



Municipalities building a
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AGENDA

Joint Committee on Plan Structure and Design

October 3, 2013 – Noon
Old Jail Conference Room

1. Welcome
2. Consultant Updates:
 - a. Flex Spending Accounts Update
 - b. Employee Assistance Program Update
 - c. Medicare Supplement
 - d. Discussion - Plan Changes

Steve Locey
3. Affordable Care Act

Beth Miller, Excellus
Ashley Ahmadipour, ProAct
4. Discussion and Proposal to Amend Quorum Requirement
5. New Business
6. Old Business
7. Approval of Minutes:
 - a. June 7, 2012
 - b. July 5, 2012
 - c. August 23, 2012
 - d. October 4, 2012
 - e. December 6, 2012
 - f. January 10, 2013
 - g. March 7, 2013
 - h. May 2, 2013
 - i. June 6, 2013
 - j. August 1, 2013
 - k. September 5, 2013

Next Meeting: November 7, 2013



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MINUTES

**Greater Tompkins County Municipal Health Insurance Consortium
Joint Committee on Plan Structure and Design
September 5, 2013 – Noon
Old Jail Conference Room**

draft

Present:

Municipal Representatives: 6 members

Judy Drake, Town of Ithaca; Schelley Michell Nunn, City of Ithaca; Jennifer Case, Town of Dryden; Anita Fitzpatrick, Tompkins County; Laura Shawley, Town of Danby; Herb Masser, Town of Enfield

Municipal Representative via Proxy: 2 members

Ruth Hopkins, Town of Lansing; Betty Conger, Village of Groton; Mary Bouchard, Town of Ulysses

Union Representatives: 7 members

Chantalise DeMarco, County White Collar-CSEA; Jim Bower, Bolton Point Water Unit – IUOE; Officer Jerry Wright, Cayuga Heights PBA; Tim Farrell – City of Ithaca DPW Unit – CSEA 1000; Steve Wright, Tompkins County Blue Collar Unit – CSEA #855; Oliva Hershey – TC3 Professional Admin. Assoc. Unit; John Licitra, Town of Ithaca DPW – Teamsters

Union Representative via Proxy: 1

Scott Ochs, TC3 Faculty Association

Others in attendance:

Steve Locey, Locey & Cahill; Beth Miller, Excellus; Sharon Dovi, Tomkins Cortland Community College

Call to Order

Ms. DeMarco called the meeting to order at 12:10 p.m.

Consultant Updates

Employee Assistance Program and Flex Spending Account

Mr. Locey distributed a document showing annualized Employee Assistance Program costs. There has been discussion of whether a program could be facilitated through the Consortium or whether it could just be a contract that was made available to municipalities through the Consortium. He said there were four companies that responded to the RFP last year and they were asked to quote three different ways.

The first limits the number of sessions per year to three, five, and eight. As of right now there are approximately 2,300 contracts through the Consortium that includes both active and retirees. Mr. Locey said the estimated cost per contract per month per year for the EAP Program run through the Consortium would be \$2.80 and presented a breakdown of the cost by

municipality. Currently, the City of Ithaca uses an hourly contract with Family and Children's Services and does not pay a flat fee based on number of sessions, the County pays a flat fee for the year, and the College pays on an employee per month fee basis. At a previous meeting he proposed rolling this into the expenses of the Consortium and reflected in the premium equivalent rate and a question was raised as to whether this would be fair to employees because currently employers are picking up 100% of the cost and this would not be the case if rolled into the rate.

In discussing the document presented, Ms. Nunn expressed concern that the City would be paying more regardless of whether the service was used. Mr. Locey noted the information presented showed the maximum that would have to be paid and was developed to get a number for the budget.

Ms. DeMarco questioned what the history of usage is. She said some members are uncomfortable about putting this into the rate because even those who don't carry insurance have the ability to access the services.

Based on the discussion Mr. Locey said he would negotiate an hourly rate and flat rate with the preferred vendor and will present the recommendation to the Board of Directors for a contract that would be effective January 1, 2014 with the option for municipalities to take advantage of using the pricing that the Consortium would be able to negotiate.

Flexible Spending Accounts

The same approach being used for the Employee Assistance Program will be used for the Flex Spending Account Program.

Medicare Supplement

Mr. Locey had no report on a Medicare supplement.

Affordable Care Act

Mr. Locey said at the last meeting discussion began about looking at other plans that could be offered through the Consortium and shortly all employers will be sending out a notice to all employees about the new health insurance marketplace, referred to as the New York State of Health. This is not for Medicare-age people but is targeted for individuals and small employers. He distributed information to help frame discussion about additional health plans. He distributed a sample letter that will be sent by employers to all employees.

Mr. Locey reviewed the document entitled Standard Benefit Design Cost Sharing Description Chart and said they have lumped programs based on a rating system: platinum, gold, silver, bronze, and catastrophic. He noted all of the programs within the Consortium with the exclusion of the high deductible or higher medical plan with the County, all are at the Platinum range. He reviewed the ranges of benefits contained within the levels of plans. Next month ProAct will attend the meeting to discuss different types of prescription drug benefits options because one of the concerns today with prescription drug programs is although there has been a big shift in drugs going to generic there has also been a big shift in the number of specialty drugs coming on the market. Although typically very infrequent in terms of overall use they are placing pressure on all health plans. *Ms. DeMarco said it would be helpful if ProAct could bring the Consortium's actual usage to the next meeting to help with the discussion.*

Mr. Locey said in terms of benefit plans that can be offered there is the employer requirement under the Affordable Care Act that will dictate what kind of plan can be developed. The Consortium does not want to be jeopardy by offering programs that are less than the bronze level because it will expose employers to penalty, it also wants to be competitive within the marketplace in terms of the programs it is offering versus the exchange, and a look needs to be taken at what it would cost to offer a program versus what it would cost by the Exchange.

Mr. Locey reviewed the New York Health Insurance Exchange Premium Rates that were approved for the Syracuse Region: Broome, Cortland, Stueben, Cayuga, Onondaga, Tioga, Chemung, Schuyler, and Tompkins. In reviewing the documents Mr. Locey noted the companies that have typically done business in the region are Excellus Blue Cross Blue Shield, Emblem Health, and MVP. The others listed do not have a lot of experience in the marketplace. The Freelance company prices are well below market rate and this is because they received a very large subsidy from the federal government as part of this program.

Ms. DeMarco questioned whether all of the plans are offered to all of the counties within a region. She said she looked at the website yesterday and looked at Tompkins and Cortland Counties; there were three offered in Tompkins and four in Cortland. Mr. Locey this was not his understanding but he will look into this.

Mr. Locey said through this Committee they will helping to try to build some additional benefit plans that will mirror what is going on with the Exchanges and to make sure the Consortium is competitive in the marketplace. He reviewed the sample letter that was prepared by Locey and Cahill and said they tried to make it as understandable as possible. He said there will be still be questions but employees should be assured they do not have to go to the Health Exchange; if they are interested because they think they may qualify for a premium subsidy they have the right to do that, however, they then lose any employer contribution to the premium as well as running their premium through the pre-tax. The letter must be distributed to employees by October 1st.

Ms. Miller reported on the health insurance clerk meeting to be held on September 9th and said they will be going over health care reform in depth. In addition to informing the clerks of their responsibilities, information will be presented on the individual mandate that is in effect, and information on taxes and penalties. She strongly recommended the clerks utilize the letter provided by Mr. Locey and said the letters can be distributed electronically, by printed copy, attached to paychecks, or mailed.

Proposal to Amend Quorum Requirements

This item was deferred to the next meeting

New Business

There was no new business.

Old Business

There was no old business.

Joint Committee on Plan Structure and Design
September 5, 2013

Approval of Minutes

Approval of minutes of August 2, 2013 was deferred due to lack of quorum.

Adjournment

The meeting adjourned at 1:14 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk