



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."

AGENDA Governance Structure Committee April 17, 2018 – 5:00 P.M.

Legislature Chambers - **Call-in Option Available**

1. Welcome (5:00)
2. Changes to the Agenda (5:02)
3. Approval of 3/25/19 minutes (5:03)
4. Review of Initial Draft of Alternate Governance Model & Continued Discussion of Bylaws (5:05)
5. Review of Initial Draft of Sections of MCA Impacted by the Alternate Model (5:30)
6. Discussion of Action Steps, Direction for Consultants, and Information Desire for Next Meeting (5:50)
7. Adjournment (6:00)

Next Meeting: May 15, 2019 @ 5 PM

**Governance Structure Committee
Minutes – Draft
March 25, 2019
Legislature Chambers**

Present: Bud Shattuck, Judy Drake, Chuck Rankin, Kevin Williams, Steve Thayer, Greg Pellicano, Jim Bower, John Fracchia (arrived at 5:22 p.m.); Eric Snow (arrived at 5:23 p.m.)
Present by Phone: Ed Fairbrother
Excused: Lisa Holmes
Absent: Olivia Hersey

Call to Order

Mr. Rankin, Chair, called the meeting to order at 5:02 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes – February 20, 2019

It was MOVED by Mr. Shattuck, seconded by Ms. Drake, and unanimously adopted by voice vote by members present, to approve the minutes of February 20, 2019 as presented. MINUTES APPROVED.

Review of Initial Draft of What the Consortium would like within SWSCHP's Article 47 Model

Mr. Barber reviewed his memo contained in the agenda packet dated March 13th that he prepared following discussion at the last meeting. He learned SWSCHPs do not have bylaws but obtained NYMIR bylaws and prepared a set of draft bylaws based on items that have been discussed.

Mr. Locey commented that many of the changes suggested impact the current Municipal Cooperative Agreement and that document would need to be amended to reflect changes. He said although the MCA would not have to list each of the special committees it should address the Executive Committee and should also address having alternates.

During review of Articles I thru VII the following points were noted with some needing guidance from the Consortium's legal counsel or further discussion:

- Labor participation on the Executive Committee.
- There was consensus that the Chair of the Board should be Chair of the Executive Committee
- Proxy voting is not permitted under Article 47 (a role of the Executive Director would be to keep Directors engaged).
- Percentage of Board that has to be present at Board of Director's meetings (Ms. Drake said PERMA bylaws state a specific percentage). A question to ask John Powers, legal counsel for the Consortium, is what the quorum requirements would be for both the Executive Committee and the Board of Directors. Mr. Barber said he doesn't believe a mail-in vote would be permitted.
- With the exception of the CFO and Chair of the Joint Committee, the Board of Directors shall appoint an Executive with no roles established; members of the Executive

Committee shall be selected by the Committee to serve as Chairs of Standing Committees.

- Standing Committee shall select individuals to serve in a Vice Chair capacity.
- Determine the number of one-year terms leadership of the Executive Committee will serve.
- Process for removal of a member of the Executive Committee
- Article IV Section I. - Removal. Further review of this and clarification from John Powers is needed.

**BY-LAWS
OF THE
EXECUTIVE COMMITTEE
GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE
CONSORTIUM**

ARTICLE I

PURPOSE

The Municipal Cooperative Agreement (MCA), Paragraph F of the 2015 Amendment to the Municipal Cooperative Agreement of the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) creates the Executive Committee with the powers and duties to conduct business operations for the Consortium, pursuant to the responsibilities grant in the MCA.

ARTICLE II

MEMBERS, QUALIFICATIONS, TERMS OF OFFICE

Section 1. The Executive Committee of GTCMHIC shall consist of at least nine (9) but no greater than thirteen (13) members. The size of the Executive Committee may be increased or decreased by the Board of Directors at any Annual Meeting.

Section 2. Terms of Executive Committee Members shall be staggered such that, as much as practicable, one-third of the Executive Committee shall be elected at each Annual Meeting of the Tompkins County Municipal Cooperative Health Insurance Consortium Board of Directors “Board of Directors”. Thereafter, at each Annual Meeting of the Board of Directors, the successors to members of the Executive Committee shall be elected for three (3) year terms. Except that one Director is the Chairperson of the Joint Committee on Plan Structure and Design (“Joint Committee”), which is elected by members of the Joint Committee on Plan Structure and Design as established by the Municipal Cooperative Agreement.

Section 3. Each Director shall have one vote to be cast for the election of a member of the Executive Committee.

Section 4. In the event that a vacancy occurs on the Executive Committee more than 45 days prior to any Annual Meeting of Directors, then the Executive Committee may appoint a successor to serve until the following Annual Meeting. Any unexpired balance of the term of such vacant position shall then be filled by vote of the Board of Directors at the Annual Meeting.

Section 5. Quorum of the Executive Committee shall be the simple majority of the full Committee (half plus one).

ARTICLE III

OFFICERS

Section 1. At the Organizational meeting of the Executive Committee to be held in October, the Executive Committee shall select from amongst their members a Chairperson, Vice Chair, and Secretary, Chairpersons of Standing Committees: Audit and Finance, Owning Your Own Health, Nominations, Claims and Appeals Committees, and such other officers as the Executive Committee shall, from time to time, create through amendment to these By-Laws. Such officers shall be chosen at the Organizational Meeting to serve for one-year terms. As a “rule of thumb” for succession of officers of the Executive Committee will serve for ____ one-year terms, and the Secretary will succeed to Vice Chair and the Vice Chair will succeed to Chair.

Section 2. The Chair serves ex-officio on all committees, shall count toward a quorum and is empowered to vote.

ARTICLE IV

REMOVAL

Section 1. Any Executive Committee member may be removed, for cause, by a vote of a majority of the Executive Committee then in office, at any special meeting of the Executive Committee called for that purpose. The Executive Committee of the GTCMHIC shall remove any member of the Executive Committee found untrustworthy and not of good repute by the New York State Department of Financial Services.

Section 2. In the event that the GTCMHIC shall for any reason cease to grant insurance to a signatory to the MCA whose representative is a member of the Executive Committee, such person shall automatically cease to be a member of the Executive Committee.

Section 3. In the event any member of the Executive Committee shall have three (3) consecutive (either Executive Committee or Committee) absences, the Executive Committee may consider placing an item on the next Executive Committee agenda for discussion concerning potential removal from the Executive Committee.

ARTICLE V

RESIGNATION, VACANCY

Section 1. Any Director may resign from office at any time by delivering a resignation in writing to the Chair of the Executive Committee, and the acceptance of the resignation, unless required by its terms, shall not be necessary to make the resignation effective.

Section 2. Should any member cease to be an officer, employee, or appointee of the governing body or chief elected as appropriate of the Municipality they represent, they shall automatically cease to be a member of the Executive Committee and the resulting vacancy shall be filled as provided in Article II, Section 4.

ARTICLE VI

RULES OF PROCEDURE

Section 1. The Chairperson shall preside at all meetings and, in his or her absence, the Vice-Chair shall preside.

Section 2. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. Physical presence or videoconferencing participation is required.

Section 3. The Executive Committee shall act in all cases by a vote of a majority of the fully constituted Executive Committee.

Section 4. The Executive Committee shall have at least four (4) quarterly meetings each year, including the Annual Meeting of the Board of Directors.

Section 5. Special meetings may be called by the Chair or by any two Committee members.

Section 6. Dates for the Executive Committee meetings will be stated during the Board of Directors' Annual meeting of the year. Meeting dates of the Executive Committee meetings will be published on the GTCMHIC website.

Section 7. Notice of special meetings may be delivered to each member of the Executive Committee or given orally, in person or by telephone or email, one (1) day prior to the date of such special meeting or may be mailed to the business or home address of each member of the Executive Committee at least three (3) days prior to the date of such special meeting. Waivers of notice may be signed prior to, at or subsequent to any such meeting, by any member failing to receive a proper notice. At such a special meeting no business shall be considered other than as designated in the notice, but if all the members of the Executive Committee are present at the special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

Section 8. Consistent with the commonly accepted parliamentary rules for the conduct of business in small boards, the basic rules of procedure for meetings of the Executive Committee and its committees shall be as follows:

- A. Members must be recognized by the presiding officer before making motions and speaking.
- B. Informal discussion of a subject is permitted while no motion is pending.
- C. The presiding officer puts questions to a vote.
- D. The presiding officer may speak in discussion without leaving the chair.
- E. The presiding officer may make motions, and vote on all questions.
- F. Motions to close or limit debate may be entertained but shall require a two-thirds vote.
- G. Any parliamentary questions or points of order will be ruled on by the presiding officer, and that decision shall be final and binding on all members.
- H. May want to add more or delete except for a statement of agreed Parliamentary procedure

ARTICLE VII

COMMITTEES

Section 1. The Executive Committee shall operate with five standing committees as defined and described below. Each committee shall be comprised of a minimum of three to seven members. Committees members will include Directors and other resource persons like Consortium CFO and Treasurer. Committees will work with Executive Director and any appropriate service providers to

develop policies and any recommendations to be submitted to the Executive Committee. Chair shall serve as ex-officio on all committees and shall count toward a quorum and is empowered to vote.

Section 2. Audit and Finance Committee: responsible for investment portfolio, reinsurance, actuary projections, proposing premium rates, large claims, budget, all auditing operations, And include the Consortium's Treasurer and CFO.

Section 3. Joint Committee on Plan Structure and Design: The Joint Committee shall review all prospective Board actions in connection with the benefit structure and design of the Plan(s), and shall develop findings and recommendations with respect to such matters.

Section 4. Owning Your Own Health Committee: _____.

Section 5. Nominations Committee: responsibilities stated in MCA. Committee members are elected by Board of Directors.

Section 6. Claims and Appeals Committee:

ARTICLE VIII OPERATING BUDGET

Policy Statement

The objective of the GTCMHIC operating budget is to provide for the insurance needs of its Subscribers and financial security to cover its liabilities. The budget must be carefully constructed to account for: projected claims, fees and taxes, funding of services provided by contractors and Third-Party Administrators, maintenance of statutory and other reserves, Stop-Loss insurance, and to reflect all major sources of revenue. The goal is to provide all parties with the necessary information for more effective planning and decision making.

Section 1. Budget Development

The Audit and Finance Committee shall be responsible for the development of an annual budget and 5-year pro-forma analysis.

The Executive Director shall have the overall responsibility for budget preparation.

The preliminary budget shall be designed to reflect the Executive Committee policy and objectives and be adopted by the Executive Committee

The Preliminary Budget is disseminated to the Board of Directors ___ weeks in advance of the Board of Directors Annual meeting along with a detailed narrative of each line in the budget and 5-year pro-forma analysis.

Section 2. Budget Approval

The budget for ensuing fiscal year shall be thoroughly reviewed by the Board of Directors before its final adoption. The budget shall be adopted by majority vote of the Board of Directors at its Annual meeting (in September).

Section 3. Budget Implementation

The administration of the annual budget is a responsibility of the Executive Director in consultation with Audit and Finance Committee, CFO, and Treasurer. Under the direction and control of the Executive Director and in consultation with the Treasurer as needed, funds may be expended within budgetary appropriations without prior approval of the Executive Committee. Extra budgetary expenditures in excess of _____ shall require approval of the Executive Committee.

Section 5. Budget Amendments

Budget transfers or amendments greater than _____ shall require the approval of the Executive Committee upon the recommendation of the Audit and Finance Committee.

ARTICLE IX

INDEMNIFICATION

For all actions of the Executive Committee that fall within the scope of Executive Committee duties and responsibilities, GTCMHIC will defend and indemnify the Executive Committee or any individual Executive Committee member for any claims that may arise as a result of those duties.

ARTICLE X

TRAVEL AND EXPENSE REIMBURSEMENT

Section 1. Travel expenses as are actual, necessary and prudent, including but not limited to meals, lodging and transportation, shall be reimbursed upon proper documentation. Expenses shall be reviewed regularly by the Executive Director and any discrepancies shall be referred to the Chair.

Section 2. Whenever a member of the Executive Committee should travel to any meeting or training conference, and a family member should accompany them, any added costs associated with transportation shall be the responsibility of the member.

Section 3. Any fees for spousal registration and attendance at conference functions, including meals, shall be the responsibility of GTCMHIC.

ARTICLE XI

CONDUCT AND CONFLICT OF INTEREST POLICY

Executive Committee members must comply with GTCMHIC Code of Conduct and Conflict of Interest Policy and annual sign this policy.

ARTICLE XII

AMENDMENTS

These By-Laws may be amended or repealed only at a meeting of the Executive Committee for which at least ten (10) days written notice has been previously given to all of the members, and such notice expressly states that the meeting is called to consider certain amendments to the By-Laws of the Executive Committee in addition to such other regular business as may come before the Executive Committee.

Adjournment

The meeting adjourned at 6:23 p.m.

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