INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2017 THROUGH JUNE 30, 2018
CASH OPERATING STATEMENT

	OCTOBER	NOVEMBER	DECEMBER	OCTOBER - DECEMBER	YEAR TO DATE
Remittances					
Employer Contributions *	182,144.80	190,182.00	196,926.40	569,253.20	1,089,884.80
COBRA	1,004.28	1,004.28	1,004.28	3,012.84	7,046.52
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	0.00
Interest- Delinquent Employer	0.00	172.28	47.34	219.62	1,492.54
Interest Income- BNY Mellon	0.00	0.00	0.00	0.00	0.00
Dividend Income	22,471.74	10,333.65	47,330.55	80,135.94	110,615.70
SEI Investments Realized G/L	0.00	0.00	34,695.73	34,695.73	38,446.94
SEI Investments Unrealized G/L	17,984.75	19,433.08	(38,117.56)	(699.73)	87,690.25
SEI Fund Rebate	0.00	2,551.94	0.00	2,551.94	4,895.37
NY Labor Health Care Rebate	0.00	0.00	0.00	0.00	0.00
NY Taxes Refund	0.00	0.00	0.00	0.00	0.00
Total Income	**223,605.57**	**223,677.23**	**241,886.74**	**689,169.54**	**1,340,072.12**
Benefit Expenses *					
Benefits Paid	492.60	1,379.00	1,836.60	3,708.20	7,963.00
Anthem- Medical	121,338.07	231,160.15	79,051.27	431,549.49	720,516.98
Anthem- Retention	4,767.70	5,129.10	5,268.10	15,164.90	31,970.00
Anthem- HealthLink Fees	496.00	0.00	556.00	1,052.00	2,820.00
Anthem- NY Taxes	1,198.39	1,198.39	1,213.28	3,610.06	6,869.56
Medco Claims	39,730.77	36,658.49	37,440.77	113,830.03	234,460.65
Admin. Fee	384.84	384.18	391.46	1,160.48	2,389.20
SIDS Dental Claims	12,835.00	9,303.20	4,090.50	26,228.70	43,060.70
Admin. Fee	335.40	339.70	344.00	1,019.10	2,033.90
NVA Optical Claims	300.00	235.00	617.00	1,152.00	1,956.00
Admin. Fee	43.27	21.85	85.27	150.39	244.78
Amalgamated: Life Insurance	539.33	549.90	556.95	1,646.18	3,278.26
Disability	1,606.50	1,638.00	1,658.75	4,903.25	9,764.25
Teamster Center Services	284.90	288.60	292.30	865.80	1,755.65
Stop Loss Insurance	8,742.24	8,854.32	8,966.40	26,562.96	53,013.84
Total Benefit Expenses	**193,095.01**	**297,139.88**	**142,368.65**	**632,603.54**	**1,122,096.77**
Administrative Expenses *					
AA, LLC- Admin. Fees	5,720.00	5,720.00	5,720.00	17,160.00	34,320.00
Legal Fees	0.00	0.00	0.00	0.00	54.13
Consulting Fees	12,500.00	0.00	0.00	12,500.00	25,000.00
SEI Invest./Custody Fees	0.00	7,367.89	0.00	7,367.89	14,438.40
Fiduciary Liability Insurance	0.00	0.00	0.00	0.00	2,912.00
Year End Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audits	0.00	0.00	0.00	0.00	0.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	0.00
Convention & Seminars	2,007.59	0.00	0.00	2,007.59	2,007.59
Printing & Stationery	36.15	0.00	0.00	36.15	126.28
Postage	7.60	7.60	15.20	30.40	100.78
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	45.00	45.00	60.00	150.00	300.00
Travel Expenses	0.00	0.00	0.00	0.00	0.00
Meeting Expenses	0.00	0.00	0.00	0.00	123.53
Dues & Membership	0.00	0.00	0.00	0.00	0.00
Withdrawal Liability	1,479.58	1,479.58	1,479.58	4,438.74	8,877.48
NY Labor Health Care Dues	0.00	0.00	0.00	0.00	0.00
PCORI Fee	0.00	0.00	0.00	0.00	0.00
Transitional Reinsurance Fee	0.00	0.00	0.00	0.00	0.00
Cyber Liability	0.00	163.30	0.00	163.30	163.30
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Total Admin. Expenses	**21,795.92**	**14,783.37**	**7,274.78**	**43,854.07**	**88,423.49**
TOTAL EXPENSES	**214,890.93**	**311,923.25**	**149,643.43**	**676,457.61**	**1,210,520.26**
INCREASE/(DECREASE)	**8,714.64**	**(88,246.02)**	**92,243.31**	**12,711.93**	**129,551.86**

FUND RESERVE AS OF 12/31/17: $8,541,904.63

* Cash to Accrual

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
OCTOBER 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1940	FUND OFFICE WITHDRAWAL LIABILITY 10/17	1,479.58
	NVA OPTICAL CLAIMS 8/17-9/17	372.27
	ANTHEM EMPIRE- MEDICAL CLAIMS 10/17	127,677.27
	MEDCO RX CLAIMS 10/17	19,805.16
	SIDS DENTAL CLAIMS 8/17-10/17	9,901.00
	TOTAL PAYMENTS	**159,235.28**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
NOVEMBER 30, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1949	FUND OFFICE WITHDRAWAL LIABILITY 11/17	1,479.58
	NVA OPTICAL CLAIMS 10/17	357.27
	ANTHEM EMPIRE- MEDICAL CLAIMS 11/17	237,246.29
	MEDCO RX CLAIMS 10/17-11/17	41,427.59
	SIDS DENTAL CLAIMS 10/17-11/17	10,171.20
	TOTAL PAYMENTS	**290,681.93**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
DECEMBER 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1957	FUND OFFICE WITHDRAWAL LIABILITY 12/17	1,479.58
	NVA OPTICAL CLAIMS 11/17-12/17	360.85
	ANTHEM EMPIRE- MEDICAL CLAIMS 12/17	86,073.76
	MEDCO RX CLAIMS 11/17-12/17	23,872.91
	SIDS DENTAL CLAIMS 11/17-12/17	7,674.50
	TOTAL PAYMENTS	**119,461.60**

Local 338 Delinquency Log

Delinquencies as of 12/31/17

Employer	Month(s) Delinquent
College of New Rochelle	11/17 *
Orange County Transit (Valley Central)	11/17 **
Orange County Transit (Wallkill)	11/17 **

Late Fees

	Welfare	Total Balance Owed	Month(s) Owed
Culinart, Inc.	$51.94	$51.94	7/15
College of New Rochelle	$3,805.89	$3,805.89	3/16-9/16, 11/16, 11/17, 1/18
Suburban Propane	$34.00	$34.00	2/13-3/13
Paraco Gas Corp.	$32.56	$32.56	3/13, 6/13
Precast Concrete Sales Co.	$5.62	$5.62	3/13
Orange County Transit (Valley Central)	$39.87	$39.87	12/17
Orange County Transit (Wallkill)	$66.45	$66.45	12/17

Status of Withdrawal Liability Payments as of 12/31/17

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Local 338 Welfare Fund	3/1/2014	$1,479.58	240	46	No	36	6/30/2013

* College of New Rochelle Paid November Contributions on 1/24/18
** Orange County Transit (Valley Central) Paid November Contributions on 2/5/18
** Orange County Transit (Wallkill) Paid November Contributions on 2/5/18

Local 338 Welfare Fund Employer Contribution Rates							
Employer	**Employer #**	**Wel Count**	**Contract Effective Date**	**Contract Expiration Date**	**Current Weekly Welfare Rate**	**Current CBA on file**	**Which Union?**
College of New Rochelle	**9**	**20**	9/1/2009	*8/31/2013*		No	445
			9/1/2009		179.20		
Currently in negotiations			9/1/2010		219.20		
			9/1/2011		259.20		
			9/1/2012		279.20		
Culinart, Inc.	**60**	**21**	1/1/2014	*12/31/2016*		No	445
			1/1/2014		290.00		
Currently in negotiations			1/1/2015		290.00		
			1/1/2016		290.00		
First Student/Orange County Transit (Valley Central)	**57**	**3**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Kingston)	**59**	**2**	9/1/2015	8/31/2018		Yes	445
			1/1/2016		290.00		
			1/1/2017		290.00		
			1/1/2018		300.00		
First Student/Orange County Transit (Wallkill)	**51**	**5**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Pine Bush)	**58**	**6**	4/1/2014	*3/31/2017*		No	445
			1/1/2014		302.00		
Currently in negotiations			1/1/2015		302.00		
			1/1/2016		314.00		

Employer	Employer #	Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
L.P. Transportation	**43**	**32**	8/16/2016	8/15/2019		Yes	445
			8/16/2016		280.00		
			8/16/2017		280.00		
			8/16/2018		280.00		
Mondelez International was Kraft Foods Globals Inc.	**49**	**60**	9/1/2016	8/31/2019		Yes	445
			9/1/2016		280.00		
			9/1/2017		280.00		
			9/1/2018		308.00		
Paraco Gas Corp.	**54**	**8**	2/1/2015	*1/31/2018*		No	445
			2/1/2015		280.00		
Currently in negotiations			2/1/2016		288.00		
			2/1/2017		296.00		
PreCast Concrete	**55**	**5**	1/1/2016	*12/31/2017*		No	445
			7/1/2016		266.40		
Currently in negotiations			1/1/2017		290.40		

INDUSTRY AND LOCAL 338 WELFARE FUND
NUMBER OF ACTIVE MEMBERS
RECEIVING BENEFITS
JANUARY 2017 - DECEMBER 2017

MONTH	WELFARE	COBRA
January-17	158	3
February-17	158	3
March-17	163	3
April-17	159	3
May-17	158	3
June-17	155	3
July-17	138	3
August-17	137	3
September-17	157	2
October-17	160	2
November-17	158	2
December-17	162	2

INDUSTRY AND LOCAL 338

WELFARE FUND

SECOND QUARTER 2017-18

ADMINISTRATIVE MANAGER'S REPORT

INDUSTRY & LOCAL 338 WELFARE FUND
OCTOBER 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
COLLEGE OF NEW ROCHELLE	$ 279.20	21	$ 23,453
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$ 280.00	3	$ 3,360
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$ 280.00	5	$ 5,600
FIRST STUDENT (KINGSTON)	$ 290.00	2	$ 2,900
FIRST STUDENT (PINE BUSH)	$ 314.00	6	$ 9,420
KRAFT FOODS GLOBAL	$ 280.00	59	$ 64,680
LP TRANSPORTATION	$ 280.00	30	$ 31,640
CULINART	$ 290.00	21	$ 24,360
PRECAST CONCRETE	$ 290.40	5	$ 7,260
PARACO GAS	$ 296.00	8	$ 9,472
SUB TOTAL		**160**	**$ 182,145**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$ 510.42	2	$ 1,004
SUB TOTAL		**2**	**$ 1,004**

TOTAL CONTRIBUTIONS	**$ 183,149**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
NOVEMBER 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
COLLEGE OF NEW ROCHELLE	$ 279.20	21	$ 29,316
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$ 280.00	3	$ 3,360
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$ 280.00	5	$ 5,600
FIRST STUDENT (KINGSTON)	$ 290.00	2	$ 2,320
FIRST STUDENT (PINE BUSH)	$ 314.00	6	$ 7,536
KRAFT FOODS GLOBAL	$ 280.00	59	$ 62,160
LP TRANSPORTATION	$ 280.00	28	$ 34,160
CULINART	$ 290.00	21	$ 30,450
PRECAST CONCRETE	$ 290.40	5	$ 5,808
PARACO GAS	$ 296.00	8	$ 9,472
SUB TOTAL		**158**	**$ 190,182**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$ 510.42	2	$ 1,004
SUB TOTAL		**2**	**$ 1,004**

TOTAL CONTRIBUTIONS	**$ 191,186**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
DECEMBER 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE		PARTICIPANTS	CONTRIBUTIONS	
COLLEGE OF NEW ROCHELLE	$	279.20	20	$	22,057
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$	280.00	3	$	4,200
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$	280.00	5	$	7,000
FIRST STUDENT (KINGSTON)	$	290.00	2	$	2,900
FIRST STUDENT (PINE BUSH)	$	314.00	6	$	9,420
KRAFT FOODS GLOBAL	$	280.00	60	$	76,160
LP TRANSPORTATION	$	280.00	32	$	35,840
CULINART	$	290.00	21	$	24,360
PRECAST CONCRETE	$	290.40	5	$	5,517
PARACO GAS	$	296.00	8	$	9,472
SUB TOTAL			**162**	**$**	**196,926**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$	510.42	2	$	1,004
SUB TOTAL			**2**	**$**	**1,004**

TOTAL CONTRIBUTIONS	**$**	**197,930**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND

OCTOBER 2017

EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ 493	
ANTHEM- MEDICAL		$ 121,338	
ANTHEM- RETENTION		$ 4,768	
ANTHEM- HEALTHLINK FEES		$ 496	
ANTHEM- NY TAXES		$ 1,198	
MEDCO CLAIMS		$ 39,731	
MEDCO ADMIN		$ 385	
SIDS DENTAL CLAIMS		$ 12,835	
SIDS ADMIN	$ 2.15	$ 335	
NVA OPTICAL CLAIMS		$ 300	
NVA ADMIN		$ 43	
AMALGAMATED LIFE		$ 539	
AMALGAMATED DISABILITY	$ 10.50	$ 1,606	
TEAMSTER CENTER	$ 1.85	$ 285	
STOP LOSS INSURANCE	$ 56.04	$ 8,742	
SUB TOTAL		**$ 193,094**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ -	
CONSULTING FEES		$ 12,500	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ 2,008	
PRINTING & STATIONERY		$ 36	
POSTAGE		$ 8	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 45	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
CYBER LIABILITY		$ -	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 21,797**	

TOTAL EXPENSES	**$ 214,891**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
NOVEMBER 2017
EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ 1,379	
ANTHEM- MEDICAL		$ 231,160	
ANTHEM- RETENTION		$ 5,129	
ANTHEM- HEALTHLINK FEES		$ -	
ANTHEM- NY TAXES		$ 1,198	
MEDCO CLAIMS		$ 36,659	
MEDCO ADMIN		$ 384	
SIDS DENTAL CLAIMS		$ 9,303	
SIDS ADMIN	$ 2.15	$ 340	
NVA OPTICAL CLAIMS		$ 235	
NVA ADMIN		$ 22	
AMALGAMATED LIFE		$ 550	
AMALGAMATED DISABILITY	$ 10.50	$ 1,638	
TEAMSTER CENTER	$ 1.85	$ 289	
STOP LOSS INSURANCE	$ 56.04	$ 8,854	
SUB TOTAL		**$ 297,140**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ -	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ 7,368	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ 8	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 45	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
CYBER LIABILITY		$ 163	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 14,784**	

TOTAL EXPENSES	**$ 311,924**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
DECEMBER 2017
EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ 1,837	
ANTHEM- MEDICAL		$ 79,051	
ANTHEM- RETENTION		$ 5,268	
ANTHEM- HEALTHLINK FEES		$ 556	
ANTHEM- NY TAXES		$ 1,213	
MEDCO CLAIMS		$ 37,441	
MEDCO ADMIN		$ 391	
SIDS DENTAL CLAIMS		$ 4,091	
SIDS ADMIN	$ 2.15	$ 344	
NVA OPTICAL CLAIMS		$ 617	
NVA ADMIN		$ 85	
AMALGAMATED LIFE		$ 557	
AMALGAMATED DISABILITY	$ 10.50	$ 1,659	
TEAMSTER CENTER	$ 1.85	$ 292	
STOP LOSS INSURANCE	$ 56.04	$ 8,966	
SUB TOTAL		**$ 142,368**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ -	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ 15	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 60	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
CYBER LIABILITY		$ -	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 7,275**	

TOTAL EXPENSES	**$ 149,643**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
2017-18
QUARTERLY RECAP

INCOME	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	TOTAL
EMPLOYER CONTRIBUTIONS *	$ 520,632	$ 569,253	$ -	$ -	$ 1,089,885
COBRA/RETIREE CONTRIBUTIONS	$ 4,034	$ 3,012	$ -	$ -	$ 7,046
PAYROLL AUDIT & INTEREST	$ -	$ -	$ -	$ -	$ -
INTEREST & DIVIDENDS	$ 31,753	$ 80,356	$ -	$ -	$ 112,109
SEI INV REALIZED/UNREALIZED G/L	$ 92,141	$ 33,997	$ -	$ -	$ 126,138
SEI FUND REBATE	$ 2,343	$ 2,552	$ -	$ -	$ 4,895
NY LABOR HEALTH CARE REBATE	$ -	$ -	$ -	$ -	$ -
NY TAXES REFUND	$ -	$ -	$ -	$ -	$ -
NET ADJUSTMENT PER CUSTODIAN	$ -	$ -	$ -	$ -	$ -
MISCELLANEOUS	$ -	$ -	$ -	$ -	$ -
TOTAL INCOME	**$ 650,903**	**$ 689,170**	**$ -**	**$ -**	**$ 1,340,073**

EXPENSES *	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	TOTAL
BENEFITS PAID	$ 4,255	$ 3,709	$ -	$ -	$ 7,964
ANTHEM- MEDICAL	$ 288,967	$ 431,549	$ -	$ -	$ 720,516
ANTHEM- RETENTION	$ 16,805	$ 15,165	$ -	$ -	$ 31,970
ANTHEM- HEALTHLINK FEES	$ 1,768	$ 1,052	$ -	$ -	$ 2,820
ANTHEM- NY TAXES	$ 3,259	$ 3,609	$ -	$ -	$ 6,868
MEDCO CLAIMS	$ 120,630	$ 113,831	$ -	$ -	$ 234,461
MEDCO ADMIN	$ 1,229	$ 1,160	$ -	$ -	$ 2,389
SIDS DENTAL CLAIMS	$ 16,832	$ 26,229	$ -	$ -	$ 43,061
SIDS ADMIN	$ 1,015	$ 1,019	$ -	$ -	$ 2,034
NVA OPTICAL CLAIMS	$ 804	$ 1,152	$ -	$ -	$ 1,956
NVA ADMIN	$ 94	$ 150	$ -	$ -	$ 244
AMALGAMATED LIFE	$ 1,632	$ 1,646	$ -	$ -	$ 3,278
AMALGAMATED DISABILITY	$ 4,861	$ 4,903	$ -	$ -	$ 9,764
TEAMSTER CENTER	$ 890	$ 866	$ -	$ -	$ 1,756
STOP LOSS INSURANCE	$ 26,450	$ 26,562	$ -	$ -	$ 53,012
ADMINISTRATIVE EXPENSE	$ 44,572	$ 43,856	$ -	$ -	$ 88,428
TOTAL EXPENSE	**$ 534,063**	**$ 676,458**	**$ -**	**$ -**	**$ 1,210,521**
SURPLUS (DEFICIT)	**$ 116,840**	**$ 12,712**	**$ -**	**$ -**	**$ 129,552**

	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	AVG. TOTAL
TOTAL ACTIVE PARTICIPANTS	432	480			456

FUND RESERVE AS OF 12/31/17: $8,541,904.63

* Cash to Accrual

NAME: **SS#:**
REGARDING:

Industry and Local 338 Welfare Fund

LOCAL: 338
STATUS: Full Time

ISSUE: Hospital/Medical – Benefit Maximum #M18/102-6284

FUND RULE:
"**Physical, Occupational, Speech, or Vision Therapy**

Physical Therapy and Rehabilitation (requires pre-certification):

- Up to 90 days of inpatient service per calendar year
- Up to 30 visits combined in home, office, or outpatient facility per calendar year."

(Industry and Local 338 Welfare Fund SPD, Page 44)

"**Coordination of Benefits**

If this Plan is the Secondary Plan. If this Plan is secondary, then benefits will be reduced so that total benefits will not be greater than the allowable charges. Also, this Plan will not pay more than the amount the Plan would normally pay if it were primary."
(Industry and Local 338 Welfare Fund SPD, Pages 150-151)

SUMMARY:

Date(s) of Service:	January 3, 2017 through September 18, 2017
Claim Received:	September 15, 2017 through October 13, 2017
Claim Denied:	September 15, 2017 through October 16, 2017
Appeal Received:	April 27, 2018

The **participant's spouse** is appealing for secondary payment of claims for physical therapy services that were denied. The participant's spouse states, "Last year, I spoke with [a Fund office representative] regarding physical therapy. I, at the time, had Aetna as my primary [coverage] and [the Fund] was secondary. I suffered a spinal cord injury that required a lot of physical therapy and my [primary] insurance covered unlimited visits. [The Fund] said they would cover 30 [visits] but then I was told by [the Fund office representative] that [the Fund] was secondary and they would follow to cover unlimited visits. Now I am being billed for dates I was told I would be covered for. This was medically necessary and [I] was told it would be covered."

Fund records indicate Kessler Institute for Rehabilitation submitted many claims for physical therapy services rendered from January 3, 2017 through September 18, 2017 (out of sequential order) with the diagnoses "Intervertebral disc disorders with myelopathy - thoracic region, other abnormalities of gait and mobility, radiculopathy - lumbar region, encounter for other specified surgical aftercare, muscle wasting and atrophy - not elsewhere classified, stiffness of unspecified joint, and pain in thoracic spine." The Fund office issued secondary payment for thirty (30) physical therapy dates of service. The maximum benefit for calendar year 2017 exhausted at that time. The Fund office denied secondary payment of the remaining claims because the calendar year maximum benefit had exhausted.

ACTION: **Approved** ☐ **Denied** ☐ **Tabled** ☐
COMMENTS:

Segal Select Insurance

Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund

FIDELITY BOND INSURANCE

Policy No. **CH82422482FB**

February 1, 2018

Segal Select Insurance

333 West 34th Street New York, NY 10001-2402
T 212.251.5000 www.segalsi.com

MEMORANDUM

To: Alicia Cochran

From: Angie Begazo
Matthew Jackson

Date: February 1, 2018

Re: Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund
Fidelity Bond Insurance
Policy No. CH82422482FB

Thank you for the opportunity to provide a quotation for this renewal of Fidelity Bond coverage.

We recommend renewing coverage with the incumbent carrier, Chubb, based on the broad scope of coverage and competitive premium.

Chubb automatically covers losses caused by "any natural person handling ERISA Plan assets and is required to be bonded by ERISA," if coverage for Outside Agents (TPA, Investment Managers, etc.) is desired.

Carrier	Total 3-Year Premium	Limits of Liability	Response
Chubb	$9,267 ($3,089 per installment)	$3-million	**RECOMMENDED**—Key decision variables: broad scope of coverage and continuity.

Additional information is available in the attached sections outlined on the next page. Please advise us of the Trustees' decision at the earliest convenience, but not later than February 12 2018. If we have not received contrary instructions from you, we will bind coverage with the recommended insurer to avoid a lapse in coverage.

If you have any questions, please contact us at:

Broker: Angie Begazo at (212) 251-5421 or abegazo@segalsi.com
Senior Vice President: Matt Jackson at (212) 251-5387 or mjackson@segalsi.com

cc: John Urbank
Russell Bley

Table of Contents

Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund
Fidelity Bond Insurance
Policy No: CH82422482FB
February 1, 2018

Limits of Liability and Premium

Limits of Liability

Since the inception of ERISA, new technology has been introduced, risk issues have evolved, and fund assets have increased. Further, inflation has devalued ERISA's original bond limit requirement of 10 percent of handled assets up to $500,000. A DOL Field Assistance Bulletin, available here, confirms that nothing precludes a Fund from purchasing a higher bond limit than what is required.

Most bonds provide coverage on a "per occurrence" basis, which means that the bond's limits of liability applies anew to each unrelated loss sustained during the bond's term. If more than one Fund is covered on the same bond, the limit must equal at least the sum of each Fund's individual required limit.

Premium

At this renewal, Chubb has quoted a premium decreased of 1.51 percent ($44) annually from the expiring. An additional premium of $227 is included for the Social Engineering Coverage, if elected.

The information contained within this memo discusses legal issues and does not purport to have addressed all the decision issues trustees may need to discuss. Pursuing the strategies discussed herein may represent a change in the purchase of a plan's ERISA bond, especially its internal and external agent ERISA bonds. This may also result in significantly higher premium costs. Segal Select recommends that the trustees carefully consider these options and seek legal counsel's advice before pursuing them. Segal Select does not provide legal services or practice law and cannot provide legal opinions or binding interpretations of coverage. Segal Select emphasizes that plan trustees must rely on their legal counsel for authoritative legal advice on all questions concerning compliance with ERISA and DOL regulations.

Comparison of Policy Terms and Conditions

Terms of Expiring Policy and Proposed Renewal Policies[1]

	Expiring Terms	Renewal Terms
DESCRIPTION	**Chubb**	**Chubb (Recommended)**
Policy Terms and Conditions		
• Rating by A.M. Best[2]	A++	A++
• Policy Period	2/15/2015 to 2/15/2018	2/15/2018 to 2/15/2021
• Limits of Liability	$3-million	$3-million
• Total 3-Year Premium	$8,718 ($2,906 per installment)	$8,586 ($2,862 per installment)
• Social Engineering Coverage Premium	×	$681 ($227 per installment)
• Deductible for ERISA Coverage	$0	$0
• Deductible forNon-ERISA Coverages Only	$2,500	$5,000
• Deductible for Social Engineering Coverage Only	×	$10,000
Coverages/ Endorsements[3]		
• ERISA Fraud & Dishonesty	✓	✓
• 3rd Party Forgery	✓	✓
• 3rd Party Computer Fraud	✓	✓
• 3rd Party Funds Transfer Fraud	✓	✓
• Expense Coverage	✓ $10,000 sublimit	✓ $10,000 sublimit
• Outside Agents Coverage[4]	✓	✓
• Loss Discovered	✓	✓
• Extended Discovery Period	As soon as practical and no later than twelve (12) calendar months	No later than twelve (12) calendar months
• Pension Protection Act Enhancement	✓	✓
• Social Engineering Coverage	×	✓ - if purchased $50,000 sublimit $10,000 Retention

✓ Included in the policy × Not included

1 Please note that this chart is not a bill for payment, and you should not make any remittance from it. A bill will be issued separately upon receipt of binding instructions. These policy summaries are not legal interpretations of coverage. Fidelity Bond is a legal contract that Plan Counsel should review.

2 Segal Select Insurance can recommend insurance carriers with an A.M. Best rating of "A" or better.

3 See attached glossary for definitions of selected coverage terminology appearing in this table.

Carrier Subjectivities

This section summarizes the additional information the carrier will require in order to bind coverage.

- Chubb:

  There are no subjectivities at this time.

Recommendation

Our recommendation is based on the following:

Scope of Coverage

The Chubb bond continues to automatically covers losses caused by employees, Trustees, and "any other natural person who handles ERISA plan assets, who is required to be bonded by Title 1 of ERISA". If coverage for losses caused by Outside Agents (TPA, Investment Managers, etc.) is desired, the Chubb bond does not require maintaining a list of these Outside Agents.

We also recommend the continued purchase of coverage for third party exposures commonly present in Fund administration: Forgery, Computer Fraud, and Funds Transfer Fraud. Given the increasing involvement of computers and fund transfer activities in the operation of benefit plans, Segal Select always recommends these third party coverages.

The carrier also continues to provide a $10,000 sublimit for Expense coverage for costs incurred to establish the existence and amount of covered loss. Please be advised that Chubb's coverage applies to all losses.

For this renewal, Chubb has included coverage for Social Engineering which covers losses resulting from a fraudulent instruction by someone impersonating a Fund trustees, employee or aendor to transfer money or securities from your account. Chubb has provided a sublimit and a deductible that applies specifically for this coverage in the chart above.

Supplemental Information for Insureds

The following material is presented in an effort to provide a better understanding of the offered coverage. While all Fidelity Bond insurance policies follow a similar format, substantial differences exist between carriers. Fidelity Bond coverage is a contract between the Insureds and the Insurer. Segal Select Insurance recommends Trustees familiarize themselves with the policy's basic coverage features, especially those that require action on your part, and that plan counsel review all Fidelity Bond policies. Of course, as your broker, we are always available for your questions.

Notice of Claim

The policy language requires that the carrier be notified as soon as practicable if the insured discovers any potential loss. Within this context, it is important to note that the policy's definition of Discovery is broad and subject to terms and conditions under the policy. Failure to notify under these terms could jeopardize coverage under the policy.

All electronic claim notifications to be processed by Segal Select Insurance Services, Inc. **must** be sent to claims@segalsi.com. Please copy me on any notification, but Segal Select Insurance Services, Inc. is not responsible for the processing of any electronic claim notification if it is not addressed to claims@segalsi.com.

Insured's Obligation to Notice the Insurer

In addition to an obligation to notice the insurer of any claim or circumstance as soon as practicable, the policy will, or may, obligate the Insured to provide notice to the insurer in other instances.

Please note that insurance coverage cannot be bound or changed via email or voicemail message unless confirmed by a licensed broker.

Compensation

Information about our how we are compensated is available here.

Learn More

For more information about Segal Select Insurance and our services, visit us online at www.segalsi.com.

Proposal Advisory

This proposal is a convenient outline of coverage forms, limits of insurance, policy endorsements and other terms and conditions provided to you in this quote memo.

Please review with legal counsel quotes/policies for specific terms, conditions, limitations and exclusions tht will govern in the event of a loss.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please immediately brng these items to our attention.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insuance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued the facts and circumstances involved in each claims or loss and any applicable law.

Please advise if you have any questions for us.

Glossary of Terms

The statements below are not legal definitions. In all instances, the definitions contained within the policy will control coverage.

Employee	The definition includes funds, fiduciary, trustees, administers, officers and employees. In addition, the Chubb bond includes language covering losses caused by "natural persons while in the service of any Employee Benefit Plan (included as Insured herein) as fiduciary, trustee, administrator, officer or employee and any other natural person required to be bonded by Title 1 of the Employee Retirement Income Security Act of 1974."
Expense Coverage	A sublimit of reasonable expenses associated with investigative or computer violation expenses resulting from a direct loss other than internal business expenses such as employee remuneration.
Computer Fraud	Losses resulting from third party "hacking" into the Insured's computer system to steal money, securities, or other property. The policy will also respond if a bank holding money, securities, or other property of the Insured is "hacked" and such an event results in a loss to the Insured. The ERISA bond automatically provides this coverage for losses caused by employees, directors, or Trustees of the Fund.
Forgery	Losses resulting from a third party forging or altering a check drawn on the Insured. The ERISA bond automatically provides this coverage for losses caused by employees, directors or trustees of the Fund.
Funds Transfer Fraud	Losses resulting from a third party providing fraudulent instructions directing a financial institution to transfer, pay, or deliver funds from your account. The ERISA bond automatically provides this coverage for losses caused by employees, directors or trustees of the Fund.
Loss Discovered	Losses are adjusted based on the limit and coverage in force when the loss is discovered, regardless of when the loss was sustained.
Outside Agents	e.g., Third Party Administrators, Investment Managers, etc. – Understanding which coverage is being purchased is important – Here's why. On the Chubb bond, Outside Agents do not need to be scheduled. The policy includes language covering losses caused by "any natural person who handles ERISA plan assets and who is required to be bonded by ERISA." Each natural person, rather than the collective outside entity, is considered when determining related claims.
Social Engineering Coverage	Losses resulting from a fraudulent instruction by someone impersonating a fellow employee or vendor to part with money or securities from your account.

PROTECTING YOUR FUNDS FROM VARIOUS RISKS

Segal Select Insurance

Benefit funds have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

CORE PRODUCTS FOR FUNDS OF ALL TYPES

Fiduciary Liability Insurance
Protects trustees from allegations of breach of fiduciary duty

Fidelity Bond
Protection from costs associated with employee dishonesty, theft and third party crime losses

Cyber Liability Insurance
Protects funds from costs associated with cyber risks

Employment Practices Liability Insurance (EPLI)
Protection for allegations of employment wrongdoing

DOES THE FUND OWN PROPERTY, HOST EVENTS, AND CONDUCT TRAVEL?

Property & Casualty
Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others

Event Cancellation Insurance
Protects from unforeseen losses related to hosting events

Travel Accident Insurance
Protects for losses due to accidental death and dismemberment during business travel

DOES THE FUND PROVIDE SERVICE TO OTHERS?

Miscellaneous Errors
Protects against allegations of errors and omissions

Employed Lawyers
Protects a funds' in-house attorneys from legal advice allegations

Medical Professional Insurance
Protects for allegations of wrongful practices and services

Retiree Representatives
Protection designed for MPRA representatives for errors and omissions

DOES THE FUND MANAGE TRAINING FACILITIES?

Educators Liability
Protects against claims alleging improper or insufficient training

Directors and Officers
Protects for various operational exposures related to managing a training facility

Media
Protects against various personal injury allegations

Student Accident
Responds to injury of students, volunteers or participants

To learn more about Segal Select Insurance Services, visit our website at www.segalsi.com or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, dmcnally@segalsi.com or Matthew Jackson, RPLU, Senior Vice President, Consultant at 212.251.5387, mjackson@segalsi.com.