



## 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 May 25, 2017 – 6:00 pm – Rice Conference Room

Tompkins County Health Department, 55 Brown Road, Ithaca, NY

1. Call to Order
2. Approval of March 23, 2016 Minutes (**VOTE**) (6:00)
3. Changes to the Agenda
4. Chair's Report: (6:05) J. Drake
  - a. Appointments to Audit and Finance Committee
5. Report from Audit and Finance Committee (6:07) S. Thayer  
J. Mickelson
  - a. Presentation of External Audit
    1. **RESOLUTION:** Acceptance of External Audit Report
  - b. **RESOLUTION:** Authorizing a Contract for Prescription Drug Claims Auditing Services
  - c. **RESOLUTION:** Authorizing Audit and Finance Committee to Accept External Audit Report
6. Report from the Executive Committee (6:20) J. Drake
  - a. **RESOLUTION:** Creation of Subcommittee to Explore Governance Structure Changes
7. Report from Owing Your Own Health Committee (7:30) T. Schiele
  - a) **RESOLUTION:** Adoption of Guidelines for Healthy Meetings
8. Claims Utilization Review - [Medical](#) and [Pharmaceutical](#) (6:35) Miller and Feeley
9. Executive Director's Report (6:50) D. Barber
  - a. DFS Audit & Communications-Cyber Security
  - b. Enrollment Time Line Conditions
  - c. CanaRx Update
  - d. Medical Claims Audit Update
11. Report from Consultant (7:05) S. Locey
  - a. Financial update
12. Report from Joint Committee on Plan Structure and Design (7:15) L. Shawley
13. New Business (7:20)
14. Adjournment (7:30)

*Next Meeting: July 27, 2017*



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Draft 3-27-2017

**Board of Directors**  
**March 23, 2017 – 6:00 p.m.**  
**Tompkins County Health Department – Rice Conference Room**

***Municipal Representatives: 21***

Steve Thayer, City of Ithaca	Gary Hatfield, Town of Moravia
Amy Guerri, Tompkins County	Gary Mutchler, Town of Scipio
Mack Cook, City of Cortland	David Schenck, Town of Springport
John Fracchia, Town of Caroline	Tom Brown, Town of Truxton (arrived at 6:07 p.m.)
Luann King Town of Cincinnatus	Richard Goldman, Town of Ulysses
Laura Shawley, Town of Danby	Alvin Doty, Town of Willet (arrived at 6:13 p.m.)
Kathrin Servoss, Town of Dryden	Peter Salton, Village of Cayuga Heights
Ann Rider, Town of Enfield (arrived at 6:25 p.m.)	Chuck Rankin, Village of Groton
Judy Drake, Town of Ithaca	Rordan Hart, Village of Trumansburg
Tom Adams, Town of Marathon	Bud Shattuck, Village of Union Springs
	Jim Doring, Town of Preble

***Labor Representatives: 2***

Olivia Hersey, 3<sup>rd</sup> Labor Representative; Tim Farrell, 5<sup>th</sup> Labor Representative

***Excused: 6***

Charmagne Rungay, Town of Lansing	Phil VanWormer, 1 <sup>st</sup> Labor Representative and Joint Committee on Plan Structure & Design Chair
Eric Snow, Town of Virgil	
Michael Murphy, Village of Dryden	
Jim Bower, 2 <sup>nd</sup> Labor Representative	Doug Perine, 4 <sup>th</sup> Labor Representative

***Absent: 4***

Sharon Hayden, Town of Aurelius	Lee Brew, Town of Montezuma
Don Scheffler, Town of Groton	Genevieve A. Suits, Village of Homer

***Others in attendance:***

Don Barber, Executive Director	Meghan Feeley, ProAct
Steve Locey, Locey & Cahill	Josh Allen, ProAct
Rick Snyder, Treasurer	Beth Miller, Excellus

**Call to Order**

Ms. Drake, Chair, called the meeting to order at 6:00 p.m.

**Approval of Minutes of January 26, 2017**

It was MOVED by Ms. King, seconded by Mr. Schenck, and unanimously adopted by voice vote by members present, to approve the minutes of January 26, 2017 as submitted.  
MINUTES APPROVED.

### **Changes to the Agenda**

The resolution entitled Adoption of Guidelines for Healthy Meetings was withdrawn from the agenda.

### **Chair's Report**

Ms. Drake reminded Directors that they should provide advance-notice to the Administrative Clerk if unable to attend a Board meeting. Also, following each meeting a notification of all actions taken is sent to all Directors who were not in attendance. She asked that Directors acknowledge the receipt of that communication. Ms. Drake stated each legislative body must designate who will represent its municipality on the Board of Directors; the designation of a proxy is not permitted for the Board of Directors.

Ms. Drake announced the resignation of Michelle Wright of the Town of Ulysses from the Owning Your Own Health Committee. Also, Phil VanWormer, Chair of the Joint Committee on Plan Structure and Design, will no longer be a representative for labor which will result in the position of Chair of that Committee becoming vacant.

She distributed a summary of the proposed American Health Care Act and asked that any questions be directed to Mr. Locey.

### **Report from the Executive Committee**

Ms. Drake, Chair, reported the Committee will meet on April 4<sup>th</sup> and will continue to talk about the size of the Consortium's committees and how to manage the structure of the Board as the Consortium grows.

Mr. Brown arrived at this time.

### **Report from the Executive Director**

Mr. Barber provided an update on the Department of Financial Services (DFS) audit and said the last communication he received was on March 14<sup>th</sup> and was a request for clarification of information. He hopes to have a draft report from the Department by the May Board meeting.

He reported he was made aware of new requirements the Consortium has that relate to cybersecurity. The regulations have been reviewed and there are many parts that the Consortium would be exempt from as it works within the County's internet service that is through a secure server and ProAct and Excellus have the same abilities. He stated that municipalities are responsible for maintaining the privacy and security of any communication that is exchanged between that municipality and Excellus.

Mr. Barber said two orientation sessions for new directors have been held since the last Board meeting. The annual educational retreat is scheduled for May 10<sup>th</sup> at 9 a.m. in Legislature Chambers. He encouraged Directors to attend to hear a review of the background of previous retreats that have been held and topics, including the role patients play in managing the cost of the Consortium, choices subscribers have, and preventive care options that are available. The retreat will be videotaped and posted to the Consortium's website along with previous retreats under the Resources tab.

Mr. Doty arrived at this time.

Mr. Barber announced the March issue of the Newsletter has been distributed and is available on the Consortium's website. He welcomed feedback on the current issue as well as suggestions for future issues.

Mr. Barber said there are several retirees within the Consortium but there is no way to communicate the newsletter to them. A request will be made to municipalities to provide contact information to canvass retirees and provide the newsletter to them if they are interested in receiving it.

### **Consultant's Report**

Mr. Locey reviewed financial results for the first two months of 2017 and said the Consortium is performing better than projected for those months; year-to-date the Consortium is approximately 2.28% over budget on premium. This is due to the budget being set at the population that existed at the time of budget adoption in the Fall and did not include those entities that joined in 2017. There was \$35,000 in Stop Loss recoveries and a small amount of insurance recoveries. On the expense side the Consortium is running approximately 7% below budget in aggregate between both medical and prescription drug expenses. He said reserve accounts are now adequate and the goal over the next couple of years is to use a small portion each year to mitigate rate increases.

He called attention to the Consortium's expenses and said over \$.93 of each dollar goes directly to pay for the benefits of members. The Consortium is expending only 6.5% to pay for everything else including Stop Loss insurance, Excellus administrative fees, and all other expenses. He said in the Affordable Care Act for a large health plan the administrative fees have to be under 15% of the premium for the plan to be considered efficient and the Consortium is at 3%. This shows that the Consortium is meeting its original goal and is operating very efficiently.

Mr. Locey said over the life of the Consortium claims have been 2¾ below what was expected and what has produced the unencumbered balance that will be used to mitigate rate increases moving forward.

Ms. Rider arrived at this time.

Mr. Doring asked if a number of years go by where claims are substantially less than budget at what point would the rates be lowered due the accumulation of too much money. Mr. Locey said the goal is to try to lessen premium increases and keep them stable for the longest time possible and over the last couple of years the Consortium has used a rate increase of 5% as a target. The goal is to keep rate increases modest and manageable for municipalities; trends are being reviewed regularly and adjusted accordingly. Mr. Snyder responded to a question concerning how the Consortium deals with its cash and said the Consortium follows the same rules municipalities are required to follow. Because it is not permitted to invest in stocks or bonds, most of money sits in low interest-generating accounts such as savings or money market accounts. Mr. Barber commented that budgets are developed using a five-year proforma and a goal of the Audit and Finance Committee is to have 18% of the total income be balanced out with the unencumbered fund balance.

### **Actuarial Value Calculations**

Mr. Locey said a calculation was run on the actuarial values for the Metal Level Plans and Excellus had also run the calculation. It was originally thought that the Silver Plan would need to be adjusted; however, the Excellus calculation showed it to be slightly under the

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threshold. He will be meeting with Excellus to confirm this which would mean there would not need to be any changes made this year.

Mr. Locey stated that the under Article 47, the Consortium is required to maintain a reserve for claims that have occurred but have not been paid. This is called Incurred But Not Reported (IBNR). He reported that our Actuary has completed the calculation of IBNR liability for 2016. The calculated IBNR for 2016 is \$2.677 million which is 7.45% of 2016 paid claims. The Department of Financial Services requires the Consortium to maintain an IBNR reserve of \$4.431 million (12% of 2016 paid claims). This analysis shows that our IBNR Reserve exceeds our actual IBNR so that the Consortium is well protected.

### **Treasurer's Report**

Mr. Snyder reported the Consortium's year-end audit is underway and will be brought to the next meeting. He is also working on the Consortium's Annual Financial Statement (JURAT); that will be presented at the April Audit and Finance Committee meeting.

Mr. Locey reported the year-end Actuarial report was received on the Consortium's IBNR (Incurred But Not Reported) claims. The report showed the IBNR performance was \$2.7 million; the State requirement is \$4.4 million.

### **RESOLUTION NO. 002- 2017 – IMPLEMENTATION OF A PROCESS TO ALLOW FOR REIMBURSEMENT OF PRESCRIPTION MAINTENANCE MEDICATION PURCHASED VOLUNTARILY AND INDEPENDENTLY BY COVERED INDIVIDUALS THROUGH CANARX**

MOVED by Ms. Rider, seconded by Mr. Fracchia.

Ms. Drake reported there was an article in the Washington Post on March 17<sup>th</sup> entitled "Four former FDA (Federal Drug Commission) Commissioners denounce drug importation citing dangers to consumers" and asked if there were any comments. Mr. Cook referred to a comment that the new federal administration will consider closing all loopholes that allow offshore pharmacies and drug makers to import products in the United States that they claim are affecting consumers and are against the "Make America Great" concept. He said there is a provision in the law that has not been enforced that prevents the importation of drugs and the expectation is that the new Secretary of Human Services will start to enforce that provision. He said it is unknown how long CanaRX will be able to survive in that environment but since the Consortium would not be a contracted party he doesn't see it being as risk by moving forward with CanaRX.

Ms. Drake said ProAct and Joe Scotti of CanaRX were asked to provide a response to a specific section of the article that stated: "the vast majority of Internet sites that advertise as being Canadian are actually based in South America, Eastern Europe and Russia. Consumers have no reliable way of knowing where the drugs are actually coming from or what's in them. Nor can recipients be sure they're getting what they ordered". Ms. Feeley said a lot of what is referenced in the article relates to internet sources and that is not what CanaRX is. The medications coming from CanaRX are from Tier I countries and are FDA approved.

Mr. Salton said the CanaRX representative said the drugs that come from CanaRX are in sealed packaging from the manufacturer. What has been represented to the Consortium is that these drugs are getting into Canada through federal, U.S. means and are coming back over the border at a better price because Pharma is not involved.

Ms. Rider said this is a contract between the member and CanaRX. She said she has utilized the program as a County retiree and has had no complaints. Mr. Goldman said if the Consortium was not involved it would not be considering a resolution. Ms. Drake clarified that although not a party to a contract, the Consortium would be paying the bill. Mr. Hart said by providing reimbursement to CanaRX on behalf of covered individuals who choose to purchase medications through CanaRX is not a statement of endorsement.

Mr. Brown said as a medical service provider he does not have any greater concern over the medications coming from CanaRX than he would with medications coming from the United States. He expressed skepticism as a personal citizen with the CanaRX program but as a town representative he thinks it is a good idea to give members the choice to enroll in the program if they choose to.

Mr. Fracchia said he usually supports anything that can save consumers money; however, is concerned about possible repercussions if the law starts to be enforced and what that could mean for consumers.

Mr. Locey said his best guess as to what would happen if the law was enforced would be that the Consortium would be ordered to cease and desist. He said the government would likely stop letting the packages come through at the border. The only fear he would have from the Consortium's perspective is what would happen if someone received a bad drug and if the same protections would not be in place as they are with medications obtained within the United States.

Mr. Cook said he doesn't see a risk for the Consortium but doesn't think the savings should be overstated and incorporated into a long-range budget plan because this could end at any time. Mr. Fracchia questioned if by authorizing something that is against the law in the United States whether the Consortium would be jeopardizing its Directors and Officer's coverage if challenged. Mr. Barber commented that CanaRX carries liability insurance and would indemnify the Consortium.

Mr. Goldman asked if other consortiums use CanaRX. Mr. Barber said there are over 700 municipal consortiums across the United States that use CanaRX of which one is an Article 47.

MOVED by Ms. Rider, seconded by Mr. Fracchia. A vote by show of hands resulted as follows: Ayes – 21, Noes – 3 (Fracchia, Goldman, and Rungay\*); Excused – 10. RESOLUTION ADOPTED. \*Upon notification to Directors not in attendance the vote record was adjusted accordingly).

WHEREAS, CanaRx Services, Inc. ("CanaRx") is a Canadian Corporation, incorporated in 2002 that holds itself as providing safe, affordable brand name maintenance medications at a uniform reduced cost to American residents, and

WHEREAS, CanaRx contracts with government-licensed pharmacies in Canada, the United Kingdom, Australia, and New Zealand to supply government-certified Name Brand 90-day maintenance medications (approximately 300 medications) packaged and sealed by the original manufacturer, for direct delivery to participants, and

WHEREAS, CanaRx purports to be fully HIPAA compliant, fully-licensed, fully-regulated, and compliant with the laws of the dispensing jurisdiction, and

WHEREAS, CanaRx offers the purchase of its medications via voluntary participation for personal use, and CanaRx has represented that its importation of FDA-approved prescription medicine made by FDA-regulated manufacturers, rigorously conforms with the standards set forth by the United States Food and Drug Administration, is fully legal under the laws of the United States, and poses no additional risk the public's health and safety, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (the "Consortium") has relied on these representations, warranties, and assurances, and

WHEREAS, the Consortium will not enter into any direct contractual arrangement with CanaRx in order to pay the prescription medication claims incurred by covered individuals within the Consortium who voluntarily and independently choose CanaRx to fill those prescriptions, and

WHEREAS, the Consortium's current health benefit plans offer mail order copays of \$10-\$30 for 2 tier plans, and \$20 to \$140 in 3 tier plans, and

WHEREAS, the CanaRx formulary has a \$0 copay for all medications, which saves members in 3-tier plans between \$80 and \$560 per year, and

WHEREAS, a study by ProAct, Inc. ("ProAct"), of the Consortium's 2015 drug utilization performance predicted that utilization of CanaRx medications would cost on average 65% less than the same medications purchased through ProAct, and using the 2015 drug utilization performance that study further predicted that had all 5,392 claims for medications available from the CanaRx formulary been purchased from CanaRx, the Consortium's medication claim spend would have been decreased by more than \$1.6 million representing a significant reduction of the cost of covered medications, and

WHEREAS, the Owning Your Own Health and Joint Committee on Plan Structure and Design have adopted resolutions urging the Consortium to take advantage of this opportunity for its members, and

WHEREAS, Tompkins County has been permitting its covered employees and retirees to use CanaRx to fill their Brand Name maintenance medications since 2007, now therefore be it

RESOLVED, on recommendation of the Owning Your Own Health Committee, Audit and Finance Committee, and the Joint Committee on Plan Structure and Design, That the GTCMHIC Board of Directors hereby directs the Executive Director to give notice to its current Prescription Benefits Manager, ProAct, to implement a process with CanaRx to allow for reimbursement of the cost of prescription maintenance medication purchased voluntarily and independently by covered individuals through the CanaRx formulary, and

RESOLVED, further, That the GTCMHIC Board of Directors hereby agrees that the Consortium may implement such processes as are necessary to provide for such reimbursement directly to CanaRx on behalf of covered individuals choosing to purchase prescription maintenance medication through the CanaRx formulary, including those employees of Tompkins County with pre-existing CanaRx contracts.

\* \* \* \* \*

**Report from the Joint Committee on Plan Structure and Design**

Mrs. Shawley, Vice Chair, reported at the last meeting the Committee discussed and recommended the Consortium move forward with the CanaRX program. The Committee

appointed Tim Farrell to be the 5<sup>th</sup> Labor Representative to the Board and David Flaten to be an alternate Director. There was also an update on obstacles that have been incurred relative to creating a fourth prescription drug tier. Ms. Miller provided the Committee with a very interesting presentation on Telemedicine.

**Report from the Audit and Finance Committee**

**RESOLUTION NO. 003- 2017 – ACCEPTANCE OF MEDICAL CLAIMS AUDIT REPORT**

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

Mr. Thayer said 37 issues were initially identified in the audit but that list has been reduced to only a few. A conference call will be held to discuss and move towards resolution of the remaining items.

WHEREAS, the New York State Department of Financial Services during its initial audit recommended that the Consortium conduct periodic medical claims audits, and

WHEREAS, by Resolution No. 014 of 2016 the Board of Directors authorized a contract with BMI Audit Services to perform a medical claims audit to ensure medical claims are paid by Excellus are in accordance with benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices, and

WHEREAS, BMI has completed the medical claims audit and presented the final report to the Audit and Finance Committee, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors accepts the final audit report presented by BMI on 2016 Medical Claims.

\* \* \* \* \*

**RESOLUTION NO. 004-2017 – ADOPTION OF ADMINISTRATIVE PROCEDURES FOR HANDLING REQUESTS FOR PROPOSALS**

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

WHEREAS, a need has been identified to establish administrative procedures relating to the manner by which requests for proposals are handled administratively by the Consortium, and

WHEREAS, this process is intended to ensure continuity in the process used for issuing proposals through to execution of a contract, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the following Administrative Procedures for Handling Requests for Proposals is hereby adopted:

- The Executive Director will monitor expirations dates of contracts and notify the Audit and Finance Committee of upcoming RFP's that need to be issued or the need to issue an RFP for new services (*see Consortium Procurement Policy*).
- The Executive Director will work with the Consultant to develop a draft RFP and present to the appropriate Consortium committee for approval to issue the RFP. The Board of



Directors shall approve the issuance of RFPs for Medical Claims Administrator, Pharmacy Drug Manager, Consultant, Executive Director, any other RFP for services being provided for the first-time. RFPs for routine services (auditing, actuary) may be issued upon approval of the appropriate Consortium committee. The committee recommending the issuance of an RFP will consider and make a recommendation on the creation and membership of a special committee to review responses.

- The Administrative Clerk will distribute final RFPs electronically to companies that have responded previously and any others suggested by the Executive Director, Consultant, or Treasurer. The document will be posted on both the Consortium website and the New York State Purchasing website.
- RFP's will be submitted to the attention of the Administrative Clerk.
- As responses are received they will be forwarded by the Administrative Clerk to the Consortium's Executive Director and Consultant.
- Any questions submitted will be forwarded to the Executive Director and Consultant upon receipt. If an addendum is warranted it will be developed as quickly as possible and provided to the Administrative Clerk. The Administrative Clerk will distribute it electronically to the initial distribution list and post on the Consortium and New York State Purchasing websites.
- If an addendum is issued less than four calendar days prior to the due date the response due date shall be extended by four days from the date the addendum was issued.
- If a committee has been established to review responses, the Administrative Clerk will set meetings and provide the membership with all responses.
- The Executive Director and the Consultant will present the Audit and Finance Committee with a report on the responses and a recommendation or the recommendation of the review committee. The Audit and Finance Committee shall make a recommendation to the Board of Directors. *Per the Consortium's Procurement Policy written evaluations of each response must be provided and the Board of Directors shall authorize the award and contract for the requested service(s).*
- Upon approval of a contract the Administrative Clerk will work with the Executive Director to secure a contract. The County's Contracts Coordinator will review contracts prior signing by a Consortium representative.
- The Administrative Clerk will see that a contract is signed by all parties to the agreement, return a copy of the agreement to all parties, and file a copy in the Consortium's records and with the Consortium Treasurer.

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**RESOLUTION NO. 005-2017 - AUTHORIZATION FOR CHAIR TO SIGN CONTRACT - CSEA DENTAL/VISION PLAN**

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

Ms. Drake said in addition to dental and vision plans there is also short-term disability and life insurance products that are available to interested municipalities. If anyone has questions they should contact her or Mr. Locey.

WHEREAS, members of the Greater Tompkins County Municipal Health Insurance Consortium (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

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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-year contract for this benefit package with CSEA Employee Benefit Fund for the period July 1, 2017 thru June 30, 2020.

\* \* \* \* \*

Mr. Thayer, Chair, reported the Committee is working on an invoice payment policy and will continue discussion of how many plans a partner can offer. The Committee is also looking at cybersecurity, a fourth prescription drug tier, and will continue to review the financial activity and audits.

**Report from the Owning Your Own Health Committee**

Mr. Barber, Executive Director, reported the Committee met yesterday and continues to work on the resolution that was withdrawn from the agenda entitled Adoption of Guidelines for Healthy Meetings. The Committee received an analysis of the flu clinics and was informed 26% of the Consortium's covered lives receive the vaccination. He said that this percentage compares very favorably with information he has received that Excellus book-of-business has a participation rate of 17%. He spoke of the Blue4U wellness program which is a benefit that is included in all Metal Level Plans. The Committee will continue to discuss ways to communicate to members that this benefit is available.

**Adjournment**

The meeting adjourned at 7:09 p.m.

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## **RESOLUTION NO. - 2017 - ACCEPTANCE OF EXTERNAL AUDIT REPORT PERFORMED BY INSERO & CO. (CDLM)**

WHEREAS, the Board of Directors entered into a contract for auditing services with Insero & Co. (CDLM), for the purpose of conducting an external audit of the Consortium's financial records for fiscal year 2016, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the 2016 external audit report prepared and presented to the Board of Directors by Insero & Co. (CDLM) is hereby accepted.

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### **RESOLUTION NO - 2017 – AUTHORIZING CONTRACT FOR PRESCRIPTION DRUG CLAIMS AUDIT**

WHEREAS, the Consortium has determined there is value in conducting periodic medical and prescription drug claims audits, and

WHEREAS, the Consortium’s has developed a pattern of conducting these claims audits on alternate years for medical one year and then pharmaceutical claims the next and

WHEREAS, the Consortium is now prepared to undertake a prescription drug claims audit as part of its fiduciary responsibility to ensure claims paid by ProAct are in accordance with the benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices for the years 2015 and 2016, and

WHEREAS, in anticipation of initiating a prescription drug claims audit the Audit and Finance Committee has negotiated a contract proposal with BMI Audit Services, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Consortium hereby engages the firm of BMI to perform an audit of the Consortium’s prescription drug claims for an amount not to exceed \$32,125.

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### **RESOLUTION NO. - 2017 - PROVIDE AUDIT AND FINANCE COMMITTEE THE AUTHORITY TO APPROVE THE ANNUAL INDEPENDENT FINANCIAL AUDIT**

WHEREAS Section 4710(a)(2) of the New York Insurance Law requires the annual independent financial audit statement to be filed not later than 120 days after the close of the plan year (April 30<sup>th</sup>), and

WHEREAS, the Consortium Board of Directors meetings are not scheduled in April while an Audit and Finance Committee meeting is scheduled for late April, and

WHEREAS, the Municipal Cooperative Agreement, at Section "O" provides that the reporting the various statutory reports must be accomplished by the Board "through its officers, agents, or delegates. . ." and § 4710 of the Insurance Law does not prohibit the Board to delegate this responsibility to the Audit and Finance Committee on its behalf, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the GTCMHIC Board of Directors hereby delegates the authority to approve the Annual Independent Financial Audit to the Audit and Finance Committee. The approved Independent Financial Audit will be reported to the Board of Directors at their next scheduled meeting.

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### **RESOLUTION NO. - 2017 - CREATION OF SUBCOMMITTEE TO INVESTIGATE ALTERNATIVE MODELS FOR GTCMHIC GOVERNANCE STRUCTURE**

WHEREAS, NYS Insurance Law Section 4705(a)(8) requires the Cooperative to "establish a governing board to be responsible for the management, control and administration of the municipal cooperative health benefit plan...", and

WHEREAS, NYS Insurance Law Section 4705(c)(1) requires the MCA to include provisions "describing the composition, number, and procedure under which governing board members are chosen..." , and

WHEREAS, the Executive Committee recommends that a subcommittee be formed to explore alternatives to governance structure of the GTCMHIC, and

WHEREAS, any proposed changes recommended by this subcommittee would require approval by all municipal partners and the Department of Financial Services as stated in NYS Insurance Law Section 4705 (a), now therefore be it

RESOLVED, on recommendation of the Executive Committee, That the GTCMHIC Board of Directors hereby creates the Consortium Governance Review Committee charged with investigating alternative governance models for GTCMHIC and providing the Board of Directors any recommendations and a summary report on their work,

RESOLVED, further, That the GTCMHIC Board of Directors hereby appoints the following persons to serve on the Consortium Governance Review Committee: Kevin Levine (City of Ithaca), Paula Younger (Tompkins County), Director Mack Cook, Director Bud Shattuck, Board Chair Judy Drake, \_\_\_\_\_, and \_\_\_\_\_.

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### RESOLUTION NO. - 2013 – ADOPTION OF HEALTHY MEETING GUIDELINES

RESOLVED, That the Owing Your Own Health Committee recommends that the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors adopts the following commitment and guidelines for healthy meetings:

#### Commitment:

We are committed to supporting good health for our volunteer leadership and employees, and to modeling a healthy lifestyle.

#### Guidelines

**Physical Activity:** At meetings or events lasting longer than 60 minutes, we will encourage employees to take care of their comfort needs, and we will schedule regular intervals for attendees to stand, stretch, and refocus.

**Healthy Diet:** At meetings or events where food will be served, we understand the value of providing healthy choices, and accommodating common preferences. This may include a selection such as fruits and vegetables, vegetarian options and drinking water.

We also understand that attendees may have dietary restrictions, and that reasonable food choices to accommodate those with certain food allergies should be made available.

We urge everyone to practice, support, and encourage all steps that make the healthy choice the easiest choice.

\* \* \* \* \*

## Greater Tompkins Acquisition Implementation Timeline

The Excellus BlueCross and BlueShield implementation process is a collaborative effort between Greater Tompkins and multiple Excellus BCBS staff.

Working in partnership, the implementation process between Excellus BCBS and Greater Tompkins will focus on reviewing and discussing detailed benefit designs prior to implementation. This collaborative effort between Greater Tompkins and Excellus BCBS ensures the accuracy of benefit design, benefit interpretation and administration of the plan

Below is the implementation timeline demonstrating key milestones and key target dates focused on ensuring successful implementation for a January 1, 2018 effective date.

**All dates are contingent on timely receipt of the enrollment and all pertinent documentation.  
All dates are target due dates and are subject to change.**

	<u>Task</u>	<u>Due Date</u>	<u>Responsibility</u>
<b>Define Implementation Process</b>	Notify all parties of final account commitment on planned changes	September 1, 2017	Greater Tompkins
	Meet with Greater Tompkins team to determine implementation process/schedule	September 15, 2017	Excellus BCBS
	Review benefit offerings and finalize all pending benefit changes, as required	September 15, 2017	Greater Tompkins & Excellus BCBS
	Finalize Greater Tompkins group structure changes, as required	September 15, 2017	Greater Tompkins & Excellus BCBS
	Complete and confirm all open enrollment dates, discuss enrollment process, as required	September 15, 2017	Excellus BCBS
	Final review/sign off on all benefit grids and rate sheets	September 15, 2017	Greater Tompkins
	<b>Implementation Tasks</b> <small>(Target dates are dependent on receipt of required documentation)</small>	Initiate internal implementation subcommittee and create milestone document, as needed	September 22, 2017
Initiate benefit coding		September 29, 2017	Excellus BCBS
Initiate communication with ProAct regarding impending changes		September 29, 2017	Greater Tompkins & Excellus BCBS



<b>Implementation Tasks</b> (Target dates are dependent on receipt of required documentation)	Excellus BCBS system set up for Greater Tompkins acquisition	October 20, 2017	Excellus BCBS
	Receipt of all appropriate membership	November 3, 2017	Greater Tompkins
	Initiate SR to Update feed to ProAct for eligibility	November 10, 2017	Excellus BCBS
	Initiate SR to update feed to ProAct for accumulators	November 10, 2017	Excellus BCBS
	Train Customer Service on Greater Tompkins benefit designs	December 15, 2017	Excellus BCBS
	Initiate Identification Card mailing (Dependent on enrollment file target date being met)	December 15, 2017	Excellus BCBS
	Coverage Begins	January 1, 2018	Excellus BCBS
	Begin monthly billing process	January 1, 2018	Excellus BCBS
	Continue meetings for 4 weeks post-implementation to ensure success	February 1, 2018	Greater Tompkins & Excellus BCBS



## Greater Tompkins County Municipal Health Insurance Consortium

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

May 16, 2017

Dear Greater Tompkins County Municipal Health Insurance Subscribers,

The Consortium Board of Directors recently adopted a resolution to add through ProAct, Inc. an International Prescription Drug program called CanaRx to all the Consortium's existing health insurance plans. The CanaRx program will dispense brand name pharmaceuticals that are on the attached list. These approximately 300 brand name pharmaceuticals are available to Consortium subscribers and dependents from government certified pharmaceutical manufacturers in Canada, United Kingdom, Australia, and New Zealand. A 90 day supply will be mailed directly to the subscriber's home at zero (\$0) copay. This CanaRx program provides a copay savings for our subscribers and provides a significant savings to the Consortium, as well.

Please note that using CanaRx pharmacy program is completely **voluntary**. To take advantage of this \$0 copay opportunity, the subscriber or dependent, will need to complete the CanaRx enrollment form. Then the prescribing physician will need to fax or mail the prescription to CanaRx. The medications are packaged and sealed individually in blister packs by the original manufacturer and delivered by mail directly to their home. With any new program there are questions, attached are some Frequently Asked Questions about CanaRx.

This opportunity will become available on July 1, 2017 to all Consortium health insurance plan subscribers. To prepare for this opportunity, those subscribers or dependents that are currently on medications listed on the CanaRx formulary will be receiving a mailing from ProAct providing them with an informational voluntary enrollment kit. As time goes on and subscribers or dependents are prescribed one of brand name maintenance medicines available through CanaRx, ProAct will notify these individuals of this opportunity to save copay dollars.

This CanaRx program does not replace ProAct's Mail Order program, which is another mechanism available to save on copay dollars. The Mail Order program provides a 90 day supply at only two copays.

In summary, beginning July 1<sup>st</sup> Consortium subscribers and dependents on brand name maintenance medications within the CanaRx formulary will have the opportunity to receive 90 day supply at a zero \$0 copay. Subscribers and dependents that can take advantage of this opportunity, will receive start-up information from ProAct by the end of May 2017.

If you have questions about CanaRx, call 1-866-893-6337.

Sincerely,

Don Barber, Executive Director  
Greater Tompkins County Municipal Health Insurance Consortium