SCHOOL CAFETERIA EMPLOYEES
UNITEHERE LOCAL NO. 634
HEALTH & WELFARE FUND

BOARD OF TRUSTEES MEETING

OCTOBER 10, 2019

School Cafeteria Employees UNITEHERE Local No. 634
Health & Welfare Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
(833) 228-9212
www.associated-admin.com

Agenda

October 10, 2019
10:30 AM

I. Call to Order

II. Minutes, Regular Meeting – July 11, 2019

III. Investment Manager Report

IV. Auditor Report

V. Consultant Report

VI. Administrative Manager Report

VII. Counsel Report

VIII. Invoices

IX. Other Fund Business

X. Next Meeting Date and Location

XI. Adjournment

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Minutes of the Meeting of the Board of Trustees
Held on Thursday, July 11, 2019
In the Offices of Willig, Williams & Davidson
Philadelphia, Pennsylvania

Present Were: Nicole Hunt, Warren Heyman and Michael Royal – Union Trustees

Wayne Grasela, Susan Hancock, and Lisa Norton – Management Trustees

Also Present Were: Deborah R. Willig, Esq. and Kelly Brogan, Esq. of Willig, Williams & Davidson – Legal Counsel; Frank Iannucci of Summit Actuarial Services – Fund Consultant; Kathleen Jackson, CPA and Dan Ohlemiller of Novak Francella, LLC; Alicia Cochran of Associated Administrators, LLC – Administrative Manager; Matthew Walker[1], CFA of The Philadelphia Trust Company

The meeting was called to order at 9:36 a.m. with Ms. Hunt presiding as Chairperson. Notice of this meeting was communicated prior to the date of the meeting. A quorum was present.

I. The minutes of the meeting of the Board of Trustees held on April 18, 2019 as revised by Fund Counsel were discussed.

MOTION was made and seconded to adopt the minutes of the meeting of the Board of Trustees held on April 18, 2019 as revised.

UNANIMOUSLY ADOPTED

[1] Present for the investment report only.

II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of June 30, 2019, the composite return for total Fund assets was 5.14% YTD. Total assets held in the discretionary account were $1,917,386.17. Total assets held in the non-discretionary account were $9,253.46. Assets in the discretionary account were allocated 55.1% to fixed income, 23.5% to equities and 21.4% to cash and equivalents. Mr. Walker stated that the plan for the remainder of 2019 was to stay the course, as the Fund is well positioned.

III. **Fund Consultant's Report.** Mr. Iannucci discussed the Fund's reserves and said the Fund's annual spending for claims and expenses is approximately $2,500,000. He noted that approximately 60% of the expense is for prescription benefits. Mr. Iannucci discussed a stop loss policy for the prescription benefit. The Trustees authorized Mr. Iannucci to work with the Fund's Fiduciary Liability broker, Shawn Seilback of Pennjerdel Insurance Consultants, Inc., to obtain stop loss proposals.

IV. **Fund Auditor's Report.** Nothing to report.

V. **Fund Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2018-2019, as of May 31, 2019, with a comparative report for FY 2017-2018. Receipts and disbursements for the period were reviewed, with the Fund experiencing a positive cash flow of $196,796.85 compared to a positive cash flow of $61,392.90 for the prior period.

A report was presented detailing the number of eligible employees as of May 10, 2019 - 848 Cafeteria Workers and 1,086 Student Climate Staff for a total of 1,934 employees.

A COBRA report was presented for January 1, 2019 through May 31, 2019 stating that there were a total of 76 COBRA notices sent, with one COBRA enrollee for each month.

A dental claims report for Cafeteria Workers and Student Climate Staff for January 1, 2019 through May 31, 2019 was presented. Total charges paid were $41,841.49 on 953 claims for Cafeteria Workers and $26,141.90 on 499 claims for Student Climate Staff.

A report of orthotic claims paid for the period January 1, 2019 through May 31, 2019 was presented. Orthotic claims paid to date for Cafeteria Workers totaled $2,560.00 and $1,730.00 for Student Climate Staff.

A report of wig claims paid for the period January 1, 2019 through May 31, 2019 was presented. Wig claims paid to date for Cafeteria Workers totaled $0.00. Claims paid to date for Student Climate Staff totaled $71.42.

VI. **Bills:** Ms. Cochran said that there are no invoices to be presented at today's meeting.

VII. **Fund Counsel's Report.** Ms. Brogan stated that she was continuing to work on the BeneCard agreement.

VIII. **Other Business.** Ms. Cochran presented a provider appeal regarding the denial of dental claims rendered on January 15 and 21, 2019 for a terminated participant. The provider called on January 14, 2019 to verify eligibility. At that time, the Fund Office records indicated that the participant was active through January 31, 2019. Subsequently, the prior administrator provided updated eligibility records which indicated that the participant's employment terminated in October 2018. As a result, the participant's eligibility for coverage was retro actively terminated as of October 31, 2018. The prior administrator also noted that a COBRA notice was mailed to the participant. The Trustees reviewed the facts of the appeal.

MOTION was made and seconded to approve the appeal on a non-precedent setting basis.

UNANIMOUSLY ADOPTED

Ms. Cochran stated the PCORI fee, imposed by the Affordable Care Act for self-insured group plans, must be filed by July 31, 2019. The fee is $2.45 multiplied by the average number of lives covered under the Plan for the 2018 Plan year. The Trustees directed the Administrative Manager to engage Novak Francella to file Form 720, which is the tax form to be filed along with the fee payment. She noted that the 2018 participant count information was requested from Fabian & Byrn, LLC and that the snapshot method will be used to calculate the fee.

Ms. Hunt discussed the 2019 Health Fair. The Trustees resolved to hold the Fair at the Union Office building parking lot at 1415 N. Broad Street, Philadelphia in October. The specific date is to be determined. The budget for the Fair was discussed, whereupon a

MOTION was made and seconded to authorize a $25,000 budget for Health Fair expenses.

IX. The date of the next regular Board meeting was scheduled for Thursday, October 10, 2019. The meeting will convene at 9:30 a.m. and will be held in the offices of Willig, Williams & Davidson, 1845 Walnut Street, 24th floor, in Philadelphia, PA.

X. There being no further business before the Board of Trustees, the meeting was adjourned.

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Union Trustee

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School District Trustee

School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund

Profit & Loss Prev Year Comparison
September 2018 through August 2019

			Aug-19	Aug-18
Ordinary Income/Expense				
	Income			
	61-113	Cobra Contributions	3,527.50	6,463.90
	61-121	Cafeteria Workers	1,616,436.24	1,682,479.46
	61-125	Student Climate Staff	116,618.23	116,787.67
	61-300	Interest on Investments	38,310.59	37,477.53
	61-302	Interest on Bank Accounts	135.59	675.97
	61-303	Realized Gain/Loss	39,634.52	-
	61-304	Unrealized Gain/Loss	(14,081.68)	-
	61-320	Formulary Rebates	148,050.78	-
	61-905	Class Action Settlements	345.92	302.55
	Total Income		**1,948,977.69**	**1,844,187.08**
Gross Profit			**1,948,977.69**	**1,844,187.08**
	Expense			
	71-200	City Clinics Fee	70,000.00	55,000.00
	71-201	Prescription Drug Claims	1,300,278.81	1,298,762.82
	71-202	Prescription Drug Admin Fee	75,015.80	-
	71-522	Envision Expense	6,531.03	46,623.50
	71-203	Vision Premium	141,267.42	139,030.95
	71-212	Orthotics Claims	25,165.00	11,650.00
	71-214	Self-Funded Dental Claims	263,355.83	275,691.68
	71-560	Dental Claims	13,722.00	-
	71-561	Dental Administration Fee	16,800.00	50,400.00
	71-216	Wig Benefit	551.16	248.95
	71-402	Death Benefits	-	4,000.00
	71-748	Guardian Nurses	5,250.00	5,250.00
	71-515	Local 634 Shared Costs	27,000.00	35,100.00
	71-300	Administration Fees	82,000.00	-
	71-500	Fund Manager's Fee	12,495.00	37,485.00
	71-405	PCORI Fees	6,209.22	5,885.04
	71-501	Auditing and Accounting Fee	17,300.00	20,517.48
	71-502	Legal Counsel Fee	32,302.80	29,303.17
	71-503	Conference and Meeting Expenses	9,226.77	6,700.00
	71-505	Consultant Fee	12,000.00	12,000.00
	71-507	Office Supplies	73.21	-
	71-508	Printing, Duplicating, Postage	7,779.66	10,498.56
	71-509	Investment Manager Fee	9,345.20	10,101.76
	71-514	Fidelity Bond Premium	525.00	525.00
	71-517	Fiduciary Liability Insurance Premium	4,226.00	-
	71-519	Membership Dues & DVHCC	1,300.00	1,275.00
	71-550	Bank Service Charge & Wire Fees	217.34	75.07
	71-724	Year End Reporting	-	2,617.79
	71-750	Health Fair Expense	14,298.86	10,116.91
	Total Expense		**2,154,236.11**	**2,068,858.68**
Net Ordinary Income			**(205,258.42)**	**(224,671.60)**
Net Income			**(205,258.42)**	**(224,671.60)**

School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund

BB&T Bank and Philadelphia Trust Balances
August 31, 2019

BB&T	
Savings - M/M (Old)	$ 0.16
Savings - M/M BB&T - 0780	11,459.74
Claims Checking BB&T - 0764	22,527.29
Cash Expense BB&T - 0772	17,228.22
Total BB&T	51,215.41
Philadelphia Trust	
Phila Trust _ Discr PTC701	1,779,515.95
Phila Trust - Non-Dis PTCN90	9,248.44
Phila Trust Company Allowance	136,316.70
Total Philadelphia Trust	1,925,081.09
Grand Total	**$ 1,976,296.50**

School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund

Employer Contributions and Participant Counts Report - January 1, 2019 - August 31, 2019

Pay Period Ending	Date Received	Class	Amount Received	Contribution Rate	Member Count
1/4/2019	1/7/2019	Food Service Workers	$ 81,315.00	$ 97.50	834
		Student Climate Staff	$ 5,986.40	$ 5.60	1069
			$ 87,301.40		
1/18/2019	1/30/2019	Food Service Workers	$ 81,315.00	$ 97.50	834
		Student Climate Staff	$ 6,008.80	$ 5.60	1073
			$ 87,323.80		
12/1/2018	2/7/2019[1]	Food Service Workers	$ 80,925.00	$ 97.50	830
		Student Climate Staff	$ 5,874.40	$ 5.60	1049
			$ 86,799.40		
2/1/2019	2/14/2019	Food Service Workers	$ 81,997.50	$ 97.50	841
		Student Climate Staff	$ 6,053.60	$ 5.60	1081
			$ 88,051.10		
2/15/2019	2/26/2019	Food Service Workers	$ 81,510.00	$ 97.50	836
		Student Climate Staff	$ 6,059.20	$ 5.60	1082
			$ 87,569.20		
3/1/2019	3/11/2019	Food Service Workers	$ 82,387.50	$ 97.50	845
		Student Climate Staff	$ 6,003.20	$ 5.60	1072
			$ 88,390.70		
3/15/2019	3/25/2019	Food Service Workers	$ 82,290.00	$ 97.50	844
		Student Climate Staff	$ 5,975.20	$ 5.60	1067
			$ 88,265.20		
3/29/2019	4/11/2019	Food Service Workers	$ 81,510.00	$ 97.50	836
		Student Climate Staff	$ 5,930.40	$ 5.60	1059
			$ 87,440.40		
4/12/2019	4/26/2019	Food Service Workers	$ 81,412.50	$ 97.50	835
		Student Climate Staff	$ 6,031.20	$ 5.60	1077
			$ 87,443.70		
4/26/2019	5/10/2019	Food Service Workers	$ 82,095.00	$ 97.50	842
		Student Climate Staff	$ 6,417.60	$ 5.60	1146
			$ 88,512.60		
5/10/2019	5/20/2019	Food Service Workers	$ 82,680.00	$ 97.50	848
		Student Climate Staff	$ 6,081.60	$ 5.60	1086
			$ 88,761.60		
5/24/2019	6/4/2019	Food Service Workers	$ 82,777.50	$ 97.50	849
		Student Climate Staff	$ 6,098.40	$ 5.60	1089
			$ 88,875.90		

[1] December 2018 contributions received in the month of February 2019

School Cafeteria Employees UNITEHERE
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COBRA Report - January 1, 2019 - August 31, 2019

	COBRA Notices Sent	COBRA Elections	COBRA Participants
January	13	0	1
February	9	0	1
March	19	0	1
April	21	0	1
May	14	0	1
June	33	0	1
July	9	1	2
August	13	0	2
September			
October			
November			
December			
Totals	131		

School Cafeteria Employees UNITEHERE
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Dental Claims Report - June 1, 2019 - August 31, 2019

Food Service Workers

In-Network (LPMA)

Catergory	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	$ -	$ -
Diagnostic	397	$ 25,035.00	$ 9,261.00
Endodontics	57	$ 16,644.00	$ 4,662.00
Extraction	18	$ 2,350.00	$ 765.00
Oral Surgery	60	$ 14,809.00	$ 2,310.00
Orthodontics	32	$ 20,512.00	$ 1,805.00
Other Services	137	$ 13,749.00	$ 3,406.00
Periodontics	78	$ 21,291.00	$ 4,423.00
Preventive	142	$ 11,690.00	$ 5,465.00
Prosthodontics, Fixed	7	$ 9,681.00	$ -
Prosthodontics, Removable	25	$ 18,712.00	$ 6,789.00
Restorative	95	$ 20,325.00	$ 5,380.00
Restorative, Crowns	33	$ 39,959.00	$ 9,268.00
Totals	1081	$ 214,757.00	$ 53,534.00

Out-of Network

Catergory	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	$ -	$ -
Diagnostic	10	$ 551.00	$ 202.00
Endodontics	1	$ 691.00	$ 49.00
Extraction	0	$ -	$ -
Oral Surgery	0	$ -	$ -
Orthodontics	0	$ -	$ -
Other Services	1	$ 79.00	$ 30.00
Periodontics	0	$ -	$ -
Preventive	9	$ 635.00	$ 304.00
Prosthodontics, Fixed	0	$ -	$ -
Prosthodontics, Removable	0	$ -	$ -
Restorative	17	$ 2,824.00	$ 1,020.00
Restorative, Crowns	3	$ 3,082.00	$ 1,740.00
Totals	41	$ 7,862.00	$ 3,345.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	$ 214,757.00	$ 7,862.00	$ 222,619.00
Total Paid Amount	$ 53,534.00	$ 3,345.00	$ 56,879.00

School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund

Dental Claims Report - June 1, 2019 - August 31, 2019

Student Climate Staff

In-Network (LPMA)

Catergory	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	$ -	$ -
Diagnostic	194	$ 12,058.50	$ 4,372.00
Endodontics	15	$ 6,519.00	$ 2,911.00
Extraction	8	$ 1,235.00	$ 270.00
Oral Surgery	25	$ 10,746.00	$ 770.00
Orthodontics	34	$ 28,722.00	$ 2,420.00
Other Services	76	$ 7,068.50	$ 2,059.00
Periodontics	39	$ 9,644.00	$ 2,200.00
Preventive	47	$ 4,126.00	$ 2,000.00
Prosthodontics, Fixed	30	$ 29,000.00	$ 2,436.54
Prosthodontics, Removable	13	$ 12,374.00	$ 1,574.00
Restorative	40	$ 9,666.00	$ 2,236.24
Restorative, Crowns	17	$ 17,325.00	$ 5,322.52
Totals	538	$ 148,484.00	$ 28,571.30

Out-of-Network

Catergory	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	$ -	$ -
Diagnostic	18	$ 1,176.00	$ 449.80
Endodontics	0	$ -	$ -
Extraction	1	$ 194.00	$ 45.00
Oral Surgery	0	$ -	$ -
Orthodontics	0	$ -	$ -
Other Services	3	$ 363.00	$ 110.00
Periodontics	5	$ 1,281.00	$ 24.00
Preventive	8	$ 730.00	$ 400.60
Prosthodontics, Fixed	0	$ -	$ -
Prosthodontics, Removable	8	$ 10,975.00	$ 2,721.00
Restorative	4	$ 705.00	$ 152.20
Restorative, Crowns	0	$ -	$ -
Totals	47	$ 15,424.00	$ 3,902.60

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	$ 148,484.00	$ 15,424.00	$ 163,908.00
Total Paid Amount	$ 28,571.30	$ 3,902.60	$ 32,473.90

School Cafeteria Employees UNITEHERE
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Orthotic Claims Report - January 1, 2019 - August 31, 2019

Food Service Workers

Months	Amount	Total Paid
January - February 2019	$ -	$ -
March - May 2019	$ 2,610.00	$ 2,560.00
June - August 2019	$ 3,085.00	$ 3,085.00
Totals	**$ 5,695.00**	**$ 5,645.00**

Student Climate Staff

Months	Amount	Total Paid
January - February 2019	$ -	$ -
March - May 2019	$ 1,730.00	$ 1,730.00
June - August 2019	$ 1,040.00	$ 1,040.00
Totals	**$ 2,770.00**	**$ 2,770.00**

School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund

Wig Claims Report - January 1, 2019 - August 31, 2019

Food Service Workers

Months	Billed Amount	Paid to Member Amount
January - February 2019	$ -	$ -
March - May 2019	$ -	$ -
June - August 2019	$ 200.00	$ 200.00
Totals	**$ 200.00**	**$ 200.00**

Student Climate Staff

Months	Billed Amount	Paid to Member Amount
January - February 2019	$ -	$ -
March - May 2019	$ 71.42	$ 71.42
June - August 2019	$ 30.74	$ 30.74
Totals	**$ 102.16**	**$ 102.16**

Utilization Report for Cafeteria Workers Local 634

Date Range: 7/1/2019 Through 9/30/2019

Name Type	Date	Duration	Activity	Nurse Advocate
Unika Murphy				
	Reason for Referral: Facility/Physician Locator		**Case Status: Closed**	
Call	07/17/19	0 minutes	Received referral for engagement	Maryellen Murphy
Call	07/17/19	15 minutes	Initial Intake	Maryellen Murphy
To-do	07/17/19	10 minutes	Email Communication	Maryellen Murphy
To-do	07/18/19	10 minutes	Coordinating Records	Maryellen Murphy
Call	07/23/19	15 minutes	Call With Patient	Maryellen Murphy
Call	07/26/19	10 minutes	Call on Behalf of Case	Maryellen Murphy

Hours this report: : 1.00