



Greater Tompkins County Municipal Health Insurance Consortium

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

MINUTES – APPROVED

**Greater Tompkins County Municipal Health Insurance Consortium
Joint Committee on Plan Structure and Design
August 4, 2022 – 1:30 p.m.
Zoom Meeting**

Present:

Municipal Representatives: 17 members

Judy Drake, Town of Ithaca and Board of Directors Chair; Jeff Walker, Village of Cayuga Heights; Ronny Hardaway, Village of Lansing; Amanda Anderson, Town of Dryden; Olivia Howarth, Village of Groton; Sarah Thomas, Tompkins County; Alex Patterson, Town of Aurelius; Mike Murphy, Village of Dryden, Ed Fairbrother, Town of Big Flats; Laura Shawley, Town of Danby; Billie Jo Carnes, Town of Dix, Mark Witmer, Town of Caroline; Heather Ford, Town of Erwin; Timothy Elliott, Town of Marathon; Eric Snow, Town of Virgil; Fred Warrick, Watkins Glen; Laura Granger, Seneca County

Municipal Representatives via Proxy: 2 members

Donna Dawson, Village of Horseheads (Proxy – Judy Drake); Tom Brown, Town of Truxton (Proxy – Eric Snow)

Union Representatives: 10 members

Melissa Schmidt, TC3 Faculty Association; Jeanne Grace, City of Ithaca Executive Unit; Ian Tompkins, City of Ithaca DPW Unit; Zack Nelson, City of Ithaca Admin. Unit; Kate DeVoe, TCPL Professional Unit; Elizabeth Hujar, TCPL Staff Unit; Jonathan Walz-Koeppel, TC3 Professional Admin. Assoc. Unit; Dawn Sprague, CSEA White Collar Unit; Jon Munson, Town of Ithaca Teamsters (arrived 1:45pm); Darryl Rutledge, Town of Danby Highway CSEA (arrived 1:47pm)

Union Representatives via Proxy: 1 member

James Bower, Bolton Point (Proxy – Jon Munson)

Others in attendance:

Elin Dowd, Executive Director; Teri Apalovich, Finance Manager; Lynne Sheldon, Clerk of the Board; Kylie Rodrigues, Benefits Specialist; Chuck Guild, CSEA; Rob Spenard, Paul Pelton, Locey & Cahill; Leslie Moskowitz, City of Ithaca; Sunday Earle, TC3; Morgan Randazzo, ProAct; Jessica Molter, Village of Horseheads

Call to Order

Ms. Shawley, Vice Chair, called the meeting to order at 1:41p.m.

Changes to the Agenda

The agenda was revised to include modifications of the meeting order due to delay obtaining a Union Representatives quorum for voting privileges. A quorum was obtained at 1:47pm.

Board of Directors Chair Report

Ms. Drake reported that Mr. Bower, Chair, has advised the Consortium that he will not be able to attend all meetings for the remainder of the year and is resigning as Chair for the 2023 year. Ms. Drake added that the Board of Directors will be voting in September on committee appointees as several seats are currently open. She also advised the Executive Committee continues to work on long-term planning for the Consortium.

Ms. Drake advised there are two upcoming Board of Directors Meetings. The Board of Directors Educational Session will be August 25, 2022, where individuals will get the first glance at the 2023 preliminary budget. Also, the yearly Board of Directors Meeting will be held at Tompkins Cortland Community College on September 22, 2022. There will also be satellite locations set up for those meetings.

Approval of Minutes of May 5, 2022

It was MOVED by Mr. Hardaway, seconded by Mr. Walker, and unanimously adopted by members visibly seen and audible members via remote Zoom, to approve the minutes of May 5, 2022, as submitted. MINUTES APPROVED.

Benefits Specialist Update

Ms. Rodrigues presented several activities and monthly challenges available for members. The month of May featured mindfulness activities, June featured a hiking challenge, July's selection was a sleep challenge, and August featured "Staying Connected". "Staying Connected" promotes resources the Consortium has available, such as signing up for one's Excellus account, MD Live, and the Consortium's Facebook page. Ms. Rodrigues announced dates and locations of Flu Clinics offered by the Consortium and the date of "Walk to End Alzheimer's" on September 20th. There will be two Benefit Clerk Meetings, to be held September 26th and October 6th. These meetings will cover open enrollment training, review Excellus website tools, assist in the changing of plans, updates, and many other pertinent information.

Executive Director Report

Ms. Dowd spoke of the Consortium considering the offering of a Medicare Advantage Plan, which would be a fully insured plan through another insurance company. The idea to add this additional retiree benefit is currently being explored. A request for proposal (RFP) was submitted and several insurance companies have responded. Locey & Cahill will be pulling responses together for the Consortium to look at, and the Board will be voting in September.

Ms. Dowd said the Department of Financial Services (DFS) has decided to audit the Consortium again. The audit will be for the years consisting of 2016 through 2020 and will be very time consuming for the Consortium staff during the last quarter of this year. In addition, the Consortium will also have to pay for that audit. Ms. Dowd added the audit costs will be split between two budget years.

Ms. Dowd announced the discussion at the September Board meeting will also include new municipal members. Currently, the Consortium has received five applications, and if approved, would add an additional 270 of insured employees.

Ms. Dowd also reported that a few other agenda items on the September Board meeting agenda will be updating policies as the Consortium sunsets some of the older plans. This update will include the time frame to sunset the plans, as well as how many and/or what plans will be available for existing and new Consortium members. She said currently there are committee discussions if the Consortium does offer a Medicare Advantage Plan, and municipalities opt out, would the Consortium charge an assessment fee for members.

Ms. Dowd also discussed the 2023 Preliminary Budget that was included in the agenda packet. Looking at expenses and anticipating claims activity to cover all obligations, the premium rate increase for 2023 is proposed at a 6.5%. The budget will be discussed again at the Audit and Finance Committee, and ultimately with the Board in September.

Plan Change Recommendations for 2022/Resolution Approval of Adjustments to the Silver Metal Level Plans

Mr. Spenard announced two resolutions he would discuss regarding all four metal plans. He explained that the Silver Plan was the only plan that did not pass the Actuarial Value test this year. Locey & Cahill tested some modeling for the Silver Plan in terms of different deductibles and out of pocket maximum options to remain compliant. Using that as a model, the Silver Plan would require an adjustment to either deductible or the out-of-pocket maximum or both to get the Actuarial Value down under the threshold at the 72.5% with rounding it back down in that range of 68% - 72%.

Greater Tompkins County Municipal Health Insurance Consortium
Silver High Deductible Health Plan Options

Plan Name	In-Network Deductible		In-Network Out-of-Pocket Maximum		In-Network Coinsurance	Actuarial Value
Current Plan	\$2,500.00	\$5,000.00	\$6,000.00	\$12,000.00	70.00%	72.91%
Excellus Simply Blue Plus Silver 2	\$2,600.00	\$5,200.00	\$7,000.00	\$14,000.00	80.00%	
Excellus Simply Blue Plus Silver 16	\$3,200.00	\$6,400.00	\$6,550.00	\$13,100.00	80.00%	
Plan Option 1	\$2,600.00	\$5,200.00	\$6,500.00	\$13,000.00	70.00%	72.05%
Plan Option 2	\$2,750.00	\$5,500.00	\$6,000.00	\$12,000.00	70.00%	72.25%
Plan Option 3	\$2,750.00	\$5,500.00	\$7,000.00	\$14,000.00	70.00%	71.12%
Plan Option 4	\$3,000.00	\$6,000.00	\$6,000.00	\$12,000.00	70.00%	71.64%
Plan Option 5	\$3,000.00	\$6,000.00	\$6,000.00	\$12,000.00	80.00%	72.15%
Plan Option 6	\$2,750.00	\$5,500.00	\$7,000.00	\$14,000.00	80.00%	71.83%
Plan Option 7	\$3,000.00	\$6,000.00	\$6,500.00	\$13,000.00	80.00%	71.60%

Ms. Dowd mentioned the Executive Committee had discussed one recommendation from Locey & Cahill would be Plan Option 6 which would bring the actuarial value to 71.83% value. Hopefully these changes will keep the plan in compliance for more than one year.

Ms. Shawley also added that Plan Option 6 was more a viable financial situation of keeping the percentage below the 72% Actuarial Value at 71.83%.

RESOLUTION NO. ____-2022 – APPROVAL OF ADJUSTMENTS TO THE SILVER HIGH DEDUCTIBLE HEALTH PLAN

MOVED by Mr. Walker, seconded by Ms. Shawley, and unanimously adopted by voice vote members present and via remote members seen and audible to pass on the resolution for vote to the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors on September 22, 2022.

WHEREAS, the Consortium must annually review the actuarial values for its Metal Level Plans to ensure they each fall within the established ranges set by the Centers for Medicare and Medicaid Services (CMS), and

WHEREAS, upon entering data into the federal actuarial calculator for 2023 it has been determined that adjustments need to be made to the Silver High Deductible Health Plan, now therefore be it

RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, That effective January 1, 2023, a benefit plan adjustment to the Deductible and Out-of-Pocket Maximum will be made to the Consortium’s Silver High Deductible Health Plan as follows:

Silver HDHP	From In-Network	To In-Network	From Out-of-Network	To Out-of-Network
Deductible Single/Family	\$2,500/\$5,000	\$2,750/\$5,500	\$3,750/\$7,500	\$4,125/\$8,250
Out-of-Pocket Single/Family	\$6,000/\$12,000	\$7,000/\$14,000	\$9,000/\$18,000	\$10,500//\$21,000
Coinsurance Amount	70%	80%	50%	50%
Actuarial Value	72.91%	71.83%	72.91%	71.83%

Ms. Dowd announced that after the September Board decision and vote, the Consortium will work with the Silver Plan participants to help them effectively communicate these changes with their municipalities.

Plan Change Recommendations for 2022/Resolution Amendment of Rounding Method for Standard Deviation of Actuarial Values

Mr. Spenard explained that these two resolutions go hand in hand. In terms of the standard deviation, the new resolution recommends that the Bronze Plan shows a +5% / -2% acceptable standard deviation, which means that the plan could go up to 65.49% or as low as 57.5%. The other three plans have a +2% / -2% deviation.

Ms. Dowd added that the last two year’s Bronze Plan calculation has not been correct, and the Consortium has been waiting for the Centers for Medicare and Medicaid Services (CMS) to make an adjustment. This adjustment from CMS is a result of the calculator not being correct. Because of this, rather than making everyone make huge changes, they are adjusting the allowable standard deviation for the Bronze Plan.

Mr. Walker asked how many municipalities are still on the Bronze Plan. Ms. Dowd confirmed that there are seven municipalities still offering the Bronze Plan.

Mr. Guild asked to verify if the Bronze Plan is currently at 64% and right now with plus or minus variants 2% each direction, changes would have to be made if it wasn't changed to reflect +5%. Ms. Dowd concurred.

RESOLUTION NO. ____-2022 – Actuarial Value Standard Deviation Amendment

MOVED by Mr. Walker, seconded by Ms. Drake, and unanimously adopted by voice vote members present and via remote members seen and audible to pass on the resolution for vote to the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors on September 22, 2022.

WHEREAS, the Consortium must annually review the actuarial values for its Metal Level Plans to ensure they each fall within the established ranges set by the Centers for Medicare and Medicaid Services (CMS), and

WHEREAS, upon reviewing the results of the actuarial value calculations for the Consortium utilizing the Centers for Medicare and Medicaid Services (“CMS”) actuarial value calculator and methodology it was noted that the percent de minimis variation (a.k.a., standard deviation) was amended for the Bronze High Deductible Health Plan, now therefore be it

RESOLVED, on recommendation of the Executive Committee and the Joint Committee on Plan Structure and Design, That effective January 1, 2023, the percent de minimis variation (a.k.a., standard deviation) allowed for each of the Consortium’s metal level plans will be as follows:

Platinum Preferred Provider Organization Plan	+2% / -2% (92.49% to 87.50%)
Gold High Deductible Health Plan	+2% / -2% (82.49% to 77.50%)
Silver High Deductible Health Plan	+2% / -2% (72.49% to 67.50%)
Bronze High Deductible Health Plan	+5% / -2% (65.49% to 57.50%)

Committee Chair’s Report

Mr. Bower was excused from the meeting and Ms. Dowd reported for him. She announced that Mr. Bower is stepping down as the Chair for the Joint Committee and the Consortium is looking to fill his seat along with two other labor representative seats on the Board of Directors. She said Mr. Bower would serve through the end of the year, but if somebody would like to step in immediately and replace him as the Chair, the Joint Committee could vote on that.

Ms. Dowd stated that Labor Representatives hold up to nine votes currently at the Board of Directors Meeting. As a Labor Representative, one would be able to vote on several items such as: Budget, which includes premium increases, election of officers, and Municipal Cooperative Agreement (MCA) changes. She also added that it is very important to the Consortium, but also a requirement from the Department of Financial Services (DFS), to include Labor Representatives in the decision-making process.

Ms. Grace asked what the Consortium has done for outreach to other municipalities and who is eligible. Ms. Dowd said the Consortium has reached out to every municipality, to find out how many collective bargaining units they had in their location and have asked them to make recommendations to us. Mr. Bower has also reached out to regional presidents and other Union leadership within this area. Ms. Dowd also added the Consortium does copy unions leaders when sending out the Joint Committee agenda. Ms. Dowd also clarified the eligibility that each collective bargaining unit gets one representative from that municipality. This individual does not need to be a president or an officer, it can be anyone who wants to volunteer.

Mr. Guild introduced himself to let members know that he can help or provide guidance to CSEA members on health insurance topics at any time and thanked the other individuals for being in attendance. He added how important it is for the labor groups to be involved in the voting process.

Financial Update

Mr. Spenard reported the income budget stating the first six months of 2022, the Consortium's Medical and RX Plan Premiums were below budget by about 1.75%. Interest income continues to be below budget. He said this is due to some plan changes, as well as some fluctuation in demographics. RX rebates are below budget and Locey & Cahill will continue to monitor and track the rebates to see where the Consortium stands, especially for budgetary purposes. Regarding stop-loss reimbursements, he reported the Consortium did buy a policy with a million-dollar deductible. The Consortium won't see any reimbursements until a member reaches claims above \$1M dollars. Currently, he reported the Consortium does not have any claims above the million dollar level. Overall, the total income is below budget by about 1.8%.

Mr. Spenard covered expenses stating that through the first 6 months, overall paid claims are 6.95% below budget, medical claims are 8.7% below budget, and prescription drug claims are 2.34% below budget. Overall total expenses are below budget by 5.39%.

Mr. Spenard reported the Consortium is in good shape, and Locey & Cahill will continue to track large losses and continue to work with Excellus and ProAct.

Next Agenda Topics

Plan Changes Recommendation
2023 Budget Update
Board of Directors Meeting Update – MCA, New Members
Next Year's Wellness Calendar

Adjournment

The meeting adjourned at 2:56 p.m.