

**UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND**

BOARD OF TRUSTEES MEETING

DECEMBER 15, 2016

**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

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

A G E N D A

DECEMBER 15, 2016

- I. CALL TO ORDER**
- II. MINUTES (pg. 1 – 8)**
 - A. REGULAR MEETING – SEPTEMBER 27, 2016**
 - B. APPEALS COMMITTEE MEETING – OCTOBER 13, 2016**
- III. FINANCIAL REPORT (pg. 9)**
 - A. PNC REPORT**
 - B. AUDITOR'S REPORT**
- IV. CONSULTANT'S REPORT**
 - A. DENTAL BENEFIT RFP**
 - B. DEPENDENT AUDIT**
 - C. OPTUMRX FORMULARY CHANGES**
 - D. ADMINISTRATIVE MANAGER RFP**
 - E. KROGER RNK1, RNK2, RNK3 OPERATING EXPENSE**
- V. ATTORNEY'S REPORT**
 - A. REGULAR**
 - B. SUBROGATION**
 - C. DELINQUENCY REPORT**
- VI. ADMINISTRATIVE MANAGER'S REPORT – (3Q2016) (pg. 10 – 35)**
- VII. INVOICES (pg. 36 – 39)**
- VIII. OTHER FUND BUSINESS (pg. 40 – 46)**
 - A. KROGER ROANOKE RETIREE RESERVE**
 - B. CAREFIRST PPO CONTRACT – RENEWAL**
 - C. CAREFIRST PATIENT CENTERED MEDICAL HOME PROGRAM**
 - D. MAINTENANCE OF BENEFITS RATE PROJECTION AND RESERVES UPDATE**
 - E. KROGER PLANS ACTIVE AND RETIREE TERMINATION DATES**
 - F. 2017 MEDICARE CO-INSURANCE AND DEDUCTIBLES**
 - G. MISCELLANEOUS CORRESPONDENCE**
- IX. 2017 MEETING DATES AND LOCATIONS**
- X. ADJOURNMENT**

MINUTES

**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

4301 GARDEN CITY DRIVE, SUITE 201
LANDOVER, MARYLAND 20785-6102
TELEPHONE: (301) 459-3020
(800) 638-2972

**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
SEPTEMBER 27, 2016
LINTHICUM, MARYLAND**

The following Trustees were present:

UNION TRUSTEES

M. Federici – Chairman
M. Eubank
M. Harris
G. Murphy

EMPLOYER TRUSTEES

S. Loeffler – Secretary
J. Born
D. Gwin
A. Bilgrami

Also present were:

M. Anwar – Local 400
M. Bramstaedt – The Segal Company
H. Burton – Morgan, Lewis & Bockius, LLP
D. Clutts – Associated Administrators, LLC
J. Chorpennig – Local 27
T. Hipkins – Local 27
J. Harrison – Local 27
C. Hoffman – Local 400
J. Ianniello – Associated Administrators, LLC
W. Jensen – Associated Administrators, LLC
S. Sanchez – Slevin & Hart, P.C.
W. Seehafer – SuperValu, Inc.
B. Slevin – Slevin & Hart, P.C.
J. Timm – The Segal Company
L. Walsh – Associated Administrators, LLC

I. CALL TO ORDER

A quorum being present, Mr. Federici called the meeting to order.

Trustee Changes

Mr. Jensen reported that he had received correspondence from The Kroger Company dated September 15, 2016 removing Ms. Erin Haithcock as a Trustee and replacing her with Mr. Athar Bilgrami effective immediately. Mr. Bilgrami accepted his appointment. The Trustees welcomed Mr. Bilgrami to the Board. Mr. Jensen further reported that he had received correspondence from UFCW Local 27 dated September 19, 2016 replacing Tom Hipkins with George Murphy, Jr. as a Trustee.

II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on April 26, 2016, special meeting held on June 6, 2016, and the appeal meeting held on June 27, 2016, which were pre-circulated.

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

RESOLVED that the minutes of the regular meeting held on April 26, 2016, the special meeting held on June 6, 2016, and the appeal meeting held on June 27, 2016, were approved, as presented.

III. FINANCIAL REPORT

PNC Bank

The PNC Summary of Activity report for the period January 1, 2016 to August 31, 2016 was pre-circulated. Such report indicated a beginning market value of \$5,521,503, receipts of \$26,558,955, disbursements of \$28,560,893, and earnings of \$151,455, producing an ending market value of \$3,671,021 as of August 31, 2016.

IV. CONSULTANT'S REPORT

The Trustees welcomed Mr. Mitch Bramstaedt and Mr. Josh Timm of The Segal Company ("Segal") to the meeting.

A. Dental Request for Proposal ("RFP")

Mr. Timm reviewed the results of a dental plan RFP, reporting on financial information, plan benefit differentials, and network depths for Group Dental Service, CareFirst, and Dominion Dental. The Trustees asked for updated pricing from Dominion Dental. After discussion, the Trustees instructed Segal to submit a revised report to a subcommittee made up of Steve Loeffler, Donna Gwin, Mark Federici, and George Murphy.

B. Dependent Audit Request for Proposal (“RFP”)

Mr. Timm reviewed the Dependent Eligibility Verification Audit Services RFP prepared by Segal. Mr. Timm reviewed bids from AonHewitt, BMI Audit, ConSova, HMS, and Secova. After discussion, and

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

RESOLVED to hire Secova for Dependent Eligibility Verification Audit Services for Non-Kroger Plans, subject to execution of an acceptable agreement. Further, resolved to authorize subcommittee of Trustees Donna Gwin, Jon Born, Mark Federici, and George Murphy to decide the audit parameters as needed.

C. Kroger Roanoke Pass-Through Operational Expense

The Trustees discussed the Kroger related operational expense allocations. The Trustees scheduled a meeting to be held at Associated Administrators’ Sparks, Maryland office on October 6, 2016 with Trustees Loeffler and Gwin, The Segal Company, and Associated Administrators to be in attendance to review the operational expenses.

D. Kroger Prescription Plan (“KPP”) Formulary 2017

Mr. Bramstaedt reported that starting January 1, 2017, KPP will use MedImpact for Pharmacy Benefits Management services, replacing Optum Rx. Mr. Bramstaedt reported that this will result in an automatic formulary change and also may present the opportunity for the Fund to implement other optional formulary changes. The Trustees requested more information from Segal regarding the impact of these changes on participants.

E. Maintenance of Benefit Rates (“MOB”) Rate Target

Mr. Bramstaedt distributed and reviewed a report on reserve level as of August 31, 2016. After discussion, the Trustees appointed a subcommittee of Donna Gwin, Jon Born, Mark Federici, and George Murphy to act on MOB rates between meetings, once the Kroger operational expense allocation is finalized.

F. Third Party Administration (“TPA”) RFP

The matter of a request for proposal for TPA services was referred to a subcommittee of Donna Gwin, Jon Born, Mark Federici, and George Murphy.

G. Richmond Tidewater Plan Anthem ASO Fee Renewal

Mr. Bramstaedt reviewed renewal pricing for the Richmond Tidewater Plan from Anthem ASO for the period January 1, 2017 through December 31, 2021. After discussion, and

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

RESOLVED to approve the Anthem BlueCross BlueShield Richmond Tidewater ASO rates as presented.

V. ATTORNEY'S REPORT

A. Roanoke Retirees

Mr. Slevin reported on the retiree benefits applicable to former Kroger employees in the Roanoke area and that the Kroger Roanoke/UFCW Local 400 Memorandum of Agreement ("MOA") regarding the same.

B. Non-Discrimination Regulation

Mr. Slevin reported on the non-discrimination requirements under Section 1557 of the ACA, and allowed regulations. After discussion and

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution.

RESOLVED to delegate the Chairman and Secretary the authority to take any necessary compliance actions relating to the ACA's non-discrimination rule.

C. Express Scripts Audit

Mr. Slevin stated that the Express Scripts audit was still in progress.

D. Perkins

Mr. Slevin reported on the status of the Perkins delinquency.

E. Health Management Systems (“HMS”) Eligibility Data

Mr. Slevin reported on the status of the Health Management Systems data sharing.

F. Mental Health Parity

Mr. Slevin reported on guidance relating to the Mental Health Parity Act.

VI. ADMINISTRATIVE MANAGER’S REPORT

A. First Quarter 2016 Report

Mr. Jensen presented the Administrative Manager’s report for the first quarter 2016, which had been pre-circulated. Such report indicated total income of \$11,226,605 and total expenses of \$12,102,215, producing a deficit of \$875,610. Mr. Jensen noted that contributions were made on behalf of 5,930 Plan participants.

B. Second Quarter 2016 Report

Mr. Jensen presented the Administrative Manager’s report for the second quarter 2016, which had been pre-circulated. Such report indicated total income of \$12,070,932 and total expenses of \$13,372,835, producing a deficit of \$1,301,903. Mr. Jensen noted that contributions were made on behalf of 5,839 Plan participants.

VII. INVOICES

The Trustees reviewed the list of invoices dated September 27, 2016. It was noted there were no additions, deletions or changes to the list of invoices.

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

**RESOLVED that the invoices shown dated September 27, 2016
are approved for payment.**

VIII. OTHER FUND BUSINESS

A. Retiree Deficit Invoice

Mr. Jensen stated that the Fund invoiced Kroger for the Kroger Roanoke Retiree reserve.

B. CareFirst Preferred Provider Organization (“PPO”) Proposed Renewal

Mr. Jensen reported on the proposed CareFirst PPO Fee increase. The Trustees tabled the issue until a future meeting.

C. Kroger Roanoke Memorandum of Agreement (“MOA”)

Mr. Jensen presented the Kroger Roanoke/UFCW Local 400 MOA. After discussion, it was noted that participants working 32 hours per week in 2015-2016 will be eligible for dependent spouse coverage through December 31, 2017. Effective January 1, 2018 and for the balance of the Agreement, 38 hours per week would be required to allow dependent spouse coverage. After discussion, and

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

RESOLVED to adopt the Kroger/UFCW Local 400 Roanoke MOA eligibility and deduction changes effective January 1, 2017, except that participants working 32 hours per week or more will be eligible for dependent spouse coverage through December 31, 2017. It was further RESOLVED to require 38 work hours per week starting January 1, 2018 in order to be eligible for dependent spouse coverage under the Plan.

D. Beacon Health Contract Renewal

Mr. Jensen presented the 2017 Beacon Health Options contract renewal. He noted there was no increase in the rate from the prior year.

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

RESOLVED to approve the Beacon Health Options renewal as presented effective January 1, 2017.

E. Kaiser Medicare Plan Proposed Renewal

Mr. Jensen presented the 2017 Kaiser Permanente proposed Medicare Plan renewal premium rates. After discussion, and

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

RESOLVED to approve the Kaiser Permanente Medicare Plan renewal as presented effective January 1, 2017.

F. MOB Reserve Estimate

The Trustees requested Segal to work with Associated Administrators to provide monthly reporting on the Fund reserves.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected the following meeting date and location: December 15, 2016 National Harbor, Maryland.

X. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully Submitted,

Steve Loeffler – Secretary

**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

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

**APPEALS EMAILED AND RESOLVED
BY THE APPEALS SUBCOMMITTEE OF THE
BOARD OF TRUSTEES OF THE
UCFW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
ON OCTOBER 13, 2016**

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:

Third Quarter 2016

Code	Issue	Decision
E16/191-1544	Dependent Coverage	Denied
E16/206-8090	Initial Enrollment	Denied
M16/198-3312	Excluded Services	Denied
M16/179-3670	Late Filing	Denied
M16/194-3478	CRNA	Denied
M16/208-8852	Laboratory Services	Denied

Respectfully submitted,
Emily Novak, Appeals Supervisor

FINANCIAL REPORT

UFCW UNIONS AND PARTICIPATING EMPLOYERS HEALTH & WELFARE FUND

SUMMARY OF ACTIVITY

JANUARY 01 to NOVEMBER 30, 2016

<u>ITEM</u>	<u>CASH RESERVE</u>	<u>SBH</u>	<u>TOTAL AMOUNT</u>
Market Value 01/01/2016	\$1,288,129	\$4,233,374	\$5,521,503
Receipts	\$37,714,358	\$0	\$37,714,358
Disbursements	\$38,679,180	\$0	\$38,679,180
Inter Account Transfers	\$2,550,000	\$2,550,000	\$0
Earnings	\$2,489	\$113,957	\$116,446
Ending Market Value 11/30/2016	\$2,875,795	\$1,797,331	\$4,673,127

PNC BANK, NA

ADMINISTRATIVE MANAGER'S REPORT

**UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH & WELFARE FUND
THIRD QUARTER 2016**

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2016
PLAN JS

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KELCO	\$920.73	10	\$26,701	
TOTAL		10	\$26,701	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$8,889
HMO	0
LIFE & AD & D	36
DISABILITY	0
DENTAL	1,334
OPTICAL	135
DRUG	2,121
RETIREEES	10,300
MEDICAL ADM.	383
MENTAL HEALTH MANAGER	540
PPO	213
UM/DM	308
SUB TOTAL	\$24,259

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$373
ADMINISTRATION HIPAA	9
MISCELLANEOUS	385
SUB TOTAL	\$767

TOTAL EXPENSES	\$25,026
-----------------------	-----------------

SURPLUS (DEFICIT)	\$1,675
--------------------------	----------------

AVERAGE INCOME	\$890
AVERAGE EXPENSE	834
SURPLUS (DEFICIT)	\$56

THIRD QUARTER 2016
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	1,489	
SHOPPERS FOOD 400 FT	1,588.28	448	2,137,825	
SHOPPERS FOOD 400 PT	1,588.28	174	827,494	
UFCW LOCAL 400 TEMP FT	1,488.72	0	0	
HMO COPAYS			3,723	
TOTAL		626	\$2,983,929	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$1,115,348
HMO	8,746
LIFE & AD & D	7,178
DISABILITY	148,994
DENTAL	85,297
OPTICAL	8,498
DRUG	389,123
RETIREEES	650,003
MEDICAL ADM.	24,896
MENTAL HEALTH MANAGER	24,100
PPO	13,454
UM/DM	19,457
SUB TOTAL	\$2,495,094

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$23,565
ADMINISTRATION HIPAA	574
MISCELLANEOUS	24,122
SUB TOTAL	\$48,261

TOTAL EXPENSES	\$2,543,355
-----------------------	--------------------

SURPLUS (DEFICIT)	\$440,574
--------------------------	------------------

AVERAGE INCOME	\$1,589
AVERAGE EXPENSE	1,354
SURPLUS (DEFICIT)	\$235

THIRD QUARTER 2016
PLAN RICHMOND TIDEWATER

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER R/T		986	\$1,652,770	
COBRA		9	11,000	
TOTAL		995	\$1,663,770	\$0

BENEFIT EXPENSES	COST
AETNA DENTAL	\$11,370
AETNA DENTAL CLAIMS	67,218
ASO PROVIDER	1,482,035
DRUG	0
METLIFE	20,000
GVS OPTICAL	10,955
SUB TOTAL	\$1,591,578

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$35,745
MISCELLANEOUS	38,337
SUB TOTAL	\$74,082

TOTAL EXPENSES	\$1,665,660
-----------------------	--------------------

SURPLUS (DEFICIT)	(\$1,890)
--------------------------	------------------

AVERAGE INCOME	\$557
AVERAGE EXPENSE	558
SURPLUS (DEFICIT)	(\$1)

THIRD QUARTER 2016
PLAN RNK 1

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER ¹		852	\$1,959,924	
COBRA		5	9,380	
TOTAL		857	\$1,969,304	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$1,650,122
LIFE & AD & D	14,952
DISABILITY	99,879
DENTAL	96,200
OPTICAL	10,965
DRUG	0
MEDICAL ADM.	33,688
MENTAL HEALTH MANAGER	46,142
EAP	1,725
PPO	60,046
UM/DM	20,899
SUB TOTAL	\$2,034,618

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$31,755
ADMINISTRATION HIPAA	775
MISCELLANEOUS ²	33,020
SUB TOTAL	\$65,550

TOTAL EXPENSES	\$2,100,168
-----------------------	--------------------

SURPLUS (DEFICIT)	(\$130,864)
--------------------------	--------------------

AVERAGE INCOME	\$766
AVERAGE EXPENSE	817
SURPLUS (DEFICIT)	(\$51)

¹PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

²REIMBURSEMENT FOR MISCELLANEOUS EXPENSES NOT PAID IN 2014, 2015 OR 2016, TO BE DETERMINED BY CONSULTANT

THIRD QUARTER 2016
PLAN RNK 2

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER ¹		552	\$569,010	
COBRA		0	0	
TOTAL		552	\$569,010	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$445,880
LIFE & AD & D	2,700
DISABILITY	9,775
DENTAL	38,267
OPTICAL	7,182
DRUG	0
MEDICAL ADM.	21,800
MENTAL HEALTH MANAGER	7,804
PPO	38,856
UM/DM	13,537
SUB TOTAL	\$585,801

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$20,369
ADMINISTRATION HIPAA	497
MISCELLANEOUS ²	21,269
SUB TOTAL	\$42,135

TOTAL EXPENSES	\$627,936
-----------------------	------------------

SURPLUS (DEFICIT)	(\$58,926)
--------------------------	-------------------

AVERAGE INCOME	\$344
AVERAGE EXPENSE	379
SURPLUS (DEFICIT)	(\$35)

¹PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

²REIMBURSEMENT FOR MISCELLANEOUS EXPENSES NOT PAID IN 2014, 2015 OR 2016, TO BE DETERMINED BY CONSULTANT

THIRD QUARTER 2016
PLAN RNK 3

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
KROGER ¹		508	\$632,234	
COBRA		1	262	
TOTAL		509	\$632,496	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$516,077
LIFE & AD & D	2,206
DISABILITY	5,268
DENTAL	28,836
OPTICAL	5,914
DRUG	0
MEDICAL ADM.	20,073
MENTAL HEALTH MANAGER	4,613
PPO	35,781
UM/DM	12,371
SUB TOTAL	\$631,139

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$18,745
ADMINISTRATION HIPAA	457
MISCELLANEOUS ²	19,611
SUB TOTAL	\$38,813

TOTAL EXPENSES	\$669,952
-----------------------	------------------

SURPLUS (DEFICIT)	(\$37,456)
--------------------------	-------------------

AVERAGE INCOME	\$414
AVERAGE EXPENSE	439
SURPLUS (DEFICIT)	(\$25)

¹PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

²REIMBURSEMENT FOR MISCELLANEOUS EXPENSES NOT PAID IN 2014, 2015 OR 2016, TO BE DETERMINED BY CONSULTANT

THIRD QUARTER 2016
PLAN S

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
SAFeway VALLEY FT	\$1.61	1	\$26	
SAFeway VALLEY PT	1.61	1	147	
TOTAL		2	\$173	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$0
LIFE & AD & D	0
DISABILITY	0
DENTAL	0
OPTICAL	0
DRUG	0
RETIREEES	2,061
MEDICAL ADM.	39
PPO	0
UM/DM	30
SUB TOTAL	\$2,130

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$75
ADMINISTRATION HIPAA	3
MISCELLANEOUS	77
SUB TOTAL	\$155

TOTAL EXPENSES	\$2,285
-----------------------	----------------

SURPLUS (DEFICIT)	(\$2,112)
--------------------------	------------------

AVERAGE INCOME	\$29
AVERAGE EXPENSE	381
SURPLUS (DEFICIT)	(\$352)

THIRD QUARTER 2016
PLAN Y FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$839.88	0	\$0	
METRO/BASICS	885.48	257	681,820	
SHOPPERS 400	885.48	176	466,648	
COBRA		1	2,921	
HMO COPAYS			4,377	
TOTAL		434	\$1,155,766	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$446,346
HMO	9,090
LIFE & AD & D	5,929
DISABILITY	75,379
DENTAL	55,352
OPTICAL	3,906
DRUG	208,282
MEDICAL ADM.	16,620
MENTAL HEALTH MANAGER	9,002
EAP	842
PPO	8,955
UM/DM	12,953
SUB TOTAL	\$852,656

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$16,395
ADMINISTRATION HIPAA	400
MISCELLANEOUS	16,722
SUB TOTAL	\$33,517

TOTAL EXPENSES	\$886,173
-----------------------	------------------

SURPLUS (DEFICIT)	\$269,593
--------------------------	------------------

AVERAGE INCOME	\$888
AVERAGE EXPENSE	681
SURPLUS (DEFICIT)	\$207

THIRD QUARTER 2016
PLAN Y PART TIME INDIVIDUAL

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$347.41	0	\$0	
METRO/BASICS	446.63	270	361,323	
SHOPPERS 400	446.63	535	716,841	
COBRA		1	1,341	
TOTAL		806	\$1,079,505	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$587,967
HMO	17,916
LIFE & AD & D	5,007
DISABILITY	73,304
DENTAL	58,163
OPTICAL	6,540
DRUG	195,450
MEDICAL ADM.	26,992
MENTAL HEALTH MANAGER	3,366
EAP	1,371
PPO	14,688
UM/DM	21,118
SUB TOTAL	\$1,011,882

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$30,658
ADMINISTRATION HIPAA	748
MISCELLANEOUS	31,055
SUB TOTAL	\$62,461

TOTAL EXPENSES	\$1,074,343
-----------------------	--------------------

SURPLUS (DEFICIT)	\$5,162
--------------------------	----------------

AVERAGE INCOME	\$446
AVERAGE EXPENSE	444
SURPLUS (DEFICIT)	\$2

THIRD QUARTER 2016
PLAN Y PART TIME FAMILY

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
ACE SUSHI	\$966.52	0	\$0	
METRO/BASICS	1,266.29	77	291,247	
SHOPPERS 400	1,266.29	164	623,015	
TOTAL		241	\$914,262	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$1,683,503
HMO	3,660
LIFE & AD & D	1,655
DISABILITY	23,298
DENTAL	40,377
OPTICAL	2,205
DRUG	150,216
MEDICAL ADM.	9,516
MENTAL HEALTH MANAGER	6,327
EAP	478
PPO	5,072
UM/DM	7,350
SUB TOTAL	\$1,933,657

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$9,148
ADMINISTRATION HIPAA	223
MISCELLANEOUS	9,285
SUB TOTAL	\$18,656

TOTAL EXPENSES	\$1,952,313
-----------------------	--------------------

SURPLUS (DEFICIT)	(\$1,038,051)
--------------------------	----------------------

AVERAGE INCOME	\$1,265
AVERAGE EXPENSE	2,700
SURPLUS (DEFICIT)	(\$1,435)

THIRD QUARTER 2016
PLAN Y20 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$505.91	12	\$18,719	
SHOPPERS 400	505.91	6	9,107	
UFCW LOCAL 400 TEMP		0	0	
TOTAL		18	\$27,826	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$4,748
HMO	0
LIFE & AD & D	239
DISABILITY	0
DENTAL	1,382
OPTICAL	164
DRUG	4,364
MEDICAL ADM.	725
MENTAL HEALTH MANAGER	133
PPO	370
UM/DM	557
SUB TOTAL	\$12,682

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$598
ADMINISTRATION HIPAA	15
MISCELLANEOUS	694
SUB TOTAL	\$1,307

TOTAL EXPENSES	\$13,989
-----------------------	-----------------

SURPLUS (DEFICIT)	\$13,837
--------------------------	-----------------

AVERAGE INCOME	\$515
AVERAGE EXPENSE	259
SURPLUS (DEFICIT)	\$256

THIRD QUARTER 2016
PLAN Y20 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$240.86	171	\$123,321	
SHOPPERS 400	240.86	297	214,607	
COBRA		1	443	
HMO COPAYS			1,064	
TOTAL		469	\$339,435	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$126,734
HMO	2,326
LIFE & AD & D	1,945
DISABILITY	4,874
DENTAL	14,888
OPTICAL	2,509
DRUG	10,162
MEDICAL ADM.	10,492
MENTAL HEALTH MANAGER	2,023
PPO	5,810
UM/DM	8,299
SUB TOTAL	\$190,062

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$19,194
ADMINISTRATION HIPAA	468
MISCELLANEOUS	18,070
SUB TOTAL	\$37,732

TOTAL EXPENSES	\$227,794
-----------------------	------------------

SURPLUS (DEFICIT)	\$111,641
--------------------------	------------------

AVERAGE INCOME	\$241
AVERAGE EXPENSE	162
SURPLUS (DEFICIT)	\$79

THIRD QUARTER 2016
PLAN Y30 FULL TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$467.95	3	\$3,744	
SHOPPERS 400	467.95	1	1,404	
TOTAL		4	\$5,148	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$0
HMO	0
LIFE & AD & D	0
DISABILITY	0
DENTAL	0
OPTICAL	0
DRUG	0
MEDICAL ADM.	0
MENTAL HEALTH MANAGER	0
PPO	0
UM/DM	0
SUB TOTAL	\$0

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$111
ADMINISTRATION HIPAA	3
MISCELLANEOUS	154
SUB TOTAL	\$268

TOTAL EXPENSES	\$268
-----------------------	--------------

SURPLUS (DEFICIT)	\$4,880
--------------------------	----------------

AVERAGE INCOME	\$429
AVERAGE EXPENSE	22
SURPLUS (DEFICIT)	\$407

THIRD QUARTER 2016
PLAN Y30 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$225.93	30	\$20,108	
SHOPPERS 400	225.93	5	3,389	
TOTAL		35	\$23,497	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$0
HMO	0
LIFE & AD & D	23
DISABILITY	0
DENTAL	0
OPTICAL	0
DRUG	0
MEDICAL ADM.	159
MENTAL HEALTH MANAGER	2,092
PPO	73
UM/DM	10
SUB TOTAL	\$2,357

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$298
ADMINISTRATION HIPAA	6
MISCELLANEOUS	1,349
SUB TOTAL	\$1,653

TOTAL EXPENSES	\$4,010
-----------------------	----------------

SURPLUS (DEFICIT)	\$19,487
--------------------------	-----------------

AVERAGE INCOME	\$224
AVERAGE EXPENSE	38
SURPLUS (DEFICIT)	\$186

THIRD QUARTER 2016
PLAN Y40 PART TIME

INCOME				
EMPLOYER	RATE	PARTICIPANTS	CONTRIBUTIONS	OUTSTANDING
METRO/BASICS	\$31.26	68	\$6,346	
SHOPPERS 400	31.26	121	11,316	
TOTAL		189	\$17,662	\$0

BENEFIT EXPENSES	COST
MEDICAL	\$0
HMO	0
LIFE & AD & D	0
DISABILITY	0
DENTAL	0
OPTICAL	0
DRUG	0
MEDICAL ADM.	0
MENTAL HEALTH MANAGER	0
PPO	0
UM/DM	0
SUB TOTAL	\$0

OPERATING EXPENSES	COST
ADMINISTRATION FEE	\$5,751
ADMINISTRATION HIPAA	141
MISCELLANEOUS	7,282
SUB TOTAL	\$13,174

TOTAL EXPENSES	\$13,174
-----------------------	-----------------

SURPLUS (DEFICIT)	\$4,488
--------------------------	----------------

AVERAGE INCOME	\$31
AVERAGE EXPENSE	23
SURPLUS (DEFICIT)	\$8

THIRD QUARTER 2016
K2 RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	PRE-MEDICARE	COMBINED
RATE	\$140.00	\$209.00	\$311.00	RETIREEES	
NO OF EMP.	199	68	18	84	369
TOTAL INCOME	\$80,989	\$40,015	\$16,483	\$0	\$137,487

BENEFIT EXP					COMBINED
MEDICAL	\$90,555	\$31,096	\$8,191	\$0	\$129,843
COLONIAL LIFE	0	0	0	17,399	17,399
DENTAL	15,074	5,175	1,365	6,338	27,952
DRUG	19,286	6,622	1,744	0	27,652
OPTICAL	2,554	879	227	1,076	4,736
MEDICAL ADM.	7,945	2,727	717	0	11,389
MENTAL HEALTH MANAGER	1,499	515	135	0	2,149
TOTAL EXPENSES	\$136,913	\$47,014	\$12,379	\$24,813	\$221,120

OPERATING EXP					
MISCELLANEOUS (PCORI FEES)	\$671	\$230	\$58	\$0	\$959
SUBTOTAL	\$671	\$230	\$58	\$0	\$959

TOTAL EXPENSES	\$137,584	\$47,244	\$12,437	\$24,813	\$222,079
-----------------------	-----------	----------	----------	----------	-----------

SURPLUS (DEFICIT)	(\$56,595)	(\$7,229)	\$4,046	(\$24,813)	(\$84,592)
--------------------------	------------	-----------	---------	------------	------------

AVERAGE INCOME	\$136	\$196	\$305	\$0	\$124
AVERAGE EXPENSE	230	232	230	98	201
SURPLUS (DEFICIT)	(\$94)	(\$36)	\$75	(\$98)	(\$77)

THIRD QUARTER 2016 RETIREEES

INCOME	CO-PAY	CO-PAY	CO-PAY	CO-PAY	CO-PAY	NO-COPAY	COMBINED
RATE	\$377.19	\$366.10	\$188.59	\$173.06	PLAN T	RETIREEES	
NO OF EMP.	0	4	16	2	11	56	89
TOTAL INCOME	\$0	\$4,026	\$8,864	\$1,038	\$11,925	\$0	\$25,853

BENEFIT EXP							COMBINED
MEDICAL	\$0	\$2,782	\$6,497	\$0	\$6,142	\$20,615	\$36,036
DENTAL	0	300	1,290	180	876	5,083	7,729
OPTICAL	0	46	194	27	102	759	1,128
DRUG	0	4,963	12,751	3,229	6,510	48,511	75,964
MEDICAL ADM.	0	159	633	0	237	1,977	3,006
MENTAL HEALTH MANAGER	0	24	108	0	45	378	555
EAP	0	0	0	0	15	0	15
PPO	0	0	0	0	0	65	65
UM/DM	0	0	0	0	0	0	0
TOTAL EXPENSES	\$0	\$8,274	\$21,473	\$3,436	\$13,927	\$77,388	\$124,498

SURPLUS (DEFICIT)	\$0	(\$4,248)	(\$12,609)	(\$2,398)	(\$2,002)	(\$77,388)	(\$98,645)
--------------------------	-----	-----------	------------	-----------	-----------	------------	------------

AVERAGE INCOME	\$0	\$336	\$185	\$173	\$361	\$0	\$97
AVERAGE EXPENSE	0	690	447	573	422	461	466
SURPLUS (DEFICIT)	\$0	(\$354)	(\$262)	(\$400)	(\$61)	(\$461)	(\$369)

THIRD QUARTER 2016 SHOPPERS RETIREES

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	\$20.00	\$40.00	\$60.00	
NO OF EMP.	214	79	3	296
TOTAL INCOME	\$12,840	\$9,440	\$540	\$22,820

BENEFIT EXP				COMBINED
MEDICAL	\$97,973	\$102,239	\$38,989	\$239,201
DENTAL	29,449	0	0	29,449
OPTICAL	4,213	0	0	4,213
DRUG	53,160	14,321	33	67,514
MEDICAL ADM.	3,795	119	949	4,863
MENTAL HEALTH MANAGER	710	23	181	914
EAP	0	0	0	0
PPO	37	0	21	58
UM/DM	52	151	127	330
TOTAL EXPENSES	\$189,389	\$116,853	\$40,300	\$346,542

SURPLUS (DEFICIT)	(\$176,549)	(\$107,413)	(\$39,760)	(\$323,722)
-------------------	-------------	-------------	------------	-------------

AVERAGE INCOME	\$20	\$40	\$60	\$26
AVERAGE EXPENSE	295	493	4,478	390
SURPLUS (DEFICIT)	(\$275)	(\$453)	(\$4,418)	(\$364)

THIRD QUARTER 2016 SUPERVALU RETIREES
--

INCOME	CO-PAY	CO-PAY	CO-PAY	COMBINED
RATE	\$20.00	\$40.00	\$60.00	
NO OF EMP.	66	34	2	102
TOTAL INCOME	\$3,961	\$4,080	\$360	\$8,401

BENEFIT EXP				COMBINED
MEDICAL	\$6,654	\$156,756	\$4,665	\$168,075
DENTAL	9,396	0	0	9,396
OPTICAL	1,344	0	0	1,344
DRUG	3,929	7,623	0	11,552
MEDICAL ADM.	514	132	105	751
MENTAL HEALTH MANAGER	90	15	30	135
EAP	0	0	0	0
PPO	0	0	0	0
UM/DM	0	45	27	72
TOTAL EXPENSES	\$21,927	\$164,571	\$4,827	\$191,325

SURPLUS (DEFICIT)	(\$17,966)	(\$160,491)	(\$4,467)	(\$182,924)
-------------------	------------	-------------	-----------	-------------

AVERAGE INCOME	\$20	\$40	\$60	\$27
AVERAGE EXPENSE	111	1,613	805	625
SURPLUS (DEFICIT)	(\$91)	(\$1,573)	(\$745)	(\$598)

THIRD QUARTER 2016

PRESCRIPTION REPORT

SCRIPTS PROCESSED	SCRIPT/ADM. COST	PHARMACY PAYMENT	TOTAL
22,298	\$771	\$1,141,629	\$1,142,400

MISCELLANEOUS EXPENSES

CATEGORY		COST
ACCOUNTING		\$45,000
ACTUARY & CONSULTING		36,605
ACCURINT		6
CONFERENCE EXP		4,945
EDUCATION FEES		250
INVESTMENT MANAGEMENT		1,924
LEGAL		110,505
MED/SURG/UCR UPDATE		7,314
MEETING EXPENSE		4,093
PCORI FEES		959
POSTAGE		5,381
PRINTING		4,139
TELEPHONE		311
TOTAL		\$221,432

2016
QUARTERLY RECAP

	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	TOTAL
CONTRIBUTIONS REC'D	\$11,011,273	\$11,808,104	\$11,408,484	\$0	\$34,227,861
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	200,878	192,504	194,561	0	587,943
INT. & DIVIDENDS	14,454	30,324	22,830	0	67,608
MISCELLANEOUS INCOME ^{1,2}	0	40,000	0	0	40,000

TOTAL INCOME	\$11,226,605	\$12,070,932	\$11,625,875	\$0	\$34,923,412
--------------	--------------	--------------	--------------	-----	--------------

EXPENSES					
MEDICAL	\$7,792,318	\$8,961,710	\$7,990,040	\$0	\$24,744,068
LIFE & AD & D	62,561	62,631	61,870	0	187,062
DISABILITY	338,470	360,494	440,771	0	1,139,735
DENTAL	517,543	515,596	498,683	0	1,531,822
OPTICAL	60,537	59,681	58,973	0	179,191
DRUG	1,065,653	1,326,103	959,718	0	3,351,474
RETIREES	815,776	966,682	884,443	0	2,666,901
MEDICAL ADM.	164,927	164,887	165,382	0	495,196
MENTAL HEALTH MANAGER	185,010	117,263	106,142	0	408,415
EAP	4,569	4,459	4,416	0	13,444
PPO	318,473	310,046	302,667	0	931,186
UM/DM	134,349	112,623	116,889	0	363,861
SUBTOTAL	\$11,460,186	\$12,962,175	\$11,589,994	\$0	\$36,012,355

OPERATING EXPENSE					
ADMINISTRATION	\$213,931	\$212,233	\$212,780	\$0	\$638,944
ADMINISTRATION HIPAA	4,308	4,282	4,319	0	12,909
MISCELLANEOUS	423,790	194,145	221,432	0	839,367
SUBTOTAL	\$642,029	\$410,660	\$438,531	\$0	\$1,491,220

TOTAL EXPENSES	\$12,102,215	\$13,372,835	\$12,028,525	\$0	\$37,503,575
----------------	--------------	--------------	--------------	-----	--------------

SURPLUS (DEFICIT)	(\$875,610)	(\$1,301,903)	(\$402,650)	\$0	(\$2,580,163)
-------------------	-------------	---------------	-------------	-----	---------------

TOTAL PARTICIPANTS	5,930	5,839	5,747	0	5,839
--------------------	-------	-------	-------	---	-------

FUND BALANCE	\$5,745,078	\$4,325,110	\$3,660,738	\$0	
--------------	-------------	-------------	-------------	-----	--

2015
QUARTERLY RECAP

	FIRST 2015	SECOND 2015	THIRD 2015	FOURTH 2015	TOTAL
CONTRIBUTIONS REC'D	\$11,610,708	\$11,606,835	\$11,883,764	\$12,311,463	\$47,412,770
CONTRIBUTIONS OUTSTANDING	0	0	0	0	0
RETIREE INCOME	204,394	179,541	175,652	170,006	729,593
INT. & DIVIDENDS	51,831	46,212	36,988	40,213	175,244
MISCELLANEOUS INCOME	155	0	0	0	155

TOTAL INCOME	\$11,867,088	\$11,832,588	\$12,096,404	\$12,521,682	\$48,317,762
--------------	--------------	--------------	--------------	--------------	--------------

EXPENSES					
MEDICAL	\$6,950,191	\$8,405,017	\$8,232,402	\$7,731,573	\$31,319,183
LIFE & AD & D	59,556	61,375	71,268	63,171	255,370
DISABILITY	322,554	414,661	423,259	495,945	1,656,419
DENTAL	535,926	556,818	530,465	527,533	2,150,742
OPTICAL	70,296	69,473	68,368	67,471	275,608
DRUG	1,497,467	1,304,020	1,183,450	1,333,799	5,318,736
RETIREES	1,495,784	923,939	925,185	858,448	4,203,356
MEDICAL ADM.	169,153	167,591	164,709	163,405	664,858
MENTAL HEALTH MANAGER	125,907	208,130	148,857	152,889	635,783
EAP	4,933	4,889	4,840	4,754	19,416
PPO	369,701	357,648	320,464	314,415	1,362,228
UM/DM	124,344	128,129	135,913	127,881	516,267
SUBTOTAL	\$11,725,812	\$12,601,690	\$12,209,180	\$11,841,284	\$48,377,966

OPERATING EXPENSE					
ADMINISTRATION	\$220,657	\$218,186	\$216,162	\$213,406	\$868,411
ADMINISTRATION HIPAA	4,450	4,397	4,359	4,312	17,518
MISCELLANEOUS	659,192	279,453	275,504	226,254	1,440,403
SUBTOTAL	\$884,299	\$502,036	\$496,025	\$443,972	\$2,326,332

TOTAL EXPENSES	\$12,610,111	\$13,103,726	\$12,705,205	\$12,285,256	\$50,704,298
----------------	--------------	--------------	--------------	--------------	--------------

SURPLUS (DEFICIT)	(\$743,023)	(\$1,271,138)	(\$608,801)	\$236,426	(\$2,386,536)
-------------------	-------------	---------------	-------------	-----------	---------------

TOTAL PARTICIPANTS	6,140	6,110	5,983	5,849	6,021
--------------------	-------	-------	-------	-------	-------

FUND BALANCE	\$7,721,569	\$5,919,188	\$6,144,350	\$6,200,180	
--------------	-------------	-------------	-------------	-------------	--

CONTRACT INFORMATION MAINTENANCE OF BENEFITS THIRD QUARTER 2016

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
	UFCW LOCAL 400 TEMP	JSS2	\$1,488.72
		Y	\$839.88

¹PASS THROUGH ARRANGEMENT EFFECTIVE SEPTEMBER 1, 2004

²PASS THROUGH ARRANGEMENT EFFECTIVE JANUARY 1, 2014

**UFCW UNIONS AND PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
DELINQUENCY REPORT
THIRD QUARTER 2016**

THIRD QUARTER 2016
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

PERKINS MANAGEMENT SERVICES CLOSED SEPTEMBER 30, 2013

INVOICES

UFCW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND

INVOICES

DECEMBER 15, 2016

1. **ASSOCIATED ADMINISTRATORS, LLC**

09/27/16	Meeting Expenses – Regular Meeting	\$ 1,839.15
----------	------------------------------------	-------------

2. **BOND BEEBE**

10/31/16	Final Billing – For services rendered in connection with the audit of the financial statements for the year ended December 31, 2015	\$ 2,250.00
----------	---	-------------

3. **CHEIRON**

09/19/16	Retainer Services – August 2016	\$ 1,550.00
----------	---------------------------------	-------------

10/19/16	Retainer Services – September 2016	\$ 1,550.00
----------	------------------------------------	-------------

4. **INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS**

11/07/16	Membership Renewal – 2017	\$ 1,150.00
----------	---------------------------	-------------

5. **KROGER – MID-ATLANTIC**

11/07/16	A. Bilgrami – Reimbursement of meeting expenses incurred at the 09/27/16 Board of Trustees meeting	\$ 213.57
----------	--	-----------

6. **MORGAN, LEWIS & BOCKIUS**

10/20/16	For Professional Services rendered for the period ended August 31, 2016	\$ 1,136.00
----------	---	-------------

10/20/16	For Professional Services rendered for the period ended August 31, 2016 – Response to Auditor's Inquiries	\$ 203.00
----------	---	-----------

10/25/16	For Professional Services rendered for the period ended September 30, 2016	\$ 12,724.00
11/10/16	For Professional Services rendered for the period ended October 31, 2016	\$ 1,134.50
7.	<u>SEGAL CONSULTING</u>	
08/23/16	For consulting services rendered in connection with the work in progress on the RFP for Dependent Eligibility Audit for the period July 31, 2016	\$ 3,000.00
09/06/16	For consulting services rendered under the retainer agreement – September 1, 2016 – September 30, 2016	\$ 5,333.33
09/28/16	For consulting services rendered regarding the 2016 TPA RFP	\$ 5,422.50
10/05/16	For consulting services rendered under the retainer agreement – October 1, 2016 – October 31, 2016	\$ 5,333.33
10/31/16	For consulting and actuarial services rendered through September 2016 regarding updating the letters related to expense and asset allocation and updating the assets based on AMRs.	\$ 482.50
11/02/16	For consulting services rendered under the retainer agreement	\$ 5,333.33
8.	<u>SEGALL BRYANT & HAMILL</u>	
10/19/16	Investment Management Services – Third Quarter 2016	\$ 911.33
9.	<u>SLEVIN & HART, P.C.</u>	
09/19/16	For Professional Services rendered through August 31, 2016	\$ 17,574.24
10/21/16	For Professional Services rendered through September 30, 2016	\$ 29,465.94
11/18/16	For subrogation services provided for the period July 1, 2016 through September 30, 2016.	\$ 32.96
10.	<u>SUPERVALU</u>	
11/09/16	J. Born – Reimbursement of expenses incurred for attendance	\$ 249.89

at the April 26, 2016 Board of Trustees Meeting

11. TRUSTEE EXPENSE REIMBURSEMENTS

10/12/16	S. Loeffler – Reimbursement of expenses incurred at the September 27, 2016 Board of Trustees meeting	\$ 412.05
11/07/16	S. Loeffler – Reimbursement of expenses incurred a the October 5 – 6, 2016 special meeting	\$ 1,000.26
11/07/16	D. Gwin – Reimbursement of meeting expenses incurred at the September 27, 2016 Board of Trustees Meeting	\$ 85.43

UFCW UNIONS & PARTICIPATING EMPLOYERS
HEALTH AND WELFARE FUND
RETIREE PLAN

INVOICES

DECEMBER 15, 2016

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

09/19/16	For Professional Services rendered through August 31, 2016	\$	1,366.00
----------	---	----	----------

2. **WOODARD INSURANCE AGENCY, LLC**

09/12/16	Ongoing Shoppers' Pre-Medicare Retiree Customer Service and "Orphan" Enrollment for the period July 2016 – September 2016	\$	474.00
----------	---	----	--------

OTHER FUND BUSINESS

INVOICE

Date: 12/1/2016

UFCW Unions and Participating
Employers Retiree Health and Welfare
Plan

To Kroger Roanoke
Attn: Steve Loeffler

911 Ridgebrook Road
Sparks, MD 21152
Ph: 410-683-6500
Fax 410-683-7797

		Payment Terms	Due Date
		Due on receipt	December 1, 2016
	Description		Line Total
12/01/2016	Kroger Roanoke Retiree Plan Deficit		
	Kroger Retiree Plan Deficit through June 30, 2016		
	*Future invoices will reflect any changes resulting from claims subsequently received relating to services on or before June 30, 2016	*\$506,699.00	
	Monthly payment equals total deficit as of 6/30/2016 divided into seven payments. \$72,385.57 payable June, July, August, September, October, November, and December 1st.		
	November deficit allocation		\$72,385.57
	Interest on deficit balance from 10/1/2016 to 10/31/2016. (Calculated at 1.1%)		\$21.42
	Net deficit incurred by Kroger Roanoke Retirees – August 2016		**\$40,553
	Net deficit incurred by Kroger Roanoke Retirees – September 2016		**\$20,042
		Payment received 11/2/2016	-\$130,001.99
	December deficit allocation		\$72,385.57
	Net deficit incurred by Kroger Roanoke Retirees – October 2016		**\$46,702
	**Future invoices will reflect any changes resulting from claims subsequently received relating to services.		
Please Make All Checks Payable To: UFCW Unions and Participating Employers Retiree Health and Welfare Plan		TOTAL Due 12/1/2016	\$122,087.57

CAREFIRST/ASSOCIATED ADMINISTRATORS

MEETING AGENDA – NOVEMBER 17, 2016

1. Introductions
2. Brief history of CareFirst and AALLC
3. Current market environment
4. CareFirst's PCMH/TCCI Program
 - a. Discussion of enhancements to FlexLink and NetLease – what does AALLC see as necessary? What do the Funds need?
5. CareFirst and AALLC – how we can enhance our partnership

Attendees from CareFirst:

Jennifer Boyle – Director, Client Advisory Services

Jim Leleszi – Vice President, Large Group Sales

Steve Krasnoff – Labor Account Executive

Joe Pedone – Strategic Advisor, Large Group Sales

Joe Sears – Director, Labor Sales

Bill Jensen

From: Bill Jensen
Sent: Friday, November 04, 2016 7:04 AM
To: 'Gwin, Donna'
Cc: Jeff Ianniello; Debbie Clutts
Subject: FW: estimate of reserve
Attachments: Non-Food est reserves 10-31.xlsx; 2016 10 31 Non Food HW SummaryPage.xlsx

Donna, FYI, per our earlier email exchange, PNC provided a summary of activity as of 10/31/16, attached. Using that asset total, Jeff calculated the estimated reserve as of that date, and sent it to Segal for their review, also attached.

Please contact us with questions.

Bill

From: Jeff Ianniello
Sent: Thursday, November 03, 2016 3:12 PM
To: 'Heppner, Christopher'; 'Bramstaedt, Mitch'; 'Timm, Josh'
Cc: Barry S. Slevin (BSS@slevinhart.com); Sarah E. Sanchez (ses@slevinhart.com); 'Burton, Harry W.'; Laura Walsh; Bill Jensen; Debbie Clutts
Subject: estimate of reserve

Chris, Mitch and Josh:

Attached is a summary of the reserve position as of 10/31/16. Also attached is the PNC Summary of Transactions.

Please contact me with questions.

Thanks.

Jeff

Jeff Ianniello
Account Executive
Associated Administrators, LLC
911 Ridgebrook Road
Sparks, Maryland 21152
Phone: 410-683-7764
Fax: 410-683-7796
Web page: <http://www.associated-admin.com>

MOB RESERVES

ESTIMATED RESERVES UFCW UNIONS AND PARTICIPATING EMPLOYERS HEALTH AND WELFARE FUND		
	PERIOD ENDING	10/31/2016
A	MOB assets 10/31/ (PNC account)	\$4,708,970
B	Roanoke Retiree Adjustment *1	\$195,604
C	Total Assets (A+B =C)	\$4,904,574
D	MOB Expenses period and total *3	7/1/15-6/30/16 \$27,228,216
E	Monthly average for MOB expenses (D / 12 = E)	\$2,269,018
F	Months reserves (C/E = F)	2.16
*1	Based on exhibits produced by Segal for Kroger Roanoke retirees. Includes incurred but not reported claims	
*2	Based on expenses as reported on AMR for period ending. Provided by Associated Administrators	

UFCW UNIONS AND PARTICIPATING EMPLOYERS HEALTH & WELFARE FUND
SUMMARY OF ACTIVITY
JANUARY 01 to OCTOBER 31, 2016

<u>ITEM</u>	<u>CASH RESERVE</u>	<u>SBH</u>	<u>TOTAL AMOUNT</u>
Market Value 01/01/2016	\$1,288,129	\$4,233,374	\$5,521,503
Receipts	\$34,115,073	\$0	\$34,115,073
Disbursements	\$35,075,419	\$0	\$35,075,419
Inter Account Transfers	\$2,550,000	\$2,550,000	\$0
Earnings	\$1,987	\$145,826	\$147,813
Ending Market Value 10/31/2016	\$2,879,770	\$1,829,200	\$4,708,970

PNC BANK, NA

From: Bill Jensen
Sent: Monday, November 14, 2016 2:03 PM
To: 'Loeffler, Steve'
Subject: RE: Roanoke retiree term date confirmation

Thank you Steve.

From: Loeffler, Steve [mailto:steve.loeffler@kroger.com]
Sent: Monday, November 14, 2016 2:01 PM
To: Bill Jensen <billj@associated-admin.com>; Mark Federici (mfederici@local400.org) <mfederici@local400.org>
Cc: Jeff Ianniello <jeffi@associated-admin.com>; Debbie Clutts <debbiec@associated-admin.com>
Subject: RE: Roanoke retiree term date confirmation

We have not yet had an opportunity to finalize a revision to the MOA. I have reached out to Mark for a conversation on this and other matters. I realize he is somewhat pre-occupied with bargaining elsewhere so all involved need to be patient. We will advise at our earliest timeframe once we have met and executed a new MOA.

Steve

Steven J. Loeffler
Regional VP of Labor Relations
The Kroger Company
1014 Vine Street, 13th Floor
Cincinnati, OH 45202

Mobile: (614) 273-5693
Assistant: (513) 762-4883
Fax: (513) 762-1160

From: Bill Jensen [mailto:billj@associated-admin.com]
Sent: Friday, November 04, 2016 2:05 PM
To: Mark Federici (mfederici@local400.org); Loeffler, Steve
Cc: Jeff Ianniello; Debbie Clutts
Subject: Roanoke retiree term date confirmation

Mark and Steve:

Attached is a copy of the MOA for Kroger Roanoke, and it includes a section regarding retiree plan coverage in the UFCW Unions and Participating Employers Health and Welfare Fund. The Board of Trustees has not yet directed that the retiree coverage would cease, and at a specific date. Counsel advised that the bargaining parties should communicate in writing their direction to the Trustees, so action can be taken.

We understand that you have agreed on a termination date of June 30, 2017 for all retiree benefits. The other possible termination date in the MOA was December 31, 2016, yet based on conversations with each of you, we believe you have selected the later date (June 30, 2017) for termination.

Please advise if that understanding is correct.

Please contact Jeff, Debbie or me with questions.
Thank you.

**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

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

December 15, 2016

Board of Trustees of the
UFCW Unions and Participating Employers Health and Welfare Fund

Re: Medicare Deductible and Co-insurance Rates -2017

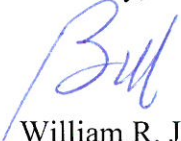
Ladies and Gentlemen:

The Centers for Medicare and Medicaid Services (CMS) published the changes to the Medicare Part A and B premiums, deductibles and co-insurance for 2017.

	<u>2016</u>	<u>2017</u>
Medicare Part B Deductible:	\$ 166.00	\$ 183.00
First-Day Part A Hospital Deductible:	\$1,288.00	\$1,316.00
Daily Part A Coinsurance for the 61 st Through 90 th Day of a Hospital Stay:	\$ 322.00	\$ 329.00
Daily Part A Coinsurance for Hospital Stays Longer than 90 Days	\$ 644.00	\$ 658.00
Daily Part A Coinsurance for the 21 st Through 100 th day in Skilled Nursing Facility	\$ 161.00	\$ 164.50

Please advise if we may process in accordance with the above listed rates.

Sincerely,



William R. Jensen
President
ASSOCIATED ADMINISTRATORS, LLC

WRJ:lmg

From: Bill Jensen

Sent: Tuesday, November 01, 2016 7:28 AM

To: 'Gwin, Donna' <Donna.Gwin@supervalu.com>; Mark Federici (mfederici@local400.org) <mfederici@local400.org>; George Murphy Jr (gmurphy@ufcw27.org) <gmurphy@ufcw27.org>

Cc: Jeff Ianniello <jeffi@associated-admin.com>; Debbie Clutts <debbiec@associated-admin.com>

Subject: Educational budget update

Donna, Mark and George:

Below is a summary of the educational expenses and budget for assistance for the pre-Medicare retirees who are considering enrollment in the stipend program. Per Rick Woodard, the actual premium rates in each jurisdiction will be available as of today, so there may be increased contact with both his office and ours concerning changes necessary for coverage in 2017. The number of carriers offering coverage has declined, so there will be some disruption. We shared this information with Segal as well.

Please contact me with questions.

Thanks.

**UFCW HEALTH & WELFARE FUND EDUCATIONAL INCOME & EXPENSE
REPORT**

as of
10/31/16

INCOME:

SHOPPERS 2015	22,500.00
SHOPPERS 2016	22,500.00

TOTAL INCOME	45,000.00
---------------------	------------------

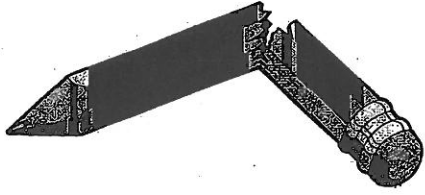
EXPENSES:

ASSOCIATED ADMINISTRATORS	11,787.89
SCHMITZ	1,213.92
SEGAL CONSULTING	3,315.00
SLEVIN & HART	4,236.48
WOODARD INSURANCE AGENCY	3,301.00

TOTAL EXPENSES	23,854.29
-----------------------	------------------

BALANCE	21,145.71
----------------	------------------

Bill Jensen
President



MEETING NOTES

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page, possibly from a composition book. The edges of the paper are slightly irregular, suggesting it might be a scan of a physical document. There is no handwriting or other markings on the page.