



Municipalities building a
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125 E. Court Street
Ithaca, NY 14850
604-274-5590
INFO: consortium@twcny.ny.gov
www.tompkinscountyny.gov/hconsortium

AGENDA
Joint Committee on Plan Structure and Design
August 7, 2014 - 1:30 P.M.
Rice Conference Room, Tompkins County Health Department
55 Brown Road, Ithaca, New York

1. Welcome
2. Chair's Report (1:30) Weatherby
3. Approval of June 12 and July 10, 2014 minutes (1:35)
4. Executive Director Report (1:40) Don Barber
5. Consultant Updates: (1:55) Steve Locey
 - a. Update on Recertification Process (draft of communication information)
6. **RESOLUTION:** Recommendation to Add the Standard Platinum Plan Metal Level Option Consistent with the Provisions of the Affordable Care Act (2:00)
7. ProAct Utilization Report (2:30) Ashley Masucci
8. Next Meeting Agenda (2:45)
9. Adjournment

Next Meeting: August 7, 2014 - 1:30 p.m.
(Health Department)



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MINUTES
Greater Tompkins County Municipal Health Insurance Consortium
Joint Committee on Plan Structure and Design
July 10, 2014 – 1:30 p.m.
Rice Conference Room, Health Department

draft

Present:

Municipal Representatives: 9 members

Judy Drake, Town of Ithaca; Michael Murphy, Village of Dryden (arrived at 1:35 p.m.); Brooke Jobin, Anita Fitzpatrick, Tompkins County; Laura Shawley, Town of Danby; Jennifer Case, Town of Dryden; Ruth Hopkins, Town of Lansing; Carissa Parlatto, Town of Ulysses (arrived at 1:35 p.m.); Herb Masser, Town of Enfield; Mack Cook, City of Cortland (excused at 2:25 p.m.)

Municipal Representative via Proxy: 1

Betty Conger, Village of Groton

Union Representatives: 7 members

Scott Weatherby, TC3 Staff Unit CSEA Vice President; John Licitra, Town of Ithaca, DPW – Teamsters; Olivia Hersey, TC3 PAA; Doug Perine; Tompkins County White Collar Unit President; Phil Van Wormer, City of Ithaca Admin Unit; Tim Farrell, City of Ithaca DPW Unit; James Bower, IUOE Local 158, District 832 Bolton Point

Union Representatives via Proxy: 2

Tim Logue, City of Ithaca Executive Unit; Steve Wright, Tompkins County Blue Collar Unit

Others in attendance:

Don Barber, Executive Director; Steve Locey, Locey & Cahill; Margaret Gannon, CSEA Health Benefits Department; Beth Miller and Matthew Losty, Excellus BCBS

Call to Order

Mr. Weatherby, Chair, called the meeting to order at 1:34 p.m.

Chair's Report

Mr. Weatherby reported at the last Board of Directors meeting Judy Drake was elected Chair of the Board of Directors to replace Don Barber who was appointed Executive Director of the Consortium.

He said he received an e-mail regarding a procedural issue and asked whether a resolution can be considered by the Board of Directors if it was defeated by this Committee. Mr. Barber said the Municipal Cooperative Agreement that was signed by all municipalities to form the Consortium contains the framework for how the Consortium operates and there is a section that speaks to this Committee and its charge. It does not say the Committee has veto power over those and the Committee's bylaws mirrors what is stated in the MCA. He quoted the Joint

Committee “has the authority to be “involved in reviewing benefits, investigate created program designs for optimal use and resources, receive quarterly reports...”. Mr. Barber said a recommendation or opinion about a benefit plan being proposed to the Board is appropriate. If this group does not endorse a plan change that is made known to the Board and the Board will have to deal with that information.

Mr. Barber said there is a letter that has been sent that states the Board of Directors will likely see a resolution to adopt the Platinum Plan at its August meeting. This group has two meetings prior to that to provide input into that plan before the Board considers it.

Report from Chair of the Board of Directors

Ms. Drake reported a retreat has been scheduled for September 15th at 5 p.m. More information will be available as it gets closer but she asked that members include this on their calendar and try to attend. She also said at the last meeting the Board reviewed preliminary budget figures and will likely approve the budget at its next meeting with a 5% premium increase. The Board also adopted a Medicare Supplement Plan rate and that is ready to move forward once it is approved by the State. All municipalities have been contacted about participating in flu clinics.

Ms. Drake referred to the minutes from the last meeting and a statement that the Platinum Plan was going to come back to this meeting and asked if it will be discussed today or included on the August agenda.

Mr. Barber clarified that the Board can adopt the budget at its August meeting; however, a meeting was scheduled in September for the primary purpose of adopting a budget. He also said any municipality that wishes to withdraw from the Consortium must do so by October 3rd.

In response to a question about the impact of the Medicare Supplement on the Consortium’s budget Mr. Locey said the rate was developed with the understating it would be commensurate with the expenses that are generated and will have a minimal impact, if any, on the Consortium’s overall budget.

Mrs. Shawley spoke to the Platinum Plan resolution that was considered at the last meeting and said if the wording could have been changed she thinks the result may have been different. She questioned whether union representatives had worked on the language as they indicated they were going to do.

Mr. Weatherby said CSEA reviewed the resolution and has rewritten the resolution. He expects it to be included on the next agenda.

Approval of Minutes

The minutes of the June 12, 2014 meeting were deferred due to lack of quorum; however, when included in the next agenda they will include a correction to Mr. Vanwormer’s affiliation and a clarification to a statement made by Mr. Locey in the Chair’s report.

Consultant’s Report

Mr. Locey distributed and reviewed information from EBS-RMSCO containing their most recent proposals for Flex Spending Accounts and an Employee Assistance program and said they are still working on bringing the quotes down. He hopes to have a plan that would be

based on large group employers that would apply to small groups. The goal is to have this in place by the Fall that would be effective January 1, 2015.

Ms. Jobin said Tompkins County would be interested in the different pricing rates that include the debit card option as well for individuals who are submitting paper or scanned claims through the website.

Health Management Report (Excellus Utilization)

Mr. Losty reviewed the report ending December 31, 2013, noting the following information:

During the review the following points were noted in changes from 2012:

- The average number of contracts was 2,285 in 2012 (+14%). This is due in large part to the addition of the City of Cortland and the Town of Lansing;
- The average number of members was 5,089 (+14%);
- The plan cost was up 19%;
- The member cost was up 29%;
- The total cost was up 17%;
- The cost per contract per year was up 4%;
- The plan cost per member per month was up by 4%;
- The total cost per member per year was up 2%; and
- The information includes medical costs and not prescription drug information;

The Consortium vs. a comparison population showed a plan cost per contract per year being 24% higher with a member percentage cost share being lower. The average age of all members was older than the comparison population of 37.3 which can lead to higher plan costs.

- Inpatient claims increased by 17%;
- Outpatient claims increased by 17% and were 50% higher than the comparison population. A majority of this increase was due to three individuals receiving chemotherapy treatment. Removing those would result in the outpatient claims being 30% higher than the comparison population;
- Physician claims increased by 21%;
- Other claims increased by 22%. This includes things such as ambulance claims, lab work, and durable medical supplies; and
- 97.4% of claims were with participating providers (network savings was 40%);

Mr. Losty reviewed cost distributions and noted the following:

- Percent of members with a plan cost of greater than \$25,000 was 140 members = 3% (comparison population was 2%) and makes up for 41% of the claims. In 2012 there were 96 individuals in this category. Although there was an increase in the frequency of those claimants there was not too much of an increase in the percentage of overall claims;
- Average age of members with plan costs greater than \$25,000 was 52.2 and 52% were female;
- 12% of the members had \$0 costs. This was higher than the comparison population and likely means many are getting annual exams and taking steps to prevent claims; and

- The number of claimants with plan costs greater than \$100,000 was 21 compared to 16 in the prior year;

Mr. Losty reviewed the top ten diagnosis and plan costs; four of those are active and were forecasted to exceed claims this year of \$50,000.

- Inpatient admissions increased by 4 (and increase of 5% and 18% higher than comparison population);
- Average length of stay was 4.5 days (21% decrease and 8% lower than the comparison population);
- Physician office visits were 4,095 (7% increase);
- Emergency room visits was 208 (13% decrease and 9% higher than comparison population); and
- The average total cost for emergency room visits was \$1,566; the average total cost for a physician office visit was \$124.

Mr. Losty reviewed the most frequent emergency room diagnosis and stated while there was a 13% decrease in emergency room visits there was a 37% decrease in potentially avoidable visits which is 14% lower than the comparison population. This indicates the emergency room is being used properly. The number of potentially avoidable emergency room visits was 158 with a total potential savings of \$227,907.

Mr. Cook was excused at this time.

There was discussion of urgent care use versus emergency room use. It was noted that there is a significant cost difference between the two and it would warrant further discussion and education to members about their choices and what the possible benefits are to using urgent care centers instead of the emergency room. Ms. Miller said she has information on this and would to see flyers or additional information she would be happy to provide it.

Mr. Locey asked to see a report from 2012 versus 2013 on the list of providers that provide urgent care because there were a couple of new urgent care centers that opened.

Mr. Murphy questioned what studies have been done with regard the to the cost benefit of wellness programs. He was informed the Consortium has a wellness committee (Owning Your Own Health Committee) that is actively working on this and information can be provided to him. Mr. Barber said the Committee meets monthly and welcomed anyone else to attend. He said there are some recommendations coming out of this discussion and he is in a position to move initiatives forward. One thing he will be working on as the Executive Director is developing a newsletter and these are the kinds of things that can be included. Mr. Murphy will be added to the distribution list for that Committee.

Mr. Perine questioned that since it appears that avoiding usage of an emergency room would cause an overall savings to the plan and copays for individuals why couldn't there be an educational push to people who are in the plan. He said he wasn't aware of the cost difference and if employees had this information it may impact their decisions.

Ms. Miller will bring information to the next meeting. Mr. Locey suggested including information in the open enrollment packet.

Report on Bio-Metrix Screening Pilot

Mr. Barber reported pilot programs have begun in the City of Cortland and the City of Ithaca. Both a pre- and post- survey was developed and will be completed by participants. The results will not be known for approximately a month because it is a six-week program. A report will be provided to the Owning Your Own Health Committee and to the Board of Directors. He extended an offer to report to this Committee as well.

New Business

There was no new business.

Old Business

There was no old business.

Next Meeting

The next meeting will be August 7th.

Adjournment

The meeting adjourned at 3:04 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk

RESOLUTION NO. - RECOMMENDATION TO ADD THE STANDARD PLATINUM PLAN METAL LEVEL OPTION CONSISTENT WITH THE PROVISIONS OF THE AFFORDABLE CARE ACT

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium is a self-insured municipal cooperative health benefit plan operation pursuant to Article 47 of the New York State Health Insurance Law, and

WHEREAS, the Municipal Cooperative Agreement of the Greater Tompkins County Municipal Health Insurance Consortium authorized the creation of the Joint Committee on Plan Structure and Design, a joint labor and management committee, and

WHEREAS, the Joint Committee on Plan Structure and Design's principle function is to review and provide guidance to the Consortium Board of Directors on matters concerning the benefit plans offered by the Consortium to the Participating Municipalities, and

WHEREAS, the Joint Committee on Plan Structure and Design has reviewed the standard benefit plan option consistent with the **Platinum Plan Level as defined by the Affordable Care Act, and**

WHEREAS, the addition of the **Platinum Plan Level Plan** will not diminish, alter, or eliminate any current medical or prescription drug plan offered by the Consortium nor will the addition of such plan supersede or preempt the collective bargaining rights of any labor organization associated with the Participating Municipality within the Consortium, and

WHEREAS, "The addition of such plan shall be in addition to and not in lieu of other plans currently available and offered to participants by the Greater Tompkins County Municipal Health Insurance Consortium"

RESOLVED, the Joint Committee on Plan Structure and Design, hereby recommends, **by virtue of a vote of yes to no**, to the Greater Tompkins Municipal Health Insurance Consortium Board of Directors that one standard plan design be made available at the Platinum Metal Level as defined by the Affordable Care Act, hereinafter referred to as the "Platinum Plan," **Such addition of this plan shall not diminish the availability of the current plans offered by the Greater Tompkins County Municipal Health insurance Consortium unless negotiated with the individual bargaining units.**

RESOLVED, further, that the Platinum Plan will have an Actuarial Value as defined by the Affordable Care Act equal to an overall plan benefits for the average participant of 90%,

RESOLVED, further, that the rating and underwriting department at Excellus BlueCross BlueShield or and independent actuarial firm will certify the Actuarial Value of the aforementioned plan prior to its approval by the Board of Directors of the Greater Tompkins County Municipal Health Insurance Consortium,

RESOLVED, further, that the aforementioned plan design is recommended for the inclusion in the Greater Tompkins Municipal Health Insurance Consortium's available plan menu to be effective as soon as practicable.

Submitted by CSEA



Tompkins County Department of Administration

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Ithaca, NY 14850
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Fax: (607) 274-5558

COUNTY ADMINISTRATOR
Joe Mareane
DEPUTY COUNTY ADMINISTRATOR
Paula E. F. Younger

"Promoting excellence in County operations while respecting the needs of the people we serve."

July 8, 2014

Mr. Scott Weatherby, Chair
Joint Committee on Plan Structure and Design
Greater Tompkins County Municipal Insurance Consortium
125 East Court Street
Ithaca, NY 14850

Dear Mr. Weatherby,

Please be advised that Tompkins County has asked the Chair of the Greater Tompkins County Municipal Insurance Consortium to include a resolution on the August 28, 2014 Board of Directors agenda that will authorize the addition of the benefits plan known as the GTCMHIC Standard Platinum Plan (the "Platinum Plan") to the several plans currently offered by the Consortium.

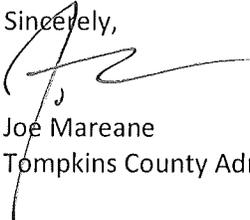
Tompkins County desires to have the Platinum Plan included among the health benefit plan options available for consideration by management and union leadership as a part of our 2015 contract negotiations.

With this formal notification of a requested addition to the plan options offered by the Consortium, Section K-2 of the Municipal Cooperation Agreement states that the Joint Committee on Plan Structure and Design "shall review all prospective Board actions in connection with the benefit structure and design of the Plan(s), and shall develop findings and recommendations with respect to such matters. The Chair of the Joint Committee shall report such findings and recommendations to the Board at any regular or special meeting of the Board."

All parties in our labor negotiations share an interest in reaching mutually agreeable contract settlements well before the end of this year, when our largest labor contracts expire. Accordingly, we have asked the Board to act on the request to authorize the Platinum Plan at its August 28th meeting.

Your assistance and cooperation in bringing this matter to the Joint Committee and preparing findings and recommendations to the Board at its August 28th meeting is greatly appreciated.

Sincerely,



Joe Mareane
Tompkins County Administrator

Cc: Judy Drake, Chair, GTCMHIC
Anita Fitzpatrick, Tompkins County Personnel Commissioner



TOWN OF ITHACA
215 N. Tioga Street, Ithaca, N.Y. 14850
www.town.ithaca.ny.us

TOWN CLERK, ACCOUNTING & HUMAN RESOURCES 273-1721 PLANNING 273-1747 CODE ENFORCEMENT 273-1783
PUBLIC WORKS FACILITY (Roads, Parks, Trails, Water, Sewer & Engineering) 273-1656
FAX (607) 273-1704 or (607) 273-5854

July 21, 2014

Board of Directors
Greater Tompkins County Municipal Health Insurance Consortium
125 East Court Street
Ithaca, NY 14850

Dear Board of Directors;

Thank you for adding the Medicare Supplement plan to the plan offering menu of the Consortium. Our Retiree group has expressed sincere gratitude for this plan option being made available to them.

I have been directed by the Town of Ithaca's Personnel and Organization Committee to send a letter requesting that the standard Platinum Plan being discussed by the Joint Committee on Plan Structure and Design be included as a plan option by the Consortium. The Town of Ithaca would be interested in offering the Platinum Plan as an additional plan option available to the employees as we currently only offer a PPO plan.

Additionally, the Town of Ithaca would also support the Consortium reviewing and considering additional metal plans such as Gold, Silver and Bronze plans.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Judith C Drake".

Judith C Drake, PHR
Human Resources Manager

Cc: Scott Weatherby, Chair, Joint Committee on Plan Structure and Design
Don Barber, Executive Director

To the Board of Directors of the Greater Tompkins County Health Insurance Consortium,

July 10, 2014

As the City of Cortland's designated representative to the Consortium's Board of Director I am respectfully requesting that not only a resolution authorizing the addition of a "Platinum Option" be considered at the August meeting but also that an appropriate resolution be put forth authorizing the creation of a "Silver Option" and a "Bronze Option".

The City's request is motivated **solely** by the need of the Consortium to remain relevant to both local government employers and their employees and retirees. **The City's request should in no way be connected to, or associated with, the City's current or future relationship with its employees and retirees. Such is beyond the parameters of this request.**

The City's position is that to remain relevant to its constituent groups, the Consortium must position itself in the market place as being able to offer quality and cost effective insurance plan options. An integral component of relevancy will be the premium cost to both the employer and employee or retiree. In addition to proactive wellness programs and administrative cost containment, an effective method to manage that cost will be the creation of additional insurance plans available at varying price points. Whether any employer and its employees or retirees avail themselves of any or all such optional plans within the Consortium's portfolio is beyond the scope of the Consortium's mission. **The City of Cortland takes no position in this regards.**

Respectfully submitted for consideration,

Mack Cook

City of Cortland