



Greater Tompkins County Municipal Health Insurance Consortium

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www.healthconsortium.net • consortium@tompkins-co.org

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

Audit and Finance Committee

Agenda – October 27, 2020

3:30 PM

Join Zoom Meeting

<https://tompkinscountyny-gov.zoom.us/j/91787503290?pwd=dVFJR045bTIFRU53MWJXQnZTdTdyUT09>

Meeting ID: 917 8750 3290; Passcode: 336447

1 (646) 558-8656

1. Call to Order (3:30) M. Cook
2. Changes to Agenda (3:30)
3. Approve Minutes – September 15, 2020
4. Executive Director (3:35) E. Dowd
 - a. Update: Nominations and Engagement Committee
 - b. Update: Consortium Staffing and Salaries
5. Financial Update (4:05) S. Locey
 - a. Financial Review
 - b. Report on large loss claim activity
 - c. Accounts Receivable
 - d. Expenditure Report R. Snyder
6. **Resolution**: Authorization to Purchase Stop Loss Insurance for 2020 with Excellus BlueCross BlueShield
7. **Resolution**: Authorizing Healthcare Benefits Renewal (Administrative Services Contract) with Third Party Administrator - Excellus Blue Cross Blue Shield
8. **Update**: Contract for Prescription Drug Claims Administrator for 2021
9. Next Meeting: Proposal to Merge November and December meetings to December 8th
10. Next meeting Agenda Topics (4:55)
11. Adjourn (5:00)

Next Meeting: December 8, 2020 (Tentative)

**Premium Payment Policy as recommended by Operations Committee attached*

**Audit and Finance Committee
Minutes – DRAFT
September 15, 2020
Meeting Held Remotely via Zoom**

Present: Mack Cook, Eric Snow (arrived at 3:34 p.m.), Rordan Hart, Peter Salton, Steve Thayer Jon Munson, Bud Shattuck, Laura Shawley, Jim Bower
Staff/ Guests: Judy Drake, Board of Directors Chair; Elin Dowd, Executive Director; Rick Snyder, Treasurer; Steve Locey, Robert Spenard, Locey and Cahill; Tom Brown, Director; Debra Meeker, Administrative/Computer Assistant

Call to Order

Mr. Cook, Chair, called the meeting to order at 3:30 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of August 25, 2020

It was MOVED by Mrs. Shawley, seconded by Mr. Thayer, and unanimously adopted by voice vote by members present, to approve the minutes of August 25, 2020 as submitted. MINUTES APPROVED.

Executive Director Report

Ms. Dowd reported the MCA (Municipal Cooperative Agreement) is being prepared to be distributed next week after the Board of Directors meeting and a copy has already been sent to potential new members to inform them what they will be signing. A new member and Benefit Clerk orientation will follow that and will include information on open enrollment and how to readily access customer care.

Ms. Dowd reported accumulator issues on Metal Level Plans are coming to an end. Annual meetings with Excellus and ProAct are taking place to talk about their relationship with the Consortium and opportunities that can be capitalized on going forward.

Mr. Snow arrived at this time.

TC3 Late Payments

Ms. Dowd reported on a conversation she had with Jason Molino, Tompkins County Administrator, and Bill Talbott, Finance Manager for Tompkins Cortland Community College, regarding the issue of late payments of premiums. She suggested the Executive Committee or a special ad hoc committee be created to discuss and recommend a plan for what is a very complex situation that needs thorough discussion. At the last meeting it was reported that TC3 was asking its sponsor Counties (Tompkins and Cortland) to provide a line of credit or infusion of cash to help their situation; that did not happen. In addition to a reduction in State funding it was recently announced TAP (Tuition Assistance Program) funding is also being cut. She said the College is dealing with how to respond to these things and without additional support they have informed the Consortium that they will continue to be in arrears of 90 days. At the end of the year they will ask Tompkins County to advance funds to bring them current and the problem will start over again.

Ms. Dowd said there are some Directors who feel this is a Tompkins County problem but there is also recognition that the Consortium wouldn't have been able to start without TC3. Also,

if TC3 were to no longer be in the Consortium there could be an impact on claims due to the plans that its subscribers are enrolled in. She said Mr. Molino feels there will need to be a broader discussion after the State adopts its budget which will likely impact how community colleges are funded going forward. Ms. Dowd recommended the issue be advanced to the Executive Committee.

In response to Mr. Cook, Ms. Dowd said Mr. Talbot is confident TC3 will be able to keep the maximum late period to 90 days. Mr. Molino opined that he understands all municipalities are facing difficult financial situations as a result of Covid-19 but thinks TC3 has been hit particularly harder.

Mr. Cook said although he is sympathetic to the College's financial situation, he doesn't believe they are extremely unique in that municipalities are also sharing circumstances of great funding losses. Ms. Dowd noted that although Covid-19 has exacerbated the situation, this is not a new issue and due to a request from the Board, we should formally address the concern.

The Committee supported Ms. Dowd's recommendation to move the issue to the Executive Committee to develop a plan to move forward. She will provide a report to the Board at next week's meeting. Mr. Salton suggested the Executive Committee receive a very clear breakdown of financial consequences to the Consortium for both TC3 staying within the Consortium or being removed.

Mr. Hart presented a hypothetical scenario and asked what recourse the Consortium would have to remove TC3 as it falls within Tompkins County's group. Ms. Dowd said there is language contained in the MCA regarding the inability of a participant to pay, but since TC3 is a group within Tompkins County there would need to be guidance provided by John Powers, the Consortium's Legal Counsel. Mr. Locey agreed that Mr. Powers should be consulted; he stated he doesn't believe the Consortium could act on TC3 without impacting Tompkins County.

Mr. Snyder said although Tompkins County has advanced funds to TC3 in the amount of approximately \$1.5 million at year-end to assist with cash flow problems in paying premiums, it has not addressed a structural problem. He expects the same practice to continue as it has for several years and will result in TC3 becoming caught up at year-end. He believes the reports that have only recently been provided showing late payments have brought attention to the matter. Mr. Cook disagreed, stating this matter has been an issue for some time, noting it was brought forward as a result of appearing on the Consortium's financial statements during an audit. He said he would have objection to allowing the late period to grow beyond three months.

Wilmington Trust Contract

Ms. Dowd reported she was contacted by Wilmington Trust and informed that the contract cost would be less than originally quoted due to the condition of the markets. At the last Board meeting a resolution was approved accepting the original fees; due to the new information the Board will be presented with an amended resolution to reduce the fees; there was no objection by the Committee.

New Members

Ms. Dowd reported with the exception of the Town of Tioga and the Village of Owego, the financial analysis for each of these new members has been completed and advanced forward based on that review. Mr. Snyder reported during the meeting that he has concluded the financial review for the Town of Tioga; conditional approval was removed from the action on that particular resolution.

**RESOLUTION NO. - 2020 - ACCEPTANCE OF APPLICATION BY THE TOWN OF
BARTON TO BECOME A PARTICIPANT IN THE GREATER
TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

MOVED by Mrs. Shawley, seconded by Mr. Snow, and unanimously adopted by voice vote.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Barton has submitted an official resolution authorizing the Town of Barton to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Barton has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Town of Barton as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2021.

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**RESOLUTION NO. - 2020 - ACCEPTANCE OF APPLICATION BY THE VILLAGE OF
OWEGO TO BECOME A PARTICIPANT IN THE GREATER
TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

MOVED by Mrs. Shawley, seconded by Mr. Snow, and unanimously adopted by voice vote, pending financial review and recommendation by the Treasurer.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Village of Owego has submitted an official resolution authorizing the Village of Owego to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Village of Owego has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Village of Owego as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2021.

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**RESOLUTION NO. - 2020 - ACCEPTANCE OF APPLICATION BY THE TOWN OF
TIOGA TO BECOME A PARTICIPANT IN THE GREATER
TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

MOVED by Mrs. Shawley, seconded by Mr. Snow, and unanimously adopted by voice vote.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Tioga has submitted an official resolution authorizing the Town of Tioga to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Tioga has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Town of Tioga as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2021.

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**RESOLUTION NO. - 2020 - ACCEPTANCE OF APPLICATION BY THE TOWN OF DIX
TO BECOME A PARTICIPANT IN THE GREATER
TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

MOVED by Mrs. Shawley, seconded by Mr. Snow, and unanimously adopted by voice vote.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Dix has submitted an official resolution authorizing the Town of Dix to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Dix has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Town of Dix as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2021.

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**RESOLUTION NO. - 2020 - ACCEPTANCE OF APPLICATION BY THE TOWN OF
HECTOR TO BECOME A PARTICIPANT IN THE GREATER
TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

MOVED by Mrs. Shawley, seconded by Mr. Snow, and unanimously adopted by voice vote.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Hector has submitted an official resolution authorizing the Town of Hector to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Hector has complied with membership process and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, on recommendation of the Audit and Finance, That the Board of Directors hereby accepts and welcomes the Town of Hector as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2021.

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Financial Update

2020 Budget Update

Mr. Locey reviewed financial results through August 31, 2020 and said the Consortium's financial position improved slightly. With regard to income, revenue has exceeded projections by 1.05% for the year. On the medical side, although there has been an increase in paid claims, as a whole they continue to be down (16.7%) compared to budget. Prescription drug claims are slightly above budget but were down for August, bringing the total closer to the budgeted amount. In aggregate, total claims are approximately 11% below budget year-to-date. He said Locey & Cahill continues to be confident that the Consortium will finish the year with a good fund balance position that will allow for a premium holiday and mitigation of the 2021 premium rate.

Mr. Locey said there have not been any large losses for 2020. Mr. Spenard reported the Stop Loss report that was received today shows 29 claimants above \$100,000; the highest is currently at \$406,000. Mr. Locey commented these results are lower than what the Consortium has experienced in previous years.

2021 Recommended Budget

Mr. Locey provided a draft 2021 presentation on the budget that will be distributed to the Board of Directors. He noted the presentation will need to be updated with August financial information, but the contents of the draft presentation have been reviewed by Ms. Dowd and is being provided to the Committee. There hasn't been much change to what was previously discussed by the Committee and provides solid information to ensure Directors are as informed as possible when voting on the budget. He reviewed the layout of the presentation, budget forecast, and projections thru 2025.

Mr. Locey summarized the contents of the 2021 budget recommendation as follows:

Premium rate increase of 5%
Maintaining the IBNR Reserve at 12%;
Maintaining the Catastrophic Claims Reserve at \$4.5 million;

Maintaining the Rate Stabilization Reserve at 7.5%;
Includes a one-month premium holiday; and
Forecasts outlying years

Mr. Locey suggested that Directors be asked to ask questions in advance of the September 24th Board meeting to allow time to respond and provide answers that can be shared with the full Board. He noted this a very different year and a lot of work has gone into managing the various perspectives and goals of those involved in the Consortium to ensure that the recommendation is conservative and prudent and provides a sound and stable budget. He commented that he believes this Consortium is one of the best-run consortiums in the State and said Locey & Cahill welcomes all feedback on the recommendation.

* * * * *

Mr. Salton referenced input received from Mr. Barber and said he thought they were all good. However, from an administrative standpoint he doesn't think he could support a premium holiday for only a portion of a month.

**RESOLUTION NO. – 2020 – ADOPTION OF BUDGET, PREMIUM RATES, AND
RESERVE AMOUNTS FOR 2021**

MOVED by Mr. Salton, seconded by Mr. Snow, and unanimously adopted by voice vote.

WHEREAS, the Audit and Finance and Executive Committees have had detailed discussions and has given great consideration to the Consortium's 2021 budget and premium rates, and

WHEREAS, the Board of Directors has adopted a policy that provides guidance on targets for net income, fund balance, and both statutory and discretionary reserve levels in addition to creating a mechanism by which excess net income/fund balance can be returned to members, and

WHEREAS, the 2021 budget reflects the proposed guidelines and provides for a premium holiday to members for coverage in the month of December 2020 to reduce the current fund balance,

WHEREAS, notable items included in the proposed budget are the following:

- Maintain Incurred But Not Reported Claims Reserve at 12% of total claims;
- Maintain the Surplus Account at 5% of the annual premium of the Consortium in compliance with §4706(a)(5) of the New York State Insurance Law;
- Maintain the Rate Stabilization Reserve in an amount equal to 7.5% of expected paid claims;
- Maintain Catastrophic Claims Reserve at \$4,500,000;
- Premium Revenue Increased by 5.0% in 2021;

now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Consortium's 2021 budget as attached, including premium equivalent rates and reserve amounts are hereby adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

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**RESOLUTION NO. – 2020 – ADOPTION OF PREMIUM HOLIDAY FOR MEMBERS–
DECEMBER 2020**

MOVED by Mr. Salton, seconded by Mr. Cook.

Mr. Cook said he believes there is consensus by the Committee to offer a premium holiday; what is under discussion is the amount of the holiday. Mr. Snyder said the premium holiday as discussed by Ms. Dowd, Ms. Drake, and his staff was considered as an all-or-nothing type of holiday for a full one-month holiday in December. He expressed concern with trying to figure out how to administer a partial month holiday and is skeptical as to whether it could be done.

In response to Ms. Drake as to what the total dollar equivalent of the holiday would be. Mr. Locey responded it would represent approximately \$4.4 million. A friendly amendment to the resolution was accepted to remove the reference to an amount.

WHEREAS, the Board of Directors has adopted a policy that provides guidance on targets for net income, fund balance, and both statutory and discretionary reserve levels in addition to creating a mechanism by which excess net income/fund balance can be returned to members, and

WHEREAS, the Policy provides that the Board of Directors may annually consider a premium reduction for subsequent year(s) to refund excess amounts of reserves and fund balance over budget targets through a premium reduction mechanism that may be in full monthly increments or partial monthly increments or other mechanisms, but not a reduction in premium increase that is significantly below the claims trend assumption, and

WHEREAS, the 2020 Budget is expected to have an excess net income in an amount that in accordance with the Budget Guidelines Policy would allow for a premium holiday to be granted for coverage to members in December 2020, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby approves a premium holiday for members for coverage for the month of December 2020,

RESOLVED, further, That the Executive Director is directed to work with the Consortium Treasurer to implement the premium holiday for members that will include the expectation that each municipality will include a mechanism to extend the holiday to employees and retirees who are enrolled and contribute to a Consortium benefit plan.

Next Agenda Items

There were no topics suggested at this time for the next meeting. Mr. Cook asked that suggestions be submitted prior to the meeting.

Adjournment

The meeting adjourned at 4:45 p.m.

Respectfully submitted by Michelle Cocco, Clerk of the Board



2020 Fiscal Year Budget Performance Report As of September 30, 2020

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Section 1

2020 Fiscal Year-to-Date Income Budget vs Actual Results

2020 Income Budget vs Actual (09/30/2020)

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2020 Budget Performance Analysis

Results as of: 9/30/2020

of Months: 9

Includes Income Codes 6000 & 6010

Includes Expense Codes 8081, 8082, & 8083

Balance Sheet Item 3500

	2020 Adopted Budget	2020 Revised Budget	2020 Year-to-Date	2020 Actual Results	Variance	% Difference
Income						
Medical and Rx Plan Premiums	\$52,745,788.78	\$52,745,788.78	\$39,559,341.58	\$39,598,044.37	\$38,702.79	0.10%
9020 Interest	\$446,554.34	\$446,554.34	\$334,915.76	\$296,614.86	-\$38,300.90	-11.44%
9010 Rx Rebates	\$1,400,000.00	\$1,400,000.00	\$1,050,000.00	\$1,188,523.16	\$138,523.16	13.19%
9040 Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$0.00	\$29,295.28	\$29,295.28	n/a
9035 Finance Charge Income	\$0.00	\$0.00	\$0.00	\$15,690.18	\$15,690.18	n/a
9030 Other	\$5,304.50	\$5,304.50	\$3,978.38	\$0.00	-\$3,978.38	-100.00%
Total Income	\$54,597,647.62	\$54,597,647.62	\$40,948,235.71	\$41,128,167.85	\$179,932.14	0.44%

Key Facts:

1. Premium Income is 0.10% above budget and based on our preliminary analysis, it appears as though this was caused by two competing variables:
 - a. In the first 9-months of this year, the Consortium's contract count has increased by 3.01% which has resulting in an increase in the covered lives count by 2.16%.
 - b. There has been some additional movement of covered members from traditional Indemnity and PPO Plans to the Consortium's Platinum PPO Plan. This movement results in a lower overall premium base, but also lowers claims costs.

2020 Income Budget vs Actual (09/30/2020)

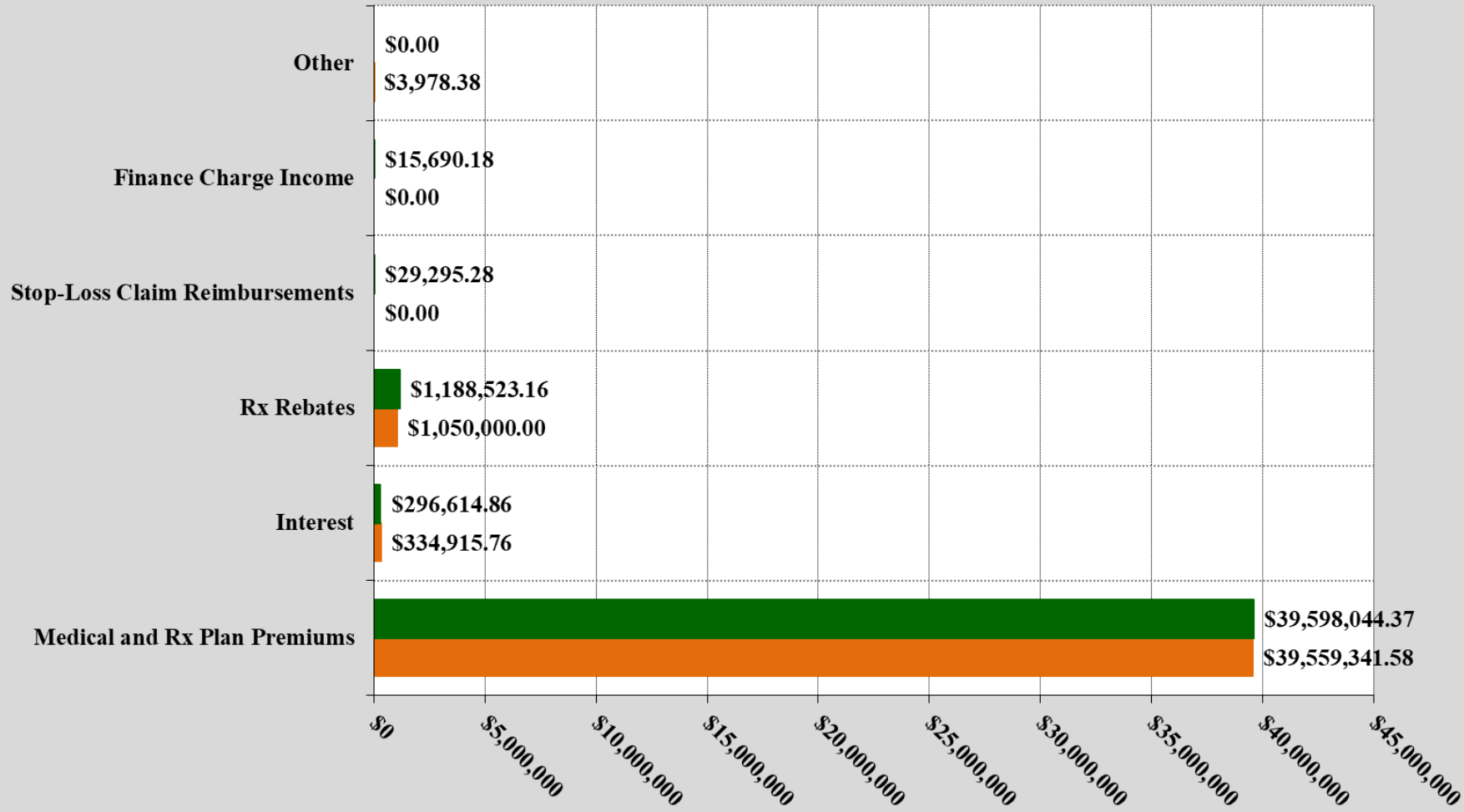
Key Facts (continued):

2. **Interest Income** to date is now **11.44% below budget** as a direct result of interest rates falling dramatically during the COVID-19 pandemic. This result was in spite of the improved investment management strategies initiated by the Consortium's financial management team, and the timing of varying maturity dates on the various Consortium investment accounts. This trend looks like it will continue for the foreseeable future.
3. The pharmaceutical manufacturer rebate payment received from ProAct, Inc. for the 1st three quarters of the 2020 Fiscal Year was above budget the budgeted amount. We anticipate this income level to finish the year a bit above the adopted budget for the year with payments totaling approximately \$1.6 million by year's end.
4. The Consortium received a small payment of \$29,295.28 as reimbursement for a claim which exceeded the Specific Stop-Loss Insurance Deductible of \$600,000 in 2019. To date, there have been no claims in excess of \$1,000,000 this year. As a result, the Consortium has not received any funds from Excellus BCBS related to the 2020 Policy.
5. There is no "Other" income as of September 30, 2020. 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

2020 Income Distribution

January 1, 2020 to September 30, 2020

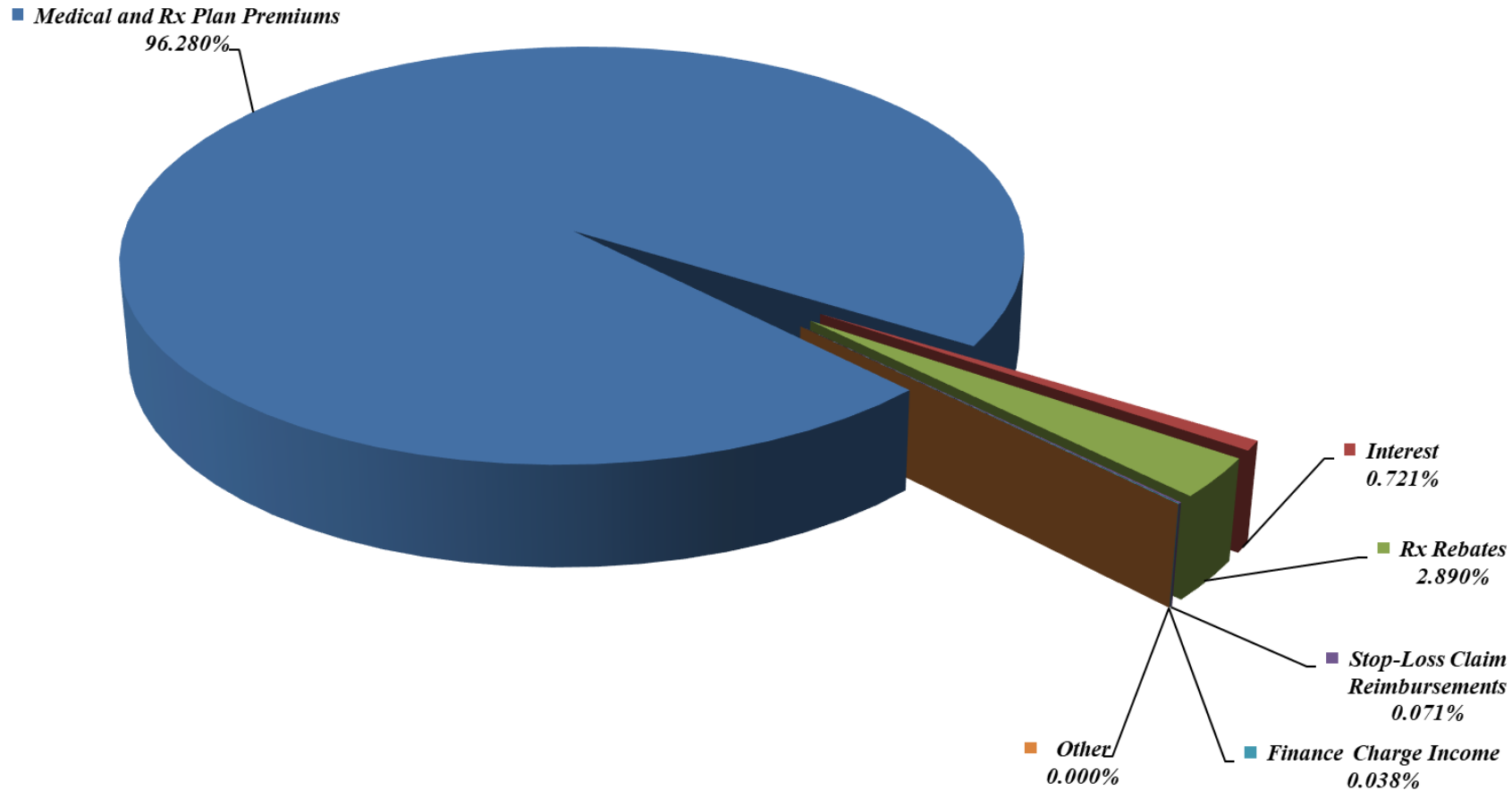


■ 2020 Actual Income ■ 2020 Budgeted Amounts

Greater Tompkins County Municipal Health Ins. Consortium

2020 Income Distribution

January 1, 2020 to September 30, 2020



■ Medical and Rx Plan Premiums ■ Interest ■ Rx Rebates ■ Stop-Loss Claim Reimbursements ■ Finance Charge Income ■ Other



Section 2

2020 Fiscal Year-to-Date Expense Budget vs Actual Results

2020 Expense Budget vs Actual Results (09/30/2020)

Includes Expense Codes 8081, 8082, & 8083
Balance Sheet Item 3500

		2020	2020	2020	2020	Variance	% Difference
		Adopted Budget	Revised Budget	Year-to-Date	Actual Results		
Expenses							
8090	Medical Paid Claims	\$37,198,413.76	\$37,198,413.76	\$27,898,810.32	\$23,371,125.27	-\$4,527,685.05	-16.23%
	Advance Deposit / Pre-Paid Claims	\$113,700.00	\$113,700.00	\$0.00	\$0.00	\$0.00	n/a
8120	Rx Paid Claims - ProAct	\$14,009,165.32	\$14,009,165.32	\$10,506,873.99	\$10,827,444.64	\$320,570.65	3.05%
8121	Rx Paid Claims - CanaRx	\$179,959.49	\$179,959.49	\$134,969.62	\$95,762.30	-\$39,207.32	-29.05%
8084	Flu Clinic Fees	\$15,000.00	\$15,000.00	\$11,250.00	\$12,195.98	\$945.98	8.41%
8050	Medical Admin Fees	\$1,326,646.30	\$1,326,646.30	\$994,984.72	\$1,048,211.00	\$53,226.28	5.35%
8093	Excellus ITS Fees	\$0.00	\$2,956.67	\$2,217.50	\$0.00	-\$2,217.50	-100.00%
	Rx Admin Fees	\$164,664.95	\$164,664.95	\$123,498.71	\$147,663.50	\$24,164.79	19.57%
8091	NYS Graduate Medical Exp.	\$348,095.65	\$348,095.65	\$261,071.74	\$223,376.99	-\$37,694.75	-14.44%
9060	ACA PCORI Fee	\$0.00	\$17,130.53	\$17,130.53	\$15,681.96	-\$1,448.57	-8.46%
8110	Specific Stop-Loss Insurance	\$762,505.96	\$762,505.96	\$571,879.47	\$197,754.32	-\$374,125.14	-65.42%
8000	Accounting Fees	\$30,800.00	\$30,800.00	\$23,100.00	\$14,400.00	-\$8,700.00	-37.66%
8010	Actuarial Fees	\$51,500.00	\$51,500.00	\$38,625.00	\$18,750.00	-\$19,875.00	-51.46%
8020	Audit Fees (Financial)	\$96,222.60	\$12,000.00	\$12,000.00	\$13,000.00	\$1,000.00	8.33%
	Audit Fees (Claims)	\$0.00	\$40,000.00	\$30,000.00	\$53,875.00	\$23,875.00	79.58%
8055	Consultant Fees (Barber)	\$56,135.00	\$56,135.00	\$42,101.25	\$11,824.26	-\$30,276.99	-71.91%
8030	Consultant Fees (L&C)	\$87,550.00	\$87,550.00	\$65,662.50	\$64,890.00	-\$772.50	-1.18%
	Consultant Fees (Other) - Retirement Plan Review	\$50,000.00	\$50,000.00	\$37,500.00	\$0.00	-\$37,500.00	-100.00%
8070	Legal Fees	\$11,255.09	\$12,000.00	\$9,000.00	\$3,671.25	-\$5,328.75	-59.21%
8043	Wellness Coordinator Fees	\$23,701.25	\$24,000.00	\$18,000.00	\$0.00	-\$18,000.00	-100.00%
66001	Executive Director Salary	\$123,170.18	\$92,000.00	\$69,000.00	\$67,084.63	-\$1,915.37	-2.78%
66002	Fringe Benefits	\$0.00	\$66,000.00	\$49,500.00	\$31,027.05	-\$18,472.95	-37.32%
66003	Clerk of the Board Salary	\$119,957.56	\$36,000.00	\$27,000.00	\$18,156.00	-\$8,844.00	-32.76%
66004	Admin/Comp Asst. Salary	\$0.00	\$51,000.00	\$38,250.00	\$31,848.50	-\$6,401.50	-16.74%
8060	Insurances (D&O / Prof. Liability)	\$41,317.03	\$41,317.03	\$30,987.77	\$32,709.51	\$1,721.74	5.56%
8041	Internal Coordination (Finance)	\$68,660.00	\$68,660.00	\$51,495.00	\$45,658.38	-\$5,836.62	-11.33%
8042	Internal Coordination (Support)	\$0.00	\$16,000.00	\$12,000.00	\$0.00	-\$12,000.00	-100.00%
8040	Internal Coordination Fees (Other)	\$0.00	\$2,000.00	\$1,500.00	\$0.00	-\$1,500.00	-100.00%
8045	Internal Coordination (Town of Ithaca)	\$6,000.00	\$6,000.00	\$4,500.00	\$5,500.00	\$1,000.00	22.22%
8044	Internal Coordination (IT Support)	\$3,090.00	\$9,000.00	\$6,750.00	\$6,489.32	-\$260.68	-3.86%
9065	Marketing Expenses	\$2,060.00	\$5,000.00	\$3,750.00	\$0.00	-\$3,750.00	-100.00%
9055	Investment Management Services	\$18,540.00	\$18,540.00	\$13,905.00	\$14,973.20	\$1,068.20	7.68%
8150	Supplies Expense	\$1,500.00	\$1,500.00	\$1,125.00	\$0.00	-\$1,125.00	-100.00%
8151	Computer Equipment	\$0.00	\$5,000.00	\$3,750.00	\$0.00	-\$3,750.00	-100.00%
8152	Lease Expense / Parking Fees	\$0.00	\$6,500.00	\$4,875.00	\$5,109.90	\$234.90	4.82%
8153	Mileage- Travel Expenses	\$0.00	\$1,000.00	\$750.00	\$312.23	-\$437.77	-58.37%
9060	Other Expenses / Supplies	\$11,608.99	\$10,609.00	\$7,956.75	\$4,767.51	-\$3,189.24	-40.08%
Total Expenses		\$54,921,219.12	\$54,938,349.65	\$41,125,769.87	\$36,383,262.70	-\$4,742,507.17	-11.53%

2020 Expense Budget vs Actual Results (09/30/2020)

	<i>2020 Adopted Budget</i>	<i>2020 Revised Budget</i>	<i>2020 Year-to-Date</i>	<i>2020 Actual Results</i>	<i>Variance</i>	<i>% Difference</i>
Expenses						
Paid Claims	\$51,516,238.57	\$51,516,238.57	\$38,551,903.93	\$34,306,528.19	-\$4,245,375.74	-11.01%
Claims Admin. Fees	\$1,491,311.24	\$1,494,267.91	\$1,120,700.93	\$1,195,874.50	\$75,173.57	6.71%
Stop-Loss	\$762,505.96	\$762,505.96	\$571,879.47	\$197,754.32	-\$374,125.14	-65.42%
Taxes and Fees	\$348,095.65	\$365,226.18	\$278,202.27	\$239,058.95	-\$39,143.32	-14.07%
Professional Services	\$425,703.94	\$382,525.00	\$289,893.75	\$195,383.71	-\$94,510.04	-32.60%
Insurance/Internal Fees	\$377,363.76	\$417,586.03	\$313,189.52	\$248,663.03	-\$64,526.49	-20.60%
Total Expenses	\$54,921,219.12	\$54,938,349.65	\$41,125,769.87	\$36,383,262.70	-\$4,742,507.17	-11.53%

The above provides an “easier to read” summary version of the expense data for the Consortium through September 30, 2020. As you will note, the paid claims which collectively include medical, prescription drug, CanaRx, Flu Clinic and any pre-paid claims account for 94.29% of the total expenses of the Consortium so far in 2020. In addition, the overall paid claims are currently 11.01% below budget for the 2020 Fiscal Year-to-Date. This is the overwhelming reason the Consortium has generated a substantial amount of net income for the year as of September 30, 2020.

2020 Expense Budget vs Actual Results (09/30/2020)

Key Facts:

1. We 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. Although some of the specific lines were revised, the total expense number remained relatively consistent with the original budgeted amount approved by the Board of Directors.
2. We have eliminated the Ancillary Benefits Premium from the income and expense budgets as these are merely pass-through dollars which do not impact the Consortium's bottom-line.
3. Due to the early reporting period in the fiscal year, many of the expense items are well below budget as some items have not been provided or billed to the Consortium. These items will be more in line with the budget as the year goes on.
4. Paid claims (benefits) accounted for 94.213% of the total expenses for the GTCMHIC. This means that a modest 5.787% was used to pay for all the other operating expenses of the Consortium, including stop-loss insurance which accounted for 0.546% of the spending.

2020 Expense Budget vs Actual Results (09/30/2020)

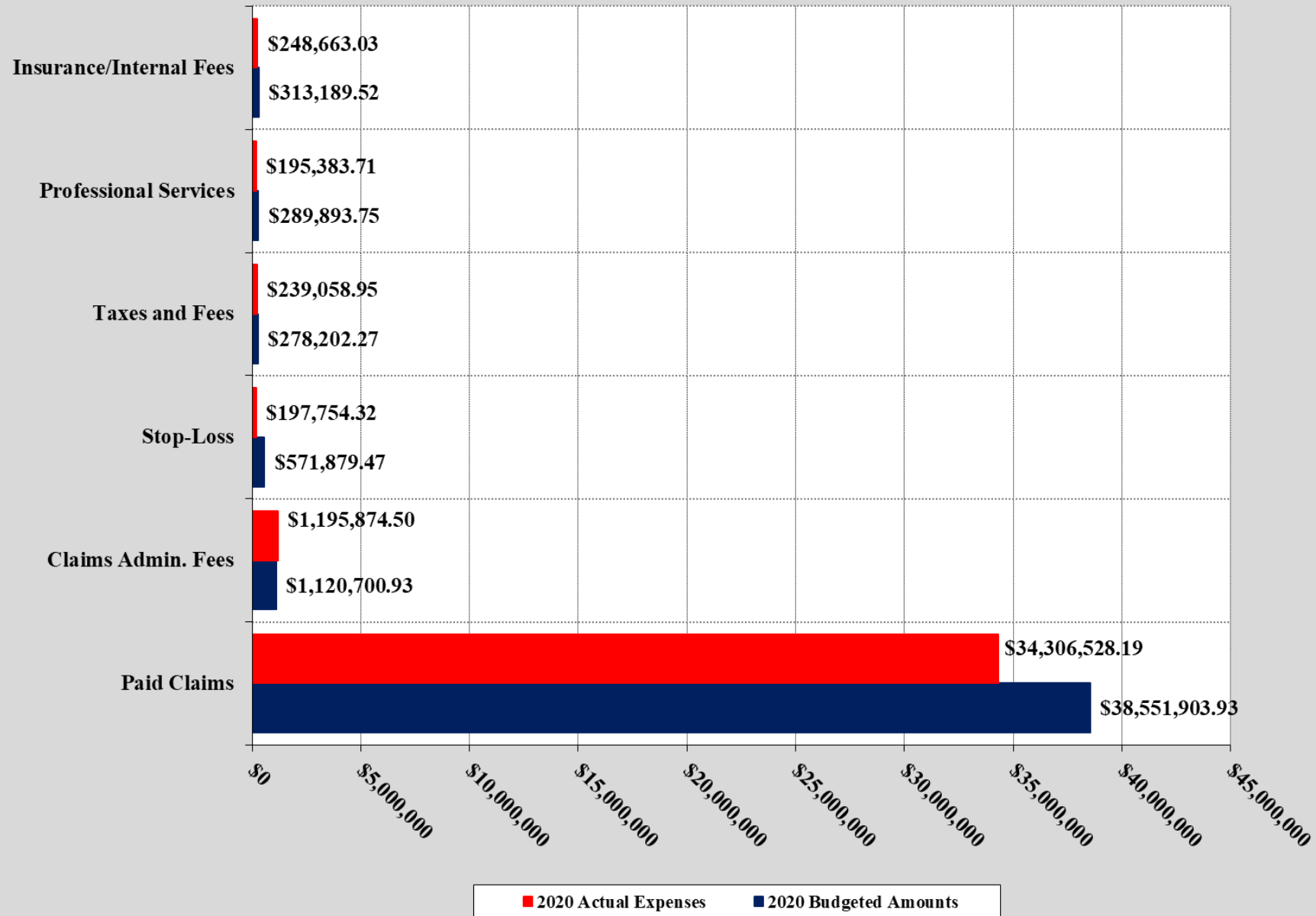
Key Facts:

5. Medical Paid Claims are currently 16.72% below the projected budget for the year and this is the result of:
 - a) An increase in the covered lives ($\uparrow 2.39\%$) and in the number of contracts ($\uparrow 3.09\%$) skews the early 2020 medical paid claims due to the “run-in lag”.
 - b) Increased member participation in lower cost health insurance plans, like the Platinum 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.
 - d) A decrease in the number of large loss claimants and a decrease in the severity of the cases reported to date.
6. Rx Paid Claims are currently 2.71% above budget with the past two months being a bit higher than projected. This is a trend we are keeping a close eye on as we continue the budget development process for the 2021 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 it is a direct factor in this result.

Greater Tompkins County Municipal Health Ins. Consortium

2020 Expense Distribution

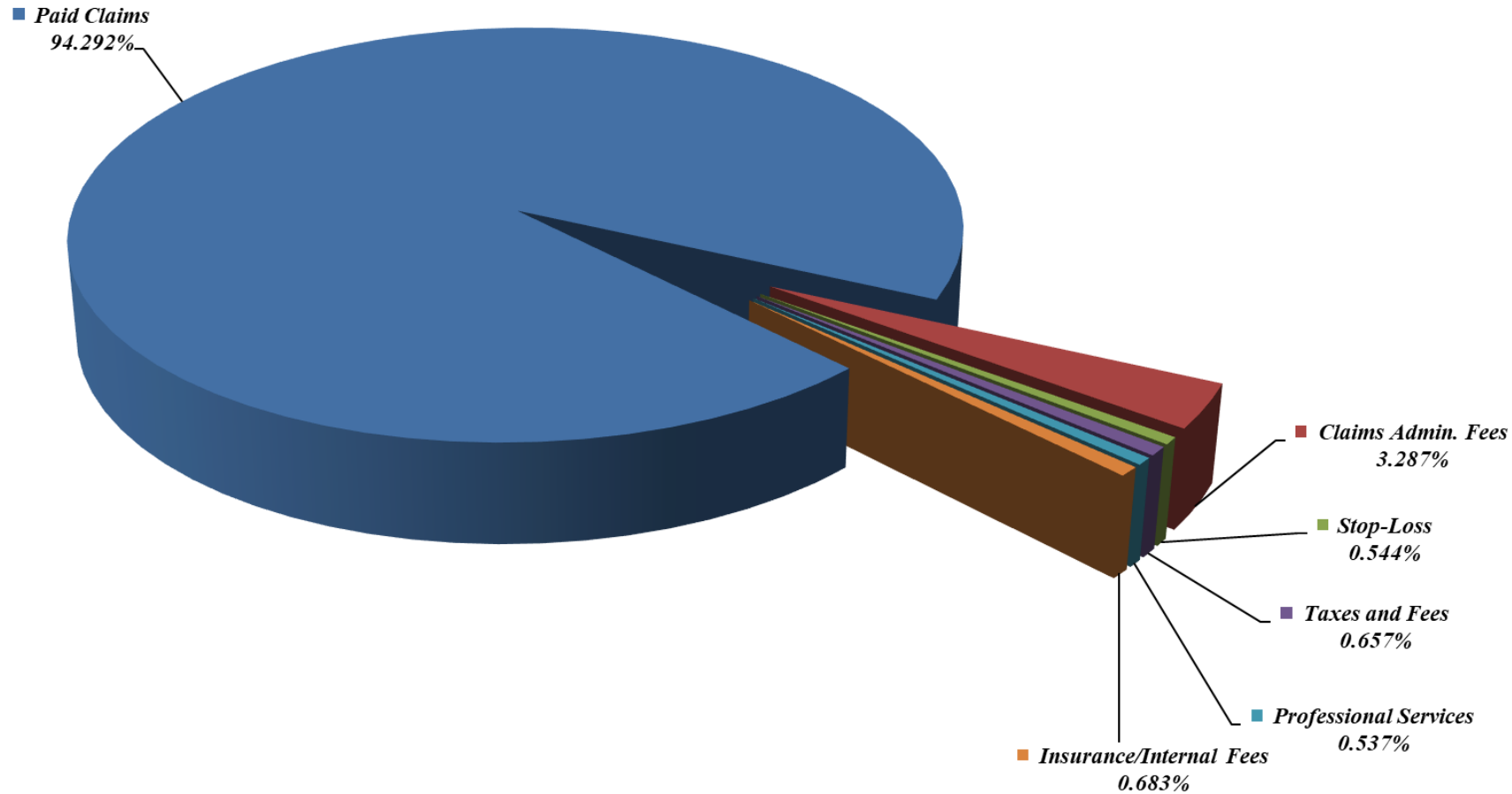
January 1, 2020 to September 30, 2020



Greater Tompkins County Municipal Health Ins. Consortium

2020 Expense Distribution

January 1, 2020 to September 30, 2020



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

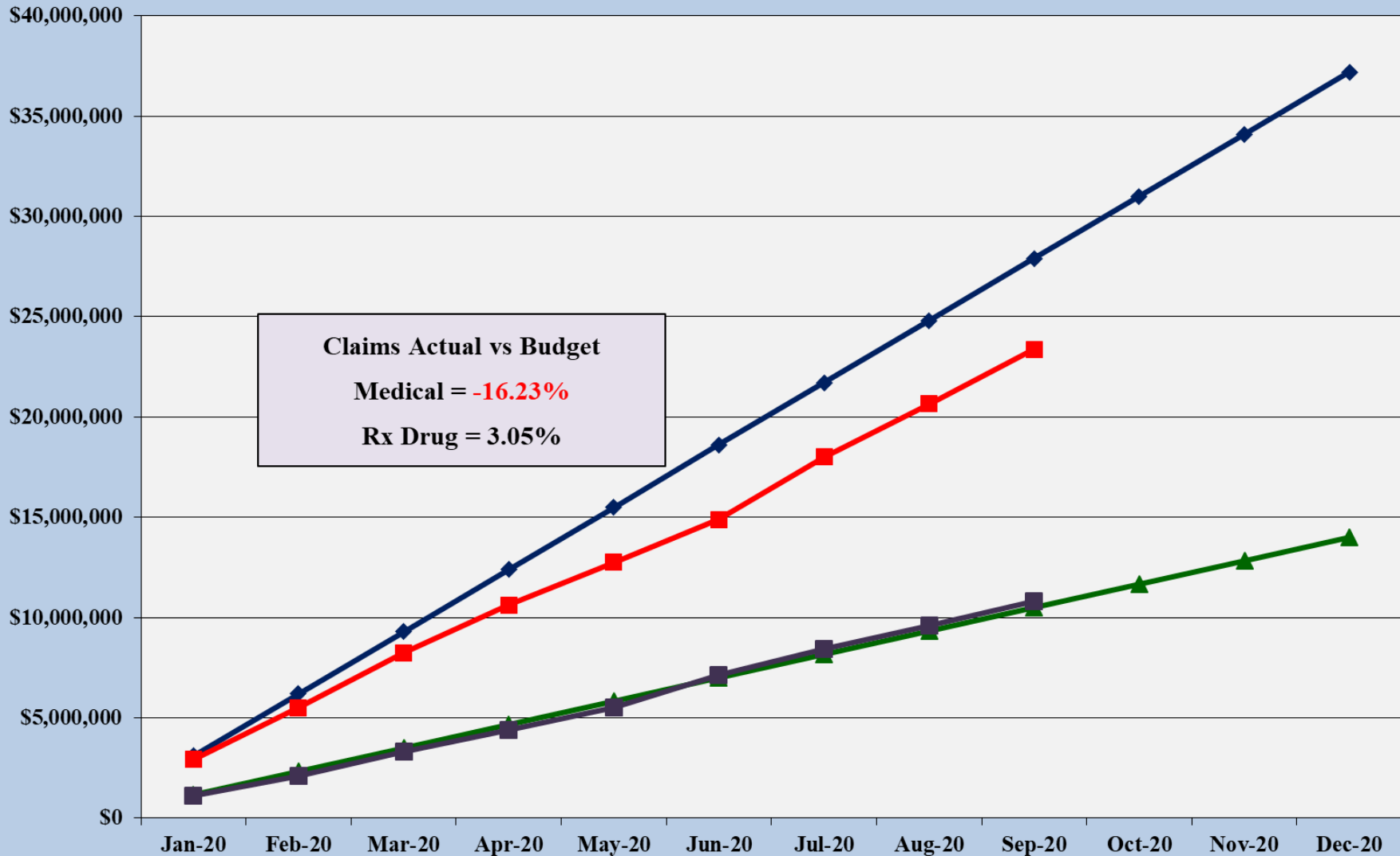


Section 3

2020 Fiscal Year-to-Date Paid Claims Budget vs Actual Results

Greater Tompkins County Municipal Health Insurance Consortium

2020 Cumulative Paid Claims and Budgeted Claims by Month

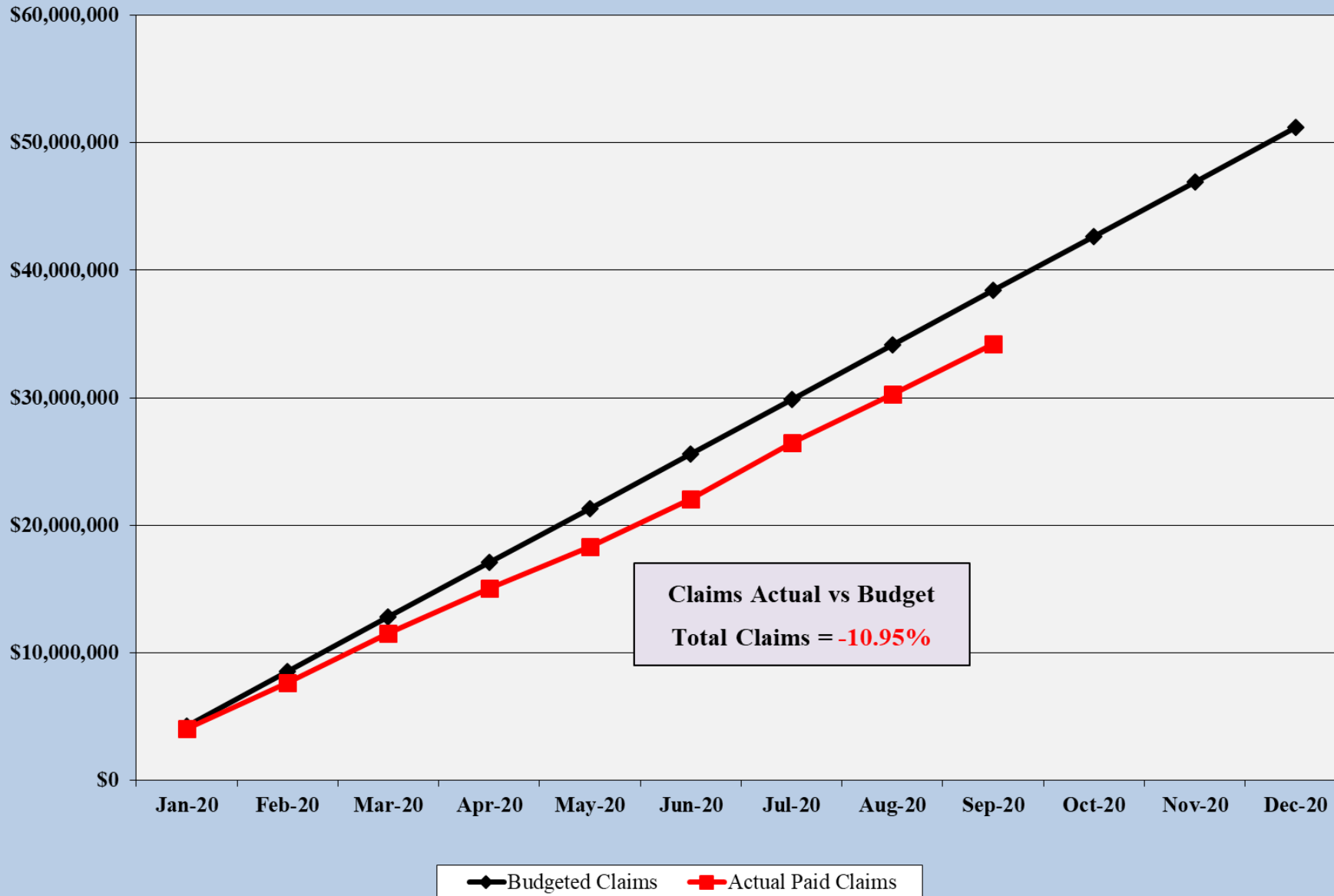


Claims Actual vs Budget
 Medical = -16.23%
 Rx Drug = 3.05%

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

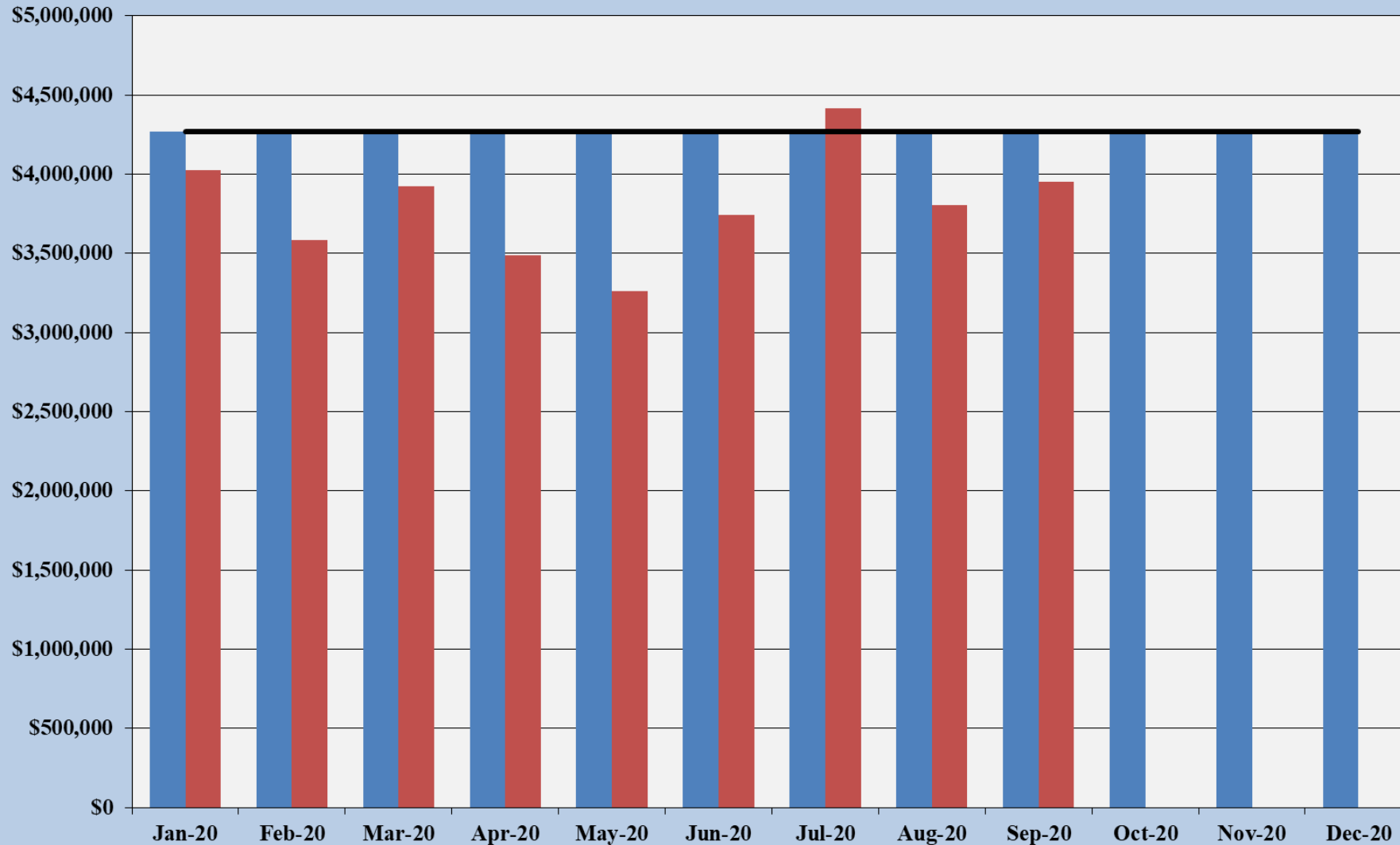
Greater Tompkins County Municipal Health Insurance Consortium

2020 Cumulative Paid Claims and Budgeted Claims by Month



Greater Tompkins County Municipal Health Insurance Consortium

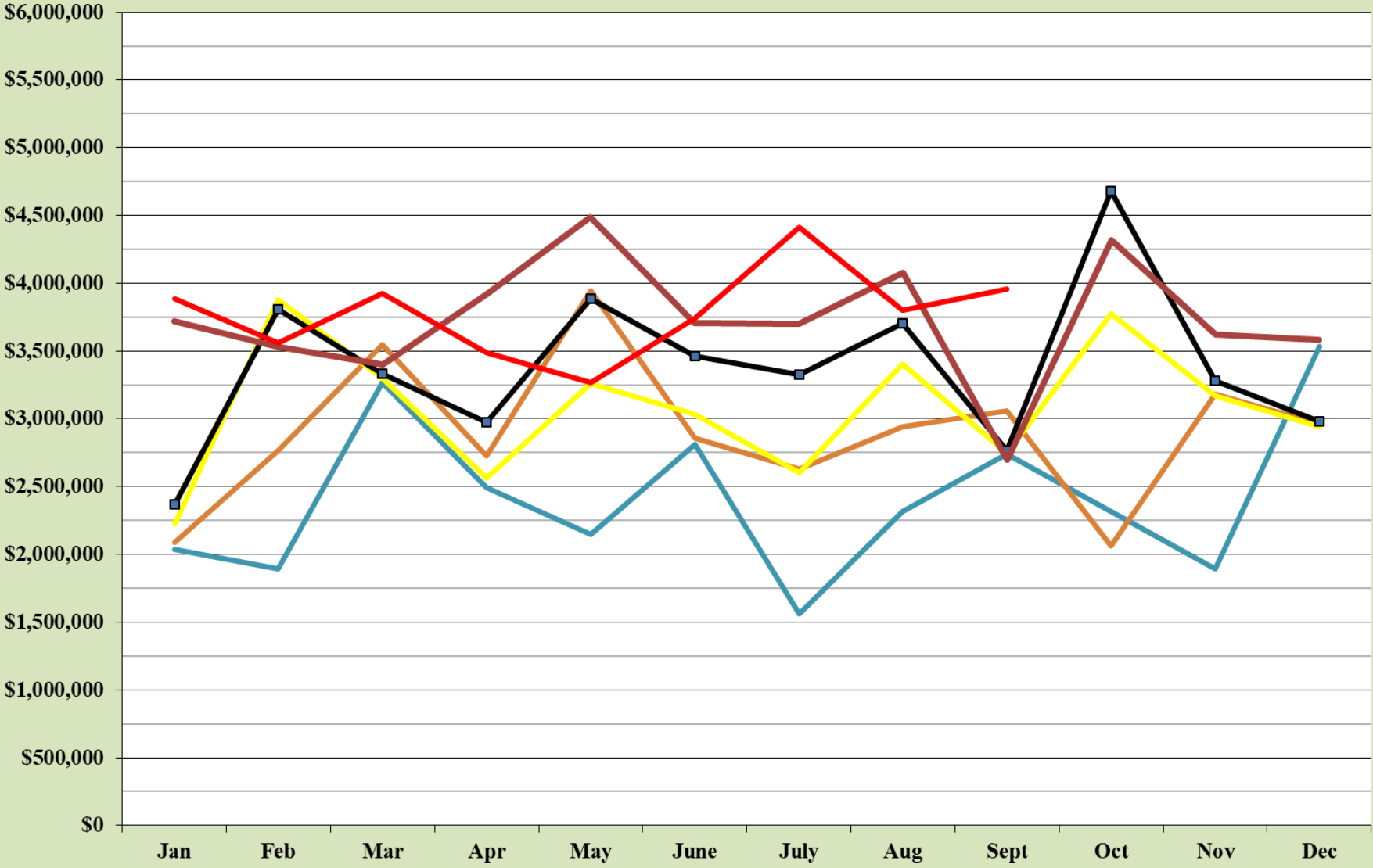
2020 Budgeted vs Actual Paid Claims by Month



Legend: Budgeted Claims (blue bar), Actual Paid Claims (red bar), Linear (Budgeted Claims) (black line)

Greater Tompkins County Municipal Health Ins Consortium

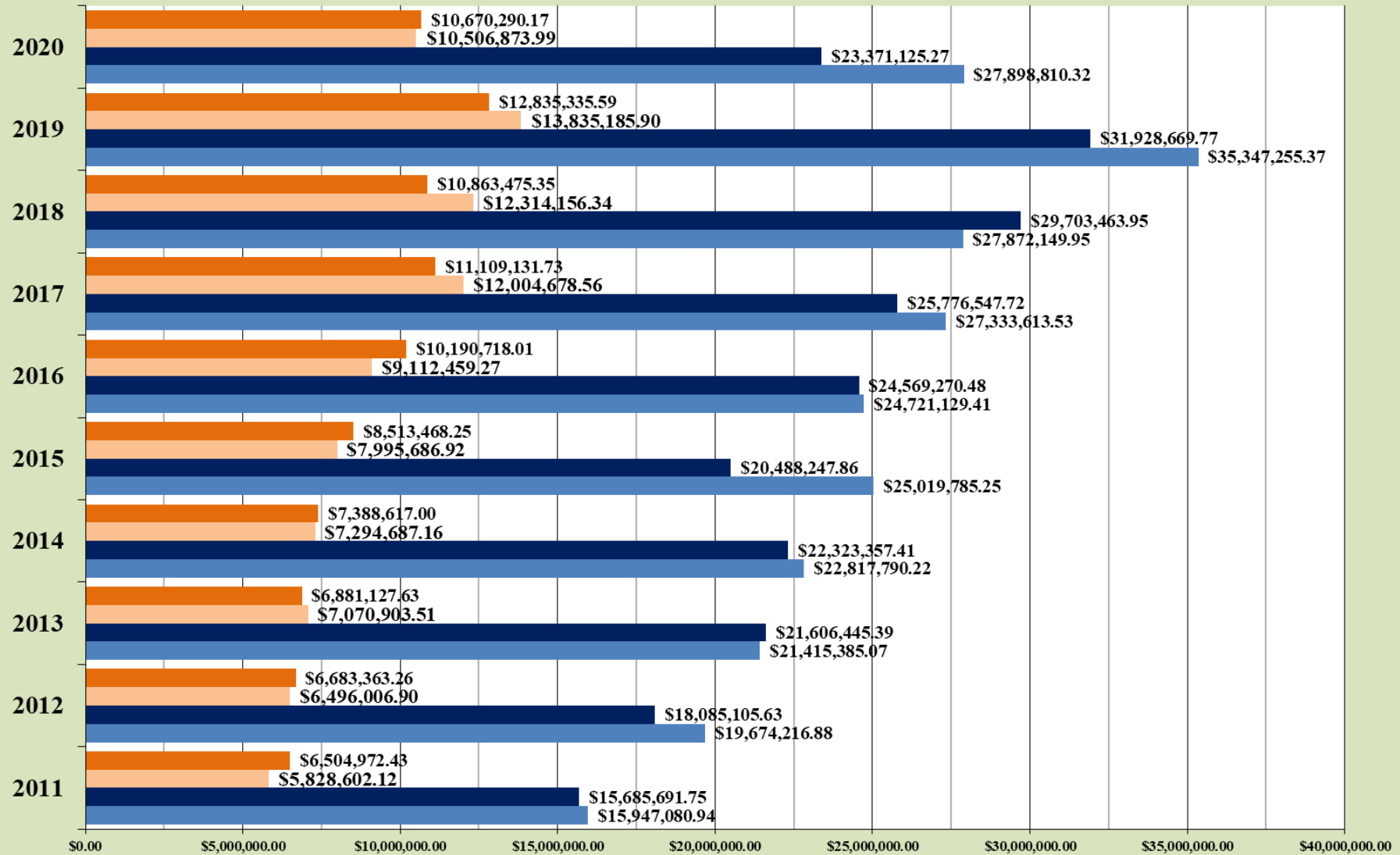
2015-2020 Monthly Paid Claims by Fiscal Year



— 2015
 — 2016
 — 2017
 —■ 2018
 — 2019
 — 2020

Greater Tompkins County Municipal Health Ins Consortium

2011-2020 (as of 09/30/2020) Annual Paid Claims v Budgeted Claims

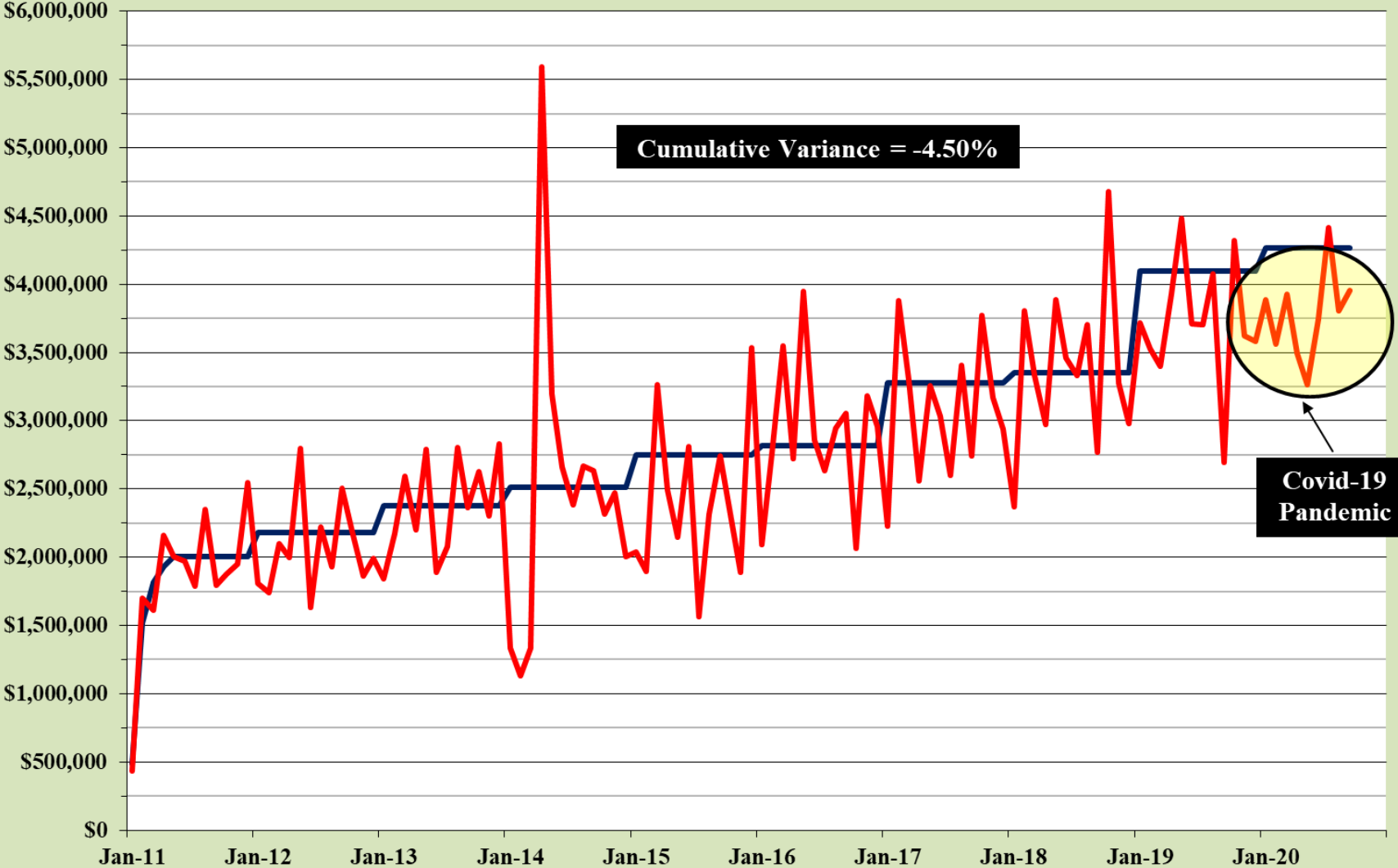


■ Actual Rx Claims
 ■ Budgeted Rx Claims
 ■ Actual Medical Claims
 ■ Budgeted Medical Claims

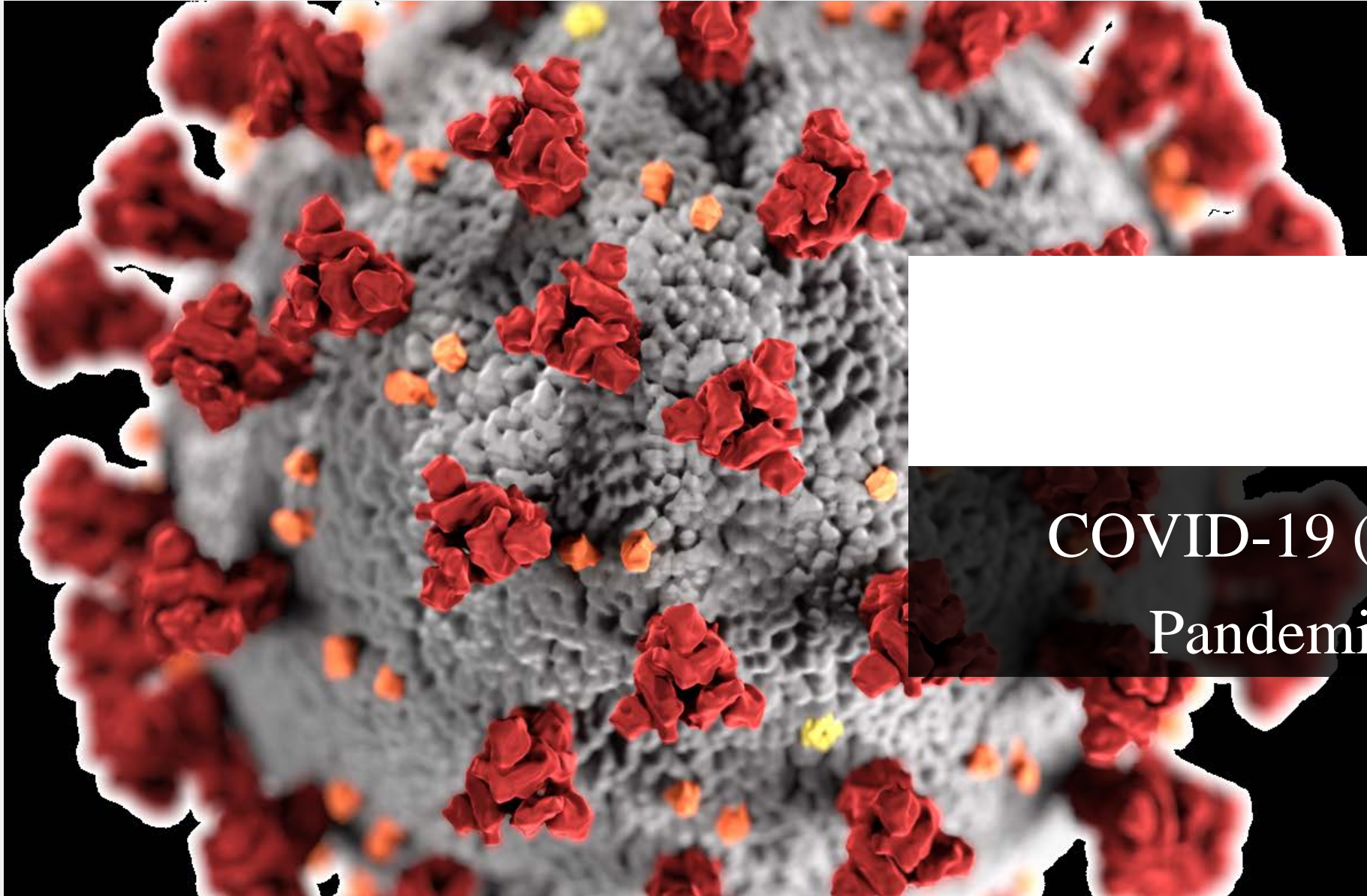
Greater Tompkins County Municipal Health Ins Consortium

2011-2020 Monthly Paid Claims v Budgeted Claims

January 1, 2011 to September 30, 2020



— Budgeted Claims — Actual Paid Claims



Section 4

COVID-19 (coronavirus) Pandemic Impact

2020 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 October 21st
 - a) There have been approximately 352,425 tests conducted of people in Tompkins County for the presence of COVID-19 (coronavirus).
 - b) There have been 556 Tompkins County residents who have tested positive for coronavirus which is 0.16% of the tested population and approximately 5.4% 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	46,973 Tests Conducted	302 Positive Results (0.64%)
b) Cortland	38,761 Tests Conducted	436 Positive Results (1.12%)
c) Seneca	17,394 Tests Conducted	128 Positive Results (0.74%)
d) Tioga	27,047 Tests Conducted	459 Positive Results (1.70%)

2020 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 lower results due primarily to the delay or cancellation of minor and/or elective procedures:

Date	Per Excellus BCBS Reports		Per ProAct, Inc. Reports		Combined Paid Claims	
	Medical Claims		Rx Claims			
	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount
Jan-20	\$2,656,982.48	\$164,088.31	\$1,117,016.74	\$78,117.34	\$3,773,999.22	\$242,205.65
Feb-20	\$2,091,508.81	\$165,934.99	\$1,004,928.55	\$66,152.12	\$3,096,437.36	\$232,087.11
Mar-20	\$2,484,722.26	\$122,643.82	\$1,183,622.26	\$73,298.86	\$3,668,344.52	\$195,942.68
Apr-20	\$1,566,366.43	\$62,316.83	\$1,101,096.33	\$66,660.46	\$2,667,462.76	\$128,977.29
May-20	\$2,211,727.69	\$61,046.12	\$1,107,376.77	\$55,938.18	\$3,319,104.46	\$116,984.30
Jun-20	\$1,852,585.78	\$65,283.97	\$1,111,933.57	\$66,819.98	\$2,964,519.35	\$132,103.95
Jul-20	\$2,385,688.98	\$83,846.93	\$1,305,357.66	\$67,665.11	\$3,691,046.64	\$151,512.04
Aug-20	\$2,193,840.37	\$59,698.92	\$1,145,506.06	\$61,227.91	\$3,339,346.43	\$120,926.83
Sep-20	\$2,111,230.35	\$62,345.71	\$1,235,251.26	\$56,696.14	\$3,346,481.61	\$119,041.85
Oct-20	\$0.00	\$0.00			\$0.00	\$0.00
Nov-20	\$0.00	\$0.00			\$0.00	\$0.00
Dec-20	\$0.00	\$0.00			\$0.00	\$0.00
Totals	\$19,554,653.15	\$847,205.60	\$10,312,089.20	\$592,576.10	\$29,866,742.35	\$1,439,781.70
	95.85%	4.15%	94.57%	5.43%	95.40%	4.60%

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

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

2020 Last 6-Months April to September Medical Claims
\$2,053,573.27

2020 COVID-19 Pandemic Impact

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

2. The data on the previous pages shows the paid claims for 2020 were collectively about \$4.2 million below the budgeted amount for the time period.
3. Even though July was high as a 5-weekly payment month, lower paid claims trend continued into the 3rd Quarter of this Fiscal Year as the medical community started to slowly ramp back up to a more normal schedule.
4. Looking “down the road” a bit we do not see any major negative impacts to the Consortium from a paid claims 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 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) In the first six (6) months of 2020, the Consortium has paid for 3,094 telehealth visits for 1,816 covered members at a total cost of \$324,873.02.
 - 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 June 2020, the number of covered members registered for the telemedicine program climbed to 148. We anticipate this number will be even higher as the Cooperative heads deeper into the 2020 Fiscal Year and members become growingly more comfortable with this type of medical care delivery model.



Section 5

2020 Fiscal Year-to-Date
Net Income, Liabilities, and Reserves

2020 Net Income, Liabilities & Reserves (09/30/2020)

	2020 Adopted Budget	2020 Revised Budget	2020 Year-to-Date	2020 Actual Results	Variance	% Difference
Total Income	\$54,597,647.62	\$54,597,647.62	\$40,948,235.71	\$41,128,167.85	\$179,932.14	0.44%
Total Expenses	\$54,921,219.12	\$54,938,349.65	\$41,125,769.87	\$36,383,262.70	-\$4,742,507.17	-11.53%
Net Income	-\$323,571.50	-\$340,702.03	-\$177,534.15	\$4,744,905.15	\$4,922,439.30	

Ending Balance	\$30,647,625.35	\$30,630,494.82	\$30,793,662.70	\$35,716,102.00	\$4,922,439.30	15.99%
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Liabilities and Reserves						
4010	IBNR Claims Liability Per §4706(a)(1)	\$6,144,909.49	\$6,144,909.49	\$6,144,909.49	\$6,144,909.49	12.0% of Incurred Claims
5010	Surplus Account Per §4706(a)(5)	\$2,637,289.44	\$2,637,289.44	\$2,637,289.44	\$2,637,289.44	5.0% of Premium Income
5014	Rate Stabilization Reserve	\$3,840,568.43	\$3,840,568.43	\$3,840,568.43	\$3,840,568.43	7.5% of Paid Claims
5012	Catastrophic Claims Reserve	\$4,500,000.00	\$4,500,000.00	\$4,500,000.00	\$4,500,000.00	Established by Board Policy
Total Liabilities and Reserves		\$17,122,767.36	\$17,122,767.36	\$17,122,767.36	\$17,122,767.36	

Unencumbered Fund Balance	\$13,524,857.99	\$13,507,727.46	\$13,670,895.34	\$18,593,334.64
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The 2020 Fiscal Year Net Income is substantially above the projected budget for the year. This has resulted in the net cash assets (unencumbered fund balance) being above the targeted level as set by the Consortium's Audit & Finance Committee. As of September 30, 2020, the unencumbered fund balance equals 35.25% of the expected premium income for the year. This result was achieved even with the increase in the Rate Stabilization Reserve from 5% of Expected Paid Claims to 7.5% of Expected Paid Claims and with an increase in the Catastrophic Claims Reserve from \$2.8 million to \$4.5 million.

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 31st there are going to be covered medical services received by covered members on or before December 31st which will not be paid until sometime after December 31st. 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 2020 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 2020 Fiscal Year budget forecasted this reserve to equal \$6,144,909.49 (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 2020 Fiscal Year, Excellus' estimate of this liability was \$4,277,400 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 2020 Fiscal Year budget forecasted this reserve to equal \$2,637,289.44 (5.0% of projected premium income of \$52,745,788.78). It should be noted that the Consortium's premium income is slightly above the budgeted amount through the first 9-months of the fiscal period which means this reserve level may be slightly higher at the end of the year than the projected amount.

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 Fiscal Year. 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 decision to fund this reserve at an amount equal to \$4,500,000 for the 2020 Fiscal Year.

Liabilities and Reserves - Defined

RATE STABILIZATION RESERVE

- When the Consortium's cash assets were at a fairly high 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 5

2020 Fiscal Year-to-Date Summary & Observations

2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

2020 Fiscal Year-to-Date Summary & Observations

1. The overall revenue of the Consortium is 0.44% above budget as of September 30, 2020, we believe the revenue projections will remain slightly above the budgeted amount through the end of the fiscal year. This result will be due to the enhanced pharmaceutical manufacturer rebates being received from ProAct, Inc. Unfortunately, even with the increased management of the cash assets by the Consortium's Financial Team which includes assistance from Wilmington Trust, the pandemic will cause the interest income to be well below budget through the end of the year.
2. The combined **Medical and Rx Paid Claims were 10.95% below budget** through the first 9-months of the 2020 Fiscal Year. This result was achieved in large part due to a decrease in minor and/or elective medical procedures due to the recent pandemic. We are keeping a close eye on the paid claims and we are cautiously optimistic that the Consortium will finish the year near or below budget. 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 addition, we do anticipate some modest compression in medical claims costs as covered members have procedure performed which had been delayed due to the pandemic.

2020 Fiscal Year-to-Date Summary & Observations

3. Overall, the Greater Tompkins County Municipal Health Insurance Consortium is performing better than projected through the first 9-months of the 2020 Fiscal Year. It is too early to make any firm projections relative to year-end. However, the financial indicators are pointing toward another positive fiscal year, resulting in a net income which will be used to bolster the Consortium's Reserves and Fund Balance. 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 September 30, 2020 clearly support the Board of Director's decision to increase premium rates by a modest 5% for the 2020 and 2021 Fiscal Years. Any additional funds set aside from this year will give the Consortium Board of Directors the opportunity to continue to keep premium increases at a very modest level for the next several fiscal periods and possibly allow for some additional premium relief to assist the Participating Municipalities during what will clearly be tough financial picture for the next several years.

EXCELLUS HEALTH PLAN, INC
Greater Tompkins County Municipal Health Insurance Consortium
Individual High Claimant Report > \$100,000

Paid Through:	Sep-20
Specific Deductible:	\$1,000,000*
Policy Period:	01/01/2020 - 12/31/2020
Policy Basis:	12/15
Incurred:	01/01/2020 - 12/31/2020
Paid:	01/01/2020 - 3/31/2021

Unique ID	Excellus Claims	Pro Act Claims	Total Claims	Excellus Highest Paid Diagnosis
000001179452	\$464,103.94	\$0.00	\$464,103.94	Hereditary factor VIII deficiency
000000346623	\$379,136.77	\$252.50	\$379,389.27	Encounter for antineoplastic immunotherapy
000003249204	\$350,169.00	\$575.06	\$350,744.06	Cerebral infarction due to embolism of left middle cerebral artery
000014235037	\$613.66	\$308,653.61	\$309,267.27	Obstructive sleep apnea (adult) (pediatric)
000001752698	\$271,064.18	\$9,595.00	\$280,659.18	Malignant neoplasm of left choroid
000011751828	\$278,842.17	\$105.57	\$278,947.74	Burn of third degree of left lower leg, initial encounter
000010490304	\$124,823.45	\$135,101.81	\$259,925.26	Secondary malignant neoplasm of brain
000001228665	\$247,369.92	\$2,749.09	\$250,119.01	Other cardiomyopathies
000002246580	\$230,463.97	\$191.37	\$230,655.34	Chronic inflammatory demyelinating polyneuritis
000002359356	\$225,921.06	\$1,373.52	\$227,294.58	Malignant neoplasm of esophagus, unspecified
000002881160	\$206,434.61	\$591.60	\$207,026.21	Subject to protected health.
000003427948	\$23,572.92	\$176,834.02	\$200,406.94	Acute viral hepatitis, unspecified
000003247268	\$12,748.91	\$181,571.33	\$194,320.24	Unifocal Langerhans-cell histiocytosis
000010558390	\$157,044.00	\$17,147.57	\$174,191.57	Pouchitis
000012609097	\$170,901.97	\$119.40	\$171,021.37	Crohn's disease of both small and large intestine without complications
000003339644	\$40,522.51	\$129,770.65	\$170,293.16	Encounter for antineoplastic chemotherapy
000001301718	\$154,553.70	\$1,184.96	\$155,738.66	Nonrheumatic mitral (valve) insufficiency
000002044614	\$89,033.04	\$52,869.22	\$141,902.26	Multiple sclerosis
000001202215	\$131,397.86	\$10,020.13	\$141,417.99	Malignant neoplasm of rectosigmoid junction
000001582707	\$30,094.08	\$108,842.44	\$138,936.52	Secondary malignant neoplasm of bone
000001954732	\$416.91	\$120,905.72	\$121,322.63	Acute sinusitis, unspecified
000000902182	\$50,408.64	\$70,359.63	\$120,768.27	Secondary malignant neoplasm of liver and intrahepatic bile duct
000003316029	\$505.96	\$119,859.44	\$120,365.40	Encounter for initial prescription of contraceptive pills
000001487452	\$1,471.41	\$116,908.25	\$118,379.66	Malignant neoplasm of prostate
000000489485	\$114,383.09	\$26.73	\$114,409.82	Nonrheumatic aortic (valve) stenosis
000003316030	\$964.51	\$113,394.80	\$114,359.31	Polycystic kidney, adult type
000000881893	\$32,217.96	\$78,983.61	\$111,201.57	Ulcerative colitis, unspecified with rectal bleeding
000010531598	\$61,195.22	\$47,769.70	\$108,964.92	Intervertebral disc disorders with radiculopathy, lumbar region
000003412541	\$104,665.47	\$2,359.40	\$107,024.87	Amyotrophic lateral sclerosis
000003888435	\$85,679.26	\$18,426.39	\$104,105.65	Rheumatoid arthritis with rheumatoid factor of multiple sites without organ or systems involvement
000010455900	\$97,050.29	\$5,772.68	\$102,822.97	Alpha-1-antitrypsin deficiency
000001739934	\$49,971.11	\$51,798.66	\$101,769.77	Unilateral primary osteoarthritis, right hip

\$6,071,855.41

*Individual Specific deductible of \$1,200,000 applies to member #000010930774 if they have an intestinal / bowel transplant.

Greater Tompkins County Municipal Health Insurance Consortium

Catastrophic Claim History (as of September 30, 2020)

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 Catastrophic Claims Paid	Claim Dollars in Excess of Deductible	Stop-Loss Insurance Premium Paid	Notes
2011	\$250,000.00	4,400	13	3	1	0	0	\$2,357,898.22	\$146,063.45	\$384,392.52	Medical Claims Only
2012	\$275,000.00	4,448	16	6	3	2	1	\$3,904,221.28	\$1,136,196.38	\$361,366.41	Medical Claims Only
2013	\$300,000.00	5,077	22	7	4	1	0	\$4,079,308.91	\$292,967.64	\$592,381.65	Medical Claims Only
2014	\$300,000.00	5,012	18	6	1	1	0	\$3,494,872.81	\$184,734.14	\$720,784.39	Laser of \$1,000,000 on Unique ID 000010930774
2015	\$400,000.00	5,021	23	2	1	1	1	\$3,722,006.77	\$125,880.36	\$642,080.30	Includes ProAct Rx Claims
2016	\$400,000.00	5,063	39	4	1	1	1	\$6,070,055.86	\$242,433.49	\$766,281.18	Laser of \$1,000,000 on Unique ID 000001179452
2017	\$450,000.00	5,172	24	12	1	1	0	\$3,057,208.40	\$8,294.21	\$738,819.42	Laser of \$1,000,000 on Unique ID 000001179452
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	Laser of \$1,000,000 on Unique ID 000001179452 Laser of \$1,200,000 on Unique ID 000010930774
2020	\$1,000,000.00	6,307	32	12	4	1	0	\$6,071,855.41	\$0.00	\$197,754.32	Laser of \$1,200,000 on Unique ID 000010930774 if transplant performed
Totals		51,875	278	76	23	13	7	\$50,545,452.69	\$2,619,537.80	\$5,539,236.03	Loss Ratio = 47.29% as of 09/30/2020
Averages		5,187	27.800	7.600	2.300	1.300	0.700	\$5,054,545.27	\$261,953.78	\$593,497.97	

47.29%

Fiscal Year	Specific Stop-Loss Deductible	Number of Covered Lives	Stop-Loss Insurance Premium Paid	Premium Variance	Total Catastrophic Claims Paid	Annual Paid Claims Total	Catastrophic Claims % of Total Claims	Catastrophic Claims Reserve
2011	\$250,000.00	4,400	\$384,392.52	n/a	\$2,357,898.22	\$22,190,664.18	10.63%	n/a
2012	\$275,000.00	4,448	\$361,366.41	-5.99%	\$3,904,221.28	\$24,768,468.89	15.76%	n/a
2013	\$300,000.00	5,077	\$592,381.65	63.93%	\$4,079,308.91	\$28,487,573.02	14.32%	n/a
2014	\$300,000.00	5,012	\$720,784.39	21.68%	\$3,494,872.81	\$29,711,974.41	11.76%	\$600,000.00
2015	\$400,000.00	5,021	\$642,080.30	-10.92%	\$3,722,006.77	\$29,001,716.11	12.83%	\$1,050,000.00
2016	\$400,000.00	5,063	\$766,281.18	19.34%	\$6,070,055.86	\$34,338,926.47	17.68%	\$1,050,000.00
2017	\$450,000.00	5,172	\$738,819.42	-3.58%	\$3,057,208.40	\$36,885,679.45	8.29%	\$1,350,000.00
2018	\$600,000.00	5,201	\$442,185.54	-40.15%	\$8,913,105.20	\$40,566,939.30	21.97%	\$2,000,000.00
2019	\$600,000.00	6,174	\$693,190.30	56.76%	\$8,874,919.83	\$44,764,005.36	19.83%	\$2,800,000.00
2020	\$1,000,000.00	6,307	\$197,754.32	-71.47%	\$6,071,855.41	\$34,198,569.91	17.75%	\$4,500,000.00
Totals		45,568	\$5,539,236.03	n/a	\$50,545,452.69	\$324,914,517.10	15.56%	
Averages (2011-2020)		5,187	\$553,923.60	3.29%	\$5,054,545.27	\$32,491,451.71	15.08%	

Greater Tompkins Cty Mun Health Ins Consortium
A/R Aging Summary
As of October 15, 2020

Participant Name	1 - 30	31 - 60	61 - 90	> 90	Totals
FACULTY STUDENT ASSOC OF TC3	\$24,396.98	\$0.00	\$0.00	\$0.00	\$24,396.98
TC3 CULINARY	\$4,031.96	\$4,031.96	\$4,030.44	\$12,577.15	\$24,671.51
TC3 FARMING PROGRAM	\$2,115.84	\$2,117.72	\$2,115.63	\$14,981.95	\$21,331.14
TC3 Retirees	\$151,343.74	\$149,394.92	\$141,587.69	\$0.00	\$442,326.35
TOMPKINS CORT COMM COLL	\$300,927.85	\$297,877.18	\$301,297.69	\$0.00	\$900,102.72
TOWN OF MONTEZUMA	\$3,305.80	\$0.00	\$0.00	\$2,644.64	\$5,950.44
VILLAGE OF DRYDEN	\$11,558.88	\$0.00	\$0.00	\$0.00	\$11,558.88
Totals	\$497,681.05	\$453,421.78	\$449,031.45	\$30,203.74	\$1,430,338.02



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. - 2020 - AUTHORIZE PURCHASE OF STOP LOSS INSURANCE FOR 2021 WITH EXCELLUS BLUECROSS BLUESHIELD

WHEREAS, the Consortium must purchase stop loss insurance, as required by Section 4707 of New York State Insurance Law, and

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the purchase of the Stop Loss insurance policy with a deductible of \$1 million for the policy period January 1, 2021 to December 31, 2021 with Excellus BlueCross BlueShield to include claims incurred from January 1, 2021 thru December 31, 2021 and paid during the period of January 1, 2021 thru March 31, 2022,

RESOLVED, further, That the Board of Directors hereby approves the Catastrophic Claims Reserve at \$ 4.5 million (no change over 2020),

RESOLVED, further, That the Board of Directors hereby sets the Rate Stabilization Reserve at 7.5% of expected claims (no change over 2020),

RESOLVED, further, That the Plan Consultant is directed to provide the Executive Director with a copy of said policy.



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**RESOLUTION NO. - 2020 - AUTHORIZING HEALTHCARE BENEFITS RENEWAL
(ADMINISTRATIVE SERVICES AGREEMENT) WITH THIRD
PARTY ADMINISTRATOR - EXCELLUS BLUECROSS
BLUESHIELD**

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, Section E Paragraph 11 of 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, beginning January 1, 2020 the contract included a carve out pharmacy integration fee to the Consortium PMPM administration fee with the rate being adjusted each year as not to exceed the contracted total rate,

WHEREAS, Excellus BlueCross BlueShield has agreed to give consideration in future years for Admin 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 Board of Directors hereby approves the 2021 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 2021 contract on behalf of the Consortium.

* * * * *

Premium Payment Policy

Premium fees will be established each year by the Board of Directors and approved at the Annual Meeting.

Premiums are expected to be paid as billed each month. No changes to the invoice amount are allowed. Any adjustments should be noted and sent to the Principal Accountant and those adjustments will be made on future invoices. Any checks received for an amount other than the invoiced amount will be sent back to the municipality. Invoices must be paid in the order they are received.

Each Participant's monthly premium equivalent, by enrollee classification, shall be paid by the first day of each calendar month during the Plan Year, if mailing payments, please allow time for the payment to be received by the first.

A late payment charge of one percent (1%) of the monthly installment then due may be charged by the Board for any payment not received by the first of each month, or the next business day when the first falls on a Saturday, Sunday, legal holiday, or day observed as a legal holiday by the Participants

The Executive Director on behalf of the Consortium may waive the first penalty once per Plan Year for each Participant but will strictly enforce the penalty thereafter.

If an invoice has not been paid by 60 days a letter will be sent to the Participant letting them know their payment is late and the applicable late fee will be charged. All payments received after the 1st of the month will be reported at the Audit and Finance Committee meeting. If a payment has not been made by 90 days, the Executive Director will be notified, and the late payment will be discussed as an agenda item at the next Audit and Finance Committee Meeting. Follow up correspondence after 90 days will be made by the Executive Director until the Participant becomes current.

A repeated failure to make timely payments, including any applicable penalties, may be used by the Board as an adequate justification for the expulsion of the Participant from the Consortium.

Recommended by Operations Committee – September 28, 2020