

**Executive Committee  
Minutes – APPROVED  
June 1, 2022 – 3:30 p.m.  
Town of Ithaca/Zoom**

Present: Steve Thayer, Peter Salton, Judy Drake, Rordan Hart, Gary Mutchler, Lisa Holmes, Eric Snow  
Excused: Bud Shattuck, Jim Bower  
Absent: Ray Bunce, Ed Fairbrother  
Guests: Ruby Pulliam, Alt. Director; Scott Steve, Cortland City Mayor; Mary Albrecht; Stephanie Redmond; Directors; Steve Locey, Rob Spenard, Paul Pelton, Locey & Cahill; Lynne Sheldon, Incoming Clerk of the Board  
Staff: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Teri Apalovich, Finance Manager; Kylie Rodrigues, Benefits Specialist

**Call to Order**

Ms. Drake, Chair, called the meeting to order at 3:34 p.m.

**Public Hearing**

It was MOVED by Mr. Salton, seconded by Mr. Mutchler, and unanimously adopted by voice vote by members present, to call a public hearing to order at 5:35 p.m. for the purpose of hearing public comments on a proposed resolution entitled: "Adopting NYS Open Meetings Law Procedures for the Consortium's Board of Directors and Committees" in compliance with New York State Chapter 56 of the Laws of 2022. Said resolution authorizes members who experience an extraordinary circumstance and establishes written procedures for members to attend meetings by videoconference.

Ms. Drake asked if anyone wished to speak. There were no members of the public who wished to speak. It was MOVED by Ms. Holmes, seconded by Mr. Mutchler, and unanimously adopted by voice vote by members present, to close the public hearing at 5:36 p.m.

There were no comments from Committee members.

**RESOLUTION NO. 005 – 2022 - ADOPTION OF OPEN MEETINGS LAW PROCEDURES FOR THE CONSORTIUM'S BOARD OF DIRECTORS AND COMMITTEES**

MOVED by Ms. Holmes, seconded by Mr. Salton, and unanimously adopted by voice by members present.

WHEREAS, Subdivision (c) of section 103 of the Public Officers Law, as added by Chapter 289 of the laws of 2000, is amended through July 1, 2024 to require that a public body shall provide an opportunity for the public to attend, listen, and observe meetings in at least one physical location at which a member participate, and

WHEREAS, January 1, 2024 the NYS Committee on Open Government will submit a report to the State concerning the application and implementation of this law and any further recommendations governing the use of videoconferencing by public bodies to conduct meetings, and

WHEREAS, said law allows a public body, in its discretion, to use videoconferencing to conduct its meetings pursuant to the requirements of the law provided that a minimum

number of members are present to fulfill the public body's quorum requirement in the same physical location or locations where the public can attend, and the following criteria are met:

- A public body has held a public hearing and adopted a resolution by June 8, 2022 authorizing the use of videoconferencing for itself and its committees or subcommittees and the public body has established written procedures governing member and public attendance consistent with the legislation, and such written procedures are conspicuously posted on the public website of the public body.
- The members of the public body shall be physically present at any such meeting unless such member is unable to be physically present at any such meeting location due to extraordinary circumstances, as set forth in the resolution and written procedures adopted, including disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event which precludes the member's physical attendance at such meeting. A request shall be submitted to the Clerk of the Board at least 48 hours in advance of the meeting.
- Except in the case of executive sessions conducted pursuant to law, the public body shall ensure that members of the public body can be heard, seen and identified, while the meeting is being conducted, including but not limited to any motions, proposals, resolutions, and any other matter formally discussed or voted upon.
- The minutes of the meetings involving videoconferencing shall include which, if any, members participated remotely and shall be available to the public if videoconferencing is used to conduct a meeting; the public notice for the meeting shall inform the public that videoconferencing will be used, where the public can view and/or participate in such meeting, where required documents and records will be posted or available, and identify the physical location for the meeting where the public can attend.
- The public body shall provide that each meeting conducted using videoconferencing shall be recorded and such recordings posted or linked on the public website of the public body within five business days following the meeting, and shall remain so available for a minimum of five years thereafter. Such recordings shall be transcribed upon request.
- Open meetings of any public body that are broadcast or that use videoconferencing shall utilize technology to permit access by members of the public with disabilities consistent with the 1990 Americans with Disabilities Act (ADA), as amended, and corresponding guidelines.
- A member who is participating from a remote location that is not open to in-person physical attendance by the public may not count toward a quorum of the public body (but may participate and vote if there is a quorum of members at a physical location open to the public).
- "In person" participation requirements of the Law shall not apply during a state disaster emergency declared by the governor pursuant to section twenty-eight of the executive law, or a local state of emergency proclaimed by the chief executive of a county, city, village or town pursuant to section twenty-four of the executive law, if the public body determines that the circumstances necessitating the emergency declaration would affect or impair the ability of the public body to hold an in person meeting.

now therefore be it

RESOLVED, That a public hearing was duly advertised and held on June 1, 2022,

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee hereby adopts the use of videoconferencing for meetings of the Consortium's Board

of Directors and Standing Committees pursuant to the requirements set in Subdivision (c) of section 103 of the Public Officers Law and summarized above,

RESOLVED, further, That members shall be permitted to attend meetings remotely due to extraordinary circumstances, such as disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event which precludes the member's physical attendance at such meeting,

RESOLVED, further, That the Consortium shall allow members to attend remotely via an established satellite location with participation counting quorum,

RESOLVED, further, that the Consortium hereby adopts the following procedures for members attending remote meetings:

- A calendar of meetings will be posted on the Consortium's website that includes date, time, physical locations(s) where a member of the public may attend, and directions for receiving instructions for joining the meeting remotely by videoconferencing;
- Members attending remotely from a satellite location must provide notice of the publicly-accessible location from which they will attend as soon as possible but no later than within 48 hours of the meeting for posting on the Consortium's website;
- Members attending remotely from a publicly-accessible location where proper notice has been given will be counted towards quorum;
- Members attending remotely shall maintain visual contact throughout the meeting;
- Meetings of Consortium committees shall be recorded, posted to the Consortium's YouTube page, and retained for a period of five years.

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### **Changes to the Agenda**

The resolution entitled Approval of Amended Investment Management Policy was withdrawn and will be discussed further by the Audit and Finance Committee.

### **Approval of Minutes of April 6, 2022**

It was MOVED by Mr. Mutchler, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present, to approve the minutes of April 6, 2022 as submitted. MINUTES APPROVED.

### **Chair's Report**

#### **Long-Term Planning Update**

Ms. Drake reported the May retreat was canceled due to poor attendance. Since that time there have been conversations between her, Ms. Dowd, Mr. Hart, and Mr. Locey about how to keep long-term planning moving forward as there is a need to get direction. A decision was made to have a smaller group meet and bring specific topics back to this Committee at its regular meetings. She said individuals who can provide input on specific topics will be invited to participate in discussions with the smaller group.

**Resolution: Clarification Regarding Municipal Retirees in Relation to Municipal Cooperative Agreement (MCA) Requirement**

Ms. Dowd reviewed the reasons for this resolution being presented and said initially there was a broker who was contacting Consortium members and asking them to become part of a shared service that was particularly for Medicare Advantage. Also, there were some new members that had to be grandfathered in because the Consortium didn't have a comparable retiree plan to what the municipality was currently offering. Recently there has been a lot of the Consortium's larger members moving to either Medicare Supplement Plans or moving from the old model with some retirees remaining on the plan they were on. As healthcare expenses are climbing and less expensive options in the market, some of the Consortium's members have asked for a plan comparison and some have determined that a Medicare Advantage Plan would be more advantageous to them.

Ms. Dowd said while going through that process and reviewing the Consortium's Municipal Cooperative Agreement (MCA) a topic that rearose was the plans that the Consortium is offering and how to manage retirees going forward. Three years ago there was discussion of doing a Medicare Advantage Plan as a pass-through and following quotes being received from Excellus the Board voted down the resolution and it did not go forward. Ms. Dowd said at this point this needs to be addressed. The Consortium's legal counsel has advised that the way the MCA is written is that all employee groups, including retiree groups, need to be in the Consortium as the MCA does not allow for groups to be excluded. Those groups that were excluded when they became members also need to be grandfathered. Ms. Dowd said the work group felt that the question of whether the Consortium will allow groups to pull their retirees out and remain in the Consortium with just their active employees is one option; the other is to continue to require all groups to be in. Ms. Dowd said there are financial implications to the Consortium if a group was to pull out all of their retirees.

Mr. Locey explained that when the Consortium was first formed the idea was to have one consolidated risk pool for all active employees and retirees. Since that time there has been a greater movement of retirees to Medicare Advantage Plans. This is due to the Federal Government continuing to substantially subsidize those Plans which is why insurance companies can offer the plans at a lower cost. He said if that group was moved out of the Consortium it will impact those left behind in a number of ways. The total population would decrease and cause more volatility, fixed costs would be spread over a smaller population, a significant amount of prescription drug rebates would be lost because retirees tend to use more pharmaceuticals, and there would be less subsidization if they aren't spending average claims expense as the extra premium is being used to offset other expenses.

Mr. Locey said having these members move out would add a lot of cost to the group and the cost to the remaining population would go up. There have been attempts to address this with the Medicare Supplement Plan because the Consortium is limited in what plans it can offer. That Plan offered some relief but didn't jeopardize the financial balance of the rest of the group. He said the one thing that will hurt the Consortium more than anything in the long-run is adverse risk selection. There are several studies that have shown that having a diverse population and a large contract pool in a single risk environment is the cheapest way to provide coverage for everyone. If what the Consortium started with, in terms of having a single risk pool amongst all of the insured bodies, the dynamics from a financial and budgeting perspective will need to be carefully looked at.

Mr. Salton asked what prevents the Consortium from providing Medicare Advantage Plans to retirees. Mr. Locey said because Medicare Advantage Plans are fully-insured plans, they can

only be offered by an Article 43 or 32 insurance company. The Consortium would just have to pay premium to an insurance company and would not have the ability to retain that premium and pay claims out of it. The insurance company would not only get the premium but would also receive the subsidy from the Federal Government. The Consortium is not able to get that subsidy; the closest it can get is the Retiree Drug Subsidy but that is only about \$600 per covered life that can come back to the employer. Mr. Salton said it is his understanding that what is preventing the Consortium from providing its own Medicare Advantage Plan is because there is no statute that provides a pass-through of the Federal subsidy. Ms. Locey confirmed this to be correct.

Mr. Locey commented that there is no direct oversight of the Medicare Advantage Plan rates from the Department of Financial Services; they have experience with their other clients where they have received low rates initially for Medicare Advantage Plans but have had to get new quotes after a couple of years due to substantial increases.

Mr. Locey raised another issue with regard to implementing a global solution for the Consortium. He said not everyone is at the same place with regard to retiree coverage and what is offered; therefore, coming up with a single global solution will be very complex.

Ms. Drake asked if Ms. Dowd or Mr. Locey had a recommendation on the options included in the resolution. Ms. Dowd referred to the Consortium's initial reason for coming together was rate stability. The decision between option A or B is not rate stability of the Consortium but once a group pulls their retirees out the Consortium's rate stability protection no longer applies. She also said Consortium needs to be respectful that contracts are changing and the ability to negotiate different types of benefits that are cost effective for an organization when it doesn't offer a comparable solution impacts a municipality. The Consortium also doesn't want see a municipality pull all of its actives and retirees out.

Mr. Salton said he would like to see data showing what the potential impact would be of either option. Mr. Locey said with other groups they have found that by pulling out the Medicare age retirees it could be between a six to ten percent increase on the active's rate, exclusive of trend.

Mr. Hart thinks there is a chance the Federal government could increase subsidies for Medicare Advantage because they save so much money by having people opt out of traditional Medicare. Although he has concerns that people don't understand things like the impact of the network, the Consortium's issue is its premium rate stability moving forward. In response to Mr. Hart, Mr. Locey estimated 15% (1,000) of the Consortium's covered lives are Medicare-age retirees.

Mr. Hart said the first option could be amended to make it effective on a future date. If the Consortium knows how many Medicare-age retirees could be pulled, and then attempt between now and the future date is made to bring in enough municipalities with active employees to stabilize the risk pool, then the accommodation in policy can be made without the financial shock up front.

Ms. Drake spoke of discussions that have taken place in the past on this topic, stressing the importance in making a decision. Ms. Holmes said another risk of doing nothing is premium increases and not being able to offer anything competitive to bring in new members or risking losing existing members. She said for Tompkins County there is only one small bargaining unit where retiree coverage is part of the agreement. For the vast majority of unions it is not negotiated and the County has no plans to change retiree coverage.

No motion was made to move this resolution forward at this time. The resolution was WITHDRAWN.

Whereas, Section A (5.) of the Municipal Cooperative Agreement states that “Participation in the Medical Plan(s) by some, but not all, collective bargaining units or employee groups of a Participant shall not be permitted without a Board approved waiver”, and

WHEREAS, the Consortium continues to support having all collective bargaining units or employee groups in the Consortium risk pool to maintain rate stabilized premiums, and

WHEREAS, there have been some exceptions made, upon entrance, to allow retirees of new members with fully-insured Medicare Advantage Plans to remain with said coverage, and

WHEREAS, the Consortium does not offer Medicare Advantage Plans, and

WHEREAS, several active members are reviewing cost-effective options for their retiree population, including moving from current Consortium coverage to fully insured Medicare Advantage plans with other carriers, and

WHEREAS, the Consortium believes that offering a Medicare Supplement Plan is an excellent option for Medicare eligible retirees; however, due to federal subsidies currently available to fully-insured plans the Consortium’s Medicare Supplement Plan is unable to compete with the lower costs of a Medicare Advantage Plan, and

WHEREAS, although the Consortium cannot set up a Medicare Advantage program within the fund the Consortium can provide a convenient, pass-through option as is done with other ancillary benefits offered through the Consortium, now therefore be it

RESOLVED, That the Executive Committee, on behalf of the Board of Directors, hereby wishes to amend Section A (5.) of the Municipal Cooperative Agreement to exclude retirees age 65+ from the required participation in the medical plan(s) by some, but not all, collective bargaining units or employee groups, thus allowing members to participate in a post-employment health care plan or Medicare Advantage Plan of their choosing or through a mechanism to act as a pass through for a Medicare Advantage Program as a retiree plan option for municipalities within the Consortium,

or

RESOLVED, That the Executive Committee, on behalf of the Board of Directors, will hereby enforce That Section A (5) “Participation in the Medical Plan(s) by some, but not all, collective bargaining units or employee groups of a Participant shall not be permitted without a Board approved waiver” will remain in force for all active and retired employee groups of each member, and any member currently enrolled in a fully-insured Medicare Advantage Plan, not offered through the Consortium, will be grandfathered in as a Board approved waiver effective June 1, 2022.

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**RESOLUTION NO. 006 - 2022 – RESOLUTION OF APPRECIATION OF MICHELLE COCCO’S DEDICATED YEARS OF SERVICE TO THE CONSORTIUM**

MOVED by Ms. Drake, seconded by Mr. Hart. Mr. Snyder recalled when he came to the Tompkins County and first became involved in the Consortium. He spoke of the early group of

people who put together the Consortium's framework, noting the many sacrifices many of the sacrifices that were made to make the Consortium viable. He spoke of the dedication that was in place during many undertakings over the years and expressed appreciation to Ms. Cocco for being part of that.

Ms. Cocco thanked everyone for support over the years, particularly Don Barber, Judy Drake, and Elin Dowd. She said Ms. Dowd has put an exceptional team in place for the Consortium.

The resolution was unanimously adopted by voice vote by members present.

WHEREAS, when the Consortium was formed during 2010 it was fortunate to garner the support of many outside consultants, advisors, and administrator, and

WHEREAS, Michelle Cocco in addition to her full-time Deputy Clerk position with Tompkins County was supporting the Tompkins County Council of Government and additionally was hired to provide administrative support to the Consortium through Locey and Cahill, LLC, and

WHEREAS, Michelle was an employee through Locey and Cahill, LLC from April 11, 2011 until July 1, 2019 when she was officially appointed as the Clerk of Board for the Consortium, and

WHEREAS, for many years, in addition to her full-time job at Tompkins County, Michelle worked nights and weekends for the Consortium, often sending out emails at the very wee hours of the day, and

WHEREAS, Michelle has been the backbone of the Consortium as she has been the meeting organizer, the minute taker, the file creator, the main contact, the record keeper, developer of the records management system and general advisor on all things under general municipal law and open meetings law, and

WHEREAS, Michelle was instrumental in the creation and design of the Consortium's websites, and assisted with the original and subsequent logo and letterhead designs, and

WHEREAS, Michelle has survived two NYS Department of Financial Services system audits, and

WHEREAS, Michelle has created a Clerk of the Board policy and procedure manual to assist the new Clerk with a successful transition; and like most of her work that manual shows her attention to detail and the care and concern she has for making sure this organization continues at a high functional level, and

WHEREAS, Michelle's role has changed over the years, but her commitment to advancing the mission of the Consortium has always remained steadfast, and

WHEREAS, Michelle is now at a stage in life where she can celebrate retirement both from Tompkins County as well as the Consortium, as she will be retiring June 17, 2022 after working continuously with the Consortium since 2011, and

WHEREAS, Michelle is wished much happiness as she sets sail to explore parts unknown, changes her title to Grandma and finds time to explore other experiences that bring her joy with her friends and family, now therefore be it

RESOLVED, That the Board of Directors, staff, consultants, advisors, and associates, acknowledge the retirement of Michelle Cocco and are appreciative for her many devoted and exemplary years of service,

RESOLVED, further, That on this 1<sup>st</sup> day of June 2022, the Executive Committee expresses its sincere gratitude to Michelle Cocco for her distinguished and dedicated service to the Greater Tompkins County Municipal Health Insurance Consortium.

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**Executive Director's Report**

Ms. Dowd reported she provided a written report in the packet. She introduced Lynne Sheldon who will officially start employment on June 6<sup>th</sup> as Clerk of the Board.

**RESOLUTION NO. 007 - 2022 – APPOINTMENT OF CLERK OF THE BOARD– LYNNE SHELDON**

MOVED by Mr. Salton, seconded by Mr. Thayer, and unanimously adopted by voice vote by members present.

WHEREAS, due to a planned retirement of Michelle Cocco the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) will have a vacancy in the title of Clerk of the Board, and

WHEREAS, the Executive Director and Selection Committee has conducted interviews and has determined that Lynne Sheldon possesses the necessary knowledge and skills to satisfactorily perform the duties of the Clerk of the Board position and makes the recommendation of appointment, now therefore be it

RESOLVED, That the Executive Committee on behalf of the Board of Directors, hereby approves the Executive Director's recommendation of appointment of Lynne Sheldon as the Clerk of the Board based on a full-time schedule of 40 hours per week, at the hourly rate commensurate within the range approved in the Consortium's budget and salary guidelines effective June 6, 2022, with full-time benefits.

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**Discussion: Amendment of Resolution No. 011-2020 – Authorization by the Board of Directors to Remove Benefit Plans from the Consortium's Menu of Benefit Plan Offerings and Restricting Plan Enrollment**

Ms. Dowd said the Consortium adopted a resolution a couple of years ago that eliminated plans that were no longer being used and approved a plan to phase out plans. She spoke of the administrative work that is required to maintain plans and said at this time a request is being made that when there is below ten members enrolled in a plan that the plan be eliminated. It also includes a sunset for plans whereby if someone is being taken off a plan such as Classic Blue, that they not be allowed to move back into an Indemnity or PPO plan at retirement. Ms. Dowd asked for feedback to accompany this resolution when it goes back to the Operations Committee.

Mr. Thayer said the City of Ithaca allowed the ability for retirees to return to their original plan upon retirement but included a sunset date on that internally. He said he could support the resolution if it included a sunset date a few years out. Ms. Holmes said the County's current

contract that includes the CVP (Comprehensive Value Plan) will expire in 2023; therefore, that date would be acceptable.

There was consensus to send this resolution back to the Operations Committee with a sunset date and will then go to the Joint Committee on Plan Structure and Design.

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**Report from the Operations Committee**

Ms. Holmes, Chair, reported the Committee met on April 25<sup>th</sup> and held a special meeting on May 23<sup>rd</sup>. The Committee received feedback at the May 23 meeting about the Consortium's Prescription Benefit Management contract.

**RESOLUTION NO. 008 - 2022 - ADOPTION OF AMENDED ONLINE ENROLLMENT POLICY AND COMMERCIAL GROUP HEALTH INSURANCE APPLICATION/CHANGE FORM**

MOVED by Ms. Holmes, seconded by Mr. Thayer, and unanimously adopted by voice vote by members present.

WHEREAS, non-online subscriber enrollment has many opportunities for things to slip through the cracks and can result in delays due to the length of time between when a subscriber submits their enrollment change and when it is in the "system", and

WHEREAS, the Consortium's vision statement includes: "*The Consortium administers operations by collaborating with claims administrators, providers, and employee representatives in an effort to manage its costs, efficiencies, and success,*" and

WHEREAS, adopting a policy whereby all enrollment changes being submitted online complies with the Vision Statement and works in concert with the Excellus software system to optimize delivery of service, and

WHEREAS, Excellus has committed to process timelines for online enrollment, now therefore be it

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee, on behalf of the Board of Directors, adopts the amended "Online Enrollment Policy" ensure all enrollment changes as soon as practicable will be done "online".

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**RESOLUTION NO. 009 - 2022 – ADOPTION OF POLICY REGARDING REINSTATEMENT OR TERMINATION OF SUBSCRIBERS**

MOVED by Ms. Holmes, seconded by Mr. Mutchler, and unanimously adopted by voice vote by members present. Ms. Holmes said it is a requirement of an Article 47 to outline how retrospective terminations are handled.

WHEREAS, as a self-funded plan, the Consortium has **120 days** from the receipt date to make additions, changes, reinstatements and terminations with the Plan Administrator, and

WHEREAS, any change past 60 days requires a "Retro Activity Exception Form", and

WHEREAS, additions and changes should not be allowed after the 60-day period unless there is a qualifying event and a retro exception request submitted with supporting documentation, and

WHEREAS, this policy has been created to help administer any retroactive requests post 60 days of the qualifying event to add or delete a subscriber and is intended to:

- Prevent adverse selection.
- Ensure subscriber and group satisfaction.
- Ensure timely and accurate reimbursement to providers for services rendered to members.
- Meet limitations regarding the ability to retract claims.
- Reduce administrative and provider costs when claims are adjusted or retracted.
- Comply with Federal and NYS requirements

now therefore be it

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee, on behalf of the Board of Directors, hereby adopts the following policy to govern the length of time transactions must be submitted.

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**RESOLUTION NO. 010 - 2022 – ADOPTION OF BUSINESS CONTINUITY AND DISASTER RESPONSE PLAN - 2022**

MOVED by Ms. Holmes, seconded by Mr. Salton, and unanimously adopted by voice vote by members present. A copy of the Plan will be included with the final adopted resolution.

WHEREAS, the Department of Financial Services has advised in Insurance Circular Letter No. 7 (2021) that the Consortium must develop a Business Continuity and Disaster Response Plan (BCPDRP) each year, and

WHEREAS, the purpose of a Business Continuity and Disaster Response Plan is to ensure the organization's system of procedures to restore critical business functions in the event of unplanned disaster, and

WHEREAS, Consortium staff has worked in cooperation with the Tompkins County Information Technology Services Department in creating the Consortium's first approved Business Continuity and Disaster Response Plan that was originally adopted September 1, 2021, and

WHEREAS, upon approval, the Plan will be maintained by the Executive Director of the Consortium and shall be made available to all Consortium Participants, Consortium employees, and the Tompkins County Information Technology Services Department, and

WHEREAS, the Business Continuity and Disaster Response Plan shall be updated and approved annually, now therefore be it

RESOLVED, on recommendation of the Operations Committee, that the Executive Committee, on behalf of the Board of Directors, hereby approves the Business Continuity and Disaster Response Plan dated April 25, 2022.

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**Report from the Joint Committee on Plan Structure and Design**

Ms. Dowd said a report from this Committee was included in her written Executive Director report.

**Report from the Nominations and Engagement Committee**

Ms. Dowd said a report from this Committee was included in her written Executive Director report.

**Report from the Claims and Appeals Committee**

Ms. Dowd said a report from this Committee was included in her written Executive Director report. The Committee will be issuing a Request for Proposals for medical claims auditing services.

**Report from the Audit and Finance Committee**

Mr. Thayer, Chair, reported the Committee met on May 24<sup>th</sup> and will continue discussion on the Investment Management Policy that was withdrawn earlier in the meeting. He said 2023 budget discussions will be starting soon.

**RESOLUTION NO. 011- 2022 – AMENDMENT OF RATE STABILIZATION RESERVE POLICY TO DEFINE CLAIMS**

MOVED by Mr. Thayer, seconded by Mr. Snow, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium’s Finance Manager recommends it would be prudent to define claims in the Consortium’s Rate Stabilization Reserve Policy, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, that the Executive Committee, on behalf of the Board of Directors, That the Rate Stabilization Reserve Policy be amended to define claims to be: “DFS Jurat NY4 Line 17 Total hospital and medical, which includes Medical and Prescription claims, NYS Graduate Medical Education Tax, Patient Care Outcomes Research Institute Fee (PCORI) less any Stop Loss Recovery received”.

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**RESOLUTION NO. 012 – 2022 – AUTHORIZATION TO PARTICIPATE IN NYCLASS**

MOVED by Mr. Thayer, seconded by Mr. Snow, and unanimously adopted by voice vote by members present. Mr. Thayer said this will provide the Consortium with more flexibility on its operating funds to allow for greater growth in interest income; a number of municipalities are already involved in NYCLASS.

WHEREAS, New York General Municipal Law, Article 5-G, Section 119-o (Section 119-o) empowers municipal corporations [defined in Article 5-G, Section 119-n to include school districts, boards of cooperative educational services, counties, cities, towns and villages, and districts] to enter into, amend, cancel, and terminate agreements for the performance among themselves (or one for the other) of their respective functions, powers, and duties on a cooperative or contract

basis, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium wishes to invest portions of its available funds in cooperation with other corporations and/or districts pursuant to the NYCLASS (New York Cooperative Liquid Assets Securities System) Municipal Cooperation Agreement Amended and Restated as of March 28, 2019, and

WHEREAS, wishes to satisfy the safety and liquidity needs of their funds, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Executive Committee on behalf of the Board of Directors, hereby authorizes Elin R. Dowd, Executive Director, on behalf of the Greater Tompkins County Municipal Health Insurance Consortium, to participate in the NYCLASS Program under the terms of the NYCLASS Municipal Cooperation Agreement Amended and Restated as of March 28, 2019.

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### **Financial Update**

Mr. Pelton presented financial results through April 30, 2022. Revenue was under budget by approximately three percent which is primarily due to prescription drug rebates; however, this gap should close to approximately one percent with the expected payment under the new agreement. With regard to total claims, the Consortium was \$860,000 below budget of which \$106,000 is on the prescription drug side. The Admin. Fees are slightly over budget and is due to prior authorization fees; this is being monitored as well as what impact the Formulary change has had. He said other areas are close to budget but noted it is still early in the year.

Mr. Spenard reported on large losses in April 2022 and said there has been an increase over the prior year in terms of total paid claims. In April 2021 there was \$700,000 and this year the total is approximately \$1.2 million for individuals with claims in excess of \$100,000. He also noted that last year the pandemic was still in place. He notified the Committee of a high claim utilization report that was received today that included an individual with a claim with \$117,000; this will continue to be monitored.

Mr. Pelton reviewed funding for the Catastrophic Claims Pool, noting how the 2021 fiscal year ties into the financial report. He also reviewed claims related to Covid-19 and said they continue to monitor what the trend looks like going into the budget process.

Ms. Apalovich had no accounts receivable report.

### **Next Meeting**

The next agenda will include Approval of Amended Investment Management Policy and the resolution entitled Amendment of Resolution No. 011-2020 – Authorization by the Board of Directors to Remove Benefit Plans from the Consortium’s Menu of Benefit Plan Offerings and Restricting Plan Enrollment.

### **Adjournment**

The meeting adjourned at 5:12 p.m.