

**Clinton-Essex-Warren-Washington
Health Insurance Consortium**

P.O. Box 455
Plattsburgh, NY 12901

DATE: September 26, 2019

KIND OF MEETING: Board of Directors Meeting

PLACE: Instructional Services Center
Plattsburgh, NY

Board Members Present:

Mark Davey
John Donohue
Justin Gardner
Stephen Gratto
James Knight, Jr.
William Larrow
Jay Lebrun
Phil Lupe
Daniel Mannix
Daniel Mayberry
Joshua Meyer
Scott Osborne
Javier Perez
Emy Pombrio
Bob Porter
Paul Savage

Board Members Absent:

Shari Brannock
Robb Garrard
Kim Mayer
Thomas Palmer

Vice Chairperson:

Dan Mannix

Recording Secretary:

Jessie Moulton

Others Present:

Eric Bell
Christine Myers
Jon Parks
Larry Singer
Meghan Zedick
Audience Members

MEETING
TO ORDER

Vice Chairperson Mannix called the meeting to order at 9:35 a.m.

PUBLIC
COMMENT
SESSION

No comments.

MINUTES OF
PREVIOUS
MEETING

Mr. Mayberry moved, seconded by Mr. Savage, to adopt the minutes of the June 4, 2019 meeting. All Board Members present voted yes – motion carried.

Mr. Mannix wants to be sure that the issue regarding the “luxury spas” from the Excellus BC/BS change to Classic Blue has been followed through on. Mr. Parks will look into this further. Mr. Mannix also asked about the spot on the UVM Board. Mr. Parks stated that Jaci Kelleher is working on this, but there's no update at this time.

ELECT NEW
CHAIRPERSON

Mr. Osborne moved, seconded by Mr. Gardner, to go into Executive Session at 9:40 a.m., for the purpose of the discussion of the opening created by Chairperson McDonald’s retirement. Mr. Lebrun invited Mr. Parks to join the executive session. All Board Members present voted yes - motion carried.

Dr. Davey moved, seconded by Mr. Meyer, to come out of Executive Session at 10:42 a.m. All Board Members present voted yes - motion carried.

Dr. Davey moved, seconded by Mr. Osborne, to nominate Mr. Lebrun as Chairperson of the CEWW Health Insurance Consortium. There being no other nominations, all Board Members present voted yes, with the exception of Mr. Lebrun, who abstained - motion carried.

Mr. Lebrun expressed his gratitude for Dr. McDonald's many years of service, and how he displayed diplomacy as the Chairperson.

APPOINT THE
NEW DEPUTY
TREASURER,
JESSICA LACLAIR,
AS SIGNATORY
FOR 2019-20

Jessica LaClair has replaced Sherry Aguglia as the CEWW BOCES Deputy Treasurer.

Mr. Osborne moved, seconded by Mr. Gratto, to appoint Jessica LaClair to replace Sherry Aguglia as Signatory for the remainder of 2019-20.

All Board Members present voted yes - motion carried.

AUTHORIZE
RENEWAL OF
CONTRACTS

Mr. Mayberry moved, seconded by Mr. Mannix, to approve the following agenda items (a & b) by Consent Agenda. All Board Members present voted yes - motion carried.

- (a) Approve the Directors & Officers policy for 10/01/2019 – 10/01/2020.
- (b) Approve the General Liability (Special Multi-Peril) policy for 10/01/2019 – 10/01/2020.

APPROVE
CONTRACT WITH
MILLIMAN FOR
RDS ACTUARIAL
ATTESTATIONS

Mr. Osborne moved, seconded by Mr. Larrow, to approve the contract with Milliman for RDS actuarial attestations. Eric Bell explained that Benetech does not do actuarial work, therefore there was a RFP done for actuarial attestations. Mr. Lebrun commented that the RFP was very well conducted.

All Board Members present voted yes - motion carried.

APPROVE
PROTOCOL FOR
CEWW HEALTH
INSURANCE
CONSORTIUM
INVITEES

Mr. Osborne moved, seconded by Mr. Savage, to approve the following "Protocol for CEWW Health Insurance Consortium Invitees":

Upon a request to the Chairperson of the Consortium from organizations or individuals to bring a presentation to the Board of Directors on matters relating to health care, the Chair may direct the Plan Administrator to meet with representatives of the organization, or the individual, along with selected members of the Advisory Committee. If it is found to be in the best interest of the Consortium, the organization may be invited to present to the full Advisory Committee or, if recommended by the Advisory Committee and deemed appropriate by the Chairperson, to the Executive Committee or the Consortium's Board of Directors. The outline of a presentation to any of the

Consortium's committees will be provided to the Plan Administrator at least one week prior to the presentation.

Mr. Parks explained that the Protocol has been reviewed, edited and vetted by the Executive Committee.

All Board Members present voted yes - motion carried.

GENERIC
PRESCRIPTION
DRUGS LAWSUIT

Mr. Parks explained that in the spring, the Consortium entered into the Generic Prescription Drugs lawsuit. The particulars were discussed in executive session. Meghan Zedick of Stafford, Owens, et.al., explained that the reason for the lawsuit is due to price fixing by the manufacturers.

FINANCIAL
UPDATE

Documents – 2018-2019 Final Financial Reports, July & August 2019 Financial Reports

Mr. Osborne moved, seconded by Mr. Mayberry, to approve receipt of the financial reports.

Christine Myers pointed out that the 2018-19 premium income is approximately \$700,000 less than projected. There was no concern in the trend for 2018-19, so we will look at 2017-18 for an explanation for the revenue change. Jon Parks stated that one of the districts is going from Plan 1 to Plan 2 as of January 1st, so this will also affect the revenue. He asked that if any other districts make similar changes, to notify the Consortium.

Christine reminded everyone that there was a \$2.8 million prescription drug settlement that was received around January/February 2019, which was not anticipated.

There was further discussion regarding the prescription drug settlement and rebates.

It was mentioned that consumer education has seemed to help decrease the number of low acuity visits to the emergency room.

There was discussion regarding the current IBNR rate of 11% of paid claims, and if that should be changed.

Christine explained that for 2018-19, a monthly "cash in/cash out" method of reporting was used, and it made June look like a bad month. Starting July 2019, we will record claims on a modified accrual basis instead of a cash basis. There will no longer be the issue of having a "5-week month", as data will now be reported on a real-time basis.

Mr. Mannix asked if we were back on budget to be able to put \$4 million in reserves. Jon Parks said yes.

All Board Members present voted yes for receipt of the financials – motion carried.

Mr. Lebrun expressed his trust in this information, and his appreciation for the accuracy and efforts put forth.

ACCEPT
UPDATED SEGAL
HEALTH
BENEFITS
REPORT
ORIGINALLY
DATED
FEBRUARY 26,
2019

Mr. Osborne moved, seconded by Mr. Perez, to accept the updated Segal Health Benefits Report, originally dated February 26, 2019.

Eric Bell stated that Segal edited the report based on West & Company's concern that Page 6 of the report referred to auditor projections, even though West & Company was not engaged, nor had provided any projections to the Consortium as of June 30, 2019.

All Board Members present voted yes – motion carried.

CANARX
DISCUSSION

Mr. Mannix feels the CanaRx topic is a great discussion item for the Advisory Committee, and would ask the Committee to look at the cost benefit and a legal risk analysis. Mr. Lebrun is aware there are legal complications, but also that it is a semi-common practice.

PLAN
ADMINISTRATOR
RFP UPDATE

Jon Parks explained that over the past few years, the topic of conducting a RFP for health insurance providers has been discussed. The idea has now gone forward to Segal, who will present the specifics to the Board in Executive Session. Larry Singer provided a general outline of the RFP.

PUBLIC
COMMENT
SESSION

No comments.

Mr. Lebrun expressed to the audience his appreciation for their on-going participation with the Consortium.

EXECUTIVE
SESSION

Mr. Gardner moved, seconded by Mr. Mayberry, that the Board go into Executive Session at 11:37 a.m., for the purpose of the discussion of the Segal Consulting RFP report. Mr. Lebrun invited Mr. Parks, Mr. Bell and Mr. Singer to join the executive session. All Board Members present voted yes – motion carried.

Mr. Osborne moved, seconded by Mr. Larrow, that the Board come out of executive session at 2:30 p.m. All Board Members present voted yes - motion carried.

ADJOURNMENT

Mr. Mayberry moved, seconded by Mr. Larrow, to adjourn the meeting at 2:30 p.m. All Board Members present voted yes – motion carried.