United Food and Commercial Workers Unions
and Participating Employers
Health and Welfare Fund

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MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
VIA VIDEO CONFERENCE
JUNE 25, 2025
(DRAFT)

The following Trustees were present:

UNION TRUSTEES	**EMPLOYER TRUSTEES**
M. Federici – Chairman	W. Seehafer – Secretary
J. Chorpenning	L. Howard
T. Hipkins	M. Lucki
M. Wilson	J. Nesse

Also present were:

N. Eid – The Segal Company
E. Elter – OptumRx Virta Point Solution*
L. Fratzke - Segal
J. Herron - Associated Administrators, LLC
C. Hoffman - UFCW Local 400
J. Ianniello - Associated Administrators, LLC
O. Manejwala – Dario Health*
B. McKiver – Local 400
M. Mooney – Dario Health*
C. Murphy - Associated Administrators, LLC
M. Petrovic - Morgan, Lewis, & Bockius, LLC
S. Rossi - Segal
S. Sanchez - Slevin & Hart, P.C.
A. Sims - Associated Administrators, LLC
J. Timm - The Segal Company
P. Tumpane – Dario Health*
J. Vestrand - OptumRx Virta Point Solution*
R. Wildt – Local 400

*present for part of the meeting

I. CALL TO ORDER

A quorum being present, Chairman Federici called the meeting to order.

A. Appointment of Trustee

Mr. Ianniello reported that the Fund office received correspondence from Shoppers appointing Ms. Leticia Howard and Mr. John Nesse as Employer Trustees, replacing Ms. Margaret Lin and Ms. Valerie Marsh, effective March 27, 2025.

II. MINUTES

Mr. Ianniello presented the previously circulated minutes of the regular meeting held on March 19, 2025.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, that the minutes of the regular meeting held on March 19, 2025, are approved as presented.**

III. FINANCIAL REPORT

A. PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period from January 1, 2025, to May 30, 2025. The report showed a starting market value of $3,535,477, receipts of $4,887,841, disbursements of $4,348,888, and earnings of $82,743, resulting in an ending market value of $4,157,172 as of May 30, 2025.

IV. CONSULTANT'S REPORT

The Segal Company

The Trustees welcomed Mr. Josh Timm and Ms. Nancy Eid of the Segal Company to the meeting.

A. Reserve Determination Report

Mr. Timm reviewed the April 2025 Reserve Determination report. Mr. Timm said that because reserves were between 3.0 and 6.0 months, no credit or additional payment is required at this time.

B. Carelon Behavior Renewal

Mr. Timm presented a revised one-year renewal proposal from Carelon. He stated that while the original renewal proposal from Carelon was for three years, Carelon had a change in leadership and subsequently stated that it would no longer honor the original renewal offer. The Trustees discussed the new Carelon renewal proposal. After discussion,.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve Carelon's one-year renewal proposal at a rate of $6.01 PEPM.**

C. MetLife Renewal

Mr. Timm presented the MetLife renewal proposal. Mr. Timm said that while the percentage increase in rates was high, MetLife had not received a rate increase from the Fund in 10 years and, therefore, Segal does not consider the proposed rates as unreasonable.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve the MetLife renewal as presented.**

D. Maintenance of Benefits ("MOB") Rates

Mr. Timm presented Segal's memorandum regarding proposed MOB rates, reflecting an overall blended 3.1% increase from the current rates, effective beginning with hours worked in July 2025.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve the blended 3.1% MOB increase to each contribution rate effective July 1, 2025.**

E. Diabetes Management Program Presentations

1. **OptumRx/Virta Point Solution ("VIRTA")**

The Board welcomed Jean Vestrand from OptumRx and Emily Elter from Virta. They presented Virta's Diabetes Management program offered in partnership with OptumRx. They emphasized that the program focuses on combating obesity and reversing prediabetes and type 2 diabetes. The program uses various approaches, including GLP-1 medication in certain cases, but also personalized nutrition counselling and coaching, which leads to sustained outcomes without on-going reliance on drugs. Ms. Vestrand and Ms. Elter noted that because there is an existing relationship between the Fund and Optum Rx, implementing Virta through OptumRx could enhance participation. They stated that the program cost is $162 per engaged member per month, plus $0.06 per engaged member per month for Rx adherence for weight loss and pre-diabetes reversal; $195 per engaged member per month, plus $0.06 per engaged member per month for Rx adherence for diabetes management; and $242 per engaged member per month, plus $0.06 per engaged member per month for diabetes reversal.

The Trustees thanked the representatives from Virta for their presentation.

2. Dario Health Solution

The Trustees welcomed Mary Mooney, Patrick Tumpane, and Omar Manejwala, from Dario Health Solution, to the meeting. They presented Dario's approach to managing pre-diabetes, diabetes, hypertension and obesity, which includes significant use of technology and apps to achieve and measure results. They stated that, once members enroll in the program and sign up for the application, the members are required to engage a certain number of times per week or month in order to remain enrolled.

The Dario representatives explained that, depending on the program in which a participant is enrolled, Dario provides a blood sugar monitor, a blood pressure cuff and/or a scale to the enrolled participant. The cost of the program is based on member engagement at $69 per engaged member per month, with a minimum of three months of engagement per enrolled member.

The Trustees thanked the representatives from Dario for their presentation.

The Trustees then discussed the two presentations, and,

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to hire OptumRx/Virta to implement the Virta Point Solution for diabetes management for the Fund.**

V. ATTORNEY'S REPORT

A. Gene Therapy and Stop-Loss Coverage Update

Ms. Sanchez reported on Trustee discussions concerning the coverage of Gene Therapy and the purchase of Stop-Loss coverage.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to delegate to Chairman and Secretary the authority to resolve the current discussions regarding Gene Therapy coverage and the purchase of Stop-loss coverage and adopt any necessary Plan amendment relating to the same.**

B. Insulin Pricing Litigation Update

Ms. Sanchez reported on the ongoing Insulin pricing litigation.

C. Withum Engagement Letter

Ms. Sanchez reported on Withum's proposed Engagement Letter.

D. Cybersecurity Update

Ms. Sanchez reported on Segal's cybersecurity report regarding Fund provider questionnaire responses.

E. SPD Update

Ms. Sanchez reported on the status of the SPD restatements.

F. Preventive Services list

Ms. Sanchez reported on the updated preventive services list.

G. Associated Administrators Renewal Amendment

Ms. Sanchez reported on the renewal amendment for Associated Administrators.

H. Dentegra Renewal

Ms. Sanchez reported on the status of the Dentegra renewal.

I. Cyber Liability & Fiduciary Liability Policy reviewed

Ms. Sanchez reported on the cyber liability insurance and fiduciary insurance policy renewals.

J. Amendment #3 to the Trust

Ms. Petrovic presented a proposed Amendment #3 to the Trust regarding Trustee appointment rules.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve Amendment #3 to the Trust Agreement, as presented.**

VI. ADMINISTRATIVE MANAGER'S REPORT – First Quarter 2025

Mr. Ianniello presented the Administrative Manager's Report for the First Quarter of 2025, which had been pre-circulated. The report showed a total income of $2,801,368 and total expenses of $2,254,379, resulting in a surplus of $ 546,989 for the quarter. Contributions were made on behalf of 1,075 Plan participants.

Mr. Ianniello reported on the Retiree Quarterly recap for the First Quarter of 2025. The report showed a total income of $326,255 and total expenses of $309,928, producing a surplus of $16,327 for the quarter. Contributions were made on behalf of 316 Plan participants.

There were no delinquencies during the First Quarter of 2025.

A. Invoices

Mr. Ianniello presented a list of pre-circulated invoices dated June 25, 2025. He noted no additions, deletions, or changes to the list.

The Trustees reviewed the invoices for the Active and Retiree Plans dated June 25, 2025. Trustee Seehafer noted that there was an error with the Morgan Lewis & Bockius invoices, and said he had spoken with Mr. Kimble regarding the mistakes.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, that the invoices on the list dated June 25, 2025, excluding the Morgan, Lewis, & Bockius invoices, are approved for payment; and**
>
> **FURTHER RESOLVED, to delegate to Chair and Secretary the authority to approve the Morgan, Lewis, & Bockius invoices once they have been revised.**

VII. OTHER FUND BUSINESS

A. Appeals

1. M25/103 – 1479

The Trustees tabled this appeal for further research.

2. M25/106 – 7260

The Trustees tabled this appeal for further research.

B. Cheiron Engagement Letter

The Trustees reviewed the Cheiron engagement letter.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED, to approve Cheiron's engagement letter.

C. PCORI Fee

Mr. Ianniello presented the PCORI invoice for the upcoming year. The amount is $3,799.65 ($3.47 X 1,095 participants).

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to pay the PCORI fee of $3,799.65.

D. Cybersecurity Invoice Update

Mr. Ianniello reported that Segal submitted a corrected invoice for its cybersecurity work to address the issue discussed at the prior meeting.

E. Dentegra Performance Guarantee

Mr. Ianniello reported that the Fund received a $454.71 check from Dentegra due to Dentegra failing to meet one of its performance guarantees for the second quarter of 2024. The check was deposited.

F. NexClaim Reporting

Mr. Ianniello reported that there are 14 open subrogation cases pending with NexClaim, including one newly opened case.

VIII. 2025 MEETING DATES & LOCATIONS

The next regular Board meeting is scheduled for September 25, 2025, via Zoom.

IX. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

Respectfully Submitted,

Bill Seehafer, Secretary