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www.tompkinscountyny.gov/hconsortium

Board of Directors Meeting
September 25, 2014 – 5:30 pm - Old Jail Conference Room
(free parking in County lots after 5:00 pm)

1. Call to Order
2. Approval of August 28, 2014 Minutes (**VOTE**) (5:30)
3. Changes to the Agenda
4. Chair's Report: (5:35) J. Drake
Reminder: Department of Financial Services Audit acceptance by individual Directors
 - a. **Motion**: Creation of 2015 Nominating Committee
 - b. **Resolution**: Appointment of Consortium Secretary to fill Remainder of 2014 Term
5. Executive Director's Report (5:45) D. Barber
 - a. Flu Clinic, Retreat, Orientation Manual
 - b. Recertification Process Update
 - c. Status of MCA signatures
6. Report from Consultant (5:55) S. Locey
 - a. Financial Update
 - b. Excellus Contract
 - c. Stop-Loss Proposals
 - d. Status of Medicare Supplement and Platinum Plans for access by members
 - e. Status of Medical Claims Auditing through BMI
7. Report from Audit and Finance Committee (6:10) S. Thayer
 - a. **Resolution**: Adoption of 2015 Budget
 - b. **Resolution**: Approval of the 2014/2015 Recertification Plan Including Forms and Guidelines for Verification of Spouse and/or Dependent Status for all Contracts Active and Retired, of the Consortium
8. Report from Joint Committee on Plan Structure and Design (6:20) S. Weatherby
9. Report from Own Your Own Health Committee (6:25) M. Cook
10. Excellus Utilization Report (6:30) B. Miller
11. Adjournment (6:45)

Next Meeting: December 18, 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

August 28, 2014

5:30 p.m.

Scott Heyman Conference Room

Draft 8-31-2014

Municipal Representatives: 13

Steve Thayer, City of Ithaca (arrived at 5:32 p.m.); Mack Cook, City of Cortland; Anita Fitzpatrick, Tompkins County; John Fracchia, Town of Caroline; Laura Shawley, Town of Danby; Mary Ann Sumner, Town of Dryden; Judy Drake, Town of Ithaca; Kathy Miller, Town of Lansing; Richard Goldman, Town of Ulysses; Peter Salton, Village of Cayuga Heights; Michael Murphy, Village of Dryden (arrived at 5:31 p.m.); Chuck Rankin, Village of Groton (arrived at 5:35 p.m.); Rordan Hart, Village of Trumansburg

Excused: 4

Herb Masser, Town of Enfield; Glenn Morey, Town of Groton; Scott Weatherby, Chair, Joint Committee on Plan Structure and Design; Doug Perine, President, Tompkins County White Collar, CSEA

Others in attendance:

Steve Locey, Locey & Cahill; Rick Snyder, Tompkins County Finance Director; Ashley Masucci, ProAct; Joe Mareane, Tompkins County Administrator; Brad Breen, CSEA Benefits; Melissa Schmidt, TC3 Faculty Association; Don Barber, Executive Director

Call to Order

Ms. Drake, Vice Chair, called the meeting to order at 5:30 p.m.

Approval of Minutes – June 26, 2014

It was MOVED by Mr. Salton, seconded by Mr. Fracchia, and unanimously adopted by voice vote by members present, to approve the minutes of June 26, 2014 as submitted. MINUTES APPROVED.

Changes to the Agenda

A resolution was added to the agenda entitled Acceptance of Report on Examination of the Greater Tompkins County Municipal Health Insurance Consortium as of December 31, 2011 Performed by the New York State Department of Financial Services.

Mr. Rankin arrived at this time.

Chair's Report

Ms. Drake acknowledged the retirement of Ms. Fitzpatrick and thanked her for the service she has provided to the Consortium and its committees since its creation.

Mr. Thayer arrived at this time.

Ms. Drake reminded members that the Retreat will be held on September 15th. She reported Flu Clinics will also be starting in September and asked members to encourage staff to attend.

Ms. Drake said the Consortium received the draft Audit Report from the State on August 12th and the Consortium was given until August 22nd to respond. Since the response was due prior to this Board meeting Ms. Drake reported that she, Steve Locey, and Don Barber reviewed the report, which was very similar to what was reviewed a year ago, and have provided a response that the Consortium informally accepted the report and each of the items contained within the report. The resolution added to the agenda formally accepts the audit report. Ms. Drake said each of the Board members have to be provided with a copy of the report containing a list of the recommendations and the Consortium's response to it. Once Board members receive this all members must respond that they have received the report and read it.

**RESOLUTION NO. 013-2014 - ACCEPTANCE OF REPORT ON EXAMINATION OF THE
GREATER TOMPKINS COUNTY MUNICIPAL HEALTH
INSURANCE CONSORTIUM AS OF DECEMBER 31, 2011
PERFORMED BY THE NEW YORK STATE DEPARTMENT OF
FINANCIAL SERVICES**

MOVED BY Mr. Goldman, seconded by Ms. Miller, and unanimously adopted by voice vote by members present.

WHEREAS, the Department of Financial Services has conducted an Examination of the Greater Tompkins County Municipal Health Insurance Consortium for the period of time from inception until December 31, 2014, and

WHEREAS, the Department of Financial Services has communicated with the Board of Directors their findings as they were developed, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium has provided further pertinent information when required and then taken proactive steps on each recommendation, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors hereby accepts the "Report on Examination of the Greater Tompkins County Municipal Health Insurance Consortium as of December 31, 2011" dated July 11, 2014 performed by the NYS Department of Financial Services.

Executive Director's Report

Mr. Barber thanked the Board for the privilege of serving in the role of Executive Director. He said the Consortium has grown from a \$24 million business to a \$36 million business. Board members are all volunteers who had responsibilities before they became a Director and his role is to help members perform their responsibility of directing and protecting the organization. He said he has developed a 3rd quarter work plan that has been shared with the Executive Committee. Key issues are to develop communication links and information flow within the different facets of organizations the Consortium is working with. He is also working on Board development and is putting together an orientation manual and planning for the

Retreat. He is also supporting all of the Consortium's committees. Two initiatives he is working on that were adopted by the Board include the flu clinics and the recertification process.

Mr. Barber distributed information on when and where flu clinics will be taking place, including a letter that will be going out. For the County and the combined clinics ProAct will be handling the registration and he asked what letterhead the letter should go out on. The Board requested that it go out on Consortium letterhead. For municipalities other than the County and the combined clinics a letter will be sent out and municipalities will need to keep track of the registration.

Mr. Barber said the Consortium's contract with Excellus expires at the end of the year. There is not enough time to bring forward an RFP process; therefore, Mr. Locey is negotiating with Excellus for a contract that contains three year rates with one-year extensions on the administrative fees will be locked in for three years. Mr. Locey said there is a couple of components to the renewal that adjust every year such as security provisions to protect the Blues cash flow (a cash deposit they hold against claims for the lag) and a security to show the Consortium has enough IBNR (Incurred But Not Reported), and these are variable each year. He said there is an egress clause in the contract and it can be cancelled at any point but it is annually renewable. At some point in 2015 an RFP could be developed if the Board chose to go out to bid.

Mr. Barber said the Owning Your Own Health Committee has been working on getting wellness commitments by the different municipalities within the Consortium. If the resolution on the agenda passes he will be supporting that effort. The other priorities he is working on include the Retreat and asked Board members to RSVP if they have not already done so. He reviewed the content of the Retreat and asked that Board members encourage other members of their municipal boards and labor groups to attend as well.

Report from the Consultant

Mr. Locey reported the Consortium is close to being right on budget; it is 2% below budget on income and 2% below on expense. A net income is being reported of \$2.9 million which is helping to bolster ending balances. From a claims perspective the Consortium is slightly over budget on medical expenses and below budget on prescription drug expenses and is less than ¼% off of the budget. He referred to the distribution of expenses and said 94% of total expenses are directly related to claims with 6% being related to everything else, including administration fees, Stop Loss insurance, taxes and fees, professional support fees, and ancillary benefits; therefore, from a loss ratio perspective the Consortium is in very good shape.

Mr. Locey provided information showing a five-year budget projection. He said the budget was built on a 5% increase starting in 2015 thru 2019 using a claims trend of slightly more than 8%. He noted that the net income starts to come down because the paid claims trend would be growing faster than premium and towards the end there was a slightly negative net income. He said this would not be a problem because they are anticipating using some fund balance in order to mitigate the rate increase. The unencumbered fund balance in 2019 still shows a balance of \$7.7 million even with increasing reserve levels for IBNR, the surplus account, a Claim/Rate Stabilization Reserve, and a Catastrophic Claims Reserve. He said although 5% sounds like a lot, particularly in the context of the 2% tax cap; however, in terms of health insurance it is an extremely low number when compared to national averages with no change in benefits. A formal recommendation by the Audit and Finance Committee will be made on the budget at its next meeting.

Mr. Locey reviewed a memorandum he prepared to educate members on Stop Loss insurance. There are two types of Stop Loss insurance the Consortium is required to purchase: aggregate Stop Loss insurance which protects the entire group. Aggregate stop loss coverage with an annual aggregate retention amount or attachment point not greater than one hundred twenty-five percent of the amount certified by an actuary to represent the expected claims of the plan for the current fiscal year. He said if the total paid claims for the Consortium exceed that level for the policy period by 125% the insurance carrier will reimburse the Consortium up to the policy limits. He said it is not great insurance because the attachment point is so far above the expected claims cost and they typically do not recommend it for their clients; however, it is a requirement under Article 47 unless the Consortium obtains a waiver from the New York State Department of Financial Services. It is a limited policy and only pays back \$1 million. The annual premium is \$73,243. In terms of the expected claims cost they have set it at \$30.8 million which means the attachment point is \$38 million and the Consortium would have to exceed its projected claims by \$8 million before this coverage would kick in and would only provide up to \$1 million.

Mr. Locey said in the first four years of operation the Consortium has not come close to exceeding the aggregate attachment point. He thinks a better idea would be to enhance the Catastrophic Claims Reserve and to show the Department of Financial Services that the premium funds could be better used if retained in the Consortium's budget, given the funds the Consortium already has and its ability to predict claims expense has been very good. He will be proceeding with requesting a waiver from the New York State Department of Financial Services.

Mr. Locey explained Specific Stop Loss is similar to a high deductible health plan for individuals. The maximum deductible cannot exceed 4% of the expected claims for the fiscal year. Based on projections the maximum deductible for the 2015 fiscal year would be approximately \$1.3 million. The Consortium's current stop loss insurance policy is with Highmark Life Insurance Company and covers the claims paid from January 1, 2014 thru March 31, 2015 and has a deductible of \$300,000 per covered member. The current cap is \$2 million and includes the deductible of \$657,924; therefore, the maximum the Consortium could get back is \$1.7 million per covered member. There is one individual that was "lasered" because of some large losses and they received a separate deductible of \$1 million under the policy. He reported that individual currently has had far less claims than they have over the last couple of years.

Mr. Locey said he is recommending the Catastrophic Claims Reserve be increased to \$1.050 million from the current level of \$600,000 with the rationale that it would allow for the Stop Loss deductible to be raised to \$400,000. This level represents seven members who could potentially have claims which fall between the initial stop loss insurance deductible of \$250,000 and the new deductible level of \$400,000.

Audit and Finance Committee Report

Ms. Drake introduced Brad Breen from the CSEA Employee Benefit Fund who will be the Consortium's contact person any dental or vision matter that is related to the Consortium.

RESOLUTION NO. 014-2014 - AUTHORIZATION FOR CHAIR TO SIGN CONTRACT – CSEA DENTAL/VISION PLAN

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

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Mr. Thayer noted this is a pass-through program that runs through the Consortium; employers or participants are being charged directly and there is no cost to the Consortium.

Whereas, members of the GTCMHIC have access to dental and vision coverage through CSEA, and

Whereas, this benefit is not a Consortium product, so the premium costs are a straight pass through with those members protected by this benefit paying all of the premium cost, and

Whereas, the members using this benefit from CSEA are very happy with the cost and benefit coverage, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the GTCMHIC Board of Directors authorizes the Chairperson to sign a three contract for this benefit package with CSEA Employee Benefit Fund

* * * * *

Mr. Thayer, Chair of the Audit and Finance Committee, reported the Committee continues to review the financial activity for the Consortium and will bring forward a recommendation at the next meeting on premium rates for 2015, Stop Loss, and reserve levels. The Committee is also continuing to work on the recertification process and reviewing the capitalization payment for new members of the Consortium.

Owning Your Own Health Committee Report

RESOLUTION NO. 015-2014 - RESOLUTION URGING MEMBER MUNICIPALITIES TO ADOPT A WELLNESS POLICY

Mr. Cook, Chair, said wellness is a very viable way to perhaps control an annual eight percent increase in premiums and it is the goal of the Committee to begin to change the culture. Mr. Barber said he will be a resource to answer questions and to help municipalities move this forward.

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

Whereas, claims are approximately 93% of the expenses of the GTCMHIC, and

Whereas, claims costs are currently increasing at an average of 8.85% per year which is unsustainable in the municipal environment, and

Whereas, claims cost increasing faster than inflation is the result of the new health care technologies, costs of service providers, and possibly behaviors of covered lives, and

Whereas, of these three causes, only health and life style choices that reduce the need for medical care and prescriptions particularly high risk diseases are within our collective control, and

Whereas, employers implementing a wellness policy that supports and raises awareness of wellness choices is in the best interest of both the employers and employees, and

Whereas the GTCMHIC's Own Your Own Health Committee stands ready to support, inform, and find opportunities for collaboration in Wellness planning and implementation, now therefore be it

Resolved, on recommendation of the Owing Your Own Health Committee, That the GTCMHIC Board of Directors urges its member municipalities to adopt a wellness policy (an example is attached that has been vetted by the Own Your Own Health Committee) before the end of calendar year 2014,

Resolved, further, That the GTCMHIC Board of Directors urges the member municipalities to direct representatives of their respective Wellness Committees, to regularly attend the GTCMHIC's Own Your Own Health Committee to share questions, accomplishments, and strategies for developing a culture of wellness awareness.

* * * * *

Mr. Cook said the survey on biometric screening is being completed and he hopes to report back to the Board in September on the results of the two programs within that pilot program.

Joint Committee on Plan Structure and Design Report

Mrs. Shawley, Vice Chair, reported the Committee has heard utilization reports from Excellus and ProAct that included showing how the Consortium compared to other similar size programs. The Committee was also provided information that could be taken by to municipalities to begin the process of educating employees on things such as when it is appropriate to use an urgent care facility versus an emergency room. There was a significant amount of discussion on adding the Platinum Plan to the menu of Consortium plan options. A resolution was considered by the Committee that resulted in a vote of 11 opposing the resolution, 12 in favor of the resolution, and 1 abstention. Of the 11 that were opposed all were from labor and of the 12 in favor all were from management and one was from labor; the abstention was from management. She said labor did not agree with the recommendation to add the Platinum Plan and felt adding the plan would be giving the okay to use this in the bargaining process. She said a motion was also made to begin the process of adding the Bronze plan and that motion passed without any problem.

Mr. Hart asked if there has been any discussion of adding a plan that included a two-person rate. Mr. Locey said in response to a request the Audit and Finance Committee is looking into this again. Excellus and ProAct have been asked to provide data with regard to usage; once received there will be discussing of the impact on rates and whether it makes sense to bring this forward. The biggest problem is that in order to reduce the rate for one group it has to be increased for another group because the same bodies are still being insured. This will go to the Joint Committee and Plan Structure and Design after being reviewed by the Audit and Finance Committee.

Mr. Barber said if the Board does not choose to adopt this as a formal plan it is possible and Mr. Locey can help municipalities to create their own two-person plan. Municipalities will get a bill from the Consortium and it doesn't matter how municipalities collect those funds; therefore, they could raise the rates for individuals and families and give a lower rate for two-person.

RESOLUTION NO. 016-2014 - RESOLUTION TO ADOPT THE "PLATINUM PLAN"

MOVED Ms. Drake, seconded by Mr. Hart.

Mr. Goldman questioned the purpose of adopting this plan. Mr. Locey said the plan designs through the Affordable Care Act are available today on the open market. If the Consortium does not want a member municipality to go outside the Consortium to purchase the metal level plans as it will result in them leaving the Consortium. Mr. Locey said the benefit level is important because of the definition of what it means. The Platinum Plan will provide a benefit to the average person of approximately 90% of their medical care costs for the year. It will modify over time as long as it stays within the 90/10 relationship and stays within the definition of a Platinum Plan. Mr. Locey said most of the plans within the Consortium currently are around the 95th percentile and higher.

A voice vote resulted as follows: Ayes – 13, Noes – 0, Excused – 4 (Weatherby, Perine, Masser, and Morey). RESOLUTION ADOPTED.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (Consortium) is a self-insured municipal cooperative health benefit plan operating pursuant to a Certificate of Authority issued on October 1, 2010 in accordance with the provisions of Article 47 of the New York State Health Insurance Law, and

WHEREAS, the Consortium's consultant, Locey and Cahill, LLC and medical claims administrator, Excellus BlueCross BlueShield, have collaboratively developed the "Greater Tompkins County Municipal Health Insurance Consortium Standard Platinum Plan" which is consistent with and meets the standards for Platinum level benefit plans as defined by the Patient Protection and Affordable Care Act, and

WHEREAS the "Greater Tompkins County Municipal Health Insurance Consortium Standard Platinum Plan" will have an Actuarial Value as defined by the Patient Protection and Affordable Care Act equal to an overall plan benefit for the average participant of 90%, and

WHEREAS, the Joint Committee on Plan Structure and Design has reviewed the details of the "GTCMHIC Standard Platinum Plan" and was not able to reach a consensus to approve or disapprove recommending this plan for adoption by the Board of Directors, and

WHEREAS, the addition of this Plan or other metal level Plans of coverage will not diminish, alter, or eliminate any current medical or prescription drug plans offered by the Consortium, and

WHEREAS, comparable benefit plans are available to the Consortium's Participating Municipalities either through the Patient Protection and Affordable Care Act Health Insurance Exchange or on the private health insurance marketplace, and

WHEREAS, several Participating Municipalities in the Consortium are seeking plan designs consistent with the metal levels of coverage as defined by the Patient Protection and Affordable Care Act, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors adopts the "Greater Tompkins County Municipal Health Insurance Consortium Standard Platinum Plan" for inclusion in the Greater Tompkins County Municipal

Health Insurance Consortium’s available benefit plan menu to be effective as soon as practicable,

RESOLVED, further, the Consortium Board of Directors requires that Said Actuarial Value be calculated annually by the rating and underwriting department at Excellus BlueCross BlueShield or an independent actuarial firm using the Actuarial Value Calculator developed by the Centers for Medicare & Medicaid Services (CMS) Center for Consumer Information & Insurance Oversight (CCIIO) which was implemented in accordance with the Patient Protection and Affordable Care Act. If such calculator is no longer available or in use, the Consortium will have an independent Actuary develop the Actuarial Value of the health insurance plan on an annual basis. In either case, it is the intent that the result will represent an empirical estimate of the Actuarial Value calculated in a manner that provides a close approximation to the actual average spending by a wide range of consumers in a standard population and that said Actuarial Value will be equal to or greater than 90% within an acceptable deviation of + or – 2%,

RESOLVED, further, That the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors directs the Executive Director to coordinate the development of procedures necessary to coordinate the logistics of making changes to the “Greater Tompkins County Municipal Health Insurance Consortium Standard Platinum Plan” which will occur no more frequently than once annually on January 1st of the year in question and that those procedures will become effective when approved by the Consortium Board of Directors.

* * * * *

ProAct Utilization Report

Ms. Masucci provided the Board with a high-level Performance Summary on 2013 Prescription Plan Performance and Utilization. She reviewed the following information from that report that was also presented to the Joint Committee on Plan Structure and Design:

	Membership Utilization
• Eligible Member Months	5,094
• Avg. Utilizing Member Months	2,293
• # of RX's Dispensed	76,539
• # of RX's Normalized	104,455
• Approved Ingredient Cost*	\$ 7,510,175.63
• Total Fill Fee	\$ 107,758.79
• Total Cost	\$ 7,617,934.42
• Total Member Paid	\$ 598,483.99
• Other Amount Paid	\$ 2,291.76
• Total Paid by Plan	\$ 7,017,157.67

*Normalized Rx Count translates Rx Count to 30 day equivalent (Ex. 90days = 3 Rx's)

	Membership Utilization Current	Similar Client Type Benchmark
• # of Rx's PMPM	1.71	1.82
• Avg. Amt Paid PMPM	\$114.79	\$132.11
• % Generic Rx's	78%	78%

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• Avg. Amt Paid/Generic Rx	\$17.92	\$23.08
• % Brand Rx's	22%	22%
• Avg. Amt Paid/Brand Rx	\$245.70	\$215.00
• % Formulary Rx's	94%	93%
• Avg. Appvd. Ingrid Cost/Rx	\$71.90	\$74.36
• Avg. Fill Fee/Rx	\$1.03	\$.80
• Avg. Total Cost/Rx	\$72.93	\$75.16
• Avg. Member Paid/Rx	\$5.73	\$6.19
• Other Pay Amount/Rx	\$0.02	\$0.03
• Avg. Amount Paid/Rx	\$67.18	\$68.94

Specialty Drug Usage

• # of Specialty Utilizers	110	
• Total Specialty Plan Spend	\$1,773,081.91	
• Total Specialty Ingredient Cost	\$1,783,486.42	
• Total Specialty Member Spend	\$10,534	
• # Specialty Rx's	804	
• Cost Per Specialty Rx	\$2,205.33	
• % of Total Claims	1.05%	
• % of Total Dollars	25.27	
• % of Member Share	0.59%	

Ms. Drake said at the September 25 meeting the Board will adopt premium rates for 2015, approve the plan for the recertification process, appoint a Secretary, and create a leadership committee for 2015 leadership, and hear a utilization report from Excellus.

Adjournment

On motion the meeting adjourned at 6:47 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk



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RESOLUTION NO. - ADOPTION OF 2015 BUDGET

WHEREAS, the proposed 2015 budget was presented by the Consultant and unanimously recommended by the Audit and Finance Committee at the September 25, 2014 meeting for submission to the Board for its review, and

WHEREAS, notable items included in the proposed budget are the following:

- Premium increase of 5% over 2014 rates
- Retention of claims expenses increases from \$300,000 to \$400,000 which results in a decrease in Stop-Loss premium
- Increasing Catastrophic Claims Reserve by nearly \$400,000 to have funding available for increased claims exposure from retention of claims now up to \$400,000
- Establishment of a Rate Stabilization Reserve of \$1,644,781 to protect the cash flow position of the Consortium should we have a year when claims cost exceed the prediction

now therefore be it

RESOLVED, That the 2015 budget for the Greater Tompkins County Municipal Health Insurance Consortium is hereby approved.

* * * * *

Greater Tompkins County Municipal Health Insurance Consortium
2014 - 2017 Fiscal Year Budget Projections (cash basis)

as of July 31, 2014

	Projected Budget 2014 Fiscal Year	Year-to-Date Results 2014 Fiscal Year	Revised Budget 2014 Fiscal Year	Projected Budget 2015 Fiscal Year	Projected Budget 2016 Fiscal Year	Projected Budget 2017 Fiscal Year
Beginning Balance	\$11,170,134.98	\$11,170,134.98	\$11,170,134.98	\$15,277,904.73	\$18,746,441.84	\$21,048,425.46
Income						
Medical Plan Premiums	\$37,421,193.52	\$21,326,599.28	\$36,559,884.48	\$38,387,878.70	\$40,307,272.64	\$42,322,636.27
Ancillary Benefit Plan Premiums	\$153,761.77	\$75,611.35	\$129,619.46	\$142,581.40	\$156,839.54	\$172,523.50
Interest	\$5,000.00	\$7,582.54	\$12,998.64	\$5,000.00	\$5,000.00	\$5,000.00
Capitalization Investment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rx Rebates	\$250,000.00	\$113,382.66	\$250,000.00	\$257,500.00	\$265,225.00	\$273,181.75
Stop-Loss Claim Reimbursements	\$0.00	\$75,613.28	\$100,000.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$197.90	\$1,000.00	\$0.00	\$0.00	\$0.00
Total Income	\$37,829,955.28	\$21,598,987.01	\$37,053,502.58	\$38,792,960.11	\$40,734,337.18	\$42,773,341.52
Expenses						
Medical Paid Claims	\$22,817,790.22	\$13,540,557.25	\$23,212,383.86	\$25,266,679.83	\$27,502,780.99	\$29,936,777.11
Rx Paid Claims	\$7,544,687.16	\$4,088,393.75	\$7,008,675.00	\$7,628,942.74	\$8,304,104.17	\$9,039,017.39
Medial Admin Fees	\$873,298.27	\$512,406.94	\$878,411.90	\$904,764.25	\$931,907.18	\$959,864.40
Rx Admin Fees	\$79,353.60	\$42,996.00	\$73,707.43	\$75,918.65	\$78,196.21	\$80,542.10
NYS Graduate Medical Exp.	\$246,178.28	\$127,681.22	\$218,882.09	\$229,826.20	\$241,317.51	\$253,383.38
ACA PCORI Fee	\$10,260.00	\$0.00	\$10,260.00	\$10,773.00	\$11,311.65	\$11,877.23
ACA Transitional Reins.Program Fee	\$321,300.00	\$0.00	\$318,402.00	\$0.00	\$0.00	\$0.00
Stop-Loss Aggregate and Specific	\$711,651.60	\$243,122.35	\$711,651.60	\$654,000.00	\$784,800.00	\$941,760.00
Advance Deposit / Pre-Paid Claims	\$100,000.00	\$0.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
Legal Fees	\$20,000.00	\$2,530.00	\$20,000.00	\$20,600.00	\$21,218.00	\$21,854.54
Consultant Fees	\$65,379.44	\$38,948.10	\$50,000.00	\$51,500.00	\$53,045.00	\$54,636.35
Accounting Fees	\$0.00	\$23,068.53	\$15,000.00	\$15,450.00	\$15,913.50	\$16,390.91
Actuarial Fees	\$0.00	\$0.00	\$10,000.00	\$10,300.00	\$10,609.00	\$10,927.27
Audit Fees	\$15,000.00	\$11,298.57	\$60,000.00	\$61,800.00	\$63,654.00	\$65,563.62
Executive Director	\$0.00	\$0.00	\$17,500.00	\$35,000.00	\$35,000.00	\$36,050.00
Insurances (D&O / Prof. Liab.)	\$24,432.10	\$83,688.31	\$24,432.10	\$26,875.31	\$29,562.84	\$32,519.13
Internal Coordination (Finance)	\$67,750.67	\$0.00	\$67,750.67	\$69,783.19	\$71,876.68	\$74,032.99
Internal Coordination (Support)	\$14,056.73	\$0.00	\$14,056.73	\$14,478.43	\$14,912.78	\$15,360.17
Surety Bond Fee / Loan Interest	\$0.00	\$0.00	\$0.00	n/a	n/a	n/a
Payment Refund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ancillary Benefit Premiums	\$170,742.06	\$54,367.29	\$129,619.46	\$142,581.40	\$156,839.54	\$172,523.50
Capitalization Repayment	\$0.00	\$0.00	\$0.00	n/a	n/a	n/a
Other Expenses	\$5,000.00	\$413.24	\$5,000.00	\$5,150.00	\$5,304.50	\$5,463.64
Total Expenses	\$33,086,880.12	\$18,769,471.55	\$32,945,732.83	\$35,324,423.00	\$38,432,353.56	\$41,828,543.70
Net Income	\$4,743,075.16	\$2,829,515.46	\$4,107,769.75	\$3,468,537.11	\$2,301,983.62	\$944,797.82
Ending Balance	\$15,913,210.14	\$13,999,650.44	\$15,277,904.73	\$18,746,441.84	\$21,048,425.46	\$21,993,223.27
Liabilities and Reserves						
IBNR Reserve	\$3,643,497.29	\$3,643,497.29	\$3,626,527.06	\$3,947,474.71	\$4,296,826.22	\$4,677,095.34
Surplus Account	\$1,871,059.68	\$1,871,059.68	\$1,827,994.22	\$1,919,393.94	\$2,015,363.63	\$2,116,131.81
Claims / Rate Stabilization Reserve	\$0.00	\$0.00	\$0.00	\$1,644,781.13	\$1,790,344.26	\$1,948,789.73
Catastrophic Claims Reserve	\$607,249.55	\$607,249.55	\$604,421.18	\$1,050,000.00	\$1,050,000.00	\$1,050,000.00
Total Liabilities and Reserves	\$6,121,806.51	\$6,121,806.51	\$6,058,942.46	\$8,561,649.77	\$9,152,534.11	\$9,792,016.88
Unencumbered Fund Balance	\$9,791,403.63	\$7,877,843.93	\$9,218,962.26	\$10,184,792.07	\$11,895,891.35	\$12,201,206.39

Assumptions 2015 to 2017 Fiscal Years

1. Premium Revenue Increased by 5.0%
2. Interest Income = Last 2 Years Average
3. Prescription Drug Rebates = \$250,000
4. Paid Claims Trend = 8.85%
5. Administrative Fees Per Agreement with Excellus BCBS then Increased by 3% Per Annum
6. NYS GME Increased by 5%
7. Specific Stop-Loss Insurance Increased by 20%
8. Aggregate Stop-Loss Insurance Increased by 5%
9. Surety Bond Fee / Loan Interest Estimated at 3% of Principle Balance
10. All other Fees Increased by 3%
11. Beginning Balance and Ending Balance includes Advance Deposit held at Excellus BCBS as a pre-payment of claims (\$953,700 as of 07-31-2014)



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RESOLUTION NO. - APPROVAL OF THE 2014/2015 RECERTIFICATION PLAN INCLUDING FORMS AND GUIDELINES FOR VERIFICATION OF SPOUSE AND/OR DEPENDENT STATUS FOR ALL CONTRACTS, ACTIVE AND RETIRED, OF THE CONSORTIUM

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium is a self-insured municipal cooperative health benefit plan operating pursuant to Article 47 of the New York State Health Insurance Law, and

WHEREAS, at GTCMHIC's inception all employees were transferred into the Consortium without verification that their spouse and/or dependents were still valid as defined by their benefit plan, and

WHEREAS, changes occur in employees lives with marriage, divorce, child birth, adoptions that may not become known to the health insurance provider, and

WHEREAS, Consortium Board Resolution No. 005-2014 approved forms and eligibility guidelines for ensuring that spouses and/or dependents of new hires after May 1, 2014, meet consistent requirements and provide consistent documentation to confirm that their relationship with the insured complies with the Consortium's eligibility guidelines, and

WHEREAS, The Greater Tompkins County Municipal Health Insurance Consortium has a responsibility to all employees and employers to ensure that the Plan covers only eligible spouses and/or dependents, and

WHEREAS, the Audit and Finance Committee has developed an internal process utilizing each municipalities benefit clerk to implement the recertification of spouses and/or dependents of all contracts that provides necessary information for verification of eligibility while safeguarding privacy, now therefore be it

RESOLVED, upon recommendation of the Finance and Audit Committee, the Board of Directors hereby approves the 2014/2015 Recertification Plan including forms and guidelines for verification of spouse and/or dependent status for all contracts, active and retired, of the Consortium,

RESOLVED, further, That the municipal partners will be instructed and expected to execute the same verification process for consistency of results and will report such results to the Consortium,

RESOLVED, further, That the verification process will begin on November 1, 2015 with an amnesty period until February 28, 2015 for the removal of any ineligible spouse and/or dependents without penalty and therefore eligible for COBRA,

RESOLVED, further That any ineligible covered lives discovered after February 28, 2015, may be subject to reimbursement of premium paid by the employer since the change in status or January 1, 2011 whichever is later and the ineligible person will not be eligible for COBRA,

RESOLVED, further, That any dependent of an employee or retiree for which no verification information has been submitted will be terminated on May 1, 2015 and the member will be invoiced for that coverage since January 1, 2011 and the employee/retiree and their spouse and/or dependents will not be eligible for COBRA,

RESOLVED, further, That the Recertification Plan provides an appeals process from May 1 through June 30, 2015 that will be administered by the Appeals Committee.

* * * * *



Municipalities building a
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125 E. Court Street
Ithaca, NY 14850
607-274-5590
INFO: consortium@twcny.rr.com
www.tompkinscountyny.gov/hconsortium

**RESOLUTION NO. 005-2014 – APPROVAL TO PROCEED WITH CERTIFICATION
PROCESS FOR NEW EMPLOYEES**

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

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium is a self-insured municipal cooperative health benefit plan operating pursuant to Article 47 of the New York State Health Insurance Law, and

WHEREAS, the Audit Committee has evaluated membership and billing procedures for the Consortium to ensure all participating municipalities were enrolling members on a consistent and uniform basis, and

WHEREAS, the Audit Committee has developed the attached membership forms and guidelines, and

WHEREAS, these and guidelines are to be used for new hires and the addition of any new members, including dependents and spouses, as of May 1, 2014 with the intent to be used as the foundation of a full recertification process, and

WHEREAS, the Audit Committee will continue to discuss and develop a process to implement the recertification process and will make recommendations to the Board of Directors, now therefore be it

RESOLVED, on recommendation of the Audit Committee, That the Board of Directors hereby approves the new forms and guidelines for the enrollment of any new members of the Consortium.

* * * * *

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

I hereby certify that the foregoing is a true and correct transcript of a motion adopted by the Greater Tompkins County Municipal Health Insurance Consortium on April 24, 2014.


Michelle Pottorff, Administrative Clerk

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

EMPLOYEE INFORMATION:

Employee Last Name: _____ Employee First Name: _____ Middle Initial: _____

Employee Social Security #: ____ - ____ - ____ Employee ID #: _____ Employee Date of Birth: _____

Employee Mailing Address: _____

Street City State Zip

Employee Home Address: _____

(If different) Street City State Zip

Employee day time phone #: _____

Marital Status (circle one): Single / Married / Domestic Partnership / Separated / Divorced / Widowed

If Married or Domestic Partners, Date of Marriage or Union: _____

SPOUSE (INCLUDING SAME SEX SPOUSES, IF LEGALLY MARRIED IN ANOTHER JURISDICTION):

Last Name: _____ First Name: _____ Middle Initial: _____

Relationship to Employee _____ Social Sec #: ____ - ____ - ____ Date of Birth: _____

Address: _____

Street City State Zip Phone #

Is your Spouse Employed? **Yes or No**

If yes, please provide the following:

Employer Name: _____

Employer Address: _____

Street City State Zip Phone #

Is your Spouse covered under any other health insurance contract, including Medicaid or Medicare? **Yes or No**

If yes, please provide:

Effective date of coverage: _____ Member ID#: _____

Carrier Name/Address: _____ Policy #: _____

Are you required by court order to provide health insurance benefits to your spouse? **Yes or No**

If yes, please provide a copy of the court order along with this form.

PRESENTATION OF A FALSE STATEMENT IN SUPPORT OF AN APPLICATION FOR HEALTH INSURANCE COVERAGE OR A CLAIM FOR PAYMENT IS PROHIBITED BY SECTION 176.05 OF THE PENAL LAW

_____/_____/_____

Signature

Month Day Year

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

The following lists the required documentation to be provided along with the above form for each family member to be considered for benefit eligibility.

SPOUSE (OPPOSITE SEX AND SAME SEX) – REQUIRED DOCUMENTATION

Government Issued Marriage Certificate (if Married in the Last 12 Months)

OR

*Government Issued Marriage Certificate **AND** Most recent Federal or State Tax Return*

- Your most recent filed Tax Return showing “married filing jointly” OR “married filing separately”. Your spouse’s name must appear on the tax form on the line provided after the “married filing separately” status (or vice versa).
- Only submit page 1 of the return. This could include the 1040 form, e-File Confirmation Page, Tax Preparer’s Summary, Federal Return Recap, or Tele-File.
- Mark out all financial information and the first five digits of all Social Security numbers.

OR

*Government Issued Marriage certificate **AND** Proof of Joint Ownership or Residency*

- Submit **BOTH** your marriage certificate and proof of joint ownership or residency. Both the enrollee’s and spouse’s name must be listed on the documentation of joint ownership or residency and contain recent dates (within the last 6 months). Examples include copy of:
 - Mortgage Statement
 - Homeowners/Renters Insurance Policy
 - Property Tax Document
 - Rental/Lease Agreement
 - Credit Card Statement
 - Loan Obligation
 - Bank Account Statement

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

CHILD – NATURAL, ADOPTED, STEPCHILD – REQUIRED DOCUMENTATION

PROOF OF RELATIONSHIP – REQUIRED FOR ALL CHILDREN TO BE CONSIDERED FOR BENEFITS

- **BIOLOGICAL CHILDREN < AGE 26**
 - Copy of government issued Birth Certificate, containing the child's name, birth date and parents' names.
 - A non-government issued Birth Certificate including the child's name, date of birth, and parents' names may be used if the child is less than 3 months in age.
- **ADOPTED CHILDREN < AGE 26**
 - Adoption Placement Agreement including the child's date of birth or Petition of Adoption including the child's date of birth.
 - Adoption Certificate, adoption papers, or other official document issued by the U.S. Government, including the child's date of birth.
- **ADULT CHILD >26 AND <30 YOUNG ADULT OPTION (NEW YORK STATE MANDATE-7/1/2010)**
 - **Proof of dependent residency required – one of the following in the dependent's name**
 - Driver's license,
 - Auto registration
 - Tax return
 - Passport
 - Utility/telephone bill
 - Lease agreement
- **HANDICAPPED CHILD**
 - Your most recent filed Tax Return listing child as dependent
 - Copy of dependent's last psychological evaluation, WAIS and/or MMPI Report.
 - Form completed and signed by child's attending physician

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

DOMESTIC PARTNER – REQUIRED DOCUMENTATION

Government Issued Domestic Partner Registry Certificate (if issued in the Last 12 Months)

OR

*Government Issued Domestic Partner Registry Certificate **AND** Proof of Joint Ownership or Residency*

- Submit **BOTH** your marriage certificate and proof of joint ownership or residency. Both the enrollee's and spouse's name must be listed on the documentation of joint ownership or residency and contain recent dates (within the last 6 months). Examples include copy of:
 - Mortgage Statement
 - Homeowners/Renters Insurance Policy
 - Property Tax Document
 - Rental/Lease Agreement
 - Credit Card Statement
 - Loan Obligation
 - Bank Account Statement

OR

Complete the attached Affidavit of Domestic Partnership

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

AFFIDAVIT OF DOMESTIC PARTNERSHIP

EMPLOYER NAME: _____

GROUP NUMBER: _____

Tax Year ___/___/_____

We, _____ and _____ certify the following to be true and accurate.

A. Domestic Partner Certification

We certify that we are domestic partners in accordance with the following criteria and eligible for benefits coverage under a group health benefit plan:

1. Are each eighteen (18) years of age or older.
2. Share a close personal relationship and are responsible for each other's common welfare;
3. Are each other's sole domestic partner and intend to remain so indefinitely,
4. Are not married to anyone nor have had another domestic partner within the prior six months;
5. Are not related by blood closer than would bar marriage in the State of New York;
6. Share the same regular and permanent residence, with the current intent of doing so indefinitely; we affirm that the effective date of this domestic partnership is _____ and that this domestic partnership has been in existence for a period of _____ consecutive months, at least, prior to the date identified on the affidavit. We understand that documentation will be required;
7. Are jointly financially responsible for "basic living expense", defined as the cost of basic food, shelter, and any other expenses of a domestic partner which the partner qualified because of the domestic partnership. (Note: domestic partners need not contribute equally or jointly to the cost of these expenses as long as they agree that both are responsible for the cost.); and
8. Were mentally competent to consent to contract when our domestic partnership began.
9. We can, upon request, provide evidence of joint responsibility. Joint responsibility may, but need not necessarily, be demonstrated by the existence of three or more of the following:
 - a. A domestic partnership agreement;
 - b. A joint mortgage or lease;
 - c. Designation of his or her partner as a beneficiary for life insurance and retirement contracts;
 - d. Designation of his or her partner as primary beneficiary in the Employee's will;
 - e. Durable power of attorney for property and health care; and
 - f. Joint ownership of motor vehicle, joint checking or joint credit account.

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM

AFFIDAVIT OF DOMESTIC PARTNERSHIP (continued)

We understand that domestic partners are subject to the other eligibility provisions of the benefit plan.

We understand that this affidavit shall be terminated upon the death of my domestic partner or by a change in a circumstance attested to in this affidavit.

We agree to provide written notice to the payroll/personnel representative if there is any change of circumstances attested to in this affidavit within 30 days of the change by filing a statement of Termination of Domestic Partnership.

After such termination, I understand that another Affidavit of Domestic Partnership cannot be filed within six months following the filing of a State of Termination of Domestic Partnership with my payroll/personnel representative.

We understand that Domestic Partners are not eligible for continuation of benefits under COBRA.

Our domestic partnership (as defined in this section) has been in existence for at least (6) months prior to the effective date of this affidavit.

We certify, under penalty of perjury, that the foregoing is true and correct. We, the undersigned employee and the Domestic Partner, understand that falsification of information contained in this Affidavit may lead to disciplinary action, up to and including immediate termination of the employee's employment, and may subject us to civil action to recover any losses, including reasonable attorney's fees incurred by Group or by its insurance carrier for benefits provided under the Medical Plan.

B. Partner Certification as a Tax-Qualified Dependent

Based on consultations with a tax advisor, I certify that the previously named person whom I am enrolling for coverage **is or is not** (circle one) my legal tax dependent under IRS Section 152. I agree to notify my employer immediately of any change in this tax status. I understand that coverage of the non-employee domestic partner/same sex spouse could result in additional imputed taxable income to the employee, with possible withholding for payroll taxes (including income and social security taxes). I further understand that this coverage carries potential tax implications for the domestic partner/same sex spouse.

I understand that the Greater Tompkins County Municipal Health Insurance Consortium, BlueCross BlueShield, and ProAct are not currently obligated to provide nor do they currently provide me or my employer with tax reporting, with respect to dues or benefits paid under the plan for my Domestic Partner.

**GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM**

AFFIDAVIT OF DOMESTIC PARTNERSHIP (continued)

C. Dependent Child Certification

I certify that my Partner's child or children named below meet the following requirements:

1. A parent-child relationship exists between the child or children and me.
2. The child or children is or are primarily dependent upon me for support.
3. The child or children is or are unmarried and reside(s) in my household and meet(s) the age eligibility requirements for the policy purchased by Group and is (are) dependent on me for at least 50% of his/her (their) support.
4. I assume full responsibility and control, including any and all debt incurred by the child or children.
5. I, or my Partner, have a court-appointed legal relationship with the child or children (i.e., adoption, guardianship, foster child), or my Partner is the biological parent of the child.

Partner's Dependent Children:

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

Last Name _____ First Name _____ MI ___ Date of Birth ___/___/___

**GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
SPOUSE / DEPENDENT ELIGIBILITY VERIFICATION FORM**

AFFIDAVIT OF DOMESTIC PARTNERSHIP (continued)

I understand that falsely certifying as to a dependent's eligibility or failure to inform my employer when a dependent no longer meets applicable eligibility requirements may result in disciplinary action, up to and including immediate termination of employment.

I affirm the statements made above are true and complete to the best of my knowledge.

Signature of Employee

Signature of Partner

Print Name

Print Name

Social Security #

Social Security #

Date

Date

Notary Seal:

Notary Seal:

Approved by Employer:

By:

Date:

Print Name

Title: