

Greater Tompkins County Municipal Health Insurance Consortium

Audit and Finance Committee

Revised Agenda

March 20, 2018 – 3:30 p.m.

Old Jail Conference Room

- | | |
|---|-----------|
| 1. Call to Order (3:30) | M. Cook |
| 2. Changes to Agenda | |
| 3. Approve Minutes of February 27, 2018 (3:32) | |
| 4. Executive Director's Report (3:35) | D. Barber |
| a. DFS Communications | |
| b. Other Committees | |
| c. Wellness Consultant RFP update | |
| d. Selection of Committee Vice Chair | |
| e. Invoices | |
| 5. Financial Update (3:45) | |
| a. 2018 Financial report | S. Locey |
| b. 2017 Year End and JURAT Report status | R. Snyder |
| 6. Director's and Officer's Liability and Errors and Omissions Policies (4:00) | D. Barber |
| 7. <u>Resolution:</u> Approval of Online Enrollment Policy (4:05) | D. Barber |
| 8. Update on Prescription Drug Claims Audit (4:15) | D. Barber |
| 9. <u>Resolution:</u> Investment Policy (4:30) | D. Barber |
| 10. Discussion: New member application (4:55) | D. Barber |
| state benefit plan and submit claims data if available | |
| 11. Discussion: Committee Vision: Responsibility, Membership, and Leadership (4:45) | |
| 12. Next Agenda Items: (5:10) | |
| a. Resolution to Approval Financial Audit | |
| 13. Adjourn (5:15) | |

Next Meeting: April 24, 2018

Audit and Finance Committee
February 27, 2018 – 3:30 p.m. - draft
Old Jail Conference Room

Present: Steve Thayer, Bud Shattuck, Mack Cook, Chuck Rankin (arrived at 3:38 p.m.), Peter Salton, Olivia Hersey, Ann Rider

Excused: Rordan Hart

Absent: Laura Shawley

Guests: Judy Drake, Board of Directors Chair; Don Barber, Executive Director; Judy Taber, Locey & Cahill; Rick Snyder, Treasurer; Jerry Mickelson, Mimi Theusen, Insero & Co.; Jim Stoddard, Michelle Robinson, Haylor, Freyer, and Coon; Jackie Kippola, Tompkins County Contracts Coordinator

Call to Order

Mr. Thayer, Chair, called the meeting to order at 3:30 p.m.

Changes to the Agenda

The order of the agenda was changed to accommodate attendees.

Approval of Minutes of January 23, 2018

It was MOVED by Ms. Hersey, seconded by Ms. Rider, and unanimously adopted by voice vote by members present, to approve the minutes of January 23, 2018. MINUTES APPROVED.

Kick-off of 2017 Financial Audit

Mr. Mickelson distributed copies of an outline of the audit process and a Communication Letter that detailing the responsibility of Insero & Co. in conducting an audit of the Consortium's financial statements for the year ending December 31, 2017. The significant factor in the audit is the financial analysis of all claims paid and by working with the Consortium's consultants they will be validating all of the information in the annual report, including the statutory reserve requirements. Planning for the audit has already begun and preliminary conversations have taken place with the Treasurer in preparation for starting the audit on March 26th.

Ms. Theusen reviewed the audit process and reported a portal system has been established that will provide for secure transmission of data. She expects the audit to run as smoothly as it has in the past which is due in large part to the cooperation that have received and the Consortium's records being in good order. Mr. Mickelson commented that one of the biggest challenges lies with the Department of Financial Services continually making changes to the Jurat. Ms. Theusen asked that members contact her with questions and to let her know if there are specific areas they would like to see audited.

Mr. Snyder said a timeline for preparing the financial statements was recently finalized and he will provide Mr. Mickelson with a copy. He also noted the Board delegated authority to this Committee to sign-off on the audit and submit to DFS by the April 30 deadline. This will be included on the Committee's April 24th agenda.

Discussion with Haylor, Freyer, and Coon: Director's and Officer's Liability and Errors and Omissions Insurance

Mr. Stoddard said it is important that the Consortium know where there is risk, how to manage risk, understand where exposures are and where they are coming from, and how they can be better-managed.

He reviewed the history of the policies (D&O and E&O) that protect the Director's and the municipalities they represent and said the coverages haven't changed since policies began in 2011 when the Consortium had 13- member municipalities and 4,400 covered lives. The membership has grown over the years to the Consortium now having 31 member-municipalities with over 6,500 covered lives. He reviewed increased coverage levels and the associated costs. Ms. Kippola commented there is a very high cost for defense. Mr. Stoddard noted there are many carriers that will not provide coverage where the defense costs erode the limits with these types of coverages. He stressed there is no way to predict what will happen in the future but it is important that members understand how the Consortium has grown and the exposures that exist. He added that changes to the policies can be made at any time.

Ms. Robinson will check on whether the HIPPA amounts would change with any increase in the policy. In response to a question of whether there are any guidelines for coverage limits for groups like the Consortium, Mr. Stoddard said he looked but was unable to find any. In response to who would be covered under the Director's and Officer's policy he said any Director, Committee member, or anyone acting in an official capacity on the Consortium's behalf.

The Committee discussed the increased coverage levels and associated premiums provided by Mr. Stoddard. Mr. Salton did not believe there is enough risk to warrant more coverage at this time; to support an increase he said he would need to know how often lawsuits happen and what the cost has been. Mr. Shattuck expressed concern that going above \$1 million just one time could cost significantly more than the additional premium. Ms. Hersey said although there is no way to predict what will happen, having more of this type of insurance is a conservative way to protect the Consortium. Mr. Cook suggested consulting with the Consortium's legal counsel on what type of instance would trigger exposure.

It was agreed that information will be gathered and this item will continue to be discussed at the next meeting.

Executive Director's Report

Department of Financial Services Communication (DFS)

Mr. Barber reported on communication with DFS and said they have responded that the captive layer for Stop Loss insurance that was previously discussed and under consideration is available for an Article 47. NYSAC will be hosting a meeting in early May with representatives from up to 20 self-insured counties participating to talk about agreements between partners and how this might be brought forward. Mr. Salton said he would like to attend.

Other Committees

The Owning Your Own Health Committee has been meeting and has forwarded an item relating to a Wellness Consultant to be discussed later in the meeting. The Website Committee has been working with eGov; a mock-up of the site will be available soon for Consortium members to provide feedback on. The Joint Committee on Plan Structure and Design has been discussing the opioid crisis; at the next meeting they will be talking about the Metal Level Plans and their actuarial value compliance with the Affordable Care Act.

Online Enrollment

Mr. Barber said since the last meeting Jessica Hobart has spent time learning about the online enrollment process. She raised a concern of what would happen if she is on vacation. Mr. Snyder stated there would be back-up provided by other staff in his office. He asked

members to review the proposed process prior to the next meeting when the Committee will vote on it. He said a letter will need to be sent to each municipality and they will have to indicate in writing whether they want the Consortium to handle their enrollment. Those municipalities that want the Consortium to take this over will need to provide Jessica Hobart with access to their account.

Ms. Drake expressed concern about receiving data by US mail as it would delay the process and would like to see information received by e-mail or fax. Mr. Barber said there are some Consortium municipalities that do not have scanning or fax capability. Some members felt it would be very inexpensive for those municipalities to acquire necessary equipment.

Ms. Drake asked who will be reviewing proof of marriage, divorce, birth, etc.? Mr. Barber said the benefit clerks have that responsibility and sign off that they have checked the information. The Consortium, nor Jessica Hobart will not have that information; it will be the responsibility of the benefit clerks to provide thorough and accurate data for Ms. Hobart to enter into the system. Following discussion there was agreement that there needs to be ongoing training for benefit clerks.

Mr. Barber will incorporate changes suggested by Ms. Drake to the second paragraph under IV. - Future state of system enhancements, and present a revised policy for approval at the next meeting.

Investment Policy

Mr. Barber reviewed information that has been provided to the Committee that includes input from John Powers. Mr. Barber said the policy is based on a template provided by the State Comptroller. Mr. Thayer suggested members review the information and continue to discuss it at the next meeting.

Financial Report

Ms. Taber said in January the stop loss reimbursements for the first quarter of 2017 were reported to be \$166,252; however, in the year-end report the actual results were changed to \$431.14. She consulted with Mr. Locey about this and said stop loss policies are based on claims incurred in a 12-month period and paid in 15 months. They believe most of those funds are related to claims that were incurred and paid in the fourth quarter of 2016 and cannot be reported as income in 2017.

The Committee reviewed preliminary 2017 year-end results. In response to Mr. Salton's question about financial results for 2018 Mr. Barber said information is not ready for the Committee. Mr. Snyder commented that the January results are showing income being over budget by close to \$1 million.

Prescription Drug Rebate Report

Mr. Barber referred to information provided to the Committee, including a summary by quarter of rebates received. He summarized a conversation he and Mr. Locey had with BMI and said rebates are received by Optum which holds the manufacturer contracts for ProAct. BMI is not able to audit Optum's information; therefore, BMI can only audit the report it sends to ProAct. They found the numbers to be in-line with what they expected and noted there was a 100% pass through to the Consortium from ProAct. They suggested the Consortium ask ProAct to engage in a formal auditing process with Optum to make sure they are receiving the full

amount they are supposed to get. He also said the Consortium can expect to receive these Rx Rebate reports on a quarterly basis.

Request for Proposals – Wellness Consultant

RESOLUTION NO. - AUTHORIZATION TO ISSUE REQUEST FOR PROPOSALS FOR WELLNESS CONSULTANT

MOVED by Mr. Rankin, seconded by Mr. Cook.

Mr. Barber said the Board by e-mail gave its approval for the Owning Your Own Health Committee to proceed with the development of a Request for Proposals for a Wellness Consultant with approval by this Committee for its release. Ms. Drake questioned references to the County in the bid documents; Mr. Barber said he received a revised RFP today with references in the documents to the County being removed. He also noted that the release of the RFP would not commit the Consortium to anything.

Mr. Barber explained why a Wellness Consultant is needed and said in addition to existing programs such as the Blue4U program and flu clinics that need to be marketed to members there are other wellness opportunities that could potentially save the Consortium money if there was a person to meet with employees in each of the municipalities and share information. Also, the Board adopted a resolution asking each municipality to adopt a wellness policy, however, many have not. The Wellness Consultant could assist municipalities with that and also support those municipalities with implementing a wellness policy. At this time it is being proposed as a quarter-time position that would report to the Board of Directors.

The Committee agreed to the proposed due date for responses being March 16th. Mr. Barber said the RFP will be distributed to all Directors, TCCOG, list serves, and other individuals who have been identified. He said although a firm could submit a proposal he envisions this being an individual who would develop relationships with municipalities. He also commented that the new County Benefits Administrator and County Administrator are very supportive of wellness programs.

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

WHEREAS, the Board of Directors have authorized the Owning Your Own Health Committee to develop a Request for Proposals (RFP) for a Wellness Consultant, and

WHEREAS, the Board of Directors have stated that the Wellness Consultant RFP packet must be approved by a majority vote of the Audit and Finance Committee before it is released to the public, and

WHEREAS, the Owning Your Own Health Committee has approved the attached RFP for release, now therefore be it

RESOLVED, that the Audit and Finance Committee hereby approves the attached RFP to be released, and

RESOLVED, that the Audit and Finance Committee hereby appoints Ted Schiele (OYOH Committee- Chair), Jackie Kippola (Tompkins County Risk Manager), Leslie Moskowitz (City of Ithaca Manager of Organizational Development), and Judith Drake to be the committee

evaluating the Wellness Consultant proposals and recommending any action to the Audit and Finance Committee.

* * * * *

Prescription Drug Claims Audit

Ms. Taber said BMI attended the last meeting and presented their audit findings and there were a number of items where ProAct disputed BMI's findings. She distributed information containing a breakdown of the outstanding issues based on a review by she and Mr. Locey. The issues were broken down by:

- Those in which they agreed with the findings of BMI;
- Claims related to copay or coinsurance that were mostly the result of incorrect copays being applied when overrides had been done. ProAct has responded that they have changed its procedures and overrides will now need to be done by senior staff.
- Ms. Taber said the ProAct drug formulary does not contain two fertility drugs in question, therefore, she could not confirm whether a prior authorization is required. Ms. Taber said there were a number of findings that were the result of drugs needing prior authorization. ProAct has responded it is their policy to not require prior authorization for drugs costing less than \$1,500. Ms. Taber said this may be something the Consortium could look at.

Mr. Barber said in past audits the Board of Directors has adopted resolutions stating how outstanding items are to be administered. He will be having a conversation with Mr. Locey and will develop an action plan going forward for the issues that have been identified.

Ms. Taber commented on the finding related to over-the-counter smoking cessation drugs and said the Affordable Care Act requires these to be covered.

Committee Vision: Responsibility, Membership, and Leadership

This item was deferred to the next meeting.

Committee Chair

It was MOVED by Mr. Salton, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present, to appoint Mr. Cook to Chair of this Committee. MOTION CARRIED.

Mr. Barber spoke of discussion that has taken place at the Executive Committee that will come to the Board of Directors regarding expanding the Committee to include the Chairs of Consortium Committees. The composition of the Executive Committee is described in the Municipal Cooperative Agreement; therefore, these individuals would be able to attend but would not be able to vote until the MCA is amended.

Next Agenda Items

The next meeting was rescheduled to March 20th with the following items to be included on the agenda:

Audit and Finance Committee
February 27, 2018

Director's and Officer's and Errors and Omissions Insurance coverage;
Resolution – Approval of Online Enrollment Process;
Continued discussion of the Investment Policy;
Conclusion of the Prescription Drug Claims audit;
Financial report and review of the Jurat;
Committee Vision: Responsibility, Membership, and Leadership
Discuss new member application – state benefit plan and submit claims data if available

Adjournment

The meeting adjourned at 5:24 p.m.



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. – 2018 – RECOMMEND ADOPTION OF CONSORTIUM ONLINE ENROLLMENT POLICY

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, that the Audit and Finance Committee hereby recommends that the Board of Directors adopts the "Online Enrollment Policy" ensure all enrollment changes as soon as practicable will be done "online".

ONLINE ENROLLMENT POLICY
FOR
GREATER TOMPKINS COUNTY MUNICIPAL INSURANCE CONSORTIUM

Article I
Purpose and Objectives

A. Purpose

The Greater Tompkins Municipal Health Insurance Consortium adopts the Online Enrollment Policy to ensure that hence forth all new enrollment, additions, deletions, and changes will be done online.

B. Objectives

The Consortium adopts this policy for two reasons:

1. It is important to our subscribers and their employer that each knows that enrollment changes are in the Excellus software system. Only the online process allows this notification to happen in a timely manner.
2. It is important that the municipal partners have a record of enrollment changes: for accurate invoicing by the Consortium and for communication between the municipal benefit managers/clerks and the subscribers in their group(s).

Article II
Consortium Staffing

The Consortium recognizes that many of our partners would not have the occasion to use the online system on a frequent enough basis to feel comfortable accepting this mandated policy of only making online enrollment changes. Therefore, the Consortium will provide staff to conduct online enrollment for those municipal partners wishing that service with no fee.

Article III
Municipality Responsibility

- A. To be clear, the Consortium is strictly providing a data entry function, NOT a human resource function. Municipal partners remain the direct contact with the subscriber. Therefore, the municipal partner is responsible for gathering all required information on the Excellus enrollment change form “SF FAP”, ensuring its accuracy and completeness, and ensuring both the subscriber and the municipality have signed the Excellus enrollment change form” SF FAP”. This ***SF FAP form*** is the information to be communicated to the Consortium and will be entered online.
- B. For all new family plan enrollments, the municipal employer is responsible for verifying the eligibility of dependents via the ***Consortium’s Dependent Certification Process***. Then signing and sending the ***Dependent Eligibility Verification Form*** to Consortium Enrollment along with form SF FAP.
- C. Municipal partners are free to conduct their own online enrollment. Process expectations are outlined in the ***Excellus 2017 Memorandum of Understanding*** (MOU). These same employers are also responsible for dependent verification of any newly added dependents to the plan.
- D. For any municipal partners using the Consortium’s online enrollment data entry service, communicate the completed SF FAP form and the Dependent Verification Form to the Consortium through the Consortium’s online web portal or fax: 607-274-5505.

If electronic submission is not possible, you may use mail but recognize an additional time lag built into this process.

US Mail: Greater Tompkins County Municipal Health Insurance Consortium
Attn: Enrollment
125 East Court Street
Ithaca, New York 14850

- E. These applications will be handled with HIPAA compliance through the Consortium online enrollment portal. Paper records (fax and US Mail) will be digitized and retained for a period no less than required by the NYS Records and Retention Schedule.

Article IV **Confirming Municipal Online Enrollment Process**

All municipal partners must state in writing their *intention to make enrollments online*. Should a municipal partner wish the Consortium to provide their online data enrollment, the municipality will need to sign a ***Release*** so that Excellus can provide the Consortium with access to their account for online enrollment purposes.

Article V **Confirmation**

Once the enrollment application is received by the Consortium, the enrollment data will be submitted online within three (3) business days. Confirmation of enrollment will be sent back by the Consortium within 3 days of observing the change in the Excellus enrollment software.

Article VI **Contact**

All questions and information should be communicated to Consortium Enrollment. Phone (607) 274-5544, Fax (607)274-5505.

Marital Status: ☐ Single ☐ Married ☐ Legally Separated ☐ Divorced/ Marital Status Event Date

Medicare Number (if applicable)

Part A Effective Date

Part B Effective Date

If Medicare eligible due to ESRD please check type of dialysis: ☐ Self administered ☐ Facilitated Date started

5 - Other Coverage Information Have you ever been a member of Excellus BlueCross BlueShield? ☐ Yes ☐ No

In addition, please provide a copy of your "Certificate of Coverage" from your former health insurance carrier or employer.

Are you or any member of your family enrolled in any other health [or dental] insurance policy (including Medicare or Medicaid)? Health? ☐ No ☐ Yes

If answering "Yes", are you keeping the additional health coverage? Health? ☐ No ☐ Yes

Who did the other plan cover? ☐ Self ☐ Spouse ☐ Children

Other insurance carrier name:

Other insurance name of policyholder:

Policy ID Number:

Effective Date

Termination Date

6 - Cancellation Information (IF APPLICABLE)

Please indicate who is being cancelled and the reason for cancellation (reason listing on page 4).

Subscriber ☐ Medical / Reason

Date

Dependent (list each dependent in section 7)

☐ Medical / Reason

Date

7 - Dependent Information (IF APPLICABLE)

Please provide all information for each person to be covered.

Subscriber's Last Name

Subscriber's First Name

Spouse/Domestic Partner Last Name

Spouse/Domestic Partner First Name

M.I.

☐ Male

Date of Birth

Social Security Number

Are you enrolling as a Domestic Partner?

☐ Female

☐ Yes ☐ No

Medicare Number (if applicable)

Part A Effective Date

Part B Effective Date

Subscriber's Last Name (

Subscriber's First Name

Dependent's Last Name

Dependent's First Name

M.I.

☐ Male

Date of Birth

Social Security Number

Is your over-age dependent handicapped or disabled? ☐ Yes

☐ Female

(See last page for additional information) ☐ No

8 - Release/Signature

Subscriber signature required. You must sign and date this form to be eligible for insurance.

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation. I have thoroughly read, understand and agree to comply with the terms of the Release on the back.

Subscriber Signature

Date



Town of Marathon
GROUP ENROLLMENT FORM

P.O. Box 22999, Rochester, NY 14692
A nonprofit independent licensee of the BlueCross BlueShield Association
Instructions on last page. All Dates = mm/dd/yy

PLEASE PRINT CLEARLY

9. Additional Dependents

Please provide all information for each person to be covered

Subscriber's Last Name																Subscriber's First Name																
<input type="text"/>																<input type="text"/>																
Dependent's Last Name																Dependent's First Name																M.I.
<input type="text"/>																<input type="text"/>																<input type="text"/>
<input type="checkbox"/> Male	Date of Birth					Social Security Number					Is your over-age dependent handicapped or disabled?																<input type="checkbox"/> Yes					
<input type="checkbox"/> Female	<input type="text"/>					<input type="text"/>					(See last page for additional information)																<input type="checkbox"/> No					
Dependent's Last Name																Dependent's First Name																M.I.
<input type="text"/>																<input type="text"/>																<input type="text"/>
<input type="checkbox"/> Male	Date of Birth					Social Security Number					Is your over-age dependent handicapped or disabled?																<input type="checkbox"/> Yes					
<input type="checkbox"/> Female	<input type="text"/>					<input type="text"/>					(See last page for additional information)																<input type="checkbox"/> No					
Dependent's Last Name																Dependent's First Name																M.I.
<input type="text"/>																<input type="text"/>																<input type="text"/>
<input type="checkbox"/> Male	Date of Birth					Social Security Number					Is your over-age dependent handicapped or disabled?																<input type="checkbox"/> Yes					
<input type="checkbox"/> Female	<input type="text"/>					<input type="text"/>					(See last page for additional information)																<input type="checkbox"/> No					
Dependent's Last Name																Dependent's First Name																M.I.
<input type="text"/>																<input type="text"/>																<input type="text"/>
<input type="checkbox"/> Male	Date of Birth					Social Security Number					Is your over-age dependent handicapped or disabled?																<input type="checkbox"/> Yes					
<input type="checkbox"/> Female	<input type="text"/>					<input type="text"/>					(See last page for additional information)																<input type="checkbox"/> No					
Dependent's Last Name																Dependent's First Name																M.I.
<input type="text"/>																<input type="text"/>																<input type="text"/>
<input type="checkbox"/> Male	Date of Birth					Social Security Number					Is your over-age dependent handicapped or disabled?																<input type="checkbox"/> Yes					
<input type="checkbox"/> Female	<input type="text"/>					<input type="text"/>					(See last page for additional information)																<input type="checkbox"/> No					

Instruction Page

Reason for Enrollment/Change: Check the appropriate action in the space provided. An event is a specific occurrence, due to change in status, marriage, divorce, birth or adoption, group's anniversary date, or rate change. Your request **must** be received within 30 days of the event date. Please see your Group Administrator/Representative for events that fall outside the 30-day period. If New Hire, Open Enrollment, Add/Remove Dependent or Loss of Coverage, you **must** also check coverage type and persons to be covered, and Dependent Information section.

Cancel Request

To Cancel an Employee/Subscriber using the Group Enrollment Form:

- check Subscriber box
- check Products to be cancelled (Medical, Dental)
- indicate Cancellation Date in space provided
- complete Subscriber Information

To Cancel a Dependent using the Group Enrollment Form:

- check Dependent box
- check Products to be cancelled (Medical, Dental)
- indicate Cancellation Date in space provided
- complete Subscriber Information
- complete Dependent Name and Dependent Birth date

Cancel Subscriber Reasons

Left Employer/No Longer Eligible	COBRA End Date
Commercial	Subscriber Request
COBRA Begin Date	Subscriber Deceased
COBRA Handicapped/Disabled Date	Spouse's Insurance
Transfer to Traditional	Medicaid
Transfer to HMO	Medicare
Transfer to POS	

Cancel Dependent Reasons

Marriage – when permitted by law	COBRA Begin Date
Dependent Over Age	Subscriber Request
Deceased	Divorce
	Medicare

COVERAGE TYPE All products may not be applicable to your employer group. Please check with your Group Administrator/Representative.

SUBSCRIBER If you or your dependents are Medicare eligible, complete the questions regarding Medicare Coverage.

FAMILY MEMBER INFORMATION If there are more than seven dependents please use an additional form.

QUALIFIED GUIDELINES:

- A legal spouse (An ex-spouse no longer qualifies as of the date court documents are stamped and filed with the court)
- Must be under the eligible child age for your employer group:
 - natural, adopted or stepchild
- Other: Please contact your Group Administrator/Representative for the appropriate form. These dependents have additional eligibility requirements.

Dependents pending adoption, for whom you are the legal guardian, and/or a handicapped or disabled dependent who is over the dependent age for your employer group.

RELEASE

- I am applying to enroll myself and my eligible dependents, if any, under the medical contract.
- In the event that a premium contribution is required of me, I agree to pay the premium amounts applicable to the contract under which I am covered. I authorize my employer to deduct from my payroll such applicable amounts and to remit them to Excellus BlueCross BlueShield.
- If this application is made on behalf of a minor, the responsible party must complete the application.
- By accepting this contract, I grant permission to Excellus BlueCross BlueShield to submit charges to and/or recover payment from any other insurance carrier acting as my primary insurer.
- I authorize Excellus BlueCross BlueShield to request and receive medical or dental information regarding me or my covered dependents from my healthcare practitioner or healthcare institution either orally or in writing and to use this information for providing coverage. Providing coverage includes: processing claims, reviewing grievances or complaints involving care and quality assurance reviews of care, whether based on a specific complaint or a routine audit of randomly selected cases. In the use of data for these purposes, we may transmit personal information to third parties with which we contract, including pharmacy benefit managers, disease management vendors or surveyors.
- I hereby represent that all information furnished by me hereon is true and complete to the best of my knowledge.

PREFERRED PROVIDER ORGANIZATION (PPO)

I understand that the Preferred Provider Organization (PPO) coverage is comprised of an in-network benefit that is dependent on the utilization of medical providers who participate with the PPO and an out-of-network benefit which provides coverage for services of medical providers who do not participate with the PPO. I understand that the in-network benefit provides the highest level of coverage under the plan.

GROUP EMPLOYER INFORMATION This section to be completed and signed by the Employer Group Administrator/Representative. Complete only the coverage section (Medical) that is applicable to the employee's request.

If you have any questions, please contact Customer Service at:

1-800-499-1275 Or, visit us at:

www.excellusbcbs.com



Municipalities building a
stable insurance future.

125 E. Court Street
Ithaca, NY 14850
607-274-5590
INFO: consortium@twcny.ny.gov
www.tompkinscountyny.gov/hconsortium

Dependent Eligibility Verification Report

Municipality _____

Total contracts with Dependents: _____

Cases Reviewed: _____

Cases with eligible dependents added: _____

Cases with Ineligible Dependents: _____

Status of removing ineligible dependents from policy:

Additional Comments:

Signature

Date

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

EMPLOYEE INFORMATION:

Employee Last Name: _____ Employee First Name: _____ Middle Initial: _____

Employee Social Security #: _____ - _____ - _____ Employee ID #: _____ Employee Date of Birth: _____

Employee Mailing Address: _____
Street City State Zip

Employee Home Address: _____
(If different) Street City State Zip

Employee day time phone #: _____

Marital Status (circle one): Single / Married / Domestic Partnership / Separated / Divorced / Widowed

If Married, Date of Marriage: _____

SPOUSE (INCLUDING SAME SEX SPOUSES, IF LEGALLY MARRIED IN ANOTHER JURISDICTION):

Last Name: _____ First Name: _____ Middle Initial: _____

Relationship to Employee _____ Social Sec #: _____ - _____ - _____ Date of Birth: _____

Address: _____
Street City State Zip Phone #

Is your Spouse Employed? **Yes or No**

If yes, please provide the following:

Employer Name: _____

Employer Address: _____
Street City State Zip Phone #

Is your Spouse covered under any other health insurance contract, including Medicaid or Medicare? **Yes or No**

If yes, please provide:

Effective date of coverage: _____ Member ID#: _____

Carrier Name/Address: _____ Policy #: _____

Are you required by court order to provide health insurance benefits to your spouse? **Yes or No**

If yes, please provide a copy of the court order along with this form.

PRESENTATION OF A FALSE STATEMENT IN SUPPORT OF AN APPLICATION FOR HEALTH INSURANCE COVERAGE OR A CLAIM FOR PAYMENT IS PROHIBITED BY SECTION 176.05 OF THE PENAL LAW

Signature

_____/_____/_____
Month Day Year

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

Complete this form for each dependent and return it with the required documentation to confirm eligibility of your dependent/s.

DEPENDENT INFORMATION:

Dependent Last Name: _____ Dependent First Name: _____ Middle Initial: _____

Relationship to Employee _____ Dependent Social Sec #: _____ - _____ - _____ Date of Birth: _____

Dependent Address: _____
Street City State Zip Phone #

Is the dependent married? **Yes or No** If yes, marriage date: _____

Is the dependent employed? **Yes or No**

Employer Name: _____

Employer Address: _____
Street City State Zip Phone #

Is the dependent eligible for health insurance from their employer listed above? **Yes or No**

Is the dependent covered under any other health insurance contract, including Medicaid or Medicare? **Yes or No**

If yes, please provide:

Effective date of coverage: _____ Member ID#: _____
Carrier Name/Address: _____ Policy #: _____

Are you required by court order to provide health insurance benefits to this dependent? **Yes or No**

If yes, please provide a copy of the court order along with this form.

Is dependent considered handicapped (totally disabled)? **Yes or No** Date of dependent's disability _____

Does this dependent have personal income from any source? **Yes or No** _____

Is this dependent claimed on employee's income tax? **Yes or No** _____

PRESENTATION OF A FALSE STATEMENT IN SUPPORT OF AN APPLICATION FOR HEALTH INSURANCE COVERAGE OR A CLAIM FOR PAYMENT IS PROHIBITED BY SECTION 176.05 OF THE PENAL LAW

Signature

_____/_____/_____
Month Day Year

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

The following lists the required documentation to be provided along with the above form for each family member to be considered for benefit eligibility.

SPOUSE (OPPOSITE SEX AND SAME SEX) – REQUIRED DOCUMENTATION

Government Issued Marriage Certificate (if Married in the Last 12 Months)

OR

Government Issued Marriage Certificate AND Most recent Federal or State Tax Return

- Your most recent filed Tax Return showing “married filing jointly” OR “married filing separately”. Your spouse’s name must appear on the tax form on the line provided after the “married filing separately” status (or vice versa).
- Only submit page 1 of the return. This could include the 1040 form, e-File Confirmation Page, Tax Preparer’s Summary, Federal Return Recap, or Tele-File.
- Mark out all financial information and the first five digits of all Social Security numbers.

OR

Government Issued Marriage certificate AND Proof of Joint Ownership or Residency

- Submit **BOTH** your marriage certificate and proof of joint ownership or residency. Both the enrollee’s and spouse’s name must be listed on the documentation of joint ownership or residency and contain recent dates (within the last 6 months). Examples include copy of:
 - Mortgage Statement
 - Homeowners/Renters Insurance Policy
 - Property Tax Document
 - Rental/Lease Agreement
 - Credit Card Statement
 - Loan Obligation
 - Bank Account Statement

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

CHILD – NATURAL, ADOPTED, STEPCHILD – REQUIRED DOCUMENTATION

PROOF OF RELATIONSHIP – REQUIRED FOR ALL CHILDREN TO BE CONSIDERED FOR BENEFITS

- **BIOLOGICAL CHILDREN < AGE 26**
 - Copy of government issued Birth Certificate, containing the child's name, birth date and parents' names.
 - A non-government issued Birth Certificate including the child's name, date of birth, and parents' names may be used if the child is less than 3 months in age.
- **ADOPTED CHILDREN < AGE 26**
 - Adoption Placement Agreement including the child's date of birth or Petition of Adoption including the child's date of birth.
 - Adoption Certificate, adoption papers, or other official document issued by the U.S. Government, including the child's date of birth.
- **ADULT CHILD >26 AND <30 YOUNG ADULT OPTION (NEW YORK STATE MANDATE-7/1/2010)**
 - **Proof of dependent residency required – one of the following in the dependent's name**
 - Driver's license,
 - Auto registration
 - Tax return
 - Passport
 - Utility/telephone bill
 - Lease agreement
- **HANDICAPPED CHILD**
 - Your most recent filed Tax Return listing child as dependent
 - Copy of dependent's last psychological evaluation, WAIS and/or MMPI Report.
 - Form completed and signed by child's attending physician

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

DOMESTIC PARTNER – REQUIRED DOCUMENTATION

Government Issued Domestic Partner Registry Certificate (if issued in the Last 12 Months)

OR

*Government Issued Domestic Partner Registry Certificate **AND** Proof of Joint Ownership or Residency*

- Submit **BOTH** your Domestic Partner Registry Certificate and proof of joint ownership or residency. Both the enrollee's and spouse's name must be listed on the documentation of joint ownership or residency and contain recent dates (within the last 6 months). Examples include copy of:

- Mortgage Statement
- Homeowners/Renters Insurance Policy
- Property Tax Document
- Rental/Lease Agreement
- Credit Card Statement
- Loan Obligation
- Bank Account Statement

OR

Complete the attached Affidavit of Domestic Partnership

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MEMBER ELIGIBILITY VERIFICATION FORM

AFFIDAVIT OF DOMESTIC PARTNERSHIP

EMPLOYER NAME: _____

GROUP NUMBER: _____

Tax Year ____/____/____

We, _____ and _____ certify the following to be true and accurate.

A. Domestic Partner Certification

We certify that we are domestic partners in accordance with the following criteria and eligible for benefits coverage under a group health benefit plan:

1. Are each eighteen (18) years of age or older.
2. Share a close personal relationship and are responsible for each other's common welfare;
3. Are each other's sole domestic partner and intend to remain so indefinitely,
4. Are not married to anyone nor have had another domestic partner within the prior six months;
5. Are not related by blood closer than would bar marriage in the State of New York;
6. Share the same regular and permanent residence, with the current intent of doing so indefinitely; we affirm that the effective date of this domestic partnership is _____ and that this domestic partnership has been in existence for a period of _____ consecutive months, at least, prior to the date identified on the affidavit. We understand that documentation will be required;
7. Are jointly financially responsible for "basic living expense", defined as the cost of basic food, shelter, and any other expenses of a domestic partner which the partner qualified because of the domestic partnership. (Note: domestic partners need not contribute equally or jointly to the cost of these expenses as long as they agree that both are responsible for the cost.); and
8. Were mentally competent to consent to contract when our domestic partnership began.
9. We can, upon request, provide evidence of joint responsibility. Joint responsibility may, but need not necessarily, be demonstrated by the existence of three or more of the following:
 - a. A domestic partnership agreement;
 - b. A joint mortgage or lease;
 - c. Designation of his or her partner as a beneficiary for life insurance and retirement contracts;
 - d. Designation of his or her partner as primary beneficiary in the Employee's will;
 - e. Durable power of attorney for property and health care; and
 - f. Joint ownership of motor vehicle, joint checking or joint credit account.

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
MEMBER ELIGIBILITY VERIFICATION FORM

AFFIDAVIT OF DOMESTIC PARTNERSHIP (continued)

We understand that domestic partners are subject to the other eligibility provisions of the benefit plan.

We understand that this affidavit shall be terminated upon the death of my domestic partner or by a change in a circumstance attested to in this affidavit.

We agree to provide written notice to the payroll/personnel representative if there is any change of circumstances attested to in this affidavit within 30 days of the change by filing a statement of Termination of Domestic Partnership.

After such termination, I understand that another Affidavit of Domestic Partnership cannot be filed within six months following the filing of a State of Termination of Domestic Partnership with my payroll/personnel representative.

We understand that Domestic Partners are not eligible for continuation of benefits under COBRA.

Our domestic partnership (as defined in this section) has been in existence for at least (6) months prior to the effective date of this affidavit.

We certify, under penalty of perjury, that the foregoing is true and correct. We, the undersigned employee and the Domestic Partner, understand that falsification of information contained in this Affidavit may lead to disciplinary action, up to and including immediate termination of the employee's employment, and may subject us to civil action to recover any losses, including reasonable attorney's fees incurred by Group or by its insurance carrier for benefits provided under the Medical Plan.

B. Partner Certification as a Tax-Qualified Dependent

Based on consultations with a tax advisor, I certify that the previously named person whom I am enrolling for coverage **is or is not** (circle one) my legal tax dependent under IRS Section 152. I agree to notify my employer immediately of any change in this tax status. I understand that coverage of the non-employee domestic partner/same sex spouse could result in additional imputed taxable income to the employee, with possible withholding for payroll taxes (including income and social security taxes). I further understand that this coverage carries potential tax implications for the domestic partner/same sex spouse.

I understand that the Greater Tompkins County Municipal Health Insurance Consortium, BlueCross BlueShield, and ProAct are not currently obligated to provide nor do they currently provide me or my employer with tax reporting, with respect to dues or benefits paid under the plan for my Domestic Partner.

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM
MEMBER ELIGIBILITY VERIFICATION FORM

AFFIDAVIT OF DOMESTIC PARTNERSHIP (continued)

I understand that falsely certifying as to a dependent's eligibility or failure to inform my employer when a dependent no longer meets applicable eligibility requirements may result in disciplinary action, up to and including immediate termination of employment.

I affirm the statements made above are true and complete to the best of my knowledge.

Signature of Employee

Print Name

Social Security #

Date

Notary Seal:

Signature of Partner

Print Name

Social Security #

Date

Notary Seal:

Approved by Employer:

By:

Print Name

Title:

Date:



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590
www.healthconsortium.net • consortium@tompkins-co.org

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

RESOLUTION NO. – 2018 - ADOPTION OF GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM INVESTMENT POLICY

WHEREAS, Section E(9) of the Municipal Cooperation Agreement of the Greater Tompkins County Municipal Health Insurance Consortium ("GTCMHIC" or "Consortium"), provides that the Board of Directors of the Consortium shall "establish administrative guidelines for the efficient operation of the Plan"; and

WHEREAS, Section J(5) of the Municipal Cooperation Agreement provides that the "Chief Fiscal Officer may invest moneys not required for immediate expenditure in the types of investments specified in the General Municipal Law for temporary investments or as otherwise expressly permitted by the Superintendent"; and

WHEREAS, Section 4706(b) of the New York State Insurance Law provides that the Consortium's "reserve funds and surplus account" may be invested "in obligations specified in the general municipal law or education law (as applicable) for investment of moneys in reserve funds or as otherwise expressly permitted by the superintendent"; and

WHEREAS, the Consortium desires to adopt a formal "Investment Policy" whose primary objectives in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return.

now therefore be it

RESOLVED, that the Audit and Finance Committee hereby recommends that Board of Directors:

1. Adopts the *Investment Policy for the Greater Tompkins County Municipal Health Insurance Consortium* (the "Investment Policy") attached hereto as Exhibit "A"; and
2. Delegates to the Consortium's Chief Financial Officer the authority to: (i) administer the Consortium's investment program (the "Investment Program") pursuant to the terms and conditions of the Investment Policy; and (ii) to develop, recommend, and oversee such written procedures as are necessary for the operation of the Investment Program in compliance with the Investment Policy and all applicable federal and state laws; such written procedures becoming effective only upon approval by the Board.

EXHIBIT "A"

INVESTMENT POLICY

FOR

GREATER TOMPKINS COUNTY MUNICIPAL INSURANCE CONSORTIUM

Article I

Purpose and Objectives

A. The purpose of this Investment Policy (the "**Policy**") is to set forth the parameters within which the funds of the Greater Tompkins County Municipal Health Insurance Consortium (the "**Consortium**") are to be managed. In methods, procedures, and practices, the Policy formalizes the framework for the Consortium's investment activities that must be exercised to ensure effective and judicious management of its funds.

B. This Policy applies to all moneys and other financial resources of the Consortium with regard to depositing and investing its assets, and the Policy shall represent the investment constraints of all invested assets.

C. The primary objectives for implementation of the Policy, in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return.

Article II

Delegation of Authority

A. Pursuant to Section J(5) of the Municipal Cooperation Agreement of the Consortium,¹ the Board of Directors of the Consortium (the "**Board**") may delegate certain responsibilities set forth herein to the Chief Fiscal Officer of the Consortium (the "**CFO**").

B. As set forth in Article II, Section (A) above, the Board hereby delegates to the CFO, the authority to administer the Consortium's investment program (the "**Investment Program**"), and to establish written procedures for the operation of the Investment Program consistent with this Policy, and all applicable federal and state laws². However, any such written procedures shall become effective only upon approval by the Board.

Article III

Standards of Care

A. Prudence.

1. Each person responsible for managing and investing the Consortium's financial assets shall act in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. When making investment and management decisions, the primary objectives for implementation of the Policy set forth in Article I, Section (C) above shall be considered.

¹ See Section J(5) of the 2014 Amendment to the Municipal Cooperation Agreement.

² See Section 10 and 11 of the New York State (the "**State**") General Municipal Law, and Section 4706(b) of the State Insurance Law.

2. In making decisions regarding management and investment of the Consortium's financial assets, the following non-exclusive factors shall be considered, if relevant:

- i. general economic conditions;
- ii. the possible effect of inflation or deflation;
- iii. the role that each investment or course of action plays within the overall investment portfolio of the Consortium;
- iv. the expected total return from income and the appreciation of its investments;
- v. other resources of the Consortium;
- vi. the needs of the Consortium and the specific funds to make distributions and to preserve capital; and
- vii. an asset's special relationship or special value, if any, to the purposes of the Consortium.

B. Ethics and Conflicts of Interest. Officers, members, and employees of the Consortium involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the Investment Program, or that could impair their ability to make impartial investment decisions. Officers, members, and employees involved in the investment process shall disclose to the Consortium's Executive Director and the Board any material financial interests they have in financial institutions that conduct business with the Consortium, and shall further disclose any personal financial/investment positions that could be related to the performance of the Consortium's investment portfolio. Officers, members, and employees involved in the Investment Program shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Consortium; and shall be bound by the Consortium's Code of Ethics Policy.

Article IV **Suitable and Authorized Investments**

A. The following investments are permitted by the Policy:

1. U.S. Treasury & Government Guaranteed. Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided that the Full Faith and Credit of the United States of America must be pledged to any such direct obligation or guarantee ("**Direct Obligations**").

2. Municipals. Obligations issued or guaranteed by any of the following:

- i. Obligations of the State; or
- ii. With the approval of the State Comptroller, obligations issued pursuant to Section 24.00 or 25.00 of the State Local Finance Law (i.e. Tax Anticipation Notes and Revenue Anticipation Notes), by any municipality, school district or district corporation in the State, other than the Consortium.

3. Time Deposits. Special time deposit accounts, or non-negotiable certificates of deposit ("**CD**") in a State "banking institution"³ or federally chartered banks, savings and loans or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with State Law.

Article V **Investment Parameters**

A. Diversification. Investments of funds of the Consortium shall be diversified to limit the risk of loss resulting from the concentration of assets in a specific type of investment, specific maturity, specific issuer or specific sector. The diversification strategy shall be reviewed as frequently as circumstances require, but at least annually.

The following diversification parameters have been established:

Sector Type	Sector Max (%)	Issuer Max (%)	Ratings Requirement ¹	Max Maturity
US Treasury and Government Guaranteed	100%	N/A	N/A	10 Years ²
Municipals	30%	5%	Top Three Ratings Categories	10 Years
Time Deposits and Certificates of Deposit	50%	FDIC Limit	N/A, so long as FDIC-guaranteed	5 Years
¹ By a Nationally Recognized Statistical Ratings Organization ("NRSRO")				
² Government guaranteed mortgage backed securities shall have a maximum weighted average life of 10 years				

B. Subsequent Credit Downgrades. In the event of a downgrade of a security below the minimum credit standards for a new investment of that security, the CFO shall evaluate the downgrade on a case-by-case basis, and promptly notify the Board and recommend a course of action. If the CFO and/or the Board has retained a professional investment advisor, the investment advisor shall promptly notify the CFO of any downgrade below the minimum credit standards and recommend a course of action.

Article VI **Investment Institutions**

A. All financial institutions and dealers with which the Consortium transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size and other factors that make the financial institution or the dealer capable and qualified to transact business with the Consortium.

B. The CFO shall evaluate the financial position of all financial institutions and dealers with which the Consortium transacts business, and maintain a listing of proposed depositories, trading partners, and custodians. Recent Reports of Condition and Income (i.e. call reports) shall be obtained for proposed banks, and security dealers that are not affiliated with a bank, shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as "primary dealers."

³ As such term is defined in Section 9-r of the State Banking Law.

Article VII
Qualifications of Broker-Dealers

A. The Consortium shall maintain a list of approved security broker-dealers selected by a process of due diligence, which process shall require all broker-dealer candidates to supply the following:

1. Audited financial statements demonstrating compliance with State and federal capital adequacy guidelines;
2. Proof of certification from the Financial Industry Regulatory Authority;
3. Proof of State Registration required by the State General Municipal Law;
4. Evidence of adequate insurance coverage; and
5. Certification and acknowledgement of having read, understood and agreeing to comply with this Policy.

B. Approved security broker-dealers may include primary dealers or regional dealers registered with the Securities Exchange Commission ("**SEC**") that comply with SEC net capital standards under Section 15c3-1 of the Securities Exchange act of 1934 (the "**Exchange Act**").

C. The Consortium is authorized to employ an external investment advisor that shall maintain its own list of approved and qualified security broker-dealers, subject to the same process of due diligence set forth in Article VII, Section (A) above.

Article VIII
Competitive Transactions

A. To ensure that transactions meet best execution requirements, the Consortium has established the following procedures:

1. The CFO or the investment advisor, to the extent applicable, shall seek to obtain at least three (3) competitive bids or offers on any necessary contract related to the purchase and sale of investments; and
2. The CFO or the investment advisor, to the extent applicable, shall document any competitive bids, offers, or quotations received in reliance on this Article.

B. If the Consortium hires an external investment advisor as permitted by Article VII, Section C of this Policy, the advisor must retain documentation demonstrating compliance with this Article, to the extent it is applicable, and provide such documentation to the Consortium upon request.

Article IX
Securing Deposits and Investments

A. All deposits and investments at a bank or trust company, including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively, the "**Deposits**") made by officers of the Consortium that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, including pursuant to a Deposit Placement Program in accordance with applicable law, shall be secured by:

1. A pledge of “**eligible securities**”⁴ with an aggregate market value that is at least equal to the aggregate amount of the Deposits;
2. A pledge of a pro rata portion of a pool of eligible securities, having in the aggregate a market value at least equal to the aggregate amount of the Deposits;
3. An “**eligible surety bond**”⁵ payable to the government for an amount at least equal to one hundred percent (100%) of the aggregate amount of the Deposits and the agreed-upon interest, if any, executed by an insurance company authorized to do business in the State, whose claims-paying ability is rated in the highest rating category by at least two (2) nationally recognized statistical rating organizations;
4. An “**eligible letter of credit**,”⁶ payable to the Consortium as security for the payment of one hundred forty percent (140%) of the aggregate amount of the Deposits and the agreed-upon interest, if any. An “eligible letter of credit” shall be an irrevocable letter of credit issued in favor of the Consortium for a term not to exceed ninety (90) days, by a qualified bank (other than the bank where the secured money is deposited). A qualified bank is either one whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company’s commercial paper and other unsecured short-term debt obligations) are rated in one (1) of the three (3) highest rating categories by at least one (1) nationally recognized statistical rating organization, or one that is in compliance with applicable federal minimum risk-based capital requirements; and/or
5. An irrevocable letter of credit issued in favor of the Consortium by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one (1) nationally recognized statistical rating organization, as security for the payment of one hundred percent (100%) of the aggregate amount of the Deposits, and the agreed-upon interest, if any.

Article X

Safekeeping and Custody

A. **Third-Party Safekeeping.** All investment securities purchased for or held as collateral on deposits or investments shall be held by an independent third-party safekeeping institution, such as a bank, trust company, or third-party custodial agent who may not otherwise be a counter-party to an investment transaction, selected by the Consortium (the “**Independent Safekeeping Institution**”), and subject to security and custodial agreements as follows:

1. Consistent with Section 10(3)(a) of the State General Municipal Law, the security agreement shall provide that eligible securities are being pledged to secure the Deposits together with agreed-upon interest, if any, and any costs or expenses arising out of the collection of the Deposits upon a default. It shall also provide the conditions under which the securities held may be sold, presented for payment, substituted or released and the events of default which will enable the local government⁷ to exercise its rights against the pledged securities. Such agreement shall include all provisions deemed necessary and sufficient to secure in a satisfactory manner the local government’s interest in the collateral.

⁴ As defined in Section 10(1)(f) of the State General Municipal Law, and as further set forth in Schedule “A” attached hereto and made a part hereof.

⁵ See State General Municipal Law Section 11(1)(g).

⁶ See State General Municipal Law Section 11(1)(h).

⁷ As such term is defined in Section 10(1)(a) of the State General Municipal Law.

2. The custodial agreement shall provide that the pledged securities will be held by the Independent Safekeeping Institution as agent of, and custodian for, a local government, and will be kept separate and apart from the general assets of the Independent Safekeeping Institution, and it shall also provide for the manner in which the Independent Safekeeping Institution shall confirm the receipt, substitution or release of the collateral. Such agreement shall further provide for the frequency of revaluation of collateral by the Independent Safekeeping Institution, and the substitution of collateral when a change in the rating of a security causes ineligibility pursuant to the State General Municipal Law.⁸

4. The security and custodial agreements shall also include all other provisions necessary to provide the Consortium with a perfected security interest in the eligible securities and to otherwise secure the local government's interest in the collateral, and may contain other provisions that the Board deems necessary.

B. Internal Controls. The CFO shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be designed to prevent the loss of funds arising from fraud, employee error, and misrepresentation by third-parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Consortium. The system of internal controls shall further provide a satisfactory level of accountability based upon records incorporating the description and amounts of investments, the fund(s) for which they are held, the place(s) where such funds are kept, and other relevant information, including dates of sale or other dispositions and amounts realized. In addition, the internal control procedures shall describe the responsibilities and levels of authority for key individuals involved in the Investment Program.

Article XI **Performance Standards/Evaluation**

A. Assets will be managed in accordance with the parameters specified within this Policy. Performance should be compared to a relevant benchmark or benchmark(s), at regular intervals, but at least on a quarterly basis.

B. Prior to any reporting period, a performance benchmark or benchmarks will be established by the Board. The benchmark(s) shall be reflective of the actual securities being managed and risks undertaken; and the benchmark(s) shall have a similar weighted average maturity and credit profile as the portfolio.

Article XII **Reporting/Disclosure**

A. The CFO shall prepare or have prepared an investment report each month, including a summary that provides an analysis of current investments (the "**Investment Report**"). The Investment Report shall be prepared in a manner that will allow the Board to ascertain whether investment activities during the reporting period have conformed to the Policy.

B. The Investment Report shall include, at a minimum, the following:

1. An asset listing showing par value, cost and accurate and complete market value of each security, type of investment, issuer, and interest rate;
2. Average maturity and duration of investments;
3. Maturity distribution; and

⁸ See Section 10(3)(a) of the State General Municipal Law.

4. Average portfolio credit quality.

Article XIII
Review of Policy

The Board shall review the Policy at least annually, within one hundred twenty (120) days of the end of the fiscal year, to reflect developments affecting the Consortium's finances and activities, and to ensure its consistency with the primary objectives set forth in Article I, Section (C) herein.

Article XIV
Policy Adoption

This Policy is adopted by the Board this ____ day of _____, 2018.

SCHEDULE “A”

Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage ⁹

“Eligible Securities” for Collateral	For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:
(i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government-sponsored corporation.	100%
(ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.	100%
(iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.	100%
(iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of this State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.	100%
(v) Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.

⁹ See State General Municipal Law Subsections (10)(1)(f)(i)-(iv) and (vii).

GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

Investment Management Services

Request for Proposal (RFP)

**125 EAST COURT STREET
ITHACA, NY 14850
TEL. 607-274-5590
FAX 607-274-5505**

CONSORTIUM@TOMPKINS-CO.ORG
[HTTP://HEALTHCONSORTIUM.NET/](http://HEALTHCONSORTIUM.NET/)

RFP Response Due Date: Friday, _____, 2018

**REQUEST FOR PROPOSAL
INVESTMENT MANAGEMENT SERVICES**

INTRODUCTION

The Greater Tompkins County Municipal Health Insurance Consortium (Consortium) is requesting proposals for Investment Management services on its Article 47 self-insured medical plan for the period of _____.

The Consortium is seeking a firm to management investment of the Consortium's reserve and unappropriated funds as selected by the Consortium's Chief Financial Officer in accordance with the Consortium's Investment Policy. The primary objectives for implementation of an Investment Policy, in priority order, are: (1) to conform with all applicable federal, state and other legal requirements; (2) to adequately safeguard principal; (3) to provide sufficient liquidity to meet all operating requirements of the Consortium; and (4) to obtain a reasonable rate of return.

The Consortium's Investment Policy is attached.

OVERVIEW OF THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

The Consortium is a self-insured, Article 47 Plan, that offers medical and prescription drug health insurance coverage to its participants. Currently the Consortium covers the employees, retirees, and their dependents and is made up of the following municipalities:

City of Cortland	City of Ithaca	County of Tompkins
Town of Caroline	Town of Danby	Town of Dryden
Town of Enfield	Town of Groton	Town of Ithaca
Town of Lansing	Town of Ulysses	Village of Cayuga Heights
Village of Dryden	Village of Groton	Village of Trumansburg
Town of Homer	Village of Homer	Town of Willet
Town of Marathon	Town of Newfield	Town of Owasco
Town of Virgil	Town of Truxton	Village of Union Springs
Town of Aurelius	Town of Montezuma	Town of Moravia
Town of Preble	Town of Springport	Town of Scipio
Town of Cincinnatus		

The Consortium was awarded Article 47 certification on October 1, 2010 with an operational effective date of January 1, 2011. The Consortium initially consisted of thirteen municipal corporations within Tompkins County. On January 1, 2013, the Consortium added two additional municipal corporations, the City of Cortland and the Town of Lansing. In 2015, the Consortium expanded its market area to the six (6) contiguous counties to Tompkins. Currently the Consortium has thirty-one municipal partners with voting authority on the Board of Directors along with five (5) labor directors. You can find the Municipal Cooperative Agreement on our website: <http://healthconsortium.net>

The Consortium's benefit plans cover approximately 5,100 active employees, retirees and their dependents. More information about the Consortium can be found on our website.

The Chief Financial Officer of the Greater Tompkins County Municipal Health Insurance Consortium is soliciting proposals from qualified firms to provide Investment Management Services.

Questions regarding this proposal should be made via e-mailed no later than **[DATE]** to:

Don Barber- Executive Director
Greater Tompkins County Municipal Health Insurance Consortium
125 East Court Street
Ithaca, New York 14850
607-274-5590
Fax: 607-274-5430
edconsortium@tompkins-co.org

The completed proposals should be prepared in Adobe PDF and sent to the above address for delivery **no later than [TIME AND DATE]**. The Consortium's Chief Financial Officer reserves the right to reject any and all proposals.

Scope of Investment Management Services

The firm selected will be required to effectively invest Greater Tompkins County Municipal Health Insurance Consortium funds on a discretionary basis in accordance with the Plan's investment policy and cash flow needs. In addition, the firm will be expected to provide periodic written reports on the performance of the portfolio and must be available to make periodic oral reports to the Plan's Chief Financial Officer. The firm will also be expected to advise the Board of Directors and assist in the review and amendment of its investment policy and cash flow analysis from time to time.

PROPOSAL REQUIREMENTS

I. Organization

- a. Describe organization, date founded, and ownership.
- b. Describe your firm's sources of revenue, categorized by retail and institutional accounts (e.g., investment management, institutional research, etc.).
- c. Describe your firm's business affiliations (subsidiaries, joint ventures, and all "soft dollar" arrangements) and policy on soft dollar arrangements.
- d. Is your firm a registered investment advisor under the Investment Advisor's Act of 1940, as amended?
- e. Provide your firm's most recent ADV, Part 2 as on file with the SEC.
- f. Describe the firm's professional/errors and omissions insurance coverage.
- g. Describe any SEC regulatory censure, state censure or litigation related to services the firm provides to public sector investors.
- h. Proof of State Registration required by the State General Municipal Law
- i. Proof of certification from the Financial Industry Regulatory Authority

II. Experience

- a. Provide an overall statement of the firm's understanding of municipal insurance investment policies, guidelines, and philosophies in general.
- b. Describe your firm's experience in developing formalized investment policies, goals and objectives for municipal self-insurance plans.
- c. Describe your firm's experience, including number of years and total assets under management, in managing fixed income portfolios for municipal self-insurance plans. Your answer should also include data for municipal self-insurance clients in New York.
- d. Describe your experience working with clients governed by New York State General Municipal Law.

III. Personnel/Staffing

- a. Identify the number of professionals employed by your firm, by classification.
- b. Provide an organizational chart showing function, positions and titles of professionals in your organization that would be assigned to our relationship. This list should include the primary person(s) assigned to our account as the primary point of contact.
- c. Provide biographical information on investment professionals, including number of years at your firm, who will be involved in the decision-making process for our portfolio.
- d. State whether there has been any turnover of key personnel in the firm or additions to staff in the past year.

IV. Assets Under Management

- a. Audited financial statements demonstrating compliance with State and federal capital adequacy guidelines;
- b. Summarize your institutional investment management asset totals by category as of December 31, 2017.
- c. Provide data on account/asset growth over the past 10 years ended December 31, 2017.
- d. Provide 10 years of average annual performance history for short and intermediate-term fixed income composites. Data should be reported as of December 31, 2017
- e. Please provide details of each composite, including the following, as of the most recent quarterly reporting period:
 - 1. Market value weighted duration compared to benchmark
 - 2. Number of portfolios in each composite
 - 3. Composite assets
 - 4. Composite risk measure compared to benchmark, such as standard deviation of returns, max-min or range of performance, or other risk metric.

V. Philosophy/Approach

- a. Please describe your firm's investment philosophy for managing municipal self-insurance portfolios, including your firm's philosophy of average duration, maturity, and yield.
- b. What are the primary strategies for adding value to these types of portfolios?
- c. Describe the process you would recommend for establishing the investment objectives and constraints for this account.
- d. Describe how investment decisions are made.
- e. How frequently do you formulate and review fixed income strategy?
- f. How is strategy carried out and who is involved?
- g. How quickly, after strategy is implemented, are specific decisions made?

VI. Portfolio Management

- a. Are portfolios managed by teams or individuals?
- b. What is the average number of accounts handled per individual?
- c. Who is the backup when a dedicated portfolio manager is not available?
- d. Describe procedures that ensure portfolio compliance with client investment objectives and policies.
- e. What system of controls/audits are in place to prevent loss of funds due to fraud, error, or other irregularities?
- f. How will you handle fluctuating cash flows and the cash forecasting process?

VII. Reporting

- a. How frequently do you meet with similar municipal self-insurance plans and who from your firm attends these meetings?
- b. Describe the frequency and format of reports that you would provide to us. Include samples.
- c. Describe your online reporting capabilities, including the time frequency of publishing monthly statements.

VIII. Fees

- a. Include your proposed fee schedule, in detail.
- b. On a sample \$20 million portfolio, what are your expected annual fees?
- c. What additional expenses not covered through the fee structure will be expected in order to implement your Investment Management services?
- d. Please provide your proposed reimbursement schedule.

IX. Term of Agreement

- a. Include your proposed term of agreement and terms for agreement extension

X. References

- a. Please provide five references, including client name, address, and phone number, and length of time as a client.

Vendor Selection Criteria

The Consortium will evaluate vendor responses to this RFP and make selection based on the following criteria and the attached relative weighting:

- I. Experience
 -
 -
 -
 -
- II. Scope of Project Services
- III. Proposal in the Consortium's best interest
 -
- IV. Fees and Other Costs
- V. Interviews at our headquarters may be requested.
- VI. References

Submission of Bid

All questions concerning this solicitation must be emailed to:
consortium@TOMPKINS-CO.ORG

Proposal submission must be done electronically (Subject line: Investment Management Services RFP) and are due by **2018 @ 4 PM**

Required Documents

The Greater Tompkins County Municipal Health Insurance Consortium requires the attached documents to be completed and all requested information submitted with your proposal. If you fail to provide any of the required documents or information, your proposal will be deemed incomplete and may be removed from consideration for this service.

Instructions to Bidders

1. All bid and questions must be submitted electronically to: consortium@tompkins-co.org. Any responses to questions will be posted on the Consortium's website: www.healthconsortium.net To submit a bid, bidders should take the following steps:

***NOTE: If you experience difficulty submitting a bid or rfp response please contact the Greater Tompkins County Municipal Health Insurance Consortium (Consortium) via email (preferred), edconsortium@tompkins-co.org or by telephone, (607) 274-5590**

immediately for assistance or further instructions. If you do not receive a response from the above provided telephone number you may contact (607) 274-5434.

2. All responders will be notified to confirm receipt of their bid.
3. Bids will not be accepted after the designated time.
3. Bidders are responsible for reporting any errors found in the bid specifications to consortium@tompkins-co.org. Failure to report errors constitutes acceptance as written.
4. The Consortium reserves the right to “Revise” or “Amend” the bid specifications prior to the bid opening date by written “Addenda”. It is the responsibility of the bidder to ascertain whether any addenda have been issued by checking with the Consortium prior to submitting their bid.
5. No charge shall be allowed for federal, state, municipal sales, surcharges, or excise taxes from which the Consortium is exempt. Exemption certificates will be forwarded to the successful bidder upon request.
7. Bidders shall indicate on the cover page of their bid the following information: A. Title of Bid B. Date & Time of Bid Opening C. Company Name. Each bid must be submitted under separate cover and will be considered on its own merits.
8. In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all responses submitted should comply with the following guidelines:
 - A. All copies should be delivered electronically
 - B. Unnecessary samples, attachments or documents not specifically asked for should not be submitted.
9. The following forms are to be submitted with the bid package:
 - A. Bid form, filled out in its entirety
 - B. Non-Collusive Affidavit, signed and dated
All responders submitting proposals under the provisions of the specifications are subject to the provisions of Section 103 of the General Municipal Law of the State of New York. A signed Non-Collusive Bidding Certificate (included in the specification package) must be submitted with each response on the form provided
 - C. Anti-Discrimination Clause, signed and dated
 - D. References as indicated in the bid specifications
 - E. Bid Sign-Off Sheet, filled out in its entirety
 - F. Insurance Certificate, completed and signed by insurance agent
 - G. Vendor Responsibility Form
 - H. Iran Divestment Act Compliance Form
 - I. Certification and acknowledgement of having read, understood and agreeing to comply with the attached Investment Policy.

J. Any other information required in the bid specifications

Under no circumstances is it necessary to return the technical specifications with the bid. The bidder should retain them for their records.

10. Bidders submitting a bid will be supplied with a copy of the bid tabulation, upon request, with the bid award information as soon as they become available.

11. Failure to submit any of the above data may result in the rejection of the bid as non-responsive. Furthermore, the Consortium reserves the right to require the vendor to supply any additional information it deems necessary to determine the successful responsive/responsible vendor and further to waive any minor informalities it deems to be in its best interest.

12. All bids submitted to Consortium become the property of Consortium and are subject to Public Information Policy. Any confidential information, such as a company's financial status, if required by the specifications, shall be submitted in a separate sealed envelope with the word "CONFIDENTIAL" on the outside.

13. The apparent silence of the specifications as to any details or the omission from it of a detailed description concerning any point shall be interpreted as meaning that only the best commercial practices are to prevail and that only materials and workmanship of first quality are to be used, specified or accepted.

14. The Consortium reserves the right to consider a bid "incomplete" or "non-responsive" if it is not submitted in accordance with the provision of the specifications, or to waive informalities in any bid as received. The Consortium also reserves the right to reject any and all bids that do not prove to be in the best interest of the Consortium without cause.

Amendments to Board Resolution: 002-2016

Current language:

“RESOLVED, That the municipality's Board hereby directs the Mayor/Supervisor to sign the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) Municipal Cooperative Agreement (MCA), submit copies of financial information required by the GTCMHIC (up to two years of State Comptroller AUD reports), supply contract population data of all employees/retirees eligible to be covered by the Consortium and benefit plan for each, and comply with the dependent verification requirements of the GTCMHIC,

RESOLVED, further, That the municipality's Board hereby directs the Supervisor/Mayor to inquire if a Surplus Reserve payment is required before coverage can begin and if so forward a voucher to this Board for that amount and the terms of the Surplus Reserve Funds return.”

Draft language for discussion:

“RESOLVED, That the municipality's Board hereby directs the Mayor/Supervisor to sign the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) Municipal Cooperative Agreement (MCA), submit copies of financial information required by the GTCMHIC (up to two years of State Comptroller AUD reports), supply contract population data of all employees/retirees eligible to be covered by the Consortium and the **title of the** benefit plan for each, and comply with the dependent **eligibility** verification requirements of the GTCMHIC, **and**

RESOLVED, further, in the event that the municipality is coming from an experience rated, minimum premium, or self-funded plan, the municipality directs its current insurance carrier to release __ most recent years claims data to the Consortium, and

RESOLVED, further, That the municipality's Board hereby directs the Supervisor/Mayor to ~~inquire if a~~ **request a waiver from** Surplus Reserve payment. ~~Should that waiver be denied, municipality is required,~~ before coverage ~~can~~ **begins**, ~~and if so~~ **to** forward a voucher to ~~this Board~~ **the Consortium** for that amount **equal to 5% of the anticipated annual premium**, ~~and the terms of the Surplus Reserve Funds return~~

Resolved further, that the municipality directs the Supervisor/Mayor to certify that the municipality will either conduct member enrollment online or will provide the Consortium the authority to conduct the online enrollment process.”