



Greater Tompkins County Municipal Health Insurance Consortium

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

Executive Committee Agenda Special Meeting – Long-Term Planning March 2, 2022: 3:30-5:00 p.m. Ithaca Town Hall/Zoom

- 1) Call to Order
- 2) Changes to the Agenda
- 3) Approval of February 2, 2022 Minutes
- 4) Executive Director Report
- 5) Resolution: Adoption of Amendments to the 2022 Budget
- 6) Resolution: Rescinding Resolution No. 009-2020 and Renaming the Catastrophic Claims Reserve to Catastrophic Claims Self-Insurance Pool
- 7) Long-Term Planning Discussion
 - A. Financial
 1. Ongoing Risk Assessment
 2. Growth/Expansion Expectations
 3. Premium Rating
 4. Targets and Usage for Reserves and Surplus Funds
 5. Investment Management Philosophy
 - B. Marketing
 1. Current Participating Municipality Retention
 2. Recruiting Marketing Strategies and Approval Process
 3. New Municipality Marketing Program
 4. Marketing Materials
 5. Conference Attendance
- 8) Next Agenda Topics
- 9) Adjournment

Next Meeting: April 6, 2022 (Regular Meeting)

**Executive Committee
Minutes – DRAFT
February 2, 2022 – 3:30 p.m.
Town of Ithaca/Zoom**

Present: Steve Thayer, Bud Shattuck, Peter Salton, Judy Drake, Ed Fairbrother, Rordan Hart, Gary Mutchler, Lisa Holmes, Jim Bower, Eric Snow
Excused: Lisa Holmes
Guests: Steve Locey, Rob Spenard, Paul Pelton Locey & Cahill; Ruby Pulliam, Tompkins County Human Resources Commissioner; Jim Doring, Town of Preble Director; Brandon Holt, Kelli Lasher, Excellus
Staff: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Teri Apalovich, Finance Manager; Kylie Rodrigues, Benefits Specialist

Call to Order

Ms. Drake, Chair, called the meeting to order at 3:32 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of January 12, 2022

It was MOVED by Mr. Mutchler, seconded by Mr. Salton, and unanimously adopted by voice vote by members present, to approve the minutes of January 12, 2022 as submitted. MINUTES APPROVED.

Chair's Report

At this time Kelli Lasher of Excellus introduced Brandon Holt who has assumed the responsibility of being the Consortium's Account Manager. Ms. Lasher said Mr. Holt works with two other consortiums, is familiar with Article 47, and has been working closely with Locey and Cahill. Mr. Holt said he has been in the employee benefits industry for the past ten years and has worked with many different sizes and structures of groups. He looks forward to working with the Consortium and extended an offer for anyone to reach out to him if a need arises.

Executive Director Report

Ms. Dowd said January was a busy month. She welcomed Mr. Holt and said she looks forward to continuing to strengthen the Consortium's relationship with Excellus. She commented that questions will continue to go through Consortium staff until the transition to Mr. Holt is complete.

Ms. Dowd said a written report was included in the agenda packet and called attention to a few highlights. She has already received several inquiries about membership for 2023 from a variety of entities and continues to answer questions and develop information to respond to inquiries. She reported there were several plan changes at the end of 2021 in Tompkins County and the City of Ithaca. As a result of this change, staff is working with Excellus to look at all of the Consortium's different plans that are in the system that are coded differently and trying to do clean-up of those plans. Also, as a result of the movement of members to different plans, a recommendation will be made at the next Audit and Finance Committee meeting to address a decrease in premium revenue as a result of the movement.

Ms. Dowd reported on a system platform change that happened at ProAct that has kept Consortium staff and Excellus very busy. As a result of this change Excellus has been asked to verify all of the plans that ProAct has and make sure that communication is going smoothly. Excellus has also had to verify that out-of-pocket maximums are in the system accurately. She said there have been some municipalities that had wrong member coding and this resulted in members being told incorrectly about copays or deductibles at the pharmacy. There were also retail pharmacy errors as a result of incorrect BIN numbers on identification cards and coding issues from one system to another. These issues have caused problems for end users which creates problems for benefit clerks and then results in a lot of time being spent by Ms. Rodrigues working on resolution. She has been keeping a log and has spent a lot of time working with municipalities, members, and pharmacies to resolve issues. Ms. Dowd said efforts will continue to log time spent, evaluate relationships, and look at how members can be better-served.

Ms. Dowd also reported on a change in the ProAct Formulary that has resulted in several questions. She said although many of the changes were positive, approximately 20% of the changes were very significant. Locey and Cahill currently meets with ProAct on a regular basis and a regular part of those meetings includes a review of a log of questions and concerns created by Ms. Rodrigues. She said she and Ms. Rodrigues will be requesting a meeting with ProAct to discuss all issues, including those related to the Formulary.

Mr. Locey said they are trying to determine why members are experiencing problems and said where tier changes have occurred a drug has been identified that would be a lower cost. Other than volume, he doesn't think there is much of a difference from previous years when there has been a formulary change. He reported this year ProAct made a change, whereby they are now doing drug pricing and rebates in-house and this resulted in a significant number of changes. He is still trying to understand what communication did or did not take place in advance to get people moved before they arrived at a pharmacy.

In response to Ms. Drake, Mr. Locey said a PBM (Prescription Benefit Manager) controls the formulary. He has seen situations where a client has tried to manipulate a formulary but it did not work out well and said neither the Consortium or Locey and Cahill have the resources to understand the drugs and the many different associated aspects that are part of the process. He said Locey and Cahill is looking into what was disclosed during the RFP (Request for Proposals) process and whether it was known that this would happen during that time as it may have led to better planning.

Ms. Dowd recognized the work of all Consortium staff and reported on a letter received from a member specifically acknowledging outstanding customer service and problem resolution by Kylie Rodrigues.

Long-Term Business Planning

Ms. Dowd reported in preparation for the next meeting, work is being done on the new member process and said the outline is being shared with Consortium committees and information and suggestions are being added to the list.

RESOLUTION NO. 002-2022 – AUTHORIZING EXTENSION OF OFFICE SPACE LEASE AGREEMENT WITH THE TOWN OF ITHACA

MOVED by Mr. Fairbrother, seconded by Mr. Salton.

Mr. Salton asked if the Consortium at some point will look at leasing a different type of office space. Ms. Dowd said as part of the long-term business planning Ms. Drake has asked that a look be taken at a five-year staffing plan that will include looking at that; it will first be shared with the Operations Committee. She said the current office will not service staff well in the long-term and she hopes to make this part of the long-term business plan as well as looking at what type of space is needed for meetings.

Ms. Drake reviewed the history behind the space being created in the Town of Ithaca for Consortium staff, noting there was a need to quickly tie into Tompkins County's network system which was already in the Town of Ithaca. She said there are considerations that will need to be discussed when this topic comes up. Mr. Salton said he hopes the discussion will include looking at whether the Consortium should be more externally focused. He commented that if offices will be considered, employees are generally happier in pleasant offices. Ms. Drake said there is a lot to consider, including looking at remote versus in-person work as well. Ms. Dowd said Tompkins County is aware that if there are opportunities in the future, the Consortium is interested in growing with them. She also said that if the Consortium continues its relationship with the County, specifically with regard to IT services, it will need to make sure that any new location can be established as a remote location; all of these aspects will need to be included in discussions.

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

WHEREAS, in 2019 the Executive Committee negotiated a lease agreement with The Town of Ithaca for office space, and

WHEREAS, the Consortium's legal counsel reviewed and approved the language contained in the lease agreement, and

WHEREAS, the lease agreement includes additional space to accommodate the Consortium's additional personnel needs, and

WHEREAS, the term of the lease is for one year with the ability to extend annually with all utilities being the responsibility of the landlord, now therefore be it

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee authorizes the Executive Director to sign said lease agreement dated March 31, 2022 with the Town of Ithaca for office space for the period April 1, 2022 thru March 31, 2023.

* * * * *

Report from the Joint Committee on Plan Structure and Design

Mr. Bower, Chair, reported he has been reaching out to labor groups in an effort to increase attendance at meetings and is hopeful about contact information he has received. The Committee will meet tomorrow and will hold elections for Chair and Vice Chair. He reported Doug Perine will be stepping down from being the Chair of Tompkins County's White Collar Unit in March.

Ms. Dowd reported the Consortium now has a Facebook page and invited members to visit and like the page. This was an initiative of the Joint Committee in efforts to reach out and communicate directly with members. She said the Committee continues to be very active in helping to create and communicate the Consortium's wellness program. Ms. Rodrigues reported on an effort to identify a Wellness Champion in worksites to help alleviate requests

made of Benefit Clerks to relay information to members. A request has been made that municipalities consider having a volunteer to be a Wellness Champion; the responsibilities will be reviewed at tomorrow's Joint Committee meeting.

Report from the Nominations and Engagement Committee

Mr. Fairbrother, Chair, reported the only committee member vacancy that exists currently is on this Committee. Ms. Dowd confirmed this and said efforts to identify a member to fill the vacancy have not yet been successful and asked if there were any suggestions or volunteers; none were offered. Ms. Drake asked members to provide Ms. Dowd or Mr. Fairbrother with suggestions for filling this seat.

Ms. Drake welcome Ray Bunce and Eric Snow as the newest members of the Executive Committee.

Report from the Claims and Appeals Committee

Mr. Shattuck, Chair, reported BMI is finishing up the prescription drug claims audit and will share the information when it becomes available. The Committee will meet next on March 14th.

Report from the Audit and Finance Committee

Mr. Thayer, Chair, reported he has assumed the position of Committee Chair. The Committee met last on December 14th and will meet next on February 22nd. At that meeting there will be discussion of the Request for Proposals for Investment Management Services and a report of what was discussed at the Subcommittee meeting. There will also be continued discussion of the Catastrophic Claims Policy and budget amendments for 2022.

Report from the Operations Committee

Ms. Dowd reported on behalf of Lisa Holmes and said a meeting was held last month and the Committee discussed the annual Cyber Security audit that has now been filed with the Department of Financial Services. She expressed appreciation to Tompkins County for continuing to do the risk assessment. The Committee reviewed new information on open enrollment periods and effective communication tools to make sure the process moves smoothly. She said all committees are being asked to provide feedback on what they want to see in the Consortium Newsletter and ideas for improving communication with subscribers; the Operations Committee provided good feedback. The Committee will discuss the Business Continuity Plan at its next meeting.

Report from the Investment Management RFP Subcommittee

Mr. Hart, Chair, reported the Committee held its initial meeting in January. The Committee has been tasked with reviewing the RFP as there is a desire to see what is available in terms of an investment firm to manage and invest the Consortium's large sum of money in its unencumbered balance and reserve funds.

The Committee spent a lot of time discussing a section of the Consortium's Investment Policy pertaining to what the Consortium can invest in. He said General Municipal Law (GML) only allows for certain types of investments to be made on behalf of municipalities and it is on

the opinion of Counsel that the Consortium is bound to that Law because all of its members with the exception of one is a municipality. However, Mr. Hart said the Consortium's Policy only allows for a small subset of what GML allows for. The Committee spent much of the meeting discussing whether the Policy should be expanded to allow for other types of investments. This was referred to the Audit and Finance Committee for discussion and direction on whether to amend the Policy. There may be changes made to the RFP depending on direction given by the Audit and Finance Committee.

2021 Financial Review

Mr. Pelton reported on 2021 income and said the Consortium finished the year 1.9% below budget which was largely due to the movement of members from Indemnity and PPO plans to the Platinum Plan and the Classic Blue Secure Plan. Locey and Cahill is studying the impact of these changes and will present information at the next Audit and Finance Committee meeting. Prescription drug rebates of approximately \$2.4 million will help to offset this revenue shortfall. He reported to date there have not been any large losses that will result in any Stop Loss reimbursement; however, he reminded members that although no large claims are expected, claims that were incurred by December 31st can be paid through March 31st. Mr. Pelton reported on interest income and noted that although the information presented shows a negative number there will be no loss of principal for the year. Mr. Pelton reported covered lives were up .5% and total contracts were up 3.16% for the year.

Mr. Pelton reported 2021 medical claims were .56% above budget and prescription drug claims were 5.33% above budget. He said there was an increase in the number of catastrophic claims, particularly late in the year, with 63 participants having claims in excess of \$100,000 with five of those claimants having claims in excess of \$500,000, compared to only one in 2020. He said as of December 31, 2021 the total high claimant expenditures was \$8.2 million; this compares to 46.8 million in 2020. For prescription drug expenses, that same group of claimants had \$3.4 million in claims in 2020; as of December 31, 2021, the total was \$5.0 million. In total, this group of claimants had a \$3 million impact on expenditures. Ms. Dowd noted that these high claims are the result of five individuals with chronic conditions and this wasn't an increase directly related to Covid.

Mr. Salton noted that one percent of the Consortium's covered lives have claims in excess of \$100,000 and asked if this is typical for this size group. Mr. Locey said it is typical; an insurance plan needs a lot of people paying in who have low or no use of the plan to cover the individuals who are significant users of the plan. He said although it is cyclical and unpredictable Locey and Cahill will continue to monitor high cost claims and look for trends. Mr. Spenard noted two of the top three highest claimants and one of the remaining high claimants are no longer covered on the Plan.

Ms. Apalovich noted that although they are close, 2021 numbers are not final.

Accounts Receivable/Expenditure Report

Ms. Apalovich reported there is nothing outstanding in accounts receivable. At its next meeting the Committee will likely have an abstract presented for approval.

Next Agenda Items

Upcoming agenda topics include: a five-year staffing plan, Executive Director Performance Review, and long-term planning, .

Executive Session

It was MOVED by Mr. Hart, seconded by Mr. Thayer, and unanimously adopted by voice vote by members present, to enter into executive session at 4:52 p.m. to discuss collective bargaining. It was MOVED by Mr. Salton, seconded by Mr. Fairbrother, and unanimously adopted by voice vote by members present, to return to open session at 5:16 p.m.

Adjournment

The meeting adjourned at 5:16 p.m.



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RESOLUTION NO. -2022 – ADOPTION OF AMENDMENTS TO THE 2022 BUDGET

WHEREAS, the Board of Directors adopted the 2022 Budget, Reserve amounts, and Premium Equivalent Rates on September 23, 2021, and

WHEREAS, the 2022 budget has been impacted by several factors and primarily from the movement of members from higher-cost health plans to Metal Level Plans, and

WHEREAS, there is a need to amend budget lines in order to ensure the Consortium operates with a budget that reflects actual performance for the year, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Executive Committee, on behalf of the Board of Directors, hereby approves amendments to the Consortium's 2022 budget,

RESOLVED, further, That a copy of the amended budget shall be made available on the Consortium's website.

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RESOLUTION NO. – 2022 - RESCINDING RESOLUTION NO. 009-2020 AND RENAMING THE CATASTROPHIC CLAIMS RESERVE TO CATASTROPHIC CLAIMS SELF-INSURANCE POOL

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium ("GTCMHIC") has been issued a Certificate of Authority to operate as a New York State Insurance Law Article 47 Municipal Cooperative Health Benefit Plan, and

WHEREAS, Section 4707(a)(2) of the New York State Insurance Law requires the GTCMHIC to purchase "specific stop-loss coverage with a specific retention amount or attachment point not greater than four percent of the amount certified by a qualified actuary to represent the plan's expected claims for the current fiscal year", and

WHEREAS, the GTCMHIC Board of Directors issued a Request for Quote (RFQ) to licensed, reputable insurance carriers seeking quotes for specific stop-loss insurance at various deductible levels and with certain required coverage parameters, and

WHEREAS, the GTCMHIC Board of Directors passed Resolution No. 040-2020 authorizing the purchase of a specific stop-loss insurance policy from Excellus BlueCross BlueShield ("Excellus") with a policy period deductible of \$1,000,000 for all covered insured members, and

WHEREAS, the Executive Committee has accepted the 2020 Fiscal Year Catastrophic Claims Reserve Fund in the amount of \$5,032,220.00 to help protect the Consortium from large dollar claimant expenses which may occur from time to time, and

WHEREAS, the GTCMHIC Board of Directors recognizes the purchasing of specific stop-loss insurance at a \$1,000,000 deductible level creates a substantive risk to the Consortium and its financial stability and it needs a policy for balancing the CCR with the predicted risk, now therefore be it

RESOLVED, the GTCMHIC Board of Directors hereby rescinds resolution 009-2020 Catastrophic Claims Reserve policy and replaces it with the following and clarifies the intent of the Consortium's Catastrophic Self-Insurance Claims Pool for the 2022 Fiscal Year as follows:

1. During the 2013 Fiscal Year the Consortium established a Catastrophic Claims Reserve in the amount of \$600,000 to help protect the Consortium from financial harm caused by large dollar claimants as the Consortium increased the Specific Stop-Loss Insurance Deductible from \$250,000 to \$300,000.
2. Over the years, as the Consortium Board of Directors made the decision to accept more risk by periodically raising the stop-loss insurance deductible. In concert with those decisions, the Consortium Board of Directors also periodically increased the amount of funds held in the Catastrophic Claims Reserve as noted in the chart below:

RESOLUTION NO. – 2022 - RESCINDING RESOLUTION NO. 009-2020 AND RENAMING THE CATASTROPHIC CLAIMS RESERVE TO CATASTROPHIC CLAIMS SELF-INSURANCE POOL

		2013	2014	2015	2016	2017	2018	2019
Traditional Stop-Loss Insurance	Specific Stop-Loss Deductible	\$300,000.00	\$300,000.00	\$400,000.00	\$400,000.00	\$450,000.00	\$600,000.00	\$600,000.00
	Stop-Loss Insurance Premiums	+ \$592,381.65	\$720,784.39	\$642,080.30	\$766,281.18	\$738,819.42	\$442,185.54	\$693,190.30
	Stop-Loss Insurance Claims Paid	- \$292,967.64	\$184,734.14	\$125,880.36	\$242,433.49	\$8,294.21	\$453,672.85	\$29,295.28
	Insurance Company Admin. &	= \$299,414.01	\$536,050.25	\$516,199.94	\$523,847.69	\$730,525.21	(\$11,487.31)	\$663,895.02
		2013	2014	2015	2016	2017	2018	2019
Catastrophic Claims Reserve	Beginning Balance	+ \$0.00	\$600,000.00	\$606,898.00	\$1,050,000.00	\$1,050,000.00	\$1,350,000.00	\$2,000,000.00
	Initial/Annual Investment	+ \$600,000.00	\$6,898.00	\$443,102.00	\$0.00	\$300,000.00	\$650,000.00	\$800,000.00
	Ending Balance	= \$600,000.00	\$606,898.00	\$1,050,000.00	\$1,050,000.00	\$1,350,000.00	\$2,000,000.00	\$2,800,000.00

3. On June 25, 2020, the Board of Directors approved Resolution 009-2020, effectively converting the Catastrophic Claims Reserve into a Self-Insurance Pool as the Board wanted to use this reserve fund to offset high-cost claims that reach a captive layer between \$500,000 and the stop-loss policy deductible. Resolution 009-2020 stated that funds used to seed the Catastrophic Claims Reserve was the combination of the \$4,500,000 which was set by Board resolution in the Catastrophic Claims Reserve on that date; and the \$34,105 in interest earned on the funds in this account during the 2020 Fiscal Year.

4. For the 2021 Fiscal Year and going forward, Catastrophic Claims Reserve will be renamed to be the Catastrophic Claims Self-Insurance Pool and **will be funded through the following process:**
 - a) The Consortium’s Stop-Loss Insurance budget line will be for a policy at the \$600,000 level.
 - b) Any premium savings realized by purchasing a Stop Loss Insurance policy for a deductible higher than the \$600,000 level will be credited to the pool from the general fund on an annual basis.
 - c) Any interest earned by the Catastrophic Claims Self-Insurance Pool fund will be credited to the pool on an annual basis.
 - d) The Executive Committee, on advice from Audit and Finance Committee, will consider changing the amount of the Catastrophic Claims Self-Insurance Pool at the start of the budget year. The information to be used in that determination shall include at least the following:
 - i) an assessment of the level of risk this “pool” is covering;
 - ii) an assessment of the amount of funds that have and will be withdrawn from the previous year’s high-cost claim activity in the captive layer between \$500,000 and the Stop-Loss policy deductible;
 - iii) the projected year-end Unappropriated Fund Balance

The following represents calculation for the year 2020, 2021 and 2022:

GTCMHIC Catastrophic Claims Pool

	Actual FY 2020	Actual FY 2021	Estimate FY 2022
Beginning Balance	\$ 4,500,000.00	\$ 5,032,220.00	\$ 4,642,294.20
Interest Income	\$ 34,105.00	\$ (19,009.15)	\$ 23,211.47 *
Stop Loss Premium Savings \$1M-\$600K	\$ 498,115.00	\$ 434,450.00	\$ 436,366.00
Catastrophic Claims between \$500K and \$1M	\$ -	\$ (805,366.65)	\$ -
Year End Balance	\$ 5,032,220.00	\$ 4,642,294.20	\$ 5,101,871.67
Pool change Year over year		\$ (389,925.80)	\$ 459,577.47

*per Budget 0.5% of balance

**RESOLUTION NO. – 2022 - RESCINDING RESOLUTION NO. 009-2020 AND RENAMING THE
CATASTROPHIC CLAIMS RESERVE TO CATASTROPHIC CLAIMS
SELF-INSURANCE POOL**

5. As stated in resolution 009-2020 and going forward, funds will be transferred out of the now Catastrophic Claims Self-Insurance Pool to the Consortium’s general operating fund to reimburse any covered member’s claims costs, per Excellus BlueCross BlueShield’s Specific Stop Loss Report, which exceed \$500,000 but are less than the Stop-Loss deductible during the specific stop-loss insurance policy period.
6. The only exception, if the Consortium opted for a lower stop-loss insurance deductible, will be for any specific claimants who would have had a “laser” attached to them. We will continue the practice of applying the lasered deductible to those individuals. For example, if an individual has a laser deductible of \$750,000, we will not utilize or transfer any funds from the Catastrophic Claims Self-Insurance Pool until that individual were to incur claims above \$750,000, but less than the Stop Loss deductible.
7. To trigger the claims transfer, said claims must be incurred during that claim’s Calendar Year and must be paid in the Calendar Year and the first 3-months of the subsequent Calendar Year.
8. Any fund transfers from the Catastrophic Claims Self-Insurance Pool to the Consortium’s general operating fund will occur no more frequently than on a quarterly basis and/or no less than once per year with the timing of said transfers occurring as directed by the Consortium’s Chief Fiscal Officer.
9. Each year the GTMCHIC Board of Directors will review this policy as part of the overall budget process to ensure it continues to meet the needs of the Consortium.

Strategic Planning Growth and Marketing

1) Financial

- a) Ongoing Risk Assessment

Articulate how we will measure risk going forward using industry data and by not allowing the growth of claims to outpace premiums.

- b) Growth/Expansion Expectations

Review acceptable percentage of contract growth each year.

- c) Premium Rating

- i) Regional Rating

Shall we mirror the Excellus regional rating model and add two additional counties to our mix to complete the Excellus regions.

- ii) Plan of Benefit Rates

Future meeting discussion

- iii) Membership plan enrollment actuarial assessment

Review what Article 47 allows as far as accepting new members and what advantage an actuarial assessment will do to help us plan for onboarding.

- iv) Premium structure with individual and family versus tier structure

Is there support to revisit the two-tier structure. How would changing that structure impact current and future members.

- d) Targets for Reserves and Surplus Funds [Future meeting discussion.](#)

- e) Investment Management Philosophy [Future meeting discussion.](#)

2) Marketing

- a) Current Participating Municipality Retention, outreach and communication

[Future meeting discussion](#)

- b) Recruiting Marketing Strategies and Approval Process

Review Resolution 016 – 2019

In conjunction with item 1 (C) (iii) above determine other information desired as onboarding process.

- c) New Municipality Marketing Program

- i) Large Municipal Partner Growth – [Should this be our current priority and target market.](#)

- ii) Small/Medium Municipal Partner Growth – [Shall we continue to accept, but limit plan selection to only one metal level plan. If so, at what level. What would be allowed as exceptions to that rule.](#)

Strategic Planning Growth and Marketing

- d) Marketing Materials - Future meeting discussion
 - i) Services and Products Offered - Future meeting discussion
- e) Conference Attendance - Future meeting discussion, unless there are conferences, we should attend in 2022.
 - i) GFOA
 - ii) NYS Assoc of Counties
 - iii) Local Governments Conference
 - iv) Association of Towns
 - v) Conference of Mayors
 - vi) Others

Notes as reference for marketing new members

§ 4705

(4) specify the eligibility requirements for membership in and coverage by the municipal cooperative health benefit plan, including reasonable geographic boundaries (if any) of such plan, provided that no municipal cooperation agreement shall include any provision restricting or otherwise limiting the right to participate in the plan of a municipal corporation of the same type which provides satisfactory proof of its financial responsibility and which is located within the geographic region in which the municipal cooperative health benefit plan operates;



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RESOLUTION NO. 016-2019 – AMENDMENT TO RESOLUTION NO. 007 OF 2018 - APPLICATION MATERIALS MUNICIPALITIES MUST PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM AND RECOMMENDED MUNICIPAL RESOLUTION LANGUAGE

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

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium ("Consortium") Board of Directors adopted Resolution No. 002-2015 and then amended that resolution with Resolution No. 007-2018 to provide guidance to eligible employers, as defined in §4702 (f) of Article 47 of the New York State Insurance Law ("Municipal Corporations"), applying for membership in the Consortium, and

WHEREAS, The Consortium is experiencing rapid growth of Municipal Corporations applying to join the Consortium, and

WHEREAS, the Consortium has instituted several policies, not stated in the Municipal Cooperative Agreement ("MCA"), that prospective Municipal Corporations are required to comply with as part of their application process, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby adopts the following policy for Municipal Corporations seeking possible membership in the Consortium:

1. Submit by **September 1st**, a municipality board resolution authorizing application for membership along with the GTCMHIC new group member application.
2. As soon as practicable, preferably by July 1st, but no later than **September 1st**, submit the Municipal Corporation's required financial and operational documents, as follows:
 - a. for Municipal Corporations with taxing authority (county, city, town, or village), two years of State Comptroller AUD reports; or
 - b. for Municipal Corporations without taxing authority:
 - i. five years of audited financial statements;
 - ii. internal governance documents and/or rules such as bylaws, resolutions, and/or statutes creating the Municipal Corporation; and
 - iii. financial documents confirming funding sources, funding mechanisms, account balances, assets, investments, contractual obligations, and any debts, contingent liabilities, and/or lawsuits.
3. As soon as practicable, preferably by July 1st, but no later than **September 1st**, submit the Municipal Corporation's most recent monthly premium billing statements from all health insurance carriers providing benefits to all active employees and retirees.

**RESOLUTION NO. 016 - 2019 – AMENDMENT TO RESOLUTION NO. 007 OF 2018 -
APPLICATION MATERIALS MUNICIPALITIES MUST
PRESENT FOR APPLICATION TO JOIN THE
CONSORTIUM AND RECOMMENDED MUNICIPAL
RESOLUTION LANGUAGE**

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

4. For Municipal Corporations who are currently experience-rated or who operate a self-insured employer-sponsored health insurance plan, they must submit as soon as practicable, preferably by **July 1st**, but not later than September 1st, a minimum of three (3) years of monthly paid claims (medical and pharmacy separately) data and monthly covered lives counts.
5. Sign the Municipal Cooperative Agreement of the GTCMHIC upon notification that the GTCMHIC Board of Directors has approved the Municipal Corporation's application to become a Participant in the GTCMHIC by **October 15th**. The resolution authorizing the Municipal Corporation's Chief Officer to sign the MCA must also clearly state which GTCMHIC health benefit insurance plan or plans the Municipal Corporation's employees and retirees will be participating in upon the effective date of participation in the GTCMHIC.
6. Confirm by **October 25th**, with the Medical Claims Administrator the names of all employees, retirees, and dependents to be covered in the Consortium's health insurance plans. A list of those enrolled will be sent to the Municipal Corporation by the Medical Claims Administrator by no later than **November 15th** for verification purposes.
7. By **November 1st**, notify the GTCMHIC of the name and contact information for the person within your organization for benefit administration; and who will attend a new member orientation between November 15 and December 15.
8. By **November 1st**, notify the GTCMHIC of the Municipal Corporation's commitment to utilize the GTCMHIC's on-line enrollment process or to authorize the GTCMHIC to provide, for the Municipal Corporation's employees and retirees, this function.
9. By **November 1st**, for Municipal Corporations **without taxing authority**, provide the Consortium with a secure financial instrument equal to the value of 25% of the estimated annual premium as determined by the Consortium as protection against expulsion or cancellation due to a default in premium payment. Said financial instrument may include the following:
 - a. A Secured Bank Account;
 - b. Letter of Credit; or
 - c. Surety Bond

Please note, municipal corporations with taxing authority (county, city, town, or villages) will be exempt from this provision.

RESOLUTION NO. 016 - 2019 – AMENDMENT TO RESOLUTION NO. 007 OF 2018 - APPLICATION MATERIALS MUNICIPALITIES MUST PRESENT FOR APPLICATION TO JOIN THE CONSORTIUM AND RECOMMENDED MUNICIPAL RESOLUTION LANGUAGE

10. Submit payment by **November 1st** to the Consortium of the Municipal Corporation's proportionate share of the Surplus Account Reserve (5% of annualized premium) as determined by the GTCMHIC and as required by Article 47 of the New York State Insurance Law and the GTCMHIC's Municipal Cooperative Agreement.
11. By November 1st, submit a municipal resolution appointing the Director and Alternate to the Consortium.
12. By **November 30th**, take the necessary steps to comply with the GTCMHIC's dependent verification process.
13. Provided the Municipal Corporation applying for Membership in the GTCMHIC completes all the requirements set forth in this Resolution by the due dates indicated; the Surplus Account Reserve payment defined in Item 3 above will be credited against the Municipal Corporation's January premium invoice from the Consortium.
14. All Municipal Corporations applying for Membership in the GTCMHIC are hereby advised that missing any of these steps by the due date indicated will result in the Municipal Corporation not being accepted into the Consortium for the upcoming year and will result in the forfeiture of the Municipal Corporation's Surplus Account Reserve payment.

* * * * *

STATE OF NEW YORK)

) ss:

COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors on June 27, 2019.



Michelle Cocco, Clerk of the GTCMHIC Board