



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.tompkinscountyny.gov/hconsortium • consortium@tompkins-co.org

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

Board of Directors Meeting

November 17, 2016 – 5:30 pm - Rice Conference Room

Tompkins County Health Department, 55 Brown Road (across from airport driveway) at end of long drive

Please arrive 15 minutes early for pictures.

1. Call to Order
2. Approval of September 22, 2016 Minutes (**VOTE**) (5:30)
3. Changes to the Agenda:
4. Chair's Report: (5:35) J. Drake
5. Report from the Executive Committee (5:40) J. Drake
 - a. **MOTION:** Establish Meeting Schedule – 2017; Cancel December 2016 meeting
 - b. **RESOLUTION:** Election of Officers for 2017
 - c. **APPOINTMENTS:**
 - a. Audit and Finance Committee: Mack, Salton, Shawley (terms to expire 12-31-2018)
 - b. Owing Your Own Health Committee: Cook, Zahler, Mallar (terms to expire 12-31-2019)
6. Executive Director's Report (5:45) D. Barber
 - a. DFS Communications – MCA Amendment
 - b. DFS Audit
 - c. New Members
7. Report from Consultant (5:55) S. Locey
 - a. Financial update
8. Report from Joint Committee on Plan Structure and Design (6:05) P. VanWormer
9. Report from Audit and Finance Committee (6:10) S. Thayer
 - a. **RESOLUTION:** Acceptance of Application by the Town of Aurelius to Become a Participant in the Greater Tompkins County Municipal Cooperative Health Insurance Consortium
 - b. **RESOLUTION:** Acceptance of Application by the Town of Montezuma to Become a Participant in the Greater Tompkins County Municipal Cooperative Health Insurance Consortium
 - c. **RESOLUTION:** Resolution to Enter into a Contract for Prescription Benefit Management Services – January 1, 2017-December 31, 2017
 - d. **RESOLUTION:** Authorization to Purchase Insurance Policies: Stop Loss, Errors and Omissions, and Directors and Officers Liability Coverage
 - e. **RESOLUTION:** Authorization to Enter into Agreement with Bonadio & Co. LLP – Financial Reporting for 2017
 - f. **RESOLUTION:** Extension of Contract for Plan Consultant – Locey and Cahill, LLC – 2017
10. Report from Owing Your Own Health Committee (6:50) T. Schiele
 - a. Flu Clinics Update
 - b. CanaRx
11. Adjournment (7:00)

Next Meeting: January 26, 2017 (tentative)

Board of Directors
September 22, 2016
5:30 p.m.

Draft 9/29/2016

Scott Heyman Conference Room

Municipal Representatives: 16

Judy Drake, Town of Ithaca; Steve Thayer, City of Ithaca; Amy Guerri, Tom-pkins County; Mack Cook, City of Cortland; John Fracchia, Town of Caroline; Laura Shawley, Town of Danby; Deborah Cipolla-Dennis, Town of Dryden; Don Scheffler, Town of Groton; Charmagne Rungay, Town of Lansing; Nancy Zahler, Town of Ulysses; Eric Snow, Town of Virgil; Peter Salton, Village of Cayuga Heights; Michael Murphy, Village of Dryden; Chuck Rankin, Village of Groton; Rordan Hart, Village of Trumansburg; Genevieve A. Suits, Village of Homer

Labor Representatives: 2

Olivia Hersey, 3rd Labor Representative; Jim Bower, 2nd Labor Representative

Excused: 2

Tom Brown, Town of Truxton Phil VanWormer, 1st Labor representative (Chair, Joint Committee on Plan Structure and Design)

Absent: 3

Herb Masser, Town of Enfield; Tom Adams, Town of Marathon; Alvin Doty, Town of Willet

Others in attendance:

Steve Locey, Locey & Cahill; Rick Snyder, Treasurer; Beth Miller, Excellus; Bud Shattuck, Village of Union Springs; Meghan Feeley, ProAct; Saron Dovi, TC3; Luann King, Town of Cincinnatus; Gary Mutchler, Town of Scipio; Gary Hatfield, Town of Moravia Supervisor; Ted Schiele, Chair, Owing Your Own Health Committee

Call to Order

Ms. Drake, Chair, called the meeting to order at 5:32 p.m. Guests from new municipalities joining the Consortium introduced themselves.

Approval of Minutes of July 28, 2016

It was MOVED by Ms. Hersey, seconded by Mr. Hart, and unanimously adopted by voice vote by members present, to approve the minutes of July 28, 2016 as submitted. MINUTES APPROVED.

Changes to the Agenda

Ms. Drake announced the following changes to the agenda:

The resolution entitled Adopt 2017 Premium Equivalent Rates was withdrawn as the contents were included in the revised resolution entitled Adopt 2017 Budget;
The resolution entitled Acceptance of Application by the Town of Cincinnatus to Become a Participant in the Greater Tom-pkins County Municipal Health Insurance Consortium was added to the agenda; and

The resolution entitled Select Pharmaceutical Benefits Manager was withdrawn from the agenda.

Chair's Report

Ms. Drake said a committee has been reviewing responses and after interviews has asked for additional financial information from the top two responders. She expects a decision to be made on this very important contract to be made at the next meeting.

MOTION NO. 004-2016 - ADOPTION OF GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM LOGO

It was MOVED by Ms. Drake, seconded by Ms. Hersey, and unanimously adopted by voice vote by members present, to adopt the Logo of the Greater Tompkins County Municipal Health Insurance Consortium.



MOTION NO. 005-2016 – APPOINTMENT OF 2017 NOMINATING COMMITTEE FOR CONSORTIUM OFFICERS

It was MOVED by Ms. Suits, seconded by Ms. Hersey, and unanimously adopted by voice vote by members present, to appoint the following Directors to serve on the Nominating Committee for Consortium Officer positions of Chair, Vice Chair, and Secretary.

Laura Shawley
Peter Salton
Mack Cook

Executive Committee Report

Ms. Drake, Chair, reported there are seats on Consortium committees that are expiring at the end of the year and asked members to consider serving again. She also encouraged other Directors to become more involved by volunteering to serve on a committee.

Report from the Executive Director

Ms. Drake reported on behalf of Mr. Barber who was out of town and not able to attend. She distributed copies of the September newsletter and provided an update on the Department of Financial Services Audit that is currently underway. The Insurance Examiner is housed at the Town of Ithaca and has conducted interviews with the various individuals who are associated

with the Consortium and has also been provided with a large amount of information. The process is moving forward and Board members will continue to be updated. She circulated information including a response from John Powers, the Consortium's legal counsel, on communications with the Department of Financial Services that Mr. Barber has raised as an issue in previous meetings. She noted the information is confidential at this time.

She summarized the concern and said the Consortium's Municipal Cooperative Agreement is a lengthy document that outlines the operation of the Consortium and which requires a review every five years. That review took place in throughout 2015 by a special committee and each municipality was given an opportunity to submit suggested changes. Both a draft and final document was sent to the Department of Financial Services and to the Consortium's attorney for comment. The Department of Financial Services commented that they did not find anything objectionable in the proposed MCA. Each municipality, as required, was sent the final proposed amended and took action to approve it. This approval process took time but once complete the final MCA was then sent to the Department of Financial Services.

At the last meeting Mr. Barber reported a memorandum was received from the Department of Financial Services in which concerns were raised with the document and asked for revisions to be made. Ms. Drake said Mr. Barber has been working with the Department on its requests and provided Directors with correspondence between Mr. Barber and Ms. Pope at the Department of Financial Services explaining the difficulty in changing the MCA and would like to incorporate changes in the next amendment scheduled for 2020. She said Mr. Barber would like direction from the Board of Directors on how to proceed with this matter. She summarized Mr. Power's memo who also didn't feel the suggested changes warranted entering the lengthy process to amend the MCA.

Ms. Drake spoke of the resolutions on the agenda to approve membership by the six additional municipalities and said according to the request by the State this would require the MCA to go back to each municipality for approval of adding those into the agreement. Mr. Locey said when the MCA was originally written the names of each individual municipality were not included for this reason. The State required the Consortium to include them and the original list was included, however, as municipalities have been added the State has been forwarded a copy of the municipal resolution and the municipality's signature page for the MCA. The State accepted this until recently but is now asking that each municipality be included in the MCA which would require approval by each municipality. He also noted that some of the changes the State is asking to be made in no way relate to Article 47, a functionality, or risk perspective. The changes are clarification in nature and can be made during the next review process.

Mr. Salton said the membership of the Consortium is fluid at this time and there needs to be a way to place an addendum allowed to be made to the MCA that includes a roster of membership that could be submitted when membership changes are made.

Ms. Hersey said every Director has been selected by their municipality or bargaining unit to make decisions on behalf of the Consortium and by requiring municipality to approve the MCA after a change is not allowing members to make those decisions. Mr. Fracchia agreed and questioned why a Board of Directors would be needed if municipalities need to approve actions taken by the Board.

Ms. Drake summarized the memo from Mr. Powers and said her suggestion would be to have the legal representatives from the Consortium and DFS to communicate on this and would also like a request made to have a phone conversation with DFS representatives. There was consensus that Board members did not support amending the MCA on an annual basis. This will be discussed at the next Executive Committee meeting on October 4th.

Ms. Zahler spoke of the time and resources that would be involved and suggested that if municipalities end up being required to take action annually to approve changes to the MCA that each adopt a separate resolution that expresses a form objection to the process and that the action is being taken under duress.

It was stated that interest in joining the Consortium has also been expressed by the Towns of Aurelius and Hector.

Consultant Report

Mr. Locey distributed copies of the Treasurer's report through August 31st and budgeted versus actual expenses. He noted revenue is close to budget for 2016; \$25.8 million was budgeted for medical premium and receipts are \$25.6 million. There are no concerns with ancillary benefits as that is a pass-through. There is \$10,000 in interest income which is up slightly over the budgeted amount; almost \$217,000 has been received in prescription drug rebates.

He reported medical claims are close but slightly below budget with \$16.3 million (\$16.48 million budgeted). The area of concern in the budget relates to prescription drug claims which are 18% above budget. Substantial adjustments have been made to the expected level of paid claims for not only 2016 but also in the claims trend for the next couple of years. Administration fees and other expenses are close to budget and the Transitional Reinsurance Fee will be paid for the last time at the end of November. In terms of the overall total expense Mr. Locey said expense were 2.77% over budget (\$680,000); however, even with that the Consortium still ended the period with a net income of \$800,000. The Consortium still has a healthy unencumbered balance and all reserve levels have been met.

Mr. Locey distributed information showing trending on claims currently as well as historically and noted the Consortium has been conservative with claims projections. He said medical claims represent 70% of the Consortium's expenses and asked members to kind in mind that although the prescription drug claims increased at 18%; however, the total prescription drug claims represent 30% of the total claims. Because of this the total in claims expense resulted in the total claims being over budget for claims by 4%. Mr. Locey said many of the plans they work are seeing hyperinflation in drug claims due to specialty drug claims and increases in generic medication prices increases.

Report from Owning Your Own Health Committee

Mr. Schiele, Chair, reported two topics that have been discussed at length recently by the Committee are CanaRx and the flu clinics. The Committee met yesterday and received a report that approximately 150 people had signed up for the six scheduled clinics and are hoping for additional people to sign up. He said last year there were 240 individuals who signed up for the on-site clinics and there were 275 used the pharmacy benefit to receive vaccinations at a pharmacy. There are also individuals who use the medical benefit to receive vaccinations at a physician office but Excellus is not able to track that information.

Mr. Schiele provided a brief overview of the CanaRx program and said it is a Canadian-based provider for generic pharmaceutical drugs that sells and ships name-brand drugs under contract with an individual with a zero copay and at a cost that is considerably less than if purchased in the United States. If an individual purchased a medication through CanaRx a bill would be sent to the Consortium; however, the actual contract for the medication would be between the patient and CanaRx. The Consortium would not have a contract with CanaRx but would handle the payment. The usage of CanaRx would dramatically reduce the cost for those drugs purchased through the program and shipped into the United States. All drugs that come

from CanaRx are manufactured in Tier I countries and it appears it is legal, safe, and for the customer the process is seamless. Mr. Schiele said for several years Tompkins County and Tompkins Cortland Community College have had a relationship identical to the one that is being proposed. The Owning Your Own Health Committee has had several discussions about this and the Joint Committee on Plan Structure and Design discussed this at its meeting this month. The Owning Your Own Health Committee passed a resolution asking that other committee and Board members become familiar with CanaRx and barring any impediments that the Committee would like the Board of Directors to consider requesting the Pharmaceutical Benefits Manager to consider making CanaRx benefits available to all of the Consortium's covered lives.

Mr. Schiele said the Committee in upcoming months will be spending considerable time discussing wellness issues and how to provide more information to municipalities about worksite wellness.

Report from the Joint Committee on Plan Structure and Design

Mrs. Shawley, Vice Chair, reported the Committee has been working on actuarial values and making benefit plan changes to Metal Level Plans. She spoke of the process the Committee engaged in and said it was a very lengthy but productive process that resulted in a recommendation being approved by the Committee. At the last meeting the Committee also approved a change to the bylaws to clarify who was eligible to exercise a proxy vote for a member who was unable to attend the meeting. The Committee also received information on the CanaRx program from Meghan Feeley. She recognized Phil VanWormer, Committee Chair, for his leadership and said the Committee has been functioning very well and doing the work it was designed to do.

Report from the Audit and Finance Committee

Mr. Thayer, Chair, reported the Committee has been busy reviewing information that resulted in the resolutions on this evening's agenda. The Committee will continue to work on issues related to CanaRx, Stop Loss, and the Pharmaceutical Benefits Manager contract.

RESOLUTION NO. 017-2016 - ADOPTION OF 2017 BUDGET

MOVED by Mr. Thayer, seconded by Ms. Hersey. Mr. Thayer noted unencumbered fund balance will be negatively impacted with the 5% premium rate increase for 2017 and projected increases in premium for 7% and 7.5% for 2019 and 2020. He believes this is a good budget for 2017 but a hard look will need to be taken for by the Board for rate increases future years as well as municipalities looking at benefits in future years, particularly because of increases in pharmaceutical drugs and increases related to the Affordable Care Act.

Mr. Locey said the Consortium has a good level of fund balance and a good total cash asset position. There has been discussion of using the fund balance to mitigate rate increases over the next few years. He said the financial pressures that all of the municipalities face was kept in mind while developing the budget and believes a good balance was found in using the fund balance prudently while also making sure significant problems are not encountered in future years.

Mr. Locey reviewed changes that will occur Metal Level Plans and said the Platinum Plan will increase by 3.53%, the Gold Plan will increase by .3%, the Silver Plan will decrease by 3.5%, and the Bronze Plan will decrease by 1.7% as a result of the adopted benefit changes. A look is also being taken had changing the Stop Loss deductible; if recommended this would come before the Board at the November meeting.

A voice vote resulted as follows: Ayes – 18. Noes – 0. RESOLUTION ADOTPED.

WHEREAS, the proposed 2017 budget was presented by the Consultant and was unanimously recommended by the Audit and Finance Committee at the September 20, 2016 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 2016 rates, except for metal level plans which will experience reductions in actuarial value;
- Maintain the Surplus Account at 5% of the annual premium of the Consortium in compliance with §4706(a)(5) of the New York State Insurance Law.
- Maintain the Claims/Rate Stabilization Reserve in an amount equal to 5% of expected paid claims;

now therefore be it

RESOLVED, That the attached 2017 budget and premium equivalent rates for the Greater Tompkins County Municipal Health Insurance Consortium is hereby approved.

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RESOLUTION NO. 018-2016 - APPROVAL OF MODIFICATIONS TO METAL LEVEL HEALTH BENEFIT PLANS

MOVED by Mr. Thayer, seconded by Ms. Hersey. Ms. Zahler called attention to the increase drug copay for the Platinum Plan and asked what the basis was behind the recommendation. Ms. Drake said this change resulted in the copays for all of the Metal Level Plans to be same which kept things more equalized. Mr. Locey said the \$5 decrease in the Tier I copay affects approximately 80% of the total prescriptions that are filled each year. The only increases are approximately 10%; therefore, in terms of overall impact the Committee felt this was a more positive impact as it impacted a very large percentage of the total prescriptions costing less.

Mr. Locey said going into the process the Committee knew some members would need to pay a little more to bring the actuarial value back into range and as a result they felt the proposed adjustments represented in good compromises. The Committee reviewed a great deal of information and also had to work with the Excellus system. He said it was a very good process and the Committee operated in the way that was envisioned when it was first established. Also, the Committee learned that people with a Gold Level Plan typically have a Health Savings Account; however, the Consortium's Gold Level Plan did not qualify as a high deductible plan and was not eligible to have a Health Savings Account. One of the changes made was to make sure the Consortium's Gold Plan was consistent with the rules for a high deductible health plan (\$1,300 deductible) and will now have a Health Savings Account.

A voice vote resulted as follows: Ayes – 18. Noes – 0. RESOLUTION ADOTPED.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) Board of Directors pursuant to Resolution Nos. 016-2014 and 14-2015 adopted the GTCMHIC Standard Platinum, Gold, Silver, and Bronze Metal Level Plans adding said plans to the available benefit plan menu, and

WHEREAS, on July 28, 2016 the Board of Directors, upon recommendation of the Joint Committee on Plan Structure and Design and the Audit and Finance Committee, adopted target Actuarial Values for the Platinum, Gold, Silver, and Bronze

Metal Level Benefit Plans to be consistent with the 2017 Actuarial Value Calculator developed by the Centers for Medicare & Medicaid Services (CMS(Center for Consumer Information & Insurance Oversight (CCIO) which was implemented in accordance with the Patient Protection and Affordable Care Act (ACA),

WHEREAS, on August 4, 2016 the Joint Committee on Plan Structure and Design unanimously recommended modifications to the Metal Level Benefit Plans to achieve the Target Actuarial Value ranges and presented its recommendations to the Audit and Finance Committee, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby adopts the modifications to the Platinum, Gold, Silver, and Bronze Metal Level Plan for 2017 as set forth in the attached document.

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RESOLUTION NO. 019-2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF MORAVIA TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Moravia has submitted an official resolution authorizing the Town of Moravia to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Moravia has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Moravia as the 21st municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Moravia,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

RESOLVED, further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Moravia to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Moravia as a Participant in the Consortium.

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RESOLUTION NO. 020-2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF PREBLE TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Preble has submitted an official resolution authorizing the Town of Preble to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Preble has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Preble as the 22nd municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Preble,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

RESOLVED, further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Preble to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Preble as a Participant in the Consortium.

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RESOLUTION NO. 021-2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF SCIPIO TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Scipio has submitted an official resolution authorizing the Town of Scipio to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Scipio has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Scipio as the 23rd municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Scipio,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

RESOLVED, further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Scipio to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Scipio as a Participant in the Consortium.

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RESOLUTION NO. 022-2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF SPRINGPORT TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Springport has submitted an official resolution authorizing the Town of Springport to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Springport has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Springport as the 24th municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Springport,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

RESOLVED, further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Springport to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Springport as a Participant in the Consortium.

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RESOLUTION NO. 023-2016 - ACCEPTANCE OF APPLICATION BY THE VILLAGE OF UNION SPRINGS TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Village of Union Springs has submitted an official resolution authorizing the Village of Union Springs to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Village of Union Springs has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Village of Union Springs as the 25th municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Village of Union Springs,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

"Resolved further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Village of Union

Springs to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Village of Union Springs as a Participant in the Consortium”.

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RESOLUTION NO. 024-2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF CINCINNATUS TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

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

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Cincinnatus has submitted an official resolution authorizing the Town of Cincinnatus to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Cincinnatus has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium’s Treasurer, Chief Financial Officer and/or the Consortium’s Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Cincinnatus as the 26th municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Cincinnatus,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

RESOLVED, further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Cincinnatus to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Cincinnatus as a Participant in the Consortium.

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Mr. Locey noted the approval of these municipalities into the Consortium triggers an additional labor representative on the Board of Directors. Ms. Drake welcomed new members. She said consideration is being given to moving the location of Board meetings to the Rice Conference Room at the Health Department in 2017 and asked if anyone had concerns. Those present were supportive of this location change.

Adjournment

On motion the meeting adjourned at 6:50 p.m.



Municipalities building a
stable insurance future.

125 E. Court Street
Ithaca, New York 14850
607-274-5590
Consortium@tompkins-co.org
www.tompkinscountyny.gov/hconsortium

MOTION NO. - 2016 - Establish Meeting Schedule - 2017

**BOARD OF DIRECTORS
2017 Meeting Schedule**

January 26

March 23

May 25

July 27

September 28 – Annual Meeting (set rates)

November 16 (3rd Thursday)

December 21 (3rd Thursday; if needed)

Meeting time: **6:00 p.m. to 8:00 p.m.**

Rice Conference Room

55 Brown Road

Ithaca, New York 14850



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RESOLUTION NO. 2016 - ELECTION OF OFFICERS FOR 2017

WHEREAS, the Nominating Committee has proposed a slate of Officers to the Board of Directors at the November 17, 2016 meeting, now therefore be it

RESOLVED, That the Board of Directors elects the following individuals to serve from January 1, 2017 through December 31, 2017 in the roles as follows:

Chairperson -

Vice Chairperson –

Chief Fiscal Officer -

Secretary -



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**RESOLUTION NO. - 2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF AURELIUS TO
BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY
MUNICIPAL HEALTH INSURANCE CONSORTIUM**

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Aurelius has submitted an official resolution authorizing the Town of Aurelius to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Aurelius has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Aurelius as the 27th municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Aurelius,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

Resolved further, that the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Aurelius to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Aurelius as a Participant in the Consortium.

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RESOLUTION NO. - 2016 - ACCEPTANCE OF APPLICATION BY THE TOWN OF MONTEZUMA TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Montezuma has submitted an official resolution authorizing the Town of Montezuma to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Montezuma has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Montezuma as the 28th municipal participant, with health insurance coverage beginning January 1, 2017,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account as requested by the Town of Montezuma,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the pro rata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly,

Resolved, further, That the Administrative Clerk shall forward to the New York State Department of Financial Services a certified copy of the resolution authorizing the Town of Montezuma to become a participant in the Consortium and a certified resolution adopted by the GTCMHIC accepting the Town of Montezuma as a Participant in the Consortium.

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Greater Tompkins County Municipal Health Insurance Consortium

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“Individually and collectively we invest in realizing high quality, affordable, dependable health insurance.”

RESOLUTION NO. - 2016 - RESOLUTION TO ENTER INTO A CONTRACT WITH PROACT FOR PRESCRIPTION BENEFIT MANAGEMENT SERVICES - 2017

WHEREAS, Motion No. 003-2016 authorized the issuance of a Request for Proposals for Prescription Plan Manager and created the RFP Review Committee, and

WHEREAS, five proposals were received, three applicants were interviewed, and all proposals were reviewed by the Committee according to the review criteria and weighting stated in the RFP, and

WHEREAS, Excellus and ProAct were found to present the best proposals for deeper review, and

WHEREAS, the Prescription Benefits Manager Request for Proposals Review committee recommends awarding the for Prescription Benefits Manager services contract to ProAct, now therefore be it

RESOLVED, on recommendation from the Request for Proposals Review Committee, That the Audit and Finance Committee recommends that the GTCMHIC Board of Directors sign a one-year contract with ProAct for Prescription Benefits Manager services with the subsequent two years having the option to extend the contract for one year.

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RESOLUTION NO. - 2016 - AUTHORIZATION TO PURCHASE INSURANCE POLICIES: STOP LOSS, ERRORS AND OMISSIONS, AND DIRECTORS AND OFFICERS LIABILITY COVERAGE

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, upon recommendation of the Plan Consultant, Locey & Cahill, LLC, the Tompkins County Risk Manager and the Audit and Finance Committee, That the Consortium shall purchase coverage for these policies from the following for the period January 1, 2017 thru December 31, 2017:

- Stop Loss Insurance (content will be made available after Audit and Finance Committee meeting);
- Errors and Omissions Insurance with the Darwin Group at \$1,000,000 limit with \$25,000 retention (placed by insurance agent Haylor, Freyer and Coon);
- Directors and Officers Liability Insurance with the Darwin Group at \$1,000,000 limit with \$25,000 retention (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.

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RESOLUTION NO. - 2016 – AUTHORIZATION TO ENTER INTO AGREEMENT WITH BONADIO & CO. LLP - FINANCIAL REPORTING FOR 2017

WHEREAS, the Consortium entered into a contract with Bonadio & Co. LLP for financial reporting services in 2013-2015 and again in 2016, and

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

RESOLVED, on recommendation of the Audit and Finance Committee, 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, 2017.

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**RESOLUTION NO. 2016 – EXTENSION OF CONTRACT FOR PLAN CONSULTANT – LOCEY
AND CAHILL, LLC - 2017**

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

WHEREAS, the Plan consulting services needed include: strategic planning, establishing a
budget, filing periodic reports, calculating premium equivalents, preparing a variety of internal reports and
requests for proposals, and interfacing with third party administrators and ancillary benefit providers, and

WHEREAS, the Consortium by Resolution No. 17 of 2013 awarded a contract for Plan consultant
services on December 19, 2013 to Locey and Cahill, LLC of Syracuse for the period January 1, 2014
through December 31, 2015 with the option to renew for three additional one-year terms, now therefore
be it

RESOLVED, that the contract with Locey and Cahill, LLC be extended for the period January 1,
2017 through December 31, 2017, with the option to renew for one additional one-year term.
