

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

October 12, 2021

10:00 AM

- I. Call to Order
- II. Investment Manager Report
- III. Minutes, Regular Meeting – July 13, 2021
- IV. Auditor Report
- V. Consultant Report
- VI. Administrative Manager Report
- VII. Counsel Report
 - i. Guardian Nurses contract
- 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, July 13, 2021
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 10:04 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 April 20, 2021 were discussed.

MOTION was made and seconded to adopt the
minutes of the meeting of the Board of
Trustees held on April 20, 2021.

UNANIMOUSLY ADOPTED

- II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of June 30, 2021 the total assets held in the discretionary account were

¹ Present for the investment report only.

\$1,661,216.06 with earnings for the quarter of 1.43% and year to date of 3.25%. Assets in the discretionary account were allocated 21.10% to fixed income, 26.20% to equities, 52.10% to cash and equivalents and 0.6% to other assets. Total assets held in the non-discretionary account were \$9,437.06.

Mr. Walker 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 presented a cost allocation report used to determine the allocation of common administrative costs between the Union and the Local 634 Benefit Funds. Ms. Jackson reviewed the procedures which were followed and stated that the procedure were established in accordance with AICPA standards. Ms. Jackson spoke, in detail, on the allocation of the Union's salary and benefit costs associated with performing administrative functions on behalf of the Health and Welfare Fund and the Local 634 Legal Fund. Based on the data recorded by the Union, the estimated monthly allocated cost payable by the Health and Welfare Fund was \$1,300. Due to the timing of the report, the Trustees discussed an effective date of August 1, 2021 for the new allocation. Ms. Jackson said she will revise the report as more employees return to the office.

MOTION was made and seconded to pay \$1,300 per month to the Union as reimbursement for performing administrative functions on behalf of the Health and Welfare Fund, effective August 1, 2021.

UNANIMOUSLY ADOPTED

- IV. **Fund Consultants' Report.** Mr. Iannucci discussed the Fund's reserves and said they represent approximately 9 months of benefit cost. He noted that the prescription expense increased over the last Plan year and is continuing to increase. He suggested the Trustees request an update from BeneCard regarding the Variable Copay Assistance Program. Mr. Iannucci also noted receipt of the stop loss renewal. He said he was reviewing the proposed terms and working with the broker. Mr. Iannucci said he would follow up with the Trustees regarding the renewal by email or a conference call.
- V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2020-2021, as of May 31, 2021, with a comparative report for FY 2019-2020. Receipts and disbursements for the period were reviewed, with the Fund experiencing a surplus of \$64,563.40 compared to a surplus of \$212,907.20 for the prior period.

A report was presented indicating the total Fund balance through May 31, 2021 was \$1,874,078.04.

A report was presented detailing the number of eligible employees as of May 21, 2021 - 794 Cafeteria Workers and 956 Student Climate Staff for a total of 1,750 employees.

A COBRA report was presented for September 1, 2020 through May 31, 2021 showing a total of 186 COBRA notices sent, with 3 COBRA payees in the month of May.

A dental claims report for Cafeteria Workers and Student Climate Staff for March 1, 2021 through May 31, 2021 was presented. Payments totaled \$34,270.56 on 617 claims for Cafeteria Workers and \$23,185.48 on 382 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2020 through May 31, 2021 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$6,655.00 and \$4,230.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2020 through May 31, 2021 was presented. Wig claims paid to date for Cafeteria Workers totaled \$82.76. Claims paid to date for Student Climate Staff totaled \$0.00.

Ms. Cochran presented a utilization report prepared by Guardian Nurses for the period May 1, 2021 through July 31, 2021. The report reflected utilization of 7 hours and 17 minutes for the quarter.

- VI. **Fund Counsel's Report.** Ms. Willig discussed the Purdue Pharm ("Purdue") class action lawsuit. She advised guidance was provided for the Fund to remain in the bankruptcy plan and receive payment of their claim against Purdue from the Third Party Payer trust.

Ms. Brogan said in accordance with the Agreement between the School District and the Fund, an invoice for diabetic supplies was sent to the School District. Ms. Hancock indicated the School District would like to continue the agreement through August 31, 2023, the end of the Collective Bargaining Agreement. Ms. Brogan said she will draft an Amendment to the Agreement for discussion at the next meeting.

- VII. **Other Business.** Ms. Cochran reported the following: The PCORI fee for the 2020 Plan year, imposed by the Affordable Care Act for self-insured group plans, was mailed on July 12, 2021. The amount paid related to the fee was \$5,979.16.

Ms. Cochran informed the Trustees that COBRA notices required by the American Rescue Plan Act were mailed to the affected participants May 7, 2021. She reported a total of 76 letters were mailed. She said currently 1 member elected and qualifies for the COBRA premium assistance.

Ms. Willig stated she would speak to Betty Long with Guardian Nurses in regard to paying the vendor an hourly rate as opposed to an annual rate. She would also ask if Guardian Nurses can assist with high dollar Rx costs. Mr. Iannucci said he would speak with BeneCard and Guardian Nurses on the matter.

After further discussion,

MOTION was made and seconded to authorize Ms. Willig and Mr. Iannucci to discuss with Guardian Nurses and BeneCard how to communicate certain programs with the participants of the Fund.

UNANIMOUSLY ADOPTED

Ms. Willig noted she would request a utilization report from City Clinics for discussion at the next meeting.

- VIII. The date of the next regular Board meeting was scheduled for October 12, 2021. The meeting will convene at 10:00 a.m. and will be held in the offices of Willig, Williams & Davidson, 1845 Walnut Street, 24th floor, in Philadelphia.
- 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 2020 through August 2021**

		<u>Aug-21</u>	<u>Aug-20</u>
Ordinary Income/Expense			
Income			
61-113	Cobra Contributions	3,718.10	639.00
61-121	Cafeteria Workers	1,729,359.80	1,757,632.50
61-125	Student Climate Staff	117,734.40	124,312.71
61-300	Interest on Investments	17,776.10	35,909.45
61-301	Bond Discount Accretion	625.00	197.00
61-302	Interest on Bank Accounts	43.49	7.67
61-303	Realized Gain/Loss	59,542.19	12,820.14
61-304	Unrealized Gain/Loss	41,797.11	(583.32)
61-320	Formulary Rebates	317,882.84	164,174.87
61-330	Diabetic Prescription Fee	70,991.56	-
61-905	Class Action Settlements	10,120.00	11.71
Total Income		<u>2,369,590.59</u>	<u>2,095,121.73</u>
Gross Profit		2,369,590.59	2,095,121.73
Expense			
71-200	City Clinics Fee	60,000.00	60,000.00
71-202	Benecard Drug Claims	1,811,087.20	1,491,033.33
71-523	Benecard Admin Fee	67,201.72	64,863.46
71-203	Vision Premium	85,120.87	124,508.57
71-212	Orthotics Claims	12,111.00	12,865.00
71-214	Self-Funded Dental Claims	263,875.39	206,711.72
71-560	Dental Claims	19,387.40	10,261.40
71-216	Wig Benefit	277.76	221.58
71-748	Guardian Nurses	5,250.00	5,250.00
71-515	Local 634 Shared Costs	26,400.00	34,300.00
71-300	Administration Fees	113,464.64	110,160.00
71-405	PCORI Fees	5,979.16	6,178.90
71-501	Auditing and Accounting Fee	18,432.68	22,557.35
71-502	Legal Counsel Fee	22,285.21	34,081.30
71-503	Conference and Meeting Expenses	-	10,603.78
71-505	Consultant Fee	12,000.00	12,000.00
71-508	Printing, Duplicating, Postage	3,615.91	1,759.29
71-509	Investment Manager Fee	8,096.08	8,689.74
71-514	Fidelity Bond Premium	305.00	305.00
71-517	Fiduciary Liability Insurance Premium	-	8,332.00
71-520	Stop Loss	27,000.00	27,000.00
71-519	Membership Dues & DVHCC	1,065.00	1,065.00
71-550	Bank Service Charge & Wire Fees	733.50	479.60
71-711	Taxes	-	79.43
71-712	Issuer Fee	-	5.50
71-750	Health Fair Expense	-	8,074.32
Total Expense		<u>2,563,688.52</u>	<u>2,261,386.27</u>
Net Ordinary Income		<u>(194,097.93)</u>	<u>(166,264.54)</u>
Net Income		<u>(194,097.93)</u>	<u>(166,264.54)</u>

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

**BB&T Bank and Philadelphia Trust Balances
August 31, 2021**

BB&T

Savings - M/M (Old)	\$ 0.16
Cash Expense Firstrust Bank	222,775.01
Accounts Receivable	238.80
Prepaid Expenses	978.26
Prepaid Insurance	<u>1,839.79</u>
Total BB&T	<u>225,832.02</u>

Philadelphia Trust

Phila Trust - Discr PTC701	1,206,129.14
Phila Trust - Non-Dis PTCN90	9,431.91
Phila Trust Company Allowance	<u>177,530.49</u>
Total Philadelphia Trust	<u>1,393,091.54</u>
Grand Total	<u><u>\$ 1,618,923.56</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>		
12/4/2020	12/15/2020	Food Service Workers	\$ 84,825.00	\$ 97.50	870
		Student Climate Staff	\$ 5,510.40	\$ 5.60	984
			<u>\$ 90,335.40</u>		
12/18/2020	1/19/2021 ¹	Food Service Workers	\$ 84,435.00	\$ 97.50	866
		Student Climate Staff	\$ 5,600.00	\$ 5.60	1000
			<u>\$ 90,035.00</u>		

1/1/2021	1/11/2021	Food Service Workers	\$ 83,850.00	\$ 97.50	860
		Student Climate Staff	\$ 5,594.40	\$ 5.60	999
			<u>\$ 89,444.40</u>		
1/15/2021	1/25/2021	Food Service Workers	\$ 83,070.00	\$ 97.50	852
		Student Climate Staff	\$ 5,510.40	\$ 5.60	984
			<u>\$ 88,580.40</u>		
1/29/2021	2/17/2021	Food Service Workers	\$ 82,290.00	\$ 97.50	844
		Student Climate Staff	\$ 5,482.40	\$ 5.60	979
			<u>\$ 87,772.40</u>		
2/12/2021	2/23/2021	Food Service Workers	\$ 81,802.50	\$ 97.50	839
		Student Climate Staff	\$ 5,583.20	\$ 5.60	997
			<u>\$ 87,385.70</u>		
2/26/2021	3/8/2021	Food Service Workers	\$ 81,412.50	\$ 97.50	835
		Student Climate Staff	\$ 5,549.60	\$ 5.60	991
			<u>\$ 86,962.10</u>		
3/12/2021	3/23/2021	Food Service Workers	\$ 80,340.00	\$ 97.50	824
		Student Climate Staff	\$ 5,499.20	\$ 5.60	982
			<u>\$ 85,839.20</u>		
3/26/2021	4/6/2021	Food Service Workers	\$ 79,462.50	\$ 97.50	815
		Student Climate Staff	\$ 5,460.00	\$ 5.60	975
			<u>\$ 84,922.50</u>		
4/9/2021	4/19/20021	Food Service Workers	\$ 78,780.00	\$ 97.50	808
		Student Climate Staff	\$ 5,465.60	\$ 5.60	976
			<u>\$ 84,245.60</u>		
4/23/2021	5/3/2021	Food Service Workers	\$ 78,097.50	\$ 97.50	801
		Student Climate Staff	\$ 5,398.40	\$ 5.60	964
			<u>\$ 83,495.90</u>		
5/21/2021	6/1/2021	Food Service Workers	\$ 75,757.50	\$ 97.50	777
		Student Climate Staff	\$ 5,370.40	\$ 5.60	959
			<u>\$ 81,127.90</u>		
6/4/2021	6/14/2021	Food Service Workers	\$ 75,172.50	\$ 97.50	771
		Student Climate Staff	\$ 5,348.00	\$ 5.60	955
			<u>\$ 80,520.50</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	18	0	1
January 2021	10	2	3
February 2021	14	0	3
March 2021	28	3	3
April 2021	21	3	3
May 2021	19	3	3
June 2021	16	1	4
July 2021	43	2	6
August 2021	22	0	6
Totals	267		

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

Dental Claims Report - June 1, 2021 - August 31, 2021

Food Service Workers

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	390	\$ 24,417.87	\$ 7,711.57
Endodontics	56	\$ 18,998.00	\$ 7,173.00
Extraction	22	\$ 4,005.00	\$ 945.00
Oral Surgery	64	\$ 19,285.00	\$ 2,240.00
Orthodontics	0	\$ 8,472.61	\$ 2,895.00
Other Services	137	\$ 10,838.50	\$ 3,306.00
Periodontics	63	\$ 15,966.00	\$ 4,961.00
Preventive	135	\$ 9,517.52	\$ 3,975.52
Prosthodontics, Fixed	4	\$ 3,875.00	\$ 25.00
Prosthodontics, Removable	17	\$ 18,228.00	\$ 7,985.00
Restorative	104	\$ 20,215.96	\$ 6,571.40
Restorative, Crowns	20	\$ 19,881.40	\$ 8,050.40
Totals	1012	\$ 173,700.86	\$ 55,838.89

Out-of Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	18	\$ 1,252.00	\$ 420.00
Endodontics	0	\$ -	\$ -
Extraction	0	\$ -	\$ -
Oral Surgery	0	\$ -	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	0	\$ -	\$ -
Periodontics	7	\$ 540.00	\$ 540.00
Preventive	4	\$ 294.00	\$ 108.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	0	\$ -	\$ -
Restorative	1	\$ 110.00	\$ 45.00
Restorative, Crowns	1	\$ 995.00	\$ 580.00
Totals	31	\$ 3,191.00	\$ 1,693.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 173,700.86	\$ 3,191.00	\$ 176,891.86
Total Paid Amount	\$ 55,838.89	\$ 1,693.00	\$ 57,531.89

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

Dental Claims Report - June 1, 2021 - August 31, 2021

Student Climate Staff

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	134	\$ 9,918.00	\$ 2,905.00
Endodontics	8	\$ 2,235.00	\$ 540.00
Extraction	3	\$ 390.00	\$ 135.00
Oral Surgery	14	\$ 8,696.80	\$ 1,260.80
Orthodontics	26	\$ 1,702.00	\$ 920.00
Other Services	60	\$ 5,038.00	\$ 1,504.00
Periodontics	26	\$ 7,616.00	\$ 2,575.00
Preventive	31	\$ 3,022.00	\$ 1,304.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	10	\$ 10,810.00	\$ 4,594.72
Restorative	18	\$ 4,768.00	\$ 1,138.00
Restorative, Crowns	7	\$ 8,415.00	\$ 3,734.50
Totals	337	\$ 62,610.80	\$ 20,611.02

Out-of-Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	4	\$ 290.00	\$ 90.60
Endodontics	0	\$ -	\$ -
Extraction	0	\$ -	\$ -
Oral Surgery	0	\$ -	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	2	\$ 164.00	\$ 60.00
Periodontics	0	\$ -	\$ -
Preventive	4	\$ 290.00	\$ 112.80
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	0	\$ -	\$ -
Restorative	3	\$ 930.00	\$ -
Restorative, Crowns	0	\$ -	\$ -
Totals	13	\$ 1,674.00	\$ 263.40

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 62,610.80	\$ 1,674.00	\$ 64,284.80
Total Paid Amount	\$ 20,611.02	\$ 263.40	\$ 20,874.42

**School Cafeteria Employees UNITEHERE
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Orthotics Claims Report - September 1, 2020 - August 31, 2021

Food Service Workers

Months		Amount		Total Paid
September 2020 - November 2020	\$	6,165.00	\$	5,970.00
December 2020 - February 2021	\$	-	\$	-
March 2021 - May 2021	\$	685.00	\$	685.00
June 2021- August 2021	\$	-	\$	-
Totals	\$	6,850.00	\$	6,655.00

Student Climate Staff

Months		Amount		Total Paid
September 2020 - November 2020	\$	4,815.00	\$	4,230.00
December 2020 - February 2021	\$	-	\$	-
March 2021 - May 2021	\$	-	\$	-
June 2021- August 2021	\$	490.00	\$	490.00
Totals	\$	5,305.00	\$	4,720.00

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

Wig Claims Report - September 1, 2020 - August 31, 2021

Food Service Workers

Months	Billed Amount	Paid to Member Amount
September 2020 - November 2020	\$ -	\$ -
December 2020 - February 2021	\$ 104.30	\$ 82.76
March 2021 - May 2021	\$ -	\$ -
June 2021 - August 2021	\$ -	\$ -
Totals	\$ 104.30	\$ 82.76

Student Climate Staff

Months	Billed Amount	Paid to Member Amount
September 2020 - November 2020	\$ -	\$ -
December 2020 - February 2021	\$ -	\$ -
March 2021 - May 2021	\$ -	\$ -
June 2021 - August 2021	\$ -	\$ -
Totals	\$ -	\$ -



Utilization Report for Cafeteria Workers Local 634

Date Range: 7/1/2021 through 9/30/2021

Name	Type	Date	Duration	Activity	Nurse Advocate
Thomas Holmes					
Reason for Referral: Clinical Questions			Case Status: Closed		
Call		07/01/21	10 minutes	Call on Behalf of Case	Beth Logan
Call		07/07/21	10 minutes	Call on Behalf of Case	Beth Logan
Hours this report:			0.33		
Number of patients:			1		
Number of cases:			1		