



## 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

April 6, 2022 - 3:30 p.m.

Ithaca Town Hall/Zoom

(contact [Consortium@tompkins-co.org](mailto:Consortium@tompkins-co.org) for Zoom link)

1. Call to Order (3:30)
2. Changes to the Agenda
3. Approval of Minutes: March 2, 2022
4. Chair's Report (3:35) J. Drake
5. Executive Director's Report (3:45) E. Dowd
  - a. Report
  - b. Update on New Member Process
  - c. Update: Catastrophic Claims Self-Insurance Pool
  - d. Five-year staffing plan
6. Committee Reports/Resolutions: (4:00) J. Bower  
E. Fairbrother  
B. Shattuck  
S. Thayer  
L. Holmes  
R. Hart
  - a. Joint Committee on Plan Structure and Design
  - b. Nominations and Engagement
  - c. Claims and Appeals
  - d. Audit and Finance
  - e. Operations
  - f. Investment Management RFP Review Committee
7. Financial Update (4:30) S. Locey/T. Apalovich
  - a. Financial Review
  - b. Report on large loss claim activity
  - c. Accounts Receivable
  - d. Expenditure Report
8. Future Agenda Topics
9. Executive Session
  - a. Executive Director Review
10. Adjournment (5:15)

**Next Meetings:** April 6, 2022 (Regular Meeting)  
May 4, 2022 (Long-term Planning)

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

Present: Steve Thayer, Bud Shattuck, Peter Salton, Judy Drake, Rordan Hart (excused at 4:18 p.m.), Gary Mutchler, Lisa Holmes, Eric Snow, Ray Bunce (arrived at 3:50 p.m.)  
Excused: Jim Bower, Ed Fairbrother  
Guests: Rob Spenard, Paul Pelton Locey & Cahill; Andrew Braman, TC Finance Department  
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 February 2, 2022**

It was MOVED by Mr. Shattuck, seconded by Mr. Mutchler, and unanimously adopted by voice vote by members present, to approve the minutes of February 2, 2022 as submitted. MINUTES APPROVED.

**Executive Director’s Report**

Ms. Dowd reported end-of-year financial reporting is in process and the audit is set to begin. Ms. Rodrigues has been busy working on resolving claims and systems issues with ProAct as well as working with our TPA partners to ensure everyone is coded in each system accurately.

**RESOLUTION NO. 003 - 2022 – ADOPTION OF AMENDMENTS TO THE 2022 BUDGET**

MOVED by Mr. Thayer, seconded by Mr. Shattuck. Mr. Thayer explained amendments to the budget are needed and are primarily due to the movement of many members to less-expensive plans.

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

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.

\* \* \* \* \*

**RESOLUTION NO. 004 – 2022 - RESCINDING RESOLUTION NO. 009-2020 AND  
RENAMING THE CATASTROPHIC CLAIMS RESERVE TO  
CATASTROPHIC CLAIMS SELF-INSURANCE POOL**

MOVED by Mr. Salton, seconded by Mr. Thayer.

Ms. Dowd said this resolution clarifies that the Catastrophic Claims Pool (Reserve) will be calculated in 2022 the same way it was in 2021. She noted, however, there will be continued discussions of the best way to calculate this pool and other reserves going forward. She said this articulates not only how it will be funded but also the use of the pool when claims are received between \$500,000 and \$1 million.

In response to Ms. Holmes with regard to how a change can now be made for 2021, Ms. Dowd said a resolution was previously approved whereby 2020 was corrected and a model put into practice for 2021. This resolution reflects the same practice that was included in that resolution.

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

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:

		2013	2014	2015	2016	2017	2018	2019
<b>Traditional Stop-Loss Insurance</b>	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
<b>Catastrophic Claims Reserve</b>	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	<u>\$ 5,032,220.00</u>	<u>\$ 4,642,294.20</u>	<u>\$ 5,101,871.67</u>
Pool change Year over year		\$ (389,925.80)	\$ 459,577.47

\*per Budget 0.5% of balance

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.

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**Long-Term Planning**

Ms. Drake said she would like the Committee to discuss areas within the outline and said the areas of Financial and Marketing areas were included in the agenda packet to begin with. She also suggested the May 4<sup>th</sup> meeting of the Committee be an in-person meeting. There was general support for an in-person meeting with a suggestion made to explore looking at a park.

Mr. Bunce arrived at this time.

A. Financial

1. Ongoing Risk Assessment
2. Growth/Expansion Expectations

Ms. Drake said a goal needs to be set as to what growth/expansion looks like from a number standpoint, noting there are two ways to measure growth: number of participants and number of contracts.

Ms. Dowd provided a brief overview of the history of how the Consortium has grown since it began. She said each year there is usually minimal percentage growth by total number of lives covered under the Plan. There are currently 6,303 lives covered (this includes the member, their spouse, and dependents). She said the Consortium has typically grown one percent or less each year; the years where there has been significant growth was in 2013 when the City of Cortland joined and in 2019 when Seneca County joined. The average number of contracts in 2021 was 3,035 which was very close to 2020. In looking at total participants (municipalities), there was an increase of 15% in 2013, 40% in 2017 and 25% in 2019, and 8.2% this year. Although the number of participants is higher, the Consortium is not significantly increasing the number of lives being added to the total contract count. Ms. Dowd recommended talking about the number of contracts when looking at growth and articulating growth.

Mr. Salton spoke of the impact on revenue the migration of subscribers from large employers to the Platinum Plan is having. He asked what would happen if a large employer decided to do something such as move to the Gold Plan and self-fund the out-of-pocket out of their budget. He said this is what the Village of Cayuga Heights is doing and expects could happen at some point with a large employer. Ms. Dowd responded that the Consortium has already seen the migration of retirees from Tompkins County to the Medicare Supplement Plan, which is one reason why the budget for 2022 is being amended. She stressed the importance in looking at both sides of the budget, including how these changes will impact claims, and said this is something Locey and Cahill continue to help the Consortium monitor and track. She said as the Consortium sees premiums decrease, it is a good time to talk about how the Consortium is increasing the whole pool so it only experiences a small percentage of decrease when there is movement by a large number of members.

Mr. Hart spoke to Mr. Salton's comments and said he thinks it would be interesting to run the numbers on a large employer in the Consortium moving to the Gold Plan. He said although it is very unlikely to happen, he thinks this would fall under the stress test concept of what would happen to the finances of the Consortium if a major unexpected event were to happen. He said this would be good information to have when others suggest that the Consortium is over-reserved or that fund balances are too high. He said he doesn't think the Consortium is funded nearly enough as an organization for the potential premium shocks that could come over the next decade.

Mr. Pelton said Locey and Cahill could easily go through this exercise. It was suggested that they use Seneca County and produce a scenario with them moving to the Gold Plan and showing the impact it would have on both the premium and expense side of the budget. Ms. Hart suggested the analysis also project forward how big reserves would need to be if that occurred in any single year over the next ten years in order for the Consortium to never see more than a five percent premium increase for the next twenty years.



Ms. Drake asked if there is consensus when talking about growth and expansion as a marketing effort, that the appropriate measurement tool is the number of contracts versus the number of municipal participants and what the goal for growth should be over the next ten years.

Mr. Shattuck noted the areas of finance and marketing in this case tie together. He said while he agrees there could be a chance of volatility but it is the only place where you could markedly increase the number of covered lives. Ms. Drake said if the Consortium brought in a large group such as a county they would come into a metal plan; there would not be another situation where a large group of members moved from an indemnity-type plan to the Platinum Plan.

Mr. Hart noted the Consortium could grow by both contracts and/or participants. He said as you look at what is going on with medical providers in the area competing for geographic position, all things matter when it comes to pricing power. He thinks any growth is good but covered lives is the better overall metric. However, since the Consortium has no control over this, municipal participants should be added as another measure to look at.

Ms. Drake said one of the things that can be looked at is what is a reachable and smart goal for the Consortium to have as parameters are being set.

There was consensus that there is a desire for the Consortium to grow and to set a growth target based on both the number of contacts and the number participants.

Ms. Dowd spoke of the Consortium growing into new regions and looking at pricing within new regions. She said the Consortium doesn't have enough contracts at this time to go to a regional pricing model but when the Consortium grows to a number such as 1,000 covered lives in each county this type of thing can be looked at.

Ms. Drake addressed the ongoing risk assessment and "how to articulate that risk going forward", including what data to use going forward, the Consortium's data or industry data, and what tools are in place to make sure make sure the Consortium's claims don't outpace its premiums.

Ms. Dowd said there are some tools in place and this is something that continues to be looked at in financial reports. The ongoing analysis of the claims experience is what Locey and Cahill looks closely at and includes not only the total cost but the fluctuations and why they are occurring is an important piece of the equation. Mr. Pelton agreed and said they will continue their modeling on a covered life per month basis; he further stated it is important to monitor the fluctuations that happen when there is movement of members to different plans as well as when new members enter the plan.

Ms. Drake said from the comments made there are two measurements that are already happening: the paid claims per covered life and a new project that includes what happens if large groups shift plans the way that has happened from 2021-2022. She asked if having enough fund balance would also be included in the risk category. Mr. Hart said it is not possible to quantify all risk but having an idea of where risks lie and what the financial impact would be then a discussion could take place on numbers and how to defend against those risks.

Mr. Shattuck spoke of the importance of the Rate Stabilization Reserve and said when new members approach the Consortium they want to know the rates have remained stable. Ms. Holmes said municipalities typically operate within a unionized environment and said information on when contract terms and expiration dates can be part of identifying risk. Ms. Drake said it is

important to maintain good relationships with municipalities and provide them with the tools they need during negotiations.

Mr. Hart said another risk to consider would be what if a large municipality decided to leave the Consortium.

Mr. Pelton said another tool that would be helpful would be a listing of all municipalities and any labor contracts, along with when they are due to be negotiated. Ms. Dowd said a list was just compiled that identifies all of the labor groups within municipalities in the Consortium.

## B. Marketing

Ms. Dowd said ideally, it would be good to try to continue the model that started in Tompkins County whereby many of the municipalities and the County came in together; however, if that isn't possible she said from an administrative standpoint it would make sense to aim towards large municipalities as they would provide the most benefit by increasing the risk pool and would secure additional premiums.

Ms. Holmes agreed with Ms. Drake that it may take many attempts over time to bring a municipality in and questioned who in the past within a municipality the Consortium has marketed (administration, finance, human resources). Ms. Dowd said the Consortium hasn't done a lot of specific target marketing but up to this point has typically worked with the Chief Elected Official; once more interest was expressed the administrative staff from the municipality has been brought in.

Ms. Drake spoke of how elections can result in turnover and said it is important to have constant education and an effort to remarket to existing municipalities to ensure the Consortium doesn't lose existing members. She said what is marketed to a large group is different from a small group and suggested what is presented to these two groups can be different. She asked if there should be efforts to reach out to the new territory.

Mr. Shattuck spoke of upcoming meetings he will be attending and said he will be discussing the Consortium. He gave this as an example of how elected officials can speak to others and share and promote the Consortium. Ms. Dowd agreed and said staff is updating materials that members can take and share at these types of meetings. Ms. Holmes suggested continuing to utilize members and the various positions they hold within their municipality and the connections they have within the region to help make personal connections.

Mr. Mutchler said when the Town of Scipio joined the Consortium in 2017 it saved \$13,000 which was substantial for a municipality that had only a few employees. He said he has had conversations with other municipalities and agreed with earlier comments that elections may be a factor and changes in leadership may provide new opportunities.

Ms. Drake said another question is what to do with municipalities that want to come in but want to bring in a number of plans. Although the Consortium wants them to join, there needs to be discussion and consideration of what limitations should be in place, such as how many plans they may have. Ms. Dowd said Locey and Cahill has recommended that small groups with under 50 employees come in and have only one plan; anything other than that is not cost effective from an administrative standpoint. She said it also comes down to looking at adverse selection and making sure plans and premiums remain competitive.



Ms. Dowd commented that counties that have a strong Council of Governments in place is helpful as every group within a county can hear the message at once. Ms. Drake said as time moves away from Covid there may be opportunities to schedule in-person events where information can be presented.

Mr. Hart said the Consortium doesn't have a lot of experience marketing because decisions haven't been made on how to handle growth. If there is a sense of how fast the Consortium should grow and what reserving needs to look like it does become more of an approach of targeting those municipalities that would be quicker to join. While he thinks larger municipalities should be targeted there are small groups that could be brought in to achieve a regular growth rate over time.

Ms. Drake asked if members felt it makes sense to get in front of groups or organizations that work with municipalities on a regular basis.

Ms. Drake spoke to premium rating and said she has always questioned whether the premiums are where they should be and whether they are covering the full cost which would involve a full actuarial study. She specifically would like to know as more members move to the Platinum Plan if the current rate is covering expenses. She said if it is determined that premiums have to be changed it will be important to know strategically how that would be done.

Ms. Drake would like to have discussion of the premium rate structure as the Consortium continues to market and is faced with not reaching some of the municipalities because they have different rate structures in place such as two-person. This also comes back to having an actuarial assessment of premiums. Mr. Mutchler said he would like to see information on two-person rates.

Ms. Drake asked what resources the Committee feels it needs that could provide education of what the Committee should be looking at.

Mr. Shattuck said the federal government supported the health care industry during Covid and said it is possible when those funds go away there will be increased costs that end up coming back to the health insurance industry. He referenced information that was given to the Consortium in the past from Cayuga Medical Center on new diseases, treatments, and cures, and said these things could change rates at any time. Ms. Drake said this raises the issue of whether to bring in outside resources to assist the Committee. She asked that members provide feedback on how they feel the Committee is progressing through this long-term planning.

### **Next Meeting**

At the next meeting the Committee will discuss:

- premium rate structure (individual/family/tier structure);
- actuarial assessment of premiums; and
- marketing

### **Adjournment**

The meeting adjourned at 5:01 p.m.

## **Executive Director Report April 2022**

### Executive Director Update

When the Consortium started, we were fortunate to garner the support of Michelle Cocco as our Clerk of the Board. Michelle's role has changed over the years, but her commitment to advancing our mission has always remained steadfast. Although I am thrilled that Michelle is now at a stage in life where she can celebrate retirement both from the County as well as the Consortium, I am saddened that she has put in her final notice for late spring. Recruitment for this position will commence soon.

The Consortium team has been working hard at making our new member application process more comprehensive as far as information gathered, but also more streamlined in the way we advance new members through the process. Ongoing work is happening on new forms, updates to our website, and other support material. Potential new members are scheduling meetings with the team to look at what benefits the Consortium can offer their municipalities.

As discussed at the beginning of the year, there were a few challenges with ProAct's new system and the disruption it caused to properly adjudicating claims. The Consortium, Locey & Cahill, Excellus, and ProAct have been working together to articulate the necessary system codes to make sure all claims are properly identified for payment according to the benefit summary. Updates to all systems were confirmed in mid-March and it is our hope that there will be minimal disruption going forward.

Teri Apalovich has just celebrated her one-year anniversary with the Consortium and is working hard as she takes leadership in completing our annual JURAT report and works with our outside auditors to finalize our annual report. Although we are still waiting on answers from the NYS Department of Financial Services, I think we are at a place where the quarterly and annual reports are becoming much more manageable.

We are now scheduling regular Benefit Clerk Updates via Zoom. The first update was March 29<sup>th</sup> with 35 Benefit Clerks in attendance and our next meeting is scheduled for May 3<sup>rd</sup>. Benefit Clerks will be asked to perform a dependent audit between now and May, information with instructions will be sent out soon and the audit should be completed by mid-May.

### Executive Committee

As the Executive Committee continues to work on strategic planning issues, they will be spending time reviewing major risks associated with the organization, especially risks to our rate stability. The migration of members to metal level plans, retirees from expensive indemnity or PPO plans to Medicare Supplement plans, and those pulling retirees to other Medicare Advantage plans is a perfect example as to why we need to look at how this movement affects the overall performance of the plan and any additional expenses it creates.

I'll be working with Locey & Cahill on various scenarios that would put our plan at risk for premium increases or use of reserves and other resources. Review of these scenarios and other examples of risk will continue to be at the top of the list for our strategic planning discussions.

### Audit and Finance Committee

An updated Catastrophic Claims Reserve resolution was approved at the March meeting establishing the Catastrophic Claims Insurance Pool to be used to cover large claims over \$500K and less than our current \$1M specific stop loss deductible. Conversations will continue on the best way to fund and utilize this pool.

An amended budget has also been reviewed and approved. The amended 2022 budget includes premium changes due to plan changes and new members happening in the last quarter of 2021. The amended budget

also includes any changes to expenses that are confirmed in the last quarter of the year, such as changes to TPA (Third Party Administrator) fees and other insurance coverage.

The new sub-committee working on the Investment Management RFP (Request for Proposals) has had discussions with the Audit and Finance Committee on our current Investment Policy Statement and our appetite for any additional risk we may wish to include in our policy going forward. Work will continue on this review.

#### Operations Committee

The Operations Committee met in January to review the annual Cyber Security audit, new information on Open Enrollment, and to discuss ideas for the Newsletter. The next scheduled meeting is April 25<sup>th</sup>.

Congratulations to the Chair of the Operations Committee on her new appointment as the Tompkins County Administrator.

#### Nominations and Engagement Committee

The Nominations and Engagement Committee met in January to secure candidates to fill vacancies created due to resignations. The new slate was presented to the Executive Committee in January and approved. We are still recruiting for one seat on the Nominations and Engagement Committee. The Committee meets again soon to discuss keeping Board members engaged throughout the year.

#### Claims and Appeals Committee

The Executive Director along with Locey and Cahill met with BMI to review the Executive Summary for our Prescription Drug Audit. Once answers to questions regarding the audit have been answered and more information is shared, the Committee will schedule a meeting to review the details and determine an appropriate response.

#### The Joint Committee on Plan Structure and Design

At the beginning of May the Committee will meet to review both Excellus and ProAct utilization reports. At the recommendation of the Committee, the Consortium Facebook page has now been launched and we are pleased with the initial response as seen in the graphs below.

The Committee will vote on some updates to their bylaws and has confirmed Jim Bower as the 2022 Chair. Extensive research has been done by the Clerk of the Board to identify all labor units for each member and voting seats at the Committee level. Jim Bower will continue to work at making sure representatives get more involved in the operations of the Consortium.

Attached please find examples of material related to our Wellness Program. We are tracking with subscribers interested in advancing their own healthy behaviors. Each month notices go out with the theme for the month and then usually every other month there is an opportunity to participate with a healthy behavior's challenge. Also attached is a flyer for our webinar being held in April on advanced care planning. Reservations are coming in regarding this event and we are thrilled with the level of interest.

Executive Director Report  
March 2022

Facebook Insights



[Link to Facebook page](#)

The most recent Consortium Newsletter can be found here [March 2022 Newsletter](#)

*Respectfully submitted by Elin R. Dowd, Executive Director, March 30, 2022.*

## March Wellness 2022: 10-Day Real Food Challenge

Below are a sample of the emails sent during the 10-Day Real Food Challenge. Each day from March 14<sup>th</sup> through March 23<sup>rd</sup> emails were sent to all registered participants that contained education and motivation centered around healthy eating. Each email also contained a healthy recipe to try. The Consortium plans to send Excellus healthy recipe books to each participant as a gift. Any participant who submits their 10-Real Food Challenge pledge sheet is entered into a raffle to win a cooking basket that will contain a \$50 gift card to any local grocery store the winner chooses.

### Day 2:

We are on Day 2 of our 10 Real Food Challenge and I hope you are sticking to your pledge sheet! You can do this for 10 days!

I have attached new healthy recipe to try, Bulgur Chickpea Salad. Did you know hummus, one of my favorite dips, is made from chickpeas? Chickpeas work wonders to add quick protein to a salad, mashed up into a spread for morning toast, or a delicious hummus dip.

Keep thinking of ways to eat non-processed food and eating healthy becomes a lot easier. You are doing great!

### Day 3:

Welcome to Day 3 of the 10 Day Real Food Challenge. I hope everyone is doing well and making entries on your pledge log to submit at the end of the challenge. If you have tried out any of the healthy recipes so far I would love to see pictures of the final product so I can share it on our [Facebook page: GTC Municipal Health Consortium](#). Speaking of which have you checked out new Facebook page?

I have been posting healthy eating tips for March and is great way to obtain more information as we work our way through the challenge.

Please see the attached recipe for Mexican Chicken Salad.

Eat well. Live well. Be well.

### Day 5:

Day 5! Halfway! You are doing a wonderful job and keep trying to hit those pledges and add a new one every day of the challenge. If you are struggling to add a new pledge, that is okay, then just keep trying to stick to 3 or 4 that you can do for the whole 10 days. This isn't about who can fill the whole chart but about becoming more conscious what you are eating on a daily basis.

There is a pledge that I found strange, Small Plate Movement. Why would it make a difference if I eat my food off a 9 inch plate or 12 inch plate? If you want to learn more visit [here](#) and see the graphic below for a visual representation of the difference. If you feel like you are eating less, then you also feel like you shouldn't be full.

## Plate Sizes

8.5-inch  
10-inch  
11-inch  
12-inch

Each plate contains  
3 oz Tuna  
1 cup Carrots  
1/2 cup Wild Rice



To keep the body in good health is a duty, otherwise we will not be able to keep our mind strong and clear.

Day 6:

Most of you may not see this email until returning to work March 21<sup>st</sup> but I hope you kept up the good work over the weekend on staying on track with 10 Day Real Food Challenge.

Mindful eating can have a big impact on how and when you eat. A few tips on mindful eating can we found [here](#). Mindful eating is the practice of slowing down, enjoying a meal, and eliminating distractions that might cause us to overeat. The best example of distracted eating can be found ordering popcorn at the movie theater and then eating handful after handful while you gaze at the big screen. Focus on being mindful of quantity and quality of food you are ingesting.

It's not a diet, it's called eating healthy.

Day 7:

Welcome to Day 7, only 3 more days of the 10 Day Real Food Challenge. Just a reminder to be filling out your pledge sheets and return them to me no later than April 10<sup>th</sup> to be entered to win the prize of a cooking gift basket that includes a \$50 gift card to a grocery store of your choice.

Let's talk lentils for a minute. Did you know that lentils can be used to replace ground beef in most recipes, one cup of dried lentils equals about two to two and a half cups of ground beef? Did you know that lentils are shelf stable and lower cost than ground beef and are more nutrient-dense than beef, providing vitamins, minerals, protein, and fiber while containing less fat and fewer calories?

To learn more about the benefit of moving some menu items away from ground beef and into lentils visit this [link](#).

Your diet is a bank account. Good food choices are good investments.



# Curried Potatoes with Red Lentils

Lentils and spices add protein and flavor to this mixed potato dish.

Makes: 6 Servings

Prep Time: 15 minutes  
Cook Time: 40 minutes

Source: [choosemyplate.gov](http://choosemyplate.gov) recipes curried potatoes red lentils

## Ingredients

- 1 tablespoon canola oil
- 1 tablespoon butter (or more oil)
- 1 small onion, chopped
- 2 cloves garlic, crushed (use 2-3 garlic cloves)
- 1 sweet potato, medium peeled and cut into 1/2-inch pieces (use a dark-fleshed potatoes)
- 2 potatoes, yellow, cut into 1/2-inch pieces (use thin-skinned potatoes, such as Yukon Gold)
- 1 tablespoon ginger, fresh grated
- 1 tablespoon curry paste (or curry powder)
- 1/2 cup dried red lentils
- 2 cups vegetable stock (or chicken stock)
- chopped fresh cilantro, divided (1/2 cup, optional)
- 1 cup coconut milk
- 2 teaspoons lime juice
- salt (to taste, optional)

## Directions

1. In a large, heavy skillet, heat the oil and butter over medium-high heat. When the butter melts and foam subsides, sauté the onion for 3-4 minutes, until soft and starting to turn golden.
2. Add the garlic and potatoes and cook for another 3-4 minutes until the potatoes are starting to turn golden on the edges.
3. Add the ginger and curry paste and cook for another minute.
4. Add the lentils, cilantro (optional), vegetable stock, and coconut milk. Stir to combine well and reduce the heat to a simmer.
5. Cover and cook, stirring occasionally, for 30 minutes, or until the potatoes are tender. Add a little water, stock, or coconut milk if it gets too thick.
6. Add the lime juice and season with salt (optional). Serve hot.



Small Changes,  
BIG Difference!



## Utensils Needed

- Large Skillet
- Mixing Spoon
- Knife
- Cutting Board
- Measuring Spoons
- Measuring Cups
- Liquid Measuring Cup

# SHOPPING LIST

Average total cost without oil and seasonings: \$12.06

Average cost/serving: \$2.01

Makes: 6 servings

Note: The below list of ingredients is a suggestion. Similar ingredients may be purchased based on preference, diet restrictions, budget and location.

## Ingredients



Add 1 to Cart  
Fresh Garlic



Add 1 to Cart  
Fresh Onion



Add 1 to Cart  
Coconut Milk 12.1 oz



Add 1 to Cart  
Fresh Sweet Potato



Add 1 to Cart  
Curry Powder 1.8 oz



Add 1 to Cart  
Chicken Broth 32 oz



Add 1 to Cart  
Dried Red Lentils 16 oz



Add 1 to Cart  
100% Lime Juice 15 fl oz

## SAVE TIME, SAVE MONEY

### Leftover and Storage Tips

- With the extra lentils and chicken broth, you can make a great lentil soup.
- The coconut milk can be stored in the refrigerator and, used within 10 days after opening.
- The chicken broth should be stored in the refrigerator and, used within 3-4 days after opening.

### My Cooking Notes

### Nutrition Information

Serving Size: 1/6 of the recipe

Nutrients	Amount
Calories:	270
Total Fat:	14 g
Saturated Fat:	10 g
Cholesterol:	5 mg
Sodium:	344 mg
Total Carbohydrates:	31 g
Dietary Fiber:	7 g
Total Sugars:	5 g
Added Sugars:	0 g
Protein	8 g
Vitamin D	0 mcg
Calcium	43 mg
Iron	3 mg
Potassium	689 mg



# Greater Tompkins County Municipal Health Insurance Consortium

P.O. Box 7 • Ithaca, New York 14851 • (607) 274-5590

Headquarters: 215 N. Tioga Street, Ithaca, NY 14850

[www.healthconsortium.net](http://www.healthconsortium.net) • [consortium@tompkins-co.org](mailto:consortium@tompkins-co.org)

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

## New Group Application for Membership

(Upload Application to the Consortium at <https://lfweb.tompkins-co.org/Forms/TCHCCForms>)

**Municipality (Town/Village/City/County) of:** \_\_\_\_\_

**If not a municipality, name of Entity:** \_\_\_\_\_

### Contact Information:

Individual Submitting Form:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Tax ID # \_\_\_\_\_

Billing Address: \_\_\_\_\_

### Main Contact for Health Care Related Information (Benefit Clerk)

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

### Current Coverage Information *(provide for each plan currently offered):*

Current Insurance Carrier and Plan(s) Name: \_\_\_\_\_

*Please provide a copy of municipality's last premium invoice.*

Is Retiree Coverage Offered: Y/N

If Yes, what type of Retiree Coverage & Carrier: \_\_\_\_\_

If Yes, do you offer Medicare Advantage or Medicare Supplement Plan (circle each that applies)

Total # of employees: \_\_\_\_\_ Total # of employees who are eligible under your health care policy: \_\_\_\_\_

Total # of contract lives (including subscribers, spouse, domestic partner, dependents): \_\_\_\_\_

List current premium rates for your health insurance coverage and # of subscribers enrolled in each plan:

Plan Name: \_\_\_\_\_

Individual Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Subscriber and Spouse Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Subscriber and Children Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Family Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Additional Plan Name: \_\_\_\_\_

Individual Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Subscriber and Spouse Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Subscriber and Children Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

Family Rate: \$ \_\_\_\_\_ # of subscribers \_\_\_\_\_

**Other Benefit Related Information:**

(Although we do not provide these services, it is helpful to know what other services you offer.)

Do you contract for an HRA/HSA/FSA?

If Yes, list the coverage and company you contract with: \_\_\_\_\_

If Yes, how much is funded for the HRA or HSA? \_\_\_\_\_

Do you provide additional Dental or Vision Insurance?

If Yes, Name of the Insurance Company: \_\_\_\_\_

**Union Groups:**

Does your municipality have any Union groups (CSEA, etc.)? Please list Name of each group.

\_\_\_\_\_

Are there union contracts that set guidelines for your health insurance? **If yes, provide a copy of the union contract language.**

**Financial Information:**

Is the plan an experience-rated or community-rated plan? \_\_\_\_\_

Please attach the following according to your type of coverage:

- **Community-Rated:** Most recent monthly premium billing statement for each plan from ALL health insurance carriers providing health benefits to all active employees and retirees.
- **Experience-Rated:** Most recent monthly premium billing statement for each plan from ALL health insurance carriers providing health benefits to all active employees and retirees AND a minimum of three (3) years of monthly paid claims (medical and pharmacy separately) data and monthly covered lives counts (Redact any subscriber-specific information before submitting).

**New Coverage:**

**GTCMHIC Plan Coverage Selection:**

\_\_\_\_\_ **Platinum** \_\_\_\_\_ **Gold** \_\_\_\_\_ **Silver** \_\_\_\_\_ **Bronze** \_\_\_\_\_ **Medicare Supplement**

*(Groups with less than 50 employees must select only one plan, unless reviewed by Executive Director and approved for exception.)*

**Method of Enrollment:** Groups with less than 50 employees will be submitted to GTCMHIC for enrollment through the portal unless previously discussed. Groups with 50+ will enroll online through the Excellus online enrollment process.

I hereby authorize the submission of this application, on behalf of the municipality listed above, for membership in the Greater Tompkins County Municipal Health Insurance Consortium.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Print Name**

\_\_\_\_\_  
**Title**

## GTCMHIC Application: Documentation Deadlines

Date Due:	Documentation Needed:
<b>Preferred by July 1<sup>st</sup>, but no later than August 15<sup>th</sup></b>	<p>Submit a New Group Membership Application along with the required financial and operational documents as follows:</p> <ol style="list-style-type: none"> <li>a. for Municipal Corporations with taxing authority (county, city, town, or village), two years of State Comptroller AUD reports; or</li> <li>b. for Municipal Corporations without taxing authority:                             <ol style="list-style-type: none"> <li>i. five years of audited financial statements;</li> <li>ii. internal governance documents and/or rules such as bylaws, resolutions, and/or statutes creating the Municipal Corporation; and</li> <li>iii. financial documents confirming funding sources, funding mechanisms, account balances, assets, investments, contractual obligations, and any debts, contingent liabilities, and/or lawsuits.</li> </ol> </li> </ol> <p>- Municipal Corporations that are currently experience-rated or operate a self-insured employer-sponsored health insurance plan must submit a minimum of 3 years monthly paid claims (medical and pharmacy separately) data and monthly covered lives counts.</p>
<b>Between October 1- December 31<sup>st</sup></b>	<p><b>Upon notification</b> that the GTCMHIC Board of Directors has approved the Municipal Corporation's application to become a Participant in the GTCMHIC:</p> <ul style="list-style-type: none"> <li>- ADOPT municipal resolution approving membership and signature to the Municipal Cooperative Agreement of the GTCMHIC.</li> <li>- SUBMIT Resolution/MCA Signature Page to the Consortium.</li> <li>- SUBMIT Broker Termination Letter to current insurance carrier.</li> </ul>
<b>By November 1<sup>st</sup></b>	<p>Confirm with your current Medical Claims Administrator the names of all employees, retirees, and dependents to be covered in the Consortium's health insurance plans. Complete the GTCMHIC's dependent verification process and forward the updated roster to the GTCMHIC. <i>*a sample roster provided below</i></p>
<b>By November 1<sup>st</sup></b>	<p>For Municipal Corporations <b>without taxing authority</b>, 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:</p> <ol style="list-style-type: none"> <li>a. A Secured Bank Account;</li> <li>b. Letter of Credit; or</li> <li>c. Surety Bond</li> </ol> <p>*Please Note: municipal corporations with taxing authority (county, city, town, villages) will be exempt from this provision.</p>
<b>By December 31<sup>st</sup></b>	<p>Provide formal written notification from the governing body of the appointment of the Director and Alternate to the Consortium Board of Directors.</p>
<b>By December 31<sup>st</sup></b>	<p>Provide formal written notification from the governing body of the appointment of the Municipal representative to the Joint Committee on Plan Structure and Design.</p>

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.

### Sample Roster:

Full Name	Address	Phone #	Date of Birth	Single or Family Coverage (if Family add Dependent info.)	Plan Enrollment (i.e. Platinum, Gold, etc.)	Class ID (A= Active, R= Retired, C= COBRA)	Date of Hire or Date of Retirement
Dependent Full Name	Dependent Address	Phone #	Dependent Date of Birth	Subscriber's Name	Plan Enrollment (i.e. Platinum, Gold, etc.)	Class ID (A= Active, R= Retired, C= COBRA)	Date of Hire or Date of Retirement

**RESOLUTION ACCEPTING MEMBERSHIP IN THE GREATER TOMPKINS  
COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM AND  
AUTHORIZING SIGNATURE OF THE MUNICIPAL COOPERTIVE  
AGREEMENT**

WHEREAS, the \_\_\_\_\_ (municipality) applied for membership in the Greater Tompkins County Municipal Health Insurance Consortium (the "Consortium"), a municipal cooperative organized under Article 47 of the New York Insurance Law, and

WHEREAS, the \_\_\_\_\_ (municipality) received notification of approval by the Consortium Board of Directors to become a Participant in the Consortium effective January 1, 2023, now therefore be it

RESOLVED, That the \_\_\_\_\_ (municipality) hereby accepts membership effective January 1, 2023 and authorizes the Chief Elected Official to sign the **2023** Amendment to the Municipal Cooperative Agreement of the Greater Tompkins County Municipal Health Insurance Consortium as recommended by the Board of Directors.

\* \* \* \* \*

**2023 Municipal Cooperative Agreement Signature**

**IN WITNESS WHEREOF**, the undersigned has caused this Agreement to be executed as of the date adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors and subsequently adopted by the Municipal Corporation named below.

\_\_\_\_\_  
Municipal Corporation

\_\_\_\_\_  
Printed Name of Chief Elected Official or Chief Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date





# 2022 Fiscal Year Budget Performance Report As of February 28, 2022

Locey & Cahill, LLC  
250 South Clinton Street, Suite 340  
Syracuse, NY 13202  
Tel (315) 425-1424  
Fax (315) 425-1394  
E-mail: [slocey@loceycahill.com](mailto:slocey@loceycahill.com)



# Section 1

## 2022 Fiscal Year-to-Date Income Budget vs Actual Results

# 2022 Income Budget vs Actual (02/28/2022)

## Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2022 Budget Performance Analysis

Results as of: 2/28/2022

# of Months: 2

		2022 Adopted Budget	2022 Amended Budget	2022 Year-to-Date	2022 Actual Results	Variance	% Difference
<b>Income</b>							
	Medical and Rx Plan Premiums *	\$57,752,443.75	\$55,937,315.28	\$9,322,885.88	\$9,328,750.02	\$5,864.14	0.06%
9020	Interest	\$45,660.35	\$45,660.35	\$7,610.06	-\$189,992.17	-\$197,602.23	-2596.59%
9010	Rx Rebates	\$3,000,000.00	\$3,000,000.00	\$0.00	\$0.00	\$0.00	
9040	Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
9035	Finance Charge Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
9030	Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
<b>Total Income</b>		<b>\$60,798,104.10</b>	<b>\$58,982,975.63</b>	<b>\$9,330,495.94</b>	<b>\$9,138,757.85</b>	<b>-\$191,738.09</b>	<b>-2.05%</b>

### Key Facts:

1. Total Income was 2.05% below the amended budget, however, premium income was .06% above the amended budget for the first 2-months of the fiscal period. The amended budget reflects the changes in plan designs by participants as detailed below:
  - a. There has been some additional movement of covered members from traditional Indemnity and PPO Plans to the Consortium's Platinum PPO Plan.
  - b. Changes in covered lives and contract counts.

# 2022 Income Budget vs Actual (02/28/2022)

## Key Facts (continued):

- c. The number of contracts insured by the Consortium increased by 2.72% and the number of covered lives grew by only 1.94%. The disparity in this number is primarily due to the County's move to the Consortium's Medicare Supplement Plan for their Medicare-aged retirees and their spouses.

Monthly Average Covered Lives by Fiscal Year

Year	Member	Spouse	Dependent	Total lives
2011	1,995	1,056	1,348	4,400
2012	2,004	1,058	1,386	4,448
2013	2,281	1,228	1,567	5,077
2014	2,269	1,188	1,556	5,012
2015	2,301	1,173	1,546	5,021
2016	2,322	1,186	1,555	5,063
2017	2,397	1,208	1,567	5,172
2018	2,439	1,216	1,546	5,201
2019	2,867	1,436	1,867	6,170
2020	2,942	1,454	1,876	6,271
2021	3,035	1,406	1,862	6,303
2022	3,118	1,426	1,880	6,423

\* Member = Employee, Retiree, or COBRA Contract Holder

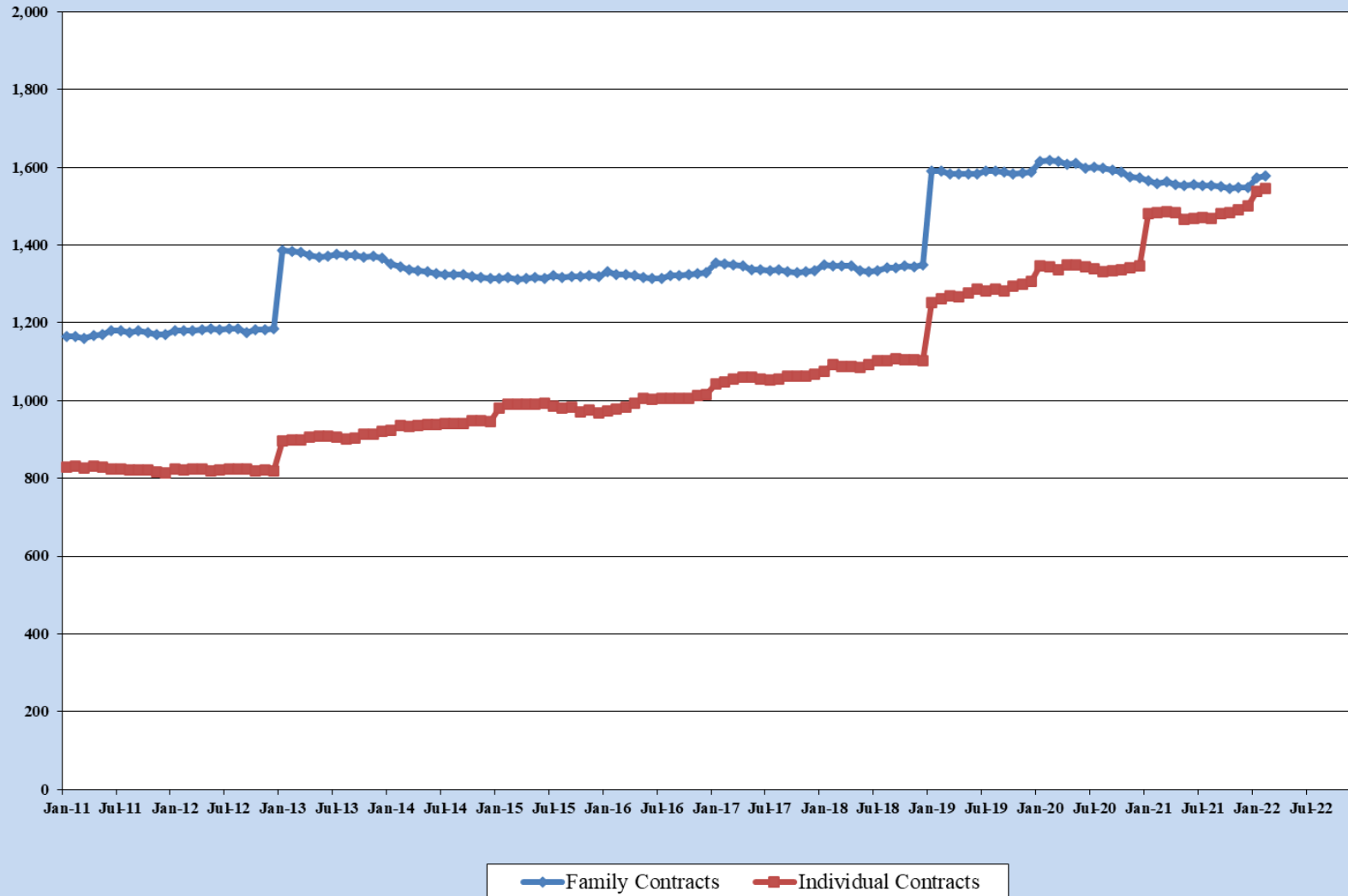
Monthly Average Contract Count by Fiscal Year

Year	Family Contracts	Individual Contracts	Total Contracts	Avg. # of Lives Per Contract	Avg. # of Lives Per Family
2011	1,172	824	1,995	2.205	3.053
2012	1,182	822	2,004	2.220	3.068
2013	1,375	907	2,281	2.225	3.033
2014	1,329	939	2,269	2.209	3.064
2015	1,317	984	2,301	2.182	3.065
2016	1,322	999	2,322	2.181	3.073
2017	1,340	1,058	2,397	2.157	3.071
2018	1,096	1,343	2,439	2.133	3.521
2019	1,281	1,586	2,867	2.152	3.579
2020	1,342	1,600	2,942	2.132	3.482
2021	1,480	1,555	3,035	2.077	3.207
2022	1,542	1,576	3,118	2.060	3.144

# Greater Tompkins County Municipal Health Insurance Consortium

## Monthly Contract Count by Plan Type

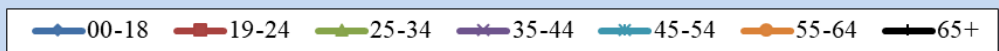
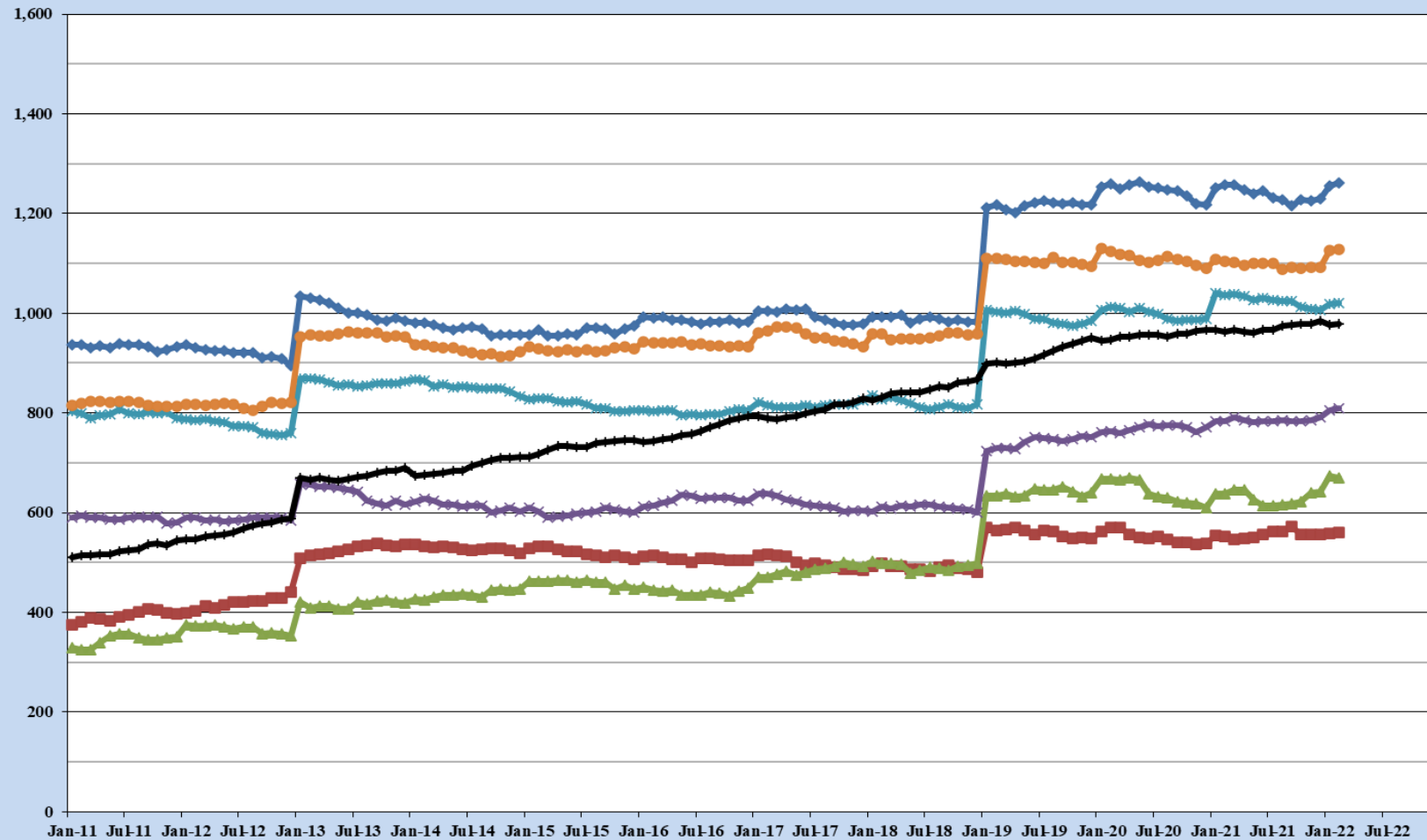
January 1, 2011 to February 28, 2022



# Greater Tompkins County Municipal Health Insurance Consortium

## Monthly Covered Lives by Age Band

January 1, 2011 to February 28, 2022





## 2022 Income Budget vs Actual (02/28/2022)

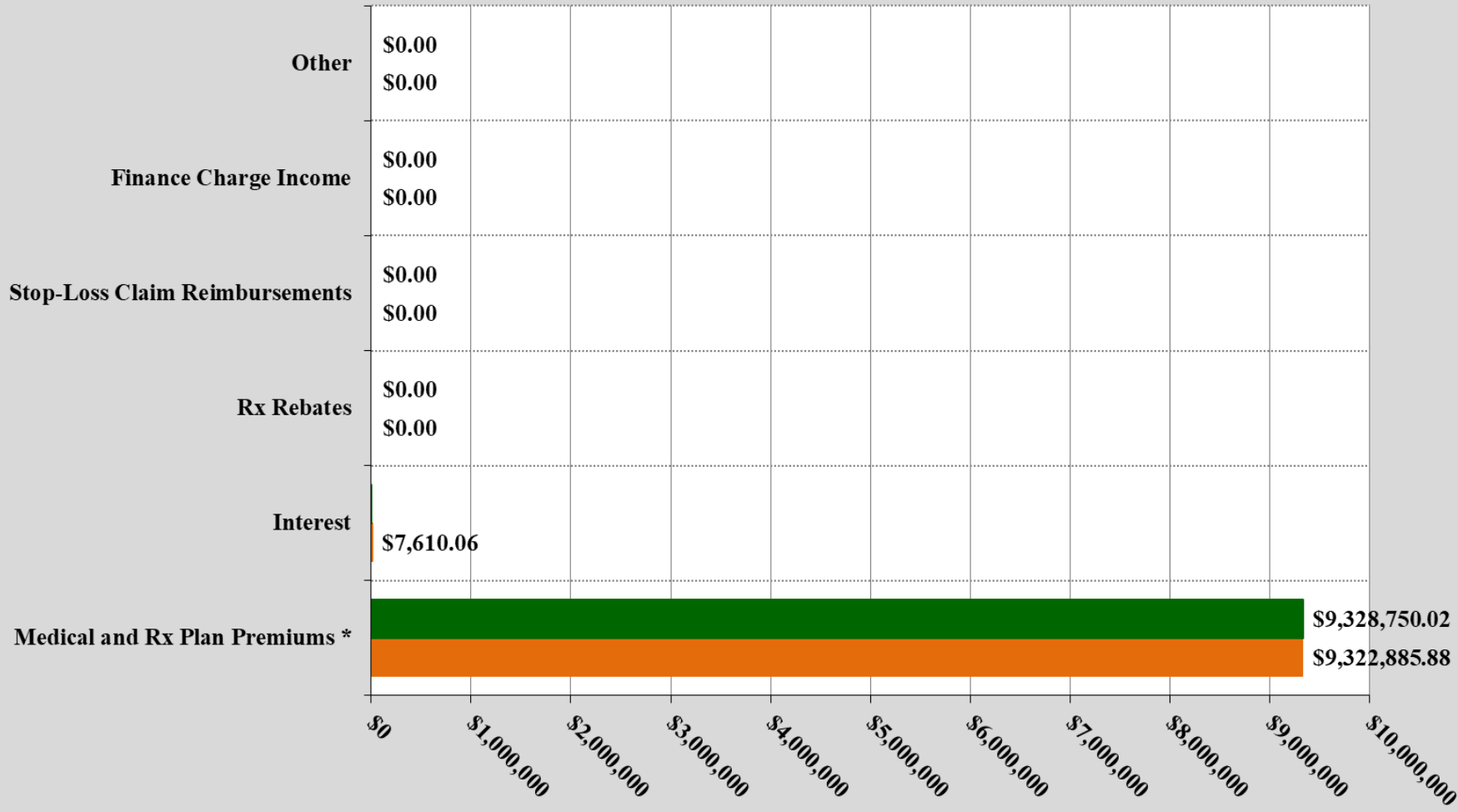
### Key Facts (continued):

2. The Consortium invests in notes/bonds which are held to maturity but records gains and/or losses on a monthly basis (“mark to market”). It should be noted that with interest rates falling dramatically during the COVID-19 pandemic, the Consortium’s budget was greatly reduced relative to expected interest earnings for the 2022 Fiscal Year.
3. There have not been any pharmaceutical manufacturer rebate payments received from ProAct, Inc. for the 2022 Fiscal Year as of this report. However, per ProAct, Inc., the Consortium is expected to receive a payment the week of March 21<sup>st</sup> which represents the 3<sup>rd</sup> Quarter Rebate Payment for the 2021 Plan Year.
4. The Consortium did not receive any reimbursements for claims which exceeded the Specific Stop-Loss Insurance Deductible of \$1 million. To date, there have been no claims in excess of \$1,000,000 for this year or the previous year.
5. There was nothing recorded in Finance Charge Income and there were no receipts recorded in the “Other” income category as of February 28<sup>th</sup>. Even when the Consortium does register some miscellaneous income, the impact is negligible at best and has very little effect on the overall net position of the Consortium.

# Greater Tompkins County Municipal Health Ins. Consortium

## 2022 Income Distribution

January 1, 2022 to February 28, 2022



■ 2022 Actual Income ■ 2022 Budgeted Amounts



# Section 2

## 2022 Fiscal Year-to-Date Expense Budget vs Actual Results

# 2022 Expense Budget vs Actual Results (02/28/2022)

		2022 Adopted Budget	2022 Amended Budget	2022 Year-to-Date	2022 Actual Results	Variance	% Difference
<b>Expenses</b>							
8090	Medical Paid Claims	\$40,780,345.45	\$40,780,345.45	\$6,273,899.30	\$5,925,247.87	-\$348,651.43	-5.56%
	Advance Deposit / Pre-Paid Claims	\$37,344.64	\$65,900.00	\$65,900.00	\$65,900.00	\$0.00	0.00%
8120	Rx Paid Claims - ProAct	\$16,506,765.82	\$16,506,765.82	\$2,539,502.43	\$2,408,731.29	-\$130,771.14	-5.15%
8121	Rx Paid Claims - CanaRx	\$161,366.59	\$161,366.59	\$26,894.43	\$23,395.80	-\$3,498.63	-13.01%
8084	Flu Clinic Fees	\$20,037.48	\$23,042.13	\$3,840.36	\$0.00	-\$3,840.36	-100.00%
8050	Medical Admin Fees	\$1,521,623.78	\$1,502,656.92	\$250,442.82	\$265,709.99	\$15,267.17	6.10%
	Rx Admin Fees	\$206,958.25	\$226,592.82	\$37,765.47	\$44,273.72	\$6,508.25	17.23%
8091	NYS Covered Lives Assessment	\$391,982.86	\$319,060.15	\$53,176.69	\$61,593.59	\$8,416.90	15.83%
9060	ACA PCORI Fee	\$18,886.41	\$18,886.41	\$18,886.41	\$0.00	-\$18,886.41	-100.00%
8110	Specific Stop-Loss Insurance (Actual)	\$313,950.00	\$723,382.00	\$120,563.67	\$50,482.97	-\$70,080.70	-58.13%
8000	Accounting Fees	\$19,000.00	\$19,000.00	\$3,166.67	\$0.00	-\$3,166.67	-100.00%
8010	Actuarial Fees	\$10,000.00	\$10,000.00	\$1,666.67	\$0.00	-\$1,666.67	-100.00%
8020	Audit Fees (Financial)	\$14,420.00	\$14,420.00	\$13,390.00	\$0.00	-\$13,390.00	-100.00%
8021	Audit Fees (Claims)	\$51,295.00	\$51,295.00	\$8,549.17	\$13,250.00	\$4,700.83	54.99%
8055	Consultant Fees (Barber & Strat Plan)	\$45,000.00	\$25,000.00	\$4,166.67	\$0.00	-\$4,166.67	
8030	Consultant Fees (L&C)	\$91,650.00	\$91,650.00	\$15,275.00	\$15,250.00	-\$25.00	-0.16%
8070	Legal Fees	\$12,000.00	\$12,000.00	\$2,000.00	\$110.00	-\$1,890.00	-94.50%
8065	Wellness Program Costs	\$25,000.00	\$25,000.00	\$4,166.67	\$0.00	-\$4,166.67	-100.00%
66001	Executive Director (Salary)	\$96,450.00	\$96,450.00	\$16,075.00	\$14,837.68	-\$1,237.32	-7.70%
66002	Fringe Benefits	\$119,635.00	\$119,635.00	\$19,939.17	\$11,751.94	-\$8,187.23	-41.06%



# 2022 Expense Budget vs Actual Results (02/28/2022)

		2022 Adopted Budget	2022 Amended Budget	2022 Year-to-Date	2022 Actual Results	Variance	% Difference
<b>Expenses</b>							
66003	Clerk of the Board (Salary)	\$74,300.00	\$74,300.00	\$12,383.33	\$10,498.82	-\$1,884.51	-15.22%
66004	Admin/Comp Asst (Salary)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
66005	Benefits Specialist (Salary)	\$56,240.00	\$56,240.00	\$9,373.33	\$8,652.00	-\$721.33	-7.70%
66006	Finance Manager (Salary)	\$72,100.00	\$72,100.00	\$12,016.67	\$11,092.32	-\$924.35	-7.69%
8060	Insurances (D&O / Prof. Liability)	\$55,650.00	\$53,004.00	\$8,834.00	\$9,711.00	\$877.00	9.93%
8041	Internal Coordination (Finance)	\$20,000.00	\$20,000.00	\$3,333.33	\$3,333.34	\$0.01	0.00%
8042	Internal Coordination (Support)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
8040	Internal Coordination Fees (Other)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
8045	Internal Coordination (Town of Ithaca)	\$6,000.00	\$6,000.00	\$1,000.00	\$1,000.00	\$0.00	0.00%
8044	Internal Coordination (IT Support)	\$6,485.00	\$6,681.00	\$1,113.50	\$1,113.50	\$0.00	0.00%
9065	Marketing Expenses	\$2,575.00	\$8,000.00	\$1,333.33	\$117.60	-\$1,215.73	-91.18%
9055	Investment Management Services	\$12,360.00	\$12,360.00	\$2,060.00	\$0.00	-\$2,060.00	-100.00%
8150	Supplies Expense	\$4,080.00	\$4,080.00	\$680.00	\$59.90	-\$620.10	-91.19%
8151	Computer Equipment	\$11,545.00	\$11,545.00	\$1,924.17	\$73.99	-\$1,850.18	-96.15%
8152	Lease Expense / Parking Fees	\$13,370.00	\$13,370.00	\$2,228.33	\$1,600.00	-\$628.33	-28.20%
8153	Mileage- Travel Expenses	\$1,000.00	\$1,000.00	\$166.67	\$0.00	-\$166.67	-100.00%
8154	Software	\$0.00	\$0.00	\$0.00	\$235.92	\$235.92	0.00%
8155	Postage	\$0.00	\$0.00	\$0.00	\$79.36	\$79.36	0.00%
8156	Furniture and Fixtures	\$0.00	\$2,000.00	\$0.00	\$0.00	\$0.00	0.00%
8157	Training & Prof. Dev.	\$0.00	\$2,000.00	\$0.00	\$199.00	\$199.00	0.00%
8158	Subscriptions	\$0.00	\$1,000.00	\$0.00	\$19.97	\$19.97	0.00%
9060	Other Expenses / Supplies	\$12,595.00	\$7,595.00	\$1,265.83	\$0.00	-\$1,265.83	-100.00%
<b>Total Expenses</b>		<b>\$60,792,011.28</b>	<b>\$61,143,723.29</b>	<b>\$9,536,979.08</b>	<b>\$8,948,321.57</b>	<b>-\$588,657.51</b>	<b>-6.17%</b>
<b>Net Income</b>		<b>\$6,092.82</b>	<b>-\$2,160,747.66</b>	<b>-\$206,483.14</b>	<b>\$190,436.28</b>	<b>\$396,919.42</b>	

# 2022 Expense Budget vs Actual Results (02/28/2022)

	2022 Adopted Budget	2022 Amended Budget	2022 Year-to-Date	2022 Actual Results	Variance	% Difference
	Budget	Revised Budget	Year-to-Date	Actual		
<b>Paid Claims</b>	\$57,505,859.98	\$57,537,419.99	\$8,910,036.52	\$8,423,274.96	-\$486,761.56	-5.46%
<b>Claims Admin. Fees</b>	\$1,728,582.03	\$1,729,249.74	\$288,208.29	\$309,983.71	\$21,775.42	7.56%
<b>Stop-Loss</b>	\$313,950.00	\$723,382.00	\$120,563.67	\$50,482.97	-\$70,080.70	-58.13%
<b>Taxes and Fees</b>	\$410,869.27	\$337,946.56	\$72,063.10	\$61,593.59	-\$10,469.51	-14.53%
<b>Professional Services</b>	\$268,365.00	\$248,365.00	\$52,380.83	\$28,610.00	-\$23,770.83	-45.38%
<b>Insurance/Internal Fees</b>	\$564,385.00	\$567,360.00	\$93,726.67	\$74,376.34	-\$19,350.33	-20.65%
<b>Total Expenses</b>	<b>\$60,792,011.28</b>	<b>\$61,143,723.29</b>	<b>\$9,536,979.08</b>	<b>\$8,948,321.57</b>	<b>-\$588,657.51</b>	<b>-6.17%</b>
<b>Net Income</b>	<b>\$6,092.82</b>	<b>-\$2,160,747.66</b>	<b>-\$206,483.14</b>	<b>\$190,436.28</b>	<b>\$396,919.42</b>	

The above provides an “easier to read” summary version of the expense data for the Consortium through February 28, 2022. As you will note, the paid claims which collectively include medical, prescription drug, CanaRx, Flu Clinic and any pre-paid claims account for 94.13% of the total expenses of the Consortium through the first 2-months of 2022. We show the overall paid claims to be 5.46% (including the advanced deposit for prepayment of claims) below budget for the 2022 Fiscal Year to Date based on the amended budget as adjusted for the movement of contracts to other benefit plans and with the new municipal partners added to the program.

# 2022 Expense Budget vs Actual Results (02/28/2022)

## Key Facts:

1. Over the past several months, we have worked with the Consortium's Executive Director and Financial Team to allocate budgeted funds into their correct expense line-item based on their code. This was done to provide a more detailed and accurate summary of the internal and external professional support costs. In addition, we updated some of the budget numbers based on the addition of new members and changes in enrollment by existing members.
2. Being only two months into the fiscal period many of the expense items are well below budget. Some items are an annual expense and have not been billed to the Consortium. We anticipate these items will be more in line with the budget as the Consortium works its way through the fiscal year.
3. For new members added to the Consortium, we do not anticipate their paid claims being mature until the 3<sup>rd</sup> month or so as the "run-out" claims (claims incurred on or before December 31, 2021) are the responsibility of their prior insurance carrier.



# 2022 Expense Budget vs Actual Results (02/28/2022)

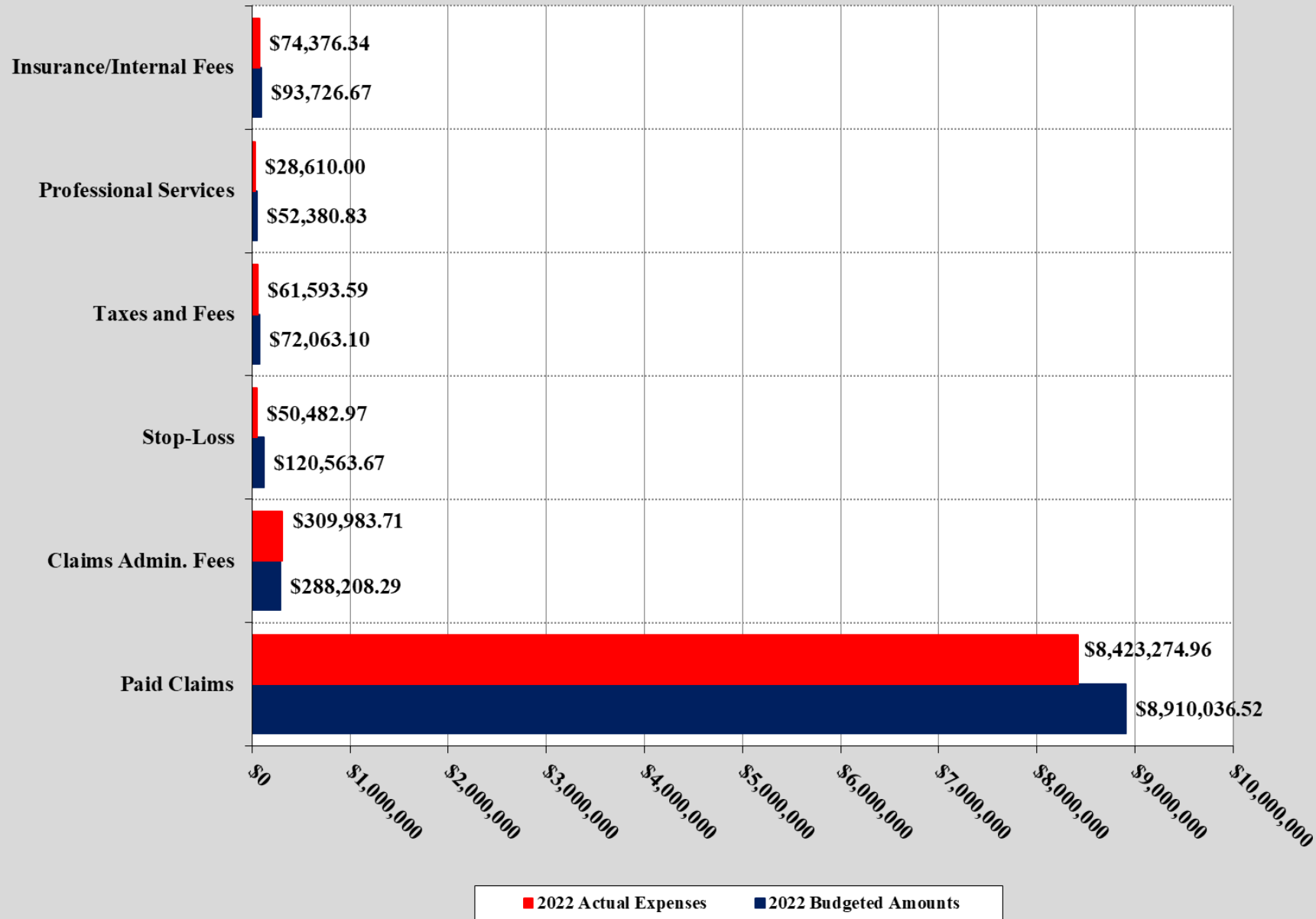
## Key Facts:

4. Medical Paid Claims in the first 2-months were **5.56% below the amended budget** for the year and this is the result of:
  - a) An increase in the covered lives ( $\uparrow 2.72\%$ ) and in the number of contracts ( $\uparrow 1.94\%$ ) skews the early 2022 medical paid claims due to the “run-in lag”.
  - b) Increased member participation in lower cost health insurance plans, like the Platinum Plan and the Medicare Supplement Plan by several employer groups.
  - c) A substantial decrease in elective and/or minor medical procedures being performed as a result of the impact of the COVID-19 pandemic on the medical community.
5. Rx Paid Claims were **5.15% below budget** for the first 2-months of the 2022 Fiscal Year. As we stated last year, we were keeping a close eye on the pharmacy paid claims trend which led to adjustments to our trend models during the budget development process for the 2022 Fiscal Year. It should be noted that based on our analysis, the recent pandemic did not substantively change the cost of pharmaceutical claims and therefore we do not believe any prior deviation from the trend was related to COVID-19.

# Greater Tompkins County Municipal Health Ins. Consortium

## 2022 Expense Distribution

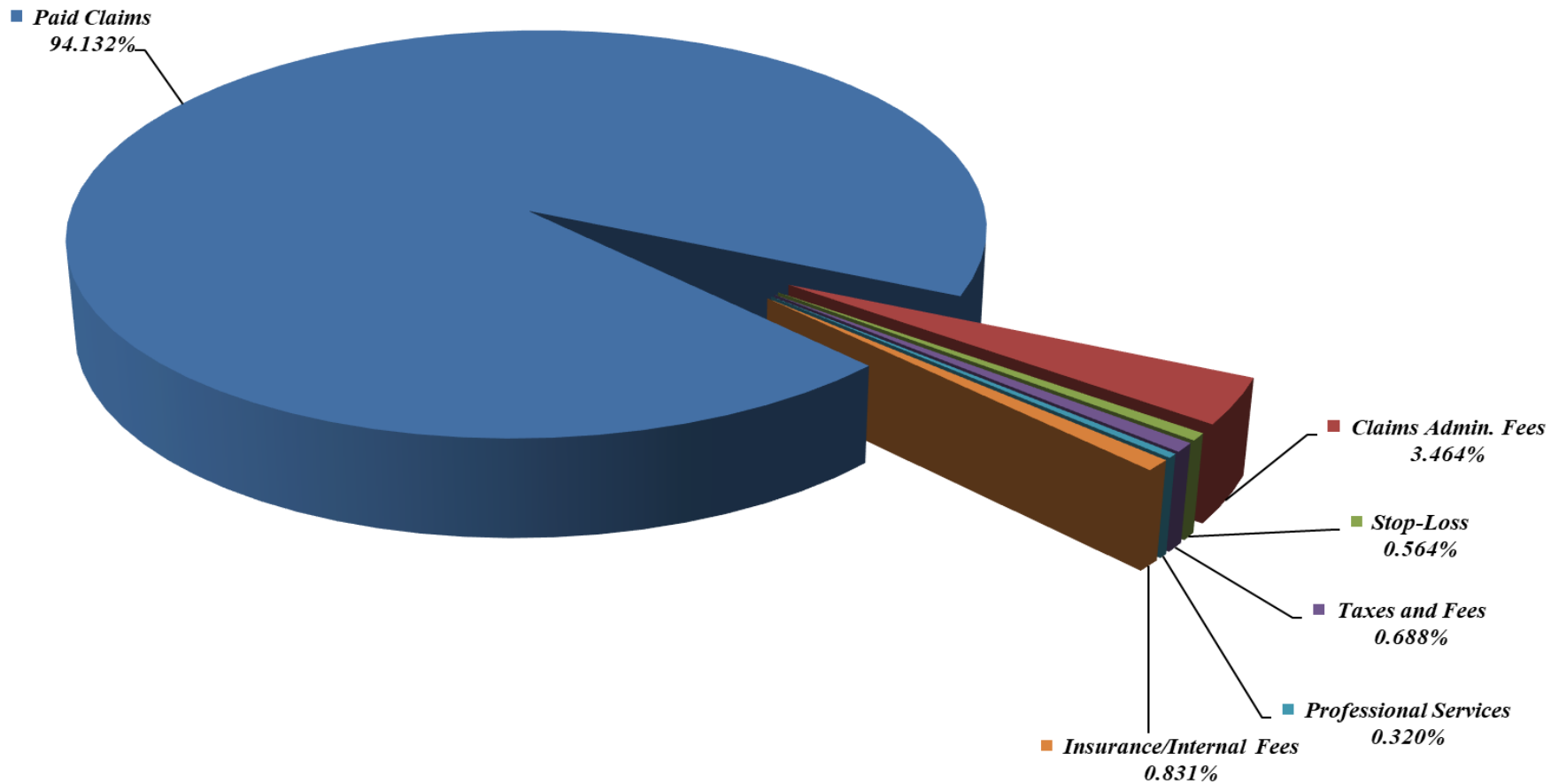
January 1, 2022 to February 28, 2022



# Greater Tompkins County Municipal Health Ins. Consortium

2022 Expense Distribution

January 1, 2022 to February 28, 2022



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

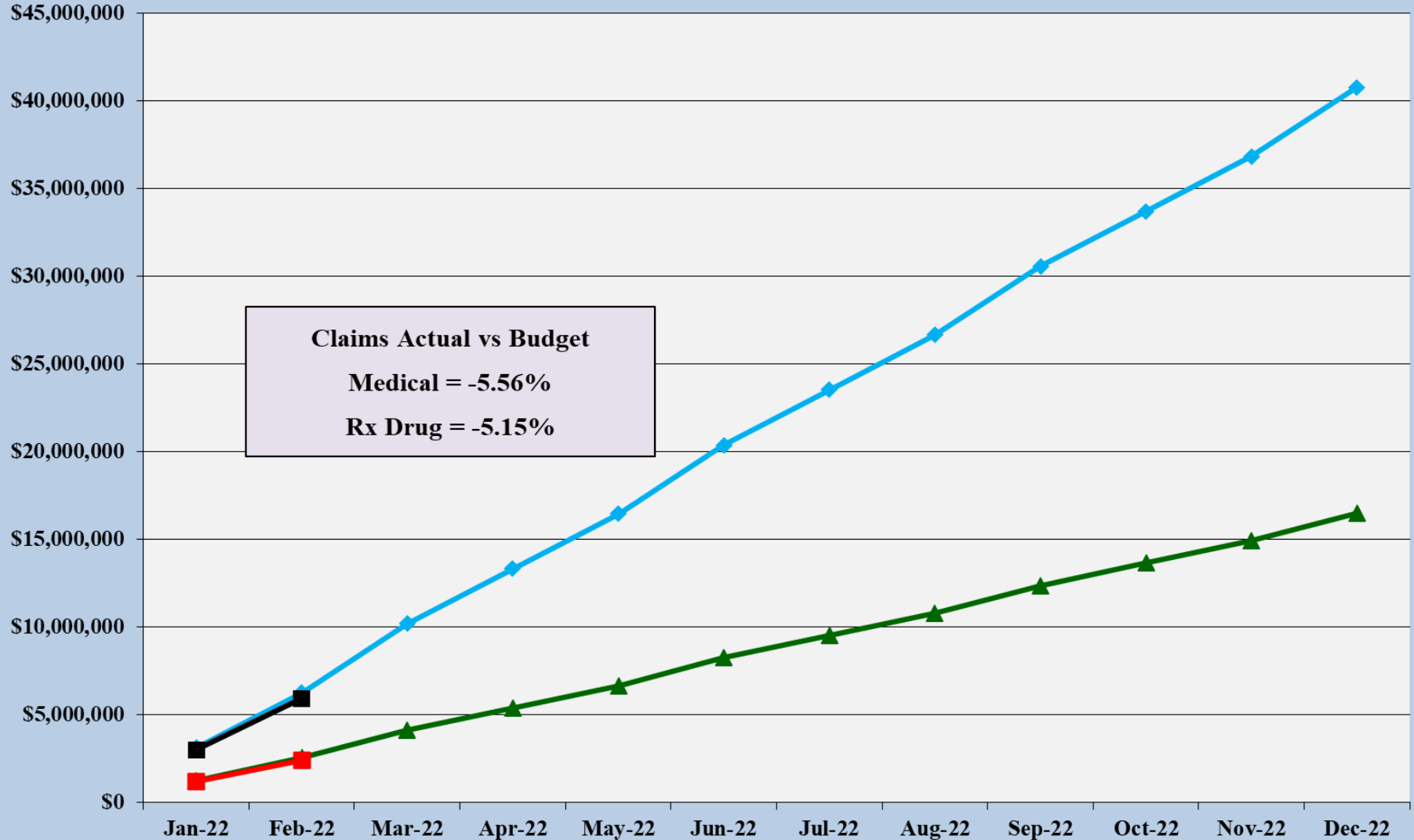


# Section 3

## 2022 Fiscal Year-to-Date Paid Claims Budget vs Actual Results

# *Greater Tompkins County Municipal Health Insurance Consortium*

## 2022 Cumulative Paid Claims and Budgeted Claims by Month

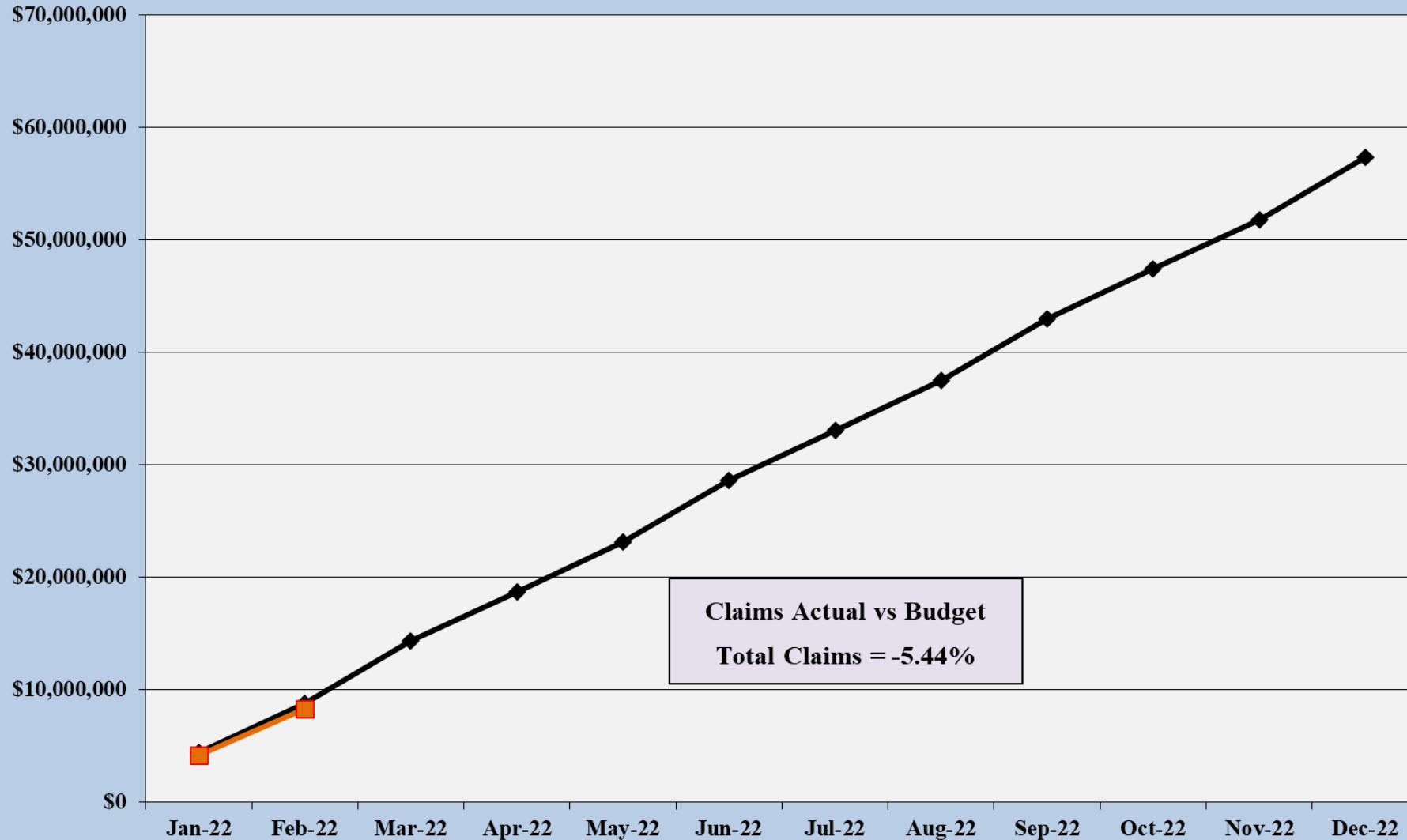


**Claims Actual vs Budget**  
 Medical = -5.56%  
 Rx Drug = -5.15%

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

# Greater Tompkins County Municipal Health Insurance Consortium

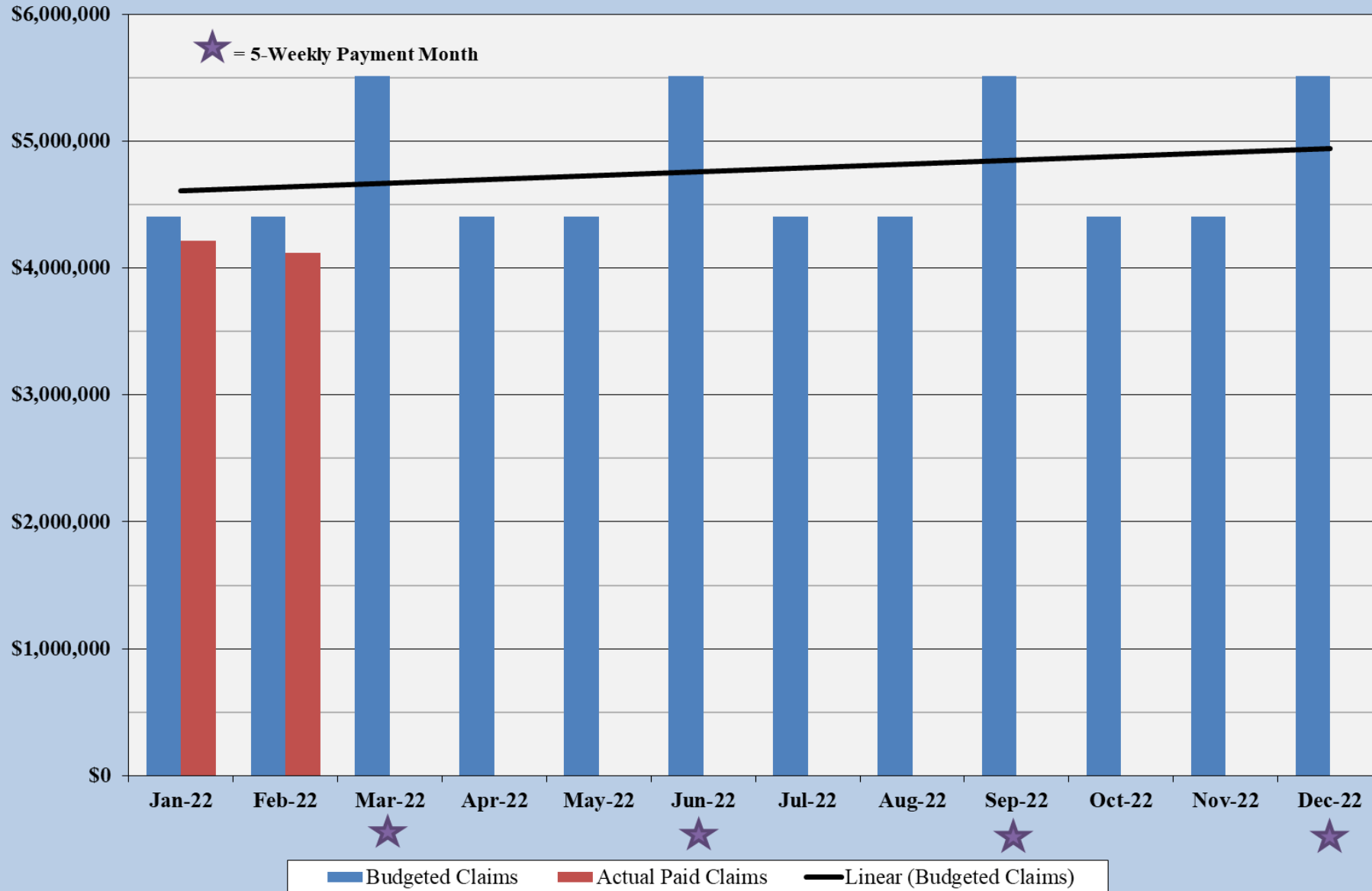
## 2022 Cumulative Paid Claims and Budgeted Claims by Month



◆ Budgeted Claims    ■ Actual Paid Claims

# Greater Tompkins County Municipal Health Insurance Consortium

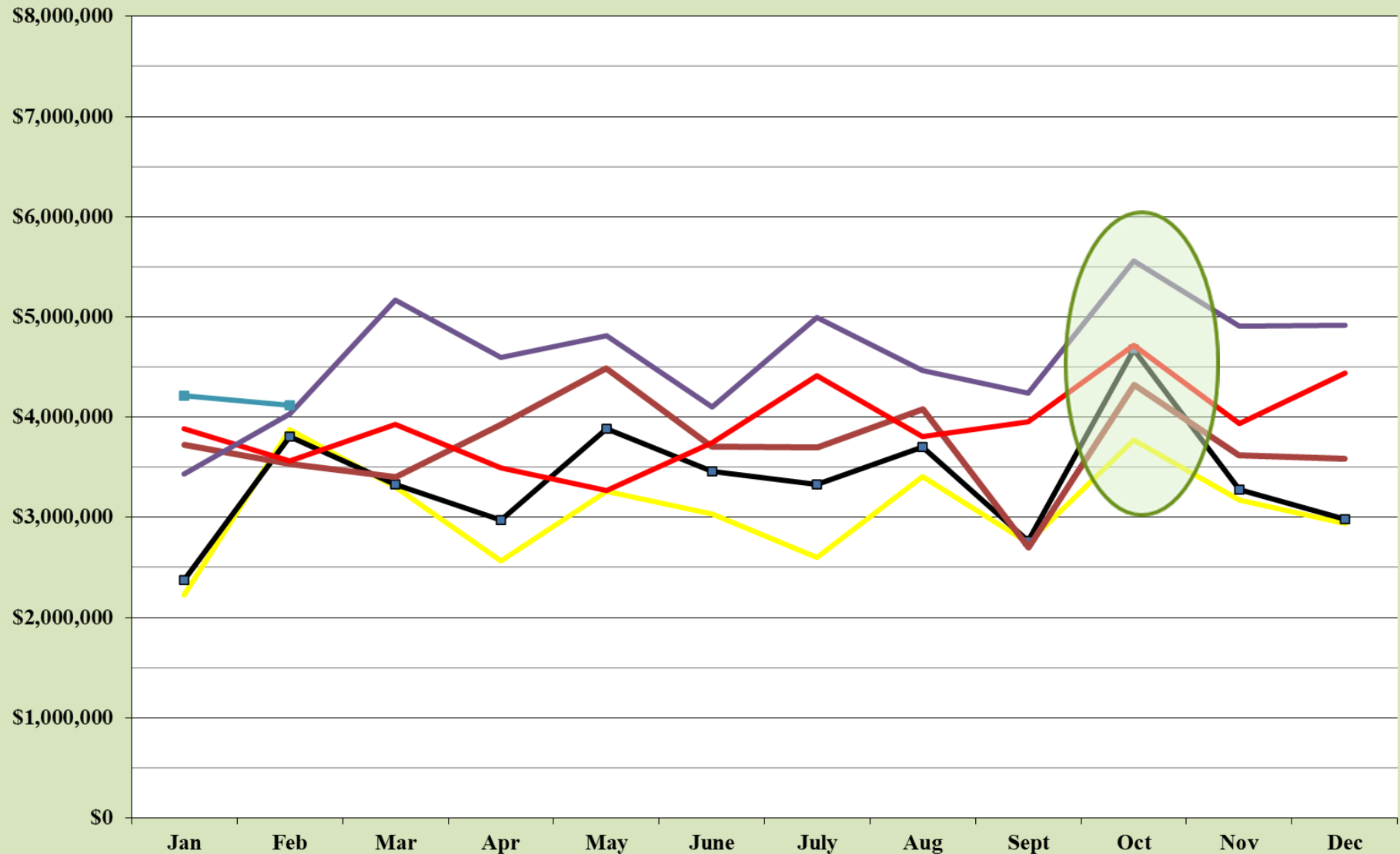
## 2022 Budgeted vs Actual Paid Claims by Month





# Greater Tompkins County Municipal Health Ins Consortium

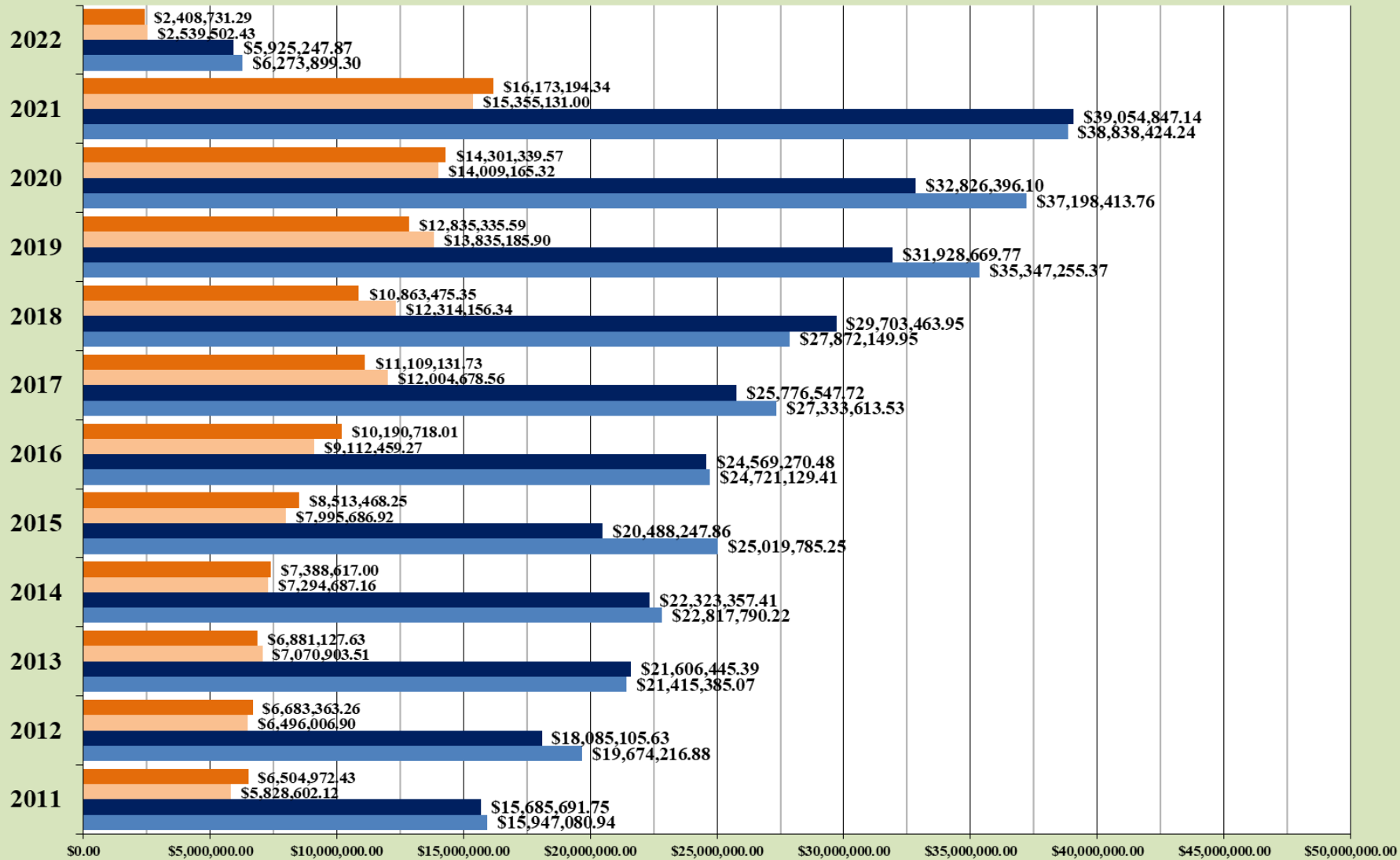
## 2017-2022 Monthly Paid Claims by Fiscal Year



—■ 2017   
 —■ 2018   
 —■ 2019   
 —■ 2020   
 —■ 2021   
 —■ 2022

# Greater Tompkins County Municipal Health Ins Consortium

## 2011-2022 (as of 02/28/2022) Annual Paid Claims v Budgeted Claims

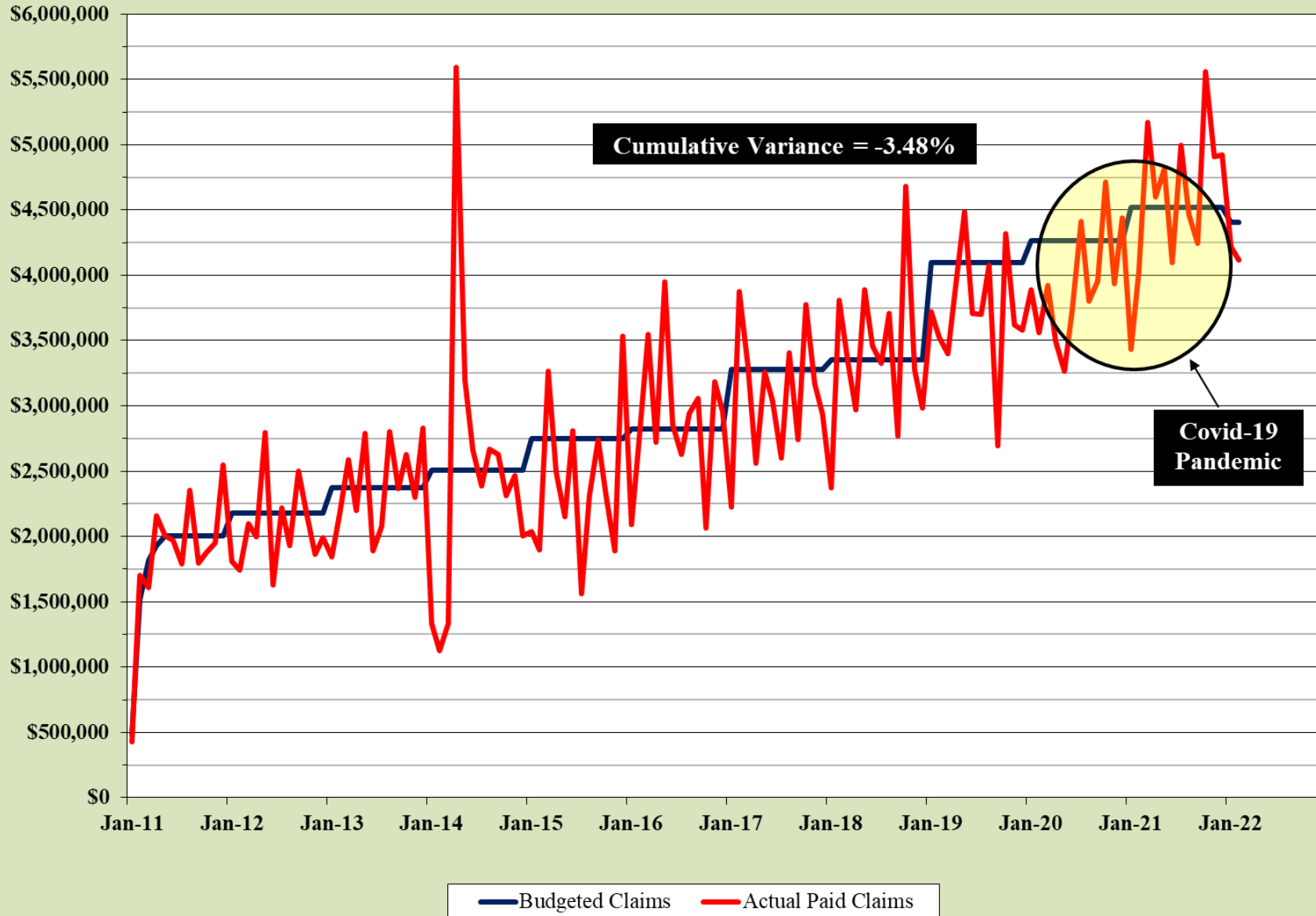


■ Actual Rx Claims   
 ■ Budgeted Rx Claims   
 ■ Actual Medical Claims   
 ■ Budgeted Medical Claims

# Greater Tompkins County Municipal Health Ins Consortium

## 2011-2022 Monthly Paid Claims v Budgeted Claims

January 1, 2011 to February 28, 2022



**APPROVED**  
**MEDICAL  
CLAIM**



# Section 4

## High-Cost Claimants Catastrophic Self-Insurance Pool

# Large Loss and Catastrophic Claims History

## Greater Tompkins County Municipal Health Insurance Consortium

Large Loss and Catastrophic Claims History (as of February 28, 2022)

Fiscal Year	Specific Stop-Loss Deductible	Number of Covered Lives	# of Claimants with Claims >\$100,000	# of Claimants with Claims >\$200,000	# of Claimants with Claims >\$300,000	# of Claimants with Claims >\$400,000	# of Claimants with Claims >\$500,000	Total Large Loss Claims Paid	Claim Dollars in Excess of Deductible	Stop-Loss Insurance Premium Paid
2011	\$250,000.00	4,400	13	3	1	0	0	\$2,357,898.22	\$146,063.45	\$384,392.52
2012	\$275,000.00	4,448	16	6	3	2	1	\$3,904,221.28	\$1,136,196.38	\$361,366.41
2013	\$300,000.00	5,077	22	7	4	1	0	\$4,079,308.91	\$292,967.64	\$592,381.65
2014	\$300,000.00	5,012	18	6	1	1	0	\$3,494,872.81	\$184,734.14	\$720,784.39
2015	\$400,000.00	5,021	23	2	1	1	1	\$3,722,006.77	\$125,880.36	\$642,080.30
2016	\$400,000.00	5,063	39	4	1	1	1	\$6,070,055.86	\$242,433.49	\$766,281.18
2017	\$450,000.00	5,172	24	12	1	1	0	\$3,057,208.40	\$8,294.21	\$738,819.42
2018	\$600,000.00	5,201	45	10	4	3	3	\$8,913,105.20	\$453,672.85	\$442,185.54
2019	\$600,000.00	6,174	46	14	3	2	1	\$8,874,919.83	\$29,295.28	\$693,190.30
2020	\$1,000,000.00	6,277	60	18	5	3	1	\$11,290,214.72	\$0.00	\$264,390.72
2021	\$1,000,000.00	6,303	65	23	8	6	5	\$13,984,908.96	\$0.00	\$270,471.20
2022	\$1,000,000.00	6,423	2	0	0	0	0	\$218,664.90	\$0.00	\$50,482.97
<b>Totals</b>		<b>64,571</b>	<b>373</b>	<b>105</b>	<b>32</b>	<b>21</b>	<b>13</b>	<b>\$69,967,385.86</b>	<b>\$2,619,537.80</b>	<b>\$5,926,826.60</b>
<b>Averages</b>	<b>\$547,916.67</b>	<b>5,381</b>	<b>31.083</b>	<b>8.750</b>	<b>2.667</b>	<b>1.750</b>	<b>1.083</b>	<b>\$5,830,615.49</b>	<b>\$218,294.82</b>	<b>\$493,902.22</b>

**Overall Stop-Loss Insurance Loss Ratio (Paid Claims ÷ Premium) = 44.20%**

# Large Loss and Catastrophic Claims History

Fiscal Year	Specific Stop-Loss Deductible	Number of Covered Lives	Number of Large Loss Claimants	Large Loss Claimants % of Covered Lives	Stop-Loss Insurance Premium Paid	Total Large Loss Claims Paid	Annual Paid Claims Total	Large Loss Claims % of Total Claims	Catastrophic Claims Reserve	Catastrophic Reinsurance Pool Payments
2011	\$250,000.00	4,400	13	0.30%	\$384,392.52	\$2,357,898.22	\$22,190,664.18	10.63%	n/a	n/a
2012	\$275,000.00	4,448	16	0.36%	\$361,366.41	\$3,904,221.28	\$24,768,468.89	15.76%	n/a	n/a
2013	\$300,000.00	5,077	22	0.43%	\$592,381.65	\$4,079,308.91	\$28,487,573.02	14.32%	n/a	n/a
2014	\$300,000.00	5,012	18	0.36%	\$720,784.39	\$3,494,872.81	\$29,711,974.41	11.76%	\$600,000.00	n/a
2015	\$400,000.00	5,021	23	0.46%	\$642,080.30	\$3,722,006.77	\$29,001,716.11	12.83%	\$1,050,000.00	n/a
2016	\$400,000.00	5,063	39	0.77%	\$766,281.18	\$6,070,055.86	\$34,338,926.47	17.68%	\$1,050,000.00	n/a
2017	\$450,000.00	5,172	24	0.46%	\$738,819.42	\$3,057,208.40	\$36,885,679.45	8.29%	\$1,350,000.00	n/a
2018	\$600,000.00	5,201	45	0.87%	\$442,185.54	\$8,913,105.20	\$40,566,939.30	21.97%	\$2,000,000.00	n/a
2019	\$600,000.00	6,174	46	0.75%	\$693,190.30	\$8,874,919.83	\$44,764,005.36	19.83%	\$2,800,000.00	n/a
2020	\$1,000,000.00	6,277	60	0.96%	\$264,390.72	\$11,290,214.72	\$47,284,890.14	23.88%	\$5,032,220.00	\$0.00
2021	\$1,000,000.00	6,303	65	1.03%	\$270,471.20	\$13,984,908.96	\$55,410,491.28	25.24%	\$4,986,101.85	\$805,827.97
2022	\$1,000,000.00	6,423	2	0.03%	\$50,482.97	\$218,664.90	\$8,423,274.96	2.60%	\$4,600,758.06	\$0.00
<b>Totals</b>		<b>64,571</b>	<b>373</b>	<b>0.58%</b>	<b>\$5,926,826.60</b>	<b>\$69,967,385.86</b>	<b>\$401,834,603.57</b>	<b>17.41%</b>		<b>\$805,827.97</b>
<b>Averages (2011-2022)</b>		<b>5,381</b>	<b>31</b>	<b>0.58%</b>	<b>\$493,902.22</b>	<b>\$5,830,615.49</b>	<b>\$33,486,216.96</b>	<b>17.41%</b>		

*Large Loss = Claims Paid Totaling \$100,000 or More for the Fiscal Year*

*Catastrophic Claims = Large Loss Claims in Excess of the Stop-Loss Insurance Deductible or Self-Insurance Threshold*

*Catastrophic Reinsurance Pool Payments = Covered Member's Claims which Exceed \$500,000 up to the Specific Stop-Loss Deductible.*

**On Average 0.58% of the Covered Lives Account for 17.41% of Paid Claims**

# Catastrophic Claims Self-Insurance Pool Activity

*Actual as of 02/28/2022*

		2020 Fiscal Year	2021 Fiscal Year
Budgeted Premium	\$600,000 Deductible	\$762,505.96	\$706,790.88
Actual Premium Paid	\$1,000,000 Deductible	\$264,390.72	\$270,471.20
Premium Savings		\$498,115.23	\$436,319.68
Member # 000001179452	Deductible (Laser Applied)	\$1,000,000.00	\$1,000,000.00
	Actual Claims Paid	\$798,499.59	\$712,297.59
	Catastrophic Claims Pool	\$0.00	<b>\$0.00</b>
Member # 000014335319	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		\$687,217.49
	Catastrophic Claims Pool	\$0.00	<b>\$187,217.49</b>
Member # 000014235037	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		\$633,769.36
	Catastrophic Claims Pool	\$0.00	<b>\$133,769.36</b>
Member # 000012168307	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		\$836,622.21
	Catastrophic Claims Pool	\$0.00	<b>\$336,622.21</b>
Member # 000001551134	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		\$648,218.91
	Catastrophic Claims Pool	\$0.00	<b>\$148,218.91</b>
Net Impact on Fund Balance		\$498,115.23	<b>-\$369,508.29</b>

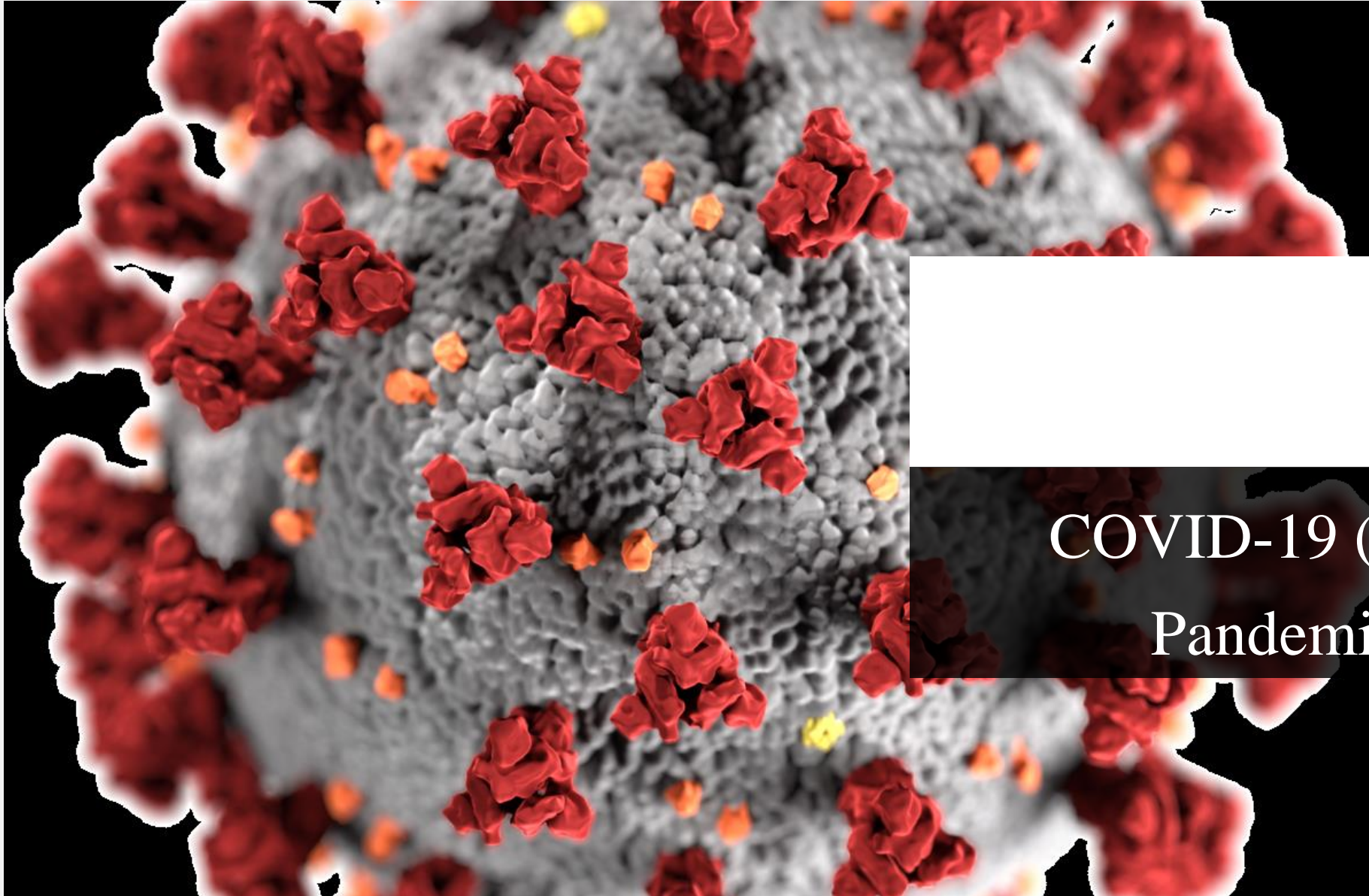
The “Catastrophic Claims Self-Insurance Pool” was established by the Consortium’s Board of Directors prior to the start of the 2020 Fiscal Year to allow the Consortium to lower the cost of stop-loss insurance by raising the specific deductible and ultimately assuming more risk on an annual basis. To cover this risk, the Catastrophic Claims Reserve totaling \$4.5 million was converted to this “Pool”. In addition, each year the estimated premium variance between a \$600,000 specific deductible stop-loss insurance plan and a \$1 million specific deductible stop-loss insurance plan will be ceded into the “Pool”. Lastly, any interest earned on this “Pool” will be credited to the “Pool” to help replenish funds when/if catastrophic claims are paid out of the “Pool”.



# Catastrophic Claims Self-Insurance Pool Activity

<b>Catastrophic Claims Self-Insurance Pool</b>	<b>2020 Fiscal Year</b>	<b>2021 Fiscal Year</b>
<b>Beginning Balance</b>	<b>\$4,500,000.00</b>	<b>\$5,032,220.23</b>
<b>Interest Income</b>	\$34,105.00	(\$19,009.15)
<b>Premium Savings</b>	\$498,115.23	\$436,319.68
<b>(Catastrophic Claims)</b>	\$0.00	(\$805,827.97)
<b>Ending Balance</b>	<b>\$5,032,220.23</b>	<b>\$4,643,702.79</b>

As of February 28, 2022, the Consortium has lowered its specific stop-loss insurance premium by approximately \$934,000, and it has incurred large loss claims between \$500 thousand and \$1 million totaling \$805,827.97. This is a net gain for the Consortium of \$128,666.94. This figure does not take into consideration that the pool is also picking up an extra \$100,000 in risk per member annually.



# Section 5

## COVID-19 (coronavirus) Pandemic Impact

# 2020-2022 COVID-19 Pandemic Impact

## Tompkins County Key Facts:

1. Tompkins County has approximately 103,000 residents.
2. According to the New York State Department of Health web-site, as of March 18<sup>th</sup>
  - a) There have been approximately 1,653,084 tests conducted of people in Tompkins County for the presence of COVID-19 (coronavirus).
  - b) There have been 3,718 Tompkins County residents who have tested positive for coronavirus which is 0.225% of the tested population and approximately 3.61% of the County's total population with no reported deaths amongst county residents.
3. The other Counties in the Consortium have the following results:

a) Cayuga	150,750 Tests Conducted	5,519 Positive Results (3.66%)
b) Cortland	134,599 Tests Conducted	3,329 Positive Results (2.47%)
c) Seneca	51,309 Tests Conducted	1,740 Positive Results (3.39%)
d) Tioga	82,383 Tests Conducted	3,007 Positive Results (3.65%)

# 2020-2022 COVID-19 Pandemic Impact

## Impact on the Greater Tompkins County Municipal Health Insurance Consortium

1. Paid claims in the short-term have been below budget. If we look at the monthly paid claims for the past two months, we see typical results at the pre-covid level. We will continue to monitor this closely throughout the year and as we begin 2023 budget development.

Date	Per Excellus BCBS Reports		Per ProAct, Inc. Reports		Combined Paid Claims	
	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount
Jan-21	\$2,839,595.60	\$98,932.82	\$1,248,569.04	\$83,001.85	\$4,088,164.64	\$181,934.67
Feb-21	\$2,289,069.96	\$110,494.29	\$1,174,685.51	\$75,743.36	\$3,463,755.47	\$186,237.65
Mar-21	\$2,675,627.93	\$107,491.17	\$1,369,738.41	\$89,412.10	\$4,045,366.34	\$196,903.27
Apr-21	\$2,810,948.88	\$129,816.25	\$1,315,680.71	\$76,476.00	\$4,126,629.59	\$206,292.25
May-21	\$2,919,393.05	\$98,910.49	\$1,350,738.38	\$71,267.17	\$4,270,131.43	\$170,177.66
Jun-21	\$2,225,447.79	\$90,369.48	\$1,368,008.21	\$76,190.10	\$3,593,456.00	\$166,559.58
Jul-21	\$2,939,073.55	\$104,367.51	\$1,391,231.89	\$70,344.97	\$4,330,305.44	\$174,712.48
Aug-21	\$2,445,790.17	\$84,249.79	\$1,413,203.61	\$71,440.93	\$3,858,993.78	\$155,690.72
Sep-21	\$2,165,302.31	\$74,853.70	\$1,326,045.62	\$66,343.27	\$3,491,347.93	\$141,196.97
Oct-21	\$3,318,384.27	\$84,534.66	\$1,438,407.36	\$68,773.90	\$4,756,791.63	\$153,308.56
Nov-21	\$2,485,674.77	\$72,775.62	\$1,352,074.71	\$70,272.02	\$3,837,749.48	\$143,047.64
Dec-21	\$2,900,092.94	\$75,817.13	\$1,424,414.79	\$66,626.52	\$4,324,507.73	\$142,443.65
<b>Totals</b>	<b>\$32,014,401.22</b>	<b>\$1,132,612.91</b>	<b>\$16,172,798.24</b>	<b>\$885,892.19</b>	<b>\$48,187,199.46</b>	<b>\$2,018,505.10</b>
	96.58%	3.42%	94.81%	5.19%	95.98%	4.02%

Date	Medical Claims		Rx Claims		Combined Paid Claims	
	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount
Jan-22	\$2,426,933.11	\$134,155.07	\$1,203,450.31	\$98,207.62	\$3,630,383.42	\$232,362.69
Feb-22	\$2,309,898.10	\$129,751.42	\$1,205,280.98	\$84,099.74	\$3,515,179.08	\$213,851.16

2019 Average Monthly Medical Claims = **\$2,373,649.24**

2020 First 3-Months Avg. Monthly Medical Claims  
**\$2,411,071.18**

2020 Last 9-Months April to December Medical Claims  
**\$2,187,388.11**

2021 Average Monthly Medical Claims = **\$2,667,866.77**

2022 1<sup>st</sup> 2-months of Medical Claims = **\$2,368,415.61**



# 2020-2022 COVID-19 Pandemic Impact

## Impact on the Greater Tompkins County Municipal Health Insurance Consortium (continued)

2. The Excellus data shows the medical paid claims for 2020-2022 Fiscal Years as of February 28, 2022 were collectively more than \$4.5 million below the budgeted amount for the time period.
3. In 2021, October was a relatively high claims month, consistent with the prior four years.
4. As COVID evolves, we continue to monitor the impact to the Consortium from a paid claim's perspective as:
  - a) The hospitals and doctors can only perform so many procedures in a day which we believe means that there will not be any major compression when they start performing services on a more regular schedule.
  - b) Most of the severe cases have involved older members who are on Original Medicare Parts A and B which limits the claims exposure to the Consortium to some extent.
  - c) There will likely be some hesitation in patients seeking care due to concerns that they may expose themselves to the coronavirus or other illness.

# 2020-2022 COVID-19 Pandemic Impact

## Impact on the Greater Tompkins County Municipal Health Insurance Consortium (continued)

5. The pandemic has “forced” covered members to embrace telehealth and telemedicine approaches to medical care as covered members have not been able to see their primary care physicians for minor or routine services in recent months.
  - a) During the 2020 & 2021 Fiscal Years, the Consortium paid for 11,867 & 13,636 telehealth visits; for 6,282 & 6,814 covered members; at a total cost of \$1,185,518.42 & \$1,374,179.10 respectively. (YTD 2022 = 1,961 visits; 1,040 members; \$179,920.39)
  - b) To put this in perspective, in 2019 there were a total of 40 telehealth visits associated with Consortium covered members for a total cost of \$996.98 for the entire year.
  - c) According to Excellus’ reports, the Consortium had a total of 90 covered members registered for telemedicine services as of January 2020.
  - d) Per Excellus as of February 2022, the number of covered members registered for the telemedicine program modestly increased to 171.



# Section 6

## 2021 Fiscal Year-End Net Income, Liabilities, and Reserves



# 2021 Net Income, Liabilities & Reserves

	2021 Adopted Budget	2021 Revised Budget	2021 Year-to-Date	2021 Actual Results	Variance	% Difference
<b>Income</b>						
<b>Total Income</b>	\$57,326,288.89	\$56,753,325.28	\$56,753,325.28	\$55,681,645.32	-\$1,071,679.96	-1.89%
<b>Total Expenses</b>	\$57,807,948.19	\$57,630,197.49	\$57,528,146.78	\$58,393,299.19	\$865,152.41	1.50%
<b>Net Income</b>	-\$481,659.30	-\$876,872.21	-\$774,821.50	-\$2,711,653.87	-\$1,936,832.37	
<b>Ending Balance</b>						
	\$30,835,445.34	\$31,155,532.43	\$30,542,283.14	\$29,320,750.77	-\$1,221,532.37	-4.00%
<b>Liabilities and Reserves</b>						
4010	IBNR Claims Liability Per §4706(a)(1)	\$6,144,909.49	\$6,144,909.49	\$6,144,909.49	\$6,649,258.95	12.0% of Incurred Claims
5010	Surplus Account Per §4706(a)(5)	\$2,637,289.44	\$2,637,289.44	\$2,637,289.44	\$2,669,495.09	5.0% of Premium Income
5014	Rate Stabilization Reserve	\$3,840,568.43	\$3,840,568.43	\$3,840,568.43	\$4,155,786.85	7.5% of Paid Claims
5012	Catastrophic Claims Reserve	\$4,500,000.00	\$4,986,101.85	\$4,986,101.85	\$4,643,702.56	Calc. Per Resolution - Claims Through 2/28/22
3500	Excellus BCBS Advance Deposit	\$761,400.00	\$722,400.00	\$722,400.00	\$729,500.00	Adj. for Prior Period (-\$46,100) & 2021 (\$7,100)
<b>Total Liabilities and Reserves</b>		\$17,884,167.36	\$18,331,269.21	\$18,331,269.21	\$18,847,743.44	
<b>Unencumbered Fund Balance</b>		\$12,951,277.99	\$12,824,263.22	\$12,211,013.93	\$10,473,007.33	

The net cash assets (unencumbered fund balance) finished the year at 19.04% of premium revenues. This result was achieved while still funding the Rate Stabilization Reserve at 7.5% of Expected Paid Claims and adjusting the Catastrophic Claims Reserve to \$4.64 million. These prudent financial actions were achieved in the year following the 2020 fiscal year in which a “premium holiday” was authorized for all municipalities.

# 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 31<sup>st</sup> there are going to be covered medical services received by covered members on or before December 31<sup>st</sup> which will not be paid until sometime after December 31<sup>st</sup>. 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 2022 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 2022 Fiscal Year budget forecasted this reserve to equal \$6,874,453.35 (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 2022 Fiscal Year, Excellus' estimate of this liability was \$4,713,900 which is approximately 8% 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 2022 Fiscal Year budget forecasts this reserve to equal \$2,796,865.76 (5.0% of projected premium income of \$55,937,315.28). In years where the Consortium approves premium holidays, the Consortium would calculate the Surplus Account reserve requirement based on the full expected premium, versus the artificially reduced premium collected.

# 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. This conclusion led the Board of Directors to increase the Specific Stop-Loss Insurance Deductible to \$1,000,000 for the 2020. It was recognized that this decision created a sizeable increase in the exposure to the Plan. To mitigate this exposure, the Board of Directors made the approved a resolution to document the funding method of this reserve fund. Based on that resolution, the Catastrophic Claims Reserve Fund was at \$4,643,702.56 as of December 31, 2021.



# Liabilities and Reserves - Defined

## RATE STABILIZATION RESERVE

- When the Consortium's cash assets were at a sufficient level, the Board of Directors made the decision to establish the Rate Stabilization Reserve at an amount equal to 7.5% 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 7

## 2022 Fiscal Year-to-Date Summary & Observations



# 2022 Fiscal Year-to-Date Summary & Observations

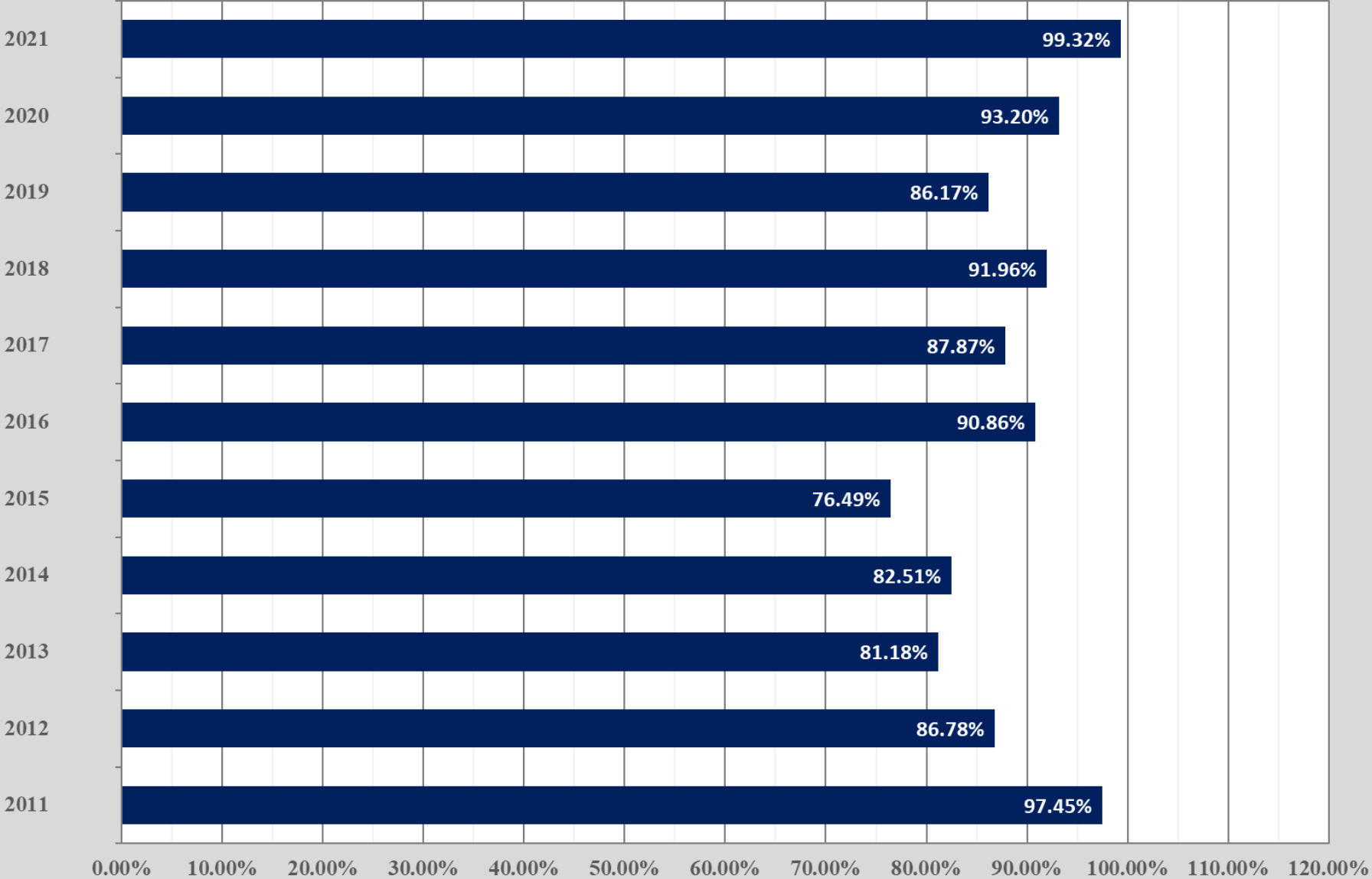
1. The overall revenue of the Consortium is a slightly below budget as of February 28, 2022. We believe that as the Consortium moves through the year. This result will be more evident when the enhanced pharmaceutical manufacturer rebates are received from ProAct, Inc. Unfortunately, even with the increased management of the cash assets by the Consortium's Financial Team, in collaboration with Wilmington Trust, interest income continues to struggle.
2. The combined **Medical and Rx Paid Claims were 5.44% below budget** through the first 2-months of the 2022 Fiscal Year. We are keeping a close eye on the paid claims and how they evolve with the changes in the COVID pandemic. Historically, the claims paid during the latter part of the Calendar Year tend to be a bit higher as annual deductibles and out-of-pocket maximums are met in the early months.



# 2022 Fiscal Year-to-Date Summary & Observations

3. Overall, the Greater Tompkins County Municipal Health Insurance Consortium is performing better than projected through the first 2-months of the 2022 Fiscal Year. With only two months “in the books”, the financial indicators are pointing toward a positive fiscal year. 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 and/or provide premium relief to the Participating Municipalities.
4. Lastly, we want to point out that the fiscal results experienced by the Consortium as of February 28, 2022 clearly support the Board of Director’s decision to increase premium rates by a modest 5% for the 2022 Fiscal Year following the premium holiday in December 2020. With careful planning and monitoring, it may allow for some additional premium relief to assist the Participating Municipalities during potential difficult financial times as COVID relief monies dry up.

# Greater Tompkins County Municipal Health Insurance Consortium Medical Loss Ratio (Paid Claims ÷ Premium)



■ Medical Loss Ratio