



Greater Tompkins County Municipal Health Insurance Consortium

408 East Upland Road, Suite 2 • Ithaca, New York 14850 • (607) 274-5590
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“Individually and collectively, we invest in realizing high quality, affordable, dependable health insurance.”

RESOLUTION NO. 015-2024 – MODIFICATION OF 2024 AGREEMENT AND APPOINTMENT OF LOCEY & CAHILL, LLC. CONSULTING SERVICES AS GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM’S (GTCMHIC) “BROKER OF RECORD”

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

WHEREAS, the Consortium and Locey & Cahill entered into a Consulting Services Agreement dated January 1, 2024, (Resolution 048-2023) agreeing to provide the Consortium with professional consulting services subject to certain terms and conditions contained in that agreement through a current term ending on December 31, 2024 (the “Existing Consulting Arrangement”); and

WHEREAS, Excellus BlueCross BlueShield has made the corporate decision to pay commissions to authorized health insurance brokers associated with their prescription drug business for “Claims Based Business” (a.k.a., “Cost-Plus Clients”) who use Minimum Premium or Administrative Services Only Agreements; and

WHEREAS, Excellus BlueCross BlueShield has indicated that the commissions to be paid cannot be “netted out” of the administrative fees or premiums paid by the Consortium to Excellus nor will Excellus negotiate varying levels of commission on this particular line of business; and

WHEREAS, the Consortium has determined that it is in the best interest of the Consortium and its covered members to use the Excellus commissions to off-set certain consulting service fees which are currently paid on a direct basis by the Consortium; and

WHEREAS, Consortium has appointed Locey & Cahill as “Broker of Record” with Excellus BlueCross BlueShield (“Excellus”), a designation which carries certain additional duties and responsibilities, and which may result in the payment by Excellus of certain broker fees and/or commissions to Locey & Cahill; now therefore be it

RESOLVED, In consideration of the mutual covenants and agreements hereinafter set forth, the parties agree to modify the Existing Consulting Arrangement as follows:

1. The Consortium will execute a Broker of Record Letter of Authorization to Excellus designating Locey & Cahill as its Broker of Record effective January 1, 2024.
2. Locey & Cahill shall fully perform all duties and responsibilities as the Consortium’s Broker of Record during the term of the Agreement.
3. All consulting fees and/or commissions paid by Excellus to Locey & Cahill during the term of the Agreement (“Earned Fees”) shall be allocated as follows:
 - (a) First, such Earned Fees will be applied against any amounts due and owing to Locey & Cahill under Article VII of the Existing Consulting Arrangement that would have otherwise been invoiced to the Consortium during the term of the Agreement.



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(b) Second, such Earned Fees will be utilized to reimburse Locey & Cahill for its actual costs associated with performing its duties and responsibilities as Broker of Record, during the term of the Agreement.

4. Locey & Cahill shall keep, and make available to the Consortium, detailed records regarding its Earned Fees associated with fulfilling its duties and responsibilities as Broker of Record.

5. The Contract Modification is intended as an amendment and supplement to the Existing Consulting Arrangement, whose terms continue to control relative to all aspects of the parties' contractual relationship save those specifically addressed herein.

6. The Contract Modification may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement, and

FURTHER RESOLVED, on recommendation of the Finance Committee, That the Executive Committee on behalf of the Board of Directors, hereby approves the modification to the 2024 Consultant services contract of Locey & Cahill, LLC, and hereby appoints Locey & Cahill, LLC, as the GTCMHIC's "Broker of Record"

STATE OF NEW YORK)
GTCMHIC) ss:
COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance Consortium Executive Committee on behalf of the Board of Directors on June 12, 2024.



Lynne Sheldon, Clerk of the GTCMHIC Board