



Greater Tompkins County Municipal Health Insurance Consortium

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

RESOLUTION NO. 018- 2018 - ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2019

MOVED BY Mr. Mutchler, seconded by Ms. Rider, and unanimously adopted by voice vote by members present.

WHEREAS, the proposed 2019 budget has been discussed by the Audit and Finance Committee at its meetings in June, July, August and September of 2018, and

WHEREAS, several scenarios of rate increase for 2019 and the next 4 years explored, and

WHEREAS, our Benefit Plan Consultant has modified our claims trend based on our data and that of similar groups they have research, and

WHEREAS, the Audit and Finance Committee has investigated the increase of Rx Rebate Revenue and determine that for the foreseeable future this revenue line should be increased to \$1.5 million, and

WHEREAS, the proposed 2019 was recommended by the Audit and Finance Committee at the September 25, 2018 meeting for submission to the Board for its review, and

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

- Premium increase of 5% over 2018 rates, except for Silver plans which will experience reductions in actuarial value and have a rate increase of 3.47%;
- 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 5% of expected paid claims;
- Maintain Incurred But Not Reported Claims Reserve at 12% of total claims; and
- Maintain Catastrophic Claims Reserve at \$2,000,000

now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the attached 2019 budget and premium equivalent rates, and reserve amounts be adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

STATE OF NEW YORK)
) ss:

COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance Consortium on September 27, 2018.


Michelle Cocco, Administrative Clerk