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Board of Directors

April 24, 2014

5:30 p.m.

Scott Heyman Conference Room

Approved 6-26-2014

Municipal Representatives: 11

Don Barber, Chair; Rordan Hart, Village of Trumansburg; Mack Cook, City of Cortland; Kathy Miller, Town of Lansing; Peter Salton Village of Cayuga Heights (arrived at 6:15 p.m.); Laura Shawley, Town of Danby (arrived at 5:40 p.m.); Charles Rankin, Village of Groton; Anita Fitzpatrick, Tompkins County; Judy Drake Town of Ithaca; Michael Murphy, Village of Dryden (excused at 6:45 p.m.); Steve Thayer, City of Ithaca (excused at 7:04 p.m.)

Voting Union Representatives: 1

Olivia Hersey, Joint Committee on Plan Structure and Design (alt.)

Excused: 5

Mary Ann Sumner, Town of Dryden; Richard Goldman, Town of Ulysses; Doug Perine, CSEA White Collar; Herb Masser, Town of Enfield, Glenn Morey, Town of Groton

Others in attendance:

Steve Locey, Locey & Cahill; Joe Mareane, Tompkins County Administrator; Rick Snyder, Tompkins County Finance Director; Ashley Ahmadipour, ProAct; Nancy Zahler, Ulysses Town Board

Call to Order

The meeting was called to order at 5:30 p.m. by Mr. Barber, Chair.

Approval of Minutes – February 27, 2014

It was MOVED by Ms. Drake, seconded by Ms. Hersey, and unanimously adopted by voice vote by members present, to approve the minutes of February 27, 2014 as submitted. MINUTES APPROVED.

Changes to the Agenda

There were no changes to the agenda.

Chair's Report

Mr. Barber reminded members that municipalities need to approve the amendment to the Municipal Cooperative Agreement. The change will not take effect until all municipalities have approved the resolution. He reported a date for the retreat has not set and this will continue to be worked on.

Mr. Barber made the following announcement:

“Although many of you are already aware I wanted the Board to know that I have applied for the position of Executive Director for the Consortium. I have made every effort to keep my actions on this matter at arms-length throughout the process but with interviews coming up in the next few weeks I feel there is no way to keep an arms-length while serving on this Board. Effective May 6th at the next Town of Caroline Board meeting I will be submitting my resignation as the Town of Caroline representative to the Consortium Board”.

He said he has informed the Executive Committee of this. Mr. Hart asked if Mr. Barber were not selected for the position of Executive Director if he would consider rejoining the Consortium Board and Mr. Barber said he would. Mr. Barber said he envisions the Executive Director making it a lot easier for the Executive Committee and the Board to do their job because there has been no help up to this point. It is also an opportunity for the Board's decisions and initiatives to be carried out. He is hoping the Executive Director will help to educate the Board more on its role with the business and to help people transition to the executive offices.

Financial Report from Locey and Cahill

Financial Update

Mr. Locey distributed 2014 budget performance analysis information and said the information has now been transferred to Quickbooks and is on an accrual basis. For the first three months of 2014 the Consortium is little under 2% of budget on total revenue which is due to changes in benefit levels and contract count.

Ms. Shawley arrived at this time.

Mr. Locey said on the expense side that during the first three months of 2014 Blue Cross Blue Shield was holding claims because they were doing system updates. Because they were not releasing claims payments to providers they were not billing the Consortium. They caught up with those payments in April; therefore, the actual figures for the first quarter were skewed. The staff at Blue Cross Blue Shield went through and estimated what the true value of the claims would have been paid in the first three months and returned a figure of \$3.6 million and this was added to the medical paid claims to provide a figure for what the Consortium's first quarter results would have been. With that adjustment the Consortium is 2.7% below budget on claims and 3.5% below budget on overall expense. As a result the budget is showing a net income of \$1.2 million for the first quarter of 2014. If this trend continues the Consortium will be in a good place for a moderate premium increase for 2015.

One item that was listed on the profit-loss statement that there was not a separate line item in the budget for was accounting fees. This was included as an expense and a budget line will be added for this in 2015.

In terms of efficiency, the Consortium is at \$.93 of each dollar going towards expenditures to pay for claims. This means only \$.07 of each dollar is going towards everything else including administrative fees, Stop Loss insurance, taxes and fees, and ancillary benefits.

Mr. Murphy asked how much the Executive Director position would impact the Consortium's expense budget. Mr. Locey said it will have a very little difference in terms of the Consortium's overall budget.

Mr. Locey reported on the Consortium's year-end financial filing and stated it was submitted this week to the State. The next report is due by May 15th. In terms of the year-end result he stated the unassigned fund balance was increased by \$3.2 million last year to over

\$4.7 million this year. At the same time the Consortium reimbursed municipalities for the initial investment that was made. For the next Finance Committee meeting they will be taking each year's actual results and prepare it on a per contract and per covered life basis to provide a weighted look at the information and to show what the true trend looks like.

Mr. Barber said within the last couple of days information was sent out about the appeals process and asked Mr. Locey to speak to this. Mr. Locey explained under Article 47 of the New York State Insurance Law the Consortium is supposed to be treated like a not-for-profit company. All of Locey and Cahill's other clients have to comply with Article 49 which is the external appeals process through the New York State Department of Financial Services. There were two individuals who received an adverse determination from Blue Cross Blue Shield. They went through their internal appeals process and received a final adverse determination; however, there was confusion at that point as to whether they could go to the State. The members in both cases called New York State and were advised that the Consortium is a self-insured entity and they would need to go back to the Consortium for an appeal. He said this information was incorrect and it took some time for the State to change its original position and acknowledge after being given direction by an attorney at the State level that they can be receiving the appeals.

Mr. Locey said information was distributed to Board members explaining the appeals process along with the confirmation by the State attorney that the procedure should be followed. He expects from this point moving forward that ProAct and Excellus will include the process for the State's external appeal process when they send a final denial to an individual. Once an appeal goes to through the external appeals process at the State it will not come back to the Consortium. The Consortium still has an Appeals Committee but its only purpose is to make a determination of whether something that was not covered should have been.

Mr. Murphy referred to the information circulated to Board members and referenced the following language: "Failure to make a determination within the time period required by Article 49 of New York State Insurance Department law will be deemed to be an adverse determination" and stated he cannot find a reference to the time period the State needs to respond when someone files an appeal before an adverse determination is made". Mr. Locey said he will look into this further and will provide clarification to the Board.

Report from the Audit Committee

Mr. Thayer, Chair, reported the Committee is putting forth resolutions this evening as part of the recommendations of the New York State Department of Financial Services.

RESOLUTION NO. 003-2014 - ADOPTION OF CONSORTIUM PROCUREMENT POLICY AND REQUEST FOR PROPOSAL GUIDELINES

MOVED by Mr. Thayer, seconded by Ms. Drake, and unanimously adopted by voice vote by members present.

WHEREAS, the New York State Department of Financial Services has recommended the Consortium develop a policy for the purpose of establishing guidelines for the procurement of goods and services by the Consortium involving an expenditure of funds, and

WHEREAS, a policy was developed and reviewed by the Audit Committee that addresses the procurement of goods and services with additional guidelines for the development of requests for proposals, now therefore be it

RESOLVED, on recommendation of the Audit Committee, That the Board of Directors hereby adopts the attached Greater Tompkins County Municipal Health Insurance Consortium's Procurement Policy,

RESOLVED, further, That the Policy shall become effective immediately upon adoption by the Board of Directors.

Greater Tompkins County Municipal Health Insurance Consortium

PROCUREMENT POLICY

All procurements made by the Greater Tompkins County Municipal Health Insurance Consortium involving the expenditure of the Consortium funds will be made in accordance with the following procurement standards.

Purchases will be reviewed by the Consortium Treasurer to prevent duplication and to ensure that costs are reasonable.

I. METHODS FOR PROCUREMENT

Procurements shall be made using one of the following methods:

A. Verbal or Written Quotations

Purchases which cost between \$1.00 and \$499.99 may be made by authorized purchasers using the purchaser's best discretion with expense(s) to be directly paid or reimbursed by the Consortium upon receipt of a valid proof of purchase (i.e. receipt or invoice). Efforts will be made to get the lowest and best price, but written documentation is not required.

Purchases which cost between \$500.00 and \$2,999.99 require three verbal (telephone) quotes. A memorandum shall be prepared detailing the date of contact, company name, contact person, pricing, and delivery terms. Purchaser shall make every attempt to ensure fair and competitive pricing.

Purchases of supplies, equipment, and professional services between \$3,000.00 and \$20,000.00 require written quotations. Reasonable attempts shall be made to obtain a minimum of three responses. Documentation detailing such attempts shall be prepared and filed with the paid bill file.

B. Bids or Request for Proposals

Bids will be sought for purchases of goods or equipment that exceed \$20,000. Detailed specifications will be developed for approval by the Consortium prior to posting on the appropriate website(s). Bids shall be awarded to the lowest responsible bidder(s) meeting all specifications with acceptable deviations. Bids shall be awarded by the Board of Directors.

Request for Proposals shall be sought when the cost for services is expected to exceed \$20,000. Specifications shall be developed and approved by the Consortium prior to posting on the appropriate website(s). As a general rule, Request for Proposals shall be posted on the appropriate website(s) for a minimum of twenty-one days. The Board of Directors shall authorize the award and contract for the requested service(s).

Request for Proposal specifications shall detail the following:

- Scope of Services
- Evaluation Criteria
- Project Schedule
- Contract Term

Contract shall be awarded to the offerer that submits the proposal determined to be in the best interest of the Consortium once proposals have been reviewed and, if needed, negotiated. Written evaluations of each response must be provided.

The Consortium reserves the right to reject all proposals, to negotiate with an offerer, and to solicit new Request for Proposals if determined to be in the best interest of the Consortium.

II. CONTRACTS

Generally, all procurement involving services will require a written description of the service or, when applicable, a written contract.

A contract for professional services shall be for up to three years with the option to renew for an additional two years.

All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract for cause. All contracts shall contain a cancellation clause which allows the Consortium to cancel any contract without cause with either a 30 or 60 day notice.

All contracts shall contain indemnification and hold harmless language and shall state required insurance coverage as deemed sufficient and appropriate by the Board of Directors.

III. DOCUMENTATION

Supporting documentation for purchases that do not require bidding or seeking proposals shall be retained and filed by the Consortium Treasurer or designee.

All bid and proposal responses shall be filed and maintained in accordance with the New York State Records Retention laws, in the Tompkins County Finance Department, Purchasing Division.

IV. ADDITIONAL GUIDELINES FOR RFP DEVELOPMENT (SEE ATTACHED)

Please see the following page for additional guidelines for writing an RFP.

GUIDELINES FOR WRITING AN RFP

Include Rules for Submitting a Proposal – The rules for submitting a proposal (instructions) must be included in the specifications. Respondents will need to know who, where, and how (format) to submit their response.

Make it a Performance Specification – Describe the performance desired rather than specifying the exact goods or services that are required. For example, a janitorial contract for providing a “clean work environment” should outline the program goals and ask for the qualifications of the Respondent’s personnel rather than telling them the number of people needed to perform the work, their required qualifications, or the number of times they must perform certain tasks.

- *Keep it Non-Proprietary* – Do not specify the service so narrowly that it fits only one provider.
- *Disclose the Contract Term* – In the Statement of Work explain the term of the contract.
- *Disclose Award Criteria & Weights* – Disclose the criteria that will be used to evaluate the proposals and the weight that will be given to each criterion. This lets the Respondents know what is important and how their proposals will be judged.
- *Require Only What Will be Evaluated* – Do not ask for information that will not be considered in making the award and that will contain a cost to the Respondent to provide (such as financial statements). The Respondents will pass along that cost to you in their proposals so ultimately you would pay for something you did not intend to use.
- *Do Not Over Specify* – Do not ask for services that are not necessary. If you are not willing to pay for additional services, do not include them in the specifications unless you include them as “options”. To avoid the appearance of an arbitrary award, identify the priority of options that will be selected if funds are available. For example: “within budgetary limits, options will be awarded in the following priority: A, B, C, and F.”
- *Hold a Pre-Solicitation Conference if Necessary* – A pre-solicitation conference may be necessary to give Respondents a chance to clarify the specifications and propose changes or corrections to them.

Checklist for Developing RFPs

- Meet and discuss the end-user’s needs before and during development of the RFP.
- Establish the award criteria and include it in the RFP.
- Explain award criteria and how to evaluate the proposals that are received.

- Set up the scoring method and evaluation team before mailing the RFP.
- Determine if you will hold a Pre-Solicitation Conference.
- Determine the contract term and any options for extension.
- Establish a timeline for the RFP to include, at a minimum, the following:
 - Release Date
 - Ending Date for Questions
 - Pre-Solicitation Conference Date, Location and Time
 - Due Date
 - Award Date
 - Contract Commencement

* * * * *

**RESOLUTION NO. 004-2014 – AMENDMENT OF CONSORTIUM BUDGET TO CREATE EXPENSE
CATEGORY FOR MEDICAL CLAIMS AUDIT AND CHARGE TO AUDIT
COMMITTEE TO SELECT FIRM TO PERFORM AUDIT**

MOVED by Mr. Thayer, seconded by Ms. Shawley.

Mr. Thayer said the search has been narrowed and interviews will be scheduled with those responders. The prescription claims audit will be performed at a later date.

The resolution was unanimously adopted by voice vote by members present.

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, being a self-insured medical plan the Consortium is responsible for the payment of claims as adjudicated by the Third Party Administrator, currently Excellus Blue Cross Blue Shield, and

WHEREAS the total medical claims budget for the 2014 fiscal year is approximately \$23 million, and

WHEREAS the Board of Directors believes that it is part of their fiduciary responsibility to conduct periodic medical claims audits to ensure the medical claims are paid by Excellus are in accordance with the benefit plan documents, Federal and State Laws, Rules, and Regulations, and industry standard practices, and

WHEREAS, the New York State Department of Financial Services, during its most recent audit recommended that the Consortium conduct periodic medical claims audits, now therefore be it

RESOLVED, That the Board of Directors authorizes the expenditure of no more than \$60,000 in the 2014 Fiscal Year Budget for the hiring of a qualified professional medical claims audit firm,

RESOLVED, further, That the Board of Directors charges the Audit Committee with making a recommendation to select a qualified professional firm to perform medical claims auditing services for the Consortium during the 2014 Fiscal Year,

RESOLVED, further, That the Chair of the Board of Directors is hereby authorized to sign a contract on behalf of the Consortium with the selected medical claims audit firm.

* * * * *

RESOLUTION NO. 005-2015 – APPROVAL TO PROCEED WITH CERTIFICATION PROCESS FOR NEW EMPLOYEES

MOVED by Mr. Thayer, seconded by Ms. Drake.

Mr. Barber said there was discussion about this at the last meeting and that the Joint Committee on Plan Structure and Design has had an opportunity to review this. Mr. Locey said starting May 1st all new hires will follow this uniformly to ensure everyone is using the same documentation. Existing employees will complete the documents next year by a date yet to be determined.

A request was made to add “domestic partner” to the marital status section on page one.

Mr. Salton arrived at this time.

Ms. Drake said Beth Miller of Excellus is working with municipalities to help guide health insurance clerks through the process and to answer questions about the forms. .

The resolution was unanimously adopted by voice vote by members present.

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

WHEREAS, the Audit Committee has evaluated membership and billing procedures for the Consortium to ensure all participating municipalities were enrolling members on a consistent and uniform basis, and

WHEREAS, the Audit Committee has developed the attached membership forms and guidelines, and

WHEREAS, these and guidelines are to be used for new hires and the addition of any new members, including dependents and spouses, as of May 1, 2014 with the intent to be used as the foundation of a full recertification process, and

WHEREAS, the Audit Committee will continue to discuss and develop a process to implement the recertification process and will make recommendations to the Board of Directors, now therefore be it

RESOLVED, on recommendation of the Audit Committee, That the Board of Directors hereby approves the new forms and guidelines for the enrollment of any new members of the Consortium.

* * * * *

Report from the Joint Committee on Plan Structure and Design

RESOLUTION NO. 006-2014 – AUTHORIZATION FOR CONSULTANT TO WORK WITH PROACT AND THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES TO DEVELOP A UNIQUE PRESCRIPTION DRUG PLAN DESIGN FOR THE CITY OF ITHACA

MOVED by Mrs. Shawley, seconded by Ms. Hersey.

Mr. Locey said this mirrors the City's contract in terms of expiration date; the City will need to negotiate a new contract for January 1, 2016. If they cannot amend the language to conform with the rest of the Consortium they will need to bring it back to the Consortium for approval at that time. This represents setting up a unique plan for approximately 60 individuals and can and will be done but it is not an ideal situation. He said having multiple formularies complicates things such as rate-setting, administrative processes, customer service, benefit plan design, and other issues. The more areas where there can be consistency will be better for the Consortium in the long-run. Once the plan is approved by the State the Consortium can renew it at any time in the future; the sunset provision was included for the purposes of reexamining this at a later date.

Mr. Barber said he received an inquiry from the Town of Dryden as to whether the definition of what is included in Tier II drugs makes sense. Ms. Ahmadipour said it does because what is in Tier II is not set based on any uniform reason. There are a lot of different factors that go into it. She noted the ProAct formulary changes at a minimum on a quarterly basis and is designed with a goal to bring the most rebates to the clients and to make sure members are incentivized to use the drugs that are the most effective and this is not always cost driven.

The resolution was unanimously adopted by voice vote by members present.

WHEREAS, the City of Ithaca is a participating municipality within the Greater Tompkins County Municipal Health Insurance Consortium ("Consortium"), and

WHEREAS, the Consortium's existing prescription benefit plan as administered by ProAct includes a three-tier prescription drug formulary plan which defines the tiers of medication as follows:

Tier One drugs are typically generics and have the lowest copayment amount;

Tier Two drugs are brand drugs that have unique, significant clinical advantages and offer overall greater value over the other products in the same drug class;

Tier Three drugs are all other brand drugs, including new brand drugs and drugs that have generic equivalents. Tier Three drugs have the highest copayment amount;

and

WHEREAS, the City of Ithaca's current collective bargaining agreement with the Ithaca Professional Fire Fighters Association, IAFF Local 737 includes a different 3-Tier Formulary definition:

"Effective January 1, 2012, employees covered by this Agreement will be responsible for paying a prescription drug co-payment of \$5.00 for generic brand drugs, \$15.00 for name brand drugs

with no generic equivalent, and \$30.00 for name brand drugs with a generic equivalent. Under this co-payment each prescription may be filled for up to a three (3) month supply. This co-payment is not reimbursable through any section of the health insurance program.”, and

WHEREAS, the Honorable Svante Myrick, City of Ithaca Mayor, has requested the Consortium develop a unique plan design for the Ithaca Professional Fire Fighters Association, IAFF Local 737 Ithaca which would comply with the Association’s collective bargaining agreement with the City which is set to expire on December 31, 2015, and

WHEREAS, it has been determined by ProAct and the Consortium’s Consultant that such a plan design can be administered by ProAct, and

WHEREAS the Consortium’s Consultant will develop a unique premium equivalent rate for the specific plan design being requested by the City of Ithaca, and

WHEREAS, this unique plan design is intended to only be offered to this particular unit and will not be available to any other participating municipality within the Consortium, and

WHEREAS, the Joint Committee on Plan Structure and Design has reviewed this situation and has unanimously approved a recommendation to the Board of Directors to develop the unique plan design for the Ithaca Professional Fire Fighters Association, IAFF Local 737 in accordance with the collective bargaining agreement with the City through December 31, 2015, now therefore be it

RESOLVED, upon the recommendation of the Joint Committee on Plan Structure and Design, the Board of Directors hereby authorizes the Consortium’s Consultant to work with ProAct to develop the unique medical plan design described in the Ithaca Professional Fire Fighters Association, IAFF Local 737 collective bargaining agreement with the City of Ithaca for submission to the New York State Department of Financial Services for the Department’s consideration and approval,

RESOLVED, further, That the agreement shall become effective as soon as practicable upon approval by the Department of Financial Services through December 31, 2015.

RESOLUTION NO. 007-2014 – APPROVAL OF MEDICARE SUPPLEMENT BENEFIT PLAN

MOVED by Mrs. Shawley, seconded by Mr. Cook.

Mr. Locey said this plan mirrors Medicare Supplement Plan F which was created by the New York State Department of Financial Services with prescription drug riders.

Mr. Murphy asked what the fee is and whether it is being subsidized. Mr. Locey said the Plan was priced around \$200 for the medical portion; the prescription drug riders have been priced at 2.6 times the individual rate for the same drug classifications in terms of benefit. It is substantially more than members are currently paying for the drug portion and slightly less for the medical portion. In aggregate it came out slightly below what most people are paying for active coverage on a medical carve-out today. There are several drug options that can be chosen from. Mr. Locey said there needs to be discussion of how this is going to be offered. By this resolution the Board is being asked for permission to submit a plan to the State for approval in order for the Consortium to make this an offering but there needs to be further discussion of how this will be offered with issues such as will it be offered during each enrollment period, Mr.

Locey said it is rated so that it will be self-sustaining as much as possible and should not be subsidized by other members. The rate will need to be adopted at a future meeting.

Mr. Mareane asked if this is an Excellus product. Mr. Locey said this is not an Excellus product. Medicare Supplement Plan F is defined by the State; there is no difference in these plan designs as they have to follow statute. The only variance is in rate; therefore, this is the Consortium's plan but is being administered by Excellus. Mr. Locey said the Consortium does not need to issue a request for proposals for this. It will be up to municipalities to tell the Consortium if they would like to offer the plan and which drug rider they wish to choose. The option of whether retirees can go with this plan or stay on the active plan remains a decision of each municipality.

It was MOVED by Ms. Drake, seconded by Mr. Salton, to amend the resolution by changing "the effective date being January 1, 2015" to "the effective date being no later than January 1, 2015".

Mr. Locey said an employer can offer the Medicare Supplement without the drug coverage.

The resolution was unanimously adopted by voice vote by members present.

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

WHEREAS, the Joint Committee on Plan Structure and Design received a request to analyze the feasibility of adding a Medicare Supplement Plan to the Consortium's plan options, and

WHEREAS, the Joint Committee on Plan Structure and Design, upon investigation, discussion, and analysis, has unanimously recommended the addition of the attached Medicare Supplement to the Consortium's plan offerings, now therefore be it

RESOLVED, That the Board of Directors hereby approves the attached Medicare Supplement Plan to be offered by the Consortium, upon submission and approval by the New York State Department of Financial Services,

RESOLVED, further, That upon approval by the State, the Plan will be made available to the participating municipalities for consideration during the Fall of 2014 with the effective date being no later than January 1, 2015.

* * * * *

Mr. Murphy was excused at this time.

Report from Owning Your Own Health Committee

Mr. Barber reminded members that at the last meeting the Board approved sponsoring a flu clinic. A plan needs to be established by July and this is something he hopes the Executive Director will work with ProAct on.

RESOLUTION NO. 008-2014 – AUTHORIZING THE EXECUTIVE COMMITTEE TO NEGOTIATE CONTRACTS WITH IGNITE HEALTH AND INTRACTIVE HEALTH SOLUTIONS (BLUE4U) TO CONDUCT PILOT WELLNESS SCREENING PROGRAMS

MOVED by Mr. Barber, seconded by Ms. Shawley.

Mr. Barber said the Committee has spent time learning about two health screening programs of which both are very different in terms of patient contact and experience levels. Both companies are willing to conduct pilot programs for the Consortium at no cost. To avoid confusion the Committee believes it is best to run the programs through different employers with approximately 30 employees. The Committee will be developing a questionnaire to assess how the patients found their interaction with the pilot programs. He has provided information to the Board on the experiences of other employers and said where these programs have been offered there have been approximately 35% of the employees voluntarily participate in the program and there has been a reduction in claims of approximately 7% over a 2½ year time period.

Mr. Cook said he believes it is important in the long-term and this may be the Consortium's best defense against rising costs. The challenge that that will exist if the Consortium moves forward with this type of program will be in developing at the employer level an implementation plan that includes an effective incentive program.

Mr. Barber said the purpose of the pilot program is to determine customer satisfaction. Mr. Mareane said if the Board is going to implement this type of program there should be a rigorous evaluation of how well it has worked after a reasonable amount of time. Mr. Barber agreed and said it is possible for the Interactive Health Solutions programs to be assessed by a third party to see how much savings have resulted and what the claims changes have been over the course of the program. He said in addition to saving money the goal of running this type of program is to keep employees healthy and keep them from moving from medium to high risk and to let those know who are in a high risk category before they end up in a hospital.

Mr. Thayer was excused at this time.

The resolution was adopted unanimously by voice vote by members present.

Whereas, third parties have found that the return on investment of individual customized wellness screening and coaching programs run about 7% after 2-1/2 years with voluntary participation at 1/3 of the total covered lives, and

Whereas, the Owing Your Own Health (OYOH) Committee has reviewed several different wellness programs and has found that individual customized wellness screening and coaching programs seem to have the most success in municipal environments, and

Whereas, the OYOH Committee has interviewed Ignitehealth and Interactive Health Solutions (Blue4U) and both firms offer the program structures that are customized to the individual wellness needs, and

Whereas, these two programs have very different styles for interacting with the enrolled employee that the OYOH Committee feels can best be sorted out by running head to head pilot programs, and

Whereas the cost of running a 6-week pilot with approximately 30 employees with InteractiveHealth is at no charge and the cost for running a similar sample size with IgniteHealth also at no cost, and participation in either of these pilot programs does not commit the Consortium to further funding, now therefore be it

RESOLVED, That the GTCMHIC Board of Directors authorizes the Executive Committee to negotiate contracts with both Ignitehealth and Interactive Health Solutions (Blue4U) to conduct pilot programs beginning on or about June 1, 2014 and run for six weeks,

RESOLVED, further, That the City of Cortland, with the help of Interactive Health Solutions, will introduce the program to the employees and identify ~30 volunteers to participate and the City of Ithaca with the help of Ignitehealth will introduce the program to the employees and identify approximately 30 volunteers to participate,

RESOLVED, further, That the OYOH Committee will develop a questionnaire to be completed by all volunteers to describe their interactions and satisfaction with the wellness program they used,

RESOLVED, further, That the OYOH Committee will share with the Board of Directors the results of this head on head comparison and make a recommendation to the Board as to next steps.

* * * * *

Report from the Finance Committee

Mr. Barber, Chair, reported the Committee reviewed the financial report and discussed plan design. The Committee will be looking at investment of reserves that can meet State requirements and bring a higher rate of return. The State requirements as to how funds must be invested are in State law; this information will be coming to the Finance Committee.

Report from the Committee on Organizational Structure

Ms. Fitzpatrick, Chair, reported on a Request for Proposals that was issued for a part-time position of Executive Director. Four responses were received; the Committee met to review those proposals and interviews are scheduled for May 14th with an expectation to bring a recommendation to the Board at its next meeting.

Member Comment

Mr. Hart said on behalf of the Village of Trumansburg and himself he would like to thank Mr. Barber for his service and leadership to the Consortium. He said it has been good to have someone with his experience and persistence to get through the opening stages of what has become a very successful Consortium.

Adjournment

On motion the meeting adjourned at 7:07 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk