



Greater Tompkins County Municipal Health Insurance Consortium

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

Claims and Appeals Committee Meeting Agenda October 30, 2023 – 3:00PM Remote/Zoom Meeting

1. Call to Order Bud Shattuck

2. Approval of Minutes – December 22, 2022 & August 11, 2023

3. Executive Director Update Elin Dowd

4. Discussion on the following topics:
 - a) BMI Medical and Rx Claims Audit
 - b) Other Updates

5. Appeal 2023-001

6. Other Potential Appeals

7. Next Meeting

8. Adjourn

Next Meeting: TBD – To be held as necessary

Minutes – DRAFT
Claims and Appeals Committee
December 22, 2022 – 3:30 p.m.
Town of Ithaca - Aurora Conference Room

Present: Bud Shattuck, Chair*, Don Fischer*, Tanya DiGennaro*, Tom Brown* (3:35p),
Absent: Donna Dawson; Locey & Cahill
Staff/Guests: Judy Drake, Board Chair; Elin Dowd*, Executive Director; Lynne Sheldon, Clerk
of the Board; Kylie Rodrigues, Benefits Specialist; Teri Apalovich, Finance
Manager

*Remote due to extraordinary circumstances

Call to Order

Mr. Shattuck, Chair, called the meeting to order at 3:34 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of May 9, 2022

It was MOVED by Mr. Fischer, seconded by Mr. Shattuck, and unanimously adopted by voice vote by members present, to approve the minutes of May 9, 2022, as submitted. MINTUES APPROVED.

Executive Director Report

Ms. Dowd referred to her Executive Director December Report. She reported the Consortium initiated a group restructure to add retiree codes to existing plans and cleanup Excellus and Proact files. This restructure led to some issues regarding faulty ID cards issued, benefit cancellations, and incorrect benefit information at the customer service level. Most of these issues have now been resolved but should fully be cleared up by January 1, 2023.

Mr. Brown arrived (3:35p)

Ms. Dowd commended Ms. Drake for her service as the Board Chair for nine years. Ms. Dowd mentioned she has met with Mr. Hart and Ms. Drake for transition meetings and the transition should happen seamlessly.

Ms. Dowd announced the Department of Financial Services (DFS) has started their virtual audit. The Consortium has not been audited in five years. The audit of information technology started this summer and the requested governance, internal files, along with Excellus and ProAct claim information has all been provided. Ms. Apalovich is heading up this audit which will be very time-consuming responding to their questions. The first meeting with DFS will be held January 6, 2023.

Ms. Dowd expressed that once the New Year begins, the Audit and Finance Committee will be looking at an amended budget and will take into consideration any changes that have happened the last month or two, including audit expenses.

Review RFPs for Claim Auditors

(J. Graham Inc., Claim Technologies, Inc. (CTI), Segal, BMI Audit Services)

The meeting was not called to executive session, however due to the sensitive nature of contract discussions, documentation is not shared within the minutes.

Ms. Dowd referred to spreadsheets prepared by Ms. Apalovich and distributed to the Committee comparing services of 4 above vendors who responded to the Request for Proposal (RFP). She explained what has been researched already between the different quotes. She also highlighted the abilities of each auditor to do both medical and prescription drugs, proprietary claims, software review, and if they have experience with Excellus and ProAct, and self-funded government agencies.

After thorough discussion of the four above vendors, the resolution to approve and continue with BMI Audit Services as a vendor was moved by Mr. Shattuck.

Ms. Dowd advised that due to COVID, the audit is behind and the plan years 2020 and 2021 will have to be audited as soon as possible. The Committee also would like to ask BMI about an additional sampling size quote and how much BMI will charge for a RX platform switch. The Consortium expects the audit to include an audit of the ProAct system platform change between 2020-2021.

RESOLUTION NO. xxx-2022 – AUTHORIZE CONTRACT FOR MEDICAL CLAIMS ADJUDICATION FOR PLAN YEARS 2020 and 2021

It was MOVED by Mr. Shattuck, seconded by Mr. Fischer, and the resolution was unanimously adopted by voice vote by members present, and visibly seem members via remote locations.

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

WHEREAS, being a self-insured health insurance plan the Consortium is responsible for the payment of claims as adjudicated by the Third Party Administrators, Excellus Blue Cross Blue Shield and ProAct, and

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

WHEREAS, a Request for Proposals for Medical Claims Auditing Services was issued on October 26, 2022, to perform medical claims auditing services for the Consortium for the 2020 and 2021 plan years, now therefore be it

RESOLVED, on recommendation of the Claims and Appeals Committee, the Executive Director is granted the authority to interview and finalize the terms of the agreement, with either of the top two finalists reviewed by the committee with terms and conditions agreed upon by the Committee.

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Next Agenda

It was discussed that a possible meeting may be held prior to April based on feedback from BMI Audit Services. There are currently no appeals.

Adjournment

The meeting adjourned at 4:06 p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board

Minutes – DRAFT
Claims and Appeals Committee (Special Meeting)
August 11, 2023 – 1:00 p.m.
Remote/Zoom Meeting

Present: Bud Shattuck, Chair*, Donna Dawson*, Tanya DiGennaro* (*arrived 1:10p*)
Excused: Don Fischer; Tom Brown
Absent: Carol Sosnowski
Staff/Guests: Elin Dowd*, Executive Director; Lynne Sheldon, Clerk of the Board; Kylie Rodrigues, Benefits Specialist; Rob Spenard, Locey & Cahill

**The meeting was held remotely*

There was not a quorum present at the meeting

Call to Order

Mr. Shattuck, Chair, called the meeting to order at 1:06 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of December 22, 2022

Approval of the December 22, 2022, minutes was deferred until the next Claims and Appeals Committee meeting as attendance did not reach a full quorum.

Executive Director Report

Ms. Dowd reported that the Consortium will have new members for 2024. She said the Town of Brutus, and the Town of West Monroe have been approved already to join the Consortium. She said the City of Geneva has sent in their application and their recommendation will be discussed with the Audit and Finance Committees. She said the Town of Fair Haven and Town of Locke have been working with her and have said they will soon be sending in their application. These five municipalities will bring approximately 150 covered lives.

Ms. DiGennaro arrived (1:10p)

Ms. Dowd announced that the Consortium is considering changing the Pharmacy Benefit Manager (PBM) from ProAct to Excellus. She said the Consortium has experienced several issues, including accumulator program issues with ProAct. She said the Operations Committee has been monitoring the issues of ProAct and ProAct has been informed that a resolution is in place to make this proposed change, and Ms. Dowd said she also advised ProAct that year the Consortium must conduct a claims audit, so they will be expecting that as well.

Ms. Dowd said that BMI is currently still working on the medical claim portion of the audit. She said BMI is creating a report that will go back to Excellus of all claims that were paid erroneously. She said communications will go back and forth between BMI and Excellus before that audit is finalized.

BMI Medical Claims Audit

Ms. Dowd said the Claims and Appeals Committee decided to move forward with BMI to ask them for a quote for them to also audit the PBM claims, along with the rebates. BMI provided the Consortium with two different proposals for the Committee. One proposal was presented to the Consortium due to the potential PBM change to Excellus. This would be a pre-implementation audit to make sure everything is in place prior to the move from ProAct to Excellus. She said ultimately, this one was not considered since the Consortium will also have to do its own audit to ensure the data is correct for a transfer to the new PBM, and it is very costly.

Ms. Dowd said the initial proposal is broken down into three areas. One area is the audit on general claims, analysis, whether claims were paid properly, if claims needed prior authorization, or if the tiers were paid under the correct tiers. She said the second area of the audit would be the financial guarantees that the contract signed included discounts for average wholesale pricing, and the rates were correct. She added the third area includes the audit of rebates received from manufacturers as listed in the PBM contract.

Mr. Shattuck asked if DFS may mandate more to the audit process in the future. Ms. Dowd replied DFS does tell the Consortium what needs to be audited, they look at the results of audits, such as what they are doing with the Consortium currently, however she said that DFS is currently looking at if claims have been adjudicated properly according to the plan, but they have not asked to look at the financial aspect as of yet. She also added that DFS also scrutinizes over appeals that Exellus and ProAct have, and they have asked about coding and timing. She said something maybe coming from DFS because of their current audit of the Consortium, but she is not certain currently.

Mr. Shattuck said that since there was not a quorum present at the meeting, but based on the support and voice vote of the members present, the resolution will be prepared for review at the upcoming Executive Committee. Ms. Dowd said that the Consortium will move forward with BMI in place. Ms. Dowd added that the Committee should be hearing back shortly regarding the results of the medical audit.

RESOLUTION NO. XXX-2023 – AUTHORIZE CONTRACT FOR PRESCRIPTION DRUG CLAIMS ADJUDICATION AUDIT FOR PLAN YEARS 2021, 2022, and YTD 2023

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

WHEREAS, being a self-insured health insurance plan the Consortium is responsible for the payment of prescription drugs claims as adjudicated by pharmacy

benefit manager, ProAct, and

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

WHEREAS, a Request for Proposals for Prescription Drug Claims Auditing Services was issued on October 26, 2022, to perform prescription drug claims auditing services for the Consortium for the 2021, 2022, and YTD 2023 plan years, now therefore be it

RESOLVED, on recommendation of the Claims and Appeals Committee, the Executive Director is granted the authority to enter into a contract with BMI Auditing Services for plans year 2021, 2022 and YTD 2023 with the terms and conditions agreed upon by the Committee.

Future Agenda Topics

BMI Medical Claims Audit

Adjournment

The meeting was adjourned at 3:35 p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board