



County of Cayuga Health Insurance Consortium

Board of Directors

Meeting Minutes of September 28, 2023

Hybrid Meeting

Members Present: Eric Zizza, Bob Gauthier, Kelly Albrecht, Lisa Miller, and Sean Corcoran (arrived at 10:44 am)

Other Present: Zach Zuckerman (USI), Lydia Rotella (USI), Lyndsey Suppes, Dave Dempsey, Cortney Haberlau, Pam Landon, Nicole Sedorus, Jodie Fish, and Kristy Capone

No official minutes until 10:44 a.m. when Sean Corcoran arrived, and we now have a quorum.

Meeting called to order at **10:44 a.m.**

- ***Motion to approve consent agenda, previous minutes and financials by B. Gauthier and seconded by K. Albrecht. Motion carried.***
- **USI**
 - **Reviewed the Executive Summary of the presentation to show what would be presented today.**
 - **Current YTD Medical Experience** - A financial update was presented by Zach Zuckerman of USI — ***Presentation attached.***
 - For the current YTD experience period of 01/01/2023 to 08/31/2023 there is \$15,763,892 in gross costs, with a total of \$16,121,992 in budgeted costs.
 - There are currently no claimants over the \$375,000 ISL level.
 - The ratio of net costs to budgeted costs is 97.8%.
 - There are currently no members over \$187,500 in claims.
 - Prescription drug claims currently account for 40.0% of the total claims. National average Rx is 20-22% of gross claims.
 - **Prior Plan Year Medical Experience** – Update was presented by Zach Zuckerman of USI – ***Presentation attached.***
 - For the prior policy period of 01/01/2022 to 12/31/2022 there was \$23,635,918 in gross costs, with a total of \$23,253,449 in budgeted costs.
 - There was 1 claimant over the \$375,000 ISL level totaling \$1,242,182. After claims over the ISL of \$867,182 are removed, net costs were \$22,768,736.

- The ratio of gross costs to budgeted costs was 101.6% before any high-cost claims were removed, and 97.9% after claims over the \$375,000 ISL level are removed.
- There were 6 members over \$187,500 in claims, equating to 10.4% of gross claims.
- Prescription drug claims accounted for 37.8% of the total claims.
- **Current Rolling 12 Medical Experience** – Update was presented by Zach Zuckerman of USI – ***Presentation attached.***
 - For the current rolling 12-month experience period of 09/01/2022 to 08/31/2023 there is \$24,479,613 in gross costs, with a total of \$23,873,142 in budgeted costs.
 - There is 1 claimant over the \$375,000 ISL level totaling \$1,003,850. After claims over the ISL of \$628,850 are removed, net costs are \$23,850,763.
 - The ratio of gross costs to budgeted costs was 102.5% before any high-cost claims were removed, and 99.9% after claims over the \$375,000 ISL level are removed.
 - There are 6 members over \$187,500 in claims, equating to 9.2% of gross claims.
 - Prescription drug claims currently account for 38.5% of the total claims.
- **Renewal Projection** – Update was presented by Zach Zuckerman of USI – ***Presentation attached.***
 - Based on the most recent 12 months of claims, medical claims are expected to increase by 10.6% while Dental claims are expected to increase by 10.8%.
 - Total Administration Fees will increase by 1.9%, while Stop loss Fees are projected to increase by 8.0%.
 - Rebates for the 2024 policy period are expected to be \$1,929,152.
 - Overall, USI is projecting a total expected cost of \$24,589,603 for the 2024 policy period.
 - Current working rates yield an annual premium of \$22,006,547. As such, USI recommends increasing medical rates by 12.0% and a rate hold for Dental rates.
- **Medical Update** – Update was presented by Zach Zuckerman of USI and discussed.
 - No large claimants for 2023
- **Dental Update** – Update was presented by Zach Zuckerman of USI and discussed.
- **Discussed Estimated Renewal Projection for Medical/RX & Dental**
 - Show in presentation how they came to a 12% increase for medical.
 - Then recommended three options to consider (Renewal, Conservative Renewal, and an Aggressive Renewal for 2024 rates.
 - Option 1 was a 12% increase.

- Option 2 was a 14.8% increase.
 - Option 3 was a 10.3% increase.
 - The Board reviewed all options and looked at decreasing the lowest option by a small percentage based on the fund balance and risk assessment.
 - The Dental rates stayed the same as 2023 – no increase was recommended.
- ***Motion to approve setting the 2024 Medical/RX rate at 9.5% increase by B. Gauthier and seconded by K. Albrecht. Motion carried.***
- ***Inclusion of City of Oneonta into the Consortium***
 - The City of Oneonta passed a Board resolution stating that they want to join the Cayuga County Health Consortium effective January 1, 2024.
 - The Consortium Board discussed the resolution and request.
- ***Motion to approve the inclusion of the City of Oneonta into the Cayuga County Health Consortium pending the review of our Counsel and approval of amending the Municipal Cooperative Agreement by the governing bodies of each entity by B. Gauthier and seconded by K. Albrecht. Motion carried.***
- Eric asked Zach to let the City of Oneonta know that we approved their request, and we will update the Municipal Agreement at our earliest convenience.
- **Old Business** –
- **New Business** –
 - Will introduce new Board Member from Cayuga County SWCD, Beth Smith at the next meeting in October.
- **Future Agenda Items/Board Member Concern** –
- **Adjournment**
 - ***Motion to adjourn at 11:42 a.m. by K. Albrecht and seconded by L. Miller. Motion carried.***

Submitted by Lisa Miller

**Next meeting scheduled for Thursday, October 26, 2023 at 10:00 am
via a hybrid-based meeting**