



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.”

Board of Directors

December 13, 2018 – 6:00 p.m.

Tompkins Cortland Community College – Sprole Conference Room

Approved 3-28-2019

Municipal Representatives: 23

Mack Cook, City of Cortland
Judy Drake, Town of Ithaca
Charmagne Rungay, Town of Lansing
Eric Snow, Town of Virgil
Gary Mutchler, Town of Scipio
Tom Adams, Town of Marathon
Sarah Thomas, Tompkins County
Nancy Niswender, Village of Groton
Nancy Zahler, Town of Ulysses
Terrance Baxter, Town of Moravia
Jim Doring, Town of Preble
Kristen Case, Village of Homer

Christine Laughlin, Town of Newfield (*excused at 7:25 p.m.*)
Kevin Williams, Town of Homer
Michael Murphy, Village of Dryden
Peter Salton, Village of Cayuga Heights (*arrived at 6:15 p.m.*)
Chuck Rankin, Town of Groton
Rordan Hart, Village of Trumansburg
Tom Brown, Town of Truxton (*arrived at 6:10 p.m.*)
Laura Shawley, Town of Danby
Bud Shattuck, Village of Union Springs
David Schenck, Town of Springport
Ann Rider, Town of Enfield

Via Skype: 2

John Fracchia, Town of Caroline (*arrived at 7:05 p.m.*)
Edward Wagner, Town of Owasco

Labor Representatives: 3

Jim Bower, 2nd Labor Representative
Tim Farrell, 5th Labor Representative

Zack Nelson, 3rd Labor Representative
(*arrived at 6:18 p.m.*)

Excused: 7

Alvin Doty, Town of Willet
Olivia Hersey, 1st Labor Representative and
Joint Comm. on Plan Structure & Design
Chair
Steve Thayer, City of Ithaca

Alex Patterson, Town of Aurelius
Luann King Town of Cincinnatus
Kathrin Servoss, Town of Dryden
John Malenick, Town of Montezuma

Absent: 1

Doug Perine, 4th Labor Representative

Others in attendance:

Don Barber, Executive Director
Beth Miller, Excellus
Steve Locey, Locey & Cahill
Rick Snyder, Treasurer
Richard Nielens, Town of Mentz

Greg Pellicano, Seneca County
Sundae Earle, TC3
Mark Emerson, Town of Mentz
Ronny Hardaway, Village of Lansing
Ed Fairbrother, Town of Big Flats

Call to Order

Ms. Drake, Chair, called the meeting to order at 6:05 p.m.

Approval of September 27, 2018 Minutes

It was MOVED by Mr. Mutchler, seconded by Mr. Adams, and unanimously adopted by voice vote by members present, to approve the minutes of September 27, 2018 as corrected. MINUTES APPROVED.

Changes to the Agenda

The following changes to the agenda were announced:

A resolution was added to the agenda entitled “Delegating Authority and Responsibility for Developing Cybersecurity Policies and Procedures to the Audit and Finance Committee”.

A revised resolution authorizing the purchase of Stop Loss insurance was distributed to Directors.

Chair’s Report

Ms. Drake reported the Executive Committee has been reviewing reports received from Segal, the Consulting Firm that was hired to look at the Consortium’s contracts for Prescription Benefit Management Services, Stop Loss, and Operations. The Committee has continued working on succession planning and the structure of the Consortium in addition to the Consortium’s Stop Loss insurance.

Appointments

MOTION NO. 004-2018 – APPOINTMENTS TO OWNING YOUR OWN HEALTH COMMITTEE

MOVED by Mr. Rankin, seconded by Mr. Schenck, and unanimously adopted by voice vote by members present, to approve the following appointments to the Owing Your Own Health Committee:

Terms expire December 31, 2020

Sarah Thomas, Municipal representative
Judy Drake, Municipal representative

Terms expire December 31, 2021

Jackie Kippola, Municipal representative
Ted Schiele, Community Health and Wellness representative

MOTION NO. 005-2018 – APPOINTMENTS TO AUDIT AND FINANCE COMMITTEE

MOVED by Ms. Drake, seconded by Mr. Farrell, and unanimously adopted by voice vote by members present, to approve the following appointments to the Audit and Finance Committee:

Terms expire December 31, 2020

Peter Salton
Laura Shawley
Mack Cook
Bud Shattuck

RESOLUTION NO. 026 - 2018 – CREATION OF CONSORTIUM EMPLOYEE POSITION – EXECUTIVE DIRECTOR

Ms. Drake said the Executive Committee has been working with Mr. Barber on the subject of succession planning and after weighing several factors it is the Executive Committee's recommendation to hire a full-time Executive Director rather than to enter into a contract with an individual. She said the upon consultation with the Consortium's attorney on how to hire an employee it was recommended that one of the municipal partners be the host employer. She explained that discussions took place with Tompkins County; however, there would be obstacles due to it being a Chartered County.

Ms. Drake said the Town of Ithaca has experience with running a 5-G municipal entity and being an employer of record; the Town Board has been approached and expressed its willingness to take on this responsibility. She said the resolution creates an Executive Director position and establishes a subcommittee that would be responsible for the recruitment, interviewing, and recommending a candidate to the Board of Directors. That Committee would also be charged with setting the salary and benefits for the position and negotiating a Memorandum of Understanding with the Town of Ithaca.

Mr. Barber noted that he would remain a Consultant for the Consortium to provide assistance to the new Executive Director and to help with the transition as long as he is needed. Ms. Drake noted the job description still has to go through the County's Civil Service process and said a request will be made that the position be exempt and not a competitive-class position.

In response to a question as to what the salary of the position would be Ms. Drake said it would be approximately \$76,000 which is a salary that compares with other Directors of non-profits in the County. Mr. Salton felt this is an extremely low salary for the duties being assigned to the position. Other Directors also expressed concern and a suggestion was put forth to have a salary range.

Ms. Drake said the Town of Ithaca has space for a couple of employees and noted that it is connected to the County's IT system which would be very helpful. She responded to questions about discussions that have taken place with regard to future growth and Consortium staffing. She said in addition to an Executive Director position there has been discussion of additional administrative, billing, and finance support.

Mr. Salton referred to the job description for the Executive Director and said he felt it contained two different jobs with two different and distinct skillsets, one person who would be responsible for administration of the Consortium and one who would be doing outreach. Mr. Barber said up to this point the discussion has included him doing the outreach and marketing work as a consultant and the Executive Director handling the administration of the Consortium that would include managing things such as contracts, consultants, and meeting preparation.

MOVED by Mr. Hart, seconded by Mr. Baxter, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium's growth in membership and covered lives as well as reporting requirements to the Department of Financial Service Services, the number of Consortium operations contracts, enrollment management, potential member contacts, and general operations tasks have all increased over the past few years to the point where the amount of time to accomplish the duties of the Executive Director has become full-time, and

WHEREAS, the Executive Committee has discussed the options for securing a person to be full-time Executive Director as a paid position of the Consortium instead of a contracted Independent Contractor relationship, and

WHEREAS, The Town of Ithaca has expressed a willingness to perform the payroll function should the Consortium desire to hire a full-time Executive Director and other potential staff and have negotiated a Memorandum of Understanding (MOU) for providing this payroll and benefit service, and

WHEREAS, the proposed MOU provides that the Consortium would maintain authority to hire and fire as well as set pay and benefit levels that would be administered through the Town's payroll system, now therefore be it

RESOLVED, on recommendation of the Executive Committee, That the Board of Directors hereby creates an Executive Director position as an employee for Consortium and approves of the job description for the position, and

RESOLVED, further, That the Board of Directors establishes a subcommittee to recruit and interview candidates for the Executive Director position, and to forward a recommendation of appointment to the Board including associated pay and benefits,

RESOLVED, further, That the Board of Directors gives the Executive Committee authority to complete negotiation of the MOU with The Town of Ithaca and establish pay and benefit levels that meet the Consortium's needs while working through the Civil Service process and complying with the Town's payroll system.

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MOTION NO. 006-2018 – CREATION OF SUBCOMMITTEE TO RECRUIT AND RECOMMEND EXECUTIVE DIRECTOR

MOVED by Ms. Drake, seconded by Ms. Rungay, and unanimously adopted by voice vote by members present, to create and appoint the following individuals to a subcommittee to recruit and recommend an Executive Director:

- Judy Drake
- Rordan Hart
- Steve Thayer
- Chuck Rankin
- Peter Salton
- Mack Cook
- Olivia Hersey
- Kathy Servoss
- Sarah Thomas

Staff support: Don Barber, Steve Locey, Rick Snyder, Michelle Cocco
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RESOLUTION NO. 027 - 2018 – ESTABLISH MEETING SCHEDULE – 2019

MOVED by Ms. Drake, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present.

Board of Directors
December 13, 2018

RESOLVED, on recommendation of the Executive Committee, That the Board of Directors hereby adopts the following meeting schedule:

**BOARD OF DIRECTORS
2019 Meeting Schedule**

March 28
June 27
August 22
September 26 – Annual Meeting (set rates)
December 19

Meeting time: 6:00 p.m. to 8:00 p.m.
TC3, Sprole Conference Room
170 North Street
Dryden, New York 13053

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**RESOLUTION NO. 028 - 2018 – RE-ESTABLISHMENT OF GOVERNANCE STRUCTURE
COMMITTEE**

Ms. Drake said in 2017 a committee met to review the Consortium’s structure as it was beginning to grow. That Committee came back with a recommendation that the structure not change but that the number of meetings be reduced by one. She said since the number of municipalities in the Consortium has grown to 39 the Executive Committee is recommending the Governance Structure Committee be re-established and charged with recommending an alternative governance model.

MOVED by Ms. Drake, seconded by Mr. Rankin, and unanimously adopted by voice vote by members present.

WHEREAS, NYS Insurance Law Section 4705(a)(8) requires the Cooperative to “establish a governing board to be responsible for the management, control and administration of the municipal cooperative health benefit plan...”, and

WHEREAS, NYS Insurance Law Section 4705(c)(1) requires the MCA to include provisions “describing the composition, number, and procedure under which governing board members are chosen...”, and

WHEREAS, Resolution 009-2017 created a subcommittee to explore alternatives to governance structure of the GTCMHIC, and

WHEREAS, the Governance Structure Committee reported out its work to the Board but did not make a recommendation, and

WHEREAS, the Consortium has continued to grow in number of municipal partners to the MCA as well as covered lives, and

WHEREAS, the Executive Committee deems a review of the Consortium’s governance structure is again of high importance to ensure both Director engagement and the Board’s ability to conduct business efficiently, and

WHEREAS, any proposed changes recommended by this subcommittee would require approval by all municipal partners and the Department of Financial Services as stated in NYS Insurance Law Section 4705 (a), now therefore be it

RESOLVED, on recommendation of the Executive Committee, That the GTCMHIC Board of Directors re-establishes the Consortium Governance Structure Review Committee charged with developing an alternative governance model for the GTCMHIC subject to the direction of the Executive Committee.

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MOTION NO. 007-2018 – APPOINTMENTS TO GOVERNANCE STRUCTURE COMMITTEE

MOVED by Ms. Drake, seconded by Mr. Hart, and unanimously adopted by voice vote by members present, to create and appoint the following individuals to the Governance Structure Committee:

- Judy Drake
- Chuck Rankin
- Steve Thayer
- John Fracchia
- Lisa Holmes
- Eric Snow
- Kevin Williams
- Greg Pelicano
- Ed Fairborther
- Bud Shattuck
- Dave Schenck
- Olivia Hersey
- Jim Bower

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Presentation of Resolution from Nominating Committee

MOTION NO. 008-2018 – ELECTION OF 2019 CONSORTIUM OFFICERS

MOVED by Mr. Mutchler, seconded by Ms. Rungay, and unanimously adopted by voice vote by members present.

RESOLVED, on recommendation of the Nominating Committee, That the Board of Directors elects the following individuals to serve from January 1, 2019 through December 31, 2019 in the roles as follows:

- Chairperson - Judith Drake
- Vice Chairperson – Rordan Hart
- Chief Fiscal Officer – Steve Thayer
- Secretary – Peter Salton
- Treasurer – Richard Snyder

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Executive Director’s Report

Mr. Barber reported on communications from the Department of Financial Services and said the Consortium is required to be compliant with New York State Cybersecurity regulations. Those

regulations allow for an exemption to be applied for certain sections which he has done and it was granted. The Consortium is still required to comply with certain other regulations to ensure it is in full compliance and also do a risk assessment. He noted that his communications with the Department of Financial Services several months before about cyber security compliance were never-responded to but the Consortium must now take action. A resolution will be presented later in the meeting to contract with Tompkins County Information Technology Services to provide services that will include developing necessary policies that the Consortium and its benefit administrators will have to comply with. The Audit and Finance Committee will be tasked with oversight of this matter.

New Members

Mr. Barber reported after the last meeting the Town of Covert withdrew its interest in becoming a participant in the Consortium.

Wellness Consultant Report

Mr. Barber reviewed a report that was included in the agenda packet and said in addition to developing marketing information and brochures for flu clinics and benefit fairs Ms. Berry has been working on a wellness logo for the Consortium that will be presented at the educational retreat in the Spring. She has also been working on rollout of the Blue4U program that is a wellness component of all of the Metal Level Plans. He encouraged municipalities that offer a Metal Level Plan to look at this program and let him know if they would like assistance with introducing the program to employees as it should help to reduce large claims in the future.

Municipal Healthcare Financing Cooperative

Mr. Barber reported the Audit and Finance Committee has discussed the Municipal Healthcare Financing Cooperative for Stop Loss and is not recommending that the Consortium join in 2019 due to there being an increase from one to three individuals being lasered. The Committee will continue to explore this as an option for 2020.

The December newsletter has been published and distributed to municipalities.

Financial Report

Mr. Locey reported on financial results through October 31, 2019 and said the biggest difference between budgeted and actual revenue was in prescription drug rebates with over \$.5 million more than expected (\$1.3 million received versus budgeted amount of \$750,000). On the expense side total claims were 3% more than budgeted (medical was 8.5% over budget and prescription drug 9% below budget). At the end of October there was a net income of \$374,000; in November there was \$400,000 in Stop Loss reimbursement received. Mr. Locey reviewed the expense distribution report and stated 94.6% goes towards paying the benefits of members, leaving only 5.4% being used to pay all other administrative expenses; this demonstrates that the Consortium is operating in an extremely efficient manner. Over the Consortium's eight years of operations it is 2½ % below what had been originally projected for claims expense.

Mr. Locey provided a historical report on the Consortium's high cost claims and said this year there has been an increase in claimants. The top five claimants have a total of \$2.4 million in medical expense and only \$15,000 in drug expense. He said more people insured through the Consortium have been identified as having potential high losses in the future. This is an area identified by the Stop Loss carriers and one of the reasons why there are additional lasers. He explained a laser is someone who has been identified as a high risk and that they will go over the deductible. He said it is likely that all three of the lasers that were identified will go beyond the \$600,000 deductible level. He said this is something that is happening more frequently but noted it is not unique to the Consortium.

Mr. Brown questioned why there has been such a spike in high cost claims. Mr. Locey said the cases are predominantly related to medical claims and Mr. Barber said every two years the Consortium conducts an audit of claims and the high cost claims. He said the main drivers of cost are the high cost claimants and there needs to be some discussion with Cayuga Area Physicians and Cayuga Medical Center to see what may be causing this.

Presentation of Resolutions from the Audit and Finance Committee

**RESOLUTION NO. 029 – 2018 - AUTHORIZE EXTENSION OF CONTRACT FOR
PRESCRIPTION DRUG CLAIMS ADMINISTRATOR FOR 2019-
2020 – PROACT**

MOVED by Mr. Cook, seconded by Mr. Shattuck.

Mr. Fracchia arrived on video at this time.

Mr. Brown questioned the Committee’s confidence in the rebate return continuing. Mr. Barber said the budget includes an aggressive figure for rebates and explained with the rise in the cost of pharmaceuticals the drug manufacturers have passed these proceeds on to prescription benefit managers as a way to get them to push their drugs forward. He called attention to the huge increase in prescription drug spend in recent years and now there is a counter to that in the form of rebates

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

WHEREAS, the Board of Directors by Resolution No. 028-2016 awarded a one-year contract with ProAct for Prescription Benefits Manager services with the Consortium having the option to extend the contract annually for each of the next two years, and

WHEREAS, the Audit and Finance Committee has discussed and desires to extend the Prescription Benefits Manager services with ProAct for an additional two years pursuant to the Contract Addendum proposed September 19, 2018, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the contract with ProAct for Prescription Benefits Manager services be extended per the terms outlined in the for the period January 1, 2019 through December 31, 2020,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to execute said contract with ProAct, Inc.

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**RESOLUTION NO. 030 - 2018 – AUTHORIZING FINANCIAL SERVICES AGREEMENT WITH
TOMPKINS COUNTY – JANUARY 1, 2019 THRU DECEMBER
31, 2019**

MOVED by Mr. Cook, seconded by Mr. Salton, and unanimously adopted by voice vote by members present. Ms. Drake commented and Mr. Cook agreed on behalf of the Audit and Finance Committee, that Mr. Snyder and his staff have been very responsive to the Consortium and have provided very good service.

WHEREAS, the Consortium initially formalized a contract with the Office of the Tompkins County Finance Director for the performing Consortium Treasurer functions on July 27, 2018, and

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WHEREAS, the Consortium wishes to continue this contract arrangement, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors hereby authorizes the Chair of the Board to sign the Financial Services Agreement with Tompkins County for a term commencing January 1, 2019 through December 31, 2019,

RESOLVED, further, that the Financial Services Agreement will be kept on file in the Consortium's records.

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RESOLUTION NO. 031 - 2018 – AUTHORIZING INFORMATION TECHNOLOGY SERVICES AGREEMENT WITH TOMPKINS COUNTY – JANUARY 1, 2019 THRU DECEMBER 31, 2019

MOVED by Mr. Cook, seconded by Ms. Rider, and unanimously adopted by voice vote by members present. Ms. Drake said the County has helped the Consortium for several years at no cost and it is appropriate to reimburse the County for services provided.

WHEREAS, the Consortium has received technical assistance at no charge from the Tompkins County Information Technology Services Department (ITS) since beginning operations in 2011, and

WHEREAS, technical support has included website hosting and assistance, e-mail account technical support, audio and visual assistance, development of a secure online enrollment program, and general computer support, and

WHEREAS, the frequency of requests and time involved has increased as the Consortium has grown, and

WHEREAS, the Executive Committee has recommended that the Consortium provide compensation for work done by the Department on behalf of the Consortium,

WHEREAS, the Audit and Finance Committee review the Memorandum of Understanding (MOU) for Information Technology Services and has recommend that the Board of Directors authorize the Board Chairperson to sign this MOU, and

WHEREAS, since initially approved by the Audit and Finance Committee, the need was identified for additional Information Technology Services to be added to the MOU for assistance with the Consortium's compliance with NYCRR 500 Cybersecurity requirements, now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Board of Directors approves an agreement with Tompkins County Information Technology Services for 2019 based on a rate for an average of seven (7) hours per month at \$60 per hour for ITS support provided to the Consortium from January 1, 2019 thru December 31, 2019 for a total of \$5,040,

RESOLVED, that the amount of \$5,040 will be submitted as a single invoice by ITS in January, 2019, and

RESOLVED, that ITS will invoice annually for the direct cost of the assigned Consortium Microsoft Office 365 licenses as procured under the Tompkins County Microsoft Office 365 tenant, and

RESOLVED, further, That this rate and hours associated with ITS support shall be reviewed annually to ensure that as the Consortium grows that it supports the assistance provided by the Department,

RESOLVED, further, That the Chair of the Board is hereby authorized to execute this contract on behalf of the Consortium,

RESOLVED, further, that the TC Information Technology Services Agreement will be kept on file in the Consortium's records.

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RESOLUTION NO. 032 - 2018 – DELEGATING AUTHORITY AND RESPONSIBILITY FOR DEVELOPING CYBER SECURITY POLICIES AND PROCEDURES TO THE AUDIT AND FINANCE COMMITTEE

MOVED by Mr. Cook, seconded by Mr. Farrell, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium has been notified by the Department of Financial Services to be in compliance with NYCRR 500 Cyber Security and this notice advised the Consortium that the Consortium had not filed proper forms for compliance, and

WHEREAS, the Consortium has filed for exemption from this Regulation, and

WHEREAS, the exemption has been accepted, but this exemption does not exempt the Consortium from compliance with a few subsections of this regulation, now therefore be it

RESOLVED, That the Board of Directors, due to the requested timing of the cyber security compliance filing, gives to the Audit and Finance Committee the authority and responsibility for developing cyber security policies and procedures, conduct a risk assessment and file all of these documents as soon as practical,

RESOLVED, further, That the Audit and Finance Committee is directed to bring these policies and procedures back to the full Board for adoption.

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RESOLUTION NO. 033 - 2018 – APPROVAL OF CONTRACT FOR INVESTMENT MANAGEMENT SERVICES – WILMINGTON TRUST – 2019

MOVED by Mr. Cook, seconded by Mr. Rankin. Mr. Cook this is the result of the Consortium going through a very competitive Request for Proposals process. The 2019 budget includes an estimated revenue of \$200,000 and will maintain \$6 million in operating cash in a local bank. Mr. Barber said the Consortium will be have three accounts with Wilmington Trust, one for the surplus reserve, one for the IBNR reserve, and each will be gaining interest. A third will be a fund balance of other reserves that will be available that will have some maturities within a week. He also noted the contract with Wilmington is for one year.

Mr. Hart said because the Consortium is made up of municipalities it is limited by General Municipal Law and State Finance Law as to what it can invest in so that restricted all of the firms that responded to the RFP to work with treasuries. He thinks the Consortium should be looking to get 2½ to 3% in future years and would like to see the interest income higher than \$200,000 next year.

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

WHEREAS, the Consortium conducted a Request for Proposal process that netted six responses, and

WHEREAS, the Consortium appointed an Investment Management RFP Review Committee that interviewed three (3) highly qualified firms, and

WHEREAS, the Investment Management RFP Review Committee found that Wilmington Trust, a subsidiary of M&T Bank, had by far the largest volume of fixed income assets under management, and Wilmington offered a complete package of investment management and custodial services, and

WHEREAS, Wilmington Trust will deliver month updates, quarterly and annual reports and expressed willingness to attend meetings and educational retreats to raise our awareness of the investment management business, and Wilmington Trust agreed to complete Schedule B of our quarterly and annual JURAT financial filings with DFS (Department of Financial Services) which these investments would now require the Consortium to file as part of their services, and

WHEREAS, the Investment Management RFP Review Committee unanimously recommends the Consortium enter into a one-year contract Wilmington Trust for Investment Management Services, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the Consortium to enter into a contract with Wilmington Trust for investment management services for a one-year term period January 1, 2019 through December 31, 2019,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to execute said contract on behalf of the Consortium.

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RESOLUTION NO. 034 - 2018 - AMENDMENT TO RESOLUTION NO. 008-2013 - DESIGNATION OF BANKING INSTITUTIONS

MOVED by Mr. Cook, seconded by Ms. Rider, and unanimously adopted by voice vote by members present.

WHEREAS, Consortium Treasurer must choices of approved banking institutions to conduct financial transactions on behalf of the Consortium, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That Resolution No. 008-2013 be amended to include M&T Bank as a designated banking institution for the Consortium.

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Ms. Laughlin was excused at this time.

RESOLUTION NO. 035 - 2018 - EXTENSION OF CONTRACT FOR PLAN CONSULTANT - LOCEY & CAHILL, LLC - 2019

MOVED by Mr. Cook, seconded by Ms. Niswender, and unanimously adopted by voice vote by members present. Ms. Drake agreed with Mr. Cook that the Consortium is appreciative and very fortunate to have Locey and Cahill as it's Consultant.

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

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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 by Resolution No. 17 of 2013 awarded a contract for Plan consultant services on December 19, 2013 to Locey & 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, and

WHEREAS, the Executive Committee has discussed the need and scope of Benefit Plan Consultant Services and recommends that the Consortium 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, 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 an additional one-year term for the period January 1, 2019 through December 31, 2019.

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RESOLUTION NO. 036 - 2018 - APPROVAL OF RENEWAL OF ADMINISTRATIVE SERVICES CONTRACT WITH EXCELLUS BLUECROSS BLUE SHIELD FOR MEDICAL CLAIMS ADMINISTRATION

MOVED by Mr. Cook, seconded by Mr. Shattuck, and unanimously adopted by voice vote by members present.

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 Blue Cross Blue Shield for the administration of the Consortium's medical claims, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee That the Board of Directors approves renewal of the Administrative Services Contract with Excellus BlueCross BlueShield for Medical Claims Administration with fees of \$36.87 PMPM for 2019 (3.5%), and \$38.17 PMPM for 2020 (3.5%),

RESOLVED, further, That the Chair of the Board is authorized to execute said contract on behalf of the Consortium

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**RESOLUTION NO. 037 - 2018 - AUTHORIZATION TO PURCHASE INSURANCE POLICIES:
ERRORS AND OMISSIONS, DIRECTORS AND OFFICERS
LIABILITY, AND EMPLOYMENT PROTECTION COVERAGE**

MOVED by Mr. Cook, seconded by Mr. Mutchler.

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

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 Plan Consultant, Locey & Cahill, LLC, the Tompkins County Risk Manager, and the Audit and Finance Committee, That the Consortium shall purchase coverage for these policies from the following for the period January 1, 2019 thru December 31, 2019:

- 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 and Employment Protection Liability at \$1,000,000 limit (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.

**RESOLUTION NO. 038 - 2018 - AUTHORIZE PURCHASE OF STOP LOSS INSURANCE FOR
2019 WITH EXCELLUS AND INCREASE CATASTROPHIC
CLAIMS RESERVE**

Mr. Locey said they have been trying to get the Stop Loss quote finalized for the last couple of months. He said the Board should be aware that Stop Loss carriers do not like to set final rates until they have information for the year. In the receipt of the final quotes there was a major change in the policy provisions associated with Berkley. He explained that their first quote contained the same lasers as the Excellus quote; however, their final quote included a third laser that created \$1.3 million more in exposure to the Consortium than what the Excellus presented. After weighing this additional risk the Committee recommended Excellus to be the Stop Loss carrier for 2019.

MOVED by Mr. Cook, seconded by Ms. Rungay, and unanimously adopted by voice vote by members present.

WHEREAS, the Consortium must purchase stop loss insurance, as required by Section 4707 of New York State Insurance Law, and

WHEREAS, the Audit and Finance Committee has received four (4) proposals for 2019 Stop-Loss insurance and has considered the variations of Stop Loss insurance models and level of deductible, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Board of Directors authorizes the purchase of Stop Loss insurance policy with a deductible of \$600,000 from Excellus,

RESOLVED, further, That the Board of Directors hereby approves an increase in the Catastrophic Claims Reserve from \$2 million to \$2.8 million,

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

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Telemedicine Overview

Ms. Miller provided a demonstration on the new Telemedicine benefit that will become available on January 1, 2019 to all individuals covered under a Consortium plan. This user-friendly benefit that expands access to care by use of a mobile device, computer, or telephone for care in urgent situations that are not life threatening. Ms. Miller said information will be provided to benefit clerks and webinars will be offered to assist members in signing up. She noted regardless of what plan a member is in it will be a claim charged to the Consortium as an office visit with a cost of \$40 less a member's copay. Mr. Brown said he hopes there will be tracking of prescriptions that are written. Mr. Locey agreed and said there will need to an analysis done to look closely at savings and to also see if members still visited physician.

New Business

There was no new business.

Adjournment

The meeting adjourned at 7:50 p.m.