

**Minutes –APPROVED
Claims and Appeals Committee
July 1, 2024 – 2:30p.m.
Remote/Zoom Meeting**

Present: Bud Shattuck, Chair; Krissie Brown, Tom Brown; Mike Murphy; Judy Drake (assigned as temporary member))
Excused: Donna Dawson; Don Fischer
Absent:
Staff/Guests: Elin Dowd, Executive Director; Lynne Sheldon, Clerk of the Board; Kylie Rodrigues, Benefits Specialist; Teri Apalovich, Finance Manager; George Willock, Sara Kealy, BMI Audit Services; Rob Spenard, Steve Locey, Locey & Cahill

Call to Order

Mr. Shattuck, Chair, called the meeting to order at 2:31 p.m.- (To ensure quorum, Board Chair, Rordan Hart, assigned Judy Drake as temporary member for this meeting only, or until another committee member arrived)

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of October 30, 2023 & April 2, 2024

It was MOVED by Mr. Brown., seconded by Ms. Drake, and unanimously adopted by voice vote by members present, to approve the minutes of October 30, 2023, and April 2, 2024, as submitted. MINTUES APPROVED.

Executive Director Update

Ms. Dowd reported claims have been trending around 10% higher than last year. She said the Finance Committee will be holding a meeting the following week to discuss claims, historical claims trends in the marketplace, and start discussions about reserve management in 2025.

Ms. Dowd said rebates from PROACT and Excellus have helped cash flow in the first two quarters, however they were included in the budget process.

Ms. Dowd said there are currently five potential new members who would like to join the Consortium and will be submitting those to the Finance Committee to advance to the Board of Director for approval.

Ms. Dowd said that there has been much communication with the Department of Financial Services (DFS) regarding getting the Municipal Cooperative Agreements (MCA) and Summary Plan Descriptions (SPDs) up to date.

Ms. Dowd said that the Consortium has not heard from DFS regarding their audit performed last year. She said the Consortium has met with DFS for a preliminary exit meeting, however, has not received a formal, final document from them.

Ms. Dowd said overall, the transition of PROACT to Excellus has improved claim adjudication. She said the Consortium is having much less customer service issues and is confident the Excellus is adjudicating claims according to the SPDs.

Ms. Rodrigues mentioned that the Consortium may consider combining medical and prescription claims for future audits. The Committee also discussed the frequency (every 2 years vs. 3 years).and potential new auditors for future reviews.

BMI RX Audit Review

Mr. Willock and Ms. Kealy presented a detailed Prescription Claims Audit Report ([Click here for report](#)). They reported the BMI Audit covered years 2021 through 2023. The report identified detailed findings which included, but not limited to disputed claims, including incorrect co-pays and over-the-counter medication allowances.

As a result of the RX Audit Review, BMI agrees that PROACT met the contractual guarantees pursuant to the AWP discount and dispensing fee guarantees, and that a \$0 net payout is due to GTCMHIC.

Resolution: Acceptance of Prescription Drugs/RX Claims Audit Report

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

RESOLUTION NO. XXX-2024 – ACCEPTANCE OF PRESCRIPTION DRUG/RX CLAIMS AUDIT REPORT

MOVED by Ms. Drake, seconded by Mr. Brown. 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 prescription drug/RX claims audits, and

WHEREAS, by Resolution No. 015 of 2023 the Board of Directors authorized a contract with BMI Audit Services to perform a prescription drug/RX claims audit to ensure prescription drug/RX claims paid by PROACT are in accordance with benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices, and

WHEREAS, BMI Audit Services has completed the prescription drug/RX 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 prescription drug/RX claims audit report presented by BMI Audit Services of 2021, 2022, and YTD 2023 (through 9/30/23).

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Future Agenda Topics

Discussion of Future Audits
Review of Medical Audit

Adjournment

The meeting was adjourned at 3:22p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board

