



# Greater Tompkins County Municipal Health Insurance Consortium

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

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

## AGENDA Operations Committee June 1, 2020 – 1:00 P.M. Zoom Meeting

Meeting ID: 930 3156 7099

Password: 465282

<https://zoom.us/j/93031567099?pwd=RUM0aisvYmFDUHRJTGNjRGsxczFnQT09>

Call-in: (646) 558-8656

1. Call to Order and Introductions Holmes
2. Changes to the Agenda
3. Approval of April 27, 2020 Minutes
4. Executive Director Report Dowd
  - a. COVID-19 Update
  - b. Mid-year Changes Review
  - c. MCA Update
5. **Review of Procurement Policy**
  - a. **RESOLUTION:** Resolution No. – 2020 – Amendment of Resolution No. 003-2014 – Adoption of Consortium Procurement Policy and Request for Proposal Guidelines
6. **RESOLUTION:** Authorizing Extension of Office Lease Agreement with the Town of Ithaca
7. Future Discussion Topics: (2:25)
8. Adjournment (2:30)

Next Meeting: June 22, 2020 – 1 p.m.

**Operations Committee  
Minutes – Draft  
April 27, 2020 – 1:00 p.m.  
Via Zoom Conference Call**

Present: Lisa Holmes, Judy Drake, Schelley Michell-Nunn, Sunday Earle, Gary Mutchler, Greg Pellicano, Mark Emerson  
Excused: Doug Perine, Mike Catalano, Luann King, Ed Fairbrother  
Staff: Elin Dowd, Executive Director; Drew Braman, Deputy Director of Finance; Brittni Griep, Interim Clerk of the Board; Debra Meeker, Administrative/Computer Assistant

**Call to Order**

Ms. Holmes, Chair, called the meeting to order at 1:05 p.m.

**Changes to the Agenda**

A report of Request for Proposal (RFP) Best Practices was added to the agenda.

**Approval of Minutes of January 27, 2020**

It was MOVED by Ms. Drake, seconded by Mr. Mutchler and adopted by voice vote by members present, with Mr. Emerson abstaining, to approve the minutes of January 27, 2020 as submitted. MINUTES APPROVED.

**Executive Director's Report**

**COVID-19 Updates**

Ms. Dowd said the Consortium has quickly responded to COVID-19 mandates, including all co-pays relating to testing and care as of mid-March through May 31<sup>st</sup> are being waived. Prescription restrictions and renewals are also being waived. In addition, there is no longer a seven-day window so that a member can always have a two-week supply on hand; this currently does not have a termination date. To ensure that members have access to care during the pandemic, all Telemedicine copays have been waived regardless of diagnosis until May 1<sup>st</sup>. It was noted that an increase in the use of Telemedicine visits creates a positive effect as those visits are less expensive with an average cost of \$40 per visit compared to an emergency room visit cost of \$1,500. There isn't a lot of concern regarding these costs since this area is not a "Hot Spot" and the most vulnerable age group is 65 and older with Medicare being primary for most of that population. The Audit and Finance Committee will discuss this at its meeting tomorrow

**JURAT Update**

The Annual 2019 JURAT filing is wrapping up tomorrow at the Audit & Finance meeting. The auditors will be presenting their findings and then the Year End JURAT will be filed. A couple of weeks prior, the 3<sup>rd</sup> Quarter JURAT was amended and resubmitted; and the 1<sup>st</sup> quarter JURAT for 2020, is due in May.

**MCA Update**

All municipalities were asked to review and help move this forward, all but 7 or 8 municipalities responded. A copy of the draft MCA was sent to DFS for feedback. They recently responded that they are working on it and that there will be changes.

### New Member Solicitation

. Ms. Drake, Mr. Barber, and Ms. Dowd presented to Tioga County just before the pandemic hit and there has been follow up. Zoom Meetings have been set to keep the momentum moving and invitations have been emailed. These Zoom calls will take place on May 12<sup>th</sup>, May 19<sup>th</sup> and May 28<sup>th</sup>. Some of the participants will be asked to join these meetings.

### Joint Committee Meeting

This committee will meet in May regarding needed plan changes for 2021. Three out of the four plans (Gold, Silver and Bronze) will be affected. Other benefits, such as: hearing aid support and vision care are being considered. Utilization Review from Excellus will be in May, followed by ProAct's utilization review in June. The preliminary utilization review is the reason that Ms. Dowd can quote the cost of going to the Emergency Room (ER) vs Telemedicine.

### Staffing

Brittni Griep has moved to the office of the clerk of the Tompkins County Legislature and is transitioning away from supporting the Consortium. Ms. Dowd is thankful to Tompkins County for allowing Brittni to work through the transition of the new assistant, Debra Meeker. Ms. Holmes welcomed Ms. Meeker and thanked Ms. Griep for all she has done.

### Business Continuity Plan

In March, The Consortium received a request with a 30-day reply window, from the Dept. of Financial Services (DFS), for a preparedness plan for the disruption of business. They want to make sure that the Consortium is financially stable and that the risks of membership are evaluated going forward. The Consortium does not currently have a preparedness plan and responded with a statement of practices (such as: making sure that our vendors (Excellus) have business continuity plans in place).

Ms. Dowd asked for some best practices that members have put in place in their municipalities, that could be used as a guide as a policy is being developed. Mr. Pellicano stated that he had been working on this and will send information. Ms. Dowd stated that this is a policy that over time just gets added to and makes for a stronger organization.

### Mid-Year Plan Changes

Ms. Dowd and Mr. Locey have been working to get mid-year plan changes written as a resolution; this is not due to COVID-19, rather it is necessary to put in place as some municipalities want to change plans mid-year. Currently, there is one municipality that is switching from a PPO to Platinum as of June 1<sup>st</sup>. The policy would state that any participants that are making changes will need to give a 90-day notice before the effective date as Excellus builds that plan. When migrating from one plan to another, there is NO carryover of limitations (deductibles or maximum out of pocket). Participants start over, even in the middle of the year and that could mean increasing out of pocket expenses, which is why this is not recommended for high deductible plans.

Ms. Drake stated this is a policy for the employers (municipalities) as the Consortium does not control individual employees. There is a minimum of 2 years that a municipality would have to stay with a chosen plan. She gave the example of the Town of Ithaca when it offered the Platinum Plan. If someone switched to that plan, they could not go back to the PPO Plan for at least three years. Ms. Holmes confirmed that this is the procedure for Tompkins County too.

It is different if a municipality offers the plan already, then if a new plan is being offer, as was a concern of Ms. Michell-Nunn. If a municipality offers multiple plans to employees there is a cost to the Consortium for each of those plans. Other techniques to use during union negotiations were discussed, as Ms. Earle expressed concerns regarding the 2 ½ year lock in, as being a “hard sell”.

Ms. Holmes clarified that what is being asked of the committee is to vote on the recommendation of a municipality to be on any chosen plan for 2 years. Ms. Holmes then asked for a motion to accept the Resolution with additional language. Ms. Dowd read “Be it further resolved that the Consortium Board of Directors strongly recommends that a municipality that migrates to a lessor benefit remain with that decision for two full plan years.” It was MOVED by Ms. Drake, seconded by Mr. Emerson, and unanimously adopted by voice vote by members present on Zoom, to approve the resolution as amended.

**RESOLUTION NO.        – 2020 - ADOPTION OF POLICY REGARDING MID-YEAR PLAN CHANGES**

WHEREAS, it has been brought to the attention of the Greater Tompkins County Municipal Health Insurance Consortium (“Consortium”) Board of Directors that the Consortium’s policies require updating regarding mid-year plan changes which are the result of collective bargaining, municipal board policy, personnel policy, or an individual qualifying for a plan change consistent with IRS 26 CFR §1.125-4 – Permitted Election Changes, and

WHEREAS, the Consortium offers several health insurance benefit plan options which include various Indemnity Plans, various Preferred Provider Organization (PPO) Plans, a Comprehensive Value Plan, and several High Deductible Health Plans (HDHPs), and

WHEREAS, these various health insurance benefit plan choices include a number of different deductible options, out-of-pocket maximum options, and other benefit limit options that are all managed on a calendar year basis, and

WHEREAS, allowing mid-year changes to benefit plans by a Participating Municipality for a collective bargaining group, employee group, and/or retiree group could cause administrative and financial issues for the covered member and/or the Consortium, and

WHEREAS, the Consortium needs to establish a policy and procedure to ensure any plan changes occur in a timely fashion with the least amount of administrative and financial disruption to the Consortium and to the covered member as possible, now therefore be it

RESOLVED, on recommendation of the Operations Committee, That the GTCMHIC hereby adopts a policy requiring all Participating Municipalities in the Consortium to notify the Consortium’s Executive Director on or before October 31<sup>st</sup> each year of any benefit plan changes being made by said Consortium Participant with an effective date of January 1<sup>st</sup> of the next plan year,

RESOLVED, further, That the Policy also requires GTCMHIC Participants seeking to make mid-year benefit and/or plan changes must provide notice to the Consortium’s Executive Director no later than 90-days preceding the effective date of said change or changes,

RESOLVED, further, That due to the complexities associated with migrating specific patient information regarding the covered member’s satisfaction of their deductible, out-of-pocket maximum, and/or any specific benefit limitations, the Consortium will not be populating the new benefit plan with any of this data or information,

RESOLVED, further, That the GTCMHIC Board of Directors strongly discourages Participating Municipalities in the Consortium from making mid-year changes involving a group of employees or retirees who are either already in a High Deductible Health Plan (HDHP) or would be moving into a High Deductible Health Plan (HDHP).

RESOLVED, further, That the Consortium Board of Directors strongly recommends that a municipality that migrates to a lessor benefit remain with that decision for two full plan years.

\* \* \* \* \*

#### **RFP Best Practices**

Ms. Dowd is working on procurement of services and other expenses. The consortium's services are high cost, which includes Excellus and ProAct, as well as, auditors' services too. In the past, procurement has been done in two different ways. One: Mr. Locey has handled it. Two: either Mr. Barber or Ms. Cocco submit a proposal on Bid net, through Tompkins County purchasing and it has gone out for the public to respond with an RFP.

The Consortium is growing and has staff now. It also needs a procurement policy that includes RFP procedures that states how often the market gets shopped, how that will be done and by whom. Ms. Drake asked that a past RFP be shared to make an outline and fine tune it for the next meeting. There are a couple of important things happening this year, that this policy is needed for. One, is the Excellus audit that is coming up and traditionally BMI has been used, and two an RFP needs to be done for Prescription Benefit Management Services this year.

Ms. Dowd hoped that rather than a draft, that this group could give some direction and share best practices of what they have in place. Ms. Holmes stated that recently the County revamped its procurement policy and that Mr. Braman was very involved, but she wasn't sure if that would be applicable. Mr. Braman stated that it could be easily amended as he was just reviewing the DFS website and requirements. He will review it further and touch base with Ms. Dowd.

#### **Future Discussion Topics**

At the next meeting, this Committee will discuss the RFP Best Practices and times and dates of the meetings.

#### **Date of Next Meeting**

The date of the next meeting was set for June 1, 2020 at 1 p.m.

#### **Adjournment**

It was MOVED by Ms. Michell-Nunn, seconded by Mr. Emerson; and unanimously approved to adjourn the meeting at 2:07 p.m.



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## Procurement Policy

Adopted \_\_\_\_\_

All procurements made by the Greater Tompkins County Municipal Health Insurance Consortium ("Consortium") involving the expenditure of the Consortium funds will be made in accordance with the following procurement standards.

The Executive Director shall have responsibility for all Consortium purchasing and bidding.

Purchases will be reviewed by the Consortium Treasurer to prevent duplication and to ensure that costs are reasonable.

It is the policy of the Consortium to provide equal opportunity to all qualified suppliers. The principle of public purchasing is to obtain goods and services equitably through open competition at the least cost to the taxpayer while serving the interest of the Consortium.

Consortium procurement shall operate in full view of all members.

### **I. METHODS FOR PROCUREMENT**

Procurements shall be made according to the parameters set forth in Tables A and B using one of the following methods:

#### **A. Verbal or Written Quotations**

Purchases costing up to \$3,000 may be made by authorized purchasers using the purchaser's best discretion with expense(s) to be directly paid or reimbursed by the Consortium upon receipt of a valid proof of purchase (i.e. receipt or invoice). Efforts will be made to get the lowest and best price, but written documentation is not required.

Purchases which cost between \$3,000.00 and \$9,999.99 require at least two written quotes. A memorandum shall be prepared detailing the date of contact, company name, contact person, pricing, and delivery terms. Purchaser shall make every attempt to ensure fair and competitive pricing.

Purchases of supplies, equipment, and professional services between \$10,000.00 and \$20,000.00 require written quotations. Reasonable attempts shall be made to obtain a minimum of three responses. Documentation detailing such attempts shall be prepared and filed with the paid bill file.

#### **B. Bids or Request for Proposals**

Bids will be sought for purchases of goods or equipment that exceed \$20,000. Detailed specifications will be developed for approval by the Consortium prior to posting on the appropriate website(s). Bids shall be awarded to the lowest responsible bidder(s) meeting all specifications with acceptable deviations. Bids shall be awarded by the Executive Committee unless specifically required to be awarded by Board of Directors.

Request for Proposals shall be sought when the cost for services is expected to exceed \$20,000. Specifications shall be developed and approved by the Consortium prior to posting on the appropriate website(s). As a general rule, Request for Proposals shall be posted on the appropriate website(s) for a minimum of twenty-one days. The Executive Committee shall authorize the award and contract for the requested service(s).

The Consortium reserves the right to postpone bid openings for its own convenience and to make changes to the specifications.

Per NYS General Municipal, State and Local laws, the Consortium may award a Bid to a vendor and/or contractor offering the "Best Value" to the Consortium. "Best Value" allows the Consortium to participate in bids let by National Cooperatives and other government agencies that have awarded contracts through this method if it proves to be in the best interest of the Consortium and member taxpayers.

Request for Proposal specifications shall detail the following:

- Scope of Services
- Evaluation Criteria
- Project Schedule
- Contract Term

Contract shall be awarded to the offeror that submits the proposal determined to be in the best interest of the Consortium once proposals have been reviewed and, if needed, negotiated. Written evaluations of each response must be provided.

The Consortium reserves the right to reject all proposals, to negotiate with an offeror, and to solicit new Request for Proposals if determined to be in the best interest of the Consortium.

## **II. CONTRACTS**

Generally, all procurement involving services will require a written description of the service or, when applicable, a written contract.

A contract for professional services shall be for up to three years with the option to renew for an additional two years.

All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract for cause.

All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract without cause with either a 30- or 60-day notice.

All contracts shall contain indemnification and hold harmless language and shall state required insurance coverage as deemed sufficient and appropriate by the Executive Committee.

## **III. DOCUMENTATION**

Supporting documentation for purchases that do not require bidding or seeking proposals shall be retained and filed by the Executive Director or designee.

All bid and proposal responses shall be filed and maintained in accordance with the New York State Records Retention laws.

#### **IV. GUIDELINES FOR WRITING A REQUEST FOR PROPOSAL (“RFP”)**

These guidelines shall be followed with securing a bid through the RFP Process:

*Include Rules for Submitting a Proposal* – The rules for submitting a proposal (instructions) must be included in the specifications. Respondents will need to know who, where, how (format) and when to submit their response.

*Make it a Performance Specification* – Describe the performance desired rather than specifying the exact goods or services that are required. For example, a janitorial contract for providing a “clean work environment” should outline the program goals and ask for the qualifications of the Respondent’s personnel rather than telling them the number of people needed to perform the work, their required qualifications, or the number of times they must perform certain tasks.

*Keep it Non-Proprietary* – Do not specify the service so narrowly that it fits only one provider.

*Disclose the Contract Term* – In the Statement of Work explain the term of the contract.

*Disclose Award Criteria & Weights* – Disclose the criteria that will be used to evaluate the proposals and the weight that will be given to each criterion. This lets the Respondents know what is important and how their proposals will be judged.

*Require Only What Will be Evaluated* – Do not ask for information that will not be considered in making the award and that will contain a cost to the Respondent to provide (such as financial statements). The Respondents will pass along that cost to you in their proposals so ultimately you would pay for something you did not intend to use.

*Do Not Over Specify* – Do not ask for services that are not necessary. If you are not willing to pay for additional services, do not include them in the specifications unless you include them as “options”. To avoid the appearance of an arbitrary award, identify the priority of options that will be selected if funds are available. For example: “within budgetary limits, options will be awarded in the following priority: A, B, C, and F.”

*Hold a Pre-Solicitation Conference if Necessary* – A pre-solicitation conference may be necessary to give Respondents a chance to clarify the specifications and propose changes or corrections to them.

#### **V. EMERGENCY PROCUREMENT**

In the case of a public emergency as declared by the Consortium Board of Directors, goods and services exceeding the bid limits may be procured without competitive bidding.

The Executive Director is hereby authorized to award bids during such a declaration of emergency. Notification of such awards shall be provided in writing to the Executive Committee.

In cases where an emergency situation exists and a part, repair person and/or services are needed to make equipment operational and can be obtained immediately, the Executive Director or designee(s) should do the vendor research, locate the part or service needed and place the order.



## **VI. BEST VALUE**

All awards may be made to a vendor and/or contractor offering the “Best Value” to the Consortium.

The Executive **Committee** or their designee will have the final approval when using “Best Value” and determine when its use would be appropriate and which criteria to use.

Award Criteria:

In determining the “Best Value” for the Consortium, the purchase price and whether the goods or services meet specifications are the most important considerations. However, the Executive Director or their designee may consider other relevant factors, including but not limited to:

- Installation costs;
- Life cycle costs;
- Quality and reliability;
- Delivery terms;
- Cost of employee training associated with a purchase;
- Effect of a purchase on productivity;
- Indicators of probable supplier performance under the contract such as past supplier performance, the supplier's financial resources and ability to perform, the supplier's experience or demonstrated capability and responsibility;
- Ability to provide reliable maintenance agreements and support;
- Ability to comply with state, federal, or other requirements linked to funding sources for specific projects including but not limited to MWBE participation, Section 3, Davis-Bacon, previous violation of federal or state labor standards, conflicts of interest, and equal employment opportunity.
- Business Enterprise status (e.g. DBE, MWBE, SDVBE);
- Other factors relevant to determining the best value for the Consortium in the context of a particular purchase, including the status of the vendor as a The Greater Tompkins County Health Insurance Consortium based business.

**Table A**

<b>Purchasing Policy and Procedure for Procurement of Materials and Supplies</b>	
<b>Purchase Amount</b>	<b>Purchasing Procedure</b>
Under \$3,000.00 per single item	<p>Executive Director should obtain one (1) to two (2) verbal quotations, but not required.</p> <p>Quotes shall be kept on file.</p>
Between \$3,000.00 to \$9,999.00 per single item	<p>Executive Director shall obtain at least two (2) written quotations inclusive of all charges.</p> <p>Audit and Finance Committee to review all purchases at regular monthly meetings.</p>
Below \$10,000.00 to \$19,999.00 per single item	<p>Executive Director shall obtain three (3) written quotations inclusive of all charges.;</p> <p>Copies to be submitted to the Audit and Finance Committee.</p> <p>Audit and Finance Committee to recommend purchase through resolution to Executive Committee.</p>
Over \$20,000.00	<p>Competitive sealed bids are required by NYS law for all purchases of any single item costing over \$20,000.00 or aggregate purchases over \$20,000.00 of any single item or type of items made within the twelve (12) - month period commencing on the date of purchase.</p> <p>The Executive Committee may establish an ad hoc Committee to review RFP specifications and all bids against set criteria. The Executive Director will develop the bid document and solicit bids according to legal requirements. Bid awards to be made by the Audit and Finance Committee or their designee through resolution to be presented at the next Executive Committee or Board of Directors meeting.</p> <p>Emergency purchases and sole source requests must be made in writing to Executive Committee.</p> <p><i>Note:</i> If time allows, two (2) quotes will be obtained for emergency purchases over \$10,000.</p>

**Table B**

<b>Purchasing Policy and Procedure for Procurement of Professional Services (RFP's)</b>	
<b>Purchase Amount</b>	<b>Purchasing Procedure</b>
Under \$10,000.00 per occurrence annually.	Executive Director shall obtain one (1) to two (2) proposals. Contract is required. Proposals should accompany the contract.
Between \$10,000 and \$20,000 per occurrence or annually.	Executive Director shall obtain two (2) proposals. Contract is required. Proposals should accompany the contract. Executive Committee to review.
\$20,000+ per occurrence or annually	<p>Executive Director shall obtain three (3) written quotations inclusive of all charges. Copies to be submitted to the Audit and Finance Committee.</p> <p>The Executive Committee may establish an ad hoc Committee to review RFP specifications and all bids against set criteria. The Executive Director will develop the bid document and solicit bids according to legal requirements. Bid awards to be made by the Audit and Finance Committee or their designee through resolution to be presented at the next Board of Directors meeting.</p>



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### **RESOLUTION NO.        - 2020 – AUTHORIZING OFFICE SPACE LEASE AGREEMENT WITH THE TOWN OF ITHACA**

WHEREAS, in 2019 the Executive Committee negotiated a lease agreement with The Town of Ithaca for office space, and

WHEREAS, the Consortium's legal counsel reviewed and approved the language contained in the lease agreement, and

WHEREAS, the term of the lease is for one year with the ability to extend annually with all utilities being the responsibility of the landlord, now therefore be it

RESOLVED, on recommendation of the Operations Committee, That the Board of Directors authorizes the Vice Chair to sign said lease agreement with the Town of Ithaca for office space for the period April 1, 2020 thru March 31, 2021.

\* \* \* \* \*