



Westchester Community College

State University of New York

69230

April 16, 2019

To: Board of Acquisition and Contract

From: Belinda S. Miles
President

Re: Authority for Westchester Community College to participate as a participating employer in the New York State Health Insurance Program, effective September 1, 2019, and to include in such plan its officers and employees and retired officers and employees, and to exclude from such plan its retired officers and employees that retire on or before August 31, 2019

Authority is requested from your Honorable Board for the County of Westchester, acting by and through Westchester Community College (the "College") for the College to transition from a program of self-insurance to enrollment in the New York State Health Insurance Program ("NYSHIP") commencing on September 1, 2019, and to participate as a participating employer in NYSHIP and to include in such plan its officers and employees and retired officers and employees, and to exclude from such plan its retired officers and employees that retire on or before August 31, 2019. It is anticipated that for the fiscal year commencing September 1, 2019 through August 31, 2020, that the College's costs, including any administrative charges, shall be in an amount not-to-exceed \$8,000,000.00.

The College's employee and retiree health insurance program is currently funded by a program of self-insurance administered by UMR, Inc., as described herein. By resolution dated October 11, 2016, your Honorable Board authorized the College to enter into an agreement with POMCO, Inc. for the provision of third party administrator services and preferred provider organization network services in connection with the College's Employee Benefit Plans, for a term of two (2) years, commencing January 1, 2017 and terminating December 31, 2018, for an administrative fee in an amount not to exceed \$790,000 (the "Agreement"). The Agreement was subsequently executed.

Effective July 1, 2018, POMCO was acquired by UMR, Inc. ("UMR"). By resolution dated October 19, 2018, your Honorable Board authorized the College to: (i) amend the agreement in order to approve the assignment of the agreement from POMCO to UMR, effective July 1, 2018; (ii) extend the term of the agreement two (2) additional years to a new termination date of December 31, 2020; and (iii) increase the administrative fee for this

additional two year period by \$790,000.00 for a new not to exceed amount of \$1,580,000.00 (the "Assignment and Amendment Agreement"). The Assignment and Amendment Agreement was subsequently executed and is currently in full force and effect.

In accordance with Article XVI of the Agreement entitled "Termination of Agreement," the date upon which the college no longer offers to its employees certain types of plans, only those portions of the Agreement pertaining to the plans no longer offered shall be terminated. After September 1, 2019, the College will continue to be self-insured for the following coverages: Retiree Medical and Dental Plans, Flexible Spending Accounts, COBRA, Long Term Disability, Worker's Compensation and UMR shall continue administering those coverages.

The Westchester Community College Federation of Teachers and the CSEA Local 860 Unit 9202 have agreed to a change of the health insurance coverage provider from the College's program of self-insurance to NYSHIP.

On March 20, 2019, the Board of Trustees of the College passed a resolution authorizing the College to participate as a participating employer in NYSHIP and to include in such plan its officers and employees and retired officers and employees, and to exclude from such plan its retired officers and employees that retire on or before August 31, 2019, subject to and in accordance with the provisions of Article XI of the Civil Service Law and the Regulations governing the New York State Health Insurance Program, as presently existing or hereafter amended, together with such provisions of the insurance contracts as may be approved by the President of the Civil Service Commissions and any administrative rule or directive covering the plan.

The public purpose of the proposed enrollment as a participating employer in NYSHIP is that it will enable the College to ensure the provision of high quality health care for employees, retirees and their respective families at significant cost savings.

Since health care expenses for employees and retirees are a significant cost to the College, the goals and objectives will be measured by the College's Business Office and Health Benefits Office via on-going monitoring of the costs associated with the services provided.

Accordingly, I recommend to your Honorable Board that the College be authorized to enroll as a participating employer in NYSHIP and to include in such plan its officers and employees and retired officers and employees, and to exclude from such plan its retired officers and employees that retire on or before August 31, 2019, subject to and in accordance with the provisions of Article XI of the Civil Service Law and the Regulations governing the New York State Health Insurance Program, as presently existing or hereafter amended, together with such provisions of the insurance contracts as may be approved by the President of the Civil Service Commissions and any administrative rule or directive covering the plan.

BSM/jpi/lac
Attachment

RESOLUTION

Upon a communication from the President, Westchester Community College, be it hereby

RESOLVED, that the County of Westchester acting by and through Westchester Community College (the "College") is hereby authorized for the College to enroll as a participating employer in the New York State Health Insurance Program ("NYSHIP") and to include in such plan its officers and employees and retired officers and employees, and to exclude from such plan its retired officers and employees that retire on or before August 31, 2019, subject to and in accordance with the provisions of Article XI of the Civil Service Law and the Regulations governing the New York State Health Insurance Program, as presently existing or hereafter amended, together with such provisions of the insurance contracts as may be approved by the President of the Civil Service Commissions and any administrative rule or directive covering the plan; and be it further

RESOLVED, that the enrollment in NYSHIP shall commence on September 1, 2019 and it is anticipated that for the fiscal year commencing September 1, 2019 through August 31, 2020, that the College's costs, including any administrative charges, shall be in an amount not-to-exceed \$8,000,000; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the Secretary of this Board of Acquisition and Contract is authorized to execute a Resolution in the form attached hereto as Exhibit "A"; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to implement this Resolution.

Account to be Charged/Credited	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	705			2707		\$8,000,000

Budget Funding Year(s) Start Date: 9/1/2019 End Date: 8/31/2020
(must match resolution)

Funding Source: Tax Dollars \$1,920,000.00 Contractor Federal I.D. No./
Social Security No.:
State Aid \$2,160,000.00
\$8,000,000 Federal Aid _____ Vendor No.:
(must match resolution) Other \$3,920,000.00 (tuition) Encumbrance No.: _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 04/25/2019 - LISA MARIJAJ, SECRETARY

EXHIBIT "A"

NYS Dept. of Civil Service Resolution Electing Participation New York State Health Insurance
Program Form to be attached hereto

APPROVED BOARD OF ACQUISITION & CONTRACT - 04/25/2019 - LISA MRIJAJ, SECRETARY