

**Executive Committee  
Minutes – APPROVED  
November 3, 2021 – 3:30 p.m.  
Town of Ithaca/Zoom**

Present: Steve Thayer, Bud Shattuck, Peter Salton (arrived at 3:33 p.m.), Judy Drake, Mack Cook, Ed Fairbrother, Rordan Hart, Chris Wagner, Gary Mutchler (arrived at 3:33 p.m.), Lisa Holmes, Jim Bower  
Guests: Steve Locey, Locey & Cahill; Don Barber, Consultant  
Staff: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Teri Apalovich, Finance Manager; Kylie Rodrigues, Benefits Manager

**Call to Order**

Ms. Drake, Chair, called the meeting to order at 3:31 p.m.

**Changes to the Agenda**

A resolution entitled Ratification of Permanent Appointment of Finance Manager – Teri Apalovich was added to the agenda. Ms. Dowd also added a brief report on staffing to the agenda.

**Approval of Minutes of September 1, 2021**

It was MOVED by Mr. Fairbrother, seconded by Mr. Bower, and unanimously adopted by voice vote by members present with Ms. Holmes abstaining, to approve the minutes of September 1, 2021 as submitted. MINUTES APPROVED.

**Approval of Board of Directors Minutes of September 23, 2021**

It was MOVED by Mr. Bower, seconded by Mr. Wagner, and unanimously adopted by voice vote by members present with Ms. Holmes abstaining, to approve the minutes of the September 23, 2021 Board of Directors meeting as submitted. MINUTES APPROVED.

Mr. Salton and Mr. Mutchler arrived at this time.

**Executive Director Report**

Ms. Dowd reported Michelle Cocco has announced her retirement from Tompkins County but clarified she has not resigned from the Consortium. At the December meeting there will be discussion of Consortium staffing.

**RESOLUTION NO. 018-2021 - AMENDMENT TO RESOLUTION NO. 038-2020 AND  
EXTENSION OF CONTRACT THROUGH 2022 –  
FINANCIAL SERVICES AGREEMENT WITH TOMPKINS  
COUNTY**

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

WHEREAS, the Consortium approved a contract with the Office of the Tompkins County Finance Director for the performing of Consortium Treasurer functions for a term commencing January 1, 2021 through December 30, 2021 at an annualized cost of \$68,660, and

WHEREAS, since hiring of a Finance Manager the Consortium has brought in-house some financial services previously administered by the Tompkins County Finance Department, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Executive Committee hereby amends the Consortium's agreement for 2021 effective October 1, 2021 thru December 31, 2022 with the Finance Department to reflect the reduced responsibilities agreed upon by the Consortium's Executive Director and the Consortium Treasurer to reflect an amended annualized cost of \$20,000.

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**RESOLUTION NO. 019-2021 – ADDITION OF PHARMACY BENEFIT OPTION – VACCINATIONS**

Ms. Dowd explained that only a few vaccines are currently covered at the retail pharmacy. This has been reviewed by both Locey and Cahill and the Joint Committee on Plan Structure and Design and is being recommended. She noted that most vaccines are preventive in nature and covered under the preventive services benefit.

MOVED by Mr. Bower, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium wishes to add an option for eligible members to have all medically appropriate immunizations and/or vaccinations, as defined by the medical policies covered when said vaccinations are administered by a pharmacist at an in-network pharmacy and billed to the Consortium's Prescription Benefit Manager, and

WHEREAS, this benefit will provide a more cost-effective option for members and the Consortium as a whole, and

WHEREAS, this additional benefit would provide members with additional access to vaccines while continuing to have the option to obtain a vaccine through an office visit, now therefore be it

RESOLVED, on recommendation of the Joint Committee on Plan Structure and Design, That the Executive Committee hereby approves the addition of a benefit option for members to have all medically appropriate immunizations and/or vaccinations administered through an in-network pharmacy and billed to the Prescription Benefit Manager.

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**RESOLUTION NO. 020-2021 – APPROVAL OF 2022 CONSORTIUM WAGE INCREASES**

MOVED by Mr. Shattuck, seconded by Mr. Fairbrother, and unanimously adopted by voice vote by members present.

WHEREAS, the Board adopted the 2022 Budget which included estimated wages for staff on September 23, 2021, and

WHEREAS, the Executive Director and Human Resources Manager have reviewed the staffing plan, budget and current market and recommends a 3.0% cost of living adjustment for all current staff, and

RESOLVED, on recommendation of the Audit and Finance Committees, That the Executive Committee of GTCMHIC hereby establishes a cost-of-living adjustment for current staff wages at 3.0% effective January 1, 2022 as detailed on file in the Human Resources Office.

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**RESOLUTION NO. 021-2021 - AUTHORIZING HEALTHCARE BENEFITS RENEWAL  
(ADMINISTRATIVE SERVICES AGREEMENT) WITH  
THIRD PARTY ADMINISTRATOR - EXCELLUS  
BLUECROSS BLUESHIELD**

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

Ms. Dowd explained the Consortium has a pricing agreement in place with Excellus but each year we need to renew our administrative contract. She called attention to the inclusion of a \$.10 charge per member included in this resolution for ProAct to be included on subscriber's identification card. ProAct will reimburse the Consortium for this fee.

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

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

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

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

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

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

RESOLVED, further, That the Chair of the Board be authorized to execute the 2022 contract on behalf of the Consortium.

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**RESOLUTION NO. 022-2021 – RATIFICATION OF PERMANENT APPOINTMENT OF  
FINANCE MANAGER – TERI APALOVICH**

MOVED by Mr. Wagner, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) created the Finance Manager position by Resolution No. 035 on December 17, 2020, and

WHEREAS, the Selection Committee has determined that Teri Apalovich possesses the necessary knowledge and skills to satisfactorily perform the duties of the Finance Manager position, and

WHEREAS, Teri Apalovich was provisionally appointed by the GTCMHIC's Executive Director effective March 29, 2021, and

WHEREAS, this appointment was ratified by the Executive Committee on May 5, 2021, and

WHEREAS, the Tompkins County Civil Service office has provided the certificate of eligible listing for the said title and Teri Apalovich was a reachable candidate; now, therefore be it

RESOLVED, That the Executive Committee hereby ratifies the Executive Director's permanent appointment of Teri Apalovich as Finance Manager, effective November 1, 2021, with a twenty-six (26) week probationary period applies with no further action by the Consortium if there is successful completion of the probationary period as determined by the Executive Director.

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**Chair's Report**

The Committee reviewed the draft committee schedule for 2022 and found it acceptable. It was noted that additional meetings may be needed during the year, particularly for this Committee.

Ms. Drake noted that although there won't be discussion at this meeting, financial information was included in the agenda packet.

**Long Term Planning**

Ms. Drake spoke of prior meetings where there was discussion of strategic planning and the need to plan for having further discussion of a long-term business plan for the Consortium. Previously, this was referred to as strategic planning; however, the Consortium already has a mission and vision statement but now needs to look at where the Consortium should go in the future. This includes business planning of what kind of organization the Consortium should be going forward. Elements of this includes how the Consortium should grow in terms of dollars and membership, what kind of risk should be taken on, how to manage that risk as we look at large claims, and taking a look at the newer counties. There needs to be a look taken at plans

and how they are being priced in different regions, and also benefit offerings and whether any value-added benefits should be added to plans.

Ms. Drake said there needs to be discussion of what it will take to move forward with business planning and how and when to have those discussions. She and Ms. Dowd had previously looked at having a third-party facilitator so that they would be able to better-participate in the conversation instead of doing whiteboards and taking notes themselves. At this time she asked all members to provide input and for the Committee to engage in a discussion of how to do long-term business planning.

Mr. Salton said he thinks it is very important to do this in a way where no one feels rushed or stressed. He questioned having a facilitator and expressed concern that facilitators seem to guide discussions; however, he thinks if there could be rules for that third party it may work. He thinks everyone who has been around owes it to the Consortium to share what they think about what is needed to progress. He also suggested that information be distilled and then work could be done internally to figure out how to move forward before bringing someone in. He thinks it should be a deliberate process and suggested there be a separate meeting outside of the regular Committee meeting to do this. He thinks it would be ideal to hold this type of meeting in a retreat setting. He supports moving in this direction as long as it is done with care.

Ms. Drake doesn't want to rush this process but reminded members that one of the aspects of Ms. Dowd's performance review included moving forward with strategic planning commented that how she is directed and how she directs staff is an important feature of this.

Mr. Hart said while he appreciates Mr. Salton's comments, as someone who does financial, strategic, and business planning professionally, he cannot imagine having a client who manages a large amount of money without doing some type of business planning. He spoke of the Consortium being a \$60 million organization and said he expects it to double in size in the next three to five years. He also thinks it would be helpful to have someone from the outside who doesn't know about health insurance come in and help facilitate the discussion as he feels too close to the organization to potentially not miss something.

Ms. Drake clarified the purpose of a facilitator is to have someone help get ideas on paper and to make sure everyone has a voice; they wouldn't be looked to for providing suggestions or ideas. She wants that individual to help organize the conversation.

Mr. Shattuck said what he has found in the time he has been on Board is that when others speak it is often "over his head" but listens and learns. He said from his experience outside the Consortium he has found that bringing in an independent person can be tremendously helpful. He said most Directors do not have a lot of time to spend on the Consortium and he thinks having an outside facilitator is a good way to do this. He also likes the idea of being able to do it in a setting where masks don't have to be worn.

Ms. Holmes said she has been attending for a couple of years and still feels there is a lot for her to learn and even approaching this topic she doesn't feel she has a good understanding of all the areas and options to be considered. She would want to understand what some of the best practices are in other organizations and would also want to learn and hear from Ms. Dowd, Ms. Drake, and others with a lot more experience to understand opinions of what can and should be done better, what areas of risk exist, and what areas is growth

needed. She would not be opposed to having someone come in and facilitate that discussion and help guide a decision-making process.

Mr. Mutchler spoke of the value in learning from others and said he would like to know if Mr. Locey has corresponded with other Article 47's to compare this Consortium with what has been done elsewhere.

Mr. Cook said the task at hand is to convert this process from theory to reality and thinks good comments have been made. He thinks a first draft needs to be put on paper. He said if we can work through a process where a facilitator is brought in to help get a first draft done that will frame the rest of the discussions and thinks this would be worthwhile. He agrees that this person doesn't have to work in a vacuum and others who have thoughts and ideas should be able to submit them to be discussed and considered.

Mr. Fairbrother said while he doesn't often support outside consultants, he supports having a facilitator in this case as it is important to have someone to pull everyone together.

Mr. Thayer agreed on the need for a facilitator and thinks it is important and a long-term plan is needed to ensure the Consortium's success for the future. He said it will be important that a structure is in place with the expected growth. He also thinks additional Committee meetings may be needed.

Mr. Bower supports having an outside facilitator to get thoughts on paper after a couple of preliminary meetings. He referred to the three proposals that were received and said it seemed like they were focused on developing a business plan as opposed to facilitation. He suggested having a discussion to frame what is needed and to go back to those proposers to clarify that. Mr. Salton thought this was a good idea.

Mr. Wagner said this is his last meeting as he will be leaving Seneca County and moving back to Florida. He supports having a facilitator who will try to keep everyone focused and on the same page.

Ms. Drake and the Committee thanked Mr. Wagner for his service to the Consortium.

Mr. Barber agrees with having a third party to guide the process and feels it would be helpful to have someone who is new to this type of business but who is familiar with a collaborative process would be an asset to work with. He said he has several ideas he will submit for the Board to consider.

Mr. Locey said he was neutral on whether to bring in an outside party but offered several things that he recommended be looked at in terms of managing and building the Consortium going forward. Items he suggested included:

- Working on getting more large municipal employers involved. Mr. Locey said this will be critical in terms of the Consortium's long-term success and having a good balance of large and small municipalities is important. When looking at the results of being in the Consortium the smaller municipalities make out phenomenally better than the larger municipalities because they wouldn't have access to fund their health insurance in the same manner outside the Consortium.
- Looking at a regional set up as the Consortium expands. The footprint will be important and making sure rates are commensurate with the risk in geographical areas. He spoke

of comparison in the Consortium's county structure and the Blues rating map and it looks like the Consortium would be broken up into three regions that would mirror what Excellus did with its rating regions.

- Rules of operations and standards going forward. At some point there are things that he thinks have needed to be addressed to make sure everyone is on the same playing field and sharing equal risk.

He spoke of where the Consortium started, how it has grown and evolved, where it is today, and things it needs to do to set itself up for success in the future. The four areas he suggested for review included: governance and oversight, internal and external operations, marketing and outreach for both new and potential municipalities, and financial oversight and review.

He referenced the comment made earlier regarding other Article 47's Locey and Cahill is involved in and said they don't have involvement with other Article 47s that are looking to grow outside of their current footprint; that is unique to this Consortium. However, they have experience with an Article 44 that was similarly set up and tried to grow outside of its area. Through a series of poor decisions, they had a lot of financial problems and many would view the process they went through as a failure. He said the Consortium needs to be very careful about how it continues to grow and making sure areas are covered in terms of being priced competitively based on the true risk in the area and making sure everyone is operating under the same rules.

Ms. Drake said from the comments made it appears most members are in favor of having a facilitator and would like members to provide input before that happens. She suggested that she and Ms. Dowd develop a few questions that members answer to help start the process. Mr. Salton said he would like to submit a narrative.

The Committee agreed to schedule a special meeting on January 12<sup>th</sup> at 3:30 p.m. that will be dedicated to this topic.

Ms. Dowd referred to Mr. Salton's statement that he would be submitting a narrative and asked for feedback on areas that he and others will be addressing in their written comments. Mr. Salton offered the areas of growth, governance, risk stratification or classification, professional staff development and professional staff headcount as being important and worthy of exploration.

Ms. Dowd asked if there are other topics that would be good for members to think about as written statements are prepared.

Ms. Holmes asked, based on the areas identified, how the Consortium will determine where it is and what the benchmarks are, how to rate ourselves, and where we want to be. Mr. Salton said this is a quality question and should be included. Ms. Drake said each of these areas need to be broken down and is hoping a facilitator can help lead a process that will identify these areas.

Ms. Dowd said as comments are submitted they can be categorized and at the first meeting there can be discussion of whether all of the necessary topics within those categories have been identified.

Mr. Locey commented that in terms of looking at the governance and operations there may be things that need to be run by the Department of Financial Services to ensure the Consortium isn't doing anything that wouldn't be acceptable to the Department. He suggested the process discussion include where and how DFS fits in. He also stated that there may not be any type of standard the Consortium can look at to evaluate itself. This is the only municipal cooperative under Article 47 in New York State that is truly municipal based and that was started from the ground up. All others are school district based, BOCES-based, and consortiums or cooperatives that all have their geographical footprint established. There may not be any good existing sources for the Consortium to be rated against or receive guidance from on areas of growth and structure. Examples of things that need to be run by DFS include risk and rating, regional representation vs. having each municipality being represented, and areas of governance.

Mr. Cook asked Mr. Locey to put the points he suggested on paper and suggested the Committee could react to it. Mr. Locey will work with Ms. Dowd on developing some bullet points to start with.

Mr. Hart will share a list with Ms. Dowd. He commented that it is important to have everyone submit anything that is on their mind. The one concern he has is from being in the business consultant community is that he has seen a lot of high-level, vision-oriented type of thoughts and conversation that doesn't produce anything actionable. He said when he thinks of strategic planning for the Consortium what comes to mind are the things that have been dealt with over the last few years as they have come up. Those kinds of issues of how to structure things 20 years from now are part of the broad picture. It is not bad to have those kinds of conversations but the practical "what needs to be done next" to ensure the Consortium's success is where some of the focus needs to be. He will send a list of suggested areas to Ms. Dowd.

### **Future Agenda Topics**

The Committee will continue discussion of long-term planning at the next meeting on January 12, 2022 at 3:30 p.m.

### **Adjournment**

The meeting adjourned at 4:40 p.m.