

Greater Tompkins County Municipal Health Insurance Consortium

Executive Committee

Minutes – APPROVED

December 18, 2024 – 3:00 p.m.

GTCMHIC Headquarters – 408 East Upland Road, Ithaca, NY

Present: Rordan Hart (Executive Committee Chair); Wendy Cole (At-Large); Judy Drake (Audit and Finance Committees Chair); Bud Shattuck (Claims and Appeals Committee Chair); Ray Bunce (At-Large) *arrived 3:33pm*; Peter Salton (Secretary); Scott Steve* (At-Large) *arrived 3:33pm*; Lisa Holmes (Executive Committee Vice-Chair); Laura Granger* (Operations Committee Chair); Gary Mutchler (Nominations & Engagement Committee Chair); Amie Hendrix (At-Large); Lorrie Scarrott, Tompkins County (appointed CFO for GTCMHIC)

Excused:

Absent: Kate DeVoe (Joint Committee Chair)

Guests: Steve Locey, Paul Pelton, Locey & Cahill

Staff: Elin Dowd, Executive Director; Lynne Sheldon, Clerk of the Board; Kylie Rodrigues, Benefits Specialist

* - Due to extraordinary circumstances - attended remotely

Call to Order

Mr. Hart, Chair, called the meeting to order at 3:03 p.m.

Changes to the Agenda

Approval of Minutes of November 20, 2024

Ms. Drake noted a percentage number error on the minutes vs. resolution on the Resolution No. 035. This has since been corrected.

It was MOVED by Mr. Mutchler, seconded by Ms. Holmes, and unanimously adopted by voice vote by members present and via remotely due to extraordinary circumstances, to approve the edited minutes of November 20, 2024. MINUTES APPROVED.

Chair's Report

Mr. Hart reported this Executive meeting will be the last Consortium meeting of 2024. Mr. Hart thanked Lisa Holmes, Kate DeVoe, and Ray Bunce as they have submitted their resignations to the Executive Committee due to retirement and other obligations. Mr. Hart also indicated that Ellen Hersey will be replacing Kate DeVoe's seat as the Chair of the Joint Committee and member of the Executive Committee.

Executive Director's Report *(Ms. Dowd presented a PowerPoint presentation of items discussed)*

Financial Update and Cash Flow Concerns

- Ms. Dowd states that despite initial concerns about cash flow, she mentions a positive impact from a rebate from Excellus
 - Ms. Dowd highlights the challenges in the health insurance industry, including public backlash against United Healthcare's CEO.
 - Elin mentions increased security measures at Excellus and the impact of Medicare changes in 2025 on hospital reimbursements.
-

Provider Relations and Contract Negotiations

- Ms. Dowd provides an update on the St Joseph's Hospital contract situation, noting that contract negotiations will continue through February.
- Mr. Locey addressed the St Joseph's Hospital dispute indicating that there is a two-month period called the "cooling off" period. He said that it was agreed to extend that period to the St. Joseph's physicians as well. He feels confident that by March 1, 2025, the hospital and their physicians will be back in Excellus' network.
- Ms. Dowd discusses the rising costs of claims, particularly in oncology, musculoskeletal, circulatory systems, and nervous system diseases.

2025 MCA Update

- Ms. Dowd updates the committee on the 2025 MCA approval process, mentioning the approval of the CFO change and 14 new members.
- Elin mentions working with the attorney to advance the approval process with DFS.

Finance Manager

- Ms. Dowd announces the start date of the new finance manager, Jennifer Sandsted, and her previous experience with BOCES TST, and with Excellus staff and Locey & Cahill staff.

Revised Personnel Policies

- Ms. Dowd discusses the Town of Ithaca's updated personnel policies and the Consortium's practice of following them.

Vendor Approval Process

- Elin suggests discontinuing the review of three-year contracts without changes to streamline the process.
- Mr. Salton suggests considering new vendors for review every year.
- Elin explains the current process for reviewing contracts and the need for new resolutions for new contracts.

Committee Reports

Executive Committee

The committee approves the ratification of Jennifer Sandsted's appointment.

RESOLUTION NO. 039- 2024 – RATIFICATION OF PROVISIONAL APPOINTMENT OF FINANCE MANAGER – JENNIFER SANDSTED

MOVED by Mr. Shattuck, seconded by Mr. Bunce, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, there is a vacancy in the Finance Manager position and a recruitment and selection process was conducted, and

WHEREAS, the Selection Committee has determined that Jennifer Sandsted possesses the necessary knowledge and skills to satisfactorily perform the duties of the Finance Manager position, and

WHEREAS, Jennifer Sandsted has been provisionally appointed by the GTCMHIC's Executive Director based on a full-time schedule of 40 hours per week, at an annual salary of \$78,135 effective January 6, 2025, with full time benefits, now therefore be it

RESOLVED, That the Executive Committee hereby ratifies the Executive Director's provisional appointment of Jennifer Sandsted as Finance Manager, effective January 6, 2025, pending results of the Civil Service exam for said position, and successful completion of the probation period.

* * * * *

The committee acknowledges and accepts the Town of Ithaca's 2025 personnel policies.

RESOLUTION: 040 – 2024: ACKNOWLEDGE AND ACCEPT TOWN OF ITHACA PERSONNEL POLICIES FOR 2025

MOVED by Ms. Holmes, seconded by Ms. Hendrix, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Consortium with Resolution 003-2019 Adopted Personnel Policies, Procedures, and Benefits utilizing the established policies, procedures and benefit structure of the Town of Ithaca; and

WHEREAS, the Town has made amendments to certain benefits and policies effective January 1, 2025, and

WHEREAS, the Executive Director and Human Resources Managers recommend the Consortium acknowledge and accept the changes for the Consortium; now therefore be it

RESOLVED, the Executive Committee on behalf of the Board of Directors acknowledges and accepts the changes to the Town of Ithaca Personnel Manual which includes revised policies, procedures and benefits effective January 1, 2025.

2024 Revised Policies:

Lactation Accommodation Policy, Parental Leave, Paid Prenatal Leave, Bereavement Leave, Longevity Policy, Vacation Policy, Cell Phone Reimbursement Policy, and Retiree Health Insurance Policy.

The committee approves the 2025 MCA with the addition of new participants.

RESOLUTION NO. 041 - 2024 – APPROVAL OF THE 2025 MUNICIPAL COOPERATIVE AGREEMENT TO INCLUDE THE ADDITION OF NEW PARTICIPANTS IN SECTION A 2

MOVED by Mr. Salton, seconded by Ms. Cole, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (Consortium) is a self-insured municipal cooperative health benefit plan operating pursuant to a Certificate of Authority issued by the New York State Department of Financial Services pursuant to Article 47 of the New York State Insurance Law, and,

WHEREAS, the Consortium submitted on November 8th a draft MCA to the NYS Department of Financial Services (DFS) for review and approval. The submitted draft MCA included the addition of fourteen new members approved at the September 24, 2024 annual Board of Directors meeting. No other changes were made to the previously amended 2024 agreement submitted on November 8, 2024, and

WHEREAS, on December 13, 2024, the Consortium received conditional approval of the submitted changes including fourteen new municipalities and suggested that we also include the 2024 changes to the Chief Fiscal Officer from the City Comptroller of the City of Ithaca to the Finance Director of Tompkins County, and

WHEREAS, the Consortium wishes to secure approval to add new members to the list of Participants and the Municipal Cooperative Agreement will be updated with the other DFS recommendations, now therefore be it

RESOLVED, that the Executive Committee on behalf of the Board of Directors approves the 2025 MCA draft for distribution to all Participants for review and approval.

Nominations and Engagement

Mr. Mutchler did not have any items to report, however mentioned that there are still open seats available on committees.

Claims and Appeals

Mr. Shattuck did not have any items to report.

Audit and Finance

The committee authorizes a contract with Civic Plus for website support and design services.

RESOLUTION NO. 042 – 2024 – AUTHORIZATION TO ENTER INTO A CONTRACT WITH CIVIC PLUS TO PROVIDE WEBSITE SUPPORT AND DESIGN SERVICES

MOVED by Mr. Mutchler, seconded by Ms. Granger, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, The Greater Tompkins County Municipal Health Insurance Consortium (“Consortium”) adheres to the practice of openly sharing information with subscribers and municipal members, ensuring that documents and data are easily accessible through various channels, such as its website, www.healthconsortium.net, thereby enabling the public to understand and monitor the decisions and activities of the Consortium and find plan information. The public transparency of the information fosters accountability and trust between the Consortium and its members; and

WHEREAS, the Consortium’s existing website support has taken a new direction, and is no longer supported by our IT consultants, creating an opportunity to update and redesign the website; and

WHEREAS, a Request for Proposals for Website Support and Design Services was issued in November 2024 to migrate and implement a new website design by June 30, 2025, the new website support will include upgrading platforms to include accessibility of information, more effective plan design, new features helping member be more self-sufficient and staff able to update more expeditiously; now, therefore, be it

RESOLVED, upon the recommendation and review of the terms of the agreement, the Finance Committee, recommends that the Executive Committee, on behalf of the Board of Directors, is hereby granted the authority to finalize the terms of the agreement with Civic Plus.

The committee continues its agreement with Locey & Cahill for the calendar year 2025.

RESOLUTION NO. 043-2024 – AUTHORIZATION TO CONTINUE AGREEMENT WITH PLAN CONSULTANT – LOCEY & CAHILL, LLC – JANUARY 1, 2025 – DECEMBER 31, 2025

MOVED by Ms. Holmes, seconded by Mr. Shattuck, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Consortium requires ongoing Plan consulting services to continue its operations, and

WHEREAS, the Finance Committee has discussed the need and scope of Benefit Plan Consultant Services and recommends that the Consortium continue to retain Locey & Cahill, LLC for those services, and

WHEREAS, the Finance Committee has reviewed and discussed the terms of the Consortium's contract with Locey and Cahill, LLC, and

WHEREAS, Locey & Cahill, LLC presented an agreement that became effective as of January 1, 2023, updated with a "Broker of Record" amendment in March 2024, and remains in effect through December 31, 2026. Thereafter, the Consortium has the option to extend this contract in one-year increments through December 31, 2026, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee on behalf of the Board of Directors, hereby approves its contract with Locey & Cahill, LLC of the agreement contract for the period January 1, 2025 through December 31, 2025.

* * * * *

The committee approves a contract with Insero & Co. for financial auditing services for fiscal year 2024.

RESOLUTION NO. 044– 2024 - AUTHORIZATION TO CONTINUE CONTRACT WITH INSERO & CO. FOR THE PROVISION OF FINANCIAL AUDITING SERVICES – FISCAL YEAR 2024

MOVED by Mr. Salton seconded by Mr. Bunce, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Consortium requires the use of an independent auditor for financial auditing and has been contracted with Insero & Co. for the auditing of financial records for the years 2017 thru present, and

WHEREAS, the Consortium wishes to extend its contract with Insero & Co. LLP for one year for the purpose of independent auditing of the Consortium's financial records, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee on behalf of the Board of Directors, hereby authorizes the Executive Director to sign a contract with Insero & Co to perform financial auditing services, which include certification that the officers have implemented Board adopted procedures for the Consortium, for the fiscal year ending December 31, 2024.

* * * * *

The committee authorized the purchase of various insurance policies, including error and omissions, directors' and officers' liability, crime coverage, and cybersecurity protection.

Resolution 045-2024 Authorization to Purchase Insurance Policies: Errors and Omissions, Directors and Officers Liability, Crime Coverage, and Cyber Security Protection

MOVED by Ms. Drake seconded by Ms. Holmes , the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, it is the desire of the Board of Directors to ensure liability coverage for the Consortium, the Board of Directors personally and professionally, and the participating municipalities, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee, on behalf of the Board of Directors, hereby approves that the Consortium shall purchase coverage (placed by insurance agent Haylor, Freyer and Coon) for these policies for the period January 1, 2025 thru December 31, 2025:

- Errors and Omissions Insurance at \$1,000,000 limit with \$25,000 retention
- Directors and Officers Liability Insurance at \$1,000,000 limit with \$25,000 retention and Employment Protection Liability at \$1,000,000 limit; and
- Crime Coverage at the \$5,000,000 level, with a \$50,000 single loss retention level
- Cyber Security Protection at \$1,000,000 limit with \$10,000 retention.

RESOLVED, further, That the Executive Director is authorized to execute the renewal documents for the policies listed above.

The committee authorizes the continuation of the agreement with Fox Point Solutions for cybersecurity support.

Resolution No. 046-2024 – AUTHORIZATION TO CONTINUE AGREEMENT WITH FOXPOINTE SOLUTIONS FOR SUPPORT WITH CYBERSECURITY

MOVED by Ms. Holmes seconded by Mr. Mutchler, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) has been asked to update several areas related to Cybersecurity as part of the NYS Department of Financial Services examination, and

WHEREAS, after discussing options with Tompkins County IT Department for additional support a mutual resource was identified for ongoing Cybersecurity efforts, FoxPointe Solutions was approached for additional assistance and an agreement was set for one year with FoxPointe Solutions. (Resolution 042-2023)

WHEREAS, FoxPointe Solutions consulting engagement is meant to support GTCMHIC Management in its cybersecurity program efficacy, data security, and overall cyber risk management expectations, and

WHEREAS, GTCMHIC wishes to engage for an additional period of one year, for IT cybersecurity/risk management, and now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee, on behalf of the Board of Directors, authorizes the Executive Director to renew for an additional one-year (January 1, 2025 – December 25, 2025) agreement with FoxPointe Solutions.

The committee authorized the purchase of stop loss insurance through Highmark for the year 2025.

RESOLUTION NO. 047 – 2024 - AUTHORIZATION TO PURCHASE STOP LOSS INSURANCE WITH HIGHMARK - YEAR 2025

MOVED by Ms. Granger seconded by Ms. Holmes, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Consortium must purchase stop loss insurance, as required by Section 4707 of New York State Insurance Law, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee on behalf of the Board of Directors, authorizes the purchase of the Stop Loss insurance policy with a deductible of \$1 million for the policy period January 1, 2025 to December 31, 2025 with Highmark to include claims incurred from January 1, 2025 thru December 31, 2025 and paid during the period of January 1, 2025 thru June 30, 2026. RESOLVED, further, That the Plan Consultant is directed to provide the Executive Director with a copy of said policy.

* * * * *

The committee continues its agreement with Bonadio and Company for financial reporting for fiscal year 2024.

RESOLUTION NO. 048-2024-AUTHORIZATION TO CONTINUE WITH BONADIO-FINANCIAL REPORTING FOR 2024 – 2026

MOVED by Ms. Cole seconded by Mr. Mutchler, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Consortium requires ongoing financial consulting services in regards to quarterly and annual state filings, and

WHEREAS, the Finance Committee has discussed the need and scope of financial consulting services and recommends that the Consortium continue to retain Bonadio for those services, and

WHEREAS, the Finance Committee has reviewed and discussed the terms of the Consortium's contract with Bonadio and

WHEREAS, Bonadio & Co. LLP, presented an agreement that became effective as of January 1, 2024, and remains in effect through December 31, 2026.

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee on behalf of the Board of Directors, hereby approves to continue its contract with Bonadio for the period January 1, 2025 through December 31, 2025.

* * * * *

The committee authorizes the continuation of the agreement with Risk Strategies for actuarial services for fiscal year 2024.

RESOLUTION NO. 049-2024 – AUTHORIZATION TO CONTINUE AGREEMENT WITH RISK STRATEGIES (ACTUARIAL SERVICES) – FISCAL YEAR: 2024

MOVED by Mr. Bunce seconded by Mr. Salton, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Greater Tompkins County Health Insurance Consortium conducted a Request for Quotes for Actuarial Services in November of 2023 and awarded a contract to Risk Strategies, and

WHEREAS, the Consortium wishes to continue their engagement with Risk Strategies under the terms outlined in the proposed agreement for actuarial services for fiscal years ending 2023 and 2024, now therefore be it

RESOLVED, on recommendation of the Finance Committee, That the Executive Committee, on behalf of the Board of Directors, approves the Executive Director to renew the contract on behalf of the Consortium with Risk Strategies for fiscal year ending 2024.

Operations

Ms. Granger did not have any items to report.

Joint

Ms. DeVoe was absent from the meeting. Ms. Dowd mentioned Ms. Ellen Hersey would be replacing Ms. DeVoe in January and thanked Ms. DeVoe for her time chairing the Joint Committee.

Financial Update

Mr. Pelton and Mr. Locey presented a [Fiscal Year Budget Performance Report as of November 30, 2024](#), highlighting the following key facts:

1. With one month left in the fiscal year, overall expenses are 6.20% over budget. To date the impact of this has been significantly offset by the Rx Rebates received, with an additional \$1.9m being received on December 5th. Most of the internal administrative, supply and contractual costs are at or below budget. We anticipate these items to be mostly in line with the budget as the Consortium wraps up the fiscal year.

2. Medical Paid Claims through November 2024 were 6.77% over the amended budget, including the advanced deposit, for the fiscal year. Other factors include:

- a) An increase in the covered lives (↑4.51%) and in the number of contracts (↑5.24%) skews the early 2024 medical paid claims due to the “run-in lag”.
- b) Increased member participation in lower cost health insurance plans, like the Platinum PPO Plan and the Medicare Supplement Plan by several employer groups.
- c) The continuation of identifying the “new normal” of elective and/or minor medical procedures being performed following COVID-19 pandemic.
- d) We continue to monitor the impact of inflation on the medical community.

3. Rx Paid Claims were 9.56% over budget for the first 11-months of the 2024 Fiscal Year. We continue to monitor pharmacy paid claims trend closely as pharmacy claims become a greater contributor to the number of large loss claims we are seeing across our entire book of business.

Future Agenda Topics

Budget Amendment Process
Updated Paid Claims and Trend Analysis

Adjournment

The meeting was adjourned at 4:05pm

Respectfully submitted by Lynne Sheldon, Clerk of the Board