

**UA Local 467
Health & Welfare Trust Fund
Board of Trustees Meeting**

September 18, 2014

Minutes

1. Call to Order

The regular meeting of the Board of Trustees UA Local 467 Health & Welfare Trust Fund was called to order by Chairman Mike Swanson at the UA Local 467 Union Hall, 1519 Rollins Road in Burlingame, California. A quorum was present.

2. Roll Call

The following Trustees were present:

Employee

Mike Swanson, Chairman
Mark Burri
Chris Collins
Gary Saunders

Employer

Scott Strawbridge, Co-Chairman Northern Calif. MC/
Michael Vlaming, Industrial Contractors, UMIC, Inc.
Kenneth Westphal, ACCOES

Also Present

Marci Vukson and Sid Kaufmann; Kaufmann and Goble
Dick Grosboll; Neyhart, Anderson; Flynn & Grosboll
Steven Callow; New Century Partners
James Bishop; WhiteStar
Pam Barrett, Judy Sargent and Joan Keith; UAS

3. Minutes of June 10, 2014

The Trustees reviewed the Minutes. It was pointed out that Item 7B should be revised to state, "It was M/S/C to accept the renewal." It was **M/S/C** to approve the Minutes of June 10, 2014 with the revision.

4. Communications

There were no communications.

5. Delinquency Report – Mike Swanson

Chairman Swanson distributed the Delinquency Report dated September 18, 2014. The report indicates there are several contractors delinquent for the July 2014 fringe benefits payment due by August 20, 2014.

The report lists five contractors 30 days or more past due, with whom he continues to work closely to ensure payment:

- 1) Ayooob Mechanical owes June and July
- 2) Northern Refrigeration owes June and July

- 3) Pacific Plumbing owes June and July
- 4) Roberts Fire Stop owes May, June and July
- 5) Smith Whitely Refrigeration owes February

Contractors who have been turned over to Trust Fund attorneys for collections are:

- 1) A. Bryant Plumbing Co.
- 2) South City Refrigeration & Air Conditioning
- 3) Peninsula Air Conditioning Co.

Legal counsel indicted that Ben Lunch in his office had obtained a Default Judgment against Peninsula Air and that a Motion for Default Judgment had been filed. He anticipates receiving that Judgment soon. A Demand letter was sent to A. Bryant Plumbing. If no payment is made and/or no response to the letter is received, legal counsel indicated it may be necessary to file a lawsuit. The Trustees concurred. A Judgment was obtained against South City. Efforts to collect have been unsuccessful to date. Legal counsel reported that South City has no current work in UA 467's jurisdiction.

6. **Report by New Century Partners – Steven Callow**

The Trustees reviewed the quarterly report ending August 31, 2014. Mr. Callow reported the portfolio continues to do well. As of August 31, 2014, the total market value for the Health & Welfare Trust Fund portfolio was \$16,917,795, with \$9,776,763 held in Mutual Funds, \$7,140,741 held in the MetLife Stable Value Funding Contracts, and \$291 in Cash and Equivalents.

7. **Report by Kaufmann & Goble – Marci Vukson and Sid Kaufmann**

A. **Claims Experience for 2014 and 2013**

Ms. Vukson summarized the 2014 and 2013 Claims Experience Report. She reported the self-funded medical claims for active members are in excess of a 100% loss ratio.

B. **Blue Cross Nurse Help Line**

Ms. Vukson reviewed the 24/7 NurseLine Product available through Anthem Blue Cross, effective November 1, 2014 to October 31, 2015. The cost is \$0.17 per member per month, which amounts to approximately \$1,000 per year. It was **M/S/C** to accept the NurseLine Product. UAS will send out a notification flyer to members on the self-funded plan.

C. **ScriptCare Compounding Program**

Ms. Vukson reviewed the ScriptCare Compounding Program, which will help to control costs. Ms. Vukson responded to Trustee questions. The Trustees

concluded that the Program seemed beneficial to the Participants. It was **M/S/C** to adopt the program.

D. Self-Pay Rates

The monthly self-pay rates for 2015 were reviewed. The new recommended rates effective January 1, 2015 for COBRA, employer premium, retiree and other self-pay category rates were reviewed. It was **M/S/C** to approve the new self-pay rates as presented.

8. Report by Administrator – Pamela Barrett

There was no report.

9. Assets and Expenses

A. Financial Statements

The Trustees reviewed the financial statements for April, May and June 2014. Mr. Vlaming raised a question regarding the Kaiser payment in June, which was twice as much as the payments in April and May. Ms. Barrett indicated she will look into this. It was **M/S/C** to accept the financials, with the stipulation that the Kaiser question would be answered.

B. Payments of Bills

The Trustees reviewed checks 5282-5354. It was **M/S/C** to accept the payment of bills as presented.

10. Report by Counsel – Dick Grosboll

A. Update on Restated Summary Plan Description

Mr. Grosboll reported he is finalizing the restated Summary Plan Description for the Health and Welfare Plan and that he will submit the revised draft to Ms. Barrett and Ms. Vukson. After receiving additional input, a revised draft will be submitted to the Trustees for review and input. Mr. Saunders indicated he would like to distribute the SPD by the end of the year. Legal counsel indicated that that timetable was fine.

B. New Health Plan Identifier (HPID) & Certification Requirements

Mr. Grosboll referenced his September 12, 2014 memorandum, which summarized the new Health Plan Identifier & Certification requirements under HIPAA. Legal counsel reported both insured and self-funded health plans are required to obtain an HPID (by 11/05/14 for large plans and 11/05/15 for small plans), and to file a certification with HHS attesting that the Plan is in

compliance with the HIPAA standard transactions requirements (by 12/31/15 regardless of plan size). UAS indicated that it will obtain an Identifier on behalf of the Board of Trustees of the U.A. Local 467 Health and Welfare Plan by 11/05/14.

11. **Old Business**

There was no old business.

12. **New Business**

A. **Reimbursement of IFEBP Expenses**

After discussion and consistent with past practice and the Plan's Trustee Expense Policy, it was **M/S/C** to reimburse Trustees for IFEBP conference expenses up to \$500 per day for up to 6 days (it was acknowledged for some days, the expenses might exceed \$500 but for other days, the expenses may be less than \$500, but that the total could not exceed \$500 times the number of days traveled), plus regular coach airfare. This amount will be sent to the Trustees in advance; receipts will be submitted by Trustees after the conference. Any unused amounts will be returned to the Trust Fund. The total costs will be split evenly between the Health and Welfare and Pension Funds.

B. **Blue Cross and Stanford Contract Impasse**

Mr. Swanson reported that a member called to express his dissatisfaction that his wife was no longer covered at Stanford under his Blue Cross policy after September 2014. Ms. Barrett explained that Blue Cross and Stanford are at a contract impasse and, until they settle, claims will only be honored as in-network until all members have been notified. An update will follow shortly.

13. **Next Meeting Date**

The next meeting is scheduled for Tuesday, December 9, 2014 and will be held at UA Local 467 Union Hall, 1519 Rollins Road, Burlingame, California.

14. **Adjournment**

There being no further business, it was **M/S/C** to adjourn the Board of Trustees Health & Welfare Trust Fund meeting.

Respectfully submitted,



Joan Keith
Recording Secretary