



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 December 19, 2019 – 6:00 pm – **TC3 FORUM**

170 North Street, Dryden, NY

1. Call to Order
2. Approval of September 26, 2019 Minutes (**VOTE**) (6:00)
3. Changes to the Agenda
4. Chair's Report: (6:05)
 - a. **Motion:** Appointments to Committees J. Drake
 - b. **Resolution:** Election of 2020 Consortium Officers
5. Report from Executive Committee (6:15) J. Drake
 - a. **Resolution:** Delegating Authority and Responsibility for Cyber Security Matters to the Operations Committee
 - b. **Resolution:** Amendment of Resolution Nos. 11 and 12 of 2018 That Authorized the Chairperson of the Board to Sign the Municipal Healthcare Financing Cooperative Inter-Municipal Agreement
6. Executive Director's Report (6:20) E. Dowd
 - a. Report
 - b. MCA 2015 Member Review correspondence
7. Financial Report (6:30) S. Locey
8. Report from Audit and Finance Committee (6:45) M. Cook
 - a. **RESOLUTION:** Authorize Purchase of Stop Loss Insurance for 2020 with \$1M Deductible and Increase of Catastrophic Claims and Rate Stabilization Reserves
 - b. **RESOLUTION:** Authorization to Purchase Insurance Policies: Errors and Omissions, Directors and Officers, Liability, Employment Protection Coverage Fidelity Bond
 - c. **RESOLUTION:** Approval of 2020 Healthcare Benefits Renewal with Excellus BlueCross Blue Shield
 - d. **RESOLUTION:** Approval of Contract for Investment Services – Wilmington Trust – January 1, 2020 – December 31, 2020
 - e. **RESOLUTION:** Authorizing Financial Services Agreement with Tompkins County – January 1, 2020 thru December 31, 2020
 - f. **RESOLUTION:** Authorizing Information Technology Services Agreement with Tompkins County – January 1, 2020 – December 31, 2020
 - g. **RESOLUTION:** Authorization for Chair to Sign Contract – CSEA Dental/Vision Plan
 - h. **RESOLUTION:** Extension of Contract for Plan Consultant – Locey & Cahill, LLC – January 1, 2020 – December 31, 2020

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| 9. Report from Operations Committee (7:15) | L. Holmes |
| 10. Report from Governance Structure and MCA Committee (7:20) | C. Rankin |
| 11. Report from Joint Committee (7:25) | O. Hershey |
| 12. Report from Owning Your Own Committee (7:30) | E. Dowd |
| 13. New Business (7:35) | |
| 14. Adjournment (7:40) | |

**2020 Meeting Schedule
6 p.m. – TC3 Forum**

March 26
June 25
August 27
September 24 – Annual Meeting (set rates)
December 17

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Board of Directors September 26, 2019 – 6:00 p.m. DRAFT TC3 Sprole Conference Room

Municipal Representatives: 27

Steve Thayer, City of Ithaca	Terrance Baxter, Town of Moravia
Mack Cook, City of Cortland	Christine Laughlin, Town of Newfield
Greg Pelicano, Seneca County	Ed Wagner, Town of Owasco
Lisa Holmes, Tompkins County	Gary Mutchler, Town of Scipio
Chad Hayden, Town of Aurelius	David Schenck, Town of Springport
Ed Fairbrother, Town of Big Flats	Tom Brown, Town of Truxton (arrived at 6:39 p.m.)
Laura Shawley, Town of Danby	Nancy Zahler, Town of Ulysses
Kathrin Servoss, Town of Dryden (arrived at 6:13 p.m.)	Eric Snow, Town of Virgil
Ann Rider, Town of Enfield (arrived at 6:14 p.m.)	Peter Salton, Village of Cayuga Heights
Chuck Rankin, Town of Groton	Michael Murphy, Village of Dryden
Kevin Williams, Town of Homer	Kristen Case, Village of Homer
Judy Drake, Town of Ithaca	Rordan Hart, Village of Trumansburg
Charmagne Rungay, Town of Lansing	Bud Shattuck, Village of Union Springs
Richard Nielens, Town of Mentz	

Labor Representatives: 4

Olivia Hersey, 1st Labor Representative and Joint Comm. on Plan Structure & Design
Jim Bower, 2nd Labor Representative
Jeanne Grace, 3rd Labor Representative Alternate
Tim Farrell, 5th Labor Representative (arrived at 6:32 p.m.)

Excused: 10

John Fracchia, Town of Caroline	Joan Jayne, Town of Niles
Luann King, Town of Cincinnatus	Donna Dawson, Village of Horseheads
Jim Doring, Town of Preble	Nancy Niswender, Village of Groton
Tom Adams, Town of Marathon	Ronny Hardaway, Village of Lansing
Rick Gagliardi, Town of Sennett	Carol Sosnowski 6 th Labor Representative

Absent: 4

Alvin Doty, Town of Willet	John Malenick, Town of Montezuma
Miles McCarty, Village of Freeville	Doug Perine, 4 th Labor Representative

Others in attendance:

Elin Dowd, Executive Director	Brittni Griep, Administrative Assistant
Don Barber, Consultant	Michelle Cocco, Clerk of the Board
Sarah Thomas, Tompkins County Alternate	Robert Spenard, Locey & Cahill
Corey Prashaw, ProAct	Lonnie Childs, Village of Watkins Glen
Geoff Switts, CSEA	Sunday Earle, TC3
Steve Locey, Locey & Cahill	Randy Thayer, Town of Spencer
Andrew Braman, Tompkins County Finance	

Call to Order

Ms. Drake, Chair, called the meeting to order at 6:06 p.m.

Approval of Minutes – August 22, 2019

It was MOVED by Mr. Fairbrother, seconded by Mr. Snow, and unanimously adopted by voice vote by members present, to approve the minutes of August 22, 2019 as submitted. MINUTES APPROVED.

Changes to the Agenda

There were no changes to the agenda. Ms. Drake announced a revised version of the resolution appointing members to the Operations Committee has been distributed.

Chair's Report

Ms. Drake introduced and welcomed Lonnie Childs from the Village of Watkins Glen and Randy Thayer from the Town of Spencer. She reported it has been a very busy time getting the Consortium's Office in order in addition to working on the 2020 Budget.

Appointment of 2020 Leadership Nominating Committee

It was MOVED by Ms. Drake, seconded by Ms. Rungay, and unanimously adopted by voice vote by members present, to appoint the following Directors to the 2020 Leadership Nominating Committee:

Laura Shawley
Ed Fairbrother
Alex Patterson

Executive Committee

Ms. Drake, Chair, reported the Committee met on September 10th and one of the items discussed was the Medicare Advantage Request for Proposals. She said as a result of questions raised at both the Executive and Audit and Finance Committees it was decided to step back and not authorize a contract; more work will be done on this in 2020 before moving forward. In addition to discussing the Medicare Advantage Plan the Committee discussed new member requests and recommended Board meeting dates for 2020.

Ms. Servoss arrived at this time.

Ms. Dowd said a lot of municipalities are looking at how they will continue to provide affordable health care to their retirees and a comprehensive look at that will help inform conversations that are already taking place. She hopes to be able to provide more information with a different process going forward that will provide more choices than a single provider with one solution. Ms. Drake reminded Directors the Consortium has a Medicare Supplement plan that is an option for municipalities to select by October 15.

Ms. Rider arrived at this time.

Board of Directors
September 26, 2019

RESOLUTION NO. 022-2019 – ESTABLISH MEETING SCHEDULE – 2020

MOVED by Mrs. Shawley, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present.

RESOLVED, on recommendation of the Executive Committee, That the Board of Directors hereby adopts the following meeting schedule:

**BOARD OF DIRECTORS
2020 Meeting Schedule**

March 26
June 25
August 27
September 24 – Annual Meeting (set rates)
December 17

Meeting time: 6:00 p.m. to 8:00 p.m.
TC3 FORUM
170 North Street
Dryden, New York 13053

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**RESOLUTION NO. 023 – 2019 - AMENDMENT TO RESOLUTION NOS. 020 AND 009 OF
2019 - APPOINTMENT(S) TO THE CONSORTIUM'S
OPERATIONS COMMITTEE**

MOVED by Mrs. Shawley, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present. Ms. Drake announced the first meeting will be October 7th at 1 p.m. at the Town of Ithaca.

WHEREAS, the Board of Directors, by Resolution No. 009-2019, created an Operations Committee and charged it with responsibility for the oversight of Consortium operations and the overall well-being of the organization. The Operations Committee may recommend changes that will improve the efficiencies of the organization to practices, policies, procedures and organizational structure including personnel and staffing needs, and

WHEREAS, the Board authorized the Executive Committee to appoint members to the Operations Committee on an interim basis with appointments to be ratified by the Board of Directors, and

RESOLVED, on recommendation of the Executive Committee, That the following additional appointment(s) to the Consortium's Operations Committee are hereby ratified: Michael Catalano, Mark Emerson, Gary Mutchler, and Luann King,

RESOLVED, further, That the following three-year staggered terms expiring December 31st for a total of eleven(11) seats are hereby established:

Expiring December 31, 2020

Luann King
Mark Emerson
Gary Mutchler

Board of Directors
September 26, 2019

Expiring December 31, 2021

Edward Fairbothor
Doug Perine
Sunday Earle
Mike Catalano

Expiring December 31, 2022

Greg Pelicano
Lisa Holmes
Judy Drake
Schelley Michel Nunn

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Executive Director's Report

Ms. Dowd said she provided Directors with a written report in advance of this meeting and provided updates since that report was distributed. She reported there has been a problem with invoices being issued; it is her understanding that the problem was related to the Quickbooks program but has been resolved. Some testing will be taking place; however, if anyone has further problems they should contact the Consortium.

Ms. Dowd said any municipalities wishing to make a plan change should notify the Consortium as soon as possible by resolution so that identification cards can be issued by Excellus by the end of the year. She announced a Benefit Clerk training will be taking place on November 7th and information from Excellus and the Treasurer's Office will be shared. The training will be done by webinar and posted on the Consortium's website.

Ms. Dowd spoke on the MCA review process that Mr. Rankin will report on later in the meeting; she asked anyone with any questions or concerns to follow-up with the Consortium. She said there has been a lot of interest expressed by municipalities in joining the Consortium and a list has already been developed for potential new participants in 2021.

Presentation of CSEA Dental and Vision Benefits

Mr. Switts of the CSEA Benefits Fund, provided Directors with information on the CSEA Dutchess Dental Plan and the Platinum Vision Plan that are offered through the Consortium. He said CSEA is celebrating its 48th Anniversary and has implemented a new member web portal that gives members access to their own eligibility and enrollment information. They will be issuing new member identification cards to everyone who is covered, and members should be expecting to receive further information in the mail. They have also been doing informational videos to help people navigate the program and learn about different benefits and options.

Mr. Switts said the Dutchess Dental Plan has been enhanced and highlighted changes, including three exams and cleanings being outside the plan maximum, an increase in the maximum amount allowed to \$3,500, a new high tech imaging, and a new \$1,000 benefit for implants and abutments that members are eligible for twice per year that are also outside of the annual maximum.

Mr. Switts said the Plan has welcomed Seneca County, the Town of Sennett, and the Village of Homer. If any municipality is interested in the benefits, he asked that they reach out and he will meet with them and guide them through the process. The employer determines the timing of enrolling into the program. Ms. Drake asked that if any municipality plans to join they should make the Consortium aware.

Mr. Farrell arrived at this time.

Financial Report

Mr. Locey said since the last Board meeting financial results were received through August 31st and budget materials have been updated. He said the budget and all of the results were built based on the current members and population; once a decision is made on new members for 2020 Locey and Cahill will adjust the budget based on covered lives. Based on the overall population with the members being considered this evening the overall contract count will go up by approximately 1.66%. Mr. Locey noted that initially the new members will have very few claims but expenses will increase as claims mature and that will be factored into the budget. Another adjustment being made is based on the Excellus BlueCross BlueShield proposal that was recently received which is greater than what was initially included in the budget from slightly over \$70,000 to \$100,000.

Mr. Locey reviewed 2019 fiscal results through August and said with regard to revenue \$34.17 million was budgeted; actual results are at \$33.5 million for premium income and interest income is up substantially due to the impact of investments. Prescription drug rebates are slightly below budget; however, part of the reason is because prescription drug claims are down. In summary, revenue is 1.6% below budget. He noted part of the difference in premium revenue is due to 100 Tompkins County employees who have moved from an old PPO or Indemnity Plan into the Platinum Plan and Seneca County was anticipated to come in at one benefit level and ended up coming in with the Platinum Plan. In terms of Stop Loss and large loss recoveries there has not been any Stop Loss recoveries up to this point in the year.

Mr. Brown arrived at this time.

On the expense side, Mr. Locey said to date claims expense is approximately 6% below budget and prescription drug claims are slightly over 8% below budget. There are approximately 6,800 covered lives at this time which is up from 4,400 and 3,000 contracts which is up from 2,000 when the Consortium first started. Collectively, the Consortium is 6.86% below budget on claims and based on estimates the Consortium is approximately 3% below where they thought it would be. This is what has allowed the Consortium to generate the level of reserves that it has. He noted that if participants had been in a program that was in a fully-insured environment throughout the years of participation in the Consortium, that the 3% differential would have gone to the insurance company. Mr. Locey said any excess money that comes into the Consortium is owned collectively by the Consortium with each municipality owning a share and those cash assets can be used to mitigate rate increases going forward.

Mr. Locey said Locey & Cahill recommends the Consortium have a modest and reasonable but steady increase over time and maintains it's earlier recommendation of a 5% premium rate increase for 2020 and noted each percent equals approximately \$502,000.

Mr. Farrell asked what the long-term plans are for the unencumbered fund balance and whether some of that could be used to bring down the rate. Mr. Locey responded that is currently under discussion by the Audit and Finance Committee in addition to what the Consortium will do with Stop Loss insurance. He said the national average for health insurance increases ranges from 8% to 9% and the Consortium has averaged just under 5% for the last five years; he thinks it should be a goal to keep it at that level while maintaining a reasonable cash flow for as long as possible. Ms. Drake commented that the 2020 budget includes use of almost \$300,000 of fund balance to bring down rates.

In response to Mr. Hayden, Mr. Locey said although there may be guaranteed rates for multiple years, all of the Consortium's service contracts are renewed annually.

Ms. Zahler asked if Directors can attend the Audit and Finance Committee meeting when there is discussion of the fund balance. Mr. Cook said this will be discussed at the next Audit and Finance Committee meeting on October 22nd. All Directors are welcome to attend as well as become a member of the Committee. Mr. Locey extended an offer to speak with anyone who has questions and encouraged any Director to contact him.

RESOLUTION NO. 030 – 2019 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2020

MOVED by Mr. Shattuck, seconded by Mr. Brown.

Ms. Zahler asked for clarification on the last bullet. Mr. Cook said since the budget is being considered before the year is over the Committee wants to be able to go back and review the fund structure. Ms. Drake noted that the Board would need to approve the movement of any funds to or from a reserve fund.

The resolution was unanimously adopted by voice vote by members present with Mr. Hayden abstaining. RESOLUTION ADOPTED.

WHEREAS, the Audit and Finance Committee has had detailed discussions and has given great consideration to the Consortium's 2020 budget and premium rates, and

WHEREAS, our Benefit Plan Consultant has modified the claims trend based on Consortium data and that of similar groups they have researched, and

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

- Premium increase of 5% over 2019 rates, except for the Gold Metal Level Plan which will experience reductions in actuarial value and have a rate increase of 4.48%;
- Maintain the Surplus Account at 5% of the annual premium of the Consortium in compliance with §4706(a)(5) of the New York State Insurance Law;
- Maintain the Rate Stabilization Reserve in an amount equal to 5% of expected paid claims;
- Maintain Incurred But Not Reported Claims Reserve at 12% of total claims;
- Maintain Catastrophic Claims Reserve at \$2,800,000; and
- Includes option to review fund balance levels after year-end financial information becomes available

now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Consortium's 2020 budget as attached, including premium equivalent rates and reserve amounts are hereby adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

RESOLUTION NO. 024-2019 – APPROVAL OF ADJUSTMENT TO THE GOLD METAL LEVEL PLAN MINIMUM DEDUCTIBLE AMOUNTS

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

In response to Ms. Zahler, Mr. Locey said the HSA (Health Savings Account) limits are set each year by the Internal Revenue Service; he will provide Directors with a copy of the notice and will have it posted on the Consortium's website. Mr. Shattuck noted that municipalities can choose how much they want to contribute to an HSA.

WHEREAS, the Internal Revenue Service recently issued new limits for 2020 for high deductible plans for Health Savings Accounts (HSAs) for maximum out-of-pocket expenses, and

WHEREAS, in order to now qualify for a high-deductible health plan Gold Metal Level Plan, the minimum deductible for single coverage must be increased from \$1,350 to \$1,400 and from \$2,700 to \$2,800 for family, and

WHEREAS, the Participating Consortium employers enrolled in the Gold Metal Level Plan wish to continue to offer the option of a Health Savings Account to their employees and retirees,

WHEREAS, data entered into the federal actuarial calculator indicates the proposed deductible will change from 80.80% to 80.28%. In keeping with past Consortium policy the premium rate increase for the Gold Plan will be 0.52% lower than all other premium rates for the 2020 Fiscal Year,

RESOLVED, on recommendation of the Joint Committee on Plan Structure and Design, That effective January 1, 2020 a benefit plan adjustment will be made to the Consortium's Gold Plan to increase the deductible for single coverage from \$1,350 to \$1,400 and to increase the minimum deductible for family coverage from \$2,700 to \$2,800.

**RESOLUTION NO. 025-2019 - MEDICAL CLAIMS AUDIT ACTION ITEMS FOR EXCELLUS
BLUECROSS BLUESHIELD**

MOVED by Ms. Hersey, seconded by Mr. Brown, and unanimously adopted by voice vote by members present. Ms. Dowd noted there have been ongoing discussions with Excellus about these items and they have provided feedback. She said Excellus will be able to comply with all of the recommendations contained in the resolution.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) is a self-insured municipal cooperative health benefit plan organized pursuant to Article 5-G of the New York State General Municipal Law, and

WHEREAS the GTCMHIC is operating pursuant to a Certificate of Authority issued by the New York State Department of Financial Services pursuant to Article 47 of the New York State Insurance Law, and

WHEREAS, the Consortium contracts with a licensed New York State Article 43 Not-For-Profit Insurance Company, Excellus BlueCross BlueShield, for the administration of the various hospital, medical, and surgical plans offered to the participating municipal employers in the Consortium, and

WHEREAS, the Consortium's Board of Directors contracted with BMI Audit Services, LLC to conduct an audit of the claims adjudication processes at Excellus BlueCross BlueShield to include claims paid between January 1, 2017 and December 31, 2018, and

WHEREAS, the Consortium's Executive Director, Executive Committee, Audit & Finance Committee, and the Consortium's Plan Consultant, Locey & Cahill, LLL, have reviewed the audit

findings in substantial detail and recommended actions for each substantive finding previously reported to the Board of Directors, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors hereby approves the following actions to “close-out” this medical claims audit:

1. Deductibles-Diagnostic Laboratory Tests

- a. Preventative Services as deemed appropriate by the United States Preventative Services Task Force (USPSTF) are to be covered with no patient cost-sharing when they are performed as part of a routine medical care visit.
- b. Additional preventive care services are to be paid with no patient cost sharing when said services are required to be paid pursuant to guidance provided by the Federal Government, such as the guidance provided by IRS Notice 2019-45.
- c. The Consortium hereby agrees that Excellus may pay other similar services with no patient cost share when it is demonstrated to the Consortium’s satisfaction that doing so is the most cost-effective way to adjudicate said diagnostic laboratory tests.
- d. In all other cases, if a diagnostic laboratory service or other diagnostic test is performed as part of a “sick visit”, these services should be paid subject to the cost sharing (deductible, coinsurance, and/or copayment requirements of the plan.

Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus’ administrative process and practice of considering lab tests as a covered in full benefit when they are not related to a preventative or routine level of care is in the financial best interest of the Consortium.

2. Proper Coding

Excellus has set a precedent allowing claims adjudicators the latitude to modify procedure codes and manually reprice claims when providers bill with unlisted codes. Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus’ administrative process and practice of modifying procedure codes and manually repricing claims when providers bill with unlisted codes is in the financial best interest of the Consortium. The Consortium further requests that Excellus put in place an administrative process by which it will notify providers who bill with unlisted codes advising them that such practice is not allowed and that all future claims must be billed properly, or they could be denied and returned to the provider for proper coding.

3. Over the Counter Items

Excellus is hereby directed to ensure its systems are duly noted for the Consortium indicating that the Consortium plans cover medical supplies that are required for the treatment of a disease or injury. The files should also be noted that the Consortium also covers maintenance supplies (e.g., ostomy supplies) for conditions covered under its filed and approved Certificates. All such items must be in the appropriate amount for the treatment or maintenance program in progress. The Consortium does not cover over the counter medical supplies. The Plan document of the Consortium specifically outline coverage for diabetic supply coverage and specifically exclude over the counter items. Excellus is directed to adhere to the language in the plan documents and deny over the counter items accordingly.

4. Add-on Codes

Add-on codes are always performed with a primary procedure or service and are not supposed to be reported as a stand-alone code. Although Excellus relies on the National Coding Guidelines in conjunction with their Utilization Management Programs, it is the Consortium's contention that Excellus should not override the system and Excellus should discontinue paying add-on codes as stand-alone services unless it can demonstrate to the Consortium's satisfaction that doing so is in the financial best interest of the Consortium. Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus' administrative process and practice of paying stand-alone claims submitted with an add-on code is in the financial best interest of the Consortium. Failure to provide said satisfactory proof as requested will result in the Consortium directing Excellus to adhere to the national coding standard for physician and other health care services and procedures and discontinue the practice of paying add-on codes as stand-alone codes which has been identified as an incorrect practice in past audits.

5. Maximum Number of Units Allowed

Claims submitted with a total number of units above the maximum allowed units should be denied and not paid as a percent of charges. Excellus is directed to adhere to service limits associated with certain procedure codes and that language in provider contracts should not allow for services to be billed in excess of these limits. Furthermore, Excellus is directed to perform an audit of claims paid above the maximum service limits and report back to the Consortium on to the extent the Consortium's funds have been paid in error.

B – Codes

BMI noted that a status B code (99050) was billed with no indication that it was a "bundled" service. As a result, the procedure should have been considered a component of, or incident to, the overall service provided, and separate reimbursement should not have been issued. It was further identified that Excellus utilizes ClaimsXten edits, which align with Centers for Medicare and Medicaid Services (CMS) payment rules and as such the claims for 99050 were paid in error. Excellus is instructed to follow CMS and deny these services accordingly.

6. Unbundling

National Correct Coding Initiative Program (NCCI) edits do not allow codes 98940 and 98941 to be billed together by the same provider for the same date of service, especially when Medicare is primary and NCCI is not applicable on secondary to Medicare claims for EHP. As a result, the Consortium hereby requests Excellus to implement the necessary software edits to prevent this type of overpayment from occurring in the future.

7. Foot Care Benefits

As indicated in the Consortium's plan document which was written utilizing New York State Department of Financial Services Model Language, routine footcare is excluded unless the member has a specific medical condition or disease resulting in circulatory deficits or areas of decreased sensation in the legs or feet. Excellus is hereby directed to exclude those American Medical Association (AMA) Current Procedure Terminology (CPT) Codes for all items classified as "foot inserts" from coverage under the Consortium's hospital, medical, and surgical contracts.

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RESOLUTION NO. 026-2019 - ACCEPTANCE OF APPLICATION BY THE VILLAGE OF WATKINS GLEN TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MOVED by Mr. Rankin, seconded by Mrs. Shawley, and unanimously adopted by voice vote by members present. Ms. Dowd said the Village is coming into the Consortium with 21 subscribers into the Gold Plan. They have just negotiated a contract with the Teamsters and will be given three years to come into compliance with Section A.3 of the Municipal Cooperative Agreement.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

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

WHEREAS, the Village of Watkins Glen has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, and

WHEREAS, it is recognized that this municipality is not bringing all of the active employees into the Consortium as required by Section A.3 of the 2015 MCA due to Teamster contract conditions at this time, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby accepts and welcomes the Village of Watkins Glen as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2020.

RESOLVED, further, That the Consortium hereby grants the municipality a three-year release from compliance with section A.3. of the MCA for its Teamster unit through December 31, 2022.

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RESOLUTION NO. 027-2019 - ACCEPTANCE OF APPLICATION BY THE TOWN OF HORSEHEADS TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MOVED by Mr. Fairbrother, seconded by Ms. Zahler, and unanimously adopted by voice vote by members present. The Town is bringing 19 subscribers in the Platinum, Gold, and Bronze Metal Level Plans. Ms. Dowd said there will be discussions with the Town about consolidating plans. They also have a contract with the Teamsters and will be given three years to come into compliance with Section A.3 of the Municipal Cooperative Agreement.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

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

WHEREAS, the Town of Horseheads has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, and

WHEREAS, it is recognized that this municipality is not bringing all of the active employees into the Consortium as required by Section A.3 of the MCA due to Teamster contract conditions at this time, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby accepts and welcomes the Town of Horseheads as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2020,

RESOLVED, further, That the Consortium hereby grants the municipality a three-year release from compliance with section A.3. of the 2015 MCA for its Teamster unit through December 31, 2022.

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**RESOLUTION NO. 028-2019 - ACCEPTANCE OF APPLICATION BY THE LANSING
COMMUNITY LIBRARY TO BECOME A PARTICIPANT IN
THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH
INSURANCE CONSORTIUM**

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

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Lansing Community Library has submitted an official resolution authorizing the Lansing Community Library to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Lansing Community Library has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Lansing Community Library as a Participant in the Consortium, with health insurance coverage beginning January 1, 2020.

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**RESOLUTION NO. 029-2019 - ACCEPTANCE OF APPLICATION BY THE TOWN OF
SPENCER TO BECOME A PARTICIPANT IN THE
GREATER TOMPKINS COUNTY MUNICIPAL HEALTH
INSURANCE CONSORTIUM**

MOVED by Ms. Laughlin, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present. Ms. Dowd said the Town will be bringing seven subscribers into the Consortium with the Platinum Plan.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

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

WHEREAS, the Town of Spencer has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Town of Spencer as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2020.

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Report from the Governance Structure/MCA Review Committee

Mr. Rankin, Chair, explained the MCA must go through a review process every five years and the 2020 process is beginning to get underway. The Committee met on September 4th and discussed the procedure that is well-defined in Ms. Dowd's report. He explained that Participants will be asked to send comments by municipal Board resolution to the Committee and to also provide written notice by January 1, 2020 if there are no comments. The Committee will summarize the comments provided by members and at the March, 2020 Board of Directors meeting there will be a vote to recommend an amended MCA and by July 1st all Participants will need to adopt a resolution authorizing the Chief Elected Official to sign the amended MCA. The amended MCA will be submitted to the Department of Financial Services for its review.

Ms. Dowd said a formal letter will be sent to Participants along with a template of both a resolution to indicate suggested changes and a letter stating there are no comments on the current (2015) MCA. In response to a comment by Mr. Barber, Ms. Dowd said the proposed bylaws for the Executive Committee can also be sent to municipalities for information purposes with a notation that they would be approved by the Executive Committee and not the Participants or Board of Directors. Ms. Dowd noted feedback is being sought on the existing MCA; however, comments on revisions currently under discussion by the Governance Structure Committee are encouraged and welcome. Ms. Drake commented that she and Ms. Dowd are willing to meet with any Board to review any of the changes or the process.

Mr. Salton said a strong committee structure form of governance is being contemplated and members will have to attend committee meetings and provide early and prompt feedback and the committees will need to disseminate information as well. If this happens, it should make the Consortium run more effectively as the Consortium's geographical area sprawls further outward. In response to Mr. Hayden, Ms. Dowd said the existing structure is becoming too sprawling to be able to continue to reach quorum and be effective. Mr. Barber commented that there will continue to be things the Board is required to do under Article 47; under the new proposal the Board would continue to meet to adopt the budget and elect officers among other actions required under Article 47.

Report from the Joint Committee on Plan Structure and Design

Ms. Hersey, Chair, said the Committee met and had a lot of discussion of what number of Labor Directors should be on the Board and recommended capping labor at ten members which would happen once the Consortium reaches 58 total Participants; currently there are six Labor Directors on the Board. Ms. Drake and Ms. Hersey noted the Committee currently struggles to get labor representation and participation at both Committee and Board meetings. Ms. Drake said one of the goals of the Governance Structure Committee is to make sure there is good representation of labor on the new Executive Committee and is currently looking at two labor seats. The Committee's recommendation is being sent on to the Governance Structure Committee for consideration during their discussions.

Ms. Hersey announced the Committee's October meeting has been canceled.

Report from the Owning Your Own Health Committee

Ms. Servoss, Chair, reported at this month's meeting the Committee discussed its wellness calendar; the September focus is on flu shots. She asked Directors to encourage members to get their flu shots to help them be well through the winter. She said having a healthy lifestyle will reduce the cost of Consortium's claims which will in-turn reduce the cost of premiums. She reiterated that a reduction in premium costs will decrease taxes. In October the Committee will focus on Telemedicine and Breast Cancer awareness; in November the focus will be on Diabetes awareness and a challenge "Maintain, Don't Gain" weight during the holidays.

Ms. Servoss said there are now 43 Consortium Participants and asked for more engagement by representatives of municipalities; she noted a member does not need to be a Director.

Adjournment

The meeting adjourned at 8:00 p.m.

Committee Appointments – December 19, 2019

Audit and Finance Committee (two-year terms) – terms expire 12/31/2021:

Rordan Hart, Ann Rider

Vacancy (Rankin)

Anticipated Vacancy in Spring (Hersey)

Owning Your Own Health Committee (three-year terms) – terms expire 12/31/2022

Kathy Servoss, Emily Mallar, Jim Bower

Vacancies:

Labor representative with term expiring 12/31/20

Municipal representative with term expiring 12/31/21

Labor representative with term expiring 12/31/21

Community Health and Wellness representative with term expiring 12/31/21

Municipal representative with term expiring 12/31/22



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. - 2019 – ELECTION OF 2020 CONSORTIUM OFFICERS

RESOLVED, on recommendation of the Nominating Committee, That the Board of Directors elects the following individuals to serve from January 1, 2020 through December 31, 2020 in the roles as follows:

Chairperson - Judith Drake
Vice Chairperson – Rordan Hart
Secretary – Peter Salton

RESOLVED, further, That the Consortium hereby appoints Richard Snyder as Consortium Treasurer and designates Steve Thayer as the Consortium’s Chief Fiscal Officer for 2020.



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RESOLUTION NO. - 2019 – DELEGATING AUTHORITY AND RESPONSIBILITY FOR CYBER SECURITY MATTERS TO THE OPERATIONS COMMITTEE

WHEREAS, the Board of Directors by Resolution No. 32 of 2018 delegated authority for developing Cyber Security Policies and Procedures to the Audit and Finance Committee, and

WHEREAS, the Consortium has developed and approved by Resolution No. 005 of 2019, a Cyber Security Program including Policy and Procedures, and

WHEREAS, the Tompkins County Information Technology Services Department has undertaken a Cyber Security Risk Assessment on behalf of the Consortium and presented a report to the Operations Committee, and

WHEREAS, the Executive Director is required to annually file a Certificate of Compliance by February 15, 2020, now therefore be it

RESOLVED, That the Board of Directors, due to the required timing of the Certificate of Compliance delegates to the Operations Committee the authority and responsibility for Cyber Security matters to ensure compliance with filing timelines,

RESOLVED, further, That the Operations Committee is directed to bring forward any action requiring approval back to the full Board of Directors for adoption.

* * * * *



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RESOLUTION NO. - AMENDMENT OF RESOLUTION NOS. 11 AND 12 OF 2018 THAT AUTHORIZED THE CHAIRPERSON OF THE BOARD TO SIGN THE MUNICIPAL HEALTHCARE FINANCING COOPERATIVE INTER-MUNICIPAL AGREEMENT

WHEREAS, the Board of Directors by Resolution No. 12 of 2018 authorized the Chair to sign an Inter-Municipal Agreement to participate in the Municipal Health Financing Cooperative (MHFC) as part of a captive layer model for Stop-Loss insurance, and

WHEREAS, the 2019 Stop-Loss proposal from Berkley, the Captive Stop-Loss insurer, was not competitive so the Consortium did not join the MHFC for 2019, and

WHEREAS, the MHFC did not start in 2019, because it did not have the statutory minimum of 3 municipal partners, and

WHEREAS, for reasons unknown to us Relph Benefits Advisors, the Consultant for MHFC, didn't contact the Consortium about our interest in continuing with MHFC in 2020, and

WHEREAS, enough members have committed to join the MHFC for 2020 so that it can be operational, and

WHEREAS, in order to advance forward with a cooperative municipal agreement, which the Consortium would no longer be a participant the GTCMHIC has been asked to consider terminating its membership in the MHFC's 5-G Inter-Municipal Agreement that the Consortium has signed, and

Whereas, the Municipal Healthcare Financing Cooperative has asked us to state that we waive the 90-day notice of termination in order for them to advance with new participants by January 1st, and

WHEREAS termination of our partnership in MHFC does not preclude us from applying to join in the future, now therefore be it

RESOLVED, on recommendation of the Executive Committee, That the Greater Tompkins County Municipal Health Insurance Consortium wishes to officially terminate its membership in the Cooperative effective December 14, 2019,

RESOLVED, further, That the Executive Director is directed to submit a letter of termination signed by the Chair of the Board as required by the Cooperative to make the termination official.

* * * * *

GTCMHIC
Executive Director Report
Fourth Quarter 2019

Operations Committee

The newly formed Operations Committee has met for the first time and elected Lisa Holmes as their Chair with Doug Perine as the Vice Chair. They have already identified the following issues to start reviewing for recommendations: resolution approval grid, participation as needed in the MCA review process, invoice approval process recommendations and responsibility for the Cyber Security Audit.

Governance Committee

Each municipality should have received an email with a letter from the Executive Director, a link to the 2015 MCA and sample resolutions. This letter calls our members to act by January 2020 to review and send recommendations to our office for any changes they wish to request to the current agreement. Once we have received feedback from all our members, the Governance Committee will review any recommendations, circulate a summary of the feedback and then solicitate feedback on recommendations already being discussed at the Governance meeting.

Owning Your Own Health

In conjunction with Excellus, the Consortium will be sharing wellness materials each month on topics selected by the Owning Your Own Health Committee. In addition, we have launched a Maintain Don't Gain Holiday Challenge to all subscribers on our plan. This program will be our first attempt to gain contact information from employees that self-select to receive wellness information from us on a regular on-going basis. In exchange for participating, participants will be eligible to participate in a raffle that includes prizes that encourage active living and healthy lifestyles. This program was rolled out to Benefit Clerks on November 18th. If your location is not participating, please feel free to contact Brittini Griep for more information. We will gladly add your employees to the list of participants and send them the literature they've missed.

Please see the last Consortium Newsletter published in December for an update on Flu Shot Clinic results. It was another record-breaking year for participation, and it is not too late to get a flu shot by visiting your local pharmacy or primary care provider.

Nominations Committee

The Nominations Committee has met and are presenting a slate of candidates at our December board meeting. All current officers have agreed to continue to serve in their current capacity.

Audit and Finance Related Material:

Excellus Renewal

Our rates for Excellus were set last year for the 2020 claims year. Steve Locey, Rob Spenard and I have been meeting with the Excellus team to review renewals that include increases for 2021, 2022 and changes to how we pay for the pharmaceutical carve out. A resolution has been prepared for your approval.

After an initial proposal from Excellus was reviewed that included annual 3.5% increases, Locey & Cahill asked Excellus to sharpen their pencil and provide credit for the addition of Seneca County and overall growth. In addition to lowering their original annual increase from 3.5% to 3% for the next two years, we have also secured lower admin fees based on a sliding scale. As we grow, our admin fees Per Member Per Month will decrease.

Stop Loss

Locey & Cahill put our stop loss renewal out to bid in October and a comprehensive report is included in the Board packet. A resolution is being presented to the Board for approval that reflects our discussions regarding significantly lowering our premiums by taking on additional risk with an increase to our deductible to \$1M, and increasing our catastrophic claims reserve to \$4.5M and rate stabilization to 7.5%.

Wilmington Trust

Recently I had a conversation with Mary Alice Avery, Zia Qasim and Lauren Mance from Wilmington Trust. I asked for more frequent communication between the two organizations. The following highlights my conversation:

- Wilmington Trust will continue discussing investment options and changes with Rick Snyder as they have done in the past without interruption.
- At the end of this calendar year or the beginning of next year we will commit to a quarterly schedule for Wilmington Trust to attend the AFC meeting and have them provide requested reports.
- Monthly the Executive Director will have a conference call with the Wilmington Trust team to discuss any concerns that surface from the AFC meetings, to review their feedback on our IPS, any recommendations they may have to changes to our investment strategy, and feedback on our performance to relevant market data.
- The Wilmington Trust team is tentatively scheduled to attend the January 28th AFC meeting.

Financial Requests

I have asked that our Treasurer and his team assist the Consortium with securing a credit card for on-line purchases. There are several ongoing services that must be secured through a credit card purchase; for example, Federal Express, website domain renewal, Staples, and Zoom conferencing.

We have created a more streamlined invoice approval process. Ideas regarding changes have been discussed at both the Operations and Audit and Finance Committees. The current system was created when there were no Consortium paid staff members and now, with an Executive Director on board, changes can be made to help make the system more efficient.

Miscellaneous:

Benefit Clerk Training

Excellus, ProAct, TC Finance, Locey and Cahill and the Consortium participated in a Benefit Clerk Training on November 7th. Topics included how to use the Consortium web portal, how to make changes to enrollment, the billing and invoice process, contact information, new rates, participation in the Consortium and much more. We utilized Zoom conferencing and recorded the event. We had minimal participation, but all that attended felt they learned something new and it was a good use of their time. We have already started discussing improvements we could make to have better participation in the future.

GTCMHIC Presents at NYS Insurance Commission Hearing

Judy Drake and Steve Locey were invited by Assemblyman Steck to present at the NYS Insurance Commission Hearing on October 23rd regarding our Article 47 application process and ongoing reporting with the DFS. Judy and Steve did a great job utilizing material prepared for this event by Locey & Cahill and material that had been prepared earlier by Don Barber and sent to the DFS regarding changes to make the reporting system easier. Assemblyman Steck felt our position was presented well and was helpful to the Commission as they review new legislation. We were not in support of any position, just invited as expert witnesses to the Article 47 Consortium application and reporting process. A link to the hearing can be found on our website.

Newsletter

Our last newsletter for 2019 has been sent electronically to each municipality and hard copies will be sent to those that have requested it. Please make sure to circulate this material to all your employees. Thank you to Don Barber and his team for putting together this informative release.

Marketing

Don Barber and I are working on a marketing plan to approach municipalities in the first quarter of next year with an overview of the success of the Consortium and compelling statistics on why the Consortium should be considered as an option for their future health care benefit needs. We will be asking Directors to assist us when we visit your area, please let us know if you'd like to participate in these presentations.

Respectfully submitted Elin R. Dowd 12/13/2019



Consortium Connection

The quarterly newsletter of the
Greater Tompkins County Municipal Health Insurance Consortium

Where individually and collectively we invest in realizing high-quality, affordable, and dependable health insurance

VOLUME 4, NUMBER 4 -- DECEMBER 2019

What's Inside

Page 1	2020 Premiums We are the Consortium
Page 2	Labor Lens Zoom Conference Calls Flu Clinic Update
Page 3	Prior Authorization Benefits Update Municipal Cooperative Agreement
Page 4	Wellness

2020 Premiums are Set

At its September 26th meeting, the Consortium Board of Directors set the premium rate increase for 2020 at 5% over 2019 rates for all plans except Gold. The Board's decision was buoyed by good financial results from the first eight months of 2019.

We know that premium rates are important to you and your wallet, and the Board strives to maintain predictable rate increases at much lower rates than most insurance plans. To keep premiums steady for you, we even use our savings when needed to sustain that objective.

The premium rate increases for most plans since the Consortium's inception are shown in the table below.

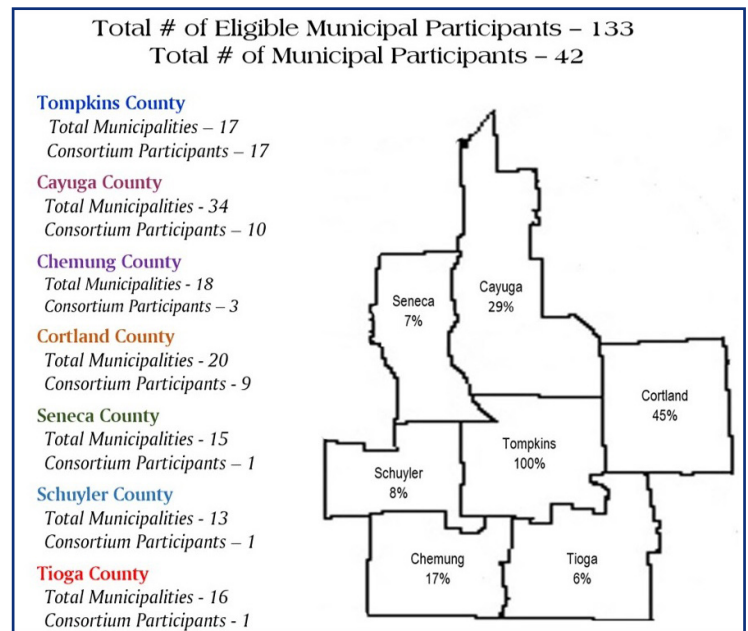
The Gold plan, however, will have a 4.48% premium rate increase in order to maintain its status as a High Deductible Health Plan (HDHP). To qualify as an HDHP according to federal government rules for 2020, the Gold plan must increase its deductible minimums to \$1,400 (single subscriber) and \$2,800 (family).

Fiscal Year	Premium % Increase
2011	9.50%
2012	9.50%
2013	9.00%
2014	8.00%
2015	5.00%
2016	3.00%
2017	5.00%
2018	4.00%
2019	5.00%
2020	5.00%

In keeping with past practices, the Board decided to increase the Gold premium by only 4.48% to partially counterbalance the increased deductible.

We are the Consortium

Our mission: An efficient inter-municipal cooperative that provides high-quality, cost-stable health insurance for our members and their employees and retirees



We welcomed the Towns of Spencer and Horseheads, the Village of Watkins Glen, and the Lansing Library into the Consortium for 2020 at the September 26th Board of Directors meeting.

These new municipal members represent significant changes for the Consortium. The Village of Watkins Glen is the first participant from Schuyler County. The Town of Spencer is the first participant from Tioga County. And the Lansing Library is the first non-municipal partner that meets the requirements of NYS Law for Article 47 membership (the Consortium receives its authority to operate under NYS Insurance Law Article 47). The map above shows the footprint of the Consortium adopted in 2014 and current rates of participation per County.

Labor Lens

Our Governance: Municipalities and Labor Working Together

Olivia Hershey Stepping Down as Chair of the Joint Committee on Plan Structure and Design



Olivia Hershey

Olivia Hershey has served on the Joint Committee since the Consortium’s inception in 2011, and she was elected chair of that committee by her peers in 2017. Olivia has served as the labor representative for the TC3 Professional Administration Association.

Before becoming Joint Committee Chair and then ever since, she has been a strong volunteer serving on several Consortium committees, most recently: Audit and Finance,

Appeals, Own Your Own Health, and Governance Structure. Olivia’s vision, well-versed understanding of health care, and her sense of humor will be missed in these leadership roles.

As you can guess, the vacancy as Chair of the Joint Committee needs to be filled. Please consider stepping up as a volunteer committee member or even as Chair. Talk to your friends at work about the opportunity. The next Joint Committee Chair need not fill all the committee membership positions that Olivia did, but there are open labor seats on many committees. With the addition of four new Consortium partners, another Labor Director seat is open on the Board of Directors, too.

Article 47 of NYS Insurance law was written with the assistance of organized labor to ensure that labor had a seat at the table where decisions about their health insurance was being made. Please consider continuing this legacy created by your predecessors. With the new Zoom meeting software (see article below), you might be able to attend committee meetings from wherever you are with your smart phone.

“Zoom” - Our New Online Meeting Software

The Consortium is now using Zoom for video conference calls and meetings. This software platform can be as old fashioned as conference calls and as high tech as webinars. It meets the NYS requirements for open meetings.

We will work with our more distant municipal partners to set up conference locations. Board of Directors and Committee members will be able to attend meetings



and perform their duties nearer home.

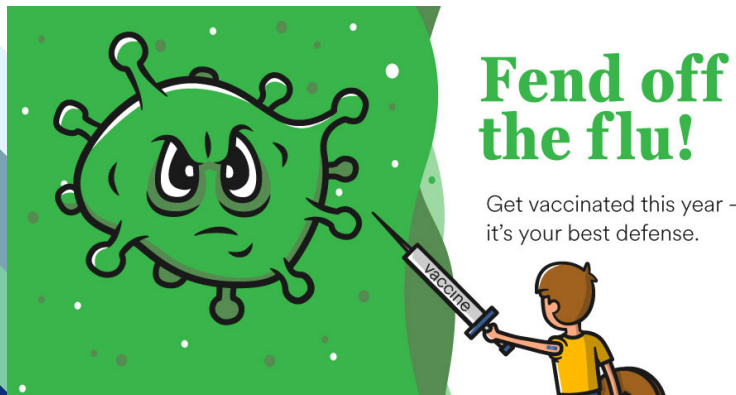
Our benefits administrators were the first to use this new tool at their November 7th meeting. The next opportunity for video conferencing is the December 19th Board of Directors meeting.

Please contact Brittini Griep at bgriep@tompkins-co.org to connect to the Consortium with Zoom.

Flu Clinics Update

Our worksite flu clinics are closed, but you still have the opportunity to receive your flu vaccine at your pharmacy or your doctor’s office. Please consider protecting yourself from the flu this season.

Last year, over 2,000 Consortium subscribers received their flu vaccines. This is a basic step in your preventative health care protocol. Now is the time to make your appointment.



Number of vaccinations given per clinic location in 2019:	
• Tompkins Co. Social Services: 74 (41 in 2018)	• Tompkins Co. Highway Dept.: 5*
• Tompkins Co. Administration: 75 (47)	• Tompkins Co. Dept. of Emergency Response: 15*
• City of Cortland: 38 (37)	
• City of Ithaca: 61 (44)	TOTAL: 264
• Seneca Co.: 57*	* no 2018 data

What is Prior Authorization for Prescriptions?

Prior authorization means that a medication must be reviewed by a clinical pharmacist before our prescription provider, ProAct, will determine if it is covered by your insurance plan. Some of the more common medications that require prior authorization are those that exceed a preset dollar amount threshold (such as \$1500 per 30-day supply), specialty medications, and/or other types of medications where a clinical review determines if the medication is being used appropriately or within the coverage guidelines set forth by your insurance plan.

Need to know if your prescribed medication needs prior authorization? The ProAct Formulary list identifies medications requiring prior authorization. You can find the Formulary on the [Employee/Retiree page](#) of the Consortium website and on the ProAct website.

How does prior authorization work? When ProAct is made aware by the provider, pharmacy, or subscriber that a medication has been prescribed that requires prior authorization, ProAct will direct the prescrib-

Image courtesy of ProAct



ing physician to where prior authorization forms or clinical question sets are available. Once the information is reviewed by the physician and provided to ProAct, the review process begins. The typical turnaround time for a prior authorization that contains all the necessary information is 72 hours. If the prior authorization is approved, the physician and pharmacy (who will contact the subscriber) are contacted to inform them of the approval.

Remember, the length of time for the approval depends on the specific medication and condition. If the request or claim is denied, a formal denial letter is sent to the physician and subscriber explaining the reason(s) for the denial and outlining the process for an appeal if the physician or member wishes to pursue that route.



Across-the-Board Benefit Plan Changes

The following benefit changes have been made to all Consortium plans:

- **In Vitro Fertility Preservation**--adds these benefits for up to 3 cycles.
- **Mental Health/Substance Use Disorder Provisions**--aligns benefits to align with federal mental health parity law requirements.
- **Comprehensive Contraceptive Coverage**--covered in full, and pharmaceutical edits removed.
- **Maternal Depression Screening**--this service is covered under an infant's contract if mother has a different contract provider.
- **Mammography Screening**--covered in full for subscribers aged 35-39.

Municipal Cooperative Agreement Review

Each municipal partner with the Consortium has signed our Municipal Cooperative Agreement (MCA) as a condition of membership. NYS law requires that these inter-municipal agreements must be reviewed every five years. 2020 is the five-year anniversary for our MCA, so all of our 43 municipal partners will review the current MCA and changes suggested by the Consortium's Governance Structure Committee.

Municipal partners have until January 1, 2020, to provide comments on the existing (2015) Agreement, available on our website in the [Municipal Resources pages](#). Input from our municipal partners and recommendations by the Governance Structure Committee will be shared in mid-January for comment by mid-March 2020.

The Consortium Board will review all comments and develop a 2020 MCA. That approved Agreement will be sent to all municipal members for ratification by July 1st. The ratified MCA will then be filed with NYS Dept of Financial Services.

Wellness

Wellness is preventative health care that promotes health and prevents disease.

“Maintain, Don’t Gain” Wellness Challenge

This year, the Consortium’s Owning Your Own Health Committee created a program to help promote holiday wellness. All Consortium subscribers are invited to take the “Eat Smart, Move More, Maintain Don’t Gain Challenge” during this holiday season, which runs from November 18th to January 6th.

To get more information and register, go to the Wellness webpage on our Employees/Retirees site:

Healthconsortium.net/empl-retiree/wellness/maintain

Many Americans gain between one and five pounds during the holidays. While it might not sound like much, many people never manage to lose those extra pounds.

Usually we forget our good habits during the holidays and then wait for our New Year’s resolutions to start healthy behaviors again. This holiday season, change your habits by taking the Maintain, Don’t Gain Challenge with your colleagues!

Incentives and prizes make participation fun. Those who sign up for the Maintain Don’t Gain Challenge will be entered to win a gym bag packed with health and fitness merchandise. And don’t worry, there are no weigh-ins!

Once signed up, you will receive weekly emails with hints and strategies for adopting healthy behaviors throughout the holidays. The program will provide tips and support for improving your holiday nutrition, physical activity, and mental/emotional well being.

Ideas to Reduce Holiday Stress and Depression

Staying healthy for the holidays



The holiday season can bring joy, but it also increases feelings of stress and depression in some of us. Many things contribute to the “holiday blues,” like fatigue, money concerns, and missing family or friends. Some people suffer stress responses such as headaches, excessive drinking, over-eating, or difficulty sleeping. Some experience a post-holiday let-down. To cut back on holiday stress:

Take breaks from group activities • Go for walks when you can • Keep a regular sleep, meal, and exercise schedule • Manage your priorities and commitments • Set a reasonable alcohol limit • Get plenty of rest

If you experience stress or depression that impacts your day-to-day activities, talk with your doctor to get help.

Upcoming Open Meetings

Board of Directors

December 19 and March 26 (6 PM)
Tompkins Cortland Community College (TC3), The Forum (Room 163), 170 North St., Dryden

Joint Committee on Plan Structure and Design

December 5, February 6, and March 5 (1:30 PM)
Tompkins County Health Department
Rice Conference Room, 55 Brown Road, Ithaca

The Consortium Connection

To receive this quarterly newsletter electronically, email a request to bgriep@tomkins-co.org.

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2019 Fiscal Year 10-Month Budget Performance Report

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Section 1

2019 Fiscal Year-to-Date Income Budget vs Actual Results

2019 Income Budget vs Actual (10-31-19)

		<i>2019 Adopted Budget</i>	<i>2019 Year-to-Date</i>	<i>2019 Actual Results</i>	<i>Variance</i>	<i>% Difference</i>
Income						
	Medical Plan Premiums	\$51,260,787.35	\$42,717,322.79	\$41,928,935.63	-\$788,387.16	-1.85%
9000	Ancillary Benefit Plan Premiums	\$164,340.00	\$136,950.00	\$124,728.69	-\$12,221.31	-8.92%
	Interest	\$200,000.00	\$166,666.67	\$384,397.33	\$217,730.66	130.64%
9010	Rx Rebates	\$1,747,886.24	\$1,310,914.68	\$1,216,668.09	-\$94,246.59	-7.19%
9040	Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$0.00	\$0.00	n/a
9030	Other	\$5,150.00	\$4,291.67	\$10,174.09	\$5,882.42	137.07%
Total Income		\$53,378,163.59	\$44,336,145.80	\$43,664,903.83	-\$671,241.97	-1.51%

Key Facts:

1. Premium Income is lower than budgeted primarily due to more members participating in lower cost benefit packages, like the Platinum Plan.
 - a. The County of Tompkins had more than 100 employees move from higher cost Indemnity and PPO Plans into the lower cost Platinum PPO Plan.
 - b. The initial estimates used for the County of Seneca members was based on the average premium cost per covered life for the Consortium as a whole. The County ultimately enrolled their members in the Platinum PPO Plan which is a lower cost plan on an average per covered life cost basis.

2019 Income Budget vs Actual (10-31-19)

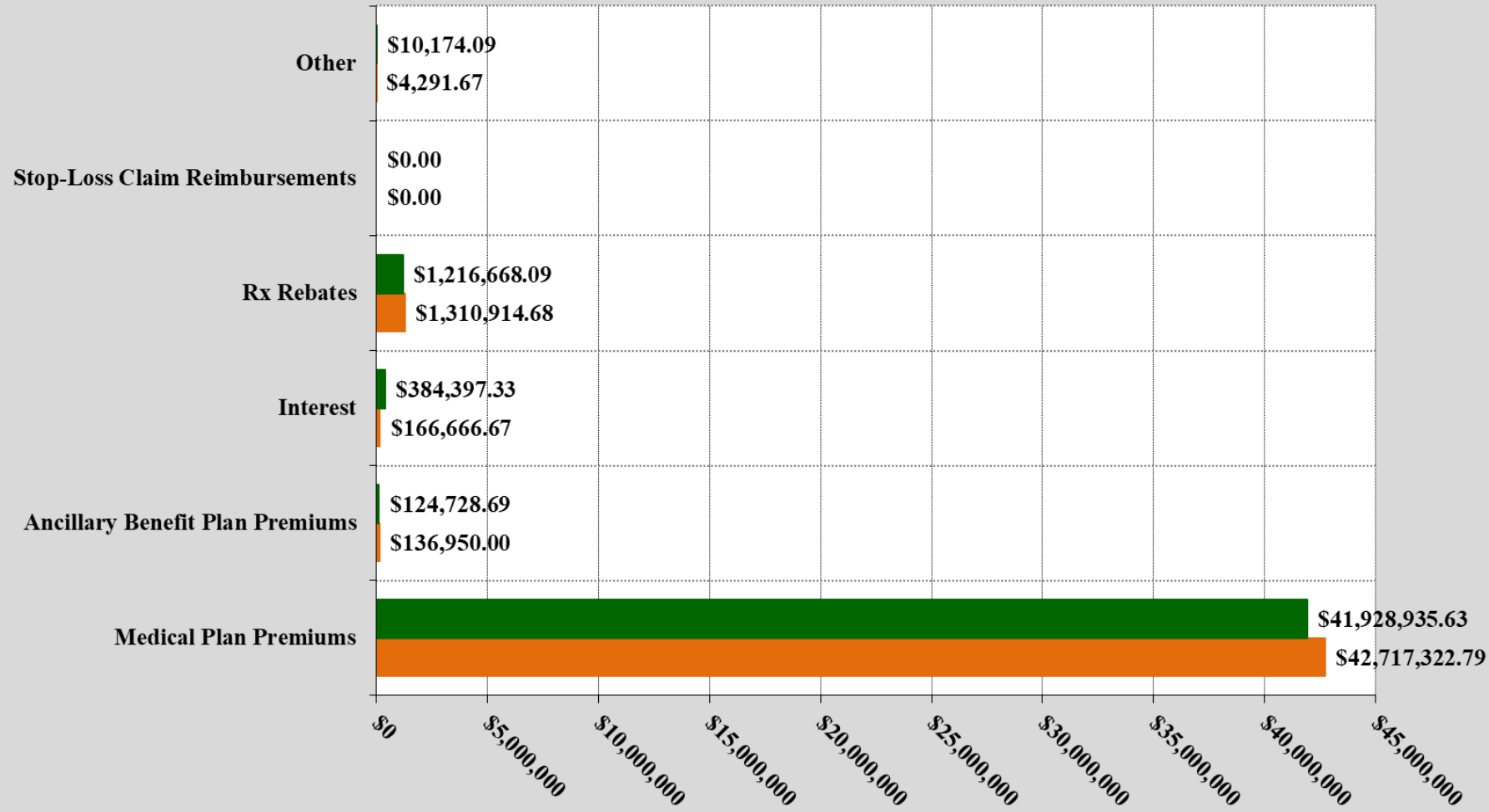
Key Facts (continued):

2. The ancillary benefits are approximately 8.9% below budget due to less enrollment in these benefit options. Since this is a “pass-through” cost, it does not negatively impact the net position of the Consortium.
3. Interest Income is significantly above the budgeted amount as a direct result of interest rates increasing and the improved investment management strategies initiated by the Consortium’s financial management team.
4. Rx Rebates are below budget as a direct result of pharmaceutical claims being more than 7% below the expected level for the first 10-months of 2019.
5. To date, the Consortium has not had any claims which have exceeded the Specific Stop-Loss Insurance Deductible. As a result, the Consortium has not received any funds from Excellus BCBS related to this coverage.
6. “Other” Revenue is up quite a bit from the budgeted projection. However the impact of this line-item is negligible at best and has very little impact on the overall net position of the Consortium.

Greater Tompkins County Municipal Health Ins. Consortium

2019 Income Distribution

January 1, 2019 to October 31, 2019

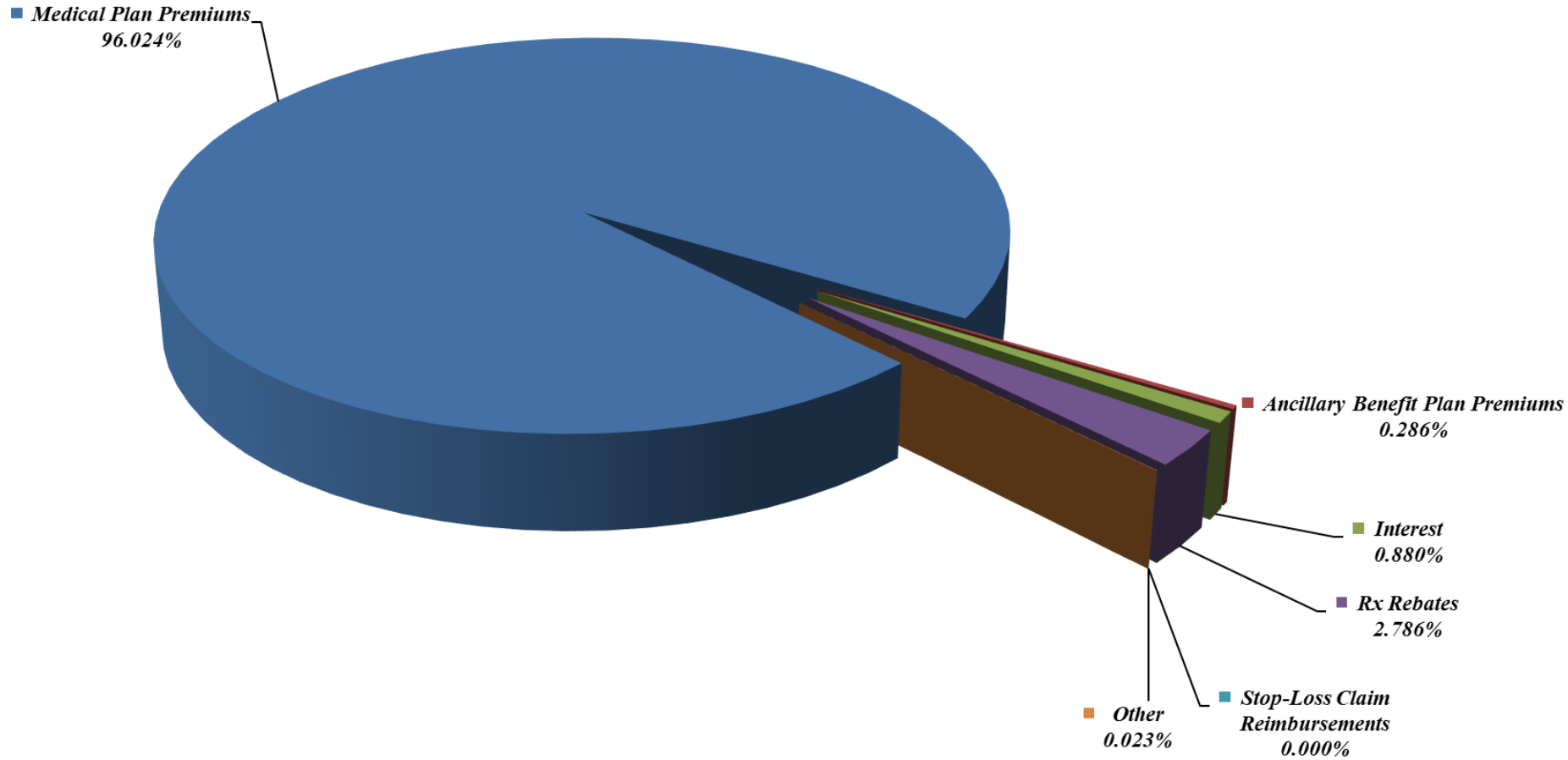


■ 2019 Actual Income ■ 2019 Budgeted Amounts

Greater Tompkins County Municipal Health Ins. Consortium

2019 Income Distribution

January 1, 2019 to October 31, 2019





Section 2

2019 Fiscal Year-to-Date
Expense Budget vs Actual Results

2019 Expense Budget vs Actual Results (10-31-19)

		2019 Adopted Budget	2019 Year-to-Date	2019 Actual Results	Variance	% Difference
Expenses						
8090	Medical Paid Claims	\$35,347,255.37	\$29,456,046.14	\$26,836,225.17	-\$2,619,820.97	-8.89%
8120	Rx Paid Claims - ProAct	\$13,835,185.90	\$11,529,321.59	\$10,767,517.02	-\$761,804.57	-6.61%
8121	Rx Paid Claims - CanaRx	\$184,321.52	\$153,601.26	\$140,659.50	-\$12,941.76	-8.43%
8050	Medical Admin Fees	\$1,274,977.75	\$1,062,481.46	\$1,073,399.49	\$10,918.03	1.03%
	Rx Admin Fees	\$172,020.23	\$143,350.19	\$141,233.25	-\$2,116.94	-1.48%
8084	Flu Clinic Fees	\$11,489.24	\$11,489.24	\$11,620.00	\$130.76	1.14%
8091	NYS Graduate Medical Exp.	\$289,528.82	\$241,274.02	\$275,776.90	\$34,502.88	14.30%
9060	ACA PCORI Fee	\$14,912.04	\$14,912.04	\$12,885.24	-\$2,026.80	-13.59%
8115	ACA Transitional Reins. Program Fees	\$0.00	\$0.00	\$0.00	n/a	n/a
8110	Stop-Loss Aggregate and Specific	\$609,679.40	\$508,066.17	\$529,944.02	\$21,877.85	4.31%
	Advance Deposit / Pre-Paid Claims	\$32,054.91	\$32,054.91	-\$46,100.00	-\$78,154.91	-243.82%
8070	Legal Fees	\$10,927.27	\$9,106.06	\$8,356.67	-\$749.39	-8.23%
	Executive Director (Salary & Fringes)	\$95,500.00	\$79,583.33	\$63,643.57	-\$15,939.76	-20.03%
66003	Clerk of the Board (Salary & Fringes)	\$0.00	\$0.00	\$17,893.70	\$17,893.70	n/a
8055	Consultant Fees (Barber)	\$54,500.00	\$45,416.67	\$31,179.06	-\$14,237.61	-31.35%
8030	Consultant Fees (L&C)	\$85,000.00	\$70,833.33	\$82,076.25	\$11,242.92	15.87%
8000	Accounting Fees	\$31,827.00	\$26,522.50	\$17,545.00	-\$8,977.50	-33.85%
8010	Actuarial Fees	\$20,600.00	\$20,600.00	\$43,850.00	\$23,250.00	112.86%
8020	Audit Fees	\$93,420.00	\$77,850.00	\$36,300.00	-\$41,550.00	-53.37%
8043	Wellness Coordinator Fees	\$48,000.00	\$40,000.00	\$23,701.25	-\$16,298.75	-40.75%
8060	Insurances (D&O / Prof. Liability)	\$36,453.02	\$30,377.52	\$33,428.01	\$3,050.49	10.04%
8041	Internal Coordination (Finance)	\$67,362.00	\$56,135.00	\$52,579.92	-\$3,555.08	-6.33%
8042	Internal Coordination (Support)	\$22,145.00	\$18,454.17	\$15,359.40	-\$3,094.77	-16.77%
8045	Internal Coordination (Town of Ithaca)	\$3,600.00	\$3,000.00	\$6,100.00	\$3,100.00	103.33%
8044	Internal Coordination (IT Support and Equipment)		\$0.00	\$17,240.17	\$17,240.17	n/a
9065	Marketing Expenses		\$0.00	\$819.67	\$819.67	n/a
9055	Investment Management Services		\$0.00	\$4,649.65	\$4,649.65	n/a
9050	Ancillary Benefit Premiums	\$164,340.00	\$136,950.00	\$126,288.66	-\$10,661.34	-7.78%
	Other Expenses / Supplies	\$10,300.00	\$8,583.33	\$8,854.85	\$271.52	3.16%
Total Expenses		\$52,515,399.48	\$43,776,008.93	\$40,333,026.42	-\$3,442,982.51	-7.86%

2019 Expense Budget vs Actual Results (10-31-19)

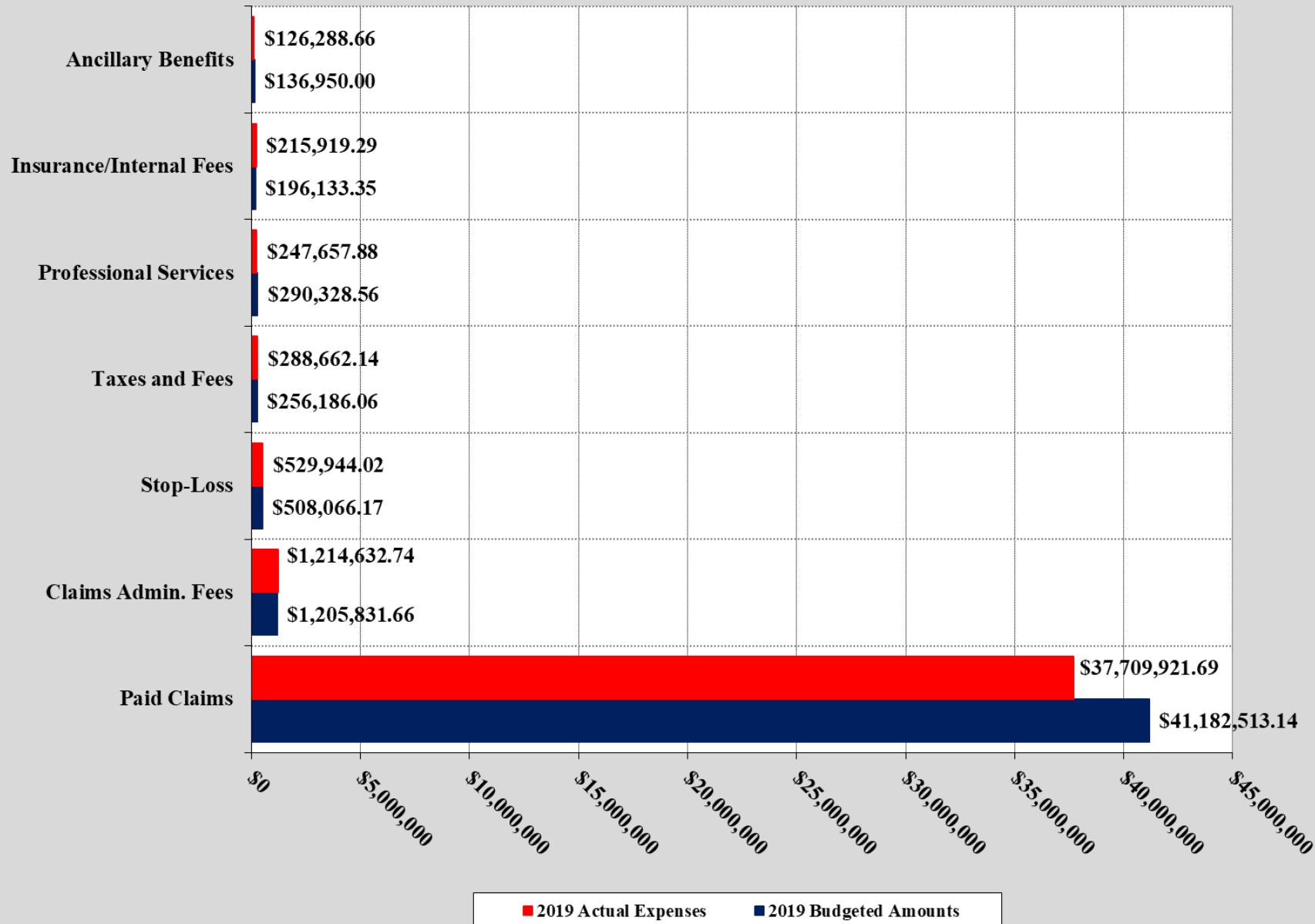
Key Facts:

1. Paid claims (benefits) accounted for 93.496% of the total expenses for the GTCMHIC. This means that a modest 6.504% was used to pay for all the other operating expenses of the Consortium, including stop-loss insurance which accounted for 1.314% of the spending.
2. Medical Paid Claims are currently 8.89% below the projected budget for the year and this is the result of:
 - a) Significant increase in the covered lives (↑18.43%) and in the number of contracts (↑17.09%) skews the early 2019 medical paid claims due to the “run-in lag”.
 - b) Increased member participation in lower cost health insurance plans, like the Platinum Plan at the Counties of Seneca and Tompkins
 - c) Lower frequency of large dollar claimants through the first 10-months of 2019
3. Rx Paid Claims are currently 6.61% below budget and this continues a trend in the past few years where the pharmacy claims have been consistently below budget. Unlike medical paid claims, there is almost no impact associated with “run-in lag” that impacts the pharmacy paid claims.

Greater Tompkins County Municipal Health Ins. Consortium

2019 Expense Distribution

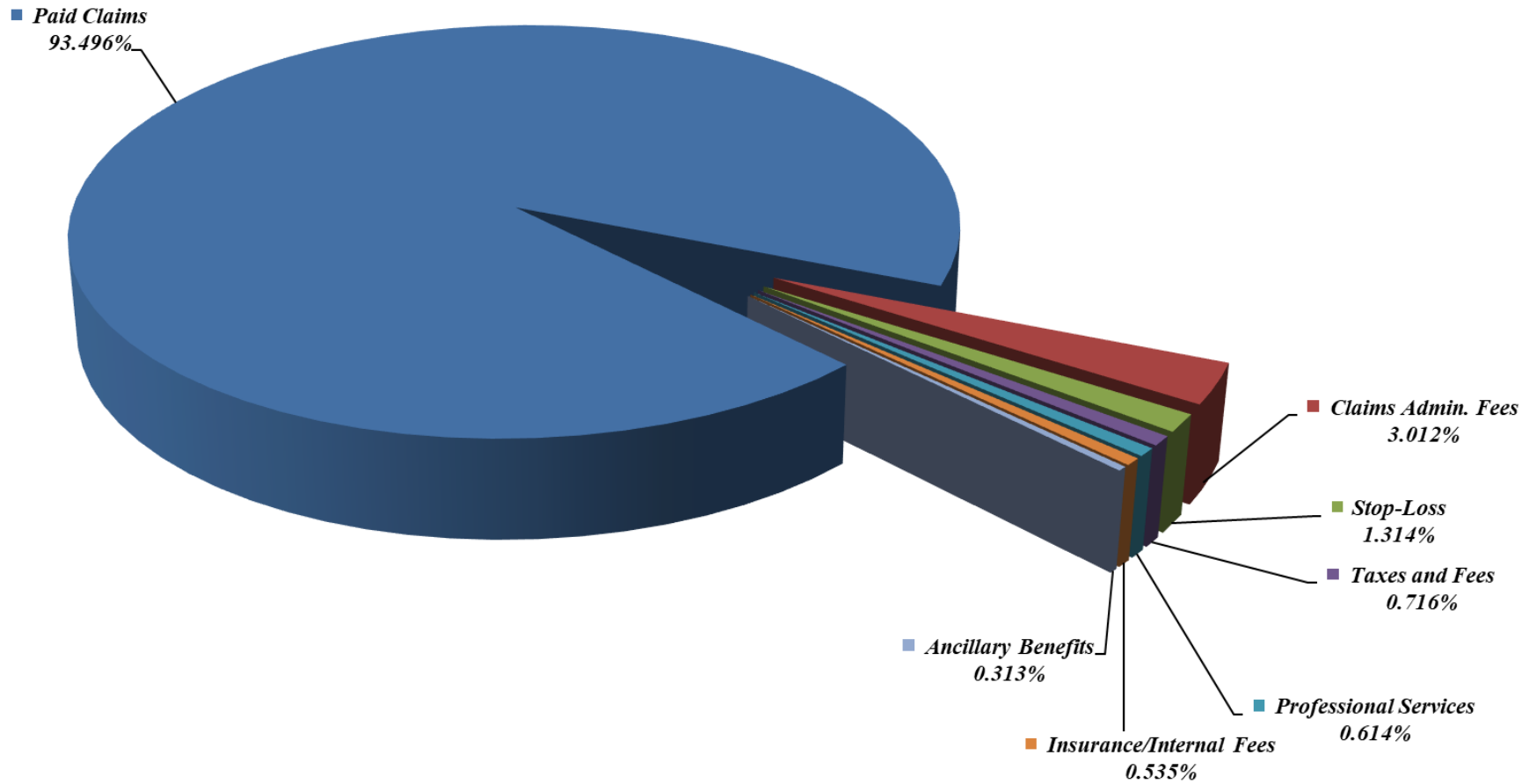
January 1, 2019 to October 31, 2019



Greater Tompkins County Municipal Health Ins. Consortium

2019 Expense Distribution

January 1, 2019 to October 31, 2019



■ Paid Claims ■ Claims Admin. Fees ■ Stop-Loss ■ Taxes and Fees ■ Professional Services ■ Insurance/Internal Fees ■ Ancillary Benefits

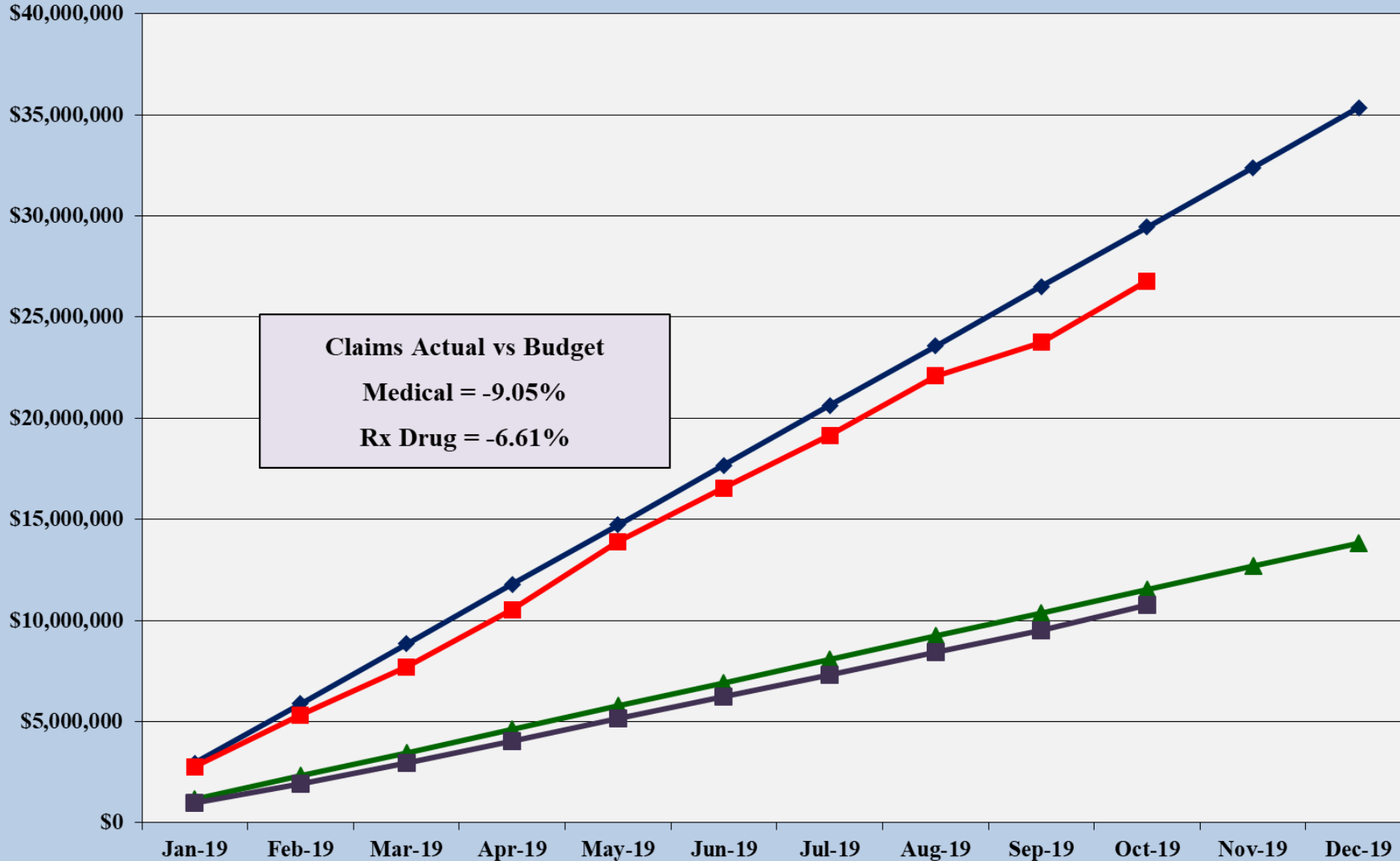


Section 3

2019 Fiscal Year-to-Date
Paid Claims Budget vs Actual Results

Greater Tompkins County Municipal Health Insurance Consortium

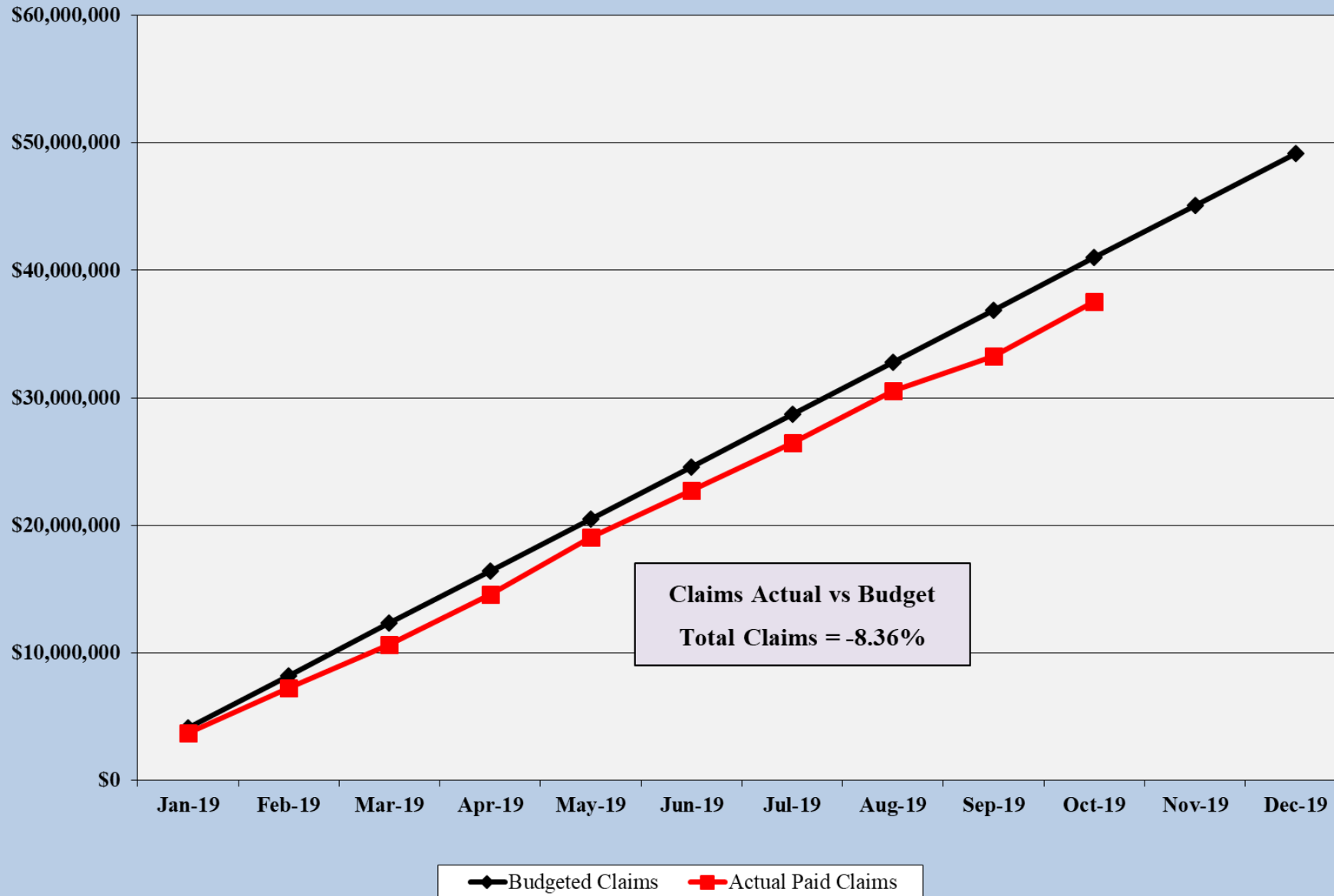
2019 Cumulative Paid Claims and Budgeted Claims by Month



◆ Medical Plan Budgeted Claims
 ■ Medical Plan Actual Paid Claims
 ▲ Rx Plan Budgeted Claims
 ■ Rx Paid Claims

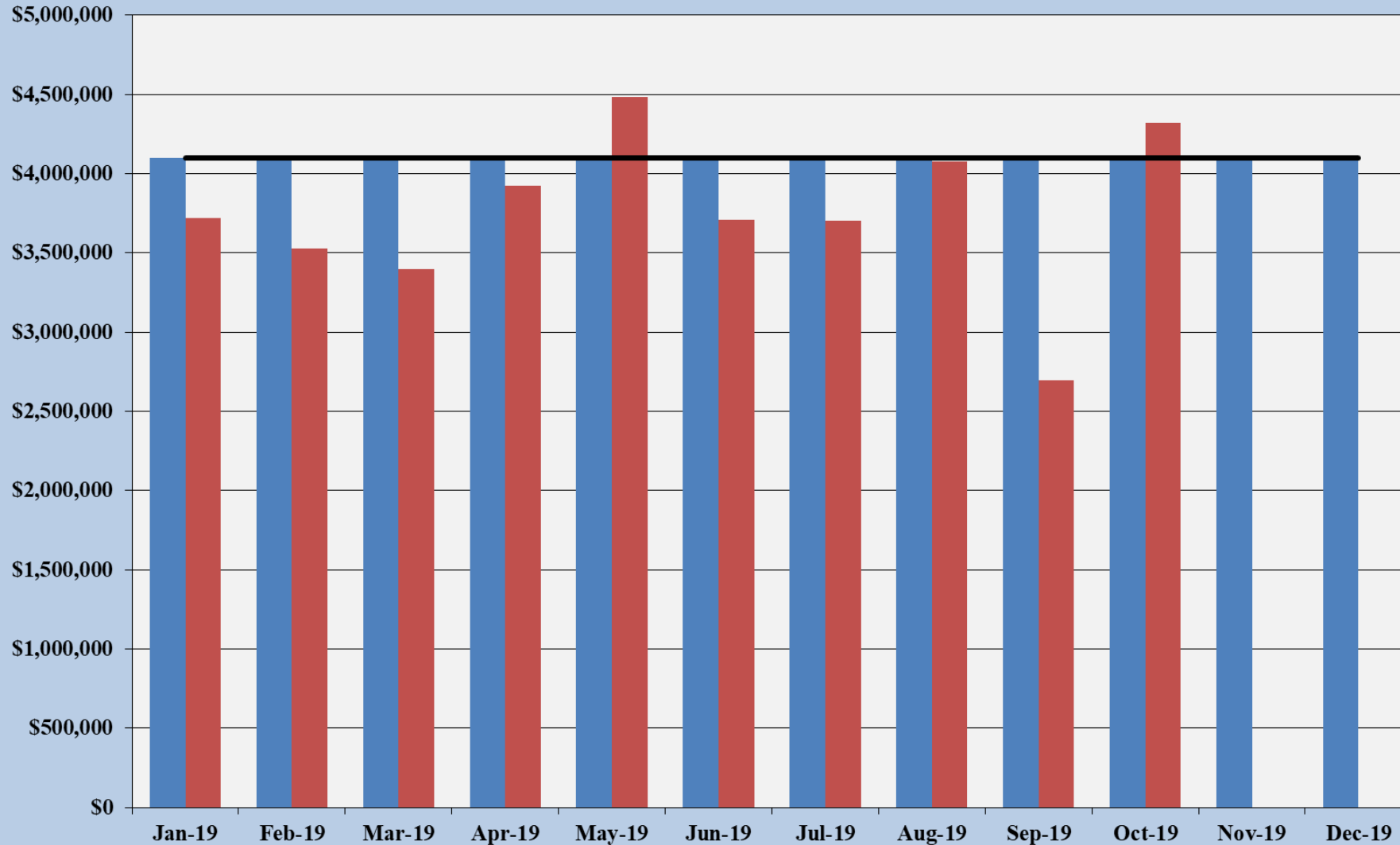
Greater Tompkins County Municipal Health Insurance Consortium

2019 Cumulative Paid Claims and Budgeted Claims by Month



Greater Tompkins County Municipal Health Insurance Consortium

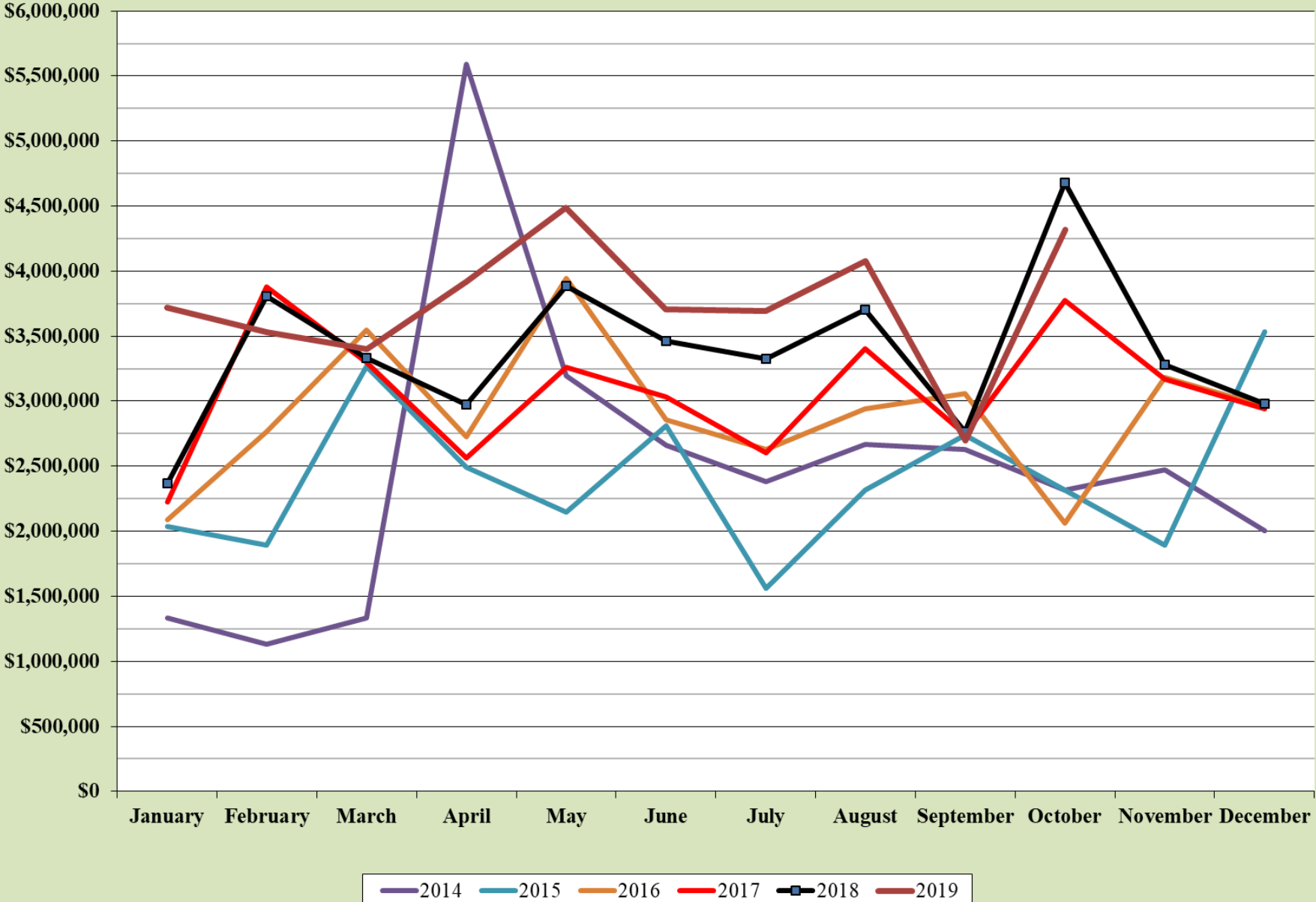
2019 Budgetd vs Actual Paid Claims by Month



Legend: Budgeted Claims (blue bar), Actual Paid Claims (red bar), Linear (Budgeted Claims) (black line)

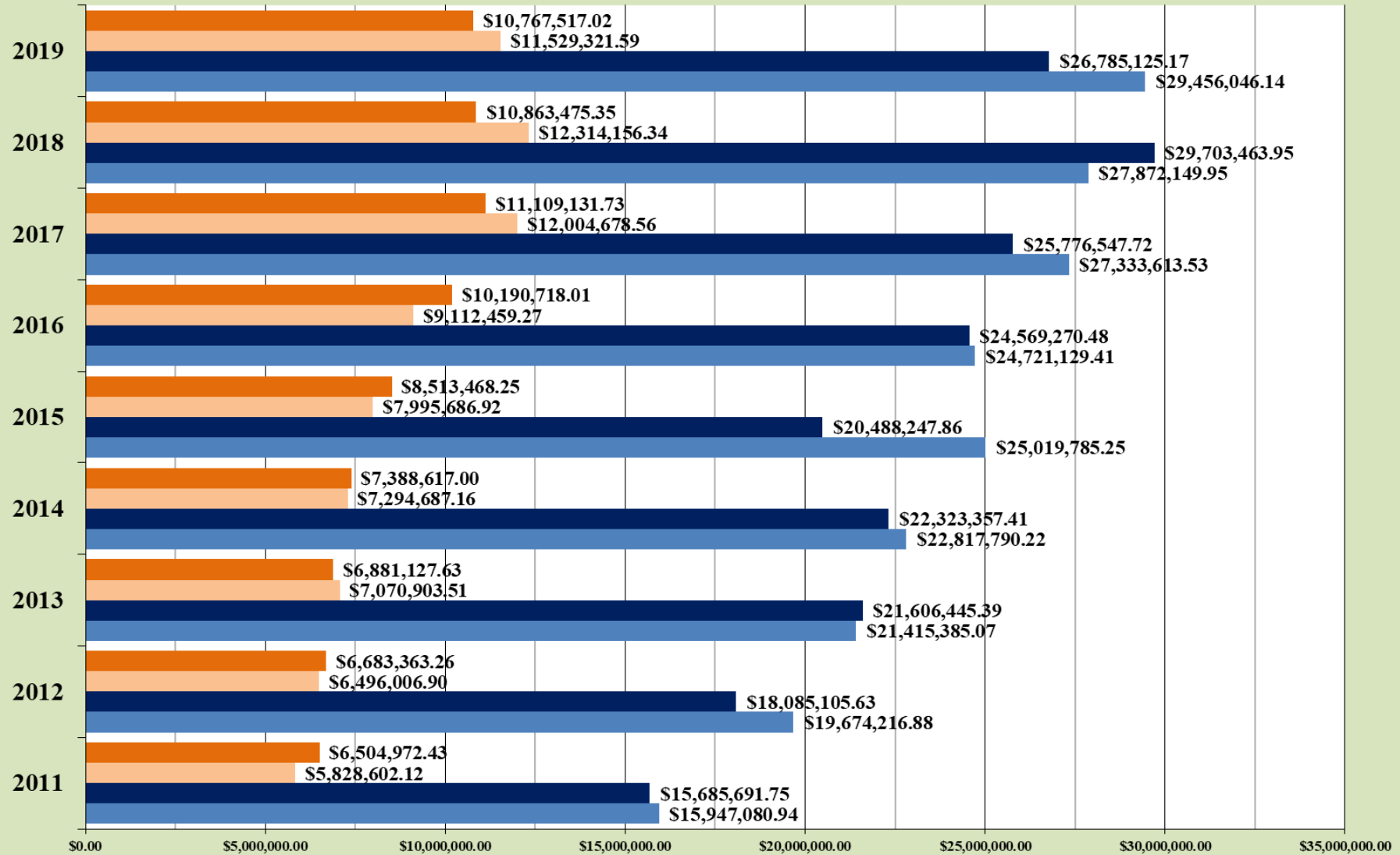
Greater Tompkins County Municipal Health Ins Consortium

2014-2019 Monthly Paid Claims by Fiscal Year



Greater Tompkins County Municipal Health Ins Consortium

2011-2019 (as of 10/31/2019) Annual Paid Claims v Budgeted Claims

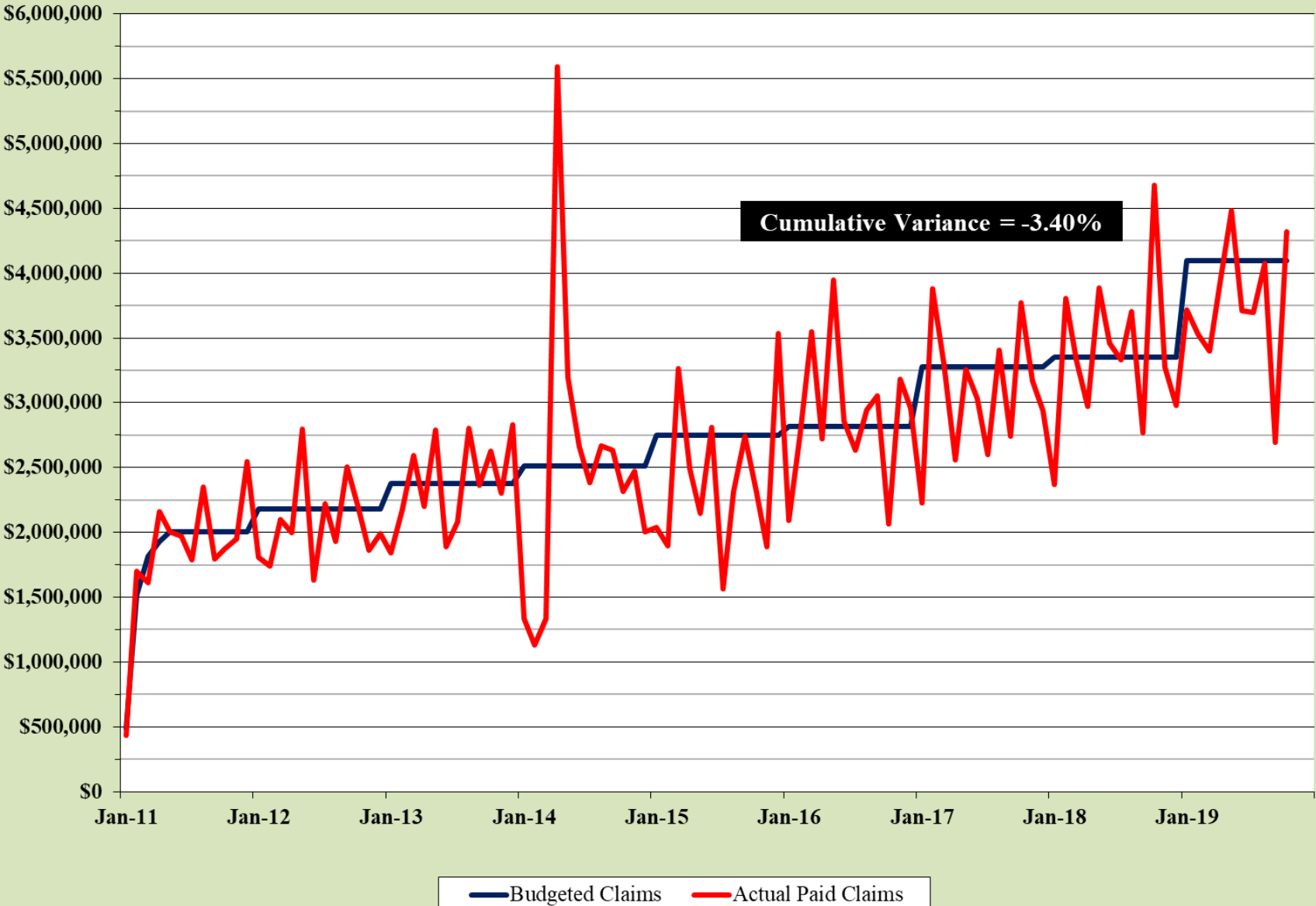


■ Actual Rx Claims
 ■ Budgeted Rx Claims
 ■ Actual Medical Claims
 ■ Budgeted Medical Claims

Greater Tompkins County Municipal Health Ins Consortium

2011-2019 Monthly Paid Claims v Budgeted Claims

January 1, 2011 to October 31, 2019





Section 4

2019 Fiscal Year-to-Date
Net Income, Liabilities, and Reserves

2019 Net Income, Liabilities & Reserves (10-31-19)

	<i>2019 Adopted Budget</i>	<i>2019 Year-to-Date</i>	<i>2019 Actual Results</i>	<i>Variance</i>	<i>% Difference</i>
Net Income	\$862,764.10	\$560,136.87	\$3,331,877.41	\$2,771,740.54	494.83%

Ending Balance	\$27,438,394.10	\$27,135,766.87	\$29,907,507.41	\$2,771,740.54	10.21%
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Liabilities and Reserves					
	IBNR Claims Liability	\$5,901,892.95	\$5,901,892.95	\$5,901,892.95	12% of Incurred Claims
5010	Surplus Account Per §4706(a)(5)	\$2,563,039.37	\$2,563,039.37	\$2,563,039.37	5% of Premium Income
	Rate Stabilization Reserve	\$2,459,122.06	\$2,459,122.06	\$2,459,122.06	5% of Paid Claims
5012	Catastrophic Claims Reserve	\$2,800,000.00	\$2,800,000.00	\$2,800,000.00	Established by Board Policy
Total Liabilities and Reserves		\$13,724,054.38	\$13,724,054.38	\$13,724,054.38	

Unencumbered Fund Balance	\$13,714,339.72	\$13,411,712.48	\$16,183,453.03
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The 2019 Fiscal Year Net Income is substantially above the projected budget for the year. This has resulted in the net cash assets (unencumbered fund balance) being above the targeted level as set by the Consortium's Audit & Finance Committee. As of October 31, 2019, the unencumbered fund balance equals approximately 31.57% of the expected premium income for the year.

Liabilities and Reserves - Defined

LIABILITIES

- The liabilities associated with the Consortium's operations are directly related to covered medical benefits that are incurred by Consortium Members which have yet to be received or paid by the insurance company or plan administrator. For example, if the Consortium were to end its operations on any given December 31st there are going to be covered medical services received by covered members on or before December 31st which will not be paid until sometime after December 31st. This is commonly referred to in the industry as an Incurred but Not Reported (IBNR) and Incurred but Not Paid (IBNP) Claims Liabilities.
- In recent years with the increases in technology associated with the billing and payment of medical benefit claims and with the increase in the volume of prescription drug claims which are inherently electronic in nature, the overall value of this liability has decreased as a percentage of expected/paid claims. In fact, twenty years ago, this liability equaled approximately the value of three (3) months (24%) of annual expected/paid claims. Today, this value is closer to one (1) month (8%) of expected incurred claims and the New York State Department of Financial Services has set this liability for the 2019 Fiscal Year to equal 12.00% of the expected incurred claims estimate for the year.

Liabilities and Reserves - Defined

RESERVES

- The reserves held by the Consortium are the cash assets which have been assigned to cover a direct liability or to assist the Consortium with cash flow and provide protection during times when paid claim projections are exceeded. These cash assets have also been a source of revenue through the interest earned to the Consortium which has allowed the Consortium to hold premium increases down in previous years.
- The Consortium has historically maintained the following reserves:
 - Incurred But Not Report (IBNR) Claims Liability Reserve (statutory reserve)
 - Surplus Account (statutory reserve)
 - Catastrophic Claims Reserve (discretionary reserve)
 - Rate Stabilization Reserve (discretionary reserve)
- Please refer to the following slides for a detailed description of each reserve classification.

Liabilities and Reserves - Defined

INCURRED BUT NOT REPORTED (IBNR) CLAIMS LIABILITY RESERVE

- The IBNR Claims Reserve is required for the Consortium to be compliant with §4706(a)(1) of the New York State Insurance Law. The New York State Department of Financial Services requires this reserve to be funded at an amount equal to 12.0% of expected incurred claims. We believe this is a conservative estimate of the liability, but we understand the Department has always acted based on their philosophy to maintain this level of reserve as they want the Consortium Member Claims to be fully-funded at all times.
- Maintaining this reserve at an insufficient amount to cover the liability could result in a Municipal Corporation owing a significant amount of money if they chose to leave the Consortium. A Municipal Corporation's decision to leave or stay in the Consortium should not be affected by the Consortium's lack of adequate reserves and this is a philosophy we feel the Consortium should embrace, even during tougher economic times.
- The 2019 Fiscal Year budget forecasted this reserve to equal \$5,901,892.95 (12.0% of projected hospital, medical, surgical, and prescription drug incurred claims). It should be noted that Excellus BlueCross BlueShield does provide an estimate of this liability in their annual renewal documents. For the 2019 Fiscal Year, Excellus' estimate of this liability was \$3,597,400 which is approximately 7% of the expected claims cost for the year.

Liabilities and Reserves - Defined

SURPLUS ACCOUNT

- The Consortium is required to fund the Surplus Account at an amount equal to 5.0% of expected premium income for the year. By funding this reserve at this level, the Consortium is operating in compliance with §4706(a)(5)(A) of the New York State Insurance Law.
- Article 47 of the New York State Insurance Law describes this reserve as being established and maintained for the sole purpose of satisfying unexpected obligations of the Municipal Cooperative Health Benefits Plan. Article 47 further states that this reserve is for the purpose of satisfying unexpected obligations of the Plan in the event of termination or abandonment.
- The 2019 Fiscal Year budget forecasted this reserve to equal \$2,563,039.37 (5.0% of projected premium income of \$51,260,787.35). It should be noted that the Consortium's premium income is slightly below the budgeted amount through the first 9-months of the fiscal period which means this reserve level may be slightly lower at the end of the year than the projected amount.

Liabilities and Reserves - Defined

CATASTROPHIC CLAIMS RESERVE

- This reserve was established by the Consortium's Board of Directors to protect the financial integrity of the Consortium as the Board made the decision to increase the deductible associated with the Specific Stop-Loss Policy to reduce expenses. It was agreed that the Consortium's risk pool is so substantial in size that it can absorb a significant number of large losses without damaging the financial integrity of the Consortium.
- It was our professional opinion and the opinion of the Board of Directors that there was an acceptable reward versus risk ratio between the reduction of this significant expense, the exposure of large losses, and the cash asset position of the Consortium. It was recognized that this decision does present a sizeable exposure to the Plan. To mitigate the exposure, the Board of Directors made the decision to fund this reserve at an amount equal to \$2,800,000 for the 2019 Fiscal Year.

Liabilities and Reserves - Defined

RATE STABILIZATION RESERVE

- When the Consortium's cash assets were at a fairly high level, the Board of Directors made the decision to establish the Rate Stabilization Reserve at an amount equal to 5.0% of the expected hospital, medical, surgical, and prescription drug claim payments for the year.
- It is our goal to work with the Consortium to ensure future fiscal year budgets are developed with this reserve being maintained.
- These funds would be used to “bridge the gap” during an associated hyper-inflationary period relative to paid claims allowing the Board of Directors to establish a multiple year plan to adjust revenue (premiums) and prevent a significant increase in premium rates during a single fiscal period.



Section 5

2019 Fiscal Year-to-Date Summary & Observations

2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

2019 Fiscal Year-to-Date Summary & Observations

1. While revenue is slightly below budget as of October 31, 2019, we believe the revenue projections will be closer to the budgeted amount by fiscal year-end. This result will be primarily due to the enhanced pharmaceutical manufacturer rebates being received from ProAct, Inc. Another contributing factor will be the continued positive results associated with increased interest earning resulting from higher interest rates and increased management of the cash assets by the Consortium's Financial Team which includes assistance from Wilmington Trust.
2. The combined Medical and Rx Paid Claims were 8.36% below budget through the first 10-months of the 2019 Fiscal Year. This result was achieved in large part due to a decrease in the number of catastrophic claims. We are keeping a close eye on the paid claims and we are cautiously optimistic that the Consortium will finish the year well below budget. Historically, the claims paid during the last quarter of the Calendar Year tend to be a bit higher as annual deductibles and out-of-pocket maximums are met.

2019 Fiscal Year-to-Date Summary & Observations

3. Overall, the Greater Tompkins County Municipal Health Insurance Consortium is performing better than projected through the first 10-months of the 2019 Fiscal Year. It is too early to make any firm projections relative to year-end. However, the financial indicators are pointing toward a positive fiscal year, resulting in a substantial net income which will be used to bolster the Consortium's Reserves and Fund Balance. In the end, we are hopeful that this positive result will allow the Consortium to maintain modest premium increases for the next several fiscal years.
4. Lastly, we want to point out that the fiscal results experienced by the Consortium as of October 31, 2019 support the Board of Director's decision to increase premium rates by a modest 5% for the 2020 Fiscal Year. Any additional funds set aside from this year will give the Consortium the opportunity to continue to keep premium increases at a very modest level for the next several fiscal periods.



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RESOLUTION NO. - 2019 - AUTHORIZE PURCHASE OF STOP LOSS INSURANCE FOR 2020 WITH EXCELLUS BLUECROSS BLUESHIELD AND INCREASE OF CATASTROPHIC CLAIMS RESERVE AND RATE STABILIZATION RESERVE

WHEREAS, the Consortium must purchase stop loss insurance, as required by Section 4707 of New York State Insurance Law, and

WHEREAS, the Audit and Finance Committee has received two (2) proposals for 2020 Stop-Loss insurance and has considered the variations of Stop Loss insurance models and level of deductible, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the purchase of the Stop Loss insurance policy with a deductible of \$1M for the policy period January 1, 2020 to December 31, 2020 with Excellus BlueCross BlueShield to include claims incurred from January 1, 2020 thru December 31, 2020 and paid during the period of January 1, 2020 thru March 31, 2021,

RESOLVED, further, That the Board of Directors hereby approves an increase in the Catastrophic Claims Reserve from \$2.8 million to \$ 4.5 million,

RESOLVED, further, That the Board of Directors hereby sets the Rate Stabilization Reserve at 7.5% of expected claims,

RESOLVED, further, That the Plan Consultant is directed to provide the Executive Director with a copy of said policy.



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**RESOLUTION NO. – 2019 - AUTHORIZATION TO PURCHASE INSURANCE POLICIES:
ERRORS AND OMISSIONS, DIRECTORS AND OFFICERS
LIABILITY, EMPLOYMENT PROTECTION COVERAGE
FIDELITY BOND**

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, on recommendation of the Tompkins County Risk Manager and the Audit and Finance Committee, That the Consortium shall purchase coverage for these policies from the following for the period January 1, 2020 thru December 31, 2020:

- Errors and Omissions Insurance with the Darwin Group at \$1,000,000 limit with \$25,000 retention (placed by insurance agent Haylor, Freyer and Coon);
- Directors and Officers Liability Insurance with the Darwin Group at \$1,000,000 limit with \$25,000 retention and Employment Protection Liability at \$1,000,000 limit (placed by insurance agent Haylor, Freyer and Coon); and
- A Fidelity Bond

RESOLVED, further, That the Chair of the Board is authorized to execute the renewal documents for the policies listed above.

* * * * *



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RESOLUTION NO. - 2019 - APPROVAL OF 2020 HEALTHCARE BENEFITS RENEWAL WITH EXCELLUS BLUECROSS BLUESHIELD

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) is a self-insured municipal cooperative health benefit plan operating pursuant to a Certificate of Authority issued by the New York State Department of Financial Services pursuant to Article 47 of the New York State Insurance Law, and

WHEREAS, Section E Paragraph 11 of the current GTCMHIC Municipal Cooperative Agreement defines the actions to be taken by the GTCMHIC Board of Directors to include the approval of contracts with third parties for the furnishing of goods and services, and

WHEREAS, the Audit and Finance Committee has determined that it is in the Consortium's best interest to continue its relationship with Excellus BlueCross BlueShield for the administration of the Consortium's medical claims, and

WHEREAS, Excellus BlueCross BlueShield charges the Consortium an additional integration fee for the carve out pharmacy services which include enrollment file transfer and accumulator integration, and

WHEREAS, Excellus BlueCross BlueShield prefers to add the carve out pharmacy integration fee to the Consortium PMPM administration fee effective January 1, 2020, with the rate being adjusted each year as not to exceed the contracted total rate,

WHEREAS, Excellus BlueCross BlueShield has agreed to give consideration in future years for Admin Rates to vary based on growth in enrollment numbers and has set discounts at four different contract band levels, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee That the Board of Directors hereby approves the 2020 Healthcare Benefits Renewal with Excellus BlueCross BlueShield under the proposed fee structure presented to the Board of Directors for 2020, 2021, and 2022,

RESOLVED, further, That the Chair of the Board be authorized to execute the 2020 contract on behalf of the Consortium.

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RESOLUTION NO. - 2019 – APPROVAL OF CONTRACT FOR INVESTMENT MANAGEMENT SERVICES – WILMINGTON TRUST – JANUARY 1, 2020 – DECEMBER 31, 2020

WHEREAS, the Consortium by Resolution No. 032 of 2018 entered into a one-year contract for with Wilmington Trust for investment management services for 2019, and

WHEREAS, Wilmington Trust has satisfactorily honored the terms of its contract including the delivery of reporting as requested, completion of Schedule B of the Consortium's JURAT financial filings with DFS (Department of Financial Services), and

WHEREAS, the Consortium is pleased with the service provided by Wilmington Trust and wishes to extend its contractual relationship for 2020, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the Consortium to enter into a contract extension with Wilmington Trust for investment management services for a one-year term period January 1, 2020 through December 31, 2020,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to execute said contract on behalf of the Consortium.

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**RESOLUTION NO. - 2019 – AUTHORIZING FINANCIAL SERVICES AGREEMENT WITH
TOMPKINS COUNTY – JANUARY 1, 2020 THRU DECEMBER 31,
2020**

WHEREAS, the Consortium initially formalized a contract with the Office of the Tompkins County Finance Director for the performing Consortium Treasurer functions on July 27, 2018, and

WHEREAS, the Consortium wishes to continue this contract arrangement, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby authorizes the Chair of the Board to sign the Financial Services Agreement with Tompkins County for a term commencing January 1, 2020 through December 31, 2020,

RESOLVED, further, that the Financial Services Agreement will be kept on file in the Consortium's records.



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RESOLUTION NO. - 2019 – AUTHORIZING INFORMATION TECHNOLOGY SERVICES AGREEMENT WITH TOMPKINS COUNTY – JANUARY 1, 2020 THRU DECEMBER 31, 2020

WHEREAS, the Consortium has received technical assistance at no charge from the Tompkins County Information Technology Services Department (ITS) since beginning operations in 2011, and

WHEREAS, technical support has included website hosting and assistance, e-mail account technical support, audio and visual assistance, development of a secure online enrollment program, and general computer support, and

WHEREAS, the frequency of requests and time involved has increased as the Consortium has grown, and

WHEREAS, the Executive Committee has recommended that the Consortium provide compensation for work done by the Department on behalf of the Consortium,

WHEREAS, the Audit and Finance Committee review the Memorandum of Understanding (MOU) for Information Technology Services and has recommend that the Board of Directors authorize the Board Chairperson to sign this MOU, and

WHEREAS, since initially approved by the Audit and Finance Committee, the need was identified for additional Information Technology Services to be added to the MOU for assistance with the Consortium's compliance with NYCRR 500 Cybersecurity requirements, now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Board of Directors approves an agreement with Tompkins County Information Technology Services for 2020 based on a rate for an average of seven (7) hours per month at \$60 per hour for ITS support provided to the Consortium from January 1, 2020 thru December 31, 2020 for a total of \$5,040,

RESOLVED, that the amount of \$5,040 will be submitted as a single invoice by ITS in January, 2020, and

RESOLVED, that ITS will invoice annually for the direct cost of the assigned Consortium Microsoft Office 365 licenses as procured under the Tompkins County Microsoft Office 365 tenant, and

RESOLVED, further, That this rate and hours associated with ITS support shall be reviewed annually to ensure that as the Consortium grows that it supports the assistance provided by the Department,

RESOLVED, further, That the Chair of the Board is hereby authorized to execute this contract on behalf of the Consortium,

RESOLVED, further, that the TC Information Technology Services Agreement will be kept on file in the Consortium's records.

* * * * *



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RESOLUTION NO.

**- AUTHORIZATION FOR CHAIR TO SIGN CONTRACT - CSEA
DENTAL/VISION PLAN – JULY 1, 2020 – JUNE 30, 2023**

WHEREAS, members of the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) have access to dental and vision coverage through CSEA, and

WHEREAS, this benefit is not a Consortium product, so the premium costs are a straight pass through with those members protected by this benefit paying all of the premium cost, and

WHEREAS, the members using this benefit from CSEA are very happy with the cost and benefit coverage, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the GTCMHIC Board of Directors authorizes the Chairperson to sign a three-year contract for this benefit package with CSEA Employee Benefit Fund for the period July 1, 2020 thru June 30, 2023.

* * * * *



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RESOLUTION NO. - 2019 - EXTENSION OF CONTRACT FOR PLAN CONSULTANT – LOCEY & CAHILL, LLC – January 1, 2020 – December 31, 2020

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

WHEREAS, the Plan consulting services needed include: strategic planning, financial analysis, recommending a budget, producing and filing benefit plan documents, calculating premium equivalents, preparing a variety of internal reports and requests for proposals, attending Board and Committee meetings, claims trends and large loss analysis, assisting municipal partner with benefit and premium questions, and interfacing with third party administrators and ancillary benefit providers, and

WHEREAS, the Consortium issued a Request for Proposals and by Resolution adopted on October 28, 2010, selected Locey & Cahill, LLC of Syracuse to provide consulting services for the Consortium, and

WHEREAS, the Executive Committee has discussed the need and scope of Benefit Plan Consultant Services and recommends that the Consortium continue to retain Locey and Cahill, LLC for those services, and

WHEREAS, the Audit and Finance Committee has reviewed and discussed the terms of the Consortium's contract with Locey and Cahill, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby extends its contract with Locey & Cahill, LLC for an additional one-year term for the period January 1, 2020 through December 31, 2020.
