**Board of Directors Meeting – Minutes**

**September 22, 2022 – 5:00 p.m.**

**Tompkins Cortland Community College Forum/Remote by Zoom**

**Satellite Locations:**

**Village of Trumansburg (Village Hall)**

**Tompkins County Public Library (Schwarz Jacobsen)**

**Town of Big Flats (Town Office Meeting Room)**

**Town of Hector (Hector Town Hall)**

**Town of Tioga, (Tioga Town Hall)**

**Town of Scipio, (Scipio Town Hall)**

***Municipal Representatives: 29***

Steve Thayer, City of Ithaca Judy Drake, Town of Ithaca

Shondrea Cobb, Town of Big Flats Michael Murphy, Village of Dryden

Mark Witmer, Town of Caroline Janine Bond, Town of Hector

Kevin Williams, Town of Homer Ray Bunce, Town of Spencer **(5:10p)**

Christine Laughlin, Town of Newfield Tiffany Middendort, Town of Tioga

Gary Mutchler, Town of Scipio Richard Goldman, Town of Ulysses

Eric Snow, Town of Virgil Tanya DiGennaro, Village of Homer

Peter Salton, Village of Cayuga Heights **(5:18p)** Donald Scheffler, Town of Groton

Betty Conger, Village of Groton Ronny Hardaway, Village of Lansing\*

Stephanie Redmond, Town of Enfield **(5:49p)** Laura Shawley, Town of Danby\*

Rordan Hart, Village of Trumansburg Darcy Rigdon, Lansing Community Library

Rita McCarthy, Town of Erwin David Corey, Town of Montezuma

Amanda Anderson, Town of Dryden Mark Emerson, Town of Mentz

Dave Hertel, Town of Dix Dave Scheneck, Town of Springport\*

Tom Brown, Town of Truxton

***Labor Representatives: 4***

Ian Tompkins, 5th Labor Representative Jeanne Grace, 8th Labor Representative

Kate DeVoe, 7th Labor Representative Carolyn Sosnowski, 6th Labor Representative\*

***Excused: 22***

Laura Granger, County of Seneca Lisa Holmes, Tompkins County

Chad Hayden, Town of Aurelius Richard Lewis, Town of Catherine

Lu Ann King, Town of Cincinnatus Lou Anne Randall, Town of Cuyler

Timothy Elliott, Town of Marathon Terrance Baxter, Town of Moravia

Joan Jayne, Town of Niles Jim Doring, Town of Preble

Tom Blair, Town of Sennett Eric Ridley, Town of Troop

Zack Nelson, 3rd Labor Representative Alvin Doty, Town of Willet

Lorie Corsette, Village of Fayetteville Miles McCarthy, Village of Freeville

Donna Dawson, Village of Horseheads Lisa DeVona, Village of Minoa

Mike Baratta, Village of Owego Bud Shattuck, Village of Union Springs

Ed Fairbrother, Town of Big Flats

Jim Bower, 2nd Labor Representative and Joint Comm. on Plan Structure & Design Chair

***Absent: 5***

Steve Scott, City of Cortland Mary Ellen Albrecht, Town of Lansing

Edward Wagner, Town of Owasco Fred Warrick, Village of Watkins Glen

Nancy Webster, 1st Labor Representative

***Vacancy – Labor: 1***

***Others in attendance:***

Elin Dowd, Executive DirectorLynne Sheldon, Clerk of the Board

Kylie Rodrigues, Benefits Specialist Teri Apalovich, Finance Manager

Sunday Earle, TC3 Brandon Holt, ProAct

Brandon Holt, Excellus Corey Prashaw, ProAct

Rick Snyder, Tompkins County Finance Kerri Fusco, Town of Dewitt/Dewitt Fire Department

Tony Bush, Town of Hastings Jason Green, Dewitt Fire Department

John Fatcheric, Town of Camillus Kimberly Burt, Town of Onondaga

Laurie Walter, Village of Skaneateles Dick Waterman, Village of Camillus

Kerry Mannion, Town of Dewitt Rex Vosburg, Town of DeRuyter

Andy Miller, Town of Dewitt/KBM Management

Paul Pelton, Robert Spenard, Steve Locey, Locey & Cahill

\* Via remote location due to extraordinary circumstances, sickness, etc.

**Call to Order**

 Ms. Drake, Chair, called the meeting to order at 5:19p.m.

**Changes to the Agenda**

 The agenda was revised to include modifications of the meeting order due to resolutions of appreciations presented and obtaining a quorum for voting privileges. A quorum was obtained at 5:49pm. A revision was also needed on Resolution: Approval of Amended 2023 Municipal Cooperative Agreement to Include New Participants to amend “Madison” to “Monroe” County.

**Board Chair and Executive Committee Report**

Ms. Drake reported efforts are underway on long-term planning for the Consortium. The Executive Committee meets every other month, and the smaller Long-Term Planning group meets on the opposite months. She reported the Consortium is working on the advantages and disadvantages of a Medicare Advantage Program for retirees and there is currently a Request for Proposal (RFP) in process. The Consortium has approved a premium equivalent rate audit and will be contracting with another company to have an outside look at premiums to ensure the Consortium is in good standing. Risk and the direction the Consortium would like to expand are both popular topics this year. The Committee has focused on a slow, steady growth of members this past year.

 Ms. Drake also added the Consortium has some vacancies on committees and looking for individuals to serve.

 Ms. Drake announced the [2023 Meeting Schedule](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5C2023%20MEETING%20SCHEDULE-%208_12.docx) has been completed and can be found on the Consortium’s website.

[**Executive Director’s Report**](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5CExecutive%20Director%20Annual%20Board%20Meeting%20Report%202022%209_16.docx)

In addition to a written report included in the agenda packet, Ms. Dowd introduced the new Consortium staff and thanked everyone for attending. Even with the increase in staffing and costs related to a four person staff, the proposed budget will only show that as a percentage of overall expenses the costs only increase from 1.13% in 2022 to 1.33% in 2023. The Consortium’s target is to stay below 2 %. Ms. Dowd added that when reviewing the budget recommendation please note that Excellus had a 9.4% premium increase rate approved for 2023 pricing for their small group market.

 Ms. Dowd announced special recognition of Michelle Cocco’s retirement and a copy of the resolution of appreciation [(Resolution 006-2022](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CActions%20and%20Resolutions%5C2022%5CRes.%20No.%20006-2022%20-%20Michelle%20Cocco.docx)) was provided to the members. Ms. Drake, announced Richard Snyder’s retirement and on behalf of the Board of Directors and Consortium staff, read the following resolution of appreciation for Mr. Snyder.

# **RESOLUTION NO. 020 - 2022 - RESOLUTION OF APPRECIATION OF RICHARD C. SNYDER’S DEDICATED YEARS OF SERVICE TO THE CONSORTIUM**

#  MOVED by Ms. Drake, seconded by Mr. Salton. The resolution was unanimously adopted by voice vote by members present, visibly seen members via remote Satellite approved locations and locations due to extraordinary circumstances.

 WHEREAS, when Tompkins County hired Richard C. Snyder (Rick Snyder) in 2013 the Greater Tompkins County Municipal Health Insurance Consortium was fortunate enough to have already contracted with Tompkins County for Finance and Accounting Services.

 WHEREAS, Rick, in addition to his full-time Director of Finance position with Tompkins County, was “volunteered” to be the Consortium’s Treasurer and ended up “volunteering” with the Consortium as not just the Treasurer but also ran accounting services for the Consortium for nine years, and

 WHEREAS, in addition to his full-time job at Tompkins County, Rick has been known to attend many evening meetings and work odd hours in support of the Consortium,

 WHEREAS, the Consortium has been able to secure many services and expert support by taking advantage of Rick’s Tompkins County relationships, and

 WHEREAS, for many years Rick has learned the challenges associated with quarterly and annual financial reports and has dutifully responded to the myriad of questions that follows any interaction with the NYS Department of Financial Services, and

 WHEREAS, Rick has an amazing archive of emails and memos regarding the Consortium’s business interactions that he is able to pull-up at a moment’s notice, and

 WHEREAS, Rick’s role has changed over the years as the needs of a growing organization transformed, but his commitment to accurate reporting and accounting practices have always remained steadfast, and

 WHEREAS, Rick is now at a stage in life where he can celebrate retirement both from Tompkins County as well as the Consortium, and

 WHEREAS , Rick is wished much happiness as he steps down and finds time to explore other experiences that bring him joy with his friends and family, now therefore be it

 RESOLVED, That the Board of Directors, staff, consultants, advisors, and associates, acknowledge the retirement of Rick Snyder and are appreciative for his many devoted and exemplary years of service,

 RESOLVED, further, That on this 22nd day of September 2022, the Board of Directors expresses its sincere gratitude to Richard C. Snyder for his distinguished and dedicated service to the Greater Tompkins County Municipal Health Insurance Consortium.

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 Mr. Hart, announced Ms. Drake’s resignation as Chair of the Executive Committee and on behalf of the Board of Directors and Consortium staff, reading the following resolution of appreciation for Ms. Drake.

# **RESOLUTION NO. - 019- 2022 - RESOLUTION OF APPRECIATION OF JUDITH (JUDY) DRAKE’S DEDICATED YEARS OF SERVICE TO THE CONSORTIUM**

 MOVED by Ms. Hart, seconded by Mr. Murphy. The resolution was unanimously adopted by voice vote of members present, visibly seen members via remote Satellite approved locations, and locations due to extraordinary circumstances.

 WHEREAS, when the Consortium was certified by the NYS Department of Financial Services it was the work of many dedicated volunteers from municipalities in Tompkins County that helped form the organization and start delivering services to its member participants in January 2011, and

 WHEREAS, Judy Drake in addition to her full-time Human Resource Manager position with Town of Ithaca was supporting the Consortium as its Secretary as one of its founding members, and

 WHEREAS, Judy was officially appointed as the Chair of the Board of Directors in 2014 and has been a dutiful servant leader for eight years, and

 WHEREAS, Judy has been extremely involved in managing the Consortium and assisting with day-to-day operations on a regular basis, and

 WHEREAS, Judy has been instrumental in creating policy, developing organizational structure, and growing the Consortium from the initial 13 members covering 2,000 municipal employees to an organization of 53 members covering 3,100 municipal employees and retirees, and

 WHEREAS, Judy has not been shy with sharing her own thoughts about advancing the mission of the organization but she has also been very persistent at making sure others opinions are voiced and heard, and

 WHEREAS, Judy’s work shows her attention to detail and the care and concern she has for making sure this organization continues at a high functioning level, and

 WHEREAS, it is our hope that Judy will, as promised, remain involved as an active municipal participant and as the HR Manager for the organization but will also now find more time to decorate cakes, exercise at the gym, and participate in Spartan Challenges, and now therefore be it

 RESOLVED, That the Board of Directors, staff, consultants, advisors, and associates, acknowledge the resignation of Judy Drake as Chair of the Board of Directors, and are appreciative for her many devoted and exemplary years of service, and

 RESOLVED, further, That on this 22st day of September 2022, the Board of Directors expresses it sincere appreciation, admiration and gratitude to Judy Drake for her distinguished and dedicated service to the Greater Tompkins County Municipal Health Insurance Consortium.

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 Ms. Drake announced a quorum (34); however, a quorum (33) was reached before the Resolutions of Appreciation for Ms. Drake and Mr. Snyder.

**Ratify Executive Committee Approval of** [**Minutes – September 23, 2021**](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5CBOD09232021MERD.docx)

 It was MOVED by Mr. Emerson, seconded by Mr. Snow, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote Satellite locations and locations due to extraordinary circumstances, to approve the minutes of September 23, 2021, as submitted. MINUTES APPROVED.

**Report from Nominations and Engagement Committee**

 Mr. Fairbrother was excused from the meeting. Ms. Dowd reported that the committee meets on a quarterly basis specifically to ask individuals to become more involved with the Consortium. Since Ms. Drake is resigning as the Executive Committee Chair, Mr. Hart will become the new Chair and Ms. Homes as Vice Chair.

**RESOLUTION NO. 021– 2022 – ELECTION OF 2023 CONSORTIUM OFFICERS**

MOVED by Ms. Shawley, seconded by Ms. Sosnowski, the resolution was unanimously adopted by voice vote by members present, and visibly seen members via remote Satellite locations and locations due to extraordinary circumstances.

RESOLVED, on recommendation of the Nominations and Engagement Committee, That the Board of Directors elects the following individuals to serve from January 1, 2023 through December 31, 2023 in the roles as follows:

Chairperson - Rordan Hart
Vice Chairperson – Lisa Holmes
Chief Financial Officer - Steve Thayer
Secretary – Peter Salton

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Ms. Dowd reported that the Board appoints the Executive Committee that acts on behalf of the Board throughout the year. The Consortium has new names on the Executive Committee for 2023 as individuals are switching roles and retiring.

# **RESOLUTION NO. 022 - 2022 – CREATION OF 2023 COMMITTEE STRUCTURE AND**

**APPOINTMENTS OF MEMBERS**

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

WHEREAS, the Board of Directors at its Annual Meeting established a Committee structure and appointed members to the Consortium’s standing committees, and

RESOLVED, upon recommendation of the Consortium’s Nominations and Engagement Committee, That the Executive Committee, on behalf of the Board of Directors, hereby appointments the following committee structure and membership to 2023 committees effective January 1, 2023:

**Executive Committee**

To be elected at annual meeting along with Chairs of standing committees MEMBERSHIP: Seats to be filled by Directors; 11-15 Members; one-year terms MEETINGS (subject to change): Bimonthly beginning in January on 1st Wednesday

1. Board Chair, Chair (Hart)
2. Board Vice Chair, (Holmes)
3. Chief Fiscal Officer (Thayer)
4. Secretary (Salton)
5. JCPSD Chair (Vacant)
6. AFC Chair/At-large (Ray Bunce)
7. Operations Chair (Granger)
8. Nominations and Engagement Chair (Fairbrother)
9. Claims and Appeals Chair (Shattuck)
10. At-large (Snow)
11. At-large (Mutchler)
12. At-large (Steve)
13. Past Chair (Drake)

# **STANDING COMMITTEES:**

## **Audit and Finance Committee**

CHARGE: The Audit and Finance Committee shall be responsible for all financial aspects of the Consortium, including review of: annual budgets, periodic review of financial results, evaluation of transactions that are material to the organization’s business, review of business and risk insurance policies and actuarial studies to determine premium levels, review and approval of investments and investment plans, enterprise risk management and compliance assessment and review, and oversight of all internal and external financial audits.

MEMBERSHIP: Seats may be filled by non-Directors; 9 members; two-year staggered terms MEETINGS (subject to change): Monthly; 4th Tuesday

Terms expire 12/31/23

1. Steve Thayer, Chair (CFO, no set term)
2. Kate DeVoe (Labor)
3. Rordan Hart**,** Vice Chair
4. Amanda Anderson
5. Lorie Corsette

Terms expire 12/31/24

1. Scott Steve
2. Eric Snow
3. Bud Stattuck
4. Peter Salton

## **Operations Committee**

CHARGE: The Operations Committee is responsible for oversight of Consortium operations and charged with review and oversight of any policies impacting the overall well-being of the organization. The Operations Committee may recommend changes to improve the efficiency of the organization’s practices, policies, procedures, and the organizational structure, including personnel and staffing needs.

MEMBERSHIP: Seats may be filled by non-Directors; 8 members with two-year staggered terms MEETINGS (subject to change): Bi-monthly beginning in January; 4th Monday

|  |  |  |
| --- | --- | --- |
| Terms Expiring 12/31/24 | Terms Expiring 12/31/23 | Terms Expiring 12/31/23 |
| Lisa Holmes (Chair) | Ed Fairbrother | LuAnn King |
| Laura Grainger | Labor Vice Chair | Mark Emerson |
| Schelley Michell-Nunn | Sunday Earle |  |
| Janine Bond  |  |  |
| Judith Drake |  |  |
| Rita McCarthy  |  |  |

## **Nominations and Engagement Committee**

CHARGE: The Nominations and Engagement Committee will assist the Executive Committee in engaging Directors in finding meaningful ways to contribute to the organization especially through the consideration of succession and long-term planning. The Committee shall:

* 1. Be responsible for presenting a slate of recommended Officers, Committee Chairs, and At- Large Executive Committee members at the annual Board of Directors meeting;
	2. Be responsible for presenting a slate of recommended Nomination and Engagement Committee members;
	3. Recommend to the Executive Director engagement strategies with:
		1. the work of committees;
		2. disseminating information ahead of and at the annual meeting in an interactive model and insuring a super-majority attendance at annual meeting; and
		3. long-term leadership succession planning.

Membership: Seats may be filled by non-Directors; 5 Members with two-year staggered terms MEETINGS: Approximately 4x/yea

Terms expire 12/31/23 Terms expire 12/31/24

1. Ed Fairbrother, Chair 4. Gary Mutchler (Vice Chair)
2. VACANT 5. Terrance Baxter
3. VACANT, Labor

## **Claims and Appeals Committee**

CHARGE: The Claims and Appeals Committee will hear all appeals that come to the Board of Directors for action and recommend a determination to the Board. This Committee will also monitor claims data and trends and oversee all annual third-party administrator claim audit

Membership: Seats may be filled by non-Directors; 5 Members with two-year terms MEETINGS: As needed (2-4x/year)

Terms expire 12/31/23 Terms expire 12/31/24

1. Bud Shattuck, Chair
2. Donna Dawson
3. Tom Brown

 Don Fischer, Vice Chair

 Tanya DiGennaro

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## **Joint Committee on Plan Structure and Design**

CHARGE: The JCPSD reviews all prospective Board actions in connection with the benefit structure and design of the Plan and develops findings and recommendations with respect to such matters. Committee may also consider wellness-related initiatives

Membership: Each Participant and each labor group shall have one voting seat each. Quorum determined by Committee; No set terms.

MEETINGS (subject to change): Bi-monthly (beginning in February)

Chair and Vice Chair – to be selected by the membership of the JCPSD as outlined in the Committee’s Bylaws.

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**Report from Operations Committee**

Ms. Holmes, Chair, was excused from the meeting. Ms. Dowd reported when changes are made to the Municipal Cooperative Agreement (MCA), the Consortium is required to file changes with the Department of Financial Services (DFS) for their approval. The Consortium is recommending the following changes to the MCA:

* + - Update the Certificate of Authority
		- Increase territory to include Monroe and Livingston counties
		- Changing Treasurer role to Finance Manager for day-to-day activities, still having a Chief Financial Officer.

**RESOLUTION NO. 023 - 2022 – approval of the** [**2023 Municipal Cooperative Agreement**](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMCA%5C2023%20Amendment%5C2023%20MCA%20%20w%20New%20Members.docx) **To INCLUDE the addition of new PARTICIPANTS IN sECTION A 2 and to the proposed changes to Sections A 3, F 5(g) and I 1**

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

 WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) 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 New York State Department of Financial Services requires that any amendment to the GTCMHIC Municipal Cooperative Agreement be circulated and approved by all Participants.

 WHEREAS, the GTCMHIC wishes to add new members to the list of Participants and the Municipal Cooperative Agreement will be updated once those members have been approved.

 WHEREAS, the GTCMHIC wishes to expand the territory of coverage to include two additional counties in Central NY to include both Monroe and Livingston counties and understands the GTCMHIC Certificate of Authority will need to be reviewed and approved by the New York State Department of Financial Services.

 WHEREAS, the GTCMHIC has made changes to their internal operations and wishes to remove the appointment of a Treasurer pursuant to Section F 5 (g) and allow the Chief Fiscal Officer to delegate responsibilities to the Finance Manager, in lieu of the Treasurer as previously directed in Section I.1. of the Municipal Cooperative Agreement, now therefore be it

 RESOLVED, to approve additions of 2023 new members as Participants in Section A 2 and to the proposed changes to Sections A 3, F 5(g) and I 1 of the 2023 Municipal Cooperative Agreement and to circulate to all Participants for review and approval.

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**Report from Audit and Finance Committee**

 Mr. Thayer reported the Consortium’s membership will be increasing from 53 to 61, presenting two resolutions to accept applications:

**RESOLUTION NO. 024 - 2022 - ACCEPTANCE OF APPLICATIONS BY THE TOWNS OF CAMILLUS, DEWITT, ONONDAGA, AND HASTINGS, THE VILLAGES OF CAMILLUS AND SKANEATELES, AND THE DEWITT FIRE DISTRICT, TO BECOME PARTICIPANTS IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM EFFECTIVE JANUARY 1, 2023**

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

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Towns of Camillus, Dewitt, Onondaga, and Hastings, the Villages of Camillus and Skaneateles, and the Dewitt Fire District, have submitted an official application authorizing the joining of Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, these applicants have complied with membership process and have submitted copies of financial reports which have been evaluated by the Finance Manager, Consortium’s Treasurer, and/or the Chief Financial Officer, and

WHEREAS, In the application process, the Town of Onondaga, has asked for a waiver until at least January 1, 2025, to exclude participation for any employees currently negotiated to be covered under the New York State Teamsters Council Health and Hospital Fund, and the Dewitt Fire District, Village of Skaneateles, and the Town of Camillus, have asked for a waiver to review retirement plan options once the Consortium determines how many retirement plan options will be available, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby accepts and welcomes the Towns of Camillus, Dewitt, Onondaga, and Hastings, the Villages of Camillus and Skaneateles, and Dewitt Fire District, as Municipal Participants in the Consortium, with health insurance coverage beginning January 1, 2023, pending receipt, additional analysis, and approval of all required documentation.

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Mr. Thayer indicated that the Town of DeRuyter was approved by the Committee after the other seven municipalities.

**RESOLUTION NO. 025- 2022 - ACCEPTANCE OF APPLICATION BY THE TOWN OF DERUYTER, TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM EFFECTIVE JANUARY 1, 2023**

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

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of DeRuyter, has submitted an official application authorizing the joining of Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, this applicant has complied with membership process and has submitted copies of financial reports which have been evaluated by the Finance Manager, Consortium’s Treasurer, and/or the Chief Financial Officer, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby accepts and welcomes the Town of DeRuyter, as a Municipal Participant in the Consortium, with health insurance coverage beginning January 1, 2023, pending receipt, additional analysis, and approval of all required documentation.

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 Ms. Dowd announced that there are continuing discussions with 6 potential members for 2023 and 2024, some within contract negotiations, but in a positive standing.

 Mr. Thayer continued with a resolution for ProAct which extends the contract for 2023. This is the same contract as 2022. ProAct continues to improve their systems. The Consortium is having continued discussions with ProAct regarding RX Rebates.

 Ms. Dowd introduced Corey Prashaw from ProAct, who is covering for the Consortium’s current account representative is out on leave.

**RESOLUTION NO. 026 - 2022 - AUTHORIZE EXTENSION OF CONTRACT FOR PRESCRIPTION DRUG CLAIMS ADMINISTRATOR FOR 2023 – PROACT**

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

WHEREAS, the Board of Directors by Resolution No. 029-2018 authorized a two-year extension of the Consortium’s contract with ProAct for Prescription Benefits Manager services, and

WHEREAS, the Audit and Finance Committee has discussed and desires to extend the Prescription Benefits Manager services with ProAct for an additional year pursuant to the Contract Addendum proposed September 9, 2021, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the contract with ProAct for Prescription Benefits Manager services be extended per the terms outlined in the Addendum for the period January 1, 2023 through December 31, 2023,

RESOLVED, further, That Chair of the Board of the Greater Tompkins County Municipal Health Insurance Consortium is hereby authorized to execute said contract with ProAct, Inc.

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**RESOLUTION NO. 027 - 2022 - Authorizing HEALTHCARE BENEFITS RENEWAL (ADMINISTRATIVE SERVICES AGREEMENT) with Third Party Administrator - Excellus BlueCross BlueShield**

 Ms. Dowd expressed this is a renewal of the Consortium’s contract with Excellus BlueCross Blue Shield. This contract has a sliding scale in it from year to year based on the size of the organization. With the recent approval of new members, Locey & Cahill is working on negotiating for a lower rate next year with the increased head count with new memberships. Each year, even without the sliding scale, the Consortium is still under a three percent increase. Ms. Dowd introduced Brandon Holt from Excellus BlueCross BlueShield as the Consortium’s new account manager.

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

 WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) 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 current GTCMHIC Municipal Cooperative Agreement defines the actions to be taken by the GTCMHIC Board of Directors to include the approval of contracts with third parties for the furnishing of goods and services, and

 WHEREAS, the Audit and Finance Committee has determined that it is in the Consortium’s best interest to continue its relationship with Excellus BlueCross BlueShield for the administration of the Consortium’s medical claims, and

 WHEREAS, Excellus BlueCross BlueShield charges the Consortium an additional integration fee for the carve out pharmacy services which include enrollment file transfer and accumulator integration, and

 WHEREAS, Excellus BlueCross BlueShield has agreed to give consideration in future years for Administration Rates to vary based on growth in enrollment numbers and has set discounts at four different contract band levels, now therefore be it

 RESOLVED, on recommendation of the Audit and Finance Committee, on behalf of the Board of Directors hereby approves the 2023 Healthcare Benefits Renewal with Excellus BlueCross BlueShield under the proposed fee structure presented to the Board of Directors for 2023, 2024, and 2025,

 RESOLVED, further, That the Chair of the Board of the Greater Tompkins County Municipal Health Insurance Consortium be authorized to execute the 2023 contract on behalf of the Consortium.

[**2022 Financial Update and 2023 Budget Presentation**](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5C2023%20GTCMHIC%20Fiscal%20Year%20Budget%20Presentation%20-%20Updated%20for%20%2809-22-2022%29%20-%20FINAL.pdf)

Mr. Pelton provided a financial update through August 31, 2022. He stated the total income for the Consortium was 2.50% below the amended budget, with premium income being 1.95% below the amended budget for the first 8 months of the fiscal year. There has been movement of covered members from traditional Indemnity and PPO Plans to the Consortium’s Platinum PPO Plan. The Consortium is expecting a significant RX rebate reconciliation payment from year 2021. Mr. Pelton added the Consortium did not receive any reimbursements for claims which exceeded the Specific Stop-Loss Insurance Deductible of $1 million.

Mr. Pelton reported the Consortium is tracking slightly ahead of budget projections. Many of the expense items are below budget. Paid claims account for 92.924% of total expenses for the Consortium through August 31, 2022. Medical Paid Claims are currently 7.02% below the projected budget for the year.

Mr. Pelton said the Premium Income includes a 6.5% increase in the premium equivalent rates for the 2023 Fiscal Year. Interest Income has been adjusted to capture both interest earnings and an estimated “net gain” on investments based on the new financial reporting recommended by the Consortium’s Auditor.

Mr. Pelton highlighted projected expenses indicating the medical and pharmacy paid claim trends for the Consortium from April 1, 2011 to August 31, 2022 has equaled 4.16% and 5.87%, respectively. Excellus BlueCross BlueShield claims administrative fees are increased by 3.0% for the 2023-2027 Fiscal Years. ProAct claims administrative fees are also increased by 3.0%. Stop-Loss insurance premiums have been forecasted to increase at a rate of 10% per annum based on Locey & Cahill’s experience with this market. The expected costs associated with all professional services, and miscellaneous costs also have been trended at a rate of 3%.

**2023 Budget Presentation Assumptions**

The following are assumptions contained in the [2023 budget:](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5CRes.%20No.%20-%20027%20-%202022%20Adoption%20of%20Budget.docx)

1. 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. The value of this reserve, as projected for the 2023 Fiscal Year, is $2,920,495.97. This will satisfy an Article 47 statutoryreserve requirement.
2. Maintain the IBNR Claims Liability Reserve as required by §4706(a)(1) of the New York State Insurance Law at a value in line with the expected cost of “run-out” claims. We are recommending that this reserve continue to be funded at 12.0% of expected incurred claims consistent with the direction received by the Consortium from the New York State Department of Financial Services. Based on our projections, this reserve would equal approximately $7,038,728.60 for the 2023 Fiscal Year.
3. Continue to evaluate the specific stop-loss insurance policy which recently increased the deductible to $1,000,000. We originally funded Catastrophic Claims Reserve at an amount equal to $4,500,000.00 for the 2023 Fiscal Year. This reserve is specifically designed to protect the cash flow of the Consortium from the effects of a significant increase in the number of individual high dollar claimants.
4. Maintain the Claims/Rate Stabilization Reserve in an amount equal to 7.5% of expected paid claims ($4,399,205.37). These funds could be used in future years to mitigate premium rate increases and to “soften the blow” from a period of hyper-inflation in the overall paid claims.
5. Continue to negotiate reasonable increases to the administrative fees paid to ExcellusBlueCross BlueShield and ProAct, Inc. as part of the annual renewal process.
6. Monitor and update the investment strategies of the Consortium to continue to maximize the interest earnings associated with the reserve and surplus funds while maintaining the flexibility needed in cash flow to prudently manage the Consortium’s finances.
7. In consideration of the overall financial position of the Greater Tompkins County Municipal Health Insurance Consortium and its goals and objectives, Locey & Cahill, LLC is recommending that the Board of Directors approve a 6.5% increase in premiums for the 2023 Fiscal Year. As a point of information, a 1.0% increase in premiums paid equals approximately $559,375 for the 2023 Fiscal Year.

Ms. Drake added the premium increases are included in the agenda packet. Ms. Dowd also added Ms. Apalovich will be notifying members of the [premium amounts](file:///F%3A%5CConsortium%5CBoard%20of%20Directors%5CMeeting%20Information%5CAgendas%5C2022%5CSeptember%2022%2C%202022%5C2023%20Benefit%20Plan%20List%20-%20BD.pdf) in the very near future.

**RESOLUTION NO. 028 -2022 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2023**

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

 WHEREAS, the Audit and Finance and Executive Committees have had detailed discussions and have considered the Consortium's 2023 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 2023 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 6.5% in 2023 across all benefit plans, except for the Silver Plan which will be a Premium Revenue Increase of 5.42%; now therefore be it

 RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Consortium's attached 2023 budget including premium equivalent rates and reserve amounts are hereby adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

\* \* \* \* \* \* \* \*

**Report from Claims and Appeals Committee**

 Ms. Dowd reported for Mr. Shattuck for the Claims and Appeals Committee. Ms. Dowd is pleased to announce that the Consortium doesn’t have a history of appeals and that trend is continuing. The Committee has worked on an audit of the Consortium’s prescription drug manager, and how claims have been paid the last two years. At conclusion, there were minimal issues regarding how the Consortium’s claims are being adjudicated by ProAct. It has been decided that because we have not done one in a few years that we should do an RFP for proposals for a medical and prescription drugs claims audit.

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

 Ms. Shawley reported for the Joint Committee on Plan Structure and Design report for Jim Bower who has recently resigned from his role with the Consortium. Ms. Shawley explained that the Consortium is required to review the metal level plans so that the Consortium can remain in compliance with the Affordable Care Act. The standard deviations are set by the Centers of Medicare and Medicaid Services and that sets the Consortium’s parameters for the actuarial value. It was found that the Consortium needed to adjust the Silver Plan.

 Ms. Shawley added the Committee’s focus was to make changes within the plan that would have least financial effect on Consortium members.

**RESOLUTION NO. 029 - 2022 – APPROVAL OF ADJUSTMENTS TO THE SILVER HIGH DEDUCTIBLE HEALTH PLAN**

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

 WHEREAS, the Consortium must annually review the actuarial values for its Metal Level Plans to ensure they each fall within the established ranges set by the Centers for Medicare and Medicaid Services (CMS), and

 WHEREAS, upon entering data into the federal actuarial calculator for 2023 it has been determined that adjustments need to be made to the Silver High Deductible Health Plan, now therefore be it

 RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, That effective January 1, 2023, a benefit plan adjustment to the Coinsurance Amount, Deductible and Out-of-Pocket Maximum will be made to the Consortium’s Silver High Deductible Health Plan as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Silver HDHP** | **From**In-Network | **To**In-Network | **From**Out-of-Network | **To**Out-of-Network |
|  Deductible Single/Family | $2,500/$5,000 | $2,750/$5,500 | $3,750/$7,500 | $4,125/$8,250 |
|  Out-of-Pocket Single/Family | $6,000/$12,000 | $7,000/$14,000 | $9,000/$18,000 | $10,500//$21,000 |
|  Coinsurance Amount | 70% | 80% | 50% | 50% |
|  Actuarial Value | 72.91% | 71.83% | 72.91% | 71.83% |

**\* \* \* \* \* \* \* \* \* \***

**RESOLUTION NO. 030-2022 – Actuarial Value Standard Deviation Amendment**

Ms. Earle asked if Silver Plan changes were due to being outside of the standard deviation. Ms. Drake and Ms. Dowd concurred.

 Mr. Murphy questioned if the Consortium could make the changes and understood only 2% could be calculated. Ms. Dowd responded the Consortium is recommending what the Center of Medicare and Medicaid Services (CMS) is recommending. Ms. Dowd added the last couple of years, that overall, the Bronze plan was outside of the standard deviation calculations and unreliable, and CMS allowed for exceptions until this correction was made. This was a broader range, rather than them changing the whole calculator, CMS advised to keep the calculator, but allowed the positive standard deviation to be at a greater range.

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

 WHEREAS, the Consortium must annually review the actuarial values for its Metal Level Plans to ensure they each fall within the established ranges set by the Centers for Medicare and Medicaid Services (CMS), and

 WHEREAS, upon reviewing the results of the actuarial value calculations for the Consortium utilizing the Centers for Medicare and Medicaid Services (“CMS”) actuarial value calculator and methodology it was noted that the percent de minimis variation (a.k.a., standard deviation) was amended for the Bronze High Deductible Health Plan, now therefore be it

 RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, That effective January 1, 2023, the percent de minimis variation (a.k.a., standard deviation) allowed for each of the Consortium’s metal level plans will be as follows:

 Platinum Preferred Provider Organization Plan +2% / -2% (92.49% to 87.50%)

 Gold High Deductible Health Plan +2% / -2% (82.49% to 77.50%)

 Silver High Deductible Health Plan +2% / -2% (72.49% to 67.50%)

 Bronze High Deductible Health Plan +5% / -2% (65.49% to 57.50%)

**New Business**

Ms. Dowd communicated that the Consortium has been notified that the New York State Department of Financial Services is auditing the Consortium to include years 2016 through 2020. The audit began in July, starting with Information Technology. This portion of the audit will ensure we are cybersecurity and business continuity compliant. Auditors will then move on to the financial aspect in October. Ms. Dowd added that there is an “audit” line in the budget that includes $150,000 next year and $100, 000 the following year, based on average costs of other New York consortiums.

 Ms. Drake added that Ms. Rodrigues held a presentation regarding Medicare vs. Medicare Advantage Plan at the Educational Retreat in August. This [presentation](https://www.youtube.com/watch?v=o5HAQJ8E4Ao) can be found on the Consortium’s website.

**Adjournment**

The meeting adjourned at 6:52 p.m.

*Respectfully submitted by Lynne Sheldon, Clerk of the Board*