

Board of Directors Meeting November 19, 2015 – 5:30 pm - Old Jail Conference Room

(free parking in County lots after 5:00 pm)

1. Call to Order
2. Approval of September 24, 2015 Minutes **(VOTE)** (5:30)
3. Changes to the Agenda
4. Chair's Report: (5:35) J. Drake
 - a. **MOTION:** Establish 2016 Meeting Schedule **(VOTE)** [p. 11]
 - b. Cancel December Meeting
 - c. Appointments to Consortium Committees
 - d. **RESOLUTION:** Appointment of Treasurer – 2016 **(VOTE)** [p. 12]
5. Executive Director's Report (5:45) D. Barber
 - a. Mission Vision Statement – Creation of Subcommittee [p. 13]
 - b. Additional Partner interest and status
 - c. DFS communications
 - d. MCA adoption status
 - e. Report on Recertification Process
 - f. ACA Reporting Requirements
6. Presentation on Directors and Officer's Coverage by Michele Robinson, Jim Stoddard, Steve DeRegis, Haylor, Freyer, and Coon (6:00)
7. Report from Consultant (6:15) S. Locey
 - a. Financial update
 - b. Medical Claims and Prescription Drug Audit Update
8. Report from the Executive Committee (6:25) J. Drake
9. Report from Audit and Finance Committee (6:30) S. Thayer
 - a. **RESOLUTION:** Extension of ProAct Contract **(VOTE)** [p. 14]
 - b. **RESOLUTION:** Acceptance of Application of Town of Truxton to Become a Participant in the Greater Tompkins County Municipal Health Insurance Consortium **(VOTE)** [p. 15]
 - c. **RESOLUTION** Authorization to Enter into Agreement with Bonadio & Co. LLP – Financial Reporting for 2016 **(VOTE)** [p. 16]
 - d. **RESOLUTION:** Authorization to Extend Contract with Ciaschi, Dietershagen, Little and Mickelson for the Provision of Auditing Services – 2016-2017 **(VOTE)** [p. 17]
 - e. **RESOLUTION:** Extension of Contract for Plan Consultant–Locey and Cahill, LLC – 2016 **(VOTE)** [p. 18]
 - f. **RESOLUTION:** Authorization to Purchase Insurance Policies: Stop Loss, Errors and Omissions, and Directors and Officers Liability Coverage **(VOTE)** [p. 19]

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| 10. Report from Nominating Committee (6:45) | L. Shawley |
| a. <u>RESOLUTION:</u> Election of Officers (VOTE) [p. 20] | |
| 11. Report from Owning Your Own Health Committee (6:50) | M. Cook |
| 12. Report from Joint Committee on Plan Structure and Design (6:55) | S. Weatherby |
| 13. Adjournment (7:00) | |

Next Meeting: January 28, 2016 (tentative)



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125 East Court Street
Ithaca, NY 14850
607-274-5590
INFO: consortium@twcnny.rr.com
www.tompkins-co.org/healthconsortium

**Board of Directors
September 24, 2015
5:30 p.m.**

Draft 10/05/2015

Scott Heyman Conference Room

Municipal Representatives: 17

Judy Drake, Town of Ithaca; Steve Thayer, City of Ithaca; Olivia Hersey, 3rd Labor Representative; Rordan Hart, Village of Trumansburg; Kathy Miller, Town of Lansing; Phil Vanwormer, 3rd Labor representative; Nancy Zahler, Town of Ulysses; Mack Cook, City of Cortland; Michael Murphy, Village of Dryden (excused at 6:30 p.m.); John Fracchia, Town of Caroline (excused at 6:48 p.m.); Charles Rankin, Village of Groton; Peter Salton, Village of Cayuga Heights; Amy Guererri, Tompkins County; Don Scheffler, Town of Groton; Jennifer Case, Town of Dryden; Laura Shawley, Town of Danby; Genevieve A. Suits, Village of Homer

Excused: 1

Scott Weatherby, 1st Labor representative (Chair, Joint Committee on Plan Structure and Design)

Absent: 2

Herb Masser, Town of Enfield; Alvin Doty, Town of Willet

Others in attendance:

Don Barber, Executive Director; Steve Locey, Locey & Cahill; Beth Miller, Excellus; Rick Snyder, Treasurer; Dale Taylor, Town of Virgil Deputy Supervisor; John Zelinski, City of Norwich Chamberlain

Call to Order

Ms. Drake, Chair, called the meeting to order at 5:33 p.m. She reported Brad Berggren, member of the Joint Committee on Plan Structure and Design and Mr. Weatherby's alternate to the Board, was seriously injured in an accident in the Town of Newfield. A card was circulated for members to sign extending the Board's wishes for a quick and full recovery.

Approval of Minutes – July 23, 2015

It was MOVED by Mr. Fracchia, seconded by Mr. Salton and unanimously adopted by voice vote by members present, to approve the minutes of July 23, 2015 as submitted. MINUTES APPROVED.

Changes to the Agenda

A presentation on the Blue4U program was added to the agenda.

Chair's Report

Ms. Drake proposed that a nominating committee for a slate of officers be established at this meeting. Although a meeting was tentatively scheduled in December it will be canceled if is not needed.

Appointment – Motion No. 009-2015

It was MOVED by Ms. Drake, seconded by Mr. Hart, and unanimously adopted by voice vote by members present, to approve the appointment of the following Directors to serve on the 2016 Nominating Committee for 2016 Consortium Leadership: Laura Shawley, Peter Salton, and John Fracchia. MOTION CARRIED.

Ms. Drake reported on the Excellus Breach and said there has been a lot of communications going out to employees and Board members. Ms. Miller advised that anyone who is a member and believes they should have received a letter should go online and sign up for free credit monitoring. Ms. Suits raised an issue that the program was requiring a separate e-mail address for persons to sign up, including dependents who may not have an e-mail address. She said she has been in contact with Excellus and was told they are looking into this. Concern was also expressed for minors being more vulnerable in these types of attacks. Ms. Miller commented that this was a very sophisticated cyber attack and the FBI is involved; Excellus has been sending out 100 letters on a daily basis.

Mr. Locey said Excellus, as an insurance company, has certain requirements to notify members of this breach. Because the Consortium is technically an insurance company Locey and Cahill is in the process of working with the Consortium's attorney to determine whether the communication to members by Excellus is sufficient to cover all of the municipalities in the Consortium. He received notification from Attorney John Powers this afternoon stating he believes it will be sufficient and is drafting a letter for Mr. Barber to send to Excellus requesting documentation of the entire submission by Excellus to the State as well as all information communicated to members.

Ms. Drake asked Mr. Locey to provide information on the Minimal Essential Coverage Reporting and if that covers all of the small municipalities or only the larger municipalities. Mr. Locey said it affects the larger municipalities this year and anyone who employs less than 100 next year. For 2015 the filing will take place in the first quarter of 2016 and for 2016 the filing will take place the first quarter of 2017. She asked that Locey and Cahill work with the small municipalities to provide some education on this.

Executive Director's Report

Mr. Barber reported he was asked to speak at the New York State Association of Counties Fall Conference last week. There has been a lot of talk about Tompkins County and the amount of money the taxpayers have saved and the Consortium's projected premium rate increase for 2016.

He reported several responses were received from Board members on the draft vision statement: "The Greater Tompkins County Municipal Health Insurance Consortium is a unique local government owned, collaborative health risk pool that efficiently provides high quality, affordable health insurance options, while emphasizes the informed choice and wellness of its membership". He also asked for members to provide input on a mission statement which would describe the actions moving forward and to date he has only received two responses. Following a brief discussion, members expressed a need for additional time to submit responses. Mr. Barber will follow-up in a couple of weeks with members on this.

Mr. Barber updated the Board on interest that has been expressed by municipalities to join the Consortium. The Town of Virgil has submitted an application and a resolution is on this evening's agenda to accept the Town as a partner. There have been meetings with the Town of Newfield; Mr. Locey will be meeting with the employees next week as the Town is working on employee buy-in. The Town of Truxton continues to be interested but has not submitted

anything in writing. The Town of Cortlandville has placed joining on hold for at least a year. The City of Norwich has requested to join the Consortium, however, the current Municipal Cooperative Agreement does not permit municipalities outside of the six contiguous counties to join.

Mr. Zelinski said the City of Norwich has paid out \$2.8 million more in premiums than claims have been incurred over the last eight years, yet they continue to experience double-digit increases. For a City that has a population of slightly over 7,000 this amount of \$2.8 million equates to a severe amount of tax revenues for the residents of Norwich. He said the City believes that given its claims experience and the Consortium's premium controls they would be a good partner and fit for the Consortium. They had considered self-insuring, however, there is State legislation in the Assembly that could remove that option. Mr. Zelinski requested the Board consider amending the Municipal Cooperative Agreement to allow the City of Norwich to join. Ms. Drake said the Executive Committee will discuss this at its next meeting on October 6th.

Mr. Salton said he believes this request fits into the mission of what the Consortium should be and if there is a way to bring the City of Norwich into the Consortium he would fully support it.

Communications with the Department of Financial Services

Mr. Barber reported the Consortium has reapplied for the Aggregate Stop Loss waiver and the Department has asked for a three-year pro forma financial analysis to be submitted. The State responded that they would like the information in a different format that is similar to the JURAT report; Mr. Locey and his staff have been working on this. Mr. Locey provided an update on the status of this and said it should be complete tomorrow.

Other items being worked on include the medical claims audit and Mr. Locey is working on resolving issues with Excellus. Once it is complete the reconciled audit will need to be sent to the Department. Mr. Barber reported a contract has been signed with BMI to perform the prescription drug claims audit in the amount of \$30,000. He reported on the filing of policy forms with the State and said to date there hasn't been a response to any of the forms that have been submitted. The State has stated this is because they are not in a format the State can easily read. Although Excellus has the software to create the forms they do not wish to get involved with this, therefore, Mr. Locey is developing a document framework that would be used for all of the Consortium's submissions. The State has said this will provide for a much faster review.

Mr. Barber reported a Memorandum of Understanding has been put together for a claims appeal with Excellus and said he is awaiting word from the Department on that document. He reported the flu clinics are underway and appear to be going well. The Municipal Cooperative Agreement is scheduled to be approved by the County next week; this is the final municipality to approve the amendment.

Consultant's Report

Mr. Locey reviewed a financial update through August 31, 2015 and a memorandum containing budget projections for 2016 and beyond. He stated the Consortium is in great shape from a budgetary perspective and said there is \$5.5 million in net income through August 31st. Revenues are on target and expenses and medical claims are almost 20% below budget. He reported the Excellus renewal was received and it was noted in the information that their security deposit was being reduced for 2016 which shows they are reflecting the lower claims as

well. In addition, the cash advance is being lowered from \$527,500 to \$481,600 for one week of claims for 2016; this again shows Excellus is recognizing the lower amount of claims.

Mr. Locey said the budget projections were developed to show the Consortium experienced a better-than-expected year and will use some of those funds mitigate rate in the next few years. He reviewed the graphical representations showing budget versus income and noted medical claims were budgeted at \$16.7 million but is just over \$13.4 million. Mr. Locey said there haven't been large losses like in the past and there has been lower than anticipated utilization. As it gets closer to the end of the year they will be looking at where the decreases have been in utilization as well as what, if any impact the Cayuga Medical Center Clinical Integration Program has had.

Mr. Locey said the budget has a trend forward of slightly over 8% in claims although the trend has been closer to 5% and even with this the Consortium is looking at positive results from a budgetary perspective. He reviewed proposed levels for liabilities and reserves for 2016 and presented a budget recommendation and noted the assumptions made through 2019:

1. Premium revenue increased by 3% in 2016, 4% in 2017, 5% in 2018 and 2019;
2. Interest Income = last 2 years average;
3. Prescription drug rebates = \$250,000;
4. Paid claims trend = 8.85%
5. Administrative fees per agreement with Excellus BCBS then increased by 3% per annum;
6. New York State Graduate Medical Expense increased by 5%;
7. Specific Stop-Loss insurance increased by 20%;
8. Aggregate Stop-Loss insurance increased by 5%;
9. All other fees increased by 3%; and
10. Beginning balance and ending balance includes advance deposit held at Excellus BCBS as a pre-payment of claims (\$527,500 as of 8-31-2015)

Mr. Locey said he feels very confident with the financial results that the Consortium will be in very good financial shape and may be able to see rates in 2018 and 2019 at less than 5%.

Prescription Drug and Medical Claims Audits

Mr. Locey said they are coordinating the start-up of the prescription drug claims audit with BMI. He noted Locey and Cahill was able to get BMI to reduce the fee for the prescription drug audit by \$7,500.

He reported they are working on getting information from Excellus on some of the claim errors that were identified in the medical claims audit. There are also some areas of plan documents that have to be adjusted to make sure that they match the administrative process at Excellus. He hopes to have a final report at the November meeting. He said each of these audits will be done on a bi-annual basis.

Executive Committee Report

Ms. Drake reported the Committee will meet on October 6th at 3:30 p.m.

Audit and Finance Committee

RESOLUTION NO. 013-2015 - ADOPTION OF 2016 BUDGET

MOVED by Mr. Thayer, seconded by Mr. Hart.

Mr. Fracchia stated although he does not have doubts that the proposed budget is a good budget he has concerns that information was presented to the Board in a very short time before being asked to vote on it. He spoke of the amount of due diligence that should be taken in reviewing very technical information that goes into the compilation of the budget. He does not believe Board members have been provided with sufficient time to review the information and ask questions if necessary.

Mr. Thayer responded and said the Audit and Finance Committee reviews information received by the Consultant on a monthly basis and the most recent information showed more positive results and a strengthening of the Consortium's financial performance for 2015. At the Committee level the only concerns that have been raised related to members looking for stability in rates and what impact dropping the 2016 rate would have on future rates. After discussion, however, members were confident in stability going forward.

Mr. Barber referred to the Consortium's website and stated it is a living document and regular updates of financial information ~~is~~ **are** posted each month. He also commented that the numbers are fluid and change each month based on experience. He spoke to the timeline for information being available and said Mr. Snyder and Mr. Locey have a very short time frame in which to assemble information for the Committee. He offered a suggestion that the Board could be presented with preliminary information at its July meeting.

Mr. Fracchia responded and stated he does not doubt due diligence took place at the Committee level; however, as officials of this corporation, Board members are still held accountable for their votes and he would feel negligent voting on a very important document that he doesn't feel he had adequate time to review.

Ms. Drake spoke of the requirement in the Municipal Cooperative Agreement for the budget to be adopted and does not believe a vote can be delayed. Mr. Locey said next year a plan will be put into place to present the Board with a draft budget at the July meeting but noted the numbers would be very preliminary. He explained the timing process by which the information from Excellus is received but said efforts can be made to expedite the process somewhat. Mr. Snyder offered to share preliminary information with Board members as it becomes available and also suggested there be more time between the meeting of Audit and Finance Committee meeting when it recommends a budget and the meeting at which the Board adopts the budget.

Ms. Zahler spoke of how information is presented and suggested the format be revised. She said it would be helpful if in the same way that the performance report shows the variance and percentage change that a column be added to the spreadsheet showing the projected change in each line. Mr. Locey said this could be easily done and he will also provide a definition sheet. Ms. Drake said the Executive Committee can discuss the process at its upcoming meeting.

A voice vote resulted as follows: Ayes – 16, Noes – 1 (Fracchia); Excused – 1 (Weatherby); Absent – 2 (Doty, Masser). RESOLUTION ADOPTED.

WHEREAS, the proposed 2016 budget was presented by the Consultant and was unanimously recommended by the Audit and Finance Committee at the September 22, 2015 meeting for submission to the Board for its review, and

WHEREAS, notable items included in the proposed budget are the following:

- Premium increase of 3% over 2015 rates
- Central NY paid claims trends continues at 8.85% increase, but group trend is lower allowing fund balance to be used to produce a rate change much lower than wider claims trend
- IBNR (Incurred But Not Reported) and Rate Stabilization Reserve funds are increased by 8.85% and Statutory required Surplus account is increased by 3%

now therefore be it

RESOLVED, That the attached 2016 budget and premium equivalent rates for the Greater Tompkins County Municipal Health Insurance Consortium is hereby approved.

* * * * *

Mr. Murphy was excused at this time.

RESOLUTION NO. 014-2015 - ADOPTION OF THE “GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM STANDARD GOLD PLAN” AND “GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM STANDARD SILVER PLAN” FOR INCLUSION IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM’S AVAILABLE BENEFIT PLAN MENU EFFECTIVE JANUARY 1, 2016

MOVED by Mr. Thayer, seconded by Mr. Hart.

Ms. Hersey said as in the meeting of the Joint Committee on Plan Structure and Design she will be voting no on this resolution. Although she can appreciate municipal budget issues and the impact upon these plans, she said there can be a benefit to employees by having the wellness component; however the plans can create a hardship on employees who are experiencing an illness and who have a very high deductible and lower-pay medical plan. It was clarified that municipalities would have to negotiate with bargaining groups to move to a different plan, however, there are groups that are not represented by a collective bargaining group.

A voice vote resulted as follows: Ayes – 15; Noes – 1 (Hersey); Excused – 2 (Murphy and Weatherby); Absent – 2 (Doty and Masser). RESOLUTION ADOPTED.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (Consortium) is a self-insured municipal cooperative health benefit plan operating pursuant to a Certificate of Authority issued on October 1, 2010 in accordance with the provisions of Article 47 of the New York State Health Insurance Law, and

WHEREAS, the Consortium’s consultant, Locey and Cahill, LLC and medical claims administrator, Excellus BlueCross BlueShield, have collaboratively developed the “Greater Tompkins County Municipal Health Insurance Consortium Standard Gold and Silver Plan” which is consistent with and meets the standards for Gold and Silver level benefit plans as defined by the Patient Protection and Affordable Care Act, and

WHEREAS the “Greater Tompkins County Municipal Health Insurance Consortium Standard Gold Plan” will have an Actuarial Value as defined by the Patient Protection and Affordable Care Act equal to an overall plan benefit for the average participant of 80%, and

WHEREAS the “Greater Tompkins County Municipal Health Insurance Consortium Standard Silver Plan” will have an Actuarial Value as defined by the Patient Protection and Affordable Care Act equal to an overall plan benefit for the average participant of 70%, and

WHEREAS, the Joint Committee on Plan Structure and Design has reviewed the details of the “GTCMHIC Standard Gold and Silver Plans”, and

WHEREAS, the addition of this Plan or other metal level Plans of coverage will not diminish, alter, or eliminate any current medical or prescription drug plans offered by the Consortium, and

WHEREAS, comparable benefit plans are available to the Consortium’s Participating Municipalities either through the Patient Protection and Affordable Care Act Health Insurance Exchange or on the private health insurance marketplace, and

WHEREAS, several Participating Municipalities in the Consortium are seeking plan designs consistent with the metal levels of coverage as defined by the Patient Protection and Affordable Care Act, now therefore be it

RESOLVED, on recommendation of the Joint Committee on Plan Structure and Design and the Audit and Finance Committee, That the Greater Tompkins County Municipal Health Insurance Consortium adopts the “Greater Tompkins County Municipal Health Insurance Consortium Standard Gold Plan” and “Greater Tompkins County Municipal Health Insurance Consortium Standard Silver Plan” for inclusion in the Greater Tompkins County Municipal Health Insurance Consortium’s available benefit plan menu to be effective January 1, 2016,

RESOLVED, further, the Consortium Joint Committee on Plan Structure and Design and the Audit and Finance Committee That said Actuarial Value be calculated annually by the rating and underwriting department at Excellus BlueCross BlueShield or an independent actuarial firm using the Actuarial Value Calculator developed by the Centers for Medicare & Medicaid Services (CMS) Center for Consumer Information & Insurance Oversight (CCIIO) which was implemented in accordance with the Patient Protection and Affordable Care Act. If such calculator is no longer available or in use, the Consortium Joint Committee on Plan Structure and Design recommends an independent Actuary develop the Actuarial Value of the health insurance plan on an annual basis. In either case, it is the intent that the result will represent an empirical estimate of the Actuarial Value calculated in a manner that provides a close approximation to the actual average spending by a wide range of consumers in a standard population and that said Actuarial Value will be equal to or greater than 80% within an acceptable deviation of + or – 2% for the Standard Gold Plan and Actuarial Value will be equal to or greater than 70% within an acceptable deviation of + or – 2% for the Standard Silver Plan.

RESOLUTION NO. - AMENDMENT TO THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM CODE OF ETHICS POLICY AND DESIGNATING COMMUNITY DISPUTE RESOLUTION CENTER AS NEUTRAL THIRD PARTY

Ms. Zahler said mediations often end up being compromises that respect the interests and concerns of both parties. There is also another role when labor is involved that includes arbitration and a final decision by a neutral third party; she asked which approach is being recommended. Mr. Barber said when the Municipal Cooperative Agreement was first written the concept of an issue being between two people was not considered; it related to a Participant and the Consortium so it was originally set up as an arbitration process. However, as the MCA was amended to include Directors as well as committee members it was discovered there may

be cases in which it would be proper to have a mediation process. This may be better process because when someone is being charged with a violation and they want to get an attorney that is not a reimbursable expense. If the matter is between a municipality and the Consortium there would not be mediation, it would go directly to arbitration.

Mr. Salton said the MCA does not indemnify members and asked if it is prohibited from doing so by Article 47. Mr. Locey said members are protected to some degree by Public Officer's Law; there is an indemnification in that Law that if an individual is appointed by a municipal body to represent them at meetings those actions are somewhat protected because it is part of the individual's position. Secondly, the Consortium purchases Directors and Officers liability coverage which covers all Board members from any actions they take as a representative of a municipal board. Mr. Barber said the Department of Financial Services asked that the Consortium adopt an Ethics Policy; however, the Policy that was adopted does not reference resolution other than stating the matter will go to the Attorney-in-Fact. Mr. Salton said the Consortium's documentation does not address a matter in which it becomes necessary to retain counsel for an ethics violation and requested the Executive Committee look into this.

It was MOVED by Ms. Hersey, seconded by Mrs. Shawley, and unanimously adopted by voice vote by members present, to Table this resolution to allow time for further review. MOTION TO TABLE CARRIED.

Mr. Fracchia was excused at this time.

RESOLUTION NO. 015-2015 - ACCEPTANCE OF APPLICATION BY THE TOWN OF VIRGIL TO BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM

MOVED by Mr. Thayer, seconded by Ms. Hersey, and unanimously adopted by voice vote by members present. Mr. Taylor thanked the Consortium for allowing the Town of Virgil to join the Consortium and said the Town has five employees.

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Virgil has submitted an official resolution authorizing the Town of Virgil to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Virgil has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Virgil as the 18th municipal participant, with health insurance coverage beginning January 1, 2016,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the prorata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of

participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

* * * * *

Mr. Thayer reported at the meeting on August 25th Audit and Finance Committee approved the establishment of a Fund Balance Target for the Consortium of 18%.

Blue4 U Presentation

Ms. Miller distributed information on the Blue4U program that is being proposed to be attached to each of the Consortium's metal level plans. She explained how information will be coordinated by Excellus to be distributed by Interactive Health Solutions to members who are eligible for voluntary participation in the program. At this time the program is available only to members who are enrolled in a metal level plan. In response to Ms. Guererri, Mr. Cook said the Committee has not addressed the issue of adding any program rewards for participation or premium differentials to this program. Mr. Cook said the program has been thoroughly reviewed and will attach the program to the metal level plans at a cost of \$150 per participant. The Owning Your Own Health Committee sees this as the first step in what will be a multi-year project to develop this. It was noted that when the premiums were developed they included this cost even though a wellness component was not identified at the time.

RESOLUTION NO. 016-2015 – ADOPTION OF WELLNESS COMPONENT FOR GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM METAL LEVEL PLANS – BLUE4U PROGRAM

MOVED by Mr. Cook, seconded by Ms. Suits. A voice vote resulted as follows: Ayes – 14, Noes – 1 (Guererri); Excused – 3 (Fracchia, Murphy, and Weatherby); Absent – 2 (Doty and Masser). RESOLUTION ADOPTED.

WHEREAS, the Consortium has approved Platinum, Bronze, Gold, and Silver (metal level) health insurance benefit plans that are structured to include a wellness component, and

WHEREAS, after thorough consideration of wellness programs models and vendors that could be included in the Consortium's metal level plans to fulfil the wellness component it has been determined that a program offering a biometric screening and subsequent coaching component would be valuable to members of the Consortium enrolled in these plans by providing guidance for developing personal preventative health care choices, and

WHEREAS, the Excellus Blue4U Program can be offered to participants on a voluntary basis at an annual cost of \$150 for those enrolled in Blue4U that would be processed as a medical claim with no direct cost to a participant, now therefore be it

RESOLVED, on recommendation of the Owning Your Own Health Committee, That the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium

Board of Directors
September 24, 2015

hereby approves the Excellus Blue4U Program as the wellness component for all metal level (Platinum, Gold, Silver, and Bronze) benefit plans that include a wellness component,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to sign any documents necessary to incorporate the Excellus Blue4U program into said plans effective January 1, 2016.

* * * * *

Report from the Joint Committee on Plan Structure and Design

Mrs. Shawley, Vice Chair, said the Committee has been discussing many of the items reflected in resolutions and discussion topics at this meeting, including adding the metal level plans to the Consortium's plan offerings, the Blue4U program, and rate development.

Ms. Zahler said she was pleased when the Consortium adopted the Medicare Supplement, however, the cost is very high and asked if other options will be explored. Mr. Barber asked Mr. Locey to develop a presentation on the Medicare Advantage Program for the Committee to understand the differences between these programs and to allow a discussion to move forward. Ms. Guerri said the County does not offer the Medicare Supplement and would like to understand better the pros and cons of not offering that plan and the effect it may have on premiums.

Adjournment

On motion the meeting adjourned at 7:02 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk



Municipalities building a
stable insurance future.

125 E. Court Street
Ithaca, New York 14850
607-274-5590
Consortium@tompkins-co.org
www.tompkinscountyny.gov/hconsortium

MOTION NO. - Establish Meeting Schedule - 2016

**BOARD OF DIRECTORS
2016 Meeting Schedule**

January 28

March 24

May 26

July 28

September 22 – Annual Meeting (set rates)

November 17 (3rd Thursday)

December 15 (3rd Thursday; if needed)

Meeting time: 5:30 p.m. to 7:30 p.m.

Scott Heyman Conference Room

125 E. Court Street

Ithaca, New York 14850



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RESOLUTION NO. - 2015 - APPOINTMENT OF TREASURER - 2016

RESOLVED, That the Board of Directors hereby reappoints Richard Snyder, Tompkins County Director of Finance, to the position of Consortium Treasurer for 2016.

The Greater Tompkins County Municipal Health Insurance Consortium

Belief: Individually and collectively we invest in realizing high quality, affordable, dependable Health Insurance.

Vision Statement DRAFT

Strive to be an efficient inter-municipal cooperative that promotes preventative health care and that provides customized health insurance options for the employees and retirees of our members.

or

GTCMHIC is a health risk cooperative that strives to promote a culture of preventative health care and provides high quality, affordable health *insurance* options through efficient fiscal planning and management.

Mission Statement DRAFT

GTCMHIC provides to its municipal partners in Tompkins County and the six contiguous counties a menu of health insurance plans to the benefit of the employees, retirees, and their families. The Consortium's efficiency expands offerings while stabilizing costs for the benefit of the insured and the taxpayers.

GTCMHIC promotes preventative health care for the well-being of its members by providing a trust-worthy, responsive, and efficient vehicle that enables access to quality, affordable health insurance products and protection.

The GTCMHIC does this in three ways:

- **Administration:** Collaboratively works to identify and maintain quality, affordable products and services through efficient plan application and management.
- **Advocacy:** Collaborates with claims administrators, providers, and employee representatives to identify innovative opportunities for improved prevention, timely treatment, broad service-provider access, and effective self-management of long-term health conditions.
- **Education:** Models a new insurance paradigm, where members, equipped with education, information, and resources, become more directly involved in their own personal health and well-being.



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**RESOLUTION NO. - 2015 - AUTHORIZATION TO EXECUTE AN AGREEMENT WITH
PROACT FOR THE PROVISIONS OF PHARMACY
BENEFITS MANAGER**

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium authorized Locey and Cahill to issue a Request for Proposals for Prescription Drug Manager on August 25, 2011, and

WHEREAS, ProAct was selected to provide Pharmacy Benefit Services, for the period January 1, 2013 through December 31, 2013 with the option to renew for two successive years, and

WHEREAS, the Board of Directors approved an extension through December 31, 2015, and

WHEREAS, the Board wishes to approve an extension of this contract through _____, now therefore be it

RESOLVED, That the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium hereby authorizes the Chair of the Consortium to execute a contract with ProAct for the provision of Pharmacy Benefits Manager for the third consecutive year effective January 1, 2016 through December 31, 20____.

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**RESOLUTION NO. - 2015 - ACCEPTANCE OF APPLICATION BY THE TOWN OF TRUXTON TO
BECOME A PARTICIPANT IN THE GREATER TOMPKINS COUNTY
MUNICIPAL HEALTH INSURANCE CONSORTIUM**

WHEREAS, by Resolution No. 005 of 2012 and amended by Resolution No. 27 of 2014 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Town of Virgil has submitted an official resolution authorizing the Town of Truxton to join the Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, the Town of Truxton has complied with membership process outlined in Resolution No. 005 of 2012 and amended by Resolution No. 027 of 2014 and has submitted copies of financial reports which have been reviewed and found acceptable by the Consortium's Treasurer, Chief Financial Officer and/or the Consortium's Auditor, now therefore be it

RESOLVED, That the Greater Tompkins County Municipal Health Insurance Consortium, accepts and welcomes the Town of Truxton as the 19th municipal participant, with health insurance coverage beginning January 1, 2016,

RESOLVED, further, That the Board of Directors waives the requirement of payment of 5% of premium to the Surplus Reserve Account,

RESOLVED, further, That the Board of Directors determines that the terms of assessing the prorata share of any surplus or deficit to the applicant shall at the time the applicant leaves the Consortium or upon dissolution of the Consortium shall be based on their share of any deficit or being paid their share of any surplus that was generated during their years of participation. The Board of Directors would identify the surplus or deficit which exists on the date of entry and again on the date of withdrawal or dissolution and bill or pay the applicant accordingly.

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RESOLUTION NO. - AUTHORIZATION TO ENTER INTO AGREEMENT WITH BONADIO & CO. LLP - FINANCIAL REPORTING FOR 2016

WHEREAS, the Consortium entered into a contract with Bonadio & Co. LLP for financial reporting services in 2013-2015, and

WHEREAS, the Consortium wishes to continue the current arrangement for an additional year, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the Chair to sign a letter of engagement with Bonadio & Co. LLP for a one-year contract expiring December 31, 2016.

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**RESOLUTION NO. - 2015 - AUTHORIZATION TO EXTEND CONTRACT WITH CIASCHI,
DIETERSHAGEN, LITTLE AND MIKELSON FOR THE PROVISION
OF AUDITING SERVICES – 2016-2017**

WHEREAS, in 2009 the Consortium authorized the execution of a contract for the provision of auditing services with Ciaschi, Dietershagen, Little and Mikelson (CDLM), and

WHEREAS, the Consortium by Resolution No. 31 of 2014 was to seek proposals for auditing services for the period 2016-2018, and

WHEREAS, after discussion with Consortium Treasurer it is recommended that process be delayed for two additional years, and

WHEREAS, the Consortium wishes to extend the contract for an additional two-year period through fiscal year ending December 31, 2017 and the Consortium will seek proposals in 2017 for the purpose of executing a three-year contract for an external audit of the Consortium's financial records for fiscal years 2018, 2019, and 2020, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Chair of the Board of Directors is hereby authorized to sign a contract with CDLM to perform auditing services, which include certification that the officers have implemented Board adopted procedures, for the Consortium for the 2016 and 2017 fiscal years,

RESOLVED, further, That the Executive Director is directed to establish a process in mid-2017 to seek proposals for this service.

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**RESOLUTION NO. 2015 – EXTENSION OF CONTRACT FOR PLAN CONSULTANT – LOCEY
AND CAHILL, LLC - 2016**

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

WHEREAS, the Plan consulting services needed include: strategic planning, establishing a
budget, filing periodic reports, calculating premium equivalents, preparing a variety of internal reports and
requests for proposals, and interfacing with third party administrators and ancillary benefit providers, and

WHEREAS, the Consortium by Resolution No. 17 of 2013 awarded a contract for Plan consultant
services on December 19, 2013 to Locey and Cahill, LLC of Syracuse for the period January 1, 2014
through December 31, 2015 with the option to renew for three additional one-year terms, now therefore
be it

RESOLVED, that the contract with Locey and Cahill, LLC be extended for the period January 1,
2016 through December 31, 2016, with the option to renew for two additional one-year terms.

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RESOLUTION NO. - 2015 - AUTHORIZATION TO PURCHASE INSURANCE POLICIES: STOP LOSS, ERRORS AND OMISSIONS, AND DIRECTORS AND OFFICERS LIABILITY COVERAGE

WHEREAS, the Consortium must select stop loss insurance, as required by Article 47 of New York State Insurance Law, and

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, upon recommendation of the Plan Consultant, Locey & Cahill, LLC, the Tompkins County Risk Manager and the Audit and Finance Committee, That the Consortium shall purchase coverage for these insurance policies from the following for the period January 1, 2016 thru December 31, 2016:

- 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 with the Darwin Group at \$1,000,000 limit with \$25,000 retention (placed by insurance agent Haylor, Freyer and Coon)

Resolved, further, That the Plan Consultant is directed to provide the Administrative Clerk of the Consortium with a copy of each policy.



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RESOLUTION NO. 2015 - ELECTION OF OFFICERS FOR 2016

WHEREAS, the Nominating Committee has proposed a slate of Officers to the Board of Directors at the November 19, 2015 meeting, now therefore be it

RESOLVED, That the Board of Directors elects the following individuals to serve from January 1, 2016 through December 31, 2016 in the roles as follows:

Chairperson -

Vice Chairperson -

Chief Fiscal Officer -

Secretary -
