



Greater Tompkins County Municipal Health Insurance Consortium

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

Audit and Finance Committee

Agenda – October 26, 2021

3:30 PM

Town of Ithaca/Zoom Meeting

(see meeting invite or contact consortium@tompkins-co.org for information to join meeting)

1. Call to Order (3:30) M. Cook
2. Changes to Agenda
3. Approve Minutes – September 21, 2021
4. Executive Director (3:35) E. Dowd
 - a. Report
 - b. Merge November and December meeting dates
 - c. Investment Management Services RFP
 - d. TPA Identification Card Update
 - e. Catastrophic Claims Pool Discussion
5. Financial Update (4:05) S. Locey
 - a. Financial Update
 - b. Report on large loss claim activity
 - c. Accounts Receivable T. Apalovich
 - d. Expenditure Report
6. Resolutions: (4:15)
 - a. **Resolution:** Extension of Contract for Plan Consultant – Locey & Cahill – January 1, 2022– December 31, 2022
 - b. **Resolution:** Authorization to Purchase Insurance Policies: Errors and Omissions, Directors and Officers, and Directors and Officers Liability, Employment Coverage, and a Fidelity Bond
 - c. **Resolution:** Rescinding Resolution No. 8 of 2017 “Delegating Responsibility for Approval of Independent Financial Audit”, Resolution No. 32 of 2018 “Approval and Cyber Security Policies and Procedures”, and Delegating Responsibility of Other Operations of the Consortium to the Executive Committee
 - d. **Resolution:** Authorizing Healthcare Benefits Renewal (Administrative Services Contract) with Third Party Administrator – Excellus BlueCross BlueShield
 - e. **Resolution:** Approval of Contract for Investment Management Services – Wilmington Trust Advisors, Inc.
7. Discussion of Role of Committee in the Future (4:40)
8. Next meeting Agenda Topics (4:55)
9. Adjourn (5:00)

Next Meeting: **December 14, 2021 – 3 PM (tentative)**

**Audit and Finance Committee
Minutes - DRAFT
September 21, 2021
Ithaca Town Hall/Remotely via Satellites**

Present: Mack Cook, Bud Shattuck, Eric Snow, Peter Salton, Laura Shawley (arrived at 3:06 p.m.), Rordan Hart, Amanda Anderson (excused at 4:50 p.m.)
Excused: Steve Thayer, Jon Munson
Staff/ Guests: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Rob Spenard, Paul Pelton, Locey and Cahill; Andrew Braman, Tompkins County Finance Department; Don Barber, Consultant; Teri Apalovich, Finance Manager; Kylie Rodrigues, Benefits Specialist

Call to Order

Mr. Cook, Chair, called the meeting to order at 3:32.

Changes to the Agenda

There was an adjustment made to the order of items on the agenda.

Approval of Minutes of August 24, 2021

It was MOVED by Mr. Snow, seconded by Mr. Cook, and unanimously adopted by voice vote by members present, to approve the minutes of August 24, 2021 as submitted. MINUTES APPROVED.

Executive Director Report

Ms. Dowd said a written report was included in the agenda packet. She stated a press release will be issued on new members and the new Certificate of Authority following the Board of Directors meeting. Upon adoption of the budget an e-mail will be sent to members containing individual premium rates for each location.

Ms. Dowd said there will be a discussion later in the meeting about the Catastrophic Claims Reserve and how it is presented in the budget proposal. She reviewed the history and said a practice was started in 2020 with expenses to keep reporting the delta between what the old premium levels have been which would have been a lower premium due to there being higher deductibles, and continuing expenses at the higher level. This was being done based on two reasons.

Mrs. Shawley arrived at this time.

The first reason is that Mr. Locey advised that the Consortium continue to show in the budget the higher premium level in case the Consortium didn't want to continue to have the risk at the \$1 million level. The Consortium wouldn't lower premiums to the lower expense level, the expense level would continue to be kept high and premiums would continue to be funded at a higher level because it would be approximately a one percent increase if the Consortium needed to go back and fund at a lower deductible level.

The second reason was to utilize the savings in premiums to fund claims above the \$500,000 level as a way to reimburse the Reserve. She said the Reserve was set at \$4.5 million with interest and this is what is included in the resolution and in the budget package. What was

not set up was the accounting system to show the money going into the Reserve or the accumulation of interest except in the annual audit. The Consortium's 2020 annual audit shows the Reserve at \$5,032,000 but \$4.5 million has remained in our monthly YTD reports. She said the revised year-to-date presentation will show a new line item that shows the use of this Reserve with funding to claims that are anticipated in 2021 going over \$500,000 that will be self-funded.

Ms. Dowd asked members to consider this information during discussion of the budget later in the meeting as she would like there to be agreement on the approach to reporting going forward.

**RESOLUTION NO. - 2021 - AMENDMENT TO RESOLUTION NO. 038-2020 AND
EXTENSION OF CONTRACT THROUGH 2022 –
FINANCIAL SERVICES AGREEMENT WITH TOMPKINS
COUNTY**

Ms. Dowd said the amended agreement reflects changes that are the result of having a Finance Manager in-house and with the support of Mr. Snyder and Mr. Braman going forward. Ms. Dowd reviewed the revised services contained in the amended contract and stated the expense will change from approximately \$68,000 annually to \$20,000 annually.

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

WHEREAS, the Consortium approved a contract with the Office of the Tompkins County Finance Director for the performing of Consortium Treasurer functions for a term commencing January 1, 2021 through December 30, 2021 at an annualized cost of \$68,660, and

WHEREAS, since hiring of a Finance Manager the Consortium has brought in-house some financial services previously administered by the Tompkins County Finance Department, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Executive Committee hereby amends the Consortium's agreement for 2021 effective October 1, 2021 thru December 31, 2022 with the Finance Department to reflect the reduced responsibilities agreed upon by the Consortium's Executive Director and the Consortium Treasurer to reflect an amended annualized cost of \$20,000.

* * * * *

RESOLUTION NO. - 2021 – APPROVAL OF 2022 CONSORTIUM WAGE INCREASES

Ms. Dowd presented the resolution and stated the wage increase of 2.5% is based on increases proposed for the Town of Ithaca and Tompkins County.

MOVED by Mr. Snow, seconded by Mr. Shattuck. Mr. Shattuck said he finds the proposed increase to be low based on work employees are doing in addition to the learning curve. He thinks most of the wage increases he has seen have been in the range of 3.0% and recommended the percentage be increased.

Mr. Salton expressed support for the original proposal. Ms. Anderson said in her review of COLA (Cost of Living Allowance) numbers, she has seen levels of 4%; therefore, she would support the suggestion of 3%. Mr. Cook said although he is aware of the inflation rate being 3% and could support that level. He said the Consortium is a municipal corporation that has to live

within the Property Tax Cap and would be concerned with a rate higher than that. Mr. Salton said while he believes employees should be properly compensated, he has concern with a wage increase that greatly deviates from other municipal increases.

Ms. Dowd spoke of the need to look at positions and the way wage increases are handled going forward. Although the Consortium is a municipal corporation, it is competing in both the insurance and municipal markets and needs to stay competitive within both of those markets. She also commented on the additional work staff is taking on and lessening reliance on outside consultants and more on internal strength. She recommended there be further conversation about how wages should be determined going forward, as well as what competitive wages are for the Consortium and how to manage that. Ms. Drake said as the Town of Ithaca's Human Resources Manager, she needs a resolution from the Consortium that dictates what the next year's wages will be.

Mr. Hart said the Consortium does not have bargaining units and although it may feel uncomfortable there must be a public discussion of salary increases. He said many of the smaller municipalities have approved an increase of 3%.

It was MOVED by Mr. Hart, seconded by Mr. Shattuck, and unanimously adopted by voice vote by members present, to amend the resolution to approve a wage increase of 3% for 2022. The resolution was unanimously adopted by voice vote by members present.

There was also consensus that wage increases will be presented and approved by the Executive Committee in the future.

WHEREAS, the Board adopted the 2022 Budget which included estimated wages for staff on September 23, 2021; and

WHEREAS, the Executive Director and Human Resources Manager have reviewed the staffing plan, budget and current market and recommends a 2.5% cost of living adjustment for all current staff, and

RESOLVED, on recommendation of the Audit and Finance Committees, That the Executive Committee of GTCMHIC hereby establishes a cost-of-living adjustment for current staff wages at 3.0% effective January 1, 2022 as detailed on file in the Human Resources Office.

RESOLUTION NO. 017 - 2021 - ACCEPTANCE OF APPLICATIONS BY THE TOWNS OF ERWIN AND THROOP AND THE VILLAGES OF MINOA AND FAYETTVILLE TO BECOME PARTICIPANTS IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM EFFECTIVE JANUARY 1, 2022

Ms. Dowd reported there are four municipalities being recommended for membership, of which only the Town of Throop is in the Consortium's previous seven county territory. These municipalities would bring in approximately 80 new employees; a summary of each is as follows:

Town of Throop – 5 employees; currently in the Bronze Plan. They would be moving half way through the year from their current Excellus Plan over to the Consortium in January 2022. Upon a financial review they have been recommended to advance by the Consortium's Treasurer.

Town of Erwin – 21 employees currently in the Silver Plan. They will remain with the Silver Plan. Upon a financial review they have been recommended to advance by the Consortium's Treasurer.

Village of Minoa – Onondaga County municipality with 15 employees. They are currently in a UMR Platinum Plan. Upon a financial review they have been recommended to advance by the Consortium's Treasurer.

Village of Fayetteville - Onondaga County municipality with 38 employees. They are currently in a UMR Gold Plan and Platinum Plan.

Ms. Dowd reported that due to its fiscal stress score, the Village of Fayetteville was not recommended by the Consortium's Treasurer. Upon reviewing information further, the Fayetteville Clerk shared additional information to be considered. A few of the factors that created their fiscal stress score have been corrected. They have reduced their outstanding debt and have increased their Fund Balance. Their problem area is their Capital Projects; however, most will be closed out by the end of the year. Ms. Dowd explained that the Village is awarded many grants; however, the grant requires that money be spent upfront and this has impacted their cash flow.

Mr. Salton questioned what the Village of Fayetteville's record is for paying insurance premiums. He said he finds fiscal stress measurements to be a crude attempt to show a municipality's viability and is more interested in whether they pay their bills. Mr. Cook agreed and commented that infrastructure refunds are taking three years on average and doesn't think a high fiscal score on the fiscal stress test is indicative of municipality's financial position.

Mr. Shattuck said he is familiar with Fayetteville and has viewed its Board meetings. Based on what he heard he believes the explanation Ms. Dowd communicated from the Fayetteville Clerk is correct. Mr. Cook said in considering an applicant a key question should be whether they pay their bills on time and is there a risk they will not pay on-time when premiums are due.

There was consensus that an area that should be looked at with any new applicant is premium payment history.

It was MOVED by Mr. Salton, seconded by Mr. Snow, and unanimously adopted by voice vote by members present, to approve the resolution with all four applying municipalities.

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 Erwin and Throop and the Villages of Minoa and Fayetteville have submitted an official resolution 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 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 Towns of Erwin and Throop and the Villages of Minoa and Fayetteville as Municipal Participants in the Consortium, with health insurance coverage

beginning January 1, 2022 pending receipt, additional analysis, and approval of all required documentation.

* * * * *

Financial Report

Mr. Pelton provided a financial update through August 31st, noting overall revenues are down 1.15% with premiums being down by approximately 2.25%. RX Rebates are \$250,000 over budget through half of the year; two additional payments are expected through the remainder of the year. He said the primary reason for being under budget on revenue is due to the movement of members from traditional indemnity and PPO plans into the Platinum Plan. There have been no Stop Loss reimbursements to date.

On the expense side of the budget medical and prescription drug claims are down cumulatively by 1.44% with medical claims being under budget by 3.53% and prescription drug claims being over budget by 3.8%. Mr. Pelton said 94.79% is used directly to pay claims, leaving 5.22% to pay for all other expenditures which includes a Stop Loss premium. He reviewed trends data and commented that claims are beginning to trend at a more typical level with activity returning to a normal level.

Large Loss Claims

Mr. Spenard presented the high claimant report through August and said there were slightly over \$5.5 million in claims which is a similar result to 2020. There are currently 30 individuals who have reached \$100,000 in claims; last year this time there were 29. He called attention to one claimant that has continued to appear year after year on the report and said if the Consortium elects to have a lower deductible for Stop Loss this claimant would be lasered. He reported information was just received on another claimant that will be reflected in next month's report with claims over \$600,000. These claims will continue to be monitored.

Following a question raised by Mr. Cook, Mr. Spenard said he will look into whether there is a lag in ProAct Claims. Ms. Apalovich noted that if someone was in the hospital, prescription costs would be reflected in an Excellus claim.

Accounts Receivable and Expenditure Reports

Ms. Apalovich reported there are currently no members outstanding in payments and nothing notable to report on the expenditure report.

Presentation of Proposed 2022 Budget

Ms. Dowd reviewed an updated budget presentation, noting the resolution to approve the 2022 budget was approved by the Committee at its last meeting.

In response to Mr. Salton, Mr. Pelton explained that by raising the stop loss deductible the Consortium becomes more vulnerable to high cost claims. The Catastrophic Claims Reserve funds the gap between \$600,000 and \$1 million; where there typically would have been reimbursement for any Stop Loss insurance claims over \$600,000 the Consortium would no longer get reimbursement until the claim hits \$1 million. He said while taking a higher deductible the Consortium still needs to be protected from any claims that fall within that gap.

Mr. Salton questioned the purpose for specifically classifying the funding vehicle differently. Mr. Pelton said the savings will likely be seen in Stop Loss premium expenditures. He said a decision was made a couple of years ago that it would be a prudent to raise the

deductible and lower the premium for Stop Loss insurance as the Consortium had the fiscal resources to cover claims that may fall between \$600,000 and \$1 million.

Ms. Dowd explained that at the time it was the recommendation of Mr. Locey that because the Consortium was going from \$600,000 to \$1 million that the Consortium would fund what normally has been paid by Stop Loss with the difference in the premium and that the Consortium's budget would include the expense at the higher Stop Loss premium number to make sure that if there was ever a need to switch back or claims between those levels it would be accounted for. This calculation has been reflected in the monthly reports, but this has not been part of the budget presentation. Ms. Dowd said the easiest thing to do is to lower the expenses and to show funding out of the Reserve; however, this has not been the practice. There has been some confusion as to how that Reserve is being funded and why the delta is continuing to be shown in the Stop Loss expense line. She said the question for the Committee is how you would like to see this practice going forward.

Mr. Barber said when the Consortium decided to move from \$600,000 to \$1 million, the Catastrophic Claims Reserve was increased from \$2.8 million to \$4.5 million with money from Fund Balance being used for any claims that got into the captive layer up to the \$1 million deductible and funds from that Reserve would be used to pay for those claims with Fund Balance used to replenish the Reserve to \$4.5 million. He said what is being proposed is a new policy that increases the Fund Balance by putting more money in the budget for the Stop Loss insurance than is needed. He also commented that there is a lack of information to inform how the Catastrophic Claims Reserve level is set and no information has been received to advise on what numbers should be used. Mr. Barber spoke of the upcoming Board meeting and suggested there be further discussion to achieve a better understanding of this by Committee members.

Mr. Pelton explained how numbers are reflected in the budget document. He stated the lines contained in the document are projection lines and noted money will not be added to the Reserve unless it is used. Mr. Spenard referred to the document and said where the budget and actual Stop Loss lines are broken out the budget line item is based on what the premium would be on a \$600,000 deductible; the line below that is the actual \$1 million premium that is being paid; the delta of those is what is being transferred to the Catastrophic Claims Reserve. He clarified that this discussion is about the Consortium paying for claims above \$500,000 and not \$600,000.

Mr. Cook questioned if the \$4.5 million Catastrophic Claims Reserve level will need to be increased over time as the Consortium grows. Mr. Pelton responded that is something that will need to be discussed but believes the current model places the Consortium in a positive position. He recommended the Consortium reimburse the Reserve Fund for claims between \$500,000 to \$1 million to keep the Reserve level at the \$4.5 million level.

Mr. Hart said when there was discussion of moving the Stop Loss deductible to \$1 million a look was taken at how large the Catastrophic Claims Reserve should be to support that and at the time there was consideration of a level as high as \$6 million; however, a compromise was reached at \$4.5 million. He said at that time the Consortium was not using Reserve Funds at all which led to the question of why it existed. That is where the captive layer concept entered the discussion and a look was taken at joining a multi-organizational captive. The Consortium didn't join that but created its own captive concept and decided it was going to account for claims between the \$600,000 and \$1 million level and utilize money out of the Reserve for just that spending. Mr. Hart asked if it is now being suggested to lower that amount to \$500,000 and allocate money out of the Reserve for claims that breach that level and not the \$600,000 level.

Mr. Spenard said it was the original intent, that for any claims above \$500,000 and not \$600,000, which was the previous Stop Loss level, on a quarterly basis would be transferred out of the Catastrophic Claims Reserve to cover those claims; however, that was never put into a resolution.

Mr. Hart said given the Consortium's rate of growth he thinks the Catastrophic Claims Reserve is funded too low and by at least half. He said there is always pressure to look at Fund Balance and he doesn't think anything should be lowered until the Consortium stops growing. Mr. Pelton said the Consortium's current financial status would allow for this discussion.

Mr. Spenard referenced Resolution No. 9 of 2020 in which it was stated:

1. The GTCMHIC Treasurer is directed to, on a quarterly basis and within 60 days of the end of said quarter, transfer from the Catastrophic Claims Reserve to the general operating fund of the GTCMHIC a dollar amount equal to any claims paid in excess of \$500,000 but less than \$1,000,000 per member, excepting: The one member identified by Excellus as having a separate deductible of \$1,200,000. For this member, funds will be transferred from the Catastrophic Claims Reserve to the general operating fund for any claims incurred above \$500,000 but less than \$1,200,000.

The process for how the delta is transferred from Reserve to Fund Balance was never established. Ms. Dowd said she assumes the auditors did this calculation based on the resolution and this is reflected in the annual audit.

Mr. Hart recalled discussion of this resolution and agreed with Ms. Dowd that it was not quantified how it would be done. He said the 2022 budget resolution states the Catastrophic Claims Reserve will be maintained at \$4.5 million plus interest and premium savings. It was that premium savings clause that Mr. Locey had planned to use to indicate the savings from the difference between the two deductible levels and the Stop Loss. Mr. Hart suggested this be re-addressed in light of the scope and scale of the Consortium having doubled. Mr. Pelton questioned what the auditors utilized to move monies from \$4.5 to \$5,032,000 as this amount was included in the year-end audit. Mr. Shattuck spoke of the possibility of medical costs going up quickly and the need to be prepared.

Mr. Hart would like to see what percentage of the available municipalities joined the Consortium that were within the original seven counties that made up the Consortium and using that percentage of municipalities, what that looks like under the new Certificate of Authority. He said this would give a range of what the budget will look like in the next three to five years and where the Catastrophic Claims Reserve and Fund Balance target levels should be. He said if the Consortium doesn't plan for this it could end up with a greatly insufficient Catastrophic Claims Reserve and Fund Balance.

Ms. Dowd said the budget process will move forward with additional discussion by the Committee on the Catastrophic Claims Reserve and how it will be funded going forward. Staff will support the Committee in identifying the level of risk going forward and how to fund elective reserves and the unencumbered fund balance. Members were supportive of the budget resolution as approved at the last meeting and were interested in having a discussion of how to fully fund the Catastrophic Claims Reserve.

Role of Committee Going Forward

This item was deferred to the next meeting.

Next Agenda Items

The following item will be included on the October agenda:

- Discussion of the future role of the Committee

Adjournment

The meeting adjourned at 5:13 p.m.

Respectfully submitted by Michelle Cocco, Clerk of the Board



2021 Fiscal Year Budget Performance Report As of September 30, 2021

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Section 1

2021 Fiscal Year-to-Date Income Budget vs Actual Results

2021 Income Budget vs Actual (09/30/2021)

Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC)

2021 Budget Performance Analysis

Results as of: 9/30/2021

of Months: 9

	2021 Adopted Budget	2021 Revised Budget	2021 Year-to-Date	2021 Actual Results	Variance	% Difference
Income						
Medical and Rx Plan Premiums *	\$55,875,290.81	\$55,002,327.38	\$41,251,745.54	\$40,267,005.72	-\$984,739.82	-2.39%
9020 Interest	\$45,534.44	\$45,534.44	\$34,150.83	\$8,539.51	-\$25,611.32	-74.99%
9010 Rx Rebates	\$1,400,000.00	\$1,700,000.00	\$1,275,000.00	\$1,865,773.90	\$590,773.90	46.34%
9040 Stop-Loss Claim Reimbursements	\$0.00	\$0.00	\$0.00	\$0.00		
9035 Finance Charge Income	\$0.00	\$5,463.46	\$4,097.60	\$0.00	-\$4,097.60	n/a
9030 Other	\$5,463.64	\$0.00	\$0.00	\$0.00		
Total Income	\$57,326,288.89	\$56,753,325.28	\$42,564,993.96	\$42,141,319.13	-\$423,674.83	-1.00%

Key Facts:

1. Premium Income was **2.39% below** budget for the first 9-months of the fiscal period. Based on our preliminary analysis, the following factors should have resulted in a lower than expected premium :
 - a. There has been some additional movement of covered members from traditional Indemnity and PPO Plans to the Consortium's Platinum PPO Plan. This movement results in a lower overall premium base, but also lowers claims costs.
 - b. The County of Tompkins moved all Medicare-aged retirees into the Consortium's Medicare Supplement Plan (MS4)

2021 Income Budget vs Actual (09/30/2021)

Key Facts (continued):

- c. The number of contracts insured by the Consortium increased by 3.18% and the number of covered lives grew by only 0.60%. The disparity in this number is primarily due to the County's move to the Consortium's Medicare Supplement Plan for their Medicare-aged retirees and their spouses.

Monthly Average Covered Lives by Fiscal Year

Year	Member	Spouse	Dependent	Total lives
2011	1,995	1,056	1,348	4,400
2012	2,004	1,058	1,386	4,448
2013	2,281	1,228	1,567	5,077
2014	2,269	1,188	1,556	5,012
2015	2,301	1,173	1,546	5,021
2016	2,322	1,186	1,555	5,063
2017	2,397	1,208	1,567	5,172
2018	2,439	1,216	1,546	5,201
2019	2,867	1,436	1,867	6,170
2020	2,943	1,456	1,875	6,274
2021	3,036	1,408	1,868	6,311

* Member = Employee, Retiree, or COBRA Contract Holder

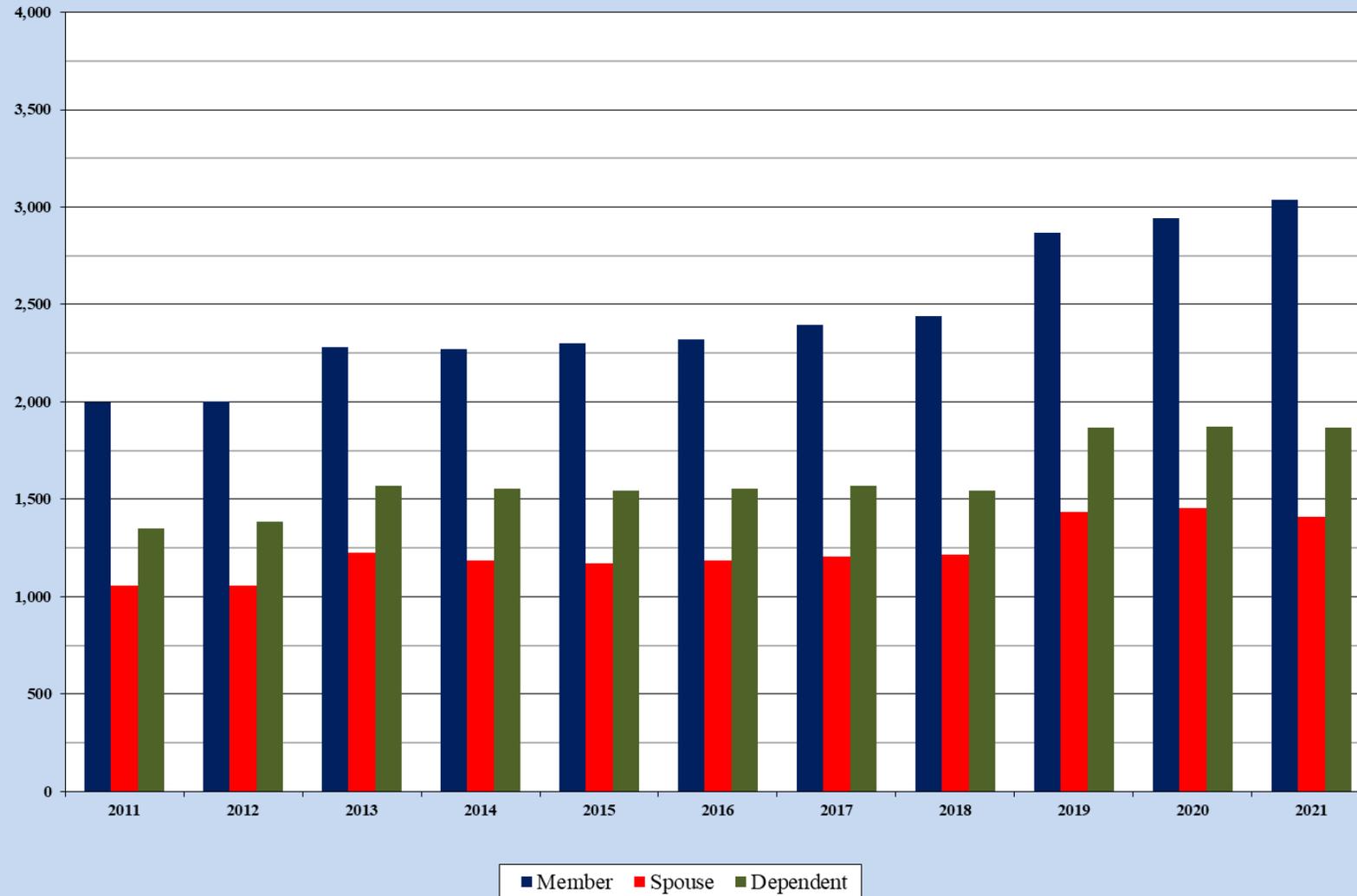
Monthly Average Contract Count by Fiscal Year

Year	Family Contracts	Individual Contracts	Total Contracts	Avg. # of Lives Per Contract	Avg. # of Lives Per Family
2011	1,172	824	1,995	2.205	3.053
2012	1,182	822	2,004	2.220	3.068
2013	1,375	907	2,281	2.225	3.033
2014	1,329	939	2,269	2.209	3.064
2015	1,317	984	2,301	2.182	3.065
2016	1,322	999	2,322	2.181	3.073
2017	1,340	1,058	2,397	2.157	3.071
2018	1,343	1,096	2,439	2.133	3.057
2019	1,586	1,281	2,867	2.152	3.082
2020	1,600	1,342	2,943	2.132	3.082
2021	1,557	1,479	3,036	2.079	3.103

Greater Tompkins County Municipal Health Insurance Consortium

Average Monthly Covered Lives by Relationship

2011 to 2021 (as of September 30, 2021)



2021 Income Budget vs Actual (09/30/2021)

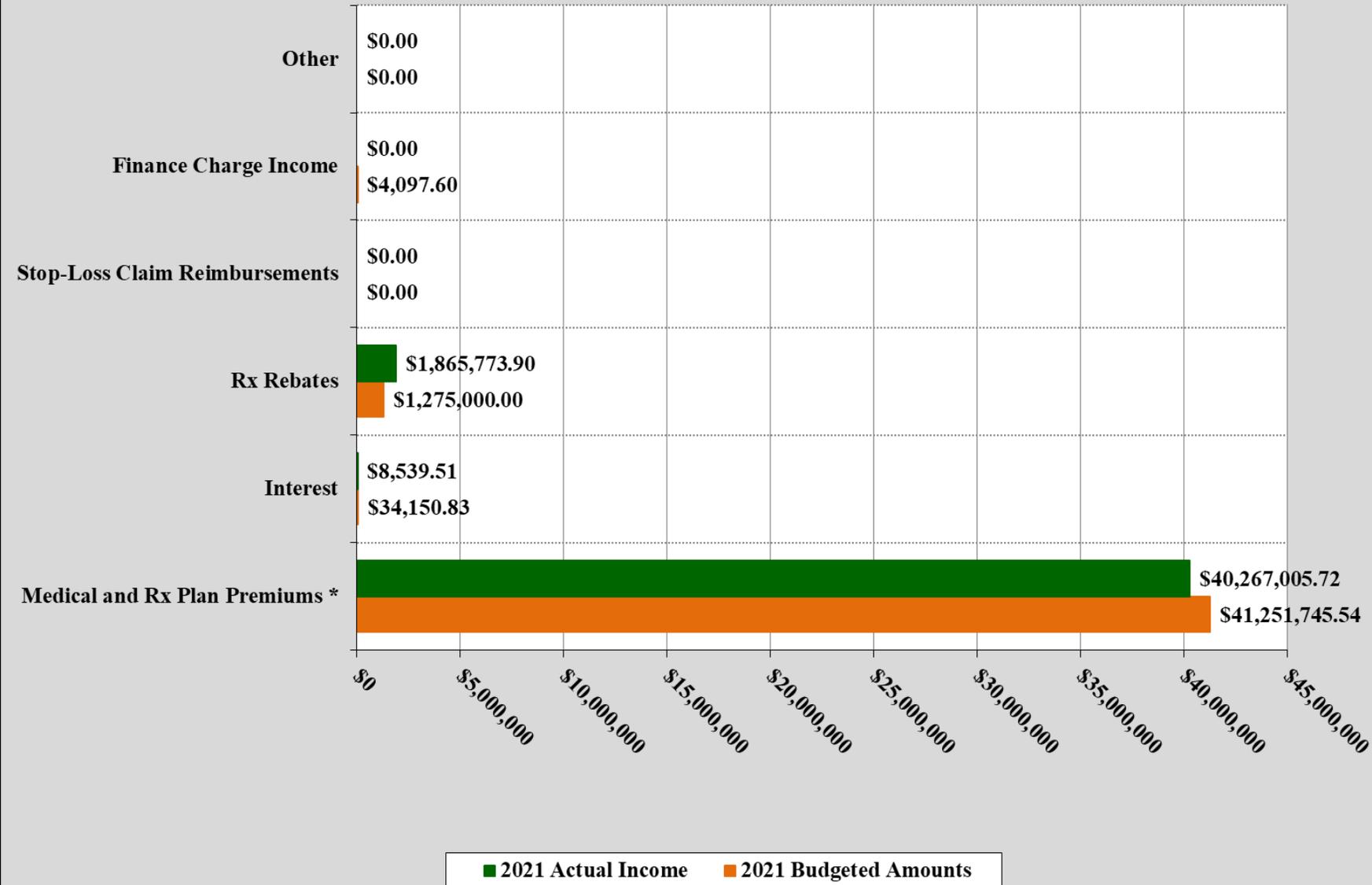
Key Facts (continued):

2. The Consortium invests in notes/bonds which are held to maturity but record gains and/or losses on a monthly basis (“mark to market”). It should be noted that with interest rates falling dramatically during the COVID-19 pandemic, the Consortium’s budget was greatly reduced relative to expected interest earnings for the 2021 Fiscal Year. The Interest Income to date, although down from previous years, is close to projected levels.
3. The Consortium has received prescription drug quarterly rebate payments totaling \$1,865,773.90 for the 2021 Fiscal Year as of September 30, 2021.
4. The Consortium did not receive any reimbursements for claims which exceeded the Specific Stop-Loss Insurance Deductible of \$1 million. To date, there have been no claims in excess of \$1,000,000 for this year or the previous year.
5. There was nothing recorded in Finance Charge Income and there were no receipts recorded in the “Other” income category as of September 30th. Even when the Consortium does register some miscellaneous income, the impact is negligible at best and has very little effect on the overall net position of the Consortium.

Greater Tompkins County Municipal Health Ins. Consortium

2021 Income Distribution

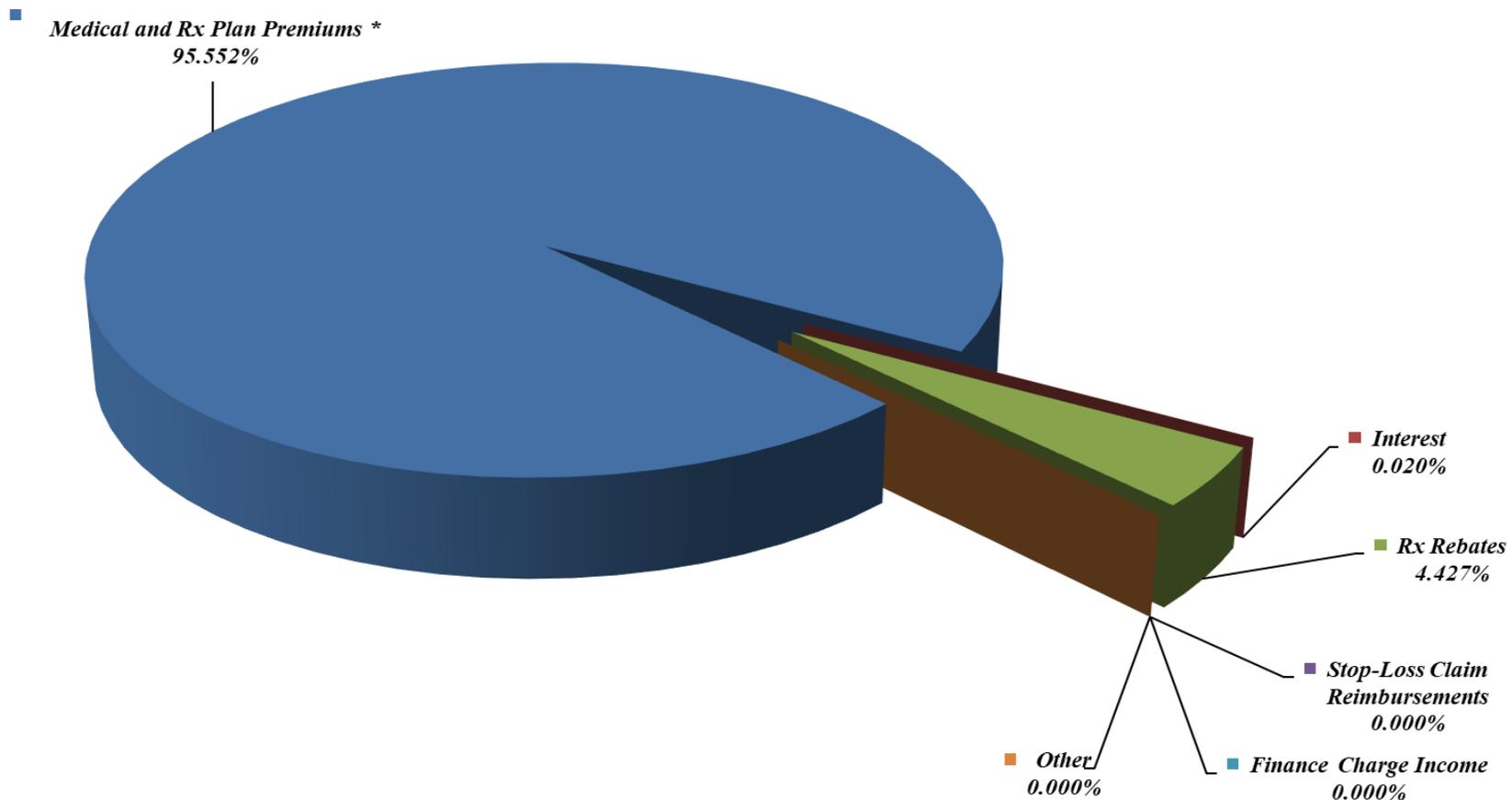
January 1, 2021 to September 30, 2021



Greater Tompkins County Municipal Health Ins. Consortium

2021 Income Distribution

January 1, 2021 to September 30, 2021



■ Medical and Rx Plan Premiums * ■ Interest ■ Rx Rebates ■ Stop-Loss Claim Reimbursements ■ Finance Charge Income ■ Other



Section 2

2021 Fiscal Year-to-Date Expense Budget vs Actual Results

2021 Expense Budget vs Actual Results (09/30/2021)

Includes Expense Codes 8081, 8082, & 8083

Balance Sheet Item 3500

		2021	2021	2021	2021	Variance	% Difference
		Adopted Budget	Revised Budget	Year-to-Date	Actual Results		
Expenses							
8090	Medical Paid Claims	\$39,058,334.44	\$38,838,424.24	\$29,128,818.18	\$27,888,191.69	-\$1,240,626.49	-4.26%
	Advance Deposit / Pre-Paid Claims	\$109,150.71	\$109,150.71	\$7,100.00	\$7,100.00	\$0.00	0.00%
8120	Rx Paid Claims - ProAct	\$15,355,131.00	\$15,355,131.00	\$11,516,348.25	\$11,958,297.48	\$441,949.23	3.84%
8121	Rx Paid Claims - CanaRx	\$150,108.45	\$150,108.45	\$112,581.34	\$115,404.80	\$2,823.46	2.51%
8084	Flu Clinic Fees	\$15,000.00	\$15,000.00	\$11,250.00	\$10,976.00	-\$274.00	-2.44%
8050	Medical Admin Fees	\$1,440,535.40	\$1,477,304.64	\$1,107,978.48	\$1,095,146.65	-\$12,831.83	-1.16%
	Rx Admin Fees	\$200,930.34	\$200,930.34	\$150,697.76	\$163,164.28	\$12,466.53	8.27%
8091	NYS Covered Lives Assessment	\$373,317.01	\$373,317.01	\$279,987.76	\$260,049.62	-\$19,938.14	-7.12%
9060	ACA PCORI Fee	\$17,987.06	\$17,987.06	\$17,987.06	\$16,691.50	-\$1,295.56	-7.20%
8110	Specific Stop-Loss Insurance (Actual)	\$302,450.00	\$273,000.00	\$204,750.00	\$201,874.39	-\$2,875.61	-1.40%
8000	Accounting Fees	\$25,750.00	\$25,750.00	\$19,312.50	\$15,800.00	-\$3,512.50	-18.19%
8010	Actuarial Fees	\$53,045.00	\$15,000.00	\$11,250.00	\$8,500.00	-\$2,750.00	-24.44%
8020	Audit Fees (Financial)	\$13,390.00	\$13,390.00	\$13,390.00	\$14,000.00	\$610.00	4.56%
8021	Audit Fees (Claims)	\$41,200.00	\$41,200.00	\$30,900.00	\$20,750.00	-\$10,150.00	-32.85%
8055	Consultant Fees (Barber)	\$25,000.00	\$20,000.00	\$15,000.00	\$8,750.00	-\$6,250.00	-41.67%
8030	Consultant Fees (L&C)	\$90,176.50	\$90,176.50	\$67,632.38	\$66,735.00	-\$897.38	-1.33%
8070	Legal Fees	\$12,360.00	\$12,360.00	\$9,270.00	\$1,375.00	-\$7,895.00	-85.17%
8065	Wellness Program Costs	\$25,000.00	\$25,000.00	\$18,750.00	\$1,127.89	-\$17,622.11	-93.98%
66001	Executive Director (Salary)	\$94,760.00	\$93,636.00	\$70,227.00	\$68,426.22	-\$1,800.78	-2.56%
66002	Fringe Benefits	\$67,980.00	\$110,374.87	\$82,781.15	\$46,940.59	-\$35,840.56	-43.30%
66003	Clerk of the Board (Salary)	\$37,080.00	\$72,134.40	\$54,100.80	\$52,462.17	-\$1,638.63	-3.03%
66004	Admin/Comp Asst (Salary)	\$52,530.00	\$0.00	\$0.00	\$0.00		
66005	Benefits Specialist (Salary)	\$41,250.00	\$43,680.00	\$32,760.00	\$10,269.00	-\$22,491.00	n/a
66006	Finance Manager (Salary)	\$0.00	\$73,000.00	\$54,750.00	\$32,307.60	-\$22,442.40	-40.99%
8060	Insurances (D&O / Prof. Liability)	\$48,070.00	\$50,850.00	\$38,137.50	\$37,940.95	-\$196.55	-0.52%
8041	Internal Coordination (Finance)	\$80,000.00	\$68,660.00	\$51,495.00	\$53,001.65	\$1,506.65	2.93%
8042	Internal Coordination (Support)	\$0.00	\$0.00	\$0.00	\$0.00		
8040	Internal Coordination Fees (Other)	\$0.00	\$0.00	\$0.00	\$0.00		
8045	Internal Coordination (Town of Ithaca)	\$7,210.00	\$7,210.00	\$5,407.50	\$4,500.00	-\$907.50	-16.78%
8044	Internal Coordination (IT Support)	\$11,845.00	\$11,845.00	\$8,883.75	\$6,295.00	-\$2,588.75	-29.14%
9065	Marketing Expenses	\$2,500.00	\$2,500.00	\$1,875.00	\$319.48	-\$1,555.52	-82.96%
9055	Investment Management Services	\$26,780.00	\$14,000.00	\$10,500.00	\$12,530.87	\$2,030.87	19.34%
8150	Supplies Expense	\$2,500.00	\$2,500.00	\$1,875.00	\$1,118.53	-\$756.47	-40.35%
8151	Computer Equipment	\$5,150.00	\$5,150.00	\$3,862.50	\$2,422.78	-\$1,439.72	-37.27%
8152	Lease Expense / Parking Fees	\$9,500.00	\$9,500.00	\$7,125.00	\$8,429.70	\$1,304.70	18.31%
8153	Mileage- Travel Expenses	\$1,000.00	\$1,000.00	\$750.00	\$69.44	-\$680.56	-90.74%
8154	Software	\$0.00	\$0.00	\$0.00	\$683.15	\$683.15	
8155	Postage	\$0.00	\$0.00	\$0.00	\$762.68	\$762.68	
9060	Other Expenses / Supplies	\$10,927.27	\$10,927.27	\$8,195.45	\$5,069.23	-\$3,126.22	-38.15%
Total Expenses		\$57,807,948.19	\$57,630,197.49	\$43,155,729.35	\$42,197,483.34	-\$958,246.01	-2.22%

2021 Expense Budget vs Actual Results (09/30/2021)

	Budget	Revised Budget	Year-to-Date	Actual		
Paid Claims	\$54,687,724.60	\$54,467,814.40	\$40,776,097.77	\$39,979,969.97	-\$796,127.80	-1.95%
Claims Admin. Fees	\$1,641,465.74	\$1,678,234.98	\$1,258,676.24	\$1,258,310.93	-\$365.31	-0.03%
Stop-Loss	\$302,450.00	\$273,000.00	\$204,750.00	\$201,874.39	-\$2,875.61	-1.40%
Taxes and Fees	\$391,304.07	\$391,304.07	\$297,974.82	\$276,741.12	-\$21,233.70	-7.13%
Professional Services	\$285,921.50	\$242,876.50	\$185,504.88	\$137,037.89	-\$48,466.99	-26.13%
Insurance/Internal Fees	\$499,082.27	\$576,967.54	\$432,725.66	\$343,549.04	-\$89,176.61	-20.61%
Total Expenses	\$57,807,948.19	\$57,630,197.49	\$43,155,729.35	\$42,197,483.34	-\$958,246.01	-2.22%
Net Income	-\$481,659.30	-\$876,872.21	-\$590,735.39	-\$56,164.21	\$534,571.18	

The above provides an “easier to read” summary version of the expense data for the Consortium through September 30, 2021. As you will note, the paid claims which collectively include medical, prescription drug, CanaRx, Flu Clinic and any pre-paid claims account for 94.74% of the total expenses of the Consortium through the first 9-months of 2021. We show the overall paid claims and advance deposit (pre-payment of claims) to be 1.95% below budget for the 2021 Fiscal Year-to-Date.

2021 Expense Budget vs Actual Results (09/30/2021)

Key Facts:

1. Over the past several months, we have worked with the Consortium's Executive Director and Financial Team to allocate budgeted funds into their correct expense line-item based on their code. This was done to provide a more detailed and accurate summary of the internal and external professional support costs. In addition, we updated some of the budget numbers based on the addition of new members and changes in enrollment by existing members.
2. Now that we are nine (9) months into the fiscal period, we are still showing many of the expense items to be well below budget. Some items are an annual expense and have not been billed to the Consortium. We anticipate these items will be more in line with the budget as the Consortium works its way through the fiscal year.
3. For new members added to the Consortium, we did not anticipate their paid claims being mature until the 3rd month or so as the "run-out" claims (claims incurred on or before December 31, 2020) are the responsibility of their prior insurance carrier.

2021 Expense Budget vs Actual Results (09/30/2021)

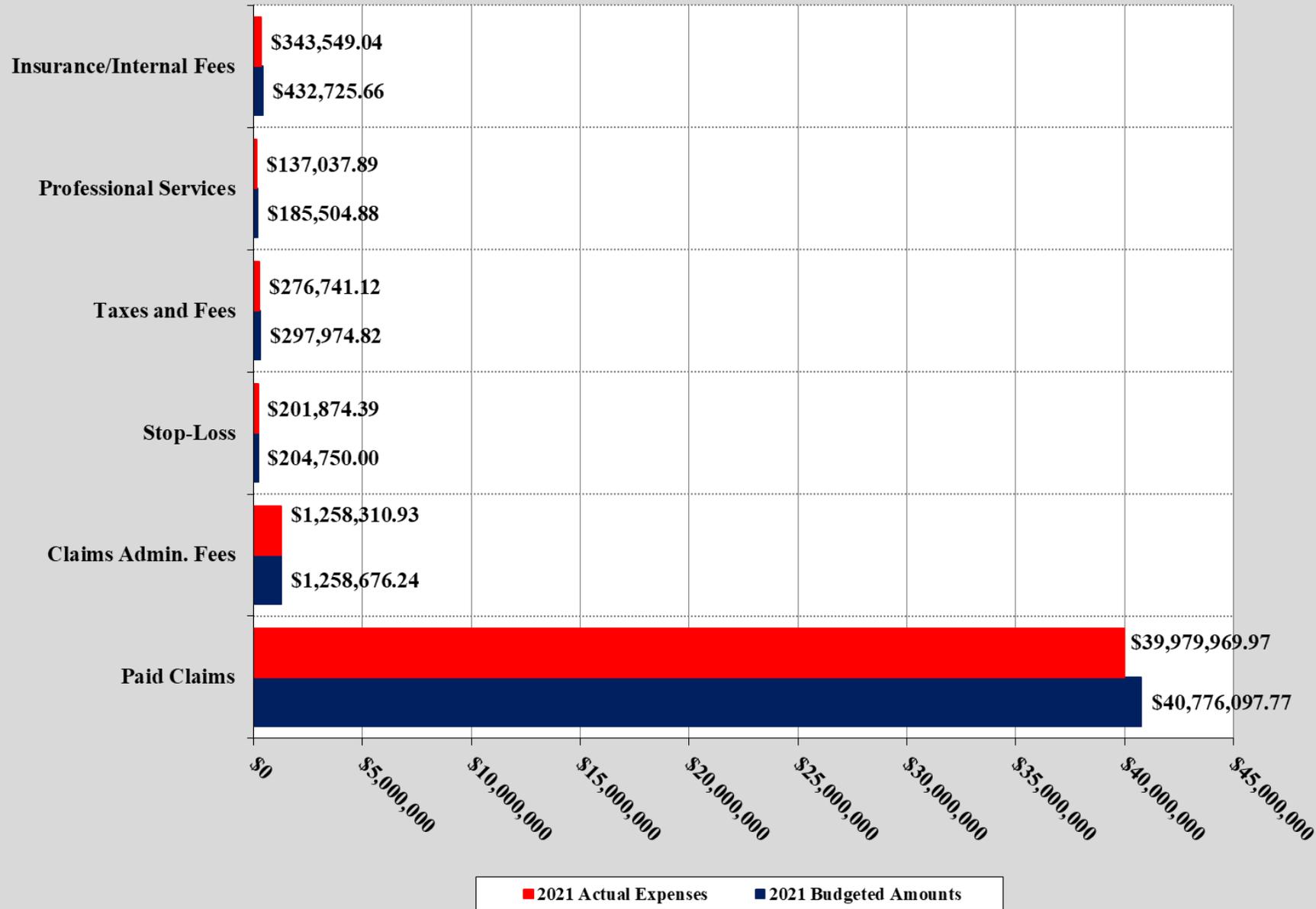
Key Facts:

5. Medical Paid Claims in the first 9-months were **4.26% below the projected budget** for the year and this is the result of:
 - a) An increase in the covered lives ($\uparrow 0.89\%$) and in the number of contracts ($\uparrow 3.42\%$) skews the early 2021 medical paid claims due to the “run-in lag”.
 - b) Increased member participation in lower cost health insurance plans, like the Platinum Plan and the Medicare Supplement Plan by several employer groups.
 - c) A substantial decrease in elective and/or minor medical procedures being performed as a result of the impact of the COVID-19 pandemic on the medical community.
6. Rx Paid Claims were **3.84% above budget** for the first 9-months of the 2021 Fiscal Year. As we stated last year, we were keeping a close eye on the pharmacy paid claims trend which led to adjustments to our trend models during the budget development process for the 2021 Fiscal Year. It should be noted that based on our analysis, the recent pandemic did not substantively change the cost of pharmaceutical claims and therefore we do not believe any prior deviation from the trend was related to COVID-19.

Greater Tompkins County Municipal Health Ins. Consortium

2021 Expense Distribution

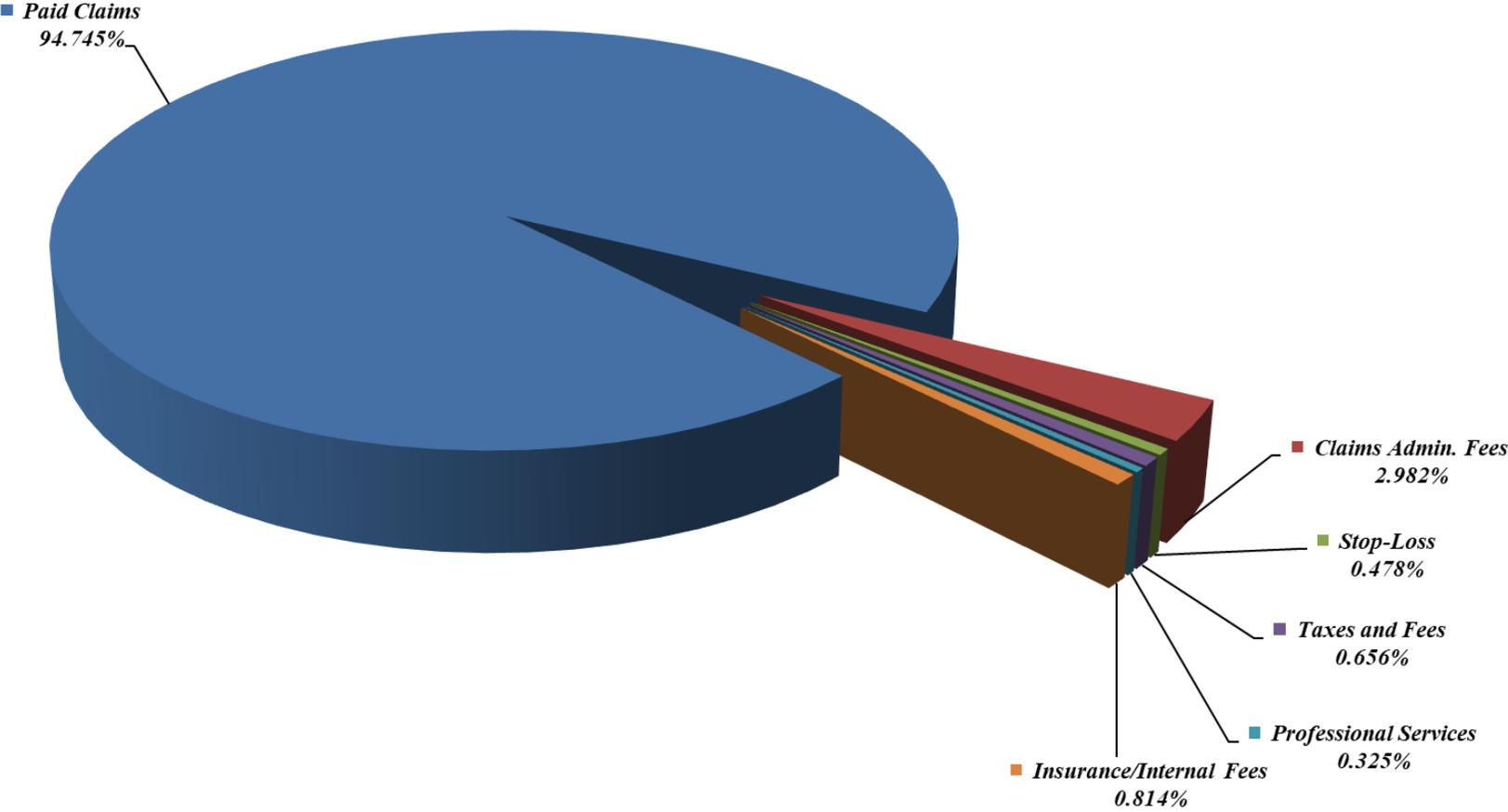
January 1, 2021 to September 30, 2021



Greater Tompkins County Municipal Health Ins. Consortium

2021 Expense Distribution

January 1, 2021 to September 30, 2021

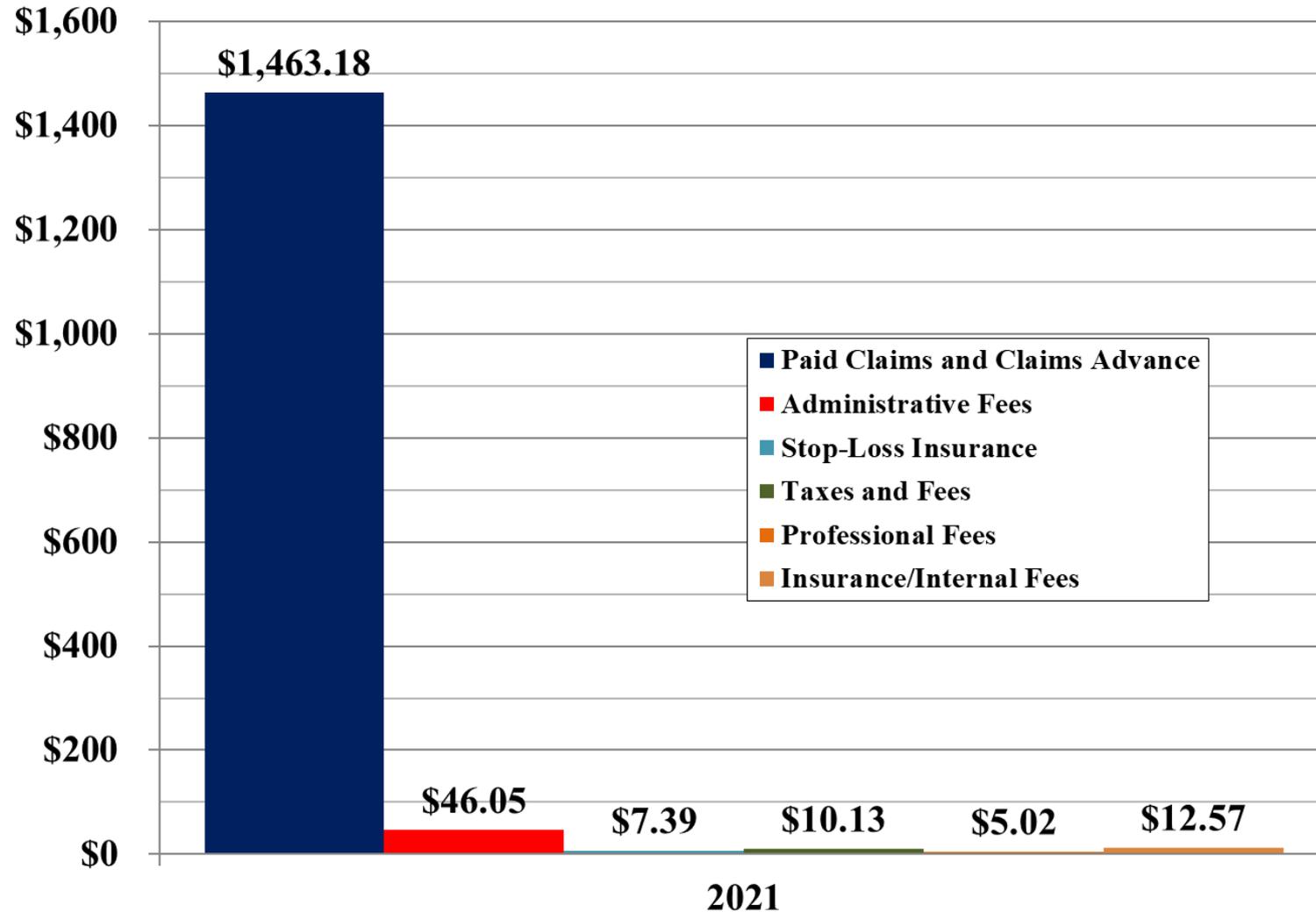


■ Paid Claims ■ Claims Admin. Fees ■ Stop-Loss ■ Taxes and Fees ■ Professional Services ■ Insurance/Internal Fees

Greater Tompkins County Municipal Health Insurance Consortium

2021 Expense Distribution Per Contract Per Month

January 1, 2021 to September 30, 2021



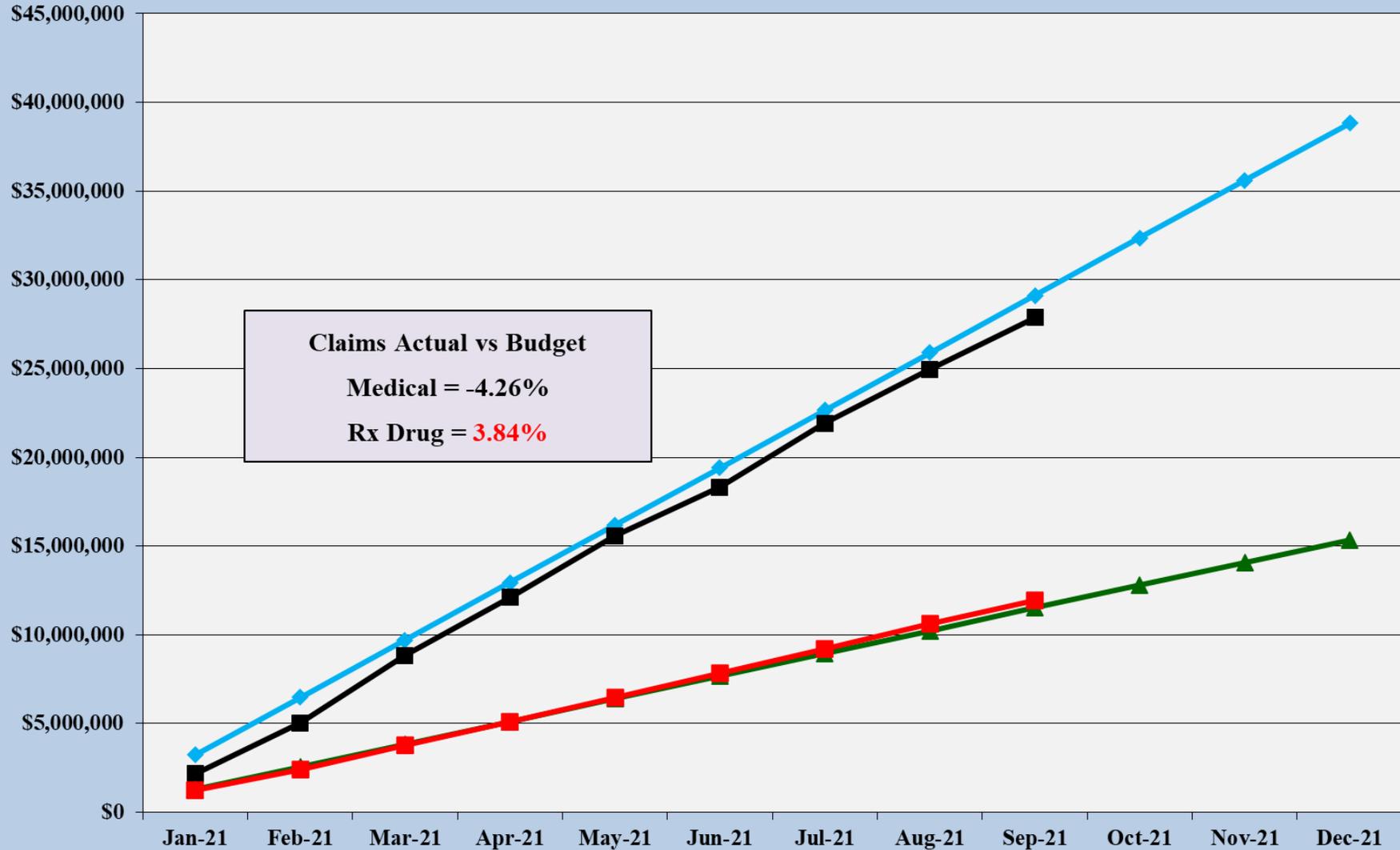


Section 3

2021 Fiscal Year-to-Date Paid Claims Budget vs Actual Results

Greater Tompkins County Municipal Health Insurance Consortium

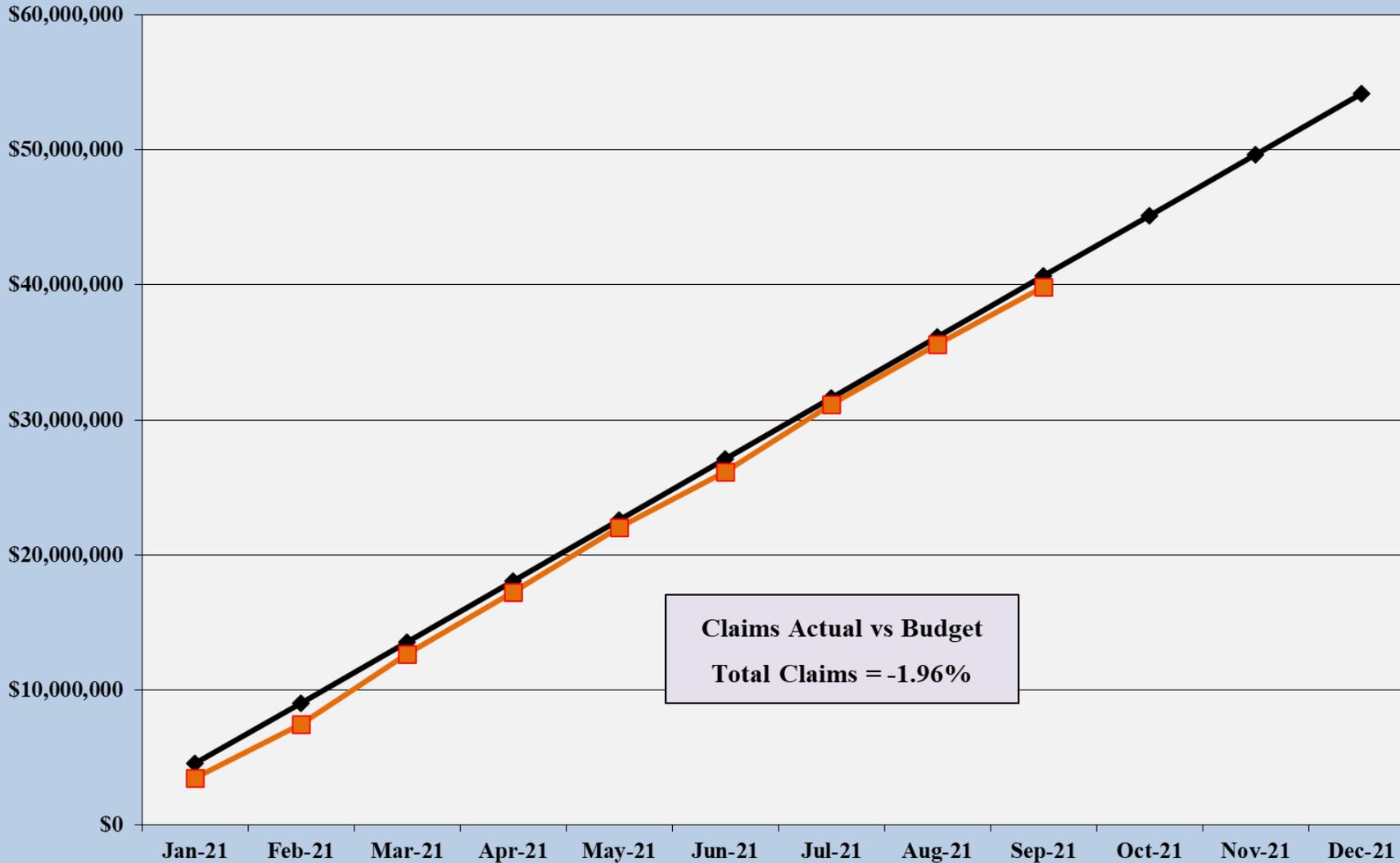
2021 Cumulative Paid Claims and Budgeted Claims by Month



Claims Actual vs Budget
 Medical = -4.26%
 Rx Drug = 3.84%

◆ Medical Plan Budgeted Claims
 ■ Medical Plan Actual Paid Claims
 ▲ Rx Plan Budgeted Claims
 ■ Rx Paid Claims

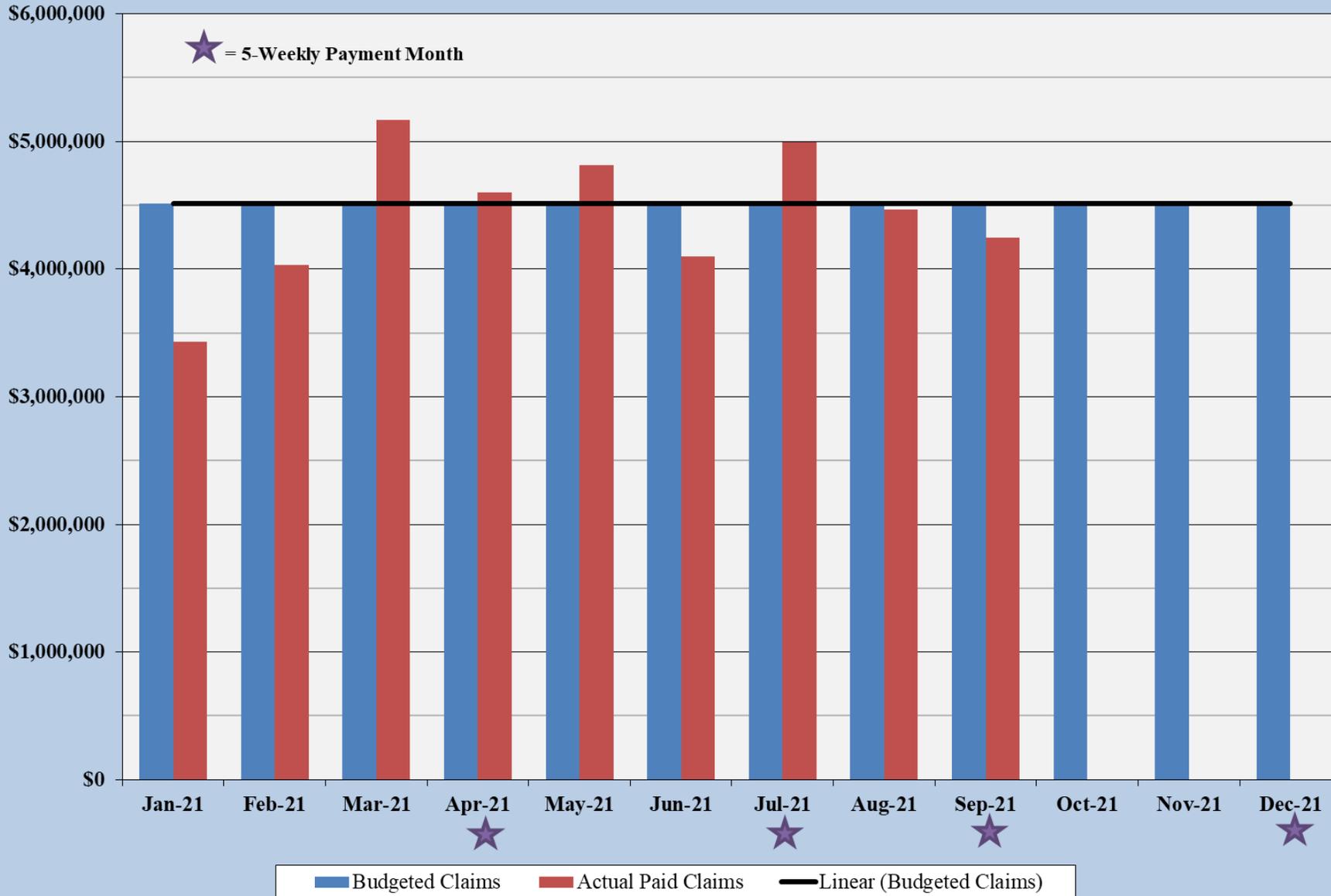
*Greater Tompkins County Municipal
Health Insurance Consortium*
2021 Cumulative Paid Claims and Budgeted Claims by Month



◆ Budgeted Claims ■ Actual Paid Claims

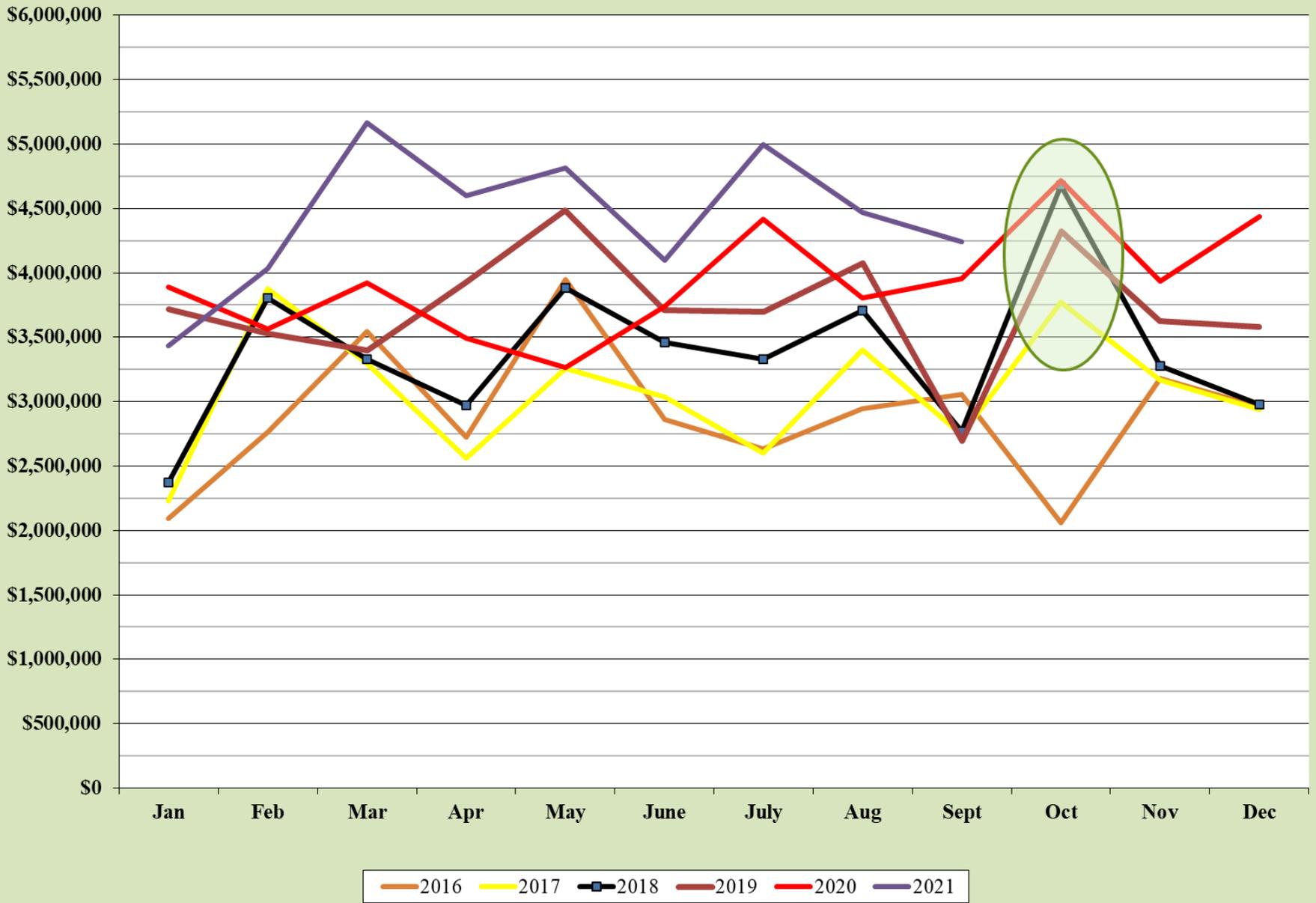
Greater Tompkins County Municipal Health Insurance Consortium

2021 Budgeted vs Actual Paid Claims by Month



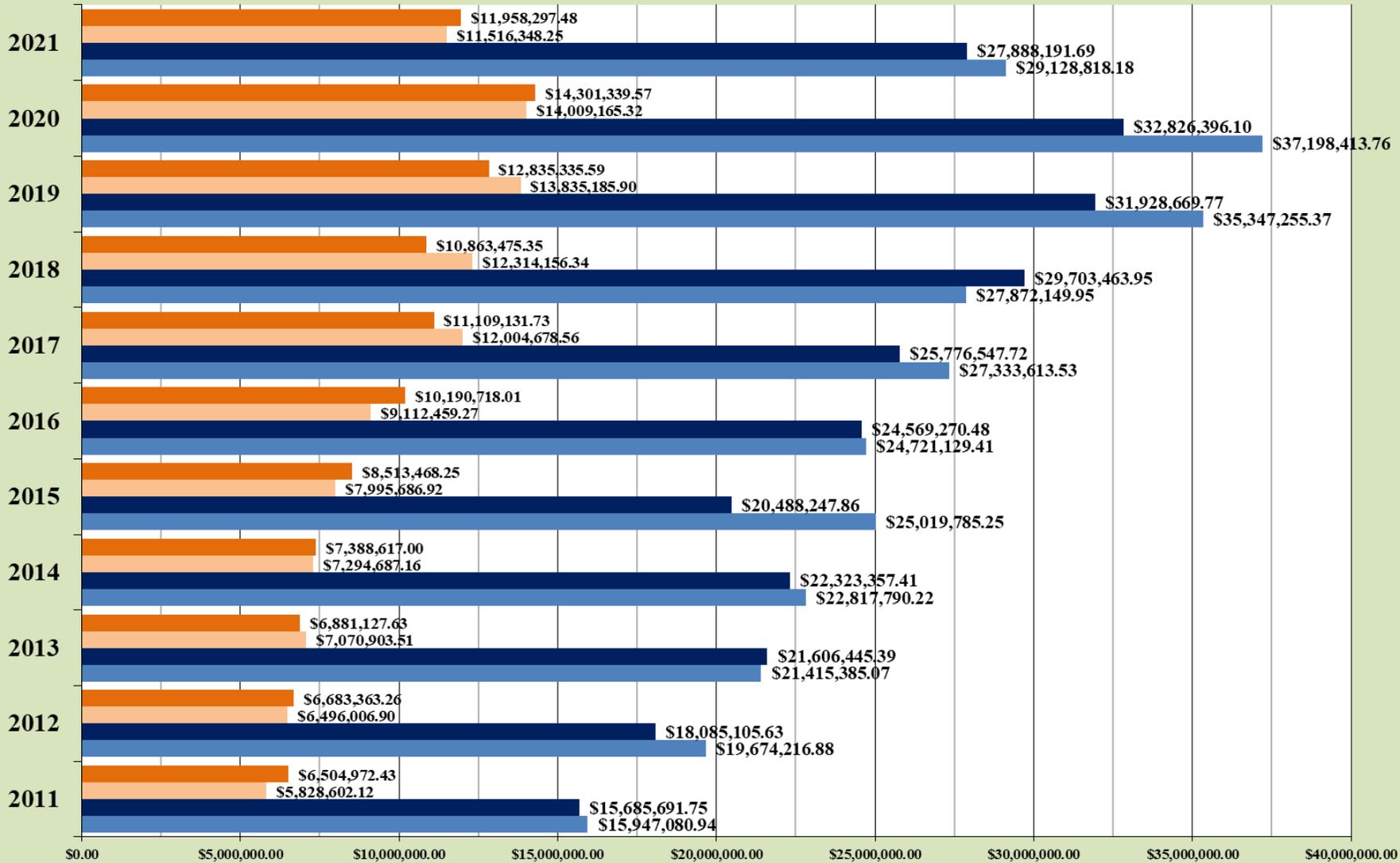
Greater Tompkins County Municipal Health Ins Consortium

2016-2021 Monthly Paid Claims by Fiscal Year



Greater Tompkins County Municipal Health Ins Consortium

2011-2021 (as of 09/30/2021) Annual Paid Claims v Budgeted Claims

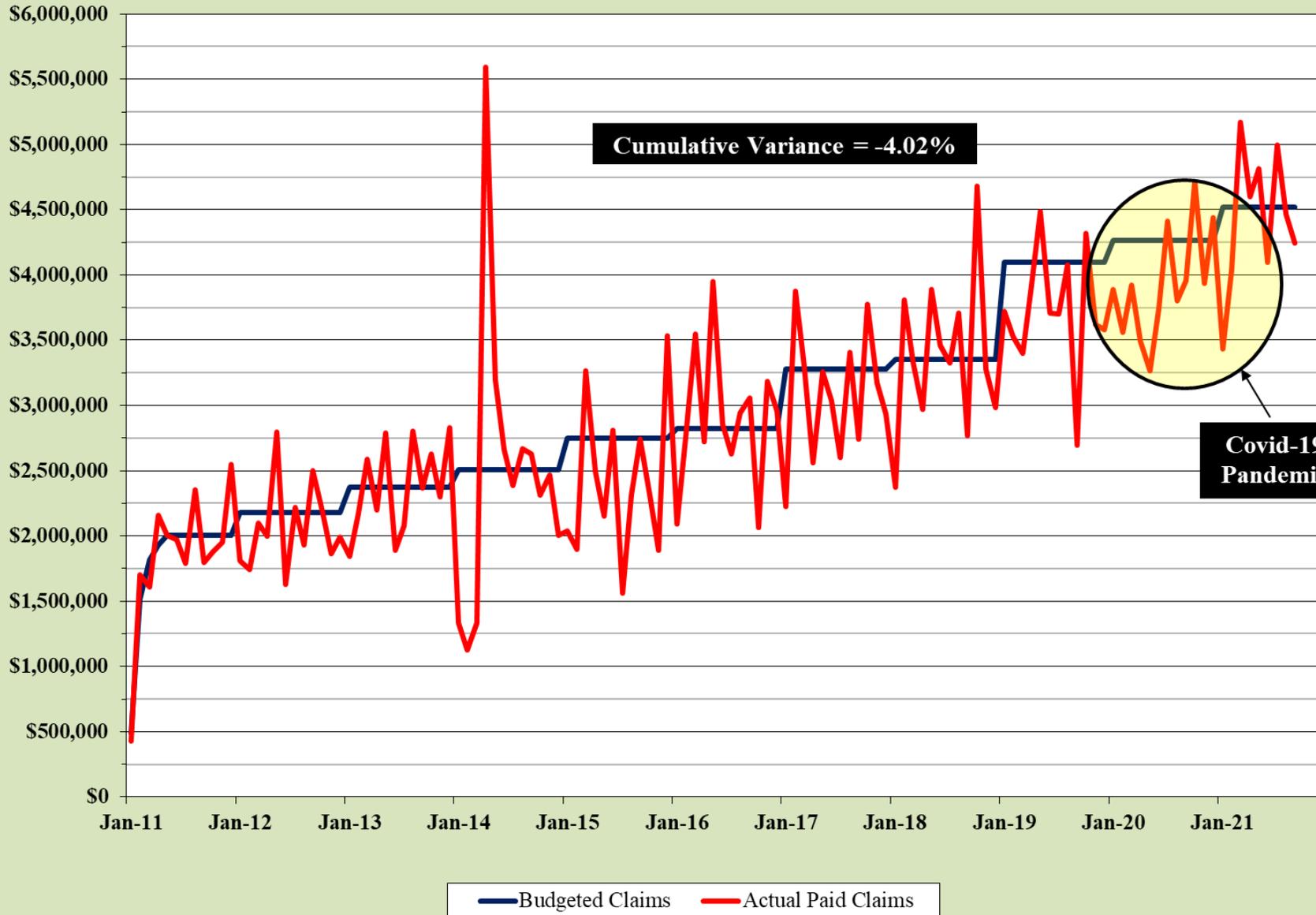


■ Actual Rx Claims
 ■ Budgeted Rx Claims
 ■ Actual Medical Claims
 ■ Budgeted Medical Claims

Greater Tompkins County Municipal Health Ins Consortium

2011-2021 Monthly Paid Claims v Budgeted Claims

January 1, 2011 to September 30, 2021



APPROVED
**MEDICAL
CLAIM**



Section 4

High-Cost Claimants Catastrophic Self-Insurance Pool

Large Loss and Catastrophic Claims History

Greater Tompkins County Municipal Health Insurance Consortium

Large Loss and Catastrophic Claims History (as of September 30, 2021)

Fiscal Year	Specific Stop-Loss Deductible	Number of Covered Lives	# of Claimants with Claims >\$100,000	# of Claimants with Claims >\$200,000	# of Claimants with Claims >\$300,000	# of Claimants with Claims >\$400,000	# of Claimants with Claims >\$500,000	Total Large Loss Claims Paid	Claim Dollars in Excess of Deductible	Stop-Loss Insurance Premium Paid	Notes
2011	\$250,000.00	4,400	13	3	1	0	0	\$2,357,898.22	\$146,063.45	\$384,392.52	Medical Claims Only
2012	\$275,000.00	4,448	16	6	3	2	1	\$3,904,221.28	\$1,136,196.38	\$361,366.41	Medical Claims Only
2013	\$300,000.00	5,077	22	7	4	1	0	\$4,079,308.91	\$292,967.64	\$592,381.65	Medical Claims Only
2014	\$300,000.00	5,012	18	6	1	1	0	\$3,494,872.81	\$184,734.14	\$720,784.39	Laser of \$1,000,000 on Unique ID 000010930774
2015	\$400,000.00	5,021	23	2	1	1	1	\$3,722,006.77	\$125,880.36	\$642,080.30	Includes ProAct Rx Claims
2016	\$400,000.00	5,063	39	4	1	1	1	\$6,070,055.86	\$242,433.49	\$766,281.18	Laser of \$1,000,000 on Unique ID 000001179452
2017	\$450,000.00	5,172	24	12	1	1	0	\$3,057,208.40	\$8,294.21	\$738,819.42	Laser of \$1,000,000 on Unique ID 000001179452
2018	\$600,000.00	5,201	45	10	4	3	3	\$8,913,105.20	\$453,672.85	\$442,185.54	
2019	\$600,000.00	6,174	46	14	3	2	1	\$8,874,919.83	\$29,295.28	\$693,190.30	Laser of \$1,000,000 on Unique ID 000001179452 Laser of \$1,200,000 on Unique ID 000010930774
2020	\$1,000,000.00	6,277	60	18	5	3	1	\$11,290,214.72	\$0.00	\$264,390.72	Laser of \$1,200,000 on Unique ID 000010930774 if transplant performed
2021	\$1,000,000.00	6,311	35	11	3	3	1	\$7,098,187.32	\$0.00	\$201,874.39	
Totals		58,156	341	93	27	18	9	\$62,861,999.32	\$2,619,537.80	\$5,807,746.82	Loss Ratio = 45.10% as of 09/30/2021
Averages	\$506,818.18	5,287	31.000	8.455	2.455	1.636	0.818	\$5,714,727.21	\$261,953.78	\$593,497.97	

Overall Stop-Loss Insurance Loss Ratio (Paid Claims ÷ Premium) = 45.10%

Large Loss and Catastrophic Claims History

Fiscal Year	Specific Stop-Loss Deductible	Number of Covered Lives	Number of Large Loss Claimants	Large Loss Claimants % of Covered Lives	Stop-Loss Insurance Premium Paid	Total Large Loss Claims Paid	Annual Paid Claims Total	Large Loss Claims % of Total Claims	Catastrophic Claims Reserve	Catastrophic Reinsurance Pool Payments
2011	\$250,000.00	4,400	13	0.30%	\$384,392.52	\$2,357,898.22	\$22,190,664.18	10.63%	n/a	n/a
2012	\$275,000.00	4,448	16	0.36%	\$361,366.41	\$3,904,221.28	\$24,768,468.89	15.76%	n/a	n/a
2013	\$300,000.00	5,077	22	0.43%	\$592,381.65	\$4,079,308.91	\$28,487,573.02	14.32%	n/a	n/a
2014	\$300,000.00	5,012	18	0.36%	\$720,784.39	\$3,494,872.81	\$29,711,974.41	11.76%	\$600,000.00	n/a
2015	\$400,000.00	5,021	23	0.46%	\$642,080.30	\$3,722,006.77	\$29,001,716.11	12.83%	\$1,050,000.00	n/a
2016	\$400,000.00	5,063	39	0.77%	\$766,281.18	\$6,070,055.86	\$34,338,926.47	17.68%	\$1,050,000.00	n/a
2017	\$450,000.00	5,172	24	0.46%	\$738,819.42	\$3,057,208.40	\$36,885,679.45	8.29%	\$1,350,000.00	n/a
2018	\$600,000.00	5,201	45	0.87%	\$442,185.54	\$8,913,105.20	\$40,566,939.30	21.97%	\$2,000,000.00	n/a
2019	\$600,000.00	6,174	46	0.75%	\$693,190.30	\$8,874,919.83	\$44,764,005.36	19.83%	\$2,800,000.00	n/a
2020	\$1,000,000.00	6,277	60	0.96%	\$264,390.72	\$11,290,214.72	\$47,284,890.14	23.88%	\$4,500,000.00	\$0.00
2021	\$1,000,000.00	6,311	35	0.55%	\$201,874.39	\$7,098,187.32	\$39,979,969.97	17.75%	\$4,986,101.85	\$0.00
Totals		58,156	341	0.59%	\$5,807,746.82	\$62,861,999.32	\$377,980,807.30	16.63%		\$0.00
Averages (2011-2021)		5,287	31	0.59%	\$527,976.98	\$5,714,727.21	\$34,361,891.57	16.63%		

Large Loss = Claims Paid Totaling \$100,000 or More for the Fiscal Year

Catastrophic Claims = Large Loss Claims in Excess of the Stop-Loss Insurance Deductible or Self-Insurance Threshold

Catastrophic Reinsurance Pool Payments = Covered Member's Claims which Exceed \$500,000 up to the Specific Stop-Loss Deductible.

On Average 0.59% of the Covered Lives Account for 16.63% of Paid Claims

Catastrophic Claims Self-Insurance Pool Activity

Greater Tompkins County Municipal Health Insurance Consortium
Catastrophic Claims Self-Insurance Pool Activity Report

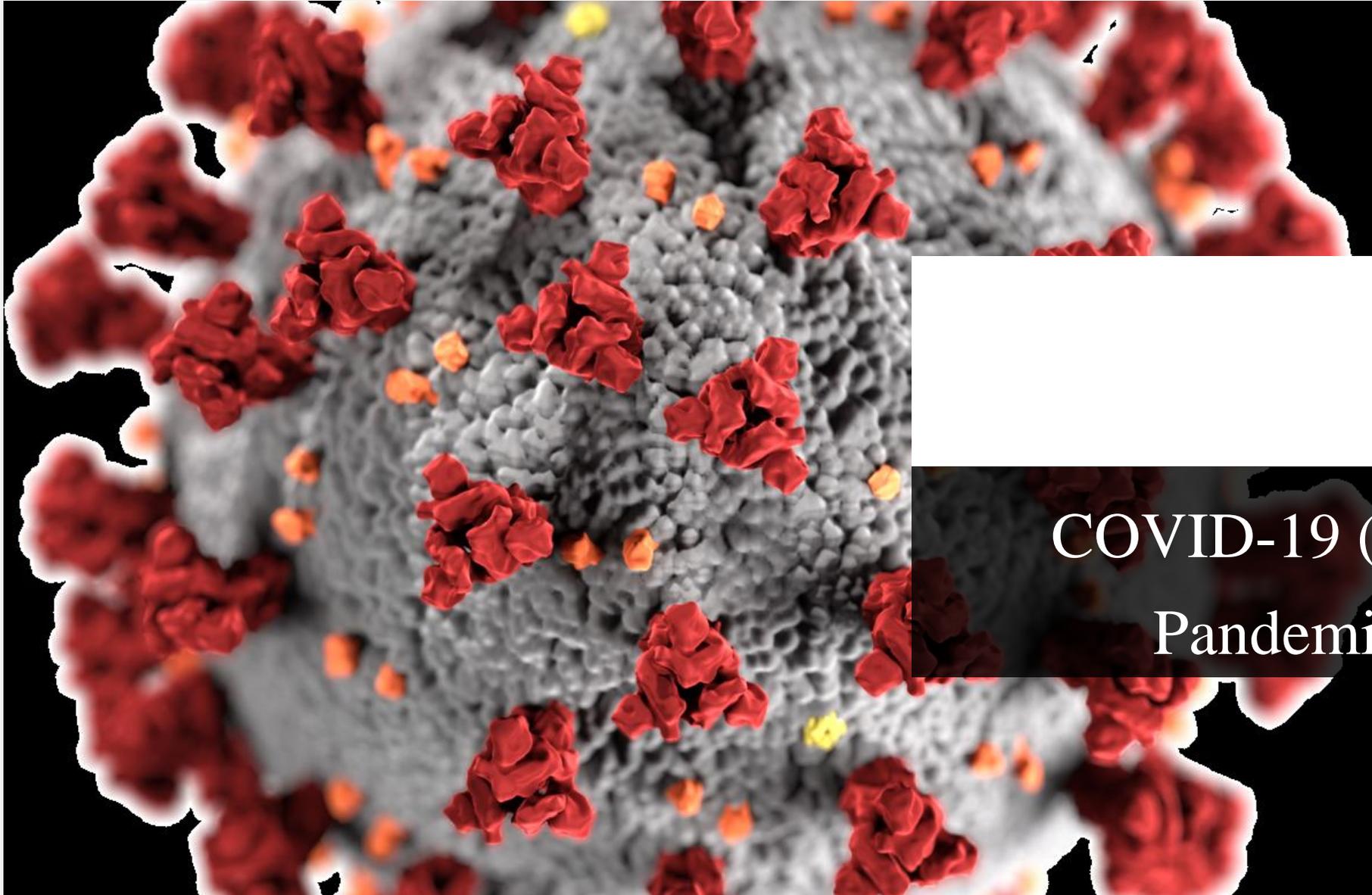
		<i>Actual</i>	<i>as of 09/30/2021</i>
		2020 Fiscal Year	2021 Fiscal Year
Budgeted Premium	\$600,000 Deductible	\$762,505.96	\$876,881.85
Actual Premium Paid	\$1,000,000 Deductible	\$264,390.72	\$201,874.39
Premium Savings		\$498,115.23	\$675,007.46
Member # 000001179452	Deductible (Laser Applied)	\$1,000,000.00	\$1,000,000.00
	Actual Claims Paid	\$798,499.59	\$467,903.58
	Catastrophic Claims Pool	\$0.00	\$0.00
Member # 000014335319	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		\$678,186.96
	Catastrophic Claims Pool	\$0.00	\$178,186.96
Member #	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		
	Catastrophic Claims Pool	\$0.00	\$0.00
Member #	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		
	Catastrophic Claims Pool	\$0.00	\$0.00
Member #	Deductible	\$500,000.00	\$500,000.00
	Actual Claims Paid		
	Catastrophic Claims Pool	\$0.00	\$0.00
Net Impact on Fund Balance		\$498,115.23	\$496,820.50

* **Budgeted Premium** is defined as the premium amount the Consortium would have paid if they continued with the previous stop-loss insurance policy of a \$600,000 Deductible

* **Actual Premium Paid** is defined as the actual premium amount paid by the Consortium for the current stop-loss insurance policy of a \$1,000,000 Deductible

* **Laser Applied** is defined as the laser deductible the stop-loss insurance company would have applied to the specific individual if a \$600,000 Deductible stop-loss insurance policy was selected

The “Catastrophic Claims Self-Insurance Pool” was established by the Consortium’s Board of Directors prior to the start of the 2020 Fiscal Year to allow the Consortium to lower the cost of stop-loss insurance by raising the specific deductible and ultimately assuming more risk on an annual basis. To cover this risk, the Catastrophic Claims Reserve totaling \$4.5 million was converted to this “Pool”. In addition, each year the estimated premium variance between a \$600,000 specific deductible stop-loss insurance plan and a \$1 million specific deductible stop-loss insurance plan will be ceded into this “Pool” as part of the budget process. Lastly, any interest earned on this “Pool” will be credited to the “Pool” to help replenish funds when/if catastrophic claims are paid out of the “Pool”.



Section 5

COVID-19 (coronavirus) Pandemic Impact

2020-2021 COVID-19 Pandemic Impact

Tompkins County Key Facts:

1. Tompkins County has approximately 103,000 residents.
2. According to the New York State Department of Health web-site, as of October 17th
 - a) There have been approximately 2,608,330 tests conducted of people in Tompkins County for the presence of COVID-19 (coronavirus).
 - b) There have been 6,463 Tompkins County residents who have tested positive for coronavirus which is 0.247% of the tested population and approximately 6.275% of the County's total population with 59 reported deaths amongst county residents.
3. The other Counties in the Consortium have the following results:

a) Cayuga	253,583 Tests Conducted	8,582 Positive Results (3.38%)
b) Cortland	211,793 Tests Conducted	5,284 Positive Results (2.49%)
c) Seneca	85,621 Tests Conducted	2,716 Positive Results (3.17%)
d) Tioga	143,367 Tests Conducted	5,012 Positive Results (3.50%)

2020-2021 COVID-19 Pandemic Impact

Impact on the Greater Tompkins County Municipal Health Insurance Consortium

1. Paid claims in the short-term have been below budget. If we look at the monthly paid claims for the past two months, we see lower results due primarily to the delay or cancellation of minor and/or elective procedures:

Fiscal Year	Per Excellus BCBS Reports		Per ProAct, Inc. Reports		Combined Paid Claims	
	Medical Claims		Rx Claims		Combined Paid Claims	
	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount	Group Billed Amount	Member Paid Amount
2016	\$24,998,992.90	\$962,874.68	\$10,645,984.27	\$640,466.47	\$35,644,977.17	\$1,603,341.15
2017	\$26,235,020.36	\$1,065,840.07	\$11,079,834.05	\$664,302.99	\$37,314,854.41	\$1,730,143.06
2018	\$30,139,463.68	\$1,080,901.79	\$10,863,500.35	\$652,109.29	\$41,002,964.03	\$1,733,011.08
2019	\$28,483,790.87	\$1,182,457.28	\$12,839,601.51	\$744,713.47	\$41,323,392.38	\$1,927,170.75
2020	\$26,919,706.56	\$1,034,775.49	\$13,943,138.60	\$766,424.77	\$40,862,845.16	\$1,801,200.26
2021	\$23,310,249.24	\$899,485.50	\$11,957,901.38	\$680,219.75	\$35,268,150.62	\$1,579,705.25
Totals	\$160,087,223.61	\$6,226,334.81	\$71,329,960.16	\$4,148,236.74	\$231,417,183.77	\$10,374,571.55
	96.26%	3.74%	94.50%	5.50%	95.71%	4.29%

2019 Average Monthly Medical Claims	\$2,373,649.24
2020 First 3-Months Avg. Monthly Medical Claims	\$2,411,071.18
2020 Last 9-Months April to December Medical Claims	\$2,187,388.11
2021 1 st 9-months of Medical Claims	\$2,590,027.69

2020-2021 COVID-19 Medical Claims Costs

Date	Number of Contracts	Number of Members	Number of Tests	Number of Members Diagnosed	Inpatient Plan Cost	Outpatient Plan Cost	Physician Plan Cost	Other Plan Cost	Total Plan Cost
Jan-20	2,962	6,326	0	0	\$0.00	\$0.00	\$695.86	\$0.00	\$695.86
Feb-20	2,964	6,344	0	0	\$0.00	\$9,452.56	\$2,474.16	\$0.00	\$11,926.72
Mar-20	2,953	6,326	75	2	\$0.00	\$29,099.60	\$2,593.66	\$0.00	\$31,693.26
Apr-20	2,957	6,321	87	3	\$29,437.22	\$39,228.57	\$4,800.92	\$0.00	\$73,466.71
May-20	2,961	6,328	263	10	\$7,024.08	\$76,125.84	\$14,364.56	\$253.12	\$97,767.60
Jun-20	2,944	6,282	283	6	\$34,111.26	\$69,793.02	\$15,139.62	\$0.00	\$119,043.90
Jul-20	2,940	6,271	330	3	\$12,928.56	\$101,043.60	\$18,325.92	\$125.52	\$132,423.60
Aug-20	2,931	6,257	272	5	\$75,018.76	\$88,168.96	\$16,343.82	\$62.62	\$179,594.16
Sep-20	2,930	6,241	245	6	\$124,857.54	\$122,296.68	\$25,046.46	\$124.92	\$272,325.60
Oct-20	2,929	6,225	338	12	\$231,333.05	\$90,416.04	\$33,688.07	\$622.70	\$356,059.86
Nov-20	2,920	6,191	350	23	\$159,954.90	\$76,322.40	\$46,462.50	\$867.30	\$283,607.10
Dec-20	2,923	6,191	186	16	\$0.00	\$48,902.22	\$25,163.88	\$1,797.42	\$75,863.52
Jan-21	3,045	6,343	854	93	\$184,391.01	\$299,516.46	\$48,587.38	\$8,626.48	\$541,121.33
Feb-21	3,043	6,333	302	28	\$414,558.18	\$114,817.29	\$30,208.41	\$6,966.30	\$566,550.18
Mar-21	3,048	6,347	453	30	\$383,422.27	\$196,312.71	\$33,956.45	\$8,060.69	\$621,752.12
Apr-21	3,041	6,323	425	22	\$276,062.18	\$198,605.43	\$26,366.91	\$9,610.96	\$510,645.48
May-21	3,023	6,289	305	14	\$195,902.35	\$156,847.66	\$24,464.21	\$5,031.20	\$382,245.42
Jun-21	3,026	6,298	243	8	\$370,133.46	\$167,085.94	\$19,838.70	\$3,904.76	\$560,962.86
Jul-21	3,028	6,289	175	2	\$461,549.71	\$68,487.21	\$18,363.88	\$3,270.28	\$551,671.08
Aug-21	3,027	6,287	396	25	\$175,281.56	\$210,488.76	\$25,965.31	\$4,149.42	\$415,885.05
Sep-21	3,043	6,293	199	14	\$14,096.32	\$67,586.82	\$16,802.31	\$4,090.45	\$102,575.90
Totals	62,638	132,105	5,781	322	\$3,150,062.41	\$2,230,597.77	\$449,652.99	\$57,564.14	\$5,887,877.31

Above data represents hospital, medical, and surgical claims costs reported to and adjudicated by Excellus BlueCross BlueShield related to covered members who presented a diagnosis of coronavirus (COVID-19) from January 1, 2020 through September 30, 2021.

2020-2021 COVID-19 Pandemic Impact

Impact on the Greater Tompkins County Municipal Health Insurance Consortium (continued)

2. The Excellus data shows the medical paid claims for 2020 and 2021 Fiscal Years as of September 30, 2021 were collectively just under \$5.62 million below the budgeted amount for the time period.
3. While October 2020 was a relatively high claims month, we show for the past 4-years October was above budget each year and in 2020 October was a 5-weekly payment month for medical claims.
4. Currently we still do not see any major negative impacts to the Consortium from a paid claim's perspective as:
 - a) The hospitals and doctors can only perform so many procedures in a day which we believe means that there will not be any major compression when they start performing services on a more regular schedule.
 - b) Most of the severe cases have involved older members who are on Original Medicare Parts A and B which limits the claims exposure to the Consortium to some extent.
 - c) There will likely be some hesitation in patients seeking care due to concerns that they expose themselves to the coronavirus or other illness.

2020-2021 COVID-19 Pandemic Impact

Impact on the Greater Tompkins County Municipal Health Insurance Consortium (continued)

5. The pandemic has “forced” covered members to embrace telehealth and telemedicine approaches to medical care as covered members have not been able to see their primary care physicians for minor or routine services in recent months.
 - a) In 2020, the Consortium paid for 11,871 telehealth visits for 6,282 covered members at a total cost of \$1,185,518.42. Through 9-months of 2021 these numbers are 10,401 visits for 5,172 covered members with a total paid amount of \$1,324,903.35. To put this in perspective, in 2019 there were a total of 40 telehealth visits associated with Consortium covered members for a total cost of \$996.98 for the entire year.
 - b) According to Excellus’ reports, the Consortium had a total of 90 covered members registered for telemedicine services as of January 2020. As of September 2021, this number has increased modestly to 159. It is clear to us from these numbers that most enrollees are more comfortable using this type of technology with their own personal physician as opposed to enrolling in a service offered by an insurance carrier, like Excellus BlueCross BlueShield.



Section 6

2020 Fiscal Year-End
Net Income, Liabilities, and Reserves

2020 Net Income, Liabilities & Reserves

	<i>Actual Results 2016 Fiscal Year</i>	<i>Actual Results 2017 Fiscal Year</i>	<i>Actual Results 2018 Fiscal Year</i>	<i>Actual Results 2019 Fiscal Year</i>	<i>Actual Results 2020 Fiscal Year</i>
Total Assets	\$24,290,896	\$26,531,122	\$27,063,899	\$32,080,107	\$33,511,789
Liabilities and Reserves					
IBNR Claims Reserve	\$4,430,732	\$4,540,654	\$4,931,847	\$5,637,280	\$5,828,922
Accounts Payable	\$497,510	\$494,991	\$488,269	\$605,015	\$610,385
Deferred Revenue	\$361,369	\$171,520	\$20	\$509,798	\$1,072,302
Capital Surplus Account	\$1,925,998	\$2,038,725	\$2,120,085	\$2,514,837	\$2,409,497
Catastrophic Claims Reserve	\$1,050,000	\$1,350,000	\$2,000,000	\$2,800,000	\$5,032,220
Rate Stabilization Reserve	\$1,758,496	\$1,868,819	\$2,100,000	\$2,184,812	\$3,391,769
Unencumbered Fund Balance	\$14,266,791	\$16,066,413	\$15,423,678	\$17,828,365	\$15,166,694
Fund Balance as % of Premium	37.04%	39.40%	36.38%	35.45%	31.47%

Prior to the “premium holiday”, the 2020 Fiscal Year Net Income was substantially above the projected budget for the year. This resulted in the net cash assets (unencumbered fund balance) being well above the targeted level as set by the Consortium’s Audit & Finance Committee. This result was achieved even with the increase in the Rate Stabilization Reserve from 5% of Expected Paid Claims to 7.5% of Expected Paid Claims and with an increase in the Catastrophic Claims Reserve from \$2.8 million to \$5.03 million, plus interest and the stop-loss premium variance. Even with the “premium holiday”, the Consortium still finished the year with an Unencumbered Fund Balance which exceeded the budget projections at over \$15 million.

Year to Date Net Income, Liabilities and Reserves

	2021 Adopted Budget	2021 Revised Budget	2021 Year-to-Date	2021 Actual Results	Variance	% Difference
Beginning Balance	\$31,317,104.64					
Total Income	\$57,326,288.89	\$56,753,325.28	\$42,564,993.96	\$42,141,319.13	-\$423,674.83	-1.00%
Total Expenses	\$57,807,948.19	\$57,630,197.49	\$43,155,729.35	\$42,197,483.34	-\$958,246.01	-2.22%
Net Income	-\$481,659.30	-\$876,872.21	-\$590,735.39	-\$56,164.21	\$534,571.18	

Ending Balance	\$30,835,445.34	\$31,201,632.43	\$30,726,369.25	\$32,022,340.43	\$1,295,971.18	4.22%
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Liabilities and Reserves						
4010	IBNR Claims Liability Per §4706(a)(1)	\$6,144,909.49	\$6,144,909.49	\$6,144,909.49	\$6,144,909.49	12.0% of Incurred Claims
5010	Surplus Account Per §4706(a)(5)	\$2,637,289.44	\$2,637,289.44	\$2,637,289.44	\$2,637,289.44	5.0% of Premium Income
5014	Rate Stabilization Reserve	\$3,840,568.43	\$3,840,568.43	\$3,840,568.43	\$3,840,568.43	7.5% of Paid Claims
5012	Catastrophic Claims Reserve	\$4,500,000.00	\$4,986,101.85	\$4,986,101.85	\$4,986,101.85	Calculation Per Proposed Resolution
3500	Excellus BCBS Advance Deposit	\$761,400.00	\$768,500.00	\$768,500.00	\$768,500.00	
Total Liabilities and Reserves		\$17,884,167.36	\$18,377,369.21	\$18,377,369.21	\$18,377,369.21	

Unencumbered Fund Balance	\$12,951,277.99	\$12,824,263.22	\$12,349,000.04	\$13,644,971.22
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The Catastrophic Claims Self-Insurance Pool Reimbursements and Funding is proposed to be adjusted annually per the Resolution being presented for consideration. This resolution lays out the funding formula moving forward. The actual funding levels will be reviewed and acted on an annual basis at each fiscal year end.

Liabilities and Reserves - Defined

LIABILITIES

- The liabilities associated with the Consortium's operations are directly related to covered medical benefits that are incurred by Consortium Members which have yet to be received or paid by the insurance company or plan administrator. For example, if the Consortium were to end its operations on any given December 31st there are going to be covered medical services received by covered members on or before December 31st which will not be paid until sometime after December 31st. This is commonly referred to in the industry as an Incurred but Not Reported (IBNR) and Incurred but Not Paid (IBNP) Claims Liabilities.
- In recent years with the increases in technology associated with the billing and payment of medical benefit claims and with the increase in the volume of prescription drug claims which are inherently electronic in nature, the overall value of this liability has decreased as a percentage of expected/paid claims. In fact, twenty years ago, this liability equaled approximately the value of three (3) months (24%) of annual expected/paid claims. Today, this value is closer to one (1) month (8%) of expected incurred claims and the New York State Department of Financial Services has set this liability for the 2020 Fiscal Year to equal 12.00% of the expected incurred claims estimate for the year.

Liabilities and Reserves - Defined

RESERVES

- The reserves held by the Consortium are the cash assets which have been assigned to cover a direct liability or to assist the Consortium with cash flow and provide protection during times when paid claim projections are exceeded. These cash assets have also been a source of revenue through the interest earned to the Consortium which has allowed the Consortium to hold premium increases down in previous years.
- The Consortium has historically maintained the following reserves:
 - Incurred But Not Report (IBNR) Claims Liability Reserve (statutory reserve)
 - Surplus Account (statutory reserve)
 - Catastrophic Claims Reserve (discretionary reserve)
 - Rate Stabilization Reserve (discretionary reserve)
- Please refer to the following slides for a detailed description of each reserve classification.

Liabilities and Reserves - Defined

INCURRED BUT NOT REPORTED (IBNR) CLAIMS LIABILITY RESERVE

- The IBNR Claims Reserve is required for the Consortium to be compliant with §4706(a)(1) of the New York State Insurance Law. The New York State Department of Financial Services requires this reserve to be funded at an amount equal to 12.0% of expected incurred claims. We believe this is a conservative estimate of the liability, but we understand the Department has always acted based on their philosophy to maintain this level of reserve as they want the Consortium Member Claims to be fully-funded at all times.
- Maintaining this reserve at an insufficient amount to cover the liability could result in a Municipal Corporation owing a significant amount of money if they chose to leave the Consortium. A Municipal Corporation's decision to leave or stay in the Consortium should not be affected by the Consortium's lack of adequate reserves and this is a philosophy we feel the Consortium should embrace, even during tougher economic times.
- At the end of the 2020 Fiscal Year this reserve was funded at \$5,828,922 (12.0% of projected hospital, medical, surgical, and prescription drug incurred claims). It should be noted that Excellus BlueCross BlueShield does provide an estimate of this liability in their annual renewal documents. For the 2020 Fiscal Year, Excellus' estimate of this liability was \$4,277,400 which is approximately 8% of the expected claims cost for the year.

Liabilities and Reserves - Defined

SURPLUS ACCOUNT

- The Consortium is required to fund the Surplus Account at an amount equal to 5.0% of expected premium income for the year. By funding this reserve at this level, the Consortium is operating in compliance with §4706(a)(5)(A) of the New York State Insurance Law.
- Article 47 of the New York State Insurance Law describes this reserve as being established and maintained for the sole purpose of satisfying unexpected obligations of the Municipal Cooperative Health Benefits Plan. Article 47 further states that this reserve is for the purpose of satisfying unexpected obligations of the Plan in the event of termination or abandonment.
- At the end of the 2020 Fiscal Year this reserve was funded at \$2,409,497 (5.0% of actual premium income of \$48,189,940). It should be noted that the Consortium's premium income will show below budget for the fiscal year due to the premium holiday. As a result, the Consortium may be required to calculate this reserve based on the full expected premium for the fiscal period which means this reserve level may be slightly higher at the end of the year than the projected amount.

Liabilities and Reserves - Defined

CATASTROPHIC CLAIMS RESERVE

- This reserve was established by the Consortium's Board of Directors to protect the financial integrity of the Consortium as the Board made the decision to increase the deductible associated with the Specific Stop-Loss Policy to reduce expenses. It was agreed that the Consortium's risk pool is so substantial in size that it can absorb a significant number of large losses without damaging the financial integrity of the Consortium.
- It was our professional opinion and the opinion of the Board of Directors that there was an acceptable reward versus risk ratio between the reduction of this significant expense, the exposure of large losses, and the cash asset position of the Consortium. This conclusion led the Board of Directors to increase the Specific Stop-Loss Insurance Deductible to \$1,000,000 for the 2020 Fiscal Year. It was recognized that this decision created a sizeable increase in the exposure to the Plan. To mitigate this exposure, the Board of Directors made the decision to fund this reserve at an amount equal to \$5,032,220 for the 2021 Fiscal Year.

Liabilities and Reserves - Defined

RATE STABILIZATION RESERVE

- When the Consortium's cash assets were at a fairly high level, the Board of Directors made the decision to establish the Rate Stabilization Reserve at an amount equal to 7.5% of the expected hospital, medical, surgical, and prescription drug claim payments for the year.
- It is our goal to work with the Consortium to ensure future fiscal year budgets are developed with this reserve being maintained.
- These funds would be used to “bridge the gap” during an associated hyper-inflationary period relative to paid claims allowing the Board of Directors to establish a multiple year plan to adjust revenue (premiums) and prevent a significant increase in premium rates during a single fiscal period.



Section 7

2021 Fiscal Year-to-Date Summary & Observations

2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

2021 Fiscal Year-to-Date Summary & Observations

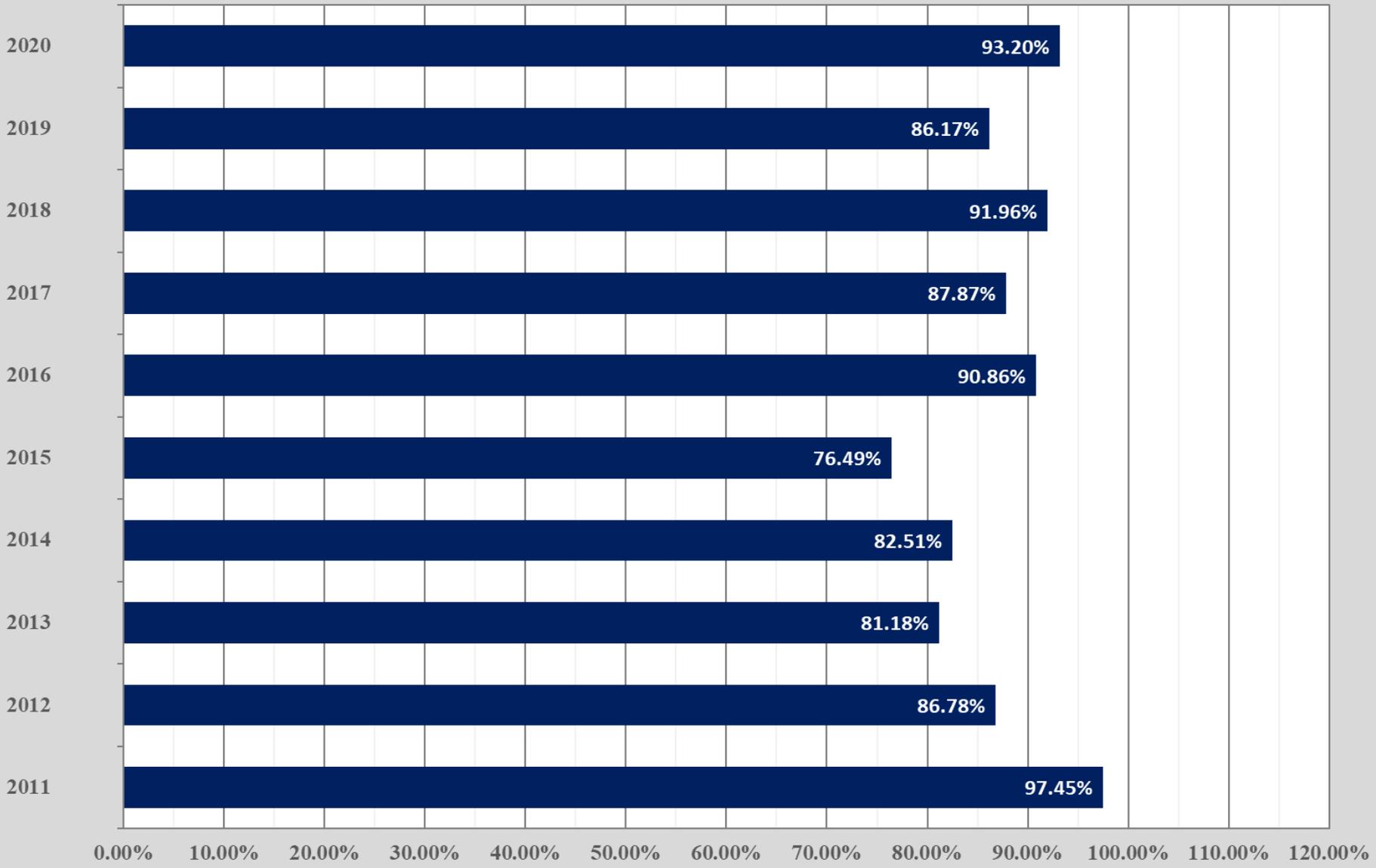
1. The **overall revenue of the Consortium is 1.00% below budget** as of September 30, 2021. We believe that as the Consortium moves through the year, the result will be close to the overall budget. This result will be achieved mostly as a result of the enhanced pharmaceutical manufacturer rebates being received from ProAct, Inc. Unfortunately, even with the increased management of the cash assets by the Consortium's Financial Team which includes the assistance from Wilmington Trust, the pandemic will cause the interest income to be well below the results seen in prior years.
2. The combined **Medical and Rx Paid Claims were 1.95% below budget** through the first 9-months of the 2021 Fiscal Year. This result was achieved in large part due to a decrease in minor and/or elective medical procedures due to the recent pandemic. We are keeping a close eye on paid claims and we are cautiously optimistic that the Consortium will finish the year near or below budget. Historically, the claims paid during the latter part of the Calendar Year tend to be a bit higher as annual deductibles and out-of-pocket maximums are met. In addition, we do anticipate some modest compression in medical claims costs as covered members have procedures performed which had been delayed due to the pandemic.

2021 Fiscal Year-to-Date Summary & Observations

3. Overall, the Greater Tompkins County Municipal Health Insurance Consortium is performing better than projected through the first 9-months of the 2021 Fiscal Year. With only nine months “in the books”, the financial indicators are pointing toward another positive fiscal year, resulting in a slight net income which will be used to bolster the Consortium’s Reserves and Fund Balance. In the end, we are hopeful that this positive result will allow the Consortium to maintain modest premium increases for the next several fiscal years and/or provide premium relief to the Participating Municipalities.
4. Lastly, we want to point out that the fiscal results experienced by the Consortium as of September 30, 2021 clearly support the Board of Director’s decision to increase premium rates by a modest 5% for the 2021 Fiscal Years and put in place the premium holiday for December 2020. Any additional funds set aside from this year after the premium holiday will give the Consortium Board of Directors the opportunity to continue to keep premium increases at a very modest level for the next several fiscal periods. It may also allow for some additional premium relief to assist the Participating Municipalities during what will clearly be a tough financial picture for the next several years.

Greater Tompkins County Municipal Health Insurance Consortium

Medical Loss Ratio (Paid Claims ÷ Premium)



2021
 Medical Loss Ratio
 as of September 30, 2021
 Equals 99.29%

■ Medical Loss Ratio



Greater Tompkins County Municipal Health Insurance Consortium

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

RESOLUTION NO. _____-2021 –

THE GTCMHIC CATASTROPHIC CLAIMS SELF-INSURANCE POOL

MOVED by _____, seconded by _____, and
_____ by voice vote by members
present.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (“GTCMHIC”) has been issued a Certificate of Authority to operate as a New York State Insurance Law Article 47 Municipal Cooperative Health Benefit Plan, and

WHEREAS, Section 4707(a)(2) of the New York State Insurance Law requires the GTCMHIC to purchase “specific stop-loss coverage with a specific retention amount or attachment point not greater than four percent of the amount certified by a qualified actuary to represent the plan’s expected claims for the current fiscal year”, and

WHEREAS, the GTCMHIC Board of Directors issued a Request for Quote (RFQ) to licensed, reputable insurance carriers seeking quotes for specific stop-loss insurance at various deductible levels and with certain required coverage parameters, and

WHEREAS, the GTCMHIC Board of Directors passed Resolution No. 040-2020 authorizing the purchase of a specific stop-loss insurance policy from Excellus BlueCross BlueShield (“Excellus”) with a policy period deductible of \$1,000,000 for all covered insured members; and

WHEREAS, the at the close of the 2020 Fiscal Year the GTCMHIC maintained a Catastrophic Claims Self-Insurance Pool in the amount of \$5,032,220.00 to help protect the Consortium from large dollar claimant expenses which may occur from time to time; and

WHEREAS, the GTCMHIC Board of Directors recognizes the purchasing of specific stop-loss insurance at a \$1,000,000 deductible level creates a substantive risk to the Consortium and its financial stability, now therefore be it

RESOLVED, the GTCMHIC Board of Directors hereby clarifies the intent of the Consortium’s Catastrophic Self-Insurance Claims Pool for the 2022 Fiscal Year as follows:

1. During the 2013 Fiscal Year the Consortium established a Catastrophic Claims Reserve in the amount of \$600,000 to help protect the Consortium from financial harm caused by large dollar claimants as the Consortium increased the Specific Stop-Loss Insurance Deductible from \$250,000 to \$300,000.
2. Over the years, as the Consortium Board of Directors made the decision to accept more risk by periodically raising the stop-loss insurance deductible. In concert with those decisions, the Consortium Board of Directors also periodically increased the amount of funds held in the Catastrophic Claims Reserve as noted in the chart below:

		2013	2014	2015	2016	2017	2018	2019
Traditional Stop-Loss Insurance	Specific Stop-Loss Deductible		\$300,000.00	\$300,000.00	\$400,000.00	\$400,000.00	\$450,000.00	\$600,000.00
	Stop-Loss Insurance Premiums Paid	+	\$592,381.65	\$720,784.39	\$642,080.30	\$766,281.18	\$738,819.42	\$442,185.54
	Stop-Loss Insurance Claims Paid	-	\$292,967.64	\$184,734.14	\$125,880.36	\$242,433.49	\$8,294.21	\$453,672.85
	Insurance Company Admin. & Profit	=	\$299,414.01	\$536,050.25	\$516,199.94	\$523,847.69	\$730,525.21	(\$11,487.31)
		2013	2014	2015	2016	2017	2018	2019
Catastrophic Claims Reserve	Beginning Balance	+	\$0.00	\$600,000.00	\$606,898.00	\$1,050,000.00	\$1,050,000.00	\$1,350,000.00
	Initial/Annual Investment	+	\$600,000.00	\$6,898.00	\$443,102.00	\$0.00	\$300,000.00	\$650,000.00
	Ending Balance	=	\$600,000.00	\$606,898.00	\$1,050,000.00	\$1,050,000.00	\$1,350,000.00	\$2,000,000.00

3. On June 25, 2020, the Board of Directors approved Resolution 009-2020, converting the Catastrophic Claims Reserve to the Catastrophic Claims Self Insurance Pool as the Board wanted this reserve fund to operate on a more active basis. The funds used to seed the Catastrophic Self-Insurance Claims Pool was the combination of the \$4,500,000 which was in the Catastrophic Claims Reserve on that date; \$498,000 which represented the delta between the specific stop-loss insurance budgeted premium at the \$600,000 deductible policy and the actual cost of the Excellus specific stop-loss insurance policy with a \$1,000,000 deductible; and the \$34,105 in interest earned on the funds in this account during the 2020 Fiscal Year.
4. Starting with the 2021 Fiscal Year, the Catastrophic Claims Self-Insurance Pool will be funded with the combination of the closing balance in the fund from the prior year plus; the delta between the specific stop-loss insurance budgeted premium at the \$600,000 deductible policy and the actual cost of the specific stop-loss insurance policy with a \$1,000,000 deductible as determined by the annual request for quote process; plus any interest earned on the funds in the Pool during the fiscal year.
5. Also starting with the 2021 Fiscal Year, funds will be transferred out of the Catastrophic Claims Self-Insurance Pool to the Consortium's general operating fund to reimburse any covered member's claims costs, per Excellus BlueCross BlueShield's Specific Stop Loss Report, which exceed \$500,000 but are less than \$1,000,000 during the specific stop-loss insurance policy period.
 - a. The only exception, if the Consortium opted for a lower stop-loss insurance deductible, will be for any specific claimants who would have had a "laser" attached to them. We will continue the practice of applying the lasered deductible to those individuals. For example, if an individual has a laser deductible of \$750,000, we will not utilize or transfer any funds from the Catastrophic Claims Self Insurance Pool until that individual were to incur claims above \$750,000, but less than \$1,000,000.

6. To trigger the claims transfer, said claims must be incurred during the Calendar Year and must be paid in the Calendar Year and the first 3-months of the subsequent Calendar Year.
7. Any fund transfers from the Catastrophic Claims Self-Insurance Pool to the Consortium's general operating fund will occur no more frequently than on a quarterly basis and/or no less than once per year with the timing of said transfers occurring at the discretion of the Consortium's Treasurer as directed by the Consortium's Chief Fiscal Officer.
8. Each year the GTMCHIC Board of Directors will review this policy as part of the overall budget process to ensure it continues to meet the needs of the Consortium.

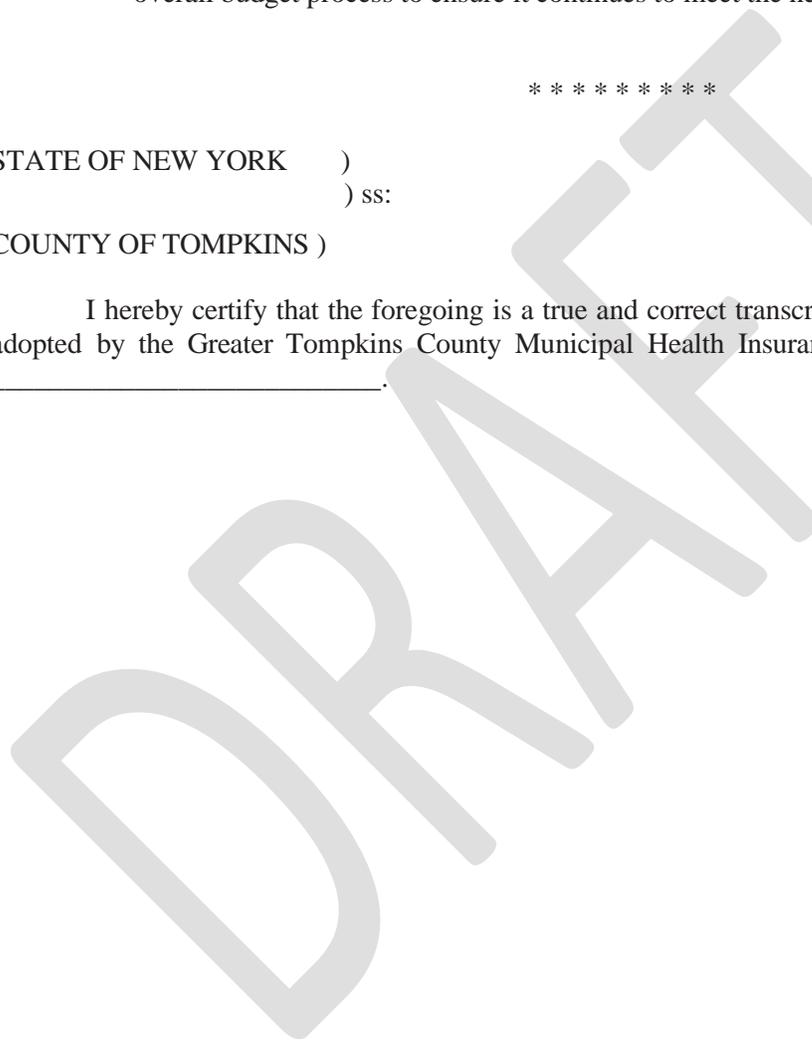
* * * * *

STATE OF NEW YORK)
) ss:

COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance Consortium on

_____.





Greater Tompkins County Municipal Health Insurance Consortium

P.O. Box 7 • Ithaca, New York 14851 • (607) 274-5590
Headquarters: 215 N. Tioga Street, Ithaca, NY 14850
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"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."

RESOLUTION NO. - 2021 – EXTENSION OF CONTRACT FOR PLAN CONSULTANT – LOCEY & CAHILL, LLC – JANUARY 1, 2022 – DECEMBER 31, 2022

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

WHEREAS, the Plan consulting services needed include: strategic planning, financial analysis, recommending a budget, producing and filing benefit plan documents, calculating premium equivalents, preparing a variety of internal reports and requests for proposals, attending Board and Committee meetings, claims trends and large loss analysis, assisting municipal partner with benefit and premium questions, and interfacing with third party administrators and ancillary benefit providers, and

WHEREAS, the Consortium issued a Request for Proposals and by Resolution adopted on October 28, 2010, selected Locey & Cahill, LLC of Syracuse to provide consulting services for the Consortium, and

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

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

WHEREAS, Locey and Cahill presented a three-year proposal with terms commencing 2019 through 2022, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby extends its contract with Locey & Cahill, LLC for the third year of the current agreement for the period January 1, 2022 through December 31, 2022,

RESOLVED, further, That the Executive Director is hereby authorized to execute this contract on behalf of the Consortium.



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RESOLUTION NO. - 2021 - AUTHORIZATION TO ANNUALLY PURCHASE INSURANCE POLICIES: ERRORS AND OMISSIONS, DIRECTORS AND OFFICERS LIABILITY, EMPLOYMENT PROTECTION COVERAGE, AND A FIDELITY BOND

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

RESOLVED, on recommendation of the Audit and Finance Committee, That the Consortium shall annually purchase coverage for these policies: ~~from the following for the period January 1, 2022 thru December 31, 2022:~~

- Errors and Omissions Insurance with the Darwin Group at \$1,000,000 limit with \$25,000 retention (~~placed by insurance agent Haylor, Freyer and Coon~~);
- Directors and Officers Liability Insurance at \$1,000,000 limit with \$25,000 retention and Employment Protection Liability at \$1,000,000 limit (~~placed by insurance agent Haylor, Freyer and Coon~~); and
- A Fidelity Bond

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

RESOLVED, further, That this authorization shall continue to be in effect provided there are no changes to coverage or limits.

* * * * *



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RESOLUTION NO. – RESCINDING RESOLUTION NO. 8 OF 2017 “DELEGATING RESPONSIBILITY FOR APPROVAL OF INDEPENDENT FINANCIAL AUDIT”, RESOLUTION NO. 32 OF 2018 “APPROVAL AND CYBER SECURITY POLICIES AND PROCEDURES”, AND DELEGATING RESPONSIBILITY FOR OTHER OPERATIONS OF THE CONSORTIUM TO THE EXECUTIVE COMMITTEE

WHEREAS, prior to the new governance structure that became effective in 2021 the Board of Directors delegated responsibility for specific functions to the Audit and Finance Committee, and

WHEREAS, changes to Consortium operations have occurred under the new structure and warrant the need to amend prior resolutions delegating specific responsibilities, and

WHEREAS, due to the reduction in Board of Director meetings it may no longer be timely to present a report to the full Board in person on the approved audit, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That Resolution No. 8 of 2017 “Provide Audit and Finance Committee the Authority to Approve the Annual Independent Financial Audit”, and Resolution No. 32 of 2018 “Delegating Authority and Responsibility for Developing Cyber Security Policies and Procedures to the Audit and Finance Committee” are hereby rescinded,

RESOLVED, further, That the Audit and Finance Committee shall maintain authority to approve the Annual Independent Financial Audit with notice provided to the Board of Directors,

RESOLVED, further, That the Executive Committee, in consultation with the Executive Director, may delegate responsibility for operational functions to the appropriate standing committee of the Board of Directors.

* * * * *



Greater Tompkins County Municipal Health Insurance Consortium

P.O. Box 7 • Ithaca, New York 14851 • (607) 274-5590

Headquarters: 215 N. Tioga Street, Ithaca, NY 14850

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

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

RESOLUTION NO - 2021 - AUTHORIZING HEALTHCARE BENEFITS RENEWAL (ADMINISTRATIVE SERVICES AGREEMENT) WITH THIRD PARTY ADMINISTRATOR - EXCELLUS BLUECROSS BLUESHIELD

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, ~~Section E Paragraph 11~~ of 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 That the Executive Committee, on behalf of the Board of Directors hereby approves the 2022 Healthcare Benefits Renewal with Excellus BlueCross BlueShield under the proposed fee structure presented to the Board of Directors for 2020, 2021, and 2022,

RESOLVED, further, That the Chair of the Board be authorized to execute the 2022 contract on behalf of the Consortium.

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**RESOLUTION NO. - 2021 – EXTENSION OF CONTRACT FOR INVESTMENT
MANAGEMENT SERVICES – WILMINGTON TRUST
ADVISORS, INC.**

WHEREAS, the Consortium secures services from Wilmington Trust Advisors, Inc. for investment management services as it pertains to our Investment Management Policy pursuant to Resolution No. 16 of 2020 and wishes to extend its contractual relationship into 2022, and

WHEREAS, as is fiscally prudent the Consortium has directed the Finance Manager to commence an Investment Management Request for Proposal (RFP) to determine options available to assist in managing our reserves and unencumbered fund balance, said RFP shall go out to market as soon as reasonable, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Executive Committee, on behalf of the Board of Directors, authorizes the Consortium to extend its contract with Wilmington Trust Advisors, Inc. (WTIA) for investment management services beginning January 1, 2022 through the conclusion of the RFP process and/or selection of a new Investment Manager.
