

**UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND**

BOARD OF TRUSTEES MEETING

DECEMBER 7, 2020

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

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Sparks, Maryland 21152-9451
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A G E N D A

DECEMBER 7, 2020

(Approximately 12:00 noon)

- I. **CALL TO ORDER**
 - A. **APPOINTMENT OF TRUSTEE**

- II. **MINUTES (pg. 1 – 8)**
 - A. **REGULAR MEETING – SEPTEMBER 24, 2020**
 - B. **APPEALS COMMITTEE MEETING – OCTOBER 8, 2020**

- III. **FINANCIAL REPORT (pg. 9)**
 - A. **PNC REPORT**
 - B. **AUDITOR'S REPORT**

- IV. **CONSULTANT'S REPORT**
 - A. **SEGAL COMPANY**
 - 1. **RESERVES**
 - 2. **COLOGUARD CANCER TESTING**
 - 3. **PART TIME PLAN Y20 & PLAN Y30 COSTS PER ENROLLED DEPENDENT**

- V. **ATTORNEY'S REPORT**
 - A. **REGULAR**
 - B. **SUBROGATION**
 - C. **DELINQUENCY REPORT**

- VI. **ADMINISTRATIVE MANAGER'S REPORT - (3Q20) (pg. 10 – 30)**

- VII. **INVOICES (pg. 31 – 33)**

- VIII. **OTHER FUND BUSINESS (pg. 34)**
 - A. **COVID-19 UPDATE**
 - B. **CAREFIRST PPO CONTRACT - RENEWAL STATUS**
 - C. **GROUP DENTAL SERVICE – 2021 RENEWAL**
 - D. **OPTUM RX - AUDIT STATUS**
 - E. **MISCELLANEOUS CORRESPONDENCE**

- IX. **2021 MEETING DATES AND LOCATIONS**

- X. **ADJOURNMENT**

MINUTES

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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
SEPTEMBER 24, 2020**

The following Trustees were present:

UNION TRUSTEES

M. Federici – Chairman
J. Chorpenning
Y. Anwar
T. Hipkins

EMPLOYER TRUSTEES

B. Seehafer – Secretary
J. Born
V. Marsh

Also present were:

L. DuVall – Associated Administrators, LLC
N. Eid – Confidio
A. Hanson – UFCW Local 400
P. Hardcastle – Cheiron
C. Hoffmann – UFCW Local 400
J. Ianniello – Associated Administrators, LLC
N. Jacobs – UFCW Local 400
J. Kimble – Morgan, Lewis, & Bockius, LLC
J. Mink – Investment Performance Services
C. Murphy – Associated Administrators, LLC
R. Murray – Cheiron
S. Sanchez – Slevin & Hart, P.C.
B. Slevin – Slevin & Hart, P.C.
J. Timm – The Segal Company
L. Walsh – Associated Administrators, LLC
B. Warren – Cheiron
R. Wildt – UFCW Local 400

I. CALL TO ORDER

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

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held on June 19, 2020 and the Appeals Committee meeting held on July 21, 2020, which were previously circulated.

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

RESOLVED that the minutes of the regular meeting held on June 19, 2020 and the Appeals Committee meeting held on July 21, 2020 are approved as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period January 1, 2020 to August 31, 2020. Such report indicated a beginning market value of \$11,295,327, receipts of \$9,710,853, disbursements of \$13,067,653, and earnings of \$148,167, producing an ending market value of \$8,086,694 as of August 31, 2020.

IV. CONSULTANT'S REPORT

A. The Segal Company

The Trustees welcomed Mr. Josh Timm of The Segal Company to the meeting.

1. **Reserve Determination Report**

Mr. Timm reviewed the August 2020 Reserve Determination Report. He noted that the Fund reserves as of July 31, 2020 were 3.987 months. Mr. Timm said that the July 2020 reserves did not result in the need for an adjustment under the Fund's reserve policy.

2. **Preventive Services List**

Mr. Timm presented the January 1, 2021 preventive services list. The Trustees asked whether the list would be updated to include required services relating to COVID-19. Ms. Sanchez reported on DOL guidance relating to COVID antibody tests.

Mr. Timm noted that the government has not yet issued guidance on whether health plans must cover the brand medication known as Truvada without cost sharing. Currently, there is no generic alternative, but a generic may become available prior to 2021. Mr. Timm reported that Segal would follow-up on this matter before the end of the year.

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

RESOLVED to adopt the 2021 Preventive Service list as presented, with the exception of coverage for Truvada, which will be addressed when additional guidance becomes available.

The Trustees thanked Mr. Timm for his report and he was excused from the meeting.

B. Confidio

1. OptumRx – Contract Renewal

Ms. Eid reported on the OptumRx contract renewal. She noted that Confidio requested pricing from OptumRx based on a three year term, effective January 1, 2021 – December 31, 2023, with no material changes to the underlying agreement, and a mid-contract market check. She noted that over the course of three years, OptumRx's renewal offer is projected to yield total savings of \$513,613 or a 4.2% reduction from the current contract. Savings are due to an increase in rebates of \$351,267 and a reduction in ingredient costs (improved discounts) amounting to \$162,346.

Ms. Eid reviewed the remainder of Confidio's report, noting that OptumRx also has offered a premium formulary option for the Fund. She reported that this option could reduce the Fund's costs but would result in new drug exclusions. Trustee Born asked what the savings would be over the three year period if the Fund were to switch to the premium formulary. Ms. Eid said that the estimated savings to the Fund would be \$1.8 million over three years.

Ms. Eid said that OptumRx's renewal offer is competitive and consistent with 2021-2023 pricing commercially available in the marketplace for plans similar in size and demographics to the Fund. She reported that Confidio recommends that the Trustees maintain OptumRx as the prescription drug service provider contingent upon successful negotiation of the renewal amendment by January 1, 2021. She said that if the Trustees are interested in adopting the Premium Formulary, OptumRx can complete a disruption analysis within 10-15 days. After discussion,

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

RESOLVED to renew the OptumRx contract for the period effective January 1, 2021 – December 31, 2023, based on the renewal pricing terms presented by Confidio; and

FURTHER RESOLVED that Chairman and Secretary be authorized to take any action necessary to implement the Optum renewal.

2. Audit Status

Ms. Eid provided an update to the audit of OptumRx. She noted that completing the audit has been challenging, and she is still waiting for additional information from Optum. Once Confidio receives the necessary information it will prepare an audit report and send it to OptumRx and the Fund. OptumRx will have 60 days to respond.

The Trustees thanked Ms. Eid for her report and she was excused from the meeting.

V. ATTORNEYS' REPORT

A. Independent Fiduciary

Mr. Slevin reported on proposed procedures for appointment of an independent Trustee.

B. COVID-19 Guidance

Mr. Slevin reported on recent guidance issued by DOL, HHS and Treasury relating to COVID-19.

C. Patient-Centered Outcomes Research Institute ("PCORI") Reimbursement

Mr. Slevin reported on the PCORI fee refund protective claim filed by the Fund.

D. Non-Discrimination Regulations

Mr. Slevin reported on the final regulations relating to the non-discrimination provisions under Section 1557 of the Affordable Care Act.

E. Prescription Drug Class Action Notices

Ms. Sanchez reported on the prescription drug class action settlement notices received by the Fund.

F. Purdue Pharma L.P. Bankruptcy

Ms. Sanchez reviewed Slevin & Hart's memorandum dated July 13, 2020 regarding the Purdue Pharma L.P. Bankruptcy.

G. Withum Engagement Letter

Ms. Sanchez reported on Withum's proposed audit services engagement letter.

H. SPDs

Ms. Sanchez reported on the status of the Fund's JSS2 SPD and JSS2 Retiree SPD.

I. CareFirst Agreements

Ms. Sanchez reported on the status of the Fund's proposed agreements with CareFirst. After discussion, the Trustees directed the Fund office to send a letter to CareFirst expressing the Trustees' displeasure with CareFirst's lack of responsiveness regarding the proposed agreements.

J. COBRA Notice Updates

Ms. Sanchez reported on updates to the Fund's COBRA notices.

K. Group Vision Associates ("GVS") Renewal

Ms. Sanchez reported on the renewal agreement between GVS and the Fund.

L. Cheiron Renewal

Ms. Sanchez reported on the renewal agreement between Cheiron and the Fund.

M. Subrogation Report

Mr. Ianniello presented Slevin & Hart's subrogation report for the second quarter of 2020. He noted that \$8,220.12 was collected, zero was compromised, and \$1,644.02 was payable to Slevin & Hart.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Second Quarter 2020 Report

Mr. Ianniello presented the Administrative Manager's Report for the second quarter of 2020, which had been pre-circulated. The report showed total income of \$5,533,767, and total expenses of \$4,378,510, resulting in a surplus of \$1,155,257 for the quarter. Contributions were made on behalf of 2,164 Plan participants.

Mr. Ianniello noted that there were no delinquencies during the Second Quarter 2020.

Mr. Ianniello then presented the Work Snapshot for the Fund for the second quarter 2020.

VII. INVOICES

The Trustees reviewed the list of invoices for the Active and Retiree Plans dated September 24, 2020, which had been pre-circulated. Mr. Ianniello noted there were no additions, deletions or changes to the lists.

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

RESOLVED, that the invoices on the list for the Active and Retiree plans dated September 24, 2020 are approved for payment.

VIII. OTHER FUND BUSINESS

A. CareFirst Contract Renewal

Mr. Ianniello reported on the CareFirst contract renewal.

B. FASB ASC 965 Report

Mr. Ianniello said that the FASB ASC 965 report from Cheiron had been posted to the Trustee Web Portal for the Trustees' review. The Trustees agreed that Cheiron should be invited to the next meeting to present the report.

C. COVID-19 Related Claims Processing – Status

Mr. Ianniello provided a summary of COVID-19 medical claims experience for the period March 1, 2020 through August 31, 2020. He indicated that the Fund paid for 170 COVID-19 tests totaling \$11,982.20. One hundred thirty nine Plan participants and/or dependents sought treatment for COVID-19 totaling \$326,676.74 in paid claims, with two claims totaling in excess of \$50,000. There were 967 tele-health claim visits with approximately \$49,215.87 paid.

D. Kaiser Permanente Medicare Plan Renewal for 2021

Mr. Ianniello presented the Kaiser Permanente Medicare Plan renewal for 2021. He noted that Kaiser Permanente has offered a 3.5% decrease in its rate for 2021. The proposed 2021 rates are \$347.41 (Subgroup 200) per participant per month and \$243.17 per participant per month for Shoppers/SuperValu (Subgroups 201, 202). After review,

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

RESOLVED to approve the Kaiser Permanente Medicare Advantage Plan renewal rates as presented, effective January 1, 2021.

IX. NEXT MEETING DATES AND LOCATIONS

After discussion, the Trustees noted that the next meeting date was December 7, 2020 to be held via video conference.

X. ADJOURNMENT

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

Respectfully Submitted,

Bill Seehafer, Secretary

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**APPEALS EMAILED TO THE APPEALS SUBCOMMITTEE OF THE
BOARD OF TRUSTEES OF THE UFCW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND ON OCTOBER 8, 2020
AND RESOLVED VIA EMAIL**

The following Committee members made determinations on the appeals:

UNION TRUSTEE

Y. Anwar

EMPLOYER TRUSTEE

J. Born

Also present was:

C. Brown – Associated Administrators, LLC

APPEALS

The following appeals were reviewed by the Trustees:

Third Quarter 2020

Code	Issue	Decision
M20/156-2744	Late Filing	Denied
M20/151-3418	Routine Services (Cologuard)	Denied
M20/153-9939	Routine Services (Cologuard)	Denied
M20/152-0026	Routine Services (Cologuard)	Denied
M20/148-6141	CRNA	Denied
M20/157-2738	Ambulance Services	Denied
M20/147-2109	Experimental/Investigational (Avastin)	Approved
V20/149-3563	Schedule of Optical Benefits	Denied

Respectfully submitted,

Chris Brown, Appeals Supervisor

FINANCIAL REPORT

UFCW UNIONS AND PARTICIPATING EMPLOYERS HEALTH & WELFARE FUND
SUMMARY OF ACTIVITY
JANUARY 01 TO OCTOBER 31, 2020

<u>ITEM</u>	<u>CASH RESERVE</u>	<u>SBH</u>	<u>TOTAL AMOUNT</u>
MARKET VALUE 01/01/2020	\$ 9,308,965	\$ 1,986,362	\$ 11,295,327
RECEIPTS	\$ 11,996,168		\$ 11,996,168
DISBURSEMENTS	\$ (15,603,844)	-	\$ (15,603,844)
INTER ACCOUNT TRANSFERS	\$ -	-	\$ -
EARNINGS	\$ 30,117	\$ 113,211	\$ 143,328
ENDING MARKET VALUE 10/31/20	\$ 5,731,406	\$ 2,099,573	\$ 7,830,979

ADMINISTRATIVE MANAGER'S REPORT

UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH & WELFARE FUND
THIRD QUARTER 2020

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2020
PLAN JS

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KELCO	\$920.73	10	\$27,621	
TOTAL		10	\$27,621	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$14,447
LIFE & AD & D	37
DISABILITY	2,164
DENTAL	1,373
OPTICAL	135
DRUG	17,557
RETIREEES	14,898
MEDICAL ADM.	432
MENTAL HEALTH MANAGER	75
PPO	192
UM/DM	414
SUB TOTAL	\$51,724

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$625
ADMINISTRATION HIPAA	15
MISCELLANEOUS	648
SUB TOTAL	\$1,288

TOTAL EXPENSES	\$53,012
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SURPLUS (DEFICIT)	(\$25,391)
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AVERAGE INCOME	\$921
AVERAGE EXPENSE	1,767
SURPLUS (DEFICIT)	(\$846)

THIRD QUARTER 2020
PLAN JSS-2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
SAFEWAY VALLEY FT	\$1,488.72	2	\$8,931	
SAFEWAY VALLEY PT	1,488.72	0	0	
SHOPPERS FOOD 400 FT	1,852.56	180	1,002,235	
SHOPPERS FOOD 400 PT ¹	1,852.56	74	42,882	
UFCW LOCAL 400 TEMP FT	1,852.56	0	0	
COBRA		1	5,919	
HMO COPAYS		0	0	
TOTAL		257	\$1,059,967	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$768,625
HMO	0
LIFE & AD & D	3,311
DISABILITY	76,075
DENTAL	34,425
OPTICAL	3,644
DRUG	154,071
RETIREEES	382,902
MEDICAL ADM.	11,736
MENTAL HEALTH MANAGER	6,369
PPO	6,044
UM/DM	11,068
SUB TOTAL	\$1,458,270

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$16,072
ADMINISTRATION HIPAA	395
MISCELLANEOUS	16,675
SUB TOTAL	\$33,142

TOTAL EXPENSES	\$1,491,412
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SURPLUS (DEFICIT)	(\$431,445)
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AVERAGE INCOME	\$1,375
AVERAGE EXPENSE	1,934
SURPLUS (DEFICIT)	(\$559)

¹ Board of Trustees approved Health and Welfare contribution credit taken for July, August and September.

THIRD QUARTER 2020
PLAN Y FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$839.88	0	\$0	
METRO/BASICS	1,032.82	148	457,540	
SHOPPERS 400	1,032.82	76	236,515	
COBRA		0	0	
HMO COPAYS			0	
TOTAL		224	\$694,055	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$742,417
HMO	0
LIFE & AD & D	3,296
DISABILITY	48,137
DENTAL	27,743
OPTICAL	2,071
DRUG	237,442
MEDICAL ADM.	9,677
MENTAL HEALTH MANAGER	3,215
EAP	456
PPO	4,751
UM/DM	9,178
SUB TOTAL	\$1,088,383

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$14,008
ADMINISTRATION HIPAA	344
MISCELLANEOUS	14,535
SUB TOTAL	\$28,887

TOTAL EXPENSES	\$1,117,270
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SURPLUS (DEFICIT)	(\$423,215)
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AVERAGE INCOME	\$1,033
AVERAGE EXPENSE	1,663
SURPLUS (DEFICIT)	(\$630)

THIRD QUARTER 2020
PLAN Y PART TIME INDIVIDUAL

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$347.41	0	\$0	
METRO/BASICS	520.94	125	194,832	
SHOPPERS 400	520.94	205	320,899	
COBRA		6	10,365	
TOTAL		336	\$526,096	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$543,320
HMO	17,567
LIFE & AD & D	2,133
DISABILITY	30,336
DENTAL	24,392
OPTICAL	2,883
DRUG	12,930
MEDICAL ADM.	12,888
MENTAL HEALTH MANAGER	2,338
EAP	610
PPO	6,745
UM/DM	12,366
SUB TOTAL	\$668,508

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$21,012
ADMINISTRATION HIPAA	515
MISCELLANEOUS	21,801
SUB TOTAL	\$43,328

TOTAL EXPENSES	\$711,836
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SURPLUS (DEFICIT)	(\$185,740)
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AVERAGE INCOME	\$522
AVERAGE EXPENSE	706
SURPLUS (DEFICIT)	(\$184)

THIRD QUARTER 2020
PLAN Y PART TIME FAMILY

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$966.52	0	\$0	
METRO/BASICS	1,476.99	41	183,148	
SHOPPERS 400	1,476.99	57	249,610	
HMO COPAYS			0	
TOTAL		98	\$432,758	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$138,151
HMO	0
LIFE & AD & D	684
DISABILITY	3,488
DENTAL	12,483
OPTICAL	707
DRUG	28,923
MEDICAL ADM.	4,003
MENTAL HEALTH MANAGER	837
EAP	159
PPO	1,873
UM/DM	3,657
SUB TOTAL	\$194,965

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$6,129
ADMINISTRATION HIPAA	150
MISCELLANEOUS	6,359
SUB TOTAL	\$12,638

TOTAL EXPENSES	\$207,603
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SURPLUS (DEFICIT)	\$225,155
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AVERAGE INCOME	\$1,472
AVERAGE EXPENSE	706
SURPLUS (DEFICIT)	\$766

THIRD QUARTER 2020
PLAN Y20 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$590.09	8	\$13,573	
SHOPPERS 400	590.09	3	5,900	
TOTAL		11	\$19,473	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$1,221
LIFE & AD & D	172
DISABILITY	0
DENTAL	638
OPTICAL	109
DRUG	217
MEDICAL ADM.	490
MENTAL HEALTH MANAGER	85
PPO	270
UM/DM	469
SUB TOTAL	\$3,671

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$688
ADMINISTRATION HIPAA	17
MISCELLANEOUS	714
SUB TOTAL	\$1,419

TOTAL EXPENSES	\$5,090
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SURPLUS (DEFICIT)	\$14,383
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AVERAGE INCOME	\$590
AVERAGE EXPENSE	154
SURPLUS (DEFICIT)	\$436

THIRD QUARTER 2020
PLAN Y20 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$280.94	39	\$32,871	
SHOPPERS 400	280.94	46	38,489	
SHOPPERS 400 ¹	428.79	1	1,286	
COBRA		0	0	
HMO COPAYS			0	
TOTAL		86	\$72,646	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$5,787
HMO	1,062
LIFE & AD & D	558
DISABILITY	3,901
DENTAL	3,934
OPTICAL	710
DRUG	8,386
MEDICAL ADM.	3,240
MENTAL HEALTH MANAGER	562
PPO	1,700
UM/DM	3,091
SUB TOTAL	\$32,931

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$5,378
ADMINISTRATION HIPAA	132
MISCELLANEOUS	5,580
SUB TOTAL	\$11,090

TOTAL EXPENSES	\$44,021
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SURPLUS (DEFICIT)	\$28,625
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AVERAGE INCOME	\$282
AVERAGE EXPENSE	171
SURPLUS (DEFICIT)	\$111

¹Employee additional contribution is \$147.85 for 1 or 2 dependents.

THIRD QUARTER 2020 PLAN Y30 FULL TIME
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INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$545.82	4	\$6,003	
SHOPPERS 400	545.82	4	7,641	
TOTAL		8	\$13,644	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$1,788
LIFE & AD & D	103
DISABILITY	0
DENTAL	391
OPTICAL	59
DRUG	8,203
MEDICAL ADM.	274
MENTAL HEALTH MANAGER	51
PPO	136
UM/DM	262
SUB TOTAL	\$11,267

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$500
ADMINISTRATION HIPAA	12
MISCELLANEOUS	520
SUB TOTAL	\$1,032

TOTAL EXPENSES	\$12,299
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SURPLUS (DEFICIT)	\$1,345
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AVERAGE INCOME	\$569
AVERAGE EXPENSE	512
SURPLUS (DEFICIT)	\$57

THIRD QUARTER 2020
PLAN Y30 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$263.52	26	\$20,819	
SHOPPERS 400	263.52	40	31,359	
SHOPPERS 400 ¹	408.73	0	0	
COBRA		3	1,434	
TOTAL		69	\$53,612	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$6,517
LIFE & AD & D	364
DISABILITY	539
DENTAL	2,893
OPTICAL	505
DRUG	(3,174)
MEDICAL ADM.	2,361
MENTAL HEALTH MANAGER	946
PPO	1,095
UM/DM	2,208
SUB TOTAL	\$14,254

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$4,315
ADMINISTRATION HIPAA	106
MISCELLANEOUS	4,477
SUB TOTAL	\$8,898

TOTAL EXPENSES	\$23,152
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SURPLUS (DEFICIT)	\$30,460
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AVERAGE INCOME	\$259
AVERAGE EXPENSE	112
SURPLUS (DEFICIT)	\$147

¹Employee additional contribution is \$145.21 for 1 or 2 dependents.

THIRD QUARTER 2020
PLAN Y40 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$36.46	100	\$10,974	
SHOPPERS 400	36.46	144	15,751	
TOTAL		244	\$26,725	\$0

BENEFIT EXPENSES	COST
LIFE & AD & D	\$138
DISABILITY	989
DENTAL	1,058
OPTICAL	186
SUB TOTAL	\$2,371

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$15,259
ADMINISTRATION HIPAA	375
MISCELLANEOUS	15,832
SUB TOTAL	\$31,466

TOTAL EXPENSES	\$33,837
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SURPLUS (DEFICIT)	(\$7,112)
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AVERAGE INCOME	\$37
AVERAGE EXPENSE	46
SURPLUS (DEFICIT)	(\$9)

THIRD QUARTER 2020
RETIREES

INCOME RATE	CO-PAY \$366.10	CO-PAY \$188.59	CO-PAY \$173.06	CO-PAY \$361.38	NO-COPAY RETIREES	COMBINED
NO OF EMP.	1	7	1	9	40	58
TOTAL INCOME	\$1,464	\$4,528	\$519	\$6,505	\$0	\$13,016

BENEFIT EXPENSES						COMBINED
MEDICAL	\$0	\$1,341	\$0	(\$851)	\$16,852	\$17,342
DENTAL	58	922	86	662	3,406	5,134
OPTICAL	5	140	14	81	541	781
DRUG	32	1,190	1,192	(2,913)	5,832	5,333
MEDICAL ADM.	43	475	0	302	1,253	2,073
MENTAL HEALTH MANAGER	5	80	0	43	279	407
EAP	0	0	0	15	0	15
UM/DM	0	0	0	0	0	0
TOTAL EXPENSES	\$143	\$4,148	\$1,292	(\$2,661)	\$28,163	\$31,085

SURPLUS (DEFICIT)	\$1,321	\$380	(\$773)	\$9,166	(\$28,163)	(\$18,069)
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AVERAGE INCOME	\$488	\$216	\$173	\$241	\$0	\$75
AVERAGE EXPENSE	48	198	431	(99)	235	179
SURPLUS (DEFICIT)	\$440	\$18	(\$258)	\$340	(\$235)	(\$104)

THIRD QUARTER 2020
SHOPPERS RETIREES

INCOME RATE	CO-PAY \$20.00	CO-PAY \$40.00	CO-PAY \$60.00	COMBINED
NO OF EMP.	213	80	2	295
TOTAL INCOME	\$12,780	\$9,600	\$360	\$22,740

BENEFIT EXPENSES				COMBINED
MEDICAL	\$139,040	\$26,791	\$55,278	\$221,109
DENTAL	28,726	0	0	28,726
OPTICAL	4,266	0	0	4,266
DRUG	14,166	3,445	652	18,263
MEDICAL ADM.	4,767	475	1,195	6,437
MENTAL HEALTH MANAGER	798	83	186	1,067
PPO	19	0	19	38
UM/DM	41	84	165	290
TOTAL EXPENSES	\$191,823	\$30,878	\$57,495	\$280,196

SURPLUS (DEFICIT)	(\$179,043)	(\$21,278)	(\$57,135)	(\$257,456)
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AVERAGE INCOME	\$20	\$40	\$60	\$26
AVERAGE EXPENSE	300	129	9,583	317
SURPLUS (DEFICIT)	(\$280)	(\$89)	(\$9,523)	(\$291)

THIRD QUARTER 2020 SUPERVALU RETIREES
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INCOME RATE	CO-PAY \$20.00	CO-PAY \$40.00	CO-PAY \$60.00	COMBINED
NO OF EMP.	59	24	0	83
TOTAL INCOME	\$3,560	\$2,840	\$0	\$6,400

BENEFIT EXPENSES				COMBINED
MEDICAL	\$25,349	\$41,397	\$0	\$66,746
DENTAL	7,507	0	0	7,507
OPTICAL	1,114	0	0	1,114
DRUG	8,247	1,997	0	10,244
MEDICAL ADM.	475	245	0	720
MENTAL HEALTH MANAGER	83	43	0	126
PPO	19	0	0	19
UM/DM	0	42	0	42
TOTAL EXPENSES	\$42,794	\$43,724	\$0	\$86,518

SURPLUS (DEFICIT)	(\$39,234)	(\$40,884)	\$0	(\$80,118)
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AVERAGE INCOME	\$20	\$39	\$0	\$26
AVERAGE EXPENSE	242	607	0	347
SURPLUS (DEFICIT)	(\$222)	(\$568)	\$0	(\$321)

THIRD QUARTER 2020

PRESCRIPTION REPORT

SCRIPTS PROCESSED	SCRIPT/ADM COST	PHARMACY PAYMENT	TOTAL
12,474	\$0	\$498,397	\$498,397

MISCELLANEOUS EXPENSES

CATEGORY	COST
ACCOUNTING	\$4,327
ACTUARY & CONSULTING	20,988
ACCURINT	1
EDUCATIONAL FEES	1,230
INVESTMENT MANAGEMENT	3,458
LEGAL	54,710
POSTAGE	260
PRINTING	1,581
TELEPHONE	586
TOTAL	\$87,141

2020
QUARTERLY RECAP

	FIRST 2020	SECOND 2020	THIRD 2020	FOURTH 2020	TOTAL
CONTRIBUTIONS RECEIVED ¹	\$481,600	\$5,443,689	\$2,926,597	\$0	\$8,851,886
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	44,910	47,636	42,156	0	134,702
INTEREST & DIVIDENDS	46,780	19,942	14,712	0	81,434
MISCELLANEOUS INCOME ²	0	22,500	0	0	22,500

TOTAL INCOME	\$573,290	\$5,533,767	\$2,983,465	\$0	\$9,090,522
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EXPENSES					
MEDICAL	\$2,696,149	\$2,104,080	\$2,240,902	\$0	\$7,041,131
LIFE & AD & D	15,919	11,879	10,797	0	38,595
DISABILITY	171,501	158,266	165,628	0	495,395
DENTAL	168,763	154,309	109,331	0	432,403
OPTICAL	16,536	16,195	11,009	0	43,740
DRUG	622,626	949,548	464,555	0	2,036,729
RETIREES	585,406	558,447	397,800	0	1,541,653
MEDICAL ADM.	67,032	65,534	45,101	0	177,667
MENTAL HEALTH MANAGER	53,803	30,694	14,478	0	98,975
EAP	1,877	1,843	1,225	0	4,945
PPO	29,913	29,571	22,806	0	82,290
UM/DM	49,691	55,225	42,713	0	147,629
SUBTOTAL	\$4,479,216	\$4,135,591	\$3,526,345	\$0	\$12,141,152

OPERATING EXPENSE					
ADMINISTRATION	\$87,937	\$79,954	\$83,986	\$0	\$251,877
ADMINISTRATION HIPAA	2,160	1,963	2,061	0	6,184
MISCELLANEOUS	101,497	161,002	87,141	0	349,640
SUBTOTAL	\$191,594	\$242,919	\$173,188	\$0	\$607,701

TOTAL EXPENSES	\$4,670,810	\$4,378,510	\$3,699,533	\$0	\$12,748,853
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SURPLUS (DEFICIT)	(\$4,097,520)	\$1,155,257	(\$716,068)	\$0	(\$3,658,331)
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TOTAL PARTICIPANTS	1,871	2,164	1,343	0	1,793
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FUND BALANCE	\$8,405,567	\$8,990,638	\$8,240,852	\$0	
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¹Board of Trustees approved Health and Welfare contribution credit taken for January - March and June - September.

²Second Quarter - Employer payment for Educational Funding.

2019
QUARTERLY RECAP

	FIRST 2019	SECOND 2019	THIRD 2019	FOURTH 2019	TOTAL
CONTRIBUTIONS RECEIVED	\$4,313,324	\$5,558,858	\$5,336,959	\$5,164,487	\$20,373,628
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	49,570	48,765	46,676	47,108	192,119
INTEREST & DIVIDENDS	64,871	59,540	59,017	49,009	232,437
MISCELLANEOUS INCOME	0	0	0	0	0

TOTAL INCOME	\$4,427,765	\$5,667,163	\$5,442,652	\$5,260,604	\$20,798,184
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EXPENSES					
MEDICAL	\$2,338,703	\$3,509,466	\$3,520,311	\$2,332,283	\$11,700,763
LIFE & AD & D	17,873	17,758	17,209	16,503	69,343
DISABILITY	175,668	201,581	204,873	199,594	781,716
DENTAL	186,976	183,176	176,115	171,148	717,415
OPTICAL	18,141	17,815	17,174	16,622	69,752
DRUG	766,146	657,902	897,785	989,641	3,311,474
RETIREES	641,181	475,320	563,332	548,554	2,228,387
MEDICAL ADM.	72,472	70,893	68,013	65,748	277,126
MENTAL HEALTH MANAGER	143,201	77,789	23,112	59,283	303,385
EAP	2,064	2,030	1,943	1,919	7,956
PPO	31,322	33,663	32,798	29,654	127,437
UM/DM	53,656	53,008	59,327	42,730	208,721
SUBTOTAL	\$4,447,403	\$5,300,401	\$5,581,992	\$4,473,679	\$19,803,475

OPERATING EXPENSE					
ADMINISTRATION	\$94,238	\$91,977	\$90,514	\$88,558	\$365,287
ADMINISTRATION HIPAA	2,311	2,255	2,220	2,171	8,957
MISCELLANEOUS	67,763	104,538	52,508	63,286	288,095
SUBTOTAL	\$164,312	\$198,770	\$145,242	\$154,015	\$662,339

TOTAL EXPENSES	\$4,611,715	\$5,499,171	\$5,727,234	\$4,627,694	\$20,465,814
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SURPLUS (DEFICIT)	(\$183,950)	\$167,992	(\$284,582)	\$632,910	\$332,370
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TOTAL PARTICIPANTS	2,304	2,291	2,210	2,147	2,238
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FUND BALANCE	\$10,660,932	\$11,105,141	\$10,481,615	\$11,272,079	
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CONTRACT INFORMATION
MAINTENANCE OF BENEFITS
THIRD QUARTER 2020

CONTRACT EXP	COMPANY	PLAN	RATES
04-30-20	ACE SUSHI	Y	\$839.88
		Y	\$347.41
		Y	\$966.52
02-18-23	KELCO F.C.U.	JS	\$920.73
On extension until 11-8-20	METRO/ BASICS/ SHOPPERS 27	Y	\$1,032.82
		Y	\$520.94
		Y	\$1,476.99
		Y20	\$590.09
		Y20	\$280.94
		Y30	\$545.82
		Y30	\$263.52
		Y40	\$36.46
10-28-23	SAFEWAY VALLEY	JSS-2	\$1,488.72
On extension until 11-8-20	SHOPPERS FOOD 400	JSS-2	\$1,852.56
		Y	\$1,032.82
		Y	\$520.94
		Y	\$1,476.99
		Y20	\$590.09
		Y20	\$280.94
		Y30	\$545.82
		Y30	\$263.52
	UFCW LOCAL 400 TEMP	JSS2	\$1,852.56
		Y	\$1,032.82
		Y	\$520.94
		Y30	\$263.52

**UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
DELINQUENCY REPORT
THIRD QUARTER 2020**

THIRD QUARTER 2020
DELINQUENCY REPORT

PRIOR QUARTERS

NONE

CURRENT QUARTER

NONE

Work Snapshot 2020 Non-Food					
Function	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD
Accident & Sickness Claims	55	38	38		
Appeals	19	27	16		
Participant Services Calls	9,872	7,801	3,463		
COBRA Notices Mailed	16	69	476		
Pension Apps Received	146	56	55		
Pension Estimates Received	133	43	20		
Medical Claims Processed	10,775	8,366	8,494		
Communications Mailings Sent to Participants	5,397	19,118	835		

SPECIAL PROJECTS 3Q:

INVOICES

UFCW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND

INVOICES

DECEMBER 7, 2020

1. **CHEIRON**

10/19/20	Retainer Services – September 2020	\$	1,662.50
11/12/20	Retainer Services – October 2020		1,662.50

2. **INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS**

10/15/20	2021 Annual Membership Renewal	\$	1,265.00
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3. **MORGAN, LEWIS & BOCKIUS**

10/12/20	For Professional Services rendered for the period ended September 30, 2020	\$	7,296.00
11/10/20	For Professional Services rendered for the period ended October 31, 2020	\$	2,048.00
11/10/20	Response to Auditor's Inquiries	\$	245.00

4. **SEGAL CONSULTING**

10/29/20	For consulting services rendered for the period October 1, 2020 through October 31, 2020	\$	5,333.33
10/29/20	For consulting services rendered for the period November 1, 2020 through November 30, 2020	\$	5,333.33

5. **SLEVIN & HART, P.C.**

09/25/20	For Professional services rendered through August 31, 2020	\$	2,349.00
10/26/20	Subrogation services rendered July 1, 2020 – September 30, 2020	\$	879.36
10/28/20	For Professional services rendered through September 30, 2020	\$	10,191.00

11/23/20	For Professional services rendered through October 31, 2020	\$ 10,360.18
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6. WITHUM

09/20/20	Progress bill and fees for 2019 audit	\$ 26,356.40
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10/18/20	Progress bill and fees for 2019 audit	8,257.91
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UFCW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
RETIREE PLAN

INVOICES

DECEMBER 7, 2020

1. **WOODARD INSURANCE AGENCY, LLC**

10/05/20	Ongoing healthcare customer service and orphan enrollment for Third Quarter 2020	\$ 1,230.00
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OTHER FUND BUSINESS

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

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

December 7, 2020

Board of Trustees of the
UFCW Unions and Participating Employers Health and Welfare Fund

Re: Medicare Deductible and Co-insurance Rates - 2021

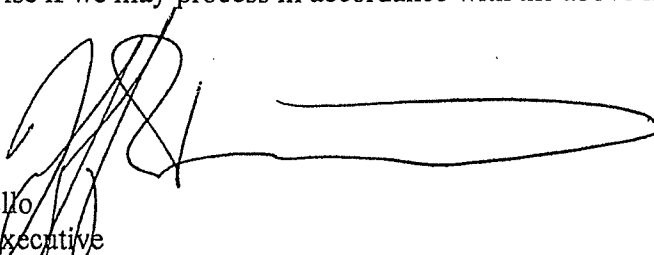
Ladies and Gentlemen:

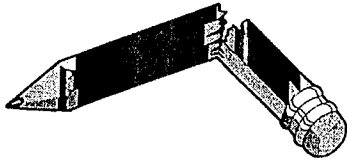
The Centers for Medicare and Medicaid Services (CMS) published the changes to the Medicare Part A and B premiums, deductibles and co-insurance for 2021.

	<u>2020</u>	<u>2021</u>
Medicare Part B Deductible:	\$ 198.00	\$ 203.00
First-Day Part A Hospital Deductible:	\$1,408.00	\$1,484.00
Daily Part A Coinsurance for the 61 st Through 90 th Day of a Hospital Stay:	\$ 352.00	\$ 371.00
Daily Part A Coinsurance for Hospital Stays Longer than 90 Days	\$ 704.00	\$ 742.00
Daily Part A Coinsurance for the 21 st Through 100 th day in Skilled Nursing Facility	\$ 176.00	\$ 185.50

Please advise if we may process in accordance with the above listed rates.

Sincerely,


Jeff Ianniello
Account Executive
ASSOCIATED ADMINISTRATORS, LLC



MEETING NOTES

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