

RESOLUTION

AMENDING THE AMENDED INTERGOVERNMENTAL AGREEMENT PROVIDING FOR RISK MANAGEMENT AND AUTHORIZING MEMBERSHIP IN THE LIBRARY INSURANCE MANAGEMENT AND RISK CONTROL COMBINATION TO ALLOW FOR SUBSTANTIVE AMENDMENTS TO THE INTERGOVERNMENTAL AGREEMENT

WHEREAS, the Intergovernmental Agreement Providing for Risk Management and Authorizing Membership in the Library Insurance Management and Risk Control (“LIMRiCC”) (hereinafter referred to as “Agreement”) has been amended from time to time by the Members of LIMRiCC to adhere to the changing needs of the Members of LIMRiCC and to reflect current policies and practice; and

WHEREAS, the Board of the Library Insurance Management and Risk Control Combination desires to now propose substantive changes to the IGA that will update the LIMRiCC Intergovernmental Agreement; and

WHEREAS, the Board of the Library Insurance Management and Risk Control Combination believes it is in the best interest of LIMRiCC to make such changes.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of the Library Insurance Management and Risk Control Combination (“LIMRiCC”), as follows:

SECTION 1: That the recitals set forth above are incorporated as Section 1 of this Resolution.

SECTION 2: It is proposed that globally, the Agreement shall largely remove the distinction between the “Purchase of Health Insurance Plan” (“PHIP”) and the “Self-Insured Health Insurance Plan (“SHIP”). These acronyms will largely be combined under the acronym “HIP” referring generally to “Health Insurance Plan.” The only section that will maintain a distinction is the Refund of SHIP Benefit Fee upon SHIP Termination, because Purchase of Health Insurance Plans are paid on a month to month basis and refunding of fees is not required. The IGA will be updated globally by LIMRiCC administrative staff, with Attorney review. For clarity, the following sections are referenced in their current structure and will be updated appropriately.

SECTION 3: It is proposed that Article I (C)(3) be amended by adding the words, “The Member shall make these payments in equal quarterly installments due on the 15th day of April, July, October and January of each year. A late fee of \$50.00 will be issued for any paperwork or payment submitted after the due date. The Board of LIMRiCC shall have the authority to increase the late fee by up to ten percent (10%) in a calendar year.”

SECTION 4: It is proposed that Article III (A)(2) of the Agreement (**Self-Insured Health Insurance Plan (“SHIP”)**) shall be amended by adding the words “and dental insurance for Insured Participants” after “prescription drug coverage.”

SECTION 5: It is proposed that Article III (D)(1) of the Agreement (**Participant Administration Fee**) shall be amended to add, after the word “shall”, the words “be announced at the Annual Fall Meeting for the new benefit year.”

SECTION 6: It is proposed that Article III (G) of the Agreement (**Program Fund**) shall be amended to add the words “for all HIP Accounts” after the words (the “Program Fund”) and further to delete the last sentence in its entirety. In addition, Article III (G)(2.) “Initial SHIP Account Balance” will be deleted in its entirety.

SECTION 7: It is proposed that Article III (I) of the Agreement (**Employee Qualification**) shall be amended to delete the second paragraph and replace it in its entirety with the following: “Members may set stricter requirements for their employees to be eligible for the Program, except that Members are required to provide and pay for life insurance for all full-time employees unless a full-time employee specifically opts out of the life insurance benefit. Each Member is responsible for retaining and housing documentation of its requirements for eligibility either in the form of a written policy or resolution authorized by the Member’s Board and documentation that substantiates that each of its Insured Participants is a bona fide Qualified Employee by January 15 of each year. In addition, each Member is required to provide LIMRiCC with a monthly listing of any new employees, newly eligible employees, terminated employees or any other qualifying event by the first of the month.”

SECTION 8: It is proposed that Article III (K) of the Agreement (**Mandatory Member Meetings**) shall be modified by deleting the fourth and fifth paragraphs in their entirety and replacing it with the following: Each Member must have at least one (1) representative (Library Director/Administrator, other administrators, or his/her designee) in attendance, either in person or via electronic attendance, at a minimum of one meeting per year. Effective with the 2024 plan year, failure to have (1) representative attend without good cause, will result in a fee of \$150.

SECTION 9: It is proposed that a new Article III (N) of the Agreement (**New Membership**) be added to the Agreement which reads as follows:

“In the years that LIMRiCC is open to accepting new members as permissible by the provider, an application will be required for libraries considering joining the Program. Upon approval, a new member will be required to:

1. Sign the IGA; and.
2. Pay a non-reimbursable 2-month premium that will go into LIMRiCC’s reserves. The premium will be based on the new member’s enrollment and will apply to PHIP and SHIP.”

SECTION 10: It is proposed that Article III (N) of the Agreement (**Late Payments**) be deleted in its entirety and replaced with the following:

“If a Member is more than sixty (60) days late after the issued date of the invoice in paying any Membership Contribution, said Member will be responsible for paying a late fee equal to five percent (5%) of all outstanding invoices. All late fees shall be deposited into the PHIP Account. If a Member fails to make Membership Contribution for a period of three (3)

months, the Board may vote to terminate the Member in accordance with Section Q, Term of the Program.”

In addition this subsection will now be identified as subsection Article III (O) after addition of Article III (N) above.

SECTION 11: It is proposed that a new Article III (P) of the Agreement (**Refund Adjustment Policy**) be added to the Agreement which reads as follows:

In the event that an adjustment is necessary to a member’s invoice, a member can obtain a refund of up to 90 days.

SECTION 12: It is proposed that Article III (Q)(5) of the Agreement (**Obligations of Terminated Members**) shall be amended by deleting it in its entirety and replacing it with the following:

The obligation of LIMRiCC to administer claims incurred under the Plan prior to the effective date of termination or voluntary withdrawal for a terminated Member shall continue for claims that are filed within a period of twelve (12) months after such effective date. Members who have either been terminated or have voluntarily withdrawn are required to make all Member Contributions and supplemental payments, and to pay their entire current invoice, for sixty (60) days after their termination date, known as the run-out period.

1. In the event of a member’s voluntary termination from the Program, notification to the Board must be given in writing 120 days prior to the termination date and prior to the end of the benefit plan year.

The exception to the 120 day notice would be in the event that the Board fails to provide a 15 day notice of the health care premiums for the new plan year at least 135 days prior to the new plan year. In this case, it is at the discretion of the Board. A penalty fee of 25% of the current invoice will be applied to the Member for a notice of termination with less than 120 days notification.

2. A 2-month run out period for SHIP and PHIP will be charged based on the current invoice.

SECTION 13: It is proposed that Article VIII of the Agreement (**FORMER PARTICIPATION OF METROPOLITAN LIBRARY SYSTEM (FORMERLY SUBURBAN LIBRARY SYSTEM)**) shall be deleted in its entirety.

SECTION 14: The proposed effective date of the amendments is November 15, 2023.

SECTION 15: That each Member that will be affected by these proposed amendments shall receive written notice of proposed amendments and the date on which the amendment is to become effective, together with a ballot for voting to approve or disapprove the proposed amendments. The notice shall be given not less than 60 days and not more than 90

days before the proposed effective date of the amendment, either via electronic mail or U.S. mail.

SECTION 16: The proposed amendments set forth in this Resolution shall be adopted upon receiving the affirmative vote of at least two-thirds (2/3) of the Members entitled to vote on such amendment.

SECTION 17: That the President is authorized and directed to sign and the Secretary is authorized and directed to attest to this Resolution.

SECTION 18: This Resolution shall be in full force and effect immediately upon its adoption.

ADOPTED by the Library Insurance Management and Risk Control Combination this 26th day of July, 2023.

ADOPTED by _____ (Library Name) this _____ day of _____, 2023.

By: _____

Its: _____

ATTEST:
