



Greater Tompkins County Municipal Health Insurance Consortium

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

Board of Directors Meeting – Minutes

September 21, 2023 – 12: 00p.m.

Greek Peak – Adirondack Room

Municipal Representatives: 38

Alex Patterson, Town of Aurelius
Mary Ellen Albrecht, Town of Lansing
Mark Witmer, Town of Caroline (12:37p)
Kevin Williams, Town of Homer
Kerry Mannion, Town of Dewitt (12:26p)
Gary Mutchler, Town of Scipio
Eric Snow, Town of Virgil
Peter Salton, Village of Cayuga Heights
Ashlyn McCarty, Village of Groton
Rex Vosburg, Town of DeRuyter
Rordan Hart, Village of Trumansburg, Chair
Rita McCarthy, Town of Erwin*
Amanda Anderson, Town of Dryden
Laura Granger, Seneca County
John Fatcheric, Town of Camillus
Luann King, Town of Cincinnatus
Chad Hayden, Town of Aurelius - A
Jessica Molter, Village of Horseheads
Scott Steve, City of Cortland

Judy Drake, Town of Ithaca*
Michael Murphy, Village of Dryden
Janine Bond, Town of Hector
Ed Wagner, Town of Owasco
Tiffany Middendorf, Town of Tioga*
Lisa DeVona, Village of Minoa
Tanya DiGennaro, Village of Homer
Donald Scheffler, Town of Groton
Ronny Hardaway, Village of Lansing
Schelley Michell-Nunn, City of Ithaca (12:25p)
Barb Peterson, Village of Watkins Glen
David Corey, Town of Montezuma
Mark Emerson, Town of Mentz
Tim Elliott, Town of Marathon
Ed Fairbrother, Town of Big Flats
Donna O'Hara, Village of Union Springs
Elizabeth Gossett, Lansing Community Library
Terrance Baxter, Town of Moravia
Laurie Walter, Village of Skaneateles

Labor Representatives: 7

Ian Tompkins, 4th Labor Representative
Kate DeVoe, 7th Labor Representative
Zack Nelson, 2nd Labor Representative
Brian Weinstein, 3rd Labor Representative

Jeanne Grace, 1st Labor Representative
Carolyn Sosnowski, 7th Labor Representative
Jonathan Munson, 9th Labor Representative*

Vacancy – Labor Representatives: 2 (5th Labor Representative, 10th Labor Representative)

Excused: 11

Steve Thayer, City of Ithaca
Kerrie Fusco, Dewitt Fire District
Dick Waterman, Village of Camillus
Joan Jayne, Town of Niles
Dave Schenck, Town of Springport
Tom Brown, Town of Truxton

Don Fischer, Town of Horseheads
Christine Laughlin, Town of Newfield
Richard Lewis, Town of Catherine
Ray Bunce, Town of Spencer
Eric Ridley, Town of Throop

Absent: 14

Laura Shawley, Town of Danby
Lou Anne Randall, Town of Cuyler
David Hertel, Town of Dix
Ruby Pulliam, Tompkins County
Craig Yerdon, Town of Hastings
Jim Doring, Town of Preble
Alvin Doty Jr., Town of Willet

Stephanie Redmond, Town of Enfield
Lorie Corsette, Village of Fayetteville
Miles McCarty, Village of Freeville
Richard Goldman, Town of Ulysses
Mike Baratta, Village of Owego
Tom Blair, Town of Sennett
Elizabeth Hujar, 8th Labor Representative

Others in attendance: 19

Elin Dowd, Executive Director
Kylie Rodrigues, Benefits Specialist
Sunday Earle, TC3*
Brandon Holt, Excellus
Lisa Henty, City of Cortland
Jennifer Slywka, City of Geneva
Joy Flood, Town of Camillus
John Carey, Town of Locke
Paul Pelton, Robert Spenard, Steve Locey, Locey & Cahill

Lynne Sheldon, Clerk of the Board
Teri Apalovich, Finance Manager
Amie Hendrix, City of Geneva
David Mastrangelo, ProAct
Courtney Bush, ProAct
Nick Schooley, ProAct
Krissie Brown, City of Cortland
Fred Mackey, Town of Locke

* Via remote location due to extraordinary circumstances, sickness, etc.

A = Alternate Director (vote did not count, due to two individuals representing municipality)

Call to Order

Mr. Hart, Chair, called the meeting to order at 12:20p.m.

Changes to the Agenda

There were no changes to the agenda.

Ratify Executive Committee Approval of September 22, 2022 Minutes

It was MOVED by Mr. Hardaway, seconded by Mr. Mutchler, and unanimously adopted by voice vote by members present and remote members, to approve the minutes of September 22, 2022, as submitted. MINUTES APPROVED.

Ms. Michell-Nunn arrived 12:25pm

Board Chair and Executive Committee Report

Mr. Hart thanked all members for attending and thanked Consortium staff members. He announced individuals in attendance who will be new to the Consortium starting 2024 and introduced the Locey & Cahill team.

Mr. Hart said that in his 20 years of working in government, the Consortium is the single greatest example of government doing something well that he has seen. He said the original municipalities that formed the Consortium have saved between 12 and 15 million dollars in health

insurance premiums since 2011. He explained that in New York, the Department of Financial Services (DFS), dictates to insurance companies how much they can raise premiums, where they are forced into a situation where premiums might be raised 2% one year and 15% the next. He said the Consortium members have the luxury to be able to work rate stability, which is the primary purpose of the Consortium.

Mr. Hart explained due to the unpredictability of the nature of health care and of health insurance, the Consortium has 4 Reserve accounts of which 3 of the 4 have rules of how they are used. He said two of the accounts are statutorily required. On the other hand, the Consortium developed the Catastrophic Claims Reserve, and how and when those funds will be used, and it is currently working well. He said the Rate Stabilization Reserve has not had a resolution of rules established, and the Consortium will be asking for the Director's support with adopting set rules during the meeting.

Mr. Hart added in terms of budgeting for next year, the Consortium has a mindset of keeping terms of cost as low and manageable as possible. He said the Consortium is beginning to look into the future as to how we can maintain stability and some predictability for the Consortium. During this process, the Consortium hired Locey & Cahill to conduct a premium equivalent rate study. He said many Consortium members have approached the Consortium and have asked to expand the Consortium's insurance to more than simply a single and family plan. Many municipalities are asking for plans that include a spouse or domestic partner with no kids, or a parent with one or more children. He said the Consortium is looking into what does adding these plans to the Consortium do from a financial standpoint.

Mr. Mannion arrived 12:27pm

Mr. Hart stated the Consortium's strategic planning continues to focus on how the Consortium grows. He said insurance is all about pooling risk. The more individuals in that pool, the more to spread risk around, and the hope is to offer less expensive insurance. Mr. Hart also said that another aspect involved in strategic planning is managing premiums correctly over time as more memberships come in. He said that the Consortium has been very fortunate over the last 12 years to have good board members, some with very long tenures with their municipalities. He said another part of strategic planning is succession planning because elections happen. Mr. Hart encouraged new members to participate and asked longtime committee members to encourage others to serve. He said that there is a concern about how to maintain an effective, involved board, especially at the Executive Committee level.

Mr. Hart read a resolution that had been previously approved, recognizing Steve Thayer, the City of Ithaca's Controller for 30 years. He said Mr. Thayer was involved in the beginning conversations and planning stages of the Consortium, and was one of the original 13 Board Members.

RESOLUTION NO. 011 - 2023 - RESOLUTION OF APPRECIATION OF STEVE THAYER'S DEDICATED YEARS OF SERVICE TO THE CONSORTIUM

MOVED by Ms. Drake, seconded by Mr. Shattuck. The resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations to approve the following resolution.

WHEREAS, when the Tompkins County Council of Government started exploring a municipal cooperative self-funded health insurance program, they were fortunate to have the City of Ithaca

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Comptroller, Steve Thayer, involved in the beginning conversations and planning stages of the now Greater Tompkins County Municipal Health Insurance Consortium, and

WHEREAS, Steve, quickly was named the Chief Financial Officer for the Consortium and has served for a long time on the Audit & Finance Committee both as a member and as a Chair, and

WHEREAS, when some of the City's organized labor groups opposed joining the Consortium, Steve successfully championed the idea as a rate stabilized solution to unpredictable escalating insurance rates, and

WHEREAS, Steve has been known to attend many meetings and work several hours as a loyal supporter of the Consortium, and

WHEREAS, Steve has been an asset to the Consortium with his extensive background in finance, accounting and municipal law and is always a pleasure to work with due to his even and calm demeanor, and

WHEREAS, Steve is now at a stage in life where he can celebrate retirement both from the City of Ithaca as well as the Consortium, and

WHEREAS, Steve is wished much happiness as he steps down and finds time to explore other experiences that bring him joy with his friends and family, now therefore be it

RESOLVED, That the Board of Directors, staff, consultants, advisors, and associates, acknowledge the retirement of Steve Thayer and are appreciative for his many devoted and exemplary years of service,

RESOLVED, further, That on this 23rd day of May, 2023, the Audit and Finance Committee expresses its sincere gratitude to Steve Thayer for his distinguished and dedicated service to the Greater Tompkins County Municipal Health Insurance Consortium.

Executive Director's Report

In addition to referring to her written Executive Report, Ms. Dowd explained new services the Consortium offers to members of municipalities, such as:

- Medicare Advantage with group pricing. As more municipalities grow into that area, the Consortium will have better pricing.
- Cobra Administration for small member municipalities, as they are currently lacking staffing to remain compliant with legislation.
- Joint Committee supported providing an Employee Assistance Program (EAP) with group pricing. The full membership allows one to have access to additional services that aren't covered by the Consortium's healthcare program.

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Ms. Dowd highlighted the ongoing customer service in-house provided by Consortium employees. She said staff continuously make sure that municipality's employees have access to the care they need when they need it. She also expressed that the Consortium is becoming much more of a professional organization. She said that she is celebrating her fifth year as the first employee of the Consortium, and now the Consortium has a professional staff to put policies and procedures in place.

Ms. Dowd said that the Department of Financial Services (DFS) is currently auditing the Consortium, to report on how the Consortium is running and what can be improved. She said once that statement is received by the Consortium, DFS will require action plans, if necessary. She added that municipalities will need to approve any proposed changes and add a response to the audit, if necessary.

Ms. Dowd also said that there will be changes for 2024 with the Pharmacy Benefit Manager (PBM). She explained that the Consortium's Operations Committee is recommending switching the PBM from ProAct to Excellus BCBS. The recommendation is to consolidate both medical and pharmacy benefit claims under the administration of Excellus BCBS. She said that there have been some technical programs going on with ProAct, such as accumulator issues, where individuals meet their deductible, if applicable, and still being charged a fee, but later reimbursed by a check. There also have been issues where dependents have dropped off individual's plans.

Ms. Dowd also included that DFS requested changes to the 2023 Municipal Cooperative Agreement (MCA). Last year, each municipality passed a resolution with their own board members to approve this MCA. Unfortunately, after the changes were made by the Consortium, DFS is requesting that all municipalities review and agree again to the new updates and submit a new resolution which acknowledges the 2023 MCA amendments made. She said information will be sent to municipalities following the meeting to accomplish this task. Ms. Dowd also added when the 2024 MCA is approved by DFS, this will also require a passed resolution by the municipality's boards. Ms. Dowd said the Code of Conduct will be sent out at the beginning of the year.

Ms. Dowd also reported that DFS has been reviewing Board of Director meeting attendance, as well as attendance from labor representatives. She said the Consortium is working on filling those empty seats.

Mr. Witmer arrived 12:37pm

Report from Executive Committee

Mr. Hart explained the Consortium has grown, the number of responsibilities and authorities were delegated to the Executive Committee, which handles most resolutions. However, some items presented must flow through the Standing Committees. He said the most recent audit, DFS informed that the Consortium should not have a combined Audit and Finance Committee.

RESOLUTION NO. 021-2023 – ADOPTION OF REVISED EXECUTIVE COMMITTEE BYLAWS TO INCLUDE THE FORMATION OF THE “AUDIT COMMITTEE” AND “FINANCE COMMITTEE” FOR THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM (GTCMHIC)

[Click here For BYLAWS](#)

MOVED by Mr. Mutchler, seconded by Mr. Hardaway, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Executive Committee on behalf of the Board of Directors, approved Resolution 012-2023 which implemented the dissolution of the Audit and Finance Committee and approved the formation of an "Audit Committee" and "Finance Committee".

WHEREAS, as the Consortium continues to grow and improve its structure there will occasionally be amendments proposed to improve how it functions as an organization, now therefore be it

RESOLVED, on recommendation of the Executive Committee, That the Board of Directors hereby adopts the revised Executive Committee Bylaws effective September 21, 2023.

Report from Operations Committee

Mr. Hart reported for Operations Chair, Ms. Granger. He said DFS requires the Consortium to ratify the admission of new members every year within the amended MCA.

RESOLUTION NO. 022 - 2023 – APPROVAL OF THE 2024 MUNICIPAL COOPERATIVE AGREEMENT (MCA) TO INCLUDE THE ADDITION OF NEW PARTICIPANTS IN SECTION A 2

Click here for 2024 MCA

MOVED by Mr. Steve, seconded by Mr. Fairbrother, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

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, the GTCMHIC wishes to add new members to the list of Participants and the Municipal Cooperative Agreement will be updated once those members have been approved, now therefore be it

RESOLVED, to approve additions of 2024 new members as Participants in Section A 2 of the 2024 Municipal Cooperative Agreement and to circulate to all Participants for review and approval.

Mr. Hart explained that the Operations Committee advanced authorization to execute an agreement with Excellus BlueCross BlueShield as the Consortium's 2024 PBM.

Mr. Corey questioned who the current PBM is and what types of issues were the Consortium having. Mr. Hart said that ProAct is the current provider and there were concerns and issues with some services that employees and participant members were receiving. Mr. Hart said Consortium staff has worked with ProAct over the course of 2022 into 2023 to try to rectify some of those issues, some of which were improved and others not. He said in the interest of providing the best possible service to our members, the Operations Committee pursued a new provider. Mr. Hart added the Executive Committee had some hesitancy of having medical and prescription services under the same provider, however, given some of the issues were not resolved by ProAct, the Consortium is hoping this change will positively benefit employees, especially the large municipalities and bargaining units.

RESOLUTION NO. 023-2023: AUTHORIZATION TO EXECUTE AN AGREEMENT WITH EXCELLUS BCBS AS THE 2024 PHARMACY BENEFITS MANAGER FOR THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM (GTCMHIC)

MOVED by Ms. King, seconded by Ms. Bond, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, Excellus BCBS provided and presented Greater Tompkins County Municipal Health Insurance Consortium's Operations Committee pertinent pharmacy benefit information which was received and analyzed by the Operations Committee, and

WHEREAS, Operations Committee moved Motion No. 001-2023 to advance the pharmacy benefits proposal from Excellus BCBS to the Audit and Finance Committee for recommendation and approval, and

WHEREAS, the Audit and Finance Committee has gone through the proposal and analysis of the new program and has recommended that the Consortium enter into an agreement with Excellus BCBS as Pharmacy Benefits Manager, now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, 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 Excellus BCBS as the 2024 Pharmacy Benefits Manager of the Greater Tompkins County Municipal Health Insurance Consortium effective January 1, 2024 through December 31, 2024 with the option to renew for two successive years.

Report from Audit and Finance Committees

Mr. Hart reported that the Towns of Brutus, West Monroe, and Locke, the City of Geneva, and the Village of Fair Haven, applied to become participants in the Consortium. He said the Consortium's

process is to review the application and financials and the application is accepted by various sub-committees.

RESOLUTION NO. 024-2023 - ACCEPTANCE OF APPLICATIONS BY THE TOWNS OF BRUTUS, WEST MONROE AND LOCKE, THE VILLAGE OF FAIRHAVEN, AND THE CITY OF GENEVA, TO BECOME PARTICIPANTS IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM EFFECTIVE JANUARY 1, 2024

MOVED by Mr. Scott, seconded by Mr. Salton, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, by Resolution No. 16 of 2019 the Consortium Board of Directors adopted a policy outlining a process of applying for membership to the Consortium, and

WHEREAS, the Towns of Brutus, West Monroe and Locke, the Village of Fairhaven, and the City of Geneva, have submitted an official application authorizing the joining of Consortium in accordance with the terms and conditions outlined in the Municipal Cooperative Agreement, and

WHEREAS, these applicants have complied with membership process and have submitted copies of financial reports which have been evaluated by the Finance Manager, and/or the Chief Financial Officer, and

WHEREAS, the City of Geneva will be bringing aged 65+ retirees who are already enrolled on a Medicare Plan, and

WHEREAS, Section A (5.) of the 2022 Amendment to the Municipal Cooperative Agreement (MCA) clarified retirees in relation to the MCA states that "Participation in the Medical Plan(s) by some, but not all, collective bargaining units or employee groups of a Participant shall not be permitted without a Board approved waiver",

WHEREAS, In the application process, the City of Geneva, requested an additional three-year extension with the GTCMHIC to be waived of compliance with section A.5. of the GTCMHIC's 2023 MCA, effective through December 31, 2027, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committees, That the Board of Directors hereby accepts and welcomes the Towns of Brutus, West Monroe and Locke, the Village of Fairhaven, and City of Geneva, as Municipal Participants in the Consortium, with health insurance coverage beginning January 1, 2024, pending receipt, additional analysis, and approval of all required documentation.

FURTHER RESOLVED, That the City of Geneva will receive an additional three-year extension with the GTCMHIC to be waived of compliance with section A.5. of the GTCMHIC's 2023 MCA, effective through December 31, 2027.

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Mr. Hart stated that the Town of Onondaga withdrew their membership to the Consortium prior to the start of 2023. This requires a resolution to withdraw them from the MCA.

RESOLUTION NO. 025-2023 – ACCEPTANCE TO WITHDRAW THE TOWN OF ONONDAGA AS A PARTICIPANT IN THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM AND TO BE OMITTED WITHIN THE 2024 MUNICIPAL COOPERATIVE AGREEMENT

MOVED by Ms. Granger, seconded by Mr. Murphy, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

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

WHEREAS, on recommendation of the Audit and Finance Committee of the Greater Tompkins County Municipal Health Insurance Consortium, the Board of Directors hereby accepted and welcomed the Town of Onondaga by Resolution No. 024-2022, as a municipal participant, with health insurance coverage beginning January 1, 2023, and

WHEREAS, immediately after being approved for membership by the Board of Directors and therefore included as a member in the 2023 GTCMHIC Municipal Cooperative Agreement (MCA), but prior to enrollment in the plan or commitment through signing the 2023 GTCMHIC MCA, the Town of Onondaga notified the Greater Tompkins County Municipal Health Insurance Consortium they would like to withdrawal their application and not enroll in the GTCMHIC effective January 1, 2023, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium has not considered the Town of Onondaga a current participant and also has not considered, or will not consider any future events of insurance claims for the Town of Onondaga for calendar year 2023, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium will prepare the 2024 Municipal Cooperative Agreement to exclude the Town of Onondaga for the future unless the Town of Onondaga submits a new application to GTCMHIC, now therefore be it,

RESOLVED, on recommendation of the Audit & Finance Committee and the Executive Committee, That the Board of Directors hereby authorizes the Greater Tompkins County Municipal Health Insurance Consortium to withdraw the Town of Onondaga as a participant of the Greater Tompkins County Municipal Health Insurance Consortium, and the Town of Onondaga will be omitted from the 2024 Amended Municipal Cooperative Agreement.

Mr. Hart introduced the next resolution, which included the Town of Niles. He said that the Town of Niles previously had one employee enrolled with the Consortium. However, that employee has since moved to a Teamsters Health Plan, leading to zero employees eligible for Consortium coverage.

RESOLUTION NO. 026-2023 – ACCEPTANCE TO WITHDRAW THE TOWN OF NILES AS A PARTICIPANT WITH THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM (Red-lined correction below)

MOVED by Mr. Mutchler, seconded by Mr. Fairbrother, the resolution was unanimously adopted by voice vote of members present, visibly seen members via remote locations due to extraordinary circumstances.

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

WHEREAS, on recommendation of the Audit and Finance Committee of the Greater Tompkins County Municipal Health Insurance Consortium, the Board of Directors hereby accepted and welcomed the **Town of Niles** by Resolution No. 019-2018, as a municipal participant, with health insurance coverage beginning January 1, 2019, and

WHEREAS, the Town of Niles has since notified the Greater Tompkins County Municipal Health Insurance Consortium that they no longer would like to be a municipal participant of health insurance coverage effective immediately.

WHEREAS, The Town of Niles is listed on the Consortium’s Municipal Cooperative Agreement for the calendar year 2023, and

WHEREAS, per the Town of Niles, the Greater Tompkins County Municipal Health Insurance Consortium will not consider any future events of insurance claims for the Town of Niles for calendar year 2023, now therefore be it

RESOLVED, on recommendation of the Audit & Finance Committee and the Executive Committee, That the Board of Directors hereby authorizes the Greater Tompkins County Municipal Health Insurance Consortium to withdraw the Town of Niles as a participant of the Greater Tompkins County Municipal Health Insurance Consortium immediately, and the Town of Niles will be omitted from the 2024 Municipal Cooperative Agreement.

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Mr. Hart announced the formality of acceptance of the Consortium’s annual 2022 external audit report performed by Insero & Company, LLC. One of the responsibilities of the Consortium’s Board of Directors is to audit receipts and disbursements of the Consortium and provide for

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independent audits and periodic financial and operational reports to participants in accordance with New York Insurance Law.

RESOLUTION NO. 027-2023 – ACCEPTANCE OF 2022 EXTERNAL AUDIT REPORT PERFORMED BY INSERO & CO

MOVED by Ms. DiGennaro, seconded by Mr. Fairbrother, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, That one of the responsibilities of the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) Board of Directors is to audit receipts and disbursements of the Consortium and provide for independent audits, and periodic financial and operational reports to Participants in accordance with N.Y. Insurance Law § 4705 €(1), and

WHEREAS, N.Y. Insurance Law § 4705 €(1) includes the following provisions:

€ The municipal cooperation agreement shall provide for the following to be prepared and furnished to the governing board, to participating municipal corporations, to unions which are the exclusive bargaining representatives of employees covered by the plan and to the superintendent:

- (1) an annual audit, and opinions thereon, by an independent certified public accountant, of the financial condition, accounting procedures and internal control systems of the municipal cooperative health benefit plan;
- (2) an annual report and quarterly reports describing the plan's current financial status; and

WHEREAS, the Board of Directors entered into a contract for auditing services with Insero & Co., for the purpose of conducting an annual audit of the Consortium's financial records for fiscal year 2022, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, that the 2022 annual audit report prepared and presented to the Audit and Finance Committee by Insero & Co. is hereby accepted.

Mr. Hart explained the Consortium's Rate Stabilization Reserve. He said the Resolution brought forward establishes rules for how and when the reserve will be used as opposed to just being a large sum of money sitting in the bank without any rules attached to it. He said this Resolution also does establish, for the very first time, a target with what the Consortium is expecting, anticipating, or planning the budget for with respect to future premium increases.

A question was presented as to why an increase to the rate stability. Mr. Hart said the lowest premium increase in the Consortium's history was 3%, and the Consortium's average is about 6%. The goal of ideal stability is 5-8% over time for premium increases. It was lowered to 4% for some leeway, however, if the Consortium is overfunded, then there would be a lower premium increase. He said when the presentation today shows this year's budget without the Rate Stabilization Reserve, the Consortium would be seeing a premium increase larger than 8% this year, due to the claims experience seen this year. Mr. Hart said in the private sector,

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Excellus BCBS petitioned New York State for a 12.5% increase approval from, and it was approved. He said smaller group plans are going up 15%.

Mr. Hart added that the move from 7% to 10% is based on the desire to target the premium increased amount. He said if the Consortium will use the rate stabilization on an ad hoc or discretionary basis, and the Consortium may not need to fund it as much as if the Consortium is willing to accept the 11% increase in a given year. Mr. Hart said that because the Consortium is narrowing the range of what the Consortium wants to accept in a normal premium increased range. He said narrowing that to 4% to 8%, the Consortium is targeting a larger back up, and that may have to be adjusted experientially if the Consortium finds that is not enough.

Ms. Dowd said the cost of claims is trending higher, and mentioned members will see this in the budget presentation by Locey & Cahill. She said the Consortium wants to make sure the Consortium can handle the increase with cost of claims expanding.

Mr. Hart added that from a risk management standpoint, health care costs are going up, and health insurance costs are going up. He said whomever the next Chair of the Board is, he would rather the Consortium be in a position 7 or 8 years from now that the Consortium overfunded the rate stabilization reserve, and the Consortium will never need the 10% and let us reduce it. He said he would rather not see the Consortium in a position where the Consortium did not fund enough to be able to maintain a stable rate between 4% and 8%.

Ms. Gossett asked about premium increases and why the premium rate increase was so high as it affects the budget for smaller groups, such as the Lansing Library being able to afford more books. Mr. Hart explained that the metal level plans themselves are defined by the Affordable Care Act (ACA) laws or they are a function of collective bargaining. He said the Consortium has done a fairly good job of trying to be as agnostic as possible with respect to what an employer chooses to offer their employees or bargains with a unit.

Mr. Salton said it is important to realize that the resolution can be changed, and there is language in the resolution to do so. He said the Consortium is at an inflection point and does not have many covered lives.

RESOLUTION NO. 028-2023 – Annual Premium Increase Target and Utilization of the Rate Stabilization Reserve

MOVED by Mr. Baxter, seconded by Mr. Hardaway, the resolution was adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances. (VOTE: 1 NAY, 0 Abstentions, Resolution Carried)

WHEREAS, Resolution No. 019-2014 adopted the 2015 Budget and established a Rate Stabilization Reserve at \$1.64 million “to protect the cash flow position of the Consortium should there be a year when claims cost exceed the prediction”; and

WHEREAS, The Rate Stabilization Reserve was updated to be funded at 7.5% of annual premiums with Resolution No. 034-2019; and

WHEREAS, It is the desire of the Audit and Finance Committees to define when and how the Rate Stabilization Reserve should be utilized and subsequently refunded; and

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WHEREAS, It is the desire of the Audit and Finance Committees to refer to said resolution on an annual basis or deemed necessary during the yearly budget process, and shall approve any revisions by formal resolution; now therefore

BE IT RESOLVED, on recommendation of the Audit and Finance Committees, and the Executive Committee, that the Board of Directors authorizes the establishment of an Annual Premium Increase Target of 4% - 8%; and be it further

RESOLVED, that Resolution No. 034-2019 is amended to set a target for the Rate Stabilization Reserve of 10% of annual premiums; and be it further

RESOLVED, that when budgeted premium increases exceed 8%, a budget will be developed that funds the Rate Stabilization Reserve at a level less than the 10%-of-premium target, but no lower than 2.5%-of-premium level, with the goal of meeting all other budget requirements as outlined in Resolution No. 015-2020; and be it further

RESOLVED, that when the Rate Stabilization Reserve is funded below the 10%-of-premium target, the budget that is developed as a result will be created to support returning to the 10%-of-premium target funding level in subsequent years and as quickly as possible; and be it further

RESOLVED, that on behalf of the Audit and Finance Committees, and the Executive Committee, that the Board of Directors authorizes the Greater Tompkins County Municipal Health Insurance Consortium to set an Annual Premium Increase Target and Utilization of the Rate Stabilization Reserve as listed.

* * * * *

Prior to the budget presentation, Mr. Hart introduced Mr. Locey from Locey & Cahill. Mr. Locey said that Locey & Cahill has been involved with the Consortium since its inception. He said the Tompkins County Council of Governments (TCCOG) formed the group and said that the members should take great pride that the GTCMHIC is the only municipal consortium in New York State. He said the Consortium has grown immensely from the original 13 municipalities.

Mr. Locey said the number one job as a director is to manage the financial operations of the Consortium. He said from inception, the Consortium promised concepts. First, is rate stability, as the goal is to keep the rates manageable and modest every single year. He said there are some outside influences that do affect the Consortium, such as benefits mandates. He said there are many state and federal mandates based on New York State managing the Consortium as a not-for-profit organization, Article 47 entity. He said the Consortium offers 26 different benefit plans, whereas small employers, if out in the open market, are limited to 4 different levels of benefits. (Platinum, Gold, Silver, and Bronze). He said within those different levels, there may be slightly different options, but for the most part, the same offerings.

Mr. Locey said the budget presentation reflects a bit of hyperinflation with regards to claims. He said this is partially due to physician groups and hospitals renegotiating, contracts with insurance carriers driving up pricing, and many more catastrophic claims. Mr. Locey said years ago the Consortium built reserves which were set away for catastrophic claims for rate stabilization, and the Consortium will be using some of those reserves this year. He said the Consortium will be able to

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replenish some of those reserves, maybe even build a little bit more. Mr. Locey added this is not a year-by-year solution, it is a decade-by-decade solution.

Mr. Locey introduced Mr. Pelton and said that Locey & Cahill has principles that are considered each year when the Consortium compiles the budget: Net income goal, statutory reserve funds (Incurred but not reported (IBNR), surplus reserve, rate stabilization reserve fund, the catastrophic planning reserve, and fund balance target.

Mr. Pelton presented a 65-page 2023 Financial Update and the 2024 Budget Presentation to the Directors:

Click here: [2023 Financial Update and the 2024 Budget Presentation](#)

Mr. Salton left at 2:15pm

RESOLUTION NO. 029-2023 – ADOPTION OF BUDGET, PREMIUM RATES, AND RESERVE AMOUNTS FOR 2024

MOVED by Mr. Fairbrother, seconded by Ms. Molter, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Audit and Finance and Executive Committees have had detailed discussions and have considered the Consortium's 2024 budget and premium rates, and

WHEREAS, the Board of Directors has adopted a policy that provides guidance on targets for net income, fund balance, and both statutory and discretionary reserve levels, in addition to creating a mechanism by which excess net income/fund balance can be returned to members, and

WHEREAS, the 2024 proposed budget reflects the adopted budget guidelines (Resolution No. 015-2020) as follows:

- Maintain Incurred But Not Reported Claims Reserve at 12% of total claims;
- Maintain the Surplus Account at 5% of the annual premium of the Consortium in compliance with §4706(a)(5) of the New York State Insurance Law;
- Maintain a rate stabilization Reserve not less than 2.5% of expected premium level through at least year four of the annual proforma calculation;
- Set Catastrophic Claims Reserve to 2023 beginning balance of \$4,808,739.38 plus any earned interest and Stop Loss Insurance premium savings (between \$600,000 policy and the \$1,000,000 policy costs) in 2023 less any Large claims between \$500,000 and \$1,000,000 for 12 months of 2023.
- If unencumbered fund balance go less than 12% of expected premium, it will be returned to nothing less than 12% of expected premium by year four of the annual proforma calculation;

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- Set the annual budget to accomplish a zero to two percent (2%) net income level; and
- Increase Premium Revenue by 8% in 2024 across all benefit plans, except for the Silver and Gold Plans which will be a Premium Revenue Increase of 6.89% and 6.83% respectively; now therefore be it

RESOLVED, on recommendation of the Audit and Finance and Executive Committees, That the Consortium's attached 2024 budget including premium equivalent rates and reserve amounts are hereby adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors.

* * * * *

Report from Nominations and Engagement Committee

Mr. Hart reported for Nominations and Engagement Committee Chair, Ed Fairbrother. Mr. Hart introduced the resolutions for the 2024 Slate of Officer and Committee Membership to serve starting January 1, 2024:

RESOLUTION NO. 030-2023 – ELECTION OF 2024 CONSORTIUM OFFICERS

MOVED by Mr. Mutchler, seconded by Ms. Hardaway, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

RESOLVED, on recommendation of the Nominations and Engagement Committee, That the Board of Directors elects the following individuals to serve from January 1, 2024 through December 31, 2024 in the roles as follows:

Chairperson - Rordan Hart

Vice Chairperson – Lisa Holmes

Chief Financial Officer – City Controller of the City of Ithaca

Secretary – Peter Salton

RESOLUTION NO. XXX-2023 – CREATION OF 2024 COMMITTEE STRUCTURE AND APPOINTMENTS OF MEMBERS

WHEREAS, the Board of Directors at its Annual Meeting established a Committee structure and appointed members to the Consortium’s standing committees, and

RESOLVED, upon recommendation of the Consortium’s Nominations and Engagement Committee, That the Executive Committee, on behalf of the Board of Directors, hereby appointments the following committee structure and membership to 2024 committees effective January 1, 2024:

EXECUTIVE COMMITTEE:

To be elected at annual meeting along with Chairs of standing committees

MEMBERSHIP: Seats to be filled by Directors; 11-15 Members; one-year terms MEETINGS (subject to change): Bimonthly, 3rd Wednesday (Includes Pre-Board September meeting)

- | | |
|--|--|
| 1. Board Chair (Hart) | 7. Operations Chair (Granger) |
| 2. Board Vice Chair (Holmes) | 8. Nominations and Engagement Chair (Mutchler) |
| 3. Chief Financial Officer (City Controller of the City of Ithaca) | 9. Claims and Appeals Chair (Shattuck) |
| 4. Secretary (Salton) | 10. At-large (Snow) |
| 5. JCPSD Chair (DeVoe) | 11. At-large (Vacant) |
| 6. AFC Chair/At-large (Ray Bunce) | 12. At-large (Steve) |
| | 13. Past Chair (Drake) |

STANDING COMMITTEES:

Audit Committee

CHARGE: The Audit Committee shall be responsible to review audit filings, audit policies and procedures to be sure in compliance with Article 47 and the Certificate of Authority; establish a list of all reports due to the Board and regulators and the process and timeline to insure accurate and timely reporting.

MEMBERSHIP: Seats may be filled by Directors; 3 members to 5 members; two-year staggered terms MEETINGS: Meetings to be held as necessary prior to the Finance Committee Meeting

Terms Expiring 12/31/25

1. Judith Drake (Chair)
2. Mark Emerson
3. Tanya DeGennaro
4. Chad Hayden
5. Mary Bouchard

Finance Committee

CHARGE: The Finance Committee shall be responsible to recommend a budget, recommend premium rates, review Jurat reports, recommend reinsurance and retention policies, and appropriate

reserve levels in compliance with a municipal health care organization and any necessary policy and procedures relative to being fiscally prudent stewards of the organizations funds and assets.

MEMBERSHIP: Seats may be filled by non-Directors; 9 members; two-year staggered terms
MEETINGS (subject to change): Monthly; 4th Tuesday

Terms Expiring 12/31/24

1. Scott Steve
2. Eric Snow
3. Bud Shattuck
4. Peter Salton
5. Kate DeVoe (Labor)

Terms Expiring 12/31/25

6. Judith Drake (Chair)
7. Kerry Manion
8. Amanda Anderson
9. Rordan Hart (Vice Chair)

Operations Committee

CHARGE: The Operations Committee is responsible for oversight of Consortium operations and charged with review and oversight of any policies impacting the overall well-being of the organization. The Operations Committee may recommend changes to improve the efficiency of the organization's practices, policies, procedures, and the organizational structure, including personnel and staffing needs.

MEMBERSHIP: Seats may be filled by non-Directors; 10 members with two-year staggered terms
MEETINGS (subject to change): 1st Thursday quarterly

Terms Expiring 12/31/24

1. Ruby Pulliam
2. Laura Granger (Chair)
3. Schelley Michell-Nunn
4. Janine Bond
5. Judith Drake (Vice Chair)
6. Rita McCarthy
7. Brian Weinstein (Labor)

Terms Expiring 12/31/25

8. Kerrie Fusco
9. Sunday Earle
10. Mark Emerson

Nominations and Engagement Committee

CHARGE: The Nominations and Engagement Committee will assist the Executive Committee in engaging Directors in finding meaningful ways to contribute to the organization especially through the consideration of succession and long-term planning. The Committee shall:

1. Be responsible for presenting a slate of recommended Officers, Committee Chairs, and At-Large Executive Committee members at the annual Board of Directors meeting;
2. Be responsible for presenting a slate of recommended Nomination and Engagement Committee members;
3. Recommend to the Executive Director engagement strategies with:
 - a. the work of committees;
 - b. disseminating information ahead of and at the annual meeting in an interactive model and insuring a super-majority attendance at annual meeting; and
 - c. long-term leadership succession planning.

Membership: Seats may be filled by non-Directors; 5 Members with two-year staggered terms
MEETINGS: 2x/year - As needed

Terms Expiring 12/31/24

1. Gary Mutchler, Chair
2. Vacant
3. Kate DeVoe, Labor

Terms Expiring 12/31/25

4. Judith Drake
5. Rordan Hart

Claims and Appeals Committee

CHARGE: The Claims and Appeals Committee will hear all appeals that come to the Board of Directors for action and recommend a determination to the Board. This Committee will also monitor claims data and trends and oversee all annual third-party administrator claim audits.

Membership: Seats may be filled by non-Directors; 7 Members with two-year terms
MEETINGS: Meetings will be held as necessary.

Terms expire 12/31/24

1. Don Fischer, Vice Chair
2. Tanya DiGennaro
3. Vacant (Labor)
4. Mike Murphy

Terms expire 12/31/25

5. Bud Shattuck, Chair
6. Donna Dawson
7. Tom Brown

Joint Committee on Plan Structure and Design

CHARGE: The JCPSD reviews all prospective Board actions in connection with the benefit structure and design of the Plan and develops findings and recommendations with respect to such matters. Committee may also consider wellness-related initiatives.

Membership: Each Participant and each labor group shall have one voting seat each. Quorum determined by Committee; No set terms.

MEETINGS (subject to change): 2024 – To be held May, July, August, & November Chair and Vice Chair – to be selected by the membership of the JCPSD as outlined in the Committee’s Bylaws.

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Report from Claims and Appeals Committee

Mr. Hart reported for Mr. Shattuck for the Claims and Appeals Committee. Mr. Hart references Resolution No. 015-2023, that was previously approved by the Executive Committee. This resolution references the authorization of the contract with BMI Auditing Services for plans year 2021, 2022, and YTD 2023 with terms and conditions agreed upon by the Committee.

Report from Joint Committee on Plan Structure and Design

Mr. Hart said, particularly with the metal level plans, the Consortium is required to stay within certain guidelines with respect to how much of the cost the user is paying versus how much the employer is paying. There is a formula, and when the Consortium runs outside of that range, the Consortium is no longer compliant. He used the example of the Gold plan having a certain percentage breakdown between the employer payment and the employee payment. When that percentage is not within the actuarial value range, the Consortium must correct the amounts. Mr. Hart said the Consortium's high deductible plans, Gold and Silver, will need to be adjusted for 2024. Mr. Hart referenced resolutions for both the Gold and Silver plans and they were voted on together.

RESOLUTION NO. 032-2023 – APPROVAL OF ADJUSTMENTS TO THE SILVER HIGH DEDUCTIBLE HEALTH PLAN

MOVED by Mr. Hardaway, seconded by Mr. Witmer, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium ("GTCMHIC") Board of Directors by their approval of Resolution No. 014-2015 adopted the "GTCMHIC Standard Silver Plan", now known as the GTCMHIC Silver High Deductible Health Plan ("HDHP") for inclusion in the GTCMHIC's available benefit plan menu with an effective date of January 1, 2016, and

WHEREAS, the GTCMHIC in accordance with GTCMHIC Resolution No. 014-2015 annually reviews the actuarial value for its Silver HDHP to ensure it falls within its established range as set by the Centers for Medicare and Medicaid Services ("CMS") of 70% +2% / -2%, subject to traditional mathematical rounding, and

WHEREAS, adjustments to the Silver HDHP have previously occurred in accordance with GTCMHIC Resolutions: 015-2016, 005-2018, 013-2020, 012-2020, and 029-2022, and

WHEREAS, upon entering data into the CMS actuarial value calculator for 2024 it has been determined that adjustments need to be made to the GTCMHIC Silver HDHP to get its actuarial value within its approved range, now therefore be it

RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, effective January 1, 2024, the following benefit plan adjustments will be made to the GTCMHIC's Silver HDHP:

Silver HDHP	From In-Network	To In-Network	From Out-of-Network	To Out-of-Network
Deductible Single/Family	\$2,750/\$5,000	\$3,000/\$6,000	\$4,125/\$8,250	\$4,500/\$9,000
Out-of-Pocket Single/Family	\$7,000/\$14,000	\$7,500/\$15,000	\$10,500/\$21,000	\$11,250/\$22,500
Coinsurance	80%	80%	50%	60%
Actuarial Value	72.68%	71.57%	72.68%	71.57%

RESOLUTION NO. 033-2023 – APPROVAL OF ADJUSTMENTS TO THE GOLD HIGH DEDUCTIBLE HEALTH PLAN

MOVED by Mr. Hardaway, seconded by Mr. Witmer, the resolution was unanimously adopted by voice vote of members present, and visibly seen members via remote locations due to extraordinary circumstances.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (“GTCMHIC”) Board of Directors by their approval of Resolution No. 014-2015 adopted the “GTCMHIC Standard Gold Plan”, now known as the GTCMHIC Gold High Deductible Health Plan (“HDHP”) for inclusion in the GTCMHIC’s available benefit plan menu with an effective date of January 1, 2016, and

WHEREAS, the GTCMHIC in accordance with GTCMHIC Resolution No. 014-2015 annually reviews the actuarial value for its Gold HDHP to ensure it falls within its established range as set by the Centers for Medicare and Medicaid Services (“CMS”) of 80% +2% / -2%, subject to traditional mathematical rounding, and

WHEREAS, adjustments to the Gold HDHP have previously occurred in accordance with GTCMHIC Resolutions 015-2016, 017-2017, 025-2018, 013-2020, and 012-2020, and

WHEREAS, upon entering data into the CMS actuarial value calculator for 2024 it has been determined that adjustments need to be made to the GTCMHIC Gold HDHP to get its actuarial value within its approved range, now therefore be it

RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, effective January 1, 2024, the following benefit plan adjustments will be made to the GTCMHIC’s Gold HDHP:

Gold HDHP	From In-Network	To In-Network	From Out-of-Network	To Out-of-Network
Deductible Single/Family	\$1,500/\$3,000	\$1,800/\$3,600	\$2,250/\$4,500	\$2,700/\$5,400
Out-of-Pocket Single/Family	\$3,500/\$7,000	\$3,600/\$7,200	\$5,250/\$10,500	\$5,400 /\$10,800
Coinsurance Amount	80%	80%	60%	60%
Actuarial Value	82.55%	81.38%	82.55%	81.38%

New Business

Mr. Hart said that the Annual Board of Directors meeting is currently to be determined due to the NYCOM meeting being held the same week next year. The Consortium will be sending out the date to everyone when that is confirmed.

Adjournment

The meeting adjourned at 2:37 p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board