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## AGENDA

### Joint Committee on Plan Structure and Design

January 10, 2013 – Noon  
Old Jail Conference Room

1. Welcome
  
2. Follow-up from December Meeting:
  - a. Flu Clinics and Health Fairs
  - b. Medicare SupplementSteve Locey
  
3. Update on Board of Directors Meeting Don Barber
  
4. Sharing of Wellness Information
  
5. New Business
  
6. Old Business
  
7. Approval of Minutes:
  - a. June 7, 2012
  - b. July 5, 2012
  - c. August 23, 2012
  - d. October 4, 2012
  - e. December 6, 2012

Next Meeting: February 7, 2013



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**MINUTES**  
**Greater Tompkins County Municipal Health Insurance Consortium**  
**Joint Committee on Plan Structure and Design**  
**December 6, 2012 – Noon**  
**Old Jail Conference Room**

draft

***Present:***

***Municipal Representatives: 6 members***

Judy Drake, Town of Ithaca; Schelley Michell Nunn, City of Ithaca; Jennifer Case, Town of Dryden; Don Barber, Town of Caroline and Chair, Board of Directors; Betty Conger, Village of Groton; Mary Mills, Village of Cayuga Heights

***Municipal Representative via Proxy: 0 members***

***Union Representatives: 6 unit members***

Chantalise DeMarco, County White Collar-CSEA; Michael Thomas, City of Ithaca Admin. Unit President –CSEA 1000; George Apgar, President; Ithaca Professional Fire Fighters Assoc. and Ithaca Area Fire Fighters #73; Chris Parker, Tompkins County Blue Collar Unit – CSEA 855; Patricia VandeBogart, TC3 Staff Unit

***Union Representative via Proxy: 0***

***Others in attendance:***

Steve Locey, Locey & Cahill; Sharon Dovi, TC3; Beth Miller, Excellus

**Call to Order**

Ms. DeMarco called the meeting to order at 12:07 p.m.

**Update from Board of Directors**

Mr. Barber said the Board has not met since the last meeting of this Committee. He reported the City of Cortland's membership in the Consortium will begin January 1, 2013 and Town of Lansing has also requested to join. He reported on the New York State Department of Financial Services started its audit and have begun reviewing information on the Consortium's website. They have a temporary office set up in the Town of Ithaca.

Mr. Barber said the Consortium is purchasing healthcare and now has control over some of the costs. Premiums are based 90% on claims data and everyone knows that claim costs are rising at a much faster rate than wages and those who have been involved in any contract negotiations know this has resulted in offsets in wage increases to pay for healthcare costs. Unlike anyone else, the Consortium is in a position to manage a way out of this. Mr. Barber said he would like to have this Committee be the venue for talking about ways to move forward. From the claims data from Excellus it is known that approximately 80% of claims costs goes to 20% of the Consortium's members. In the past this Committee has talked about Clinical

Integration and also had a presentation from Cayuga Area Physicians about a program they will be looking to kick-off in January 2013, has heard from Dr. Jamie Loehr about Patient Center Medical Homes, and has had discussions about wellness. All of these are things that can help move the 20% and help the Consortium manage healthcare costs. Mr. Barber said he is looking to this Committee for strategies and ways to move forward to reduce future premium increases.

Ms. Mills said this was discussed at the last Village of Cayuga Heights Board meeting and the Board recognized that the Consortium as a whole has kept the premium increases down to a single digit while other plans in other businesses are seeing double digit increases. Mr. Barber said that while the Consortium may be doing better than other groups, local governments have to come up with ways to be more efficient and promote the health of its employees.

Mr. Barber spoke of changes that have taken place with the proposal made for Clinical Integration from when it was first presented to the Consortium. He said the original proposal by CAP (Cayuga Area Physicians) involved Cornell University and Ithaca College and was based on providers being more proactive in a patient's health care and would lower claims costs. When initially presented, the proposal included a cost to the Consortium of \$300,000; however, the Consortium did not have funds budgeted for this. Since originally presented, CAP has worked with Excellus and Aetna and although details haven't been finalized the cost for the program would be incorporated into fees and he will be learning more about it at an upcoming meeting.

With regard to Patient Centered Medical Homes, Mr. Barber said there are four practices in Tompkins County that are certified. This means the primary care provider is the chief in charge of one's health and has a staff person working directly with the patient to make sure they are following up in managing their health. He said one of the next steps for the Consortium and this Committee is to learn more about claims data.

Ms. DeMarco asked if there are any level three primary care providers in Cortland County. Mr. Barber did not know what will find out at a meeting he will be attending tomorrow.

### **Sharing of Wellness Information**

Ms. Conger said the Village of Groton offers a membership at the fitness center located in the Center of the Village and if the Village pays for it the employee is obligated to go at least three times per month. Currently there are four of the fifteen staff who participate.

Ms. Mills said the Village of Cayuga Heights has an exercise room that is available at all times to any employee in the Village at any time. However, the room is only used by some members of the volunteer fire department and the police department. She said education on the benefits of using the room may be helpful.

In response to a question by Mr. Locey; Ms. Mills said those who use the exercise room are not asked to sign a liability waiver.

Ms. Drake said the Town of Ithaca offers health club reimbursement with a yearly maximum of \$250; they also pay for the full cost of programs such as Weight Watchers. The Town has exercise equipment available in the Town Hall that is used on a daily basis. A waiver is required for use of the equipment.

Mr. Barber said the Town of Caroline does not offer any wellness programs but would like to collaborate with other municipalities.

Ms. Dovi said TC3 has a very active Wellness Council that will be looking at a moving to a mandated tobacco-free campus. They are looking at programs to educate staff and students on this campus wide initiative and they will also be re-educating the campus on domestic violence and sexual assault. They are also looking at installing some walking work stations where staff can walk at a slow pace while they are working. They offer full reimbursement for the College fitness center for attendance at 30 sessions during a semester or the equivalent at a center outside the College.

Ms. Drake commented that the Town of Ithaca also has a couple of employees who have standing workstations.

Ms. Nunn said the City of Ithaca used to have a very active wellness team that has dissipated over the years. The City has cessation programs, nutrition education programs, and has had walking competitions outside of the normal workday that were sponsored out of the City's Youth Bureau. Police and Fire Department employees have fitness equipment in their central facilities. The City has also had health fairs, flu clinics, and opportunities for employees to participate in wellness programs online. She said this is an area that the City has focussed in the past but at this time does not have an active team that is working and promoting efforts. Ms. Nunn said the City has had success in the past partnering with Ithaca College on health fairs.

Ms. Case said the Town of Dryden does not offer any wellness initiative. She said the Recreation Director is currently working on developing a program for employees and is looking for a grant to create a small fitness Center.

Ms. DeMaro asked the Consortium could hold a flu clinic to inoculate people instead of having people make an insurance claim for the flu shot. Mr. Locey said Cayuga County held a flu clinic for all people covered under their plan (employees, spouses, and dependents) and paid for the vaccine directly out of the Consortium's budget. He said it would be worth looking at this further and will check with Kinney Drug to see if the Consortium would receive a discounted cost.

Mr. Locey said the Affordable Care Act has a provision that in 2014 insurance plans could start charging a different premium based on participation in wellness initiatives and would also allow for a premium differential. He said the regulations for this have not been written but the differential would be significant. He acknowledged any changes would be part of collective bargaining process. He asked members for opinions and perceptions of this.

Ms. DeMarco said in her collective bargaining experience over the last 18 years the only discussion there has been with regard to different rates was concerning smoking cessation. She agrees with Ms. Nunn in that if there will ever be a difference it will have to be carefully presented, such as offering someone a discount versus penalizing someone.

Ms. Drake suggested looking at Cargill which is moving to a non-tobacco facility and discount employees who certify that they are not a tobacco user for a year. They have spent a lot of time promoting this but she was not sure how successful it had been.

Mr. Locey said there is some grant money that will become available in the Affordable Care Act in 2014 and the law does address providing discounts. He noted, however, that if a discount is provided to one group it will likely result in another group paying more.

Ms. Drake said she would like to see centered health fairs around the County.

### **Update on Requests for Proposals – Flex Spending Accounts and Employee Assistance Program**

Mr. Locey reported the RFP's were put out last year; however, due to other pressing items Locey and Cahill was not able to have these ready for implementation on January 1, 2013. He said they will be sending a request to the responders of both proposals asking for an update to the proposals and will reconvene the review committees with the hope to have programs in place on January 1, 2014. Ms. Drake asked that responders to the Flex Spending Account RFP be informed of what target they need to get below to make it a viable option.

### **Medicare Supplement**

Mr. Locey said although a formal proposal is not ready a Medicare supplement program can be put together but from a Consortium standpoint he believes such a program would need to be offered as an option by each entity. He also recommended that if an entity chose to offer a program it would need to encompass all of the Medicare-eligibles. At that point they would need to develop a methodology that would apply a risk adjustment factor to that municipality's rates based on the splitting of their coverage. There would also be a risk assessment charge on their active population to take into consideration that the Consortium would be taking in less revenue but it would only be for the additional risk that would be taken on.

Ms. DeMarco said she understands why this would be done on an individual municipality basis but questioned why all Medicare eligibles would have to take the supplement. Mr. Locey said there would be no way to predict who would take it and if it were an annual enrollment there would be no way to calculate the cost. She said part of this was to address retirees and provide them with a plan that offers a reduced benefit with a reduced rate. Mr. Locey expressed concern with trying to set a rate without knowing who would elect to use it. Ms. Drake suggested designing a rate for 2013 she could present to Town of Ithaca retirees to see how many would be interested in moving to the plan, with the stipulation that they would not have the option to return to the carve out plan. Ms. DeMarco said it would be easier for her to consider if she had numbers to look at, even if they were the worst case scenario. Mr. Locey said he will give this more consideration and will report back.

### **2013 Meeting Schedule**

There was a brief discussion concerning the meeting schedule for the upcoming year and whether the Committee should continue to meet every month given the difficulty in getting quorum at meetings. Mr. Locey suggested holding regular Committee meetings less often but to hold meetings monthly with a select group of representatives similar to an executive committee that would keep the full Committee informed. Ms. Nunn asked if it would be possible to revisit the quorum issue or to survey members as to whether there would be a better time to meet. At present 18 members are needed for quorum. Ms. DeMarco said when a statement has been made in advance of a meeting that attaining quorum is important at the meeting there has been a quorum. She said she is not opposed to meeting on a bi-monthly basis but that would make it difficult to work on initiatives. She suggested members do outreach to labor groups to try to improve attendance. It was also suggested that the Board of Directors speak to members from municipalities as well. It was also suggested that members be encouraged to use the proxy form more.

The Committee agreed to continue meeting on a monthly basis and will cancel meetings if needed. Ms. DeMarco said she is unavailable the first Thursday in January; therefore, the meeting will be held on January 10<sup>th</sup>.

**Approval of Minutes**

Approval of the minutes from June, July, August, October, and November meetings were deferred due to lack of quorum.

**Discussion of Alternate Representative to the Board of Directors**

This item was deferred.

**Old Business**

There was no old business.

**New Business**

Ms. Miller reported on a situation with a mental health non-participating provider that was loaded in the Excellus system as a participating provider. As a result, the provider collects payment at the point of service and is billing Excellus because they have this provider listed as a participating provider. This means the provider is getting paid; however, the member is not receiving reimbursement from Excellus for the claim. It was noted that this is happening with more than just one provider and may be an even larger problem after January 1, 2013. Ms. Miller said she will continue to work on this and will report back to the Committee. Mr. Locey asked Ms. Miller to let him know how many providers are involved.

**Old Business**

There was no old business.

**Approval of Minutes**

Due to lack of quorum approval of the minutes of the June 7 and July 5, 2012 meetings were deferred to the next meeting.

**Adjournment**

The meeting adjourned at 1:12 p.m.