



Greater Tompkins County Municipal Health Insurance Consortium

125 East Court Street • Ithaca, New York 14850 • (607)274-5590

www.healthconsortium.net • consortium@tompkins-co.org

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

AGENDA Joint Committee on Plan Structure and Design September 6, 2018 - 1:30 P.M.

Rice Conference Room, Tompkins County Health Department

1. Welcome (1:30)
2. Changes to the Agenda (1:32)
3. Approval of June 7, 2018 Minutes (1:35)
4. Joint Committee Chair's Report (1:37) O.Hersey
5. Board Chair's Report (1:40) J. Drake
6. Executive Directors Report (1:45) D. Barber
 - a. Updates from Committees
 - b. Potential Members
 - c. Wellness Consultant
7. Financial and Budget Update (1:55) S. Locey
8. Formulary Edits (2:10) C. Prashaw
9. Next Meeting Agenda (2:40)
10. Adjournment (2:45)

Next Meeting: October 4, 2018



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MINUTES – **DRAFT**

Greater Tompkins County Municipal Health Insurance Consortium Joint Committee on Plan Structure and Design June 7, 2018 – 1:30 p.m. Rice Conference Room, Health Department

Present:

Municipal Representatives: 10 members

Judy Drake, Town of Ithaca and Board of Directors Chair; Jim Doring, Town of Preble; Kevin Williams, Town of Homer; Eric Snow, Town of Virgil; Carissa Parlato, Town of Ulysses; Jeff Walker, Village of Cayuga Heights; Schelley Michell-Nunn, City of Ithaca (arrived at 1:38 p.m.); Betty Conger, Village of Groton; Ann Rider, Town of Enfield (arrived at 1:43 p.m.); Laura Shawley, Town of Danby

Municipal Representative via Proxy: 9

Bud Shattuck, Village of Union Springs (Proxy – Judy Drake); Michael Murphy, Village of Dryden (Proxy – Judy Drake); Mack Cook, City of Cortland (Proxy – Judy Drake); Tom Brown, Town of Truxton (Proxy – Eric Snow); Alvin Doty, Jr., Town of Willet (Proxy – Judy Drake); Mark Witmer, Town of Caroline (Proxy – Judy Drake); Jen Case, Town of Dryden (Proxy – Judy Drake); Ed Wagner, Town of Owasco (Proxy – Judy Drake); Charmagne Rungay, Town of Lansing; (Proxy – Betty Conger)

Union Representatives: 7 members

Olivia Hersey, TC3 Professional Admin. Assoc. Unit; Tim Farrell, City of Ithaca DPW Unit; Doug Perine, Tompkins County White Collar President; Jon Munson, Town of Ithaca Teamsters; Zack Nelson, City of Ithaca Admin. Unit; Jeanne Grace, City of Ithaca Executive Unit (arrived at 1:46 p.m.); Jim Bower, Bolton Point Water Unit UAW Local 2300

Union Representatives via Proxy: 2

Tim Arnold, Town of Dryden DPW (Proxy – Tim Farrell); Theresa Viza, Tompkins County Library Staff Unit (Proxy – Olivia Hersey)

Others in attendance:

Don Barber, Executive Director; Ted Schiele, Owing Your Own Health Committee Chair; Beth Miller, Excellus; Mike Tellier, Lifetime Healthcare

Others via Conference call:

Steve Locey, Locey & Cahill; Corey Prashaw, ProAct; Sharon Clark, TC3

Call to Order

Ms. Hersey, Chair, called the meeting to order at 1:35 p.m.

Changes to the Agenda

There were no changes to the agenda.

Approval of Minutes of May 3, 2018

It was MOVED by Mrs. Shawley, seconded by Mr. Farrell, and unanimously adopted by voice vote by members present, to approve the minutes of May 3, 2018 as submitted. MINUTES APPROVED.

Executive Director's Report

Mr. Barber reported the final 2016 audit report from the Department of Financial Services was received and a response was sent outlining actions that have or will be taken. Directors have been asked to acknowledge they have received and read the report.

Ms. Michell-Nunn arrived at this time.

He said the Board of Directors will be considering a resolution later this month to appoint Michelle Berry as the Consortium's Wellness Consultant. There will be more discussion as to how members can embody wellness and her activities at subsequent meetings. She will be reaching out and meeting with all municipalities.

Mr. Barber said the Board of Directors authorized the issuance of a Request for Proposals for an Investment Management Services to bring a higher return on the funds the Consortium has in its reserves. A Review Committee will meet later today to review the six responses that were received. He announced the Board of Directors will meet next on June 28th in the Sprole conference room at TC3.

He presented the Consortium's Annual Report and said it was a very good year financially; the Consortium was able to add to its reserves and have only a 4% premium rate increase. The private sector is looking at double-digit increases next year while the Consortium will be considering 6% or less. He noted the following highlights from the Annual Report: Three municipalities joined the Consortium, the Department of Financial Services approved a waiver for the purchasing of Aggregate Stop Loss insurance by the Consortium (savings of \$70,000), 28% of the Consortium's covered lives received a flu vaccine, the Joint Committee discussed and recommended changes to the Gold Metal Level Plan, and the Consortium continued to build reserves that provide a strong foundation and security for its members.

Financial Update

Mr. Locey revised the budgeted versus actual results through April 30th and said revenue was 4.5% below budget on medical claims and almost 10% below budget on prescription drug claims.

Ms. Rider arrived at this time.

He said he was able to view May results today and year-to-date both medical and prescription drug claims continue to be below budget. He noted that results do not reflect prescription drug rebates but he anticipates a payment to be reflected soon. After reserves are accounted for he stated the results show an unencumbered balance of \$14.5 million through the end of April. At this point it was expected there would be a slight deficit for the year; however, there is a positive result and if this continues it will help to mitigate the anticipated rate increase of 5% for 2019.

Ms. Grace arrived at this time.

Mr. Locey reviewed paid claims trends and said the model shows a trend of 3% below what had been predicted; these numbers will continue to be analyzed and revised as necessary going forward. He called attention to the graph showing the Consortium's expense distribution and noted

\$.94 of each dollar is going to pay the cost of benefits of members and only \$.06 of each dollar is being spent on all other fees association with the Consortium's operations. He said this demonstrates the Consortium is operating very efficiently and doing extremely well.

RESOLUTION NO. – 2018 – APPROVAL OF ADJUSTMENTS TO THE SILVER METAL LEVEL PLAN

Ms. Hersey welcomed Mr. Doring to comment on the resolution as he represents the Town of Preble, one of the municipalities that offers the Silver Metal Level Plan. He had no concerns after being provided with an overview of the resolution.

Mr. Locey said since the Plan would be going from an actuarial value of 72.64% to 71.11% the rate differential would be 1.53% less than what the premium rate increase will be for 2019. For example, if the Consortium were to approve a rate increase of 5%, the rate increase for the Silver Plan would be 3.47% because whenever a benefit change is made there should be a commensurate change in rate. Ms. Hersey said this change should stabilize the plan for a couple of years and is why this option was chosen over others.

It was MOVED by Ms. Rider, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to approve the resolution and forward to the Board of Directors. MOTION CARRIED.

WHEREAS, data entered into the federal actuarial calculator indicates the Consortium's Silver Plan's actuarial value for 2019 will be 72.64% which exceeds the Plan's limit of 72%, and

WHEREAS, the three Participating Consortium employers enrolled in the Silver Metal Level Plan have been participating in the deliberations of benefit changes to their Plan, and

WHEREAS, Silver Metal Level Plan benefit plan adjustment to increase the in-network deductible for single from \$1,800 to \$2,200 and family coverage from \$3,600 to \$4,400 has a 2019 actuarial value of 71.11%, now therefore be it

RESOLVED, on recommendation of the Joint Committee on Plan Structure and Design and the Audit and Finance Committee, That the Board of Directors approves an adjustment to the Silver Metal Level Plan to increase the in-network deductible for single from \$1,800 to \$2,200 and family coverage from \$3,600 to \$4,400 and to increase the Out-of-Network deductible for single from \$3,600 to \$4,400 and family coverage from \$7,200 to \$8,800, effective January 1, 2019.

* * * * *

Excellus Utilization Report

Ms. Miller provided members with individual laptops for use to review the 2017 Excellus Utilization report that was also presented at the April 26 Retreat. The report covers claims that were paid in 2016 through March 31, 2017.

Mr. Tellier reviewed the report and noted the following highlights:

- There were 3 additional municipalities with a 3% increase in enrollment;
- Plan costs increased by 10%, member cost increased by 12%, primarily due to high claimant activity which is in line with the industry;
- There is a prevalence in members utilizing the plan over spouses and dependents which makes targeting preventative care in the workplace important;
- The plan cost per contact per year is 10,887 which is 20% higher than the comparison population;

- The member's percentage cost share is 4%, the comparison population is 7%; trends show the member cost to be increasing;
- There was a 2% decrease in the total plan cost for inpatient hospitalization (17% of plan costs) which is very low; this is offset in part by an increase of 16% in outpatient costs (46% of plan costs). Typically, outpatient costs are less expensive than inpatient costs.
- The number of claimants with claims in excess of \$100,000 increased from 25 to 30 (20%); 8 of the 10 highest-cost claimants are expected to have claims in the next year that will exceed \$50,000;
- 11% of the members are not accessing the plan compared to the comparison population of 16%. The Gaps in Care Rate estimate identifies areas where improvements can be made in preventive services;
- The Consortium has saved over \$31 million by utilizing the Excellus provider network; 94% of the claims were through participating providers.
- Excellus has an ACQA arrangement with providers which is a Value Based Payment (VBP) arrangement in which providers are engaged with quality improvement incentives while sharing financial risk with the Plan. The goal of these arrangements is to create an affordable, efficient, and sustainable health care system by sharing the responsibility with providers to better integrate patient care, emphasize patient safety and preventive services, and reduce unnecessary or duplicative costs.

Mr. Barber commented that over the last four years claims have been under budget and asked Mr. Tellier his opinion as to why the Consortium has been fairly consistent in being under the 8.5% trend for the area. Mr. Tellier said the Consortium's members are very-well educated in how to receive care and cost avoidance and are utilizing preventive services. Also, because of the generous benefits included in the plan members are not afraid to use services because of cost.

Labor Representative to Owning Your Own Health Committee

Mrs. Shawley said Tyler Jordan from the Town of Danby has expressed interest in serving as a Labor representative on the Owning Your Own Health Committee. Without objection, Ms. Hersey recommended this appointment be presented for approval at the next Board of Directors meeting.

Rollout of CanaRx

Mr. Barber said last month during Mr. Locey's financial report a question was raised as to how other groups have rolled out CanaRx. Mr. Prashaw presented ProAct's first year benchmarks for the CanaRx program is between 8-12% of members who are eligible to fill a prescription in the first year. He recommended involving employers would be a good marketing approach because it would help to create a culture within an employer. He addressed the decline in members using CanaRx in 2017 from 2016 and said it was due to the common brand name drugs being available as a generic medication which would not be available for the program as well as a focus on the development of specialty medications which typically are not available through the program.

Mr. Locey said the Consortium originally budgeted \$300,000 of drug spend to go through CanaRx but has only had \$57,000 go through the program up to this point which includes Tompkins County and TC3 which have used the program for years. He agreed the best source of marketing the program would be through the employer.

New Business

There was no new business.

Next Meeting Agenda

The July 5th meeting was cancelled. Mr. Barber suggested an update on what is happening with opioids and a report from Michelle Berry, Wellness Consultant, on her work plan be included in the Committee's September agenda. A decision on the August meeting will be decided in mid-July.

Adjournment

The meeting adjourned at 2:48 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk



MICHELLECOURTNEYBERRY

WELLNESS COACHING

8/20/2018

Updates on Wellness Work for Don Barber, Executive Director
Greater Tompkins Municipal Health Insurance Consortium

WELLNESS CONFERENCES

Attended Regional Wellness conference in Binghamton in June.

Planning to present at Tompkins County's Health Benefit Fair in October. Bringing along Consortium Newsletters, a brief survey for subscribers about how they receive news and designing a preventative culture wellness brochure and postcards for the Consortium to hand out.

PREVENTIVE CULTURE - DISEASE MANAGEMENT WORK

Working with ProAct, OYOH, HR and other key stakeholders to set up Fifth Annual Flu Clinics.

Working to move number from last year of flu shot clinics from 6 to 9 to exceed 10% increase goal. Looking to count Consortium members getting flu shots at the Department of Health in our total count this year.

Meeting with Sarah Thomas in HR at the County to discuss their roll-out of Blue4U and how I can help with promotion to members.

RESEARCH & WRITING

Continuing to monitor national workplace trends, research trends in building out wellness programs for municipalities, and ways to continue to promote a preventative wellness culture.

Up-to-speed on reading all OYOH minutes 2013-Present.

Read all Consortium Connection newsletters, all Excellus handouts.

Writing (4) articles for the next Consortium Connection (flu clinics, flu FAQs, MD interview, Michelle announcement release). These are just highlighted so you know what to expect, you can delete.

Working on Wellness Content portion for the website. Including tips, links, Blue365 updates on discounts for subscribers, and Blue4U, among other topics, including how the Wellness portion of the website can contain municipal success stories.

Building upon the existing database of all HR, Clerks, and Elected Officials in the Consortium.

Writing a news release for review highlighting the success of the Consortium and including retention of Wellness Coordinator, and flu clinics.

PRESENTATIONS

Attending OYOH committee meetings

Designed and delivered a PPT presentation on the Consortium and how it can help Wellness Champions with partners - presented with Don Barber and Leslie Moskowitz at the City of Ithaca's City Administration Committee with Common Council Members, the City Manager, City Attorney, and the Head of HR.

BRANDING & SURVEYING

Working with Dr. Shang on rolling-out potential physical fitness video with key partners stressing the importance of physical movement.

Designing brief survey for all key partner contacts to fill out RE: future visits to their municipalities by Michelle Berry.

Developing marketing materials, e-burbs, e-news information, Flu FAQs, and downloadable posters for HR contacts/Wellness Champions and other promoters at host clinic sites.

Presented at two OYOH committee meetings and used feedback to shape marketing, branding, and Wellness logo.

Your healthy winter season begins here.

2018 Free Flu Shot Clinics

Thursday, Sept 20

9 am to 12 noon Ithaca City Hall, 108 E. Green Street,
2nd Floor Conference Room, Ithaca

1 pm to 3 pm Tompkins County Human Services Building,
320 W. State/MLK Street, Beverly Livesay Room, Ithaca

Friday, Sept 21

9 am to 11 am Tompkins County Old Jail Building, 125 E. Court Street,
Scott Heyman Conference Room, Ithaca

Tuesday, Sept 25

9 am to 11 am Cortland Fire House 21 Court Street, Cortland
2:30 pm to 4:30 pm Tompkins County Highway Department,
170 Bostwick Rd., Ithaca

Wednesday, Sept 26

12 pm to 2 pm Ithaca Youth Bureau, 1 James L Gibbs Dr, Ithaca

Thursday, Sept 27

11 am to 1 pm Bolton Point Municipal Water System,
1402 E. Shore Drive, Ithaca
2 pm to 4 pm Tompkins County Department of Emergency Response,
92 Brown Road, Ithaca.

Friday, Sept 28th

11:00 am to 1 pm Greater Ithaca Activities Center (GIAC),
301 W. Court St., Ithaca

Pre-register by calling 1-877-635-9545 or by e-mailing fluclinic@proactrx.com
with the date and location of the flu clinic, you wish to attend. Thanks!

5th Annual Flu Free Flu Clinics Coming Soon in late September 2018!

In keeping with the Consortium's vision of promoting a culture of preventative health care, we offer free flu shot clinics to ensure your health through this coming winter.

Beginning in late September, subscribers of the Consortium who **are over 18 years of age** can attend any of the flu clinics listed below, but you must pre-register.

Pre-register by calling 1-877-635-9545 or by e-mailing fluclinic@proactrx.com with the date and location of the flu clinic you wish to attend. ProActrx will take it from there.

Each year, we have exceeded Upstate New York's average of 17% of benefit plan subscribers receiving flu shot vaccines. Last fall, 28% of Consortium subscribers received vaccines at our local flu clinics or through their pharmacies or primary care offices.

Our goal is to increase participation this year. To meet this goal, we have expanded the hours of one flu clinic and added three new locations for 2018.

TOP 10 FLU MYTHS

Inoculation against the flu virus is your best bet to ward off sickness. Here are common misconceptions about the flu and the flu virus.

1. You can catch the flu from the vaccine.

The virus in the vaccine is inactivate and can't be transmitted.

2. I received my flu shot and got the flu, the vaccine didn't work.

It can take up to 2 weeks for the shot to work. Plan early before flu season.

3. The flu is a bad cold.

Flu and cold have similar symptoms, but the flu virus can be fatal.

4. Healthy people don't need a flu vaccination.

Healthy people aren't immune. The CDC recommends that anyone over the age of six months and pregnant women, get vaccinated.

5. You don't need a flu shot each year.

Strains of the virus change every year, so get vaccinated annually.

6. Antibiotics can cure the flu.

Antibiotics are effective against *bacterial* infections. Flu is a *viral* infection, so antibiotics are ineffective.

7. Getting the flu is better than the flu shot.

Over 200,000 people were hospitalized with flu last year.

8. Flu vaccines contain mercury.

Most adult vaccines are thimerosal-free.

9. Vaccines can cause autism.

Most medical experts agree that no connection exists.

10. What are the common side effects of the flu shot?

Soreness after getting a flu vaccine typically lasts 1-2days. Inflammation is a sign that your immune system is making antibodies, which protect you from getting the flu.