UNITE HERE Local 25 and Hotel Association Of Washington, D.C.
Health and Welfare Fund

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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
HEALTH AND WELFARE FUND
HELD ON MARCH 1, 2017
IN WASHINGTON, D.C.

The following Trustees were present:

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UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene
Stephanie Steer	Steve Smith
Joel Manion	

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Fredric Singerman - Seyfarth Shaw, LLP
Anne-Marie Sims - Associated Administrators, LLC
Robert Coover – Dentegra (for part of the meeting)
Patrick Rohrbaugh - Dentegra (for part of the meeting)
Kelly Rush - Dentegra (for part of the meeting)
Henry Jaung - Meketa Investment Group (for part of the meeting)

I. CALL TO ORDER

Mr. Boardman reported that Ms. Martin had provided him with her proxy to act on her behalf while she was absent from the meeting.A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

Board Meeting, December 16, 2016

Ms. Sims reported that she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held December 16, 2016 are approved.**

III. INVOICES

Ms. Sims presented a list of invoices dated March 1, 2017. It was noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated March 1, 2017 are approved for payment.**

IV. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

Ms. Sims referred to the Payroll Audit Collections Report dated March 1, 2017 included in the meeting book. A copy of the report is attached to and made part of the minutes as Exhibit A. Ms. Sims reviewed the report which contains the results to for collection of payroll audit deficiencies after receipt of the audits from Calibre and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Ms. Sims reported that due to a scheduling conflict Ms. Odell was unable to attend this meeting but would attend the next scheduled meeting.

V. COLLECTION COUNSEL REPORT

Ms. Sims reported that there were no collection matters requiring Board action at this time.

VI. CO-COUNSEL REPORT

A. Counsel Rate Increase Request

Mr. Singerman noted that the most recent increase of the Co-Counsel hourly professional rate for attorneys to $425 was effective September 2013. He observed that the current rate has been in effect for over three years and that it is well below the current average professional billing rate for the services of experienced Taft-Hartley benefit fund attorneys located in the metropolitan Washington, D.C. area. Mr. Singerman requested that the Trustees approve an increase of the Co-Counsel professional rate for attorneys to $500 per hour effective January 1, 2017, and noted that this rate reflects counsel's intention to revisit rates annually going forward, rather than proposing a higher rate intended to cover multiple years.

Following discussion, the Trustees called for an Executive Session. Mr. Singerman and Ms. Mayerson left the meeting room. At the conclusion of the Executive Session, Mr. Singerman and Ms. Mayerson were recalled to the room.

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

> **RESOLVED that, pursuant to the request of Seyfarth Shaw, LLP, and of Bredhoff & Kaiser, PLLC, the hourly rate, on which the services of the law firms as Fund Co-Counsel are based, is increased from $425 to $500 for attorneys effective January 1, 2017.**

B. Request for Waiver of Conflict of Interest.

Mr. Singerman presented a document titled "Request for Waiver of Conflict of Interest" for Trustee consideration. He explained that Seyfarth Shaw, LLP is Co-counsel for the Board of Trustees of the Funds, but also represents the Hotel Association of Washington, D.C. as well as a number of other who participate in the Funds. Mr. Singerman noted that one of the participating employers represented by Seyfarth Shaw is the Harbaugh Washington Corporation, which manages the Washington Court Hotel. Mr. Singerman said that Harbaugh Washington Corporation has requested that Seyfarth Shaw represent the Washington Court Hotel with respect to the Fund audit of the employer's contributions to the Fund. Mr. Singerman is requesting that the Fund waive the conflict of interest in order to (a) permit Seyfarth Shaw lawyers other than Mr. Singerman to represent Harbaugh Washington Corporation with respect to the audit matter, and (b) permit Mr. Singerman to continue to provide advice and counsel to the Trustees, including in connection with legal and policy issues applicable to participating employers generally identified as a result of the Harbaugh Washington Corporation's audit. Mr. Singerman stated that he would not advise the Trustees on matters specific to the Harbaugh Washington Corporation audit, such as the advisability of settling the matter or the advisability of legal action against the employer.

Following discussion, on Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to approve Seyfarth Shaw's request for Waiver of Conflict of Interest, dated February 28, 2017.**

C. ADMINISTRATIVE MANAGER'S REPORT

Fourth Quarter 2016 Administrative Manager's Report

Ms. Sims presented and reviewed the Fourth Quarter 2016 Administrative Manager's Report, a copy of which is attached to and made part of these minutes as Exhibit B.

D. PROVIDER REPORT

Dentegra - Dental Service Provider – Implementation

The Trustees welcomed Mr. Robert Coover, Mr. Patrick Rohrbaugh, and Mr. Kelly Rush from Dentegra to the meeting.

Mr. Coover reviewed the dental services implementation timeline, including contractual and regulatory requirements (submission to the Department of Insurance), enrollment and eligibility, benefits, communication materials, and the recruitment process for dental providers. Mr. Coover explained that Dentegra had distributed a recruitment letter to the proposed dental providers notifying them of the change from GDS to Dentegra and initiated follow up phone calls and field visits as part of the recruitment process. He reviewed the current recruitment activity and updates on newly contracted providers. He reported that as of this date, Dentegra had contracted eighty-one signed providers. The Trustees expressed concern, with an effective date of April 1, 2017, that Dentegra had only been able to recruit a limited number of dentists in the network. Mr. Coover stated that forty-one additional providers were sending in their paperwork this week and that Dentegra was continuing to work with providers to get them into the network. He noted that the reimbursement rates in effect under the providers' agreements with the current provider are very low so in many cases Dentegra is having to negotiate fee increases, which is slowing the process down. He said that, in the following week, Dentegra would provide a network analysis report that details the geographical access within a twenty mile radius for all the UNITE HERE Local 25 and Hotel Association of Washington, D.C. Welfare Fund. .

Mr. Coover reported that an announcement letter would be sent to participants, notifying them of the change from Group Dental Services in the next week and that identification cards would be mailed in approximately two weeks. The Trustees requested that the announcement letter be sent in both English and Spanish to Plan participants. The announcement letter will also provide information to participants on how they can schedule appointments after April 1, 2017 and identify dental providers currently in the network. Dentegra will provide an FAQ or script that it will use in communicating with participants regarding the transition.

In response to a question from co-counsel, Dentegra said that the website would be live by the date the participants received the announcement letter. In response to a question from Mr. Boardman, they confirmed that geocoding would be on the website.

The Trustees thanked Mr. Coover, Mr. Rohrbaugh, and Mr. Rush for their presentation and they were then excused from the meeting.

Mr. Boardman said that he was concerned that GDS is holding back on authorizing procedures and asked co-counsel to send a letter to GDS asking for a list of all outstanding procedures requiring authorization along with the date on which the authorization was requested.

IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled their next regular Board meeting for Friday, June 23, 2017, commencing at 9:00 a.m.

X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
Solomon Keene
Secretary-Treasurer

AMS/bm
(Org. 03-01-17)

Attachments:
Exhibit A: Payroll Audit Collections Report:
Exhibit B: Associated Administrators, LLC - Fourth Quarter 2016