



## Greater Tompkins County Municipal Health Insurance Consortium

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

Approved

### MINUTES

**Greater Tompkins County Municipal Health Insurance Consortium  
Joint Committee on Plan Structure and Design  
July 6, 2017 – 1:30 p.m.  
Rice Conference Room, Health Department**

***Present:***

***Municipal Representatives: 10 members***

Eric Snow, Town of Virgil; Charmagne Rungay, Town of Lansing; Jeff Walker, Village of Cayuga Heights; Schelley Michell-Nunn, City of Ithaca; Laura Shawley, Town of Danby; Jennifer Case, Town of Dryden; Michael Murphy, Village of Dryden; Mark Witmer, Town of Caroline; Sharon Bowman – Tompkins County; Carissa Parlato, Town of Ulysses

***Municipal Representative via Proxy: 3***

Tom Brown, Town of Truxton (Proxy – Eric Snow); Betty Conger, Village of Groton (Proxy – Charmagne Rungay); Judy Drake, Town of Ithaca and Board of Directors Chair (Proxy – Laura Shawley);

***Union Representatives: 5 members***

Tim Farrell, City of Ithaca DPW Unit; Jon Munson, Town of Ithaca Teamsters; Olivia Hersey, TC3 Professional Admin. Assoc. Unit; Doug Perine, Tompkins County White Collar President; Jeanne Grace, City of Ithaca Executive Unit

**Union Representatives via Proxy: 1**

Theresa Viza, Tompkins County Library Staff Unit (Proxy – Olivia Hersey)

***Others in attendance:***

Don Barber, Executive Director; Steve Locey, Locey and Cahill; Beth Miller, Excellus; Ted Schiele, Owing Your Own Health Committee Chair; Corey Prashaw, ProAct (via conference call)

**Call to Order**

Ms. Hersey, Chair, called the meeting to order at 1:34 p.m.

**Changes to the Agenda**

There were no additions or deletions to the agenda.

**Introduction of New ProAct Representative**

Mr. Barber introduced Corey Prashaw, the Consortium’s new representative from ProAct who is taking over for Megan Feeley.

**Approval of Minutes of June 1, 2017**

Approval of the June 1, 2017 minutes was deferred to the next meeting due to lack of quorum.

### **Chair's Report**

Ms. Hersey reported she attended the Governance Structure Committee that has been set up to look at how the Consortium should be structured as it continues to grow. The Audit and Finance Committee met and discussed the 2018 budget that will be approved in September. She encouraged everyone to encourage labor to learn about the Consortium and get involved with this Committee.

### **Board of Directors Chair Report**

Ms. Drake was excused from this meeting.

### **Executive Director Report**

Mr. Barber reported the CanaRx program started on July 1<sup>st</sup> and he received a report that there have been three new subscribers who have signed up. The Consortium will continue to be updated on program enrollment. Mr. Barber reported the Governance Structure Committee has begun to meet and have started what will be a lengthy process. The Audit and Finance Committee received financial information for the first five months of 2017. Both medical and prescription drug claims have been under budget. The Consortium had anticipated losing funds and having to use its Fund Balance this year but instead the Fund Balance has increased. He said if this continues the increase for premiums for 2018 will be in the range of 5-6%.

Mr. Barber reported work is being done to audit the Consortium's claim processes. The medical claims process is now concluding and next month an audit of the prescription drug claims will begin. The Owing Your Own Health Committee is working on setting up flu clinics for the Fall and is beginning work to update the Consortium's website and making subscribers aware of the Consortium and its programs. The Board of Directors will meet at the end of the month and will receive preliminary budget information.

Ms. Michell-Nunn asked that the Committee also receive information in the CanaRx report showing how many individuals have prescriptions that would be eligible. Mr. Barber will work with ProAct and CanaRx on this. Mr. Locey said information on this will also be included in the Consultant's report.

### **MD Live Tele-Medicine**

Mr. Locey said a discussion took place with Excellus yesterday and data was shared showing the history Excellus has had with the program. Mr. Locey distributed a spreadsheet showing anecdotal savings the Consortium would see if it were to utilize the program. To add the MD Live Tele-Medicine program the fee would be \$0.65 per contract; with the current average of 2,402 contracts the annual cost would be \$18,735.60. If a member were to utilize the Tele-Medicine program at a \$40 per visit cost, the Consortium would save \$79 for each office visit, \$232 for each Urgent Care Center visit, and \$1,380 for each Emergency Room visit. He reviewed Excellus utilization having a total contract count of 5,000 and said their average number of encounters each month was 3.69 with 0.69% of its population utilizing the program. The annual cost of the program is \$39,000 with a savings per visit being \$93.68. He noted the program was only recently put into place at Excellus in May, 2016.

Mr. Locey said he wants to look further at what happened with Excellus' Office, Urgent Care, and Emergency Room visits because if Tele-Medicine visits do not end up saving in another area there would actually be increased costs versus a savings. He said survey results of their program indicated some people were unhappy with not being able to get a prescription over the phone in some cases and questioned whether an office visit was later needed to get the prescription. He said there needs to be further exploration into whether Tele-Medicine visits avoided another type of visit or whether there was also an additional visit because of a need for things such as a physical exam or laboratory tests. He noted 59% of those who responded to the survey felt the overall care was excellent but for those who did not feel it was excellent, the majority of the complaints were related to not being able to get a prescription over the phone.

Mr. Schiele said he sees this as something that would be used more by young people and families, particularly those with children needing care in the evening or on weekends. Ms. Miller said she sees this as generational and as people are embracing technology its use will increase. She said it is also being pushed by the consumer market and the cost of care and as people are moving into Metal Level plans this is becoming a much more affordable option.

Mr. Miller asked if a Tele-Medicine physician from outside the area could have information available that would allow them to make a recommendation for an individual to see a local provider. Ms. Miller said she would have to look into this.

Ms. Parlato asked if there is another organization that is using a similar program and whether data is available. Mr. Locey was not aware of any in the region. With regard to cost to a subscriber, Ms. Miller said the Excellus copay for a Tele-Medicine visit is \$10 and whether using Tele-Medicine is the most affordable option will be dependent on the particular plan someone is in. For those who are in a Gold or Silver high-deductible plan with a very high deductible it would be much more meaningful. He estimated that for the program to have a break-even cost it would likely need usage for over a one-year period with more than 1% of the population to use it effectively.

Mr. Locey said Cayuga Medical Center and Cayuga Area Physicians have expressed concern over the continuity of care and coordination of a patient's care and are in discussions with Excellus about linking into the program.

Mr. Locey said it is too early to make a recommendation to add the program; data will continue to be gathered and more discussion will take place with the Committee. He said one thing that will need to be discussed is if this is made available and then it is determined later that it is not cost effective, how would the Consortium pull it without causing issues with collective bargaining agreements.

Ms. Grace questioned whether a follow-up visit with a primary care would still be recommended after a Tele-Medicine visit to cover their liability and also whether Tele-Medicine would be the best choice for care from a holistic wellness perspective. Mr. Barber said at this time this is the only Consortium committee looking at Tele-Medicine in a comprehensive way and appreciates the comments.

### **Adjusting Gold Plan to Remain a High Deductible Plan**

Mr. Locey said currently the deductible for the Gold Metal Level Plan is \$1,300. The Internal Revenue Service recently issued its updated limits for high deductible plans for Health Savings Accounts (HSA) for maximum out-of-pocket. In order to now qualify for a high deductible health plan the minimum deductible is now \$1,350 for an individual and \$2,700 for a family. At the last

meeting there was discussion of raising the deductible for the Gold Plan by \$50 to keep it HSA eligible as it was felt this was important for a lot of employers because many within the Consortium that do have that program offer either a cash stipend or deposit into the person's HSA to help them satisfy the deductible as part of their compensation package. Mr. Barber said the Consortium currently has two employers that offer the Gold Plan. Both are using the HSA and both want the Plan to stay eligible for the HSA.

Mr. Locey said a question was raised at the last meeting with regard to how many people would satisfy a \$1,350 deductible and while he didn't have specific information about those people who have the \$1,000 or more in expense they took a look at the amount members paid versus the amount the Plan paid on average for the total population. He provided a spreadsheet and said although the information is somewhat skewed by the different benefit levels it gives an idea in terms of the average cost that members incurred for 2016 and for the first six months of 2017 of the allowed amount.

For 2016 the medical amount paid by members was \$962,874 (3.1%) and for prescription drugs it was \$640,466 (5.67%). Per covered life, the average amount members paid was \$317 per covered life and \$691 per contract. The Plan paid out slightly over \$7,000 per covered life and slightly over \$15,347 per contract for the cost of care. Based on the average statistics he said the overwhelming majority of people would satisfy a \$1,300 deductible because the average person covered under the Plan is spending over \$7,000 per year. He further explained the average person's cost of care allowed by Excellus is about \$7,400. Slightly over \$7,000 is picked up by the Plan and slightly over \$300 is picked up by the member. If someone had a \$1,300 deductible and the average total cost of care is \$7,400 it makes the likelihood of meeting that deductible very high.

Mr. Locey provided a second document showing a breakdown of costs, fees, and claims related expenses for 2016 for and for the first six months of 2017 broken down by medical claims, prescription drug claims, group billed amounts, and member paid amounts. He noted he will provide definitions for each of the fees at the next meeting and will be sharing this information with the Committee on a monthly basis.

Mr. Locey said the Committee will need to make a recommendation on increasing the deductible for the Gold Plan at its next meeting so the Board of Directors can consider action at its September meeting.

### **Excellus Website Tutorial**

Ms. Miller provided members with a demonstration of the Excellus website and encouraged members to utilize the program to access their Excellus plan information. She called attention to mobile identification cards being available on the website and a feature to go paperless for Excellus statements.

### **Election of 3rd Labor Representative on Board of Directors & Alternate Director**

This item was deferred to the next agenda due to lack of quorum.

### **Labor Representative to Owing Your Own Health Committee**

Ms. Hersey said membership to the Owing Your Own Committee by a labor representative is not restricted to a member of this Committee. Ms. Michell-Nunn questioned if the City has appointed a representative to fill the seat vacated by Phil VanWormer and was informed a new

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appointment has not yet been made. There was no interest expressed at this time; this will also be included on the next agenda.

### **Next Meeting Agenda**

The following items were suggested for inclusion on the next agenda:

June 1 and July 6, 2017 minutes approval;  
Update on Telemedicine;  
Vote to increase Gold Metal Level Plan Deductible;  
Selection of 3<sup>rd</sup> Labor Representative to the Board of Directors and alternate;  
Synopsis of preliminary 2018 budget;  
Website Overview – ProAct; and  
Recruitment of Labor representatives to Owning Your Own Health Committee

### **Adjournment**

The meeting adjourned at 2:43 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk