

**Operations Committee  
Minutes – APPROVED  
May 24, 2021 – 1:00 p.m.  
Via Zoom Conference Call**

Present: Doug Perine, Tompkins County White Collar President; Luann King, Town of Cincinnatus; Schelley Michell-Nunn, City of Ithaca; Sunday Earle, TC3; Chris Wagner, Seneca County (arrived at 1:48 p.m.)  
Excused: Lisa Holmes, Tompkins County; Ed Fairbrother, Town of Big Flats  
Absent: Mark Emerson, Town of Mentz  
Staff/Guests: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Judy Drake, Town of Ithaca; Paul Pelton, Rob Spenard, Steve Locey Locey & Cahill; Teri Apalovich, Finance Manager

**Call to Order**

Mr. Perine, Vice Chair, called the meeting to order at 1:01 p.m.

**Changes to the Agenda**

There were no changes to the agenda.

**Approval of Minutes**

Approval of the minutes was deferred to later in the meeting due to lack of quorum at this time.

**Executive Director's Report**

Ms. Dowd introduced Paul Pelton, a new staff person at Locey & Cahill.

Ms. Dowd provided an update on Consortium activities. The Claims and Appeals Committee will meet today and continues to review the BMI medical claims audit; a prescription drug audit will be discussed later in this meeting. That Committee is also looking at the appeals process and how to better-understand that process and how to effectively communicate that to subscribers. The Joint Committee on Plan Structure and Design is continuing the utilization process review; they have already looked at the ProAct report and will be presented with the Excellus report at the next meeting.

Ms. Dowd reported on new member interest and said there have been some conversations but will have to wait to see what happens as time moves forward. She said additional information on the BlueCross BlueShield Lawsuit will be going out this week, new identification card information has gone out, as well as information on Mental Health Awareness Month. The Nominations and Engagement Committee is looking at agenda items for the August Board meeting; members were asked to let Ms. Dowd or Mr. Fairbrother know of any suggestions for that.

Ms. Dowd introduced Teri Apalovich, Finance Manager, and said she has been a great addition to the Consortium. Interviews are currently taking place for filling the Benefits Specialist position. She said it has been a challenge to find an individual who has claims, customer service, problem resolution skills, along with an understanding of a wellness program and how to effectively communicate with subscribers, but is hopeful that a decision will be made in the next couple of weeks.

### **Prescription Drug Claims Auditing Process**

Ms. Dowd said due to the pandemic and other things that have happened during the last year we are still in the process of the 2020 medical claims audit. However, she hopes to complete that process and begin a claims audit of 2019-2020 prescription drug claims. She said since the Consortium is in the middle of a PMB (Prescription Benefit Manager) RFP (Request for Proposal) process, there has been discussion of whether to postpone that audit. She asked members for input on how to proceed with this audit.

In response to Ms. Earle, Mr. Locey explained BMI's approach in this audit and said they take the entire claims database and electronically run it through their systems. Their systems have algorithms that identify certain criteria that would identify potential errors such as duplicate claims, diagnosis codes that don't fit the procedure code, eligibility, making sure payments align with plan documents, and a number of different factors. A report shows a number of claims to be investigated further and from that point they conduct an on-site audit of those claims that were identified as potential errors. He said it is a small subset of the entire claims population. The audit of prescription drug claims is much more straight forward than the medical claims audit as there aren't as many factors involved. He said it is unlikely there would be any circumstances where a member would be approached to repay a claim that was paid in error.

There was consensus to have Ms. Dowd contact BMI to request they provide a contract that would keep the Consortium on track with the current prescription drug claims audit and to also provide a contract for an addendum for auditing of 2021 claims in the event there is a transition to a new PBM.

### **Contact Renewals**

Ms. Dowd said there has been discussion of how to proceed with contracts as there are some that have been in place for a long time with no bid process in place. She would like to present the Committee with a list of contracts, history, and expiration date for each. There were no suggestions for additional information to be presented.

### **Policy on Anti-Racism and Equity**

Ms. Dowd said this document that she was authorized to be a signatory on was created by an outside organization with suggestions for actions the Consortium can take in advancing those issues. One of the commitments she has made is to keep this as an agenda item so there will be continued discussion of this.

She called attention to Section 7 and read from a list of specific things the Consortium, as a Board of committee representatives and volunteers, committed to when signing the document. She said there is an opportunity to start building some educational material for Board meetings and noted a commitment was made to do at least one area of professional development. Although this doesn't have to happen at a Board meeting, she said this is a good opportunity to share since there are only two Board meetings per year. She asked members to provide feedback on whether this would be a good use of the Board's time and to provide information as to what would be good agenda items for that meeting or other meetings.

Ms. Drake commented that the Consortium has no control over Board membership and said she feels there should be a different side of this for staff. Ms. Dowd said when a new municipality is selecting a Director there can be a conversation about this commitment to diversity and inclusion and the Consortium wanting to have a diverse group of Directors. She acknowledged the Consortium

cannot recruit Directors but the Consortium can assist decision-makers in participating in the process. She spoke to how the Consortium will advance this as an organization and said it may include looking at addressing it through having a diverse vendor list and that contractors have a commitment as RFP's are issued.

Ms. Dowd asked for suggestions as to what the Consortium can do in its course of business to advance this policy. Specifically, she asked if a commitment was made to have one professional development opportunity for the Board whether it should be at the upcoming Board meeting; and if so, what should be shared. She will include ideas on the next agenda.

Ms. Michell Nunn said the Human Services Coalition and TFC (Training for Change) Associates has done diversity and inclusion training in the past for boards and suggested contacting Laura Branca about this and a specific design based on how the Consortium is constructed.

### **Request for Proposals – Prescription Benefit Manager**

Ms. Dowd commented that going forward work needs to be done to ensure that response to Requests for Proposals are returned in more of a uniform format, noting the enormous amount of work Mr. Locey has done in sorting data that has been submitted. She said members of this Committee or other individuals delegated by members will be asked to be part of the review process, noting the importance in keeping the process moving forward and on track with the timeline.

Mr. Locey provided a sample rubric and timeframe, noting an effective implementation date of January 1, 2022. He said if there is a transition, there is a three-month period built into the process, noting there are two administrators for medical and drug and there needs to be mechanism in place for the transfer of data between both the medical and prescription administrators so that information is shared both ways on claims. He expects interviews to begin the second week of June and the Board to ratify a contract at its August 26 meeting.

Mr. Wagner arrived at this time.

Mr. Pelton provided an overview of the layout and requirements of the RFP and how responses would be evaluated.

In response to Ms. Michell Nunn, Mr. Locey said a list of questions relative to their commitment to diversity and inclusion can be developed to ask during finalist interviews.

Mr. Locey provided examples of areas Locey and Cahill has begun to evaluate and said further information will be compiled and summarized to guide the Committee through the evaluation process.

### **Approval of Minutes of March 22, 2021**

It was MOVED by Mr. Wagner, seconded by Ms. Earle, and unanimously adopted by voice vote by members present, to approve the minutes of March 22, 2021 as submitted. MINUTES APPROVED.

### **Next Meeting**

The Committee scheduled a special Meeting for June 17 at 1 p.m. to begin a review of RFP responses. Ms. Dowd will work with Locey and Cahill on a schedule for interviewing finalists.

**Future Discussion Topics**

The following items will be included in the next agenda:

- a. Contract Renewals – looking at the practice of establishing contract terms and also looking at which contracts and when to issue a Request for Proposals;
- b. Business Continuity Plan Update; and
- c. Policy on Anti-Racism and Equity – resources and recommendations for August Board of Directors meeting

**Adjournment**

The meeting adjourned at 2:37 p.m.