United Food and Commercial Workers (UFCW) Unions and Participating Employers Health and Welfare Fund

Reserve Determination Report

PNC Statements Through October 31, 2025
Administrative Manager's Reports Through June 30, 2025

December 2025

6528942v1/13783.005

Segal

Actionable Items

- **The reserve months for October 2025 exceed 3.0 months and are below 6.0 months. Therefore, no additional adjustments are required.**
- According to the PNC statement for October 2025, disbursements outpaced receipts and earnings by $356,775.
- All calculations have been performed as outlined in the most recently executed July 14, 2024 Memorandum of Agreement (MOA) language. Additional detail on how these figures were calculated is outlined throughout the remainder of this report.

Most Recent Reserve Position Based on PNC Statements

- Based on the current MOA language, October 2025 reserves do not require an adjustment due to reserves being between 3.0 and 6.0 months.

Historical Reserve Position based on PNC Statements

	11/30/2024	12/31/2024	1/31/2025	2/28/2025	3/31/2025	4/30/2025	5/31/2025	6/30/2025	7/31/2025	8/31/2025	9/30/2025	10/31/2025
A) PNC Statement (Beginning of Month)	$2,987,419	$3,333,884	$3,535,477	$3,628,910	$3,686,779	$3,680,841	$4,094,749	$4,157,173	$4,326,778	$4,323,129	$3,866,734	$4,260,996
B) PNC Receipts and Earnings	$1,405,240	$1,131,161	$911,326	$937,685	$981,002	$1,213,558	$927,013	$1,236,621	$922,383	$751,447	$1,355,484	$1,024,668
C) PNC Disbursements	($1,058,775)	($929,568)	($817,893)	($879,816)	($986,940)	($799,650)	($864,589)	($1,067,016)	($926,032)	($1,207,842)	($961,222)	($1,381,443)
D) Monthly Surplus/(Deficit) (B)+(C)	$346,465	$201,593	$93,433	$57,869	($5,938)	$413,908	$62,424	$169,605	($3,649)	($456,395)	$394,262	($356,775)
1) PNC Statement (End of Month) (A)+(D)	**$3,333,884**	**$3,535,477**	**$3,628,910**	**$3,686,779**	**$3,680,841**	**$4,094,749**	**$4,157,173**	**$4,326,778**	**$4,323,129**	**$3,866,734**	**$4,260,996**	**$3,904,221**
A) Kroger Roanoke Retirees Adjustment [1]	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)	($133,142)
B) Unrealized Amortized Reserve Adjustments [2]	($117,888)	($78,592)	($39,296)	-	-	-	-	-	-	-	-	-
C) Unpaid Reserve Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
2) Total Adjustments (A)+(B)+(C)	**($251,030)**	**($211,734)**	**($172,438)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**	**($133,142)**
3) Total MOB Assets After Adjustments (1)+(2)	**$3,082,854**	**$3,323,743**	**$3,456,472**	**$3,553,637**	**$3,547,699**	**$3,961,607**	**$4,024,031**	**$4,193,636**	**$4,189,987**	**$3,733,592**	**$4,127,854**	**$3,771,079**
4) MOB Expenses used for Months of Reserves [3]	**$10,117,459**	**$9,597,296**	**$9,597,296**	**$9,597,296**	**$9,235,506**	**$9,235,506**	**$9,235,506**	**$9,210,442**	**$9,210,442**	**$9,210,442**	**$9,210,442**	**$9,210,442**
A) Retiree Expenses	$1,229,396	$1,354,917	$1,354,917	$1,354,917	$1,366,306	$1,366,306	$1,366,306	$1,365,741	$1,365,741	$1,365,741	$1,365,741	$1,365,741
B) Active Expenses	$10,117,459	$9,597,296	$9,597,296	$9,597,296	$9,235,506	$9,235,506	$9,235,506	$9,210,442	$9,210,442	$9,210,442	$9,210,442	$9,210,442
5) Number of Reserve Months (3) / (4) * 12	**3.656**	**4.156**	**4.322**	**4.443**	**4.610**	**5.147**	**5.229**	**5.464**	**5.459**	**4.864**	**5.378**	**4.913**

[1] *Includes incurred but not reported claims less any payments already made by Kroger. Amount has been updated for the final payment figure.*
[2] *Based on the total credits calculated less credits paid.*
[3] *Based on paid expenses as provided in Associated's AMRs for the prior twelve-month period.*

Amortization History and Schedule

	Outstanding Balance at the Beginning of the Month	Credits		Outstanding Balance Before Adjustment (A) + (B)	Reserve Adjustments Calculated		Outstanding Balance After Adjustment (D) + (F)
		Amount	Status		6-Month Amortized Amount	Total Amount	
Month	**(A)**	**(B)**	**(C)**	**(D)**	**(E)**	**(F)**	**(G)**
May 2018	$0	$0	Paid	$0	($13,942)	($83,652)	($83,652)
June 2018	($83,652)	$0	Paid	($83,652)	($1,654)	($9,923)	($93,575)
July 2018	($93,575)	$0	Paid	($93,575)	($96,953)	($581,719)	($675,294)
August 2018	($675,294)	$0	Paid	($675,294)	$0	$0	($675,294)
September 2018	($675,294)	$0	Paid	($675,294)	$0	$0	($675,294)
October 2018	($675,294)	$225,098	Paid	($450,196)	($375,586)	($2,253,518)	($2,703,714)
November 2018	($2,703,714)	$112,549	Paid	($2,591,165)	($35,625)	($213,749)	($2,804,914)
December 2018	($2,804,914)	$112,549	Paid	($2,692,365)	$0	$0	($2,692,365)
January 2019	($2,692,365)	$488,135	Paid	($2,204,230)	($104,252)	($625,515)	($2,829,744)
February 2019	($2,829,744)	$488,135	Paid	($2,341,609)	($96,449)	($578,696)	($2,920,305)
March 2019	($2,920,305)	$488,135	Paid	($2,432,170)	($43,951)	($263,707)	($2,695,877)
April 2019	($2,695,877)	$375,586	Paid	($2,320,291)	($183,508)	($1,101,048)	($3,421,340)
May 2019	($3,421,340)	$0	No Credit Approved	($3,421,340)	$0	$0	($3,421,340)
June 2019	($3,421,340)	$0	No Credit Approved	($3,421,340)	($104,311)	($625,866)	($4,047,206)
July 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
August 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
September 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
October 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
November 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
December 2019	($4,047,206)	$0	No Credit Approved	($4,047,206)	$0	$0	($4,047,206)
January 2020	($4,047,206)	$0	No Credit Approved	($4,047,206)	($118,227)	($709,362)	($4,756,568)
February 2020	($4,756,568)	$1,683,987	Paid	($3,072,581)	$0	$0	($3,072,581)
March 2020	($3,072,581)	$1,628,703	Paid	($1,443,878)	($3,951)	($23,706)	($1,467,584)
April 2020	($1,467,584)	$734,516	Paid	($733,068)	$0	$0	($733,068)
May 2020	($733,068)	$0	No Credit Approved	($733,068)	$0	$0	($733,068)
June 2020	($733,068)	$0	No Credit Approved	($733,068)	$0	$0	($733,068)
July 2020	($733,068)	$122,178	Paid	($610,890)	$0	$0	($610,890)
August 2020	($610,890)	$122,178	Paid	($488,712)	($21,232)	($127,392)	($616,104)
September 2020	($616,104)	$122,178	Paid	($493,926)	($120,494)	($722,964)	($1,216,890)
October 2020	($1,216,890)	$122,178	Paid	($1,094,712)	($135,157)	($810,942)	($1,905,654)
November 2020	($1,905,654)	$122,178	Paid	($1,783,476)	$0	$0	($1,783,476)
December 2020	($1,783,476)	$399,061	Paid	($1,384,415)	$0	$0	($1,384,415)

"Reserve Adjustments Calculated" are illustrated as of the month-end when the figures were determined.
"Credits" are illustrated as of the month the amounts were applied.

Amortization History and Schedule (Continued)

	Outstanding Balance at the Beginning of the Month	Credits		Outstanding Balance Before Adjustment (A) + (B)	Reserve Adjustments Calculated		Outstanding Balance After Adjustment (D) + (F)
		Amount	Status		6-Month Amortized Amount	Total Amount	
Month	**(A)**	**(B)**	**(C)**	**(D)**	**(E)**	**(F)**	**(G)**
January 2021	($1,384,415)	$276,883	Paid	($1,107,532)	($60,682)	($364,092)	($1,471,624)
February 2021	($1,471,624)	$276,883	Paid	($1,194,741)	$0	$0	($1,194,741)
March 2021	($1,194,741)	$276,883	Paid	($917,858)	($69,217)	($415,302)	($1,333,160)
April 2021	($1,333,160)	$398,247	Paid	($934,913)	$0	$0	($934,913)
May 2021	($934,913)	$337,565	Paid	($597,348)	$0	$0	($597,348)
June 2021	($597,348)	$60,682	Paid	($536,666)	$0	$0	($536,666)
July 2021	($536,666)	$199,116	Paid	($337,550)	($45,107)	($270,642)	($608,192)
August 2021	($608,192)	$129,899	Paid	($478,293)	$0	$0	($478,293)
September 2021	($478,293)	$69,217	Paid	($409,076)	$0	$0	($409,076)
October 2021	($409,076)	$114,324	Paid	($294,752)	$61,029	$366,174	$71,422
November 2021	$71,422	$114,324	Paid	$185,746	$30,811	$184,866	$370,612
December 2021	$370,612	$0	Paid	$370,612	$47,078	$282,468	$653,080
January 2022	$653,080	$0	Paid	$653,080	$0	$0	$653,080
February 2022	$653,080	$0	Paid	$653,080	$176,526	$1,059,156	$1,712,236
March 2022	$1,712,236	$0	Paid	$1,712,236	$45,135	$270,810	$1,983,046
April 2022	$1,983,046	$0	Paid	$1,983,046	$103,624	$621,744	$2,604,790
May 2022	$2,604,790	$0	Paid	$2,604,790	$57,442	$344,652	$2,949,442
June 2022	$2,949,442	($419,413)	Paid	$2,530,029	$32,527	$195,162	$2,725,191
July 2022	$2,725,191	$0	Paid	$2,725,191	$21,279	$127,674	$2,852,865
August 2022	$2,852,865	($1,303,959)	Paid	$1,548,906	$15,135	$90,810	$1,639,716
September 2022	$1,639,716	($460,616)	Paid	$1,179,100	$41,629	$249,774	$1,428,874
October 2022	$1,428,874	($451,668)	Paid	$977,206	$0	$0	$977,206
November 2022	$977,206	($451,668)	Paid	$525,538	$0	$0	$525,538
December 2022	$525,538	($68,941)	Paid	$456,597	$12,394	$74,364	$530,961

"Reserve Adjustments Calculated" are illustrated as of the month-end when the figures were determined.
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Amortization History and Schedule (Continued)

	Outstanding Balance at the Beginning of the Month	Credits		Outstanding Balance Before Adjustment (A) + (B)	Reserve Adjustments Calculated		Outstanding Balance After Adjustment (D) + (F)
		Amount	Status		6-Month Amortized Amount	Total Amount	
Month	**(A)**	**(B)**	**(C)**	**(D)**	**(E)**	**(F)**	**(G)**
January 2023	$530,961	($110,570)	Paid	$420,391	$0	$0	$420,391
February 2023	$420,391	($110,570)	Paid	$309,821	$0	$0	$309,821
March 2023	$309,821	($110,570)	Paid	$199,251	$0	$0	$199,251
April 2023	$199,251	($54,023)	Paid	$145,228	$0	$0	$145,228
May 2023	$145,228	($54,023)	Paid	$91,205	($3,427)	($20,562)	$70,643
June 2023	$70,643	($54,023)	Paid	$16,620	$0	$0	$16,620
July 2023	$16,620	($8,967)	Paid	$7,653	($14,701)	($88,206)	($80,553)
August 2023	($80,553)	($8,967)	Paid	($89,520)	($33,648)	($201,888)	($291,408)
September 2023	($291,408)	($8,967)	Paid	($300,375)	$0	$0	($300,375)
October 2023	($300,375)	$51,776	Paid	($248,599)	$0	$0	($248,599)
November 2023	($248,599)	$51,776	Paid	($196,823)	$0	$0	($196,823)
December 2023	($196,823)	$51,776	Paid	($145,047)	($7,173)	($43,038)	($188,085)
January 2024	($188,085)	$48,349	Paid	($139,736)	$0	$0	($139,736)
February 2024	($139,736)	$48,349	Paid	($91,387)	$0	$0	($91,387)
March 2024	($91,387)	$48,349	Paid	($43,038)	$0	$0	($43,038)
April 2024	($43,038)	$21,519	Paid	($21,519)	$0	$0	($21,519)
May 2024	($21,519)	$7,173	Paid	($14,346)	$0	$0	($14,346)
June 2024	($14,346)	$7,173	Paid	($7,173)	$0	$0	($7,173)
July 2024	($7,173)	$7,173	Paid	($0)	($39,296)	($235,776)	($235,776)
August 2024	($235,776)	$0	Paid	($235,776)	$0	$0	($235,776)
September 2024	($235,776)	$39,296	Paid	($196,480)	$0	$0	($196,480)
October 2024	($196,480)	$39,296	Paid	($157,184)	$0	$0	($157,184)
November 2024	($157,184)	$39,296	Paid	($117,888)	$0	$0	($117,888)
December 2024	($117,888)	$39,296	Paid	($78,592)	$0	$0	($78,592)

"Reserve Adjustments Calculated" are illustrated as of the month-end when the figures were determined.
"Credits" are illustrated as of the month the amounts were applied.

Amortization History and Schedule (Continued)

	Outstanding Balance at the Beginning of the Month	Credits		Outstanding Balance Before Adjustment (A) + (B)	Reserve Adjustments Calculated		Outstanding Balance After Adjustment (D) + (F)
		Amount	Status		6-Month Amortized Amount	Total Amount	
Month	**(A)**	**(B)**	**(C)**	**(D)**	**(E)**	**(F)**	**(G)**
January 2025	($78,592)	$39,296	Paid	($39,296)	$0	$0	($39,296)
February 2025	($39,296)	$39,296	Paid	$0	$0	$0	$0
March 2025	$0	$0	N/A	$0	$0	$0	$0
April 2025	$0	$0	N/A	$0	$0	$0	$0
May 2025	$0	$0	N/A	$0	$0	$0	$0
June 2025	$0	$0	N/A	$0	$0	$0	$0
July 2025	$0	$0	N/A	$0	$0	$0	$0
August 2025	$0	$0	N/A	$0	$0	$0	$0
September 2025	$0	$0	N/A	$0	$0	$0	$0
October 2025	$0	$0	N/A	$0	$0	$0	$0

"Reserve Adjustments Calculated" are illustrated as of the month-end when the figures were determined.
"Credits" are illustrated as of the month the amounts were applied.

Summarized Most Recent Experience MOB Plans (Plans JS, JSS-2, Y, Y20, Y30, Y40, S, Z)

Period Start:	**7/1/2022**	**10/1/2022**	**1/1/2023**	**4/1/2023**	**7/1/2023**	**10/1/2023**	**1/1/2024**	**4/1/2024**	**7/1/2024**	**10/1/2024**	**1/1/2025**	**4/1/2025**
Period End:	**9/30/2022**	**12/31/2022**	**3/31/2023**	**6/30/2023**	**9/30/2023**	**12/31/2023**	**3/31/2024**	**6/30/2024**	**9/30/2024**	**12/31/2024**	**3/31/2025**	**6/30/2025**
Months in Period	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	3.0	3.0	3.0	3.0	3.0
Participants	1,026	1,006	996	998	1,050	1,067	1,084	1,105	1,071	1,072	1,075	1,062
Income												
Active Contributions	$3,847,148	$3,685,434	$2,977,167	$2,417,160	$2,440,313	$2,308,921	$2,334,572	$2,388,789	$1,223,391	$2,382,515	$2,446,087	$2,427,591
Retiree Contributions	41,110	39,854	37,792	336,199	333,396	324,145	318,934	314,310	311,477	308,736	326,255	329,686
Total	**$3,888,258**	**$3,725,288**	**$3,014,959**	**$2,753,359**	**$2,773,709**	**$2,633,066**	**$2,653,506**	**$2,703,099**	**$1,534,868**	**$2,691,251**	**$2,772,342**	**$2,757,277**
Paid Expenses												
Medical	$1,337,164	$1,435,944	$839,885	$1,397,710	$1,386,501	$1,698,074	$1,448,998	$1,275,891	$1,649,685	$1,156,464	$955,978	$1,251,122
HMO	10,673	(10,673)	1,883	1,884	4,395	3,767	3,768	3,830	3,955	3,955	3,955	4,020
Life/AD&D	8,366	8,175	8,064	7,921	7,847	7,783	7,670	7,648	7,488	7,444	7,429	7,407
Disability	86,875	64,004	50,409	71,732	107,723	93,942	75,603	79,977	113,641	73,167	57,918	85,120
Dental	69,518	66,639	64,540	61,717	60,860	60,015	58,024	57,674	56,515	55,531	57,414	56,919
Optical	8,453	8,071	7,968	7,859	7,731	7,632	7,559	7,395	7,337	7,231	7,356	7,268
Drug	589,193	602,871	491,288	520,630	429,180	631,752	453,804	658,225	627,262	697,705	588,150	574,258
Retirees	487,383	465,925	359,000	389,514	340,766	320,210	298,538	304,858	305,790	445,731	309,927	304,293
Medical Adm.	36,495	34,739	35,251	34,748	34,417	33,820	34,187	33,506	33,117	32,533	33,651	32,848
Mental Health Manager	39,925	63,195	12,917	6,952	38,166	28,715	5,814	12,457	8,786	6,711	13,699	12,291
PPO	17,639	16,266	15,743	16,428	16,256	16,930	17,024	16,905	16,078	18,212	16,319	16,078
EAP	975	920	893	871	854	833	807	834	804	790	966	945
UM/DM	42,828	33,355	37,415	35,257	36,397	36,277	38,049	47,227	41,459	39,707	39,610	34,650
Operating Expenses	237,678	259,824	125,080	177,611	142,347	149,930	154,934	113,543	160,509	149,857	162,006	207,122
Total	**$2,973,165**	**$3,049,255**	**$2,050,336**	**$2,730,834**	**$2,613,440**	**$3,089,680**	**$2,604,779**	**$2,619,970**	**$3,032,426**	**$2,695,038**	**$2,254,378**	**$2,594,341**
Operating Surplus/(Deficit)	$915,093	$676,033	$964,623	$22,525	$160,269	($456,614)	$48,727	$83,129	($1,497,558)	($3,787)	$517,964	$162,936
Other Operating Surplus/(Deficit) [1]	$3,705	$17,125	$225,393	$77,757	($59,987)	$52,073	$49,451	$67,909	$50,232	$34,187	$29,025	$30,857
Total Fund Operating Surplus/(Deficit)	**$918,798**	**$693,158**	**$1,190,016**	**$100,282**	**$100,282**	**($404,541)**	**$98,178**	**$151,038**	**($1,447,326)**	**$30,400**	**$546,989**	**$193,793**
Quarterly Per Capita Expenses	$965.94	$1,010.36	$686.19	$912.10	$829.66	$965.22	$800.98	$790.34	$943.80	$838.01	$699.03	$814.29
Quarterly Per Capita Active Expenses	$807.60	$855.97	$566.04	$782.00	$721.48	$865.19	$709.18	$698.37	$848.63	$699.41	$602.93	$718.78
Current 12-Month Per Capita Expenses	$1,109.01	$1,101.38	$950.02	$894.49	$859.58	$850.10	$876.30	$845.94	$874.11	$842.74	$817.47	$823.69
Prior 12-Month Per Capita Expenses	$935.77	$951.74	$1,059.27	$1,146.86	$1,109.01	$1,101.38	$950.02	$894.49	$859.58	$850.10	$876.30	$845.94
Year Over Year Change	18.5%	15.7%	-10.3%	-22.0%	-22.5%	-22.8%	-7.8%	-5.4%	1.7%	-0.9%	-6.7%	-2.6%
Current 12-Month Per Capita Active Expenses	$965.96	$952.44	$804.82	$753.58	$731.58	$735.81	$769.21	$748.06	$779.41	$738.48	$712.12	$717.32
Prior 12-Month Per Capita Active Expenses	$801.11	$818.46	$925.56	$1,005.25	$965.96	$952.44	$804.82	$753.58	$731.58	$735.81	$769.21	$748.06
Year Over Year Change	20.6%	16.4%	-13.0%	-25.0%	-24.3%	-22.7%	-4.4%	-0.7%	6.5%	0.4%	-7.4%	-4.1%

Based on income, expenses and participation as reported on the Administrative Manager's Reports (AMR).
[1] Includes Kroger experience (where applicable), interest and dividends, and miscellaneous income.

- Total participants for the 12-month period July 1, 2024 through June 30, 2025 (current) decreased 0.6% when compared to the 12-month period July 1, 2023 through June 30, 2024 (prior).
- Current 12-month per capita expenses have decreased 4.1% from $748.06 during the prior 12-month period to $717.32 during the current 12-month period.
- The aggregate expenses over the last twelve months have decreased 4.7% when compared to the prior 12-month period.
- It is important to note that AMRs are reported on a paid basis.

Summarized Historical Experience (Continued)
MOB Plans (Plans JS, JSS-2, Y, Y20, Y30, Y40, S, Z)

Period Start: Period End: Months in Period	7/1/2019 9/30/2019 3.0	10/1/2019 12/31/2019 3.0	1/1/2020 3/31/2020 3.0	4/1/2020 6/30/2020 3.0	7/1/2020 9/30/2020 3.0	10/1/2020 12/31/2020 3.0	1/1/2021 3/31/2021 3.0	4/1/2021 6/30/2021 3.0	7/1/2021 9/30/2021 3.0	10/1/2021 12/31/2021 3.0	1/1/2022 3/31/2022 3.0	4/1/2022 6/30/2022 3.0
Participants	2,209	2,147	1,871	2,164	1,343	1,324	1,260	1,267	1,254	1,190	1,097	1,034
Income												
Active Contributions	$5,336,959	$5,164,487	$481,600	$5,443,689	$2,926,597	$2,498,248	$2,171,113	$2,488,772	$2,678,629	$2,751,201	$2,662,874	$3,086,455
Retiree Contributions	46,676	47,108	44,910	47,636	42,156	47,121	43,735	44,006	45,325	43,055	44,246	41,245
Total	**$5,383,635**	**$5,211,595**	**$526,510**	**$5,491,325**	**$2,968,753**	**$2,545,369**	**$2,214,848**	**$2,532,778**	**$2,723,954**	**$2,794,256**	**$2,707,120**	**$3,127,700**
Paid Expenses												
Medical	$3,484,313	$2,298,543	$2,673,229	$2,075,738	$2,222,273	$2,046,885	$1,688,224	$1,610,497	$2,253,314	$2,016,482	$2,957,508	$1,647,856
HMO	35,998	33,740	22,920	28,342	18,629	14,356	13,881	8,193	14,742	14,743	14,742	14,851
Life/AD&D	17,209	16,503	15,919	11,879	10,796	10,681	10,398	10,175	9,997	9,754	8,932	8,704
Disability	204,873	199,594	171,501	158,266	165,629	155,074	135,522	149,892	140,745	149,325	124,208	164,358
Dental	176,114	171,148	168,763	154,309	109,330	110,136	106,195	102,006	99,366	94,711	73,771	71,254
Optical	17,174	16,622	16,536	16,195	11,009	10,795	10,648	10,227	9,939	9,499	9,033	8,788
Drug	897,785	989,640	622,626	949,548	464,555	713,114	412,850	423,659	858,609	650,052	301,121	765,000
Retirees	563,332	548,554	585,406	558,447	397,800	546,038	508,668	442,061	565,513	471,295	449,761	457,046
Medical Adm.	68,013	65,748	67,032	65,534	45,101	43,718	44,001	42,251	41,198	39,388	38,632	37,764
Mental Health Manager	23,112	59,283	53,803	30,694	14,478	19,202	10,439	9,165	11,882	11,094	22,923	18,283
PPO	32,798	29,654	29,913	29,571	22,806	19,380	18,696	17,847	17,578	28,446	17,166	19,791
EAP	1,943	1,919	1,877	1,843	1,225	1,226	1,203	1,166	1,141	1,094	1,034	1,003
UM/DM	59,327	42,730	49,691	55,225	42,713	39,988	47,159	44,224	51,293	50,897	49,194	48,427
Operating Expenses	145,242	154,015	191,594	242,919	173,188	164,112	134,968	171,087	175,922	209,926	160,555	241,017
Total	**$5,727,233**	**$4,627,693**	**$4,670,810**	**$4,378,510**	**$3,699,532**	**$3,894,705**	**$3,142,852**	**$3,042,450**	**$4,251,239**	**$3,756,706**	**$4,228,580**	**$3,504,142**
Operating Surplus/(Deficit)	($343,598)	$583,902	($4,144,300)	$1,112,815	($730,779)	($1,349,336)	($928,004)	($509,672)	($1,527,285)	($962,450)	($1,521,460)	($376,442)
Other Operating Surplus/(Deficit) [1]	$59,016	$49,008	$46,780	$42,442	$14,711	$13,678	$35,490	$13,908	$12,600	$34,009	$137,256	($75,094)
Total Fund Operating Surplus/(Deficit)	**($284,582)**	**$632,910**	**($4,097,520)**	**$1,155,257**	**($716,068)**	**($1,335,658)**	**($892,514)**	**($495,764)**	**($1,514,685)**	**($928,441)**	**($1,384,204)**	**($451,536)**
Quarterly Per Capita Expenses	$864.23	$718.47	$832.14	$674.45	$918.23	$980.54	$831.44	$800.43	$1,130.05	$1,052.30	$1,284.89	$1,129.64
Quarterly Per Capita Active Expenses	$779.22	$633.31	$727.85	$588.43	$819.49	$843.07	$696.87	$684.13	$979.73	$920.28	$1,148.23	$982.30
Current 12-Month Per Capita Expenses	$782.66	$762.14	$803.20	$770.84	$769.73	$827.79	$827.21	$884.32	$935.77	$951.74	$1,059.27	$1,146.86
Prior 12-Month Per Capita Expenses	$749.53	$757.39	$747.63	$739.84	$782.66	$762.14	$803.20	$770.84	$769.73	$827.79	$827.21	$884.32
Year Over Year Change	4.4%	0.6%	7.4%	4.2%	-1.7%	8.6%	3.0%	14.7%	21.6%	15.0%	28.1%	29.7%
Current 12-Month Per Capita Active Expenses	$697.87	$679.16	$718.18	$681.23	$677.14	$723.96	$717.16	$762.74	$801.11	$818.46	$925.56	$1,005.25
Prior 12-Month Per Capita Active Expenses	$683.05	$683.44	$671.18	$664.41	$697.87	$679.16	$718.18	$681.23	$677.14	$723.96	$717.16	$762.74
Year Over Year Change	2.2%	-0.6%	7.0%	2.5%	-3.0%	6.6%	-0.1%	12.0%	18.3%	13.1%	29.1%	31.8%

Based on income, expenses and participation as reported on the Administrative Manager's Reports (AMR).
[1] Includes Kroger experience (where applicable), interest and dividends, and miscellaneous income.

Q3 2025 Plan Performance Report

Medical Network Performance

CareFirst provided a Network Performance Report that compares key network performance statistics for Q3 2024 and Q3 2025, reported on an incurred basis. Below are some observations from the report.

- Discounts have remained consistent and the cost per claim has increased from YTD 2024 to YTD 2025:
  - 2024 Discounts = 59%
  - 2025 Discounts = 59%
  - 2024 Cost Per Claim = $567
  - 2025 Cost Per Claim = $618
- Overall, High-Cost Facilities discounts increased from 70% in 2024 to 78% in 2025.
  - High-Cost Facilities represent 35% of billed charges in 2025. This is an increase from 28% of billed charges in 2024.
- Independent Laboratory has the largest number of claims and the lowest cost per claim, with discounts averaging 82% in 2025, consistent with 2024.
- Hematology has the highest cost per claim, with discounts averaging 74% in 2025.
- The current agreement with CareFirst does <u>not</u> include any performance or discount guarantees; however, we have asked that they be considered for future renewals to help reduce costs for the Fund.

Plan Performance Report

Conifer Health Solutions provided a Plan Performance Report that compares key network performance statistics for Q3 2024 and 2025, reported on a paid basis. Below are some observations from the report.

- Total enrollment decreased approximately 5% from 2024 to 2025, or from an average of 691 to 657. This enrollment represents the average number of employees receiving benefits.
- Total monthly costs per member have increased by about 2% from 2024 to 2025.
  - Medical costs increased 0.3%, while prescription drug costs increased 4.8%.
- Large claims are trending slightly lower in 2025 than non-high-cost claims, due a decrease in both the number of claimants and dollar amount of claims. (High-cost claims are defined as claims in excess of $50,000).
- The overall enrolled population receiving benefits continues to decline. In 2024, the average number of enrolled members was 1,111. The average number of employees enrolled in coverage declined by 6% in 2025 to 1,044.
- High-cost cancers affect approximately 2% of the member population and have increased slightly from 2024.
  - The number of members with high-cost cancers has increased from 14 in 2024 to 15 in 2025.
  - High-Cost Cancers include breast, soft tissue, lung, leukemia, colon, liver, lymphoma, brain/spinal cord, multiple myeloma, pancreatic and prostate

Disclosures

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