Lithographers & Photoengravers
Local 285 Welfare Fund
911 Ridgebrook Road
Sparks, MD 21152-9451
Phone: (866) 559-6512
www.associated-admin.com

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND
HELD ON NOVEMBER 6, 2013
WASHINGTON, D.C.

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
William Tull - Chairman	Michele Cirrincione - Secretary
Isaiah Thompson	David King
Edward Williams	Tom Labadie

Also present were:

Ed Chicoski – Lakeshore Benefit Group Insurance Brokerage, LLC
Dwight Hyman – Group Dental Service
Andrew Lin – Mooney, Green, Saindon, Murphy & Welch, P.C.
Shawn Miller – Calibre CPA Group
Leonard Phillips – Kaiser Permanente
Joseph Sears – Associated Administrators, LLC
Joan Stewart – Group Dental Service

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

II. MINUTES – BOARD MEETING HELD ON JULY 30, 2013

Mr. Sears confirmed that there were no changes to the final draft of the subject minutes circulated prior to this meeting. The Trustees reviewed the draft and,

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

RESOLVED that the minutes of the Board meeting held July 30, 2013 are approved as written.

III. FINANCIAL REPORT

A. Financial Statement

Mr. Sears reviewed the unaudited financial statements for the second quarter of the plan year, June 1, 2013 through August 31, 2013. During this period, the Fund had total income of $610,660 versus total expenses of $605,485 for a surplus of $5,175. He noted that the Fund currently has reserves equal to approximately 9.5 months of expenses.

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

RESOLVED to accept and approve the financial statements for June 1, 2013 through August 31, 2013.

B. Capital Financial, LLC Report

Mr. Sears reviewed the account statements from Capital Financial, LLC for the months of July, August, and September 2013. The statements showed a balance of $1,817,505.40 as of September 30, 2013. This total included a money market holding of $24,525.40 and Certificates of Deposit ("CDs") of $1,792,980.00. He noted that, consistent with the Trustees' action and interpretation of the Plan's investment policy at the last meeting, approximately $400,000 had been moved from the money market accounts into CDs in the past several months.

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

RESOLVED to accept and approve the Capital Financial, LLC reports for July, August, and September 2013.

IV. AUDITOR REPORT

The Trustees welcomed Mr. Shawn Miller of Calibre CPA Group to the meeting.

Mr. Miller reviewed a draft of the annual audit and said it included an unmodified opinion. Such report showed employer contributions of $171,171 and other receivables of $13,325 during the 2012-13 plan year. Net assets available for benefits were $2,266,144 on February 28, 2013, compared to $2,322,827 on February 29, 2012.

He said the IRS Form 5500 will be due December 15, 2013 and the Form 990 will be due on January 15, 2014. He stated that both forms would be ready to file prior to their deadlines.

The Trustees thanked Mr. Miller for his report and he was excused from the remainder of the meeting.

V. HEALTH CARE VENDOR REPORTS

A. National Vision Administrators - Vision Provider

Mr. Sears reviewed a renewal proposal from National Vision Administrators ("NVA") effective March 1, 2014. The renewal called for an increase in the monthly premium from $6.70 to $6.95 per employee per month. He said the current contract was for four years and the new contract would also be for four additional years, ending February 28, 2018.

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

RESOLVED to approve the contract proposal from National Vision Administrators at a rate of $6.95 per employee per month for the period March 1, 2014 through February 28, 2018.

B. Mutual of Omaha – Life and Disability Provider

The Trustees welcomed Mr. Ed Chicoski of Lakeshore Benefit Group Insurance Brokerage, the broker for the Mutual of Omaha Life and Disability programs, to the meeting.

Mr. Chicoski reviewed a proposal from Mutual of Omaha for the renewal of the Life and Disability contracts effective March 1, 2014. He said he was unable to secure better proposals from alternative carriers due to the high concentration of retirees within the plan. The Life and AD&D rates would increase from 29¢ and 02¢ respectively per $1,000 in coverage to 43¢ and 3¢ per $1,000 under this proposal, a 48% increase. The Short-Term Disability rate would decline from 45.5¢ per $10 in covered benefit to 43¢ per $10, a 5% decrease.

Mr. Sears asked if the carriers would consider breaking out the Life insurance rate by Active and Retiree status. Mr. Chicoski said he would review this request with the carriers to determine if this was an option and would report back to the Board.

The Trustees tabled any action on the Mutual of Omaha renewal until further information was available.

The Trustees thanked Mr. Chicoski for his report and he was excused from the remainder of the meeting.

C. Group Dental Service - Dental Provider

The Trustees welcomed Mr. Dwight Hyman and Ms. Joan Stewart of Group Dental Service ("GDS") to the meeting. Mr. Hyman and Ms. Stewart introduced themselves and explained that Aetna had recently purchased Coventry, who had bought GDS from its founder Ralph Foxman recently.

Mr. Hyman reviewed a report dated November 2013 detailing the Fund's claims experience for the period January 1, 2013 through September 30, 2013. He said the Fund had experienced a relative value of 2.72 in terms of UCR value of benefits compared to premiums paid. He said claims paid were $87,869 for the period versus $79,104 in premiums, a 111.1% loss ratio.

Mr. Hyman reviewed a renewal proposal for the program that reflected a 32.4% increase in premiums, from $35.86 per employee per month to $47.51, effective March 1, 2014. He said he would prepare alternative proposals for the Trustees as well.

The Trustees thanked Mr. Hyman and Ms. Stewart for their report and they were excused from the remainder of the meeting. Mr. Sears was requested to seek additional proposals for dental services in time for the March 1 renewal. Action on the GDS renewal was deferred.

D. Kaiser Permanente – Health Insurance Provider

The Trustees welcomed Mr. Leonard Phillips of Kaiser Permanente to the meeting.

Mr. Phillips reviewed a report dated October 29, 2013 detailing the Fund's claims experience for the past year and Kaiser's renewal proposal effective March 1, 2014. The report was broken out by plan. The renewal proposal reflected an 11.84% increase in premiums. Mr. Phillips discussed the possibility of a smaller increase, and said that he would forward revised proposals to the Trustees once they have been completed.

Mr. Phillips discussed several minor plan design modifications that he recommended for the current plans in order to make them consistent with one another. The Trustees agreed that the changes should be made with the renewal. Since these changes could change the essential benefits offered under each plan, Mr. Phillips said that Kaiser would mail new Summaries of Benefits and Coverage ("SBCs"), if required, to participants prior to the deadline of 60 days ahead of the change. Mr. Sears recommended that the Fund send a letter to participants prior the mailing by Kaiser to educate the participants about the information being sent.

The Trustees thanked Mr. Phillips for his report and he was excused from the remainder of the meeting.

Mr. Sears said he would review alternative proposals for the Life/Disability, Dental, and Health. He said the utilization of a local brokerage may be helpful when reviewing the Life/Disability and Dental.

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

RESOLVED to authorize the Administrative Manager to utilize a brokerage agency to review Life/Disability and Dental options for the Fund.

VI. COUNSEL REPORT

A. Defense of Marriage Act ("DOMA")

Mr. Lin said the IRS had issued guidance providing that for purposes of the Internal Revenue Code, same sex marriages would be recognized if they were valid in the state in which they were performed—the so-called "state of celebration" rule. He said no changes to Fund rules were currently required.

B. Business Associate Agreements ("BAAs")

Mr. Lin said that revised BAAs were being prepared for compliance with recent Health Insurance Portability and Accountability Act ("HIPAA") rules and were not required to be in place for existing providers until September 2014.

C. Fund Privacy Practices

Mr. Lin said the Fund's privacy practice policy was being reviewed for compliance with recent HIPAA rules.

VII. ADMINISTRATIVE MANAGER REPORT

A. Medicare Rates

Mr. Sears said that new rates for the Kaiser and GCN Medicare programs would be received in November and would be sent to retirees in early December.

B. Payroll Audit – Kelly Press

Mr. Sears said a payroll audit performed by Calibre CPA Group on Kelly Press found no discrepancies for the period January 2010 through December 2012.

C. Payroll Audit – McArdle Printing

Mr. Sears said a payroll audit performed by Calibre CPA Group on McArdle Printing found no discrepancies for the period January 2010 through December 2012.

D. Payroll Audit – Daily Record

Mr. Sears said a payroll audit performed by Calibre CPA Group on Daily Record found no discrepancies for the period December 2011 through December 2012.

E. Employer Delinquency – H&H Bindery

Mr. Sears said H&H Bindery was paying the $477 in late charges that were owed to the Fund. He said H&H was paying an additional $100 per month and that the late charges should be should be paid off by November.

F. Notice of Exchanges Letter

Mr. Sears said the Fund had mailed the "Notice of Exchanges" letter to all participants in September 2013.

G. Fiduciary Liability Insurance

Mr. Sears said the fiduciary liability insurance premium of $3,674 was paid to Chubb Insurance Company for the period October 16, 2013 through October 15, 2014. He noted that the invoices for the premiums for the waiver of recourse had been sent to the Trustees.

H. New Participating Employer – AccuMail, Inc.

Mr. Sears said that AccuMail had joined the Fund effective November 1, 2013 and enrolled 12 participants.

I. Non-Union Coverage – Raff Embossing

Mr. Sears reminded the Trustees that Raff Embossing had previously requested permission to enroll its non-Union employees in Fund coverage for 2013. The Trustees had approved this request and agreed to reconsider it on an annual basis. Raff Embossing requested permission to continue coverage of its non-Union participants, for 2014.

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

RESOLVED to allow Raff Embossing to continue Fund coverage of its non-Union employees for 2014 on the same basis as for its Union employees.

Trustee Labadie abstained from the voting.

VIII. OTHER FUND BUSINESS

A. Eligibility Rules

The Trustees engaged in an extended discussion of issues surrounding the Fund's two sets of eligibility rules. The Trustees agreed to resume discussion at the following meeting.

IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next Board meeting to be held January 8, 2014 at the conference room of Associated Administrators in Landover, MD, commencing at 10:00 A.M.

X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

Michele Cirrincione, Secretary

JMS(orig 11-13-13)Rev 12-23-13