



Greater Tompkins County Municipal Health Insurance Consortium

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

AGENDA Operations Committee July 26, 2021 – 1:00 P.M. Ithaca Town Hall/Satellites by Zoom

1. Call to Order Perine
2. Changes to the Agenda
3. Approval of May 24, June 17, and July 15, 2021 Minutes
4. Executive Director Report Dowd
 - a. Quarterly Report
 - b. Executive Committee Update
 - c. Board Meeting Agenda
 - d. Open Meetings Law
 - e. Policy on Anti-Racism and Equity
5. Business Continuity Plan Update
6. PBM RFP Subcommittee Update Drake
7. Discussion of Consortium Contracts
8. Future Discussion Topics
9. Adjournment

Next Meeting: September 27, 2021 – 1 p.m.

**Operations Committee
Minutes – Draft
May 24, 2021 – 1:00 p.m.
Via Zoom Conference Call**

Present: Doug Perine, Tompkins County White Collar President; Luann King, Town of Cincinnatus; Schelley Michell-Nunn, City of Ithaca; Sunday Earle, TC3; Chris Wagner, Seneca County (arrived at 1:48 p.m.)
Excused: Lisa Holmes, Tompkins County; Ed Fairbrother, Town of Big Flats
Absent: Mark Emerson, Town of Mentz
Staff/Guests: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Judy Drake, Town of Ithaca; Paul Pelton, Rob Spenard, Steve Locey Locey & Cahill; Teri Apalovich, Finance Manager

Call to Order

Mr. Perine, Vice Chair, called the meeting to order at 1:01 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes

Approval of the minutes was deferred to later in the meeting due to lack of quorum at this time.

Executive Director's Report

Ms. Dowd introduced Paul Pelton, a new staff person at Locey & Cahill.

Ms. Dowd provided an update on Consortium activities. The Claims and Appeals Committee will meet today and continues to review the BMI medical claims audit; a prescription drug audit will be discussed later in this meeting. That Committee is also looking at the appeals process and how to better-understand that process and how to effectively communicate that to subscribers. The Joint Committee on Plan Structure and Design is continuing the utilization process review; they have already looked at the ProAct report and will be presented with the Excellus report at the next meeting.

Ms. Dowd reported on new member interest and said there have been some conversations but will have to wait to see what happens as time moves forward. She said additional information on the BlueCross BlueShield Lawsuit will be going out this week, new identification card information has gone out, as well as information on Mental Health Awareness Month. The Nominations and Engagement Committee is looking at agenda items for the August Board meeting; members were asked to let Ms. Dowd or Mr. Fairbrother know of any suggestions for that.

Ms. Dowd introduced Teri Apalovich, Finance Manager, and said she has been a great addition to the Consortium. Interviews are currently taking place for filling the Benefits Specialist position. She said it has been a challenge to find an individual who has claims, customer service, problem resolution skills, along with an understanding of a wellness program and how to effectively communicate with subscribers, but is hopeful that a decision will be made in the next couple of weeks.

Prescription Drug Claims Auditing Process

Ms. Dowd said due to the pandemic and other things that have happened during the last year we are still in the process of the 2020 medical claims audit. However, she hopes to complete that process and begin a claims audit of 2019-2020 prescription drug claims. She said since the Consortium is in the middle of a PMB (Prescription Benefit Manager) RFP (Request for Proposal) process, there has been discussion of whether to postpone that audit. She asked members for input on how to proceed with this audit.

In response to Ms. Earle, Mr. Locey explained BMI's approach in this audit and said they take the entire claims database and electronically run it through their systems. Their systems have algorithms that identify certain criteria that would identify potential errors such as duplicate claims, diagnosis codes that don't fit the procedure code, eligibility, making sure payments align with plan documents, and a number of different factors. A report shows a number of claims to be investigated further and from that point they conduct an on-site audit of those claims that were identified as potential errors. He said it is a small subset of the entire claims population. The audit of prescription drug claims is much more straight forward than the medical claims audit as there aren't as many factors involved. He said it is unlikely there would be any circumstances where a member would be approached to repay a claim that was paid in error.

There was consensus to have Ms. Dowd contact BMI to request they provide a contract that would keep the Consortium on track with the current prescription drug claims audit and to also provide a contract for an addendum for auditing of 2021 claims in the event there is a transition to a new PBM.

Contact Renewals

Ms. Dowd said there has been discussion of how to proceed with contracts as there are some that have been in place for a long time with no bid process in place. She would like to present the Committee with a list of contracts, history, and expiration date for each. There were no suggestions for additional information to be presented.

Policy on Anti-Racism and Equity

Ms. Dowd said this document that she was authorized to be a signatory on was created by an outside organization with suggestions for actions the Consortium can take in advancing those issues. One of the commitments she has made is to keep this as an agenda item so there will be continued discussion of this.

She called attention to Section 7 and read from a list of specific things the Consortium, as a Board of committee representatives and volunteers, committed to when signing the document. She said there is an opportunity to start building some educational material for Board meetings and noted a commitment was made to do at least one area of professional development. Although this doesn't have to happen at a Board meeting, she said this is a good opportunity to share since there are only two Board meetings per year. She asked members to provide feedback on whether this would be a good use of the Board's time and to provide information as to what would be good agenda items for that meeting or other meetings.

Ms. Drake commented that the Consortium has no control over Board membership and said she feels there should be a different side of this for staff. Ms. Dowd said when a new municipality is selecting a Director there can be a conversation about this commitment to diversity and inclusion and the Consortium wanting to have a diverse group of Directors. She acknowledged the Consortium

cannot recruit Directors but the Consortium can assist decision-makers in participating in the process. She spoke to how the Consortium will advance this as an organization and said it may include looking at addressing it through having a diverse vendor list and that contractors have a commitment as RFP's are issued.

Ms. Dowd asked for suggestions as to what the Consortium can do in its course of business to advance this policy. Specifically, she asked if a commitment was made to have one professional development opportunity for the Board whether it should be at the upcoming Board meeting; and if so, what should be shared. She will include ideas on the next agenda.

Ms. Michell Nunn said the Human Services Coalition and TFC (Training for Change) Associates has done diversity and inclusion training in the past for boards and suggested contacting Laura Branca about this and a specific design based on how the Consortium is constructed.

Request for Proposals – Prescription Benefit Manager

Ms. Dowd commented that going forward work needs to be done to ensure that response to Requests for Proposals are returned in more of a uniform format, noting the enormous amount of work Mr. Locey has done in sorting data that has been submitted. She said members of this Committee or other individuals delegated by members will be asked to be part of the review process, noting the importance in keeping the process moving forward and on track with the timeline.

Mr. Locey provided a sample rubric and timeframe, noting an effective implementation date of January 1, 2022. He said if there is a transition, there is a three-month period built into the process, noting there are two administrators for medical and drug and there needs to be mechanism in place for the transfer of data between both the medical and prescription administrators so that information is shared both ways on claims. He expects interviews to begin the second week of June and the Board to ratify a contract at its August 26 meeting.

Mr. Wagner arrived at this time.

Mr. Pelton provided an overview of the layout and requirements of the RFP and how responses would be evaluated.

In response to Ms. Michell Nunn, Mr. Locey said a list of questions relative to their commitment to diversity and inclusion can be developed to ask during finalist interviews.

Mr. Locey provided examples of areas Locey and Cahill has begun to evaluate and said further information will be compiled and summarized to guide the Committee through the evaluation process.

Approval of Minutes of March 22, 2021

It was MOVED by Mr. Wagner, seconded by Ms. Earle, and unanimously adopted by voice vote by members present, to approve the minutes of March 22, 2021 as submitted. MINUTES APPROVED.

Next Meeting

The Committee scheduled a special Meeting for June 17 at 1 p.m. to begin a review of RFP responses. Ms. Dowd will work with Locey and Cahill on a schedule for interviewing finalists.

Future Discussion Topics

The following items will be included in the next agenda:

- a. Contract Renewals – looking at the practice of establishing contract terms and also looking at which contracts and when to issue a Request for Proposals;
- b. Business Continuity Plan Update; and
- c. Policy on Anti-Racism and Equity – resources and recommendations for August Board of Directors meeting

Adjournment

The meeting adjourned at 2:37 p.m.

**Operations RFP Subcommittee
Minutes – Draft
June 17, 2021 – 1:00 p.m.
Via Zoom Conference Call**

Present: Sarah Thomas, Ed Fairbrother, Denise Malone, Judy Drake, Town of Ithaca; Chris Wagner,
Excused: Sunday Earle, Nancy Webster
Staff/Guests: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Paul Pelton, Rob Spenard, Steve Locey, Locey & Cahill; Teri Apalovich, Finance Manager

Call to Order

Mr. Fairbrother, Member, called the meeting to order at 1:05 p.m.

Changes to the Agenda

There were no changes to the agenda.

Executive Session

It was MOVED by Mr. Wagner, seconded by Mr. Fairbrother, and unanimously adopted by voice vote by members present, to enter into executive session at 1:05 p.m. to discuss matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. The meeting returned to open session at 2:02 p.m.

Adjournment

The meeting adjourned at 2:02 p.m.

**Operations RFP Subcommittee
Minutes – Draft
July 15, 2021 – 1:00 p.m.
Town of Ithaca/Zoom Conference Call**

Present: Sarah Thomas, Denise Malone, Judy Drake, Town of Ithaca;, Nancy Webster (arrived at 1:30 p.m.)
Remote: Ed Fairbrother, Chris Wagner
Excused: Sunday Earle
Staff/Guests: Elin Dowd, Executive Director; Michelle Cocco, Clerk of the Board; Paul Pelton, Rob Spenard, Locey & Cahill; Teri Apalovich, Finance Manager; Kylie Rodrigues, Benefits Manager

Call to Order

Ms. Drake, Chair, called the meeting to order at 1:00 p.m.

Changes to the Agenda

There were no changes to the agenda.

Executive Session

It was MOVED by Ms. Drake, seconded by Ms. Malone, and unanimously adopted by voice vote by members present, to enter into executive session at 1:01 p.m. to discuss matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation. The meeting returned to open session at 1:34 p.m.

Adjournment

The meeting adjourned at 1:34 p.m.

Executive Director Report

June 2021

Staffing

I am so excited to welcome Kylie Rodrigues to the GTCMHIC team. Kylie is our new Benefits Specialist and will be spending her time working with Benefit Clerks to help with their Consortium needs, especially problem resolution. In addition, Kylie will be building our wellness program and working on how to effectively communicate with our members and subscribers.

I am very excited about the strength of our team. Teri Apalovich is taking on several new responsibilities lessening our reliance on outside resources. Michelle Cocco continues to be a trusted and reliable asset. Most recently Michelle is working on understanding how we can serve all our members while respecting a return to traditional open meetings law. I anticipate being able to spend more time on building relationships with our membership, working on strategic initiatives and continuing to build my knowledge of plan development and program review.

Audit and Finance Committee

The first draft of the 2022 Budget was presented at the June meeting to see how a 5% increase would work to fulfill claims needs, fund reserves, and meet our other budget requests. Obviously, our claims data is immature in June with less than half the year reported. Therefore, Steve Locey will continue to monitor that situation and provide feedback on our trends relative to our plan and the market.

Don Barber continues to research if there is a significant overlap in the HRCA tax created by the Health Care Reform Act of 1996 and the Distressed Provider Assistance Account. Our concern is that local governments are being taxed twice, whereas all other users of the health care system are taxed once. Assembly member Kelles has connected us with legislative counsel to help sort out the differences in each tax and if there is any concern related to dual taxation.

Mack Cook continues to lead efforts to determine the level premiums paid in 2020 and 2021 that might be included in the funding provided by the American Rescue Act. He will report additional information at the next AFC meeting.

Operations Committee - PBM RFP

The Operations Committee has reviewed eight competitive Pharmacy Benefit Manager proposals and has narrowed the candidates down to four based on responses to our initial request. Next, the Committee will review the overall cost of each program and interview candidates on level of service in several areas including customer service, network, access to care, formulary, and the prior authorization process. We are still on track to decide on a new agreement mid-year with an expected commencement to the new agreement by January 1, 2022. Locey & Cahill are working hard to make sure we have the information necessary to review candidates appropriately.

Nominations and Engagement Committee

The Nominations and Engagement Committee supported sending out a Board survey and we had about a 60% return rate. The responses gave us the following insight to how to keep Board members engaged:

- We are effectively communicating and sharing information at an appropriate level.
- Board members wish to continue meeting through a hybrid model that involves both in person and on-line meetings.
- The August meeting should focus on overall plan knowledge and budget information.

Executive Director Report
June 2021

- The Newsletter is being read and the feedback on content is positive.
- There are new members that are willing to serve on committees and in new roles.

The Nominations Committee continues to review the appropriateness of term limits and how we would apply them to our current structure. In addition, they are working on filling committee slots and confirming continued involvement of others in leadership roles.

Claims and Appeals Committee

The Claims and Appeals Committee is continuing to meet to review the BMI Excellus Claims Audit. A final meeting with Excellus was held to review unresolved claims issues. Results of that meeting will be shared at the July meeting and the audit should be reviewed for closure at that time.

The Joint Committee on Plan Structure and Design

At the last Joint Committee on Plan Structure and Design Kelly Lasher, Nora Putnam, Jason Warchal, and Dr. Harris from Excellus presented the Consortium's 2020 Annual Utilization Report of claims incurred January 1, 2020 and paid through March 31, 2021. A copy of the full report is available on the Consortium's website at: [http://healthconsortium.net/sites/default/files/Financials/2020/2020%20Greater%20Tompkins%20Consortium%20Annual%20Report%20\(2020\)%2020210603%20Final%20.pdf](http://healthconsortium.net/sites/default/files/Financials/2020/2020%20Greater%20Tompkins%20Consortium%20Annual%20Report%20(2020)%2020210603%20Final%20.pdf)

Highlights from the report are as follows:

- During the year 2020, enrolment has increased by 3% while services were 6% lower. Plan Costs were 2% higher than the prior period.
- Through the end of April 2021 there were 934 members that were fully vaccinated, including 42 members that had the single dose vaccine.
- High Claimants increased from 28 to 32 and high claimant costs accounted for 21% of Plan Costs in 2020. Previously, high claimants had accounted for 19% of plan costs.
- Eight of the top ten claimants are forecasted to have claims over \$50K in 2021.
- MDLive (telemedicine) registration and utilization has increased. Both acute and behavioral health visits were higher in 2020 than in the prior year.
- Emergency Room utilization for low acuity visits has decreased and is comparable to the comparison trend.
- Depression & Anxiety was the top prevalent condition in 2020, representing 26% of the population.

The Joint committee has supported the activities and information shared through our wellness program. Information has been sent out regarding May Mental Health Awareness Month and June's Employee Wellness Challenge.

New Member Presentations

I had a meeting with the Deputy Director of the NYS Department of Financial Services Health Department to discuss our Certificate of Authority application. Alice McKenney has asked that our application be pushed up for review and we hope to hear back by mid- July on our approval.

In the meantime, new member recruiting continues with interest from Seneca Falls, Throop, and Locke. Other municipalities in our area of expected growth have also been in contact with me to advance their application when we receive approval.

Respectfully submitted by Elin R. Dowd, Executive Director, June 30, 2021.

<u>Expires</u>	<u>Term</u>	<u>Type</u>	<u>Begin Process</u>	<u>Vendor/Member</u>	<u>Adopt</u>	<u>First Approval</u>	<u>Last Renewal</u>	<u>Copy of Contract Rec'd</u>
12/31/2022	2020 and 2021 Fiscal Years	Actuary	End of year 2022	Armory Associates	Year-end	2014	12/17/2020	YES
12/31/2021/2	2019-2022 with annual renewal	Consultant	Fall, 2021	Locey and Cahill	Last Meeting of year	2011	12/17/2020	YES
12/31/2021	one-year +	Financial Services	Summer, 2021	Tompkins County	Year-end	2019	12/17/2020	YES
12/31/2021	1- year	Investment Management Services	September 2020	Wilmington Trust	Last Meeting of year	2019	12/17/2020	YES
12/31/2021	1-year	IT Services	Fall, 2021	Tompkins County ITS	Year-end	2019	12/17/2020	YES
12/31/2021	1-year	Insurance Policies: Stop Loss, D&O,E&O	Fall, 2021	Highmark, Excellus, HFC	Last Meeting of year		12/16/2019	YES
3/31/2022	1-year	Lease Agreement		Town of Ithaca	Early 2022	2019	Mar-21	YES
12/31/2023	Fiscal Years 20, 21, and 22	Audit Services	Spring 2023	Insero & Co.	Last Meeting of year	2009	12/17/2020	YES
12/31/2021	1-year	PBM	January, 2020	ProAct	Annual Meeting	2013	12/17/2020	yes
1/14/2023	3-year	Jurat/Financial rpts	Summer, 2023	Bonadio	Last Meeting of year	2013	12/17/2020	YES
12/31/2021	Approved for 2021	3rd Party Administrator	Mid-2021	Excellus	Annual Meeting	2010	12/17/2020	YES
12/31/2021	1-year	Contract - Per 6/26/14 Minutes	Fall 2021	Don Barber	Year-end	2014	12/17/2020	YES
No Set Term	On-going	Legal Services		Hancock Estabrook	N/A	2010	Aug-10	