) as follows:

- Maintain Incurred But Not Reported Claims Reserve at 12% of total claims;
- Maintain the Surplus Account at 5% of the annual premium of the Consortium in compliance with §4706(a)(5) of the New York State Insurance Law;
- Maintain a rate stabilization Reserve not less than 2.5% of expected premium level through at least year four of the annual proforma calculation;
- Set Catastrophic Claims Reserve to 2023 beginning balance of \$4,808,739.38 plus any earned interest and Stop Loss Insurance premium savings (between \$600,000 policy and the \$1,000,000 policy costs) in 2023 less any Large claims between \$500,000 and \$1,000,000 for 12 months of 2023.
- If unencumbered fund balance go less than 12% of expected premium, it will be returned to nothing less than 12% of expected premium by year four of the annual proforma calculation;
- Set the annual budget to accomplish a zero to two percent (2%) net income level; and
- Increase Premium Revenue by 8% in 2024 across all benefit plans, except for the Silver and Gold Plans which will be a Premium Revenue Increase of 6.89% and 6.83% respectively; now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Consortium's attached 2024 budget including premium equivalent rates and reserve amounts are hereby adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

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STATE OF NEW YORK )  
GTCMHIC )ss:  
COUNTY OF TOMPKINS )

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance on behalf of the Board of Directors on September 21, 2023.



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*Lynne Sheldon, Clerk of the GTCMHIC Board*