



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

Board of Directors Meeting

June 28, 2018 – **6:00 pm** – TC3 Sprole Conference Room

170 North Street, Dryden, NY

1. Call to Order
2. Approval of March 22, 2018 Minutes (**VOTE**) (6:00)
3. Changes to the Agenda
4. Chair's Report: (6:05) J. Drake
 - a. Appointment to Owning Your Own Health Committee: Tyler Jordan, Town of Danby Highway (Labor representative; term expires December 31,2020)
5. Report from the Executive Committee (6:10) J. Drake
6. Executive Director's Report (6:15) D. Barber
 - a. DFS Audit & Communications
 - b. NYS Legislature Bill for Agencies to Join Consortium
 - c. Captive Layer Stop-Loss
 - d. ProAct Formulary edits
 - e. Online Enrollment status
 - f. Potential members
7. Report from Consultant (6:35) S. Locey
 - a. Financial update
 - b. High Cost Claims Report
8. Report from Joint Committee on Plan Structure and Design (6:45) O. Hersey
 - a. **RESOLUTION:** Approval of Adjustments to the Silver Metal Level Plan
9. Report from Audit and Finance Committee (6:50) S. Thayer
 - a. Report on Financial Audit
 - b. **RESOLUTION:** Authorization to Extension of Contract for Medical Claims Auditing Services – BMI Medical Claims Auditing Services
 - c. **RESOLUTION:** Approval of Application Materials Municipalities Must Present for Application to Join the Consortium and Recommended Municipal Resolution Language
 - d. **RESOLUTION:** Resolution of the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium - Amendment to Conflict of Interest Policy (Resolution No. 001-2014)

Board of Directors Agenda
June 28, 2018

- e. **RESOLUTION:** Extension of Contract for Executive Director Services – Donald L. Barber
- f. **RESOLUTION:** Approval of Wellness Consultant Services Contract – Michelle C. Berry

- 10. Report from Owning Your Own Health Committee (7:10) T. Schiele

- 11. Status of New Website (7:15) D. Barber

- 12. New Business (7:20)

- 13. Adjournment (7:30)

Next Meeting: August 23, 2018



Greater Tompkins County Municipal Health Insurance Consortium

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

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

Draft 03-26-2018

Board of Directors

March 22, 2018 – 6:00 p.m.

Tompkins Cortland Community College – Sprole Conference Room

Municipal Representatives: 27

Steve Thayer, City of Ithaca
John Fracchia, Town of Caroline
Mack Cook, City of Cortland
Alex Patterson, Town of Aurelius
Judy Drake, Town of Ithaca
Charmagne Rungay, Town of Lansing
Eric Snow, Town of Virgil
Michael Murphy, Village of Dryden
Peter Salton, Village of Cayuga Heights
Bud Shattuck, Village of Union Springs
Laura Shawley, Town of Danby
Kathrin Servoss, Town of Dryden
Don Scheffler, Town of Groton
Tom Adams, Town of Marathon

John Malenick, Town of Montezuma
Terrance Baxter, Town of Moravia
Christine Laughlin, Town of Newfield
Edward Wagner, Town of Owasco
Jim Doring, Town of Preble
Gary Mutchler, Town of Scipio
Tom Brown, Town of Truxton (arrived at 6:12 p.m.)
Rordan Hart, Village of Trumansburg
Nancy Zahler, Town of Ulysses
Kristen Case, Village of Homer (arrived at 6:07 p.m.)
Luann King, Town of Cincinnatus
Sarah Thomas, Tompkins County
Kevin Williams, Town of Homer

Labor Representatives: 3

Olivia Hersey, 1st Labor Representative and Joint Comm. on Plan Structure & Design
Chair; Jim Bower, 2nd Labor Representative
Zack Nelson, 3rd Labor Representative

Excused: 4

Nancy Niswender, Village of Groton
David Schenck, Town of Springport

Alvin Doty, Town of Willet
Ann Rider, Town of Enfield

Absent: 2

Doug Perine, 4th Labor Representative

Tim Farrell, 5th Labor Representative

Others in attendance:

Don Barber, Executive Director; Rick Snyder, Treasurer; Sharon Clark, TC3; Caty Dawson,
Michelle Courtney Berry, guest; Donna Dawson, Village of Horseheads Clerk-Treasurer

Call to Order

Ms. Drake, Chair, called the meeting to order at 6:01 p.m.

Approval of Minutes of November 16, 2017

It was MOVED by Ms. King, seconded by Mr. Fracchia, and unanimously adopted by voice vote by members present, to approve the minutes of November 16, 2017 as submitted.
MINUTES APPROVED.

Changes to the Agenda

There were no changes to the agenda.

Chair's Report

Ms. Drake welcomed Directors to the TC3 Sprole Conference Room and asked for feedback on the room as long-term meeting space. While some Directors appreciated the shorter travel distance from the Cayuga County area, Ms. Zahler noted the additional driving time for others and asked that consideration be given to rotating meeting locations.

Appointment to the Audit and Finance Committee

It was MOVED by Ms. Drake, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present, to appoint Ann Rider to the Audit and Finance Committee for a term expiring December 31,2019. MOTION CARRIED.

Ms. Case arrived at this time.

Executive Committee Report

Ms. Drake, Chair, said due to timing an e-mail poll was taken of Directors and it received support to allow the Owning Your Own Health Committee to move forward with a Request for Proposals (RFP) for a Wellness Consultant and the purpose of the resolution that follows is to ratify that action.

RESOLUTION NO. 001-2018 - AUTHORIZATION TO ISSUE REQUEST FOR PROPOSALS FOR WELLNESS CONSULTANT

MOVED by Ms. Servoss, seconded by Ms. Zahler, and unanimously adopted by voice vote by members present.

Mr. Salton said he didn't have enough information to form an opinion on whether the hours stated in the RFP were too few or too many and asked if the Consortium would be bound by the number of hours in the RFP. Ms. Drake replied that the number of hours would be dependent on information received in responses to the RFP. Ms. Zahler asked if funding this was included in the 2018 budget. Ms. Drake said this is not included in the 2018 budget although there are sufficient funds available in the fund balance. She noted that this resolution only codifies the e-mail poll that was taken.

Mr. Brown arrived at this time.

A voice vote on the resolution resulted as follows: Ayes – 30; Noes - 0; Excused – 4 (Doty, Niswender, Rider, and Schenck); Absent – 2 (Perine, Farrell). RESOLUTION ADOPTED.

WHEREAS, through an electronic poll conducted on January 2, 2018 a majority of Directors supported a recommendation of the Owning Your Own Health Committee to develop a Request for Proposals (RFP) for a Wellness Consultant, now therefore be it

RESOLVED, That the Board of Directors retroactively authorizes the development of a Request for Proposals for a Wellness Consultant to work approximately 40 hours per month to complete the following scope of work:

1. Plan, coordinate, direct and evaluate all Consortium wellness programs and operations to ensure the Consortium's vision of a culture of preventative health care are conducted efficiently and effectively and in accordance with the Board's direction.
2. Develop point of contact with each municipal partner and, at least semi-annually, make site visits and connection with subscribers.
3. Support municipal partners in developing wellness policy and implementing worksite wellness programs.
4. Conduct outreach to all subscribers regarding wellness information and program opportunities and facilitate enrollment.
5. Stay abreast of wellness initiatives locally, statewide and nationally. Share that information with municipal partners and recommend Consortium-wide wellness initiatives.
6. Seek opportunities to collaborate with other employers in our area and our TPA's on wellness programs.
7. Attend and support all meetings of the Owing Your Own Health Committee.
8. Provide Wellness content for Consortium website, newsletter, and other subscriber outreach material.

RESOLVED, further, That the developed Wellness Consultant RFP packet must be approved by a majority vote of the Audit and Finance Committee before it is released to the public,

RESOLVED, further, That the Consortium is not bound to award the RFP, but is seeking proposals for further discussion.

* * * * *

Executive Committee Report (continued)

Ms. Drake said another topic discussed by the Executive Committee included composition of the Committee and members thought it would be important to invite Chairs of other Consortium committees to attend meetings. This will begin with the April 10 meeting.

Report from Executive Director

Mr. Barber responded to the suggestion to rotate meeting locations and said the issues the Board is dealing with involves parking and having a large enough room. He said there likely will be groups joining from Chemung County next year; therefore, rotating locations could be a consideration and welcomed additional suggestions. Video conferencing was suggested as an option to consider as it is permitted in the Municipal Cooperative Agreement.

DFS Communications

Mr. Barber said at last meeting there was discussion of Stop Loss and a captive layer the Consortium could move into. Since that time the Department of Financial Services communicated that it would allow the Consortium to move into that captive layer. The captive layer didn't move forward in 2018 but is working towards 2019. He and Mr. Salton will attend the first meeting of possible partners and will provide more information as it become available.

HCRA Tax

Mr. Barber reported on the HCRA (Health Care Reform Act) Tax which is a percentage of the claims and said he and Mr. Cook met with Assemblywoman Lifton and she said she would ask the Assembly's Insurance Committee to consider this. A conversation also took place with Senator Seward's office; they indicated it is a worthwhile topic and invited discussion for the 2019 State budget. Mr. Barber said this tax represents 2.65% of the Consortium's total paid claim expense.

Annual Retreat

Mr. Barber said the Retreat will be held on this room on April 26th at 6 p.m. Healthy refreshments will be available at 5 p.m. along with an opportunity prior to the retreat for Directors to meet and speak with others. The focus of the retreat will be on utilization and high cost claims.

Mr. Barber reported the quarterly newsletter has been distributed and welcomed feedback. Ms. Drake noted it should be going out to retirees; any municipality wanting the Consortium to send to its retirees can provide information to the Administrative Clerk.

Mr. Snyder reported he received a communication from the Department of Financial Services that the 2016 DFS audit findings are complete and the report has been sent to the Consortium.

Financial Report

Mr. Locey said financial information for 2018 is not yet available. He provided a detailed report on claims and claims-related expenses from January 2016 thru February 2018. He referred to Mr. Barber's earlier comments about the HCRA surcharge and stated if the Consortium can get relief from this it equates to 2-2.25% in premium. Mr. Locey said he is working with Excellus to break down the information based on the type of plan. He reviewed expenses for the first two months of 2018 and stated claims are 8% below budget. He noted, however, that amounts paid by the Plan are typically lower during this period as members are paying deductibles, out-of-pocket maximums, etc. In response to a question about the ITS Access Fee, Mr. Locey said these expenses could also include students, members who are on vacation, and high costs cases that are getting care outside the area.

Mr. Locey said one of the regulations included in the Affordable Care Act is that entities have to provide statements to employees about health insurance coverage they have had for the year. In an insured environment this is done by the insurance company and in a self-insured environment most employers are doing it. He said most large employers have systems in place to do this but small employers do not. He said they're trying to come up with a solution for small employers for IRS 1094 and 1095 forms and noted the reporting requirements differ between small and large employers.

Mr. Locey also spoke of the Retiree Drug Subsidy and said the Law put into place a subsidy system for employers that have retiree prescription coverage to encourage them to continue to offer Medicare retirees prescription drug coverage. It requires an application to be filed each year along with an actuarial attestation showing that an employer's program in both benefit and contribution are equal to or better than the Medicare Part D coverage. He said Locey and Cahill charges approximately \$2500-\$3,000 per year per client for services to provide the required information and he would like to make this available to Consortium employers if it would be cost effective and there is interest.

These items will be taken to the Audit and Finance Committee for further discussion.

Financial Audit and Year-end Financial Filing

Mr. Snyder reported the year-end closing is on schedule and the Jurat is in the review process.

Report from the Joint Committee on Plan Structure and Design

Ms. Hersey, Chair, reported the Committee has met three times this year and has been working on filling committee vacancies and improving attendance at meetings; she noted the Committee reaffirmed its quorum requirements at the last meeting. Ms. Hersey encouraged Directors to watch the video from the January meeting on the opioid epidemic and said it was very informative. At the last meeting Mr. Locey did a presentation on actuarial values for the Metal Level Plans and work will continue over upcoming months on changes that need to be made to the Silver Metal Level Plan to bring it into line.

Report from the Audit and Finance Committee

Mr. Cook, Chair, said the Board directed the Committee to determine what to do with the Stop Loss insurance. He stated that in 2017 the deductible was \$450,000; in 2018 the deductible will be \$600,00 with an approximate cost of \$435,000. He explained that as the deductible goes up the risk also rises and in conjunction with the decision on the Stop Loss the Committee has recommended an increase in the Catastrophic Claims Reserve.

RESOLUTION NO. 002-2018 - INCREASING CATASTROPHIC CLAIMS RESERVE AMOUNT

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

WHEREAS, the Consortium must select stop loss insurance, as required by Article 47 of New York State Insurance Law, and

WHEREAS, the Board of Directors has delegated responsibility for determining 2018 Stop Loss carriers to the Audit and Finance Committee, and

WHEREAS, the Audit and Finance Committee has considered to variations of Stop Loss insurance models and level of deductible, now therefore be it

WHEREAS, the Audit and Finance Committee directed the Board Chairperson to execute a contract with Highmark Life Insurance Company that set the 2018 deductible at \$600,000, and

WHEREAS, it is prudent fiscal responsibility to increase the Catastrophic Claims commensurate with the increased liability of more risk retention for claims, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors increases the Catastrophic Claims Reserve from \$1,350,000 to \$2,000,000.

RESOLUTION NO. 003-2018 - ADOPTION OF CONSORTIUM ONLINE ENROLLMENT POLICY

Mr. Barber said in response to concerns raised during 2018 contract discussions Excellus signed a Memorandum of Understanding (MOU) agreeing to report to the Consortium whenever someone was not added to the system. In order to get timely enrollment notification of unsuccessful enrollment, there is a need for all future enrollments to be done online. Large employers already do online enrollments and are familiar with the system, however, due to the infrequency of enrollments small employers may not be. The policy proposes that the Consortium, through the Treasurer's Office, assume this responsibility for entering enrollment

information into the Excellus system at no cost to the municipality. Upon adoption of the policy a letter will be sent to employers asking them to opt in or out of the service and will also provide specific information on their responsibilities.

Mr. Barber said to comply with HIPPA a One Drive mailbox is being set up for municipalities to secure the exchange of enrollment information between a municipality and the County.

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

WHEREAS, non-online subscriber enrollment has many opportunities for things to slip through the cracks and can result in delays due to the length of time between when a subscriber submits their enrollment change and when it is in the "system", and

WHEREAS, the Consortium's vision statement includes: "The Consortium administers operations by collaborating with claims administrators, providers, and employee representatives in an effort to manage its costs, efficiencies, and success," and

WHEREAS, adopting a policy whereby all enrollment changes being submitted online complies with the Vision Statement and works in concert with the Excellus software system to optimize delivery of service, and

WHEREAS, Excellus has committed to process timelines for online enrollment, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors adopts the "Online Enrollment Policy" ensure all enrollment changes as soon as practicable will be done "online".

* * * * *

ONLINE ENROLLMENT POLICY

FOR

GREATER TOMPKINS COUNTY MUNICIPAL INSURANCE CONSORTIUM

Article I

Purpose and Objectives

A. Purpose

The Greater Tompkins Municipal Health Insurance Consortium adopts the Online Enrollment Policy to ensure that hence forth all new enrollment, additions, deletions, and changes will be done online.

B. Objectives

The Consortium adopts this policy for two reasons:

1. It is important to our subscribers and their employer that each knows that enrollment changes are in the Excellus software system. Only the online process allows this notification to happen in a timely manner.

2. It is important that the municipal partners have a record of enrollment changes: for accurate invoicing by the Consortium and for communication between the municipal benefit managers/clerks and the subscribers in their group(s).

Article II

Consortium Staffing

The Consortium recognizes that many of our partners would not have the occasion to use the online system on a frequent enough basis to feel comfortable accepting this mandated policy of only making online enrollment changes. Therefore, the Consortium will provide staff to conduct online enrollment for those municipal partners wishing that service with no fee.

Article III

Municipality Responsibility

- A. To be clear, the Consortium is strictly providing a data entry function, NOT a human resource function. Municipal partners remain the direct contact with the subscriber. Therefore, the municipal partner is responsible for gathering all required information on the Excellus enrollment change form "SF FAP", ensuring its accuracy and completeness, and ensuring both the subscriber and the municipality have signed the Excellus enrollment change form "SF FAP". This **SF FAP form** is the information to be communicated to the Consortium and will be entered online.
- B. For all new family plan enrollments, the municipal employer is responsible for verifying the eligibility of dependents via the **Consortium's Dependent Certification Process**. Then signing and sending the **Dependent Eligibility Verification Form** to Consortium Enrollment along with form SF FAP.
- C. Municipal partners are free to conduct their own online enrollment. Process expectations are outlined in the **Excellus 2017 Memorandum of Understanding** (MOU). These same employers are also responsible for dependent verification of any newly added dependents to the plan.
- D. For any municipal partners using the Consortium's online enrollment data entry service, communicate the completed SF FAP form and the Dependent Verification Form to the Consortium through the Consortium's online web portal or fax: 607-274-5505.
If electronic submission is not possible, you may use mail but recognize an additional time lag built into this process.

US Mail: Greater Tompkins County Municipal Health Insurance Consortium
Attn: Enrollment
125 East Court Street
Ithaca, New York 14850

- E. These applications will be handled with HIPAA compliance through the Consortium online enrollment portal. Paper records (fax and US Mail) will be digitized and retained for a period no less than required by the NYS Records and Retention Schedule.

Article IV

Confirming Municipal Online Enrollment Process

All municipal partners must state in writing their **intention to make enrollments online**. Should a municipal partner wish the Consortium to provide their online data enrollment, the municipality will need to sign a **Release** so that Excellus can provide the Consortium with access to their account for online enrollment purposes.

Article V

Confirmation

Board of Directors
March 22, 2018

Once the enrollment application is received by the Consortium, the enrollment data will be submitted online within three (3) business days. Confirmation of enrollment will be sent back by the Consortium within 3 days of observing the change in the Excellus enrollment software.

Article VI
Contact

All questions and information should be communicated to Consortium Enrollment. Phone (607) 274-5403, Fax (607)274-5505.

* * * * *

RESOLUTION NO. 004-2018 - ADOPTION OF GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM INVESTMENT POLICY

Mr. Cook said this has been under consideration by the Audit and Finance Committee for approximately four years. Up until now there wasn't a need; however, interest rates are rising and the Consortium's fund balance is also rising. The policy mirrors State law and contains the same restrictions municipalities are under and all investments have to be collateralized. Mr. Cook said a Request for Proposals (RFP) will be issued for the management services. Mr. Snyder spoke in support of the Policy and for issuing an RFP.

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

WHEREAS, Section E(9) of the Municipal Cooperation Agreement of the Greater Tompkins County Municipal Health Insurance Consortium ("GTCMHIC" or "Consortium"), provides that the Board of Directors of the Consortium shall "establish administrative guidelines for the efficient operation of the Plan"; and

WHEREAS, Section J(5) of the Municipal Cooperation Agreement provides that the "Chief Fiscal Officer may invest moneys not required for immediate expenditure in the types of investments specified in the General Municipal Law for temporary investments or as otherwise expressly permitted by the Superintendent"; and

WHEREAS, Section 4706(b) of the New York State Insurance Law provides that the Consortium's "reserve funds and surplus account" may be invested "in obligations specified in the general municipal law or education law (as applicable) for investment of moneys in reserve funds or as otherwise expressly permitted by the superintendent"; and

WHEREAS, the Consortium desires to adopt a formal "Investment Policy" whose primary objectives in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return, now therefore be it

RESOLVED, that the Audit and Finance Committee hereby recommends that Board of Directors:

1. Adopts the *Investment Policy for the Greater Tompkins County Municipal Health Insurance Consortium* (the "Investment Policy") attached hereto as Exhibit "A"; and
2. Delegates to the Consortium's Chief Financial Officer the authority to: (i) administer the Consortium's investment program (the "Investment Program") pursuant to the terms and conditions of the Investment Policy; and (ii) to develop, recommend, and

oversee such written procedures as are necessary for the operation of the Investment Program in compliance with the Investment Policy and all applicable federal and state laws; such written procedures becoming effective only upon approval by the Board.

* * * * *

EXHIBIT "A"

INVESTMENT POLICY

FOR

GREATER TOMPKINS COUNTY MUNICIPAL INSURANCE CONSORTIUM

Article I

Purpose and Objectives

A. The purpose of this Investment Policy (the "**Policy**") is to set forth the parameters within which the funds of the Greater Tompkins County Municipal Health Insurance Consortium (the "**Consortium**") are to be managed. In methods, procedures, and practices, the Policy formalizes the framework for the Consortium's investment activities that must be exercised to ensure effective and judicious management of its funds.

B. This Policy applies to all moneys and other financial resources of the Consortium with regard to depositing and investing its assets, and the Policy shall represent the investment constraints of all invested assets.

C. The primary objectives for implementation of the Policy, in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return.

Article II

Delegation of Authority

A. Pursuant to Section J(5) of the Municipal Cooperation Agreement of the Consortium,¹ the Board of Directors of the Consortium (the "**Board**") may delegate certain responsibilities set forth herein to the Chief Fiscal Officer of the Consortium (the "**CFO**").

B. As set forth in Article II, Section (A) above, the Board hereby delegates to the CFO, the authority to administer the Consortium's investment program (the "**Investment Program**"), and to establish written procedures for the operation of the Investment Program consistent with this Policy, and all applicable federal and state laws². However, any such written procedures shall become effective only upon approval by the Board.

Article III

Standards of Care

A. Prudence.

¹ See Section J(5) of the 2014 Amendment to the Municipal Cooperation Agreement.

² See Section 10 and 11 of the New York State (the "**State**") General Municipal Law, and Section 4706(b) of the State Insurance Law.

1. Each person responsible for managing and investing the Consortium's financial assets shall act in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. When making investment and management decisions, the primary objectives for implementation of the Policy set forth in Article I, Section (C) above shall be considered.

2. In making decisions regarding management and investment of the Consortium's financial assets, the following non-exclusive factors shall be considered, if relevant:

- i. general economic conditions;
- ii. the possible effect of inflation or deflation;
- iii. the role that each investment or course of action plays within the overall investment portfolio of the Consortium;
- iv. the expected total return from income and the appreciation of its investments;
- v. other resources of the Consortium;
- vi. the needs of the Consortium and the specific funds to make distributions and to preserve capital; and
- vii. an asset's special relationship or special value, if any, to the purposes of the Consortium.

B. Ethics and Conflicts of Interest. Officers, members, and employees of the Consortium involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the Investment Program, or that could impair their ability to make impartial investment decisions. Officers, members, and employees involved in the investment process shall disclose to the Consortium's Executive Director and the Board any material financial interests they have in financial institutions that conduct business with the Consortium, and shall further disclose any personal financial/investment positions that could be related to the performance of the Consortium's investment portfolio. Officers, members, and employees involved in the Investment Program shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Consortium; and shall be bound by the Consortium's Code of Ethics Policy.

Article IV Suitable and Authorized Investments

A. The following investments are permitted by the Policy:

1. U.S. Treasury & Government Guaranteed. Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided that the Full Faith and Credit of the United States of America must be pledged to any such direct obligation or guarantee ("**Direct Obligations**").

2. Municipals. Obligations issued or guaranteed by any of the following:

- i. Obligations of the State; or
- ii. With the approval of the State Comptroller, obligations issued pursuant to Section 24.00 or 25.00 of the State Local Finance Law (i.e. Tax Anticipation Notes and Revenue Anticipation Notes), by any municipality, school district or district corporation in the State, other than the Consortium.

3. Time Deposits. Special time deposit accounts, or non-negotiable certificates of deposit ("CD") in a State "banking institution"³ or federally chartered banks, savings and loans or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with State Law.

Article V
Investment Parameters

A. Diversification. Investments of funds of the Consortium shall be diversified to limit the risk of loss resulting from the concentration of assets in a specific type of investment, specific maturity, specific issuer or specific sector. The diversification strategy shall be reviewed as frequently as circumstances require, but at least annually.

The following diversification parameters have been established:

Sector Type	Sector Max (%)	Issuer Max (%)	Ratings Requirement ¹	Max Maturity
US Treasury and Government Guaranteed	100%	N/A	N/A	10 Years ²
Municipals	30%	5%	Top Three Ratings Categories	10 Years
Time Deposits and Certificates of Deposit	50%	FDIC Limit	N/A, so long as FDIC-guaranteed	5 Years
¹ By a Nationally Recognized Statistical Ratings Organization ("NRSRO") ² Government guaranteed mortgage backed securities shall have a maximum weighted average life of 10 years				

B. Subsequent Credit Downgrades. In the event of a downgrade of a security below the minimum credit standards for a new investment of that security, the CFO shall evaluate the downgrade on a case-by-case basis, and promptly notify the Board and recommend a course of action. If the CFO and/or the Board has retained a professional investment advisor, the investment advisor shall promptly notify the CFO of any downgrade below the minimum credit standards and recommend a course of action.

Article VI
Investment Institutions

A. All financial institutions and dealers with which the Consortium transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size and other factors that make the financial institution or the dealer capable and qualified to transact business with the Consortium.

B. The CFO shall evaluate the financial position of all financial institutions and dealers with which the Consortium transacts business, and maintain a listing of proposed depositories, trading partners, and custodians. Recent Reports of Condition and Income (i.e. call reports) shall be obtained for proposed banks, and security dealers that are not affiliated with a bank, shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as "primary dealers."

³ As such term is defined in Section 9-r of the State Banking Law.

Article VII
Qualifications of Broker-Dealers

A. The Consortium shall maintain a list of approved security broker-dealers selected by a process of due diligence, which process shall require all broker-dealer candidates to supply the following:

1. Audited financial statements demonstrating compliance with State and federal capital adequacy guidelines;
2. Proof of certification from the Financial Industry Regulatory Authority;
3. Proof of State Registration required by the State General Municipal Law;
4. Evidence of adequate insurance coverage; and
5. Certification and acknowledgement of having read, understood and agreeing to comply with this Policy.

B. Approved security broker-dealers may include primary dealers or regional dealers registered with the Securities Exchange Commission ("**SEC**") that comply with SEC net capital standards under Section 15c3-1 of the Securities Exchange act of 1934 (the "**Exchange Act**").

C. The Consortium is authorized to employ an external investment advisor that shall maintain its own list of approved and qualified security broker-dealers, subject to the same process of due diligence set forth in Article VII, Section (A) above.

Article VIII
Competitive Transactions

A. To ensure that transactions meet best execution requirements, the Consortium has established the following procedures:

1. The CFO or the investment advisor, to the extent applicable, shall seek to obtain at least three (3) competitive bids or offers on any necessary contract related to the purchase and sale of investments; and
2. The CFO or the investment advisor, to the extent applicable, shall document any competitive bids, offers, or quotations received in reliance on this Article.

B. If the Consortium hires an external investment advisor as permitted by Article VII, Section C of this Policy, the advisor must retain documentation demonstrating compliance with this Article, to the extent it is applicable, and provide such documentation to the Consortium upon request.

Article IX
Securing Deposits and Investments

A. All deposits and investments at a bank or trust company, including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively, the "**Deposits**") made by officers of the Consortium that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, including pursuant to a Deposit Placement Program in accordance with applicable law, shall be secured by:

1. A pledge of "**eligible securities**"⁴ with an aggregate market value that is at least equal to the aggregate amount of the Deposits;

⁴ As defined in Section 10(1)(f) of the State General Municipal Law, and as further set forth in Schedule "A" attached hereto and made a part hereof.

2. A pledge of a pro rata portion of a pool of eligible securities, having in the aggregate a market value at least equal to the aggregate amount of the Deposits;
3. An “**eligible surety bond**”⁵ payable to the government for an amount at least equal to one hundred percent (100%) of the aggregate amount of the Deposits and the agreed-upon interest, if any, executed by an insurance company authorized to do business in the State, whose claims-paying ability is rated in the highest rating category by at least two (2) nationally recognized statistical rating organizations;
4. An “**eligible letter of credit**,”⁶ payable to the Consortium as security for the payment of one hundred forty percent (140%) of the aggregate amount of the Deposits and the agreed-upon interest, if any. An “eligible letter of credit” shall be an irrevocable letter of credit issued in favor of the Consortium for a term not to exceed ninety (90) days, by a qualified bank (other than the bank where the secured money is deposited). A qualified bank is either one whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company’s commercial paper and other unsecured short-term debt obligations) are rated in one (1) of the three (3) highest rating categories by at least one (1) nationally recognized statistical rating organization, or one that is in compliance with applicable federal minimum risk-based capital requirements; and/or
5. An irrevocable letter of credit issued in favor of the Consortium by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one (1) nationally recognized statistical rating organization, as security for the payment of one hundred percent (100%) of the aggregate amount of the Deposits, and the agreed-upon interest, if any.

Article X Safekeeping and Custody

A. Third-Party Safekeeping. All investment securities purchased for or held as collateral on deposits or investments shall be held by an independent third-party safekeeping institution, such as a bank, trust company, or third-party custodial agent who may not otherwise be a counter-party to an investment transaction, selected by the Consortium (the “**Independent Safekeeping Institution**”), and subject to security and custodial agreements as follows:

1. Consistent with Section 10(3)(a) of the State General Municipal Law, the security agreement shall provide that eligible securities are being pledged to secure the Deposits together with agreed-upon interest, if any, and any costs or expenses arising out of the collection of the Deposits upon a default. It shall also provide the conditions under which the securities held may be sold, presented for payment, substituted or released and the events of default which will enable the local government⁷ to exercise its rights against the pledged securities. Such agreement shall include all provisions deemed necessary and sufficient to secure in a satisfactory manner the local government’s interest in the collateral.

2. The custodial agreement shall provide that the pledged securities will be held by the Independent Safekeeping Institution as agent of, and custodian for, a local government, and will be kept separate and apart from the general assets of the Independent Safekeeping Institution, and it shall also provide for the manner in which the Independent Safekeeping Institution shall confirm the receipt, substitution or release of the collateral. Such agreement shall further provide for the frequency of revaluation of collateral by the Independent Safekeeping Institution, and the substitution of collateral when a change in the rating of a security causes ineligibility pursuant to the State General Municipal Law.⁸

⁵ See State General Municipal Law Section 11(1)(g).

⁶ See State General Municipal Law Section 11(1)(h).

⁷ As such term is defined in Section 10(1)(a) of the State General Municipal Law.

⁸ See Section 10(3)(a) of the State General Municipal Law.

3. The security and custodial agreements shall also include all other provisions necessary to provide the Consortium with a perfected security interest in the eligible securities and to otherwise secure the local government's interest in the collateral, and may contain other provisions that the Board deems necessary.

B. Internal Controls. The CFO shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be designed to prevent the loss of funds arising from fraud, employee error, and misrepresentation by third-parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Consortium. The system of internal controls shall further provide a satisfactory level of accountability based upon records incorporating the description and amounts of investments, the fund(s) for which they are held, the place(s) where such funds are kept, and other relevant information, including dates of sale or other dispositions and amounts realized. In addition, the internal control procedures shall describe the responsibilities and levels of authority for key individuals involved in the Investment Program.

Article XI **Performance Standards/Evaluation**

A. Assets will be managed in accordance with the parameters specified within this Policy. Performance should be compared to a relevant benchmark or benchmark(s), at regular intervals, but at least on a quarterly basis.

B. Prior to any reporting period, a performance benchmark or benchmarks will be established by the Board. The benchmark(s) shall be reflective of the actual securities being managed and risks undertaken; and the benchmark(s) shall have a similar weighted average maturity and credit profile as the portfolio.

Article XII **Reporting/Disclosure**

A. The CFO shall prepare or have prepared an investment report each quarter, including a summary that provides an analysis of current investments (the "**Investment Report**"). The Investment Report shall be prepared in a manner that will allow the Board to ascertain whether investment activities during the reporting period have conformed to the Policy.

- B. The Investment Report shall include, at a minimum, the following:
1. An asset listing showing par value, cost and accurate and complete market value of each security, type of investment, issuer, and interest rate;
 2. Average maturity and duration of investments;
 3. Maturity distribution; and
 4. Average portfolio credit quality.

Article XIII **Review of Policy**

The Board shall review the Policy at least annually, within one hundred twenty (120) days of the end of the fiscal year, to reflect developments affecting the Consortium's finances and activities, and to ensure its consistency with the primary objectives set forth in Article I, Section (C) herein.

Article XIV **Policy Adoption**

This Policy is adopted by the Board this 22nd day of March, 2018.

SCHEDULE “A”

Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage ⁹

“Eligible Securities” for Collateral	For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:
(i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government- sponsored corporation.	100%
(ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.	100%
(iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.	100%
(iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of this State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.	100%
(v) Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.

* * * * *

Audit and Finance Committee Report (continued)

Mr. Cook said as the Consortium continues to be successful and grows the Audit and Finance Committee will be looking at the Consortium potentially being approached by an employer to join that has a large-enough number of employees that it could change the risk profile. The Committee will also be looking at the Retire Drug Subsidy to see if the benefit could be made more readily available to smaller municipalities.

Ms. Drake announced at its last meeting Mr. Cook was elected to Chair the Audit and Finance Committee and Laura Shawley was elected Vice Chair.

Mr. Barber reported the Prescription Drug Audit that was performed by BMI is complete and has been accepted by the Audit and Finance Committee. The auditors did not find anything of significance and said ProAct was doing a great job.

Report from the Owing Your Own Health Committee

Mr. Barber reported on behalf of Ted Schiele, Committee Chair, who was unable to attend, and stated there was one response received to the Request for Proposals for a Wellness Consultant. The applicant appears to exceed all minimum requirements for the position and in many instances brings much more pertinent experience and expertise. The Committee is very pleased at having this level of talent and experience to consider. Mr. Barber said the applicant,

⁹ See State General Municipal Law Subsections (10)(1)(f)(i)-(iv) and (vii).

Board of Directors
March 22, 2018

Michelle Berry, was in attendance and noted she spent a lot of time understanding the Consortium and its mission and vision. The Review Committee will meet next week and will be interviewing her at that time.

Website Committee

Mr. Barber reported the Committee came up with a homepage design and general structure that has been sent to the Consultant who is constructing the site. Once complete, the site will be released for to Directors and others for feedback.

New Business

There was no new business.

Adjournment

The meeting adjourned at 7:25 p.m.

Dear Subscriber,

We are writing you to inform of updates that will be made to your prescription plan through the Greater Tompkins County Municipal Health Insurance Consortium as of August 1, 2018.

The reason for this letter and the current implementation of updates is that a regularly scheduled audit identified discrepancies between some plan documents filed with the Department of Financial Services and ProAct's implementation of those plans. In particular, Prior Authorizations and Step Therapy are required for certain medications on all 3 tier plans. Going forward, ProAct will correct these inconsistencies in their administration of your prescription benefits to match the filed plan document.

Please note that we will only require Step Therapy on new medications. Current prescriptions that would have required Step Therapy will not require Step therapy and be dispensed as before.

If you're directly impacted by this update you will receive a separate letter instructing you how to move forward.

What is Step Therapy?

For many conditions there are several medicines that can be used for treatment. Step Therapy requires that a less expensive but just as effective medicine be used first. Step Therapy also recognizes that patients respond differently so a pathway is created for other medicines to be used. Step Therapy requires the patient to try a Step 1 medication first, before a Step 2 medication may be covered. When a subscriber brings a prescription to the pharmacy, the system will automatically screen the medication for step therapy requirements. If your prior pharmacy claims show you have tried a Step 1 medication in the recent past, the Step 2 medication may be processed. If not, the pharmacist will contact your doctor for further explanation. It is important to remember your health care needs are the top priority and with Step Therapy protocols both you and the Consortium save while trying Step 1 medications. We encourage you to discuss your treatment and medication options with your doctor. If you have questions about the Step Therapy program, call the toll-free member phone number on your ID card.

What are Prior Authorizations?

Some medications due to cost, type of medication, or plan design require prior authorization. Prior Authorization means that the medication must be clinically reviewed by ProAct's clinical pharmacist and then, if needed, in collaboration with the prescribing physician before a determination of coverage can be made. Some of the more common medications that require prior authorization are those medications that exceed a dollar amount threshold (i.e. \$1500 per 30-day supply), specialty medications, and other types of medications where a clinical review can help determine if the medication is being used appropriately or within the coverage guidelines of the plan.

Typically, ProAct is made aware of the prior authorization either by a call from a subscriber, physician, or a pharmacy. Once the prior authorization process is started, ProAct provides the physician's office our prior authorization form for them to complete and return to us. Once the prior authorization form is submitted with all the necessary information, a determination for coverage is typically made within 72 hours. If the prior authorization is approved, the physician and pharmacy (who will contact the subscriber) are contacted with the approval. For routine medications, typically the authorization is good for one year after which time updated information is required for consideration of continued coverage. If the request or claim is denied, a formal denial letter is sent to both the physician and member explaining the reason(s) for the denial along with outlining the process for an appeal if the physician wishes to pursue that route.

Sincerely,

Your dedicated ProAct team.

PROACT

PHARMACY BENEFIT MANAGEMENT

Member Name

Street Name

City, State, Zip

Dear Subscriber,

We would like to inform you that effective August 1, 2018 there will be a correction to our implementation of your prescription drug benefit through the Greater Tompkins County Municipal Health Insurance Consortium. This correction is called "Prior Authorization" and will affect certain medications that you are currently taking. This communication notifies impacted members, that your medication below does require a Prior Authorization.

Current Medication(s)
Qvar

The Prior Authorization process is simple. Your healthcare provider can reach out to us by phone or visit our website proactrx.com to fill out the necessary form. Once we receive all pertinent information related to the medication, we'll make a decision within 72 hours. ProAct does have an appeals process should your physician desire a change in determination. Being that you have been on this medication it is not our goal to stop you from taking it, therefore we will allow a onetime override allowing you to get the medication while the Prior Authorization approval process is underway. Please reach out to our customer service team at 877-635-9545 to request your onetime override.

We encourage you to speak with your physician regarding the medication(s) listed above to limit any gaps in your therapy. For questions regarding this correction to your prescription drug plan, please contact the ProAct helpdesk at 1-877-635-9545 to speak to one of our customer service representatives.

Sincerely ,

Your dedicated ProAct team.

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2018 Budget Performance Analysis

Results as of: 5/31/2018
of Months: 5

	2018 Adopted Budget	2018 Year-to-Date	2018 Actual Results	Variance	% Difference
Income					
Medical Plan Premiums	\$42,527,371.07	\$17,719,737.95	\$17,754,300.05	\$34,562.10	0.20%
9000 Ancillary Benefit Plan Premiums	\$156,750.00	\$65,312.50	\$61,549.95	-\$3,762.55	-5.76%
Interest	\$16,000.00	\$6,666.67	\$7,705.48	\$1,038.81	15.58%
9010 Rx Rebates	\$1,000,000.00	\$500,000.00	\$484,399.98	-\$15,600.02	-3.12%
9040 Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$0.00	\$0.00	n/a
9030 Other	\$4,120.00	\$1,716.67	\$116.78	-\$1,599.89	-93.20%
Total Income	\$43,704,241.07	\$18,293,433.78	\$18,308,072.24	\$14,638.46	0.08%
Expenses					
8090 Medical Paid Claims	\$27,872,149.95	\$11,613,395.81	\$11,760,475.86	\$147,080.05	1.27%
8120 Rx Paid Claims - ProAct	\$12,014,156.34	\$5,005,898.48	\$4,608,442.52	-\$397,455.96	-7.94%
Rx Paid Claims - CanaRx	\$300,000.00	\$125,000.00	\$63,416.80	-\$61,583.20	-49.27%
8050 Medical Admin Fees	\$1,044,357.36	\$435,148.90	\$451,464.68	\$16,315.78	3.75%
Rx Admin Fees	\$85,555.95	\$35,648.31	\$35,053.00	-\$595.31	-1.67%
8084 Flu Clinic Fees	\$10,000.00	\$4,166.67	\$0.00	-\$4,166.67	n/a
8091 NYS Graduate Medical Exp.	\$264,075.00	\$110,031.25	\$99,729.77	-\$10,301.48	-9.36%
9060 ACA PCORI Fee	\$12,259.93	\$0.00	\$0.00	n/a	n/a
8115 ACA Transitional Reins. Program Fees	\$0.00	\$0.00	\$0.00	n/a	n/a
8110 Stop-Loss Aggregate and Specific	\$888,633.32	\$370,263.89	\$184,301.52	-\$185,962.37	-50.22%
Advance Deposit / Pre-Paid Claims	\$100,000.00	\$100,000.00	\$0.00	-\$100,000.00	-100.00%
8070 Legal Fees	\$10,609.00	\$4,420.42	\$2,585.00	-\$1,835.42	-41.52%
8055 Executive Director Fees	\$33,990.00	\$14,162.50	\$18,647.53	\$4,485.03	31.67%
8030 Consultant Fees	\$59,410.40	\$24,754.33	\$23,625.00	-\$1,129.33	-4.56%
8000 Accounting Fees	\$30,900.00	\$12,875.00	\$11,550.00	-\$1,325.00	-10.29%
8010 Actuarial Fees	\$11,404.68	\$11,404.68	\$12,600.00	\$1,195.33	10.48%
8020 Audit Fees	\$63,785.45	\$56,650.00	\$17,325.00	-\$39,325.00	-69.42%
8060 Insurances (D&O / Prof. Liability)	\$36,453.01	\$15,188.76	\$13,807.96	-\$1,380.80	-9.09%
8041 Internal Coordination (Finance)	\$65,400.00	\$27,250.00	\$21,323.98	-\$5,926.02	-21.75%
Internal Coordination (Support)	\$20,600.00	\$8,583.33	\$7,995.30	-\$588.03	-6.85%
Surety Bond Fee / Loan Interest	n/a	n/a	\$0.00	n/a	n/a
Payment Refund	n/a	n/a	\$0.00	n/a	n/a
9050 Ancillary Benefit Premiums	\$156,750.00	\$65,312.50	\$61,288.51	-\$4,023.99	-6.16%
9060 Other Expenses / Supplies	\$6,180.00	\$2,575.00	\$3,993.03	\$1,418.03	55.07%
Total Expenses	\$43,086,670.40	\$18,042,729.82	\$17,397,625.46	-\$645,104.36	-3.58%
Net Income	\$617,570.67	\$250,703.96	\$910,446.78		

Medical Premiums = 6000 + 6010
Interest Income = 9021 + 9022
Rx Admins Fees = 8081 + 8082 + 8083
Advance Deposit = 4020 + 4021

Ending Balance	\$25,802,131.21	\$25,435,264.50	\$26,095,007.32
-----------------------	-----------------	-----------------	-----------------

Liabilities and Reserves					
IBNR Claims Liability	\$4,720,595.05	\$4,720,595.05	\$4,720,595.05	12% of Incurred Claims	
5010 Surplus Account Per §4706(a)(5)	\$2,017,487.57	\$2,017,487.57	\$2,017,487.57	5% of Premium Income	
Rate Stabilization Reserve	\$1,966,914.60	\$1,966,914.60	\$1,966,914.60	5% of Paid Claims	
5012 Catastrophic Claims Reserve	\$2,000,000.00	\$2,000,000.00	\$2,000,000.00	Established by Board Policy	
Total Liabilities and Reserves	\$10,704,997.23	\$10,704,997.23	\$10,704,997.23		

Unencumbered Fund Balance	\$15,097,133.98	\$14,730,267.27	\$15,390,010.09
----------------------------------	------------------------	------------------------	------------------------



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. – 2018 – APPROVAL OF ADJUSTMENTS TO THE SILVER METAL LEVEL PLAN

WHEREAS, data entered into the federal actuarial calculator indicates the Consortium's Silver Plan's actuarial value for 2019 will be 72.64% which exceeds the Plan's limit of 72%, and

WHEREAS, the three Participating Consortium employers enrolled in the Silver Metal Level Plan have been participating in the deliberations of benefit changes to their Plan, and

WHEREAS, Silver Metal Level Plan benefit plan adjustment to increase the in-network deductible for single from \$1,800 to \$2,200 and family coverage from \$3,600 to \$4,400 has a 2019 actuarial value of 71.11%, now therefore be it

RESOLVED, on recommendation of the Joint Committee on Plan Structure and Design and the Audit and Finance Committee, That the Board of Directors approves an adjustment to the Silver Metal Level Plan to increase the in-network deductible for single from \$1,800 to \$2,200 and family coverage from \$3,600 to \$4,400 and to increase the Out-of-Network deductible for single from \$3,600 to \$4,400 and family coverage from \$7,200 to \$8,800, effective January 1, 2019.



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. – 2018 – AUTHORIZE EXTENSION OF CONTRACT FOR MEDICAL CLAIMS AUDITING SERVICES – BMI MEDICAL CLAIMS AUDITING SERVICES

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 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, a Request for Proposals for Medical Claims Auditing Services was issued on May 6, 2016 and by Resolution No. 014-2014 a contract was awarded to BMI Auditing Services to perform medical claims auditing services for the Consortium for the 2016 Fiscal Year, and

WHEREAS, upon satisfactory completion of the terms of the contract, Resolution No. 014-2014 authorized an extension of the contract for 2018 Fiscal Year, and

WHEREAS, the Executive Director and Consultant have recommended the contract be extended for the purpose of performing an audit of 2016-2017 medical claims, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That a contract for 2016-2017 medical claims auditing services be awarded to BMI for the 2018 Fiscal Year.



Greater Tompkins County Municipal Health Insurance Consortium

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

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

RESOLUTION NO. – 2018 – APPROVAL OF APPLICATION MATERIALS MUNICIPALITIES MUST PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM AND RECOMMENDED MUNICIPAL RESOLUTION LANGUAGE

WHEREAS, the Consortium Board of Directors adopted Resolution No. 002-2015 to provide guidance to municipal corporations applying for Consortium membership, and

WHEREAS, The Consortium is experiencing rapid growth of municipal corporations applying to join the Consortium, and

WHEREAS, the Consortium has instituted several policies, not stated in the Municipal Cooperative Agreement, that joining members need to be aware of and comply with as part of the application process, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the following template language be considered in resolutions proposed for adoption by municipalities seeking membership in the Consortium: Appendix A for employers with fifty (50) or fewer full-time equivalent employees, Appendix B for employers with between 51 and 100 full-time equivalent employees, and Appendix C for greater than 100 full-time equivalent employees.

Appendix A

Small Employers (50 or fewer full-time equivalent employees)

Sample Resolution Authorizing Municipality to Apply for Acceptance into the GTCMIC

RESOLVED, that the [municipal employer's name] [legislative body's name] hereby authorizes the [municipality's chief executive] to apply to become a "Participant" in the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC);

RESOLVED FURTHER, this authorization grants permission to the [municipality's chief executive] to:

1. Submit the [municipal employer's name] most recent two years of State Comptroller AUD reports;
2. Submit the [municipal employer's name] most recent monthly premium billing statements from all health insurance carriers providing benefits to active employees and retirees.

Said premium billing statements should include the name of the municipality and the month for the which the billing is related. In addition, said premium bills must include the number of contracts (employee, employee + spouse, employee + child (children), and family) and monthly premium rate for each plan of benefit.

**RESOLUTION NO. – 2018 - APPLICATION MATERIALS MUNICIPALITIES MUST
PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM
AND RECOMMENDED MUNICIPAL RESOLUTION
LANGUAGE**

3. Seek a waiver from the GTCMHIC Board of Directors for the payment of the Surplus Reserve payment (5% of annualized premium) as required Article 47 of the New York State Insurance Law and the GTCMHIC's Municipal Cooperative Agreement. If the waiver is not granted, the [municipality's chief executive] is authorized to pay the GTCMHIC the Surplus Reserve payment equal to 5% of anticipated annual premium, as determined by the GTCMHIC Board of Directors.
4. Sign the Municipal Cooperative Agreement of the GTCMIC upon notification that the GTCMHIC Board of Directors has approved the [municipal employer's name]'s application to become a Participant in the GTCMHIC.
5. Notify the GTCMHIC's Executive Director in writing, by November 1st, the GTCMHIC health benefit insurance plan the [municipal employer's name]'s employees and retirees will be participating in upon the effective date of participation in the GTCMHIC.
6. By November 1st , notify the GTCMHIC of the name and contact information for the person within your organization for benefit administration; and who will attend a new member orientation during the 1st quarter of the next year.
7. By December 15th, take the necessary steps to comply with the GTCMHIC's dependent verification.
8. By November 1st, notify the GTCMHIC of the [municipal employer's name]'s commitment to utilize the GTCMHIC's on-line enrollment process or to authorize the GTCMHIC to provide, for the [municipal employer's name]'s employees and retirees, this function.

Appendix B

Mid-Size Employers (between 51 and 100 full-time equivalent employees)

Sample Resolution Authorizing Municipality to Apply for Acceptance into the GTCMIC

RESOLVED, that the [municipal employer's name] [legislative body's name] hereby authorizes the [municipality's chief executive] to apply to become a "Participant" in the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC);

RESOLVED FURTHER, this authorization grants permission to the [municipality's chief executive] to:

1. Submit the [municipal employer's name] most recent two years of State Comptroller AUD reports;
2. Submit the [municipal employer's name] most recent monthly premium billing statements from all health insurance carriers providing benefits to active employees and retirees.

Said premium billing statements should include the name of the municipality and the month for the which the billing is related. In addition, said premium bills must include the number of contracts (employee, employee + spouse, employee + child (children), and family) and monthly premium rate for each plan of benefit.

**RESOLUTION NO. – 2018 - APPLICATION MATERIALS MUNICIPALITIES MUST
PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM
AND RECOMMENDED MUNICIPAL RESOLUTION
LANGUAGE**

3. If currently an experience-rated or self-insured employer-sponsored health insurance plan, submit a minimum of three (3) years of monthly paid claims (medical and pharmacy separately) data and monthly covered lives counts.
4. Seek a waiver from the GTCMHIC Board of Directors for the payment of the Surplus Reserve payment (5% of annualized premium) as required Article 47 of the New York State Insurance Law and the GTCMHIC's Municipal Cooperative Agreement. If the waiver is not granted, the [municipality's chief executive] is authorized to pay the GTCMHIC the Surplus Reserve payment equal to 5% of anticipated annual premium, as determined by the GTCMHIC Board of Directors.
5. Sign the Municipal Cooperative Agreement of the GTCMIC upon notification that the GTCMHIC Board of Directors has approved the [municipal employer's name]'s application to become a Participant in the GTCMHIC.
6. Notify the GTCMHIC's Executive Director in writing, by November 1st, the GTCMHIC health benefit insurance plan(s) the [municipal employer's name]'s employees and retirees will be participating in upon the effective date of participation in the GTCMHIC.
7. By November 1st, notify the GTCMHIC of the name and contact information for the person within your organization for benefit administration; and who will attend a new member orientation during the 1st quarter of the next year.
8. By December 15th, take the necessary steps to comply with the GTCMHIC's dependent verification.
9. By November 1st, notify the GTCMHIC of the [municipal employer's name]'s commitment to utilize the GTCMHIC's on-line enrollment process or to authorize the GTCMHIC to provide, for the [municipal employer's name]'s employees and retirees, this function.

Appendix C

Large Employers (101 or More full-time equivalent employees)

Sample Resolution Authorizing Municipality to Apply for Acceptance into the GTCMIC

RESOLVED, that the [municipal employer's name] [legislative body's name] hereby authorizes the [municipality's chief executive] to apply to become a "Participant" in the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC);

RESOLVED FURTHER, this authorization grants permission to the [municipality's chief executive] to:

1. Submit the [municipal employer's name] most recent two years of State Comptroller AUD reports;
2. Submit the [municipal employer's name] most recent monthly premium billing statements from all health insurance carriers providing benefits to active employees and retirees.

Said premium billing statements should include the name of the municipality and the month for the which the billing is related. In addition, said premium bills must include the number of

**RESOLUTION NO. - 2018 - APPLICATION MATERIALS MUNICIPALITIES MUST
PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM
AND RECOMMENDED MUNICIPAL RESOLUTION
LANGUAGE**

contracts (employee, employee + spouse, employee + child (children), and family) and monthly premium rate for each plan of benefit.

3. If currently an experience-rated or self-insured employer-sponsored health insurance plan, submit a minimum of three (3) years of monthly paid claims (medical and pharmacy separately) data and monthly covered lives counts; along with any other data and information required by the Consortium as part of the application process.
4. Seek a waiver from the GTCMHIC Board of Directors for the payment of the Surplus Reserve payment (5% of annualized premium) as required Article 47 of the New York State Insurance Law and the GTCMHIC's Municipal Cooperative Agreement. If the waiver is not granted, the [municipality's chief executive] is authorized to pay the GTCMHIC the Surplus Reserve payment equal to 5% of anticipated annual premium, as determined by the GTCMHIC Board of Directors.
5. Sign the Municipal Cooperative Agreement of the GTCMIC upon notification that the GTCMHIC Board of Directors has approved the [municipal employer's name]'s application to become a Participant in the GTCMHIC.
6. Notify the GTCMHIC's Executive Director in writing, by November 1st, the GTCMHIC health benefit insurance plans() the [municipal employer's name]'s employees and retirees will be participating in upon the effective date of participation in the GTCMHIC.
7. By November 1st, notify the GTCMHIC of the name and contact information for the person within your organization for benefit administration; and who will attend a new member orientation during the 1st quarter of the next year.
8. By December 15th, take the necessary steps to comply with the GTCMHIC's dependent verification.
9. By November 1st, notify the GTCMHIC of the [municipal employer's name]'s commitment to utilize the GTCMHIC's on-line enrollment process or to authorize the GTCMHIC to provide, for the [municipal employer's name]'s employees and retirees, this function.



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. – 2018 – RESOLUTION OF THE BOARD OF DIRECTORS OF THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM – AMENDMENT TO CONFLICT OF INTEREST POLICY

WHEREAS, on February 27, 2014, the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium ("GTCMHIC" or "Consortium") adopted a *Code of Ethics and Conflict of Interest Policy (Resolution No. 001 of 2014)*, and

WHEREAS, the New York State Department of Financial Services has recommended that the Consortium implement, as a good business practice, a process whereby board directors, officers, and key employees review and execute annual conflict of interest disclosure and acknowledgement forms, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Consortium's *Code of Ethics and Conflict of Interest Policy* dated February 27, 2014 is amended to include the following additional paragraph "17" and appended Exhibit "A":

"17. Prior to the election, appointment or employment of individuals to serve as an officer, director or key employee of the Consortium, and each successive year thereafter, such officer, director and key employee shall complete and execute a *Disclosure and Acknowledgment Form*, substantially consistent to the form attached hereto as Exhibit "A" or as modified from time to time thereafter. Such completed forms shall be kept as organizational records of the Consortium. For purposes of this policy, (i) the terms "officer" and "director" shall have the same meaning as set forth in the Municipal Cooperative Agreement, dated October 1, 2010; and (ii) the term "key employee" shall mean any employee of the Consortium with executive or managerial capacity."

* * * * *

**GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
ANNUAL CONFLICT OF INTEREST
DISCLOSURE AND ACKNOWLEDGMENT FORM**

According to the *Code of Ethics and Conflict of Interest Policy* (the "Policy") of the Greater Tompkins County Municipal Health Insurance Consortium (the "Consortium"), this form shall be completed prior to, appointment or employment, and annually thereafter, of individuals who serve as an officer, director or key employee (as such terms are defined in the Policy) for the Consortium.

INSTRUCTIONS: Please answer the following questions, to the best of your knowledge, as they may apply to you. Attach additional explanation page(s) as needed. Forward any questions you have to the Executive Director of the Consortium or the Consortium's legal counsel.

1. Have you or your spouse, or will you or your spouse, acquire any Interest (as defined below) in any Contract (defined below), purchase agreement, lease agreement or other agreement (including oral agreements) with the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

"Contract" means any claim, account or demand against or agreement with a municipality, express or implied, and shall include the designation of a depository of public funds and the designation of a newspaper, including but not limited to an official newspaper, for the publication of any notice, resolution, ordinance, or other proceeding where such publication is required or authorized by law.

"Interest" means a direct or indirect pecuniary or material benefit accruing to a municipal officer or employee as the result of a contract with the municipality which such officer or employee serves. For the purposes hereof a municipal officer or employee shall be deemed to have an interest in the contract of (a) his spouse, minor children and dependents, except a contract of employment with the municipality which such officer or employee serves, (b) a firm, partnership or association of which such officer or employee is a member or employee, (c) a corporation of which such officer or employee is an officer, director or employee and (d) a corporation any stock of which is owned or controlled directly or indirectly by such officer or employee.

2. Have you received (directly or indirectly) any gift (having a value of \$75.00 or more), whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise or in any other form, by any person or entity, in the performance of your official duties?

NO

YES

IF YES, PLEASE EXPLAIN:

3. Have you disclosed confidential information acquired by you in the course of your official duties or used such confidential information to further your personal interests?

NO

YES

IF YES, PLEASE EXPLAIN:

4. Have you received, or entered into any agreement, express or implied, for compensation of services rendered in relation to any matter before the Consortium or any other municipal agency?

NO

YES

IF YES, PLEASE EXPLAIN:

5. Do you or any of your relatives hold, or have you or a relative held, any position as an owner, shareholder, member, manager, partner, director, trustee, officer, or consultant for a business entity that has done business or is doing business with the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

6. Do you or any relative have, or have you or a relative had, a business, financial or employment relationship with, or any other interest in, any business entity that has done business or is doing business with the Consortium?

NO

YES

7. Are you or any of your relatives an owner, director, officer or employee of any auditing or accounting firm that has worked on the audit of the Consortium at any time during the past three (3) years?

NO

YES

IF YES, PLEASE EXPLAIN:

8. Have you or do you have a relative who currently or in the past three (3) years has been an employee of the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

9. Have you, or has any relative received a loan, or do you or any relatives owe any outstanding amount on a loan, or received or enjoyed, directly or indirectly, any gift, grant or other assistance from the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

10. Do you have a family relationship or a business relationship with any other individual who is an officer, director, or key employee of the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

11. Are you, or to your knowledge is any relative, a member of the board of directors, an officer, key employee, or consultant to, or have any other interest in any other business entity other than the Consortium?

NO

YES

IF YES, PLEASE EXPLAIN:

ACKNOWLEDGEMENT:

I hereby acknowledge that I have received a copy of the Consortium's *Code of Ethics and Conflict of Interest Policy* and that I have read, understand, and agree to comply with said policy. I have read this conflict of interest disclosure form and answered the questions to the best of my knowledge. I understand that I have an affirmative obligation at all times to report any changes in my responses that may result from changes in circumstances before my next annual disclosure is due.

PRINT NAME: _____

SIGNED: _____

TITLE/POSITION: _____

DATE: _____



Greater Tompkins County Municipal Health Insurance Consortium

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

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

RESOLUTION NO.

– EXTENSION OF CONTRACT FOR EXECUTIVE DIRECTOR SERVICES – DONALD L. BARBER

WHEREAS, it was determined in 2013 that based on the increased responsibilities placed on the Consortium by the State and Federal governments, the Affordable Care Act, and the managing of an increased number of contracts it was in the Consortium’s best interest to contract for services of an Executive Director, and

WHEREAS, following the issuance of a request for proposals in 2014 seeking contractors who could fulfil the responsibilities of Executive Director a contract was entered into with Donald L. Barber in 2014 and was extended in 2016, and

WHEREAS, the extended contract will expire on June 30, 2018, and

WHEREAS, the Consortium’s Executive Committee which meets with Mr. Barber quarterly to review a work plan and the Consortium’s operations believes the Executive Director services provided to the Consortium by Mr. Barber are valuable and important for the Consortium’s stability, and has recommended the contract be continued for a two-year period, now therefore be it

RESOLVED, on recommendation of the Executive and Audit and Finance Committees, That the contract for Executive Director Services with Donald Barber be extended through June 30, 2020 under the terms and conditions in the recommended contract.



Greater Tompkins County Municipal Health Insurance Consortium

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

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

RESOLUTION NO. – APPROVAL OF WELLNESS CONSULTANT SERVICES CONTRACT – MICHELLE C. BERRY

WHEREAS, Board Resolution No. 001-2018 authorized the issuance of a Request for Proposals for Wellness Consultant Services, and

WHEREAS, the Wellness Consultant proposal from Michelle Berry met stated requirements, and

WHEREAS, through joint negotiations with the interview committee a more detailed three-year work plan was developed and the interview committee requested cost estimates for accomplishing the first-year goals which were activities above and beyond the information required for the RFP, and

WHEREAS, developing a culture of wellness and preventative health care within the Consortium community is a prudent action to have subscribers that are able to enjoy life more fully with fewer health issues and reduce claims expense, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby approves a contract for Wellness Consultant Services with Michelle Berry for the term July 1, 2018 through June 30, 2019 under the terms and conditions in the recommended contract.

* * * * *

Wellness Consultant First Year Work Plan

Consortium Supplied Vision of Wellness Strategy: (builds on current Board commitments to Consortium vision statement)

1. Increase awareness and usage of Flu Clinics and Blue4U
2. Increase the number of partners with wellness policies
3. Increase the number of work sites with wellness champions
4. Establish Wellness/Preventative Health Care brand language

Consortium supplied Year One Wellness Consultant Evaluation Criteria:

1. Increase number of subscribers receiving flu vaccines by 10% to 1588
2. There are currently 304 subscribers on metal plans with Blue4U benefit. Four subscribers participated in 2017 and 2018 (1.3 %). Goal: 7% of 2019 subscriber count participates in Blue4U in March 2019 (>21)
3. Archive the wellness policies, resolutions, and/or wellness programs from 50% of employers (partners plus Bolton Point, TC3, TCPL, & TCSWCD= 35)
4. There are >40 worksites within Consortium. Identify six (6) wellness champions (~15%)
5. Present work plan status reports at all OYOH meetings (attend as many as possible)
6. Present status report to Board of Directors with suggestion of wellness “language/brand” that motivates subscribers and partners at its March 2019 meeting
7. Currently five partners and one labor are represented on OYOH committee. Increase that number to eight (wellness champions from same employer will satisfy this goal).
8. After Board presentation, meet with all Consortium partners (can be in groups of partners) with the goal of establishing wellness contacts with all employers, documenting all existing wellness programs throughout the Consortium, and laying the ground work for establishing wellness champions at work sites
9. Evaluate “Annual Physicals” as a measure of wellness
10. Establish a work plan for year 2
11. Provide wellness content to quarterly newsletter
12. Create the Consortium’s wellness presence at existing municipal benefit fairs in the Fall (Tompkins County, City of Ithaca, Town of Ithaca, TC3, and possibly City of Cortland)

WORK PLAN

1. Document existing foundation by developing baseline of usage of wellness programs (both Consortium and partner) and gathering copies of partner’s wellness policies, resolutions, and program documents. Identify existing wellness champions and catalogue their activities. [eval criteria #3,4,5]
 - a. Activity: Gather documents and information from municipal partners, Excellus, and other sources
 - i. Resolutions

- ii. Minutes
 - iii. Documents and materials
 - iv. Findings
 - v. Wellness Champions
 - vi. Current wellness marketing strategies used by Consortium
 - b. Product: Findings report as guidance for next steps
2. Develop wellness “language/brand, logo, and sample colloquial material (for review and feedback from OYOH Committee) that motivates subscribers and partners and that can be easily adapted and incorporated in website and newsletter [eval criteria #5,6 7,,8,11]
- a. Activity: Building on information gathered in Step 1 and knowing that personal contact of the work site Wellness Champions is the foundation to building a culture of wellness, develop initial language to motivate leadership to embrace wellness culture. Work with OYOH Committee on this language and future/ongoing marketing campaign.
 - b. Product:
 - i. Branding language and colloquia shared with OYOH committee, a couple identified municipal partners, and then shared broadly at March 2019 Board meeting.
 - ii. Build awareness through Consortium media
 - iii. Triggering additional interest in OYOH committee participation by partners
3. Establish wellness contacts with all employers and develop customized strategies for establishing wellness champions at work sites [eval criteria #4,5, 7,8]
- a. Activity: Recruiting and Incentivizing Wellness Champions requires buy-in from the very top. To be successful, Wellness Champions also cannot be an island to themselves. Health cultures that are supported bottom-up and top-down require both time and patience. Based on step 1 research, identify partners with top support and staff with wellness champion experience at some level
 - b. Product: Wellness champions with a support structure, systems, and templates in place.
4. Work with partners to discover best methods to market the Consortium wellness initiatives of flu vaccines and Blue4U. [eval criteria #1,2, 5,12]
- a. Activity: Evaluate previous marketing efforts for Blue4U. Examine previous flu vaccine promotional efforts. Work with identified Excellus partner to devise roll-out plan for increasing participation in Blue4U.
 - b. Product: Marketing campaign to increase subscriber participation in obtaining flu vaccines and in Blue 4U. Targeted communications plans and strategy roll-out shared with OYOH.
5. Establish baseline data of number of subscribers that have annual or regular physicals [eval criteria #9]
- a. Activity: Work with Excellus and CAPA to establish baseline data and assess Consortium programs to increase participation in annual physicals or regular physicals
 - b. Product: Increasing numbers of subscribers receiving physicals