Lithographers & Photoengravers
Local 285 Welfare Fund

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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND HELD ON JANUARY 28, 2022 VIA WEBEX

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
Mark Poole – Secretary	David Ashton – Chairman
Barry English	Dave King
Pete Gragnani	Tom Labadie

Also present were:
Alicia Cochran – Associated Administrators, LLC
Rachel Grant – Associated Administrators, LLC
Andrew Lin – Mooney, Green, Saindon, Murphy & Welch, P.C.
Lori Waichman – Mooney, Green, Saindon Murphy & Welch, P.C.
Matthew Walker – The Philadelphia Trust Company

I. CALL TO ORDER

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

II. MINUTES – MEETING OF OCTOBER 20, 2021

Ms. Cochran confirmed that there were no changes to the final draft of the minutes circulated prior to the meeting. The Trustees reviewed the draft and, On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

RESOLVED that the minutes of the regular Board meeting held October 20, 2021 are approved as written.

III. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited Financial Statements for the third quarter of the Plan year September 1, 2021 through November 30, 2021. For the Plan year through the third quarter, the Fund had total income of $123,969 and total expenses of $134,915. The Fund operated through the second quarter with a deficit of $10,946.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

RESOLVED to accept and approve the Financial Statements for September 1, 2021 through November 30, 2021 as presented.

IV. CHARLES SCHWAB

Ms. Cochran reported that a copy of the Charles Schwab statement for December 2021 is contained in the meeting booklet. She noted the transfer of assets from Charles Schwab to The Philadelphia Trust Company was complete. She thanked Fund Counsel for assisting with the transition.

V. THE PHILADELPHIA TRUST COMPANY

The Trustees welcomed Mr. Matt Walker of The Philadelphia Trust Company to the meeting.

Mr. Walker confirmed that assets in CDs and cash were successfully transferred from Charles Schwab to The Philadelphia Trust Company on December 27, 2021. He reviewed the Investment Policy Statement and provided a brief overview of the current market, including a portfolio recap of the 2021 calendar year. Mr. Walker said he would provide asset allocation recommendations at the next meeting, should the Trustees choose to diversify the portfolio.

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

VI. COUNSEL

Mr. Lin introduced Ms. Lori Waichman, an associate at Mooney Green who assists from time to time with compliance issues for the Fund. He then discussed the requirements of the Mental Health Parity and Addiction Act, as amended by the Consolidated Appropriations Act of 2021. The Trustees discussed whether or not an outside consultant should be retained to prepare a Mental Health Parity compliance report. Because the Fund's provision and application of mental health benefits is almost entirely dependent on one vendor, Kaiser Permanente, the Trustees determined not to engage an outside consultant.

VII. LAKESHORE BENEFIT GROUP INSURANCE BROKERAGE, LLC – BROKER REPORT

The Trustees welcomed Mr. Ed Chicoski of Lakeshore Benefit Group Insurance Brokerage, LLC to the meeting.

A. Medical Renewal – Kaiser Permanente

He distributed his report titled, "Lithographers and Photoengravers Local 285 Welfare Fund Plan Comparison Summary." Mr. Chicoski reviewed a summary of the current Kaiser plans and premiums compared to the proposed renewal rates. Mr. Chicoski noted Kaiser's original request included a 11.9% premium increase; however he was able to successfully negotiate a reduction to 9.9%. He stated Kaiser confirmed it was willing to reduce the increase by an additional 1.5% if the Fund eliminated the Flexible Choice plan. He said there are currently no participants enrolled in the Flexible Choice plan. Additionally, Kaiser was willing to reduce the increase to 5.25% if the Fund eliminates the Select High plan and replaces it with the Signature plan. Mr. Chicoski verified with Kaiser that there would be no change in co-pays or benefits; however, members would not be able to use services outside of the Kaiser centers. He noted that Kaiser had provided a disruption report with utilization of physicians outside the Kaiser centers. Mr. Chicoski noted that he had reviewed the feasibility of adopting high-deductible plans; the high-deductible plan options were not attractive. He recommended implementing the Signature plan and eliminating the Select High plan.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to eliminate the Flexible Choice plan and HMO Select High plan and add the HMO Signature plan and to accept the Kaiser renewal with a premium increase of 5.25%, for the policy period March 1, 2022 through February 28, 2023.**

B. **<u>Dental Renewal – Cigna</u>**

Mr. Chicoski said he was able to negotiate a rate hold for the policy period March 1, 2022 through February 28, 2023.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

RESOLVED to accept the rate hold for the renewal of the Cigna HMO and PPO dental plans for the policy period March 1, 2022 through February 28, 2023.

VIII. ADMINISTRATIVE EXPENSE LOAD

Ms. Cochran reviewed an estimate for the administrative expenses for the 2022-2023 Plan year. Based on current enrollment and the Plan's estimated expenses, the estimate reflected a monthly administrative cost of approximately $151.66 per employee. Ms. Cochran noted that 0% of the administrative load had been assessed to members for the 2021-2022 Plan year. She said that Fund reserves as of November 30, 2021 are 16.4 months, while reserves as of November 30, 2021 were 16.1 months.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

RESOLVED to waive the administrative expense load for the 2022-2023 Plan year.

IX. OTHER FUND BUSINESS

A. Tiered Rates

The Trustees discussed using the same calculation that was performed in the prior Plan year for the tiered rates.

After a discussion, on Motion made and seconded, the Board unanimously voted approval of the following resolution:

RESOLVED to allow Mr. Ed Chicoski of Lakeshore Benefit Group Insurance Brokerage, LLC to develop the tiered rates under the same approach used for the 2021-2022 plan year.

B. <u>Open Enrollment</u>

Ms. Cochran said that the open enrollment materials were sent by certified mail for the 2021-2022 Plan year. After a discussion, the Trustees agreed to mail the materials certified for the 2022-2023 open enrollment. Ms. Cochran said the open enrollment materials would also be electronically distributed to employers.

C. <u>IRS Form 5500</u>

Ms. Cochran reported that the annual IRS Form 5500 was electronically filed by the Fund auditor on December 15, 2021 for the March 1, 2020 through February 28, 2021 Plan year.

D. <u>IRS Form 990</u>

Ms. Cochran reported that the annual IRS Form 990 was electronically filed by the Fund auditor on January 15, 2022.

E. <u>Cyber Liability Policy</u>

Ms. Cochran said the current Cyber Liability Policy with Chubb expired January 23, 2022. She said that Chubb issued an auto-renewal for the period January 23, 2022 through January 23, 2023 with a $4.00 increase in premium from the current policy. Ms. Cochran stated the renewal was sent to Fund Counsel for review.

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

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

G. Medicare Retirees

Ms. Cochran said that notification letters of the change in the premiums to retirees buying health coverage through the Fund were mailed November 18, 2021.

H. Vision Renewal - National Vision Association ("NVA")

Ms. Cochran said NVA proposed a two-year rate hold for the period March 1, 2022 through February 29, 2024.

X. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held April 20, 2022 commencing at 10:00 a.m. via Webex.

XI. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark Poole, Secretary