



Municipalities building a
stable insurance future.

125 East Court Street
Ithaca, NY 14850
607-274-5590
INFO: HinsConсор@tompkins-co.org
www.tompkins-co.org

**Joint Committee on Plan Structure and Design
October 13, 2011 - Noon
Old Jail Conference Room**

APPROVED

Present:

Municipal Representatives: 10 members

Judy Drake, Town of Ithaca; B. Jobin, Tompkins County; M. Sumner, Town of Dryden; M. Mills, Village of Cayuga Heights; H. Masser, Town of Enfield; L. Shawley, Town of Danby; M. Petrovic, Village of Trumansburg; B. Conger, Village of Groton; Schelley Michell Nunn and Steve Thayer, City of Ithaca; Don Barber, Town of Caroline

Union Representatives: 5 unit members

Chantalise DeMarco, County White Collar-CSEA; Jim Bower, Bolton Point; B. Berggren, Town of Danby Highway (CSEA); Darlene Finn, TC3 Professional Admin. Assoc. Unit; Chris Parker, Tompkins County Blue Collar Unit

Union Representatives via Proxy: 4 members

George Apgar, President; Ithaca Professional Fire Fighters Assoc. and Ithaca Area Fire Fighters #737; Patricia VandeBogart, TC3 Staff Unit; John Lictra, Town of Ithaca Teamsters

Others in attendance:

S. Dovi, TC3 Human Resources Manager; J. Taber, Locey & Cahill

Call to Order

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

Update on Census Data

Ms. Taber distributed updated contract count data broken down by group and noted there are still changes that need to be made to the document. She noted Newfield is still listed but is not a member of the Consortium; the Towns of Danby and Cayuga Heights were also missing from the document. She said Mr. Locey is working with Excellus on getting the reporting system updated to provide more accurate counts. She stated the actual number of contracts is approximately 2,063. *Mr. Locey will provide an update once information is available.*

Members reviewed the information and questioned which groups related to the subscriber numbers listed. *Ms. Sumner asked that the numbers be broken down and identified as to which municipality each is associated with.*

Review of Responses from the Flex Program and EAP Survey

Ms. Taber distributed a document showing results of the survey of which municipalities offer a Flexible Spending Account program or an Employee Assistance Program. She said at this time there has not been a good enough response rate to accurately analyze the information. *The survey will be re-circulated to members and an update will be provided at the next meeting.* She said Mr. Locey thinks it may make sense to offer this globally to the Consortium.

Report on RFP for Prescription Drug Benefit Manager

Ms. Taber stated there have been six responses to the Request for Proposals for Prescription Drug Benefit Manager. Those responders include Medco, Pro Act, United Health Care, Independent Health Care (Informed Rx), Express Scripts, and Excellus. She said they followed up with a couple of the responders to obtain additional data. The RFF review Committee will meet next week to go over responses. *Updates will continue to be provided on this process.*

Update on Utilization Data

Ms. Taber distributed utilization data and said at this time the budget looks good with actual versus budgeted costs. The Consortium's actual budget is within 1% of the budgeted claims cost. It was noted there were spikes in claims during the months of April and August. *She will ask Mr. Locey if he is aware of any single reason for these spikes.*

Discussion of Medicare Supplement

Ms. Taber said Mr. Locey has indicated that the cost of a Medicare supplement policy for medical only would about \$200/month. This would only be for retirees who are eligible for Medicare and would have to have Medicare coverage.

Ms. Drake asked if by doing this as medical only would the assumption be that they would pick up the Part D on their own. Ms. Taber said that would be a decision the Consortium would have to make. She said a Medicare supplemental policy generally subsidizes the balance left after Medicare Part A and B which includes the deductible and 20% co-insurance for those items that are paid at 80%. She also said one of the biggest costs for retirees is for prescription drugs.

Mr. Barber said he had a conversation with Mr. Locey about these premiums and said the new retirees on Medicare were figured in the original premiums for the Consortium. Therefore, if premiums were reduced for a supplement plan without changing any benefits, the difference would be made up in the rates of others. He said Mr. Locey would need to address the question of what the impact would be on the current population if a Medicare supplement was offered. He also said there needs to be consideration given to the question of if benefits were changed for retirees how that would be done to allow them to realize a real savings.

Ms. Sumner asked how many retirees over 65 are in the Consortium. *Ms. Taber said she will ask Mr. Locey to report back on this.* Mr. Masser asked if individuals under 65 who are disabled would be eligible. Ms. Taber said they would be eligible but noted there is a two-year waiting period where the individual would have to be without coverage before they would be able to go on Medicare. Mr. Barber said a question for Mr. Locey is if the Consortium

were to manipulate the retirees for that population how would this affect the others on the current plan if a supplement was offered. Mr. Barber said they should also see if an estimate can be made on how many fall into the under 65 disabled population.

There was a brief discussion of the timeline and when a decision would need to be made with it being noted that the State Insurance Department typically needs to approve any plan changes.

Ms. Taber summarized the following questions that need to be answered:

- What impact on current plans if a supplemental policy is offered;
- The number of retirees and how many would be eligible;
- How many disabled would be eligible who are currently under contract that would switch;
- Would there be any changes to benefit levels;

Ms. Drake suggested finding out if and how many retirees would be interested in this type of plan if it were offered.

New Business

There was no new business.

Approval of Minutes of August 4 and September 1, 2011

It was MOVED by Ms. Mills, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to approve the minutes of August 4 and September 1, 2011 as presented. MINUTES APPROVED.

Adjournment

On motion the meeting adjourned at 12:53 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk