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

911 Ridgebrook Road
Sparks, Maryland 21152-9451
(833) 228-9212
www.associated-admin.com

Minutes of the Meeting of the Board of Trustees
Held on Monday, July 16, 2020
Via Zoom

Present Were:	Nicole Hunt and Antoinette Ford – Union Trustees
	Wayne Grasela, Lisa Norton and Susan Hancock – Management Trustees
Also Present Were:	Deborah R. Willig, Esquire and Kelly Brogan, Esq. of Willig, Williams & Davidson – Legal Counsel; Frank Iannucci of Summit Actuarial Services – Fund Consultant; Kathleen Jackson, CPA and Dan Ohlemiller of Novak Francella, LLC; Alicia Cochran of Associated Administrators, LLC – Administrative Manager; Matthew Walker[1], CFA of The Philadelphia Trust Company, Dr. Ira Zeitlin[2] of Vision Benefits of America.

The meeting was called to order at 10:02 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 27, 2020 were discussed.

MOTION was made and seconded to adopt the minutes of the meeting of the Board of Trustees held on April 27, 2020.

UNANIMOUSLY ADOPTED

II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of June 30, 2020, the Fund had a loss of -2.14% YTD. Total assets held in the discretionary account were $1,739,172.97. Total assets held in the non-discretionary

[1] Present for the investment report only.
[2] Present for the vision benefit renewal only.

account were $9,427.59. Assets in the discretionary account were allocated 35.1% to fixed income, 21.3% to equities and 43.6% 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.** Nothing to report.

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

V. **Fund Vision Provider Report.** Mr. Zeitlin said that the agreement with Vision Benefits of America (VBA) was scheduled to renew August 1, 2020. He proposed a 2-year renewal with no increase in the current premium of $5.87 per member per month.

After discussion,

MOTION was made and seconded to accept the proposed vision benefits renewal received from VBA for the period August 1, 2020 through July 31, 2022 at a premium of $5.87 per member per month.

VI. **Fund Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2019-2020, as of May 31, 2020, with a comparative report for FY 2018-2019. Receipts and disbursements for the period were reviewed, with the Fund experiencing a surplus of $212,907.20 compared to a surplus of $221,331.77 for the prior period.

A report was presented indicating the total Fund balance through May 31, 2020 was $2,189,136.38.

A report was presented detailing the number of eligible employees as of April 24, 2020 - 882 Cafeteria Workers and 1,105 Student Climate Staff for a total of 1,987 employees.

A COBRA report was presented for September 1, 2019 through May 31, 2020 showing a total of 188 COBRA notices sent, with no COBRA payees in the month of May.

A dental claims report for Cafeteria Workers and Student Climate Staff for March 1, 2020 through May 31, 2020 was presented. Payments totaled $18,439.00 on 402 claims for Cafeteria Workers and $10,824.40 on 188 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2019 through May 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 May 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 noted a Guardian Nurses utilization report was not included in the meeting booklet as the provider said the utilization for the period April 1, 2020 through June 30, 2020 was only 15 minutes.

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

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

VIII. **Fund Counsel's Report.** Ms. Brogan said that the BeneCard contract is in the final stages of review and expected to be ready for signature within the next week. Ms. Brogan also noted the Fund Consultant, Fund Manager and BeneCard are working with the broker regarding the information needed for the prescription stop loss policy which is effective July 1, 2020. Ms. Willig said that Dr. Diamond, orthotic provider requested the Trustees' approval to mail orthotics to members rather than an in-office pick-ups. The Trustees approved mail distribution given the circumstances of the pandemic.

IX. **Other Business.** Ms. Cochran reported the following: A check was received from BeneCard in the amount of $4,278.49 for the issue found during the 2018 Plan year audit.

Ms. Cochran advised the Trustees that a one page insert has been added to the COBRA notices to notify the participants of the COBRA extensions allowable during the pandemic.

There was a discussion regarding the coverage of insulin/diabetic supplies, specifically Trulicity, under the Fund's prescription benefit for Cafeteria Workers due to a request received by a specific member. Currently the Fund does not cover insulin or diabetic supplies for Cafeteria Workers under the prescription benefit unless the member is on a grandfathered list. Ms. Willig noted that insulin/diabetic supplies are covered under a State mandate and therefore not required to be paid under the Fund's prescription plan. Ms. Hancock noted language in the Collective Bargaining Agreement (CBA) that she said would require the Fund to provide coverage of Trulicity to the member. Ms. Willig noted that Trulicity is not a specialty drug and therefore the language in the CBA does not apply. Ms. Willig said she would continue to research the State mandate and provide additional information to the Trustees.

After discussion,

MOTION was made and seconded to extend the authorization for Trulicity for 60 days to the specific member only.

X. The date of the next regular Board meeting was scheduled for Thursday, October 15, 2020. The meeting will convene at 10:00 a.m. and will be held by a ZOOM conference call.

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

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Union Trustee

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School District Trustee