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
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Agenda

June 10, 2021
(At approximately 11:00 AM)

I. Call to Order

II. Minutes, Regular Meeting – March 26, 2021

III. Financial Report – Investment Performance Services

IV. Co- Counsel Report

V. Administrative Manager Report

VI. Invoices

VII. Other Fund Business

VIII. Next Meeting Date and Location

IX. 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 26, 2021 VIA TELECONFERENCE

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
R. Brooks – Chairman	J. Paradis – Secretary
J. Lacy	H. Sebhat
F. Myers	F. Stegman
T. Richardson – Alternate	M. Goble – Alternate

Also present were:

K. Barshinger – Associated Administrators, LLC
A. Cochran – Associated Administrators, LLC
M. DeLancey – Blank Rome LLP
J. Kimble – Morgan, Lewis & Bockius, LLP
R. Sichel – Investment Performance Services, LLC

I. CALL TO ORDER

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

II. MINUTES

The Trustees read the minutes of the last regular meeting held on December 10, 2020.

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 10, 2020 are approved as written.

III. FINANCIAL REPORT

A. Custodian Bank – PNC Bank, NA

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period January 1, 2020 through December 31, 2020 is contained in the meeting booklet.

B. Investment Performance Services, LLC ("IPS")

1. Investment Performance

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

Mr. Sichel distributed his report titled, "Master Consulting Services Report – December 31, 2020." Mr. Sichel reported that the total market value of assets as of December 31, 2020 was $12,820,175.

2. Asset Allocation

Mr. Sichel reported that as of December 31, 2020, the Fund held 46.8% in Investment Grade Fixed Income, 38.1% in Short Duration High Yield, 5.9% in Real Estate, and 9.2% in cash equivalents. He

noted Wedge Capital held $6,005,117, Chartwell Investment held $4,887,462, American Core Realty held $752,417, and there was $1,175,180 in the cash account.

Mr. Sichel noted that the cash allocation is within the permissible Investment Policy range, however he recommended the Trustees consider rebalancing the allocation closer to the target allocation in the Investment Policy. He also recommended the Trustees consider adding an allocation to a value added-real estate product and recommended investing in the Boyd Watterson State Government Fund. Mr. Sichel reviewed various potential asset allocations for the Trustees' consideration. Mr. Sichel recommended Portfolio E, which would decrease the Fixed Income asset allocation from 50.0% to 40.0% and increase the Short Duration High Yield asset allocation from 40.0% to 45.0%. He recommended investing 5.0% of the assets with Boyd Watterson.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to accept the recommendation of IPS to 1) adopt Portfolio E, decreasing the Fixed Income asset allocation from 50.0% to 40.0% and increasing the Short Duration High Yield asset allocation from 40.0% to 45.0% and to invest 5.0% with Boyd Watterson; and 2) transfer $650,000 from the cash account to Chartwell.**

3. American Core Realty Fund, LLC

Mr. Sichel said that IPS recommends reinvesting all quarterly distributions from the American Core Realty Fund in the American Core Realty Fund.

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

RESOLVED to adopt IPS' recommendation to reinvest American Core Realty Fund, LLC quarterly distributions in the American Core Realty Fund.

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

IV. COUNSEL REPORT

A. Subrogation Report

Mr. DeLancey reviewed the status of subrogation matters as of March 26, 2021. He stated that there are no cases requiring Trustee action at this time.

B. Legislative Update

Mr. Kimble reviewed three Memorandums from co-counsel regarding provisions of the Consolidated Appropriations Act, the American Rescue Plan Act, and COVID-19 Deadline Extensions and their applicability to the Fund. Mr. Kimble said co-counsel will work with Associated to ensure the Fund's compliance with the new laws.

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the fourth quarter 2020. The report showed contributions of $1,468,632, interest and dividend income of $87,278, and miscellaneous income of $0, producing a total income of $1,555,910 for the quarter. Expenses included $746,181 of benefit expenses and $64,699 of operating expenses, producing a total expense of $810,880. This produced a total surplus of $745,030 for the quarter ended December 31, 2020. Ms. Cochran noted that contributions were made on behalf of 339 Plan participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated March 26, 2021 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 26, 2021 are approved for payment as presented.

VII. OTHER FUND BUSINESS

A. Blank Rome LLP Fee Request

Ms. Cochran noted receipt of an email dated February 3, 2021 in which Mr. DeLancey requests an increase in hourly rates to be effective April 1, 2021. He is requesting an hourly rate of $660.00.

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

RESOLVED to approve the Blank Rome LLP hourly rate of $660.00 effective April 1, 2021.

B. **Cyber Liability Policy**

The Trustees reviewed the proposal provided by NFP regarding the renewal of the Cyber Liability policy. Ms. Cochran noted the original policy expired March 12, 2021 but that the expiration date was extended until March 31, 2021 so that action could be taken at this meeting. There was one proposal from the incumbent carrier, Beazley. Ms. Cochran said there was a 16% increase in the premium due to overall industry losses, market trend inflation in claims adjustment cost, and the impact of the pandemic. She said the broker approached three other carriers and all declined to provide proposals.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve renewing the Cyber Liability Policy with Beazley for the period March 5, 2021 through March 5, 2022 with an annual premium of $2,441.10.

Ms. Cochran advised that the policy covers the Warehouse Local 730 Legal and Pension Trust Funds and that the premium would be pro-rated as directed by the Fund auditor.

C. **Dental Health Centers and Associates, LLC (DHC)**

The Trustees reviewed the Dental Health Centers and Associates 2020 report. The report indicated the total yearly premium paid for dental coverage was $127,425.30. The dollar value of dentistry performed at the average "usual and customary" fees in 2020 was $158,532.00. Ms. Cochran said the report indicates that for each $1.00 in premiums paid,

the members are receiving $1.24 of dental services based on "usual and customary" values.

D. Cigna PPO Savings Report

The Trustees reviewed a copy of the CIGNA PPO Savings Report for the period January 1, 2020 through June 30, 2020.

E. Annual Creditable Coverage Disclosure to the Centers for Medicare & Medicaid Services ("CMS") (2021)

Ms. Cochran reported that Associated electronically filed in a timely manner the Creditable Coverage Disclosure to CMS for 2021 and that CMS accepted the filing.

F. Stop Loss Policy – Ullico

Ms. Cochran reported the Fund received a dividend in the amount of $4,625.00 for the January 1, 2020 to December 31, 2020 policy year. The rebate is 5% of the Plan's specific gross stop loss premium.

G. Form 1099MISC

Ms. Cochran reported that Associated mailed the Form 1099MISC to participants on January 28, 2021.

H. Employer Contribution Rate Letter

Ms. Cochran reported that Associated mailed a contribution rate increase letter to Eight O' Clock Coffee for a rate change effective February 1, 2021.

I. Summary of Material Modifications ("SMM")

Ms. Cochran reported that Associated mailed the SMM regarding coverage of the COVID-19 vaccination to participants on February 16, 2021.

J. Women's Health and Cancer Rights Act ("WHCRA")

Ms. Cochran said that Associated mailed the annual WHCRA notice to participants on February 16, 2021.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected June 10, 2021 as their next regular meeting date immediately following the companion Pension Fund meeting via teleconference.

IX. ADJOURNMENT

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

Respectfully submitted,

Jason Paradis
Secretary

WAREHOUSE LOCAL 730 - HEALTH & WELFARE FUND
SUMMARY OF ACTIVITY
JANUARY 01, 2021 to MARCH 31, 2021

	Cash Reserve	Cash in Transit *	Wedge Capital	Chartwell	American Core Realty	TOTAL
Beginning Market Value	$1,086,269	$0	$6,005,117	$4,887,462	$752,417	$12,731,265
Receipts	$1,655,816	$0	$0	$0	$0	$1,655,816
Disbursements	$825,812	$0	$0	$0	$0	$825,812
Inter-Account Transfers	$0	$151,700	$0	$0	$151,700	$0
Earnings	$56	$5	$85,952	$34,050	$100,837	$48,996
Ending Market Value	**$1,916,329**	**$151,705**	**$5,919,165**	**$4,921,511**	**$701,554**	**$13,610,265**

* CASH IN TRANSIT TO AGREE WITH IPS STMT

PNC BANK, NA

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND
SUMMARY SUBROGATION REPORT
June 10, 2021

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 HEALTH AND WELFARE TRUST FUND
SUBROGATION REPORT FOR TRUSTEE MEETING OF JUNE 10, 2021

PARTICIPANT (DEPENDENT)	ATTORNEY FOR PARTICIPANT	DATE OF ACCIDENT	EMPLOYMENT STATUS	BENEFITS STATUS	CURRENT LIEN AMOUNT[1]	STATUS OF COLLECTION EFFORTS
ACTIVE						
Stefan Mansar 5645 Settler Place Columbia, MD 21044	David Snyder Snyder Law Group The Woodholme Center 1829 Reisterstown Rd. Suite 250 Baltimore, MD 21208 (410) 843-3476	7/22/20	Active	Not Eligible	$12,845.31 (Medical) $10,441.35 (A&S)	• Participant sustained injuries in an automobile accident. On 12/1/20, Participant's counsel stated that a complaint has not been filed. Participant is still undergoing treatment and will be for some time. • Participant retained new representation, who has not executed a new subrogation agreement. As a result, current and future claims are being pended until AA receives a subrogation agreement signed by new counsel. • New counsel is non-responsive. Has not returned messages regarding matter – most recent attempt on June 1, 2021.

[1] Associated Administrators confirmed the lien amounts contained herein on June 2, 2021.

PARTICIPANT (DEPENDENT)	ATTORNEY FOR PARTICIPANT	DATE OF ACCIDENT	EMPLOYMENT STATUS	BENEFITS STATUS	CURRENT LIEN AMOUNT	STATUS OF COLLECTION EFFORTS
CLOSED						
Douglas Short 5310 Mac's Hollow Rd. Prince Frederick, MD 20678 (410) 535-0104 (410) 474-4752 cell	Mark J. Palumbo 132 Main Street Prince Frederick, MD 20678 (410) 535-1780	2/25/19	Active	Eligible	$990.18	• On 5/7/21 Participant paid lien in full ($990.18).

Morgan Lewis

MEMORANDUM

TO:	Board of Trustees, Warehouse Employees Union Local 730 Health & Welfare Fund
FROM:	Jim Kimble Merle DeLancey
DATE:	June 10, 2021
SUBJECT:	Compliance with Mental Health Parity and Addiction Equity Act: Comparative Analyses of Nonquantitative Treatment Limitations

The Consolidated Appropriations Act, signed into law on December 27, 2020, requires that group health plans demonstrate compliance with the nonquantitative treatment limitation requirements of the Mental Health Parity and Addiction Equity Act (MHPAEA). The chief requirement is that plans draft a comparative analysis of the nonquantitative treatment limitations (NQTLs) that apply to mental health or substance abuse disorder benefits and make the analysis and related information available to the Department of Labor (DOL) upon request. Additionally, DOL has taken the position that this information must be made available upon request to participants and beneficiaries.

The CAA states that plans should prepare a comparative analysis by February 10, 2021. On April 2, 2021, DOL issued a series of Q&As on implementation of the parity requirements in the CAA; the guidance stated that plans should be prepared to make their comparative analysis available upon request.[1] Accordingly, we recommend that the Plan begin reviewing compliance with the MHPAEA and drafting the comparative analyses.

A. Background on Non-Quantitative Treatment Limitations

Per DOL guidance, a NQTL is "generally a limitation on the scope or duration of benefits for treatment." The MHPAEA prohibits a plan from imposing or implementing NQTLs on mental health or substance abuse disorder benefits, in any classification,[2] either as written in the plan or in operation, unless the NQTL is comparable to and applied no more stringently than a medical and surgical benefit in the same classification. *See* 29 C.F.R. 2590.712(c)(4)(i).

The following is an illustrative list of NQTLs:

- Medical management standards limiting or excluding benefits based on medical necessity or medical appropriateness, or based on whether the treatment is experimental or investigative;
- Prior authorization or ongoing authorization requirements;

[1] The guidance also states that additional guidance may be forthcoming.
[2] Under the MHPAEA, there are six classifications of benefits: inpatient in-network; inpatient out-of-network; outpatient in-network; outpatient out-of-network; emergency care; and prescription drugs.

- Concurrent review standards;
- Formulary design for prescription drugs;
- For plans with multiple network tiers (such as preferred providers and participating providers), network tier design;
- Standards for provider admission to participate in a network, including reimbursement rates;
- Plan or issuer methods for determining usual, customary, and reasonable charges;
- Refusal to pay for higher-cost therapies until it can be shown that a lower-cost therapy is not effective (also known as "fail-first" policies or "step therapy" protocols);
- Exclusions of specific treatments for certain conditions;
- Restrictions on applicable provider billing codes;
- Standards for providing access to out-of-network providers;
- Exclusions based on failure to complete a course of treatment; and
- Restrictions based on geographic location, facility type, provider specialty, and other criteria that limit the scope or duration of benefits for services provided under the plan or coverage.

Thus, to the extent applicable, the foregoing NQTL examples applied by a plan to inpatient, in-network mental health and substance abuse disorder benefits cannot be more restrictive than the NQTLs applied to inpatient, in-network medical and surgical benefits. It is important to remember that MPHAEA does not prohibit plans from including NQTLs for mental health benefits. But if the plan does include a mental health NQTL in one of the six classifications, it must apply it to medical and surgical benefits in the same classification (such as inpatient/in-network, outpatient/out-of-network).

B. NQTL Comparative Analysis Steps

The CAA requires that plans draft a comparative analysis of all NQTLs but does not define "comparative analysis" or explain what it should include. Guidance issued by the DOL on April 2nd makes clear that plans should use DOL's MHPAEA self-compliance tool to analyze NQTLs.[3] However, that guidance also supplemented the self-compliance tool with additional and more complex analysis.

Section F, Question 7 of the self-compliance tool, as supplemented by the DOL guidance, sets out nine steps plans should take to complete an NQTL comparative analysis.

1. Describe the NQTL, including the plan terms and/or policies at issue. NQTLs can be written into a plan document or SPD, but may also be included in internal guidelines, provider contracts, or other materials. Plans should review all relevant materials to find NQTLs.

[3] See Section F, Question 7 of the Self-Compliance Tool, available online at http://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/mental-health-parity/self-compliance-tool.pdf.

2. List all benefits, both mental health/substance abuse disorder and medical/surgical, and the particular classifications of benefits, the NQTL applies to. Also determine how the NQTL is implemented and who makes the decision (for example, an Independent Review Organization).

3. Identify the factors, evidentiary standards or sources, or strategies or processes considered in the design of the NQTL. This step essentially asks the plan to identify the reason(s) the plan imposes a limit on benefit. Examples of factors include:

    - Excessive utilization;
    - Recent medical cost escalation;
    - Provider discretion in determining diagnosis;
    - Lack of clinical efficiency of treatment or service;
    - High variability in cost per episode of care;
    - High levels of variation in length of stay;
    - Lack of adherence to quality standards;
    - Claim types with high percentage of fraud; and
    - Current and projected demand for services

If multiple factors are involved, the plan should identify which factor was given the most weight in imposing the NQTL. To the extent the plan defines any of the evidentiary standards, sources, strategies, or processes in a quantitative matter, include the definitions.

4. Identify the sources used to define the factors identified in Step 3 to design the NQTL. Examples of sources include:

    - Internal claims analysis;
    - Medical expert reviews;
    - State and federal requirements;
    - National accreditation standards;
    - Internal market and competitive analysis;
    - Medicare physician fee schedules; and
    - Evidentiary standards, including any published standards as well as internal plan or issuer standards, relied upon to define the factors triggering the application of an NQTL to benefits

The plan should marshal available evidence showing that the factors considered when imposing the NQTL. For example, if recent medical cost escalation for a particular treatment is a factor in requiring a step therapy protocol, the plan could point to internal market and competitive analysis and/or state and federal requirements.

5. Explain whether there is any variation in the application of a guideline or standard used by the plan or issuer between mental health/substance abuse disorder and medical/surgical benefits. If so, describe the process and factors used for establishing that variation.

6. If application of the NQTL turns on specific decisions in administration of the benefits, identify the nature of the decisions, the decision maker(s), the timing of the decisions, and the qualifications of the decision maker(s).

7. If the plan's analysis relies upon any experts, include an assessment of each expert's qualifications and the extent to which the plan or issuer ultimately relied upon each expert's evaluations in setting recommendations regarding both mental health/substance abuse disorder and medical/surgical benefits.

8. Analyze whether the processes, strategies, and evidentiary standards used in applying the NQTL are comparable and no more stringently applied to mental health/substance abuse disorder benefits and medical/surgical benefits, both as written and in operation, and state whether the result demonstrates compliance with MHPAEA.

9. Include the date of the comparative analyses and the name, title, and position of the person or persons who performed or participated in the analyses.

C. Specific NQTL Targets for DOL Enforcement

The April 2nd guidance states that DOL is specifically focusing on the following four NQTLs:

- Prior authorization requirements for in-network and out-of-network inpatient services;

- Concurrent review for in-network and out-of-network inpatient and outpatient services;

- Standards for provider admission to participate in a network, including reimbursement rates; and

- Out-of-network reimbursement rates (plan methods for determining usual, customary, and reasonable charges).

The guidance also notes that it may specifically request comparative analyses for NQTLs for which complaints are made. Prior guidance also warns that DOL will scrutinize medical necessity review requirements (e.g., requiring a medical necessity review after fewer visits for mental health/substance abuse disorder benefits than for medical/surgical benefits).

D. Additional Information DOL May Request

DOL also forewarned plans that it may request:

- Records that document NQTL processes and that detail how the NQTLS are applied to both mental health/substance abuse disorder and medical/surgical benefits.

- Documentation, including any guidelines, claims processing policies and procedures, or other standards that the plan has relied upon to determine that NQTLs apply no more stringently to mental health/substance abuse disorders than to medical/surgical benefits. Include any details as to how standards were applied, and any internal testing, review, or analysis to support the plan's rationale.

- Samples of covered and denied mental health/substance abuse disorder claims, and medical/surgical claims.

- If the plan delegates management of some or all mental health/substance abuse disorder benefits to a service provider, documents related to the service provider's compliance with MHPAEA.

E. Steps for Health Plan Trustees

DOL's initial direction for a plan to perform its comparative analysis using the Self Compliance Tool was at a high-level such that a plan (or its TPA) could perform the comparative analysis with little to no external assistance. DOL's April 2nd guidance changed this view. The April 2nd guidance's added requirements are to such a degree that plans should consider retaining a third-party consultant to perform and draft the comparative analysis.

Thus, to comply with the applicable laws and DOL guidance, we recommend the Trustees obtain a quote from the Fund Consultant, Segal, which has experience preparing comparative analyses like that required here and authorize the following steps:

1. Gather all plan documents, internal guidelines, and any other materials that may include NQTLs.

2. For each NQTL, complete the DOL self-compliance tool using the steps outlined in Section B above. Pay particular attention to any NQTLs noted in Section C.

3. Have all documents listed in Section D available.

4. Contact all plan service providers that review claims and ensure that each service provider has begun a parity analysis for all NQTLs using the self-compliance tool.

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

FIRST QUARTER 2021

ADMINISTRATIVE MANAGER'S REPORT

FIRST QUARTER 2021
CONTRIBUTIONS AND EXPENSES

INCOME				
EMPLOYER	**RATE**	**HOURS**	**PARTICIPANTS**	**CONTRIBUTIONS**
ADAMS BURCH	$ 8.34	19,629.20	44	$ 163,708
EIGHT O'CLOCK COFFEE[1]	$ 8.50	19,878.00	49	$ 162,609
GIANT RECYCLING	$ 8.34	11,095.80	23	$ 92,539
GIANT WAREHOUSE	$ 8.34	123,263.70	209	$ 1,028,019
UNION LOCAL 730	$ 8.34	896.00	2	$ 7,473
WASHINGTON FOOD	$ 6.88	1,657.00	4	$ 11,400
COBRA			2	$ 2,793
SELF PAY			2	$ 6,761
TOTAL INCOME		**176,419.70**	**335**	**$ 1,475,302**

BENEFIT EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
CIGNA OONSP	19%	$ 5,636	$ 0.032	
CIGNA HEALTH CARE	$ 28.66	$ 29,405	$ 0.170	
DENTAL	$ 31.58	$ 31,706	$ 0.180	
DISABILITY		$ 10,543	$ 0.060	
DRUG		$ (2,628)	$ (0.010)	
HEARING GVS/FULLY INSURED[2]	$ 0.29	$ 5,301	$ 0.030	
LIFE/AD&D-ING	$ 0.24	$ 10,843	$ 0.060	$0.21 LIFE / $0.03 AD&D
MEDICAL		$ 397,491	$ 2.250	
OPTICAL GVS/FULLY INSURED	$ 5.90	$ 6,295	$ 0.040	
STOP LOSS	$ 23.79	$ 23,837	$ 0.135	
SUB TOTAL		$ 518,429	$ 2.947	

OPERATING EXPENSES	**RATE**	**EXPENSE**	**AVG. HRLY COST**	**COMMENT**
ADMINISTRATION	$ 24.96	$ 25,111	$ 0.140	
ADMINISTRATION HIPAA	$ 0.21	$ 211	$ 0.001	
MISCELLANEOUS		$ 32,533	$ 0.180	
SUB TOTAL		$ 57,855	$ 0.321	

TOTAL EXPENSES	**$ 576,284**	**$ 3.27**

SURPLUS (DEFICIT)	**$ 899,018**

AVG. HOURLY INCOME	**$ 8.36**
AVG. HOURLY EXPENSE	**$ 3.27**
SURPLUS (DEFICIT)	**$ 5.09**

[1]Rate increase as of 02/05/21
[2]Includes 11/20-12/20 bills

FIRST QUARTER 2021
MISCELLANEOUS EXPENSES

MISCELLANEOUS EXPENSES	**AMOUNT**
AMERICAN CORE REALTY INVESTMENT MANAGER FEES	$ 2,108
CHARTWELL INVESTMENT MANAGER FEES	$ 5,798
CYBER LIABILITY INSURANCE	$ 269
INVESTMENT PERFORMANCE SERVICES	$ 6,250
LEGAL	$ 12,609
MEETING	$ 350
NEW YORK PUBLIC GOODS POOL	$ 167
PNC FEES	$ 770
POSTAGE	$ 200
PRINTING	$ 280
WEDGE CAPITAL INVESTMENT MANAGER FEES	$ 3,732
TOTAL	**$ 32,533**

2021
QUARTERLY RECAPS

INCOME	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
CONTRIBUTIONS	$ 1,465,748	$ -	$ -	$ -	$ 1,465,748
COBRA	$ 2,793	$ -	$ -	$ -	$ 2,793
SELF PAY	$ 6,761	$ -	$ -	$ -	$ 6,761
INTEREST & DIVIDENDS	$ 116,077	$ -	$ -	$ -	$ 116,077
MISCELLANEOUS INCOME	$ 4,625	$ -	$ -	$ -	$ 4,625
TOTAL INCOME	**$ 1,596,004**	**$ -**	**$ -**	**$ -**	**$ 1,596,004**
BENEFIT EXPENSES					
A&G DISCOUNTERS	$ -	$ -	$ -	$ -	$ -
CIGNA OONSP	$ 5,636	$ -	$ -	$ -	$ 5,636
CIGNA	$ 29,405	$ -	$ -	$ -	$ 29,405
DENTAL	$ 31,706	$ -	$ -	$ -	$ 31,706
DISABILITY	$ 10,543	$ -	$ -	$ -	$ 10,543
DRUG	$ (2,628)	$ -	$ -	$ -	$ (2,628)
HEARING GVS/FULLY INSURED	$ 5,301	$ -	$ -	$ -	$ 5,301
LIFE/AD&D	$ 10,843	$ -	$ -	$ -	$ 10,843
MEDICAL	$ 397,491	$ -	$ -	$ -	$ 397,491
OPTICAL	$ 6,295	$ -	$ -	$ -	$ 6,295
STOP LOSS	$ 23,837	$ -	$ -	$ -	$ 23,837
SUBTOTAL	$ 518,429	$ -	$ -	$ -	$ 518,429
OPERATING EXPENSES					
ADMINISTRATION	$ 25,322	$ -	$ -	$ -	$ 25,322
MISCELLANEOUS	$ 32,533	$ -	$ -	$ -	$ 32,533
SUBTOTAL	$ 57,855	$ -	$ -	$ -	$ 57,855
TOTAL EXPENSE	**$ 576,284**	**$ -**	**$ -**	**$ -**	**$ 576,284**
SURPLUS (DEFICIT)	**$ 1,019,720**	**$ -**	**$ -**	**$ -**	**$ 1,019,720**
					AVERAGE
AVG HOURLY INCOME	$ 9.05	$ -	$ -	$ -	$ 9.05
AVG HOURLY EXPENSE	$ 3.27	$ -	$ -	$ -	$ 3.27
SURPLUS (DEFICIT)	$ 5.78	$ -	$ -	$ -	$ 5.78
TOTAL PARTICIPANTS	335	0	0	0	335
FUND RESERVE	$ 13,610,265				

2020
QUARTERLY RECAPS

INCOME	FIRST 2020	SECOND 2020	THIRD 2020	FOURTH 2020	TOTAL
CONTRIBUTIONS	$ 1,339,909	$ 1,357,647	$ 1,490,029	$ 1,459,148	$ 5,646,733
COBRA	$ 15,357	$ 8,375	$ 10,702	$ 7,210	$ 41,644
SELF PAY	$ 572	$ -	$ 3,682	$ 2,274	$ 6,528
INTEREST & DIVIDENDS	$ 63,416	$ 99,128	$ 85,321	$ 87,278	$ 335,143
MISCELLANEOUS INCOME	$ -	$ 318	$ 101	$ -	$ 419
TOTAL INCOME	**$ 1,419,254**	**$ 1,465,468**	**$ 1,589,835**	**$ 1,555,910**	**$ 6,030,467**
BENEFIT EXPENSES					
CIGNA OONSP	$ 19,261	$ 4,150	$ 551	$ 22,265	$ 46,227
CIGNA	$ 30,420	$ 30,181	$ 29,878	$ 28,825	$ 119,304
DENTAL	$ 33,064	$ 31,131	$ 31,049	$ 32,180	$ 127,424
DISABILITY	$ 16,458	$ 15,386	$ 7,500	$ 12,343	$ 51,687
DRUG	$ 20,092	$ 229,197	$ 202,603	$ 199,742	$ 651,634
LIFE/AD&D	$ 11,307	$ 11,405	$ 11,383	$ 11,006	$ 45,101
MEDICAL	$ 816,556	$ 301,269	$ 407,464	$ 410,937	$ 1,936,226
OPTICAL	$ 6,484	$ 6,916	$ 6,556	$ 6,332	$ 26,288
STOP LOSS	$ 23,219	$ 23,596	$ 23,130	$ 22,551	$ 92,496
SUBTOTAL	$ 976,861	$ 653,231	$ 720,114	$ 746,181	$ 3,096,387
OPERATING EXPENSES					
ADMINISTRATION	$ 26,777	$ 25,297	$ 25,396	$ 25,173	$ 102,643
MISCELLANEOUS	$ 34,178	$ 41,787	$ 67,723	$ 39,526	$ 183,214
SUBTOTAL	$ 60,955	$ 67,084	$ 93,119	$ 64,699	$ 285,857
TOTAL EXPENSE	**$ 1,037,816**	**$ 720,315**	**$ 813,233**	**$ 810,880**	**$ 3,382,244**
SURPLUS (DEFICIT)	**$ 381,438**	**$ 745,153**	**$ 776,602**	**$ 745,030**	**$ 2,648,223**
					AVERAGE
AVG HOURLY INCOME	$ 8.00	$ 8.35	$ 8.79	$ 8.78	$ 8.48
AVG HOURLY EXPENSE	$ 5.85	$ 4.10	$ 4.49	$ 4.58	$ 4.76
SURPLUS (DEFICIT)	$ 2.15	$ 4.25	$ 4.30	$ 4.20	$ 3.72
TOTAL PARTICIPANTS	364	342	343	339	347
FUND RESERVE	$ 10,061,696	$ 11,153,989	$ 11,908,639	$ 12,820,175	

FIRST QUARTER 2021
CONTRACT INFORMATION

COMPANY	PLAN	CURRENT RATES	CURRENT RATE EFF. DATE	NEXT RATE CHANGE DATE	CBA EXPIRATION
ADAMS BURCH	E	$8.34	07-01-20	07-01-21	06-30-23
EIGHT O'CLOCK COFFEE	E	$8.50	02-01-21	TBD	07-17-27
GIANT RECYCLING	E	$8.34	07-01-20	07-01-21	06-25-22
GIANT WAREHOUSE	E	$8.34	06-01-20	06-01-21	05-15-27
UNION LOCAL 730	E	$8.34	06-01-20	06-01-21	FOLLOWS GIANT WAREHOUSE CBA
WASHINGTON FOOD	E	$6.88	11-01-18	TBD	10-31-21

HEALTH AND WELFARE
DELINQUENCY REPORT
As of March 31, 2021

NO DELINQUENCIES

Fund Reserve

Months of Available Fund Reserve			
Expenses			
	Jan - Dec 2020		$ 3,382,244.00
	Jan - Mar 2021		$ 576,284.00
	Total		$ 3,958,528.00
	Per Month		$ 263,901.87
Fund Reserve			
	Mar-21		$ 13,610,265.00
	Months of Reserve 3/31/2021		**51.6**
	Months of Reserve 12/31/2020		39.5

Projected Hourly Contribution - Future Expenses
Based on Most Recent 12 Month Data
(March 2021 - February 2022)

Class E	$	4.96

Warehouse Employees Union Local No. 730 Health and Welfare Fund

INVOICES
June 10, 2021

Associated Administrators, LLC

4/26/2021	Mailing 1099 MISC Forms	$	117.56

Blank Rome LLP

5/7/2021	Fee for professional services rendered through April 30, 2021	$	831.60
4/6/2021	Fee for professional services rendered through March 31, 2021	$	4,073.40

Chartwell Investment Partners

5/5/2021	Fee for investment services for the Quarter ending March 31, 2021	$	6,152.00

Morgan, Lewis & Bockius, LLP

5/12/2021	Fee for professional services rendered through April 30, 2021	$	10,375.50
4/8/2021	Fee for professional services rendered through March 31, 2021	$	5,628.00

NFP (The Meltzer Group)

3/26/2021	Fee for Cyber Liability Insurance Policy through March 31, 2022	$	268.52

Ullico

3/1/2021	Stop Loss Insurance Policy Premiums for March 2021 through May 2021	$	24,170.64

Wedge Capital Management

4/15/2021	Fee for professional services for the Quarter ending 03/31/2021	$	3,680.36

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

April 26, 2021

Ms. Rashmi Zia
Ahold USA/ Giant Warehouse
1149 Harrisburg Pike
Carlisle, PA 17013

RE: Warehouse Employees Union Local No. 730 Health and Welfare Fund
Contribution Increase Effective June 1, 2021

Dear Ms. Zia:

In accordance with the Memorandum of Agreement (MOA) between Giant of Maryland LLC and Teamsters Warehouse Employees Union No. 730 of Washington D.C., this is official notification of the need to change the contribution rate.

Effective June 1, 2021 the new Warehouse Employees Union Local No. 730 Health and Welfare Fund contribution rate will be $9.17 per hour.

Sincerely,

AHCochran
Alicia Cochran
Account Executive
Associated Administrators, LLC

cc: Chairman/Secretary
I. Brover
M. DeLancey, Esq.
J. DiBattista
M. Goble
J. Kimble, Esq.
Y. Vinarev
J. Waldron

Warehouse Employees Union Local No. 730
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Telephone: (800) 730-2241
www.associated-admin.com

April 26, 2021

Ritchie Brooks, President
Warehouse Employees Union Local No. 730
2001 Rhode Island Avenue, NE
Washington, DC 20018

RE: Warehouse Employees Union Local No. 730 Health and Welfare Fund
Contribution Increase Effective June 1, 2021

Dear Mr. Brooks:

In accordance with the Local 730 contribution policy of paying the same hourly contribution rate for Health and Welfare Fund coverage as Giant Warehouse, this is official notification of the need to change the contribution rate.

Effective June 1, 2021 the new Warehouse Employees Union Local No. 730 Health and Welfare Fund contribution rate will be $9.17 per hour.

Sincerely,

ACochran
Alicia Cochran
Account Executive
Associated Administrators, LLC

cc: Chairman/Secretary
I. Brover
M. DeLancey, Esq.
J. DiBattista
J. Kimble, Esq.
Y. Vinarev
J. Waldron

WAREHOUSE LOCAL 730 HEALTH AND WELFARE FUND

January 2020 – December 2020

Savings Results

Pharmacy Updates

Member Engagement

June 10, 2021

Graham Hayes, Sr. Client Manager

Caroline Davis-Alpis, Client Engagement Manager

Jada Wuthrich, Pharmacy Account Executive

Greta Kreidler, VP Existing Business, Sales Manager

Together, all the way.®

Cigna®

PPO and Out of Network Savings Program
January 2020 – December 2020

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$629,240.01	$520,439.10	$108,800.91	17.3%
Outpatient	$1,608,326.71	$571,997.07	$1,036,329.64	64.4%
Physician	$2,472,766.42	$1,087,810.79	$1,384,955.63	56.0%
Total	**$4,710,333.14**	**$2,180,246.96**	**$2,530,086.18**	**53.7%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Inpatient	$3,000.00	$1,800.00	$1,200.00	40.0%
Outpatient	$74,823.08	$23,138.01	$51,685.07	69.1%
Physician	$277,491.98	$89,699.50	$187,792.48	67.7%
Total	**$355,315.06**	**$114,637.51**	**$240,677.55**	**67.7%**

Total Year To Date Savings
January 2020 – December 2020

	YTD Savings
PPO Network Savings	$2,530,086
Out of Network Savings	$240,678
Utilization Management Savings	$150,616
Case Management Savings	$41,660
Outpatient Care Management Savings	$33,187
Total Year To Date Savings	**$2,996,227**

PPO and Out of Network Savings Program
January 2021 – March 2021

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$25,726.14	$25,147.33	$578.81	2.2%
Outpatient	$401,633.33	$179,146.91	$222,486.42	55.4%
Physician	$619,947.61	$280,943.83	$339,003.78	54.7%
Total	**$1,047,307.08**	**$485,238.07**	**$562,069.01**	**53.7%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Outpatient	$7,260.25	$3,414.32	$3,845.93	53.0%
Physician	$66,468.11	$32,166.23	$34,301.88	51.6%
Total	**$73,728.36**	**$35,580.55**	**$38,147.81**	**51.7%**

Total Year To Date Savings
January 2021 – March 2021

	YTD Savings
PPO Network Savings	$562,069.01
Out of Network Savings	$38,147.81
Utilization Management Savings	$0
Case Management Savings	$0
Outpatient Care Management Savings	$8,229
Total Year To Date Savings	$608,445.82

PHARMACY

PHARMACY - TOTAL HEALTH INSIGHT OVERVIEW

DRIVERS OF PHARMACY TREND

- The Generic prescription utilization rate **increased 1.7%** from 90.7% to 92.4% compared to a norm of 91.5% . Based on the difference between Brand and Generic costs per prescription the savings are $106,018

- 21 members (18.9%) are on specialty medications driving $512,288 (58.1%) of the plan spend during the current period.

UPCOMING GENERIC & BIOSIMILARS

Drug Name	Condition	Actual / Projected Launch Date
Gilenya(SRx)	Multiple Sclerosis	1Q 2023
Humira Pen(SRx)	RA/Psoriasis/Crohn's	1Q 2023
Humira(SRx)	RA/Psoriasis/Crohn's	1Q 2023
Dexilant	Antiulcer	3Q 2021
Kombiglyze Xr	Hypoglycemics	3Q 2023
Symbicort	Asthma Related	3Q 2023
Bystolic	Beta Blockers	4Q 2021
Soolantra	Topical Other	4Q 2021
Azopt	Eye	1Q 2021
Combigan	Eye	2Q 2022

TOP DRUGS BY SPEND

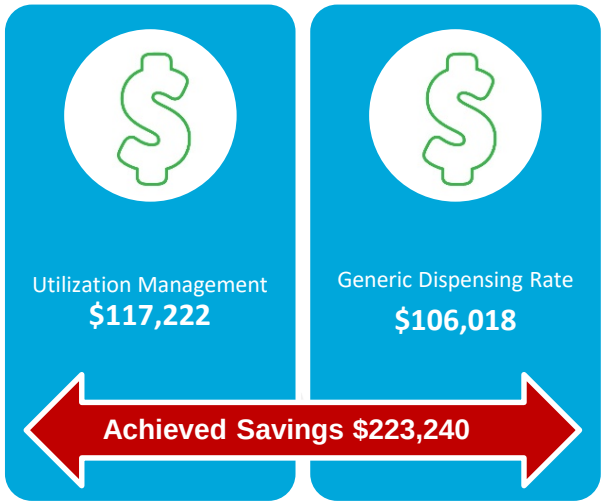
Drug Name	Condition	
Gilenya (SRx)	Multiple Sclerosis	$111,651
Biktarvy (SRx)	HIV	$73,058
Humira(Cf) Pen (SRx)	Arthritis	$65,275
Humira Pen (SRx)	Arthritis	$47,753
Atripla (SRx)	HIV	$43,341
Trulicity	Diabetes	$39,183
Odefsey (SRx)	HIV	$37,994
Humira (SRx)	Arthritis	$23,877
Ozempic	Diabetes	$22,126
Tresiba Flextouch U-200	Diabetes	$21,263

TOP 10 DRUG CLASSES

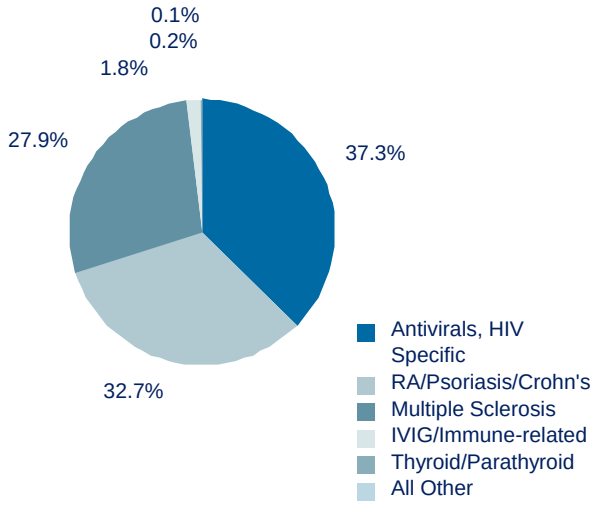
Therapeutic Class

Antivirals, HIV Specific
Anti-Inflam Disease Modifiers
Multiple/Lateral Sclerosis
Hypoglycemics
Insulins
Asthma Related
ACE/ARB
Antiulcer
Narcotic Analgesics
Lipid Lowering

ACHIEVED SAVINGS



TOTAL SPECIALTY PLAN SPEND



Generic prescriptions represents 91% of drug volume and 31% of ingredient cost

July 2021 Cigna Clinical and Formulary Updates

Expanded choice and tighter controls across costly medical specialty drugs

- Drugs remains the number one health care cost for clients, largely driven by Specialty drugs – half of which are covered under the medical benefit[1]
- These mostly injectable medications treat high cost, complex conditions, and it is imperative we continue to come up with new and innovative solutions to control the associated costs for customers and clients
  - Proactive redirection to most clinically-appropriate, cost-effective site of care
  - Strategies to prefer biosimilars over reference products when appropriate
  - Managing growing number of biosimilars within a drug class
- Thriving biosimilar market helps manage costly specialty drugs through healthy competition
- Pharmacy benefit has miscellaneous changes with minimal disruption

Expanded choice and tighter controls across costly medical specialty drugs

Specialty drug changes
(Majority under medical benefit)

15,000 customers affected
Savings:
$1.72 roughly equal ingredient cost and rebate

- $0.64 PMPM pharmacy benefit
- $1.08 PMPM medical benefit

Continuous Glucose Monitors (now on pharmacy benefit only)

Cigna's Preventive Drug List changes

RECOMMENDED PROGRAM

- Patient Assurance Program

RECOMMENDATIONS

Observation	Recommendation	Why?	Date	Est. Savings
Clinical Pharmaceutical Enhancements 				
• Diabetes is a disease that results in significant morbidity and mortality, • WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND Hypoglycemic and Insulin therapeutic drug class trend increase of **31.2%**	• This electable benefit option sets a predictable copay for certain eligible prescription drugs (i.e. insulin), helping to ease the burden of customers' high out-of-pocket costs, particularly those with coinsurance and/or a high deductible. Through arrangements with pharmaceutical manufacturers, the customer copay is capped so that customers of enrolled plans pay no more than $25 per one-month supply. Lowering this potential cost barrier for essential medications can drive better adherence, help improve health outcomes, and reduce overall medical costs.	• Protects customers from high out-of-pocket costs, improving overall affordability for customers each time they fill their insulin prescription. • Caps customer out-of-pocket costs at $25 per one month prescription. • Directly benefits customer at the point of service while keeping most clients cost neutral. • Modifies an addressable cause of non-adherence: The ability to pay for medications may have significant impact on clinical outcomes particularly in diabetic patients. • Estimated number of 1-month supply impact = 178 • No fee to implement	TBD	$2,900

PATIENT ASSURANCE PROGRAM

Moving one step closer to helping every customer focus on what matters most: their wellbeing

1 IN 4 people with diabetes have cut back their dosage **DUE TO COST.**[1]

Lower COSTS

Eligible customers pay no more than $25 per 30-day supply of preferred and participating diabetes medications.[2] A 40% reduction from average out-of-pocket cost of $41.50 in 2018.[3]

Better Predictability

Improve predictability and affordability for customers each time they fill an eligible Rx to drive adherence.

Smarter Healthcare

Change the medication affordability story and make a meaningful difference for your employees.

Collaboration with **drug makers** to provide a discount that goes directly to the customer at the point of sale.

There's **no fee** to enroll.

Included diabetes drug categories:[4]

- Preferred insulins
- Preferred non-insulin diabetes medications (DPP-4 inhibitors, GLP-1 agonists and SGLT2 inhibitors

1. Journal of the American Medical Association: Internal Medicine, January 2019, Vol. 179 2. Health benefit plans vary, but in general to be eligible for coverage a drug must be approved by the Food and Drug Administration (FDA), prescribed by a health care professional, purchased from a licensed pharmacy and medically necessary. If a plan provides coverage for certain prescription drugs with no cost-share, the customer may be required to use an in-network pharmacy to fill the prescription. Out-of-network coverage may be excluded or limited by plan terms. Clients must agree to provide "first dollar coverage" (prior to satisfaction of any applicable plan deductible). 3.Express Scripts internal analysis of claims, 2019. Participating drugs as of July 2020, subject to change. 4. Drugs eligible for the PAP discount vary based on Cigna Prescription Drug List.

Patient Assurance Program - Opportunity

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

The Patient Assurance Program improves customer affordability by capping customer cost share at $25 per one-month supply for eligible medications. This discount is provided through arrangements with manufacturers to apply up to $50 per one-month supply that goes directly to customer at point of sale.

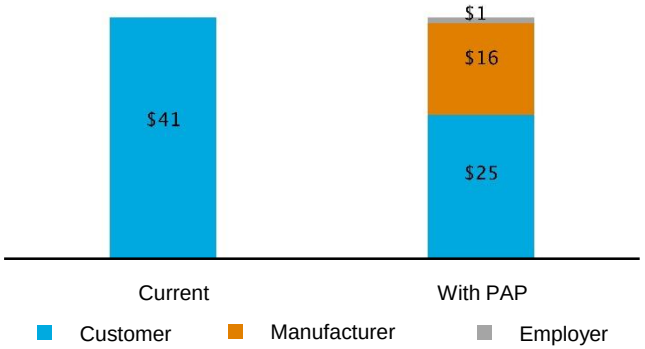
$41 / script
Currently paid by customers
=
$7,350 on 178 scripts

Reduced to

$25 / script
Projected paid by customers
=
$4,450 on 178 scripts

Program value of $2,900 available at point of sale for eligible drugs

Cost Share Per Eligible Script



21 customers would have cost share reduced to $25 / script, saving $2,900 or $35.08 PMPY.

Top Customer Savings by Drug

Drug Name	Customers	Scripts	Current Cost Share	Projected Program Value
Basaglar Kwikpen U-100	5	31	$1,360	$585
Trulicity	5	37	$1,480	$555
Ozempic	3	22	$943	$393
Other	17	88	$3,567	$1,367
Total	**21**	**178**	**$7,350**	**$2,900**

Comments

- Data includes only eligible drugs with cost share greater than $25 per month
- 21 customers
- $2,880 of the $2,900 is from manufacturer discounts at the point of sale
- $20 of program value is above the maximum manufacturer contribution, and is projected to come from increases in client paid and/or shifts in cost share on other non-PAP claims, depending upon claims timing and plan design

Current Period reflects claims incurred between Jan. 2020 and Dec. 2020, paid through Mar. 2021
Base Period reflects claims incurred between Jan. 2019 and Dec. 2019, paid through Mar. 2021

MEMBER ENGAGEMENT

Key Findings and Observations
2020

Membership

- Top Major Diagnoses Categories
  - Renal and Urologic, Neoplasms, Musculoskel/Fracture/Sprain/Strain, General Medical Diagnosis and Neurological/Cerebrovascular

ER vs. UC

- 217 ER visits by 142 unique members – 50 of those were steerable by 47 members; compared to 56 visits by 41 unique members during the same time period in 2019
- Urgent Care visits increased from 207 in 2019 to 272 during 2020

Web Tools

- 2 members have completed a health assessment; compared to 1 in both 2019
- 95 members have registered on myCigna.com, compared to 78 the previous year. 166 members have utilized myCigna.com during this time period

24 HIL

- 2 member utilized 24 HIL during this time period; compared to 1 in 2019

Emergency Room / Urgent Care
2019 & 2020

2019	
ER Summary	
Total ER Visits	217
Total Charge	$259,332
Allowed Amounts	$174,360
ER Cost per claim	$804
UC Summary	
Total UC Visits	207
Total Charge	$59,400
Allowed Amounts	$36,508
UC Cost per Claim	$176
Steerable ER Summary	
Steerable ER Visits	56
Unique Members	41
Potential Redirect Saving	$35,168

2020	
ER Summary	
Total ER Visits	156
Total Charge	$184,803
Allowed Amounts	$122,620
ER Cost per claim	$786
UC Summary	
Total UC Visits	272
Total Charge	$71,751
Allowed Amounts	$43,961
UC Cost per Claim	$162
Steerable ER Summary	
Steerable ER Visits	50
Unique Members	47
Potential Redirect Saving	$31,200

Lab Utilization
2019 & 2020

Quest Diagnostics®

LabCorp

Savings using Quest or LabCorp

2019	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	$255,769	$52,875	$202,893	2,742	$19	79%
All other In-net	$339,084	$167,499	$171,585	2,522	$66	51%
Total In-network	$594,852	$220,374	$374,478	5,264	$42	63%

2020	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	$222,877	$46,597	$176,280	2,321	$20	79%
All other In-net	$250,067	$135,964	$114,104	1,907	$71	46%
Total In-network	$472,944	$182,560	$290,383	4,298	$43	61%

Cigna®

COVID 19
February 2020 – April 2021

Testing	Count of Tests	Total Charges	Total Allowed
Testing	781	$91,765	$61,339
Home Testing Kits	1	$444	$429
Antibodies Testing	19	$1,761	$1,157
Grand Total	**801**	**$93,970**	**$62,924**

Confirmed COVID 19 Cases	Member Count	Total Charges	Total Allowed
Confirmed Total	44	$46,706	$33,440

Vaccines	Count of Vaccine	Total Charges	Total Allowed
	4	$220	$159

Count of Individuals	Count of Gender	Total Charges	Total Allowed
Member			
Male	163	$91,923	$59,705
Female	16	$16,683	$10,356
Spouse			
Male	0	$0	$0
Female	49	$28,328	$22,879
Child			
Male	29	$8,075	$5,001
Female	29	$8,536	$4,660
Grand Total	**286**	**$153,544**	**$102,601**

APPENDIX

Helping improve customer drug cost and access

Enhanced Rx Savings Messenger

With more than 140 million prescriptions left abandoned at the pharmacy each year,[1] medication cost and access are often main contributors to poor adherence and health.[2] With Cigna's **Enhanced Rx Savings Messenger**, we are able to help **lower prescription costs** and **improve access** to the essential medications customers take every day. Here's how the **two program components** work:

Lower prescription costs

With truly integrated pharmacy benefits, we are able to review our customers' maintenance medications, identify savings opportunities and contact network providers to encourage prescribing lower-cost alternatives.

Continuous review of customer maintenance medication

Algorithm identifies savings with clinically appropriate alternative

Patient-specific alerts sent to customer's provider

Provider approves request for medication change

Customer notified of change, savings, and next steps

Medication is auto filled at Express Scripts Pharmacy or patient can fill at retail

30% higher conversion rate[3] to lower cost medication when prescriber is notified rather than just customer

Improved access with Express Scripts Pharmacy

For easier access to essential medications, we contact our customers and offer the option to use Express Scripts Pharmacy®. No frequent trips to the pharmacy – medications sent right to their home and automatic refills help to ensure they don't miss a dose. They may also save money by switching.

Client savings with home delivery: $2.00-$2.50 pmpm[4]

95% customer satisfaction with Express Scripts Pharmacy[5]

Opportunities to save by choosing a lower-cost alternative drug or to move to home delivery – all promoted on myCigna and sent to Cigna coaches to discuss live with customer.

Cigna®

Offered by Cigna Health and Life Insurance Company or its affiliates.

1. National Association of Chain Drug Stores, The Cost of Medication Non-Adherence, by Lisa Boylan, April 20, 2017. 2. Coverymeds, Pushing Back Against Prescription Abandonment, by Miranda Gil, January 21, 2019. 3. National book of business Express Scripts study 2019. Client results may vary. 4. Cigna Pharmacy national book of business analysis, 2019. Per member per month (PMPM) savings can vary based on plan. 5. Member satisfaction with Express Scripts Pharmacy, according to member survey results for 2018.

Product availability may vary by location and plan type and is subject to change. All group health insurance policies and health benefit plans contain exclusions and limitations. For costs and details of coverage, contact a Cigna representative.

All Cigna products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company (CHLIC), Cigna Behavioral Health, Inc., Express Scripts, Inc., ESI Mail Pharmacy Service, Inc., Express Scripts Pharmacy Inc., or their affiliates. Policy forms: OK- HP-APP-1 et al., OR HP-POL3802-13, TN- HPPOL43HCOERM1 et al. (CHLIC).

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High Cost Claimants - Pharmacy Benefit Drug Spend

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

High cost claimants

Rank							
Base	Current	Gender	Age	Relationship	Condition	Pharmacy	Top Drugs
1	1	F	50-59	Spouse	Multiple Sclerosis	$111,807	Gilenya (SRx)
2	2	M	50-59	Employee	RA/Psoriasis/Crohn's	$57,799	Humira (SRx)
3	3	M	50-59	Employee	RA/Psoriasis/Crohn's	$54,581	Humira(Cf) (SRx),Humira(SRx)
6	4	F	60-64	Spouse	RA/Psoriasis/Crohn's	$51,398	Humira(Cf) (SRx),Xeljanz (SRx)
7	5	M	40-49	Employee	Antivirals, HIV Specific	$43,551	Atripla (SRx)
4	6	M	50-59	Employee	Antivirals, HIV Specific	$41,808	Biktarvy (SRx)
5	7	M	50-59	Employee	Antivirals, HIV Specific	$38,898	Odefsey (SRx)
12	8	M	60-64	Employee	Hypoglycemics	$24,723	trulicity,farxiga
13	9	M	40-49	Employee	Insulins	$23,546	humalog,levemir
9	10	M	40-49	Employee	Multiple Sclerosis	$21,227	Dalfampridine,Ampyra (SRx)
14	11	F	65+	Spouse	Cardiovascular Related	$19,138	entresto
21	12	M	65+	Employee	Insulins	$18,361	tresiba,humalog
16	13	F	50-59	Employee	Insulins	$18,250	tresiba
24	14	F	40-49	Spouse	Antivirals, HIV Specific	$17,501	Biktarvy (SRx)
19	15	F	60-64	Spouse	Hypoglycemics	$16,707	ozempic
18	16	M	40-49	Spouse	Hypoglycemics	$15,668	trulicity,synjardy
15	17	M	60-64	Employee	Antivirals, HIV Specific	$13,916	Biktarvy (SRx)
17	18	M	30-39	Employee	Antivirals, HIV Specific	$13,427	Truvada (SRx),Emtricitabine-Te
33	19	M	50-59	Employee	Hypoglycemics	$11,807	jardiance,janumet
51	20	M	50-59	Employee	Hypoglycemics	$11,298	ozempic
22	21	M	65+	Employee	Asthma Related	$10,045	spiriva
32	22	F	50-59	Spouse	Asthma Related	$10,021	breo,atrovent
30	23	M	50-59	Employee	Hypoglycemics	$9,440	kombiglyze,januvia
107	24	M	40-49	Employee	Hypoglycemics	$8,137	trulicity
20	25	M	60-64	Employee	Hypoglycemics	$7,952	glyxambi,synjardy

* SRx - Specialty Pharmacy

Top Drugs by Spend

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

Top drugs by spend

Rank				Plan Spend
Base	Current	Drug Name	Condition	Current
1	1	Gilenya (SRx)	Multiple Sclerosis	$111,651
24	2	Biktarvy (SRx)	HIV	$73,058
5	3	Humira(Cf) Pen (SRx)	Arthritis	$65,275
2	4	Humira Pen (SRx)	Arthritis	$47,753
3	5	Atripla (SRx)	HIV	$43,341
7	6	Trulicity	Diabetes	$39,183
14	7	Odefsey (SRx)	HIV	$37,994
4	8	Humira (SRx)	Arthritis	$23,877
81	9	Ozempic	Diabetes	$22,126
16	10	Tresiba Flextouch U-200	Diabetes	$21,263
-	11	Xeljanz (SRx)	Arthritis	$15,147
8	12	dalfampridine er (SRx)	Multiple Sclerosis	$15,075
13	13	Januvia	Diabetes	$14,782
38	14	Breo Ellipta	Asthma	$14,055
27	15	Farxiga	Diabetes	$12,595
23	16	Humalog Mix 75-25 Kwikpen	Diabetes	$12,057
20	17	Dexilant	Ulcer / Heartburn	$11,911
15	18	Truvada (SRx)	HIV	$11,878
37	19	Humalog Kwikpen U-100	Diabetes	$9,767
28	20	Basaglar Kwikpen U-100	Diabetes	$9,762

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High Cost Prescriptions

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

High cost prescriptions ranking

Rank				Cost per Script
Base	Current	Drug Name	Condition	Current
1	1	Gilenya (SRx)	Multiple Sclerosis	$9,304
2	2	Humira (SRx)	Arthritis	$5,969
3	3	Humira Pen (SRx)	Arthritis	$5,969
4	4	Humira(Cf) Pen (SRx)	Arthritis	$5,934
-	5	Xeljanz (SRx)	Arthritis	$5,049
6	6	Biktarvy (SRx)	HIV	$3,479
10	7	Complera (SRx)	HIV	$3,166
9	8	Odefsey (SRx)	HIV	$3,166
-	9	Ampyra (SRx)	Multiple Sclerosis	$3,098
8	10	Atripla (SRx)	HIV	$3,096
13	11	Truvada (SRx)	HIV	$1,980
-	12	emtricitabine-tenofovir disop (SRx)	HIV	$1,456
-	13	sevelamer hcl	Electrolyte Imbalance	$1,404
11	14	dalfampridine er (SRx)	Multiple Sclerosis	$1,370
15	15	Prograf (SRx)	Transplant	$1,149
-	16	Auryxia	Electrolyte Imbalance	$1,084
17	17	Humalog Mix 75-25 Kwikpen	Diabetes	$1,005
18	18	Victoza 3-Pak	Diabetes	$960
28	19	Xtampza Er	Pain	$889
-	20	Veltassa	Electrolyte Imbalance	$882

Comments

- The top 20 high cost drugs accounted for 1.8% (135 scripts) of the overall prescription volume, and 55.0% ($5,863.68) of total plan spend PMPY in the current period

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Maintenance Medication Program - Performance Analysis

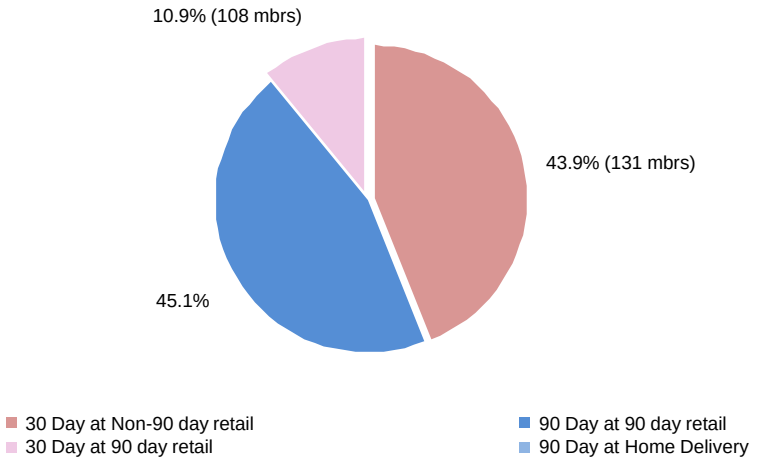
WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

Performance summary

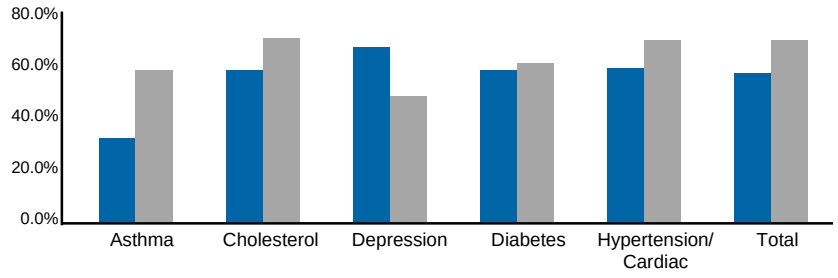
Cigna 90 Now Effective 01/01/2017: Voluntary

Maintenance Medications	Base	Current	Opportunity
30 Day Prescriptions			
Count	3,437	2,919	NA
Percentage	62.6%	54.9%	NA
90 Day Prescriptions			
Count	2,057	2,402	NA
Percentage	37.4%	45.1%	NA
Savings		$1,766	$4,733

Pharmacy utilization - maintenance prescriptions



Percent of members with greater than 80% maintenance medication adherence



	Asthma	Cholesterol	Depression	Diabetes	Hypertension/ Cardiac	Total
30 Day Rx	33.3%	60.0%	68.8%	60.0%	61.3%	59.1%
90 Day Rx	60.0%	72.7%	50.0%	62.5%	71.7%	71.7%

Comments

- Savings are driven both by lower network contracted rates and conversions to 90 Day maintenance prescriptions
- 30 Day RX's decreased 15.1% and 90 Day RX's increased 16.8%
- Of the 131 customers filling 30 day prescriptions at Non-90 day retail pharmacies today, 99.2% are within 1.5 miles of a 90 day retail pharmacy
- Overall medication adherence for those customers using 90 day fills is 12.6% greater than those using 30 day fills

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Offered by: Connecticut General Life Insurance Company or Cigna Health and Life Insurance Company.

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