

School Cafeteria Employees UNITEHERE Local No. 634
Health & Welfare Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
(833) 228-9212

www.associated-admin.com

Agenda

January 21, 2021
12:00 PM

- I. Call to Order
- II. Minutes, Regular Meeting – October 15, 2020
- III. Investment Manager Report
- IV. Auditor Report
- V. Consultant Report
- VI. Administrative Manager Report
- VII. Counsel Report
- VIII. Invoices
- IX. Other Fund Business
- X. Next Meeting Date and Location
- XI. Adjournment

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Minutes of the Meeting of the Board of Trustees

Held on Thursday, October 15, 2020

Via Zoom

Present Were:

Nicole Hunt, Antoinette Ford and Warren Heyman
– Union Trustees

Wayne Grasela, Lisa Norton and Susan Hancock –
Management Trustees

Also Present Were:

Deborah R. Willig, Esq. and Kelly Brogan, Esq. of
Willig, Williams & Davidson – Legal Counsel; Frank
Iannucci of Summit Actuarial Services – Fund
Consultant; Kathleen Jackson, CPA; Alicia Cochran
of Associated Administrators, LLC – Administrative
Manager; Matthew Walker¹, CFA of The
Philadelphia Trust Company

The meeting was called to order at 10:01 a.m. with Ms. Hunt presiding as Chairperson. Notice of this meeting was communicated prior to the date of the meeting. A quorum was present.

- I. The minutes of the meeting of the Board of Trustees held on July 16, 2020 were discussed.

MOTION was made and seconded, with
Trustee Heyman abstaining, to adopt the
minutes of the meeting of the Board of
Trustees held on July 16, 2020.

UNANIMOUSLY ADOPTED

- II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of September 30, 2020, the Fund had a loss of -1.21% YTD. Total assets held in the discretionary account were \$1,557,218.45. Total assets held in the non-discretionary

¹ Present for the investment report only.

account were \$9,433.79. Assets in the discretionary account were allocated 32.6% to fixed income, 25.3% to equities and 42.1% to cash and equivalents.

Mr. Walker said his firm continues to monitor and adjust to handle the current market given the circumstances related to the pandemic.

- III. **Fund Auditor's Report.** Ms. Jackson presented an engagement letter from Novak Francella, LLC for auditing services for the September 1, 2019 to August 31, 2020 fiscal year. The costs of services increased by \$550 from the last fiscal year, not to exceed \$18,350.00.

MOTION was made and seconded to engage Novak Francella, LLC for auditing services for the 2019-2020 fiscal year under the terms of the engagement letter.

UNANIMOUSLY ADOPTED

- IV. **Fund Consultant's Report.** Mr. Iannucci discussed the Fund's reserves and said they represent slightly less than 12 months of benefit cost. He noted that the prescription expense increased during the months of the pandemic.

Mr. Iannucci noted a discussion during the July meeting regarding increasing the dental maximums for the period July 1, 2020 through June 30, 2021 due to COVID-19 and the limited access to dental benefits. He said his office was directed to determine the cost to the Fund if the annual dental maximums were increased for the one-year period. He stated that the current annual dental maximums are \$1,000 for single coverage and \$1,500 for family coverage.

He reviewed the following scenarios with the Trustees:

- 1) Dental Maximums of \$1,100 Single/\$1,600 Family: An annual cost increase of approximately \$2,500 to \$5,000
- 2) Dental Maximums of \$1,200 Single/\$1,700 Family: An annual cost increase of approximately \$5,000 to \$10,000
- 3) Dental Maximums of \$1,300 Single/\$1,800 Family: An annual cost increase of approximately \$7,500 to \$15,000
- 4) Dental Maximums of \$1,400 Single/\$1,900 Family: An annual cost increase of approximately \$10,000 to \$20,000
- 5) Dental Maximums of \$1,500 Single/\$2,000 Family: An annual cost increase of approximately \$12,500 to \$25,000

He said based on the current financial status of the Fund, none of the one-year increases would have a long term adverse effect on the Fund.

MOTION was made and seconded to approve a one-time increase in the dental maximums of \$1,500 Single/\$2,000 Family for the benefit year July 1, 2020 to June 30, 2021.

UNANIMOUSLY ADOPTED

- V. **Fund Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2019-2020, as of August 31, 2020, with a comparative report for FY 2018-2019. Receipts and disbursements for the period were reviewed, with the Fund experiencing a deficit of \$166,264.54 compared to a deficit of \$205,325.74 for the prior period.

A report was presented indicating the total Fund balance through August 31, 2020 was \$1,809,964.64.

A report was presented detailing the number of eligible employees as of June 5, 2020 - 889 Cafeteria Workers and 1,134 Student Climate Staff for a total of 2,023 employees.

A COBRA report was presented for September 1, 2019 through August 31, 2020 showing a total of 211 COBRA notices sent, with no COBRA payees in the month of August.

A dental claims report for Cafeteria Workers and Student Climate Staff for June 1, 2020 through August 31, 2020 was presented. Payments totaled \$35,966.22 on 617 claims for Cafeteria Workers and \$16,847.00 on 357 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2019 through August 31, 2020 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$10,295.00 and \$10,485.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2019 through August 31, 2020 was presented. Wig claims paid to date for Cafeteria Workers totaled \$317.24. Claims paid to date for Student Climate Staff totaled \$21.58.

Ms. Cochran presented a utilization report prepared by Guardian Nurses for the period July 1, 2020 through September 30, 2020. The report reflected utilization of 30 minutes for the quarter.

Ms. Cochran presented a report prepared by BeneCard for the period July 1, 2020 through September 30, 2020. The report reflected prescription utilization for which the Plan paid more than \$5,000 on any one prescription.

- VI. **Bills:** Ms. Cochran said that there are no invoices to be presented at today's meeting.

VII. **Fund Counsel's Report.** There was a discussion regarding the coverage of insulin/diabetic supplies under the Fund's prescription benefit for Cafeteria Workers. Currently the Fund does not cover insulin or diabetic supplies for Cafeteria Workers unless the member is on a grandfathered list. Trustee Hancock said that the School District is proposing a one-year agreement in which diabetic supplies are covered under the Fund, for Cafeteria Workers covered under the medical Keystone plan with the School District of Philadelphia. The School District will then reimburse the Fund for those prescriptions. Ms. Cochran said the School District will need to identify the affected participants on the eligibility file so that BeneCard can administer the benefit as well as submit the reimbursement information to the School District. Ms. Brogan noted that she will draft the Agreement which will be between the School District and the Fund.

VIII. **Other Business.** Ms. Cochran reported the following: The fiduciary liability policy was renewed September 6, 2020. The premium paid was \$4,157.00. Payments for the waiver of recourse were emailed to the Trustees on August 24, 2020.

The PCORI fee for the 2019 Plan year, imposed by the Affordable Care Act for self-insured group plans, was mailed on July 28, 2020. The amount paid was \$6,178.90.

The Fund received the 2021 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee is \$1,265.00.

In accordance with the Fund's past practice, \$200,000.00 was requested from investments held at The Philadelphia Trust Company to cover expenses. The transfer was received on August 31, 2019.

The Notice of Creditable Coverage and 2020 Plan year Summary of Benefits and Coverage were mailed to Plan participants on October 8, 2020.

IX. The date of the next regular Board meeting was scheduled for Thursday, January 21, 2021. The meeting will convene at 12:00 p.m. and will be held by a ZOOM conference call.

X. There being no further business before the Board of Trustees, the meeting was adjourned.

Union Trustee

School District Trustee

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

**Profit & Loss Prev Year Comparison
September 2020 through November 2020**

		<u>Nov-20</u>	<u>Nov-19</u>
Ordinary Income/Expense			
Income			
61-113	Cobra Contributions	-	355.00
61-121	Cafeteria Workers	517,629.80	479,505.00
61-125	Student Climate Staff	35,436.80	32,870.31
61-300	Interest on Investments	4,645.47	9,519.69
61-301	Bond Discount Accretion	625.00	-
61-302	Interest on Bank Accounts	3.23	2.09
61-303	Realized Gain/Loss	12,374.98	19,077.60
61-304	Unrealized Gain/Loss	6,415.95	11,512.75
61-320	Formulary Rebates	80,858.15	59,542.51
Total Income		657,989.38	612,384.95
Gross Profit		657,989.38	612,384.95
Expense			
71-200	City Clinics Fee	15,000.00	15,000.00
71-202	Benecard Drug Claims	458,940.24	296,227.24
71-523	Benecard Admin Fee	17,207.90	17,173.06
71-203	Vision Premium	17,768.49	29,432.18
71-212	Orthotics Claims	10,005.00	10,015.00
71-214	Self-Funded Dental Claims	72,988.92	78,711.68
71-560	Dental Claims	6,179.00	2,920.00
71-216	Wig Benefit	195.00	338.82
71-515	Local 634 Shared Costs	6,600.00	8,100.00
71-300	Administration Fees	27,810.00	27,000.00
71-501	Auditing and Accounting Fee	-	331.25
71-502	Legal Counsel Fee	3,191.06	12,630.56
71-503	Conference and Meeting Expenses	-	2,677.84
71-505	Consultant Fee	3,000.00	3,000.00
71-508	Printing, Duplicating, Postage	670.37	313.19
71-509	Investment Manager Fee	-	2,174.57
71-517	Fiduciary Liability Insurance Premium	-	4,157.00
71-519	Membership Dues & DVHCC	1,065.00	-
71-550	Bank Service Charge & Wire Fees	174.27	122.00
71-750	Health Fair Expense	-	8,124.32
Total Expense		640,795.25	518,448.71
Net Ordinary Income		17,194.13	93,936.24
Net Income		17,194.13	93,936.24

**School Cafeteria Employees UNITEHERE
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**BB&T Bank and Philadelphia Trust Balances
November 30, 2020**

BB&T

Savings - M/M (Old)	\$ 0.16
Savings - M/M BB&T - 0780	160,639.95
Claims Checking BB&T - 0764	2,418.58
Cash Expense BB&T - 0772	<u>66,687.54</u>
Total BB&T	<u>229,746.23</u>

Philadelphia Trust

Phila Trust - Discr PTC701	1,445,848.59
Phila Trust - Non-Dis PTCN90	9,414.62
Phila Trust Company Allowance	<u>142,149.33</u>
Total Philadelphia Trust	<u>1,597,412.54</u>
Grand Total	<u><u>\$ 1,827,158.77</u></u>

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Employer Contributions and Participant Counts Report - September 1, 2020 - August 31, 2021
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Pay Period Ending	Date Received	Class	Amount Received	Contribution Rate	Member Count
8/28/2020	9/15/2020	Food Service Workers	\$ 85,897.50	\$ 97.50	896
		Student Climate Staff	\$ 6,227.20	\$ 5.60	1097
			<u>\$ 92,124.70</u>		
9/11/2020	9/22/2020	Food Service Workers	\$ 87,360.00	\$ 97.50	891
		Student Climate Staff	\$ 6,109.60	\$ 5.60	1089
			<u>\$ 93,469.60</u>		
9/25/2020	10/6/2020	Food Service Workers	\$ 879.80	\$ 97.50	
		Student Climate Staff	\$ -	\$ 5.60	
			<u>\$ 879.80</u>		
9/25/2020	11/9/2020	Food Service Workers	\$ 85,800.00	\$ 97.50	880
		Student Climate Staff	\$ 5,745.60	\$ 5.60	1026
			<u>\$ 91,545.60</u>		
10/9/2020	10/13/2020	Food Service Workers	\$ 86,385.00	\$ 97.50	886
		Student Climate Staff	\$ 5,896.80	\$ 5.60	1053
			<u>\$ 92,281.80</u>		
10/23/2020	10/20/2020	Food Service Workers	\$ 85,995.00	\$ 97.50	882
		Student Climate Staff	\$ 5,829.60	\$ 5.60	1041
			<u>\$ 91,824.60</u>		
11/6/2020	11/16/2020	Food Service Workers	\$ 85,312.50	\$ 97.50	875
		Student Climate Staff	\$ 5,628.00	\$ 5.60	1005
			<u>\$ 90,940.50</u>		
11/20/2020	12/2/2020	Food Service Workers	\$ 85,020.00	\$ 97.50	872
		Student Climate Staff	\$ 5,572.00	\$ 5.60	995
			<u>\$ 90,592.00</u>		

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

COBRA Report - September 1, 2020 - August 31, 2021

	COBRA Notices Sent	COBRA Elections	COBRA Participants
September 2020	18	0	0
October 2020	45	1	1
November 2020	13	0	1
December 2020			
January 2021			
February 2021			
March 2021			
April 2021			
May 2021			
June 2021			
July 2021			
August 2021			
Totals	76		

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Dental Claims Report - September 1, 2020 - November 30, 2020

Food Service Workers

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	334	\$ 20,599.96	\$ 7,423.32
Endodontics	46	\$ 16,227.00	\$ 6,715.00
Extraction	12	\$ 1,895.00	\$ 540.00
Oral Surgery	60	\$ 11,937.20	\$ 2,432.60
Orthodontics	34	\$ 10,096.61	\$ 2,385.00
Other Services	124	\$ 12,971.00	\$ 4,726.00
Periodontics	36	\$ 7,414.00	\$ 2,875.00
Preventive	204	\$ 10,923.00	\$ 3,999.00
Prosthodontics, Fixed	2	\$ 915.20	\$ 915.20
Prosthodontics, Removable	8	\$ 6,954.00	\$ 3,310.00
Restorative	116	\$ 22,346.40	\$ 7,412.40
Restorative, Crowns	13	\$ 13,490.00	\$ 6,930.00
Totals	989	\$ 135,769.37	\$ 49,663.52

Out-of Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	17	\$ 992.00	\$ 491.00
Endodontics	1	\$ 850.00	\$ 350.00
Extraction	1	\$ 100.00	\$ 45.00
Oral Surgery	1	\$ 275.00	\$ 45.00
Orthodontics	0	\$ -	\$ -
Other Services	1	\$ 95.00	\$ 30.00
Periodontics	0	\$ -	\$ -
Preventive	12	\$ 680.00	\$ 309.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	0	\$ -	\$ -
Restorative	4	\$ 905.00	\$ 285.00
Restorative, Crowns	3	\$ 3,637.00	\$ 1,501.00
Totals	40	\$ 7,534.00	\$ 3,056.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 135,769.37	\$ 7,534.00	\$ 143,303.37
Total Paid Amount	\$ 49,663.52	\$ 3,056.00	\$ 52,719.52

**School Cafeteria Employees UNITEHERE
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Dental Claims Report - September 1, 2020 - November 30, 2020

Student Climate Staff

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	134	\$ 7,690.40	\$ 2,904.90
Endodontics	17	\$ 5,214.00	\$ 2,393.00
Extraction	4	\$ 720.00	\$ 180.00
Oral Surgery	12	\$ 2,765.00	\$ 595.00
Orthodontics	40	\$ 6,363.00	\$ 2,575.00
Other Services	46	\$ 4,254.00	\$ 1,312.00
Periodontics	18	\$ 5,893.00	\$ 1,590.00
Preventive	51	\$ 3,308.00	\$ 1,323.00
Prosthodontics, Fixed	2	\$ 350.00	\$ -
Prosthodontics, Removable	5	\$ 2,260.00	\$ 1,603.00
Restorative	25	\$ 4,744.00	\$ 1,813.50
Restorative, Crowns	8	\$ 5,196.00	\$ 3,239.00
Totals	362	\$ 48,757.40	\$ 19,528.40

Out-of-Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	16	\$ 988.00	\$ 418.00
Endodontics	0	\$ -	\$ -
Extraction	6	\$ 990.00	\$ 270.00
Oral Surgery	0	\$ -	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	0	\$ -	\$ -
Periodontics	3	\$ 720.00	\$ 270.00
Preventive	11	\$ 497.00	\$ 270.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	2	\$ 1,835.00	\$ 1,420.00
Restorative	3	\$ 495.00	\$ 200.00
Restorative, Crowns	2	\$ 2,198.00	\$ 275.00
Totals	43	\$ 7,723.00	\$ 3,123.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 48,757.40	\$ 7,723.00	\$ 56,480.40
Total Paid Amount	\$ 19,528.40	\$ 3,123.00	\$ 22,651.40

**School Cafeteria Employees UNITEHERE
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Orthotic Claims Report - September 1, 2020 - November 30, 2020
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Food Service Workers

Months		Amount		Total Paid
September 2020 - November 2020	\$	6,165.00	\$	5,970.00
Totals	\$	6,165.00	\$	5,970.00

Student Climate Staff

Months		Amount		Total Paid
September 2020 - November 2020	\$	4,815.00	\$	4,230.00
Totals	\$	4,815.00	\$	4,230.00

**School Cafeteria Employees UNITEHERE
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Wig Claims Report - September 1, 2020 - November 30, 2020

Food Service Workers

Months	Billed Amount		Paid to Member Amount	
September 2020 - November 2020	\$	-	\$	-
Totals	\$	-	\$	-

Student Climate Staff

Months	Billed Amount		Paid to Member Amount	
September 2020 - November 2020	\$	-	\$	-
Totals	\$	-	\$	-

Claim Detail Report

Customer: PBF

Client: 10090 - Unite Here Cafeteria Workers

Group: All

Client Group Health Services Option: Not Specified

Date Filter: Process Date

Date Range: 10/01/2020 to 12/31/2020



Client ID	Client Name	Status	Mail / Retail	Drug Label Name	Total Member Pay	Plan Paid
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL TAB 140MG	\$ 5.00	\$ 14,112.41
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL TAB 140MG	\$ 5.00	\$ 14,112.41
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL TAB 100MG	\$ 5.00	\$ 14,110.16
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL TAB 140MG	\$ 5.00	\$ 14,110.16
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SOFOS/VELPAT TAB 400-100	\$ 5.00	\$ 7,799.65
10090	Unite Here Cafeteria Workers	Paid	Retail	HUMULIN R INJ U-500	\$ 5.00	\$ 6,837.97
10090	Unite Here Cafeteria Workers	Paid	Mail Order	WELLBUTRIN TAB XL 300MG	\$ 5.00	\$ 5,711.19
10090	Unite Here Cafeteria Workers	Paid	Mail Order	NOVOLOG INJ FLEXPEN	\$ 5.00	\$ 5,429.96
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40/0.4ML	\$ 5.00	\$ 5,429.91
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,429.91
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,429.91
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,429.91
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,429.91
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,427.66
10090	Unite Here Cafeteria Workers	Paid	Mail Order	HUMIRA PEN INJ 40MG/0.8	\$ 5.00	\$ 5,427.66