

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

April 18, 2022

1:30 PM

- I. Call to Order
- II. Minutes, Regular Meeting – January 18, 2022
- III. Investment Manager Report
- IV. Auditor Report
- V. Consultant Report
- VI. Administrative Manager Report
- VII. Counsel Report
- VIII. Other Fund Business
- IX. Next Meeting Date and Location
- X. Adjournment

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Minutes of the Meeting of the Board of Trustees

Held on Tuesday, January 18, 2022

Via Zoom

Present Were:

Nicole Hunt 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; Wingate Grim¹ of The Philadelphia Trust
Company

The meeting was called to order at 10:05 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 October 21, 2021 were discussed.

MOTION was made and seconded to adopt the
minutes of the meeting of the Board of
Trustees held on October 21, 2021.

UNANIMOUSLY ADOPTED

¹ Present for the investment report only.

- II. **Investment Manager's Report.** Mr. Grim presented the Investment Manager's report and stated the following: As of December 31, 2021 the total assets held in the discretionary account were \$1,398,749.76 with earnings for the quarter of 2.64% and year to date of 6.01%. Assets in the discretionary account were allocated 39.20% to fixed income, 27.10% to equities, 33.70% to cash and equivalents and 0.00% to other assets. Total assets held in the non-discretionary account were \$9,436.17.

Mr. Grim reviewed new holdings within the portfolio and said his firm continues to monitor inflation, international tension, and the recovery of the economy related to the pandemic.

- III. **Fund Auditor's Report.** Ms. Jackson reported that the fieldwork for the 2021 Plan year audit was completed in early January and that she will have draft financial statements for the next meeting. Ms. Jackson stated that the 2019 and 2020 payroll audits were in process.
- IV. **Fund Consultants' Report.** Mr. Iannucci distributed the COBRA rates, to be effective February 1, 2022 and reported a 12% increase based on the increase in prescription costs.

MOTION was made and seconded to approve the COBRA rates for February 1, 2022 as presented.

UNANIMOUSLY ADOPTED

Mr. Iannucci reported, as discussed during the last meeting, that he contacted other Pharmacy Benefit Managers and notified BeneCard of the Fund's service concerns. He had a call with BeneCard regarding the service issues. Mr. Iannucci said based on upcoming projects and the reasonable discounts provided by BeneCard, he recommended tabling the Request For Proposals at this time.

Mr. Iannucci discussed the request for Mr. Walker to notify the Fund if the investment assets reach \$1,200,000. He suggested to modify the notification amount from \$1,200,000 to \$1,300,000. Ms. Cochran said she would notify Mr. Walker of the change.

Mr. Iannucci and Ms. Brogan discussed the guidance for coverage of over-the-counter COVID-19 test kits effective January 15, 2022. Ms. Brogan stated the School District agreed the test kits are a medical expense; however, they would like the Fund to cover the test kits under the pharmacy benefit, with the School District to reimburse the Fund. Ms. Brogan recommended the safe harbor provision, which would limit the reimbursement to \$12.00 per test kit. Test kits purchased January 15, 2022 through January 18, 2022 will be reimbursed at cost. Ms. Cochran said she would prepare a letter to notify participants of how to obtain the test kits. She said a BeneCard prescription reimbursement form would be included with the mailing.

MOTION was made and seconded to provide

coverage for over-the-counter COVID-19 test kits in accordance with Federal regulations with reimbursement from the School District.

UNANIMOUSLY ADOPTED

- V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2021-2022, as of November 30, 2021 with a comparative report for FY 2020-2021. Receipts and disbursements for the period were reviewed, with the Fund experiencing a deficit of \$17,843.01 compared to a surplus of \$17,194.13 for the prior period.

A report was presented indicating the total Fund balance through November 30, 2021 was \$1,621,592.58.

A report was presented detailing the number of eligible employees as of November 30, 2021 - 709 Cafeteria Workers and 831 Student Climate Staff for a total of 1,540 employees.

A COBRA report was presented for September 1, 2021 through November 30, 2021 showing a total of 71 COBRA notices sent, with 5 COBRA payees in the month of November.

A dental claims report for Cafeteria Workers and Student Climate Staff for September 1, 2021 through November 30, 2021 was presented. Payments totaled \$48,363.32 on 820 claims for Cafeteria Workers and \$13,866.16 on 325 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2021 through November 30, 2021 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$0.00 and \$0.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2021 through November 30, 2021 was presented. Wig claims paid to date for Cafeteria Workers totaled \$0.00. Claims paid to date for Student Climate Staff totaled \$0.00.

- VI. **Fund Counsel's Report.** Ms. Brogan stated that she received comments from the Fund Office on the revised draft Summary Plan Description (SPD). After she reviews the comments, Ms. Brogan will circulate the revised SPD to the Trustees for review prior to the next meeting.
- VII. **Other Business.** Ms. Cochran reported the following: Effective November 30, 2021, Associated Administrators was acquired by Harbour Benefit Holdings, Inc. She stated that though the ownership has changed, there will be no impact to clients. Associated will now be a wholly-owned, independently-operating subsidiary of Harbour which includes Zenith American Solutions. Ms. Cochran stated there would be no change to the management team and staff will remain the same.

Ms. Cochran distributed and reviewed her letter dated January 18, 2022 which noted that the administrative services contract between the Fund and Associated Administrators, LLC expired on December 31, 2021. Ms. Cochran was excused from the meeting for an executive session. After the executive session, Ms. Cochran was invited back into the meeting. Ms. Willig noted that given the recent acquisition, the Trustees would like language in the contract that the agreement could be voided if there are service issues as a result of the acquisition. Ms. Brogan said she would draft an Amendment.

MOTION was made and seconded to approve an extension of the administrative services contract with Associated Administrators, LLC for the period January 1, 2022 through December 31, 2024, with 3% annual fee increases and an opt-out provision after 18 months due to service issues.

UNANIMOUSLY ADOPTED

The electronic filing of the Creditable Coverage Disclosure to Centers for Medicare and Medicaid Services for 2021 was filed and accepted in a timely manner.

The 2022 Summary of Benefits & Coverage Notice and the availability of the Notice of HIPAA Privacy Practices were mailed to Plan participants on November 19, 2021.

The Fund received the 2021 – 2022 Fidelity Bond renewal. The policy was renewed for the period December 11, 2021 through December 11, 2022. The policy premium was \$305.00.

Trustee Grasela announced that he will be retiring April 1, 2022. The Trustees expressed their gratitude for Mr. Grasela's service on the Fund and wished him well in his retirement.

- VIII. The date of the next regular Board meeting was scheduled for April 14, 2022. The meeting will convene at 10:00 a.m. and the location will be determined at a later date.
- IX. 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 2021 through February 2022**

		<u>Feb-22</u>	<u>Feb-21</u>
Ordinary Income/Expense			
Income			
61-113	Cobra Contributions	2,331.05	1,262.15
61-121	Cafeteria Workers	915,720.00	1,102,922.30
61-125	Student Climate Staff	63,789.60	74,289.60
61-300	Interest on Investments	4,787.23	9,871.68
61-301	Bond Discount Accretion	-	625.00
61-302	Interest on Bank Accounts	74.43	5.68
61-303	Realized Gain/Loss	34,171.59	37,277.70
61-304	Unrealized Gain/Loss	(42,912.34)	7,937.23
61-320	Formulary Rebates	202,167.86	162,299.17
61-350	Other Income	50.17	-
61-905	Class Action Settlements	-	10,000.00
Total Income		1,180,179.59	1,406,490.51
Gross Profit		1,180,179.59	1,406,490.51
Expense			
71-200	City Clinics Fee	30,000.00	30,000.00
71-202	Benecard Drug Claims	856,075.59	944,822.11
71-523	Benecard Admin Fee	23,919.71	34,255.03
71-203	Vision Premium	51,879.06	43,931.08
71-212	Orthotics Claims	-	10,005.00
71-214	Self-Funded Dental Claims	87,919.00	114,894.08
71-560	Dental Claims	10,301.00	8,891.00
71-216	Wig Benefit	-	277.76
71-515	Local 634 Shared Costs	7,800.00	13,200.00
71-300	Administration Fees	57,861.32	56,176.16
71-501	Auditing and Accounting Fee	12,000.00	18,432.68
71-502	Legal Counsel Fee	11,290.88	12,536.92
71-505	Consultant Fee	6,000.00	6,000.00
71-508	Printing, Duplicating, Postage	3,726.75	3,052.95
71-509	Investment Manager Fee	3,462.03	3,963.71
71-514	Fidelity Bond Premium	305.00	305.00
71-517	Fiduciary Liability Insurance Premium	4,157.00	-
71-520	Stop Loss	-	27,000.00
71-519	Membership Dues & DVHCC	1,100.00	1,065.00
71-550	Bank Service Charge & Wire Fees	48.00	489.65
Total Expense		1,167,845.34	1,329,298.13
Net Ordinary Income		12,334.25	77,192.38
Net Income		12,334.25	77,192.38

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

**Firsttrust Bank and Philadelphia Trust Balances
February 28, 2022**

BB&T

Savings - M/M (Old)	\$ 0.16
Cash Expense Firstrust Bank	239,301.38
Prepaid Expenses	366.64
Prepaid Insurance	<u>85.00</u>
Total Firstrust	<u>239,753.18</u>

Philadelphia Trust

Phila Trust - Discr PTC701	1,245,082.94
Phila Trust - Non-Dis PTCN90	9,436.93
Phila Trust Company Allowance	<u>134,618.15</u>
Total Philadelphia Trust	<u>1,389,138.02</u>

Grand Total	<u><u>\$ 1,628,891.20</u></u>
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**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Employer Contributions and Participant Counts Report - September 1, 2021 - February 28, 2022
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Pay Period Ending	Date Received	Class	Amount Received	Contribution Rate	Member Count
8/27/2021	9/9/2021	Food Service Workers	\$ 71,467.50	\$ 97.50	733
		Student Climate Staff	\$ 4,967.20	\$ 5.60	887
			<u>\$ 76,434.70</u>		
				Total Count:	1620
9/10/2021	9/24/2021	Food Service Workers	\$ 70,980.00	\$ 97.50	728
		Student Climate Staff	\$ 4,888.80	\$ 5.60	873
			<u>\$ 75,868.80</u>		
				Total Count:	1601
9/24/2021	9/28/2021	Food Service Workers	\$ 70,590.00	\$ 97.50	724
		Student Climate Staff	\$ 4,844.00	\$ 5.60	865
			<u>\$ 75,434.00</u>		
				Total Count:	1589
10/8/2021	10/13/2021	Food Service Workers	\$ 70,005.00	\$ 97.50	718
		Student Climate Staff	\$ 4,754.40	\$ 5.60	849
			<u>\$ 74,759.40</u>		
				Total Count:	1567
10/22/2021	10/29/2021	Food Service Workers	\$ 69,712.50	\$ 97.50	715
		Student Climate Staff	\$ 4,709.60	\$ 5.60	841
			<u>\$ 74,422.10</u>		
				Total Count:	1556
11/5/2021	11/8/2021	Food Service Workers	\$ 69,127.50	\$ 97.50	709
		Student Climate Staff	\$ 4,653.60	\$ 5.60	831
			<u>\$ 73,781.10</u>		
				Total Count:	1540
11/19/2021	11/23/2021	Food Service Workers	\$ 69,030.00	\$ 97.50	708
		Student Climate Staff	\$ 4,743.20	\$ 5.60	847
			<u>\$ 73,773.20</u>		
				Total Count:	1555
12/3/2021	12/16/2021	Food Service Workers	\$ 70,590.00	\$ 97.50	724
		Student Climate Staff	\$ 4,720.80	\$ 5.60	843
			<u>\$ 75,310.80</u>		
				Total Count:	1567

12/17/2021	12/30/2021	Food Service Workers	\$	70,882.50	\$	97.50	727
		Student Climate Staff	\$	4,709.60	\$	5.60	841
			\$	75,592.10			
Total Count:							1568
12/31/2021	1/5/2022	Food Service Workers	\$	71,175.00	\$	97.50	730
		Student Climate Staff	\$	4,726.40	\$	5.60	844
			\$	75,901.40			
Total Count:							1574
1/14/2022	1/19/2022	Food Service Workers	\$	71,272.50	\$	97.50	731
		Student Climate Staff	\$	4,810.40	\$	5.60	859
			\$	76,082.90			
Total Count:							1590
1/28/2022	2/1/2022	Food Service Workers	\$	70,200.00	\$	97.50	720
		Student Climate Staff	\$	5,824.00	\$	5.60	1040
			\$	76,024.00			
Total Count:							1760
2/11/2022	2/15/2022	Food Service Workers	\$	70,687.50	\$	97.50	725
		Student Climate Staff	\$	5,437.60	\$	5.60	971
			\$	76,125.10			
Total Count:							1696

**School Cafeteria Employees UNITEHERE
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COBRA Report - September 2021 - February 2022

	COBRA Notices Sent	COBRA Elections	COBRA Participants
September 2021	29	6	6
October 2021	22	0	5
November 2021	20	0	5
December 2021	13	1	6
January 2022	9	0	6
February 2022	33	0	4
March 2022			
April 2022			
May 2022			
June 2022			
July 2022			
August 2022			
Totals	126		

**School Cafeteria Employees UNITEHERE
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Dental Claims Report - December 1, 2021 - February 28, 2022

Food Service Workers

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	131	\$ 8,570.28	\$ 2,785.08
Endodontics	12	\$ 3,354.00	\$ (619.00)
Extraction	19	\$ 3,717.00	\$ 225.00
Oral Surgery	40	\$ 15,356.00	\$ 1,526.00
Orthodontics	61	\$ 23,706.74	\$ 1,573.00
Other Services	49	\$ 5,933.00	\$ 494.00
Periodontics	129	\$ 38,494.00	\$ 2,405.00
Preventive	52	\$ 4,765.04	\$ 1,881.04
Prosthodontics, Fixed	51	\$ 69,658.00	\$ 1,639.00
Prosthodontics, Removable	26	\$ 29,153.00	\$ 837.00
Restorative	73	\$ 17,415.00	\$ 2,031.50
Restorative, Crowns	34	\$ 38,391.00	\$ 857.50
Totals	677	\$ 258,513.06	\$ 15,635.12

Out-of Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	14	\$ 944.00	\$ 384.00
Endodontics	2	\$ 510.00	\$ 25.00
Extraction	4	\$ 590.00	\$ 90.00
Oral Surgery	1	\$ 280.00	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	1	\$ 35.00	\$ 32.00
Periodontics	8	\$ 4,263.00	\$ 85.00
Preventive	3	\$ 240.00	\$ 108.00
Prosthodontics, Fixed	8	\$ 4,750.00	\$ -
Prosthodontics, Removable	5	\$ 3,775.00	\$ -
Restorative	13	\$ 1,986.00	\$ 50.00
Restorative, Crowns	9	\$ 6,160.00	\$ -
Totals	68	\$ 23,533.00	\$ 774.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 258,513.06	\$ 23,533.00	\$ 282,046.06
Total Paid Amount	\$ 15,635.12	\$ 774.00	\$ 16,409.12

**School Cafeteria Employees UNITEHERE
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Dental Claims Report - December 1, 2021 - February 28, 2022

Student Climate Staff

In-Network (LPMA)

Category	Usage	Billed Amount		Paid Amount
Comprehensive Orthodontics	0	\$	-	\$ -
Diagnostic	93	\$	5,110.00	\$ 1,580.00
Endodontics	10	\$	8,100.00	\$ 1,028.00
Extraction	5	\$	920.00	\$ -
Oral Surgery	38	\$	13,658.00	\$ 198.00
Orthodontics	46	\$	29,930.00	\$ 550.00
Other Services	40	\$	4,522.00	\$ 478.00
Periodontics	59	\$	18,631.00	\$ 1,041.40
Preventive	24	\$	2,317.52	\$ 1,010.52
Prosthodontics, Fixed	21	\$	20,168.00	\$ -
Prosthodontics, Removable	29	\$	30,704.44	\$ 1,477.00
Restorative	28	\$	7,030.00	\$ 1,175.00
Restorative, Crowns	25	\$	23,950.00	\$ 1,576.00
Totals	418	\$	165,040.96	\$ 10,113.92

Out-of-Network

Category	Usage	Billed Amount		Paid Amount
Comprehensive Orthodontics		\$	-	\$ -
Diagnostic	10	\$	689.00	\$ 219.00
Endodontics	2	\$	510.00	\$ 25.00
Extraction	4	\$	590.00	\$ 90.00
Oral Surgery	3	\$	835.00	\$ -
Orthodontics	1	\$	5,000.00	\$ 500.00
Other Services	1	\$	135.00	\$ -
Periodontics	2	\$	1,650.00	\$ -
Preventive	4	\$	367.00	\$ 162.00
Prosthodontics, Fixed	4	\$	6,200.00	\$ -
Prosthodontics, Removable	2	\$	605.00	\$ 100.00
Restorative	2	\$	524.00	\$ 100.00
Restorative, Crowns	1	\$	923.00	\$ 580.00
Totals	36	\$	18,028.00	\$ 1,776.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 165,040.96	\$ 18,028.00	\$ 183,068.96
Total Paid Amount	\$ 10,113.92	\$ 1,776.00	\$ 11,889.92

**School Cafeteria Employees UNITEHERE
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Orthotic Claims Report - September 1, 2021 - February 2022
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Food Service Workers

Months	Amount	Total Paid
December 2021 - February 2022	\$ - \$	-
September 2021 - November 2021	\$ - \$	-
Totals	\$ - \$	-

Student Climate Staff

Months	Amount	Total Paid
December 2021 - February 2022	\$ - \$	-
September 2021 - November 2021	\$ - \$	-
Totals	\$ - \$	-

**School Cafeteria Employees UNITEHERE
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Wig Claims Report - September 1, 2021 - February 28, 2022

Food Service Workers

Months	Billed Amount	Paid to Member Amount
December 2021 - February 2022	\$ -	\$ -
September 2021 - November 2021	\$ -	\$ -
Totals	\$ -	\$ -

Student Climate Staff

Months	Billed Amount	Paid to Member Amount
December 2021 - February 2022	\$ -	\$ -
September 2021 - November 2021	\$ -	\$ -
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: 12/1/2021 to 02/28/22



Client ID	Client Name	Status	Mail / Retail	Drug Label Name		Total Member Pay	Plan Paid
10090	Unite Here Cafeteria Workers	Paid	Mail Order	RINVOQ	TAB 15MG ER	\$ 5.00	\$ 5,162.55
10090	Unite Here Cafeteria Workers	Paid	Mail Order	RINVOQ	TAB 15MG ER	\$ 5.00	\$ 5,162.55
10090	Unite Here Cafeteria Workers	Paid	Mail Order	RINVOQ	TAB 15MG ER	\$ 5.00	\$ 5,163.26
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 0.00	\$ 14,050.34
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 5.00	\$ 14,746.49
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 5.00	\$ 14,746.49
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 5.00	\$ 14,746.49
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 5.00	\$ 15,408.27
10090	Unite Here Cafeteria Workers	Paid	Mail Order	SPRYCEL	TAB 100MG	\$ 5.00	\$ 15,408.98