



October 18, 2023

The Board of Trustees:

Lithographers & Photoengravers Local 285 Welfare Fund

Re: Administrative Services Contract Renewal

Trustees and Fund Counsel:

The administrative services contract between Associated Administrators, LLC ("Associated") and the Lithographers & Photoengravers Local 285 Welfare Fund ("Fund") expires November 30, 2023. We hope that the Trustees will consider favorably our request for a three-year agreement at the rates attached in Exhibit A, which represent a 4% increase each year, designed to cover new work and increased costs of doing business.

Services Recap

Brief recap of some of the most significant services provided by Associated over the last three years:

- Implemented The Philadelphia Trust Company as the investment consultant.
- Implemented the COVID-19 changes from 2020 and now in 2023 as the Emergency ends.
- Implemented all provisions of the No Surprises Act and Transparency in Coverage Rule, detailed below, which involved complex and time-sensitive process changes, handling of regulatory filings, soliciting vendor services and developing specialized IT programming tools.
- Provided data to the broker for Request for Proposals.
- RxDC Prescription Drug Data Collection - Preparation of 2020-2023 annual reporting, data gathering, custom IT programming, and collaboration with PBMs and CMS.

Seamless and Efficient Shift to Remote Work Operations

Perhaps most impactful over the last 3 years was the shift in administrative and operational procedures to allow for remote work, which Associated was able to do without interruption to business operations or impact to participants. This was due to a committed group effort between Executives, IT, HR, Directors and Supervisors to coordinate workflow and job functionality.

Trending Increase in HIPAA Privacy, Security and Cybersecurity Services

After a significant uptick in external data security incidents over the past 3 years, as well as an increase in privacy and security standards across the industry, Associated expanded HIPAA Privacy and Security services and policies. We receive and respond to external breach notices, work with counsel to prepare letters to vendors, and handle HIPAA notifications.

In adhering to the DOL's Cybersecurity Best Practices released in 2021, Associated experienced an increase in time spent responding to cybersecurity inquiries and questionnaires, performing self-assessments, training staff, incorporating phishing tests and strengthening endpoint software.

The No Surprises Act and Transparency in Coverage Final Rule

The NSA and TiC regulations, released by the tri-agencies in 2020, involved a multitude of new regulatory provisions. The requirements hit benefit plans with little preparation time and minimal guidance, which called for time-sensitive compliance planning over the past 3 years, and encompassed all operational departments at Associated. For 6 months leading into and shortly after the regulatory effective date, Associated held weekly meetings with staff from all departments in order to fast-track compliance preparation, prioritize critical procedural changes and identify both internal and external resources and service providers. These regulations required full staff training, including the ability to communicate these changes to participants. Associated coordinated with counsel on the administrative implications, and drafted suggested Plan Amendments aligning with the regulations.

Compliance Monitoring

Associated continues to provide a compliance monitoring program to help each of our client Funds track regulatory reporting requirements, vendor contracts, and required documentation. Associated works hard to control its operating costs, but some are increasing. It is important to note that compliance work is continually expanding and impacts all TPA operations.

Information Technology Developments

Associated's highest cost increases and deliberate reinvestment have been in Information Technology. System enhancements allow us to better serve our clients and participants, and to maintain proper computer security. We utilize industry proven software to monitor network performance and to further block malware and phishing attacks on our ports, machines and applications. Our servers, desktops, and laptops are updated on a regular basis from software vendors to include critical and security updates. We are in the midst of completing our largest software update to date, allowing for state-of-the-art capabilities and increased protection against cyber-intrusions.

Employee Benefits

Associated's bargaining unit employees are in a Health and Welfare Fund, with increases averaging 7.6% per year for the past three years. Our most recent health plan increase for non-unit staff was 17%, even after extensive negotiation with our broker. Our unit employees are covered by a Pension Fund, with 9% annual increases for the foreseeable future.

Experienced Executive Management

Associated has assigned to the Funds an Account Executive and an Account Manager with over 20 years of benefits fund administrative experience combined. Supporting the account management team are sixteen employees, which includes staff from our Accounting, Accident and Sickness, Eligibility, Medical Claims, Communications, Mailroom, Appeals, and IT departments. We are all dedicated to providing superior services.

We realize that as fiduciaries, the Trustees must be confident that the Plan receives services proportionate in quality and quantity to the fees charged. Associated prides itself on providing excellent service to the Plan and its participants, and we do so at a competitive price.

Associated appreciates the opportunity to serve these Funds and welcomes all questions concerning our proposal.

Sincerely,



Alicia Cochran
Account Executive
Associated Administrators, LLC

EXHIBIT A

Current Fee Per Month	12/01/23 Through 11/30/24	12/01/24 Through 11/30/25	12/01/25 Through 11/30/26
\$9,037	\$9,398	\$9,774	\$10,165

January 1, 2024 through December 31, 2026 Hourly Rates for new regulatory changes and implementation of new vendors:

\$150/Hour – IT/Management

\$100/Hour – Supervisor

\$50/Hour – Regular Employee