IPBC
Intergovernmental
Personnel Benefit
Cooperative

The premier health benefit option for Illinois local governments

NEW MEMBER POLICY STATEMENT

I. Purpose and Policy

The IPBC understands that the local government insurance marketplace and the IPBC's own financial protocols continued controlled growth to the extent it is beneficial to the membership and the admitted entity.

The Executive Board supports a policy of selective membership growth that is intended to allow the IPBC staff and service team sufficient time to implement new members into the IPBC without impacting its service responsibilities to the existing members.

Per the IPBC Contract and By-Laws, the Executive Board has the authority to approve new members per the parameters and guidelines set forth in this policy upon the recommendation of the Executive Director.

II. Membership Factors

Before conducting a final assessment of a prospective member, the Executive Director shall discuss the prospective member with the Executive Board, which shall include a preliminary discussion of the potential service and financial impact to existing members. The Executive Director will provide periodic updates to the Executive Board prior to making a recommendation for admitting the prospect.

In considering a new member, the IPBC will evaluate and consider the following factors:

A. Required Data:

1. Accurate Underwriting

   The prospective member will need to provide at least two years of verifiable health claims information and current census data per the IPBC Quoting Data Requirements; or, if not available, health rate information for the two-year period. The IPBC's underwriter will use this information to develop a premium quote to ensure the new member risk is accurately underwritten and to ascertain the financial impact of the prospective entity/member to the Pool.

IPBC

2. Financial Capacity

   The prospective member shall provide or make available its last two audited financial reports which will be used to evaluate the prospective member's financial condition, including fund balance levels and trends.

B. Other Factors Considered for Membership:

1. Member Size

   Under normal circumstances, the prospective member shall have a minimum of 20 enrolled participants on their medical plans.

2. Bond Rating

   If rated by an outside financial agency, it should have a current bond rating of not less than an "A" level from said agency.

3. Effective Leadership

   The Pool's preference is to consider entities that are similar to current members that exhibit a stable government history with a qualified staff.

4. Demonstrates Long-Term Stability

   a) Familiarity with IPBC
   b) Organization or staff members that have participated in the IPBC or other health pools in the past and understands the IPBC organizational structure and member participation requirements and/or:
   c) Organization that participates in other intergovernmental organizations or cooperatives
   d) Understands the general concept of pooling and agrees with the philosophy that all local governments are in it together and:
   e) Willing to actively participate in the governance of the IPBC.

C. Factors That Impact the IPBC:

1. Staffing Implications – The IPBC will assess the impact on staffing related to adding new members. The IPBC will be pro-active in adding staff to ensure service levels remain high. It is expected that the cost of any additional staff will be covered by the new growth.

2. Plan Year - Effective Date for New Members – January 1 or July 1. Any new member of the IPBC that has a renewal date other than January 1, or July 1 will have their renewal moved to either January 1 or July 1.

D. **Quoting Process:**

1. Submission of Information - Prospective members must supply all information required for a quote at least 150 days prior to their anticipated entrance into the IPBC.

2. Limitations on Quotes - Prospective members who receive a favorable quote but decide not to join the IPBC, may not be considered for membership for three years.

3. Application Fee – An application fee of $2,000 is required for an IPBC quote and will be waived if the prospective member joins the IPBC or the quote is unfavorable.

Approved by the Executive Board on July 18, 2024
Revised by the Executive Board on September 25, 2025