Carpenters Local No. 491
Health & Welfare Fund

Board of Trustees Meeting

March 15, 2019

CARPENTERS LOCAL NO. 491
HEALTH AND WELFARE FUND
AGENDA
MARCH 15, 2019

A. ROLL CALL

B. MINUTES OF THE NOVEMBER 16, 2018 BOARD MEETING

C. ADMINISTRATIVE REPORTS

1. Statement of Changes In Fund Balance (Oct - Dec, 2018)
2. Statement of Fund Balance (December 31, 2018)
3. Contribution / Claim Schedules (Jan - Dec, 2018)
4. Claim Payment Schedule (Jan - Dec, 2018)
5. Highest Cost Medical Claims (Oct - Dec, 2018)
6. Bills to be Approved and Paid (March 15, 2019)
7. Cash Management Statement

D. UNFINISHED BUSINESS

1. Delinquent Employer Listing
2. J.K. Cabinet
3. Payroll Audits
4. Apprentice Hours Credit Amendment
5. Stop Loss Policy Renewal Update

E. NEW BUSINESS

1. Bolton Partners Projected vs. Actual
2. Bolton Investment Report
3. Express Scripts - Christopher Kelly
4. Claim Demographics
5. Summary of Material Modification
6. Update of Summary Plan Description
7. Fiduciary Liability Insurance Renewal March 15, 2019 - March 15, 2020
8. Conflict of Interest and Gift Policies Form for 2019
9. Beyond Exhibit Logistics
10. Build Task
11. Update Letters
12. Updated COBRA Notice
13. Segal Consulting Agreement
14. Contribution Allocation
15. Appeals
16. Trustee Web Portal and MemberXG
17. Questions
18. Date of Next Meeting - June, 2019

F. VACATION BENEFIT REPORT

1. Update Bank Signature Cards

CARPENTERS LOCAL NO. 491
HEALTH AND WELFARE PLAN
REGULAR MEETING OF THE BOARD OF TRUSTEES

November 16, 2018

MINUTES

A regular meeting of the Trustees of the Carpenters Local No. 491 Health and Welfare Plan was held at 10:30 a.m. on November 16, 2018, at the office of the Administrative Manager, Associated Administrators, LLC, 911 Ridgebrook Road, Sparks, Maryland 21152. Present were the following Trustees:

UNION TRUSTEES	EMPLOYER TRUSTEES
	Ken Bisch
Robert Tarby	Andrew Telles
Bill Waterkotte	Todd Weitzman

Also present were Albert Kroll, Esq., Counsel for the Union; David J. Jensen, and Dawn Welch, Administrative Manager; Mark Lynne, of Bolton Partners, Inc.; Ira Marc Miller, CPA; Alton Fryer, of Bolton Partners Investment Consulting Group, Inc.; Pete Tonia; and Steven I. Batoff, Attorney.

The following matters were discussed with the indicated action taken:

1. The minutes of the meeting of September 24, 2018, were approved as read.
2. The Administrative Manager reviewed with the Trustees the Administrative Manager's report for the nine months ending September 30, 2018. The Fund balance as of September 30, 2018, was $9,473,899.56. The Administrative Manager reviewed with the Trustees the Fund balance report at market value as of September 30, 2018.

The Administrative Manager then reviewed the claims payments for the September 2018 quarter and compared them to the December 2017, March 2018, and June 2018 quarters. The Administrative Manager reported that there were two life insurance claims for the quarter ending September 30, 2018. The Administrative Manager reviewed the highest claim payments for the quarter. Upon motion duly made by Mr. Bisch and seconded by Mr. Weitzman, the Administrative Manager's report was unanimously approved by the Trustees.

3. The Administrative Manager then reviewed with the Trustees the bills to be paid, as listed in an attachment to these minutes. The Trustees unanimously approved payment of the aforementioned checks.

4. The following Delinquent Contractor Listing was reviewed by the Trustees and the Administrative Manager:

J.K. Cabinet	8/16 – 11/16
Build Task	7/18 – 9/18

The Trustees then discussed the delinquent employers with Mr. Batoff and the Administrative Manager.

Mr. Batoff reported that J.K. Cabinet Co., Inc. is paying $1,000 per month.

5. The Administrative Manager reviewed with the Trustees the cash management statement.

6. Mr. Lynne, of Bolton Partners, then reviewed the projected versus actual budget for the nine months ended September 30, 2018. Mr. Lynne reported that there were 27.72 months in reserve. Mr. Lynne then reviewed a memorandum regarding whether the Trustees should consider granting credits to the apprentices under the Plan for hours that they are in class. Mr. Lynne stated that the estimated impact of granting credit to

apprentices for hours that they are in class would be $70,000 per year. Upon motion by Mr. Tarby and seconded by Mr. Telles, the Trustees unanimously agreed to amend the Plan effective January 1, 2019, to give credit to apprentices for hours that they are in class period. The Trustees requested that Mr. Batoff prepare any necessary amendment to the Plan and any necessary summary of material modifications which would be distributed by the Administrative Manager.

Mr. Lynne then discussed the stop-loss renewal. Mr. Lynne stated that the initial renewal from ULLICO is an 8% increase at the current deductible. He stated that he will work on marketing stop-loss coverage and will also look at increasing the deductible from $325,000 to $350,000.

7. Mr. Kroll and Mr. Tonia then discussed the dissolution of Carpenters Benefit Services, Inc. (CBSI). They then stated that the $1,700 of expenditures from the Plan will be used to establish the Level Care Health Consortium. The Trustees, upon motion duly made by Mr. Tarby and seconded by Mr. Bisch, unanimously agreed to concur with the dissolution of CBSI.

8. Alton Fryer, of Bolton Partners Investment Consulting Group, Inc., then reviewed the quarterly review of the Fund as of September 30, 2018. Mr. Fryer then provided a review of the economy and capital markets. He then reviewed asset allocation; asset reconciliation; long term asset growth; portfolio targets; historical performance; calendar year performance; and 3-year risk/reward summary, 5-year risk/reward summary, and 10-year risk/reward summary. Mr. Fryer also reviewed an asset allocation. He then reviewed calendar year-to-date returns for various investments and their respective benchmark.

He also reviewed the asset allocation as of November 12, 2018.

9. The Administrative Manager reviewed with the Trustees the Summary Annual Report for 2017.

10. Dawn Welch then gave a verbal report to the Trustees as to demographics of claims. Ms. Welch also provided a written report as to demographics of claims.

11. The Administrative Manager, Pete Tonia, Mr. Batoff, the Trustees, and Ira Miller, of Ira Marc Miller & Co., P.A., then discussed with the Trustees payroll audits. Mr. Tonia reported that there is nothing to update the Trustees at this time as to the status of payroll audits.

12. Mr. Batoff presented to the Trustees a draft amendment to the trust agreement to reduce the interest rate charged delinquent employers from 18% annually to a range between 18% and 9% annually. The Trustees, upon motion duly made by Mr. Bisch and seconded by Mr. Telles, unanimously agreed to the amendment. The Trustees them executed the amendment.

13. The Administrative Manager informed the Trustees that Beyond Exhibits Logistics requested a release from its bond provided the Fund. The Trustees requested that the Administrative Manager contact David Letushko to do a payroll audit of Beyond Exhibits Logistics and to confirm that no contributions are owed the Fund before the bond can be released.

14. Mr. Batoff reported that, as requested by the Trustees, a lawsuit has been filed against Build Task due to its failure to comply with the requests during a payroll audit and consequently possible delinquent contributions to the Fund.

15. A. The Administrative Manager reviewed the appeal of a participant for the coverage of Remicade infusions. Medical records and a letter of medical necessity were sent to American Health Holding for review. American Health Holding informed the Administrative Manager on November 9, 2018, that Remicade is not medically necessary and, therefore, it was unable to approve the request. The Trustees, upon motion by Mr. Bisch and seconded by Mr. Tarby, unanimously denied the appeal based on American Health Holding's statement that Remicade is not medically necessary. The Trustees directed the Administrative Manager to so inform the participant in accordance with ERISA and the Plan's appeals procedures.

B. The Administrative Manager reviewed the appeal of a provider on behalf of a participant for coverage of Otezla injections. American Health Holding advised the Administrative Manager that Otezla injections are not medically necessary. The Trustees upon motion by Mr. Bisch and seconded by Mr. Weitzman unanimously denied the appeal because the injections are not medically necessary. The Trustees directed the Administrative Manager to so inform the participant in accordance with ERISA and the Plan's appeals procedures.

16. Dawn Welch then reviewed with the Trustees a letter sent to her dated September 28, 2018, from CIGNA regarding the Plan's dental shared administration renewal. Ms. Welch stated that there will be no rate change for the upcoming renewal year from January 1, 2019, through December 31, 2019.

17. Mr. Kroll and Mr. Tonia then provided the Trustees with an update as to the status of the Consortium. Joe DiBella, of Conner Strong & Buckelew, then reviewed level care health. He first reviewed an executive summary. This was followed by an in-depth

discussion about level care health. He then reviewed the level care health consortium framework. This was followed by a review of products and services currently offered and planned for the future. He then discussed the management platform. Mr. DiBella then gave an in-depth review of the process. He then discussed the key features of the level care health consortium, including the network (the Blue's national Blue Card PPO). He then reviewed the service and guarantees, systems and administration, claims cost target, transparency, and the administrative cost model and savings. He stated that there should be approximately $16,000 in savings to the Plan in administrative costs to start. The Trustees, upon motion duly made by Mr. Bisch and seconded by Mr. Tarby, unanimously agreed to join the consortium. The Trustees, upon motion duly made by Mr. Telles and seconded by Mr. Bisch, unanimously agreed that Mr. Weitzman and Mr. Tarby shall serve as Plan representatives to the consortium.

18. The Administrative Manager then discussed the Plan receiving money from Maryland unclaimed property.

19. The Trustees then reviewed with the Administrative Manager the cash balance report for the vacation benefit for the nine months ending September 30, 2018. The cash balance as of September 30, 2018, was $988,318.30.

There being no further business, the meeting was thereupon adjourned at 12:06 p.m. with next regular meeting scheduled for March 15, 2019, at 9:00 a.m.

Respectfully submitted,

Steven I. Batoff
Secretary of the Meeting

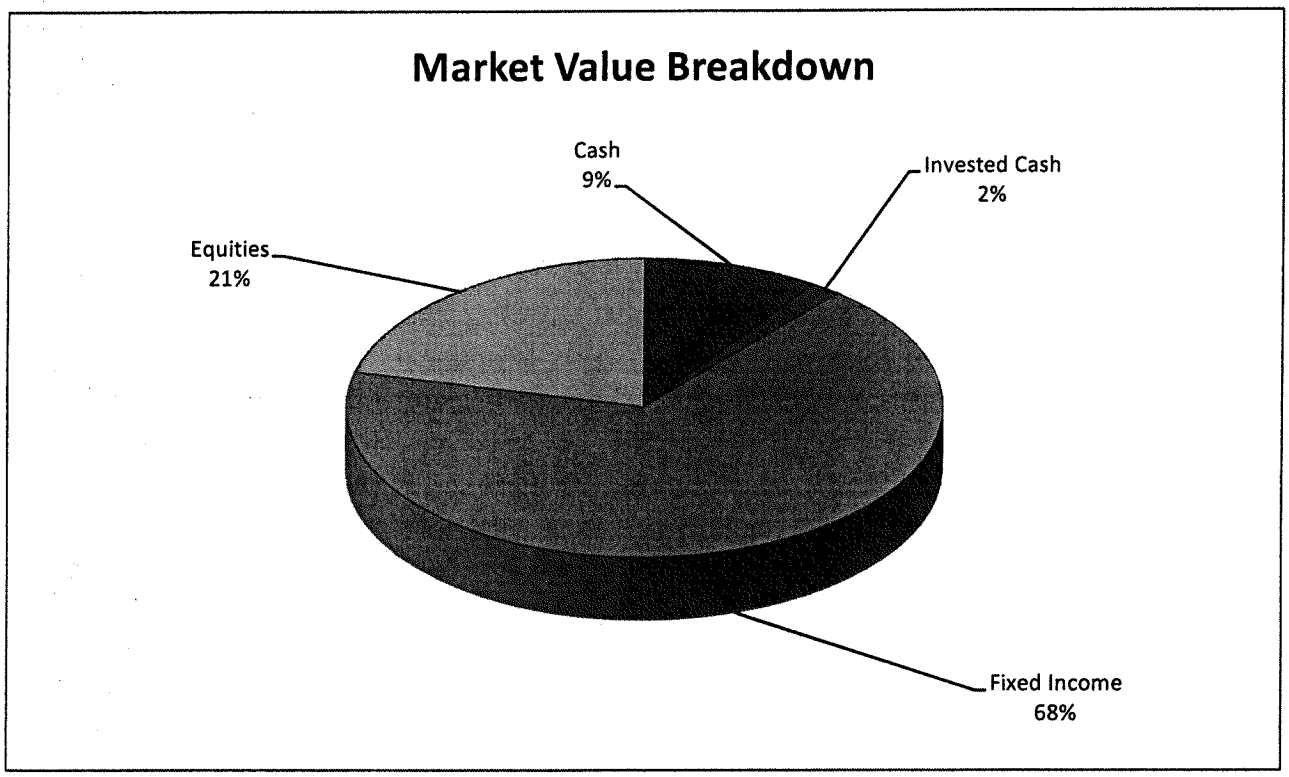
CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
STATEMENT OF CHANGES IN FUND BALANCE - CASH BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018

	Current Quarter	Year To Date
Additions		
Employer/Employee Contributions	$ 1,439,924.67	$ 4,793,825.81
Dividends	186,229.51	375,789.96
Interest	806.18	1,463.86
Rebates	-	-
Gain (Loss) on Sale of Investments	-	-
Securities Litigation Proceeds/Unclaimed Prop.	7,252.41	7,252.41
Total Additions	1,634,212.77	5,178,332.04
Deductions		
Medical Deductions	793,543.67	3,666,067.90
P.P.O. Fees	8,981.28	33,616.54
PCORI Fee	-	2,246.60
ESI-FWA Fee	-	-
Actuarial Fees	5,000.00	27,475.00
Administration	32,939.00	130,489.00
HIPPA Compliance Fees	-	-
Computer Expenses	-	-
Conference Expenses	-	-
Reciprocals Paid	56,116.26	185,449.07
Audit Fees	2,000.00	18,000.00
Investment Manager Fees	500.00	2,080.00
Investment Performance Fees	-	6,000.00
Meeting Expense	249.25	591.49
Medical Consultant Fees	-	-
Dues	622.50	622.50
Employer Audits	1,937.50	5,304.30
Fidelity Bond	500.00	1,000.00
Cyber Liability Insurance	1,843.00	1,843.00
Fiduciary Liability Insurance	(883.93)	6,749.98
Independent Fiduciary Fee	250.51	1,730.51
Stop Loss Insurance	61,809.66	231,158.25
Stop Loss Reimbursement	-	(173,179.66)
Office Expenses	-	-
Postage	754.37	2,548.78
Legal Fees	19,134.10	62,831.50
Printing	4,365.49	6,846.55
Hospital Reviews	30,862.70	55,221.95
Hospital Audits	-	781.50
Trustee Fees	-	-
Consulting Fees	-	3,000.00
Bank Service Charges	-	16,208.91
Transitional Reinsurance Fee	-	-
Settlement	(379.94)	(379.94)
Total Deductions	1,020,145.42	4,294,303.73
Net Increase (Decrease)	$ 614,067.35	$ 884,028.31
Fund Balance - December 31, 2017		9,203,938.60
Fund Balance - December 31, 2018		$ 10,087,966.91

UNAUDITED FINANCIAL REPORT

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
STATEMENT OF FUND BALANCE
AS OF DECEMBER 31, 2018

	Cost Basis	Market Basis
Bank of America		
Cash - Operating	$ 1,092,517.76	$ 1,092,517.76
Cash - Benefit	(134,060.60)	(134,060.60)
	958,457.16	958,457.16
Amalgamated Bank of Chicago		
Cash & Cash Equivalents	-	-
Money Market	161,228.18	161,228.18
Fixed Income	6,984,960.47	6,751,962.44
Equities	1,983,321.10	2,116,663.78
	9,129,509.75	9,029,854.40
Other Assets & Payables (Net)	-	-
	$ 10,087,966.91	$ 9,988,311.56
Market Value of Fund Balance as of December 31, 2017		9,677,661.05
Change in Market Value of Fund as of December 31, 2018		$ 310,650.51
Increase in Cash		884,028.31
Unrealized Loss on Investments		(573,377.80)
		$ 310,650.51



CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
CONTRIBUTIONS / CLAIMS SCHEDULES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018

Employer Contributions

Hourly rates and their effective dates

Date	Shops	Exhibitors
03/01/05	2.30	3.00
03/01/06	2.30	3.25
07/17/06	2.40	3.25
03/01/07	2.40	3.55
07/17/07	2.50	3.55
01/17/08	2.60	3.55
03/01/08	2.60	3.80
07/17/08	2.70	3.80
01/17/09	2.80	3.80
03/01/09	2.80	4.15
03/01/10	2.80	4.45
03/01/11	2.80	4.60
07/17/11	3.00	4.60
03/01/12	3.00	5.00
03/01/13	3.00	5.25
03/01/14	3.15	5.60
03/01/14	3.40	5.60
03/01/15	3.40	5.85
07/20/15	3.50	5.85

Employer / Employee

Prior Years Analysis

Year	Receipts	Claims	Difference
2008	$ 3,697,362.56	$ 3,113,647.73	$ 583,714.83
2009	3,193,912.73	2,800,311.76	393,600.97
2010	3,156,780.29	2,625,943.50	530,836.79
2011	3,879,294.58	3,234,111.38	645,183.20
2012	3,819,855.24	3,778,361.78	41,493.46
2013	4,049,717.46	3,202,012.09	847,705.37
2014	4,262,555.33	3,252,072.12	1,010,483.21
2015	4,501,646.07	2,728,405.47	1,773,240.60
2016	4,881,298.31	2,918,759.70	1,962,538.61
2017	5,049,927.78	2,915,661.88	2,134,265.90
2018	4,793,825.81	3,666,067.90	1,127,757.91

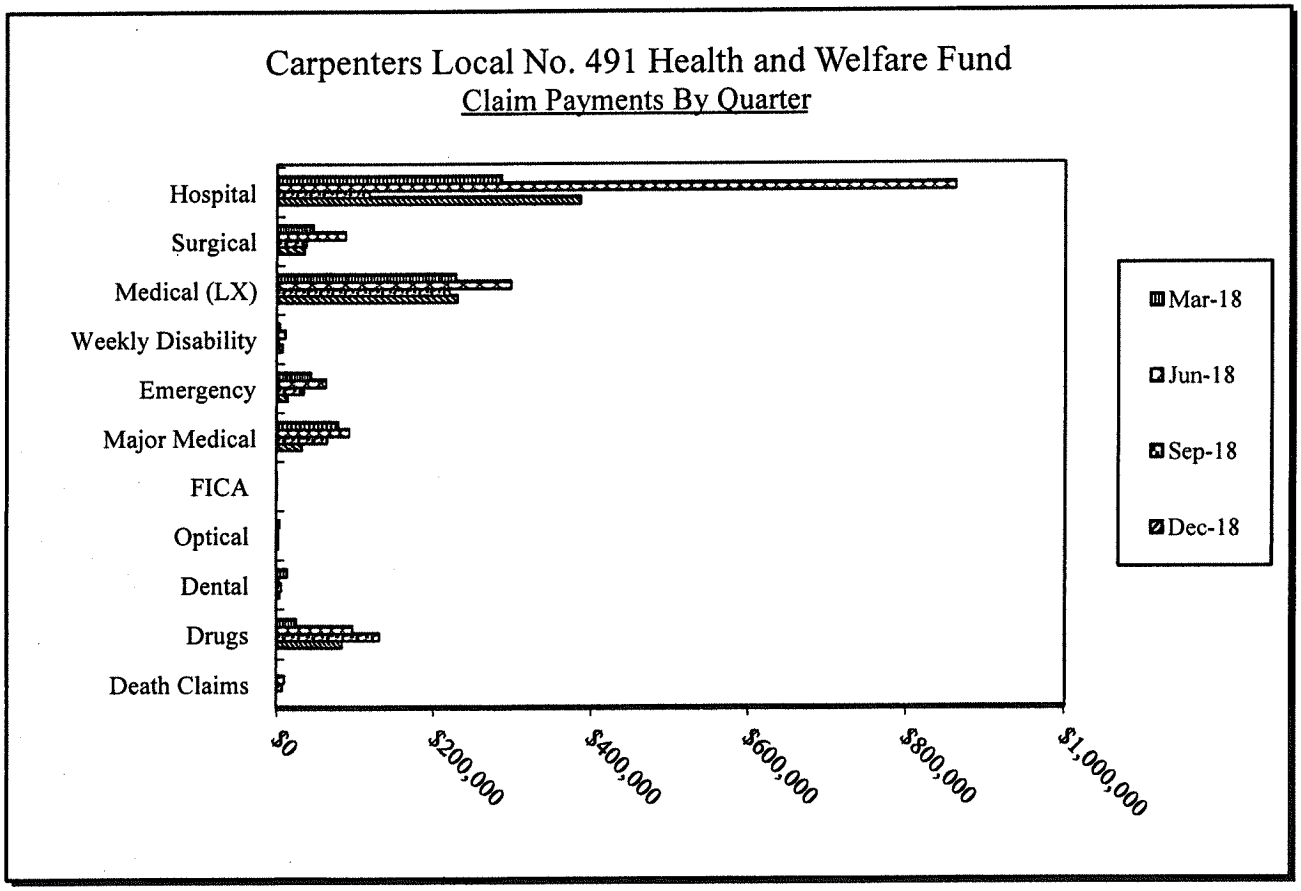
Current Year Analysis

Month	Receipts	Claims	Difference
January	$ 177,406.21	$ 79,612.87	$ 97,793.34
February	203,903.01	229,673.27	(25,770.26)
March	375,811.45	417,683.79	(41,872.34)
April	548,936.77	276,999.46	271,937.31
May	486,790.39	532,233.51	(45,443.12)
June	483,814.03	715,309.97	(231,495.94)
July	442,085.53	196,596.68	245,488.85
August	352,871.02	249,327.38	103,543.64
September	282,282.73	175,087.30	107,195.43
October	472,008.35	196,481.85	275,526.50
November	524,925.35	384,052.37	140,872.98
December	442,990.97	213,009.45	229,981.52
	$ 4,793,825.81	$ 3,666,067.90	$ 1,127,757.91
Average Per Month	$ 399,485.48	$ 305,505.66	$ 93,979.83

UNAUDITED FINANCIAL REPORT

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
CLAIM PAYMENT SCHEDULE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018

Claim Payments	Mar-18 Quarter	Jun-18 Quarter	Sep-18 Quarter	Dec-18 Quarter
Hospital	$ 284,144.83	$ 859,867.28	$ 116,865.20	$ 384,314.72
Surgical	46,423.01	87,502.98	37,471.36	35,368.31
Medical (LX)	226,703.52	296,514.81	218,260.87	228,655.65
Weekly Disability	4,114.34	10,800.08	2,057.16	7,200.04
Emergency	43,724.37	63,111.45	34,569.26	14,148.69
Major Medical	78,269.87	92,564.37	64,154.71	32,256.70
FICA	314.73	826.22	157.37	550.81
	683,694.67	1,411,187.19	473,535.93	702,494.92
Optical	4,337.35	3,235.58	2,661.60	3,013.75
Dental	13,862.82	3,468.85	6,699.80	4,621.65
Drugs	25,075.09	96,651.32	130,614.03	83,413.35
	43,275.26	103,355.75	139,975.43	91,048.75
Death Claims	-	10,000.00	7,500.00	-
	$ 726,969.93	$ 1,524,542.94	$ 621,011.36	$ 793,543.67



UNAUDITED FINANCIAL REPORT

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE PLAN
HIGHEST COST MEDICAL CLAIMS
March 15, 2019

Highest Individual Claim Expense October 1, 2018 to December 31, 2018

Patient	Illness	Medical	Hospital	Total
Member	Knee Replacement & Alcohol Dependence	$ 1,469.65	$ 69,219.43	$ 70,689.08
Spouse	Periorbital Cellulitis	495.94	49,130.17	49,626.11
Member	Bacteremia	15,516.23	29,129.99	44,646.22
Member	Thyrotoxicosis	1,163.60	22,480.95	23,644.55
Member	Opioid Dependence	3,536.05	19,302.06	22,838.11
Member	Colon Cancer	-	22,400.00	22,400.00
Member	Lung Cancer	21,947.41	-	21,947.41
Member	Opioid Dependence	2,328.00	18,086.33	20,414.33
Spouse	Knee Replacement	2,808.08	13,161.53	15,969.61
Daughter	Pneumonia	2,818.72	7,981.28	10,800.00
Daughter	Ovarian Cyst	510.72	9,908.36	10,419.08
Member	Myocardial Infarction	1,072.72	8,377.75	9,450.47
Member	Laminectomy	394.11	8,241.55	8,635.66
Member	Rheumatoid Arthritis	7,127.53	-	7,127.53
Daughter	Adjustment Disorder	1,672.80	5,642.36	7,315.16
Member	Pneumonia	3,081.07	4,112.67	7,193.74
Spouse	Diabetes Mellitus	4,631.18	2,404.97	7,036.15
Daughter	Hand Fracture	781.04	6,107.54	6,888.58
Member	Hip Replacement	372.29	5,978.38	6,350.67
Member	Tendonitis	127.44	5,409.63	5,537.07
Member	Benign Colon Neoplasm	-	5,009.33	5,009.33
Member	Gallbladder Removal	602.61	4,397.60	5,000.21
	Total	**$ 95,086.59**	**$ 932,540.28**	**$ 1,027,626.87**

Life Insurance Claims Paid October - December 2018

No Death Benefits Processed This Quarter

Monthly Paid Prescription Drug Cost

October	$ 30,227.56
November	43,008.86
December	50,864.02
	$ 124,100.44

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
BILLS TO BE APPROVED AND PAID
OPERATING ACCOUNT
March 15, 2019

Payee/Purpose	Period	Check #	Amount
1. Associated Administrators, LLC Meeting Expense	11/18	3217	136.57
2. American Health Holding, Inc. Case Management Reviews	10/18	3218	1,760.00
3. American Health Holding, Inc. Medical Reviews	10/18	3219	612.00
4. Asmed Health Hospital Reviews - Batch #198		3220	10,985.63
5. Batoff Associates, P.A. Legal Fees	11/18	3221	9,917.20
6. Bolton Partners, Inc. Actuarial & Consulting Fees	10/18	3222	5,000.00
7. NCAS Monthly Fee	12/18	3223	2,993.76
8. Washington Street Insurance Group Cyber Liability Insurance	12/18 - 12/19	3224	1,843.00
9. New York District Council Medical Fund Reciprocal Hours - D. Ojeda		3225	23.40
10. Washington Area Carpenters' Fund Reciprocal Hours	10/18	3226	19,188.16
11. Union Labor Life Insurance Company Stop Loss Insurance Premium	12/18	3227	20,603.22
12. CIGNA Dental Health, Inc. Dental Premium	12/18	3228	1,525.15
13. Schoenfeld Insurance Associates Crime Policy	12/18 - 12/19	3229	500.00
14. Associated Administrators, LLC 1st Quarter Administration Fee	1/19 - 3/19	3230	32,939.00
15. Batoff Associates, P.A. Legal Fees	12/18	3231	6,098.05
16. NCAS Monthly Fee	1/19	3232	2,718.72

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
BILLS TO BE APPROVED AND PAID
OPERATING ACCOUNT
March 15, 2019

Payee/Purpose	Period	Check #	Amount
17. Bolton Partners Investment Consulting Group, Inc.			
Investment Performance Fees		3233	2,000.00
18. Associated Administrators, LLC			
Postage - New Hire Packets	1/19	3234	3.25
19. American Health Holding, Inc.			
Case Management Reviews	11/18	3235	1,292.50
20. American Health Holding, Inc.			
Medical Reviews	11/18	3236	408.00
21. Carpenters Philadelphia Welfare Fund			
Reciprocal Hours	11/18	3237	821.93
22. Carpenters Philadelphia Welfare Fund			
Reciprocal Hours - J. Kondas		3238	789.76
23. Carpenters Philadelphia Welfare Fund			
Reciprocal Hours - A. Mapp		3239	661.06
24. New Jersey Carpenters Health Fund			
Reciprocal Hours - D. McFarland		3240	336.38
25. Washington Area Carpenters' Fund			
Reciprocal Hours - J. Toney		3241	2,780.83
26. Washington Area Carpenters' Fund			
Reciprocal Hours	11/18	3242	16,502.88
27. CIGNA Dental Health Group, Inc.			
Dental Premium	1/19	3243	1,153.45
28. CIGNA Dental Health Group, Inc.			
Dental Premium	9/18	3244	1,336.35
29. Union Labor Life Insurance Company			
Stop Loss Insurance Premium	1/19	3245	20,741.22
30. Batoff Associates, P.A.			
Legal Fees	1/19	3246	2,653.50
31. Asmed Health			
Hospital Reviews - Batch #199		3247	1,936.40
32. American Health Holding, Inc.			
Case Management Reviews	12/18	3248	1,595.00
33. NCAS			

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
BILLS TO BE APPROVED AND PAID
OPERATING ACCOUNT
March 15, 2019

Payee/Purpose	Period	Check #	Amount
Monthly Fee	2/19	3249	2,737.60
34. CIGNA Dental Health, Inc. Dental Premium	2/19	3250	1,386.50
35. Union Labor Life Insurance Company Stop Loss Premium	2/19	3251	20,892.34
36. Associated Administrators, LLC Printing - Envelopes		3252	59.20
37. Washington Area Carpenters' Fund Reciprocal Hours	12/18	3253	4,656.64
38. Washington Area Carpenters' Fund Reciprocal Hours - M. Harris		3254	312.98
			$ 201,901.63

Carpenters Local 491 Benefit Funds
Cash Management

		Medical
Yearly Deductions		$ 4,294,304
Loans per Year		
Total Yearly Deductions		
10% of Expenses		$ 429,430
Current Cash Balance	As of 1/31/19	$ 768,348
5% Floor		$ 214,715
Replenish		Not now
15% Ceiling		$ 644,146
Send to Amalgamated		**$ (124,202)**
Transfer Made:	Mar-13-19	$ 124,000

CARPENTERS DELINQUENCY LIST
AS OF
MARCH 13, 2019

1) If Local has "X" in a block, please indicate "Worked" or "No Men"
2) Please fax updates to Ramona at 410-683-7794

EMP #	See Instructions Above Balt.	Wash.	COMPANY NAME	WORK MONTHS DELINQ.
453			J.K. CABINET CO., INC.	9/16 - 11/16

NINTH AMENDMENT

TO THE

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE PLAN

Pursuant to the Powers of Amendment reserved under Section 15.1 of Article XV of the Carpenters Local No. 491 Health and Welfare Plan (the "Plan"), effective as of January 1, 2014, said Plan shall be and is hereby amended by the Trustees of the Carpenters Local No. 491 Health and Welfare Plan (the "Trustees"), effective January 1, 2019, as follows:

FIRST AND ONLY CHANGE

Section 3.1(f) shall be deleted in its entirety and the following language is substituted in lieu thereof:

> "**(f) Covered Employment:** Covered employment refers to hours of work with a participating employer who is obligated under the terms of an agreement with the Union to make contributions to the Plan for such employment. Covered employment shall also include hours of work for which contributions are received pursuant to a reciprocal agreement. Covered employment shall also include hours spent in apprenticeship instructional classes."

IN WITNESS WHEREOF, the Trustees have executed this Ninth Amendment to the Plan this _____ day of _____, 2019.

WITNESS:

_____ _____
BILL R. WATERKOTTE

_____ _____
KEN BISCH

_____ _____
ANDREW TELLES

_____ _____
ROBERT TARBY

_____ _____
TODD WEITZMAN

CARPENTERS LOCAL NO. 491 HEALTH AND WELFARE FUND
PARTICIPANT CLAIM DEMOGRAPHICS
March 15, 2019

Month	Total Claims Processed	% Denied	Total Denials	Denial Reasons
November	898	9.8%	88	
			32	Additional Info Requested Not Returned - Accident Details, Medical Necessity
			12	Participant Ineligible for Coverage
			14	Exceed Physical Therapy Allowance - Six months duration per injury
			10	Duplicate Claim - Previously Processed
			5	Dependent Maternity Not a Covered Benefit
			8	Emergency Room - Non Emergency
			2	Exceeded Dental Maximum
			2	Workman's Compensation
			1	Exceeded Optical Maximum - $150
			1	Additional Info Requested Not Returned - Physical Therapy Referra
			1	Not a Covered Benefit - Dental Not Covered under Medical Plan
December	864	6.3%	54	
			22	Participant Ineligible for Coverage
			10	Additional Info Requested No Response - Accident Details
			8	Duplicate Claim - Previously Processed
			5	Workman's Compensation
			4	Emergency Room - Non Emergency
			2	Third Party - Subrogation Form Not Returr
			2	Not a covered benefit - Gastric Bypass
			1	Exceeded Dental Maximum - $1,000
January	1,099	6.2%	68	
			23	Participant Ineligible for Coverage
			17	Additional Info Requested Not Returned - Accident Details and Medical Necessity
			8	Duplicate Claim - Previously Processed
			6	Workman's Compensation
			3	Not a Covered Benefit
			6	Emergency Room - Non Emergency
			2	Not a Covered Benefit - Gastric Bypass
			1	Not a Covered Benefit - Dental not covered under Medical Plar
			1	Exceeded Dental Maximum - $1,000
			1	Exceeded Vision Maximum - $150
February	665	6.0%	40	
			22	Additional Info Requested Not Returned - Accident Details, Physical Therapy Referra
			11	Participant Ineligible for Coverage
			4	Duplicate Claim - Previously Processed
			2	Exceeded Vision Maximum - $150
			1	Workmen's Compensation

Error Rate: <2%
Processing Backlog: 0 Days

ANNOUNCEMENT TO PARTICIPANTS

CARPENTERS LOCAL NO. 491

HEALTH AND WELFARE PLAN

SUMMARY OF MATERIAL MODIFICATION

The Trustees of the Carpenters Local No. 491 Health and Welfare Plan, on behalf of the Carpenters Local No. 491 Health and Welfare Plan (the "Plan") announce that the Plan has been amended, effective as of January 1, 2019.

The purpose of the amendment is to include, in the definition of "Covered Employment," hours spent in apprenticeship instructional classes.

The following individuals serve as Trustees of the Plan: Bill R. Waterkotte, Andrew Telles, Todd Weitzman, Robert Tarby, Ken Bisch.

This is a brief announcement to employees. In the case of a conflict, the terms of the Plan govern the terms of this announcement and the Summary Plan Description. If you have any questions on the announcement or the Plan, please contact the Plan Administrator.

****** Please keep this Summary of Material Modifications with your Summary Plan Description for the Carpenters Local No. 491 Health and Welfare Plan ******

Trustees of the
Carpenters Local No. 491
Health and Welfare Plan
March 2019

ULLICO ORGANIZED LABOR PROTECTION GROUP, LLC

a voluntary membership organization operating pursuant to the Liability Risk Retention Act of 1986 and whose principal office is: 1625 Eye Street NW, Washington, DC 20006

FIDUCIARY LIABILITY INSURANCE PREMIUM QUOTATION

DATE ISSUED:	02/12/2019	**UNDERWRITER:**	Nakeeah Stanfield
QUOTATION NO:	QT0000051026	**RENEWAL:**	Y
ISSUED BY:	**Markel American Insurance Company**		
INSURANCE REPRESENTATIVE:	**Ullico Casualty Group, LLC** 8403 Colesville Road, 13th Floor Silver Spring, MD 20910		
PRODUCER:	York Insurance Services, Inc.		
ADDRESS:	2011 Rock Spring Road Forest Hill, MD 21050		
TRUST(S) OR PLAN(S):	Carpenters Local No 491 Pension Plan; Carpenters Local No 491 Annuity Plan; Carpenters Local No 491 Health and Welfare Plan; Carpenters Local No 491 Training Fund		
ADDRESS:	c/o Associated Administrators LLC 911 Ridgebrook Rd Sparks, MD 21152		
POLICY PERIOD:	03/15/2019 to 03/15/2020		
PRIOR & PENDING LITIGATION DATE:	03/15/1991		

LIMITS OF LIABILITY:

(a)	$5,000,000	**Limits of Liability** for all **Loss (Aggregate)**
(b)	$250,000	Sub-Limit of Liability for all **Voluntary Compliance Program Expenditures** (included within and not in addition to the maximum **Aggregate Limit of Liability** set forth in Item 04(a) of the **Policy Certificate.**
(c)	$250,000	Sub-Limit of Liability for all **Loss** in the form of civil penalties or excise tax imposed pursuant to **Section 502(c) of ERISA** and the **PPA of 2006** (included within and not in addition to the maximum **Aggregate Limit of Liability** set forth in Item 04(a) of the **Policy Certificate** set forth in Item 04(a) of the Policy Certificate)

	(d)	$250,000	Sub-Limit of Liability for all **Loss** in the form of civil fines and penalties imposed under Section 203 of the Bipartisan Act of 2013 (H.J. Res 59) (the "Act") (included within and not in addition to the maximum **Aggregate Limit of Liability** set forth in Item 04(a) of the **Policy Certificate**)

SELF-INSURED RETENTION: $0 each **Claim**

COVERAGE: **Markel American Insurance Company**
Fiduciary Liability Insurance **Claims**-Made Policy Form FID-1000 (11/2014), **Claims Expenses** Inclusive

PREMIUM:			
	(a)	$21,902.00	**Basic Premium**
	(b)	$175.00	**Waiver of Recourse** (not to be paid by the **Trust** or **Plan**)
	(c)	$0.00	**Tax/Other**
	(d)	$22,077.00	**Total**

CONDITIONS/COVERAGE SUBJECT TO:

1. Application completed, signed and dated by a Trustee or Authorized Representative

THE FOLLOWING ENDORSEMENTS WILL ATTACH TO THE POLICY:

END NO./REF NO.	ENDORSEMENT
1. MIL 1214 (09/17)	Trade or Economic Sanctions
2. TRIA (06/15)	Cap on Losses From Certified Acts of Terrorism
3. FID-MD (04/15)	Maryland Amendatory Endorsement
4. FID-011 (06/15)	Insufficient Contributions/Failure to Fund Exclusion
5. FID-013a (06/15)	Prior Acts Exclusion Named Trust or Plan
6. FID-032 (05/16)	Investigatory Expenses Endorsement
7. FID-041 (06/15)	Educators Liability Endorsement with Sub-Limit and Sub-Retention
8. FID-042 (06/15)	Former Legal Name of Plan
9. FID-042 (06/15)	Former Legal Name of Plan
10. FID-042 (06/15)	Former Legal Name of Plan
11. FID-042 (06/15)	Former Legal Name of Plan
12. FID-045 (05/16)	Modification Endorsement
13. FID-048 (05/16)	Benefit Overpayment Endorsement
14. FID-049 (05/16)	Trustee Claims Expense Endorsement
15. FID-055 (05/16)	Broadened Definition of Loss Endorsement

This quotation is valid for a period of thirty (30) days from the **Issue Date** shown above unless amended or withdrawn by **Markel American Insurance Company (Insurer)**, with or without cause, prior to its acceptance and binding, and is subject to the terms and conditions of the policy (ies) to be issued. If the information supplied by the **Trust** or **Plan** in the application changes between the date of the application for this insurance and the **Effective Date** of the insurance or the time when the policy is bound (whichever is later), the **Trust** or **Plan** must immediately notify **Insurer** in writing of such changes and the Insurer may withdraw or amend any outstanding quotations based upon such changes.

Ullico Organized Labor Protection Group, LLC is administered by Ullico Casualty Group, LLC, a/k/a Ullico Insurance Agency, LLC in CA, and Ullico Casualty Agency in NY. CA License #OH86030 and FL (Craig Arneson) License # A008437.

NAME: **SS#:**

Carpenters' Local No. 491 Health and Welfare Plan

LOCAL: 491
STATUS: Full Time

ISSUE: Medical – Emergency Services #M18/141-8912

FUND RULE:
"Covered Medical Expenses include the following charges:
- Emergency illness and accident expense benefit: the usual, customary, and reasonable charges for facility expenses incurred as a result of an accident provided the expenses are incurred within 72 hours of the accident, for facility expenses incurred as a result of an emergency illness benefits are payable only if the expenses are incurred within 72 hours of the onset of the illness. The Plan does not require pre-authorization for emergency services, further, the Plan will not increase coinsurance or copayment requirements for out-of-network emergency services, for an illness, emergency care is defined as the sudden onset of a medical condition resulting in: (i) placing the patient's health in danger, (ii) causing other serious medical problems, (iii) causing serious impairment to bodily functions, or (iv) causing serious and permanent damage to any body part, if the patient arrives at the hospital unconscious or in acute pain, this will be considered an emergency, however, visits for colds, flu, childhood diseases and nausea would not be considered emergency care within the intent of the Plan and if a visit is not considered an emergency, it will be paid as a doctor office visit only..."
(Carpenters' Local No. 491 Health and Welfare Plan SPD, Pages 22-23)

SUMMARY:

Date(s) of Service:	September 16, 2018
Received:	November 2, 2018
Denied:	November 7, 2018
Appeal Received:	December 6, 2018

The **provider,** Carroll Hospital, is appealing for payment of an emergency room claim that was denied.

Fund records indicate Carroll Hospital submitted a claim for emergency room services (facility charges) with the diagnoses "Unspecified dermatitis and personal history of nicotine dependence." The claim was denied because the visit was not considered emergency treatment within the extent of the Plan based on the diagnoses submitted.

Medical records received with the provider's appeal indicate the participant presented to the emergency room on Sunday, September 16, 2018 at 3:44pm with a chief complaint of a "rash to her bilateral upper extremities [and] bilateral lower extremities [which] started approximately four days ago at home." It was further noted, "Patient states she noticed the rash after she was doing yard work outside." The participant was evaluated and multiple blood tests were performed. The participant was subsequently discharged home at 6:40pm. After review, the claim remained denied.

Note: To date, the Fund office has not received a claim for emergency room physician charges for this date of service.

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

NAME: **SS#:**

Carpenters' Local No. 491 Health and Welfare Plan

LOCAL: 491
STATUS: **MCR Effective 4-1-2012**
MCR Terminated 6-30-2018

ISSUE: Eligibility – Reinstatement of Medicare Supplemental Coverage #E19/101-9676

FUND RULE:
"Article III - Eligibility Rules
3.8 Retired Participants – Self Payment Provision All retirees who retired either under a normal retirement or disability retirement as defined under the Carpenters' Local No. 491 Pension Plan shall be entitled to make unlimited self-payments under the terms of the Plan. Such self-payment is for purposes of providing basic health care (supplementing Medicare once the retiree, or Dependent, is Medicare eligible), optical, prescription and dental coverage for retirees and eligible Dependents. The Trustees have the right to change or eliminate this provision in the future to the extent they deem appropriate. [...]"
(Carpenters' Local No. 491 Health and Welfare Plan Document, January 1, 2014, Article III, Section 3.8)

"**3.4 Termination of Eligibility**. An Employee's coverage under the Plan automatically terminates on the first day of the month following the date on which that Employee ceases to satisfy the eligibility requirements as described herein."
(Carpenters' Local No. 491 Health and Welfare Plan Document, January 1, 2014, Article III, Section 3.4)

SUMMARY: Appeal Received: January 29, 2019

The **participant** is appealing for reinstatement of his Medicare supplemental coverage. The participant states, "I have been receiving Medicare supplemental [coverage] through Carpenters' Local 491. This last June of 2018, I was going through some finance burdens. Once I was caught up with my finances, I had mailed in the payment of $239.00. I was denied because I did not pay within the time allotted. I am asking if I can please get reinstated for the Medicare supplement through Carpenters' Local 491, which will help with my medical needs."

Fund records indicate the participant elected Medicare supplemental coverage under the self-payment provision effective April 1, 2012. The participant's coverage terminated on June 30, 2018 when a quarterly premium payment for July through September 2018 was not received (due July 1, 2018). A premium payment for July through September 2018 was received late on December 17, 2018. That payment was returned to the participant the same day with a notice advising that his coverage terminated on June 30, 2018 due to non-payment. In accordance with Fund rules, the participant is not eligible for reinstatement of Medicare supplemental coverage once that coverage terminates for any reason.

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

NAME: **SS#:**

Carpenters' Local No. 491 Health and Welfare Plan

DATE OF HIRE: **LOCAL:** 491
STATUS: Full Time

ISSUE: Medical – Subrogation, Request for Lien Reduction #M18/146-

FUND RULE:
"Subrogation
The Plan reserves the right to recover any monies paid in error to or on behalf of you or your eligible dependents, or to providers of health care. To the extent that payments are made by the Plan which are either in excess of the maximum amount necessary to satisfy the obligations of the Plan or are subsequently determined to have been incorrectly made, regardless of to whom such payments have been made, the Plan shall have the right to recover such excess or incorrect payments from any person or other entity to whom or for whom such payments were made (including to you and/or an eligible dependent), any insurance companies, or any other person or entity from whom repayment is appropriate as the Plan shall determine.

To the extent that benefits for covered services are provided or paid by the Plan, the Plan shall be subrogated and succeed to any and all rights of you or any eligible dependent for recovery of such paid expenses against any person, corporation, organization or other entity who may be liable for such expenses. You or an eligible dependent are required by the Plan to provide information with respect to other persons, corporations, organizations or other entities which may be liable for expenses paid by the Plan (Subrogation Agreement). Failure to provide such information or documents or failure to cooperate with the Plan in protection of its rights of subrogation, may result in cancellation of benefits and/or denial of the claim upon which the Plan's subrogation right is based, but such failure shall not affect the Plan's right of subrogation. The Plan's right to subrogation granted herein shall constitute a lien against any settlement of the proceeds of any judgment by you or any eligible dependent against a responsible third party.

Should you or an eligible dependent institute negotiations or a civil action to recover damages from a third party who may be liable for expenses paid by the Plan, you or an eligible dependent are required to notify your legal counsel of the Plan's right of subrogation and subrogation lien. You or an eligible dependent and/or legal counsel may also be required to execute and deliver to the Plan a written confirmation and/or legal counsel of the lien granted herein and certain instruments that may be required to secure and protect the Plan's right of subrogation. Failure to provide such information or documents or failure to cooperate with the Plan in protection of its rights of subrogation, may result in cancellation of benefits and/or denial of the claim upon which the Plan's subrogation right is based, but such failure shall not affect the Plan's right of subrogation.

You, an eligible dependent and/or legal counsel shall pay the Plan all amounts recovered by suit, settlement or otherwise from any third party to the extent of the benefits provided or paid under the Plan without reduction for any legal fees, court costs, or expenses incurred by you or an eligible dependent, unless otherwise waived by the Trustees in their sole and absolute discretion. You and your legal counsel must sign, in the presence of a witness, the Subrogation Agreement distributed by the Plan Administrator agreeing to the provisions of the Plan."
(Carpenters Local No. 491 Health and Welfare Plan SPD, Page 41)

SUMMARY: Appeal Received: December 20, 2018

The **participant's attorney**, Jerry D. Spitz, Esquire, is appealing to be allowed a reduction in the Fund's lien related to medical claims paid in connection with a third party accident on September 21, 2014. The participant's attorney states, "Two new laws, which recently passed the DC Council, require lien reductions and will benefit many of our clients. (The law was in effect on May 12, 2016.)" It is requested that the Fund reduce its lien from $3,459.68 to $2,306.46 as full and final payment.

A completed Subrogation Agreement regarding this accident was received on October 1, 2015. The participant's lien with the Fund is $3,459.68.

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

Carpenters' Local No. 491
Health and Welfare Plan
911 Ridgebrook Road
Sparks, Maryland 21152-9451
Toll Free Telephone (888) 494-4443
www.associated-admin.com

Member XG – New Service to Access Your Benefits Online And Through Your Mobile Device Effective _____

MemberXG is an online access service that allows you to view your health claim information online and through your mobile device. This service provides person benefit information to you and your eligible dependents via the Internet which complies with all privacy regulations.

MemberXG Offers These Features And Enhancements:

- Secure internet access to the information you need with assured privacy.
- Mobile-ready access allows you to view your benefit information 24 hours a day.
- Benefit access which allows you to track your claims and view the following:
  - Deductibles – displays deductible maximums and the amount applied to them.
  - Eligibility – past and present eligibility for you and/or eligible dependent(s)
  - Contributions remitted – employer and hours remitted.

How Does It Work?

- Log in to www.associated-admin.com, select *Your Benefits,* located at the left side of the page, and select *Carpenters' Local No. 491.* At the top of the page, click on *MemberXG Benefit System* which will take you to Member XG's site.
- Select *Create Account*, located at the bottom of the page. You will be asked to create a user name and password.

If you have any questions about a claim that you see on MemberXG, please call (888) 494-4443.

Note: The information provided on the MemberXG website is not a guarantee of coverage. It is possible that the information shown is inaccurate or not fully up to date.

CARPENTERS LOCAL NO. 491 VACATION BENEFIT
STATEMENT OF CHANGES IN FUND BALANCE - CASH BASIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018

	October	November	December	Year To Date
Additions				
Employer Contributions	$ 106,671.69	$ 129,949.06	$ 103,370.22	$ 1,120,276.36
Interest Income	118.19	126.17	43.86	826.14
Total Additions	106,789.88	130,075.23	103,414.08	1,121,102.50
Deductions				
Audit Fees	-	-	-	-
Benefits Paid	-	-	1,110,005.18	1,110,005.18
Interest Paid	-	-	999.03	999.03
Legal Fees	-	-	-	-
Office Expenses	-	-	-	-
Postage	-	-	-	-
Printing	-	-	-	-
Bank Service Charges	-	-	-	-
Total Deductions	-	-	1,111,004.21	1,111,004.21
Net Increase (Decrease)	$ 106,789.88	$ 130,075.23	$ (1,007,590.13)	$ 10,098.29
Fund Balance - December 31, 2017				207,494.99
Fund Balance - December 31, 2018				$ 217,593.28

Statement of Fund Balance - Cost Basis	
Cash - Bank of America - Vacation Payment	$ (20,697.54)
Cash - Madison Bank - Ultimate Checking	238,290.82
	$ 217,593.28