



Municipalities building a
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AGENDA

Joint Committee on Plan Structure and Design

December 5, 2013 – Noon
Old Jail Conference Room

1. Welcome
2. Chair's Report Scott Weatherby
3. Consultant Updates: Steve Locey
 - a. Flex Spending Accounts Recommendation
 - b. Employee Assistance Program Recommendation
 - c. Medicare Supplement/Review Survey
 - d. Explanation of Development of Premium Equivalent Rates
 - e. Affordable Care Act Updates
4. Discussion of 2014 Meeting Schedule
5. New Business
6. Old Business
7. Approval of Minutes:
 - a. November 7, 2013

Next Meeting: TBD



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draft

MINUTES
Greater Tompkins County Municipal Health Insurance Consortium
Joint Committee on Plan Structure and Design
November 7, 2013 – Noon
Old Jail Conference Room

Present:

Municipal Representatives: 7 members

Betty Conger, Village of Groton; Judy Drake, Town of Ithaca; Schelley Michell Nunn, City of Ithaca (arrived at 12:26 p.m.); Laura Shawley, Town of Danby; Ruth Hopkins (arrived at 12:08 p.m.); Herb Masser, Town of Enfield; Brooke Jobin, Tompkins County

Municipal Representative via Proxy: 6

Joan Mangione, Village of Cayuga Heights; Jeff Brockway, Town of Groton; Jennifer Case, Town of Dryden; Charles Becker, Village of Dryden; Mack Cook, City of Cortland; Marsha Georgia, Town of Ulysses

Union Representatives: 6 members

Chantalise DeMarco, TC White Collar CSEA; Bradley Berggren, Town of Danby Highway; Steve Wright, Blue Collar Unit – CSEA #855 (arrived at 12:30 p.m.); Jim Bower, Bolton Point Water Unit – IUOE; John Licitra, Town of Ithaca, DPW – Teamsters; Tim Farrell, City of Ithaca DPW Unit – CSEA 1000

Union Representative via Proxy: 8

Thomas McCall, Cortland PWOA; Joe Graham, Town of Groton Highway; Patricia VandeBogart, TC3 CSEA; Jerry Wright, Cayuga Heights PBA; June Overslaugh, CSEA Admin. Unit; Olivia Hersey, TC3 PAA; Scott Ochs, TC3 Faculty Association; Lenny Whittaker, Teamsters Local 317

Others in attendance:

Steve Locey, Locey & Cahill; Beth Miller, Excellus; Sharon Dovi, TC3

Call to Order

Ms. DeMarco, called the meeting to order at 12:05 p.m.

Approval of Minutes – June 7, 2012 thru October 2, 2013

It was MOVED by Ms. DeMarco, seconded by Ms. Shawley, and unanimously adopted by voice vote by members present and by proxy, to approve the following sets of meeting minutes:

June 7, 2012, July 5, 2012, August 23, 2012, October 4, 2012, December 6, 2012, January 10, 2013, March 7, 2013, May 2, 2013, June 6, 2013, August 1, 2013, September 5, 2013, and October 2, 2013.

Consultant Updates

Flex Spending Accounts

Mr. Locey reported he received a commitment from EBS RMSCO that they will hold to the pricing previously quoted during the Request for Proposals process. They have guaranteed the pricing for any municipality that would like to offer Flexible Spending Accounts will be equal to or better than the pricing that is currently being offered to municipalities. He said they used the volume of the Consortium to drive better pricing, noting the most benefit will be to smaller municipalities; however, the pricing is slightly less than what the County is currently receiving.

Ms. Hopkins arrived at this time.

There was discussion of the process moving this forward to the Board of Directors and it was agreed Mr. Locey will work with Ms. Pottorff to draft a resolution to approve the template agreement with the pricing attached. It will be a recommendation of this Committee to the Board of Directors to adopt an approved vendor arrangement and that if any employer within the Consortium wanted to participate in the arrangement negotiated they would be able to buy into that.

Employee Assistance Program

Mr. Locey said the same type of arrangement is being recommended for the Employee Assistance Program as the Flex Spending Accounts. He said since all municipalities that have an EAP program is currently using Family and Children's Services they will get guaranteed pricing from them and municipalities can buy it on their own but through the Consortium's pricing. He is awaiting final pricing information.

Medicare Supplement

Mr. Locey said there was a lot of discussion about Medicare options at the last meeting. Based on those discussions it was agreed that a survey would be developed that would go out to all employers to find out where employers are with regard to this issue. He distributed copies of a draft list of survey questions to find out as much information as possible about the types of programs employers are offering and how they are being offered:

SURVEY QUESTIONS – MEDICARE SUPPLEMENT

1. Do you currently provide health insurance coverage to Retirees?
If yes, skip to question #4
2. If you do not provide health insurance to Retirees would you consider doing so if the premium was less?
3. If you do not currently provide health insurance coverage to Retirees, but feel you would consider doing so, what do you feel would be a reasonable amount of monthly premium to pay for individual coverage? ***Please skip to question #10***
4. How many years of service does an employee need to work in order to qualify for Retiree health insurance?
5. How much does the employer pay towards the coverage or what percentage of the premium does the employer contribute individual coverage and/or family coverage?
6. How long are Retirees permitted to keep their coverage (i.e., for life, until Medicare effective date, number of year, etc.)

7. Do you allow Retirees to use unused sick days to pay the cost of their health insurance? If yes, please describe your personnel policy associated with use of sick days (i.e., how many days, at what value, etc.).
8. Are spouses and/or dependents covered by your Retiree health insurance plan?
9. Do you offer surviving spouse or dependent coverage? If yes, please describe.
10. Do you feel the GTCMHIC should offer a Medicare Supplement Plan which provides coverage for balances after Medicare at a lower cost?
11. Do you feel the GTCMHIC should consider segregating the Medicare-Aged Retirees out from the general population for purposes of cost and/or benefit? If yes, please explain

There was a brief discussion about who the survey should be sent to. Ms. Jobin stressed the importance of directing the survey to the appropriate person in order to receive the most informative responses and others shared this opinion.

Mr. Licitra said he believes the survey represents the discussions and questions that have been raised and suggested question numbers 10 and 11 be sent to labor groups. It was agreed the full survey would go to municipalities and questions 10 and 11 will go to labor representatives on this Committee. He distributed copies of a PPO plan within the Consortium to demonstrate what the changes would be.

Plan Changes

Mr. Locey said at the last meeting the Committee began discussing the menu of options that are available and looking building other options based on the Affordable Care Act.

He distributed information to be used in the discussion and said the goal is to look for some type of opportunity to provide Medicare-age people with a plan. The first document was a side-by-side comparison that showed some of the major benefits associated with Medicare, a listing of what Medicare covers, a listing of what is currently covered under the Town of Ithaca's plan, and what a Medicare Supplement Plan would typically cover. In terms of making sure everyone has an understanding of the different types of plans that are available he explained the components of Medicare Part A and Part B.

Mr. Locey said the Affordable Care Act graded all of the plan designs that can be offered through the health insurance marketplace. All of the plans listed for the Consortium with possibly one exception falls within the Platinum level. He walked the Committee through elements of the PPO plan being used for discussion purposes and said in terms of plan options currently being offered through the Consortium there is very little differences in the PPO plans. It is similar on the indemnity side. He said in developing different plans there should be discussion of what levels the Consortium is interested in looking at.

Mr. Locey said since all of the Consortium's plans are a Platinum level he could develop a model of what a Consortium Gold plan would look as well as premium differentials. He noted everything developed would be options that would be made available and whatever options are developed they need to be meaningful and also meet expectations in terms of benefit level. The Consortium currently has several different medical and prescription plans and all are posted on the website.

Mr. Licitra said if the Consortium is going to create another plan he doesn't think a plan should be created for bargaining purposes that would lower members' standards of care. He suggested that instead of creating a Gold plan that Mr. Locey create another Platinum plan that is reasonable and on a baseline of the Affordable Care Act and see what the premium

differential is. At the next meeting Mr. Locey will present a plan and demonstrate what the elements of the Plan are and how the premium equivalent rate is factored into it.

Ms. Jobin referred to the document presented and said the maximum out-of-pocket should be \$800 and not \$750; Mr. Locey will correct this.

Ms. Drake asked that Mr. Locey explain at the next meeting how the premium equivalent rates are developed.

Update on Affordable Care Act

Ms. Miller said Excellus health plan documents for 2014 have been updated and include impacts from the Affordable Care Act. She said with Health Care Reform not everyone will be paying the same out-of-pocket because of the "Safe Harbor Act" for 2014. The out-of-pocket maximums are \$6,350 for individual and \$12,700 for family. She explained that in order to comply with the ACA Excellus has placed an umbrella over the Consortium's policies. This means that any deductibles, co-insurance, co-pays (including drug in 2015) will slide up to the umbrella. She said it is very unlikely anyone will ever meet the out-of-maximums. She said Excellus is complying with the cap in the ACA and maintaining the Consortium's level of coverage. Ms. Miller distributed an "Employer's Guide to Health Care Reform"; the document will be posted on the Consortium's website.

Proposal to Amend Quorum Requirements

The Committee reviewed the proposal to amend the quorum requirement to be 15 members of which five would be municipal members and ten would be labor representatives. The Committee's attendance at this meeting through members present and via proxies was 27 (13 municipal and 14 labor).

Ms. Jobin said could support the total number of 15; however, recommended removing the designation of how many should be labor and how many should be municipal. She stated that past minutes show the Committee has never met union representation of ten. Ms. DeMarco disagreed and said that through proxies the labor representation has met the threshold of ten. Ms. Jobin said she would like to know how many times that has happened as she does not want to put something in place that is unattainable.

Ms. Shawley said she has spent approximately eight hours over the last two weeks making contact with union representatives and municipalities and does not believe it would be impossible to get ten union representatives in person or by proxy at every meeting; however, she acknowledged it would take some effort for a while. She said she is willing to continue working on this. Ms. DeMarco said there are times when labor groups are challenged to attend because of job responsibilities. She said the current proposal was developed because it maintains the integrity of the membership.

At this time Ms. Dovi communicated comments to the Committee from an Administrative employee at TC3:

"What are the concerns related to the meetings? Is it that the room is too small so not everyone can sit at the table? Would it be the time of the day of the meetings? Perhaps there could be a mix of meeting times, such as even months at 5 p.m., odd months at noon. What other suggestions are there to address the problem with participation?"

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Ms. Nunn said it would be good to know why some members are not in attendance. She said there are some instances where unions have opted out yet their numbers have been counted. Ms. DeMarco said there are also municipalities that do not participate.

Ms. Dovi pointed out that the Consortium now has a member municipality that is from Cortland County and they also have union members.

A question was raised as to whether members could attend via conference call. Mr. Locey said he could set up a call through Global Crossings. This will be explored.

Mr. Locey suggested amending the language to read: "All Joint Committee decisions shall be by one-third of the municipal membership and one-third of the union membership". This was accepted as a friendly amendment.

Ms. Drake questioned if members could submit a blanket proxy. Ms. Conger said she didn't think this would be acceptable under Robert's Rules of Order.

It was MOVED by Ms. Shawley, seconded by Ms. Conger, unanimously adopted by voice vote, to approve the amendment: "All Joint Committee decisions shall be by one-third of the municipal membership and one-third of the union membership".

It was MOVED by Ms. Nunn, seconded by Ms. Shawley, to approve the bylaws as amended. A voice vote resulted as follows: Ayes – 25; Noes – 2 (Olivia Hersey, Scott Ochs via proxy to Sharon Dovi). MOTION CARRIED.

Mr. Locey will draft a letter to the State stating this action was taken.

New Business

Ms. Dovi said the TC3 labor representatives would like to have discussion of the bylaws and how the Chairs are elected with consideration being given to holding an annual election. Ms. DeMarco said it is an annual process and labor representatives have met annually to elect the Chair. She doesn't believe this is reflected in the bylaws; however, the Committee could look at that. Ms. Dovi asked when the last election was held. Ms. DeMarco said the annual meeting request will be going out soon for 2014; this year's Chair was elected in December 2012.

Mr. Locey recommended the bylaws be amended to define this process.

Old Business

There was no old business.

Adjournment

The meeting adjourned at 1:30 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk