

Minutes – APPROVED
Claims and Appeals Committee
April 2, 2024 – 2:30p.m.
Remote/Zoom Meeting

Present: Bud Shattuck, Chair*, Don Fischer*, Tanya DiGennaro*, Krissie Brown,
Tom Brown*

Excused:

Absent: Donna Dawson; Mike Murphy

Staff/Guests: Elin Dowd*, Executive Director; Lynne Sheldon, Clerk of the Board; Kylie
Rodrigues, Benefits Specialist; Teri Apalovich, Finance Manager

**The meeting was held remotely*

Call to Order

Mr. Shattuck, Chair, called the meeting to order at 2:31 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of August 11, 2023

It was MOVED by Mr. Brown, seconded by Ms. Dawson, and unanimously adopted by voice vote by members present, to approve the minutes of August 11, 2023, as submitted. MINTUES APPROVED.

Executive Director Report

Ms. Dowd reported that the Consortium is still awaiting a final exit letter from the Department of Financial Services (DFS) audit. She said the Consortium met with DFS at the end of 2023, where DFS explained the audit was completed, but did not have a final approval. DFS also informed the Consortium they would be sending out an exit letter, which allows the Consortium to respond and discuss. Ms. Dowd said once the audit is finalized and approved by the Audit Committee, the Consortium can file the Jurat and then will receive the final invoice from DFS.

Ms. Dowd explained that the Consortium is also currently involved in their internal audit. Ms. Dowd stated the audit shows the Consortium was over budget and had to utilize reserves in the amount of four million dollars. She reported, the first couple months of this year's claims have been slightly over budget, but not as significant as the Consortium had at the end of last year.

Ms. Dowd said that the Consortium is working on strategic initiatives. One item is the research and exploration of the Consortium offering a 4-Tier premium program.

Other items Ms. Dowd discussed were meeting governance, including how meetings will happen in the future regarding the NYS Open Meeting Laws, and how/if the Consortium will offer Medicare Advantage Plan.

BMI Medical Claims Audit

Ms. Dowd reported that the Consortium held a Request for Proposal (RFP) and decided to stay with BMI. She said BMI audited medical claims for the years 2020 and 2021, and it was a very long process that took approximately 300 days. Ms. Dowd also indicated that there was a very large disconnect with the Summary Plan Descriptions (SPDs). She said that New York State has mandates and riders that had been added into the Consortium plans in the last 5 years that are not in the last SPDs approved by the DFS as it takes an extended period to approve these documents. Therefore, the auditors were auditing off the previously approved SPDs. Ms. Dowd indicated that there was quite a bit of disconnect between BMI and Excellus, which included, but not limited to, issues with the exchange of SPDs, lack of communication, leading to the audit taking longer than the process generally performed.

Ms. Dowd said ultimately, the post audit meetings between BMI and Excellus were positive meetings, with feedback, and post audit amendments. (Click on document below)

[BMI Post Audit Amendment](#)

Ms. Dowd discussed each category within the document, and announced duplicate items that also came up on the DFS audit. Items discussed included, but not limited to:

Claims paid during COVID period – Rules and regulations were changing daily along with coding, which may not have been paid properly, however Excellus did review, and ultimately paid those claims correctly.

Infusion Drugs as home therapy: Excellus encourages home infusion rather than at facility for certain diagnosis, due to cost effectiveness. There were claims that BMI felt were more expensive, or issues with prior authorizations.

Claims paid after termination, potentially due to benefit clerks not terminating members on a timely basis. (Ms. Dowd said that the Consortium is putting policies and procedures in place to help correct this which includes the Consortium will no longer refund premiums paid after 4 months).

Coordination of durable medical equipment with a diabetes diagnosis. Some supplies were paid for under a prescription drug program, and some insulin was paid for in various other ways.

Cayuga Medical Center (CMC) continues to have issues with double billing. CMC has been encouraged to change this process; however, Excellus has been auditing CMS claims on a monthly basis to ensure this is not happening.

Ms. Dowd suggested that members review pages 31 and 32 of the audit documents, to review recommendations.

BMI Post Audit Amendment

Mr. Brown asked how often the Consortium has these audits. Ms. Dowd said that this topic came up in the first audit that DFS conducted. She said it was recommended that a plan be developed to ensure our third-party administrations were adjudicating benefits according to the plan. She said in 2014, it was agreed that the Consortium was to hold periodic audits and their recommendation was to develop a plan to make sure third-party administrators were adjudicating benefits according to plan. Ms. Dowd said periodic audit were in 2016 and 2019 and then a resolution was developed that the Consortium would alternate years. (One year would audit 2 years of medical claims, and following year would be 2 years of RX claims). Ms. Dowd also indicated this practice is not mandated by Article 47, however determined in 2019 that the Consortium would continue with this practice. Ms. Dowd also said that due to the cost of audits and Excellus now being the administrator of Medical and RX, the audit may be combined and conducted every three years.

Resolution: Acceptance of Medical Claims Audit Report

Mr. Shattock presented a resolution to approve the audit for discussion and potential vote.

RESOLUTION NO. XXX- 2024 – ACCEPTANCE OF MEDICAL CLAIMS AUDIT REPORT

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

WHEREAS, The Greater Tompkins County Municipal Health Insurance Consortium (“Consortium”) is a self-insured municipal cooperative health benefits plan operating pursuant to a Certificate of Authority issued in accordance with Article 47 of the New York State Health Insurance Law, and

WHEREAS, the New York State Department of Financial Services during its initial audit recommended that the Consortium conduct periodic medical claims audits, and

WHEREAS, by Resolution No. 002 of 2023 the Board of Directors authorized a contract with BMI Audit Services to perform a medical claims audit to ensure medical

claims are paid by Excellus are in accordance with benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices, and

WHEREAS, BMI has completed the medical claims audit and presented the final report to the Claims and Appeals Committee, now therefore be it

RESOLVED, on recommendation of the Claims and Appeals Committee, That the Executive Committee on behalf of the Board of Directors, accepts the final audit report presented by BMI of 2020 and 2021 Medical Claims.

* * * * *

RX Claims and Rebate Audit Review

Ms. Rodrigues reported that BMI has selected the claims that they would like to sample from ProAct. The estimated completion date of the RX audit is the end of June.

RFP Update

Ms. Dowd reported that there were many responses to the RFP. There was one vendor with an extremely high price that would be dropped unless they countered with their pricing. Ms. Dowd said the RFP would be discussed again after the RX audit has been completed near the end of June.

Benefit Change Update

Ms. Dowd said at the last Claims and Appeals meeting held, members looked at an appeal. This appeal brought forward the recommendation to move physical therapy occupational therapy to 60 days from 46 days. She reported as of January 1, 2024, the Consortium has changed all those benefit levels and is in process of updating documents to reflect that.

Mr. Shattuck asked the process of how all members know of these benefit changes. Ms. Rodrigues reported once the Consortium updates benefit summaries, she emails out a resource page, website posts, all the updated benefit summaries to benefit clerks. Ms. Rodrigues also said discussions are made to clerks at open enrollment trainings in the fall and at the upcoming spring training as well.

Claims and Appeals Committee
April 2, 2024

Future Agenda Topics

BMI RX Claims Audit

Adjournment

The meeting was adjourned at 3:11 p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board