

Greater Tompkins County Municipal Health Insurance Consortium

Executive Committee

Minutes – DRAFT

April 17, 2024 – 3:30 p.m.

GTCMHIC Headquarters – 408 East Upland Road, Ithaca, NY

Present: Rordan Hart (Executive Committee Chair); Lisa Holmes (Executive Committee Vice-Chair); Judy Drake (Audit and Finance Committees Chair); Bud Shattuck (Claims and Appeals Committee Chair) Peter Salton ^(arrived 3:36p) (Secretary); Ray Bunce

Present via remote: Kate DeVoe* (Joint Committee Chair); Laura Granger* (Operations Committee Chair); Gary Mutchler* (Nominations & Engagement Committee Chair)

Absent: Steven Thayer (CFO); Scott Steve

Guests: Paul Pelton, Steve Locey, Locey & Cahill

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

* - Due to Extraordinary Circumstances attended remotely via Satellite Locations: Tompkins County Public Library, 101 East Green Street, Ithaca; 2983 Burns Road, Scipio Center; 1 DiPronio Drive, Waterloo

Call to Order

Mr. Hart, Chair, called the meeting to order at 3:32 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of March 20, 2024

It was MOVED by Ms. DeVoe, seconded by Ms. Granger, and unanimously adopted by voice vote by members present and via remotely due to extraordinary circumstances, to approve the minutes of March 20, 2024. MINUTES APPROVED.

Chair's Report

Mr. Hart announced and congratulated Ms. Dowd on her 5th year anniversary with the Consortium. (Mr. Salton arrived 3:36p)

Executive Director's Report

Ms. Dowd announced the Operations Committee will be announcing two resolutions with a focus on new cyber security policies and risk assessment. She said the Consortium has filed the Cyber Security Attestation on behalf of the Board of Directors for the 2024 year.

Ms. Dowd said that the Audit and Finance Committees will be holding a combined meeting the following week to review the annual audit. She said this will be the Audit Committee's first time voting on the audit as a separate entity due to DFS recommendations to have no officers involved with approving the audit.

Ms. Dowd said Locey & Cahill suggested Consortium committee(s) may want to hold discussions regarding sharing the GTCMHIC Annual Equity and Liability Analysis by Participant report in case municipalities wanted to budget for any liability, should they elect to leave the Consortium.

Mr. Salton asked if the discussion would include specific examples of what type of an event would cause such a liability. Mr. Locey explained what those examples would be, and further discussion would be had at the Finance Committee meeting next week.

Locey & Cahill Contract

Ms. Dowd explained that when the Consortium signed the prescription drug contract with Excellus, broker commission fees were included. Excellus is not able to remove broker fees from their system. Locey & Cahill will receive these commissions as our Broker of Record. In order to maintain our agreed upon annual contract payment with Locey & Cahill an addendum will be needed in their contract. Ms. Dowd said the amendment to the contract will be reviewed at the upcoming Audit and Finance Committees meeting.

Strategic Planning

Ms. Dowd discussed that the Consortium has not come up with a methodology for a 4-Tier plan that meets our community-based requirements. She said that DFS also will need to approve any proposed methodology the Consortium presents under jurisdiction of Article 47. The Consortium had also researched new members coming into the Consortium with a 4-Tier option, while keeping current members in a 2-Tier plan. However, DFS has advised that would not be an approved option.

Ms. Dowd said that the Consortium is being contacted by potential new members, and she has been going out to municipalities that have already requested information. She said many entities question if the Consortium currently offers 4-Tier plans.

Ms. Dowd said that the Consortium tried to offer a Medicare Advantage Plan. She said that a resolution was approved previously that stated once the Consortium had a Medicare Advantage Plan, all participants that offered a plan, would have to join the Consortium's plan. Ms. Dowd said the Consortium worked on a contract with Aetna, however, there was not enough enrollment to offer the plan, and Aetna retracted the contract. She said this resolution will need an amendment.

MCA 5-Year Review to Include Governance Structure and Open Meetings Law

Ms. Dowd said the Consortium staff has been reviewing contents of Resolution 08 of 2019. The resolution states that the Municipal Cooperative Agreement (MCA) must be reviewed on the fifth anniversary of the effective date. She said staff and committee members are researching ways to continue to streamline operations and operate in a transparent public manner, whether it's through electronic voting, hybrid meetings, and other items. It was suggested that in lieu of creating a new Governance Structure Committee to assume

responsibility for the 2024 review of the MCA that staff and current committees review and recommend changes. All in attendance agreed to this process as opposed to forming another committee.

Mr. Salton expressed that since the Consortium is unique under Article 47, he agreed it to be very important that the Executive Committee review staff recommendations and be informed of all internal discussions regarding meeting structure.

Open House & Joint Committee Meeting

Ms. Dowd reminded members that the Open House will be held on May 2nd. She said following that event will be the Joint Committee Meeting, where there will be discussion regarding the medical and pharmacy utilization review.

Committee Reports/Resolutions:

Executive Committee

Mr. Hart said that the following resolution is an amendment to Resolution 13 of 2022. The proposed amendment included a striking to some of the provisions, including the January 1, 2023, commencement date, and adding a questionable extension of a waiver through the end of 2025. (See redlined copy attached)- Appendix A).

After a lengthy discussion, it was agreed upon to the following heavily amended resolution to reflect the following:

RESOLUTION NO. 009-2024- AMENDMENT TO RESOLUTION NO. 013– 2022 – CLARIFICATION REGARDING PARTICIPANT MEDICARE-AGED RETIREES IN RELATION TO MUNICIPAL COOPERATIVE AGREEMENT (MCA) REQUIREMENT

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

WHEREAS, Section A (5.) of the 2022 Amendment to the Municipal Cooperative Agreement states that “Participation in the Medical Plan(s) by some, but not all, collective bargaining units or employee groups of a Participant shall not be permitted without a Board approved waiver”, and

WHEREAS, the Consortium continues to support having all collective bargaining units or employee groups in the Consortium risk pool to maintain stabilized premium rates and prevent adverse risk selection, and

WHEREAS, the Consortium has deemed the term “employee groups” to include active employees, COBRA continuation of coverage members, non-Medicare-aged retirees, and Medicare-aged retirees, and

WHEREAS, there have been some exceptions made, upon entrance, to allow Medicare-aged retirees of new Participants with fully-insured Medicare Advantage Plans to remain with said coverage, and

WHEREAS, the Consortium does not currently offer a Medicare Advantage Plan or Plans, and

WHEREAS, several Participants are reviewing cost-effective options for their Medicare-aged retiree population, including moving from current Consortium coverage to fully insured Medicare Advantage plans with other carriers, and

WHEREAS, the Consortium believes that offering a Medicare Supplement Plan is an excellent option for Medicare eligible retirees; however, due to federal subsidies currently available to fully-insured plans the Consortium's Medicare Supplement Plan is unable to compete with the lower costs of some Medicare Advantage Plans, now therefore be it

RESOLVED, That the Consortium, on behalf of the Board of Directors, will hereby enforce That Section A (5) "Participation in the Medical Plan(s) by some, but not all, collective bargaining units or employee groups of a Participant shall not be permitted without a Board approved waiver" will remain in force for all active and retired employee groups of each Participant, and

RESOLVED, further, That any Participant selecting to withdraw an employee group shall request such waiver prior to September 1st of each year for consideration by September 30th or for new Participants as part of the application process, and

RESOLVED, further, That any Participant currently enrolled in a fully insured Medicare Advantage Plan, not offered through the Consortium, at the time when this resolution is approved, will be grandfathered in as a Board approved waiver, and said waiver will be in place until such time the Consortium may offer a Medicare-aged retiree plan that provides cost-savings to the municipal member, and

RESOLVED, further, That the Executive Committee, on behalf of the Board of Directors, approves this said amendment to Resolution 013-2022, effective April 17, 2024.

* * * * *

Nominations and Engagement Committee

Mr. Mutchler reported the Nominations and Engagement Committee did not have any items to report.

Claims and Appeals Committee

Mr. Shattuck said that BMI Audit Services completed the Medical Claims Audit for the Years 2020 and 2021.

RESOLUTION NO. 010-2024 – ACCEPTANCE OF MEDICAL CLAIMS AUDIT REPORT

MOVED by Mr. Shattuck, seconded by Ms. Granger. The amended 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.

* * * * *

Audit and Finance Committees

Ms. Drake said the Audit and Finance Committees will be holding a combined meeting the following week to discuss the annual audit report.

Operations Committee

Ms. Granger said FoxPointe Solutions held a presentation regarding Risk Assessment and Information Security Policies and Procedures for the Consortium. She said the Operations Committee approved two resolutions pertaining to those items.

RESOLUTION NO. 011-2024 – APPROVAL OF RISK ASSESSMENT PERFORMED BY FOXPOINTE SOLUTIONS FOR THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM (GTCMHIC)

MOVED by Ms. Granger, seconded by Ms. Drake. The amended 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 (GTCMHIC) has been asked to update several areas related to Cybersecurity as part of a NYS Department of Financial Services (DFS) examination, and

WHEREAS, after discussing options with Tompkins County IT Department for additional support, a mutual resource was identified for ongoing Cybersecurity efforts and FoxPointe Solutions was approached for assistance, and

WHEREAS, It has been agreed that FoxPointe Solutions will perform GTCMHIC management-requested risk assessments and reporting services as GTCMHIC’s Virtual Chief Information Security Officer (“VCISO”) and cybersecurity consultant and manage GTCMHIC Information Security program. This includes activities required under the current versions of NYS DFS 23NYCRR500 Cybersecurity Rule (with limited exemptions), NY State SHIELD Act (§899-bb), HIPAA/HITECH Acts Security and Breach Laws (45CFR164.306-316, 45CFR164.400-414) and the Gramm-Leach-Bliley Act (GLBA)

WHEREAS, FoxPointe Solutions has recently completed the annual Cyber Security Risk Assessment on behalf of the GTCMHIC, and has presented a thorough complete report to the Operations Committee, and therefore be it,

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee, on behalf of the Board of Directors, hereby approves the following Cyber Security Risk Assessment performed by FoxPointe Solutions.

RESOLUTION NO. 012-2024 – APPROVAL OF INFORMATION SECURITY POLICIES AND PROCEDURES FOR THE GREATER TOMPKINS COUNTY MUNICIPAL HEALTH INSURANCE CONSORTIUM (GTCMHIC)

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

WHEREAS, Per previous Resolution 042 of 2023, Tompkins County IT Department recommended that FoxPointe Solutions perform GTCMHIC management-requested assessments and reporting services as GTCMHIC's Virtual Chief Information Security Officer ("VCISO"), cybersecurity consultant, and to manage GTCMHIC's Information Security program, and

WHEREAS, these Information Security Programs require policies and procedures to be put in place to conduct independent audits of their cybersecurity programs and to GTCMHIC to be compliant with all applicable laws and regulations, and

WHEREAS, This program also includes policies and procedures required under the current versions of NYS DFS 23NYCRR500 Cybersecurity Rule (with limited exemptions), NY State SHIELD Act (§899-bb), HIPAA/HITECH Acts Security and Breach Laws (45CFR164.306-316, 45CFR164.400- 414) and the Gramm-Leach-Bliley Act (GLBA) (GLBA Title 16, Chapter 1, Part 314 of Subchapter C, Safeguards Rule, and

WHEREAS, FoxPointe Solutions has provided and reviewed in depth the said above policies and procedures with third party Tompkins County IT Department, GTCMHIC Staff Members, as well as the Operations Committee, and therefore be it

RESOLVED, on recommendation of the Operations Committee, That the Executive Committee, on behalf of the Board of Directors, approves the Information Security Policies and Procedures for the GTCMHIC.

Joint Committee on Plan Structure and Design

Ms. DeVoe reported that the Joint Committee on Plan Structure and Design has a meeting coming up on May 2nd. She said there will be a utilization review at that meeting.

Financial Dashboard Report

Ms. Apalovich said that the month of March did not go well for the Consortium. Ms. Dowd said the medical as well as pharmacy claims were still trending high. Mr. Locey said it's cyclical, there will be good months and there will be bad months, and this is the reason the reserve is set up. He said all his clients are seeing hyperinflation now. Mr. Locey said it's very important to have a stable population. He said the Consortium is doing substantially better than all community rated plans and every year the Consortium continues to improve in comparison. Ms. Dowd said when the Consortium heads into budget season, and looks at claims trending, the Consortium will want to consider as to how quickly the Consortium would want to bring the reserves back up. Mr. Shattuck added that it was a positive move when the Consortium increased the reserves above the average looking into the future. Mr. Locey also said with 64

municipalities, there will be different thoughts coming to the table that will need to be balanced, and to make sure the Consortium is doing what is in the best interest of the client.

Ms. Holmes referred to the recent report from Segal regarding rates of various plans. She asked if the Consortium planned to phase in changes to address the findings. Mr. Locey said that the Consortium's budget process has fulfilled most of the discrepancies. He said the Consortium has significantly more individuals in the plans that Segal said may have been under value in premium.

Ms. Holmes asked about the 2-Tier versus the 4-Tier that was being considered. Ms. Dowd said the Consortium is still looking into this. Mr. Locey said that if the State does not allow the Consortium to have a different rate ratio perspective than the community rated insurance companies, it may not be allowable.

Future Agenda Topics

Strategic Initiatives
Meeting Structure Information

Adjournment

The meeting was adjourned at 4:52 p.m.

Respectfully submitted by Lynne Sheldon, Clerk of the Board

Next Meeting: June 12, 2024 (2nd Wednesday due to holiday)