UFCW UNIONS AND PARTICIPATING EMPLOYERS HEALTH AND WELFARE FUND

BOARD OF TRUSTEES MEETING

OCTOBER 10, 2017

United Food and Commercial Workers Unions
and Participating Employers
Health and Welfare Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
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8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
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AGENDA

OCTOBER 10, 2017

(Approximately 11:00 a.m.)

I. CALL TO ORDER
   A. RESIGNATION/APPOINTMENT OF TRUSTEE

II. MINUTES (pg. 1 - 2)
   A. REGULAR MEETING – APRIL 19, 2017
   B. APPEALS COMMITTEE MEETING – JUNE 26, 2017

III. FINANCIAL REPORT
   A. PNC REPORT
   B. AUDITOR'S REPORT

IV. CONSULTANTS' REPORTS (pg. 3 - 5)
   A. SEGAL COMPANY
      1. DENTAL BENEFIT RFP
   B. HERITAGE RX – PBM PROPOSALS

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

VI. ADMINISTRATIVE MANAGER'S REPORT – (1Q2017 & 2Q2017) (pg. 6 - 56)

VII. INVOICES (pg. 57 - 61)

VIII. OTHER FUND BUSINESS (pg. 62 – 81)
   A. SHOPPERS RATIFIED CBA
      1. MOB ADJUSTMENTS
   B. KROGER ROANOKE RETIREE RESERVE
   C. CAREFIRST PPO CONTRACT – RENEWAL
   D. DEPENDENT AUDIT – FUND OFFICE
   E. KROGER PLANS ACTIVE AND RETIREE TERMINATION PROCESS
   F. PLAN Y PART TIME FAMILY ENROLLMENT FREQUENCY
   G. PARTICIPANT APPEALS REFERRED BY THE APPEALS COMMITTEE
   H. KAISER 2018 MEDICARE RENEWAL
   I. MISCELLANEOUS CORRESPONDENCE

IX. NEXT MEETING DATE AND LOCATION (DECEMBER 6, 2017)

X. ADJOURNMENT

MINUTES

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APPEALS EMAILED AND RESOLVED
BY THE APPEALS SUBCOMMITTEE OF THE
BOARD OF TRUSTEES OF THE
UCFW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
ON JUNE 26, 2017

The following Trustees made determinations on the appeals:

UNION TRUSTEE
Y. Anwar

EMPLOYER TRUSTEE
D. Gwin

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

I. **APPEALS**

The following appeals were reviewed by the Trustees:

Second Quarter 2017

Code	Issue	Decision
E17/165-1328	Not Eligible	Tabled
E17/173-7433	Not Eligible	Tabled
E17/168-9709	Enrollment	Denied
E17/116-8317	Enrollment	Approved
E17/169-0164	Initial Enrollment	Denied
E17/158-5238	COBRA Extension	Denied
M17/137-4835	Experimental	Approved
M17/140-7789	Excluded Services	Denied
M17/134-5777	Late Filing	Denied
M17/150-9789b	No Response, Late Appeal	Denied
M17/157-1321	Excess of UCR	Denied
M17/161-6503	Routine Services	Denied
M17/152-8505	Medical Necessity, Late Appeal	Denied
M17/138-8274	Routine/Preventive Services	Denied
M17/149-2787	Ambulance Services	Denied
M17/151-8045	Subrogation	Tabled
A17/104-7358	Verification of Disability Period	Denied

E17/167-8638	Reinstatement of Coverage	Approved
M17/133-5777	Late Filing	Denied

Respectfully submitted,

Chris Brown, Appeals Supervisor

ufcw\H&W\min\2Q17

CONSULTANTS' REPORT

STATEMENT OF WORK

Scope of Services

Heritage's oversight of the implementation process will include:

- Attendance at the implementation kick off meeting with Express Scripts.
- Attend weekly installation calls and provide commentary as needed regarding eligibility, group structure, benefit plan design, etc.
- Facilitate accurate completion of pharmacy benefits mapping, installation, and set up.
- Provide clinical review of formulary changes (if any) that may occur during transition.
- Participate on calls with medical vendor (if needed) and Express Scripts where shared programs, accumulators and process are discussed.
- Edit and review proposed member communication materials provided by Express Scripts, ensuring accuracy and member friendly language.
- Ensure transfer of open prior authorization files, step therapy edits (look-back period) and other DUR edits.
- Oversee ESI end-to-end testing prior to 'go live' date.
- Negotiate amendment to the FELRA contract, as needed or required.

Estimated Fees[1] - $11, 300 (assuming contract negotiation is included).

[1] ESI is offering a $6.00 PMPM pharmacy management fund, which can be used to offset consultant fees.

HERITAGE Rx

Pharmacy Benefits.
Optimized.

UFCW Non-Food Fund

Pharmacy Renewal Three-Year Projection | July 28, 2017

Financial Pro Forma

Three-Year Projection

	Current Cost Trended from Baseline			Option 1 OptumRx Renewal Cost			Option 2 Express Scripts Proposed Cost		
Projection Period:	August 1, 2017 - July 31, 2018	August 1, 2018 - July 31, 2019	August 1, 2019 - July 31, 2020	August 1, 2017 - July 31, 2018	August 1, 2018 - July 31, 2019	August 1, 2019 - July 31, 2020	August 1, 2017 - July 31, 2018	August 1, 2018 - July 31, 2019	August 1, 2019 - July 31, 2020
Retail Brand Ingredient Cost	$3,214,553	$3,362,995	$3,489,866	$3,148,767	$3,285,680	$3,437,406	$3,156,245	$3,301,994	$3,454,474
Retail Generic Ingredient Cost	$1,557,641	$1,638,543	$1,722,673	$1,395,560	$1,463,989	$1,534,685	$1,338,975	$1,403,049	$1,469,054
Retail Dispensing Fees	$49,569	$49,936	$50,322	$41,308	$41,613	$41,935	$37,649	$37,977	$38,319
Mail Brand Ingredient Cost[1]	$2,739	$2,866	$2,998	$2,739	$2,866	$2,998	$2,739	$2,866	$2,998
Mail Generic Ingredient Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0
Exclusive Specialty Ingredient Cost	$2,039,869	$2,390,217	$2,800,737	$2,039,869	$2,390,217	$2,800,737	$2,002,440	$2,346,360	$2,749,347
Administrative Fees[2]	$5,077	$5,585	$6,143	$5,077	$5,585	$6,143	$5,077	$5,585	$6,143
COMPONENT SUBTOTAL	**$6,869,449**	**$7,450,141**	**$8,072,739**	**$6,633,321**	**$7,189,950**	**$7,823,904**	**$6,543,126**	**$7,097,830**	**$7,720,335**
Non-Specialty Rebates	$416,779	$458,457	$504,302	$733,698	$750,176	$764,685	$804,822	$820,651	$834,472
Specialty Rebates				$34,596	$39,328	$44,576	$35,789	$40,611	$45,954
REBATE SUBTOTAL	**$416,779**	**$458,457**	**$504,302**	**$768,294**	**$789,504**	**$809,261**	**$840,612**	**$861,261**	**$880,426**
CURRENT NET ANNUALIZED COST	**$6,452,670**	**$6,991,685**	**$7,568,437**	**$5,865,027**	**$6,400,445**	**$7,014,643**	**$5,702,514**	**$6,236,568**	**$6,839,909**
		$21,012,792			**$19,280,116**			**$18,778,992**	
$ SAVINGS VS CURRENT COST TRENDED					**$1,732,676**			**$2,233,800**	
$ SAVINGS VS CURRENT COST TRENDED					**8.2%**			**10.6%**	

[1] Represents charges for script dispensed from a mail pharmacy that provides patient therapy support
[2]Administrative fees for Express Scripts are illustrative as fees are unknown

ADMINISTRATIVE MANAGER'S REPORT

UFCW UNIONS AND PARTICIPATING EMPLOYERS

HEALTH & WELFARE FUND

FIRST QUARTER 2017

ADMINISTRATIVE MANAGER'S REPORT

FIRST QUARTER 2017
PLAN JS

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KELCO	$920.73	10	$27,621	
TOTAL		**10**	**$27,621**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$32,013
HMO		0
LIFE & AD & D		37
DISABILITY		0
DENTAL		1,206
OPTICAL		122
DRUG		11,274
RETIREES		10,240
MEDICAL ADM.		395
MENTAL HEALTH MANAGER		1,156
PPO		211
UM/DM		293
SUB TOTAL		$56,947

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$378
ADMINISTRATION HIPAA		9
MISCELLANEOUS		592
SUB TOTAL		$979

TOTAL EXPENSES		**$57,926**

SURPLUS (DEFICIT)		**($30,305)**

AVERAGE INCOME		$921
AVERAGE EXPENSE		1,931
SURPLUS (DEFICIT)		**($1,010)**

FIRST QUARTER 2017
PLAN JSS-2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
SAFEWAY VALLEY FT	$1,488.72	3	$13,398	
SAFEWAY VALLEY PT	1,488.72	1	7,444	
SHOPPERS FOOD 400 FT	1,588.28	449	2,139,413	
SHOPPERS FOOD 400 PT	1,588.28	162	773,493	
UFCW LOCAL 400 TEMP FT	1,488.72	0	0	
HMO COPAYS			3,723	
COBRA		1	861	
TOTAL		**616**	**$2,938,332**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$1,237,241
HMO		8,748
LIFE & AD & D		7,444
DISABILITY		108,416
DENTAL		81,217
OPTICAL		8,321
DRUG		450,946
RETIREES		630,788
MEDICAL ADM.		24,475
MENTAL HEALTH MANAGER		23,246
PPO		13,059
UM/DM		18,037
SUB TOTAL		$2,611,938

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$23,289
ADMINISTRATION HIPAA		568
MISCELLANEOUS		36,473
SUB TOTAL		$60,330

TOTAL EXPENSES		**$2,672,268**

SURPLUS (DEFICIT)		**$266,064**

AVERAGE INCOME		$1,590
AVERAGE EXPENSE		1,446
SURPLUS (DEFICIT)		**$144**

FIRST QUARTER 2017
PLAN RICHMOND TIDEWATER

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER R/T		995	$1,730,300	
COBRA		7	8,753	
TOTAL		**1,002**	**$1,739,053**	**$0**

BENEFIT EXPENSES		**COST**
AETNA DENTAL		$11,601
AETNA DENTAL CLAIMS		71,972
ASO PROVIDER		1,551,098
METLIFE		19,516
GVS OPTICAL		10,869
SUB TOTAL		$1,665,056

OPERATING EXPENSES		**COST**
ADMINISTRATION FEE		$36,071
MISCELLANEOUS		59,328
SUB TOTAL		$95,399

TOTAL EXPENSES		**$1,760,455**
SURPLUS (DEFICIT)		**($21,402)**

AVERAGE INCOME		$579
AVERAGE EXPENSE		586
SURPLUS (DEFICIT)		**($7)**

FIRST QUARTER 2017
PLAN RNK 1

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1,2]		832	$2,528,825	
COBRA		5	8,305	
TOTAL		**837**	**$2,537,130**	**$0**

BENEFIT EXPENSES		**COST**
MEDICAL		$1,718,657
LIFE & AD & D		14,684
DISABILITY		73,859
DENTAL		91,813
OPTICAL		10,504
DRUG		0
MEDICAL ADM.		32,884
MENTAL HEALTH MANAGER		13,545
EAP		1,702
PPO		59,260
UM/DM		21,741
SUB TOTAL		$2,038,649

OPERATING EXPENSES		**COST**
ADMINISTRATION FEE		$31,181
ADMINISTRATION HIPAA		761
MISCELLANEOUS		49,559
SUB TOTAL		$81,501

TOTAL EXPENSES		**$2,120,150**

SURPLUS (DEFICIT)		**$416,980**

AVERAGE INCOME		$1,010
AVERAGE EXPENSE		844
SURPLUS (DEFICIT)		**$166**

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

[2]CONTRIBUTIONS INCLUDE REIMBURSEMENT FOR MISCELLANEOUS EXPENSES FOR 2014, 2015 AND 2016.

FIRST QUARTER 2017
PLAN RNK 2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1,2]		501	$758,647	
COBRA		2	2,470	
TOTAL		**503**	**$761,117**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$460,196
LIFE & AD & D		2,624
DISABILITY		14,420
DENTAL		33,635
OPTICAL		6,670
DRUG		0
MEDICAL ADM.		19,823
MENTAL HEALTH MANAGER		16,580
PPO		35,720
UM/DM		13,189
SUB TOTAL		$602,857

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$18,585
ADMINISTRATION HIPAA		453
MISCELLANEOUS		29,783
SUB TOTAL		$48,821

TOTAL EXPENSES		**$651,678**

SURPLUS (DEFICIT)		**$109,439**

AVERAGE INCOME		$504
AVERAGE EXPENSE		432
SURPLUS (DEFICIT)		**$72**

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

[2]CONTRIBUTIONS INCLUDE REIMBURSEMENT FOR MISCELLANEOUS EXPENSES FOR 2014, 2015 AND 2016.

FIRST QUARTER 2017
PLAN RNK 3

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1,2]		523	$927,236	
COBRA		3	2,092	
TOTAL		**526**	**$929,328**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$595,868
LIFE & AD & D		2,364
DISABILITY		9,151
DENTAL		28,667
OPTICAL		5,999
DRUG		0
MEDICAL ADM.		20,679
MENTAL HEALTH MANAGER		6,011
PPO		37,025
UM/DM		13,693
SUB TOTAL		$719,457

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$19,336
ADMINISTRATION HIPAA		472
MISCELLANEOUS		31,144
SUB TOTAL		$50,952

TOTAL EXPENSES		**$770,409**

SURPLUS (DEFICIT)		**$158,919**

AVERAGE INCOME		$589
AVERAGE EXPENSE		488
SURPLUS (DEFICIT)		**$101**

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014
[2]CONTRIBUTIONS INCLUDE REIMBURSEMENT FOR MISCELLANEOUS EXPENSES FOR 2014, 2015 AND 2016.

FIRST QUARTER 2017
PLAN Y FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	$839.88	0	$0	
METRO/BASICS	885.48	258	684,476	
SHOPPERS 400	885.48	173	459,565	
COBRA		1	1,947	
HMO COPAYS			2,918	
TOTAL		**432**	**$1,148,906**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$738,208
HMO		15,149
LIFE & AD & D		6,086
DISABILITY		76,449
DENTAL		52,993
OPTICAL		3,841
DRUG		273,968
MEDICAL ADM.		16,304
MENTAL HEALTH MANAGER		4,955
EAP		836
PPO		8,655
UM/DM		12,009
SUB TOTAL		$1,209,453

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$16,333
ADMINISTRATION HIPAA		398
MISCELLANEOUS		25,579
SUB TOTAL		$42,310

TOTAL EXPENSES		**$1,251,763**

SURPLUS (DEFICIT)		**($102,857)**

AVERAGE INCOME		$887
AVERAGE EXPENSE		966
SURPLUS (DEFICIT)		**($79)**

FIRST QUARTER 2017
PLAN Y PART TIME INDIVIDUAL

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	$347.41	0	$0	
METRO/BASICS	446.63	257	344,352	
SHOPPERS 400	446.63	516	691,831	
COBRA		1	1,341	
TOTAL		**774**	**$1,037,524**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$871,087
HMO		18,732
LIFE & AD & D		4,996
DISABILITY		61,136
DENTAL		54,131
OPTICAL		6,234
DRUG		212,321
MEDICAL ADM.		25,872
MENTAL HEALTH MANAGER		3,556
EAP		1,325
PPO		13,778
UM/DM		19,109
SUB TOTAL		$1,292,277

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$29,263
ADMINISTRATION HIPAA		714
MISCELLANEOUS		45,828
SUB TOTAL		$75,805

TOTAL EXPENSES		**$1,368,082**

SURPLUS (DEFICIT)		**($330,558)**

AVERAGE INCOME		$447
AVERAGE EXPENSE		589
SURPLUS (DEFICIT)		**($142)**

FIRST QUARTER 2017
PLAN Y PART TIME FAMILY

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$1,266.29	77	$291,246	
SHOPPERS 400	1,266.29	155	587,559	
TOTAL		**232**	**$878,805**	**$0**

BENEFIT EXPENSES		**COST**
MEDICAL		$463,634
HMO		0
LIFE & AD & D		1,715
DISABILITY		15,568
DENTAL		39,136
OPTICAL		2,186
DRUG		184,667
MEDICAL ADM.		9,226
MENTAL HEALTH MANAGER		8,319
EAP		480
PPO		4,895
UM/DM		6,848
SUB TOTAL		$736,674

OPERATING EXPENSES		**COST**
ADMINISTRATION FEE		$8,771
ADMINISTRATION HIPAA		214
MISCELLANEOUS		13,737
SUB TOTAL		$22,722

TOTAL EXPENSES		**$759,396**

SURPLUS (DEFICIT)		**$119,409**

AVERAGE INCOME		$1,263
AVERAGE EXPENSE		1,091
SURPLUS (DEFICIT)		**$172**

FIRST QUARTER 2017
PLAN Y20 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$505.91	14	$20,743	
SHOPPERS 400	505.91	10	15,683	
UFCW LOCAL 400 TEMP		0	0	
TOTAL		**24**	**$36,426**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$12,212
HMO		0
LIFE & AD & D		290
DISABILITY		3,465
DENTAL		1,398
OPTICAL		177
DRUG		1,544
MEDICAL ADM.		791
MENTAL HEALTH MANAGER		143
PPO		399
UM/DM		566
SUB TOTAL		$20,985

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$907
ADMINISTRATION HIPAA		22
MISCELLANEOUS		1,420
SUB TOTAL		$2,349

TOTAL EXPENSES		**$23,334**

SURPLUS (DEFICIT)		**$13,092**

AVERAGE INCOME		$506
AVERAGE EXPENSE		324
SURPLUS (DEFICIT)		**$182**

FIRST QUARTER 2017
PLAN Y20 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$240.86	132	$95,381	
SHOPPERS 400	240.86	239	172,456	
COBRA		2	1,040	
HMO COPAYS			786	
TOTAL		**373**	**$269,663**	**$0**

BENEFIT EXPENSES		**COST**
MEDICAL		$95,274
HMO		1,395
LIFE & AD & D		1,857
DISABILITY		6,126
DENTAL		13,397
OPTICAL		2,325
DRUG		25,158
MEDICAL ADM.		9,727
MENTAL HEALTH MANAGER		1,859
PPO		5,189
UM/DM		7,228
SUB TOTAL		$169,535

OPERATING EXPENSES		**COST**
ADMINISTRATION FEE		$14,102
ADMINISTRATION HIPAA		344
MISCELLANEOUS		22,085
SUB TOTAL		$36,531

TOTAL EXPENSES		**$206,066**

SURPLUS (DEFICIT)		**$63,597**

AVERAGE INCOME		$241
AVERAGE EXPENSE		184
SURPLUS (DEFICIT)		**$57**

FIRST QUARTER 2017
PLAN Y30 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$467.95	3	$4,680	
SHOPPERS 400	467.95	1	936	
TOTAL		**4**	**$5,616**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$0
HMO		0
LIFE & AD & D		44
DISABILITY		0
DENTAL		89
OPTICAL		43
DRUG		0
MEDICAL ADM.		79
MENTAL HEALTH MANAGER		13
PPO		34
UM/DM		49
SUB TOTAL		$351

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$151
ADMINISTRATION HIPAA		4
MISCELLANEOUS		237
SUB TOTAL		$392

TOTAL EXPENSES		**$743**

SURPLUS (DEFICIT)		**$4,873**

AVERAGE INCOME		$468
AVERAGE EXPENSE		62
SURPLUS (DEFICIT)		**$406**

FIRST QUARTER 2017
PLAN Y30 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$225.93	67	$45,638	
SHOPPERS 400	225.93	75	50,834	
TOTAL		**142**	**$96,472**	**$0**

BENEFIT EXPENSES		COST
MEDICAL		$8,121
HMO		0
LIFE & AD & D		96
DISABILITY		1,901
DENTAL		428
OPTICAL		47
DRUG		5,812
MEDICAL ADM.		764
MENTAL HEALTH MANAGER		561
PPO		329
UM/DM		575
SUB TOTAL		$18,634

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$5,369
ADMINISTRATION HIPAA		131
MISCELLANEOUS		8,408
SUB TOTAL		$13,908

TOTAL EXPENSES		**$32,542**

SURPLUS (DEFICIT)		**$63,930**

AVERAGE INCOME		$226
AVERAGE EXPENSE		76
SURPLUS (DEFICIT)		**$150**

FIRST QUARTER 2017
PLAN Y40 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$31.26	51	$4,814	
SHOPPERS 400	31.26	95	8,909	
TOTAL		**146**	**$13,723**	**$0**

BENEFIT EXPENSES		**COST**
LIFE & AD & D		$0
DISABILITY		0
DENTAL		0
OPTICAL		0
SUB TOTAL		$0

OPERATING EXPENSES		**COST**
ADMINISTRATION FEE		$5,520
ADMINISTRATION HIPAA		135
MISCELLANEOUS		8,645
SUB TOTAL		$14,300

TOTAL EXPENSES		**$14,300**

SURPLUS (DEFICIT)		**($577)**

AVERAGE INCOME		$31
AVERAGE EXPENSE		33
SURPLUS (DEFICIT)		**($2)**

FIRST QUARTER 2017
K2 RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	PRE-MEDICARE	COMBINED
RATE	$140.00	$209.00	$311.00	RETIREEES	
NO OF EMP.	195	68	16	81	360
TOTAL INCOME	$80,240	$41,687	$14,928	$0	$136,855

BENEFIT EXPENSES					COMBINED
MEDICAL	$124,152	$43,156	$10,417	$0	$177,725
COLONIAL LIFE	0	0	0	16,477	16,477
DENTAL	14,746	5,126	1,237	6,111	27,220
DRUG	29,426	10,229	2,469	0	42,124
OPTICAL	2,528	871	218	1,050	4,667
MEDICAL ADM.	7,697	2,676	646	0	11,019
MENTAL HEALTH MANAGER	1,504	510	234	0	2,248
TOTAL EXPENSES	$180,053	$62,568	$15,221	$23,638	$281,480

OPERATING EXPENSES					
MISCELLANEOUS (PCORI FEES)	$0	$0	$0	$0	$0
SUBTOTAL	$0	$0	$0	$0	$0

TOTAL EXPENSES	$180,053	$62,568	$15,221	$23,638	$281,480

SURPLUS (DEFICIT)	($99,813)	($20,881)	($293)	($23,638)	($144,625)

AVERAGE INCOME	$137	$204	$311	$0	$127
AVERAGE EXPENSE	308	307	317	97	261
SURPLUS (DEFICIT)	($171)	($103)	($6)	($97)	($134)

FIRST QUARTER 2017
RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	CO-PAY	NO-COPAY	COMBINED
RATE	$366.10	$188.59	$173.06	PLAN T	RETIREES	
NO OF EMP.	3	13	2	9	55	82
TOTAL INCOME	$4,027	$8,298	$1,384	$13,010	$0	$26,719

BENEFIT EXPENSES						COMBINED
MEDICAL	$425	$5,747	$0	$3,483	$44,370	$54,025
DENTAL	293	1,227	175	723	4,831	7,249
OPTICAL	45	189	27	87	740	1,088
DRUG	7,750	14,352	4,692	12,837	62,424	102,055
MEDICAL ADM.	132	554	0	198	1,911	2,795
MENTAL HEALTH MANAGER	24	105	0	39	366	534
EAP	0	0	0	13	0	13
PPO	0	0	0	0	63	63
UM/DM	0	0	0	0	0	0
TOTAL EXPENSES	$8,669	$22,174	$4,894	$17,380	$114,705	$167,822

SURPLUS (DEFICIT)	($4,642)	($13,876)	($3,510)	($4,370)	($114,705)	($141,103)

AVERAGE INCOME	$447	$213	$231	$482	$0	$109
AVERAGE EXPENSE	963	569	816	644	695	682
SURPLUS (DEFICIT)	($516)	($356)	($585)	($162)	($695)	($573)

FIRST QUARTER 2017
SHOPPERS RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	$20.00	$40.00	$60.00	
NO OF EMP.	214	78	2	294
TOTAL INCOME	$12,820	$9,360	$360	$22,540

BENEFIT EXPENSES				COMBINED
MEDICAL	$116,912	$44,508	$32,920	$194,340
DENTAL	28,724	0	0	28,724
OPTICAL	4,221	0	0	4,221
DRUG	95,030	16,845	1,565	113,440
MEDICAL ADM.	3,809	119	1,067	4,995
MENTAL HEALTH MANAGER	728	24	203	955
EAP	0	0	0	0
PPO	22	0	21	43
UM/DM	40	127	116	283
TOTAL EXPENSES	$249,486	$61,623	$35,892	$347,001

SURPLUS (DEFICIT)	($236,666)	($52,263)	($35,532)	($324,461)

AVERAGE INCOME	$20	$40	$60	$26
AVERAGE EXPENSE	389	263	5,982	393
SURPLUS (DEFICIT)	($369)	($223)	($5,922)	($367)

FIRST QUARTER 2017
SUPERVALU RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	$20.00	$40.00	$60.00	
NO OF EMP.	65	35	1	101
TOTAL INCOME	$3,900	$4,160	$180	$8,240

BENEFIT EXPENSES				COMBINED
MEDICAL	$51,914	$37,325	$1,735	$90,974
DENTAL	9,171	0	0	9,171
OPTICAL	1,348	0	0	1,348
DRUG	11,796	11,874	0	23,670
MEDICAL ADM.	593	224	0	817
MENTAL HEALTH MANAGER	116	38	0	154
PPO	21	0	0	21
UM/DM	0	20	29	49
TOTAL EXPENSES	$74,959	$49,481	$1,764	$126,204

SURPLUS (DEFICIT)	($71,059)	($45,321)	($1,584)	($117,964)

AVERAGE INCOME	$20	$40	$60	$27
AVERAGE EXPENSE	384	471	588	417
SURPLUS (DEFICIT)	($364)	($431)	($528)	($390)

FIRST QUARTER 2017

PRESCRIPTION REPORT

SCRIPTS PROCESSED	SCRIPT/ADM COST	PHARMACY PAYMENT	TOTAL
22,820	$1,202	$1,445,776	$1,446,978

MISCELLANEOUS EXPENSES

CATEGORY		COST
ACTUARY & CONSULTING		$21,824
ACCURINT		2
EDUCATION FEES		474
INSURANCE & BONDING		3,950
INVESTMENT MANAGEMENT		3,836
LEGAL		89,398
MEETING EXPENSE		2,845
PCORI & TR FEES		180,317
POSTAGE		14,622
PRINTING		15,017
TELEPHONE		534
TOTAL		**$332,819**

2017
QUARTERLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
CONTRIBUTIONS RECEIVED	$12,419,716	$0	$0	$0	$12,419,716
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	194,354	0	0	0	194,354
INTEREST & DIVIDENDS	18,678	0	0	0	18,678
MISCELLANEOUS INCOME	0	0	0	0	0
TOTAL INCOME	$12,632,748	$0	$0	$0	$12,632,748
EXPENSES					
MEDICAL	$7,708,546	$0	$0	$0	$7,708,546
LIFE & AD & D	61,753	0	0	0	61,753
DISABILITY	370,490	0	0	0	370,490
DENTAL	481,683	0	0	0	481,683
OPTICAL	57,337	0	0	0	57,337
DRUG	1,165,689	0	0	0	1,165,689
RETIREES	922,507	0	0	0	922,507
MEDICAL ADM.	161,020	0	0	0	161,020
MENTAL HEALTH MANAGER	79,944	0	0	0	79,944
EAP	4,342	0	0	0	4,342
PPO	297,642	0	0	0	297,642
UM/DM	113,337	0	0	0	113,337
SUBTOTAL	$11,424,290	$0	$0	$0	$11,424,290
OPERATING EXPENSE					
ADMINISTRATION	$209,256	$0	$0	$0	$209,256
ADMINISTRATION HIPAA	4,225	0	0	0	4,225
MISCELLANEOUS	332,818	0	0	0	332,818
SUBTOTAL	$546,299	$0	$0	$0	$546,299
TOTAL EXPENSES	$11,970,589	$0	$0	$0	$11,970,589
SURPLUS (DEFICIT)	$662,159	$0	$0	$0	$662,159
TOTAL PARTICIPANTS	5,621	0	0	0	5,621
FUND BALANCE	$6,014,256	$0	$0	$0	

2016
QUARTERLY RECAP

	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	TOTAL
CONTRIBUTIONS RECEIVED	$11,011,273	$11,808,104	$11,408,484	$12,247,838	$46,475,699
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	200,878	192,504	194,561	188,616	776,559
INTEREST & DIVIDENDS	14,454	30,324	22,830	18,619	86,227
MISCELLANEOUS INCOME	0	40,000	0	0	40,000
TOTAL INCOME	$11,226,605	$12,070,932	$11,625,875	$12,455,073	$47,378,485
EXPENSES					
MEDICAL	$7,792,318	$8,961,710	$7,990,040	$7,333,086	$32,077,154
LIFE & AD & D	62,561	62,631	61,870	61,692	248,754
DISABILITY	338,470	360,494	440,771	376,749	1,516,484
DENTAL	517,543	515,596	498,683	486,775	2,018,597
OPTICAL	60,537	59,681	58,973	57,894	237,085
DRUG	1,065,653	1,326,103	959,718	1,096,493	4,447,967
RETIREES	815,776	966,682	884,443	881,693	3,548,594
MEDICAL ADM.	164,927	164,887	165,382	162,826	658,022
MENTAL HEALTH MANAGER	185,010	117,263	106,142	79,740	488,155
EAP	4,569	4,459	4,416	4,313	17,757
PPO	318,473	310,046	302,667	300,337	1,231,523
UM/DM	134,349	112,623	116,889	117,193	481,054
SUBTOTAL	$11,460,186	$12,962,175	$11,589,994	$10,958,791	$46,971,146
OPERATING EXPENSE					
ADMINISTRATION	$213,931	$212,233	$212,780	$211,032	$849,976
ADMINISTRATION HIPAA	4,308	4,282	4,319	4,291	17,200
MISCELLANEOUS	423,790	194,145	221,432	183,367	1,022,734
SUBTOTAL	$642,029	$410,660	$438,531	$398,690	$1,889,910
TOTAL EXPENSES	$12,102,215	$13,372,835	$12,028,525	$11,357,481	$48,861,056
SURPLUS (DEFICIT)	($875,610)	($1,301,903)	($402,650)	$1,097,592	($1,482,571)
TOTAL PARTICIPANTS	5,930	5,839	5,747	5,655	5,793
FUND BALANCE	$5,745,078	$4,325,110	$3,660,738	$4,977,651	

CONTRACT INFORMATION
MAINTENANCE OF BENEFITS
FIRST QUARTER 2017

CONTRACT EXP.	COMPANY	PLAN	RATES
04-30-17	ACE SUSHI	Y	$839.88
		Y	$347.41
		Y	$966.52
02-18-18	KELCO F.C.U.	JS	$920.73
08-04-18[1]	KROGER RICHMOND TIDEWATER	PLAN 1	N/A
		PLAN 2	N/A
		PLAN 3	N/A
04-02-16[2]	KROGER ROANOKE	RNK 1	N/A
		RNK 2	N/A
		RNK 3	N/A
07-08-17	METRO/ BASICS/ SHOPPERS 27	Y	$885.48
		Y	$446.63
		Y	$1,266.29
		Y20	$505.91
		Y20	$240.86
		Y30	$467.95
		Y30	$225.93
		Y40	$31.26
10-29-17	SAFEWAY VALLEY	JSS-2	$1,488.72
		S	$1.61
07-08-17	SHOPPERS FOOD 400	JSS-2	$1,588.28
		Y	$885.48
		Y	$446.63
		Y	$1,266.29
		Y20	$505.91
		Y20	$240.86
		Y30	$467.95
		Y30	$225.93
		Y40	$31.26
	UFCW LOCAL 400 TEMP	JSS2	$1,488.72
		Y	$839.88

[1]PASS THROUGH ARRANGEMENT EFFECTIVE SEPTEMBER 1, 2004
[2]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
DELINQUENCY REPORT
FIRST QUARTER 2017

FIRST QUARTER 2017
DELINQUENCY REPORT

PRIOR QUARTERS

EMPLOYER	PERIOD	ESTIMATED CONTRIBUTION DUE	INTEREST DUE	TOTAL DUE	REFERRED TO LEGAL
PERKINS MANAGEMENT SERVICES	MARCH 2013	$0.00	$16.04	$16.04	X
PERKINS MANAGEMENT SERVICES	APRIL 2013	$0.00	$3.62	$3.62	X
PERKINS MANAGEMENT SERVICES	JULY 2013	$2,795.45	$158.82	$2,954.27	X
PERKINS MANAGEMENT SERVICES	AUGUST 2013	$2,795.45	$146.36	$2,941.81	X
PERKINS MANAGEMENT SERVICES	SEPTEMBER 2013	$2,795.45	$134.30	$2,929.75	X
PERKINS MANAGEMENT SERVICES	OCTOBER 2013	$2,795.45	$121.83	$2,917.28	X
PERKINS MANAGEMENT SERVICES	NOVEMBER 2013	$2,795.45	$109.77	$2,905.22	X
PERKINS MANAGEMENT SERVICES	DECEMBER 2013	$2,795.45	$97.30	$2,892.75	X
PERKINS MANAGEMENT SERVICES	JANUARY 2014	$2,795.45	$84.84	$2,880.29	X
PERKINS MANAGEMENT SERVICES	FEBRUARY 2014	$2,795.45	$73.58	$2,869.03	X
PERKINS MANAGEMENT SERVICES	MARCH 2014	$2,795.45	$61.12	$2,856.57	X
PERKINS MANAGEMENT SERVICES	APRIL 2014	$2,795.45	$61.12	$2,856.57	X
PERKINS MANAGEMENT SERVICES	MAY 2014	$2,795.45	$61.12	$2,856.57	X

$17,500 WAS RECEIVED FROM PERKINS MGMT. PER SETTLEMENT AGREEMENT

CURRENT QUARTER

NONE

PERKINS MANAGEMENT SERVICES CLOSED SEPTEMBER 30, 2013

UFCW UNIONS AND PARTICIPATING EMPLOYERS

HEALTH & WELFARE FUND

SECOND QUARTER 2017

ADMINISTRATIVE MANAGER'S REPORT

SECOND QUARTER 2017
PLAN JS

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KELCO	$920.73	10	$27,621	
TOTAL		10	$27,621	$0

BENEFIT EXPENSES		COST
MEDICAL		$17,622
HMO		0
LIFE & AD & D		37
DISABILITY		1,538
DENTAL		1,251
OPTICAL		126
DRUG		27,776
RETIREES		9,550
MEDICAL ADM.		399
MENTAL HEALTH MANAGER		75
PPO		213
UM/DM		302
SUB TOTAL		$58,889

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$377
ADMINISTRATION HIPAA		9
MISCELLANEOUS		261
SUB TOTAL		$647

TOTAL EXPENSES		$59,536

SURPLUS (DEFICIT)		($31,915)

AVERAGE INCOME		$921
AVERAGE EXPENSE		1,985
SURPLUS (DEFICIT)		($1,064)

SECOND QUARTER 2017
PLAN JSS-2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
SAFEWAY VALLEY FT	$1,488.72	3	$13,398	
SAFEWAY VALLEY PT	1,488.72	1	4,467	
SHOPPERS FOOD 400 FT	1,588.28	443	2,110,823	
SHOPPERS FOOD 400 PT	1,588.28	164	779,846	
UFCW LOCAL 400 TEMP FT	1,488.72	0	0	
HMO COPAYS			3,723	
COBRA		0	0	
TOTAL		611	$2,912,257	$0

BENEFIT EXPENSES		COST
MEDICAL		$1,144,579
HMO		8,748
LIFE & AD & D		7,648
DISABILITY		104,934
DENTAL		79,281
OPTICAL		8,226
DRUG		380,590
RETIREES		583,488
MEDICAL ADM.		24,383
MENTAL HEALTH MANAGER		10,587
PPO		13,059
UM/DM		17,272
SUB TOTAL		$2,382,795

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$23,058
ADMINISTRATION HIPAA		563
MISCELLANEOUS		15,927
SUB TOTAL		$39,548

TOTAL EXPENSES		$2,422,343

SURPLUS (DEFICIT)		$489,914

AVERAGE INCOME		$1,589
AVERAGE EXPENSE		1,322
SURPLUS (DEFICIT)		$267

SECOND QUARTER 2017
PLAN K2 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1]		0	$0	
UFCW 400 TEMP FT		0	0	
COBRA		0	0	
TOTAL		0	$0	$0

BENEFIT EXPENSES		COST
MEDICAL[2]		($7,990)
SUB TOTAL		($7,990)

OPERATING EXPENSES		COST
SUB TOTAL		$0

TOTAL EXPENSES		($7,990)

SURPLUS (DEFICIT)		$7,990

AVERAGE INCOME		$0
AVERAGE EXPENSE		0
SURPLUS (DEFICIT)		$0

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014
[2]SUBROGATION OF CLAIMS PAID IN 2012

SECOND QUARTER 2017
PLAN RICHMOND TIDEWATER

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER R/T		985	$2,124,372	
COBRA		5	5,251	
TOTAL		990	$2,129,623	$0

BENEFIT EXPENSES		COST
AETNA DENTAL		$11,645
AETNA DENTAL CLAIMS		87,179
ASO PROVIDER		1,930,518
METLIFE		19,516
GVS OPTICAL		10,925
SUB TOTAL		$2,059,783

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$35,708
MISCELLANEOUS		25,807
SUB TOTAL		$61,515

TOTAL EXPENSES		$2,121,298
SURPLUS (DEFICIT)		$8,325

AVERAGE INCOME		$717
AVERAGE EXPENSE		714
SURPLUS (DEFICIT)		$3

SECOND QUARTER 2017
PLAN RNK 1

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1]		814	$2,210,379	
COBRA		3	4,557	
TOTAL		817	$2,214,936	$0

BENEFIT EXPENSES		COST
MEDICAL		$1,985,648
LIFE & AD & D		14,651
DISABILITY		61,084
DENTAL		88,760
OPTICAL		10,436
DRUG		0
MEDICAL ADM.		32,501
MENTAL HEALTH MANAGER		18,040
EAP		1,666
PPO		56,754
UM/DM		20,131
SUB TOTAL		$2,289,671

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$30,594
ADMINISTRATION HIPAA		748
MISCELLANEOUS		21,297
SUB TOTAL		$52,639

TOTAL EXPENSES		$2,342,310

SURPLUS (DEFICIT)		($127,374)

AVERAGE INCOME		$904
AVERAGE EXPENSE		956
SURPLUS (DEFICIT)		($52)

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

SECOND QUARTER 2017
PLAN RNK 2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1]		483	$659,815	
COBRA		2	2,117	
TOTAL		485	$661,932	$0

BENEFIT EXPENSES		COST
MEDICAL		$543,744
LIFE & AD & D		2,543
DISABILITY		8,009
DENTAL		31,992
OPTICAL		6,256
DRUG		0
MEDICAL ADM.		19,284
MENTAL HEALTH MANAGER		6,174
PPO		33,674
UM/DM		11,998
SUB TOTAL		$663,674

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$18,061
ADMINISTRATION HIPAA		441
MISCELLANEOUS		12,643
SUB TOTAL		$31,145

TOTAL EXPENSES		$694,819

SURPLUS (DEFICIT)		($32,887)

AVERAGE INCOME		$455
AVERAGE EXPENSE		478
SURPLUS (DEFICIT)		($23)

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

SECOND QUARTER 2017
PLAN RNK 3

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER[1]		533	$428,880	
COBRA		3	2,092	
TOTAL		536	$430,972	$0

BENEFIT EXPENSES		COST
MEDICAL		$281,062
LIFE & AD & D		2,387
DISABILITY		7,313
DENTAL		28,749
OPTICAL		6,038
DRUG		0
MEDICAL ADM.		21,284
MENTAL HEALTH MANAGER		5,465
PPO		37,137
UM/DM		13,133
SUB TOTAL		$402,568

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$19,878
ADMINISTRATION HIPAA		485
MISCELLANEOUS		13,972
SUB TOTAL		$34,335

TOTAL EXPENSES		$436,903

SURPLUS (DEFICIT)		($5,931)

AVERAGE INCOME		$268
AVERAGE EXPENSE		272
SURPLUS (DEFICIT)		($4)

[1]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

SECOND QUARTER 2017
PLAN Y FULL TIME

INCOME EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	$839.88	0	$0	
METRO/BASICS	885.48	255	677,392	
SHOPPERS 400	885.48	172	456,909	
COBRA		0	0	
HMO COPAYS			3,404	
TOTAL		427	$1,137,705	$0

BENEFIT EXPENSES		COST
MEDICAL		$702,073
HMO		9,090
LIFE & AD & D		6,111
DISABILITY		67,450
DENTAL		52,101
OPTICAL		3,860
DRUG		249,001
MEDICAL ADM.		16,505
MENTAL HEALTH MANAGER		4,045
EAP		841
PPO		8,723
UM/DM		11,656
SUB TOTAL		$1,131,456

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$16,115
ADMINISTRATION HIPAA		394
MISCELLANEOUS		11,131
SUB TOTAL		$27,640

TOTAL EXPENSES		$1,159,096

SURPLUS (DEFICIT)		($21,391)

AVERAGE INCOME		$888
AVERAGE EXPENSE		905
SURPLUS (DEFICIT)		($17)

SECOND QUARTER 2017
PLAN Y PART TIME INDIVIDUAL

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	$347.41	0	$0	
METRO/BASICS	446.63	250	331,847	
SHOPPERS 400	446.63	499	669,053	
COBRA		2	2,682	
TOTAL		751	$1,003,582	$0

BENEFIT EXPENSES		COST
MEDICAL		$954,244
HMO		16,559
LIFE & AD & D		4,898
DISABILITY		63,109
DENTAL		52,032
OPTICAL		6,079
DRUG		269,852
MEDICAL ADM.		25,299
MENTAL HEALTH MANAGER		5,163
EAP		1,294
PPO		13,591
UM/DM		17,951
SUB TOTAL		$1,430,071

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$28,343
ADMINISTRATION HIPAA		692
MISCELLANEOUS		19,577
SUB TOTAL		$48,612

TOTAL EXPENSES		$1,478,683

SURPLUS (DEFICIT)		($475,101)

AVERAGE INCOME		$445
AVERAGE EXPENSE		656
SURPLUS (DEFICIT)		($211)

SECOND QUARTER 2017
PLAN Y PART TIME FAMILY

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$1,266.29	81	$306,442	
SHOPPERS 400	1,266.29	162	616,683	
TOTAL		243	$923,125	$0

BENEFIT EXPENSES		COST
MEDICAL		$1,064,489
HMO		0
LIFE & AD & D		1,754
DISABILITY		2,629
DENTAL		38,434
OPTICAL		2,179
DRUG		246,520
MEDICAL ADM.		9,450
MENTAL HEALTH MANAGER		6,890
EAP		480
PPO		5,066
UM/DM		6,653
SUB TOTAL		$1,384,544

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$9,171
ADMINISTRATION HIPAA		224
MISCELLANEOUS		6,335
SUB TOTAL		$15,730

TOTAL EXPENSES		$1,400,274

SURPLUS (DEFICIT)		($477,149)

AVERAGE INCOME		$1,266
AVERAGE EXPENSE		1,921
SURPLUS (DEFICIT)		($655)

SECOND QUARTER 2017
PLAN Y20 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$505.91	15	$22,767	
SHOPPERS 400	505.91	10	14,671	
UFCW LOCAL 400 TEMP		0	0	
TOTAL		25	$37,438	$0

BENEFIT EXPENSES		COST
MEDICAL		$10,616
HMO		0
LIFE & AD & D		300
DISABILITY		0
DENTAL		1,394
OPTICAL		192
DRUG		800
MEDICAL ADM.		825
MENTAL HEALTH MANAGER		153
PPO		431
UM/DM		584
SUB TOTAL		$15,295

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$943
ADMINISTRATION HIPAA		23
MISCELLANEOUS		652
SUB TOTAL		$1,618

TOTAL EXPENSES		$16,913

SURPLUS (DEFICIT)		$20,525

AVERAGE INCOME		$499
AVERAGE EXPENSE		226
SURPLUS (DEFICIT)		$273

SECOND QUARTER 2017
PLAN Y20 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$240.86	126	$91,285	
SHOPPERS 400	240.86	218	157,522	
COBRA		2	893	
HMO COPAYS			786	
TOTAL		346	$250,486	$0

BENEFIT EXPENSES		COST
MEDICAL		$74,742
HMO		1,395
LIFE & AD & D		1,779
DISABILITY		1,377
DENTAL		12,556
OPTICAL		2,179
DRUG		22,547
MEDICAL ADM.		9,063
MENTAL HEALTH MANAGER		1,735
PPO		5,053
UM/DM		6,492
SUB TOTAL		$138,918

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$13,058
ADMINISTRATION HIPAA		319
MISCELLANEOUS		9,019
SUB TOTAL		$22,396

TOTAL EXPENSES		$161,314

SURPLUS (DEFICIT)		$89,172

AVERAGE INCOME		$241
AVERAGE EXPENSE		155
SURPLUS (DEFICIT)		$86

SECOND QUARTER 2017
PLAN Y30 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$467.95	4	$5,616	
SHOPPERS 400	467.95	2	2,340	
TOTAL		6	$7,956	$0

BENEFIT EXPENSES		COST
MEDICAL		$0
HMO		0
LIFE & AD & D		30
DISABILITY		0
DENTAL		88
OPTICAL		16
DRUG		39
MEDICAL ADM.		107
MENTAL HEALTH MANAGER		18
PPO		43
UM/DM		66
SUB TOTAL		$407

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$226
ADMINISTRATION HIPAA		6
MISCELLANEOUS		156
SUB TOTAL		$388

TOTAL EXPENSES		$795

SURPLUS (DEFICIT)		$7,161

AVERAGE INCOME		$442
AVERAGE EXPENSE		44
SURPLUS (DEFICIT)		$398

SECOND QUARTER 2017
PLAN Y30 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$225.93	53	$35,923	
SHOPPERS 400	225.93	69	46,994	
TOTAL		122	$82,917	$0

BENEFIT EXPENSES		COST
MEDICAL		$26,863
HMO		0
LIFE & AD & D		140
DISABILITY		906
DENTAL		938
OPTICAL		155
DRUG		(2,007)
MEDICAL ADM.		865
MENTAL HEALTH MANAGER		4,682
PPO		439
UM/DM		613
SUB TOTAL		$33,594

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$4,604
ADMINISTRATION HIPAA		112
MISCELLANEOUS		3,180
SUB TOTAL		$7,896

TOTAL EXPENSES		$41,490

SURPLUS (DEFICIT)		$41,427

AVERAGE INCOME		$227
AVERAGE EXPENSE		113
SURPLUS (DEFICIT)		$114

SECOND QUARTER 2017
PLAN Y40 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	$31.26	74	$6,908	
SHOPPERS 400	31.26	139	13,004	
TOTAL		213	$19,912	$0

BENEFIT EXPENSES		COST
LIFE & AD & D		$22
DISABILITY		0
DENTAL		318
OPTICAL		59
SUB TOTAL		$399

OPERATING EXPENSES		COST
ADMINISTRATION FEE		$8,038
ADMINISTRATION HIPAA		196
MISCELLANEOUS		5,552
SUB TOTAL		$13,786

TOTAL EXPENSES		$14,185

SURPLUS (DEFICIT)		$5,727

AVERAGE INCOME		$31
AVERAGE EXPENSE		22
SURPLUS (DEFICIT)		$9

SECOND QUARTER 2017
K2 RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	PRE-MEDICARE	COMBINED
RATE	$140.00	$209.00	$311.00	RETIREEES	
NO OF EMP.	184	63	15	72	334
TOTAL INCOME	$64,103	$34,416	$12,636	$0	$111,155

BENEFIT EXPENSES					COMBINED
MEDICAL	$66,913	$23,073	$5,586	$0	$95,572
COLONIAL LIFE	0	0	0	14,610	14,610
DENTAL[1]	10,334	3,564	863	3,937	18,698
DRUG	32,055	11,053	2,676	0	45,784
OPTICAL	2,425	845	201	952	4,423
MEDICAL ADM.	7,262	2,504	606	0	10,372
MENTAL HEALTH MANAGER	1,383	477	115	0	1,975
TOTAL EXPENSES	$120,372	$41,516	$10,047	$19,499	$191,434

OPERATING EXPENSES					
MISCELLANEOUS (PCORI FEES)	$677	$233	$57	$0	$967
SUBTOTAL	$677	$233	$57	$0	$967

TOTAL EXPENSES	$121,049	$41,749	$10,104	$19,499	$192,401

SURPLUS (DEFICIT)	($56,946)	($7,333)	$2,532	($19,499)	($81,246)

AVERAGE INCOME	$116	$182	$281	$0	$111
AVERAGE EXPENSE	219	221	225	90	192
SURPLUS (DEFICIT)	($103)	($39)	$56	($90)	($81)

[1]DENTAL EXPENSE INCLUDES 1/16-3/17 RATE ADJUSTMENT

SECOND QUARTER 2017
RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	CO-PAY	NO-COPAY	COMBINED
RATE	$366.10	$188.59	$173.06	PLAN T	RETIREES	
NO OF EMP.	2	12	2	9	54	79
TOTAL INCOME	$3,295	$7,544	$1,038	$9,757	$0	$21,634

BENEFIT EXPENSES						COMBINED
MEDICAL	$2,549	$3,463	$0	$2,274	$30,347	$38,633
DENTAL	259	1,210	173	687	4,707	7,036
OPTICAL	41	189	27	84	731	1,072
DRUG	7,946	10,821	4,808	7,805	54,734	86,114
MEDICAL ADM.	120	559	0	213	1,917	2,809
MENTAL HEALTH MANAGER	24	105	0	41	360	530
EAP	0	0	0	14	0	14
PPO	0	0	0	0	43	43
UM/DM	0	0	0	0	0	0
TOTAL EXPENSES	$10,939	$16,347	$5,008	$11,118	$92,839	$136,251

SURPLUS (DEFICIT)	($7,644)	($8,803)	($3,970)	($1,361)	($92,839)	($114,617)

AVERAGE INCOME	$549	$210	$173	$361	$0	$91
AVERAGE EXPENSE	1,823	454	835	412	573	575
SURPLUS (DEFICIT)	($1,274)	($244)	($662)	($51)	($573)	($484)

SECOND QUARTER 2017
SHOPPERS RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	$20.00	$40.00	$60.00	
NO OF EMP.	215	79	2	296
TOTAL INCOME	$12,900	$9,440	$360	$22,700

BENEFIT EXPENSES				COMBINED
MEDICAL	$104,274	$20,834	$64,497	$189,605
DENTAL	28,120	0	0	28,120
OPTICAL	4,190	0	0	4,190
DRUG	94,112	16,177	1,226	111,515
MEDICAL ADM.	3,713	120	1,051	4,884
MENTAL HEALTH MANAGER	703	23	198	924
EAP	0	0	0	0
PPO	22	0	21	43
UM/DM	27	132	115	274
TOTAL EXPENSES	$235,161	$37,286	$67,108	$339,555

SURPLUS (DEFICIT)	($222,261)	($27,846)	($66,748)	($316,855)

AVERAGE INCOME	$20	$40	$60	$26
AVERAGE EXPENSE	365	157	11,185	382
SURPLUS (DEFICIT)	($345)	($117)	($11,125)	($356)

SECOND QUARTER 2017
SUPERVALU RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	$20.00	$40.00	$60.00	
NO OF EMP.	66	33	1	100
TOTAL INCOME	$3,960	$3,960	$180	$8,100

BENEFIT EXPENSES				COMBINED
MEDICAL	$35,211	$44,789	$7,925	$87,925
DENTAL	8,960	0	0	8,960
OPTICAL	1,330	0	0	1,330
DRUG	7,965	9,989	0	17,954
MEDICAL ADM.	599	240	0	839
MENTAL HEALTH MANAGER	113	43	0	156
PPO	21	0	0	21
UM/DM	0	19	28	47
TOTAL EXPENSES	$54,199	$55,080	$7,953	$117,232

SURPLUS (DEFICIT)	($50,239)	($51,120)	($7,773)	($109,132)

AVERAGE INCOME	$20	$40	$60	$27
AVERAGE EXPENSE	274	556	2,651	391
SURPLUS (DEFICIT)	($254)	($516)	($2,591)	($364)

SECOND QUARTER 2017

PRESCRIPTION REPORT

SCRIPTS PROCESSED	SCRIPT/ADM. COST	PHARMACY PAYMENT	TOTAL
22,498	$1,578	$1,613,633	$1,615,211

MISCELLANEOUS EXPENSES

CATEGORY		COST
ACTUARY & CONSULTING		$14,991
ACCURINT		9
CONFERENCE EXP		168
EDUCATION FEES		474
INSURANCE & BONDING		27,155
INVESTMENT MANAGEMENT		1,463
LEGAL		62,078
MEETING EXPENSE		3,208
PCORI & TR FEES		19,181
POSTAGE		4,101
PRINTING		12,192
TELEPHONE		489
TOTAL		**$145,509**

2017
QUARTERLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
CONTRIBUTIONS RECEIVED[1]	$12,419,716	$11,840,462	$0	$0	$24,260,178
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	194,354	163,588	0	0	357,942
INTEREST & DIVIDENDS	18,678	21,195	0	0	39,873
MISCELLANEOUS INCOME[2]	0	22,500	0	0	22,500
TOTAL INCOME	$12,632,748	$12,047,745	$0	$0	$24,680,493
EXPENSES					
MEDICAL	$7,708,546	$8,645,985	$0	$0	$16,354,531
LIFE & AD & D	61,753	61,815	0	0	123,568
DISABILITY	370,490	318,350	0	0	688,840
DENTAL	481,683	486,716	0	0	968,399
OPTICAL	57,337	56,726	0	0	114,063
DRUG	1,165,689	1,195,119	0	0	2,360,808
RETIREES	922,507	785,441	0	0	1,707,948
MEDICAL ADM.	161,020	159,964	0	0	320,984
MENTAL HEALTH MANAGER	79,944	63,027	0	0	142,971
EAP	4,342	4,281	0	0	8,623
PPO	297,642	292,200	0	0	589,842
UM/DM	113,337	106,851	0	0	220,188
SUBTOTAL	$11,424,290	$12,176,475	$0	$0	$23,600,765
OPERATING EXPENSE					
ADMINISTRATION	$209,256	$208,174	$0	$0	$417,430
ADMINISTRATION HIPAA	4,225	4,212	0	0	8,437
MISCELLANEOUS	332,818	145,509	0	0	478,327
SUBTOTAL	$546,299	$357,895	$0	$0	$904,194
TOTAL EXPENSES	$11,970,589	$12,534,370	$0	$0	$24,504,959
SURPLUS (DEFICIT)	$662,159	($486,625)	$0	$0	$175,534
TOTAL PARTICIPANTS	5,621	5,582	0	0	5,602
FUND BALANCE	$6,014,256	$5,479,614	$0	$0	

[1]First Quarter Contributions include Kroger's reimbursement for Misc. expenses 2014-2016.

[2]Second Quarter Misc. Income is Employer payment for PCORI Fees.

2016
QUARTERLY RECAP

	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	TOTAL
CONTRIBUTIONS RECEIVED	$11,011,273	$11,808,104	$11,408,484	$12,247,838	$46,475,699
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	200,878	192,504	194,561	188,616	776,559
INTEREST & DIVIDENDS	14,454	30,324	22,830	18,619	86,227
MISCELLANEOUS INCOME	0	40,000	0	0	40,000
TOTAL INCOME	$11,226,605	$12,070,932	$11,625,875	$12,455,073	$47,378,485
EXPENSES					
MEDICAL	$7,792,318	$8,961,710	$7,990,040	$7,333,086	$32,077,154
LIFE & AD & D	62,561	62,631	61,870	61,692	248,754
DISABILITY	338,470	360,494	440,771	376,749	1,516,484
DENTAL	517,543	515,596	498,683	486,775	2,018,597
OPTICAL	60,537	59,681	58,973	57,894	237,085
DRUG	1,065,653	1,326,103	959,718	1,096,493	4,447,967
RETIREES	815,776	966,682	884,443	881,693	3,548,594
MEDICAL ADM.	164,927	164,887	165,382	162,826	658,022
MENTAL HEALTH MANAGER	185,010	117,263	106,142	79,740	488,155
EAP	4,569	4,459	4,416	4,313	17,757
PPO	318,473	310,046	302,667	300,337	1,231,523
UM/DM	134,349	112,623	116,889	117,193	481,054
SUBTOTAL	$11,460,186	$12,962,175	$11,589,994	$10,958,791	$46,971,146
OPERATING EXPENSE					
ADMINISTRATION	$213,931	$212,233	$212,780	$211,032	$849,976
ADMINISTRATION HIPAA	4,308	4,282	4,319	4,291	17,200
MISCELLANEOUS	423,790	194,145	221,432	183,367	1,022,734
SUBTOTAL	$642,029	$410,660	$438,531	$398,690	$1,889,910
TOTAL EXPENSES	$12,102,215	$13,372,835	$12,028,525	$11,357,481	$48,861,056
SURPLUS (DEFICIT)	($875,610)	($1,301,903)	($402,650)	$1,097,592	($1,482,571)
TOTAL PARTICIPANTS	5,930	5,839	5,747	5,655	5,793
FUND BALANCE	$5,745,078	$4,325,110	$3,660,738	$4,977,651	

CONTRACT INFORMATION
MAINTENANCE OF BENEFITS
SECOND QUARTER 2017

CONTRACT EXP.	COMPANY	PLAN	RATES
04-30-17	ACE SUSHI	Y	$839.88
		Y	$347.41
		Y	$966.52
02-18-18	KELCO F.C.U.	JS	$920.73
08-04-18[1]	KROGER RICHMOND TIDEWATER	PLAN 1	N/A
		PLAN 2	N/A
		PLAN 3	N/A
04-02-16[2]	KROGER ROANOKE	RNK 1	N/A
		RNK 2	N/A
		RNK 3	N/A
07-08-17	METRO/ BASICS/ SHOPPERS 27	Y	$885.48
		Y	$446.63
		Y	$1,266.29
		Y20	$505.91
		Y20	$240.86
		Y30	$467.95
		Y30	$225.93
		Y40	$31.26
10-29-17	SAFEWAY VALLEY	JSS-2	$1,488.72
		S	$1.61
07-08-17	SHOPPERS FOOD 400	JSS-2	$1,588.28
		Y	$885.48
		Y	$446.63
		Y	$1,266.29
		Y20	$505.91
		Y20	$240.86
		Y30	$467.95
		Y30	$225.93
		Y40	$31.26
	UFCW LOCAL 400 TEMP	JSS2	$1,488.72
		Y	$839.88

[1]PASS THROUGH ARRANGEMENT EFFECTIVE SEPTEMBER 1, 2004
[2]PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
DELINQUENCY REPORT
SECOND QUARTER 2017

SECOND QUARTER 2017
DELINQUENCY REPORT

PRIOR QUARTERS

EMPLOYER	PERIOD	ESTIMATED CONTRIBUTION DUE	INTEREST DUE	TOTAL DUE	REFERRED TO LEGAL
PERKINS MANAGEMENT SERVICES	MARCH 2013	$0.00	$16.04	$16.04	X
PERKINS MANAGEMENT SERVICES	APRIL 2013	$0.00	$3.62	$3.62	X
PERKINS MANAGEMENT SERVICES	JULY 2013	$2,795.45	$158.82	$2,954.27	X
PERKINS MANAGEMENT SERVICES	AUGUST 2013	$2,795.45	$146.36	$2,941.81	X
PERKINS MANAGEMENT SERVICES	SEPTEMBER 2013	$2,795.45	$134.30	$2,929.75	X
PERKINS MANAGEMENT SERVICES	OCTOBER 2013	$2,795.45	$121.83	$2,917.28	X
PERKINS MANAGEMENT SERVICES	NOVEMBER 2013	$2,795.45	$109.77	$2,905.22	X
PERKINS MANAGEMENT SERVICES	DECEMBER 2013	$2,795.45	$97.30	$2,892.75	X
PERKINS MANAGEMENT SERVICES	JANUARY 2014	$2,795.45	$84.84	$2,880.29	X
PERKINS MANAGEMENT SERVICES	FEBRUARY 2014	$2,795.45	$73.58	$2,869.03	X
PERKINS MANAGEMENT SERVICES	MARCH 2014	$2,795.45	$61.12	$2,856.57	X
PERKINS MANAGEMENT SERVICES	APRIL 2014	$2,795.45	$61.12	$2,856.57	X
PERKINS MANAGEMENT SERVICES	MAY 2014	$2,795.45	$61.12	$2,856.57	X

$17,500 WAS RECEIVED FROM PERKINS MGMT. PER SETTLEMENT AGREEMENT

CURRENT QUARTER

NONE

PERKINS MANAGEMENT SERVICES CLOSED SEPTEMBER 30, 2013

INVOICES

UFCW UNIONS & PARTICIPATING EMPLOYERS HEALTH AND WELFARE FUND

INVOICES

OCTOBER 10, 2017

1. **ASSOCIATED ADMINISTRATORS, LLC**

04/19/17	Meeting Expenses – Regular Meeting	$	2,246.59

2. **BOND BEEBE**

07/16/17	First progress billing for services rendered in connection with the audit of the financial statements for the year ended December 31, 2016	$	30,000.00

3. **CHEIRON**

05/19/17	Retainer Services – January through April 2017	$	200.00
06/19/17	Retainer Services – May 2017	$	800.00
07/20/17	Retainer Services – June 2017	$	800.00
08/21/17	Retainer Services – July 2017	$	800.00
09/19/17	Retainer Services – August 2017	$	800.00

4. **MORGAN, LEWIS & BOCKIUS**

04/18/17	For Professional Services rendered for the period ended February 28, 2017	$	1,490.00
06/30/17	For Professional Services rendered for the period ended March 31, 2017	$	6,897.00
06/30/17	For Professional Services rendered for the period ended April 30, 2017	$	14,419.50
06/30/17	For Professional Services rendered for the period ended May 31, 2017	$	1,583.00

06/30/17	**Schedule C Response**	$	490.50
07/31/17	**For Professional Services rendered for the period ended June 30, 2017**	$	7,748.00
08/25/17	**Litigation Expenses**	$	163,412.50
08/25/17	**For Professional Services rendered for the period ended July 31, 2017**	$	2,607.50

5. SEGAL CONSULTING

04/05/17	**For consulting services rendered under the retainer agreement for the period April 1, 2017 through April 30, 2017**	$	5,333.33
04/28/17	**For consulting services rendered outside the retainer**	$	2,573.75
05/04/17	**For consulting services rendered under the retainer agreement for the period May 1, 2017 – May 31, 2017**	$	5,333.37
06/05/17	**For consulting services rendered under the retainer agreement for the period June 1, 2017 through June 30, 2017**	$	5,333.33
07/07/17	**For consulting services rendered under the retainer agreement for the period July 1, 2017 through July 31, 2017**	$	5,333.33
08/07/17	**For consulting services rendered under the retainer agreement for the period August 1, 2017 – August 31, 2017**	$	5,333.33
09/07/17	**For consulting service rendered under the retainer agreement for the period September 1, 2017 – September 30, 2017**	$	5,333.33

6. SEGALL BRYANT AND HAMILL

05/03/17	**Investment Management Fee – B2F9782 – for the period January 1, 2017 – March 31, 2017**	$	899.38
07/17/17	**Investment Management Fee – B2F9782 –for the period April 1, 2017 – June 30, 2017**	$	908.73

7. **SEGAL SELECT**

05/03/17	Renewal of Fiduciary Insurance through Chubb for the period April 29, 2017 – April 29, 2018	$	15,464.00
05/03/17	Renewal of Fiduciary Insurance through The Hartford (Excess Risk) for the period April 29, 2017 –April 29, 2018	$	11,691.00

8. **SLEVIN & HART, P.C.**

04/24/17	For Professional Services rendered through March 31, 2017	$	14,997.35
05/18/17	For Professional Services rendered through April 30, 2017	$	23,945.77
06/21/17	For Professional Services rendered through May 32, 2017	$	16,801.99
07/14/17	For Professional Services rendered through June 30, 2017	$	14,658.11

9. **BERNHARDT & STRAWER, P.A.**

08/22/17	Outside Counsel – Perkins Delinquency	$	2,500.00

10. **SUPERVALU**

06/16/17	J. Born – Reimbursement of expenses incurred for attendance at the April 19, 2017 Board of Trustees Meeting	$	206.25

11. **TRUSTEE EXPENSE REIMBURSEMENTS**

05/24/17	S. Loeffler – Reimbursement of expenses incurred at the April 19, 2017 meeting of the Board of Trustees	$	699.00
06/01/17	D. Gwin – Reimbursement of expenses incurred at the April 19, 2017 meeting of the Board of Trustees	$	56.12
08/30/17	J. Born - Reimbursement of the registration fee for attendance at the ISCEBS Employee Benefits Symposium September 17, 2017 through September 20, 2017	$	$1,225.00

12. **UFCW LOCAL 27**

04/18/17	J. Chorpenning –Trustee Dinner	$	329.35

05/10/17	**T. Hipkins – Reimbursement of expenses incurred at the 04/19/17 Board of Trustees meeting**	**$**	**168.37**

UFCW UNIONS & PARTICIPATING EMPLOYERS HEALTH AND WELFARE FUND RETIREE PLAN

INVOICES

OCTOBER 10, 2017

1. **SLEVIN & HART, P.C.**

06/21/17	For Professional Services rendered through May 31, 2017	$	1,556.87

2. **WOODARD INSURANCE AGENCY, LLC**

04/01/17	Customer Service – Orphan Enrollment for January, February, March, 2017	$	474.00
07/01/17	Customer Service – Orphan Enrollment for April, May and June 2017	$	474.00

OTHER FUND BUSINESS

Memorandum of Agreement
By and Between
Shopper's Food & Pharmacy
And
UFCW Local 400 and UFCW Local 27
August 25, 2017

The current Labor Agreement with the following changes:

1. Modify Local 400 Seniority Areas (see attached);
   Local 27 Seniority areas-no change except to delete the Towson store that closed.

2. **<u>Local 400- Article 9 Holidays</u>** Add new language:
   For all employees hired on or after ratification, work performed on Sunday and Holidays shall be compensated at the following rates:
   - 0 to 12 months of employment $1.00/hr. premium for each hour worked
   - 13 to 24 months of employment $1.50/hr. premium for each hour worked
   - 25 to 60 months of employment $2.00/hr. premium for each hour worked
   - Thereafter $3.00/hr. premium for each hour worker

3. **<u>Local 400- Article 14 Shop Stewards - 14.2</u>**
   <u>Local 27- Article 11 Shop Stewards – 11.1</u>
   Add the following language Chief Shop Stewards may not be transferred from one store to another without written consent of the union, except in cases of promotion. Any lead or department manager assigned as a shop steward on or after ratification may be transferred from one store to another.

4. **<u>Local 400-Article 15-Health and Welfare</u>**:
   <u>Local 27- Article 18-Health and Welfare</u>

Amend Section 1510 (Local 400) and Section 18.22 (Local 27) of the Agreements and replace with the following:

Section 15.10 (18.22 for Local 27) The Employer shall make monthly contributions in an amount determined by the Board of Trustees of the above Fund, so as to maintain current and existing health and welfare benefits and further to provide a three (3) month reserve. Notwithstanding the prior sentence, the three (3) month reserve requirement is modified from July 2017 – July 2018 pursuant to this paragraph and the following paragraph. With respect to the Maintenance of Benefits (MOB) rates, the Employer MOB rates for the time period beginning with hours worked in August 2017 through hours worked in January 2018 shall be the MOB rates in existence for hours worked in July 2017 multiplied by 1.08 (8% increase in contribution rates). For hours worked beginning in February 2018 (payable in March 2018), the Employer MOB contribution rates will increase by an additional eight percent (8%).

Further, the Employer will make an additional one-time lump sum payment of $315,000 payable in September 2017.

With respect to the goal to maintain a financial reserve targeted at three (3) months which shall be measured on the last day of each month, the Employer contribution increases set forth above will be the MOB increases for twelve (12) months from August 2017 through July 2018 unless additional increases are required per the following formula in this paragraph. If, as of the last day of any month during the year, the Plan's reserves fall below two (2) months, the Employer contribution rates will be adjusted effective for hours worked in the month following the last day of the month in which the reserves fell below two (2) months, based on the reasonable determination of the Fund's actuarial benefits consultant, with the goal of returning the reserve levels to three (3) months of reserves within the following six (6) months. If the Plan's reserves exceed four (4) months of reserves, the Employer will receive a credit on its contributions effective for hours worked in the month in which the reserves exceeded four (4) months and amortized over the following six (6) months to reduce the reserve levels to four (4) months.

On and after July 2018, the Employer will make monthly contributions in amounts determined by the Board of Trustees, based on the reasonable determination of the Fund's actuarial benefits consultant, the goal of which is to maintain the health care plan of benefits and to further provide a financial reserve targeted at three (3) months measure on the last day of each month. If as of the last day of any month during the year, the Plan's reserves fall below three (3) months measured as of the last day of each month, the Employer contribution rates will be adjusted effective for hours worked in the month following the last day of the month in which the reserves fell below three (3) months, with the goal of returning the reserve levels to three (3) months reserves within the following six (6) months. If the Plan's reserves exceed four (4) months of reserves, the Employer will receive a credit on its contributions effective for hours worked in the month following the last day of the month in which the reserves exceeded four (4) months and amortized over the following six (6) months, to reduce the reserve levels to four (4) months

The Employer and Union have selected Express Scripts as the Fund's new pharmacy vendor, with the transition to commence no later than January 1, 2018, unless the Fund's actuarial benefits consultant advises the Board of Trustee of the Fund that such date is not achievable without causing significant disruption to the Fund participants, in which case the transition shall take place as soon as possible thereafter.

Further, the Employer and Union direct the Trustees to move to a new Dental network vendor, with the transition to commence no later than January 1, 2018, unless the Fund's actuarial benefits consultant advises the Board of Trustees of the Fund that such date is not achievable without causing significant disruption to the Fund participants, in which case the transition shall take place as soon as possible thereafter.

NOT IN THE CONTRACT – COULD BE IN A SIDE LETTER IF DESIRED:
The Employer and Union recognize that the Fund's Dependent Audit Subcommittee has selected Associated Administrators to perform a dependent audit for the Fund commencing no

later than October 1, 2017. The dependent audit process has been established by the Subcommittee. The process for reinstatement of eligibility for anyone whose eligibility was terminated as a result of the Dependent Audit will be determined pursuant to the process previously set forth by the Dependent Audit Subcommittee unless and until such time as changed by the Subcommittee or the Board of Trustees.

5. **Wage Progressions**

See attached-updated wage progressions that will be effective 10/1/17.

6. **Wage Increases**: Employees who are at or above the top of the wage progression not as a result of a minimum wage increase will receive the following increases:

Effective July 9, 2017:

- Department Heads, TOS Journeymen Meat Cutters, TOS FT and PT Food Clerks – thirty cents (30¢) per hour
- Service Clerks and Non-Food Clerks –twenty (20¢) cents per hour
- Courtesy Clerks – ten cents (10¢) per hour

Effective July 8, 2018:

- Department Heads, TOS Journeymen Meat Cutters, TOS FT and PT Food Clerks – thirty-five cents (35¢) per hour
- Service Clerks and Non-Food Clerks – twenty-five cents (25¢) per hour
- Courtesy Clerks – ten cents (10¢) per hour

Effective July 14, 2019:

- Department Heads, TOS Journeymen Meat Cutters, TOS FT and PT Food Clerks – thirty-five cents (35¢) per hour
- Service Clerks and Non-Food Clerks – twenty-five cents (25¢) per hour
- Courtesy Clerks – ten cents (10¢) per hour

7. **Pension**

Move to Composite Rate of $1.15 per hour paid up to 40 hours per week:

- Y1-7/30/17-$.10 per hour increase to composite rate -$1.25/per hour paid up to 40 hours per week
- Y2-7/1/18-$.10 per hour increase to composite rate -$1.35/per hour paid up to 40 hours per week
- Y3-6/30/19-$.10 per hour increase to composite rate -$1.45/per hour paid up to 40 hours per week

8. **Article 27 – Duration of Agreement**

Three (3) years – July 9, 2017 – July 11, 2020

United Food and Commercial Workers Unions
and Participating Employers
Health and Welfare Fund

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

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

DEPENDENT SPOUSE ELIGIBILITY AUDIT

October 1, 2017

Dear Participant:

The UFCW Unions and Participating Employers Health and Welfare Fund is conducting a dependent spouse verification audit. **Please note, failure to provide the requested form and documentation will result in the loss of dependent coverage for your spouse.**

Since you are a participant in the Fund and you currently have a spouse enrolled for dependent coverage, **please fill out the enclosed form and return it to the Fund Office with the required documents by October 31, 2017.**

Copies of a dependent spouse verification document, and the enclosed Dependent Verification Form, must be received by fax, mail, or email. A pre-addressed envelope is enclosed for your convenience. Should you have any questions, please contact the Fund Office at (800) 638-2972.

Mail: UFCW Unions and Participating Employers
Health & Welfare Fund
Attn: Eligibility Dept.
911 Ridgebrook Rd
Sparks, MD 21152-9451
Fax: (410) 683-7792
Email: spousalaudit@associated-admin.com

Thank you for your cooperation.

Fund Office

Enclosure

Dependent Spouse Audit Initial Ltr bns 10.2017

United Food and Commercial Workers Unions
and Participating Employers
Health and Welfare Fund

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VERIFICATION FORM

Dependent Spouse

- As stated in your Summary Plan Description,
  Your legally married spouse is eligible for benefits until the earliest of: (a) 3 years from the date of physical separation; (b) the date of divorce; or (c) the date of legal separation.

Participant Information

Last Name	First Name	MI
Address		
City	State	Zip Code
Telephone	Sex: M/F	Date of Birth
Marital Status: ☐ Married ☐ Single ☐ Widowed ☐ Divorced ☐ Separated		
Date of Marriage:		

Spouse Information

Last Name	First Name	MI
Address		
City	State	Zip Code
Telephone	Sex: M/F	Date of Birth

If the address of participant and spouse are not the same, what is the date the physical separation started? ______________________________

I, ____, certify that my spouse and I are still married and that we are not legally separated.

Please return this form to the Fund Office **with one of the following**:

- A copy of the front page of your 2016 federal tax return (Form 1040) confirming this dependent as a spouse. If taxes are filed "Married Filing Separately," the front pages for both returns are required.
- A document dated within the last 60 days showing that the spouse lives at the participant's address. **This document must list your spouse's name, the date, and your (the participant's) mailing address.** Health care bills cannot be accepted as proof, since health care coverage is being verified. Here are some examples: a mortgage statement, a rental contract, a credit card statement, a phone bill, a cable bill, a gas and electric or other utility bill.

Please mail, fax or email this form with documentation as indicated below.

Mail: UFCW Unions and Participating Employers
Health & Welfare Fund
Attn: Eligibility Dept.
911 Ridgebrook Rd
Sparks, MD 21152-9451
Fax: (410) 683-7792
Email: spousalaudit@associated-admin.com

IMPORTANT NOTICE: IT IS FRAUDULENT TO KNOWINGLY PROVIDE FALSE INFORMATION, OR TO KNOWINGLY CONCEAL INFORMATION FROM THE FUND IN AN EFFORT TO MAINTAIN DEPENDENT COVERAGE.

I, ____, have read the above and I
(Print Name)
understand the information.

I further state that I personally completed this form and all information is complete and accurate.

Participant's Signature: ____

Spouse's Signature: ____

Date: ____

Spousal Verification Form bns 10.2017

United Food and Commercial Workers Unions
and Participating Employers
Health and Welfare Fund

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Dependent Spouse Eligibility Audit Frequently Asked Questions

Why is UFCW Unions and Participating Employers Health and Welfare Fund conducting a Dependent Spouse Eligibility Audit?
As healthcare costs continue to rise at rates exceeding ordinary inflation, benefit plans are increasingly using these types of audits to help control costs and ensure the continued viability of their benefit programs. The UFCW Unions and Participating Employers Health and Welfare Fund ("the Fund") is sensitive to the rising costs of healthcare for its participants, and therefore this audit is being conducted to reduce healthcare costs by eliminating claims for individuals that are not eligible to be covered. It was also approved by the Board of Trustees as a result of recent collective bargaining.

The documentation required contains personal data. Is this process secure?
Protecting personal information is a top priority to the Fund. In compliance with applicable U.S. (Federal) and State regulations, information and documentation submitted to the Fund office for these audits will be stored, processed and protected by physical, electronic and procedural safeguards.

When submitting your tax documentation, only the top portion which includes the names of the employee and spouse are required. Please black out the Social Security Number ("SSN"), as well as any income information. Be advised that alternate proofs provided by participant and spouse are acceptable, such as a mortgage statement, rent invoice, bank, credit card or property tax bill statement dated within the last 6 months showing employee and spouse residing in the same household.

Please note that documents provided will NOT be returned.

Will this information be shared with my employer?
Information that you provide to satisfy the documentation requirements of the Dependent Spouse Eligibility Audit will only be given to your employer if the new information causes a change in your weekly payroll deduction.

Will I be penalized or charged any fees for an ineligible dependent spouse?
If you have maintained an ineligible dependent as a covered dependent, under the Fund rules, any overpayments made on behalf of an ineligible dependent spouse may be recovered.

Do I need to send original documents?
Please **do not** send your original documents; a copy is sufficient. If the document is two-sided or has multiple pages, remember to copy all pages and both sides of the document.

Will I be reimbursed for the cost of obtaining these documents?
No. Any charge for obtaining copies of required documents is your responsibility.

What happens if I do not submit all required documents by the December 29, 2017 audit deadline?
The UFCW Unions and Participating Employers Health and Welfare Fund is ultimately responsible for determining how best to handle each individual case.

If you fail to provide the required information for enrolled spouses-the following action will occur:

- The ineligible dependent spouse for which complete documentation has not been submitted by this deadline date will be removed from coverage.

If you knowingly submit false information for an enrolled dependent spouse:

- The UFCW Unions and Participating Employers Health and Welfare Fund will terminate coverage in the healthcare plan and may seek to recover claims paid during the period that the ineligible dependent spouse was covered.

May I send my documents to my employer's Payroll, HR, or Employee Benefits Department?
This is an independent audit being performed on behalf of the Fund. Please forward all materials directly to the Fund office.

Can an exception be granted to allow my ineligible dependent to stay covered on the Fund's healthcare plan?
No. Only dependent spouses that currently satisfy the plan's eligibility definition can remain covered. If the dependent is no longer eligible because of a "qualifying event," such as divorce, please contact the Fund office for assistance. COBRA, or the Consolidated Omnibus Budget Reconciliation Act, gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances. Qualified individuals should contact the Fund office for COBRA details. You also have appeal rights as outlined in your Summary Plan Description (SPD).

What are my options for submitting documentation to the Fund office?

- Email: spousalaudit@associated-admin.com, and only show the last 4 digits of your SSN,
- Fax: (410) 683-7792. You may fax your documents and signed letter 24 hours a day, 7 days a week.
- Documents may also be mailed to:
  UFCW Unions and Participating Employers
  Health and Welfare Fund
  911 Ridgebrook Road
  Sparks, MD 21152
  Attention: Spousal Audit

How will I know if my information has been accepted and my dependent spouse is verified?
The Fund office will send a letter of acknowledgement once the dependent is confirmed.

From:	Bill Jensen
Sent:	Wednesday, September 13, 2017 4:46 PM
To:	'Mark Federici'; 'Loeffler, Steve'; 'Tom Hipkins'; 'Yolanda Anwar'; 'Chris Hoffman'; 'Gwin, Donna'; 'Born, Jon R.'; 'George Murphy Jr (gmurphy@ufcw27.org)'
Cc:	Jason Chorpenning; hburton@morganlewis.com; 'Barry Slevin'; Sarah E. Sanchez (ses@slevinhart.com); Laura Walsh; Jeff Ianniello; Debbie Clutts; Colleen Murphy
Subject:	Kroger transition

Trustees and Counsel:

We have worked with Carday regarding the anticipated 1/1/18 transition of the Kroger plans to the WV Fund. I would like to get confirmation that the transition will occur on January 1, 2018, as we must notify participants, vendors, and continue work on the transition.

We started courtesy discussions with the providers in Nonfood serving the Kroger plans.

The Fund needs to send notices regarding the term date in this fund in the near future to participants and Nonfood fund vendors. Counsel recommended receiving confirmation of the date from the trustees.

In the case of Beacon Health and Anthem related claims payments (both ASO in Richmond Tidewater, and PPO related processed by AA), we would also want to outline the process for processing claims runout. Beacon advised they must perform programming in order to handle such a change.

Conifer (Roanoke plans) already serves the WV fund, per Justin Berry their representative. Yet Conifer would need to coordinate the change well in advance due to approving surgeries etc.

I also contacted GVS (vision) and GDS (dental) regarding the transition. As those are insured benefits, we are prepared to submit term dates on the file sent to those vendors.

Kroger's IT team has contacted our office regarding the programming of the various plans for eligibility purposes. Normally they would send us a file with total hours, but this year they appear to be performing additional programming. Likewise we continue to work with Carday regarding the eligibility and claims data.

That said, the open enrollment period occurs soon, with data files arriving from Kroger in mid to late October which must be manipulated to perform the open enrollment. The open enrollment would normally occur between Mid-November and Mid-December for a January 1 effective date. We need to be told which firm (AA or Carday) will handle the open enrollment. Unlike past years, it will likely involve obtaining new ID cards from the vendors for the WV fund, which requires an extra period of time for those files to be processed by the vendors.

Accordingly, as I would rather not wait until the October 10 Board meeting, please review and advise regarding the process.

- Please advise if we can notify the participants and vendors in writing of the transition date of January 1, 2018.
- For the claims runout process in the Nonfood fund, we need guidance on how Kroger related charges are paid. Benefit payments from Kroger are made on a pass through basis, so funding could continue to be handled by sending an invoice to Kroger, through the period that such claims can be incurred without being submitted beyond the normal filing period.
- For Open enrollment purposes, please advise if Carday will be handling that process for the WV fund, or if AA is expected to handle the open enrollment. If AA, we would transition those files to Carday at the same time of the overall transition. We would jointly work with counsel on such correspondence.

Please contact me with questions.

Thank you.
Bill

Bill Jensen
President
Associated Administrators, LLC
8400 Corporate Dr., Suite 430
Landover, MD 20785-2361
301-429-8960
Web page: http://www.associated-admin.com

considered terminated when the participant no longer has a legal obligation to support the child. The participant will be required to supply evidence to the Fund that a child for whom dependent coverage is requested has actually been placed with the participant for adoption. Pre-existing medical conditions which would otherwise be excluded from coverage will not apply to a child who is adopted or placed for adoption with the participant.

Legal Custody

If you have legal custody of a child, you can enroll the child for dependent coverage under the Fund. To request coverage, you must write to the Board of *Trustees* and obtain approval. The child must have been under court-awarded legal custody for a minimum of six months before coverage can begin. You must submit a copy of the final court order awarding you custody and a completed health questionnaire (which the Fund office will send you) certifying the child's medical condition. You must also submit a notarized letter every six months stating that custody remains in effect. Pre-existing medical conditions are subject to the pre-existing condition exclusion on page 19.

Full Timers: Waiting Period for Dependent Eligibility

Dependents of full time participants are eligible for benefits on the same date as the participant for most participants.

Part Timers: Waiting Period for Dependent Eligibility

Dependents of part time participants are eligible for benefits on the first day of the calendar month following the participant's completion of 24 months of continuous active employment with a *participating employer*. Any breaks in active employment will not count toward the 24 month requirement.

Part Timers: If you fail to enroll your dependents upon initial eligibility, you can only enroll them during the months of January and July each year.

Part Timer Dependent Coverage - Cost

Part timers pay part of the cost for dependent coverage. Your employer pays 80% of the cost and the participant pays 20% (via payroll deduction with your employer). Contact your employer to see how much the payroll deduction will be. Your employer will set up payroll deductions to begin with the first month you are eligible for dependent coverage. Dependent coverage will not begin until the month in which your first payroll deductions are made. Note that this payroll deduction for dependent coverage is not the same as any monthly *co-payment* you may be making for choosing an HMO to provide your medical coverage. The payroll deduction for dependent coverage applies in addition to any HMO monthly *co-payment* which may apply.

NAME: **SS#:**

UFCW Unions and Participating Employers Health and Welfare Fund

EMPLOYER:	Kroger	**LOCAL:**	400
DATE OF HIRE:	January 2, 1999	**STATUS:**	Part Time
PLAN:	RNK1		

ISSUE: Eligibility – Not Eligible #E17/173-7433

FUND RULE:

"Part-Time Participants

C-1. All Part-time participants, regardless of hire date; shall be defined as those associates who were paid an average of twenty-five (25) hours per week but less than thirty (30) hours per week during the twelve (12) month measurement period." (Memorandum of Agreement By and Between Mid-Atlantic Division of Kroger and UFCW Local 400, May 2016, Pages 6-7)

"Open Enrollment Letter to Participants

Which Plan am I eligible for: RNK1, RNK2, or RNK3 in 2017?

- If you were hired on or before 9/1/13 and were paid for an average of at least 25 hours per week and you are currently enrolled on RNK1, you are eligible to choose RNK1, RNK2, or RNK3."

(Quoted from November 18th to December 19th, 2016 Open Enrollment Letter to All Participants, Page 2)

SUMMARY: Appeal Received: June 6, 2017

The **participant** is appealing to be allowed immediate reinstatement for Fund coverage. The participant states, "In December of 2016, I received a letter saying my insurance was going to be cancelled. I have missed a lot of work due to health issues. I was hired December of 1999 so I should be grandfathered to at least have part time insurance. I was told I average 24.5 paid hours towards qualification of benefits. Grandfathered individuals only needed to have 20 paid hours. I have stopped necessary doctor's appointments and not had prescriptions filled due to this. Please look into this and reinstate my benefits."

Fund records indicate the participant's original hire date was January 2, 1999. The participant's average for the 12 month measurement period was 24.753 hour per week. Her coverage was terminated on December 31, 2016, because she averaged fewer than 25 hours per week during the measurement period.

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

COMMENTS:

NAME: SS#:

UFCW Unions and Participating Employers Health and Welfare Fund

EMPLOYER:	Kroger	**LOCAL:**	400
DATE OF HIRE:	January 3, 2013	**STATUS:**	Part Time
PLAN:	RNK3		

ISSUE: Eligibility – Not Eligible #E17/165-1328

FUND RULE:

"Part-Time Participants

C-1. All Part-time participants, regardless of hire date; shall be defined as those associates who were paid an average of twenty-five (25) hours per week but less than thirty (30) hours per week during the twelve (12) month measurement period." (Memorandum of Agreement By and Between Mid-Atlantic Division of Kroger and UFCW Local 400, May 2016, Pages 6-7)

"Open Enrollment Letter to Participants

Which Plan am I eligible for: RNK1, RNK2, or RNK3 in 2017?

- If you were hired on or before 9/1/13 and were paid for an average of at least 25 hours per week and you are currently enrolled on RNK1, you are eligible to choose RNK1, RNK2, or RNK3."

(Quoted from November 18th to December 19th, 2016 Open Enrollment Letter to All Participants, Page 2)

SUMMARY: Appeal Received: May 15, 2017

The **participant** is appealing to be allowed immediate reinstatement for Fund coverage. The participant states, "For the most part I worked 25 plus hours last year, I had to decrease some hours for a while due to my husband's health and I had a heart attack. According to the Union book I was okay because I worked over 20 hours a week and was hired before September 1, 2013."

Fund records indicate the participant's original hire date was January 3, 2013. The participant's average for the measurement period is 24.8315 hour per week. Her coverage was terminated on December 31, 2016, because she averaged fewer than 25 hours per week during the measurement period.

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

COMMENTS:

2018 Medicare Cost Renewal
Kaiser Permanente Medicare Plus*

*an HMO with a Section 1876 Medicare Cost contract and Part D Prescription Drug benefits

United Food and Commercial Workers (Non-Food)-Shoppers and SuperValu

Group Number: 11215-9,10

Effective Date: January 1, 2018 through December 31, 2018

Premium Rate	Medicare Plus Plan A with Medicare Part D
For each CMS accreted Medicare Beneficiary	$ 246.32 monthly
Hearing Aid Rider	N/A monthly
CAM Rider	N/A monthly
Vision Rider	N/A monthly
APP	N/A monthly
Total Premium Per Enrollee	$ 246.32 monthly

- Each subscriber must continue to pay Part B premium. Failure to maintain Part B will result in termination of Medicare HMO by the Centers for Medicare and Medicaid Services (CMS).
- This plan is open to persons with Medicare Part A and Part B, regardless of age. Medicare Plus is also available to persons with Medicare Part B only. Please consult your Account Manager for administration of the Medicare Plus Part B only rate.
- A member can select a Primary Care Physician (PCP) from a Kaiser Permanente Medical Center or affiliated participating Medicare Plus provider from the Medicare Plus Directory (the Kaiser Permanente Signature network).
- This product does **not** contain a "Lock – in provision". Care coordinated by the PCP or Kaiser Permanente of the Mid-Atlantic States (except for emergencies or urgently needed out-of-area care) will be covered under the "In Plan" benefit. Care not provided by or authorized by Kaiser Permanente may be filed by the provider directly to Medicare for reimbursement, subject to Medicare deductibles and coinsurance.
- Medicare contracts are renewed with CMS annually on the calendar year, and all mandated benefits may be adjusted on January 1st of each year as dictated by CMS or state mandate.

2018 Medicare Cost Renewal
Kaiser Permanente Medicare Plus*

*an HMO with a Section 1876 Medicare Cost contract and Part D Prescription Drug benefits

UFCW Part-Time/Spouse

Group Number: 18506-0,1,2,3

Effective Date: January 1, 2018 through December 31, 2018

Premium Rate	Medicare Plus Plan High Option w/ D with Medicare Part D
For each CMS accreted Medicare Beneficiary	$ 142.00 monthly
Hearing Aid Rider	N/A monthly
CAM Rider	N/A monthly
Vision Rider	N/A monthly
APP	N/A monthly
Total Premium Per Enrollee	$ 142.00 monthly

- Each subscriber must continue to pay Part B premium. Failure to maintain Part B will result in termination of Medicare HMO by the Centers for Medicare and Medicaid Services (CMS).
- This plan is open to persons with Medicare Part A and Part B, regardless of age. Medicare Plus is also available to persons with Medicare Part B only. Please consult your Account Manager for administration of the Medicare Plus Part B only rate.
- A member can select a Primary Care Physician (PCP) from a Kaiser Permanente Medical Center or affiliated participating Medicare Plus provider from the Medicare Plus Directory (the Kaiser Permanente Signature network).
- This product does **not** contain a "Lock – in provision". Care coordinated by the PCP or Kaiser Permanente of the Mid-Atlantic States (except for emergencies or urgently needed out-of-area care) will be covered under the "In Plan" benefit. Care not provided by or authorized by Kaiser Permanente may be filed by the provider directly to Medicare for reimbursement, subject to Medicare deductibles and coinsurance.
- Medicare contracts are renewed with CMS annually on the calendar year, and all mandated benefits may be adjusted on January 1st of each year as dictated by CMS or state mandate.

2018 Medicare Cost Renewal
Kaiser Permanente Medicare Plus*

*an HMO with a Section 1876 Medicare Cost contract
and Part D Prescription Drug benefits

United Food and Commercial Workers (Non-Food)

Group Number: 11215-7

Effective Date: January 1, 2018 through December 31, 2018

Premium Rate	Medicare Plus Plan C with Medicare Part D
For each CMS accreted Medicare Beneficiary	$ 351.92 monthly
Hearing Aid Rider	N/A monthly
CAM Rider	N/A monthly
Vision Rider	N/A monthly
APP	N/A monthly
Total Premium Per Enrollee	$ 351.92 monthly

- Each subscriber must continue to pay Part B premium. Failure to maintain Part B will result in termination of Medicare HMO by the Centers for Medicare and Medicaid Services (CMS).
- This plan is open to persons with Medicare Part A and Part B, regardless of age. Medicare Plus is also available to persons with Medicare Part B only. Please consult your Account Manager for administration of the Medicare Plus Part B only rate.
- A member can select a Primary Care Physician (PCP) from a Kaiser Permanente Medical Center or affiliated participating Medicare Plus provider from the Medicare Plus Directory (the Kaiser Permanente Signature network).
- This product does **not** contain a "Lock – in provision". Care coordinated by the PCP or Kaiser Permanente of the Mid-Atlantic States (except for emergencies or urgently needed out-of-area care) will be covered under the "In Plan" benefit. Care not provided by or authorized by Kaiser Permanente may be filed by the provider directly to Medicare for reimbursement, subject to Medicare deductibles and coinsurance.
- Medicare contracts are renewed with CMS annually on the calendar year, and all mandated benefits may be adjusted on January 1st of each year as dictated by CMS or state mandate.

Via Electronic Mail

February 8, 2015

UFCW Unions & Participating Employers Health & Welfare Retiree Trust
c/o Mr. William R. Jensen, President
Associated Administrators, LLC
4301 Garden City Drive, Suite 201
Landover, Maryland 20785

Re: ***Engagement Letter for 2016***

Dear Trustees:

This letter represents our proposed fees for the year 2016, pursuant to Section 2 of the Consulting Agreement between Cheiron and the UFCW Unions and Participating Employers Health & Welfare Fund dated February 7, 2003.

The proposed fee to provide the December 31, 2015 a full FASB ASC 965 report is $18,600 based on reported inflation and will include the following:

1) Full FASB ASC 965 postretirement benefits valuation and report on retiree liability disclosures as of December 31, 2015.
2) An estimate of the incurred but not paid claims as of December 31, 2015.
3) Attend one annual Board of Trustees meeting or Policy Committee meeting to present the information above.
4) Provide response to auditors.
5) Attestation of the Medicare Retiree Drug Subsidy for 2016.

With respect to special consulting projects, Cheiron's billing rates during calendar year 2016 will range between $86 and $485 per hour.

We look forward to working with you during 2016. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,
Cheiron

John L. Colberg, FSA, EA, MAAA
Principal Consulting Actuary

cc: Gene Kalwarski, FSA, FCA, MAAA, EA

Via Electronic Mail

April 13, 2017

UFCW Unions & Participating Employers Health & Welfare Retiree Trust
c/o Mr. William R. Jensen, President
Associated Administrators, LLC
4301 Garden City Drive, Suite 201
Landover, Maryland 20785

Re: ***Engagement Letter for 2017***

Dear Trustees:

This letter represents our proposed fees for the year 2017, pursuant to Section 2 of the Consulting Agreement between Cheiron and the UFCW Unions and Participating Employers Health & Welfare Fund dated February 7, 2003.

The proposed fee to provide the December 31, 2016 a roll-forward FASB ASC 965 report is $9,600 based on last year's fee with no increase and will include the following:

1) Roll-forward FASB ASC 965 postretirement benefits valuation and report on retiree liability disclosures as of December 31, 2016.
2) An estimate of the incurred but not paid claims as of December 31, 2016.
3) Attend one annual Board of Trustees meeting or Policy Committee meeting to present the information above.
4) Provide response to auditors.
5) Attestation of the Medicare Retiree Drug Subsidy for 2017.

With respect to special consulting projects, Cheiron's billing rates during calendar year 2017 will range between $86 and $485 per hour.

We look forward to working with you during 2017. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,
Cheiron

John L. Colberg, FSA, EA, MAAA
Principal Consulting Actuary

cc: Gene Kalwarski, FSA, FCA, MAAA, EA

PRWeb
Online Visibility from Vocus

SPBA Testifies at U.S. Department of Labor's ERISA Advisory Council Hearing

The Society of Professional Benefit Administrators (SPBA) testified at an ERISA Advisory Council hearing earlier this month. The group representing SPBA shared thoughts on streamlining and improving the effectiveness of currently mandated disclosures, summary plan descriptions (SPDs) and other documents and reporting related to employer-based health plans.

Chevy Chase, MD (PRWEB) June 29, 2017 -- On June 6, the Society of Professional Benefit Administrators (SPBA) testified before the U.S. Department of Labor (DOL) and its ERISA Advisory Council.

SPBA members spoke at the hearing to share their insights as third party administrators (TPAs) on reducing the burden and increasing the effectiveness of disclosure and reporting requirements related to employer-based health plans in the private sector.

Among those representing SPBA were Vice Chairman Kevin Schlotman of Benovation, Active Past Chairman Sandy Walters of Kelly & Associates and SPBA member Linda Duvall of Associated Administrators.

Issues discussed included current disclosure requirements and the potential for consolidating various annual notices into one, as well as restructuring the Summary Plan Description (SPD) into a shorter report updated on a yearly basis. The value of distributing the Summary Annual Report (SAR) was also reviewed.

Anne Lennan, SPBA president, said that the organization is often asked to be part of regulatory conversations like these that focus on the future direction of employee benefits and health plans. "Many agencies come to SPBA for input as we are a non-partisan association that has broad perspective since our TPA members administer health plans on behalf of such a wide range of employers," she explained.

At the hearing, Schlotman, Walters and Duvall shared their support for modifying SPDs to a shorter format that can be updated on an annual basis as a means for making these documents more understandable and user-friendly. This included the suggestion to move to a digital version of SPDs as a less expensive way to produce and easier way to distribute.

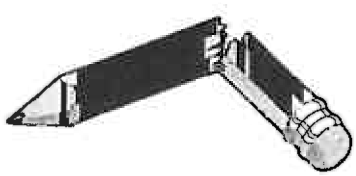
The group representing SPBA also explained situations where plan sponsors have difficulty maintaining the burden of multiple deadlines required for mandated disclosures. They added that it would be helpful for both plan sponsors and participants to have information shared in one document instead of receiving in multiple updates throughout the year. It was also recommended to eliminate the Summary Annual Report (SAR) and consolidate this information into another document.

"Our TPA members were able to provide some valuable input since they work directly with clients to coordinate mandated disclosures and SPDs on a regular basis," Lennan said. "SPBA appreciates the opportunity to participate in this type of dialogue and help shape policymaking."

The ERISA Advisory Council will hear additional testimony on these topics in August. After that, recommendations will be provided to the DOL. SPBA's Elizabeth Ysla Leight, Director of Government

Relations and Legal Affairs, is a member of the ERISA Advisory Council.

SPBA is the national association of Third Party Administration (TPA) firms that manage client employee benefit plans. It is estimated that over 70% of U.S. workers and their dependents in non-federal health coverage are in plans administered by TPAs. The clients of TPA firms include every size and format of employment, including large and small employers, state/county/city plans, union, non-union, collectively bargained multiemployer plans, as well as most industries and professions.



MEETING NOTES