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## Board of Directors Meeting

### April 24, 2014 – 5:30 pm - Old Jail Conference Room

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

1. Call to Order
2. Approval of February 27, 2014 Minutes (**VOTE**) (5:30)
3. Changes to the Agenda
4. Chair's Report: (5:35) D. Barber
5. Reports from Steve Locey: (5:45)
  - a. Financial Update - Update on 2014 year-to-date Performance
  - b. Year-end Financial Filing
6. Report from the Audit Committee (5:55) S. Thayer
  - a. **RESOLUTION:** Procurement Policy (VOTE)
  - b. **RESOLUTION:** Amendment of Consortium Budget to Create Expense Category for Medical Claims Audit and Charge to Audit Committee to Select Firm to Perform Audit (VOTE)
  - c. **RESOLUTION:** Approval to Proceed With Certification Process for New Employees (VOTE)
7. Report from Joint Committee on Plan Structure and Design (6:15) L. Shawley
  - a. **RESOLUTION:** Authorization for Consultant to Work with ProAct and the New York State Department of Financial Services to Develop a Unique Prescription Drug Plan Design for the City of Ithaca (VOTE)
  - b. **RESOLUTION:** Approval of Medicare Supplement Benefit Plan (VOTE)
8. Report from Owing Your Own Health Committee (6:35) D. Barber
  - a. **RESOLUTION:** Authorizing the Executive Committee to Negotiate Contracts with Ignite Health and Interactive Health Solution (Blue4U) to Conduct Pilot Wellness Screening Programs (VOTE)
9. Report from the Finance Committee (6:45) D. Barber
10. Report from Committee on Organizational Structure Committee: (6:50) A. Fitzpatrick
  - a. Executive Director Position Update
11. Adjournment (7:00)

**Next Meeting: June 26, 2014**

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**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  
February 27, 2014  
5:30 p.m.**

Draft 2-28-2014

**Scott Heyman Conference Room**

***Municipal Representatives: 13***

Don Barber, Chair (excused at 6:30 p.m.); Steve Thayer, City of Ithaca; Mack Cook, City of Cortland; Anita Fitzpatrick, Tompkins County; Laura Shawley, Town of Danby; Jennifer Case, 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; Chuck Rankin, Village of Groton; Rordan Hart, Village of Trumansburg

***Voting Union Representatives: 2***

Scott Weatherby, Chair, Joint Committee on Plan Structure and Design; John Licitra, Labor Representative (Alt.)

***Absent: 2***

Glenn Morey, Town of Groton; Herb Masser, Town of Enfield

***Others in attendance:***

Steve Locey, Locey & Cahill; Rick Snyder, Tompkins County Finance Director; Ashley Ahmadijpour, David Schryver, ProAct; B. Miller, Excellus; Sharon Dovi, TC3 Human resources Manger; Schelley Michell-Nunn, City of Ithaca Director of Human Resources; Margaret Gannon, CSEA Health Benefits Department

**Call to Order**

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

**Changes to the Agenda**

There were no changes to the agenda.

**Chair's Report**

Mr. Barber provided the following report:

"Our role, as Directors of GTCMHIC, is to direct and protect the Consortium.

"We each come to the table carrying the perspective of our member municipality or labor group. These two facts are not in opposition to each other. In fact it is important to the Consortium Board's deliberation process that we each bring our potentially diverse perspectives to the table. But when it comes time to make decisions and work on policy/strategy issues, it is our responsibility as directors of the Consortium to do what is best for the Consortium.

“Further, it is not an expectation that any one of us comes to the table as a health insurance expert or professional. Yet we are responsible for managing a \$36MM Health Insurance Company with the skills & experiences we bring to the table.

“I will freely admit I am a novice at health insurance. I appreciate that novices learn from observing the past, hoping not having to make drastic changes, and hoping that similar positive outcomes are achieved. And if we make any changes, we see what happens and note what impact that had for future decisions. With three years under our belt, we have done OK. This is in no small part due to the skill and experience of our Consultant L&C and our TPA’s Excellus and Pro-Act.

“At year 3 we are gradually coming to understand that the health care industry is complex with many moving parts. The Affordable Care Act (ACA) adds another layer of complexity. It has already caused some changes with ripple effects we are just beginning to recognize. Our consultants and TPA’s advise us that as the ACA continues to roll out there may be greater impacts to our company.

“For the Board of Directors and the Joint Committee development, I feel that a ½ day retreat to focus on both the dynamics of the claims costs outside the actions of our employees and the impacts of ACA is critical to developing benefit plans and business strategies; and to our role in directing and protecting this HIC.

“I seek your thoughts on this topic and if there is concurrence of the majority. Your suggestions as to when and how to put this Board development session together”.

Board members welcomed the suggestion of a retreat. A suggestion was made that invitations to attend be extended to other local municipal leaders who are not members of the Board. Mr. Barber will work with Third Party Administrators and the Consultant to schedule a half-day retreat with a focus on learning more about the health insurance industry and the Affordable Care Act.

**Approval of Minutes – December 19, 2013**

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

**Legal Council’s Recommended Changes to Municipal Cooperative Agreement**

Mr. Barber said a few months ago there was discussion about changing language in the Municipal Cooperative Agreement relative to an increase in labor representation upon an increase of municipal participants in the Consortium. Each municipality within the Consortium will need to approve the change in order for it to take effect. *Mr. Locey will notify the Department of Financial Services of this change.*

**MOTION NO. 001-21014 – APPROVAL OF CHANGES TO MUNICIPAL COOPERATIVE AGREEMENT WITH REGARD TO LABOR REPRESENTATION (SUBJECT TO APPROVAL BY PARTICIPANTS)**

It was MOVED by Ms. Drake, seconded by Mr. Licitra, and unanimously adopted by voice vote by members present, to approve the following changes to the Municipal Cooperative Agreement (subject to approval by municipal participants):

“5. The Union Members on the Joint Committee shall select from among the Union Members an individual to serve as an additional at-large voting Labor Member on the Board of Directors of the Consortium. If the number of municipal members on the Consortium rises to seventeen (17), the union members of the Joint Committee shall select from among the Union Members an additional at-large voting Labor Member on the Board of Directors of the Consortium. The at-large voting Labor Member(s) along with the Joint Committee Chair shall collectively be the “Labor Representatives” as defined in Section C(11) of this Agreement. If the number of municipal members on the Consortium rises to twenty-three (23), the Union Members may select from among their members a third At-Large Labor Representative to serve as a Director. Thereafter, for every increase of five (5) additional municipal members added to the Consortium Union Members may select from among their members one (1) At-large Labor Representative to serve as Director. Attached hereto as Addendum “B” is a table illustrating the addition of At-Large Labor Representatives as set forth in this Section. Any At-Large Labor Representative designated according to this section shall have the same rights and obligations as all other Directors.”

Five-Year Review of Municipal Cooperative Agreement

Mr. Barber alerted members that pursuant to the terms outlined in the MCA, the terms and conditions of the Agreement, or any amendments or restatements thereto, shall be subject to Board review on the fifth (5th) anniversary of the Effective Date and on each fifth (5th) anniversary date thereafter and at the annual meeting a year prior to the Review Date, the Board shall include as an agenda item a reminder of the Participants’ coming obligation to review the terms and conditions of the Agreement. This process will begin at the end of 2014.

Memorandums of Understanding – External Appeals

Ms. Fitzpatrick, Appeals Committee Chair, said documents were created based on a recommendation of the New York State Audit. Mr. Locey said this does not change the appeals process as there has always been a process in place for external appeals. The memorandums of understanding now require Excellus and ProAct to inform the Consortium of any external appeal and to subsequently provide information as to the outcome of any appeal.

**MOTION NO. 002-2014 – AUTHORIZATION TO SIGN MEMORANDUMS OF UNDERSTANDING BETWEEN EXCELLUS AND PROACT AND THE CONSORTIUM**

It was MOVED by Mr. Barber, seconded by Mr. Thayer, and unanimously adopted by voice vote by members present, to authorize the Chair of the Board to sign Memorandums of Understanding with Excellus and ProAct for the purpose of ensuring the Consortium is notified when an external appeal is initiated as well as the subsequent outcome.

**RESOLUTION NO. 001-2014 - APPROVAL OF GREATER TOMPKINS COUNTY  
MUNICIPAL HEALTH INSURANCE CONSORTIUM CODE  
OF ETHICS AND CONFLICT OF INTEREST POLICY**

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

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

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

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

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

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

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

(Adopted 2-27-2014)

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

1. Be dedicated to the concepts of an effective Consortium and believe that professional general management is essential to the achievement of this objective.
2. Shall affirm the dignity and work of the services rendered by the Consortium and maintain a constructive, creative, and practical attitude toward Consortium affairs and a deep sense of responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Conduct themselves so as to maintain public confidence in their profession, the Consortium, and in their performance of the public trust.
5. Conduct their official and personal affairs in such a manner as to give the clear impression that they cannot be improperly influenced in the performance of their official duties.

6. Recognize that the chief function of the Consortium at all times is to serve the interests of all members.
7. Shall not disclose **Confidential Information** to others or use to further their personal interest, confidential information acquired by them in the course of their official duties.
8. Shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
9. Make no unauthorized commitment or promises of any kind purporting to bind the Consortium.
10. Shall act impartially and not give preferential treatment to any private organization or individual.
11. Shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Consortium duties and responsibilities.
12. Shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards promulgated pursuant to this order.
13. Shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or disability.
14. Shall not invest or hold any investment, directly or indirectly, in any financial business, commercial, or other private transaction that creates a conflict with their official duties.
15. **Reporting of Ethics Violations.** When becoming aware of a possible violation of the Consortium's Code of Ethics, employees, Board of Directors, employees of members, and the public may report the matter to the Consortium Attorney-in-fact, John Powers, Esq.. In reporting the matter, members may choose to go on record as the complainant or report the matter on a confidential basis.
16. Employees and the Board of Directors should not discuss or divulge information with anyone about pending or completed ethics cases except as authorized by the Board of Directors.

\* \* \* \* \*

### **Consortium-wide Recertification Process**

Mr. Thayer, Audit Committee Chair, reported the Committee has been discussing the need for a Consortium-wide recertification process. It has recommended that because of the cost involved in doing a full eligibility audit that a recertification be done by each municipality within the Consortium to begin with new hires on April 1, 2014 and with the remaining employees on April 1, 2015. The Committee feels this is important because the Consortium has been operating for three years and has not done this. A recertification would look at covered lives to ensure that everyone who is being covered should be and that there are not ineligible spouses and dependents being covered. This process may bring a reduction in cost if it the process finds ineligible persons being covered. A form is being developed that will be used and will be provide consistency in the documentation being used by municipalities. The Committee

will review and make a recommendation on the forms at its next meeting. He noted there will be an amnesty period.

Mr. Weatherby said he would like to have this discussed by the Joint Committee on Plan Structure and Design before action is taken on this.

Ms. Miller said the Consortium should look at its membership and noted that when the Consortium first started there was not an application process conducted; therefore, if there was anyone who should not have been on the policy they were automatically moved over to the Consortium.

Mr. Thayer spoke of the documentation that employees would need to provide and noted that any financial information should be redacted from any documents presented. Once final revisions are being made to the documents Mr. Locey will provide each Board member with a copy.

Mr. Licitra said this was discussed at the last meeting of the Joint Committee on Plan Structure and Design and one issue that was raised was an amnesty program and would like additional information on this. Mr. Locey said the Committee discussed starting the process early with communication and informing employees there would be an amnesty period. In response to a question by Mr. Weatherby of whether employees could face any disciplinary actions by not complying it was stated that the Consortium has no jurisdiction over that and it would have to be a discussion between a municipality and bargaining units. Mr. Locey noted this process will be less intrusive than the full audit that was done by the New York State Insurance plan that was done a few years ago which CSEA was involved in.

Ms. Fitzpatrick questioned whether this is a process that could be done during open enrollment as opposed to the April 1 date. Mr. Locey said April 1 was suggested because that is usually a less busy time for municipalities. The open enrollment meetings could be used as a time to give employees notice of the upcoming process. Mr. Locey said in other consortiums where this has been done the number of individuals removed following the process ranged from between 1 and 5%.

It was decided that this process could be delayed by a month to allow input from the members and the Joint Committee on Plan Structure and Design. It will be included on the April 24 Board of Directors agenda.

#### Update on RFP for Claims Auditing Services

Mr. Thayer reported responses to the Request for Proposals for medical and prescription claims auditing services have been received and the Committee will begin looking at the information at its next meeting with a recommendation to the Board at its next meeting. The Committee is also reviewing a procurement policy.

#### **Committee on Organizational Structure Report**

Ms. Fitzpatrick, Chair, said over the last several months Board members recognized and began discussing the possibility of structuring the Board with an Executive Director position. Discussions began with a look at what organizational duties the position would entail and then moved to whether this would be an employer/employee relationship or a contractor relationship.

The scope of duties contained within the proposed Request for Proposals includes elements the Committee felt were important. There were concerns about what the employer/employee relationship would look like. Although as a Board the Consortium is not subject to civil service, all employees of the municipalities within the Consortium are, therefore, questions were raised as to whether the position would be subject to Civil Service. After discussion the Committee looked at issuing an RFP to see what it would look like for a person to provide those services to the Board.

Mr. Salton asked how it was determined that this position would be contractual and if there was any legal opinion rendered with regard to that. Ms. Fitzpatrick said the County's Deputy Personnel Commissioner did research on this but did not obtain a legal opinion. Mr. Salton said he would like to see a legal opinion of if it were a Consortium employee whether the position would be subject to Civil Service. He has concerns that the Consortium would be hiring another consultant and would not have control over a contractor as it would an employee. He believes there are inherent advantages in having an employee instead of a consultant. Ms. Fitzpatrick said a look was taken at other entities that have come under the umbrella of Civil Service in different ways and found that when taxpayer funds were involved the employees fell under Civil Service. The health insurance premiums are paid by both employees and employers and therefore, she believes this position would be subject to Civil Service. Ms. Fitzpatrick will seek a legal opinion on this prior to the next meeting.

**MOTION NO. 003-2014 – AUTHORIZATION TO ISSUE REQUEST FOR PROPOSALS – EXECUTIVE DIRECTOR**

It was MOVED by Mr. Cook, seconded by Ms. Drake, and unanimously adopted by voice vote by members present, to authorize the Consortium to issue a Request for Proposals for an Executive Director with the understanding that Committee on Organizational Structure will seek a legal opinion on whether the position would be subject to Civil Service it were an employee of the Consortium as opposed to a contractor.

It was the consensus that the Committee on Organizational Structure will review and evaluate responses to the RFP and will present the Board of Directors with a recommendation at the next meeting.

**Finance Committee Report**

Mr. Locey reported on year-end results for 2013 and said the net income was \$3.8 million after paying back approximately \$1.6 million for the initial assessments to municipalities. At this time all of the assets that are within the Consortium are now owned collectively by the Consortium and all municipalities are equal since those payments have been made in full. At year-end the Consortium had \$11 million in total cash assets; when accounting for almost \$6 million in reserves the Consortium ended the year with slightly over a \$5 million unencumbered fund balance.

Mr. Locey reported the Consortium ended 2013 with the same paid claims number that was estimated without the inclusion of the Town of Lansing and City of Cortland in the calculation. After including those municipalities in the revised budget the Consortium did even better. This is due greatly in part to the large losses being substantially lower than they were in 2012 when there were a couple of individuals who exceeded the Stop Loss deductible. This year there has been a couple of individuals who have exceeded the deductible but by a



significantly lesser amount. Also, with the addition of the Town of Lansing and City of Cortland there were not a lot of claims in the first few months and the Consortium is building additional reserves with the premium revenue.

Mr. Locey reported on 2013 expenses and said paid claims accounted for slightly over 93% of the total expenses for the population for the year. This means 93% went directly to payment of benefits of members which means the Consortium is being extremely efficient. He pointed out that in order to be deemed a reasonably-priced plan by the Affordable Care Act insurance companies for large groups have to show a medical loss ratio of not less than 85%. In terms of budgeted versus actual claims Mr. Locey noted that based on original projections for 2013 the Consortium finished the year within a few hundred dollars of what was projected.

Mr. Barber was excused at this time.

Mr. Locey expects to have final reporting information at the next meeting as well as the New York State Department of Financial Services Annual Statement, and Independent Auditors Report.

### **Owning Your Own Health Committee Report**

Mr. Cook, Member, said the Committee has been discussing the desirability and logistics of holding a Consortium-wide flu clinic. The primary reason for holding a clinic is for the health of employees although there are additional benefits such as a reduction of sick days. Mr. Cook said in 2013 there were approximately 1,283 claims for flu shots were processed through Excellus and approximately 200 flu shots were administered through ProAct. Mr. Cook noted that the claims processed by Excellus were from a variety of sources and not just flu clinics. Last year flu shots were administered to approximately 50% of the Consortium's covered lives and if the same amount were to receive one in 2014 at \$25 the cost would be approximately \$37,000. The Committee looked at alternatives and has determined that ProAct would be the Consortium's best resource for doing this and would also assist in marketing and administering a flu clinic program. Mr. Cook noted that the ProAct cannot administer a vaccine to anyone under the age of 19 because the shots are administered by pharmacists as opposed to doctors or nurses. He also noted this would be a voluntary program and that municipalities would not be required to participate.

With respect to funding for the flu shots the Committee sought guidance from the Finance Committee and it was recommended that it be funded as a paid claims expense by ProAct submitting a claim directly to the Consortium. Mr. Locey said although the cost has been estimated at \$37,000 it will likely be much less because most people who will receive a flu shot this year also received one last year and had an associated claim associated.

It was noted that employees who do not have health insurance will also be able to receive the flu shot for the same price but would have to pay the \$25 cost.

### **RESOLUTION NO. 002-2014 - AUTHORIZATION TO SPONSOR AND FUND FLU CLINICS FOR 2014**

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

WHEREAS, the Owing Your Own Health Committee has researched and discussed the desirability and most effective and cost-efficient manner to provide flu shots to Consortium members, and

WHEREAS the Committee reviewed data from both Excellus and ProAct which showed approximately 1,500 claims were processed in 2013 for flu shot vaccines, and

WHEREAS, the Committee believes the best available alternative would be engage the services of ProAct to assist Consortium members who so choose, in the administration of these clinics, and

WHEREAS, the Committee sought guidance from the Finance Committee on how to fund the expense of flu shots, now therefore be it

RESOLVED, That the Owing Your Own Health and Finance Committees recommends the Consortium promote the opportunity for all eligible employees and retirees, spouses and dependents over the age of 19 to participate in flu shot clinics in 2014,

RESOLVED, further, That the Board of Directors authorizes the Consortium to sponsor and fund flu clinics in 2014 for its members and authorizes ProAct, at the direction of each Consortium member, to develop and administer the clinics, and to submit a claim for payment by the Consortium for each shot provided to an eligible recipient at a cost not to exceed \$25 per shot.

\* \* \* \* \*

Mr. Cook continued the Committee report and said members are also working on developing a pilot Blue4U biometric screening program and a resolution promoting wellness within organizations, and a grant application through the Robert Wood Foundation to fund what a wellness program might look like if adopted at the local level.

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

Mr. Weatherby, Chair, reported at the last meeting he was officially appointed Chair. The Committee also appointed Olivia Hersey and John Licitra as alternates to the Board of Directors. There was a lengthy discussion of the Medicare supplement and he would like to see this move forward.

Mr. Locey said he believes at the next meeting the Committee will move forward to the Board of Directors a Medicare Supplement plan with some prescription drug options. Once this happens the Board may approve it as a plan offering or it could take it under advisement and refer to committee for further evaluation. There will also be discussion of additional plans that can be made available through the Consortium.

**Adjournment**

On motion the meeting adjourned at 6:53 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk



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**RESOLUTION NO.        - ADOPTION OF CONSORTIUM PROCUREMENT POLICY AND  
REQUEST FOR PROPOSAL GUIDELINES**

WHEREAS, the New York State Department of Financial Services has recommended the Consortium develop a policy for the purpose of establishing guidelines for the procurement of goods and services by the Consortium involving an expenditure of funds, and

WHEREAS, a policy was developed and reviewed by the Audit Committee that addresses the procurement of goods and services with additional guidelines for the development of requests for proposals, now therefore be it

RESOLVED, on recommendation of the Audit Committee, That the Board of Directors hereby adopts the attached Greater Tompkins County Municipal Health Insurance Consortium's Procurement Policy,

RESOLVED, further, That the Policy shall become effective immediately upon adoption by the Board of Directors.

\* \* \* \* \*

# Greater Tompkins County Municipal Health Insurance Consortium

## PROCUREMENT POLICY

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All procurements made by the Greater Tompkins County Municipal Health Insurance Consortium involving the expenditure of the Consortium funds will be made in accordance with the following procurement standards.

Purchases will be reviewed by the Consortium Treasurer to prevent duplication and to ensure that costs are reasonable.

### **I. METHODS FOR PROCUREMENT**

Procurements shall be made using one of the following methods:

#### **A. Verbal or Written Quotations**

Purchases which cost between \$1.00 and \$499.99 may be made by authorized purchasers using the purchaser's best discretion with expense(s) to be directly paid or reimbursed by the Consortium upon receipt of a valid proof of purchase (i.e. receipt or invoice). Efforts will be made to get the lowest and best price, but written documentation is not required.

Purchases which cost between \$500.00 and \$2,999.99 require three verbal (telephone) quotes. A memorandum shall be prepared detailing the date of contact, company name, contact person, pricing, and delivery terms. Purchaser shall make every attempt to ensure fair and competitive pricing.

Purchases of supplies, equipment, and professional services between \$3,000.00 and \$20,000.00 require written quotations. Reasonable attempts shall be made to obtain a minimum of three responses. Documentation detailing such attempts shall be prepared and filed with the paid bill file.

#### **B. Bids or Request for Proposals**

Bids will be sought for purchases of goods or equipment that exceed \$20,000. Detailed specifications will be developed for approval by the Consortium prior to posting on the appropriate website(s). Bids shall be awarded to the lowest responsible bidder(s) meeting all specifications with acceptable deviations. Bids shall be awarded by the Board of Directors.

Request for Proposals shall be sought when the cost for services is expected to exceed \$20,000. Specifications shall be developed and approved by the Consortium prior to posting on the appropriate website(s). As a general rule, Request for Proposals shall be posted on the appropriate website(s) for a minimum of twenty-one days. The Board of Directors shall authorize the award and contract for the requested service(s).

Request for Proposal specifications shall detail the following:

- Scope of Services

- Evaluation Criteria
- Project Schedule
- Contract Term

Contract shall be awarded to the offerer that submits the proposal determined to be in the best interest of the Consortium once proposals have been reviewed and, if needed, negotiated. Written evaluations of each response must be provided.

The Consortium reserves the right to reject all proposals, to negotiate with an offerer, and to solicit new Request for Proposals if determined to be in the best interest of the Consortium.

## **II. CONTRACTS**

Generally, all procurement involving services will require a written description of the service or, when applicable, a written contract.

A contract for professional services shall be for up to three years with the option to renew for an additional two years.

All contracts shall contain a cancelation clause which allows the Consortium to cancel any contract for cause. All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract without cause with either a 30 or 60 day notice.

All contracts shall contain indemnification and hold harmless language and shall state required insurance coverage as deemed sufficient and appropriate by the Board of Directors.

## **III. DOCUMENTATION**

Supporting documentation for purchases that do not require bidding or seeking proposals shall be retained and filed by the Consortium Treasurer or designee.

All bid and proposal responses shall be filed and maintained in accordance with the New York State Records Retention laws, in the Tompkins County Finance Department, Purchasing Division.

## **IV. ADDITIONAL GUIDELINES FOR RFP DEVELOPMENT (SEE ATTACHED)**

Please see the following page for additional guidelines for writing an RFP.

### ***GUIDELINES FOR WRITING AN RFP***

*Include Rules for Submitting a Proposal* – The rules for submitting a proposal (instructions) must be included in the specifications. Respondents will need to know who, where, and how (format) to submit their response.

*Make it a Performance Specification* – Describe the performance desired rather than specifying the exact goods or services that are required. For example, a janitorial contract for providing a “clean work environment” should outline the program goals and ask for the qualifications of the Respondent’s personnel rather than telling them the number of people needed to perform the work, their required qualifications, or the number of times they must perform certain tasks.

- *Keep it Non-Proprietary* – Do not specify the service so narrowly that it fits only one provider.
- *Disclose the Contract Term* – In the Statement of Work explain the term of the contract.
- *Disclose Award Criteria & Weights* – Disclose the criteria that will be used to evaluate the proposals and the weight that will be given to each criterion. This lets the Respondents know what is important and how their proposals will be judged.
- *Require Only What Will be Evaluated* – Do not ask for information that will not be considered in making the award and that will contain a cost to the Respondent to provide (such as financial statements). The Respondents will pass along that cost to you in their proposals so ultimately you would pay for something you did not intend to use.
- *Do Not Over Specify* – Do not ask for services that are not necessary. If you are not willing to pay for additional services, do not include them in the specifications unless you include them as “options”. To avoid the appearance of an arbitrary award, identify the priority of options that will be selected if funds are available. For example: “within budgetary limits, options will be awarded in the following priority: A, B, C, and F.”
- *Hold a Pre-Solicitation Conference if Necessary* – A pre-solicitation conference may be necessary to give Respondents a chance to clarify the specifications and propose changes or corrections to them.

### ***Checklist for Developing RFPs***

- Meet and discuss the end-user’s needs before and during development of the RFP.
- Establish the award criteria and include it in the RFP.
- Explain award criteria and how to evaluate the proposals that are received.
- Set up the scoring method and evaluation team before mailing the RFP.
- Determine if you will hold a Pre-Solicitation Conference.
- Determine the contract term and any options for extension.
- Establish a timeline for the RFP to include, at a minimum, the following:
  - Release Date
  - Ending Date for Questions
  - Pre-Solicitation Conference Date, Location and Time
  - Due Date
  - Award Date
  - Contract Commencement



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**RESOLUTION NO. – AMENDMENT OF CONSORTIUM BUDGET TO CREATE  
EXPENSE CATEGORY FOR MEDICAL CLAIMS AUDIT AND  
CHARGE TO AUDIT COMMITTEE TO SELECT FIRM TO  
PERFORM AUDIT**

WHEREAS, The Greater Tompkins County Municipal Health Insurance Consortium (“Consortium”) is a self-insured municipal cooperative health benefits plan operating pursuant to a Certificate of Authority issued in accordance with Article 47 of the New York State Health Insurance Law, and

WHEREAS, being a self-insured medical plan the Consortium is responsible for the payment of claims as adjudicated by the Third Party Administrator, currently Excellus Blue Cross Blue Shield, and

WHEREAS the total medical claims budget for the 2014 fiscal year is approximately \$23 million, and

WHEREAS the Board of Directors believes that it is part of their fiduciary responsibility to conduct periodic medical claims audits to ensure the medical claims are paid by Excellus are in accordance with the benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices, and

WHEREAS, the New York State Department of Financial Services, during its most recent audit recommended that the Consortium conduct periodic medical claims audits, now therefore be it

RESOLVED, That the Board of Directors authorizes the expenditure of no more than \$60,000 in the 2014 Fiscal Year Budget for the hiring of a qualified professional medical claims audit firm,

RESOLVED, further, That the Board of Directors charges the Audit Committee with making a recommendation to select a qualified professional firm to perform medical claims auditing services for the Consortium during the 2014 Fiscal Year,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to sign a contract on behalf of the Consortium with the selected medical claims audit firm.

\*\*\*\*\*



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125 East Court Street  
Ithaca, NY 14850  
607-274-5590  
INFO: [consortium@twcny.rr.com](mailto:consortium@twcny.rr.com)  
[www.tompkins-co.org/healthconsortium](http://www.tompkins-co.org/healthconsortium)

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

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.

\* \* \* \* \*





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**RESOLUTION NO. – AUTHORIZATION FOR CONSULTANT TO WORK WITH PROACT AND THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES TO DEVELOP A UNIQUE PRESCRIPTION DRUG PLAN DESIGN FOR THE CITY OF ITHACA**

WHEREAS, the City of Ithaca is a participating municipality within the Greater Tompkins County Municipal Health Insurance Consortium (“Consortium”), and

WHEREAS, the Consortium’s existing prescription benefit plan as administered by ProAct includes a three-tier prescription drug formulary plan which defines the tiers of medication as follows:

**Tier One drugs** are typically generics and have the lowest copayment amount;

**Tier Two drugs** are brand drugs that have unique, significant clinical advantages and offer overall greater value over the other products in the same drug class;

**Tier Three drugs** are all other brand drugs, including new brand drugs and drugs that have generic equivalents. Their Three drugs have the highest copayment amount;

and

WHEREAS, the City of Ithaca’s current collective bargaining agreement with the Ithaca Professional Fire Fighters Association, IAFF Local 737 includes a different 3-Tier Formulary definition:

*“Effective January 1, 2012, employees covered by this Agreement will be responsible for paying a prescription drug co-payment of \$5.00 for generic brand drugs, \$15.00 for name brand drugs with no generic equivalent, and \$30.00 for name brand drugs with a generic equivalent. Under this co-payment each prescription may be filled for up to a three (3) month supply. This co-payment is not reimbursable through any section of the health insurance program.”*

, and

WHEREAS, the Honorable Svante Myrick, City of Ithaca Mayor, has requested the Consortium develop a unique plan design for the Ithaca Professional Fire Fighters Association, IAFF Local 737 Ithaca which would comply with the Association’s collective bargaining agreement with the City which is set to expire on December 31, 2015, and

WHEREAS, it has been determined by ProAct and the Consortium's Consultant that such a plan design can be administered by ProAct, and

WHEREAS the Consortium's Consultant will develop a unique premium equivalent rate for the specific plan design being requested by the City of Ithaca, and

WHEREAS, this unique plan design is intended to only be offered to this particular unit and will not be available to any other participating municipality within the Consortium, and

WHEREAS, the Joint Committee on Plan Structure and Design has reviewed this situation and has unanimously approved a recommendation to the Board of Directors to develop the unique plan design for the Ithaca Professional Fire Fighters Association, IAFF Local 737 in accordance with the collective bargaining agreement with the City through December 31, 2015, now therefore be it

RESOLVED, upon the recommendation of the Joint Committee on Plan Structure and Design, the Board of Directors hereby authorizes the Consortium's Consultant to work with ProAct to develop the unique medical plan design described in the Ithaca Professional Fire Fighters Association, IAFF Local 737 collective bargaining agreement with the City of Ithaca for submission to the New York State Department of Financial Services for the Department's consideration and approval,

RESOLVED, further, That the agreement shall become effective as soon as practicable upon approval by the Department of Financial Services through December 31, 2015.

\* \* \* \* \*



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**RESOLUTION NO.            – APPROVAL OF MEDICARE SUPPLEMENT BENEFIT PLAN**

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

WHEREAS, the Joint Committee on Plan Structure and Design received a request to analyze the feasibility of adding a Medicare Supplement Plan to the Consortium’s plan options, and

WHEREAS, the Joint Committee on Plan Structure and Design, upon investigation, discussion, and analysis, has unanimously recommended the addition of the attached Medicare Supplement to the Consortium’s plan offerings, now therefore be it

RESOLVED, That the Board of Directors hereby approves the attached Medicare Supplement Plan to be offered by the Consortium, upon submission and approval by the New York State Department of Financial Services,

RESOLVED, further, That upon approval by the State, the Plan will be made available to the participating municipalities for consideration during the Fall of 2014 with the effective date being January 1, 2015.

\* \* \* \* \*



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**RESOLUTION NO.            – AUTHORIZING THE EXECUTIVE COMMITTEE TO NEGOTIATE CONTRACTS WITH IGNITE HEALTH AND INTERACTIVE HEALTH SOLUTIONS (BLUE4U) TO CONDUCT PILOT WELLNESS SCREENING PROGRAMS**

Whereas, third parties have found that the return on investment of individual customized wellness screening and coaching programs run about 7% after 2-1/2 years with voluntary participation at 1/3 of the total covered lives, and

Whereas, the Owing Your Own Health (OYOH) Committee has reviewed several different wellness programs and has found that individual customized wellness screening and coaching programs seem to have the most success in municipal environments, and

Whereas, the OYOH Committee has interviewed Ignitehealth and Interactive Health Solutions (Blue4U) and has both programs to offer the programs structure that are customized to the individual wellness needs, and

Whereas, these two programs have very different styles for interacting with the enrolled employee that the OYOH Committee feels can best be sorted out by running head to head pilot programs, and

Whereas the cost of running a 6 week pilot with approximately 30 employees with InteractiveHealth is at no charge and the cost for running a similar sample size with IgniteHealth is \_\_\_\_\_, and participation in either of these pilot programs does not commit the Consortium to further funding, now therefore be it

RESOLVED, That the GTCMHIC Board of Directors authorizes the Executive Committee to negotiate contracts with both Ignitehealth and Interactive Health Solutions (Blue4U) to conduct pilot programs beginning on or about June 1, 2014 and run for six weeks,

RESOLVED, further, That the City of Cortland, with the help of Interactive Health Solutions, will introduce the program to the employees and identify ~30 volunteers to participate and the City of Ithaca with the help of Ignitehealth will introduce the program to the employees and identify ~30 volunteers to participate,

RESOLVED, further, That the OYOH Committee will develop a questionnaire to be completed by all volunteers to describe their interactions and satisfaction with the wellness program they used,

RESOLVED, further, That the OYOH Committee will share with the Board of Directors the results of this head on head comparison and make a recommendation to the Board as to next steps.

# Bonadio & Co., LLP

## Certified Public Accountants

For info. only

171 Sully's Trail  
 Pittsford, NY 14534  
 Phone: (585) 381-1000  
 FAX: (585) 381-3131

Greater Tompkins County Municipal  
 Attn: Don Barber  
 Health Insurance Consortium  
 c/o Tompkins County Administration  
 125 East Court St  
 Ithaca, NY 14850

**Invoice Date:** April 9, 2014  
**Invoice Number:** BN57477  
**Client Number:** GRE066001

Professional services rendered in connection with the 2013 Annual Filing for the Consortium: 2,250.00

- \* Making and checking final changes to the report based on email communications from all interested parties
- \* Reviewing final QuickBooks postings and reports provided by Lisa Christian to ensure they reconcile to the Annual Filing
- \* Revising cross-walk from QuickBooks to the Annual Filing
- \* Distribution of final report to Consortium for filing

10 hours x \$225

Total \$2,250.00

Accounts Receivable Aging					
Current	31 - 60 Days	61 - 90 Days	91 - 120 Days	120+ Days	Total
6,918.75	0.00	0.00	0.00	0.00	6,918.75

**Payments due upon receipt. Past due balances are subject to a finance charge of 1.5% per month. Accounts receivable aging amounts above may include finance charges. A \$25 fee will be added to the account for each returned check.**

**Please reference your client number and invoice number when remitting your payment.**

# Bonadio & Co., LLP

## Certified Public Accountants

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Pittsford, NY 14534  
Phone: (585) 381-1000  
FAX: (585) 381-3131

For info. only

Greater Tompkins County Municipal  
Attn: Don Barber  
Health Insurance Consortium  
c/o Tompkins County Administration  
125 East Court St  
Ithaca, NY 14850

**Invoice Date:** March 31, 2014  
**Invoice Number:** BN55650  
**Client Number:** GRE066001

Professional services rendered in connection with the December 31, 2013 Annual Filing for the Consortium: 4,668.75

- \* Review QuickBooks and discuss additional entries needed with Lisa
- \* Discussion with Department of Financial Services regarding form and content of revised annual filing form
- \* Update previously entered data into revised template provided by the Department of Financial Services
- \* Review proposed adjusting journal entries from Ciaschi, Dietershagen, et al
- \* Work on data entry into annual filing template
- \* Discuss NY 11 information Don Rusconi from Acquarius Capital
- \* Speak to Lisa regarding additional transaction changes that needed to be made
- \* Review and cross-reference line-by-line instructions for the annual filing to the QuickBooks detail
- \* Discuss reporting for Drug Claims with actuary for proper treatment
- \* Clean up documentation and send out draft report to Consortium, Steve Locey, and Acquarius Capital

Total hours = 20.75 x \$225

Total \$4,668.75

Accounts Receivable Aging						
Current	31 - 60 Days	61 - 90 Days	91 - 120 Days	120+ Days	Total	
4,668.75	0.00	0.00	0.00	0.00	4,668.75	

**Payments due upon receipt. Past due balances are subject to a finance charge of 1.5% per month. Accounts receivable aging amounts above may include finance charges. A \$25 fee will be added to the account for each returned check.**

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