



Greater Tompkins County Municipal Health Insurance Consortium

P.O. Box 7 • Ithaca, New York 14851 • (607) 274-5590
Headquarters: 215 N. Tioga Street, Ithaca, NY 14850
www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. 012 - 2021 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2022

MOVED by Ms. Webster, seconded by Ms. Bond, and unanimously adopted by voice vote by members present.

WHEREAS, the Audit and Finance and Executive Committees have had detailed discussions and have given great consideration to the Consortium's 2022 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 2022 proposed budget reflects the adopted budget guidelines (Resolution No. 015-2020) as follows:

- 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 with additional interest and premium savings included;
- Maintain an unencumbered fund balance not less than 12% of expected premium through at least year four of the annual proforma calculation;
- Set the annual budget to accomplish a zero to two percent (2%) net income level; and
- Increase Premium Revenue by 5.0% in 2022 across all benefit plans

now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Consortium's attached 2022 budget 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 Tompkins County Municipal Health Insurance Consortium Board of Directors on September 23, 2021.


Michelle Cocco, Clerk of the GTCMHIC Board

Greater Tompkins County Municipal Health Insurance Consortium

2021 & 2022 Fiscal Year Budget Projections (cash)

As Revised for
New Entrants

5.00%

	Adopted Budget 2021 Fiscal Year	Projected Budget 2022 Fiscal Year
Average Covered Lives	6,330	6,330
Beginning Balance	\$31,317,104.64	\$30,440,232.43

Income		
Medical and Rx Plan Premiums	\$55,002,327.38	\$57,752,443.75
9000 Ancillary Benefit Plan Premiums		
9020 Interest	\$45,534.44	\$45,660.35
9010 Rx Rebates	\$1,700,000.00	\$3,000,000.00
9040 Stop-Loss Claim Reimbursements	\$0.00	\$0.00
9035 Finance Charge Income	\$5,463.46	\$0.00
9030 Other	\$0.00	\$0.00
Total Income	\$56,753,325.28	\$60,798,104.10

Expenses

1	8090 Medical Paid Claims	\$38,838,424.24	\$40,780,345.45
	Advance Deposit / Pre-Paid Claims	\$109,150.71	\$37,344.64
	8120 Rx Paid Claims - ProAct	\$15,355,131.00	\$16,506,765.82
	8121 Rx Paid Claims - CanaRx	\$150,108.45	\$161,366.59
	8084 Flu Clinic Fees	\$15,000.00	\$20,037.48
2	8050 Medical Admin Fees	\$1,477,304.64	\$1,521,623.78
	8093 Excellus ITS Fees	\$0.00	\$0.00
	Rx Admin Fees	\$200,930.34	\$206,958.25
3	8091 NYS Covered Lives Assessment	\$373,317.01	\$391,982.86
	9060 ACA PCORI Fee	\$17,987.06	\$18,886.41
	8115 ACA Transitional Reins. Program Fee	\$0.00	\$0.00
4	8110 Specific Stop-Loss Insurance Premium Payments	\$273,000.00	\$313,950.00
	Aggregate Stop-Loss Insurance	\$0.00	\$0.00
5	8000 Accounting Fees	\$25,750.00	\$19,000.00
	8010 Actuarial Fees	\$15,000.00	\$10,000.00
	8020 & Audit Fees (Financial)	\$13,390.00	\$14,420.00
	8021 Audit Fees (Claims)	\$41,200.00	\$51,295.00
	8055 Consultant Fees (Barber)	\$20,000.00	\$20,000.00
	8030 Consultant Fees (L&C)	\$90,176.50	\$91,650.00
		Consultant Fees (Strat Plan - TBD)	\$0.00
	8070 Legal Fees	\$12,360.00	\$12,000.00
	8043 Wellness Coordinator Fees	\$0.00	\$0.00
8065 Wellness Program Costs	\$25,000.00	\$25,000.00	
6	66001 Executive Director Salary	\$93,636.00	\$96,450.00
	66002 Fringe Benefits	\$110,374.87	\$119,635.00
	66003 Clerk of the Board (Salary)	\$72,134.40	\$74,300.00
	66004 Admin/Comp Asst (Salary)	\$0.00	\$0.00
	66005 Benefits Specialist (Salary)	\$43,680.00	\$56,240.00
	66006 Finance Manager (Salary)	\$73,000.00	\$72,100.00
	8060 Insurances (D&O / Prof. Liability)	\$50,850.00	\$55,650.00
	8041 Internal Coordination (Finance)	\$68,660.00	\$20,000.00
	8042 Internal Coordination (Support)	\$0.00	\$0.00
	8040 Internal Coordination Fees (Other)	\$0.00	\$0.00
	8045 Internal Coordination (Town of Ithaca)	\$7,210.00	\$6,000.00
	8044 Internal Coordination (IT Support)	\$11,845.00	\$6,485.00
	9065 Marketing Expenses	\$2,500.00	\$2,575.00
	9055 Investment Management Services	\$14,000.00	\$12,360.00
7	9050 Ancillary Benefit Premiums	\$0.00	\$0.00
8	8150 Supplies Expense	\$2,500.00	\$4,080.00
	8151 Computer Equipment	\$5,150.00	\$11,545.00
	8152 Lease Expense / Parking Fees	\$9,500.00	\$13,370.00
	8153 Mileage- Travel Expenses	\$1,000.00	\$1,000.00
	9060 Other Expenses / Supplies	\$10,927.27	\$12,595.00
	\	Payment Refund	\$0.00
9	Capitalization Repayment	\$0.00	\$0.00
Total Expenses		\$57,630,197.49	\$60,792,011.29

Net Income	(\$876,872.21)	\$6,092.81
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Ending Balance	\$30,440,232.43	\$30,446,325.24
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Liabilities and Reserves

Statutory Reserves	IBNR Reserve	\$6,503,226.63	\$6,874,453.35
	Surplus Account	\$2,750,116.37	\$2,887,622.19
Discretionary Reserves	Claims / Rate Stabilization Reserve	\$4,064,516.64	\$4,296,533.35
Catastrophic Claims Reserve Funding Pool	Catastrophic Claims Reserve (Beginning)	\$5,032,220.00	\$4,986,101.85
	+ Catastrophic Claims Reserve Additions	\$603,881.85	\$694,464.13
	- Catastrophic Claims Reserve Claims Paid	\$650,000.00	\$700,000.00
	Catastrophic Claims Reserve (Ending)	\$4,986,101.85	\$4,980,565.98
Total Liabilities and Reserves		\$18,303,961.49	\$19,039,174.87

Unencumbered Fund Balance	\$12,136,270.94	\$11,407,150.38
	22.07%	19.75%