Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.tompkinscountyny.gov/hconsortium • consortium@tompkins-co.org

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

RESOLUTION NO. 022- 2020 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2021

MOVED by Mr. Williams, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present.

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, and

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; and
- 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.

* * * * * * * *

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 Board of Directors on September 24, 2020.

Michelle Cocco, Administrative Clerk