Warehouse Employees Union Local No. 730
Health & Welfare Trust Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (800) 730-2241
www.associated-admin.com

Agenda

June 2, 2025

(At approximately 11:00 AM)

I. Call to Order

II. Minutes, Regular Meeting –March 7, 2025

III. Financial Report – Investment Performance Services

IV. Co- Counsel Report

V. Administrative Manager Report

VI. Invoices

VII. Participant Appeal

VIII. Other Fund Business

IX. Next Meeting Date and Location

X. Adjournment

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DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 HEALTH AND WELFARE TRUST FUND MARCH 7, 2025 VIA ZOOM

The following Trustees were present:

UNION TRUSTEES
W. Davis – Secretary
R. Brooks
S. Clark

EMPLOYER TRUSTEES
J. Paradis – Chairman
F. Stegman

Also present were:
A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
J. Kimble – Morgan, Lewis & Bockius, LLP
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
R. Sichel – Investment Performance Services, LLC

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held December 6, 2024.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that the minutes of the last regular meeting held on December 6, 2024 are approved as presented.**

III. FINANCIAL REPORT

A. Custodian Bank – PNK Bank, NA

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period January 1, 2024 through December 31, 2024 is contained in the meeting booklet.

B. Investment Performance Services, LLC (“IPS”)

The Trustees welcomed Mr. Rich Sichel of IPS to the meeting.

Mr. Sichel distributed his report titled, “Master Consulting Services Report – December 31, 2024.” He reviewed the financial markets generally. Mr. Sichel reported that the Fund’s total market value of assets as of December 31, 2024 was $26,283,503, and the return for 2024 was 3.6%, compared to the 3.6% return for the index, gross of fees.

C. Quarterly Performance Report

Mr. Sichel reported that as of December 31, 2024 the Fund’s assets were allocated as follows: 37.0% in Investment Grade Fixed Income, 42.5% in Short Duration High Yield, 4.8% in Real Estate – Core, 5.2% in Real Estate – Value Add, and 10.5% in cash equivalents. He noted Wedge Capital held $9,724,017, Chartwell Investment held $11,167,290, ARA Core Property Fund L.P. held $1,262,340, Boyd Watterson held $1,364,592, and there was $2,765,263 in the cash account.

D. Rebalancing Recommendation

Mr. Sichel reported that the current allocations are within the targeted policy range of the Investment Policy Statement. However, because the Real Estate Core allocations are on the high end of the range and because there are no immediate needs for extra cash, he recommended the Trustees reinvest income received from the Real Estate Value Add manager, Boyd Watterson Government Fund, LP.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve IPS recommendation to reinvest income received from the Real Estate Value Add manager, Boyd Watterson Government Fund, LP.**

E. Asset Allocation

Mr. Sichel directed the Trustees to the asset allocation chart, which listed three potential asset allocations for the Trustees' consideration. He reviewed the scenarios and recommended Portfolio D, which would add US Large Cap Equities as a new asset class. He recommended allocating 10% of the portfolio to a Large Cap US Equity Index Fund and reducing the Fund's allocation to Short Duration High Yield Fixed Income from 42.5% to 32.5%. He recommended that the Fund invest $2.6 million into the Index Fund with the investment to be made in two installments.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to accept the recommendation of IPS to adopt Portfolio D, and invest $2.6 million into a US Large Cap Equity Index Fund, and reduce the allocation of the Short Duration High Yield Fixed Income from 42.5% to 32.5%.**

The Trustees thanked Mr. Sichel for his report and he was excused from the meeting.

IV. COUNSEL REPORT

A. Delinquency Collection and Payroll Audit Policies

Ms. Saindon reviewed the updates to the Delinquency Collection and Payroll Audit policy which was distributed prior to the meeting. The Trustees requested revisions to section G, noting a 10-day response period for payment of liquated damages and interest along with delegation to Chairman and Secretary to approve any employer requests for modification to the amount due. Ms. Saindon said she would revise the Policy and it would be presented at the next meeting.

B. Subrogation Report

Ms. Saindon reviewed the status of the subrogation matters as of March 7, 2025. She reviewed the current cases and stated that there are no cases requiring Trustee action at this time.

C. Morgan Lewis Hourly Rate Increase

Mr. Kimble requested to increase his firm's maximum hourly rate for services to the Funds from $710.00 per hour to $750.00 per hour effective January 1, 2025. He noted that the last rate increase was effective in 2023.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the hourly maximum increase for Morgan Lewis to $750.00 effective January 1, 2025.**

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the fourth quarter 2024. The report showed contributions of $1,409,050, interest and dividend income of $257,865, COBRA payments of $5,121, self-payments of $0, and miscellaneous income of $3,144, producing a total income of $1,675,180 for the quarter. Expenses included $861,681 of benefit expenses and $101,558 of operating expenses, producing a total expense of $963,239. This produced a surplus of $711,941 for the quarter ended December 31, 2024. Ms. Cochran noted that contributions were made on behalf of 313 Plan participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated March 7, 2025 for the Trustees' review. It was noted that there were no additions, deletions, or changes to the list.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that the invoices on the list dated March 7, 2025 are approved for payment as presented.**

VII. OTHER FUND BUSINESS

A. Collective Bargaining Agreement ("CBA") – Washington Food Supply

Ms. Cochran reported the receipt of a newly negotiated Collective Bargaining Agreement between the Union and Washington Food Supply for the period November 1, 2024 through November 2, 2027.

After discussion and review of the CBA by Fund Co-Counsel, the Trustees voted approval of the following resolution:

RESOLVED to accept the CBA between Washington Food Supply and the Union for the period November 1, 2024 through November 2, 2027.

B. Auditor Engagement Letter

Ms. Cochran reported receipt of Novak Francella's engagement letter for the 2024 Plan year audit, which reflects an annual fee of $17,700, an increase of 2.9% from the previous year.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve Novak Francella's engagement letter for the 2024 Plan Year with an annual fee of $17,700.

C. Summary of Material Modifications ("SMM")

Ms. Cochran reported that Associated mailed an SMM to participants on December 13, 2024 regarding the change to Express Scripts as the Fund's pharmacy benefit manager. She noted the mailing included an Express Scripts welcome letter and temporary identification card.

D. Delta Dental implementation

Ms. Cochran reported that the Delta Dental Implementation was completed. She noted that Associated has not received any complaints from participants and confirmed that Associated submitted to Delta Dental the $3,000 implementation credit to which the Fund is entitled.

E. Cigna PPO Savings Report

The Trustees reviewed a copy of the CIGNA PPO Savings Report for the period January 1, 2024 through December 31, 2024.

F. Form 1099NEC

Ms. Cochran reported that Associated mailed the Form 1099NEC to participants on January 31, 2025.

G. Form 1099MISC

Ms. Cochran reported that Associated mailed the Form 1099MISC to participants on January 31, 2025.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected June 2, 2025 as their next regular meeting date immediately following the companion Pension Fund meeting via Zoom.

IX. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,

Jason Paradis
Chairman

WAREHOUSE LOCAL 730 - HEALTH & WELFARE FUND
SUMMARY OF ACTIVITY
JANUARY 01, 2025 to MARCH 31, 2025

	Cash Reserve	Wedge Capital	Chartwell	TOTAL
Beginning Market Value	$2,298,123.29	$9,724,016.66	$11,167,290.38	$23,189,430.33
Receipts	$1,470,226.71	-	-	$1,470,226.71
Disbursements	$1,209,920.09	-	-	$1,209,920.09
Inter-Account Transfers	$500,000.00	-	$500,000.00	-
Earnings	$17,489.23	$239,500.18	$190,539.95	$447,529.36
Ending Market Value	**$2,075,919.14**	**$9,963,516.84**	**$11,857,830.33**	**$23,897,266.31**

ATTORNEY-CLIENT COMMUNICATION

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND
SUMMARY SUBROGATION REPORT
June 2, 2025

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 HEALTH AND WELFARE TRUST FUND
SUBROGATION REPORT FOR TRUSTEE MEETING OF JUNE 2, 2025

PARTICIPANT (DEPENDENT)	ATTORNEY FOR PARTICIPANT	DATE OF ACCIDENT	EMPLOYMENT STATUS	BENEFITS STATUS	CURRENT LIEN AMOUNT[1]	STATUS OF COLLECTION EFFORTS
			ACTIVE			
Quentin Chase 7 East Bend Court Apt. F Windsor Mill, MD 21244 (443) 423-2033	Kent L. Greenberg The Law Office of Kent L. Greenberg 10995 Owings Mills Blvd. Suite 209 Owings Mills, MD 21117 (410) 363-1020	10/7/2024	Active	Eligible	No lien amount yet as claims are pending CareAllies review.	• Participant was injured in a motor vehicle accident on 10/7/2024. • He has retained an attorney and both Participant and the attorney have signed the Subrogation Agreement. • No claims have been paid yet as they are pending review by CareAllies.
			INACTIVE			
Mohamed Mansaray 8123 Mission Hill Road Jessup, MD 20794 (301) 917-4984	Turner Sothoron McGowan & Cecil LLC 319 Main Street Suite 300 Laurel, MD 20707 (301) 483-9960	10/7/22	Active	Eligible	$26,864.17 (Medical) $6,771.46 (A&S): **$33,635.63** (TOTAL)	• Participant fractured his elbow in a slip and fall outside of a gas station. • Participant's medical treatment is ongoing. He received A&S benefits for the period 10/22/22 through 3/28/23. • At a mediation held on June 17, 2024, Participant's counsel reached a tentative settlement for $50,000 contingent on making "the numbers work for [his] client." • Counsel has asked for an unspecified reduction, but stated that he needs to "put at least $20,000 in his client's pocket." In support of this request, he has submitted the information in the attached letter in which he states: **1.** Legal fees and costs: $15,422.17 **2.** Outstanding medical bills: $6,234.66

						3. Client recovery: $20,000 TOTAL: $41,656.83 • That leaves $8,343.17 for the Fund • There is video evidence that is very unfavorable to the Participant and his counsel believes this is the best recovery they can hope for. He estimates the chances of recovering at trial at 5%. • In between meetings, the Trustees' denied Participant's renewed request to accept <u>$11,671.59 in satisfaction of the lien.</u> • On August 29, 2024, counsel for BJs, the store at which Participant fell, contacted us to offer to show the Trustees the video evidence establishing what they believe is Participant's negligence and emphasizing that he will not prevail at trial. They have increased their offer by $5,000 in order to resolve this matter. • The Trustees rejected the increased offer at their September meeting. • Participant's counsel engaged a third-party subrogation firm to negotiate a reduced lien. The Trustees rejected that offer in October. • To date, no settlement or recovery has been reached. We will continue to monitor this case.

[1] Associated Administrators confirmed the lien amounts contained herein on May 23, 2025.

WAREHOUSE EMPLOYEES UNION
LOCAL NO. 730
HEALTH & WELFARE TRUST FUND

FIRST QUARTER 2025

ADMINISTRATIVE MANAGER'S REPORT

FIRST QUARTER 2025
CONTRIBUTIONS AND EXPENSES

INCOME				
EMPLOYER	**RATE**	**HOURS**	**PARTICIPANTS**	**CONTRIBUTIONS**
EIGHT O'CLOCK COFFEE	$ 8.50	28,879.25	68	$ 245,474
GIANT RECYCLING	$ 8.50	13,984.30	28	$ 118,867
GIANT WAREHOUSE	$ 8.50	116,919.30	216	$ 993,814
WASHINGTON FOOD	$ 6.00	1,165.00	3	$ 6,990
COBRA			1	$ 4,881
SELF PAY				
TOTAL INCOME		**160,947.85**	**316**	**$ 1,370,026**

BENEFIT EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
CIGNA OONSP	19%	$ 5,054	$ 0.031	
CIGNA HEALTH CARE	$ 29.09	$ 28,422	$ 0.180	
DENTAL	$ 31.58	$ 34,308	$ 0.210	
DISABILITY		$ 9,214	$ 0.060	
DRUG		$ 111,468	$ 0.690	
HEARING GVS/FULLY INSURED	$ 0.29	$ 281	$ -	
LIFE/AD&D-ING	$ 0.21	$ 10,990	$ 0.070	$0.193 LIFE / $0.016 AD&D
MEDICAL		$ 567,100	$ 3.520	
OPTICAL GVS/FULLY INSURED	$ 5.90	$ 5,791	$ 0.040	
STOP LOSS	$ 29.22	$ 27,594	$ 0.171	
SUB TOTAL		$ 800,222	$ 4.972	

OPERATING EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
ADMINISTRATION	$ 28.09	$ 26,684	$ 0.170	
ADMINISTRATION HIPAA	$ 0.21	$ 200	$ 0.001	
MISCELLANEOUS		$ 117,520	$ 0.730	
SUB TOTAL		$ 144,404	$ 0.901	
TOTAL EXPENSES		**$ 944,626**	**$ 5.873**	

SURPLUS (DEFICIT)		**$ 425,400**

AVG. HOURLY INCOME		**$ 8.51**
AVG. HOURLY EXPENSE		**$ 5.87**
SURPLUS (DEFICIT)		**$ 2.64**

FIRST QUARTER 2025
MISCELLANEOUS EXPENSES

MISCELLANEOUS EXPENSES	**AMOUNT**
AMERICAN CORE REALTY INVESTMENT MANAGER FEES	$ 4,900
AUDITOR	$ 12,000
CHARTWELL INVESTMENT MANAGER FEES	$ 13,960
CONSULTING	$ 55,000
GREEN LIGHT TECHNOLOGY SERVICES	$ 4,500
INVESTMENT PERFORMANCE SERVICES	$ 10,000
LEGAL FEES - FUND CO-COUNSEL	$ 10,766
MEETING	$ 525
PNC FEES	$ (284)
POSTAGE	$ 109
WEDGE CAPITAL INVESTMENT MANAGER FEES	$ 6,044
TOTAL	**$ 117,520**

2025
QUARTERLY RECAPS

INCOME	FIRST 2025	SECOND 2025	THIRD 2025	FOURTH 2025	TOTAL
CONTRIBUTIONS	$ 1,365,145	$ -	$ -	$ -	$ 1,365,145
COBRA	$ 4,881	$ -	$ -	$ -	$ 4,881
SELF PAY	$ -	$ -	$ -	$ -	$ -
INTEREST & DIVIDENDS	$ 229,531	$ -	$ -	$ -	$ 229,531
MISCELLANEOUS INCOME[1]	$ 3,012	$ -	$ -	$ -	$ 3,012
TOTAL INCOME	**$ 1,602,569**	**$ -**	**$ -**	**$ -**	**$ 1,602,569**
BENEFIT EXPENSES					
CIGNA OONSP	$ 5,054	$ -	$ -	$ -	$ 5,054
CIGNA	$ 28,422	$ -	$ -	$ -	$ 28,422
DENTAL	$ 34,308	$ -	$ -	$ -	$ 34,308
DISABILITY	$ 9,214	$ -	$ -	$ -	$ 9,214
DRUG	$ 111,468	$ -	$ -	$ -	$ 111,468
HEARING GVS/FULLY INSURED	$ 281	$ -	$ -	$ -	$ 281
LIFE/AD&D	$ 10,990	$ -	$ -	$ -	$ 10,990
MEDICAL	$ 567,100	$ -	$ -	$ -	$ 567,100
OPTICAL	$ 5,791	$ -	$ -	$ -	$ 5,791
STOP LOSS	$ 27,594	$ -	$ -	$ -	$ 27,594
SUBTOTAL	$ 800,222	$ -	$ -	$ -	$ 800,222
OPERATING EXPENSES					
ADMINISTRATION	$ 26,884	$ -	$ -	$ -	$ 26,884
MISCELLANEOUS	$ 117,520	$ -	$ -	$ -	$ 117,520
SUBTOTAL	$ 144,404	$ -	$ -	$ -	$ 144,404
TOTAL EXPENSE	**$ 944,626**	**$ -**	**$ -**	**$ -**	**$ 944,626**
SURPLUS (DEFICIT)	**$ 657,943**	**$ -**	**$ -**	**$ -**	**$ 657,943**
					AVERAGE
AVG HOURLY INCOME	$ 9.96	$ -	$ -	$ -	9.96
AVG HOURLY EXPENSE	$ 5.87	$ -	$ -	$ -	5.87
SURPLUS (DEFICIT)	$ 4.09	$ -	$ -	$ -	$ 4.09
TOTAL PARTICIPANTS	316	0	0	0	316
FUND RESERVE	$ 27,061,833				

[1]Litigation settlement - Zetia - $11.65, Reimbursement for new vendor implementation - $3,000.00

2024
QUARTERLY RECAPS

INCOME	FIRST 2024	SECOND 2024	THIRD 2024	FOURTH 2024	TOTAL
CONTRIBUTIONS	$ 1,404,185	$ 1,413,687	$ 1,419,899	$ 1,409,050	$ 5,646,821
COBRA	$ 2,497	$ 3,414	$ 1,707	$ 5,121	$ 12,739
SELF PAY	$ 2,380	$ 3,409	$ -	$ -	$ 5,789
INTEREST & DIVIDENDS	$ 206,391	$ 252,180	$ 215,668	$ 257,865	$ 932,104
MISCELLANEOUS INCOME[1]	$ -	$ 5,390	$ -	$ 3,144	$ 8,534
TOTAL INCOME	**$ 1,615,453**	**$ 1,678,080**	**$ 1,637,274**	**$ 1,675,180**	**$ 6,605,987**
BENEFIT EXPENSES					
CIGNA OONSP	$ 10,717	$ 2,983	$ 2,018	$ 3,506	$ 19,224
CIGNA	$ 29,062	$ 28,537	$ 28,307	$ 29,493	$ 115,399
DENTAL	$ 27,948	$ 30,286	$ 29,812	$ 29,780	$ 117,826
DISABILITY	$ 8,872	$ 7,843	$ 12,857	$ 12,600	$ 42,172
DRUG	$ 179,519	$ 285,619	$ 230,610	$ 368,283	$ 1,064,031
HEARING GVS/FULLY INSURED	$ 272	$ 276	$ 275	$ 280	$ 1,103
LIFE/AD&D	$ 9,604	$ 9,980	$ 9,949	$ 10,116	$ 39,649
MEDICAL	$ 412,811	$ 302,165	$ 685,747	$ 381,629	$ 1,782,352
OPTICAL	$ 5,865	$ 5,936	$ 5,361	$ 6,091	$ 23,253
STOP LOSS	$ 26,678	$ 27,132	$ 27,330	$ 19,903	$ 101,043
SUBTOTAL	$ 711,348	$ 700,757	$ 1,032,266	$ 861,681	$ 3,306,052
OPERATING EXPENSES					
ADMINISTRATION	$ 25,531	$ 25,477	$ 25,396	$ 25,532	$ 101,936
MISCELLANEOUS	$ 62,931	$ 73,432	$ 160,046	$ 76,026	$ 372,435
SUBTOTAL	$ 88,462	$ 98,909	$ 185,442	$ 101,558	$ 474,371
TOTAL EXPENSE	**$ 799,810**	**$ 799,666**	**$ 1,217,708**	**$ 963,239**	**$ 3,780,423**
SURPLUS (DEFICIT)	**$ 815,643**	**$ 878,414**	**$ 419,566**	**$ 711,941**	**$ 2,825,564**
					AVERAGE
AVG HOURLY INCOME	$ 9.76	$ 10.07	$ 9.79	$ 10.09	$ 9.93
AVG HOURLY EXPENSE	$ 4.83	$ 4.80	$ 7.28	$ 5.80	$ 5.68
SURPLUS (DEFICIT)	$ 4.93	$ 5.27	$ 2.51	$ 4.29	$ 4.25
TOTAL PARTICIPANTS	312	313	312	313	313
FUND RESERVE	$ 23,995,529	$ 24,427,928	$ 25,772,273	$ 26,283,503	

[1]Litigation settlements: Ranbaxy Generics - $3,129.28, Libor Bondholders - $14.42

FIRST QUARTER 2025
CONTRACT INFORMATION

COMPANY	PLAN	CURRENT RATES	CURRENT RATE EFF. DATE	NEXT RATE CHANGE DATE	CBA EXPIRATION
EIGHT O'CLOCK COFFEE	E	$8.50	02-01-21	TBD	07-17-27
GIANT RECYCLING	E	$8.50	06-01-22	TBD	06-20-26
GIANT WAREHOUSE	E	$8.50	06-01-22	TBD	05-15-27
WASHINGTON FOOD	E	$6.00	11-01-21	TBD	11-02-27

HEALTH AND WELFARE
DELINQUENCY REPORT
As of March 31, 2025

NO DELINQUENCIES

Fund Reserve

Months of Available Fund Reserve			
	Expenses		
	Jan - Dec 2024		$ 3,780,423.00
	Jan - Mar 2025		$ 944,626.00
	Total		$ 4,725,049.00
	Per Month		$ 315,003.27
	Fund Reserve		
	Mar-25		$ 27,061,833.00
	Months of Reserve 3/31/2025		**85.9**
	Months of Reserve 12/31/2024		93.2

Projected Hourly Contribution - Future Expenses
Based on Most Recent 12 Month Data
(Mar 2025 - Feb 2026)

Class E	$	6.28

Warehouse Employees Union Local No. 730 Health and Welfare Fund

INVOICES
June 2, 2025

Chartwell Investment Partners

4/25/2025	Fee for investment services rendered through March 31, 2025	$	14,709.83

Investment Performance Services, LLC

3/17/2025	Fee for professional services rendered through March 31, 2025	$	10,000.00

Mooney, Green, Saindon, Murphy & Welch, P.C.

3/17/2025	Fee for professional services rendered through January 31, 2025 B. Saindon, Rate: $475.00 per hour	$	285.00
4/23/2025	Fee for professional services rendered through February 28, 2025 B. Saindon, Rate: $475.00 per hour	$	1,187.50
5/22/2025	Fee for professional services rendered through March 31, 2025 B. Saindon, Rate: $475.00 per hour	$	1,092.50

Morgan, Lewis & Bockius, LLP

3/7/2025	Fee for professional services rendered through January 31, 2025 J. Kimble, Rate: $750.00 per hour	$	525.00
3/17/2025	Fee for professional services rendered through February 28, 2025 J. Kimble, Rate: $750.00 per hour	$	2,775.00
4/10/2025	Fee for professional services rendered through March 31, 2025 J. Kimble, Rate: $750.00 per hour	$	2,175.00
5/16/2025	Fee for professional services rendered through April 30, 2025 J. Kimble, Rate: $750.00 per hour	$	14,700.00

Segal Consulting

3/4/2025	Fee for the Medical RFP consulting services through June 30, 2024	$	35,000.00
3/4/2025	Fee for the Dental RFP consulting services through June 30, 2024	$	15,000.00
3/4/2025	Fee for the Benefit Improvement Analysis consulting services through June 30, 2024	$	5,000.00
5/20/2025	Fee for Cyber Liability Insurance Policy through May 20, 2026	$	645.15

Ullico

4/28/2025	Stop Loss Insurance Policy Premiums for February 2025 through May 2025	$ 37,073.58

Wedge Capital Management

4/11/2025	Fee for professional services rendered through March 31, 2025	$ 6,191.51

NAME: **SS#:**
REGARDING:

Warehouse Employees Union Local No. 730 Health & Welfare Trust Fund

EMPLOYER:	Giant Food Warehouse	**LOCAL:**	730
PLAN:	E	**STATUS:**	Full Time

ISSUE: Medical – Laboratory Services #M25/103-8988

FUND RULE:
"**IMPORTANT NOTICE:**

CHANGES TO COVERED OUTPATIENT LABORATORY SERVICES

EFFECTIVE JANUARY 1, 2022

Due to the continuing increase in health care costs, the Warehouse Employees Union Local No. 730 Health and Welfare Trust Fund ('Fund') will only cover outpatient laboratory services when performed by Quest Diagnostics® ('Quest') and/or Laboratory Corporation of America Holdings® ('LabCorp') effective January 1, 2022. If you receive outpatient laboratory services with a lab other than Quest or LabCorp after January 1, 2022, the services will not be covered under the Fund and you will be responsible for 100% of the cost."
(Quoted from the letter mailed to the participant on November 15, 2021)

SUMMARY:

Date(s) of Service:	October 17, 2024
Claim(s) Received:	October 29, 2024
Claim(s) Denied:	November 1, 2024
Appeal Received:	February 6, 2025

The **participant's spouse** is appealing the denial of a claim for laboratory services rendered by Dianon Systems on October 17, 2024.

Effective January 1, 2022, the Fund will only cover outpatient laboratory services when performed by a Quest Diagnostics and/or LabCorp facility. Fund records indicate that a letter was mailed to the participant on November 15, 2021, advising of this change.

Dianon Systems submitted a claim for pathology services rendered on October 17, 2024. The claim was denied because the testing was not rendered by a Quest Diagnostics or LabCorp facility.

The participant's spouse states in her appeal that she had an endoscopy performed and she was told that the biopsies were going to be sent to LabCorp for testing. The participant's spouse further states she did not know that the labs were not sent to LabCorp until she received an EOB (Explanation of Benefits) indicating the provider was Dianon Systems, and is asking that this claim be covered as she had no knowledge that LabCorp would not be preforming this test.

Note: Dianon Systems is a subsidiary of LabCorp.

ACTION: **Approved** ☐ **Denied** ☐ **Tabled** ☐
COMMENTS:

FEBRUARY 5, 2025

RECEIVED
FEB 06 2025
AA,LLC

BOARD OF TRUSTEES
WAREHOUSE EMPLOYEES UNION LOCAL NO 730
HEALTH AND WELFARE FUND
ASSOCIATED ADMINISTRATORS, LLC
911 RIDGEBROOK RD
SPARKS, MD 21152-9451

ATTN: APPEALS DEPT

On October 17, 2024, I had an endoscopy performed at the Endocentre of Westminster. At that time, there were biopsies sent to Labcorp for testing, which we were told was covered under our benefit plan. I was under the impression that Labcorp would be performing the testing. However, I found out when I received the EOB that the biopsies were actually tested by Dianon Systems, a subsidiary of Labcorp. Now, I am being told that the claim is denied because subsidiaries of Labcorp are currently not covered. At this time, I am requesting that this claim please be covered as I had no prior knowledge that a subsidiary of Labcorp would be doing the testing.

I have attached the bill from Labcorp for your review.

Thank you for your consideration in this matter, labcorp

Dianon Systems, Inc. is a subsidiary of Laboratory Corporation of America Holdings, using the brand Labcorp.

TAX ID# : 06-1128081

Laboratory Bill

BALANCE NOW DUE

RECEIVED
FEB 06 2025
AA,LLC

Payments made via an online banking service must include this invoice #

Invoice/Factura: 72587934

Amount Due: $964.95

Patient Name:
Invoice Date:

Test requested by:
ENDOCENTRE OF WESTMINSTER
535 OLD WESTMINSTER PIKE
WESTMINSTER, MD 21157

Insurance that has been filed:
CIGNA

We've made it easy to pay your bills from Labcorp. Just scan this QR code to pay.

Important Notice

YOUR INSURANCE HAS DENIED THIS SERVICE(S) AS NONCOVERED. WE UNDERSTAND OUR PATIENTS MAY BE FACING UNEXPECTED FINANCIAL HARDSHIPS. IF YOU NEED ASSISTANCE WITH YOUR BILL, PLEASE CALL THE NUMBER LISTED ON YOUR INVOICE.

Summary of Activity

Date of Service	Description	Charges	Adjustments	Medicare/ Medicaid Paid	Insurance Paid	Patient Paid	You Pay
10/17/24	PAS/Alcian Blue #1	193.20					193.20
10/17/24	Helicobacter Pylori	211.05					211.05
10/17/24	Upper GI Histology #3	560.70					560.70
IMPORTANTE: Tenemos agentes bilingues disponibles para asistirle. Llamenos ahora para resolver su situación.		964.95					**$964.95**

Labcorp reserves the right to refuse laboratory services for failure to pay for past services. Only your doctor can answer questions regarding testing, diagnosis and results. To request a copy of your laboratory report: Go to patient.labcorp.com

TEST PERFORMED BY: DIANON SYSTEMS INC 1 FOREST PARKWAY SHELTON, CT 06484

We accept the following payment methods: MasterCard DISCOVER VISA American Express PayPal Apple Pay G Pay

Payment arrangements can be made with no additional fee by calling **1-800-845-6167** from 8 AM - 8 PM Monday - Friday, or visit **labcorp.com/billing**

Return this portion with payment
DO NOT SEND CASH
Make check or money order payable to:

Invoice/Factura: 72587934

Amount Due: $964.95

www.labcorp.com/billing

FAX: 1-866-227-2939

Payments made via an online banking service must include
Invoice # 72587934

Laboratory Corporation of America Holdings
PO Box 2240
Burlington, NC 27216-2240

HSRAMTLAS*ED**** 4292Z650 077A**** 1 0964952

WAREHOUSE EMPLOYEES LOCAL 730 HEALTH AND WELFARE FUND

January 2024 – December 2024

Savings Results
Pharmacy Updates
Member Engagement

June 2, 2025

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Network Savings Results

PPO and Out of Network Savings Program
January 2024 – December 2024

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$685,096	$480,308	$204,788	29.9%
Outpatient	$5,839,606	$1,027,825	$4,811,781	82.4%
Physician	$2,138,611	$876,224	$1,262,387	59.0%
Total	**$8,663,314**	**$2,384,358**	**$6,278,956**	**72.5%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Inpatient	$44,800	$26,432	$18,368	41.0%
Outpatient	$2,887	$2,290	$597	20.7%
Physician	$71,309	$37,492	$33,816	47.4%
Total	**$118,996**	**$66,214**	**$52,782**	**44.4%**

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Total Year To Date Savings
January 2024 – December 2024

	Savings
PPO Network Savings	$6,278,956
Out of Network Savings	$52,782
Utilization Management Savings	$28,448
Case Management Savings	$9,220
Outpatient Care Management Savings	$28,655
Total Year To Date Savings	**$6,398,060**

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PPO and Out of Network Savings Program
January 2025 – March 2025

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$528,549	$425,395	$103,153	19.5%
Outpatient	$1,583,301	$213,986	$1,369,315	86.5%
Physician	$427,451	$185,577	$241,874	56.6%
Total	**$2,539,301**	**$824,958**	**$1,714,343**	**67.5%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Inpatient				
Outpatient	$55	$53	$2	3.8%
Physician	$8,646	$3,600	$5,046	58.4%
Total	**$8,701**	**$3,653**	**$5,048**	**58.0%**

Total Year To Date Savings
January 2025 – March 2025

	Savings
PPO Network Savings	$1,714,343
Out of Network Savings	$5,048
Utilization Management Savings	$0
Case Management Savings	$1,190
Outpatient Care Management Savings	$3,241
Total Year To Date Savings	**$1,723,822**

Pharmacy Updates

Pharmacy Summary

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

Pharmacy Trend
34.6%▲
Norm PMPM : **$182**

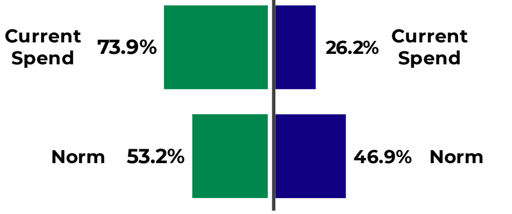
Inflation
2.7%▲
Norm: **0.9%**

Utilization
0.8%▲
Norm: **3.0%**

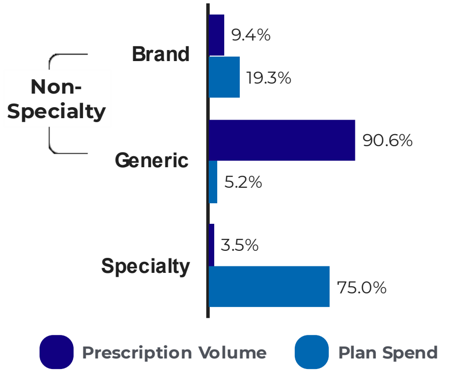
Drug Mix
31.2%
Norm: **7.3%**

What are Pharmacy Trends?

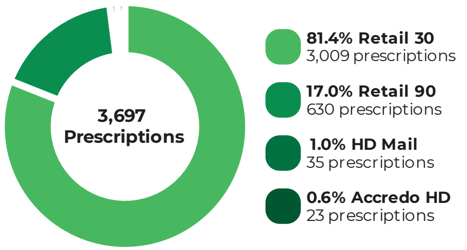
Specialty Pharmacy	Non-Specialty Pharmacy
47.2%▲	**8.6%▲**
PMPM: **$131**	PMPM: **$46**



How Does Volume/Spend Compare Across Medication Categories?

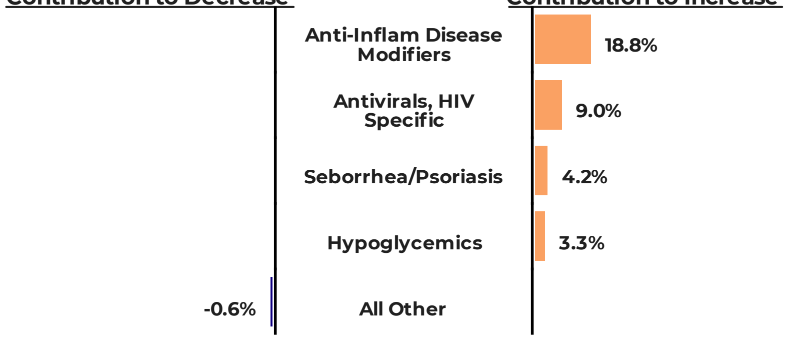


How are Medications Dispensed?



80.9% ($421K) of total specialty spend were specialty medicines dispensed through **R30 Channel.**

What are the impacts to Trend by Therapeutic Class?



What is Medication Adherence by Key Condition?

	Plan Adherence	Norm Adherence
Hypertension	61.8% ▲	80.4%
Diabetes	55.2% ▲	77.8%
Depression	60.9% ▲	78.4%
Cholesterol	60.4% ▲	81.6%
Asthma	5.6% ▲	31.6%

Increase vs Base   Decrease vs Base

Comments/Insights

- Specialty Pharmacy had the greatest impact.
- The therapeutic class with the greatest contribution was Anti-Inflam Disease Modifiers.
- Hypertension/Cardiac had the highest medication adherence rate.
- Medications counted as adherent are based on an 80.0% or higher rate of medication adherence.

Sources are listed in appendix

Non-Specialty Pharmacy

Non-Specialty Pharmacy Trend

8.6%▲

Current PMPM **$46**
Norm PMPM: **$85**

Non-Specialty Pharmacy Spend

$329.0K

Base: **$328.5K**

Non-Specialty Spend % of Total

26.2%

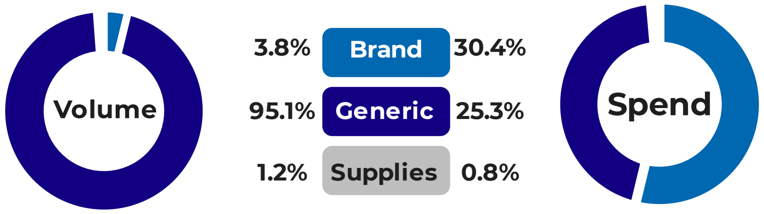
Norm: **46.8%**

Unique Users

333

Base: **379**

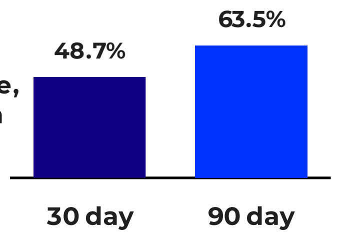
How Does Volume/Spend Compare for Retail Adjusted Scripts?



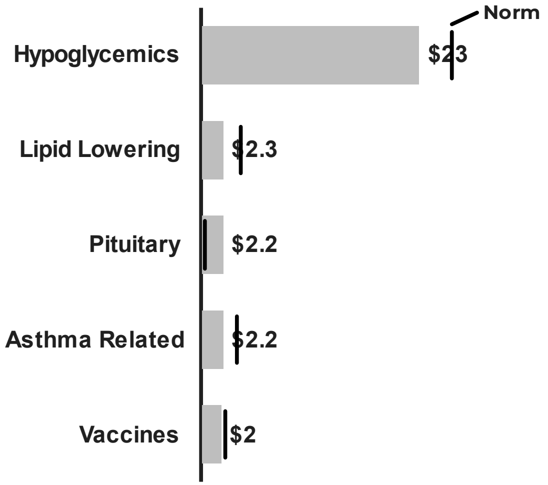
Brand Name Drugs make up **4% Volume** but account for **30% Spend**

How Does Script Steerage Impact Medication Adherence?

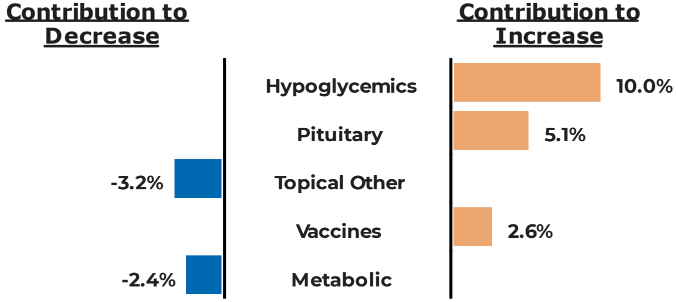
Of Members with **greater than 80% Maintenance Medication Adherence,** what is the Medication Adherence by Retail Script type?



What are the Top 5 Therapeutic Classes by Spend?



What are the Top 5 Trend Contributions by Therapeutic Class?



Comments/Insights

- Non-specialty spend of 26.2% was lower than the comparator.
- Hypoglycemics had the largest PMPM spend of $23.
- 30.4% of non-specialty pharmacy spend is on brand name drugs.
- 63.5% of 90 day retail utilizers have greater than 80% maintenance medication adherence versus 48.7% of 30 day retail utilizers.
- With more steerage to 90-day retail, or 90 days at home delivery, medication adherence may improve.

Specialty Drugs

Plan Spend PMPM (Trend)

Total Specialty
Medical + Pharmacy

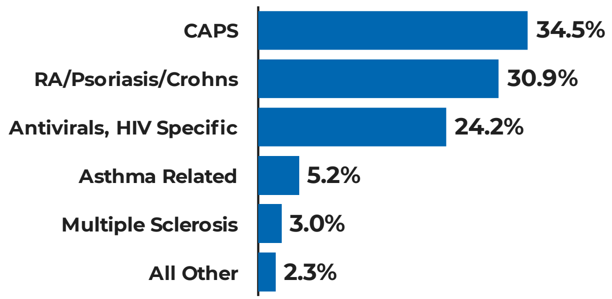
47.2%▲
Current: **$131**
Norm: **$105**

Pharmacy Specialty

47.2%▲
Current: **$131**
Norm: **$97**

What is the Percent of Current Spend?

Pharmacy Specialty



Novel therapies and biosimilars dominate through the next decade

Over the next decade:

- More than 40 biosimilars in the pipeline are expected to launch for 19 reference products.
- Branded products with more than $237 billion in sales will face loss of exclusivity.

What are the Top 10 Specialty Drugs by Spend?

Rank Prev	Rank Curr	Drug Name	Indication	Benefit	Spend
4	1	ILARIS	CAPS	Pharmacy	$320,603
1	2	HUMIRA(CF) PEN	RA/Psoriasis/Crohns	Pharmacy	$169,170
2	3	BIKTARVY	Antivirals, HIV Specific	Pharmacy	$157,062
12	4	DUPIXENT PEN	Asthma Related	Pharmacy	$48,095
3	5	RINVOQ	RA/Psoriasis/Crohns	Pharmacy	$47,351
N/A	6	COSENTYX UNOREADY PEN	RA/Psoriasis/Crohns	Pharmacy	$39,364
6	7	DOVATO	Antivirals, HIV Specific	Pharmacy	$37,663
11	8	DALFAMPRIDINE ER	Multiple Sclerosis	Pharmacy	$27,593
10	9	HUMIRA(CF) PEN CROHNS-UC-HS	RA/Psoriasis/Crohns	Pharmacy	$22,056
N/A	10	SYMTUZA	Antivirals, HIV Specific	Pharmacy	$14,713

Biosimilar Strategy:

Stelara ® & Humira®

- **$0 customer cost biosimilar available at Accredo®** for eligible Cigna Healthcare[SM] members

Comments/Insights

- Total specialty spend was 47.2% higher than the comparator.
- Pharmacy Specialty was the component of specialty spend with the greatest impact versus the comparator.
- 45.8% of PMPM spend is from specialty pharmacy and 54.2% is from home delivery site of care, where costs of drugs are more easily managed by Cigna.

Sources are listed in appendix

Member Engagement Opportunities

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Key Findings and Observations 2024

Membership

Top 5 MDC's
- Ear, Nose & Throat (Inc. Upp Resp), Lower Respiratory System, Musculoskel/Fracture/Sprain/Strain, Infectious and Parasitic, Renal and Urologic

ER versus UC

- 88 ER visits by 70 unique members – 27 of those were steerable by 26 unique members; compared to 38 visits by 31 unique members during the same time period in 2023
- Urgent Care visits decreased from 181 visits in 2023 to 140 during 2024

Web Tools

- 0 members have completed a health assessment; compared to 1 in 2023
- 143 members have registered on myCigna.com, compared to 141 the previous year.
- 183 members have logged into myCigna.com during 2024. myCigna app was logged into 191 times in 2024.

Emergency Room/Urgent Care
2023 & 2024

2023	
ER Summary	
Total ER Visits	93
Total Charge	$138,225
Allowed Amounts	$69,960
ER Cost per claim	$752
UC Summary	
Total UC Visits	194
Total Charge	$67,293
Allowed Amounts	$38,597
UC Cost per Claim	$199
Steerable ER Summary	
Steerable ER Visits	38
Unique Members	31
Potential Redirect Saving	$9,728

2024	
ER Summary	
Total ER Visits	88
Total Charge	$107,312
Allowed Amounts	$68,544
ER Cost per claim	$779
UC Summary	
Total UC Visits	140
Total Charge	$45,183
Allowed Amounts	$28,771
UC Cost per Claim	$206
Steerable ER Summary	
Steerable ER Visits	27
Unique Members	26
Potential Redirect Saving	$11,945

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Lab Utilization 2023 & 2024

Quest Diagnostics

Savings using Quest or LabCorp

labcorp

2023	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	**$205,298**	**$40,183**	**$165,116**	**2,053**	**$20**	**80%**
All other In-net	**$294,589**	**$66,733**	**$227,856**	**1,491**	**$45**	**77%**
Total In-network	**$499,888**	**$106,916**	**$392,972**	**3,544**	**$30**	**79%**

2024	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	**$257,570**	**$47,670**	**$209,900**	**2,403**	**$20**	**81%**
All other In-net	**$377,771**	**$112,413**	**$265,357**	**1,634**	**$69**	**70%**
Total In-network	**$635,341**	**$160,083**	**$475,258**	**4,037**	**$40**	**75%**

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Thank You