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

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
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8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
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Agenda

September 13, 2024
(At approximately 11:00 AM)

I. Call to Order

II. Minutes, Regular Meeting –June 27, 2024

III. Financial Report – Investment Performance Services

IV. Auditor Report

V. Co- Counsel Report

VI. Administrative Manager Report

VII. Invoices

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 JUNE 27, 2024 VIA ZOOM

The following Trustees were present:

UNION TRUSTEES
R. Brooks
F. Myers

EMPLOYER TRUSTEES
J. Paradis – Chairman
F. Stegman
M. Goble – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
G. Hayes – Cigna
B. Hicks – Investment Performance Services, LLC
J. Kimble – Morgan, Lewis & Bockius, LLP
G. Kreidler – Cigna
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
W. Settles – Teamsters Local 639 Vice President
J. Timm – The Segal Company
J. Wuthrich – Cigna

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 March 13, 2024. Trustee Stegman noted that "Fixed Income High Yield" in the Investment Performance Services Asset Allocation section needed to be updated to "Investment Grade Fixed Income."

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 March 13, 2024 are approved as amended.**

III. FINANCIAL REPORT

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

The Trustees welcomed Mr. Brian Hicks of IPS to the meeting.

Mr. Hicks distributed his report titled, "Master Consulting Services Report – March 31, 2024." He reviewed the financial markets generally. Mr. Hicks reported that the Fund's total market value of assets as of March 31, 2024 was $23,995,529, and its year-to-date return is 0.3%, compared to the 0.2% return for the index.

B. Quarterly Performance Report

Mr. Hicks reported that as of March 31, 2024 the Fund held 38.3% in Investment Grade Fixed Income, 43.5% in Short Duration High Yield, 5.4% in Real Estate – Core, 6.1% in Real Estate – Value Add, and 6.7% in cash equivalents. He noted Wedge Capital held $9,191,667, Chartwell Investment held $10,435,644, ARA Core Property

Fund L.P. held $1,287,471, Boyd Watterson held $1,471,068, and there was $1,609,679 in the cash account.

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

IV. COUNSEL REPORT

A. Fund Policies

Ms. Saindon recommended reviewing and updating the Collection, Delinquency, and Payroll Audit Policies as the policies have not been revised in some time. The Trustees approved Counsel reviewing and revising any policies as needed.

B. Employer Termination – Adams Burch

Ms. Saindon confirmed that the Fund received reimbursement from Teamsters Local 639 Health and Welfare Fund for the coverage provided to the Adams Burch employees for the month of July 2023. Ms. Saindon noted that the Fund Office would create a final invoice for any remaining claims received within the 12-month filing deadline.

C. Subrogation Report

Ms. Saindon reviewed the status of the subrogation matters as of June 27, 2024. She reviewed the current cases and stated that there was one case requiring Trustee action at this time. She reported on the Mansaray case, stating that the attorney requested a reduction in the lien amount.

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

> **RESOLVED to deny the lien reduction request from Mr. Mansaray's attorney.**

D. **<u>Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) Final Rule – Reproductive Health Care Privacy</u>**

Mr. Kimble stated that the Department of Health and Human Services issued a Final Rule to modify the HIPAA Privacy Rule to support reproductive health care privacy. He said the effective date is December 22, 2024 and the Fund will need to update its HIPAA Notice no later than February 2026. Mr. Kimble said Co-Counsel will provide more information as the Final Rule deadline approaches.

V. ADMINISTRATIVE MANAGER’S REPORT

Ms. Cochran presented the Administrative Manager’s Report for the first quarter 2024. The report showed contributions of $1,404,185, interest and dividend income of $206,391, COBRA payments of $2,497, self-payments of $2,380, and miscellaneous income of $0, producing a total income of $1,615,453 for the quarter. Expenses included $711,348 of benefit expenses and $88,462 of operating expenses, producing a total expense of $799,810. This produced a surplus of $815,643 for the quarter ended March 31, 2024. Ms. Cochran noted that contributions were made on behalf of 312 Plan participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated June 27, 2024 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 June 27, 2024 are approved for payment as presented.**

VII. PROVIDER REPORT – Segal Consulting

A. Benefit Improvement Study

The Trustees welcomed Mr. Josh Timm from Segal Consulting to the meeting.

Mr. Timm reviewed Segal's Memorandum related to the Benefit Improvement Study including the individual and family deductibles and out-of-pocket maximums. He noted that the projected numbers were estimated based on the financials provided by the Fund Office and the factors provided by Cigna. He reviewed additional benefit changes that Segal determined would not have a significant financial impact on the Fund including increasing the hearing aid benefit from once every five years to once every three years, adding dental implant coverage, and increasing the frame and contact allowance from $130 to $150 once every 12 months. Mr. Timm recommended an effective date of January 1, 2025 for the ease of administration.

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

> **RESOLVED to approve the following benefit changes: 1) reduce the annual deductible by 50%, 2) reduce the annual out-of-pocket maximum by 50%, 3) increase the hearing aid benefit to once every three years, and 4) increase the frame and contact allowance to $150 once every 12 months. All benefit changes will be effective January 1, 2025 with the exception of the hearing aid benefit which will be effective September 1, 2024.**

B. Medical, Prescription, and Dental Request for Proposal ("RFP")

Mr. Timm stated that Segal will present responses to the RFPs as more information is received from the solicited carriers. He recommended that the Trustees schedule a separate meeting to interview the finalists. The Trustees scheduled a special meeting for the RFP finalist presentations for August 22, 2024 at 9:30 AM via Zoom.

The Trustees thanked Mr. Timm and he was excused from the meeting.

VIII. PROVDIER REPORT – Cigna

The Trustees welcomed Mr. Graham Hayes, Ms. Greta Kreidler, and Ms. Jada Wuthrich from Cigna to the meeting. A copy of their report titled, "January 2023 – December 2023 Savings Results, Pharmacy Updates and Member Engagement" was included in the meeting booklet.

A. PPO Savings Report

Mr. Hayes reviewed the CIGNA PPO savings report for the period January 1, 2023 through December 31, 2023 and January 1, 2024 through March 31, 2024. The PPO network savings, meaning the billed amount less the network allowed amount, equaled $870,400 for the period January 1, 2024 through March 31, 2024. This represents an overall PPO savings of 64.5%. Mr. Hayes reviewed the out-of-network savings results for the period January 1, 2024 through March 31, 2024 noting a savings of 42.5%.

B. Pharmacy Report

Ms. Wuthrich reviewed the pharmacy utilization for the period January 1, 2023 through December 31, 2023. She reviewed the key indicator summary, top therapeutic classes by plan spend, and top drugs by plan spend and by volume. She discussed the Formulary Changes made effective July 1, 2020 that continue to reflect Cigna's low net drug cost approach and proven utilization management strategies.

C. Cigna 90 Now Exclusive

Ms. Wuthrich presented information regarding the Cigna 90 Now Exclusive Program. She said this program offers savings through the use of a narrower network of pharmacies for 90-day refills for maintenance medications and by requiring prescriptions be filled via home delivery or participating retail pharmacies. Ms. Wuthrich advised that this program requires members to use a Walgreens or CVS pharmacy.

D. <u>Member Engagement</u>

Mr. Hayes reviewed the member engagement report which included emergency room and urgent care utilization for the 2022 and 2023 Plan years.

The Trustees thanked Mr. Hayes, Ms. Greta Kreidler, and Ms. Jada Wuthrich and they were excused from the meeting.

IX. <u>OTHER FUND BUSINESS</u>

A. <u>Fiduciary Liability Policy</u>

Ms. Cochran reviewed the renewal memo prepared by Segal Select for the Fiduciary Liability policy for the period July 26, 2024 through July 26, 2025. As noted in the memo, Chubb and Encore/Hudson declined to provide quotes due to being non-competitive. She said that the incumbent carrier, Markel American Insurance Company/Ullico ("Ullico"), provided a quote with an increase in the annual premium of $40.00. Ms. Cochran noted the proposed renewal is for a two-year period at the same premium each year.

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

RESOLVED to approve the Fiduciary Liability policy renewal with the incumbent carrier, Ullico for a two-year period July 26, 2024 through July 26, 2026 with an annual premium of $8,463.00.

B. Dental Health Centers and Associates, LLC ("DHC")

The Trustees reviewed the Dental Health Centers and Associates 2023 report. The report indicated the total yearly premium paid for dental coverage was $121,519.84. The dollar value of dentistry performed at the average "usual and customary" fees in 2023 was $171,310.00. Ms. Cochran said the report indicates that for each $1.00 in premiums paid, the members are receiving $1.41 of dental services based on "usual and customary" values.

C. Summary of Material Modifications ("SMM")

Ms. Cochran reported that Associated mailed an SMM to participants on March 20, 2024 regarding changes to the Board of Trustees, telehealth office visits being covered with the same co-pays and coinsurance as in-person visits, and effective April 10, 2024, normal co-pays and coinsurance for regular office, urgent care, and emergency visits would again apply due to the end of the National Emergency related to COVID-19.

D. Change Healthcare Cybersecurity Incident

Ms. Cochran reported the Change Healthcare Cyber Incident notice was mailed to participants May 29, 2024. She stated that Change Healthcare has not determined whether the Fund participants were impacted, but as a precautionary measure offered credit monitoring services and identity protection services for all participants.

E. Cyber Liability Policy – INTERIM ACTION

Ms. Cochran reported that between meetings the Trustees voted to renew the Cyber Liability policy for the period May 20, 2024 through May 20, 2025 with Beazley, through the broker Segal Select. She advised that the annual premium was $6,451.54 with a $2,000,000 limit of liability, noting the policy also covers the Legal and Pension Funds.

F. Patient Centered Outcomes Research Institute ("PCORI")

Ms. Cochran said the PCORI fee, imposed by the Affordable Care Act for self-insured group health plans, must be filed and paid by July 31, 2024. The fee is $3.22 multiplied by the average number of lives covered under the plan for the 2023 Plan year. Ms. Cochran said the Board selected the snapshot method for the prior filings to determine the average number of lives covered under the Plan. The Trustees directed the Administrative Manager to engage Novak Francella to file Form 720, which is the tax form to be filed along with the fee payment.

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

> **RESOLVED to approve the snapshot method for the Plan year ended December 31, 2023 and to engage Novak Francella to file Form 720 at no additional fee**.

The Trustees authorized Associated to use the snapshot method each year to determine the average number of lives covered under the Plan so that annual approval from the Trustees is no longer necessary.

G. Stop Loss Policy – Ullico

Ms. Cochran reported that the Fund received a dividend in the amount of $5,389.00 for the January 1, 2023 through December 31, 2023 policy year. The rebate is 5% of the plan's specific gross stop loss premium.

H. No Surprise Act and Transparency Rule

Ms. Cochran stated that Associated submitted the medical portion of the Prescription Drug and Health Care Spending Report to CMS. She said that Cigna confirmed submitting the prescription portion prior to the deadline.

Ms. Cochran reported that the Price Comparison Tool is working accurately.

I. <u>2023 Annual Audit</u>

Ms. Cochran reported that Novak Francella will perform fieldwork for the audit in the Administrative Manager's office the week of May 6, 2024. She said that the auditor expects to file the Form 990 and Form 5500 by the due date.

J. <u>Administrative Services Contract Renewal</u>

Ms. Cochran reported that the new administrative services contract between the Fund and Associated Administrators, LLC was approved by Counsel and will be circulated for Trustee signature.

X. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 13, 2024 as their next regular meeting date immediately following the companion Pension Fund meeting via Zoom.

XI. 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, 2024 to JUNE 28, 2024

	Cash Reserve	Wedge Capital	Chartwell	TOTAL
Beginning Market Value	$1,757,547	$8,578,717	$9,731,110	$20,067,374
Receipts	$2,527,667	$0	$0	$2,527,667
Disbursements	$1,677,702	$0	$0	$1,677,702
Inter-Account Transfers	$1,200,645	$600,000	$600,000	$645
Earnings	$39,835	$72,828	$247,640	$360,303
Ending Market Value	**$1,446,702**	**$9,251,545**	**$10,578,750**	**$21,276,997**

ATTORNEY-CLIENT
COMMUNICATION

WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND
SUMMARY SUBROGATION REPORT
September 13, 2024

PARTICIPANT (DEPENDENT)	ATTORNEY FOR PARTICIPANT	DATE OF ACCIDENT	EMPLOYMENT STATUS	BENEFITS STATUS	CURRENT LIEN AMOUNT[1]	STATUS OF COLLECTION EFFORTS
			ACTIVE			
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.
Shimeles Desalegn 1705 Langley Way Hyattsville, MD 20783-2216	Matthew E. Bennet The Law Office of Matthew E. Bennet 8720 Georgia Ave., Suite 701 Silver Spring, MD 20910	12/10/21			$16,863.79 (Medical)	• Participant was injured in a car accident. • The case has settled and the Participant's attorney has indicated he will be seeking a reduction of the lien. We will provide an oral update at the next meeting. • Counsel withdrew his request for a reduction prior to the last meeting. Payment has not yet been received. We have contacted Counsel for an update. • **Payment in full was received on July 1, 2024. This case is now closed.**
				INACTIVE		
Joseph Q. Wilmot 13018 4th Street Bowie, MD 20720-3666	James A. Lanier 2 Reservoir Circle Suite 200 Baltimore, MD 21208 (443) 921-1100	3/14/2018	Inactive	Ineligible	$12,615.22 (Medical) Recouped to date: $4,782.28 Balance due: $7,832.94	• The Plan does not cover claims arising from work-related injuries. • Participant was involved in an accident at work, but his diagnosis codes did not appear to be work-related so the Fund paid them. • The Fund Office issued overpayment letters to the Participant and providers and received no responses. • Participant's benefits were offset effective 5/1/22 and the Plan was able to recoup $4,782.28. • Participant terminated employment and eligibility ended 5/31/23. • Co-counsel determined that Participant was successful in his workers' compensation case. His employer, Giant Foods, was ordered to pay for his causally related medical expenses. Counsel has been attempting to reach the workers' compensation carrier to confirm that the Employer has complied

1 Associated Administrators confirmed the lien amounts contained herein on September 3, 2024.

						with the order. After confirmation, counsel can contact the providers to demand repayment. • Counsel spoke with the carrier who had not been informed of the Workers' Compensation Commission order. The carrier stated that it would pay the Fund directly if we can provide the claims. The Fund Office is working with Cigna to obtain these claims. • **The Employer's WC carrier reimbursed the Fund in full for the total medical lien of $12,615.22.** • **The Fund Office has written to Mr. Wilmot to confirm the amounts he paid out of pocket, if any, while his benefits were denied.** • **We will update the Trustees if/when this information is received. Until then, this case can be removed from the report.**

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

SECOND QUARTER 2024

ADMINISTRATIVE MANAGER'S REPORT

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

SECOND QUARTER 2024
CONTRIBUTIONS AND EXPENSES

INCOME				
EMPLOYER	**RATE**	**HOURS**	**PARTICIPANTS**	**CONTRIBUTIONS**
EIGHT O'CLOCK COFFEE	$ 8.50	29,112.25	67	$ 247,454
GIANT RECYCLING	$ 8.50	12,845.50	27	$ 109,187
GIANT WAREHOUSE	$ 8.50	123,661.60	212	$ 1,051,124
WASHINGTON FOOD	$ 6.00	987.00	2	$ 5,922
COBRA			3	$ 3,414
SELF PAY			2	$ 3,409
TOTAL INCOME		**166,606.35**	**313**	**$ 1,420,510**

BENEFIT EXPENSES	RATE	EXPENSE	AVG. HRLY COST	COMMENT
CIGNA OONSP	19%	$ 2,983	$ 0.018	
CIGNA HEALTH CARE	$ 29.09	$ 28,537	$ 0.171	
DENTAL	$ 31.58	$ 30,286	$ 0.182	
DISABILITY		$ 7,843	$ 0.047	
DRUG		$ 285,619	$ 1.714	
HEARING GVS/FULLY INSURED	$ 0.29	$ 276	$ 0.002	
LIFE/AD&D-ING	$ 0.21	$ 9,980	$ 0.060	$0.193 LIFE / $0.016 AD&D
MEDICAL		$ 302,165	$ 1.814	
OPTICAL GVS/FULLY INSURED	$ 5.90	$ 5,936	$ 0.036	
STOP LOSS	$ 28.38	$ 27,132	$ 0.163	
SUB TOTAL		$ 700,757	$ 4.207	

OPERATING EXPENSES	RATE	EXPENSE	AVG. HRLY COST	COMMENT
ADMINISTRATION	$ 27.01	$ 25,281	$ 0.152	
ADMINISTRATION HIPAA	$ 0.21	$ 196	$ 0.001	
MISCELLANEOUS		$ 73,432	$ 0.441	
SUB TOTAL		$ 98,909	$ 0.594	

TOTAL EXPENSES	**$ 799,666**	**$ 4.80**

SURPLUS (DEFICIT)		**$ 620,844**

AVG. HOURLY INCOME		**$ 8.53**
AVG. HOURLY EXPENSE		**$ 4.80**
SURPLUS (DEFICIT)		**$ 3.73**

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

SECOND QUARTER 2024
MISCELLANEOUS EXPENSES

MISCELLANEOUS EXPENSES	AMOUNT
AUDITOR	$ 3,000
CHARTWELL INVESTMENT MANAGER FEES	$ 12,382
CYBER LIABILITY INSURANCE	$ 645
GREEN LIGHT TECHNOLOGY SERVICES	$ 3,000
INVESTMENT PERFORMANCE SERVICES	$ 15,000
LEGAL FEES-FUND CO-COUNSEL	$ 29,654
MEETING	$ 525
PNC FEES	$ 2,999
POSTAGE	$ 509
WEDGE CAPITAL INVESTMENT MANAGER FEES	$ 5,718
TOTAL	**$ 73,432**

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

2024
QUARTERLY RECAPS

INCOME	FIRST 2024	SECOND 2024	THIRD 2024	FOURTH 2024	TOTAL
CONTRIBUTIONS	$ 1,404,185	$ 1,413,687	$ -	$ -	$ 2,817,872
COBRA	$ 2,497	$ 3,414	$ -	$ -	$ 5,911
SELF PAY	$ 2,380	$ 3,409	$ -	$ -	$ 5,789
INTEREST & DIVIDENDS	$ 206,391	$ 252,180	$ -	$ -	$ 458,571
MISCELLANEOUS INCOME[1]	$ -	$ 5,390	$ -	$ -	$ 5,390
TOTAL INCOME	**$ 1,615,453**	**$ 1,678,080**	**$ -**	**$ -**	**$ 3,293,533**
BENEFIT EXPENSES					
CIGNA OONSP	$ 10,717	$ 2,983	$ -	$ -	$ 13,700
CIGNA	$ 29,062	$ 28,537	$ -	$ -	$ 57,599
DENTAL	$ 27,948	$ 30,286	$ -	$ -	$ 58,234
DISABILITY	$ 8,872	$ 7,843	$ -	$ -	$ 16,715
DRUG	$ 179,519	$ 285,619	$ -	$ -	$ 465,138
HEARING GVS/FULLY INSURED	$ 272	$ 276	$ -	$ -	$ 548
LIFE/AD&D	$ 9,604	$ 9,980	$ -	$ -	$ 19,584
MEDICAL	$ 412,811	$ 302,165	$ -	$ -	$ 714,976
OPTICAL	$ 5,865	$ 5,936	$ -	$ -	$ 11,801
STOP LOSS	$ 26,678	$ 27,132	$ -	$ -	$ 53,810
SUBTOTAL	$ 711,348	$ 700,757	$ -	$ -	$ 1,412,105
OPERATING EXPENSES					
ADMINISTRATION	$ 25,531	$ 25,477	$ -	$ -	$ 51,008
MISCELLANEOUS	$ 62,931	$ 73,432	$ -	$ -	$ 136,363
SUBTOTAL	$ 88,462	$ 98,909	$ -	$ -	$ 187,371
TOTAL EXPENSE	**$ 799,810**	**$ 799,666**	**$ -**	**$ -**	**$ 1,599,476**
SURPLUS (DEFICIT)	**$ 815,643**	**$ 878,414**	**$ -**	**$ -**	**$ 1,694,057**
					AVERAGE
AVG HOURLY INCOME	$ 9.76	$ 10.07			$ 9.92
AVG HOURLY EXPENSE	$ 4.83	$ 4.80			$ 4.82
SURPLUS (DEFICIT)	$ 4.93	$ 5.27	$ -	$ -	$ 5.10
TOTAL PARTICIPANTS	312	313	0	0	313
FUND RESERVE	$ 23,995,529	$ 24,427,928			

[1]Stop Loss dividend - $5,389.00, Lovenox Litigation settlements - $1.12

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

2023
QUARTERLY RECAPS

INCOME	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$ 1,457,516	$ 1,606,571	$ 1,495,603	$ 1,371,832	$ 5,931,522
COBRA	$ 1,804	$ 3,667	$ 6,418	$ 1,834	$ 13,723
SELF PAY	$ 2,550	$ 2,550	$ 2,550	$ -	$ 7,650
INTEREST & DIVIDENDS	$ 173,910	$ 207,294	$ 200,706	$ 206,925	$ 788,835
MISCELLANEOUS INCOME[1]	$ 5,363	$ -	$ -	$ 1,108	$ 6,471
TOTAL INCOME	**$ 1,641,143**	**$ 1,820,082**	**$ 1,705,277**	**$ 1,581,699**	**$ 6,748,201**
BENEFIT EXPENSES					
CIGNA OONSP	$ 11,746	$ 4,607	$ 10,195	$ 11,492	$ 38,040
CIGNA	$ 29,730	$ 28,945	$ 28,189	$ 26,280	$ 113,144
DENTAL	$ 31,391	$ 31,327	$ 31,169	$ 27,633	$ 121,520
DISABILITY	$ 13,286	$ 10,800	$ 11,786	$ 11,100	$ 46,972
DRUG	$ 126,911	$ 197,074	$ 208,650	$ 317,167	$ 849,802
HEARING GVS/FULLY INSURED	$ 293	$ 295	$ 284	$ 257	$ 1,129
LIFE/AD&D	$ 10,680	$ 10,471	$ 10,063	$ 9,196	$ 40,410
MEDICAL	$ 240,090	$ 266,039	$ 456,019	$ 286,253	$ 1,248,401
OPTICAL	$ 6,225	$ 5,942	$ 5,873	$ 5,122	$ 23,162
STOP LOSS	$ 27,848	$ 27,572	$ 27,820	$ 24,549	$ 107,789
SUBTOTAL	$ 498,200	$ 583,072	$ 790,048	$ 719,049	$ 2,590,369
OPERATING EXPENSES					
ADMINISTRATION	$ 26,678	$ 27,646	$ 24,322	$ 24,296	$ 102,942
MISCELLANEOUS	$ 86,762	$ 76,574	$ 67,117	$ 64,165	$ 294,618
SUBTOTAL	$ 113,440	$ 104,220	$ 91,439	$ 88,461	$ 397,560
TOTAL EXPENSE	**$ 611,640**	**$ 687,292**	**$ 881,487**	**$ 807,510**	**$ 2,987,929**
SURPLUS (DEFICIT)	**$ 1,029,503**	**$ 1,132,790**	**$ 823,790**	**$ 774,189**	**$ 3,760,272**
					AVERAGE
AVG HOURLY INCOME	$ 9.76	$ 9.79	$ 9.67	$ 9.78	$ 9.75
AVG HOURLY EXPENSE	$ 3.65	$ 3.70	$ 5.00	$ 4.99	$ 4.34
SURPLUS (DEFICIT)	$ 6.11	$ 6.09	$ 4.67	$ 4.79	$ 5.41
TOTAL PARTICIPANTS	339	353	310	310	328
FUND RESERVE	$ 20,480,465	$ 21,517,088	$ 21,593,815	$ 23,340,249	

[1]Litigation settlement: Mylan EpiPan - $1,107.62

SECOND QUARTER 2024
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	10-31-24

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

HEALTH AND WELFARE
DELINQUENCY REPORT
As of June 30, 2024

NO DELINQUENCIES

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
HEALTH AND WELFARE TRUST FUND

Fund Reserve

Months of Available Fund Reserve			
Expenses			
	Jan - Dec 2023		$ 2,987,929.00
	Jan - Jun 2024		$ 1,599,476.00
	Total		$ 4,587,405.00
	Per Month		$ 254,855.83
Fund Reserve			
	Jun-24		$ 24,427,928.00
	Months of Reserve 6/30/2024		**95.8**
	Months of Reserve 3/31/2024		95.0

Projected Hourly Contribution - Future Expenses
Based on Most Recent 12 Month Data
(June 2024 - May 2025)

Class E	$	4.97

Warehouse Employees Union Local No. 730 Health and Welfare Fund

INVOICES
September 13, 2024

Associated Administrators, LLC

7/31/2024	Mailing New Hire Packets	$ 225.99
7/31/2024	Mailing Summary of Material Modification	$ 270.00
6/26/2024	Mailing Form 1099NEC	$ 3.00
6/26/2024	Mailing Form 1099MISC	$ 154.67
6/26/2024	Mailing Form 1095-B	$ 364.62

Chartwell Investment Partners

7/31/2024	Fee for investment services rendered through June 30, 2024	$ 13,224.82

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

7/1/2024	Fee for professional services rendered through April 30, 2024 B. Saindon, Rate: $475.00 per hour	$ 2,185.00

Morgan, Lewis & Bockius, LLP

8/14/2024	Fee for professional services rendered through July 31, 2024 J. Kimble, Rate: $710.00 per hour	$ 12,607.00
7/11/2024	Fee for professional services rendered through June 30, 2024 J. Kimble, Rate: $710.00 per hour	$ 6,781.00

Novak Francella, LLC

6/18/2024	Fee for Annual Audit services performed for plan year ended December 31, 2023	$ 12,000.00

Segal Consulting

8/1/2024	Fee for the Medical RFP consulting services through June 30, 2024	$ 50,000.00
8/1/2024	Fee for the Dental RFP consulting services through June 30, 2024	$ 10,000.00
7/11/2024	Fee for Fiduciary Liability Insurance Policy through July 26, 2025	$ 8,463.00

Ullico

8/26/2024	Stop Loss Insurance Policy Premiums for June 2024 through August 2024	$ 27,216.42

Wedge Capital Management

7/11/2024	Fee for professional services rendered through June 30, 2024	$ 5,755.25

WAREHOUSE EMPLOYEES LOCAL 730 HEALTH AND WELFARE FUND

January – June 2024
Savings Results

September 13, 2024

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

In Network

	Charges	Network Allowed	Network Savings	%
Inpatient	$146,938	$144,049	$2,889	2.0%
Outpatient	$2,529,837	$573,652	$1,956,184	77.3%
Physician	$925,224	$406,341	$518,883	56.1%
Total	**$3,601,999**	**$1,124,042**	**$2,477,957**	**68.8%**

Out of Network Savings Program

	Charges	Network Allowed	Network Savings	%
Inpatient	$44,800	$26,432	$18,368	41.0%
Outpatient	$1,642	$1,604	$38	2.3%
Physician	$42,523	$21,122	$21,401	50.3%
Total	**$88,965**	**$49,158**	**$39,807**	**44.7%**

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Total Year To Date Savings January 2024 – June 2024

	Savings
PPO Network Savings	$2,477,957
Out of Network Savings	$39,807
Utilization Management Savings	$8,128
Case Management Savings	$6,840
Outpatient Care Management Savings	$23,352
Total Year To Date Savings	**$2,556,084**

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Thank You

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

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

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Landover, Maryland 20785-2361
Telephone: (800) 730-2241
www.associated-admin.com

Summary of Material Modifications – Changes in Your Plan

July 2024

This notice is a Summary of Material Modifications ("SMM") to the Warehouse Employees Union Local No. 730 Health & Welfare Trust Fund ("Fund") Summary Plan Description ("SPD") booklet. The purpose of the notice is to advise you of changes that the Fund's Board of Trustees has made to the SPD. Please keep this notice with your SPD booklet so you will have it when you need to refer to it. If there is any discrepancy between this SMM and the SPD or other Plan documents, the SPD and other Plan documents will control.

The Fund's Board of Trustees is pleased to announce the following benefit improvements.

Reduced Deductibles and Out-of-Pocket Maximums

Through 2024, the Fund will maintain an $800 individual deductible and $1,600 family deductible, as well as a $6,250 individual and $12,500 family out-of-pocket maximum.

Effective January 1, 2025, the deductibles and out-of-pocket maximums for in-network benefits will be reduced by half:

	Deductible	Out-of-Pocket Maximum
Individual	$400	$3,125
Family	$800	$6,250

Please note this change to page 27 of your SPD.

Expanded Vision Benefits

Effective September 1, 2024, the frame and contact lens allowance will increase to **$150.00** every 12 months. The current allowance is $130.00 every 12 months.

When you use a participating vision provider in the Group Vision Service ("GVS") Select Network which includes many independent optometrists and ophthalmologists, as well as retail locations such as LensCrafters®, Target Optical®, and participating Pearle Vision® locations, frames and contact lenses are available, once every 12 months, up to a retail allowance of $150.00. For frames costing more than the allowance, participants will receive a 20% discount on the difference between the actual cost of the frame and the $150.00 retail allowance. You are responsible for any cost for contact lenses above $150.00.

Remember that if you choose to go to a non-network provider, you must pay the provider his or her full charge at the time of service. You may submit the claim for reimbursement for the amount indicated in the member reimbursement schedule which can be found at www.groupvisionservice.com. You can find the reimbursement claim form there as well.

Please note this change to page 59 of your SPD.

Expanded Hearing Aid Benefit

Effective September 1, 2024, the Fund will provide a hearing aid benefit **once every three years** in an amount not to exceed $2,500 per ear, provided you seek treatment at an in-network provider.

Routine hearing exams and hearing aids are provided by EPIC Hearing Healthcare ("EPIC"), an affiliate of GVS. If you or your dependent need hearing aids, you can now get them every three years, instead of every five years, and the Fund will pay up to $2,500 per ear. You can get more information about this benefit by calling EPIC at 866-956-5400 or visiting www.epichearing.com.

Please note this change to page 59 of your SPD.

If you have any questions about this notice, your health benefits or eligibility, you can contact the Fund Office at (800) 730-2241, Monday through Friday from 8:30 a.m. until 4:30 p.m. You can also find information about your benefits and participating providers, as well as the Fund's price comparison tool which allows you to compare the costs of different providers and services provided by the Fund, on the Fund's website at https://associated-admin.com.

The Trustees are pleased to be able to provide you with these benefit increases and improvements. The Trustees continue to monitor the financial condition of the Fund in order to provide you and your families with an excellent plan of benefits and providers.

The Trustees reserve the right to amend, modify, or terminate the Fund and any or all benefits provided thereunder.

From: Timm, Josh <jtimm@segalco.com>
Sent: Tuesday, September 3, 2024 11:47 AM
To: Alicia Cochran <aliciac@associated-admin.com>; Rachel Grant <rachelg@associated-admin.com>
Cc: Hardy, John <JHardy@segalco.com>; Timm, Josh <jtimm@segalco.com>
Subject: Warehouse 730 - Delta Dental Analysis

EXTERNAL EMAIL: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender, and know the content is safe.

Dear Trustees,

As a result of the Trustees meeting, Segal requested pricing for the following benefit options from Delta Dental:

Orthodontia

$1,500 lifetime max, 50% coinsurance for Children Under 18 and Adult and Children under 18

Orthodontia coverage (Child under 18 and Adult and Child under 18) is subject to a lifetime benefit maximum of $1,500.

Implants

50% coinsurance with a $2,500 annual max and a benefit specific maximum of $1,500

50% indicates the coinsurance percentage that the plan pays on the benefit.

Note that Delta Dental responded that implant coverage is subject to the $2,500 calendar year maximum benefit. A separate implant benefit maximum is not available.

1st Year Dental Premiums - Delta Dental Options

Coverage Tier	Contracts	Dental Health Centers Current Premium	Delta Dental	Delta Dental BAFO	Delta Dental 50% Ortho $1,500 Lifetime Max Child age 18	Delta Dental 50% Ortho $1,500 Lifetime Max Adult and Child	Delta Dental 50% Implants
Composite	**316**	**$31.58**	**$30.36**	**$29.75**	**$32.38**	**$33.74**	**$31.11**
Total Annual Premium		$119,800	$115,100	$112,800	$122,800	$127,900	$118,000
$ Difference From Current			($4,700)	($7,000)	$3,000	$8,100	($1,800)
% Difference From Current			-3.92%	-5.84%	2.50%	6.76%	-1.50%

Please advise as to the next steps.

Thanks

Josh

Joshua D. Timm, CEBS
Senior Vice President & Benefits Consultant
Segal
30 Waterside Drive, Suite 300 | Farmington, CT 06032-3069
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Segal, Segal Marco Advisors and Segal Benz
are all members of the Segal family

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Thank you.