

Towns looking to lower health care costs

In previous articles, I have discussed rising and rapid insurance costs and how that has impacted the Town of Pittsford over the last several years. The Town of Pittsford alone has faced a rate increase of 42% since 2008. Many communities in Monroe County have faced similar challenges and we have decided, collectively, to do something about it.

On Tuesday, I was proud to stand beside the Supervisors and Mayors of 13 communities, along with leaders of the labor community, to announce our intention to partner together to explore the concept of a health care consortium. This initiative was driven from the overwhelming increases we have experienced in a very short timeframe. Specifically, since 2008, the premiums for our 13 communities have increased by over \$6 million representing a 32.9% increase.

The idea of forming a health care consortium grew out of conversations and research conducted from a sub-committee of the Monroe County Council of Governments group which I was honored to chair. The Monroe County COG is a voluntary association of municipal governments in Monroe County. We meet monthly to discuss different countywide opportunities as well as ways that we can collaborate together and provide cost-effective government services.

Under New York State law, to participate in a health care consortium, a community needs to have at least 50 benefit eligible employees. Our collaborative partnership includes the Towns of Brighton, Chili, Gates, Greece, Henrietta, Irondequoit, Penfield, Perinton, Pittsford and Webster as well as the Villages of East Rochester and Fairport. The consortium also includes the Town of Victor in Ontario County. Together, we have almost 1900 contracts with collective insurance premiums of over \$24 million.

For years, the local insurance marketplace has dictated its terms to local employers and collective bargaining groups. By forming a health care consortium and using the concept of cooperative purchasing, we would allow each municipality to take back control of their healthcare premium costs and receive data as to the actual utilization of services – which ultimately drives the cost of the plan. A health care consortium would be able to leverage the much larger size and wisdom of 13 communities that together represent more than 500,000 residents across our region.

While this initiative is still in an exploratory phase, we are very excited about the cooperative nature of this partnership and the possible benefits it may bring to our communities. If all the participants determine that it is feasible to finalize the consortium, the next step will be to develop an overall health care plan to meet the needs of the various Town and Village Boards, their staff and the collective bargaining units. For more information about this collaboration, please visit the Town of Pittsford's website at www.townofpittsford.org.