



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

AGENDA Joint Committee on Plan Structure and Design February 7, 2019 - 1:30 P.M.

Rice Conference Room, Tompkins County Health Department

1. Welcome (1:30)
2. Changes to the Agenda (1:32)
3. Approval of January 3, 2019 Minutes (1:35)
4. Chair's Report (1:40) O. Hersey
 - a. 6th Labor Director Position
5. Executive Directors Report (1:45) D. Barber
6. Financial Update (1:50) S. Locey
7. Wellness Coordinator Update (2:00) M. Berry
 - a. Flu Vaccine Program Results
 - b. Blue4U- 2019
8. Health Insurance 101- 2014 Education Retreat Summary (2:20) D. Barber
9. Next Meeting Agenda Topics (2:40)
10. Adjournment (2:45)

Next Meeting: March 7, 2019



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MINUTES – **DRAFT**

Greater Tompkins County Municipal Health Insurance Consortium Joint Committee on Plan Structure and Design January 3, 2019 – 1:30 p.m. Rice Conference Room, Health Department

Present:

Municipal Representatives: 17 members

Jennifer Case, Town of Dryden; Betty Conger, Village of Groton; Donna Dawson, Village of Horseheads; Judy Drake, Town of Ithaca and Board of Directors Chair; Mark Emerson, Town of Mentz; Rick Gagliardi, Town of Springport; Ronny Hardaway, Village of Lansing; Miles McCarty, Village of Freeville; Mike Murphy, Village of Dryden; Schelley Michell Nunn, City of Ithaca; Carissa Parlato, Town of Ulysses (arrived at 1:37 p.m.); Greg Pelicano, Seneca County; Charmagne Rumgay, Town of Lansing; Laura Shawley, Town of Danby; Eric Snow, Town of Virgil; Jeff Walker, Village of Cayuga Heights; Mark Witmer, Town of Caroline (arrived at 1:37 p.m.)

Municipal Representative via Proxy: 4

Tom Brown, Town of Truxton (Proxy – Eric Snow); Sandy Doty, Town of Wilet (Proxy – Judy Drake); Ed Fairbrother, Town of Big Flats (Proxy – Judy Drake); Ed Wagner, Town of Owasco (Proxy – Judy Drake)

Union Representatives: 7 members

Tim Arnold, Town of Dryden DPW Teamsters; Tim Farrell, City of Ithaca DPW Unit; Jeanne Grace, City of Ithaca Executive Unit; Zack Nelson, Ithaca City Admin. Unit; Doug Perine, Tompkins County CSEA White Collar; Steve Smith, Village of Horseheads PBA

By Phone:

Carol Sosnowski, Seneca County CSEA

Union Representatives via Proxy: 4

Olivia Hersey, TC3 Professional Admin. Assoc. Unit (Proxy – Tim Farrell); Jim Bower, Bolton Point Water - (Proxy – Tim Farrell); Theresa Viza, Tompkins County Library Staff Unit (Proxy – Tim Farrell); Daryl Rutledge, Town of Danby Highway, (Proxy – Tim Farrell)

Others in attendance:

Don Barber, Executive Director; Steve Locey, Robert Spenard, Locey and Cahill; Corey Prashaw, ProAct; Nathan Nagel, Village of Horseheads Manager; Ted Schiele, Chair, Owing Your Own Health Committee; Scott Futia, CSEA Health Benefits; Beth Miller, Ken Foresti, Excellus

Call to Order

Mrs. Shawley, Vice Chair, called the meeting to order at 1:31 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of September 5, October 4, and November 1, 2018

It was MOVED by Ms. Conger, seconded by Ms. Drake, and unanimously adopted by voice vote by members present, to approve the minutes of September 5, October 4, and November 1, 2018 as submitted. MINUTES APPROVED.

Board Chair's Report

Ms. Drake, Chair, reported the Board met on December 13. Upon recommendation of the Executive Committee, a special committee has been established to develop a process for creating the Executive Director position as an employee. Mr. Barber will be staying on in his Consultant role. The Board also established a Governance Structure Committee that will be looking at the composition of the Board that now has 45 Director positions from member municipalities and labor. This work will lead into the review of the Municipal Cooperative Agreement which is required every five years. Ms. Drake said the Board approved several contracts in preparation of 2019, including ProAct, Excellus, Locey and Cahill, and Wilmington Trust for Investment Manager Services.

Mr. Witmer and Ms. Parlato arrived at this time.

In response to a question as to why an Executive Director position is being created, Mr. Barber said the job has become full-time and requires more time than he can put into it. He will stay on to provide assistance as long as necessary.

Election of Officers

It was MOVED by Ms. Parlato, seconded by Mr. Farrell, to nominate Olivia Hersey to serve as Committee Chair for 2019. With no further nominations, it was MOVED by Ms. Conger, seconded by Ms. Michell Nunn, and unanimously adopted by voice vote by members present, to close nominations. Ms. Hersey was unanimously re-elected as Committee Chair for 2019. MOTION CARRIED.

It was MOVED by Ms. Drake, seconded by Ms. Parlato, to nominate Laura Shawley to serve as Committee Vice Chair for 2019. With no further nominations, it was MOVED by Ms. Conger, seconded by Ms. Michell Nunn, and unanimously adopted by voice vote by members present, to close nominations. Mrs. Shawley was unanimously re-elected as Committee Vice Chair for 2019. MOTION CARRIED.

Chair's Report

Mrs. Shawley reported on behalf of Ms. Hersey who was unable to attend. She said there are currently five filled labor seats on the Board of Directors and based on a formula related to the number of municipalities in the Consortium, Labor now has another seat. The Board will meet next on March 28th; therefore, a decision by this Committee to fill the sixth Labor seat can wait until the March meeting. The Board currently meets five times a year at 6 p.m. at TC3 and remote attendance by video is an available option.

Executive Director's Report

Mr. Barber reported the Owing Your Own Health Committee's main efforts have focused on flu clinics and on the Blue4U Program which is a wellness benefit that is built into Metal Level Plans. Mr. Foresti, Excellus Wellness Consultant, explained the Blue4U is a program that combines biometric screenings that are done through a blood draw; there is also an educational component to help people covered under the plan know their numbers and learn how small lifestyle changes can impact those numbers in a positive way. Mr. Barber said benefit clerks will be provided information on how employees can enroll in the program and a more detailed report will be provided at the next meeting.

Mr. Barber said the Audit and Finance Committee has been working on the purchase of Stop Loss insurance and explained how the cost of care is increasing and is significant for some illnesses. He explained what is appearing to be a new trend for Stop Loss carriers to use "lasers". Lasers are cases when the Stop Loss carrier sets a higher coverage attachment points for certain plan members based on their prior claims experience or the likelihood that they will become high-cost claimants in the future. Mr. Barber said more information on this will be provided in the next Educational Retreat.

Financial Report

Mr. Locey reviewed financial results for 2018 and stated medical claims were over budget by almost 8% for the year and prescription drug claims were 9% below budget. He referred to Mr. Barber's reference to there being a few high cost claims and said the Consortium will be getting some Stop Loss reimbursement to help offset those. Mr. Locey said the Consortium ended the year being 2.8% above budget; however, after factoring in the .6% increase in total covered lives from the prior year the Consortium was over budget by 2% (\$1.1 million). With regard to revenue, which is also over budget, the Consortium will have a net income for the year and will be able to put money into the reserves.

Mr. Locey walked the Committee through the budget and provided an explanation of each of the expense and revenue lines. He highlighted the following points on the average amount a member paid versus what the plan paid for care:

- \$335 – average amount that a covered life paid out for the year for care (including spouse and dependents for the year;
- \$8,000 – average amount covered by the Plan for the year;
- \$700 – average amount a member paid for contract for the year; and
- \$17,000 – average amount a Plan paid for a contract for the year

Mr. Locey said although medical claims were higher than budget it was another successful year for the Consortium. An unaudited 2018 year-end financial report will be provided at the next meeting.

Wellness Report

Mr. Barber provided members with a copy of an October-November 2018 Wellness Update from Michelle Courtney-Berry, Wellness Consultant, and said she will be in attendance at the next meeting. She has been working on branding for the Consortium Wellness Initiatives and will be bringing logo designs forward for the Board's consideration. She has also been working on the

Blue4U rollout, municipal wellness awareness surveys, arranging site visits to municipalities, and exploring a wellness competition pilot program.

CanaRX

Mr. Prashaw said CanaRx is a mail order pharmacy located in Canada that sources brand medications that are not controlled substances or injectable products, from Tier I countries. The cost of the medication is significantly lower than what they can be purchased for in the United States and are sourced from the manufacturer and sent directly to the member for a 90-day supply. Because the cost is so much less than they would have paid in the United States, the member gets the medication for free and the Consortium saves a lot of money.

From November 2017 to November 2018 there were 558 prescriptions obtained through CanaRX program, which is 100 more than in 2017; these prescriptions saved the Consortium \$359,000. If these medications were not obtained through the program, members would have paid \$35-\$140 for each prescription. Instead these subscribers paid zero. Although CanaRX is sending members who have a qualifying prescription a notification quarterly to inform they are eligible, Mr. Prashaw said for this time period the total number of prescriptions that could have been filled was 4,405 and would have saved the Consortium \$1.67 million; members would have saved \$170,375. It was noted that these prescriptions are for maintenance drugs; an updated formulary is available on the Consortium's website.

Mr. Prashaw addressed the e-script mandate and the requirement of CanaRX for an initial prescription to be faxed. He said in 2016 New York State made it a mandate for physicians to electronically prescribe all medications to a pharmacy unless the medication is being prescribed to a pharmacy outside of the United States. He will provide this information for inclusion on the Consortium's website. Ms. Parlato said it would be helpful for benefit clerks to have information on the program that they could use to help educate members.

Telemedicine

Ms. Miller said MDLive is a new benefit for Consortium members that is available in all plans that in addition to offsetting costs will help members get access to care quickly and easily for minor conditions. Members were led to the Employee page Consortium's website where instructional videos are available and Mr. Foresti explained the registration process. Mr. Foresti said Excellus has representatives who are able to go to worksites to explain and assist members with registration. The App store search term for an electronic device is "MDLive Mobile App".

Ms. Miller said the visit is based on a cost share that a member would pay and flex spending cards are accepted. The cost to the Consortium for each visit is \$40 minus the member's copay or cost share. For visits which a member has a cost share of 20% the cost of the visit would be \$8.

Mr. Locey noted this service is for minor conditions and members should not use the service for urgent conditions. He provided the following estimate of other costs of care for Consortium members:

- Office visit - \$120-\$150;
- Urgent Care visit - \$250-\$300;
- Emergency Room - \$1,200

Next Meeting

Joint Committee on Plan Structure and Design
January 3, 2019

The following items will be included in the next meeting agenda:

- Unaudited Financial Report;
- Update from Wellness Consultant;
- Update on Blue4You Program; and
- Election of 6th Labor Director

Mr. Barber said in March the Committee will begin looking at compliance of Metal Level Plans for 2020 with the required actuarial value.

Adjournment

The meeting adjourned at 2:47 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk