

## **AGENDA**

### **Board of Directors Meeting**

**April 28, 2011 . 5:30 pm - Old Jail Conference Room**

(free parking in County lots after 5:00 pm)

1. Call to Order
2. Approval of February 24, 2011 Minutes (**VOTE**)
3. Update on communications with NYSID and TPA $\text{\textcircled{c}}$
4. Financial Statements
5. Review of Claims Data (how to read it, what it tells, what questions it could answer)
6. Direction for Joint Committee:
  - Medicare Supplement
  - 2-person category
  - Wellness
7. Update on Strategic Planning Committee
8. CSEA Dental and Vision - Chuck Guild

Next meeting: June 23, 2011

---

**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

---

**GREATER**

**TOMPKINS COUNTY MUNICIPAL  
HEALTH INSURANCE CONSORTIUM**

Municipalities building a  
stable insurance future.

125 East Court Street  
Ithaca, NY 14850  
607-274-5590

INFO: [HinsConсор@tompkins-co.org](mailto:HinsConсор@tompkins-co.org)  
[www.tompkins-co.org](http://www.tompkins-co.org)

**Greater Tompkins County Municipal Health Insurance Consortium**

**Board of Directors MINUTES**

**February 24, 2011**

**Old Jail Conference Room**

**Agenda \*\*\*\***

draft

1. Call to order
2. Approval of November and January minutes -VOTE
3. Report on meetings with Excellus
4. Joint Committee Report
5. Follow up - Village of Dryden . Healthy Blue
6. Discuss Town of Dryden's request for amount different between CSEA's Dental and Teamsters' Dental
7. Financial Report
8. Discuss approval of Designation of Additional Banking Institutions -VOTE
9. Discuss Medco's contract
10. Status of Administrative Staff Support to the Consortium
11. Resolution urging NYS to include nonprofit entities- VOTE
12. Presentations by Ancillary providers

**Present:**

**Municipality Representatives:**

City of Ithaca . Carolyn Peterson & Steve Thayer, County of Tompkins . Anita Fitzpatrick  
Town of Caroline - Don Barber, Town of Danby-Laura Shawley, Town of Dryden . Mary Ann Sumner  
& Brian McIlroy, Town of Enfield-Herb Masser, Town of Ithaca - Judith Drake, Town of Ulysses-  
Lucia Tyler, Village of Cayuga Heights . Kate Supron, Village of Dryden- Charles Becker, Village of  
Groton- Charles Rankin

**Voting Union Representatives:**

CSEA- Chantalise DeMarco, President, Joint Committee Chair  
Ithaca Prof. Fire Fighters Assoc. . George Apgar II, President, 2<sup>nd</sup> Labor Representative

**Absent:**

Town of Groton-Glenn Morey, Village of Trumansburg- Rordan Hart

**Others in attendance:**

Locey & Cahill- Steve Locey  
County - Joe Mareane & David Squires & Marcia Lynch  
TC3 . Sharon Dovi CSEA . Margaret Lloyd  
Haylor, Freyer & Coon: Becky Perkins & Michael Grinnell  
Moyer, Russi & Randall, ESQ . Vincent Moyer

2

**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

## 1. Call to Order

Chair Don Barber called the meeting to order at 5:35 pm.

## 2. Approval of Minutes – November & January

November minutes: Moved: Kate Supron Seconded: Chantalise DeMarco

Discussion: Correct the spelling of Chantalise's name. Mayor Peterson questioned the use of respond+versus apply or cover on page 2 under #3 end of second paragraph? Charlie Becker felt that respond was an appropriate word to use. Mayor Peterson also requested that the resolutions and final actions be included in the minutes.

Vote on minutes as amended -Approved unanimously

January minutes: Moved: Don Barber Seconded: Laura Shawley

Mayor Peterson #8 . remove plan design documents+

Vote: on minutes as amended . Approved unanimously.

## 3. Report on meetings with Excellus

This meeting has not been scheduled yet; Steve Locey will set up that meeting. There were individual meetings about issues that groups were set up with Beth Miller, Excellus. Those that weren't able to schedule a meeting should contact Beth directly for an individual meeting.

Beth Miller's contact is: 315-671-7006 or [Beth.Miller@excellus.com](mailto:Beth.Miller@excellus.com) you can also contact Judy Taber at Locey and Cahill.

## 4. Joint Committee Report

Chantalise DeMarco reported that the committee did meet and developed a voting structure. The minutes will be included after they are approved at the next meeting. Chantalise asked for direction on how the committee was to work on the wellness question. The Committee wanted to know how they are being directed. The next meeting is next Thursday, March 3<sup>rd</sup> at noon in the Old Jail conference room. Carolyn stated that the PBA will be joining the group.

## 5. Follow up - Village of Dryden –Healthy Blue

Steve Locey passed out a follow up memo regarding the Village of Dryden's Healthy Blue plan . specifically the wellness benefit. Steve Locey explained that some of the smaller entities participated in an exclusive plan that had only an in . network coverage. Some of the coverage was incorporated and some that we weren't aware of weren't included. Steve explained that there were some improvements made to these entities programs, i.e.: there aren't co-pays when there use to be. Item #1 . no office visit co-pays for a minor dependent's sick visits. This item has been fixed now. Item #2 . no co-pay for generic scripts for minor dependents . Medco has a band aid fix right now, but Medco is still working on a better resolve to this problem. Possibly they will be put these under themselves, but want to make sure they don't charge the consortium additional administrative charges. Village of Dryden seems fixed, but others should send Steve Locey the names of the dependents that still need fixing.

Item #3- Wellness Plan . we don't have a fix for right now. It paid the participant \$300 if you showed that you did certain wellness things. It wasn't a full blown wellness program that requires checks and balances. Information about the Healthy Rewards program was included with the memo. This \$300 program will not be included in next year's plan offers by Excellus. Work still needs to be done on how to fix this problem now.

Steve explained that he does know of issues that Enfield is having.

---

### Consortium Members:

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

---

---

Steve Locey did state that the plan documents have been sent. Steve Locey will follow up to make sure they get sent to each municipality directly.

Charlie Becker talked about wellness plans that relate to premium reduction by participating in healthy activities. Steve Locey talked about the future of premium plan reductions based on enrollees participating in wellness activities, which is being discussed within the Health Care Reform. The rate is based on how healthy you are. Employees could share in the savings if they pay a percentage of the premium cost. MaryAnn Sumner stated that the employer could reimburse the employee a percentage of the premium costs, if they participate in a wellness plan. Right now in NYS you aren't allowed to charge a different rate for those less healthy than others.

The grant did have some funds allocated toward the development or incentive of a wellness plan. Don reported that the funds left over from the grant have been added to the consortiums assets.

The Joint Committee can start working with Steve Locey and others about how to design wellness plan ideas. The planning committee can also work on ideas around a wellness plan too.

Charlie Becker made a correction to Steve's memo. Dependent Children were eligible too.

#### **6. Discuss Town of Dryden's request for amount different between CSEA's Dental and Teamster's Dental**

MaryAnn Sumner introduced the Town of Dryden resolution which asked for the Consortium to pay the difference in the annual maximum (was \$5,000 . now \$3,200), which makes this not equal to or better than. This issue wasn't on the line by line comparison difference, but the difference on the annual maximum. Steve Locey thought we could ask CSEA on how to work out the mechanism for how to pay the difference. Another idea was to wait until someone meets the maximum amount. This affects up to 17 non bargaining staff for the Town of Dryden. They are only requesting for 2011 only. The exposure to the Consortium was discussed.

Steve Locey talked about the allowances comparing Teamsters and CSEA for a group they have. This comparison showed that overall scheme the CSEA reimbursement levels were better than Teamsters. Don Barber raised the concern that we all did say that we would provide equal to or better, but we aren't meeting that. This should be a group discussion

#### **RESOLUTION 4-2011: APPROVAL TO FUND THE DIFFERENCE IN THE ANNUAL MAXIMUM FROM TEAMSTERS TO CSEA FOR THE TOWN OF DRYDEN**

**Whereas**, The Town of Dryden went forward with the philosophy that the coverage would be equal to or better than the prior coverage under Teamsters, which the new program has a \$3,200 annual maximum cap and Teamsters had a \$5,000 annual maximum cap; now, therefore, be it

**Resolved**, that the consortium agrees to fund the difference between the annual maximum under Teamsters compared to CSEA for the calendar year of 2011 for the Town of Dryden.

Moved: Mary Ann Sumner                      Seconded: Charlie Becker

Discussion: Chuck Rankin asked whose expense this is. The expense will be that of the consortium. The difference would need to be paid by the consortium to the employee. The employee would need to present documentation for the amount beyond the \$3,200. Steve Locey stated that Locey and Cahill would be the group hearing the complaint and follow up with CSEA. It is doubtful that CSEA would be willing to increase the maximum for this small number of enrollees. Don Barber explained

that any payments between the \$3,200 and \$5,000 would be paid out to the employee from the consortium's reserves for 2011.

Vote: Unanimously approved

Mary Ann Sumner thanked the group and stated that it strengthened her faith in the group working together.

## 7. Financial Report

David Squires passed out a Treasurer Report to date and went over the information. David explained that the pharmacy is consistent with a charge of \$260,000 every two weeks for the group. Medco is very efficient in the billing out of claims. David went over issues with Excellus billing process for claims. Excellus is prepaying claims while waiting for the Consortium to pay them. The Consortium is being billed an advance payment deposit - \$179,500 per week due to this process. March's information will be more typical than January and February. Steve Locey went over why the Consortium having to pay the advance deposit on claims. Stop Loss Insurance is paid monthly at the rate of \$49.xx per month per contract. In February the other insurances were paid for. Excellus administrative fee should be pretty consistent monthly. Medco we pay per script fee and that should also be pretty consistent monthly. At the end of January there was \$1,730,076 in net assets after funding the Rate Stabilization Reserves. February isn't a typical month, but March and so on should be more typical and we should have more information. David happily reported that every entity is up to date on the monthly premium payments.

On the check register there is a payment of to the County for the amount in the first Medco bill that was belonging to the Consortium versus belonging to the County. The County paid the bill and then charged back to the Consortium the entities amount for the 4 days of claims.

Consortium is behind in billing for the ancillary expenses, as they are still working on who is on the plans. Payments to the providers have been paid but not yet billed to the municipalities.

## 8. Discuss approval of Designation of Additional Banking Institutions –VOTE

David Squires explained that the bank isn't paying interest on the account as they aren't seeing the account as a municipal account. Currently the Consortium is earning 0.245% as the rate of interest. No interest was received for January and February. David wanted to remove the Rate Stabilization Reserve from the operating funds. David also wanted to report a projected incurred but not yet reported reserve (IBNR reserve), but still needs to work with Steve Locey on how to report that.

### RESOLUTION 3-2011: DESIGNATION OF ADDITIONAL BANKING INSTITUTIONS

Moved: Carolyn Peterson

Seconded: Anita Fitzpatrick

Discussion: Lucia Tyler asked about credit unions? Credit Unions aren't allowed to be used by municipalities under NYS laws. Steve Locey felt that the bank was wrong, because the Consortium should be seen as a municipal entity because it is subject to the NYS Open Meeting Law.

Discussion of different financial institutes pursued. Brian McIlroy asked about looking into interest rates at other banks. 0.5% is what the Town of Dryden is getting from the First National Bank of Dryden. Steve Locey explained that we do need to notify the Department of Insurance of where we are depositing funds.

---

#### Consortium Members:

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

---

---

**Amendment to resolution: RESOLVED**, that the Consortium Board of Directors hereby authorizes the Consortium Treasurer to also conduct financial transactions with any other qualified depository, by municipal law, with offices in Tompkins County.

Moved: Don Barber      Seconded: Lucia Tyler      Vote on amendment: Unanimously Approved

**RESOLUTION 3-2011: DESIGNATION OF ADDITIONAL BANKING INSTITUTIONS**

**Whereas**, the Consortium Treasurer must select banking institutions to conduct financial transactions on behalf of the consortium, and

**Whereas**, on November 19, 2009, the Consortium Treasurer was authorized to conduct financial transactions on behalf of the consortium at Tompkins Trust Company and JP Morgan Chase, and

**Whereas**, the Consortium wishes to diversify its asset locations with various banking institutions,

Now, therefore be it

**RESOLVED**, that the Consortium Board of Directors hereby authorizes the Consortium Treasurer to also conduct financial transactions with any other qualified depository, by municipal law, with offices in Tompkins County.

**Vote** on the amended resolution: Unanimously approved

**9. Discuss Medco's contract**

Steve Locey explained that there are issues still working on which includes language and fee issues. The Board did previously authorize the Chairman to sign the contract when it is ready. Everyone was ok with the prior approved resolution to let the Chair sign when the contract is ready. Main issue was utilization management bundle fee that we are getting charged. Steve Locey does get a copy of the billing the goes to the county. Steve Locey will be requesting credit from Medco on charges the consortium is now being accessed that shouldn't be.

Issues regarding Medco: Steve passed out a Memo from Medco to Steve Locey regarding formulary changes. This should go out to staff so they are made aware of the changes. Steve will double check to make sure those employees on the drugs did get these changes.

Chantalise raised concern about practices that Medco does regarding notifying a medical provider without the knowledge of the patient to change a prescription to a generic prescription through a fax system. Steve Locey did explain that this is service that Prescription TPA's provide as a means of encouraging generic drug use and reducing the cost to the employer for the Prescription coverage. Group debated the practice and whether it is supported by the group. No resolve was decided.

**10. Status of Administrative Staff Support to the Consortium**

Joe Mareane discussed the best way to staff the support for the consortium. This will be on a contract approach with the person being retained by Locey and Cahill. The administration person would work out of a county building and would be supervised by the Chair of the Consortium. The person would have to attend each of the three meetings. Remove the help desk pieces as questions about medical plans or municipality questions should go to Judy Taber or Steve Locey at Locey and Cahill. Interview committee was discussed. should include committee chairs (Don Barber, Chantalise DeMarco, Laura Shawley) and Steve Locey. The advertisement should include more information on qualifications and skills to include computer use and website work.

**11. Resolution urging NYS to include nonprofit entities- VOTE**

---

**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

---

---

This resolution came about from a request from Martha Roberson who was approached by Senator Seward. Senator Seward was approached by nonprofits expressed interest in joining a health insurance consortium with the municipalities.

**RESOLUTION – 5-2011: URGING NYS SENATE AND ASSEMBLY TO AMEND ARTICLE 47 TO INCLUDE NONPROFIT AGENCIES AND QUASI-GOVERNMENTAL AGENCIES TO JOIN THE GTCMHIC**

**Whereas**, the GTCMHIC has recently navigated the entire Article 47 certification process, which we understand, we are the first to do so since the law's inception in 1993; and

Whereas, the GTCMHIC Board of Directors has taken the time to reflect on its experiences with the certification process; and

Whereas, the GTCMHIC Board of Directors has come to appreciate the value and need for more municipal health consortiums to be formed; and

Whereas, the GTCMHIC Board of Directors believes that greater access to municipal health consortiums, by nonprofit agencies and quasi-governmental agencies, would greatly benefit the workers in those groups as well as their communities;

NOW, therefore be it

**Resolved**, that the GTCMHIC Board of Directors strongly urges the NYS Insurance Department and the legislative committees of both the NYS Senate and Assembly to give serious consideration to amending Article 47 in the following ways:

1. Lower the contract count from 2,000 to 1,000
2. Modify the reserving requirements to a level similar to that allowed for our certification
3. Define Union participation in Consortium governance
4. Expand the definitions of eligible employers to include quasi-government agencies like Soil & Water Conservation Districts, and community nonprofit agencies such as day care centers;

And be it Further Resolved that a copy of this resolution be sent to Senator James Seward, Senator George Winner Jr., Senator Nozzolio, Assemblyman Joe Morelle, Assemblywoman Barbara Lifton, and the NYS Insurance Department.

Moved: Mary Ann Sumner

Seconded: Anita Fitzpatrick

Discussion: Carolyn suggested that the Day Care Provider should be changed to Day Care Centers. Carolyn also suggested adding all the Tompkins County representatives. Charlie Becker asked about the 1,000 size and whether that would be large enough. Steve felt 500 or more is an adequate number for a self funded group.

Vote: As friendly amended . Unanimously Approved.

Other Topics:

Don stated that Cortland County is interested in creating a consortium, and they would never be able to reach the 2000 minimum number. Town of Virgil is interested in joining our Consortium. Steve Locey stressed that any new group would need to be similar in nature . demographics, providers, benefits. The larger the consortium becomes the more stable the group would become. Voting would need to be worked out too as the consortium takes on more groups and grows. The talks with

7

**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

another entity would need to start now for January 1, 2012. It was also asked if other municipalities in Cortland County be able to join our consortium. School Districts and BOCES groups could join our consortium. It seemed that adjoining counties would make sense.

## **12. Presentations by Ancillary providers**

Becky Perkins and Mike Grinnell, Haylor, Freyer and Coon, Inc. went over the benefits (Life Insurance, Long Term Disability and Short Term Disability) that municipalities can pick up through the Consortium. These ancillary benefits will be available to offer effective 3/1 or 4/1. Becky Perkins offered to meet individually with municipalities to go over what would need to be done to sign onto the package. The benefits would be guaranteed issue as group insurance benefit.

Vincent Moyer, Moyer, Russi and Randall- Upstate Union Health & Welfare Fund Legal Benefit Plan This law firm is the firm that provides the legal plan for the NYS Teamsters Legal Plan. Vincent went over the handouts he provided.

**Meeting adjourned at: 7:53 pm.**

**Next meeting: Thursday, April 28, 2011**

---

**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

---

---