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

Board of Directors Meeting
December 19, 2013 – 5:30 pm - Old Jail Conference Room
(free parking in County lots after 5:00 pm)

1. Call to Order
2. Approval of September 26, 2013 Minutes (**VOTE**) (5:30)
3. Changes to the Agenda
4. Reports from Steve Locey:
 - a. Financial Update (5:35)
5. Chair's Report: (5:40) D. Barber
 - a. Update on NYS Audit
 - b. Ancillary Benefits
6. Action Items: (5:45)
 - a. Resolution: Election of Officers for 2014
 - b. Resolution: Designation of Banking Institutions
 - c. Resolution: Authorizing Contract for Actuarial Services - 2014
 - d. Resolution: Authorization to Execute an Agreement with ProAct for the Provisions of Pharmacy Benefits Manager - 2014
 - e. Resolution: Authorization to Purchase Insurance Policies: Stop Loss, Errors and Omissions, and Directors and Officers Liability Coverage
 - f. Set 2014 meeting schedule
7. Report from Owning Your Own Health Committee (6:05) D. Barber
8. Report from Joint Committee on Plan Structure and Design (6:15) Scott Weatherby/L. Shawley
 - a. **Resolution:** Approval of Contract Template for Employee Assistance Program Services - Family and Children's Services
 - b. **Resolution:** Approval of Contract Template for Flex Spending Account Program Services - EBS RMSCO and Sieba
9. Report from the Audit Committee (6:30) S. Thayer
 - a. **Motion:** Issue RFP for Medical and Prescription Drug Claims Auditing Services
 - b. **Resolution:** Approval of Consortium Privacy Policy
 - c. **Appointments:** Replace D. DeMarco; C. Rankin (terms expire December 31, 2013)

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

Board of Directors Agenda
December 19, 2013

10. Report from the Finance Committee (6:50) D. Barber
- a. **Resolution:** Authorization to Enter into Agreement with Bonadio & Co. OOP - Financial Report for 2014
 - b. **Resolution:** Authorizing Consortium Treasurer to Issue Payments to Participating Municipalities to Refund Initial Assessments with Interest (Capitalization Reserve)
 - c. **Appointment:** Replace Liz Karns (term expires December 31, 2014)
11. Report from Special Committees: (7:10) A. Fitzpatrick
- a. Appeals Committee Update
 - b. Committee on Organizational Structure (7:12)
 - 1. Discussion: Creation of Executive Director position
 - 2. **RESOLUTION:** Award of Contract - Consulting Services for Consortium
12. Adjournment (7:30)

Next Meeting: March 27, 2014 (tentative)



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**Board of Directors
September 26, 2013
5:30 p.m.**

Draft 10-5-2013

Scott Heyman Conference Room

Municipal Representatives: 11

Don Barber, Chair; Lucia Tyler, Town of Ulysses; Rordan Hart, Village of Trumansburg (excused at 6:40 p.m.); Mary Ann Sumner, Town of Dryden; Mack Cook, City of Cortland; Kathy Miller, Town of Lansing; Judy Drake, Town of Enfield; Liz Karns, Village of Cayuga Heights; Laura Shawley, Town of Danby (arrived at 5:39 p.m.); Steve Thayer, City of Ithaca; Betty Conger, Village of Groton

Voting Union Representatives: 1

Chantalise DeMarco, CSEA President, Joint Committee on Plan Structure and Design Chair

Absent: 5

Glenn Morey, Town of Groton; Charles Becker, Village of Dryden; George Apgar II, Ithaca Professional Fire Fighters Association; Herb Masser, Town of Enfield

Others in attendance:

Steve Locey, Locey & Cahill; Joe Mareane, Tompkins County Administrator; Tompkins County Finance Director; Rick Snyder, Tompkins County Finance Director; Sharon Dovi, TC3; Ashley Ahmadijpour, David Schryver, ProAct; S. Michell Nunn, City of Ithaca; Peter Salton, Village of Cayuga Heights

Call to Order

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

Approval of Minutes – July 25, 2013

It was MOVED by Ms. Sumner, seconded by Ms. Drake, and unanimously adopted by voice vote by members present, to approve the minutes of July 25, 2013 as submitted. MINUTES APPROVED.

Changes to the Agenda

There were no changes to the agenda.

Financial Report from Locey and Cahill

Financial Update

Mr. Locey said he distributed prior to the meeting a financial update through August and reported the Consortium is still doing very well from a financial perspective. Through the first eight months of 2013 the Consortium has approximately \$6.2 million in net income which has substantially increased the overall fund balance. All reserve requirements relative to Article 47 are being met and there is a very healthy unencumbered fund balance at this point. He called attention to a summation of all of the expenses the Consortium pays out on an annual basis and

said this information would be useful to share with legislative boards as it provides detail on how funds are being expended and also demonstrates how efficient the Consortium is in its financial operations. 92.3% of all of the expenses associated with the Consortium go directly to pay benefits and only 7.7% goes towards administrative expenses, including Stop Loss payments which is 2.2% of the budget, taxes which are 1% of the budget, Administration Fees for Excellus and ProAct is only at 3.44%. and the remaining is all of the other services associated with running the program.

To provide a frame of reference Mr. Locey said the Affordable Care Act requires at least 85% of the funds to be paid for claims and can charge up to 15% for administrative overhead. The Consortium is over 92%, the program is running at 7% which means it is extremely efficient from that perspective.

Affordable Care Act (ACA)

Mr. Locey reported that beginning in October 2013 the Health Insurance Exchanges will be open for enrollment. All employers were given a template letter to provide to employees as required by the ACA to inform them of their rights relative to joining the health care exchanges. He encouraged members to remind employees that if they choose to not take a program offered by an employer and go into one of the Exchanges they do not get the employer contribution towards that plan. Secondly, they need to be aware whatever premium they have to pay will be done with after tax dollars. The employer does not have the ability to run those premiums through a pre-tax basis. They should also be reminded that when comparing levels of premiums they need to look at the level of benefit and compare it what the Consortium is providing. Most Consortium plans are at the Platinum level of benefits.

Ms. Shawley arrived at 5:39 p.m.

Mr. Locey distributed a summary of ratings for the different regions for the Exchanges and a map and noted that even though there are carriers available in a specific region a look has to be taken by County to find the actual health insurance providers in a specific county location. He distributed information on the premium information for the Syracuse region with Tompkins County providers and will forward information for Cortland as well. He provided information on rates for comparison purposes and standard plan designs that are available through the Exchanges. He said if any Consortium employer has a need for comparative information they should let him know and he will put provide a comparison of plans.

Mr. Locey reported on the fees relative to the Affordable Care Act and said the Cadillac Tax is expected to come into effect in 2018. He said it is important for employers to understand what it could mean from a cost perspective if a program exceeds the levels for the Cadillac tax in the program.

Chair's Report

Update on NYS Department of Financial Services Audit

Mr. Barber provided an update on the New York State Financial Services Department Audit and recommendations that were presented at the Exit Meeting held August 22nd.

- The Plan establish procedures to ensure members of the effectiveness of internal controls and that the Board adopt written procedures to require annual certification either from the individual CPA or the Plan's General Counsel and that the Plan's adjudication procedures include those set forth in the claims manual and in accordance with applicable statutes, rules and regulations.

- That the Consortium Board obtain annual certification from Third Party Administrators' handling claims adjudication and that the claims are being processed in accordance to the Plan Document and applicable statues, rules, and regulations.
- That the Plan maintain the required amount in a bank account to satisfy the reserves requirement. This has been taken care of and all of the monies were in a separate segregated account and funds were subsequently transferred.
- Upon review of annual statement, the instructions of the JURAT require that the number of revisions be completed. (This is now being done)
- During review of the policy forms it was noted the Plan has a wellness program with the Village of Dryden and this program and its forms were not officially approved by the Department. The Department recommended that in future policy benefit forms be filed with the Department in compliance with Insurance Law.
- During review it was found that the State received some information from Excellus pertaining to an external appeal and it was found the information was not filed with the Department. The Department recommends that the Consortium report all requests for external appeals and outcomes to the Department. The Appeals Committee is aware of this and will be responding accordingly.
- That the Plan develop an Internal appeals process for appeals coming directly from members to the Consortium in compliance with Circular No. 1978.

Mr. Barber said the State will present the Consortium this information in writing and provide a timeframe to comment. If there are significant comments are made a subsequent meeting will be scheduled. Once the report is final it will be posted on the State's website.

RESOLUTION NO. 003-2013 - ESTABLISHMENT OF POLICY FOR PRIVATE ADVERTISING ON CONSORTIUM MATERIALS

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

Ms. Sumner asked if could be made clear that the Kinney logo on the back of the prescription card is not allowable information. Mr. Barber said this resolution does not do this; it would be up to a majority of the Executive Committee. He said the County has already indicated it does not want that logo on the back of the card; if this is the wish of the Consortium it can be communicated to ProAct. Mr. Locey said ProAct and Excellus can be asked to provide the Consortium with samples of any communications that are currently going out and any future communications can be presented and reviewed by the Executive Committee. Ms. Pottorff would be responsible for coordinating any information with the Executive Committee. There was a brief discussion of the distribution of any new cards by ProAct. Mr. Locey agreed with a suggestion that as opposed to sending out all new cards that any new cards issued not include the Kinney logo. A motion was not offered at this time with regard to the issuance of new prescription cards.

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WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) is a consortium of public entities that contracts with private entities such as Third Party Administrators and consultants for technical services, and

WHEREAS, contracting firms are not restricted by the GTCMHIC from autonomous decisions, actions, and communications with enrollees and GTCMHIC members, now therefore be it

RESOLVED, That the Board of Directors of the GTCMHIC establishes the Private Advertising on Consortium Materials Policy to be that all communications with enrollees must state who they are, the relationship to the GTCMHIC, the purpose of this particular piece of communication, and the necessary content to accomplish the stated purpose,

RESOLVED, further, That information contracting firms want to send to enrollees must first be approved by a majority of the Executive Committee of the GTCMHIC prior to its release,

RESOLVED, further, That this policy is not intended to delay the distribution of materials from vendors to members that may be informative and beneficial in nature.

* * * * *

RESOLUTION NO. 004-2013 - APPOINTMENT OF TREASURER – 2013

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

RESOLVED, That the Board of Directors hereby appoints Richard Snyder, Tompkins County Director of Finance, to replace David Squires as the Consortium Treasurer for the remainder of 2013.

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RESOLUTION NO. 005-2013 - CHARGING FINANCE COMMITTEE WITH APPROVING SUBCONTRACTOR/CONSULTANT VOUCHERS

MOVED by Mr. Barber, seconded by Ms. Tyler, and unanimously adopted by voice vote by members present. Ms. Sumner requested the Board of Directors receive a report on approved invoices.

WHEREAS, the Consortium receives invoices from subcontractors periodically for services rendered that were approved outside the budget process, and

WHEREAS, approval of invoices by the Board of Directors creates a lag in payment due to the bi-monthly meeting schedule, now therefore be it

RESOLVED, That the Finance Committee is hereby charged with approving subcontractor/consultant vouchers.

* * * * *

MOTION NO. 008-2013 – APPROVAL OF FUNDING FOR PURCHASE OF QUICKBOOKS LICENSES

It was MOVED by Mr. Barber, seconded by Ms. Sumner, and unanimously adopted by voice vote by members present, to approve \$398 to allow the County's Finance Department to

Board of Directors
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purchase two additional software licenses to complete the conversion to QuickBooks accounting software.

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MOTION NO. 009-2013 - Approval of Payment of Invoices - Bonadio Group

It was MOVED by Mr. Barber, seconded by Ms. Sumner, and unanimously adopted by voice vote by members present, to approve payment of an invoice to the Bonadio Group in the amount of \$4,500 dated June 30, 2013 and \$3,375 dated July 31, 2013 for professional services rendered to the Consortium.

* * * * *

MOTION NO. 010-2013 - Creation of Nominating Committee - 2014 Leadership Committee

It was MOVED by Mr. Barber, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to appoint the following members to serve on the 2014 Leadership Nominating Committee: Laura Shawley, Chair; Chantalise DeMarco, and Mack Cook.

* * * * *

Report from the Finance Committee

Mr. Locey distributed copies of a memorandum outlining the 2014 budget recommendation to provide members with the rationale behind the recommendation as well as resource that can be used to explain the various reserve accounts. The document also outlined the fees associated with the Affordable Care Act and their impact on the Consortium. Mr. Locey said the Consortium is fortunate for being self-insured under Article 47 because it does not have to pay the Health Insurance Sector fee which all insured programs have to pay. That fee is equal to two percent of all paid claims and has to be paid annually.

Mr. Locey reviewed the existing reserve funds and the recommendation of the Finance Committee to create a Catastrophic Claims Reserve that would be equal to two percent of the expected paid claims for the fiscal year. The purpose of establishing this reserve is because the Stop Loss deductible has increased each year and it is a good business practice that as risk increases that monies be set aside to protect the cash flow of the group to avoid being exposed to a significant catastrophic loss risk.

Other budget recommendations include maintaining the surplus account at 5%, maintain the IBNR (Incurred But Not Reported) at 12% of expected incurred claims, add a Catastrophic Claims Reserve at 2% of expected claims costs (\$600,000), continue to negotiate reasonable administrative fees with Excellus and ProAct, establish an investment strategy to ensure the Consortium is maximizing interest income, and approve an 8% increase in the Premium Equivalent Rate for 2014. The Finance Committee also recommends the Board consider paying back the full initial assessment that was paid by all of the entities with interest. In terms of anticipated losses, Mr. Locey said the Finance Committee looked at this last month and stated the Consortium has been remarkably fortunate in terms of catastrophic claims and has not had one that exceed the deductible yet; last year there had already been three. Mr. Barber emphasized that the Stop Loss is tied to the capitalization return. This year the Consortium received \$1.2 million back and this is being proposed to pay back the capitalization as opposed to use premium. He also noted that when the 2013 budget was set it did not include the City of Cortland or the Town of Lansing and in spite of them joining the budget is being decreased.

RESOLUTION NO. 006 - ADOPTION OF 2014 BUDGET

MOVED by Mr. Barber, seconded by Ms. Shawley.

It was MOVED by Mr. Barber, seconded by Ms. Sumner, and unanimously adopted by voice vote, to insert "with interest" in the second bullet. Mr. Barber noted that a decision will be made next year when to pay these funds back and at that time the New York State Department of Financial Services will be notified.

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

WHEREAS, the proposed 2014 budget was presented by the Consultant and unanimously recommended by the Finance Committee at the August 20, 2013 meeting for submission to the Board for its review, and

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

- 8% increase in the Premium Equivalent Rate;
- Payback of the Capitalization Reserve in its entirety with interest; and
- Establish a Catastrophic Reserve Fund at 2%

Now therefore be it

RESOLVED, That the 2014 budget for the Greater Tompkins County Municipal Health Insurance Consortium is hereby approved.

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Mr. Hart was excused at this time.

Report from Ad Hoc Committee on Municipal Cooperative Agreement Language Relating to Labor Representation

MOTION NO. 011-2013 - Amendment to Municipal Cooperative Agreement - Labor Representation on the Board of Directors - Section K(5)

Mr. Barber noted the Board of Directors can amend the proposal but it cannot adopt it as it will require a change to the Municipal Cooperative Agreement which would need to be signed by all municipalities. At this time Ms. Sumner read the proposal:

"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. If the number of municipal members on the Consortium rises to twenty-three (23), 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. Thereafter, for every five (5) additional municipal members added to the Consortium (i.e., 28, 33, 38, 43, 48, etc.), 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

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Labor Member(s) along with the Joint Committee Chair shall collectively be the "Labor Representatives" as defined in Section C(11) of this Agreement."

There was discussion of the proposal and a suggestion made to include a percentage figure for labor representatives, however, it was stated there would be a fluctuation in the percentage. Mr. Locey suggested for ease of explanation and once an increment of "X" is reached a labor representative would be added.

It was MOVED by Ms. Sumner, seconded by Mr. Cook, and unanimously adopted by voice vote, to endorse the addition of the language above to the Municipal Cooperative Agreement and sent to municipalities for updated signatures. Mr. Barber will work with Ms. Pottorff on getting this out to all municipalities.

Report from the Committee on Organizational Structure

Ms. Fitzpatrick, Chair, reported the Committee met three times. The Committee did not approach the questions simply framed in terms of whether the Consortium needs an executive Director or what is the role of the overall Consultant structure. It had to do with discussion among members and input from members in addition to Mr. Mareane, Mr. Locey and Mr. Barber, about where the Consortium started, what was the intent, and what has been the evolution since that time, what has been identified as additional functions and initiatives to move the Consortium forward. She said there was a very strong acknowledgement of the additional work that was required of Locey and Cahill during that infancy period as well as the additional burden placed on the Chair that was not anticipated when the Consortium began. Ms. Fitzpatrick said the Committee tried to define overall administrative functions that may be specific to the Board versus the role of various consultants or one major consultant, and decided that through the RFP (Request for Proposals) process time should be taken to include additional duties that may not have been anticipated or defined in the first RFP. With the assistance of Jackie Kippola, a second RFP was drafted and made available to the Board based on those discussions.

Ms. Fitzpatrick said a critical next step is the RFP for Consulting Services due to the timing to issue and follow-through on that process. The issue of an Executive Director is still in a discussion phase.

Mr. Barber asked that members review the contents of the RFP and ask questions pertaining to the RFP and no questions were asked. The following members agreed to serve on an RFP Review Committee to review and rate applicant responses: Judy Drake, Anita Fitzpatrick, Mary Ann Sumner, and Steve Thayer with assistance from Joe Mareane and Jackie Kippola.

MOTION NO. 012-2013 - Creation of Committee to Review and Rate Responses to RFP (Request for Proposals) - Consulting Services

It was MOVED by Mr. Barber, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to approve the following motion:

RESOLVED, That the following members shall be appointed to a Committee to review and rate responses to the Request for Proposals for Consulting Services:

Judy Drake
Anita Fitzpatrick

Board of Directors
September 26, 2013

Steve Thayer
Mary Ann Sumner

Joe Mareane and Jackie Kippola (staff resources)

* * * * *

Discussion of Executive Director Position

Ms. Fitzpatrick said there was diversity in the discussion by the Committee in terms of need, identifying roles and responsibilities, and there was a more global discussion of identifying the direction of the Consortium. Since the Consortium first began there has been emphasis on areas such as wellness or how to modify behavior, getting subscribers to utilize health insurance in an efficient and effective way, and to place emphasis on the members' responsibility and what the effect that has financially on the Consortium.

Ms. Karns said other things discussed with regard to the Executive Director position included having more leadership to the Board of Directors in order to give more direction to various initiatives including wellness and the analysis of claims. She said nothing is being done to change the pattern of utilization that would bend the cost of health care. She said there are things the Consortium can do to work with the local community in a more coordinated way that would hopefully change some of the costs. She sees this as a role of an Executive Director. She spoke of the enormous amount of administrative work that is needed and noted that all Board members serve voluntarily on a Board that operates a \$30 million organization.

Ms. DeMarco said the various committees have had discussions of the initiatives that can take place but there is no person who can facilitate those and make them happen. Mr. Thayer said he would like to see that the Consortium move slowly on this and make sure whatever decision is made is done correctly.

Mr. Mareane said he thinks this needs to be approached very carefully and clinically. Some of the things being discussed for an Executive Director relate to the fundamental mission of the Consortium and part of what is being discussed is a change from the original direction. That direction was to pool business and achieve economies of scale and to try to reduce administrative costs and all have shared in this. He stated the creation of an Executive Director requires a discussion of what the direction of the Consortium is. He spoke of the responsibilities Mr. Barber has taken on as Chair and all are in agreement that no volunteer can be expected to take on that kind of burden. Mr. Mareane said the County's main benefit in coming to the Consortium was to reduce administrative costs and as there is discussion of building new administrative costs to the Consortium that will impact the savings the County has enjoyed through this process.

Mr. Barber spoke of the cost associated with this and said it would be under \$100,000 and would make a very little difference in the Consortium's budget. It has to do with maturing as an organization and where the Consortium wants to go with the many initiatives that have been discussed. The RFP has been written in a manner that continues to shift a lot of that work to the Consultant. He commended Steve Locey for being receptive to the ideas and agreeable additional work that has been created but said that work still doesn't get initiatives off the ground. He said that the Consortium has a unique opportunity to control its destiny and said both the employees and employers benefit by rate increases going down.

Ms. Tyler said she likes the idea of being conservative with this but thinks there is a necessity to have a succession plan. Ms. Shawley said she is in favor of having an Executive

Director. She spoke of how far the Consortium has come and the great amount of work and initiatives being undertaken by all of the Committees and said an Executive Director is needed to move forward.

Ms. Drake said her main concern is continuity. With the exception of those who are employees of municipalities serving on the Board the rest are elected officials and that can and will change. She also worries about the financial aspect and taking on an additional expense but thinks the Consortium should have a person leading it.

Mr. Cook said he sees wellness and plan designs as being the Consortium's best defense against escalating costs and questioned whether efforts are as aggressive as they should be. He sees the Executive Director as a person who can do this and who could bridge relationships and engage union representatives more.

Report from Owning Your Own Health (OYOH) Committee

Mr. Barber, Chair, reported the Committee has had one meeting since the last Board meeting. The focus of that meeting was communicating with employees and their families which led to a discussion of health fairs which the City of Cortland, City of Ithaca, and the County are doing and ways to collaborate. That discussion will continue at the next meeting on October 9th. He spoke of flu clinics and said in addition to discussing opening currently planned clinics up to other Consortium members, there was discussion of whether the Consortium would be better off paying for it as opposed to members receiving the vaccine individually from physicians. Mr. Cook the City of Cortland has 42 members attend its health fair and receive the flu shot of which the City absorbed the cost. He said he did not do the best job possible in planning or promoting the clinic and suggested this is one area where an Executive Director could help.

Ms. Karns asked if information could be made available on when various municipalities are holding flu clinics. Mr. Locey suggested it be submitted for posting on the Consortium's website.

Report from Appeals Committee

Ms. Fitzpatrick, Chair, reported the Committee met on August 14th to develop a process for external appeals which was an issue identified in the State Audit. Mr. Locey said there already is an appeals process. If someone has an appeal that had to do with a denial for medical necessity, something was experimental, or something was investigational they are directed to go through the State process for those items. They go to Excellus or ProAct for the initial appeal and if not satisfied, they go to the State for an appeals process that comes back. If there are any external appeals, a memorandum of understanding is being put into place that directs ProAct and Excellus to notify the Consortium of any appeals process being started as well as the outcome of the appeal. There will also be some flow charts made available to explain the process.

Report from the Joint Committee on Plan Structure and Design

Ms. DeMarco, Chair, reported the Committee continues to discuss wellness topics and strives to reach having a quorum of members at meetings.

Board of Directors
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Report from the Audit Committee

Mr. Thayer, Chair, reported the Committee continues to review quarterly financial audit statements. In addition, the Committee is reviewing Request for Proposals for claims activity and establishing a privacy and security program policy for the Consortium.

Adjournment

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

Respectfully submitted by Michelle Pottorff, Administrative Clerk



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RESOLUTION NO. - ELECTION OF OFFICERS FOR 2014

WHEREAS, the Nominating Committee has proposed a slate of Officers to the Board of Directors at the December 19, 2013 meeting, now therefore be it

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

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

* * * * *

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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RESOLUTION NO. - DESIGNATION OF BANKING INSTITUTIONS

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

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

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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 ~
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**RESOLUTION NO. - 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, That upon recommendation of the Plan Consultant, Locey & Cahill, LLC and the Tompkins County Risk Manager, the Consortium shall purchase coverage for these insurance policies from the following for the period January 1, 2013 thru December 31, 2013:

- Stop-Loss Insurance for Medical and Prescription Drug Benefits that includes Aggregate Stop-Loss Insurance with an Aggregate Corridor of 125% (Highmark Insurance Company);
- Errors and Omissions Insurance (placed by insurance agent Haylor, Freyer and Coon);
- Directors and Officers Liability Insurance (placed by insurance agent Haylor, Freyer and Coon)

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

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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

Greater Tompkins County Municipal Health Insurance Consortium
BOARD OF DIRECTORS
2014 Meeting Schedule

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

Meeting time: 5:30 p.m. to 7:30 p.m.
Scott Heyman Conference Room
125 E. Court Street
Ithaca, New York 14850



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

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

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

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

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

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

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

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

* * * * *

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

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

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

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

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

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

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

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

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

* * * * *

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

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

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

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

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

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

* * * * *

Notice of Privacy Practices

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

PLEASE REVIEW CAREFULLY.

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

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

Use and Disclosures- Personal and health information is collected and used for the following purposes:
We will not disclose PHI to an unauthorized person not involved in your care or treatment, unless we are required or permitted to do so by law.

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

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

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

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

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

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

+

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

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

Individual Rights

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

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

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

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

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

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

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

Privacy Official
e-mail: _____
GTCMHIC
125 East Court Street
Ithaca, NY 14850
607-274-5590
607-274-5558 (fax)

This Notice is effective on or after _____2013.



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

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

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

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

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

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

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

Attachment

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

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2010-2013 Capitalization Payments (as of 12-31-2013)

Entry Date	Date of Investment	Entity Name	% of Premium Estimate 2010	Initial Investment Pro-Rata Share	Initial Investment (actual)	Percent Ownership 2011 and 2012	Percent Ownership 2013	Amount Earned on Investment as of 12/31/2012	Amount Earned on Investment as of 12/31/2013	Total Investment Value	Amount Paid	Balance Due
1/1/2013	10/1/2012	City of Cortland	n/a	n/a	\$180,000.00	0.00%	12.66%	\$0.00	\$5,682.98	\$185,682.98		\$185,682.98
1/1/2011	10/1/2010	City of Ithaca	34.97%	\$427,944.15	\$300,000.00	24.52%	21.10%	\$18,270.00	\$9,471.64	\$327,741.64		\$327,741.64
1/1/2011	10/1/2010	County of Tompkins	54.55%	\$667,566.34	\$500,000.00	40.86%	35.16%	\$30,450.00	\$15,786.06	\$546,236.06		\$546,236.06
1/1/2011	10/1/2010	Town of Caroline	0.50%	\$6,132.14	\$37,000.00	3.02%	2.60%	\$2,253.30	\$1,108.17	\$40,421.47		\$40,421.47
1/1/2011	10/1/2010	Town of Danby	0.33%	\$4,057.91	\$62,000.00	5.07%	4.36%	\$3,775.80	\$1,957.47	\$67,733.27		\$67,733.27
1/1/2011	10/1/2010	Town of Dryden	1.88%	\$22,962.18	\$137,032.00	11.20%	9.64%	\$8,345.25	\$4,326.39	\$149,703.64		\$149,703.64
1/1/2011	10/1/2010	Town of Enfield	0.21%	\$2,519.67	\$2,520.00	0.21%	0.18%	\$153.47	\$79.56	\$2,753.03		\$2,753.03
1/1/2011	10/1/2010	Town of Groton	0.52%	\$6,304.69	\$6,305.00	0.52%	0.44%	\$383.97	\$199.06	\$6,888.04		\$6,888.04
1/1/2011	10/1/2010	Town of Ithaca	3.63%	\$44,404.48	\$137,033.00	11.20%	9.64%	\$8,345.31	\$4,326.42	\$149,704.73		\$149,704.73
1/1/2013	12/1/2012	Town of Lansing	n/a	n/a	\$18,400.00	0.00%	1.29%	\$0.00	\$580.93	\$18,980.93		\$18,980.93
1/1/2011	10/1/2010	Town of Ulysses	0.46%	\$5,658.56	\$5,659.00	0.46%	0.40%	\$344.63	\$178.67	\$6,182.30		\$6,182.30
1/1/2011	10/1/2010	Village of Cayuga Heights	1.47%	\$18,040.32	\$18,040.00	1.47%	1.27%	\$1,098.64	\$569.56	\$19,708.20		\$19,708.20
1/1/2011	10/1/2010	Village of Dryden	0.50%	\$6,067.28	\$6,067.00	0.50%	0.43%	\$369.48	\$191.55	\$6,628.03		\$6,628.03
1/1/2011	10/1/2010	Village of Groton	0.62%	\$7,545.56	\$7,545.00	0.62%	0.53%	\$459.49	\$238.21	\$8,242.70		\$8,242.70
1/1/2011	10/1/2010	Village of Trumansburg	0.37%	\$4,535.17	\$4,535.00	0.37%	0.32%	\$276.18	\$143.18	\$4,954.36		\$4,954.36
Totals			100.00%	\$1,223,738.45	\$1,422,136.00	100.00%	100.00%	\$74,525.52	\$44,899.85	\$1,541,561.37	\$0.00	\$1,541,561.37
Interest Earned (Consortium) as of 12/31/2013												
Interest Earned (Bank) as of 12/31/2013 (estimated)												
Bank Charges												
Total Capitalization												

Prepared By: Lacey and Cahill, LLC

11/18/2013

Executive Director Job Duties
Draft: 11/26/2013

Employee is hereby employed as the Executive Director of the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC). The GTCMHIC Board of Directors serves as governing authority for the Consortium and also the authority for defining the duties and responsibilities of the Executive Director.

Throughout the term of this Agreement, the Employee will diligently, honestly and faithfully carry out his/her duties and responsibilities as Executive Director of the Consortium to the best of his/her ability, conduct himself/herself at all times in a manner consistent with the interests of the Consortium, and devote all of his/her time to its business, interests and affairs. **[The Consortium shall furnish the Executive Director with an office, clerical help, supplies, equipment and such other facilities and services as are adequate for performance of his/her duties.]**

The Executive Director shall be a part-time **employee/contractor**. The Executive Director shall report to the Board **six times** annually, providing a summary of progress made toward organizational goals and objectives, his/her general administrative activities during the period, his/her membership activities on behalf of the organization, attendance at conferences, etc. The Executive Director will establish a line of communication and will routinely work with the Administrative Clerk.

It is expressly agreed that absent formal authorization by the Board or its Chair, the Executive Director shall have no right or authority at any time to make any contract or binding promise of any nature on behalf of the Consortium, except as may have been previously approved in the Consortium's annual budget.

The Executive Director shall perform the job duties as generally set forth herein and any others as the Board may, from time-to-time, deem necessary, including:

1. Plan coordinate, direct and evaluate all programs and operations to ensure that services are performed efficiently and effectively and in accordance with the Board's direction.
2. Assure that the provision of the Municipal Cooperative Agreement and Article 47 regarding operation of the Consortium are faithfully observed and enforced.
3. Negotiate and monitor all contractual/consulting arrangements for compliance with such agreements as are authorized by the Board and contracted for.
4. Coordinate Board and committee meetings with the Administrative Clerk, including preparation of agendas, agenda packets and provision of same to the Board.
5. Prepare specifications and solicit proposals for professional services required by the Consortium.
6. Attend and report to the Board on all meetings and other business interaction that takes place with such providers in the course of the service to the Consortium.
7. In concert with the Consultant provide useful and timely information to Board members, employees, retiree, and other interested parties.
8. Oversee maintenance and updates of Consortium website.
9. Assist with the preparation and maintenance of Consortium records, reports, and files.
10. With the assistance of the Consultant, prepare, monitor and administer the Consortium's annual operating budget as approved by the Board.
11. In coordination with the Consultant, monitor and coordinate responses to legislative and/or regulatory initiatives which could impact the operation or continued viability of the Consortium.
12. Act as a liaison with State regulators and any other parties of interest with jurisdiction or ability to impact or affect the operations of the Consortium.
13. Act as a liaison between the Board and Consultant to ensure timely communication of information between such entities necessary to the efficient and successful operation of the Consortium.



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**RESOLUTION NO. - AWARD OF CONTRACT - CONSULTING SERVICES FOR
CONSORTIUM**

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

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

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

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

* * * * *

Consortium Members:

County of Tompkins ~ City of Ithaca ~ City of Cortland ~ Town of Caroline ~ Town of Danby ~
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