



Municipalities building a
stable insurance future.

125 E. Court Street
Ithaca, NY 14850
604-274-5590
INFO: consortium@twcny.ny.gov
www.tompkinscountyny.gov/hconsortium

Board of Directors Meeting

February 27, 2014 – 5:30 pm - Old Jail Conference Room

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

1. Call to Order
2. Approval of December 19, 2013 Minutes **(VOTE)** (5:30)
3. Changes to the Agenda
4. Reports from Steve Locey:
 - a. Financial Update (5:35)
 - b. Update of Medicare Supplement Discussions
5. Chair's Report: (5:45) D. Barber
 - a. Legal Council's recommended Changes to Municipal Cooperative Agreement (VOTE)
 - b. Municipal Resolutions for Amended MCA
 - c. Memorandums of Understanding Between Consortium and Excellus and ProAct with Regard to External Appeal Notification (VOTE)
6. Report from the Audit Committee (6:00) S. Thayer
 - a. Resolution: Code of Ethics and Conflict of Interest Policy (VOTE)
 - b. Consortium-wide Recertification Process (VOTE)
7. Report from Committee on Organizational Structure Committee: (6:15) A. Fitzpatrick
 - a. RFP for Executive Director Position- content and process (VOTE)
8. Report from the Finance Committee (6:30) D. Barber

(Approved invoices included in Board Members' packets for information only)
9. Report from Owning Your Own Health Committee (6:35) D. Barber/M. Cook
 - a. Consortium-wide Flu Clinic Update
10. Report from Joint Committee on Plan Structure and Design (6:45) Scott Weatherby
11. Adjournment (7:00)

Next Meeting: April 24, 2014

Consortium Members:

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



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**Board of Directors
December 19, 2013
5:30 p.m.**

Draft 12-22-2013

Scott Heyman Conference Room

Municipal Representatives: 13

Don Barber, Chair; Rordan Hart, Village of Trumansburg Mary Ann Sumner, Town of Dryden (excused at 6:30 p.m.); Mack Cook, City of Cortland; Kathy Miller, Town of Lansing; Town of Ithaca; Peter Salton, Village of Cayuga Heights, Laura Shawley, Town of Danby (arrived at 5:39 p.m.); Charles Rankin, Village of Groton; Anita Fitzpatrick, Tompkins County; Judy Drake (arrived at 5:31 p.m.), Michael Murphy, Village of Dryden (arrived at 5:32 p.m.); Lucia Tyler, Town of Ulysses (arrived at 5:34 p.m.); Steve Thayer, City of Ithaca (arrived at 5:37 p.m.)

Voting Union Representatives: 1

Scott Weatherby, Joint Committee on Plan Structure and Design Chair

Absent: 3

Glenn Morey, Town of Groton; Doug Perine, President CSEA White Collar; Herb Masser, Town of Enfield

Others in attendance:

Steve Locey, Locey & Cahill; Joe Mareane, Tompkins County Administrator; Rick Snyder, Tompkins County Finance Director; Ashley Ahmadijpour, David Schryver, ProAct; B. Miller, Excellus

Call to Order

The meeting was called to order at 5:30 p.m. by Mr. Barber, Chair.

Approval of Minutes – September 26, 2013

It was MOVED by Ms. Shawley, seconded by Ms. Miller, and unanimously adopted by voice vote by members present with Mr. Salton abstaining, to approve the minutes of September 19, 2013 as submitted. MINUTES APPROVED.

Changes to the Agenda

There were no changes to the agenda.

Ms. Drake arrived at this time.

Financial Report from Locey and Cahill

Financial Update

Mr. Locey said earlier today he distributed the financial results of the Consortium through November 30th.

Mr. Murphy arrived at this time.

Mr. Locey reported on the Treasurer's report data and said year-to-date the Consortium has slightly over \$33.27 million in income and \$25.7 million in expenses (predominantly medical and prescription drug claims). He estimates the Consortium will end the year with \$27.8 million in expenses; a net income of \$5.5 million, bringing the total ending balance to \$11,955,661. After accounting for liabilities and reserves he said the Consortium will have an unencumbered fund balance of slightly over \$6 million. Mr. Locey said the Consortium is ending the year in excellent shape from an overall financial perspective.

Mr. Locey reviewed the 2013 budget performance analysis showing budgeted versus actual. Medical premiums income was 10% over budget, primarily because the number of contracts has increased due to the addition of the Town of Lansing and City of Cortland. Also, changes in benefit plans that are negotiated have an impact on this number. Overall, the Consortium is 14.4% above budget. The budget was at \$21.9 million and actual is \$33.27 million. Although there was a substantial increase in covered lives in terms of contracts, medical plan claims are just below budget at .88% and prescription drug claims are below budget at by 4%. The total expense budget is 1.04% below budget.

Mr. Locey noted that for every dollar spent by the Consortium 92.6% went to pay benefits. The remainder goes towards everything else to run the program.

Mr. Thayer arrived at this time.

Mr. Locey said one of the things with the Affordable Care Act all insurance companies have to submit data to the federal government and a medical loss ratio standard must be met. For a large group plan the percentage of funds spent on claims has to be 85% or higher with up to 15% spent on administration in order for the program to be deemed efficient. He said the goal from the beginning was to make the administrative percentage for the Consortium as small as possible and make the paid claims percentage as high as possible.

Mr. Locey reviewed the history of monthly paid claims versus budgeted claims since the Consortium began. He said the Consortium is on target for 2013 through November 30th; budgeted income versus actual is within .26% and budgeted expenses versus actual is within .72%. He expects to be able to begin to perform more statistical analysis as the Consortium's data is becoming more mature.

Update on Municipal Cooperative Agreement

Mr. Locey said the recommendation from the Joint Committee on Plan Structure and Design on language changes pertaining to the union participation was sent to the attorneys for review. They have one small adjustment they will be making; once that is done a sample resolution will be provided to all the governing municipal boards for approval. He said once the required majority passes the resolution the amendment will have been made and municipalities would be bound by the new Municipal Cooperative Agreement. He said it is a small change and simply states that if membership of the Consortium goes above 17 that there is a mechanism to add another union member.

Chair's Report

Update on NYS Department of Financial Services Audit

Mr. Barber provided an update on the New York State Financial Services Department Audit and said the subsequent requests for information have been provided with the exception of a signed agreement with ProAct which he believes will be provided soon.

He reported on ancillary benefits and said there are several municipalities that have teamsters as a bargaining unit and they do provide benefits that are run through the Consortium. There has been a problem in that the JURAT report on revenues and expenses which he believes have been resolved. Some municipalities will be getting two bills to bring them up to the right billing schedule and from this point forward it will be up to municipalities take responsibility for their own bills and to notify the County if they believe they are not being charged correctly.

RESOLUTION NO. 007-2013 - ELECTION OF OFFICERS FOR 2014

MOVED by Ms. Shawley, seconded by Mr. Cook, and unanimously adopted by voice vote by members present.

WHEREAS, the Nominating Committee has proposed a slate of Officers to the Board of Directors at the December 19, 20E13 meeting, now therefore be it

RESOLVED, That the Board of Directors elects the following individuals to serve January 1, 2014 through December 31, 2014 in the roles so elected as follows:

- | | |
|----------------------|-----------------------------------------------------------|
| Chairperson | Donald Barber, Town of Caroline |
| Vice Chairperson | Judith Drake, Town of Ithaca, Human Resources Manager |
| Chief Fiscal Officer | Steven Thayer, City of Ithaca, Controller |
| Secretary | Anita Fitzpatrick, Tompkins County Personnel Commissioner |
| Treasurer | Rick Snyder, Tompkins County Finance Director |

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RESOLUTION NO. 008-2013 - DESIGNATION OF BANKING INSTITUTIONS

MOVED by Mr. Barber, seconded by Ms. Sumner, and unanimously adopted by voice vote by members present.

WHEREAS, Consortium Treasurer must select banking institutions to conduct financial transactions on behalf of the Consortium, now therefore be it

RESOLVED, That the banking institutions designated for the Consortium will be the Tompkins County Trust Company and First Niagara.

* * * * *

RESOLUTION NO. 009-2013 – AUTHORIZATION TO ENTER INTO AGREEMENT WITH BONADIO & CO. LLP - FINANCIAL REPORTING FOR 2014

MOVED by Mr. Barber, seconded by Ms. Drake, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium entered into a contract with Bonadio & Co. LLP for financial reporting services in 2013, and

WHEREAS, the Consortium wishes to continue the current arrangement for an additional year, now therefore be it

RESOLVED, That the Board of Directors authorizes the Chair to sign a letter of engagement with Bonadio & Co. LLP for a one-year contract expiring December 31, 2014

* * * * *

RESOLUTION NO. 010-2013 - AUTHORIZATION TO EXECUTE AN AGREEMENT WITH PROACT FOR THE PROVISIONS OF PHARMACY BENEFITS MANAGER

MOVED by Mr. Barber, seconded by Ms. Shawley, and unanimously adopted by voice vote by members present.

Whereas, the Greater Tompkins County Municipal Health Insurance Consortium authorized Locey and Cahill to issue a Request for Proposals for Prescription Drug Manager on August 25, 2011, and

Whereas, ProAct was selected to provide Pharmacy Benefit Services, for the period January 1, 2013 through December 31, 2013 with the option to renew for two successive years, now therefore be it

Resolved, That the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium hereby authorizes the Chair of the Consortium to execute a contract with ProAct for the provision of Pharmacy Benefits Manager effective January 1, 2014 through December 31, 2014 with the option to renew for an additional year.

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RESOLUTION NO. 011-2013 - AUTHORIZATION TO PURCHASE INSURANCE POLICIES: STOP LOSS, ERRORS AND OMISSIONS, AND DIRECTORS AND OFFICERS LIABILITY COVERAGE

MOVED by Mr. Barber, seconded by Mr. Cook.

Mr. Locey said several Stop Loss carriers were contacted and asked to provide a quote for the Consortium. He provided an overview of what the Consortium has paid in premium versus how much it received back in benefit. He stated that the Consortium has received substantially more in benefit than it has paid in premium because of a high cost case. When carriers looked at this continuing expense they chose not to bid after a risk benefit analysis. Highmark would like to stay on because it provides an opportunity for them to recoup revenues in the future. However, the quote submitted by Highmark included a higher quote for the one individual and is referred to as a "laser".

Mr. Locey explained that the Consortium is required to purchase aggregate insurance and this protects the entire group. Stop Loss insures specific people; for every individual covered under the Consortium each year if they have claims that exceed the \$300,000 level this insurance plan kicks in and reimburses the Consortium. Last year there were substantial claims and the Consortium received back from Stop Loss over \$1 million. There were a couple of individuals who went over the \$300,000 deductible by an excess of \$1 million and the Consortium recouped that through Stop Loss. This year the Consortium paid out \$600,000 and received \$1 million. From Highmark's perspective they lost a significant amount of money on the Consortium. They have identified one individual who will continue on as a very high cost

case and provided the Consortium with two options: to have a higher deductible on the individual or to have the same deductible and pay \$750,000 more in premium.

The Finance Committee felt the better risk was to keep the \$300,000 deductible for everyone except the one individual and take that up to \$1 million. The Consortium built \$600,000 into the Catastrophic Claims Reserve for next year and can use that if needed to cover that exposure.

A voice vote resulted as follows: Ayes – 14, Noes – 0, Absent – 3. RESOLUTION ADOPTED.

Whereas, the Consortium must select stop loss insurance, as required by Article 47 of New York State Insurance Law, and

Whereas, it is the desire of the Board of Directors to ensure liability coverage for the Consortium, the Board of Directors personally and professionally, and the participating municipalities, now therefore be it

Resolved, That upon recommendation of the Plan Consultant, Locey & Cahill, LLC and the Tompkins County Risk Manager, the Consortium shall purchase coverage for these insurance policies from the following for the period January 1, 2014 thru December 31, 2014:

- Stop-Loss Insurance for Medical and Prescription Drug Benefits that includes Aggregate Stop-Loss Insurance with an Aggregate Corridor of 125% with a specific stop loss deductible of \$300,000 with a Laser on one individual who will have a deductible of \$1 million (Highmark Insurance Company);
- Errors and Omissions Insurance (placed by insurance agent Haylor, Freyer and Coon);
- Directors and Officers Liability Insurance (placed by insurance agent Haylor, Freyer and Coon)

Resolved, further, That the Plan Consultant is directed to provide the Administrative Clerk of the Consortium with a copy of each policy.

Meeting Schedule

It was MOVED by Mr. Barber, seconded by Ms. Tyler, and unanimously adopted by voice vote by members present, to approve the following meeting schedule for 2014:

February 27
April 24
June 26
August 28
September 25 (set rates)
December 18 (3rd Thursday)

Report from Owning Your Own Health Committee

Mr. Barber reported in November the Committee heard from Interactive Health Solutions which is contracted by Excellus for the Blue4U program. The program involves a risk assessment that employees participate in. If they are a high risk individual they are coached and educated on things that they can do to take steps to live a longer and healthier life. He said experience has shown that when this program has been introduced to a group that 35% of the

population voluntarily joins without being offered any type of incentive. After two years that 35% has decreased claims by 7.7%. Word of mouth and other incentivizing strategies has also shown to increase participation. The cost is \$150 per enrollee per year with a savings of over \$2 million in 2½ years.

The Committee was very excited about this and wanted to share the following with the Board as areas they would like to pursue:

- Flu shot program run through the Consortium;
- Have each municipality develop a health policy with template samples provided by the Committee;
- Collaborate and support each other with wellness programs; and
- Investigate the Blue4U program and other similar programs

Mr. Locey spoke of the budget as it relates to wellness and said the biggest thing that needs to be done is that the results are quantified to show real savings from the investment. He would like to have whatever company is engaged have “steak in the game” so it would be more likely to have expectations met. He said these efforts might dovetail with work the Joint Committee on Plan Structure and Design is working on in terms of new plan designs. The Affordable Care Act now allows for premium incentives to be built in and this could be used as a way to entice people more into the wellness realm.

Report from the Joint Committee on Plan Structure and Design

Ms. Shawley, Vice Chair, reported the Committee took action to change quorum requirements and hopes that is now at a more reasonable level. The Committee has also continued its discussion on a Medicare Supplement. The Committee has also been working on developing requests for proposals for Flex Spending Accounts and an Employee Assistance Programs.

RESOLUTION NO. 012-2013 - APPROVAL OF CONTRACT TEMPLATE FOR EMPLOYEE ASSISTANCE PROGRAM SERVICES - FAMILY AND CHILDREN’S SERVICE

MOVED by Ms. Shawley, seconded by Ms. Miller.

Mr. Locey said after analyzing this issue it became clear that these services could not be arranged through the Consortium for all municipalities at once. Instead, they are asking for authorization to reach out to organizations that are predominantly being used today and to use the weight of the Consortium to get the best possible rate for all of the employers in the Consortium. Once contracts are negotiated Locey and Cahill will provide municipalities with information on a process for signing a contract.

The resolution was unanimously adopted by voice vote by members present.

WHEREAS, throughout the last two years the Joint Committee on Plan Structure and Design has considered various options by which the Consortium could offer an Employee Assistance Program that would meet the needs of all member municipalities and maintain the current levels of services being offered by members, and

WHEREAS, during a review of programs being currently offered by members within the Consortium it was found there are components within each program that greatly vary, and

WHEREAS, it was noted that an Employee Assistance Program is a service that is not currently offered by all members of the Consortium, and

WHEREAS, it was determined that it would be very difficult to facilitate a Consortium-wide program given the differences in current levels of services being offered by members, and

WHEREAS the Consultant has recommended that the Consortium seek the best pricing option and that an optional contract for Employee Assistance Program Services be made available to members, and

WHEREAS, the Consultant has received a commitment from Family and Children's Service to hold to pricing previously quoted during a Request for Proposals process undertaken in 2012, now therefore be it

RESOVED, on recommendation of the Joint Committee on Plan Structure and Design, That the Board of Directors approves a template agreement that can be utilized by member municipalities for Employee Assistance Program services.

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RESOLUTION NO. 013-2013 - APPROVAL OF TEMPLATE AGREEMENT FOR FLEX SPENDING ACCOUNT SERVICES - EBS RMSCO AND SIEBA

MOVED by Ms. Shawley, seconded by Mr. Salton, and unanimously adopted by voice vote by members present.

WHEREAS, throughout the last two years the Joint Committee on Plan Structure and Design has considered various options by which the Consortium could offer a Flex Spending Account Program that would meet the needs of all member municipalities and maintain the current levels of services being offered by members, and

WHEREAS, during a review of programs being currently offered by members within the Consortium it was found there are components within each program that greatly vary, and

WHEREAS, it was noted that a Flex Spending Account program is a service that is not currently offered by all members of the Consortium, and

WHEREAS, it was determined that it would be very difficult to facilitate a Consortium-wide program given the differences in current levels of services being offered by members, and

WHEREAS the Consultant has recommended that the Consortium seek the best pricing option and that an optional contract for Flex Spending Account Services be made available to members, and

WHEREAS, the Consultant has received a commitment from EBS RMSCO and Sieba to hold to pricing previously quoted during a Request for Proposals process undertaken in 2012, now therefore be it

RESOVED, on recommendation of the Joint Committee on Plan Structure and Design, That the Board of Directors approves a template agreement that can be utilized by member municipalities for Employee Assistance Program services.

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Ms. Sumner was excused at this time.

At this time the members took a break to stretch before continuing the meeting.

Mr. Locey commented that the Joint Committee is talking about a strategy to offer a Medicare supplement plans, one with and one without drug coverage and offering benefit plans that are structured more in tune with what the market place looks like now with the Affordable Care Act. Right now most of the Consortium's plans are at the Platinum level with very little difference benefit or premium. Once developed these packages would then be available for groups to use in negotiations.

Report from the Audit Committee

Motion No. 014-2013 - Authorization for Locey & Cahill to issue Request for Proposal for Medical and Prescription Drug Claims auditing services.

MOVED by Mr. Thayer, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present.

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**RESOLUTION NO. 014-2013 - APPROVAL OF GREATER TOMPKINS COUNTY
MUNICIPAL HEALTH INSURANCE CONSORTIUM
PRIVACY POLICY**

MOVED by Mr. Thayer, seconded by Ms. Drake, and unanimously adopted by voice vote by members present. Mr. Thayer noted the having this policy was a recommendation of the State Audit.

WHEREAS, the New York State Department of Financial Services Audit determined that the Greater Tompkins County Municipal Health Insurance Consortium needed to develop and implement a Privacy Policy, and

WHEREAS, the purpose of a Privacy Policy is to inform members how medical information may be used and disclosed and how they can get access to information, and

WHEREAS, the Audit Committee has discussed, developed and recommended a draft Privacy Policy for consideration by the Board of Directors, now therefore be it

RESOLVED, That the Board of Directors hereby adopts the attached Privacy Policy,

RESOLVED, further, That the Policy will be made available on the Consortium website.

* * * * *

Notice of Privacy Practices

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION.

PLEASE REVIEW CAREFULLY.

We understand that personal and health information about you is personal. We are committed to safeguarding your personal and protected health information (PHI.) PHI is any information that can identify you as an individual and your past, present or future physical or mental health condition.

This policy supports your health plans need to collect information and the right of the individual to privacy. It ensures that the health plan can collect personal and health information necessary for its functions, while recognizing the right of the individuals to have their information handled in ways that they would reasonably expect and in ways that protect the privacy of their personal and health information. We are required by law to maintain the privacy of your protected health information and to provide you with this notice of privacy practices. We also are required to abide by the privacy policies and practices that are outlined in this notice.

Use and Disclosures- Personal and health information is collected and used for the following purposes:

We will not disclose PHI to an unauthorized person not involved in your care or treatment, unless we are required or permitted to do so by law.

Treatment: Your health information may be used by Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) or disclosed to other organizations for the purpose of evaluating your health, diagnosing medical conditions, and providing treatment. For example, results of laboratory tests and procedures will be available in your medical record to all organizations who may provide treatment or who may be consulted by GTCMHIC representatives.

Payment: Your health information may be used to seek payment from your health plan, from other sources of coverage such as an automobile insurer, or from credit card companies that you may use to pay for services. For example, your health plan may request and receive information on dates of service, the services provided, and the medical condition being treated.

Health care operations: Your health information may be used as necessary to support the day-to-day activities and management of GTCMHIC. For example, information on the services you received may be used to support budgeting and financial reporting, and activities to evaluate and promote quality.

Business Associates: Your personal and health information may be disclosed to business associates independent of our business with which we contract. However, we will only make such disclosures if we have received satisfactory assurances that the business associate will properly safeguard your privacy and the confidentiality of your PHI. For example, we may contract with a company to consult to us regarding the health plan.

Law enforcement: Your health information may be disclosed to law enforcement agencies, without your permission, to support government audits and inspections, to facilitate law-enforcement investigations, and to comply with government mandated reporting.

Public health reporting: Your health information may be disclosed to public health agencies as required by law. For example, we are required to report certain communicable diseases to the state's public health department.

Other uses and disclosures require your authorization: Disclosure of your health information or its use for any purpose other than those listed above requires your specific written authorization. If you change your mind after authorizing a use or disclosure of your information you may submit a written revocation of the authorization. However, your decision to revoke the authorization will not affect or undo any use or disclosure of information that occurred before you notified us of your decision.

Information about treatments: Your health information may be used to send you information on the treatment and management of your medical condition that you may find to be of interest. We may also send you information describing other health-related goods and service that we believe may interest you.

Individual Rights

You have certain rights under the federal privacy standards. These include:

- The right to request restrictions on the use and disclosure of your protected health information.
- The right to receive confidential communication's concerning your medical condition and treatment.
- The right to inspect and copy your protected health information.
- The right to amend or submit corrections to your protected health information.
- The right to receive an accounting of how and to whom your protected health information has been disclosed.
- The right to receive a printed copy of this notice.

GTCMHIC: We are required by law to maintain the privacy of your protected health information and to provide you with this notice of privacy practices. We also are required to abide by the privacy policies and practices that are outlined in this notice.

Right to Revise Privacy Practices: As permitted by law, we reserve the right to amend or modify our privacy policies and practices. These changes in our policies and practices may be required by changes in federal and state laws and regulations. Whatever the reason for these revisions, we will provide you with a revised notice. The revised policies and practices will be applied to all protected health information that we maintain.

Requests to Inspect Protected Health Information: As permitted by federal regulation, we require that requests to inspect or copy protected health information be submitted in writing. You may obtain a form to request access to your records by contacting the **Privacy Official**.

Complaints: If you would like to submit a comment or complaint about our privacy practices, you can do so by sending a letter outlining your concerns to the **Privacy Official**. If you believe that your privacy rights have been violated, you should call the matter to our attention by sending a letter describing the cause of your concern to the same address. **You will not be penalized or otherwise retaliated against for filing a complaint.**

Contact Person: You can receive further information concerning our privacy practices by contacting:

Privacy Official
e-mail: consortiumprivacy@tompkins-co.org
GTCMHIC
125 East Court Street
Ithaca, NY 14850
607-274-5590
607-274-5558 (fax)

This Notice is effective on or after January 1, 2014.

Appointments

It was **MOVED** by Mr. Barber, seconded by Ms. Miller, and unanimously adopted by voice vote by members present, to approve the following appointments to the Audit Committee:

Chuck Rankin – term expires December 31, 2015
Scott Weatherby – term expires December 31, 2015

Report from the Finance Committee

Copies of the latest invoices that have been approved by the Finance Committee from the Bonadio Group were circulated to members for information only.

RESOLUTION NO. 015-2013 – AUTHORIZATION TO ENTER INTO AGREEMENT WITH BONADIO & CO. LLP - FINANCIAL REPORTING FOR 2014

MOVED by Mr. Barber, seconded by Ms. Drake, and unanimously adopted by voice vote by members present. Mr. Barber said the original contract with the Bonadio Group included them being able to put the Consortium's financial work on Quickbooks and this has been put into place. There have been discussions with the Bonadio Group about doing the Consortium's 2013 annual report and will work with Mr. Snyder on preparing the first and second quarter reports with the intention of Mr. Snyder being able to prepare the third quarter report with only a review of the work by the Bonadio Group. They would work together on the 2014 annual report and it is expected the services of the Bonadio Group will not be needed beyond that time. Mr. Snyder noted he may need assistance with preparation of the 2014 annual statement.

WHEREAS, the Consortium entered into a contract with Bonadio & Co. LLP for financial reporting services in 2013, and

WHEREAS, the Consortium wishes to continue the current arrangement for an additional year, now therefore be it

RESOLVED, That the Board of Directors authorizes the Chair to sign a letter of engagement with Bonadio & Co. LLP for a one-year contract expiring December 31, 2014.

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**RESOLUTION NO. 016-2013 – AUTHORIZING CONSORTIUM TREASURER TO
ISSUE PAYMENTS TO PARTICIPATING
MUNICIPALITIES TO REFUND INITIAL
ASSESSMENTS WITH INTEREST
(CAPITALIZATION RESERVE)**

MOVED by Mr. Barber, seconded by Ms. Tyler. Mr. Locey said when the five-year financial plan for the Consortium was first developed that was submitted to the State along with the application the anticipation was that in the fifth year of operation this money would be paid back with interest. The Consortium is now at a point where the funds are being paid back along with interest after the third year of operation. The plan also included a 9.5% premium increase in each of those years; however, in the third year a premium rate increase of 8% was approved and the Consortium is in a comfortable financial position. Mr. Snyder said the checks have been written and will be distributed prior to the end of the year. Mr. Locey reported the New York State Department of Financial Services was informed of this and requested a change in how this was reported on the annual statement and this has been done. Mr. Barber thanked Mr. Locey for his guidance in getting the Consortium to this point.

The resolution was unanimously adopted by voice vote by members present.

WHEREAS, initial assessments were required by the New York State Department of Financial Services to fully fund the surplus account (Capitalization Reserve) prior to the Department's issuance of the Consortium's Certificate of Authority, and

WHEREAS, it has always been the intent of the Consortium Board of Directors to refund each participating municipality the exact dollar amount of its initial assessment along with an interest payment equal to 3% per annum, and

WHEREAS, after careful evaluation of the Consortium's fiscal condition a plan has been developed to refund this capital with interest in one installment prior to the close of the 2013 fiscal year, and

WHEREAS, the repayment of this initial assessment will conclude a financial inconsistency and result in an equitable and consistent sharing of all assets and liabilities on a prorated premium basis, and

WHEREAS, the New York State Department of Financial Services was notified on November 12, 2013 of the Consortium's plan to refund the participating municipalities their share of the initial assessments paid to the Consortium, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Board of Directors extends its gratitude to participating municipalities for their contribution of the initial assessments and directs the Consortium Treasurer to issue payments to participating municipalities to refund initial assessments along with interest prior to December 31, 2013.

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Finance Committee Appointments

It was MOVED by Mr. Barber, seconded by Ms. Miller, and unanimously adopted by voice vote by members present, to appoint Peter Salton to the Finance Committee for a term expiring December 31, 2014.

Report from the Appeals Committee

Ms. Fitzpatrick, Chair, reported the Appeals Committee has not met since the last Board meeting. All of the information concerning the appeals process has been posted on the Consortium's website. Mr. Locey is working on finalizing a Memorandum of Understanding with ProAct and Excellus on external appeals that will ensure that when they are aware of any appeals filed with their organization that they alert the Consortium that the appeal has started, when it concludes, and what the final outcome was.

Executive Session

It was MOVED BY Mr. Barber, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present, to enter into executive session at 6:58 p.m. to discuss personnel matters and contract negotiations. The meeting returned to open session at 7:35 p.m.

RESOLUTION NO. 017-2013 - AWARD OF CONTRACT - CONSULTING SERVICES FOR CONSORTIUM

MOVED by Mr. Barber, seconded by Mr. Hart, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium requires ongoing consulting services to continue operations, and

WHEREAS, the Consultant shall provide services such as establishing a budget, filing periodic reports, calculating premium equivalents, and preparing a variety of internal reports, and

WHEREAS, the Consortium issued a Request for Proposals for consulting services on October 1, 2013, and five proposals were received and reviewed by the Review Committee, now therefore be it

Board of Directors
December 19, 2013

RESOLVED, that the Consortium selects the consulting firm of Locey & Cahill LLC to provide consulting services for the period of January 1, 2014 through December 31, 2015, with the option to renew for three additional one year terms.

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Adjournment

On motion the meeting adjourned at 7:35 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2013 Budget Performance Analysis

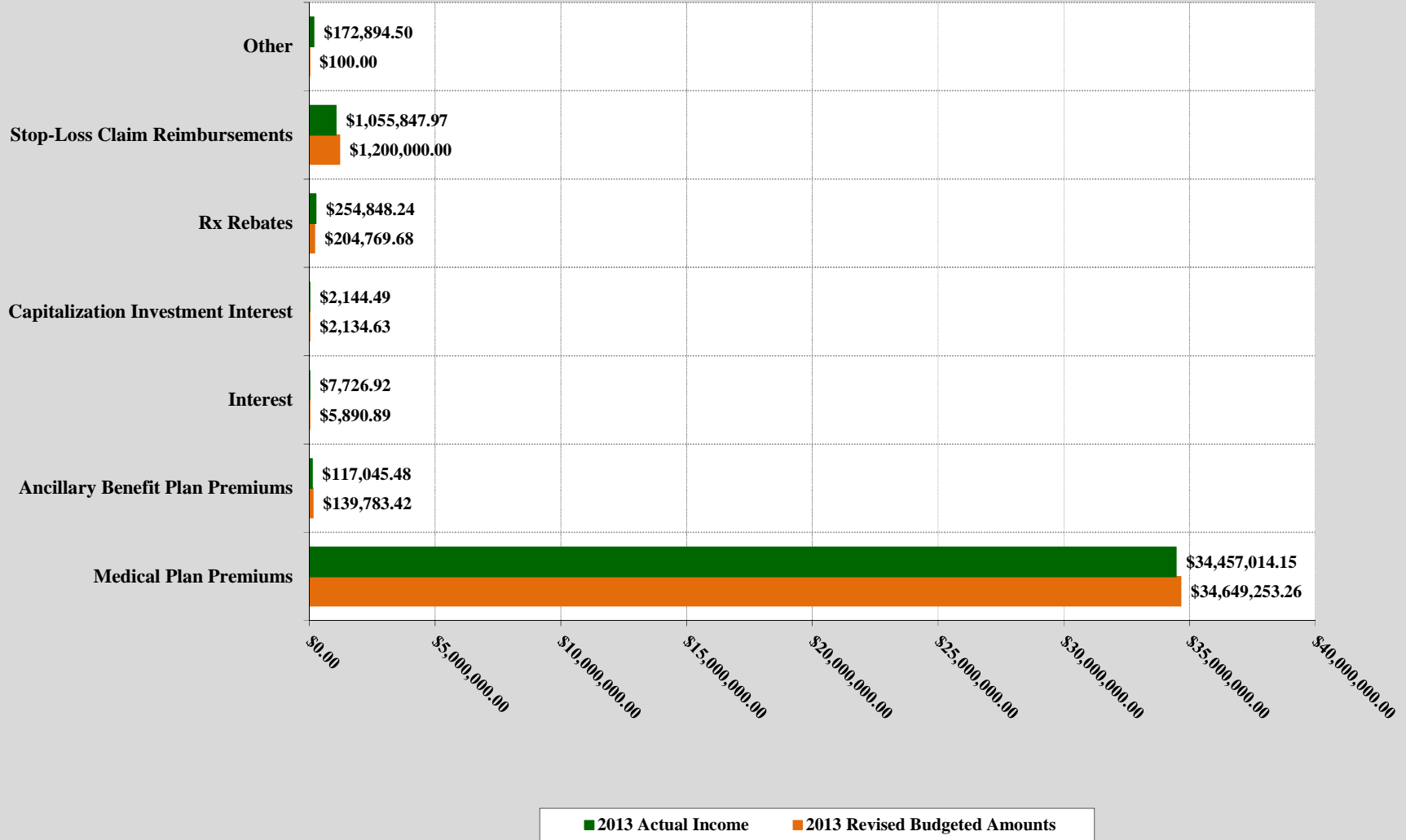
Results as of: 12/31/2013
of Months: 12

	2013 <i>Revised Budget</i>	2013 <i>Year-to-Date</i>	2013 <i>Actual Results</i>	<i>Variance</i>	<i>% Difference</i>
Beginning Balance	\$6,500,761.60	\$6,500,761.60	\$6,500,761.60		
Income					
Medical Plan Premiums	\$34,649,253.26	\$34,649,253.26	\$34,457,014.15	-\$192,239.11	-0.55%
Ancillary Benefit Plan Premiums	\$139,783.42	\$139,783.42	\$117,045.48	-\$22,737.94	-16.27%
Interest	\$5,890.89	\$5,890.89	\$7,726.92	\$1,836.03	31.17%
Capitalization Investment Interest	\$2,134.63	\$2,134.63	\$2,144.49	\$9.86	n/a
Rx Rebates	\$204,769.68	\$204,769.68	\$254,848.24	\$50,078.56	n/a
Stop-Loss Claim Reimbursements	\$1,200,000.00	\$1,200,000.00	\$1,055,847.97	-\$144,152.03	n/a
Other	\$100.00	\$100.00	\$172,894.50	\$172,794.50	n/a
Total Income	\$36,201,931.88	\$36,201,931.88	\$36,067,521.75	-\$134,410.13	-0.37%
Expenses					
Medical Paid Claims	\$20,962,600.11	\$20,962,600.11	\$21,606,445.39	\$643,845.28	3.07%
Rx Paid Claims Rebate Credit	\$204,769.68	\$204,769.68	\$0.00	-\$204,769.68	n/a
Rx Paid Claims	\$6,701,595.92	\$6,701,595.92	\$6,881,127.63	\$179,531.71	2.68%
Medical Admin Fees	\$847,862.40	\$847,862.40	\$842,848.88	-\$5,013.52	-0.59%
Rx Admin Fees	\$77,042.33	\$77,042.33	\$73,334.36	-\$3,707.97	-4.81%
NYS Graduate Medical Exp.	\$234,455.50	\$234,455.50	\$233,822.97	-\$632.53	-0.27%
ACA PCORI Fee	\$4,448.00	\$4,448.00	\$4,448.00	\$0.00	0.00%
Stop-Loss Aggregate and Specific	\$593,043.00	\$593,043.00	\$592,381.65	-\$661.35	-0.11%
Advance Deposit / Pre-Paid Claims	\$109,500.00	\$109,500.00	\$109,500.00	\$0.00	0.00%
Legal Fees	\$15,000.00	\$15,000.00	\$220.00	-\$14,780.00	-98.53%
Consultant Fees	\$63,475.18	\$63,475.18	\$114,110.74	\$50,635.56	79.77%
Audit Fees	\$38,076.00	\$38,076.00	\$37,027.19	-\$1,048.81	-2.75%
Insurances (D&O / Prof. Liab.)	\$22,211.00	\$22,211.00	\$22,211.00	\$0.00	0.00%
Internal Coordination (Finance)	\$65,777.35	\$65,777.35	\$36,171.78	-\$29,605.57	-45.01%
Internal Coordination (Support)	\$13,647.31	\$13,647.31	\$10,462.47	-\$3,184.84	n/a
Surety Bond Fee / Loan Interest	\$0.00	\$0.00	\$0.00	\$0.00	n/a
Payment Refund	\$0.00	\$0.00	\$0.00	\$0.00	n/a
Ancillary Benefit Premiums	\$155,220.05	\$155,220.05	\$155,711.25	\$491.20	0.32%
Capitalization Repayment	\$0.00	\$0.00	\$1,541,561.37	\$1,541,561.37	n/a
Other Expenses	\$5,000.00	\$5,000.00	\$0.00	-\$5,000.00	-100.00%
Total Expenses	\$30,113,723.83	\$30,113,723.83	\$32,261,384.68	\$2,147,660.85	7.13%
Net Income	\$6,088,208.05	\$6,088,208.05	\$3,806,137.07		
Ending Balance	\$12,588,969.65	\$12,588,969.65	\$10,306,898.67		
Liabilities and Reserves					
IBNR Claims Liability	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52		
Rate Stabilization Reserve	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66		
Total Liabilities and Reserves	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19		
Unencumbered Fund Balance	\$7,536,803.46	\$7,536,803.46	\$5,254,732.48		

Greater Tompkins County Municipal Health Ins. Consortium

2013 Income Distribution

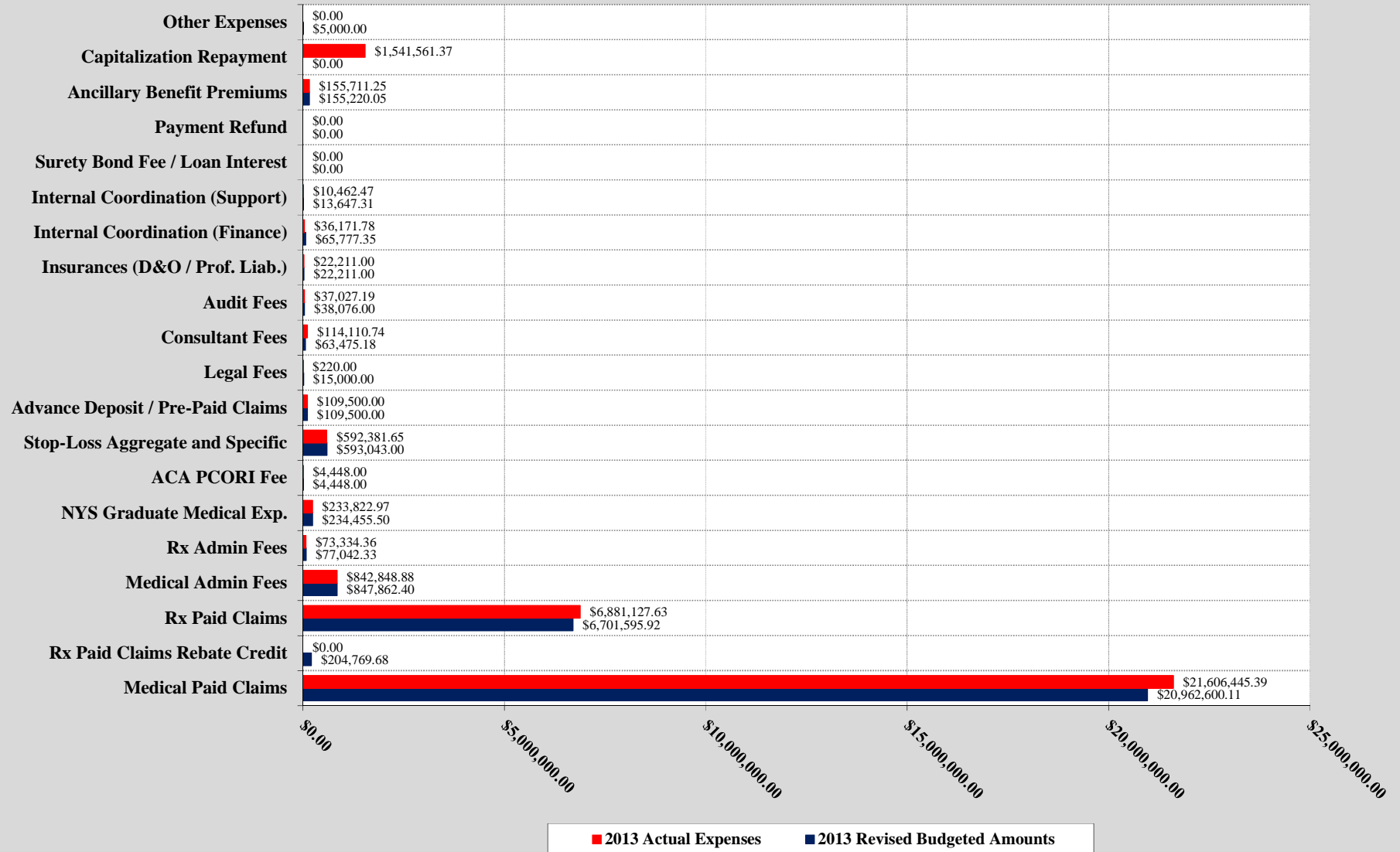
January 1, 2013 to December 31, 2013



Greater Tompkins County Municipal Health Ins. Consortium

2013 Expense Distribution

January 1, 2013 to December 31, 2013



Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2013 Treasurer's Report Data (Cash Basis)

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013 Actual Results
Beginning Balance	\$6,500,761.60	\$6,044,081.46	\$5,387,624.53	\$7,437,254.79	\$9,299,510.67	\$10,742,930.62	\$11,432,182.70	\$11,155,072.23	\$12,883,984.70	\$12,956,959.27	\$11,618,302.54	\$11,955,661.68	\$6,500,761.60
Income													
Medical Plan Premiums	\$1,545,398.65	\$1,554,201.16	\$4,659,862.33	\$3,546,415.25	\$4,343,111.64	\$2,600,514.16	\$2,088,898.85	\$4,559,838.47	\$2,483,374.23	\$1,564,903.42	\$2,899,614.07	\$2,610,881.92	\$34,457,014.15
Ancillary Benefit Plan Premiums	\$3,843.48	\$13,559.73	\$12,379.91	\$13,167.36	\$16,487.37	\$9,279.56	\$12,822.92	\$12.28	\$0.00	\$9,681.87	\$12,998.88	\$12,812.12	\$117,045.48
Interest	\$340.17	\$247.59	\$292.16	\$514.40	\$612.25	\$710.49	\$719.29	\$901.11	\$825.01	\$860.39	\$854.10	\$849.96	\$7,726.92
Capitalization Investment Interest	\$181.99	\$164.41	\$170.39	\$187.94	\$182.09	\$164.49	\$193.89	\$176.29	\$182.19	\$182.21	\$170.47	\$188.13	\$2,144.49
Rx Rebates	\$359.60	\$0.00	\$0.00	\$119,089.38	\$0.00	\$0.00	\$0.00	\$128,926.82	\$2,585.87	\$3,886.57	\$0.00	\$0.00	\$254,848.24
Stop-Loss Claim Reimbursements	\$0.00	\$265,663.04	\$14,056.73	\$704,942.55	\$64,314.34	\$6,871.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,055,847.97
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$59.06	\$193.94	\$0.00	\$0.00	\$0.00	\$172,641.50	\$172,894.50
Total Income	\$1,550,123.89	\$1,833,835.93	\$4,686,761.52	\$4,384,316.88	\$4,424,707.69	\$2,617,540.01	\$2,102,694.01	\$4,690,048.91	\$2,486,967.30	\$1,579,514.46	\$2,913,637.52	\$2,797,373.63	\$36,067,521.75
Expenses													
Medical Paid Claims	\$1,493,035.93	\$1,595,491.69	\$2,074,128.20	\$1,677,530.00	\$2,195,590.31	\$1,305,528.06	\$1,471,295.73	\$2,190,225.59	\$1,791,806.91	\$1,977,534.53	\$1,686,546.83	\$2,147,731.61	\$21,606,445.39
Rx Paid Claims Rebate Credit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rx Paid Claims	\$350,979.43	\$579,243.09	\$516,307.34	\$520,841.00	\$596,346.32	\$582,100.55	\$605,778.57	\$612,988.62	\$572,091.62	\$652,065.99	\$611,951.92	\$680,433.18	\$6,881,127.63
Medcial Admin Fees	\$45,953.60	\$165,311.09	\$0.00	\$140,253.00	\$69,989.85	\$0.00	\$140,634.84	\$70,234.94	\$0.00	\$140,458.95	\$70,012.61	\$0.00	\$842,848.88
Rx Admin Fees	\$6,629.36	\$6,671.00	\$5,808.00	\$6,393.00	\$6,719.00	\$6,588.00	\$6,133.00	\$6,497.00	\$6,161.00	\$6,354.00	\$3,143.00	\$6,238.00	\$73,334.36
NYS Graduate Medical Exp.	\$17,113.66	\$20,629.48	\$20,050.79	\$19,886.00	\$19,920.54	\$19,634.98	\$19,530.26	\$19,522.09	\$19,307.90	\$19,279.60	\$19,111.66	\$19,836.01	\$233,822.97
ACA PCORI Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,448.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,448.00
Stop-Loss Insurance	\$49,449.55	\$99,486.30	\$0.00	\$98,624.00	\$49,201.70	\$0.00	\$98,494.90	\$49,333.25	\$0.00	\$98,488.20	\$49,303.75	\$0.00	\$592,381.65
Advance Deposit / Pre-Paid Claims	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$109,500.00	\$0.00	\$109,500.00
Legal Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220.00
Consultant Fees	\$7,015.00	\$6,580.00	\$4,015.00	\$23,482.00	\$22,706.44	\$4,015.00	\$8,515.00	\$7,390.00	\$4,015.00	\$10,780.40	\$10,368.10	\$5,228.80	\$114,110.74
Audit Fees	\$0.00	\$0.00	\$6,090.05	\$17,441.00	\$6,686.14	\$0.00	\$6,810.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37,027.19
Insurances (D&O / Prof. Liab.)	\$22,211.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,211.00
Internal Coordination (Finance)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$211.68	\$0.58	\$0.00	\$0.00	\$0.00	\$35,959.52	\$36,171.78
Internal Coordination (Support)	\$1,107.01	\$1,235.90	\$1,055.70	\$1,195.00	\$1,273.30	\$1,211.06	\$882.96	\$1,115.86	\$1,242.76	\$71.46	\$71.46	\$0.00	\$10,462.47
Surety Bond Fee / Loan Interest	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payment Refund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ancillary Benefit Premiums	\$13,309.49	\$15,644.31	\$9,676.18	\$16,416.00	\$12,854.14	\$9,210.28	\$17,069.54	\$3,608.51	\$19,367.54	\$13,138.06	\$16,269.05	\$9,148.15	\$155,711.25
Capitalization Repayment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,541,561.37	\$1,541,561.37
Other Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenses	\$2,006,804.03	\$2,490,292.86	\$2,637,131.26	\$2,522,061.00	\$2,981,287.74	\$1,928,287.93	\$2,379,804.48	\$2,961,136.44	\$2,413,992.73	\$2,918,171.19	\$2,576,278.38	\$4,446,136.64	\$32,261,384.68
Net Income	-\$456,680.14	-\$656,456.93	\$2,049,630.26	\$1,862,255.88	\$1,443,419.95	\$689,252.08	-\$277,110.47	\$1,728,912.47	\$72,974.57	-\$1,338,656.73	\$337,359.14	-\$1,648,763.01	\$3,806,137.07
Ending Balance	\$6,044,081.46	\$5,387,624.53	\$7,437,254.79	\$9,299,510.67	\$10,742,930.62	\$11,432,182.70	\$11,155,072.23	\$12,883,984.70	\$12,956,959.27	\$11,618,302.54	\$11,955,661.68	\$10,306,898.67	\$10,306,898.67
Liabilities and Reserves													
IBNR Claims Liability	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52	\$3,319,703.52
Rate Stabilization Reserve	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66	\$1,732,462.66
Total Liabilities and Reserves	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19	\$5,052,166.19
Unencumbered Fund Balance	\$991,915.27	\$335,458.34	\$2,385,088.60	\$4,247,344.48	\$5,690,764.43	\$6,380,016.51	\$6,102,906.04	\$7,831,818.51	\$7,904,793.08	\$6,566,136.35	\$6,903,495.49	\$5,254,732.48	\$5,254,732.48
Monthly Contract Count	2,288	2,286	2,282	2,285	2,280	2,284	2,286	2,279	2,284	2,286	2,287	2,288	27,415
Monthly Covered Lives	5,135	5,116	5,105	5,102	5,073	5,080	5,091	5,075	5,074	5,069	5,072	5,071	61,063

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2013 Treasurer's Report Data (Cash Basis)

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	2013 Actual Results
Beginning Balance	\$6,500,762	\$6,044,081	\$5,387,625	\$7,437,255	\$9,299,511	\$10,742,931	\$11,432,183	\$11,155,072	\$12,883,985	\$12,956,959	\$11,618,303	\$11,955,662	\$6,500,762
Income													
Medical Plan Premiums	\$1,545,399	\$1,554,201	\$4,659,862	\$3,546,415	\$4,343,112	\$2,600,514	\$2,088,899	\$4,559,838	\$2,483,374	\$1,564,903	\$2,899,614	\$2,610,882	\$34,457,014
Ancillary Beneit Plan Premiums	\$3,843	\$13,560	\$12,380	\$13,167	\$16,487	\$9,280	\$12,823	\$12	\$0	\$9,682	\$12,999	\$12,812	\$117,045
Interest	\$340	\$248	\$292	\$514	\$612	\$710	\$719	\$901	\$825	\$860	\$854	\$850	\$7,727
Capitalization Investment Interest	\$182	\$164	\$170	\$188	\$182	\$164	\$194	\$176	\$182	\$182	\$170	\$188	\$2,144
Rx Rebates	\$360	\$0	\$0	\$119,089	\$0	\$0	\$0	\$128,927	\$2,586	\$3,887	\$0	\$0	\$254,848
Stop-Loss Claim Reimbursements	\$0	\$265,663	\$14,057	\$704,943	\$64,314	\$6,871	\$0	\$0	\$0	\$0	\$0	\$0	\$1,055,848
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$59	\$194	\$0	\$0	\$0	\$172,642	\$172,895
Total Income	\$1,550,124	\$1,833,836	\$4,686,762	\$4,384,317	\$4,424,708	\$2,617,540	\$2,102,694	\$4,690,049	\$2,486,967	\$1,579,514	\$2,913,638	\$2,797,374	\$36,067,522
Expenses													
Medical Paid Claims	\$1,493,036	\$1,595,492	\$2,074,128	\$1,677,530	\$2,195,590	\$1,305,528	\$1,471,296	\$2,190,226	\$1,791,807	\$1,977,535	\$1,686,547	\$2,147,732	\$21,606,445
Rx Paid Claims Rebate Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rx Paid Claims	\$350,979	\$579,243	\$516,307	\$520,841	\$596,346	\$582,101	\$605,779	\$612,989	\$572,092	\$652,066	\$611,952	\$680,433	\$6,881,128
Medcial Admin Fees	\$45,954	\$165,311	\$0	\$140,253	\$69,990	\$0	\$140,635	\$70,235	\$0	\$140,459	\$70,013	\$0	\$842,849
Rx Admin Fees	\$6,629	\$6,671	\$5,808	\$6,393	\$6,719	\$6,588	\$6,133	\$6,497	\$6,161	\$6,354	\$3,143	\$6,238	\$73,334
NYS Graduate Medical Exp.	\$17,114	\$20,629	\$20,051	\$19,886	\$19,921	\$19,635	\$19,530	\$19,522	\$19,308	\$19,280	\$19,112	\$19,836	\$233,823
ACA PCORI Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$4,448	\$0	\$0	\$0	\$0	\$0	\$4,448
Stop-Loss Insurance	\$49,450	\$99,486	\$0	\$98,624	\$49,202	\$0	\$98,495	\$49,333	\$0	\$98,488	\$49,304	\$0	\$592,382
Advance Deposit / Pre-Paid Claims	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$109,500	\$0	\$109,500
Legal Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$220	\$0	\$0	\$0	\$0	\$220
Consultant Fees	\$7,015	\$6,580	\$4,015	\$23,482	\$22,706	\$4,015	\$8,515	\$7,390	\$4,015	\$10,780	\$10,368	\$5,229	\$114,111
Audit Fees	\$0	\$0	\$6,090	\$17,441	\$6,686	\$0	\$6,810	\$0	\$0	\$0	\$0	\$0	\$37,027
Insurances (D&O / Prof. Liab.)	\$22,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,211
Internal Coordination (Finance)	\$0	\$0	\$0	\$0	\$0	\$0	\$212	\$1	\$0	\$0	\$0	\$35,960	\$36,172
Internal Coordination (Support)	\$1,107	\$1,236	\$1,056	\$1,195	\$1,273	\$1,211	\$883	\$1,116	\$1,243	\$71	\$71	\$0	\$10,462
Surety Bond Fee / Loan Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payment Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ancillary Benefit Premiums	\$13,309	\$15,644	\$9,676	\$16,416	\$12,854	\$9,210	\$17,070	\$3,609	\$19,368	\$13,138	\$16,269	\$9,148	\$155,711
Capitalization Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,541,561	\$1,541,561
Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$2,006,804	\$2,490,293	\$2,637,131	\$2,522,061	\$2,981,288	\$1,928,288	\$2,379,804	\$2,961,136	\$2,413,993	\$2,918,171	\$2,576,278	\$4,446,137	\$32,261,385
Net Income	-\$456,680	-\$656,457	\$2,049,630	\$1,862,256	-\$1,228,524	\$2,562,804	-\$277,110	\$1,728,912	\$72,975	-\$1,338,657	\$337,359	-\$1,648,763	\$3,806,137
Ending Balance	\$6,044,081	\$5,387,625	\$7,437,255	\$9,299,511	\$4,000,566	\$6,563,369	\$11,155,072	\$12,883,985	\$12,956,959	\$11,618,303	\$11,955,662	\$10,306,899	\$10,306,899
Liabilities and Reserves													
IBNR Claims Liability	\$3,418,355	\$3,418,355	\$3,418,355	\$3,418,355	\$3,140,427	\$3,140,427	\$3,418,355	\$3,418,355	\$3,418,355	\$3,418,355	\$3,418,355	\$3,418,355	\$3,418,355
Rate Stabilization Reserve	\$1,574,548	\$1,574,548	\$1,574,548	\$1,574,548	\$1,437,944	\$1,437,944	\$1,574,548	\$1,574,548	\$1,574,548	\$1,574,548	\$1,574,548	\$1,574,548	\$1,574,548
Total Liabilities and Reserves	\$4,992,903	\$4,992,903	\$4,992,903	\$4,992,903	\$4,578,370	\$4,578,370	\$4,992,903	\$4,992,903	\$4,992,903	\$4,992,903	\$4,992,903	\$4,992,903	\$4,992,903
Unencumbered Fund Balance	\$1,051,179	\$394,722	\$2,444,352	\$4,306,608	-\$577,805	\$1,984,999	\$6,162,169	\$7,891,082	\$7,964,056	\$6,625,400	\$6,962,759	\$5,313,996	\$5,313,996
Monthly Contract Count	2,288	2,286	2,282	2,285	2,280	2,284	2,286	2,279	2,284	2,286	2,287	2,288	27,415
Monthly Covered Lives	5,135	5,116	5,105	5,102	5,073	5,080	5,091	5,075	5,074	5,069	5,072	5,071	61,063

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2013 Budget Performance Analysis

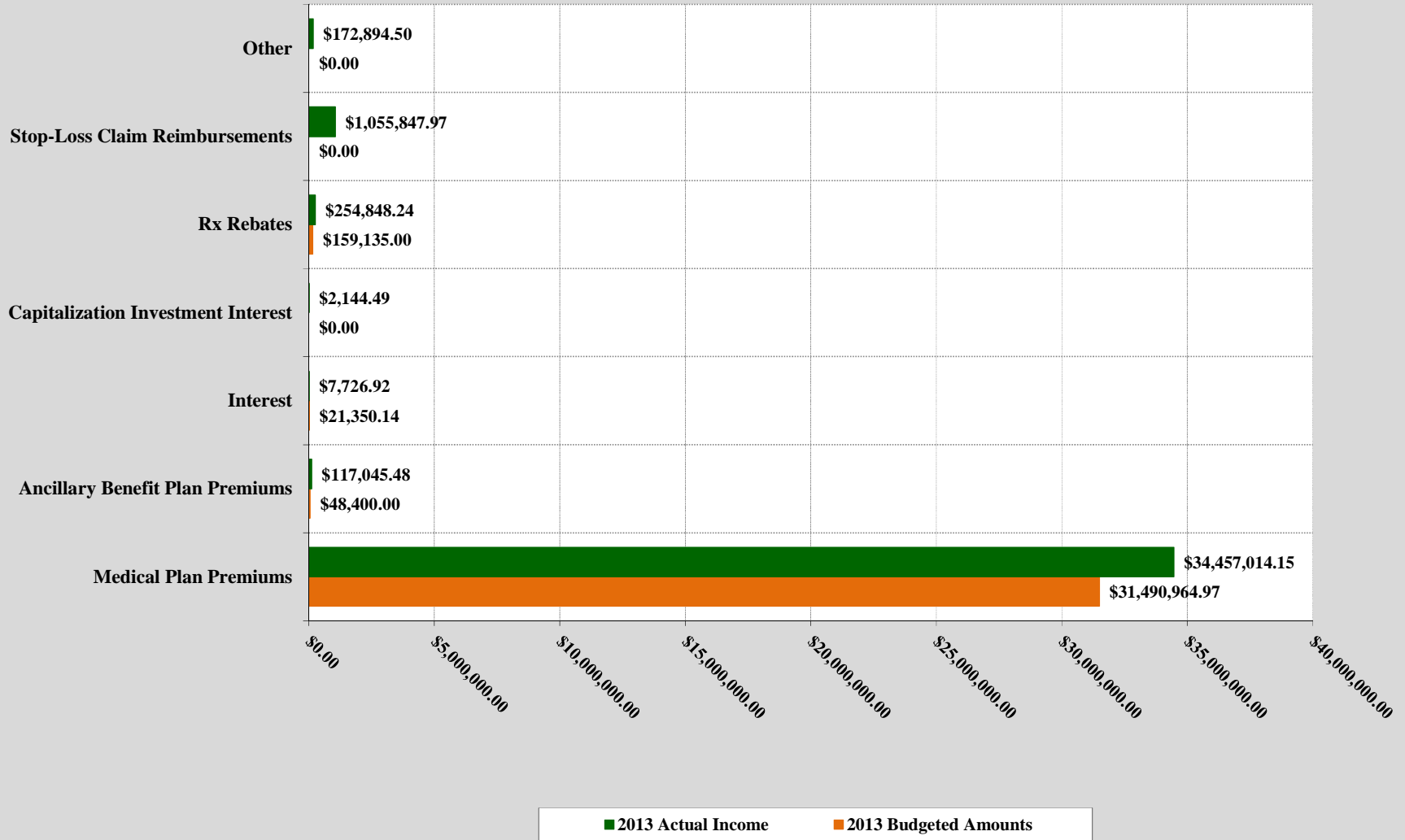
Results as of: 12/31/2013
of Months: 12

	2013 Adopted Budget	2013 Year-to-Date	2013 Actual Results	Variance	% Difference
Beginning Balance	\$6,500,761.60	\$6,500,761.60	\$6,500,761.60		
Income					
Medical Plan Premiums	\$31,490,964.97	\$31,490,964.97	\$34,457,014.15	\$2,966,049.18	9.42%
Ancillary Benefit Plan Premiums	\$48,400.00	\$48,400.00	\$117,045.48	\$68,645.48	141.83%
Interest	\$21,350.14	\$21,350.14	\$7,726.92	-\$13,623.22	-63.81%
Capitalization Investment Interest	\$0.00	\$0.00	\$2,144.49	\$2,144.49	n/a
Rx Rebates	\$159,135.00	\$159,135.00	\$254,848.24	\$95,713.24	n/a
Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$1,055,847.97	\$1,055,847.97	n/a
Other	\$0.00	\$0.00	\$172,894.50	\$172,894.50	n/a
Total Income	\$31,719,850.11	\$31,719,850.11	\$36,067,521.75	\$4,347,671.64	13.71%
Expenses					
Medical Paid Claims	\$21,415,385.07	\$21,415,385.07	\$21,606,445.39	\$191,060.32	0.89%
Rx Paid Claims Rebate Credit	\$159,135.00	\$159,135.00	\$0.00	-\$159,135.00	n/a
Rx Paid Claims	\$7,070,903.51	\$7,070,903.51	\$6,881,127.63	-\$189,775.88	-2.68%
Medical Admin Fees	\$681,310.86	\$681,310.86	\$842,848.88	\$161,538.02	23.71%
Rx Admin Fees	\$75,701.21	\$75,701.21	\$73,334.36	-\$2,366.85	-3.13%
NYS Graduate Medical Exp.	\$268,433.56	\$268,433.56	\$233,822.97	-\$34,610.59	-12.89%
ACA PCORI Fee	\$0.00	\$0.00	\$4,448.00	\$4,448.00	n/a
Stop-Loss Aggregate and Specific	\$568,743.71	\$568,743.71	\$592,381.65	\$23,637.94	4.16%
Advance Deposit / Pre-Paid Claims	\$100,000.00	\$100,000.00	\$109,500.00	\$9,500.00	9.50%
Legal Fees	\$27,318.18	\$27,318.18	\$220.00	-\$27,098.18	-99.19%
Consultant Fees	\$54,636.35	\$54,636.35	\$114,110.74	\$59,474.39	108.85%
Audit Fees	\$5,463.64	\$5,463.64	\$37,027.19	\$31,563.56	577.70%
Insurances (D&O / Prof. Liab.)	\$24,926.00	\$24,926.00	\$22,211.00	-\$2,715.00	-10.89%
Internal Coordination (Finance)	\$62,285.44	\$62,285.44	\$36,171.78	-\$26,113.66	-41.93%
Internal Coordination (Support)	\$46,987.26	\$46,987.26	\$10,462.47	-\$36,524.79	n/a
Surety Bond Fee / Loan Interest	\$37,813.44	\$37,813.44	\$0.00	-\$37,813.44	-100.00%
Payment Refund	\$0.00	\$0.00	\$0.00	\$0.00	n/a
Ancillary Benefit Premiums	\$48,400.00	\$48,400.00	\$155,711.25	\$107,311.25	221.72%
Capitalization Repayment	\$0.00	\$0.00	\$1,541,561.37	\$1,541,561.37	n/a
Other Expenses	\$5,463.64	\$5,463.64	\$0.00	-\$5,463.64	-100.00%
Total Expenses	\$30,652,906.86	\$30,652,906.86	\$32,261,384.68	\$1,608,477.82	5.25%
Net Income	\$1,066,943.25	\$1,066,943.25	\$3,806,137.07		
Ending Balance	\$7,567,704.85	\$7,567,704.85	\$10,306,898.67		
Liabilities and Reserves					
IBNR Claims Liability	\$3,418,354.63	\$3,418,354.63	\$3,319,703.52		
Rate Stabilization Reserve	\$1,574,548.25	\$1,574,548.25	\$1,732,462.66		
Total Liabilities and Reserves	\$4,992,902.88	\$4,992,902.88	\$5,052,166.19		
Unencumbered Fund Balance	\$2,574,801.97	\$2,574,801.97	\$5,254,732.48		

Greater Tompkins County Municipal Health Ins. Consortium

2013 Income Distribution

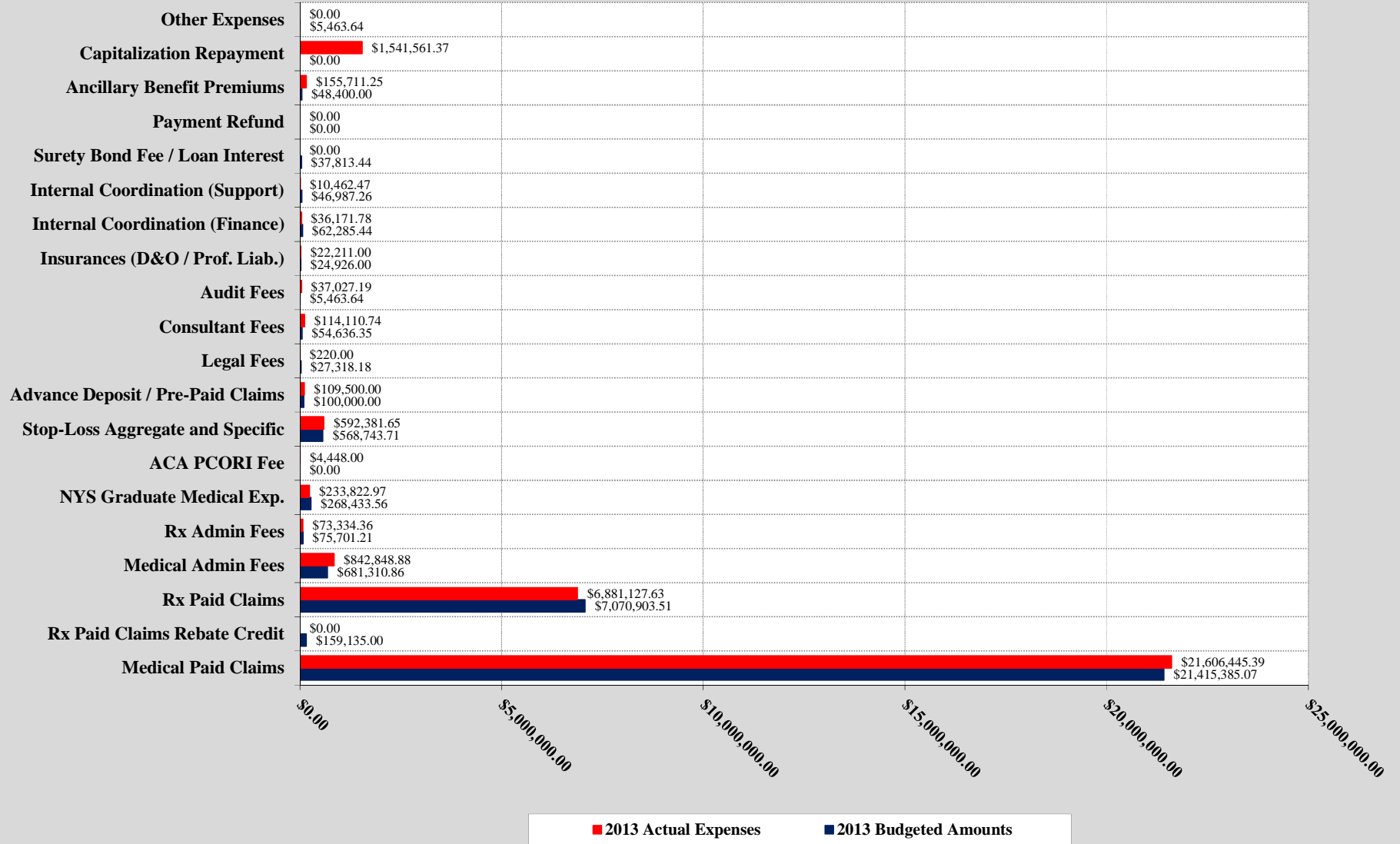
January 1, 2013 to December 31, 2013



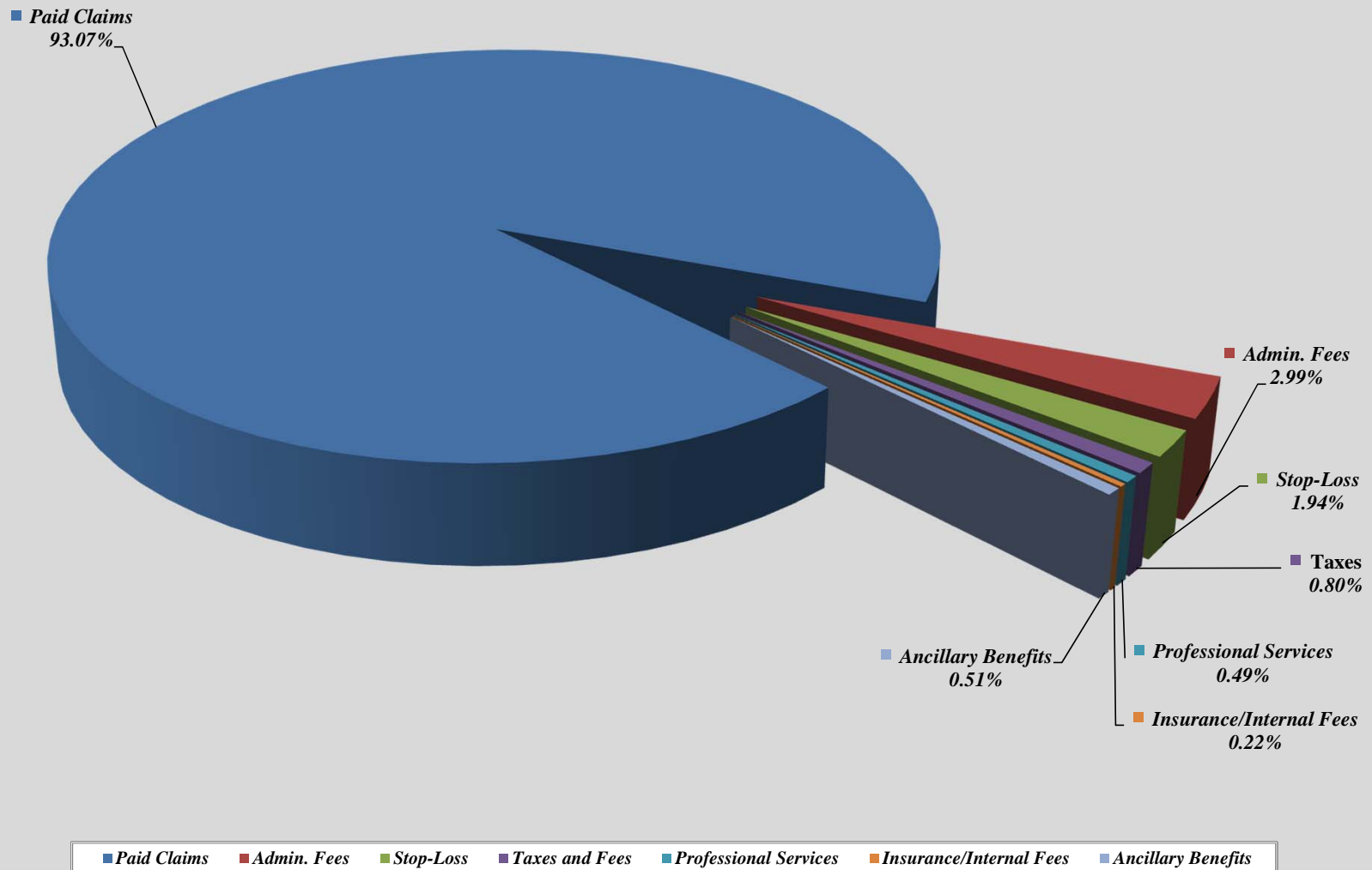
Greater Tompkins County Municipal Health Ins. Consortium

2013 Expense Distribution

January 1, 2013 to December 31, 2013



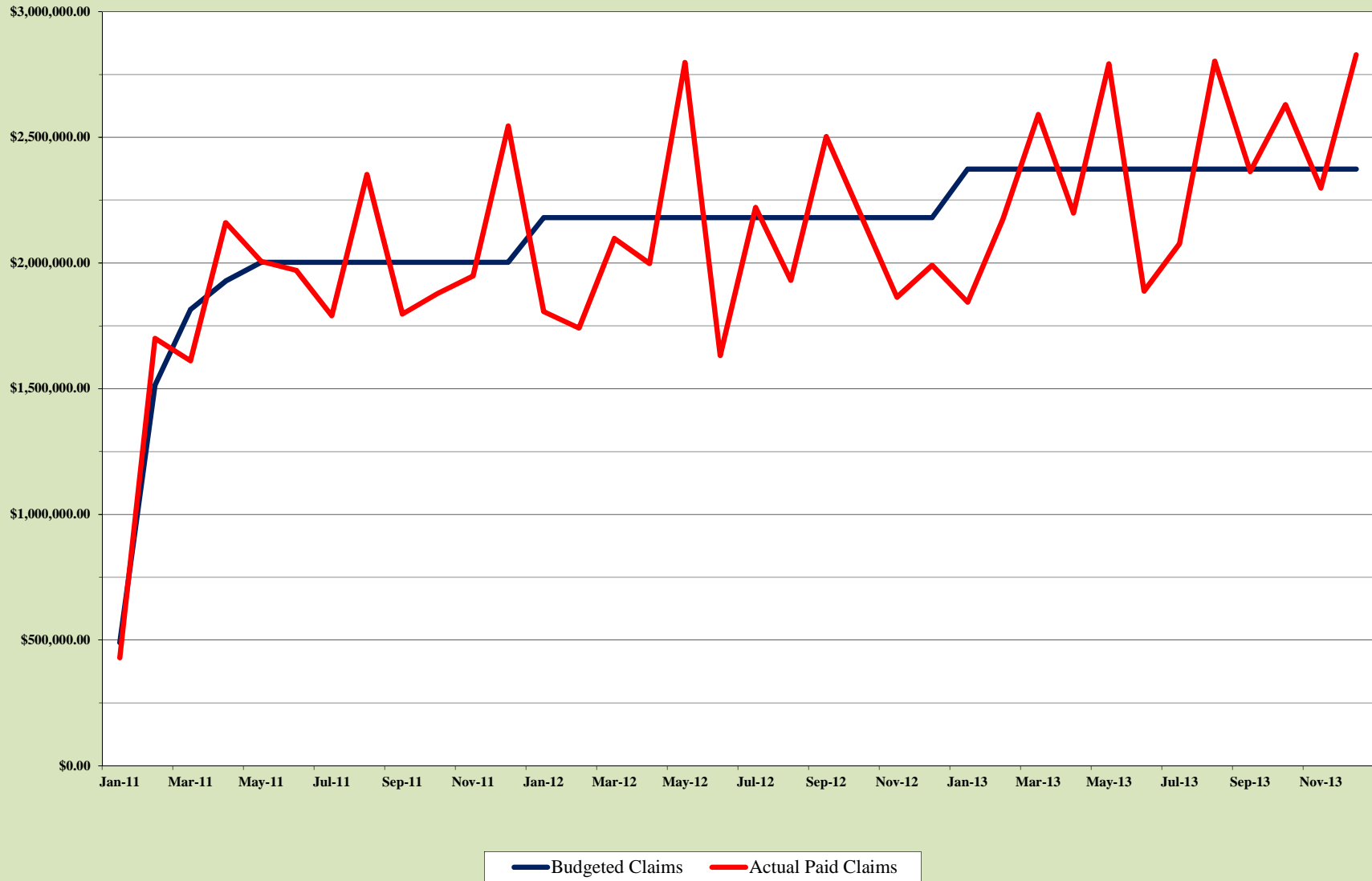
Greater Tompkins County Municipal Health Ins. Consortium
2013 Expense Distribution
January 1, 2013 to December 31, 2013



Greater Tompkins County Municipal Health Ins Consortium

2011-2013 Monthly Paid Claims v Budgeted Claims

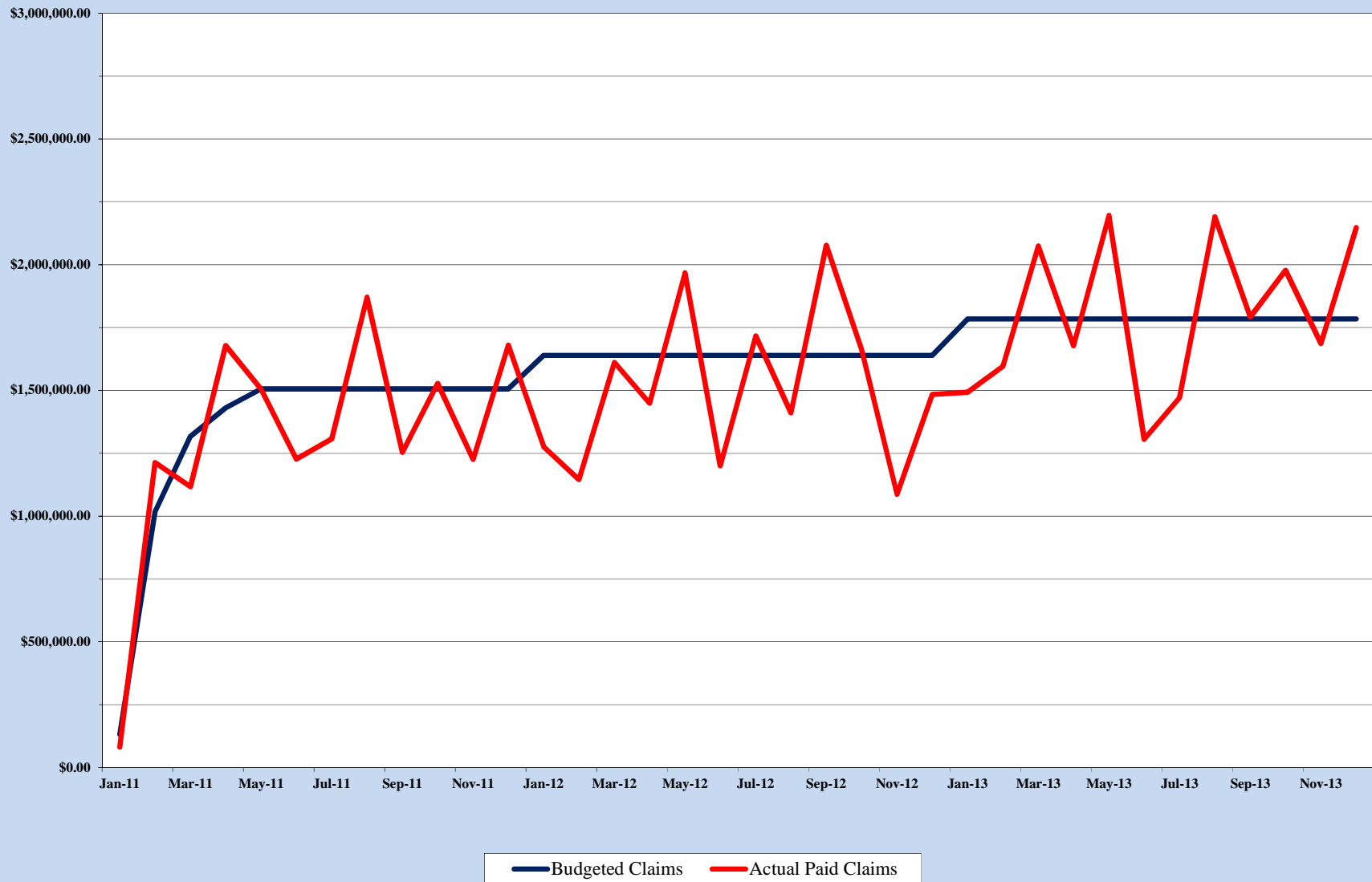
January 1, 2011 to December 31, 2013



Greater Tompkins County Municipal Health Ins Consortium

2011-2013 Monthly Medical Paid Claims v Budgeted Medical Claims

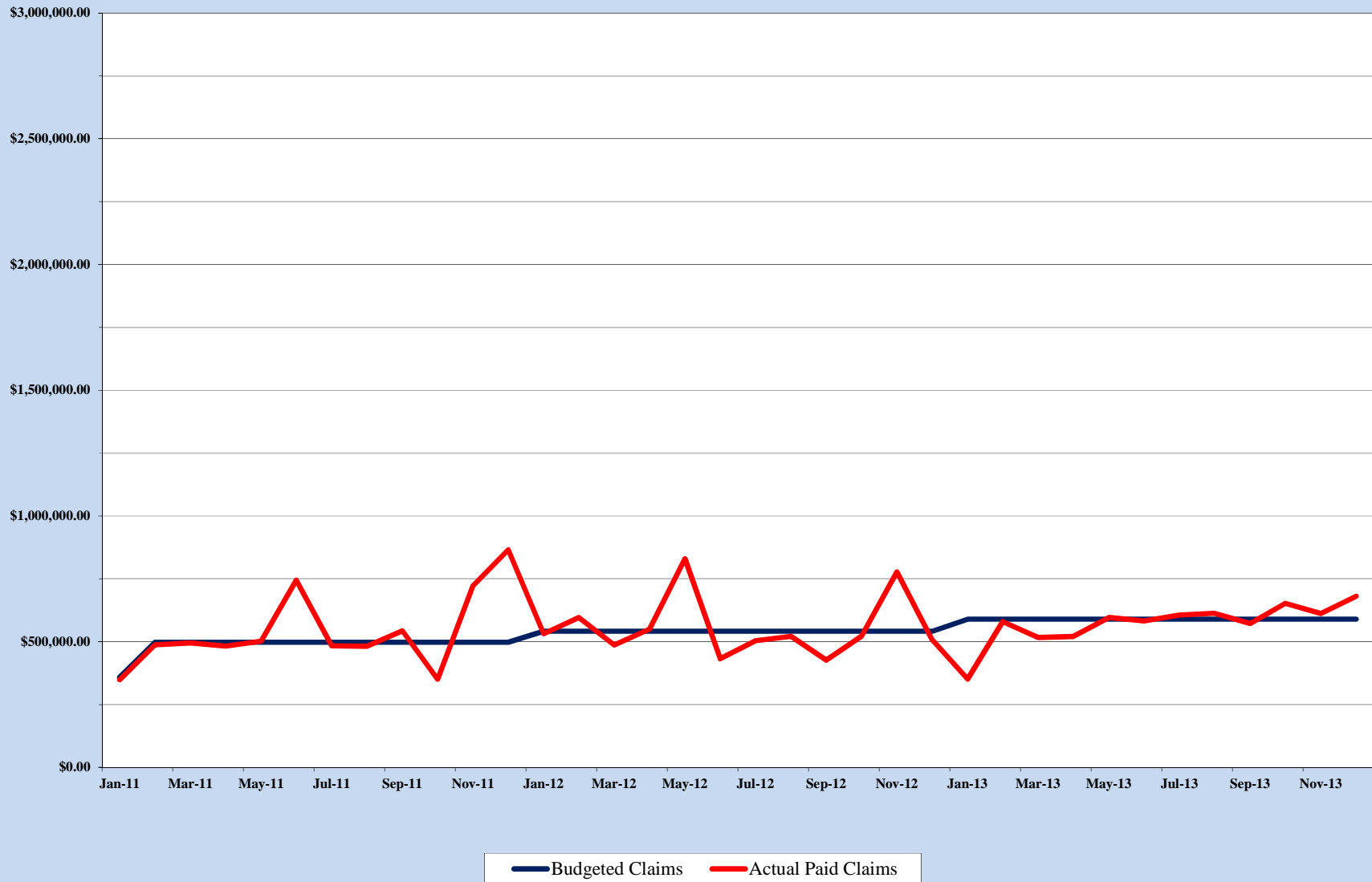
January 1, 2011 to December 31, 2013



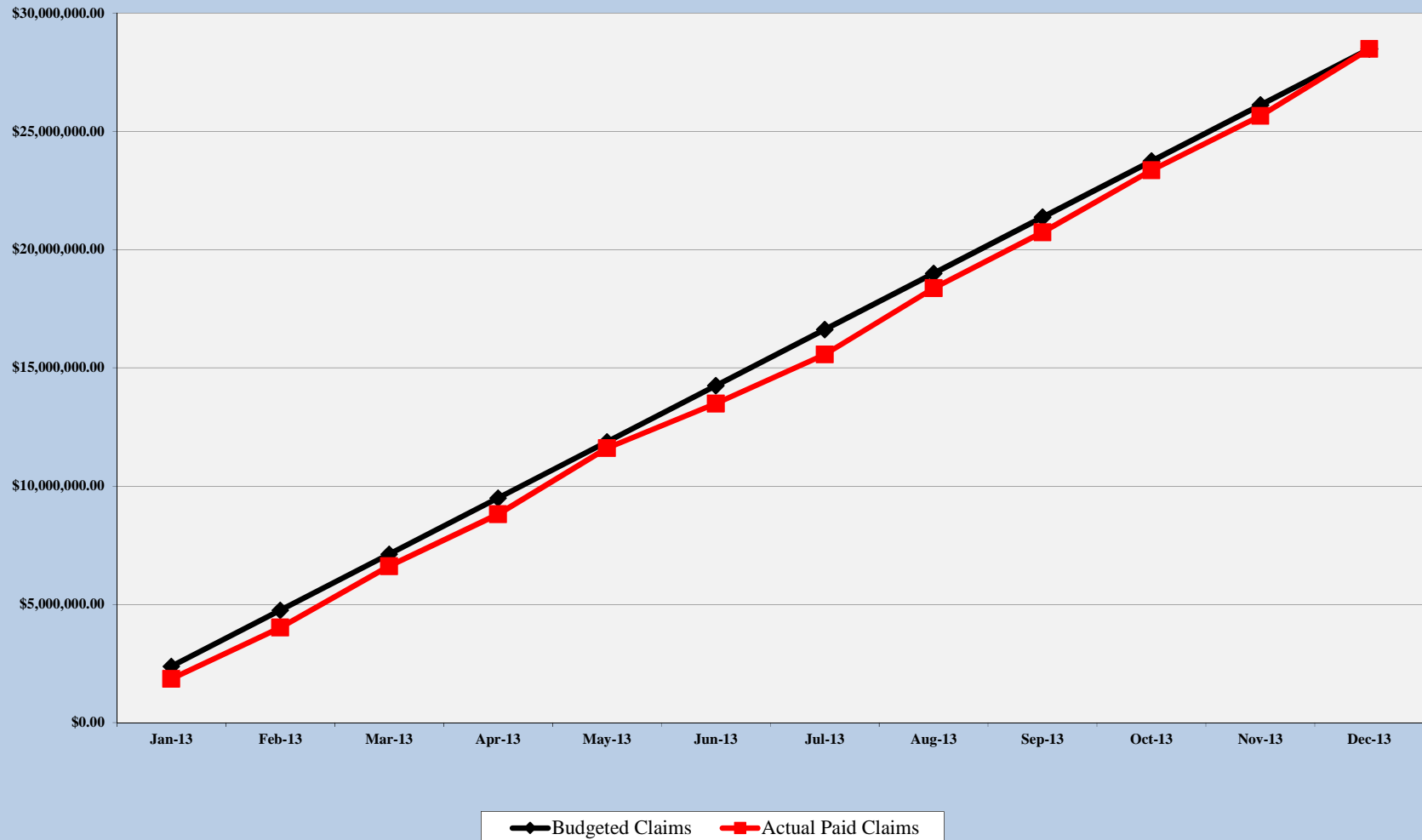
Greater Tompkins County Municipal Health Ins Consortium

2011-2013 Monthly Rx Paid Claims v Budgeted Rx Claims

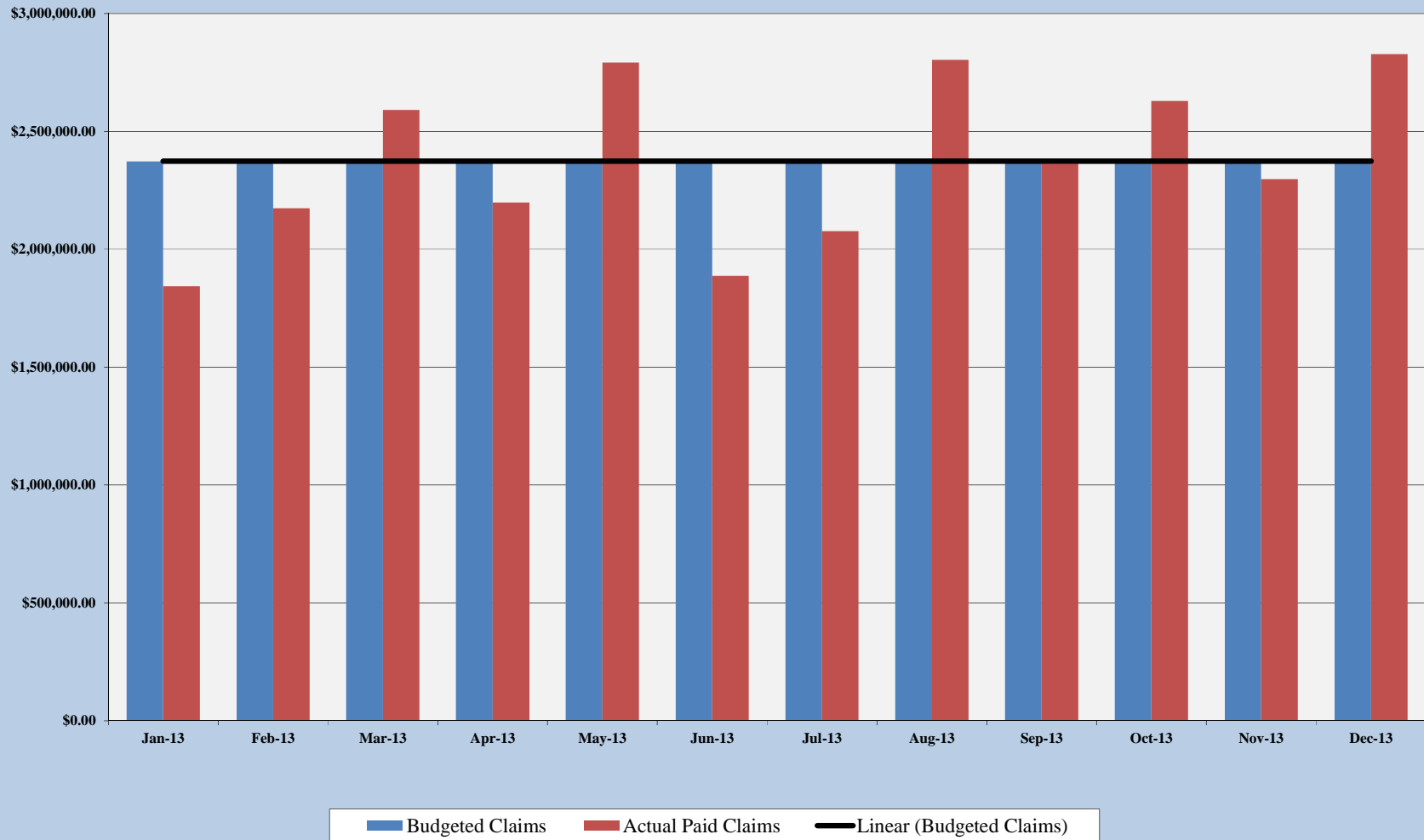
January 1, 2011 to December 31, 2013



*Greater Tompkins County Municipal
Health Insurance Consortium*
2013 Cumulative Paid Claims and Budgeted Claims by Month

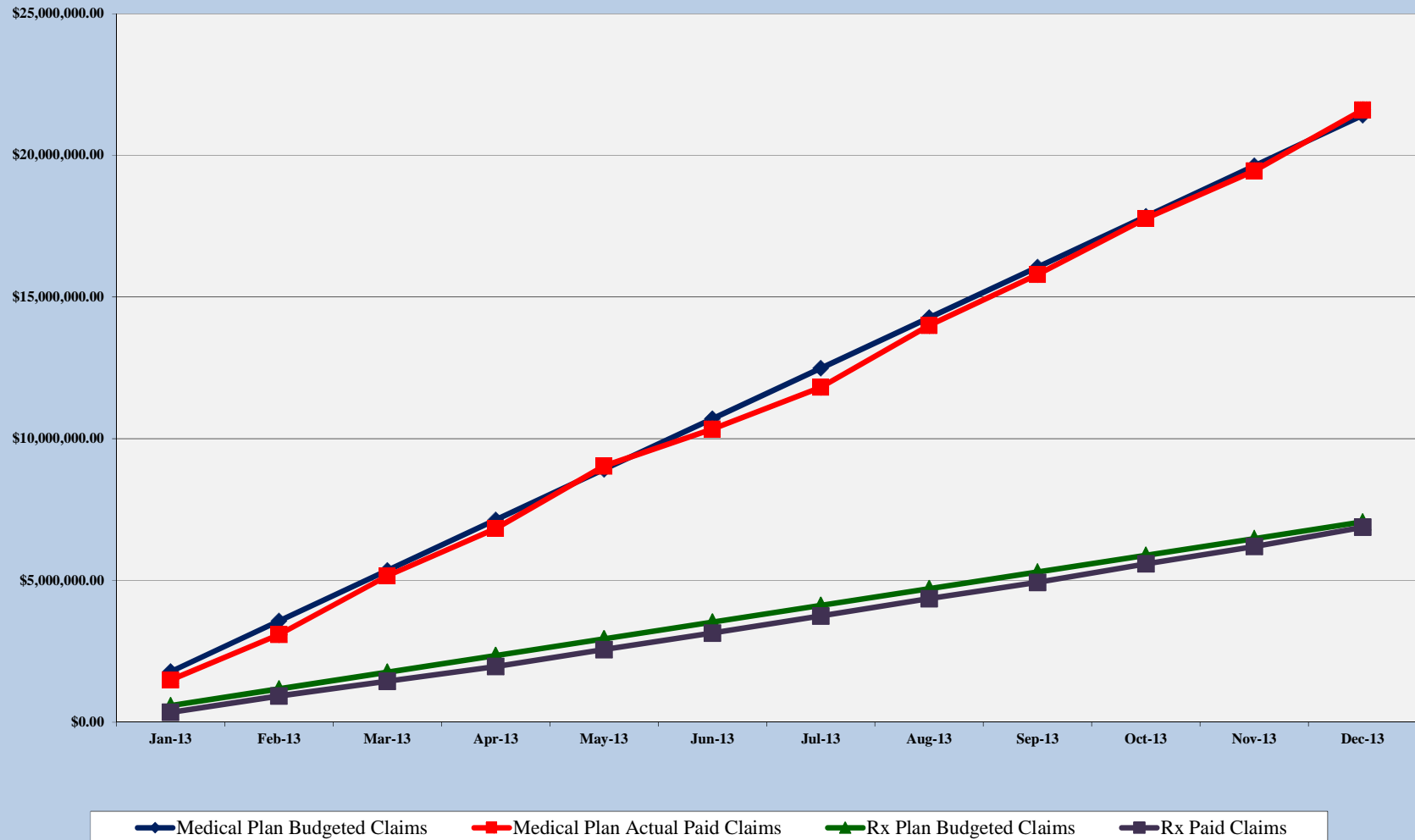


***Greater Tompkins County Municipal
Health Insurance Consortium***
2013 Budgetd vs Actual Paid Claims by Month



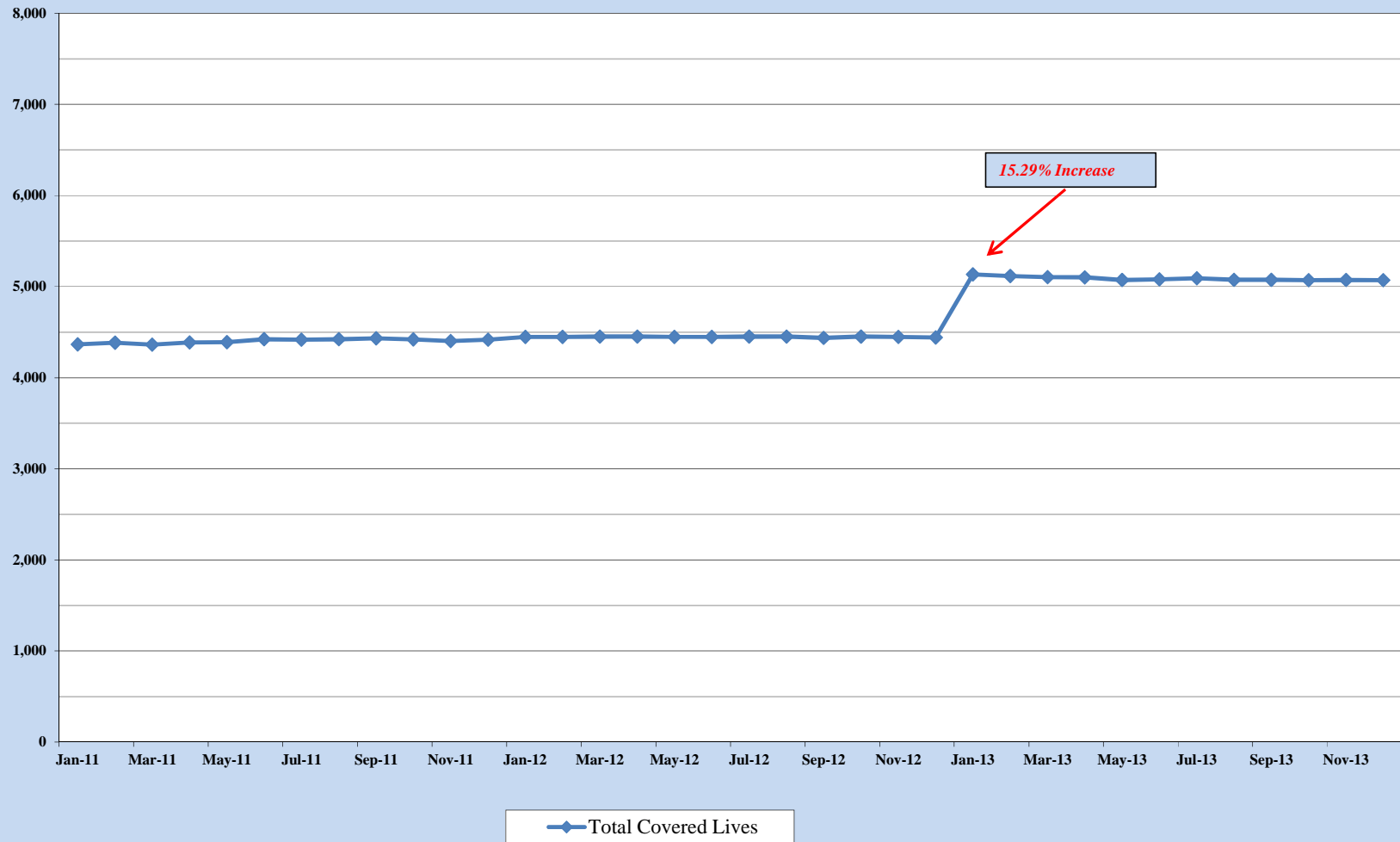
Greater Tompkins County Municipal Health Insurance Consortium

2013 Cumulative Paid Claims and Budgeted Claims by Month



Greater Tompkins County Municipal Health Insurance Consortium

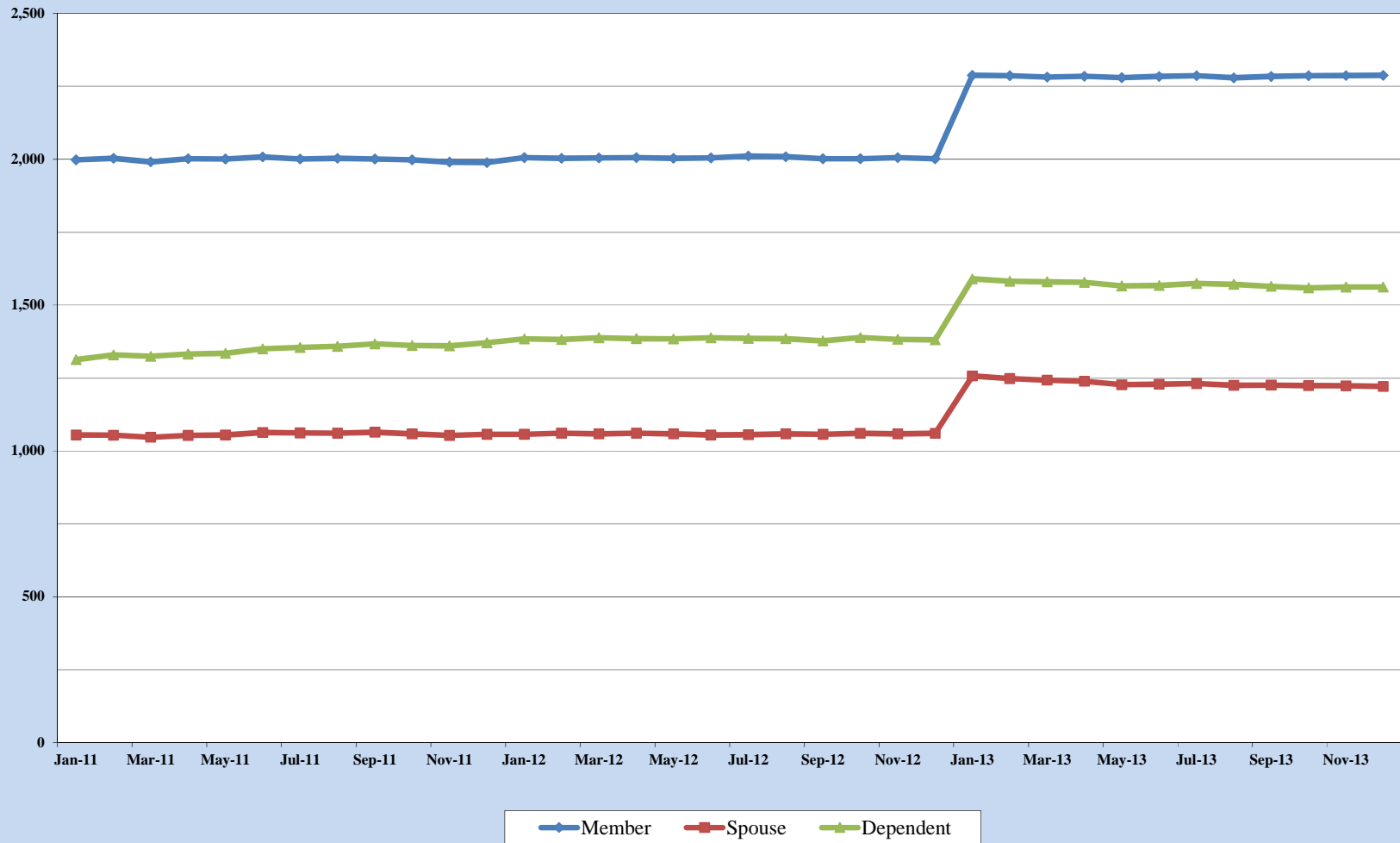
Monthly Covered Lives
January 1, 2011 to December 31, 2013



Greater Tompkins County Municipal Health Insurance Consortium

Monthly Covered Lives by Relationship

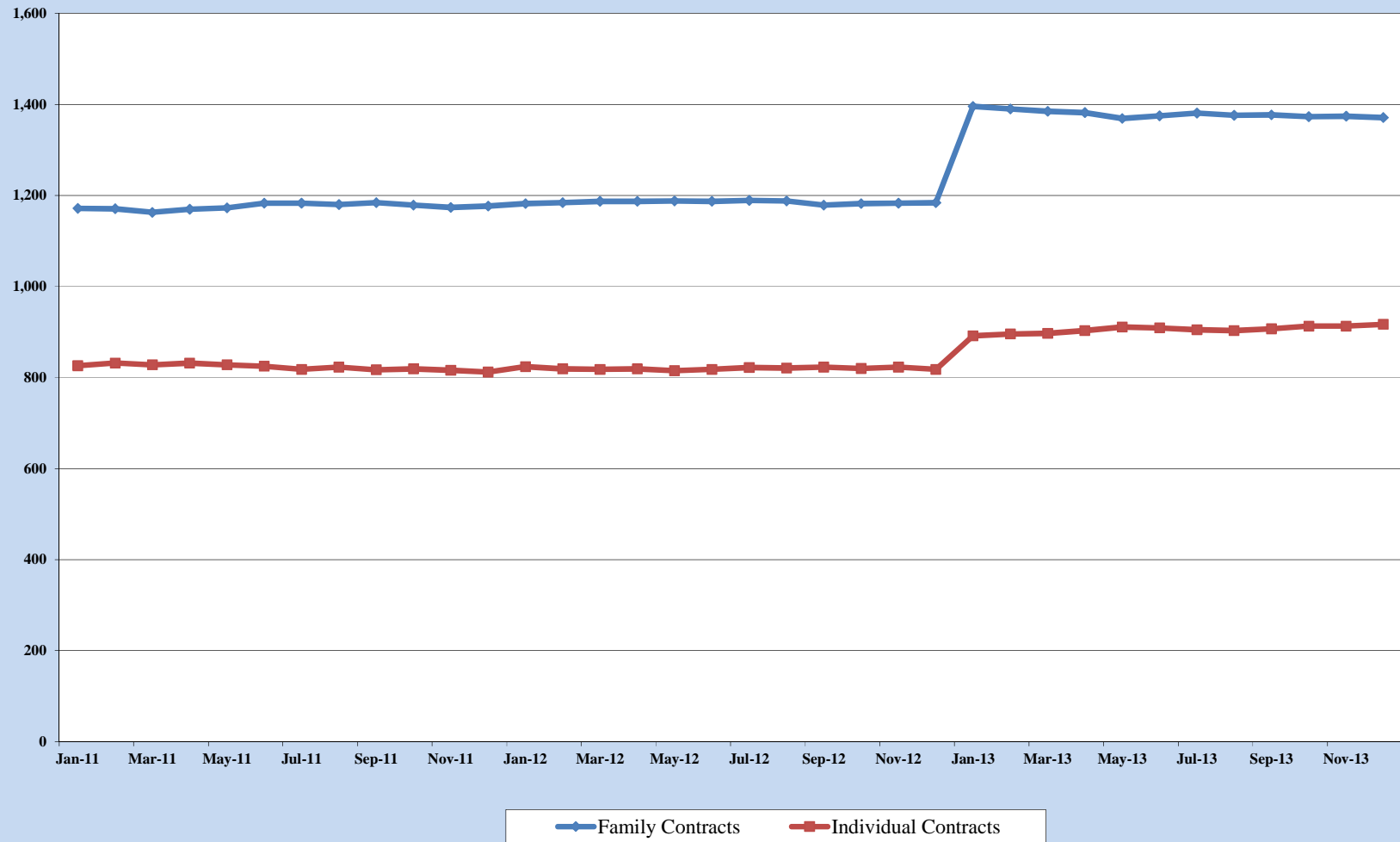
January 1, 2011 to December 31, 2013



Greater Tompkins County Municipal Health Insurance Consortium

Monthly Contract Count by Plan Type

January 1, 2011 to December 31, 2013



2014 AMENDMENT TO THE

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MUNICIPAL COOPERATION AGREEMENT

THIS AGREEMENT (the "Agreement") made effective as of 1st day of January 2010 (the "Effective Date"), by and among each of the signatory municipal corporations hereto (collectively, the "Participants").

W H E R E A S:

1. Article 5-G of the New York General Municipal Law (the "General Municipal Law") authorizes municipal corporations to enter into cooperative agreements for the performance of those functions or activities in which they could engage individually;
2. Sections 92-a and 119-o of the General Municipal Law authorize municipalities to purchase a single health insurance policy, enter into group health plans, and establish a joint body to administer a health plan;
3. Article 47 of the New York Insurance Law (the "Insurance Law"), and the rules and regulations of the New York State Superintendent of Insurance (the "Superintendent") set forth certain requirements for governing self-insured municipal cooperative health insurance plans;
4. Section 4702(f) of the Insurance Law defines the term "municipal corporation" to include a county, city, town, village, school district, board of cooperative educational services, public library (as defined in Section 253 of the New York State Education Law) and district (as defined in Section 119-n of the General Municipal Law); and
5. The Participants have determined to their individual satisfaction that furnishing the health benefits (including, but not limited to, medical, surgical, hospital, prescription drug, dental, and/or vision) for their eligible officers, eligible employees (as defined by the Internal Revenue Code of 1986, as amended, and the Internal Revenue Service rules and regulations), eligible retirees, and the eligible dependents of eligible officers, employees and retirees (collectively, the "Enrollees") (such definition does not include independent contractors and/or consultants) through a municipal cooperative is in their best interests as it is more cost-effective and efficient. Eligibility requirements shall be determined by each Participant's collective bargaining agreements and/or their personnel policies and procedures.

NOW, THEREFORE, the parties agree as follows:

A. PARTICIPANTS.

1. The Participants hereby designate themselves under this Agreement as the Greater Tompkins County Municipal Health Insurance Consortium (the "Consortium") for the purpose of providing health benefits (medical, surgical, hospital, prescription drug, dental, and/or vision) to those Enrollees that each Participant individually elects to include in the Greater Tompkins County Municipal Health Insurance Consortium Medical Plan(s) (the "Plan(s)").
2. The following Participants shall comprise the initial membership of the Consortium (a) County of Tompkins; (b) City of Ithaca; (c) Town of Enfield; (d) Town of Caroline; (e) Town of Ithaca; (f) Town of Danby; (g) Town of Dryden; (h) Town of Ulysses; (i) Village of Cayuga Heights; (j) Village of Groton; (k) Village of Dryden; (l) Village of

{H2237665.1}

7. Each Participant may designate in writing an alternate Director to attend the Board's meeting when its Director cannot attend. The alternate Director may participate in the discussions at the Board meeting and will, if so designated in writing by the Participant, be authorized to exercise the Participant's voting authority. Only alternate Directors with voting authority shall be counted toward a quorum. The Labor-Management Committee may designate an alternate Director as set forth in Section C(11).

8. A majority of the Directors of the Board shall constitute a quorum. A quorum is a simple majority (more than half) of the entire Board. A quorum is required for the Board to conduct any business. This quorum requirement is independent of the voting requirements set forth in Section C(6). The Board shall meet on a regular basis, but not less than on a quarterly basis at a time and place within the State of New York determined by a vote of the Board. The Board shall hold an annual meeting (the "Annual Meeting") between October 3rd and October 15th of each Plan Year.

9. Special meetings of the Board may be called at any time by the Chairperson or by any two (2) Directors. Whenever practicable, the person or persons calling such special meeting shall give at least three (3) day notice to all of the other Directors. Such notice shall set forth the time and place of the special meeting as well as a detailed agenda of the matters proposed to be acted upon. In the event three (3) days notice cannot be given, each Director shall be given such notice as is practicable under the circumstances.

10. In the event that a special meeting is impractical due to the nature and/or urgency of any action which, in the opinion of the Chairperson, is necessary or advisable to be taken on behalf of the Consortium, the Chairperson may send proposals regarding said actions via facsimile to each and all of the Directors. The Directors may then fax their approval or disapproval of said actions to the Chairperson. Upon receipt by the Chairperson of the requisite number of written approvals, the Chairperson may act on behalf of the Board in reliance upon such approvals. Any actions taken by the Chairperson pursuant to this paragraph shall be ratified at the next scheduled meeting of the Board.

11. The Chair of the Labor-Management Advisory Committee and any At-Large Labor Representatives (as defined in Section K) (collectively the "Labor Representatives") shall serve as ~~a~~ Directors ~~(the "Labor Representative")~~ and shall have the same rights and obligations as all other Directors. The Labor-Management Advisory Committee may designate in writing an alternate Director to attend the Board's meetings when the Chair cannot attend. The alternate Director may, if designated in writing, be authorized to exercise the Chair's-Labor Representative's voting authority.

D. WEIGHTED VOTING.

1. Except as otherwise provided in this Agreement, any two or more Directors, acting jointly, may require a weighted vote on any matter that may come before the Board. In such event, the voting procedure set forth in this Section D shall apply in lieu of any other voting procedures set forth in this Agreement. Such weighted voting procedures shall apply solely with respect to the matter then before the Board.

c. an annual independent actuarial opinion on the financial soundness of the Consortium, including the actuarial soundness of contribution or premium equivalent rates and reserves, both as paid in the current Plan Year and projected for the next Plan Year.

8. Within ninety (90) days after the end of each Plan Year, the Chief Fiscal Officer shall furnish to the Board a detailed report of the operations and condition of the Consortium's reserve funds.

K. LABOR-MANAGEMENT ADVISORY COMMITTEE.

1. There shall be a Labor-Management Advisory Committee (the "Advisory Committee"), which shall consist of (a) a representative of each collective bargaining unit that is the exclusive collective bargaining representative of any Enrollee or group of Enrollees covered by the Plan(s) (the "Union Members"); and (b) a representative of each Participant (the "Management Members"). Management Members may, but are not required to be, Directors.

2. The Advisory Committee shall review all prospective Board actions in connection with the benefit structure and design of the Plan(s), and shall develop findings and recommendations with respect to such matters. The Chair of the Advisory Committee shall report such findings and recommendations to the Board at any regular or special meeting of the Board.

3. The Advisory Committee shall select (a) from among the Union Members, an individual who shall serve as Chair of the Advisory Committee; and (b) from among the Management Members, an individual who shall serve as Vice Chair of the Advisory Committee. The Advisory Committee shall establish its own parliamentary rules and procedures.

4. Each eligible union shall establish such procedures by which its representative to the Advisory Committee is chosen and such representative shall be designated in writing to the Chairperson of the Board and the Chair of the Advisory Committee.

5. The Union Members on the Joint Advisory Committee ~~shall may~~ select from among ~~the Union Members~~their members an individual ~~to serve as an additional~~designated as an "At-large-Large voting-Labor Member-Representative" on who may serve as an additional Director on the Board of Directors of the Consortium ~~together with the Chair of the Advisory Committee.~~ If the number of municipal members on the Consortium rises-increases to seventeen (17), the ~~union-Union members~~ Members of the Joint Committee shall may select from among ~~the Union Members~~their members ~~an additional~~ a second ~~atAt-large-Large voting-Labor Member-Representative on the Board of Directors of the Consortium~~ to serve as a Director. If the number of municipal members on the Consortium rises to twenty-three (23), the union-Union members Members of the Joint Committee shall may select from among ~~the Union Members~~their members ~~an additional~~ a third ~~atAt-large-Large voting-Labor Member-Representative on the Board of Directors of the Consortium~~ to serve as a Director. Thereafter, for every increase of five (5) additional municipal members added to the Consortium, ~~(i.e., 28, 33, 38, 43, 48, etc.), the union-Union members~~ Members of the Joint Committee shall may select from among ~~the Union Members~~their members ~~an one~~ (1) additional ~~atAt-large-Large voting-Labor Member-Representative on the Board of Directors of the Consortium~~ to serve as a Director. Attached hereto as Addendum "B" is a table illustrating the addition of At-Large Labor Representatives as set forth in this Section. Any At-Large Labor Representative designated according to this

~~Section shall have the same rights and obligations as all other Directors. The at-large voting Labor Member(s) along with the Joint Committee Chair shall collectively be the "Labor representatives" as defined in Section C(11) of this Agreement.~~

L. PREMIUM CALCULATIONS/PAYMENT.

1. The annual premium equivalent rates shall be established and approved by a majority of the entire Board. The method used for the development of the premium equivalent rates may be changed from time to time by the approval of two-thirds (2/3) of the entire Board, subject to review and approval by the Superintendent. The premium equivalent rates shall consist of such rates and categories of benefits as is set forth in the Plan[s] that is determined and approved by the Board consistent with New York law.

2. The Consortium shall maintain reserves and stop-loss insurance to the level and extent required by the Insurance Law and as directed by the Superintendent.

3. Each Participant's monthly premium equivalent, by enrollee classification, shall be paid by the first day of each calendar month during the Plan Year. A late payment charge of one percent (1%) of the monthly installment then due will be charged by the Board for any payment not received by the first of each month, or the next business day when the first falls on a Saturday, Sunday, legal holiday or day observed as a legal holiday by the Participants.

The Consortium may waive the first penalty once per Plan Year for each Participant, but will strictly enforce the penalty thereafter. A repeated failure to make timely payments, including any applicable penalties, may be used by the Board as an adequate justification for the expulsion of the Participant from the Consortium.

4. The Board shall assess Participants for additional contributions, if actual and anticipated losses due to benefits paid out, administrative expenses, and reserve and surplus requirements exceed the amount in the joint funds, as set forth in Section B(3) above.

5. The Board, in its sole discretion, may refund amounts in excess of reserves and surplus, or retain such excess amounts and apply these amounts as an offset to amounts projected to be paid under the next Plan Year's budget.

M. EMPLOYEE CONTRIBUTIONS.

If any Participant requires an Enrollee's contribution for benefits provided by the Consortium, the Participant shall collect such contributions at such time and in such amounts as it requires. However, the failure of a Participant to receive the Enrollee contribution on time shall not diminish or delay the payment of the Participant's monthly premium equivalent to the Consortium, as set forth in this Agreement.

N. ADDITIONAL BENEFITS.

Any Participant choosing to provide more benefits, coverages, or enrollment eligibility other than that provided under the Plan(s), will do so at its sole expense. This Agreement shall not be deemed to diminish such Participant's benefits, coverages or enrollment eligibility, the additional benefits and the payment for such additional benefits, shall not be part of the Plan(s) and shall be administered solely by and at the expense of the Participant.

Addendum "B"

Illustration of At-Large Labor Representative Calculation

<u>Total Number of Participants</u>	<u>Total Number of At-Large Labor Representatives</u>
<u>< 17</u>	<u>1</u>
<u>17-22</u>	<u>2</u>
<u>23-27</u>	<u>3</u>
<u>28-32</u>	<u>4</u>
<u>33-37</u>	<u>5</u>
<u>38-42</u>	<u>6</u>

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RESOLVED that the Council/Board of Trustees/Legislature of the
Town/Village/City/County of _____ approves the following:

Section 1. The 2014 Amendment to the Municipal Cooperative Agreement of the
Greater Tompkins County Municipal Health Insurance Consortium attached to this Resolution is
approved.

Section 2. The Town/Village/City/County of _____ Clerk is hereby
authorized to execute this Resolution to indicate its approval, deliver a copy thereof to the Board
of the Greater Tompkins County Municipal Health Insurance Consortium, and take any other
such actions as may be required by law.

Section 3. This Resolution shall take effect immediately.

I hereby certify that this Resolution was duly passed by the Council/Board of
Trustees/Legislature of the Town/Village/City/County of _____ on the ____ day
of _____, 2014.

By: _____
Clerk of the
Town/Village/City/County of _____

RESOLUTION NO: _____: TO APPROVE THE 2014 AMENDMENT TO THE MUNICIPAL COOPERATIVE AGREEMENT FOR THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

WHEREAS, the Town/Village/City/County of _____ is a Participant in the Greater Tompkins County Municipal Health Insurance Consortium (the "**Consortium**"), a municipal cooperative organized under Article 5-G of the New York General Municipal Law; and

WHEREAS, the municipal participants in the Consortium, including this body, have approved and executed a certain Municipal Cooperation Agreement (the "**Agreement**"), which provides for the operation and governance of the Consortium; and

WHEREAS, Article 47 of the New York Insurance Law (the "**Insurance Law**") and the rules and regulations of the New York State Superintendent of Insurance set forth certain requirements for governance of municipal cooperatives which offer self-insured municipal cooperative health insurance plans; and

WHEREAS, Section 4705(a)(8) of the Insurance Law provides the governing board of self-insured municipal cooperative must include representation of unions, which are the exclusive collective bargaining representatives of employees who covered by the plan offered by such self-insured municipal cooperative; and

WHEREAS, Section K of the Agreement currently in place provides for representation on the Consortium's Board of Directors (the "Board") by the Chair of the Labor Management Advisory Committee (as defined in the Agreement); and

WHEREAS, by resolution adopted on September 26, 2013, the Consortium's Board approved an amendment to the Agreement to (a) increase the number of labor representatives on the Board; and (b) provide for future increases to the number of labor representatives on the Board in the event number of participants in the Consortium increases, all as more fully set forth in the 2014 Amendment to the Municipal Cooperative Agreement attached hereto as Exhibit "A" (the "**2014 Amendment**"); and

WHEREAS, Section T of the Agreement requires that any change or amendment to the Agreement shall require the unanimous approval of the Participants, as authorized by their respective legislative bodies; and

WHEREAS, the Town/Village/City/County of _____ has determined that it is in the best interest of its constituents who are served by the Consortium to amend the Agreement as set forth in the attached 2014 Amendment, now therefore be it

RESOLVED that the Council/Board of Trustees/Legislature of the
Town/Village/City/County of _____ approves the following:

Section 1. The 2014 Amendment to the Municipal Cooperative Agreement of the
Greater Tompkins County Municipal Health Insurance Consortium attached to this Resolution is
approved.

Section 2. The Town/Village/City/County of _____ Clerk is hereby
authorized to execute this Resolution to indicate its approval, deliver a copy thereof to the Board
of the Greater Tompkins County Municipal Health Insurance Consortium, and take any other
such actions as may be required by law.

Section 3. This Resolution shall take effect immediately.

I hereby certify that this Resolution was duly passed by the Council/Board of
Trustees/Legislature of the Town/Village/City/County of _____ on the ____ day
of _____, 2014.

By: _____
Clerk of the
Town/Village/City/County of _____



Municipalities building a
stable insurance future.

**RESOLUTION NO. - APPROVAL OF GREATER TOMPKINS COUNTY
MUNICIPAL HEALTH INSURANCE CONSORTIUM
CODE OF ETHICS AND CONFLICT OF INTEREST
POLICY**

WHEREAS, the New York State Department of Financial Services Audit recommended that the Greater Tompkins County Municipal Health Insurance Consortium develop a Code of Ethics and Conflict of Interest Policy, and

WHEREAS, the purpose of a Code of Ethics and a Conflict of Interest Policy is intended to be a central guide and reference for users in support of day-to-day decision making. It is meant to clarify an organization's values and principles, linking them with standards of professional conduct, and

WHEREAS, the Audit Committee has discussed, developed and recommended a Code of Ethics and Conflict of Interest Policy for consideration by the Board of Directors, now therefore be it

RESOLVED, That the Board of Directors hereby adopts the attached Code of Ethics and Conflict of Interest Policy,

RESOLVED, further, That the Policy will be made available on the Consortium website.

* * * * *

Greater Tompkins County Municipal Health Insurance Consortium Code of Ethics and Conflict of Interest Policy

Employees and the Board of Directors of the **Greater Tompkins County Municipal Health Insurance Consortium** shall:

1. Be dedicated to the concepts of an effective Consortium and believe that professional general management is essential to the achievement of this objective.
2. Shall affirm the dignity and work of the services rendered by the Consortium and maintain a constructive, creative, and practical attitude toward Consortium affairs and a deep sense of responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Conduct themselves so as to maintain public confidence in their profession, the Consortium, and in their performance of the public trust.
5. Conduct their official and personal affairs in such a manner as to give the clear impression that they cannot be improperly influenced in the performance of their official duties.
6. Recognize that the chief function of the Consortium at all times is to serve the interests of all members.
7. Shall not disclose **Confidential Information** to others or use to further their personal interest, confidential information acquired by them in the course of their official duties.
8. Shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
9. Make no unauthorized commitment or promises of any kind purporting to bind the Consortium.
10. Shall act impartially and not give preferential treatment to any private organization or individual.
11. Shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Consortium duties and responsibilities.
12. Shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards promulgated pursuant to this order.
13. Shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or disability.

14. Shall not invest or hold any investment, directly or indirectly, in any financial business, commercial, or other private transaction that creates a conflict with their official duties.
15. **Reporting of Ethics Violations.** When becoming aware of a possible violation of the Consortium's Code of Ethics, employees, Board of Directors, employees of members, and the public may report the matter to the Consortium Attorney-in-fact, John Powers, Esq.. In reporting the matter, members may choose to go on record as the complainant or report the matter on a confidential basis.
16. Employees and the Board of Directors should not discuss or divulge information with anyone about pending or completed ethics cases except as authorized by the Board of Directors.