



## 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](http://www.healthconsortium.net) • [consortium@tompkins-co.org](mailto:consortium@tompkins-co.org)

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

### **RESOLUTION NO. 028-2023 – Annual Premium Increase Target and Utilization of the Rate Stabilization Reserve**

**MOVED** by Mr. Baxter, seconded by Mr. Hardaway, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances. (VOTE: 1 NAY, 0 Abstentions, Resolution Carried)

**WHEREAS**, Resolution No. 019-2014 adopted the 2015 Budget and established a Rate Stabilization Reserve at \$1.64 million "to protect the cash flow position of the Consortium should there be a year when claims cost exceed the prediction"; and

**WHEREAS**, The Rate Stabilization Reserve was updated to be funded at 7.5% of annual premiums with Resolution No. 034-2019; and

**WHEREAS**, It is the desire of the Audit and Finance Committees to define when and how the Rate Stabilization Reserve should be utilized and subsequently refunded; and

**WHEREAS**, It is the desire of the Audit and Finance Committees to refer to said resolution on an annual basis or deemed necessary during the yearly budget process, and shall approve any revisions by formal resolution; now therefore

**BE IT RESOLVED**, on recommendation of the Audit and Finance Committees, and the Executive Committee, that the Board of Directors authorizes the establishment of an Annual Premium Increase Target of 4% - 8%; and be it further

**RESOLVED**, that Resolution No. 034-2019 is amended to set a target for the Rate Stabilization Reserve of 10% of annual premiums; and be it further

**RESOLVED**, that when budgeted premium increases exceed 8%, a budget will be developed that funds the Rate Stabilization Reserve at a level less than the 10%-of-premium target, but no lower than 2.5%-of-premium level, with the goal of meeting all other budget requirements as outlined in Resolution No. 015-2020; and be it further

**RESOLVED**, that when the Rate Stabilization Reserve is funded below the 10%-of-premium target, the budget that is developed as a result will be created to support returning to the 10%-of-premium target funding level in subsequent years and as quickly as possible; and be it further

**RESOLVED**, that on behalf of the Audit and Finance Committees, and the Executive Committee, that the Board of Directors authorizes the Greater Tompkins County Municipal Health Insurance Consortium to set an Annual Premium Increase Target and Utilization of the Rate Stabilization Reserve as listed.

\* \* \* \* \*

STATE OF NEW YORK )  
GTCMHIC )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 on behalf of the Board of Directors on September 21, 2023.

A handwritten signature in blue ink that reads "Lynne M. Sheldon". The signature is written in a cursive style with a large initial "L".

Lynne Sheldon, Clerk of the GTCMHIC Board