HEALTH AND WELFARE FUND MEETING

FELRA & UFCW HEALTH & WELFARE FUND

AGENDA

JUNE 20, 2014

I. CALL TO ORDER

II. MINUTES (pg. 1 – 14)
- A. REGULAR MEETING – APRIL 3, 2014
- B. SPECIAL MEETING – APRIL 28, 2014
- C. APPEALS COMMITTEE MEETING – MARCH 18, 2014

III. FINANCIAL REPORT
- A. PNC BANK
- B. INVESTMENT PERFORMANCE SERVICES

IV. CONSULTANT'S REPORT

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

VI. ADMINISTRATIVE MANAGER'S REPORT – (1Q14) (pg. 15 – 58)

VII. INVOICES (pg. 59 – 64)
- A. PPACA PROGRESS BILLING – 1Q14

VIII. OTHER FUND BUSINESS (pg. 65 – 90)
- A. MISCELLANEOUS CORRESPONDENCE
- B. DRAFT SMM ELIGIBILITY RULES PLANS XX, XXX & XL
- C. JANUARY 2015 ENROLLMENT/SALARY DEDUCTION PROCESS
- D. DEPENDENT ELIGIBILITY
  1. CURRENT RULES
  2. DEPENDENT AUDIT PRESENTATIONS
     - a. HMS
     - b. SECOVA

IX. ANNUAL REPORTS
- A. ACTIVE HMO PROVIDER (KAISER PERMANENTE)
- B. DENTAL PROVIDER (GROUP DENTAL SERVICE)
  1. CONTRACT RENEWAL
- C. DISEASE MANAGEMENT PROVIDER (HEALTH DIALOG)
- D. MENTAL HEALTH PROVIDER (VALUE OPTIONS)
- E. OPTICAL PROVIDER (ADVANTICA)

X. NEXT MEETING DATE AND LOCATION (SEPTEMBER 18, 2014)

XI. ADJOURNMENT

MINUTES

Food Employers Labor Relations Association
and United Food & Commercial Workers
Health & Welfare Fund

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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE FELRA & UFCW HEALTH AND WELFARE FUND HELD APRIL 3, 2014 IN LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
M. Federici - Secretary
M. Boyle
J. Chorpenning
E. Masten

EMPLOYER TRUSTEES
J. Paradis – Chairman
J. Champion
F. Stegman

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
N. Eid – Heritage Rx
G. Gatewood – UFCW Local 27
T. Goins – UFCW Local 27
J. Harrison – UFCW Local 27
M. Herwig - PNC Bank
W. Jensen – Associated Administrators, LLC
G. Kalwarski – Cheiron
S. Krasnoff – Carefirst Blue Cross Blue Shield
C. Lattanzio - CIGNA
J. Lewis – UFCW Local 400
C. Murphy – Associated Administrators, LLC
S. Patel – Express Scripts, Inc.
J. Pedone – Carefirst Blue Cross Blue Shield
D. Russell – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
M. Valianatos – Express Scripts, Inc.
J. Webb - CIGNA
D. White – Giant Food
C. Wiszynski – UFCW Local 400
K. Woodrich – Cheiron

I. CALL TO ORDER

Noting the presence of a quorum, the Chairman called the meeting to order.

II MINUTES

The Trustees reviewed the minutes of the last regular meetings held on August 27, 2013 and December 18, 2013 and the Appeals Committee meeting held on December 10, 2013, which were pre-circulated. It was noted that the Appeal Committee minutes should be revised to reflect that the location of the meeting was Landover, Maryland and not Sparks, Maryland as recorded in the minutes.

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

RESOLVED that the minutes of the regular meetings held on August 27, 2013 and December 18, 2013 be approved and that the appeal committee minutes of December 10, 2013 be approved as corrected.

III. FINANCIAL REPORT

A. PNC Bank

The Trustees welcomed Mr. Michael Herwig of PNC Bank to the meeting. He presented the summary of activity report for the period January 1, 2014 through February 28, 2014. Such report indicated a beginning market value of $50,725,341, earnings of $328,680, receipts of $27,038,100, and disbursements of $23,934,978, producing an ending market value of $54,157,143 as of February 28, 2014.

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

B. Investment Performance Services ("IPS")

The Trustees welcomed Mr. David Russell of Investment Performance Services to the meeting. He presented the Master Consulting Report for the period ending December 31, 2013. He noted that the ending market value was $55,902,323 and the year-to-date performance was 6.4%.

Mr. Russell reviewed the performance of each manager. He recommended that Cadence, NWQ, Windhaven and Mellon CF Global Expanded Alpha I be terminated. He further recommended that Segall, Bryant and Hamill's benchmark be changed to the Barclays Intermediate Government/Credit

Index to shorten the duration of the fixed income portfolio and potentially reduce interest rate risk. He said the recommendations would be reviewed with the Trustees in the future.

The Trustees thanked Mr. Russell for this report and he was excused from the meeting.

IV. ATTORNEY'S REPORT

A. Certified Registered Nurse Anesthetist ("CRNA")

The Trustees discussed coverage of Certified Registered Nurse Anesthetists ("CRNA"). The Trustees decided to maintain the Fund's current policy.

B. A&P Litigation

Mr. Slevin discussed the A&P contribution litigation.

C. Plan XX Eligibility

Mr. Slevin discussed the Plan XX eligibility rules.

D. SBC's

Mr. Slevin discussed the SBC's.

E. Madoff Victim Fund and Meridian Segregated Portfolio

Mr. Slevin discussed the Madoff Victim Fund and Meridian Segregated Portfolio.

F. Plan Amendement re Venue and Statute of Limitations

Mr. Slevin discussed the Plan Amendment re Venue and Statute of Limitations. After discussion,

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

RESOLVED to adopt the Plan Amendment.

G. 2013 Salter Engagement Letter

Mr. Jensen presented the audit engagement letter from Salter & Company for the year ending December 31, 2013. He noted that Salter was requesting fees not to exceed $72,000 for the 2013 audit.

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

RESOLVED to approve the audit engagement fee requested by Salter & Company not to exceed $72,000 for audit work for the year ending December 31, 2013.

H. PNC Short Term Investment Fund ("STIF")

Mr. Slevin discussed the PNC Short Term Investment Fund.

I. Subrogation Report

Mr. Slevin presented the subrogation report for the fourth quarter of 2013. He noted that $152,080.06 was collected with $38,020.02 payable to Slevin & Hart.

J. ACA

Mr. Slevin discussed recent ACA developments.

V. ADMINISTRATIVE MANAGER'S REPORT

A. 4Q13 - Combined Fund Recap

Mr. Jensen presented the administrative manager's report for the fourth quarter 2013. Such report indicated employer contributions of $31,325,299, retiree contributions of $6,982,754, employee contributions of $2,248,908, interest and dividends for the active plan of $105,190, interest and dividends for the retiree plan of $27,623, and miscellaneous income of $570, producing total income of $40,690,274. Expenses totaled $37,039,026, producing a net surplus of $3,651,248 as of the fourth quarter 2013. Mr. Jensen noted that contributions were made on behalf of 18,149 active plan participants.

VI. INVOICES

The Trustees reviewed the list of invoices for the active and retiree plans dated April 3, 2014, as well as the PPACA invoice for the fourth quarter 2013. It was 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 lists dated April 3, 2014 for the active plan and the retiree plan, including the PPACA invoice submitted by Associated, were approved for payment.

VII. OTHER FUND BUSINESS

A. Miscellaneous Correspondence

1. Cheiron Engagement Letter

Mr. Kalwarski presented Cheiron's proposed fees for 2014. He noted that his firm was requesting retainer fees of $74,340, representing an increase of 3.25% or $5,125 per month over the 2013 fee. Non-retainer fees for 2014 would range between $84.00 and $465.00 per hour.

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

RESOLVED to recommend that the retainer and non-retainer fees for Cheiron be approved for the 2014 calendar year.

2. Preventive Services Benefits

Mr. Jensen presented a list of Preventive Services Benefits prepared by the Segal Company for the Trustees' review. He noted that coverage would be provided on an in-network basis only, with no cost-sharing, i.e. no deductibles, coinsurance, or copayments. The Trustees reviewed the list and,

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

RESOLVED to approve the list of Preventive Services Benefits for use effective March 1, 2014.

3. Health Dialog

Mr. Jensen reported that Health Dialog has been purchased by Rite Aid Corporation.

4. Investment Manager Confirmations

Mr. Jensen noted that the investment manager confirmations for the 5500 had been sent to the investment managers on March 19, 2013.

5. Maintenance of Benefit ("MOB")

Mr. Jensen reported that the MOB letters had been sent to the Participating Employers on March 7, 2014, effective for the January 2014 contribution.

B. Participant Appeals

Mr. Jensen presented several participant appeals, which were referred to the full Board of Trustees by the Appeals Subcommittee. After discussion, the Trustees referred the ambulance appeals to the Appeals Committee for resolution. The Trustees denied an appeal for coverage of the HPV vaccine for a male child, incurred prior to the effective date of the preventive list.

C. Heritage Rx

The Trustees welcomed Ms. Nancy Eid of Heritage Rx to the meeting. She reviewed the scope of work to be provided by Heritage Rx. She recommended the Trustees solicit bids for PBM services, in order to obtain best pricing from ESI, the current vendor. She reviewed reference based pricing strategies, but recommended working with the PBM and case management vendor to obtain the best savings opportunities.

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

D. Request for Proposal

The Trustees requested that Associated solicit proposals from Horizon and the Segal Company for consulting services, for presentation to the Policy Committee on May 27, 2014.

VIII. ANNUAL REPORTS

A. Retiree Self-Insured HMO (CIGNA)

The Trustees welcomed Mr. Jason Webb and Mr. Cliff Lattanzio of CIGNA to the meeting. They presented the 2013 utilization report for the CIGNA self-insured plan covering pre-Medicare retirees. Mr. Webb reported that the Medical Plan Trend was (-8.5%) per participant per year and that the Plan Spend per participant per year for the current period was $5,742. Mr. Webb reported that provider discounts represented over $9.7 million dollars of savings in 2013 and Specialty Case Management represented over $510,000 in savings. Mr. Webb further reported that 49.2% of the membership have a chronic condition.

Mr. Webb presented a fee renewal request amounting to a 3.1% increase in the retiree fees effective June 1, 2014.

The Trustees thanked the representatives of CIGNA for their report and they were excused from the meeting.

The Trustees tabled consideration of the CIGNA fee request.

B. PPO Provider (Carefirst)

The Trustees welcomed Mr. Steve Krasnoff and Mr. Joe Pedone of Carefirst to the meeting. Mr. Krasnoff presented the Preferred Provider Organization report for the calendar year 2013. Such report indicated 220,138 claims submitted to Carefirst, a 6.74% decrease from calendar year 2012. The total billed in 2013, was $174,102,849, a 1.29% decrease from 2012. Mr. Krasnoff reported total savings of $85,561,929 in 2013, a 5.67% increase from 2012. Carefirst administrative charges were $1,218,773 in 2013, a 1.5% decrease from those charged in 2012.

The Trustees thanked the representatives from Carefirst for their report and they were excused from the meeting.

C. Pharmacy Benefit Manager (Express Scripts)

The Trustees welcomed Ms. Michele Valianatos and Mr. Shardul Patel of Express Scripts to the meeting. Ms. Valianatos reviewed the 2013 utilization report. The 2013 total plan cost, after network discounts and member co-payments, was $29,828,956. The cost per participant and dependents per month was $96.15, a 1.9% increase over the participant and dependents per month cost in 2012. She indicated total savings to the Fund of $7,503,114 for 2013.

The Trustees thanked the representatives from Express Scripts for their report and they were excused from the meeting.

IX. ADOPTION OF COMMITTEE RECOMMENDATIONS

After review of the minutes of the recommendations made by the Legal, Severance and Scholarship Committees during their meetings,

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

RESOLVED that the recommendations made by the Committees are adopted by the Trustees of the Health and Welfare Fund.

X. NEXT MEETING DATE

After discussion, the Trustees selected June 20, 2014, September 18, 2014, and December 11, 2014 as the next meeting dates in Landover, Maryland.

XI. ADJOURNMENT

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

Respectfully submitted,
Mark Federici, Secretary

Food Employers Labor Relations Association and United Food & Commercial Workers Health & Welfare Fund

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MINUTES OF THE MEETING OF THE POLICY COMMITTEE OF THE BOARD OF TRUSTEES OF THE FELRA & UFCW HEALTH AND WELFARE FUND HELD APRIL 28, 2014 IN LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
M. Federici - Secretary
G. Murphy, Jr.

EMPLOYER TRUSTEES
J. Paradis – Chairman
F. Stegman

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
J. Champion –Safeway, Inc.
W. Kraemer – Ahold USA
W. Jensen – Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
D. Russell – Investment Performance Services
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
K. Woodrich – Cheiron

I. CALL TO ORDER

Noting the presence of a quorum, the Chairman called the meeting to order.

II. FINANCIAL REPORT

The Trustees welcomed Mr. Rich Sichel and Mr. David Russell to the meeting. Mr. Sichel presented the preliminary performance report as of March 31, 2014. He said that the ending market value for the health and welfare fund was $67,646,029. Total performance for the quarter ending March 31, 2014 was 0.9%.

III. ATTORNEY'S REPORT

Mr. Slevin discussed a Severance application appeal that had been forwarded by the full Board of Trustees to the Policy Committee, in light of the Section 409A rules.

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

RESOLVED to approve the Severance appeal for payment.

IV. ADJOURNMENT

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

Respectfully submitted,

Mark Federici, Secretary

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and United Food and Commercial Workers
Health and Welfare Fund

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MINUTES OF THE MEETING OF THE APPEALS SUBCOMMITTEE OF THE FELRA & UFCW HEALTH AND WELFARE FUND HELD ON MARCH 18, 2014 IN SPARKS, MARYLAND

The following committee members were present:

UNION	EMPLOYER
T. Hipkins	L. Madert
C. Wiszynski	D. White

Also present was:
E. Novak - Associated Administrators, LLC
C. Brown – Associated Administrators, LLC

I. APPEALS

The following appeals were reviewed by the Trustees:

L 27 – January 2014

Code	Issue	Decision
E14/100-3530	Dependent Fund Coverage	Denied
A13/143-6271	Separation of Unrelated Disabilities	Denied
A13/146-3989	Request for Lien Reduction	Denied
E13/254-3289	Coordination of Benefits	Approved
E14/101-2483	Request to Cancel Fund Coverage	Denied
E14/106-1219	Dependent Spouse Coverage	Denied
E14/109-7588	Kaiser HMO	Denied
Rx13/258-5767	Brand Name	Approved
Rx14/107-2288	Brand Name	Denied
Rx14/108-8276	Oral Contraceptives	Denied
M12/861-9141	Late Filing	Approved

M13/656-2901	Late Filing	Denied
M13/632-8695	Late Filing	Denied
M13/692-1014	Late Filing	Denied
M13/716-1004	Late Response	Denied
M13/685-5275	Late Response, Late Appeal	Denied
M13/678-9485	Surgical Assistant, Late Appeal	Denied
M13/679-3753	Routine Immunizations	Denied
M13/705-7387	CRNA	Tabled
M14/100-1492	CRNA	Tabled
M13/715-5551	Mental Health Benefit	Denied
Rx14/112-4976	Brand Name	Approved

L 400 - January 2014

Code	Issue	Decision
Rx13/256-4985a	Brand Name	Approved
Rx13/256-4985b	Brand Name, Step Therapy	Approved
Rx13/257-0299	Brand Name	Approved
A13/147-3025	Exhaustion of Benefit	Denied
E13/255-4967	Legal Separation From Spouse	Denied
Rx14/104-8888	Brand Name	Denied
Rx13/259-0866	Brand Name	Approved
M12/861-9141	Late Filing	Approved
M13/668-4319	Late Filing	Denied
M13/638-8519	Late Filing	Denied
M13/694-2562	Late Filing, Late Appeal	Denied
M13/721-7049	Late Filing, Out-of-Network	Denied
M13/700-7604	Routine Services	Denied
M13/680-1971	Routine Services	Denied
M13/714-3085	Routine Services	Denied
M13/625-0637	Routine Services	Denied
M13/728-5868	Routine Services	Denied
M13/710-9273	Routine Services	Denied
M13/671-2941	No Response	Denied
M13/701-1658	Late Response, Late Appeal	Denied
M13/695-3418	Laboratory Services	Denied
M13/647-0219	Laboratory Services, Late Appeal	Denied
M13/719-1097	Annual Chiropractic Benefit	Denied
M14/114-2864	CRNA, Late Appeal	Denied

M13/735-4764	CRNA	Tabled
M13/699-9320	CRNA, Partial Late Appeal	Denied
M13/730-9826	Third Party Liability	Denied

L 27 – February/March 2014

Code	Issue	Decision
Rx14/113-4359	Brand Name	Approved
Rx14/124-6666	Quantity Limits	Approved
M14/116-3990	Late Response	Denied
M14/107-5034	Subrogation, Late Response	Tabled
M14/161-7911	Routine Services	Denied
M14/166-1049	Laboratory Services	Denied
M14/168-7340	Laboratory Services, Late Appeal	Denied
M14/131-8391	CRNA	Tabled
M14/117-7966	CRNA	Tabled
M14/159-7946	Surgical Assistant	Denied
M14/158-9669	Excess of UCR, Late Appeal	Tabled

L 400 – February / March 2014

Code	Issue	Decision
A14/105-7895	Three-Day Prior Rule	Denied
A14/102-1473	Initial Eligibility	Denied
E14/111-4929	Open Enrollment	Denied
E14/114-2040	Reinstatement of Fund Coverage	Denied
E14/117-7801	Reinstatement of Fund Coverage	Denied
Rx14/123-8819	Quantity Limits	Approved
Rx14/116-4558a	Quantity Limits	Approved
Rx14/116-4558b	Quantity Limits	Approved
Rx14/122-8626	Brand Name	Approved
Rx14/118-0651	Brand Name	Approved
Rx14/115-4985a	Brand Name	Approved
Rx14/115-4985b	Brand Name	Approved
Rx14/119-9728	Oral Contraceptives	Approved
M14/139-6401	Late Filing, Late Appeal	Denied

M13/722-4875	Late Filing, Late Appeal	Denied
M14/165-5652	Late Response, Late Appeal	Denied
M14/148-2111	Medical Necessity	Denied
M14/127-1588	Routine Immunizations	Denied
M14/162-8871	Routine Services	Denied
M14/149-7633	Routine Services	Denied
M14/136-4816	Ambulance Services	Tabled
M14/109-7154	Ambulance Services	Tabled
M14/128-3237	Ambulance Services	Tabled
M14/150-4801	Mental Health Benefit, Partial Late Appeal	Denied
M14/143-2251	Non-Participating Provider	Denied
M14/140-9626	No Coverage	Denied
M14/118-2273	CRNA	Tabled
M14/163-7855	CRNA	Tabled
E14/121-9482	Retroactive Newborn Coverage	Tabled
E14/128-5068	Reinstatement of Kaiser Coverage	Denied
E14/130-5684	Coordination of Benefits	Approved
Rx14/129-4563	Brand Name	Approved
A14/107-4962	Initial Eligibility	Denied

II. ADJOURNMENT

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

Respectfully submitted,
Emily Novak, Appeals Supervisor

Felra\H&W\3-2014

ADMINISTRATIVE MANAGER'S REPORT

FELRA & UFCW

ACTIVE HEALTH PLAN

FIRST QUARTER 2014

ADMINISTRATIVE MANAGER'S REPORT

PLAN I
FULL TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
GIANT[1]	$2,927	872	$7,651,178
LOCAL 27 STAFF TEMPS	$2,927	0	0
LOCAL 400 STAFF TEMPS	$2,887	1	8,661
SAFEWAY	$2,927	413	3,626,553
TOTAL		1,286	$11,286,392

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $2,925

PLAN I = TIER I

PLAN I
FULL TIME
FIRST QUARTER 2014

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL BENEFIT 24	$4.95	$10,168		685 PART
OPTICAL BENEFIT 12	$6.95	12,864		617 PART
TOTAL OPTICAL		$23,032	$5.97	
DENTAL INDIVIDUAL	$29.20	$33,755		385 PART
DENTAL FAMILY	$57.88	158,939		915 PART
DENTAL 27	$142.33	426		1 PART
TOTAL DENTAL		$193,120	$50.06	
DRUG	$.80/SCRIPT	$969,125	$251.20	9,886 SCRIPTS
HMO KAISER	$1,057.39	$196,675		62 PART
HOSPITAL		1,364,177		
SURGICAL		326,597		
DIAGNOSTIC		302,380		
MAJOR MEDICAL		547,639		
MEDICAL ADMINISTRATION	$11.85	44,106		1,241 PART
TOTAL MEDICAL		$2,781,574	$720.99	
PSYCHE	$2.59	$9,651	$2.50	1,242 PART
PSYCHE		$32,094	$8.32	
E.A.P.	$.67	$2,496	$0.65	1,242 PART
UTILIZATION MANAGEMENT	$2.35	$10,154	$2.63	1,242 PART
DISEASE MANAGEMENT	$2.06	$16,619	$4.31	1,268 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$17,789	$4.61	302 PART
P.P.O. CAREFIRST NETWORK	$3.88	$11,039	$2.86	948 PART
P.P.O. AA, LLC		$28	$0.01	
P.P.O. A & G		$4,157	$1.08	
LIFE AD&D	$.175/.018/1000	$12,278	$3.18	1,317 PART
A & S		$395,324	$102.47	
SUB TOTAL		$4,478,480	$1,160.84	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$47,090	$12.21	1,355 PART
MISCELLANEOUS		$46,648	$12.09	
SUB TOTAL		$93,738	$24.30	
TOTAL		**$4,572,218**	**$1,185.14**	

PLAN I
FULL TIME
2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$5,299,757	$0	$0	$0	$5,299,757
MISC. INCOME-DENTAL	239	0	0	0	239
-LOA	4,477	0	0	0	4,477
-COBRA	1,138	0	0	0	1,138
-HMO COPAY	20,200	0	0	0	20,200
TOTAL	$5,325,811	$0	$0	$0	$5,325,811
EXPENSES					
MEDICAL	$2,781,574	$0	$0	$0	$2,781,574
A & S	395,324	0	0	0	395,324
DENTAL	193,120	0	0	0	193,120
DRUG	969,125	0	0	0	969,125
PSYCHE	41,745	0	0	0	41,745
OPTICAL	23,032	0	0	0	23,032
LIFE & AD & D	12,278	0	0	0	12,278
UTILIZATION MANAGEMENT	10,154	0	0	0	10,154
DISEASE MANAGEMENT	16,619	0	0	0	16,619
E.A.P.	2,496	0	0	0	2,496
P.P.O.	33,013	0	0	0	33,013
OPERATING EXPENSE	93,738	0	0	0	93,738
TOTAL EXPENSE	$4,572,218	$0	$0	$0	$4,572,218
SURPLUS (DEFICIT)	**$753,593**	**$0**	**$0**	**$0**	**$753,593**
AVERAGE INCOME	$1,380	$0	$0	$0	$1,380
AVERAGE EXPENSE	$1,185	$0	$0	$0	$1,185
SURPLUS (DEFICIT)	$195	$0	$0	$0	$195
TOTAL PARTICIPANTS	1,286				1,286

PLAN I
FULL TIME
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$5,299,757				$5,299,757
EMPLOYER CONTR - RETIREE	5,986,635				$5,986,635
MISC. INCOME-DENTAL	239				239
-RETIREE	1,530,395				1,530,395
-LOA	4,477				4,477
-COBRA	1,138				1,138
-HMO COPAY	20,200				20,200
TOTAL	$12,842,841	$0	$0	$0	$12,842,841
EXPENSES					
MEDICAL	$2,781,574				$2,781,574
RETIREE	7,175,833				7,175,833
A & S	395,324				395,324
DENTAL	193,120				193,120
DRUG	969,125				969,125
PSYCHE	41,745				41,745
OPTICAL	23,032				23,032
LIFE & AD & D	12,278				12,278
UTILIZATION MANAGEMENT	10,154				10,154
DISEASE MANAGEMENT	16,619				16,619
E.A.P.	2,496				2,496
P.P.O.	33,013				33,013
OPERATING EXPENSE	93,738				93,738
TOTAL EXPENSE	$11,748,051	$0	$0	$0	$11,748,051
SURPLUS (DEFICIT)	**$1,094,790**	**$0**	**$0**	**$0**	**$1,094,790**
AVERAGE INCOME	$3,329				$3,329
AVERAGE EXPENSE	$3,045				$3,045
SURPLUS (DEFICIT)	$284	$0	$0	$0	$284
TOTAL PARTICIPANTS	1,286				1,286

PLAN I
FULL TIME
2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTR - ACTIVE	$4,946,541	$4,852,701	$5,457,493	$5,368,374	$20,625,109
EMPLOYER CONTR - RETIREE	5,638,129	5,531,169	6,164,815	6,064,146	$23,398,259
MISC. INCOME-DENTAL	239	239	239	239	956
-RETIREE	1,566,166	1,556,866	1,547,224	1,536,778	6,207,034
-LOA	0	4,660	7,122	4,475	16,257
-COBRA	0	0	0	3,874	3,874
-HMO COPAY	28,886	29,028	25,764	30,000	113,678
TOTAL	$12,179,961	$11,974,663	$13,202,657	$13,007,886	$50,365,167
EXPENSES					
MEDICAL	$3,141,077	$3,472,745	$3,386,186	$3,379,647	$13,379,655
RETIREE	7,574,771	7,297,802	6,372,143	6,951,247	28,195,963
A & S	449,653	376,097	446,421	375,290	1,647,461
DENTAL	210,217	205,985	200,480	196,976	813,658
DRUG	905,558	819,441	998,299	1,033,813	3,757,111
PSYCHE	20,840	23,692	97,491	72,553	214,576
OPTICAL	25,071	24,520	23,886	23,551	97,028
LIFE & AD & D	13,359	13,083	12,757	12,551	51,750
UTILIZATION MANAGEMENT	10,380	10,949	9,645	10,670	41,644
DISEASE MANAGEMENT	17,866	17,621	17,341	16,942	69,770
E.A.P.	2,701	2,656	2,586	2,551	10,494
P.P.O.	33,103	32,964	32,134	32,579	130,780
OPERATING EXPENSE	68,591	74,496	74,770	67,008	284,865
TOTAL EXPENSE	$12,473,187	$12,372,051	$11,674,139	$12,175,378	$48,694,755
SURPLUS (DEFICIT)	**($293,226)**	**($397,388)**	**$1,528,518**	**$832,508**	**$1,670,412**
AVERAGE INCOME	$2,888	$2,895	$3,279	$3,285	$3,087
AVERAGE EXPENSE	$2,957	$2,991	$2,900	$3,075	$2,981
SURPLUS (DEFICIT)	($69)	($96)	$379	$210	$106
TOTAL PARTICIPANTS	1,406	1,379	1,342	1,320	1,362

PLAN I
PART TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
GIANT[1]	$2,726	181	$1,474,766
SAFEWAY	$2,726	32	261,696
TOTAL		213	$1,736,462

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $2,717

PLAN I = TIER I

PLAN I
PART TIME
FIRST QUARTER 2014

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL BENEFIT 24	$4.95	$1,897		128 PART
OPTICAL BENEFIT 12	$6.95	1,973		95 PART
TOTAL OPTICAL		$3,870	$6.06	
DENTAL INDIVIDUAL	$29.20	$9,227		105 PART
DENTAL FAMILY	$57.88	20,316		117 PART
TOTAL DENTAL		$29,543	$46.23	
DRUG	$.80/SCRIPT	$219,010	$342.74	1,488 SCRIPTS
HMO KAISER	$1,009.20	$18,166		6 PART
HOSPITAL		173,060		
SURGICAL		76,893		
DIAGNOSTIC		58,312		
MAJOR MEDICAL		103,208		
MEDICAL ADMINISTRATION	$11.85	7,655		215 PART
TOTAL MEDICAL		$437,294	$684.34	
PSYCHE	$2.59	$1,681	$2.63	216 PART
PSYCHE		$11,023	$17.25	
E.A.P.	$.67	$436	$0.68	216 PART
UTILIZATION MANAGEMENT	$2.35	$2,068	$3.24	216 PART
DISEASE MANAGEMENT	$2.06	$2,486	$3.89	224 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$2,682	$4.20	46 PART
P.P.O. CAREFIRST NETWORK	$3.88	$2,021	$3.16	174 PART
P.P.O. AA, LLC		$5	$0.01	
P.P.O. A & G		$693	$1.08	
LIFE-AD&D	$.175/.018/1000	$903	$1.41	226 PART
A & S		$25,862	$40.47	
SUB TOTAL		**$739,577**	$1,157.39	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$7,775	$12.17	224 PART
MISCELLANEOUS		$7,727	$12.09	
SUB TOTAL		$15,502	$24.26	
TOTAL		**$755,079**	**$1,181.65**	

PLAN I
PART TIME
2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$815,391	$0	$0	$0	$815,391
MISC. INCOME-DENTAL	0	0	0	0	0
-LOA	0	0	0	0	0
-COBRA	0	0	0	0	0
-HMO COPAY	3,935	0	0	0	3,935
TOTAL	$819,326	$0	$0	$0	$819,326
EXPENSES					
MEDICAL	$437,294	$0	$0	$0	$437,294
A & S	25,862	0	0	0	25,862
DENTAL	29,543	0	0	0	29,543
DRUG	219,010	0	0	0	219,010
PSYCHE	12,704	0	0	0	12,704
OPTICAL	3,870	0	0	0	3,870
LIFE & AD & D	903	0	0	0	903
UTILIZATION MANAGEMENT	2,068	0	0	0	2,068
DISEASE MANAGEMENT	2,486	0	0	0	2,486
E.A.P.	436	0	0	0	436
P.P.O.	5,401	0	0	0	5,401
OPERATING EXPENSE	15,502	0	0	0	15,502
TOTAL EXPENSE	$755,079	$0	$0	$0	$755,079
SURPLUS (DEFICIT)	**$64,247**	**$0**	**$0**	**$0**	**$64,247**
AVERAGE INCOME	$1,282	$0	$0	$0	$1,282
AVERAGE EXPENSE	$1,182	$0	$0	$0	$1,182
SURPLUS (DEFICIT)	$100	$0	$0	$0	$100
TOTAL PARTICIPANTS	213				213

PLAN I
PART TIME
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$815,391				$815,391
EMPLOYER CONTR - RETIREE	921,071				$921,071
MISC. INCOME-DENTAL	0				0
-RETIREE	339,519				339,519
-LOA	0				0
-COBRA	0				0
-HMO COPAY	3,935				3,935
TOTAL	$2,079,916	$0	$0	$0	$2,079,916
EXPENSES					
MEDICAL	$437,294				$437,294
RETIREE	1,186,799				1,186,799
A & S	25,862				25,862
DENTAL	29,543				29,543
DRUG	219,010				219,010
PSYCHE	12,704				12,704
OPTICAL	3,870				3,870
LIFE & AD & D	903				903
UTILIZATION MANAGEMENT	2,068				2,068
DISEASE MANAGEMENT	2,486				2,486
E.A.P.	436				436
P.P.O.	5,401				5,401
OPERATING EXPENSE	15,502				15,502
TOTAL EXPENSE	$1,941,878	$0	$0	$0	$1,941,878
SURPLUS (DEFICIT)	**$138,038**	**$0**	**$0**	**$0**	**$138,038**
AVERAGE INCOME	$3,255				$3,255
AVERAGE EXPENSE	$3,039				$3,039
SURPLUS (DEFICIT)	$216	$0	$0	$0	$216
TOTAL PARTICIPANTS	213				213

PLAN I
PART TIME
2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTR - ACTIVE	$815,496	$783,667	$839,047	$813,212	$3,251,422
EMPLOYER CONTR - RETIREE	929,513	893,234	947,793	918,608	$3,689,148
MISC. INCOME-DENTAL	0	0	0	0	0
-RETIREE	343,099	340,577	340,088	339,800	1,363,564
-LOA	0	0	0	0	0
-COBRA	740	0	0	0	740
-HMO COPAY	4,005	4,706	4,173	5,808	18,692
TOTAL	$2,092,853	$2,022,184	$2,131,101	$2,077,428	$8,323,566
EXPENSES					
MEDICAL	$457,040	$329,558	$529,608	$816,490	$2,132,696
RETIREE	1,134,805	1,270,879	935,826	1,123,146	4,464,656
A & S	25,327	41,259	37,494	28,166	132,246
DENTAL	33,201	32,127	31,229	30,558	127,115
DRUG	129,745	127,224	146,184	153,327	556,480
PSYCHE	3,106	3,204	24,128	10,658	41,096
OPTICAL	4,373	4,240	4,124	4,015	16,752
LIFE & AD & D	1,017	979	961	940	3,897
UTILIZATION MANAGEMENT	1,685	1,861	1,792	2,000	7,338
DISEASE MANAGEMENT	2,542	2,535	2,480	2,431	9,988
E.A.P.	477	459	449	450	1,835
P.P.O.	5,457	5,339	5,231	5,352	21,379
OPERATING EXPENSE	11,822	12,596	12,528	11,302	48,248
TOTAL EXPENSE	$1,810,597	$1,832,260	$1,732,034	$2,188,835	$7,563,726
SURPLUS (DEFICIT)	**$282,256**	**$189,924**	**$399,067**	**($111,407)**	**$759,840**
AVERAGE INCOME	$2,883	$2,893	$3,129	$3,148	$3,013
AVERAGE EXPENSE	$2,494	$2,621	$2,543	$3,316	$2,744
SURPLUS (DEFICIT)	$389	$272	$586	($168)	$269
TOTAL PARTICIPANTS	242	233	227	220	231

PLAN X
FULL TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
ASSOCIATED ADMINISTRATORS	$853	76	$195,337
EDDIES	$861	3	7,749
GIANT[1]	$853	2,921	7,475,566
LOCAL 27 STAFF TEMPS	$844	6	15,192
LOCAL 400 STAFF TEMPS	$844	1	2,532
SAFEWAY[1]	$853	1,896	4,852,708
SAFEWAY DELAWARE[1]	$853	87	223,486
TOTAL		4,990	$12,772,570

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $853

PLAN X = TIER II

PLAN X
FULL TIME
FIRST QUARTER 2014

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$73,136	$4.89	4,925 PART
DENTAL FAMILY	$60.98	$558,770		3,055 PART
DENTAL INDIVIDUAL	$29.63	166,254		1,870 PART
TOTAL DENTAL		$725,024	$48.43	
DRUG	$.80/SCRIPT	$2,354,234	$157.26	28,033 SCRIPTS
HMO KAISER	$714.46	$748,509		349 PART
MEDICAL INDIVIDUAL		1,325,056		
MEDICAL FAMILY		3,928,589		
MEDICAL ADMINISTRATION	$11.85	164,088		4,616 PART
TOTAL MEDICAL		$6,166,242	$411.91	
PSYCHE	$2.59	$35,636	$2.38	4,586 PART
PSYCHE		$248,359	$16.59	
E.A.P.	$0.67	$9,218	$0.62	4,586 PART
UTILIZATION MANAGEMENT	$2.35	$33,918	$2.27	4,574 PART
DISEASE MANAGEMENT	$2.06	$61,067	$4.08	4,619 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$61,942	$4.14	1,053 PART
P.P.O. CAREFIRST NETWORK	$3.88	$41,361	$2.76	3,553 PART
P.P.O. AA, LLC		$106	$0.01	
P.P.O. A & G		$15,707	$1.05	
LIFE-AD&D	$.175/.018/1000	$20,766	$1.39	4,936 PART
A & S		$1,038,074	$69.34	
SUB TOTAL		**$10,884,790**	$727.12	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$176,745	$11.81	5,079 PART
MISCELLANEOUS		$181,006	$12.09	
SUB TOTAL		$357,751	$23.90	
TOTAL		**$11,242,541**	**$751.02**	

PLAN X
FULL TIME
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$12,772,570				$12,772,570
MISC. INCOME-LOA	0				0
-COBRA	29,393				29,393
-HMO COPAY	139,843				139,843
TOTAL INCOME	$12,941,806	$0	$0	$0	$12,941,806
EXPENSES					
MEDICAL	$6,166,242				$6,166,242
A & S	1,038,074				1,038,074
DENTAL	725,024				725,024
DRUG	2,354,234				2,354,234
PSYCHE	283,995				283,995
OPTICAL	73,136				73,136
LIFE & AD & D	20,766				20,766
UTILIZATION MANAGEMENT	33,918				33,918
DISEASE MANAGEMENT	61,067				61,067
E.A.P.	9,218				9,218
P.P.O.	119,116				119,116
OPERATING EXPENSE	357,751				357,751
TOTAL EXPENSE	$11,242,541	$0	$0	$0	$11,242,541
SURPLUS (DEFICIT)	**$1,699,265**	**$0**	**$0**	**$0**	**$1,699,265**
AVERAGE INCOME	$865				$865
AVERAGE EXPENSE	$751				$751
SURPLUS (DEFICIT)	$114	$0	$0	$0	$114
TOTAL PARTICIPANTS	4,990				4,990

PLAN X
FULL TIME
2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$11,600,051	$11,458,068	$12,666,577	$12,627,155	$48,351,851
MISC. INCOME-LOA	1	669	1	0	671
-COBRA	37,368	47,610	40,057	39,561	164,596
-HMO COPAY	134,827	165,011	149,717	178,432	627,987
TOTAL INCOME	$11,772,247	$11,671,358	$12,856,352	$12,845,148	$49,145,105
EXPENSES					
MEDICAL	$6,685,854	$7,418,430	$6,063,749	$6,282,482	$26,450,515
A & S	1,163,036	1,067,699	1,005,735	1,020,108	4,256,578
DENTAL	748,742	737,200	732,583	730,310	2,948,835
DRUG	2,444,925	2,108,778	2,640,208	2,595,780	9,789,691
PSYCHE	95,930	43,081	387,327	310,556	836,894
OPTICAL	75,355	74,276	73,834	73,538	297,003
LIFE & AD & D	21,387	21,216	20,986	20,910	84,499
UTILIZATION MANAGEMENT	34,091	35,970	34,542	34,593	139,196
DISEASE MANAGEMENT	61,993	61,889	61,319	61,109	246,310
E.A.P.	9,486	9,358	9,302	9,282	37,428
P.P.O.	111,895	112,512	111,418	114,884	450,709
OPERATING EXPENSE	243,925	269,113	272,962	249,619	1,035,619
TOTAL EXPENSE	$11,696,619	$11,959,522	$11,413,965	$11,503,171	$46,573,277
SURPLUS (DEFICIT)	**$75,628**	**($288,164)**	**$1,442,387**	**$1,341,977**	**$2,571,828**
AVERAGE INCOME	$773	$776	$857	$859	$816
AVERAGE EXPENSE	$768	$795	$760	$769	$773
SURPLUS (DEFICIT)	$5	($19)	$97	$90	$43
TOTAL PARTICIPANTS	5,074	5,013	5,003	4,987	5,019

PLAN X
PART TIME
FIRST QUARTER 2014

CONTRIBUTIONS
INDIVIDUAL

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
ASSOCIATED ADMINISTRATORS	$447	1	$1,341
GIANT[1]	$447	3,019	4,047,161
LOCAL 400 STAFF TEMPS	$470	1	1,880
SAFEWAY[1]	$447	1,389	1,862,225
SAFEWAY DELAWARE[1]	$447	70	93,870
TOTAL		4,480	$6,006,477

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $447

PLAN X = TIER II

PLAN X
PART TIME
FIRST QUARTER 2014

BENEFIT EXPENSES
INDIVIDUAL

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$60,435	$4.50	4,070 PART
DENTAL	$29.63	$361,486	$26.90	4,067 PART
DRUG	$.80/SCRIPT	$986,868	$73.43	12,407 SCRIPTS
HMO KAISER	$483.36	$83,621		58 PART
MEDICAL		2,565,593		
MEDICAL ADMINISTRATION	$11.85	143,172		4,027 PART
TOTAL MEDICAL		$2,792,386	$207.77	
PSYCHE	$2.59	$31,281	$2.33	4,026 PART
PSYCHE		$106,080	$7.89	
E.A.P.	$0.67	$8,092	$0.60	4,026 PART
UTILIZATION MANAGEMENT	$2.35	$28,843	$2.15	3,999 PART
DISEASE MANAGEMENT	$2.06	$24,775	$1.84	4,020 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$46,188	$3.44	785 PART
P.P.O. CAREFIRST NETWORK	$3.88	$37,725	$2.81	3,241 PART
P.P.O. AA, LLC		$94	$0.01	
P.P.O. A & G		$13,870	$1.03	
LIFE-AD&D	$.175/.018/1000	$11,415	$0.85	4,136 PART
A & S		$307,382	$22.87	
SUB TOTAL		**$4,816,920**	$358.42	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$154,783	$11.52	4,447 PART
MISCELLANEOUS		$162,507	$12.09	
SUB TOTAL		$317,290	$23.61	
TOTAL		**$5,134,210**	**$382.03**	

PLAN X
PART TIME
FIRST QUARTER 2014

INDIVIDUAL
QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$6,006,477				$6,006,477
MISC. INCOME-LOA	0				0
-COBRA	16,940				16,940
-HMO COPAY	18,234				18,234
TOTAL INCOME	$6,041,651	$0	$0	$0	$6,041,651
EXPENSES					
MEDICAL	$2,792,386				$2,792,386
A & S	307,382				307,382
DENTAL	361,486				361,486
DRUG	986,868				986,868
PSYCHE	137,361				137,361
OPTICAL	60,435				60,435
LIFE & AD & D	11,415				11,415
UTILIZATION MANAGEMENT	28,843				28,843
DISEASE MANAGEMENT	24,775				24,775
E.A.P.	8,092				8,092
P.P.O.	97,877				97,877
OPERATING EXPENSES	317,290				317,290
TOTAL EXPENSE	$5,134,210	$0	$0	$0	$5,134,210
SURPLUS (DEFICIT)	**$907,441**	**$0**	**$0**	**$0**	**$907,441**
AVERAGE INCOME	$450				$450
AVERAGE EXPENSE	$382				$382
SURPLUS (DEFICIT)	$68	$0	$0	$0	$68
TOTAL PARTICIPANTS	4,480				4,480

PLAN X
PART TIME
2013

INDIVIDUAL
QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$5,378,220	$5,428,918	$6,099,820	$6,207,330	$23,114,288
MISC. INCOME-LOA	0	0	0	0	0
-COBRA	24,856	18,338	25,291	20,339	88,824
-HMO COPAY	27,032	31,578	27,060	31,726	117,396
TOTAL INCOME	$5,430,108	$5,478,834	$6,152,171	$6,259,395	$23,320,508
EXPENSES					
MEDICAL	$2,790,874	$2,741,517	$2,786,893	$2,927,376	$11,246,660
A & S	256,904	266,280	241,863	241,493	1,006,540
DENTAL	347,708	351,293	351,057	361,576	1,411,634
DRUG	967,551	858,315	1,032,708	1,044,628	3,903,202
PSYCHE	73,546	33,716	151,203	153,654	412,119
OPTICAL	58,073	58,677	58,638	60,420	235,808
LIFE & AD & D	11,051	11,077	11,027	11,202	44,357
UTILIZATION MANAGEMENT	27,315	28,192	28,367	29,112	112,986
DISEASE MANAGEMENT	22,807	23,619	23,897	23,973	94,296
E.A.P.	7,718	7,833	7,817	8,081	31,449
P.P.O.	84,422	86,742	86,644	92,964	350,772
OPERATING EXPENSES	197,689	220,238	229,986	216,430	864,343
TOTAL EXPENSE	$4,845,658	$4,687,499	$5,010,100	$5,170,909	$19,714,166
SURPLUS (DEFICIT)	**$584,450**	**$791,335**	**$1,142,071**	**$1,088,486**	**$3,606,342**
AVERAGE INCOME	$434	$434	$474	$474	$454
AVERAGE EXPENSE	$387	$371	$386	$391	$384
SURPLUS (DEFICIT)	$47	$63	$88	$83	$70
TOTAL PARTICIPANTS	4,170	4,209	4,327	4,404	4,278

PLAN X
PART TIME
FIRST QUARTER 2014

CONTRIBUTIONS
DEPENDENT

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
ASSOCIATED ADMINISTRATORS	$1,068	0	$0
GIANT[1]	$1,068	888	2,848,364
LOCAL 400 STAFF TEMPS	$1,060	0	0
SAFEWAY[1]	$1,068	225	720,900
SAFEWAY DELAWARE	$1,068	6	19,224
TOTAL		1,119	$3,588,488

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $1,069

PLAN X = TIER II

PLAN X
PART TIME
FIRST QUARTER 2014

BENEFIT EXPENSES
DEPENDENT

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$16,350	$4.87	1,101 PART
DENTAL	$60.98	$201,478	$60.02	1,101 PART
DRUG	$.80/SCRIPT	$642,563	$191.41	8,578 SCRIPTS
HMO KAISER	$866.61	$286,718		110 PART
MEDICAL		1,781,539		
MEDICAL ADMINISTRATION	$11.85	35,348		994 PART
TOTAL MEDICAL		$2,103,605	$626.63	
PSYCHE	$2.59	$7,729	$2.30	995 PART
PSYCHE		$35,425	$10.55	
E.A.P.	$.67	$1,999	$0.60	995 PART
UTILIZATION MANAGEMENT	$2.35	$7,779	$2.32	995 PART
DISEASE MANAGEMENT	$2.06	$18,211	$5.42	1,016 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$12,183	$3.63	207 PART
P.P.O. CAREFIRST NETWORK	$3.88	$9,262	$2.76	796 PART
P.P.O. AA, LLC		$24	$0.01	
P.P.O. A & G		$3,531	$1.05	
LIFE-AD&D	$.175/.018/1000	$2,942	$0.88	1,066 PART
A & S		$111,763	$33.29	
SUB TOTAL		**$3,174,844**	$945.74	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$39,349	$11.72	1,133 PART
MISCELLANEOUS		$40,591	$12.09	
SUB TOTAL		$79,940	$23.81	

TOTAL	**$3,254,784**	**$969.55**

PLAN X
PART TIME
FIRST QUARTER 2014

DEPENDENT
QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$3,588,488				$3,588,488
MISC. INCOME -LOA	0				0
-COBRA	3,162				3,162
-HMO COPAY	36,625				36,625
-DEP. COPAY	424				424
TOTAL INCOME	$3,628,699	$0	$0	$0	$3,628,699
EXPENSES					
MEDICAL	$2,103,605				$2,103,605
A & S	111,763				111,763
DENTAL	201,478				201,478
DRUG	642,563				642,563
PSYCHE	43,154				43,154
OPTICAL	16,350				16,350
LIFE & AD & D	2,942				2,942
UTILIZATION MANAGEMENT	7,779				7,779
DISEASE MANAGEMENT	18,211				18,211
E.A.P.	1,999				1,999
P.P.O.	25,000				25,000
OPERATING EXPENSE	79,940				79,940
TOTAL EXPENSE	$3,254,784	$0	$0	$0	$3,254,784
SURPLUS (DEFICIT)	**$373,915**	**$0**	**$0**	**$0**	**$373,915**
AVERAGE INCOME	$1,081				$1,081
AVERAGE EXPENSE	$970				$970
SURPLUS (DEFICIT)	$111	$0	$0	$0	$111
TOTAL PARTICIPANTS	1,119				1,119

PLAN X
PART TIME
2013

DEPENDENT
QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$3,006,601	$3,021,438	$3,519,043	$3,563,995	$13,111,077
MISC. INCOME -LOA	0	0	0	0	0
-COBRA	2,756	2,756	3,806	3,303	12,621
-HMO COPAY	42,747	50,473	43,308	45,367	181,895
-DEP. COPAY	180	723	722	0	1,625
TOTAL INCOME	$3,052,284	$3,075,390	$3,566,879	$3,612,665	$13,307,218
EXPENSES					
MEDICAL	$2,064,478	$2,525,637	$2,154,580	$2,292,003	$9,036,698
A & S	100,779	125,408	120,902	73,392	420,481
DENTAL	203,064	205,686	205,442	206,417	820,609
DRUG	768,136	681,704	759,967	854,913	3,064,720
PSYCHE	19,855	8,820	81,750	62,049	172,474
OPTICAL	16,454	16,662	16,676	16,731	66,523
LIFE & AD & D	2,794	2,945	2,983	3,064	11,786
UTILIZATION MANAGEMENT	7,544	8,067	7,372	8,095	31,078
DISEASE MANAGEMENT	17,697	17,746	18,123	18,156	71,722
E.A.P.	1,995	2,018	2,027	2,049	8,089
P.P.O.	22,408	23,132	23,246	24,199	92,985
OPERATING EXPENSE	53,365	58,716	60,349	55,259	227,689
TOTAL EXPENSE	$3,278,569	$3,676,541	$3,453,417	$3,616,327	$14,024,854
SURPLUS (DEFICIT)	**($226,285)**	**($601,151)**	**$113,462**	**($3,662)**	**($717,636)**
AVERAGE INCOME	$917	$919	$1,075	$1,074	$996
AVERAGE EXPENSE	$985	$1,099	$1,041	$1,075	$1,050
SURPLUS (DEFICIT)	($68)	($180)	$34	($1)	($54)
TOTAL PARTICIPANTS	1,110	1,115	1,106	1,121	1,113

PLAN XX
FULL TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
ASSOCIATED ADMINISTRATORS	$485	53	$76,630
GIANT[1]	$485	236	343,379
LOCAL 27 STAFF TEMPS	$486	0	0
LOCAL 400 STAFF TEMPS	$486	0	0
SAFEWAY[1]	$485	185	269,661
SAFEWAY DELAWARE[1]	$485	5	7,760
TOTAL		479	$697,430

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $485

PLAN XX
FULL TIME
FIRST QUARTER 2014

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$5,940	$4.13	400 PART
DENTAL FAMILY	$35.95	$16,932		157 PART
DENTAL INDIVIDUAL	$17.46	12,746		243 PART
TOTAL DENTAL		$29,678	$20.65	
DRUG	$.80/SCRIPT	$77,412	$53.87	1,157 SCRIPTS
HMO KAISER	$407.90	$18,355		15 PART
MEDICAL INDIVIDUAL		38,513		
MEDICAL FAMILY		113,049		
MEDICAL ADMINISTRATION	$11.85	13,402		377 PART
TOTAL MEDICAL		$183,319	$127.57	
PSYCHE	$2.59	$2,965	$2.06	382 PART
PSYCHE		$2,730	$1.90	
UTILIZATION MANAGEMENT	$2.35	$2,775	$1.93	385 PART
DISEASE MANAGEMENT	$2.06	$4,376	$3.05	398 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$6,332	$4.41	108 PART
P.P.O. CAREFIRST NETWORK	$3.88	$3,217	$2.24	276 PART
LIFE-AD&D	$.175/.018/1000	$1,184	$0.82	409 PART
A & S		$26,884	$18.71	
SUB TOTAL		**$346,812**	$241.34	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$17,539	$12.21	503 PART
MISCELLANEOUS		$17,376	$12.09	
SUB TOTAL		$34,915	$24.30	
TOTAL		**$381,727**	**$265.64**	

PLAN XX
FULL TIME
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$697,430				$697,430
MISC. INCOME -LOA	0				0
-COBRA	4,549				4,549
TOTAL INCOME	$701,979	$0	$0	$0	$701,979
EXPENSES					
MEDICAL	$183,319				$183,319
A & S	26,884				26,884
DENTAL	29,678				29,678
DRUG	77,412				77,412
PSYCHE	5,695				5,695
OPTICAL	5,940				5,940
LIFE & AD & D	1,184				1,184
UTILIZATION MANAGEMENT	2,775				2,775
DISEASE MANAGEMENT	4,376				4,376
P.P.O.	9,549				9,549
OPERATING EXPENSE	34,915				34,915
TOTAL EXPENSE	$381,727	$0	$0	$0	$381,727
SURPLUS (DEFICIT)	**$320,252**	**$0**	**$0**	**$0**	**$320,252**
AVERAGE INCOME	$489				$489
AVERAGE EXPENSE	$266				$266
SURPLUS (DEFICIT)	$223	$0	$0	$0	$223
TOTAL PARTICIPANTS	479				479

PLAN XX
FULL TIME
2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$751,725	$746,351	$758,160	$730,626	$2,986,862
MISC. INCOME -LOA	0	0	0	0	0
-COBRA	2,461	1,788	4,354	3,693	12,296
TOTAL INCOME	$754,186	$748,139	$762,514	$734,319	$2,999,158
EXPENSES					
MEDICAL	$312,224	$317,863	$307,883	$301,745	$1,239,715
A & S	27,720	23,093	27,062	25,950	103,825
DENTAL	33,295	32,924	32,320	31,468	130,007
DRUG	81,876	78,372	76,463	70,017	306,728
PSYCHE	4,038	3,123	39,956	42,930	90,047
OPTICAL	6,514	6,454	6,322	6,218	25,508
LIFE & AD & D	1,337	1,282	1,272	1,256	5,147
UTILIZATION MANAGEMENT	2,881	2,856	3,197	2,804	11,738
DISEASE MANAGEMENT	5,035	4,532	4,586	4,468	18,621
P.P.O.	10,133	10,295	10,294	10,227	40,949
OPERATING EXPENSE	26,441	27,739	28,345	25,409	107,934
TOTAL EXPENSE	$511,494	$508,533	$537,700	$522,492	$2,080,219
SURPLUS (DEFICIT)	**$242,692**	**$239,606**	**$224,814**	**$211,827**	**$918,939**
AVERAGE INCOME	$475	$472	$488	$488	$481
AVERAGE EXPENSE	$322	$321	$344	$347	$334
SURPLUS (DEFICIT)	$153	$151	$144	$141	$147
TOTAL PARTICIPANTS	529	528	521	502	520

PLAN XX
PART TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
ASSOCIATED ADMINISTRATORS	$150	4	$1,800
GIANT[1]	$150	3,682	1,656,870
LOCAL 400 STAFF TEMPS	$120	0	0
SAFEWAY[1]	$150	1,819	846,803
SAFEWAY DELAWARE[1]	$150	54	24,300
TOTAL		5,559	$2,529,773

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

AVG. MONTHLY CONTRIBUTIONS $152

PLAN XX
PART TIME
FIRST QUARTER 2014

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$26,561	$1.59	1,789 PART
DENTAL	$17.46	$93,744	$5.62	1,790 PART
DRUG	$.80/SCRIPT	$267,900	$16.06	3,276 SCRIPTS
HMO KAISER	$88.42	$9,726		37 PART
MEDICAL		952,456		
MEDICAL ADMINISTRATION	$11.85	72,877		2,050 PART
TOTAL MEDICAL		$1,035,059	$62.07	
PSYCHE	$2.59	$16,092	$0.96	2,071 PART
PSYCHE		$24,063	$1.44	
UTILIZATION MANAGEMENT	$2.35	$14,809	$0.89	2,070 PART
DISEASE MANAGEMENT	$2.06	$13,196	$0.79	2,141 PART
P.P.O. CAREFIRST FLEXLINK	$19.61	$24,584	$1.47	418 PART
P.P.O. CAREFIRST NETWORK	$3.88	$19,055	$1.14	1,637 PART
LIFE-AD&D	$.175/.018/1000	$3,106	$0.19	2,146 PART
A & S		$44,226	$2.65	
SUB TOTAL		**$1,582,397**	$94.87	

OPERATING EXPENSES

ADMINISTRATION	$11.57	$194,885	$11.69	5,601 PART
MISCELLANEOUS		$201,648	$12.09	
SUB TOTAL		$396,533	$23.78	
TOTAL		**$1,978,930**	**$118.65**	

PLAN XX
PART TIME
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$2,529,773				$2,529,773
MISC. INCOME -LOA	127				127
-COBRA	4,457				4,457
TOTAL INCOME	$2,534,357	$0	$0	$0	$2,534,357
EXPENSES					
MEDICAL	$1,035,059				$1,035,059
A & S	44,226				44,226
DENTAL	93,744				93,744
DRUG	267,900				267,900
PSYCHE	40,155				40,155
OPTICAL	26,561				26,561
LIFE & AD & D	3,106				3,106
UTILIZATION MANAGEMENT	14,809				14,809
DISEASE MANAGEMENT	13,198				13,198
P.P.O.	43,639				43,639
OPERATING EXPENSE	396,533				396,533
TOTAL EXPENSE	$1,978,930	$0	$0	$0	$1,978,930
SURPLUS (DEFICIT)	**$555,427**	**$0**	**$0**	**$0**	**$555,427**
AVERAGE INCOME	$152				$152
AVERAGE EXPENSE	$119				$119
SURPLUS (DEFICIT)	$33	$0	$0	$0	$33
TOTAL PARTICIPANTS	5,559				5,559

PLAN XX
PART TIME
2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$2,232,946	$2,169,224	$2,080,543	$2,014,537	$8,497,250
MISC. INCOME -LOA	0	0	0	0	0
-COBRA	8,568	5,966	5,752	5,513	25,799
TOTAL INCOME	$2,241,514	$2,175,190	$2,086,295	$2,020,050	$8,523,049
EXPENSES					
MEDICAL	$919,366	$1,274,788	$1,062,023	$1,019,713	$4,275,890
A & S	40,189	41,135	37,609	30,073	149,006
DENTAL	112,215	113,910	108,304	98,161	432,590
DRUG	236,917	205,294	254,370	255,759	952,340
PSYCHE	25,689	20,515	58,040	62,394	166,638
OPTICAL	31,773	32,239	30,686	27,809	122,507
LIFE & AD & D	3,606	3,680	3,580	3,361	14,227
UTILIZATION MANAGEMENT	17,085	17,647	17,009	15,463	67,204
DISEASE MANAGEMENT	15,217	14,997	15,051	14,584	59,849
P.P.O.	50,429	52,994	51,340	46,822	201,585
OPERATING EXPENSE	295,023	324,108	320,740	287,775	1,227,646
TOTAL EXPENSE	$1,747,509	$2,101,307	$1,958,752	$1,861,914	$7,669,482
SURPLUS (DEFICIT)	**$494,005**	**$73,883**	**$127,543**	**$158,136**	**$853,567**
AVERAGE INCOME	$119	$119	$120	$120	$120
AVERAGE EXPENSE	$93	$115	$113	$111	$108
SURPLUS (DEFICIT)	$26	$4	$7	$9	$12
TOTAL PARTICIPANTS	6,255	6,077	5,780	5,595	5,927

ACTIVE PLANS
2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$31,709,886	$0	$0	$0	$31,709,886
EMPLOYEE CONTRIBUTIONS	283,743	0	0	0	283,743
INTEREST & DIVIDENDS - ACTIVE	85,404	0	0	0	85,404
MISCELLANEOUS[1]	3,886	0	0	0	3,886
TOTAL INCOME	$32,082,919	$0	$0	$0	$32,082,919
EXPENSES					
MEDICAL	$15,499,479	$0	$0	$0	$15,499,479
A & S	1,949,515	0	0	0	1,949,515
DENTAL	1,634,073	0	0	0	1,634,073
DRUG	5,517,112	0	0	0	5,517,112
PSYCHE	564,809	0	0	0	564,809
OPTICAL	209,324	0	0	0	209,324
LIFE & AD & D	52,594	0	0	0	52,594
UTILIZATION REVIEW	100,346	0	0	0	100,346
DISEASE MANAGEMENT	140,732	0	0	0	140,732
E.A.P.	22,241	0	0	0	22,241
P.P.O.	333,595	0	0	0	333,595
OPERATING EXPENSE	1,295,669	0	0	0	1,295,669
TOTAL EXPENSE	$27,319,489	$0	$0	$0	$27,319,489
SURPLUS (DEFICIT)	**$4,763,430**	**$0**	**$0**	**$0**	**$4,763,430**
TOTAL PARTICIPANTS	18,126	0	0	0	18,126

FUND RESERVE	$47,989,855			

[1]INCLUDES LITIGATION SETTLEMENT FOR 1st QTR:

$110	QUEST
1,917	WACHOVIA
1,859	WASHINGTON MUTUAL
$3,886	

COMBINED FUND
FIRST QUARTER 2014

QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTR - ACTIVE	$31,709,886	$0	$0	$0	$31,709,886
EMPLOYER CONTR - RETIREE	$6,907,706	0	0	0	$6,907,706
EMPLOYEE CONTRIBUTIONS	2,153,657	0	0	0	2,153,657
INTEREST & DIVIDENDS - ACTIVE	85,404	0	0	0	85,404
INTEREST & DIVIDENDS - RETIREE	22,395	0	0	0	22,395
MISCELLANEOUS[1]	3,886	0	0	0	3,886
TOTAL INCOME	$40,882,934	$0	$0	$0	$40,882,934
EXPENSES					
MEDICAL	$15,499,479	$0	$0	$0	$15,499,479
RETIREES	8,362,632	0	0	0	8,362,632
A & S	1,949,515	0	0	0	1,949,515
DENTAL	1,634,073	0	0	0	1,634,073
DRUG	5,517,112	0	0	0	5,517,112
PSYCHE	564,809	0	0	0	564,809
OPTICAL	209,324	0	0	0	209,324
LIFE & AD & D	52,594	0	0	0	52,594
UTILIZATION REVIEW	100,346	0	0	0	100,346
DISEASE MANAGEMENT	140,732	0	0	0	140,732
E.A.P.	22,241	0	0	0	22,241
P.P.O.	333,595	0	0	0	333,595
OPERATING EXPENSE	1,295,669	0	0	0	1,295,669
TOTAL EXPENSE	$35,682,121	$0	$0	$0	$35,682,121
SURPLUS (DEFICIT)	**$5,200,813**	**$0**	**$0**	**$0**	**$5,200,813**
TOTAL PARTICIPANTS	18,126	0	0	0	18,126

FUND RESERVE	$56,068,274			

[1]INCLUDES LITIGATION SETTLEMENT FOR 1st QTR:

$110	QUEST
1,917	WACHOVIA
1,859	WASHINGTON MUTUAL
$3,886	

COMBINED FUND 2013

QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTR - ACTIVE	$28,731,580	$28,460,367	$31,420,683	$31,325,229	$119,937,859
EMPLOYER CONTR - RETIREE	$6,567,642	6,424,403	7,112,608	6,982,754	$27,087,407
EMPLOYEE CONTRIBUTIONS	2,223,931	2,260,988	2,224,678	2,248,908	8,958,505
INTEREST & DIVIDENDS - ACTIVE	80,942	88,599	90,537	105,190	365,268
INTEREST & DIVIDENDS - RETIREE	20,548	22,773	23,576	27,623	94,520
MISCELLANEOUS[1]	16,958	2,052	2,588	570	22,168
TOTAL INCOME	$37,641,601	$37,259,182	$40,874,670	$40,690,274	$156,465,727
EXPENSES					
MEDICAL	$16,370,913	$18,080,538	$16,290,922	$17,019,456	$67,761,829
RETIREES	8,709,576	8,568,681	7,307,969	8,074,393	32,660,619
A & S	2,063,608	1,940,971	1,917,086	1,794,472	7,716,137
DENTAL	1,688,442	1,679,125	1,661,415	1,655,466	6,684,448
DRUG	5,534,708	4,879,128	5,908,199	6,008,237	22,330,272
PSYCHE	243,004	136,151	839,895	714,794	1,933,844
OPTICAL	217,613	217,068	214,166	212,282	861,129
LIFE & AD & D	54,551	54,262	53,566	53,284	215,663
UTILIZATION REVIEW	100,981	105,542	101,924	102,737	411,184
DISEASE MANAGEMENT	143,157	142,939	142,797	141,663	570,556
E.A.P.	22,377	22,324	22,181	22,413	89,295
P.P.O.	317,847	323,978	320,307	327,027	1,289,159
OPERATING EXPENSE	896,856	987,006	999,680	912,802	3,796,344
TOTAL EXPENSE	$36,363,633	$37,137,713	$35,780,107	$37,039,026	$146,320,479
SURPLUS (DEFICIT)	**$1,277,968**	**$121,469**	**$5,094,563**	**$3,651,248**	**$10,145,248**
TOTAL PARTICIPANTS	18,786	18,554	18,306	18,149	18,449

FUND RESERVE	$42,298,470	$33,271,677	$47,635,304	$50,725,341

[1]INCLUDES LITIGATION SETTLEMENT FOR 4th QTR:

$558	ARTHROCARE
12	THE PAUL TRAVELERS
$570	

COMBINED FUND
FIRST QUARTER 2014

MISCELLANEOUS

ACCOUNTING	$15,888
ACTUARIAL & CONSULTING	$233,645
BONDING AND INS	1,129
COMPUFACTS	3,795
HEALTH CARE REFORM	5,441
INVESTMENT MANAGEMENT	43,309
LEGAL	319,437
MEETING	475
POSTAGE	20,485
PRINTING	13,153
TELEPHONE	746
TOTAL	$657,503

DELINQUENCIES

NONE

COMBINED FUND
FELRA & UFCW HEALTH AND WELFARE FUND
INCLUDING LEGAL, SEVERANCE AND SCHOLARSHIP
FIRST QUARTER 2014

QUARTERLY RECAPS

INCOME	1Q2014	2Q2014	3Q2014	4Q2014	Total
Health	$40,882,934				$40,882,934
Legal	1,119,330				1,119,330
Severance	106,145				106,145
Scholarship	3,406				3,406
Total Income	$42,111,815	$0	$0	$0	$42,111,815

EXPENSES	1Q2014	2Q2014	3Q2014	4Q2014	Total
Health	$35,682,121				$35,682,121
Legal	1,121,336				1,121,336
Severance	2,549,880				2,549,880
Scholarship	9,955				9,955
Total Expenses	$39,363,292	$0	$0	$0	$39,363,292

Surplus/(Deficit)	1Q2014	2Q2014	3Q2014	4Q2014	Total
Health	$5,200,813	$0	$0	$0	$5,200,813
Legal	(2,006)	0	0	0	(2,006)
Severance	(2,443,735)	0	0	0	(2,443,735)
Scholarship	(6,549)	0	0	0	(6,549)
Total Surplus/(Deficit)	$2,748,523	$0	$0	$0	$2,748,523

Fund Reserve	$67,646,267			

COMBINED FUND
FELRA & UFCW HEALTH AND WELFARE FUND
INCLUDING LEGAL, SEVERANCE AND SCHOLARSHIP
2013

QUARTERLY RECAPS

INCOME	1Q2013	2Q2013	3Q2013	4Q2013	Total
Health	$37,641,601	$37,259,182	$40,874,670	$40,690,274	$156,465,727
Legal	1,158,975	1,157,210	1,142,299	1,122,708	4,581,192
Severance	156,163	141,875	86,590	118,530	503,158
Scholarship	3,425	6,678	4,122	4,186	18,411
Total Income	$38,960,164	$38,564,945	$42,107,681	$41,935,698	$161,568,488

EXPENSES	1Q2013	2Q2013	3Q2013	4Q2013	Total
Health	$36,363,633	$37,137,713	$35,780,107	$37,039,026	$146,320,479
Legal	1,142,892	1,140,730	1,136,437	1,127,365	4,547,424
Severance	2,119,957	1,766,388	1,635,253	1,676,405	7,198,003
Scholarship	10,008	20,478	30,949	11,542	72,977
Total Expenses	$39,636,490	$40,065,309	$38,582,746	$39,854,338	$158,138,883

Surplus/(Deficit)	1Q2013	2Q2013	3Q2013	4Q2013	Total
Health	$1,277,968	$121,469	$5,094,563	$3,651,248	$10,145,248
Legal	16,083	16,480	5,862	(4,657)	33,768
Severance	(1,963,794)	(1,624,513)	(1,548,663)	(1,557,875)	(6,694,845)
Scholarship	(6,583)	(13,800)	(26,827)	(7,356)	(54,566)
Total Surplus/(Deficit)	($676,326)	($1,500,364)	$3,524,935	$2,081,360	$3,429,605

Fund Reserve	$58,769,650	$49,344,092	$62,686,695	$64,352,344

CONTRACT INFORMATION
FIRST QUARTER 2014

COMPANY	PLAN	RATES	EFF. DATE	CONTRACT EXP.
ASSOCIATED ADMINISTRATORS	X	853.00	01-01-14	10-29-17
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
G & G EDDIES	X	861.00	07-01-13	08-01-14
GIANT 27	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
GIANT 400	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
GIANT DELAWARE	X	853.00	01-01-14	10-29-16
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
GIANT LEXINGTON PARK 400	X	853.00	01-01-14	10-31-13
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
GIANT VALLEY 400	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
SAFEWAY 27	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	

CONTRACT INFORMATION
FIRST QUARTER 2014

COMPANY	PLAN	RATES	EFF. DATE	CONTRACT EXP.
SAFEWAY 400	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
SAFEWAY CULPEPER	I	2,927.00	01-01-14	10-29-16
	I	2,726.00	01-01-14	
	X	853.00	01-01-14	
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
SAFEWAY DELAWARE	X	853.00	01-01-14	10-29-16
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
SAFEWAY DOVER	X	853.00	01-01-14	10-29-16
	X	447.00	01-01-14	
	X	1,068.00	01-01-14	
	XX	485.00	01-01-14	
	XX	150.00	01-01-14	
STAFF 27	X	844.00	07-01-13	
	X	470.00	07-01-13	
	X	1,060.00	07-01-13	
	XX	486.00	07-01-13	
	XX	120.00	07-01-13	
STAFF 400	X	844.00	07-01-13	

FELRA & UFCW

RETIREE HEALTH PLAN

FIRST QUARTER 2014

ADMINISTRATIVE MANAGER'S REPORT

FULL TIME RETIREES
FIRST QUARTER 2014

INCOME

EMPLOYER CONTRIBUTIONS	$5,986,635
RETIREE COPAYMENTS	$1,530,395
INTEREST AND DIVIDENDS	$18,328
TOTAL INCOME	**$7,535,358**

EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$56,316	$4.83	3,792 RET
DENTAL	$29.39	$334,370		3,792 RET
TOTAL DENTAL		$334,370	$28.65	
DRUG	$.80/1.25/SCRIPT	$1,334,035		25,854 SCRIPTS
DRUG CLAIMS		0		
DRUG FEES	$0.21/CLAIM	3,678		
TOTAL DRUG		$1,337,713	$114.63	
HMO CIGNA		$2,882,073		1,156 RET
HMO KAISER	$217.55	1,332,702		1,498 RET
HMO WELL CARE CHOICE	$46.00	138		1 RET
HOSPITAL		339,171		
SURGICAL		185,876		
DIAGNOSTIC		70,788		
MAJOR MEDICAL		468,248		
MEDICAL ADMINISTRATION	$11.85	47,554		1,338 RET
TOTAL MEDICAL		$5,326,550	$456.43	
PSYCHE	$2.59	$17,573	$1.51	2,262 RET
PSYCHE		$22,433	$1.92	
UTILIZATION MANAGEMENT	$2.35	$1,347	$0.12	58 RET
DISEASE MANAGEMENT	$2.06	$592	$0.05	46 RET
P.P.O. CAREFIRST FLEXLINK	$19.61	$2,077	$0.18	35 RET
P.P.O. CAREFIRST NETWORK	$3.88	$74	$0.01	6 RET
P.P.O. AA, LLC		$83	$0.01	
P.P.O. A & G		$12,292	$1.05	
ADMINISTRATION	$5.52	$64,413	$5.52	3,890 RET
TOTAL EXPENSES		**$7,175,833**	**$614.90**	
SURPLUS (DEFICIT)		**$359,525**		

RETIREES 3,890
AVERAGE COST PER RETIREE $614.90

PART TIME RETIREES
FIRST QUARTER 2014

INCOME

EMPLOYER CONTRIBUTIONS	$921,071
RETIREE COPAYMENTS	$339,519
INTEREST AND DIVIDENDS	$4,066
TOTAL INCOME	**$1,264,656**

EXPENSES

BENEFIT	RATE	EXPENSE	AVG. COST	COMMENT
OPTICAL	$4.95	$12,895	$4.98	868 RET
DENTAL	$29.39	$76,561	$29.57	868 RET
DRUG	$.80/1.25/SCRIPT	$228,976		3,850 SCRIPTS
DRUG CLAIMS		$0		
DRUG FEES	$0.21/CLAIM	608		
DRUG		$229,584	$88.68	
HMO CIGNA		$409,292		238 RET
HMO KAISER	$217.55	289,915		401 RET
WELL CARE CHOICE	$46.00	138		1 RET
HOSPITAL		66,846		
SURGICAL		34,256		
DIAGNOSTIC		13,497		
MAJOR MEDICAL		21,786		
MEDICAL ADMINISTRATION	$11.85	9,468		266 RET
TOTAL MEDICAL		$845,198	$326.46	
PSYCHE	$2.59	$3,786	$1.46	487 RET
PSYCHE		$1,054	$0.41	
UTILIZATION MANAGEMENT	$2.35	$81	$0.03	11 RET
DISEASE MANAGEMENT	$2.06	$86	$0.03	9 RET
P.P.O. CAREFIRST FLEXLINK	$19.61	$504	$0.19	9 RET
P.P.O. CAREFIRST NETWORK	$3.88	$23	$0.01	2 RET
P.P.O. AA, LLC		$18	$0.01	
P.P.O. A & G		$2,718	$1.05	
ADMINISTRATION	$5.52	$14,291	$5.52	863 RET
TOTAL EXPENSES		**$1,186,799**	**$458.40**	
SURPLUS (DEFICIT)		**$77,857**		

RETIREES 863
AVERAGE COST PER RETIREE $458.40

2014
RETIREES
QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
EMPLOYER CONTRIBUTIONS	$6,907,706	$0	$0	$0	$6,907,706
RETIREE COPAYMENTS	1,869,914	0	0	0	1,869,914
INTEREST & DIVIDENDS	22,394	0	0	0	22,394
TOTAL INCOME	$8,800,014	$0	$0	$0	$8,800,014
EXPENSES					
MEDICAL	$6,171,748	$0	$0	$0	$6,171,748
DENTAL	410,931	0	0	0	410,931
DRUG	1,567,297	0	0	0	1,567,297
PSYCHE	44,846	0	0	0	44,846
OPTICAL	69,211	0	0	0	69,211
UTILIZATION MANAGEMENT	1,428	0	0	0	1,428
DISEASE MANAGEMENT	678	0	0	0	678
P.P.O.	17,789	0	0	0	17,789
ADMINISTRATION	78,704	0	0	0	78,704
TOTAL EXPENSES	$8,362,632	$0	$0	$0	$8,362,632
SURPLUS (DEFICIT)	$437,382	$0	$0	$0	$437,382
TOTAL PARTICIPANTS	4,753				4,753
FUND RESERVE	$8,078,419				

2013
RETIREES
QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
EMPLOYER CONTRIBUTIONS	$6,567,642	$6,424,403	$7,112,608	$6,982,754	$27,087,407
RETIREE COPAYMENTS	$1,909,265	1,897,443	1,887,312	1,876,578	7,570,598
INTEREST & DIVIDENDS	20,547	22,773	23,576	27,623	94,519
TOTAL INCOME	$8,497,454	$8,344,619	$9,023,496	$8,886,955	$34,752,524
EXPENSES					
MEDICAL	$6,414,819	$6,043,288	$5,005,317	$5,066,001	$22,529,425
DENTAL	412,431	412,077	412,048	411,519	1,648,075
DRUG	1,688,875	1,926,915	1,620,736	2,399,373	7,635,899
PSYCHE	36,122	25,278	109,101	33,432	203,933
OPTICAL	69,443	69,393	69,399	69,286	277,521
UTILIZATION MANAGEMENT	1,163	2,374	1,943	1,783	7,263
DISEASE MANAGEMENT	615	627	654	670	2,566
P.P.O.	9,863	9,754	9,829	13,404	42,850
ADMINISTRATION	76,245	78,975	78,941	78,925	313,086
TOTAL EXPENSES	$8,709,576	$8,568,681	$7,307,968	$8,074,393	$32,660,618
SURPLUS (DEFICIT)	($212,122)	($224,062)	$1,715,528	$812,562	$2,091,906
TOTAL PARTICIPANTS	4,769	4,769	4,767	4,766	4,768
FUND RESERVE	$8,398,604	$8,490,204	$8,323,494	$8,165,155	

INVOICES

FELRA & UFCW
HEALTH AND WELFARE FUND
INVOICES

June 20, 2014

1. **Associated Administrators, LLC**

04/03/14	Meeting Expenses – Regular Meeting	$	381.72
05/27/14	Meeting Expenses – Special Meeting		231.61

2. **Bank of New York Mellon**

05/12/14	Investment Management Fee – 1Q14	$	1,577.14

3. **Cadence Capital Management**

04/04/14	Investment Management Fee – 1Q14	$	591.00

4. **Cheiron**

03/24/14	Retainer Services – 02/14	$	6,195.00
04/25/14	Retainer Services – 03/14		6,195.00
05/27/14	Retainer Services – 04/14		6,195.00

5. **Fountain Capital Management, LLC**

04/16/14	Investment Management Fee –1Q14	$	3,186.00

6. **Halperin Battaglia Raicht, LLP**

02/28/14	Services rendered and expenses incurred for the period 02/01/14 - 02/28/14 related to A & P Bankruptcy	$	2,378.00
03/31/14	Services rendered and expenses incurred for the period 03/01/14 – 03/31/14	$	123.00

7. **Intech (Janus Capital Group)**

03/24/14	Investment Management Fee – Advisory Fee – 02/14	$	763.56
04/14/14	Investment Management Fee – Advisory Fee – 03/14		763.78
05/20/14	Investment Management Fee – Advisory Fee – 04/14		764.70

8. **Investment Performance Services**

05/22/14	Investment Consultant Fee – 2Q14	$ 10,000.00

9. **Marco Consulting**

03/31/14	Proxy Voting Service – 1Q14	$ 1,125.00

10. **Morgan, Lewis & Bockius, LLP**

03/24/14	Professional Services rendered through 02/14	$ 33,359.00
03/24/14	Professional Services rendered through 02/14 related to the ACA	11,140.00
05/13/14	Professional Services rendered through 03/14	8,865.00

11. **Segal Consulting**

03/31/14	For consulting services rendered in connection with the work relating to the FELRA and UFCW Health and Welfare Fund ACA compliance for the period 12/01/13 – 02/18/14	$ 8,890.00

12. **Segall, Bryant & Hamill**

04/17/14	Investment Management Fee – 1Q14 – Acct. B1F9853	$ 2,408.71
04/17/14	Investment Management Fee – 1Q14 – Acct. B1F9853T	71.13

13. **Segal Select Insurance**

04/29/14	One month extension of Fiduciary Insurance through Chubb for the period 04/29/14 – 05/29/14	$ 4,225.00
05/30/14	Renewal of fiduciary insurance through Chubb for the period 05/29/14 – 05/29/15	$ 55,216.00

14. **Slevin & Hart P.C.**

03/25/14	Professional Services rendered – 02/14	$ 54,593.11
04/21/14	Professional Services rendered – 03/14	24,483.78
05/13/14	Professional Services rendered – 04/14	42,595.09

15. **Westwood**

04/16/14	Investment Management Fee – 1Q14	$ 68,673.02

16. **Windhaven**

02/12/14	Investment Management Fee – 4Q13	$ 12,045.00
04/23/14	Investment Management Fee – 1Q14	14,271.00

FELRA & UFCW
HEALTH AND WELFARE FUND – RETIREE PLAN
INVOICES

JUNE 20, 2014

1. **Segal Select Insurance**

05/16/14	Renewal of fidelity bond through Chubb for the FELRA & UFCW Retiree Health Plan for the period 06/01/14 – 06/01/15	$	1,000.00

Food Employers Labor Relations Association
and United Food and Commercial Workers
Health and Welfare Fund

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

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

June 20, 2014

To: Board of Trustees
FELRA and UFCW Health and Welfare Fund

From: Bill Jensen

Subj: PPACA/Compliance Invoice for First Quarter 2014

Gentlemen:

Attached is Associated's invoice for PPACA related work for the First Quarter 2014. The total is $21,844.00. This amount includes $19,191.00 of ICD-10 related coding costs incurred in 2013. Our contract with the Fund specifies hourly rates to be charged for PPACA related work, at the same rates as is permitted for compliance related work. In addition to the executive summary of charges attached, we have full backup of materials related to our staff's hourly charges available for review if desired. We ask your review and approval of this invoice.

Please feel free to contact me with questions.

PPACA Charges	*FELRA*
General	$ 2,653.00
ICD-10 Related Coding Costs Incurred in 2013	$19,191.00
Totals	$21,844.00

OTHER FUND BUSINESS

CareFirst BlueCross BlueShield
10455 Mill Run Circle
Owings Mills, Maryland 21117-5559
www.carefirst.com

LANDOVER

APR - 9 2014

CareFirst BlueCross BlueShield

April 3, 2014

Dear Mr. Jensen:

NCAS values its clients. As such, we made a decision to put processes into place that increase efficiency and timeliness for both NCAS and its strategic Administrator partners. This initiative began in 2013 and resulted in the transition to a new claims platform.

While the majority of the transition went well, some challenges surfaced that we later realized could have been mitigated with better communication and anticipation of downstream impacts to our strategic partners. As a result, we are putting together an action plan to address these issues.

As a part of this transition, issues arose with the mailbox change that has caused confusion with our customers and with the providers. This matter is a high priority and has since been resolved. As a solution, NCAS removed any forwarding address filters and no further mail is being rejected without additional review by NCAS personnel. If you have any additional mailbox change issues, please contact us and we will immediately review and resolve those issues. We understand that the above change will necessitate an eventual ID card change and we will work closely with you to discuss the appropriate timing and NCAS' intent to absorb the costs associated this change.

Additional items that NCAS will be implementing for you in the very near future include:

- Restructuring of our Network Lease team to increase our responsiveness.
- Expanded Customer Service hours for our Administrator partners.
- Detailed review of end-to-end processes that incorporate your feedback.

Other recent servicing issues, production down times, and communication lapses are being handled with high levels of urgency as well. NCAS is committed to delivering outstanding customer service, and will be providing an action plan that will focus on the areas of concern that you have had. Our initial step will be to set up a meeting with our President, Vincent Sobocinski, so he can develop a working relationship with your organization. In the very near future, you will be contacted and will have the opportunity to meet with Vince for a dialogue around changes that we hope will make our day-to-day operations flow easier.

We appreciate the opportunity to provide you access to the CareFirst network. Should you have any questions, please contact your CareFirst Account Consultant.

Sincerely,

Keith N. Rambo, RHU®, REBC®
Vice President, Operations
NCAS
(410) 528-2213

EXPRESS SCRIPTS®

June 12, 2014

The Board of Trustees
FELRA and UFCW Health and Welfare Fund
c/o Mr. Bill Jenson
911 Ridgebrook Road
Sparks, MD 21552

Dear Gentlemen:

We wanted to take this opportunity to say thank you for your business. You have been a loyal client for almost six years and we have enjoyed our partnership together.

At Express Scripts, we understand what it takes to provide sound solutions that do not put the burden on the back of your members. As a company, we service over 5.4 million union members and their families and know how to create a benefit for your members that will keep them safe and healthily while preserving the Fund financially. We have been working closely with Nancy Eid on clinical and formulary options that have a great potential for savings while still maintaining a quality benefit.

Nancy is reviewing these options and will present them to you at your next meeting. As we move forward in this process, we are committed to partnering with you to mold any solution that the trustees choose.

We greatly value our relationship and look forward to continuing to serve you and your members for many years to come.

Sincerely,

Frank Gentilella

FOOD EMPLOYERS LABOR RELATIONS ASSOCIATION AND UNITED FOOD AND COMMERCIAL WORKERS HEALTH AND WELFARE FUND

SUMMARY OF MATERIAL MODIFICATIONS

The Board of Trustees of the Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund has adopted the following changes to the Food Employers Labor Relations Association and United Food and Commercial Workers Active Health and Welfare Plan ("Plan") for participants employed by Giant Food or Safeway. Please keep this document with your Summary Plan Description ("SPD").

1. For bargaining unit employees who were hired before January 1, 2014 and who were not yet eligible to participate under Plan XX on January 1, 2014, the paragraphs on page 17 of your Plan XX SPD entitled "Initial Eligibility – Full Timers" and "Initial Eligibility – Part Timers" are deleted and replaced with the following:

A. Full-Time Employees – Plan XX

If you were hired as a "full-time" employee (as defined under the collective bargaining agreement applicable to your employment), you will be eligible for benefits under the Plan as follows, subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms:

Type of Benefit	Enrollment Date
Hospital, Medical, Prescription Drug	1st of the month following 1,200 hours of service plus 60 days
Life, Accidental Death & Dismemberment	1st of the month following 12 months of continuous employment
Accident & Sickness, Dental, Vision	1st of the month following 15 months of continuous employment

For example, if you were hired as a full-time employee on April 15, 2013 and were entitled to be paid for 1,200 hours of work as of November 30, 2013, you would become eligible for: (a) hospital, medical and prescription drug benefits on February 1, 2014; (b) life and accidental death & dismemberment benefits on May 1, 2014; and (c) accident & sickness, dental and vision benefits on August 1, 2014.

B. Part-Time Employees – Plan XX

If you were hired to work an undetermined number of hours per week and you were entitled to be paid for an average of at least 28 hours per week during your first 12 months of employment (your "initial measurement period"), you will be eligible for Hospital, Medical, Prescription

Drug, Life and Accidental Death & Dismemberment benefits on the first day of the month after you have worked for 13 months, subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms. For example, if you start work on May 15, 2013 and you were entitled to payment for an average of 30 hours a week through May 14, 2014, you will be covered under Plan XX as of July 1, 2014.

If you were hired to work an undetermined number of hours per week, and you were entitled to be paid for an average of less than 28 hours per week, you will not be eligible for benefits under Plan XX after 13 months of Covered Employment. However, if you are entitled to be paid for an average of at least 5 hours per week during the next 5 months of Covered Employment (your second "measurement period"), you will be eligible for Hospital, Medical, Prescription Drug, Life and Accidental Death & Dismemberment benefits on the first day of the month after your 18th month of Covered Employment, subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms. For example, if you start work on May 15, 2013 and you were entitled to payment for an average of 10 hours per week through May 14, 2014, you will not be eligible for Plan XX as of July 1, 2014. However, if you continue to be entitled to payment for 10 hours per week from May 15, 2014 through October 14, 2014, you will be covered under the Plan XX as of December 1, 2014.

As long as you continue to work in Covered Employment, you will continue to be eligible for these benefits under Plan XX at least until the end of the calendar year after the year in which your coverage begins. For example, if you first become covered on June 1, 2014, you will continue to be covered under Plan XX at least until December 31, 2015, provided you continue to work in Covered Employment.

After your first period of coverage ends, your continuing eligibility for benefits under Plan XX in each calendar year will depend on whether you continue to be entitled to payment for work in Covered Employment for an average of at least 5 hours per week from August 1st to July 31st of the prior year. For example, if your first coverage period ends on December 31, 2015, your eligibility for coverage for 2016 will depend on whether you were entitled to payment for an average of at least 5 hours per week during the period of August 1, 2014 – July 31, 2015. If you were entitled to payment for an average of 5 hours per week during this period, your eligibility for benefits under Plan XX will continue until at least December 31, 2016.

You will become eligible to receive accident & sickness benefits, dental benefits and vision benefits under Plan XX on the first day of the month after you have worked for 30 months. For example, if you begin work on May 15, 2013 and you continue to be entitled to payment for work in Covered Employment for an average of at least 5 hours a week for 30 months, you will be eligible for accident & sickness, dental and vision benefits on December 1, 2015.

2. Bargaining unit employees who are hired on or after January 1, 2014 will become eligible to participate in Plan XXX or Plan XL, based on the following eligibility rules:

A. Full-Time Employees – Plan XXX

If you were hired as a "full-time" employee (as defined under the collective bargaining agreement applicable to your employment), you will be eligible for benefits under Plan XXX as follows, subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms:

Type of Benefit	Enrollment Date
Hospital, Medical, Prescription Drug	1st of the month following 1,200 hours of service plus 60 days
Life, Accidental Death & Dismemberment	1st of the month following 12 months of continuous employment
Accident & Sickness, Dental, Vision	1st of the month following 15 months of continuous employment

For example, if you were hired as a full-time employee on April 15, 2014 and were entitled to payment for 1,200 hours of work as of November 31, 2015, you would become eligible for: (a) hospital, medical and prescription drug benefits on February 1, 2015; (b) life and accidental death & dismemberment benefits on May 1, 2015; and (c) accident & sickness, dental and vision benefits on August 1, 2015.

B. Part-Time Employees – Plan XXX or Plan XL

If you were hired to work an undetermined number of hours per week, and you were entitled to payment for an average of at least 28 hours per week during your first 12 months of employment, you will be eligible for Hospital, Medical, Prescription Drug, Life and Accidental Death & Dismemberment benefits under Plan XXX on the first day of the month after you have worked for 13 months, subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms. For example, if you start work on May 15, 2014 and you are entitled to payment for an average of 30 hours a week through May 14, 2015, you will be covered under the Plan XXX as of July 1, 2015.

If you were hired to work an undetermined number of hours per week and you were entitled to payment for on average less than 28 hours per week for the first 12 months of employment, you will be eligible for Life and Accidental Death & Dismemberment benefits under Plan XL on the first day of the month after you have worked for 18 months subject to the Fund's receipt of contributions made on your behalf by your participating employer, and subject to you completing and filing with the Fund office the necessary enrollment forms, including any payroll deduction forms. For example, if you start work on May 15, 2014 and you are entitled to payment for an average of 10 hours a week through May 14, 2015, you will be covered under the Plan XL as of December 1, 2015.

As long as you continue to work in Covered Employment, you will continue to be eligible for the above-described benefits under Plan XXX or Plan XL at least until the end of the calendar year after the year in which your coverage begins. For example, if you first become covered on December 1, 2015, you will continue to be covered at least until December 31, 2016, provided you continue to work in Covered Employment.

After your first period of coverage ends, your eligibility for benefits under Plan XXX or Plan XL each calendar year will depend on whether you were entitled to payment for an average of at least 28 hours per week in Covered Employment from August 1st to July 31st of the prior year. For example, if your first coverage period ends on December 31, 2016, your eligibility for coverage in 2017 will depend on whether you were entitled to payment for an average of at least 28 hours per week during the period of August 1, 2015 – July 31, 2016. If you were entitled to payment for an average of 28 hours per week during this period, you will be eligible for benefits under Plan XXX until at least December 31, 2017. If you were entitled to payment for, on average, less than 28 hours per week during this period, you will be eligible for benefits under Plan XL until at least December 31, 2017.

If you are covered under Plan XXX, you will become eligible to receive accident & sickness benefits, dental benefits and vision benefits on the first day of the month after you have worked in Covered Employment for 30 months. For example, if you begin work on May 15, 2014 and you continue to be eligible for payment for Covered Employment for an average of at least 28 hours a week for 30 months, you will be eligible for accident & sickness, dental and vision benefits on December 1, 2016.

If you are covered under Plan XL, you will become eligible to receive accident & sickness benefits, dental benefits and vision benefits on the first day of the month after you have worked for 30 months. For example, if you begin work on May 15, 2014 and you continue to be entitled to payment for work in Covered Employment for 30 months at less than 28 hours a week, on average, you will be eligible for accident & sickness, dental and vision benefits on December 1, 2016.

DRAFT Enrollment process for Salary Deductions effective 1/1/15

MOA Language:

Weekly associate contributions will be implemented as follows, effective January 1, 2015:

a. *Plan I, Plan X FT, and Plan X PT single – $5 single/$10 participant plus one/$15 family.*
b. *Plan X PT Dependent and Plan XX – no change to current language.*
c. *Plan XXX – $10 single/$15 participant plus child(ren)/$20 participant plus spouse/$25 family.*
d. *Implement spousal surcharge of $20/week in addition to the above if the spouse has access to coverage through their employer. A process will be implemented to verify eligibility.*

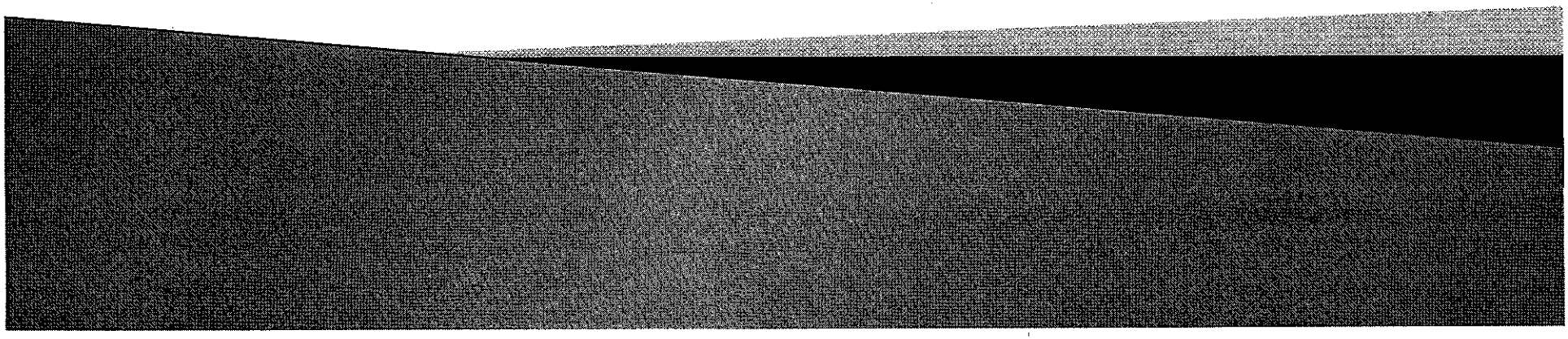
Steps:
Propose three stage mailing to all Plan Participants in (a) above, i.e., Plan I, Plan X FT, and Plan X PT single, noting new requirement as of January 1, 2015, and including salary deduction authorization form, similar to the form used by Plan X PT and Plan XX (FT and PT).

- First mailing would occur in mid August 2014, followed up by a mailing in September, and a final mailing in late October/early November, with the 2nd and 3rd mailings only to those who have not responded.
- Outbound calls as needed to non responders after 3rd mailing.
- Salary deduction files to be sent to participating employers in early December, so that deductions can be properly made as of January 1, 2015.
- Communication via For Your Benefit Newsletter, and materials available on our website.
- Other communications options may include reminders in the union newsletters, or reminder posters in the employee lunchroom area, depending on policies.
- Although not noted in the MOA, we assume this will be an annual open enrollment process for the Fund.

FELRA AND UFCW HEALTH AND WELFARE FUND

DEPENDENT VERIFICATION

ASSOCIATED ADMINISTRATORS, LLC
JUNE 20, 2014



CURRENT FUND PROCESS FOR DEPENDENT VERIFICATION

ASSOCIATED ADMINISTRATORS

CURRENT PROCESS:

1) Coordination of Benefits (COB) information and dependent status are entered into the computer system upon initial eligibility for coverage for each participant. Marriage and birth certificates are required upon initial eligibility, before enrollment is processed.
2) COB is enforced in real time as claims are processed, in accordance with the Fund's specific rules for each Plan.
3) A bi-annual COB questionnaire is mailed to participants for verification of other coverage and dependent status.
4) After first responses are assessed and logged, second and third follow up requests are mailed.
5) Finally, claims are pended for non-response until the required information is received.
6) The current process is based on self-reporting by participants for certain information.

UPCOMING PROCESS:

1) January 1, 2015 salary deduction process will include spousal surcharges and higher weekly deductions for coverage of dependents.

HISTORY

The Fund's current procedure, created by the Trustees in 1997, requires a bi-annual solicitation of other coverage information.

From the Minutes of the Meeting of the Policy Committee of the Board of Trustees of the FELRA & UFCW Health and Welfare Fund, August 6, 1997:

Appeal: "C. Michael K.

Mr. K's spouse has been employed since December 12, 1988. That employer initiated an "Opt-Out Incentive" plan December 16, 1992. The plan provides employees who are currently participating in the group health insurance plan the option to opt-out and share a portion of the cost savings with the employer. Ms. K did not participate in the plan until January 1, 1994 at which time she began receiving an additional $27.64 per pay period. The Fund office has recalculated Ms. K's medical claims from January 1, 1994 and has requested refunds from the providers and from the participant. Mr. K has requested that such refunds be waived. After careful consideration,

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

RESOLVED to approve Mr. K's request to not seek reimbursement.

The Committee then discussed this issue in general. Mr. Brookhart reviewed a memorandum dated June 6, 1997 written by Ms. Walsh in which she addressed several possible alternatives for ensuring that current coordination of benefits information is available. One alternative would be a complete re-enrollment of Fund participants. The Committee could also elect to make payment of claims contingent upon the return of the coordination of benefits certification published annually in *For your Benefit.*

Alternatively, the Committee could elect to do neither and have the Fund office continue to verify coverage issues when other employment is suspected or discovered. After extensive discussion, the committee members agreed to do the following:

- → **A complete coordination of benefits re-enrollment of eligible Fund participants as soon after January 1, 1998 as possible...** The re-enrollment process should be explained in a separate letter and the form should be accompanied by a self-addressed stamped envelope for the participants' convenience.

- → **Every two years, a coordination of benefits certification to be mailed to eligible Fund participants...** This certification should be mailed individually to each eligible participant and an article should be included in *For Your Benefit.* The Fund office will work with the Local Unions to draft an article to be included in the Union newsletters.

- → **The return of coordination of benefits enrollment forms and coordination of benefits certifications are mandatory...** One follow-up letter will be mailed to participants who do not respond. After this, a list of participants who have still not responded is to be mailed to each Local Union office. Claims are to be pended until the forms are returned.

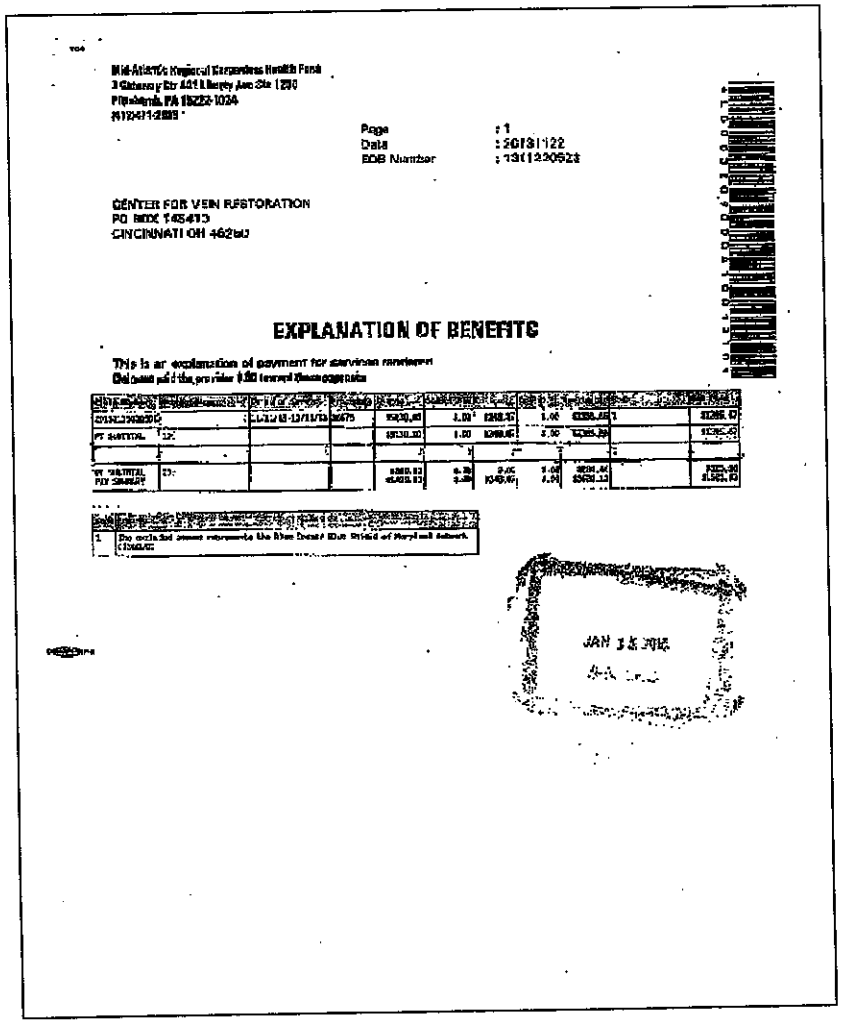
- → **Future situations...** If other coordination of benefits situations are discovered up until the re-enrollment, the Fund office is authorized to provide amnesty provided the facts and circumstances are similar to the three appeals that were granted. If the fact and circumstances are not similar, the case is to be presented to the Appeals Subcommittee for adjudication."

INITIAL DEPENDENT VERIFICATION FOR ELIGIBILTY

The Fund's rules require marriage certificates, birth certificates, divorce decrees, and custody determinations as "up front" eligibility verification for new hires. Dependent coverage was expanded to adult children up to age 26 in compliance with PPACA. Tax returns as verification are not currently required. Dependent audit vendors may require tax returns.

COB is not just a bi-annual event. Benefits information constantly changes and COB is updated in real time. The HCFA (doctor's services) and UB (hospital services) forms indicate other coverage. More COB information is gleaned from medical claims processing than from COB questionnaires.

When we receive an Explanation of Benefits from another carrier -it is the most direct evidence of other coverage and its position in order of payment.



Page : 1
Date : 20131122
EOB Number : 13112250523

CENTER FOR VEIN RESTORATION
PO BOX 145413
CINCINNATI OH 45250

EXPLANATION OF BENEFITS

This is an explanation of payment for services rendered

JAN 25 2013

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Claims adjustors check the COB screen on every claim to know whether FELRA is primary, secondary, whether "phantom" COB is in place, or whether—under the newly bargained non-duplication rules—any supplemental payment at all is due.

```
  Number  :
. Name    :                                  Alpha : BROWN,TINA,A
. Addr 1  :
  Addr 2  :                                        3. LangPref :
  Addr 3  :                                       11. Lst Loc  : 0400
. Phone   :            8. Marital : M                Lst Grp  :
. Birth   : 07 Jul 1964    9. Alt. ID :              Lst Hire : 03 Oct 1994
. Sex     : F             10. Class   : KAISER       Lst Term :
. Comment :                                          Lst Stat : EF
== COORDINATION OF BENEFITS ============================** PAGE 1 OF 2 **======
q **From** **Thru** Carrier ***Phone**** *Group* ***Policy*** PlanType Level
  11/22/13          COB13                                    MED      P
  12/29/11          COB11
  10/19/09          COB09

q Reviewed *Operator* **Dependents** ***Comment**************************
  02/07/14 COLLEENM   4              HAS OWN PT CVG THRU BCBS
  01/06/12 DONNAN     0,2,3,4        PER COB FORM, NO OINS
  08/06/10 ALLISONR   0,3,4          NO OTHER COVERAGE PER COB09
```

BI-ANNUAL DEPENDENT VERIFICATION PROCESS

1) Bi-annual questionnaire is mailed to about 18,500 participants, also impacting about 21,000 dependents.

2) Completed forms are logged and assessed.
   - follow up to other employers for verification of "no other coverage", if needed.
   - follow up for marital status/dependent status, if needed.

3) Incomplete forms (20% of total) are returned to participants for completion.

4) About six months later, (after first responses are assessed and logged) second and third requests are mailed.

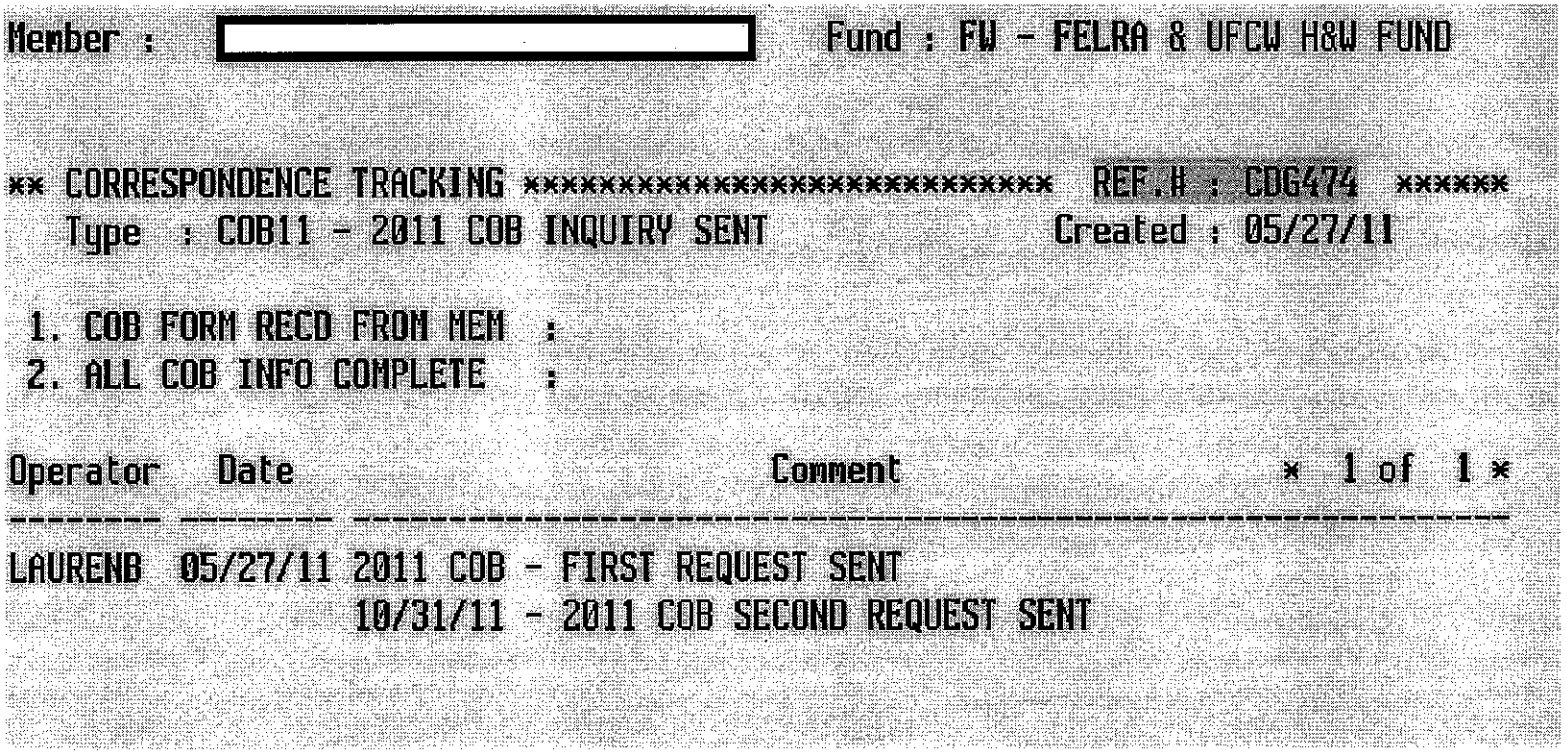
5) Finally, claims are pended for non-response until the required information is received.

PROCEDURE

We send the COB questionnaire and log all receipts with a COB comment in the Medical Claims Module.

```
** MEMBER INFO **          - 16:47:23 Feb 07 2014 -   TUBEpts59   UPD-MEM-INFO

Member : [redacted]                Fund : FW - FELRA & UFCW H&W FUND

** CORRESPONDENCE TRACKING ********************************  REF.# : HLB145  ******
   Type  : COB13 - 2013 COB INQUIRY SENT                    Created : 09/10/13

 1. COB FORM RECD FROM MEM  : 10/02/13
 2. ALL COB INFO COMPLETE   :

Operator   Date                              Comment                  * 1 of 2 *
-------- -------- ------------------------------------------------------------
TAMMYB   09/06/13 2013 COB -- FIRST REQUEST SENT.
```

We send additional requests to all those with "open" comments, meaning the first solicitation has not been returned.



```
Member :                                  Fund : FW - FELRA & UFCW H&W FUND

** CORRESPONDENCE TRACKING ********************************  REF.# : CDG474  ******
   Type  : COB11 - 2011 COB INQUIRY SENT                    Created : 05/27/11

 1. COB FORM RECD FROM MEM  :
 2. ALL COB INFO COMPLETE   :

Operator  Date                          Comment                    * 1 of  1 *
--------  --------  ---------------------------------------------------------
LAURENB   05/27/11  2011 COB - FIRST REQUEST SENT
                    10/31/11 - 2011 COB SECOND REQUEST SENT
```

Food Employers Labor Relations Association and United Food and Commercial Workers Health and Welfare Fund

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

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

Coordination of Benefits Questionnaire

Dear Plan Participant,

Coordination of Benefits occurs when you are covered by this Plan and another group health plan. The purpose of the form is to update the Fund office's records on group coverage available to you and your dependents. The Board of Trustees has directed that this questionnaire be sent every two years. Your cooperation is greatly appreciated! Please return this form within two weeks.

1. Marital Status (circle one): Single Married Separated (Date of Separation: _____) Divorced (Date of Divorce: _____)
2. Are you married to another Fund participant or is your dependent child a Fund participant? Y / N. If yes, please provide his/her Social Security Number:_____
3. Please list all family members (do not include yourself) who are enrolled as your dependents under this Plan:

Dependent's Name	Relationship	Birth date	Dependent's Employer, if Any, Including Telephone #

4. Do you and/or your dependents have other health insurance? If so, please provide the following information. If no other coverage is available, please indicate by writing **'N/A'**.

Who is Covered? (Provide Dependent's Name)	**Name of Insurance Plan**	**Group Number**	**Policy Number**	**Effective Date**	**What is Provided? Medical/Optical/Dental/ RX Drug**
You?					
Spouse?					
Child?					
Child?					
Child?					

5. If you provided other coverage information in question 3, please indicate the **source of this coverage**, such as your spouse's employer, another employer of yours, etc._____

6. Were you and/or your dependents offered other coverage that was declined? If so please indicate the source of this coverage and whether the declining person received **any other benefit** for declining?

_____

_____

I acknowledge that the above information is true and complete. I am aware that if circumstances change regarding other coverage which is offered to or becomes available to me or my dependents, I must notify the Fund office immediately.

_____ _____

Participant's Signature | Participant's Social Security Number

_____ _____

Print Name | Telephone Number (in case of questions only)

_____ _____

Date | E-Mail Address (in case of questions only)

EXAMPLE: A Plan X participant completed the COB form, indicating the spouse worked but did not have coverage. We sent an employer verification letter to the employer, which indicated that the spouse received money in lieu of benefits. The Plan X COB rules require that "phantom" COB be put into place in this circumstance, meaning unless the other plan of benefits is provided to us, we process as secondary behind the FELRA Plan's parameters. Had the participant been a Plan I part timer, the availability of other coverage would have meant NO coverage was available under the Fund. (The COB rules vary by Plan)

Food Employers Labor Relations Association
and United Food and Commercial Workers
Health and Welfare Fund

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4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: ((301) 459-3020
(800) 638-2972
www.associated-admin.com

Dear Participant: ID: Date

You previously indicated that your dependent is employed by **(enter employer name)** but that he/she does not have existing medical coverage through this employment. Your Plan of Benefits requires that verification from the other employer regarding benefit eligibility be on file in order to provide insurance to your dependents. In order to avoid an interruption in your benefits, would you kindly have your dependent bring this form to his/her company's Human Resources Department to answer the following questions pertaining to the company's eligibility requirements? Your cooperation is greatly appreciated.

Reason your organization does not provide coverage to: **"enter dependent name"**

- ☐ Benefit coverage is not provided to any employee.
- ☐ Benefit coverage is not provided to employees who work less than ____hours per week.
- ☐ Benefit coverage is not provided to employees who do not meet the following criteria:

_____

- ☐ Benefit coverage is available but was declined. If declined, were money or benefit dollars provided in lieu of coverage? Yes ☐ No ☐

Is dependent coverage offered? Yes ☐ No ☐

Is the dependent's position full-time or part-time? Full-time ☐ Part-time ☐

_____ _____
Human Resources or Benefits Manager Signature Date

_____ _____
Name of Employer Phone Number

(Please note that future claims may be suspended until such time as this form is returned. Additionally, the form must be completed by the employer -- forms signed by the participant or dependent will be returned.)

If there is a benefit plan, your dependent may provide the Fund office with a copy of the benefit booklet instead. We are attempting to acquire information on the benefit plans of our participants' and their dependents' employers in the hope that we may not need to ask these questions in the future. Again, your cooperation is greatly appreciated! Please call 1-800-638-2972 should you have any questions.

Sincerely,

Fund Office

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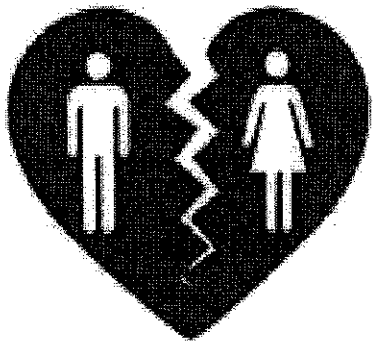
COMMON INCORRECT COVERAGE SCENARIOS – DIVORCE/LIVING APART

DIVORCE:

- Participants must self-report in the event of a divorce or separation.
- Participants may not report divorce in order to continue coverage for the ex-spouse.



LIVING APART:

- Fund Rule – after a couple has lived apart for three years, the spouse is no longer covered.
- Participants may not report this.

THE FUND RULES ARE COMPLEX

- The COB rules vary by Plan. The following pages contain the details for Plans I, X and XX. COB changed to non – duplication COB as of March 1, 2014 for all plans.

FACTS: The Fund's rules are as follows:

PLAN I

COORDINATION OF BENEFITS

Coordination of Benefits applies when a **participant or eligible dependent** is entitled to benefits under any other kind of group health coverage, in addition to coverage under the *Fund*. When duplicate coverage exists, the primary plan normally pays its benefits according to the Schedule of Benefits, and the secondary plan pays a reduced amount. **The Fund will never pay, either as the primary or secondary plan, benefits which, when added to the benefits payable by the other plan for the same service, exceed 100% of the *Usual, Customary, and Reasonable (UCR)* charge.** This provision applies whether or not a claim is filed under *Medicare* or another plan. The *Fund* is authorized to obtain information about benefits and services available from *Medicare* or other plans to implement this rule.

The following rules apply:
If one plan does not have a coordination of benefits rule, it will be primary. Otherwise, the plan which covers the person as an employee is the primary plan. The plan which covers the person as a dependent is the secondary plan.

If a participant is covered as an employee under more than one plan, the plan with the earliest *effective date* of coverage is the primary plan.

Part Timers: Important! If your dependent has coverage under another group plan or has been offered such coverage (even if he or she did not accept the coverage), the Fund will not cover him/her under this Plan.

Where both parents are covered by different plans, and the parents are not separated or divorced, and the claim is for a dependent child, the primary plan is the plan of the parent whose birthday falls earliest in the year. If both parents have the same birthday, the plan which has covered a parent longer pays first. However, if the other plan does not have a birthday rule and instead has a rule based on the gender of the parent and as a result of this, the two plans do not agree which is primary, the plan of the father will pay first.

If two or more plans cover a child whose parents are separated or divorced, benefits will be paid as follows:

1. If a court determines financial responsibility for a child's health care expenses, the plan of the parent having that responsibility pays first.
2. If a court determination has not been made, or the court divides the financial responsibility equally, the plan of the parent with custody pays before the plan of the other parent. The plan of the step-parent married to the parent with custody of the child pays before the plan of the parent who does not have custody.

Important!
When an eligible dependent of a full time participant in the Plan is offered a program of health, dental, drug, and/or vision benefits by another employer as a result of his or her employment, and the dependent has the option of selecting the other employer's health coverage or receiving cash or another financial incentive, the plan coordinates its benefits as if the other employer's health coverage were applicable. It does so even when the dependent does not elect coverage under another employer-sponsored plan. Before the *Fund* will pay benefits to an employed dependent, he or she must provide the *Fund office* with information explaining the other employer's health coverage, if any.

Orthodontia and Periodontia
For purposes of coordination of benefits, *periodontia* and orthodontia will be treated as separate benefits. For example, if your eligible dependent has group coverage which provides dental benefits but not orthodontic, the *Fund* may provide orthodontic benefits to that dependent.

Medicare - Coordination of Benefits For Participants Who Are "*Actively Working*"
If you work for an employer with fewer than 20 employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and the *Fund* has obtained an exception from the Health Care Financing Administration ("HCFA") for your employer, then *Medicare* is primary for you and your dependents. Otherwise, the following rules apply.

All *actively working* participants over age 65 and spouses over age 65 of *actively working* participants of any age will be entitled to receive coverage under this *Fund* under the same conditions as a participant or participant's spouse under age 65. The *Fund* cannot be "secondary" to *Medicare* for employees and spouses over age 65 by paying only those medical expenses *Medicare* does not cover.

Absent an election (described below), the Plan will be the primary payor of medical costs for active participants, and spouses over age 65 of active participants of any age, with *Medicare* providing secondary coverage. This means you will be reimbursed first under this *Fund* (except in the case of End Stage Renal Disease "ESRD," as set forth below). If there are covered expenses not paid by the *Fund*, *Medicare* may reimburse you–if the expenses are covered by *Medicare*. To get reimbursement from *Medicare*, you must enroll for *Medicare*. In addition, to get coverage under Part B of *Medicare*, you must enroll and pay a monthly premium.

Election of Medicare
If you are age 65 or older, you are still entitled to elect *Medicare* as your primary insurance coverage in lieu of the *Fund*. However, an *actively working* participant over age 65 or an *actively working* participant's spouse over age 65 will automatically continue to be covered by this *Fund* as the primary plan unless you (a) notify the *Fund office*, in writing, that you do not want coverage under this *Fund* or (b) you cease to be eligible for coverage under this *Fund*. If you elect coverage under *Medicare* to be primary, the *Fund* cannot, under law, pay benefits secondary to *Medicare*. If you have any questions about the coordination of benefits under this *Fund* with *Medicare* benefits, contact the *Fund office*.

Disability
If you are *actively working* and you or your eligible dependent(s) are under age 65 and are entitled to *Medicare* due to disability (other than ESRD), the Plan will pay benefits as primary.

End Stage Renal Disease (ESRD)
If you or your eligible dependent(s) are entitled to *Medicare* on the basis of age or disability and you become entitled to *Medicare* based on ESRD, and the Plan is currently paying benefits as primary, the Plan will remain primary for the first 30 months of your entitlement to *Medicare* due to ESRD. If the Plan is currently paying benefits secondary to *Medicare*, the Plan will remain secondary upon your entitlement to *Medicare* due to ESRD.

Coordination of Benefits with An HMO
If you have primary coverage through your work under an HMO and secondary coverage under the *Fund* as a dependent, **you must follow the rules of the HMO in order to have remaining balances considered for payment by the *Fund* as secondary payer.** If you go outside of your HMO for services (or otherwise fail to follow the rules of the HMO), and then submit the bill to the *Fund* for secondary payment, it will be denied.

For purposes of coordinating benefits, an HMO is treated the same as any other plan. **If you fail to follow the rules of any primary plan, including an HMO, the *Fund* will not pay benefits as either primary or secondary.**

The *Fund* also has the right to collect any excess payment directly from the parties involved, from the other plan, **or by offset against any future benefit payment from the *Fund*** on the dependent's behalf, if he or she failed to notify the *Fund office* of the availability of the other employer's health coverage. This right of offset does not keep the *Fund* from recovering erroneous payments in any other manner.

Important: To ensure that the *Fund* coordinates and pays your benefits properly, you must keep the *Fund* informed of any and all coverage for you and your eligible dependent.

Coordination of benefits saves the *Fund* money by making sure other plans pay benefits where they are available.

PLAN X

COORDINATION OF BENEFITS

Coordination of Benefits applies when a **participant or eligible dependent** is entitled to benefits under any other kind of group health coverage in addition to the *Fund*. When duplicate coverage exists, the primary plan normally pays benefits according to its Schedule of Benefits, and the secondary plan pays a reduced amount. **The *Fund* will never pay, either as the primary or secondary plan, benefits which, when added to the benefits payable by the other plan for the same service, exceed 100% of the *Usual, Customary, and Reasonable (UCR)* charge.** This provision applies whether or not a claim is filed under *Medicare* or another plan. The *Fund* is authorized to obtain information about benefits and services available from *Medicare* or other plans to implement this rule.

The following rules apply to full timers:
If one plan does not have a coordination of benefits rule, it will be primary. Otherwise, the plan which covers the person as an employee is the primary plan. The plan which covers the person as a dependent is the secondary plan.

If a participant is covered as an employee under more than one plan, the plan with the earliest *effective date* of coverage is the primary plan.

Where both parents are covered by different plans, and the parents are not separated or divorced, and the claim is for a dependent child, the primary plan is the plan of the parent whose birthday falls earliest in the year. If both parents have the same birthday, the plan which has covered a parent longer pays first. However, if the other plan does not have a birthday rule and instead has a rule based on the gender of the parent and as a result of this, the two plans do not agree which is primary, the plan of the father will pay first.

If two or more plans cover a child whose parents are separated or divorced, benefits will be paid as follows:

1. If a court determines financial responsibility for a child's health care expenses, the plan of the parent having that responsibility pays first.
2. If a court determination has not been made or the court divides the financial responsibility equally, the plan of the parent with custody pays before the plan of the other parent. The plan of the step-parent married to the parent with custody of the child pays before the plan of the parent who does not have custody.

Important Notice – Read Below!
When an eligible dependent under the Plan is offered a program of health, dental, drug, and/or vision benefits by another employer as a result of his or her employment, and the dependent has the option of selecting the other employer's health coverage or receiving cash or other financial incentive, this Plan coordinates its benefits as if the other employer's health coverage were applicable. It does so even when the dependent does not elect the coverage under another employer-sponsored plan.

Before the *Fund* will pay benefits to an employed dependent, he or she must provide the *Fund office* with information explaining the other employer's health coverage, if any.

***Medicare* - Coordination of Benefits For Participants**
Who Are "*Actively Working*"
If you work for an employer with fewer than 20 employees for each working day in each of 20 or more calendar weeks in the current or proceeding calendar year, and the *Fund* has obtained an exception from the Health Care Financing Administration ("HCFA") for your Employer, then *Medicare* is primary for you and your dependents. Otherwise, the following rules apply.

All active participants over age 65 and spouses over age 65 of active participants of any age will be entitled to receive coverage under this Plan under the same conditions as a participant or participant's spouse under age 65. The Plan cannot be "secondary" to *Medicare* for employees and spouses over age 65 by paying only those medical expenses *Medicare* does not cover.

Absent an election (described below), the Plan will be the primary payor of medical costs for active participants, and spouses over age 65 of active participants of any age, with *Medicare* providing secondary coverage. This means you will be reimbursed first under this Plan (except in the case of End Stage Renal Disease "ESRD," as set forth below). If there are covered expenses not paid by the Plan, *Medicare* may reimburse you–if the expenses are covered by *Medicare*. To get reimbursement from *Medicare*, you must enroll for *Medicare*. In addition, to get coverage under Part B of *Medicare*, you must enroll and pay a monthly premium.

1. Election of *Medicare*
If you are age 65 or older you are still entitled to elect *Medicare* as your primary coverage in lieu of the Plan. However, an active participant over age 65 or an active participant's spouse over age 65 will automatically continue to be covered by this Plan as the primary plan unless you a) notify the *Fund office*, in writing, that you do not want coverage under this Plan or b) you cease to be eligible for coverage under this Plan. If you elect your coverage under *Medicare* to be primary, the Plan cannot, under law, pay benefits secondary to *Medicare*. If you have any questions about the coordination of benefits under this Plan with *Medicare* benefits, contact the *Fund office*.

2. Disability
If you are actively employed and you or your eligible dependent(s) are under age 65 and are entitled to *Medicare* due to disability (other than ESRD), the Plan will pay benefits as primary.

3. End Stage Renal Disease (ESRD)
If you or your eligible dependent(s) are entitled to *Medicare* on the basis of age or disability and you become entitled to *Medicare* based on ESRD, and the Plan is currently paying benefits as primary, the Plan will remain primary for the first 30 months of your entitlement to *Medicare* due to ESRD. If the Plan is currently paying benefits secondary to *Medicare*, the Plan will remain secondary upon your entitlement to *Medicare* due to ESRD.

Coordination of Benefits with An HMO
If you have primary coverage through your work under an HMO and secondary coverage under the *Fund* as a dependent, **you must follow the rules of the HMO in order to have remaining balances considered for payment by the *Fund* as secondary payer.** If you go outside of your HMO for services (or otherwise fail to follow the rules of the HMO), and then submit the bill to the *Fund* for secondary payment, it will be denied.

For purposes of coordinating benefits, an HMO is treated the same as any other plan. **If you fail to follow the rules of any primary plan, including an HMO, the *Fund* will not pay benefits as either primary or secondary.**

The *Fund* also has the right to collect any excess payment directly from the parties involved, from the other plan, **or by offset against any future benefit payment from the *Fund*** on the dependent's behalf, if he or she failed to notify the *Fund office* of the availability of the other employer's health coverage. This right of offset does not keep the *Fund* from recovering erroneous payments in any other manner.

Important: To ensure that the *Fund* coordinates and pays your benefits properly, you must keep the *Fund* informed of any and all coverage for you and your eligible dependent.

Coordination of benefits saves the *Fund* money by making sure other plans pay benefits where they are available.

PLAN XX

COORDINATION OF BENEFITS

Coordination of Benefits applies when a **participant or eligible dependent** is entitled to benefits under any other kind of group health coverage in addition to the *Fund*. When duplicate coverage exists, the primary plan normally pays benefits according to its Schedule of Benefits, and the secondary plan pays a reduced amount. **The *Fund* will never pay, either as the primary or secondary plan, benefits which, when added to the benefits payable by the other plan for the same service, exceed 100% of the *Usual, Customary, and Reasonable (UCR)* charge.** This provision applies whether or not a claim is filed under *Medicare* or another plan. The *Fund* is authorized to obtain information about benefits and services available from *Medicare* or other plans to implement this rule.

The following rules apply to full timers:
If one plan does not have a coordination of benefits rule, it will be primary. Otherwise, the plan which covers the person as an employee is the primary plan. The plan which covers the person as a dependent is the secondary plan.

If a participant is covered as an employee under more than one plan, the plan with the earliest *effective date* of coverage is the primary plan.

Where both parents are covered by different plans, and the parents are not separated or divorced, and the claim is for a dependent child, the primary plan is the plan of the parent whose birthday falls earliest in the year. If both parents have the same birthday, the plan which has covered a parent longer pays first. However, if the other plan does not have a birthday rule and instead has a rule based on the gender of the parent and as a result of this, the two plans do not agree which is primary, the plan of the father will pay first.

If two or more plans cover a child whose parents are separated or divorced, benefits will be paid as follows:

1. If a court determines financial responsibility for a child's health care expenses, the plan of the parent having that responsibility pays first.
2. If a court determination has not been made or the court divides the financial responsibility equally, the plan of the parent with custody pays before the plan of the other parent. The plan of the step-parent married to the parent with custody of the child pays before the plan of the parent who does not have custody.

<u>Important Notice – Read Below!</u>
When an eligible dependent under the Plan is offered a program of health, dental, drug, and/or vision benefits by another employer as a result of his or her employment, and the dependent has the option of selecting the other employer's health coverage or receiving cash or other financial incentive, this Plan coordinates its benefits as if the other employer's health coverage were applicable. It does so even when the dependent <u>does not</u> elect the coverage under another employer-sponsored plan.

Before the *Fund* will pay benefits to an employed dependent, he or she must provide the *Fund office* with information explaining the other employer's health coverage, if any.

The following rule applies to part timers:
Coverage for part time employees shall be secondary if the employee is covered under another plan.

Medicare - Coordination of Benefits For Participants Who Are "*Actively Working*"
If you work for an employer with fewer than 20 employees for each working day in each of 20 or more calendar weeks in the current or proceeding calendar year, and the *Fund* has obtained an exception from the Health Care Financing Administration ("HCFA") for your Employer, then *Medicare* is primary for you and your dependents. Otherwise, the following rules apply.

All active participants over age 65 and spouses over age 65 of active participants of any age will be entitled to receive coverage under this Plan under the same conditions as a participant or participant's spouse under age 65. The Plan cannot be "secondary" to *Medicare* for employees and spouses over age 65 by paying only those medical expenses *Medicare* does not cover.

Absent an election (described below), the Plan will be the primary payor of medical costs for active participants, and spouses over age 65 of active participants of any age, with *Medicare* providing secondary coverage. This means you will be reimbursed first under this Plan (except in the case of End Stage Renal Disease "ESRD," as set forth below). If there are covered expenses <u>not</u> paid by the Plan, *Medicare* may reimburse you--if the expenses are covered by *Medicare*. To get reimbursement from *Medicare*, you must enroll for *Medicare*. In addition, to get coverage under Part B of *Medicare*, you must enroll and pay a monthly premium.

1. Election of Medicare
If you are age 65 or older you are still entitled to elect *Medicare* as your primary coverage in lieu of the Plan. However, an active participant over age 65 or an active participant's spouse over age 65 will automatically continue to be covered by this Plan as the primary plan unless you a) notify the *Fund office*, in writing, that you do not want coverage under this Plan or b) you cease to be eligible for coverage under this Plan. If you elect your coverage under *Medicare* to be primary, the Plan cannot, under law, pay benefits secondary to *Medicare*. If you have any questions about the coordination of benefits under this Plan with *Medicare* benefits, contact the *Fund office*.

2. Disability
If you are actively employed and you or your eligible dependent(s) are under age 65 and are entitled to *Medicare* due to disability (other than ESRD), the Plan will pay benefits as primary.

3. End Stage Renal Disease (ESRD)
If you or your eligible dependent(s) are entitled to *Medicare* on the basis of age or disability and you become entitled to *Medicare* based on ESRD, and the Plan is currently paying benefits as primary, the Plan will remain primary for the first 30 months of your entitlement to *Medicare* due to ESRD. If the Plan is currently paying benefits secondary to *Medicare*, the Plan will remain secondary upon your entitlement to *Medicare* due to ESRD.

Coordination of Benefits with An HMO
If you have primary coverage through your work under an HMO and secondary coverage under the *Fund* as a dependent, **you must follow the rules of the HMO in order to have remaining balances considered for payment by the *Fund* as secondary payer.** If you go outside of your HMO for services (or otherwise fail to follow the rules of the HMO), and then submit the bill to the *Fund* for secondary payment, it will be denied.

For purposes of coordinating benefits, an HMO is treated the same as any other plan. **If you fail to follow the rules of any primary plan, including an HMO, the *Fund* will not pay benefits as either primary or secondary.**

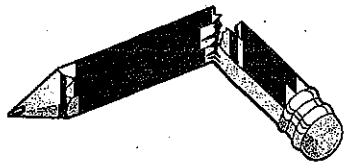
The *Fund* also has the right to collect any excess payment directly from the parties involved, from the other plan, **or by offset against any future benefit payment from the *Fund*** on the dependent's behalf, if he or she failed to notify the *Fund office* of the availability of the other employer's health coverage. This right of offset does not keep the *Fund* from recovering erroneous payments in any other manner.

Important: To ensure that the *Fund* coordinates and pays your benefits properly, you must keep the *Fund* informed of any and all coverage for you and your eligible dependent.

Coordination of benefits saves the *Fund* money by making sure other plans pay benefits where they are available.

PROCESS IMPROVEMENT

- Associated Administrators is experienced in the nuances of the Fund rules.
- Volumes of COB data are already embedded in our system.
- Upcoming Salary Deduction Enrollment Process will offer opportunity to capture new COB data related to spousal surcharges and additional deductions for dependents. Current employment data can be verified for participants (for other employment) and dependents.
- Salary Deduction enrollment process will begin mid August, per current plan by fund office, and could require additional information, should the trustees decide to add new requirements.



MEETING NOTES