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Memorandum

Via E-Mail

To: David Jensen and Anne-Marie Sims
Associated Administrators LLC

From: Josh Timm
Christopher Heppner

Date: September 29, 2021

Re: Food Employers Labor Relations Association (FELRA) and United Food & Commercial Workers' (UFCW) VEBA Fund
Plans XX and XXX Costs Per Enrolled Dependent Child Effective January 1, 2022

The chart below illustrates projected monthly expenses for Plans XX and XXX for an enrolled dependent child effective January 1, 2022. Costs include medical claims and prescription drug (Rx) claims. Calculations are based on the most recent budget projections.

Plans XX and XXX Costs Per Enrolled Dependent Child Effective January 1, 2022						
	Per Child Rate*			3 or More Children Rate		
Plan	**Medical**	**Rx**	**Total**	**Medical**	**Rx**	**Total**
Plan XX – Part Time	$107.33	$31.77	$139.10	$321.99	$95.31	$417.30
Plan XXX – Part Time	$113.62	$33.10	$146.72	$340.86	$99.30	$440.16

** Based on budget projections with data through June 30, 2019.*

These rates reflect approximately a 5.8% increase. These rates have been set based on the actual experience of the participants of each plan.

If you have any questions, please do not hesitate to ask.

The projections in this memorandum are estimates of future costs and are based on information available to Segal at the time the projections were made. Segal has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, health trend rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases. Unless otherwise noted, these projections do not include any cost or savings impact resulting from the new health care reform legislation or other recently passed state or federal regulations.

The Coronavirus (COVID-19) pandemic has impacted the US economy and health plan claims projections for most Health Plan Sponsors. As a result, projections of near-term income and claim expenses could be significantly altered by emerging events. Unless specifically noted, the current report does not include any adjustments in healthcare costs. Additionally, the potential for federal or state fiscal relief is also not contemplated in this report.

jt/smb

cc: Mitch Bramstaedt
John Priester
Thomas Wyszomirski