



New York State Teamsters Benefit Funds Newsletter

FALL 2019

News and information from your Trustees and Staff

News and Information for All Pension Plan Participants

Pension and Retirement Fund Update

As you know, the Pension Fund's Board of Trustees ("Trustees") filed an application with the U.S. Treasury Department ("Treasury") to reduce benefits under the Multiemployer Pension Reform Act of 2014 ("MPRA"). The Trustees filed the application to prevent the Pension Fund from going insolvent. Without the benefit reductions, the Pension Fund was projected to go insolvent by 2026. Treasury approved the application on September 13, 2017 and the benefit reductions took effect on October 1, 2017.

The Trustees, which is comprised of four representatives from Teamster Local Unions and four representatives from Contributing Employers, recognize and understand the hardship the benefit reductions have caused. The MPRA benefit reductions, along with a strong market return in 2017 of 16.85% (net of fees) and a \$98 million legal settlement benefiting the Fund, already have helped improve the Pension Fund's funding level. The actuary, which certified the Pension Fund to be in Critical and Declining Status in 2016 and 2017, has certified the Fund to be in Critical Status for both 2018 and 2019. In addition, the Plan no longer is projected to go insolvent.

The last three years of the Actuarial Plan Certifications and funding ratios are:

Year	Certification Status	Funding Ratio
2017	Critical and Declining	44.8%
2018	Critical	57.0%
2019	Critical	55.8%

It is important to remember that while the Trustees have taken actions necessary to avoid insolvency, participants should not expect to see immediate dramatic increases in the Pension Fund's funding percentage. The MPRA law prohibits reductions that would generate dramatic increases. Absent additional legislative relief, improvement will be recognized over a long term horizon of 25 to 30 years.



YEAR END FINANCIAL UPDATE (December 2018)

The auditors have finalized the 2018 financial performance. The Pension Fund's total net assets decreased by \$114,562,670, with a net investment loss of \$9,974,220, contribution income of \$133,471,957 and employer withdrawal liability income of \$3,217,886.

Benefit payments for 2018 were \$231,221,072 as compared

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Pension & Retirement Fund Update

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to \$267,628,390 in 2017, a reduction of \$36,407,318. The reduction in fund expenditures in 2018 that was attributable directly to the MPRA suspensions for 2018 was \$54,771,982.

The Fund had a positive investment return of .811% for 2018. Investable assets under management at year-end for 2018 were \$1,217,193,139 compared to year-end of 2017 at \$1,262,877,270 representing a decrease of \$45,684,131 (3.62%). The investment portfolio was diversified across the following investment categories:

- Total U.S. Equity – 12.86%
- Total Non-US Equity – 23.43%
- Total Fixed Income – 18.82%
- Total Real Estate – 7.38%
- Total Infrastructure – 6.70%
- Total Private Equity – 20.72%
- Total Natural Resources – 9.73%
- Other – 0.36%

It is important to remember, for 2017 the Fund had a net asset return of 17.781% and an increase in net assets of \$240,880,344 so combining the 2017 performance with 2018 reflects a positive increase in net assets of 126,317,674 and a net investment return of 9.295%.

Participant Demographics

Participation in the Plan as of the valuation date of January 1, 2019 compared to 2018 reflects:

	2019	2018	Difference
Retirees and Beneficiaries	15,939	15,865	74
Inactive Vested Participants	7,755	7,870	(115)
Active Participants	9,912	10,092	(180)
Total Participants	33,606	33,827	(221)

Ratio of actives to inactives is currently at .418.

LEGISLATIVE UPDATE

The Rehabilitation for Multiemployer Pensions Act of 2019 was introduced in the U.S. House of Representatives ("House") on January 9, 2019.



This bill establishes the Pension Rehabilitation Administration within the Department of the Treasury and a related trust fund to make loans to certain multiemployer pension plans that are financially troubled. This bill passed in the House on July 24, 2019 and goes to the U.S. Senate next for consideration.

Given the partisan divide in Congress, it is doubtful that the Senate will pass the bill. Senate Republicans do not support the loan program approach of the bill and are developing an alternative proposal. We will keep you apprised of all developments.

Health & Hospital Fund Financial Update

The auditors for the New York State Teamsters Council Health & Hospital Fund ("Health Fund") have finalized the Fund's 2018 financial performance. For the year, the Health Fund's assets increased by \$1,828,373. The Health Fund had \$483.8 million in assets at the end of 2018, and reserves of 28.03 months. The last time the Health Fund did not generate an increase in fund value was during the Great Recession of 2008.

How valuable is the health care? In 2018 the Fund had 297 medical claims over \$50,000 with the largest claim at \$953,000. The advancement in the health care field is continually improving but the costs of providing these life advancing services is also increasing at a rapid rate.

The Health Fund's 2018 investment return (net of fees) was a negative (4.147%). Net investment income was a loss of (\$20,546,747). Operationally the employer contributions and other income was \$197,908,164 applied to claims and administration expenses totaling \$175,533,044.

The year ended with assets under management of \$458,723,054 invested in the following manner:

- Total U.S. Equity – 18.61%
- Total Non-US Equity – 21.33%
- Total Fixed Income – 60.06%

At their May 2019 meeting, the Board of Trustees ("Trustees") approved the Health Fund rates through 2022. The annual rate increases through 2022 are as follows:

ALL NON UPS/NMF

Year	Plans Except HRA	HRA Plan
2019	1.3%	2.8%
2020	1.7%	3.7%
2021	1.2%	4.2%
2022	3.8%	6.8%

These rates are well below the national averages and insurance companies do not issue the rate increases three years in advance.

The Trustees continue to monitor the Health Fund's performance and maintain diligence in managing the necessary reserves for the Fund's future performance.

Health & Hospital Fund Expands Age Limit for Mammograms

The Board of Trustees of the Health & Hospital Fund approved the expansion of coverage for mammograms. Effective January 1, 2020, all plan offerings will cover an annual mammogram from age 35 and up upon the recommendation of a physician, without a deductible, copayment or coinsurance. Prior to this plan improvement, mammograms were covered for individuals 40 and older.

Both men and women are affected by breast cancer and this benefit will cover all individuals regardless of gender. The American Cancer Society estimates that 2,670 men will be diagnosed with invasive breast cancer in 2019 and approximately 500 men will die as a result.

Prevention and early detection are strongly encouraged.



New York Paid Family Leave

Effective January 1, 2020, New York State Paid Family Leave ("PFL") insurance coverage will be provided by the Health & Hospital Fund pursuant to an insurance policy with Union Labor Life ("Ullico").



Your PFL coverage under Ullico's policy is dependent on your employer's participation in the Health Fund's short term disability coverage and you meeting the applicable eligibility requirements under the policy.

PFL provides paid time away from work for the following:

- **To bond with a newly born, adopted, or fostered child.**
- **To care for an eligible family member with a serious health condition.**
- **To assist family members when someone is deployed abroad on active military service.**

In general, full-time employees are eligible for coverage after 26 weeks of consecutive employment and part-time employees are eligible after 175 days worked within a consecutive 52-consecutive period.

Subject to the terms of the insurance policy and New York State law, for 2020 the benefit amounts are as follows: 60% of an employee's average weekly wage (up from 55% in 2019), resulting in a maximum weekly benefit of \$840.70.

To file a claim for PFL benefits, you must contact Ullico at:

**The Union Labor Life Insurance Company
Claim Service Center**

P.O. Box 49, Bloomfield, CT 06002

Toll Free 1-888-855-4261 Fax: 1.860.769.6986

Monday through Friday, 8:00 am to 4:00 pm, Eastern Standard Time

Telemedicine Expands Access To Non-Emergency Medical Care

You have on-demand access to affordable, quality health care – Anytime, Anywhere.

The Health Fund and Excellus BlueCross BlueShield via our partner, MDLIVE, offers another alternative to receive care. Visit with a U.S. board certified doctor right from your home, office or on the go for non-emergency medical conditions.

You can use Telemedicine 24/7/365 if your primary care doctor is unavailable and instead of going to the emergency room or an urgent care center (for a non-emergency issue).

Allergies, Asthma, Bronchitis, Cold & Flu, Diarrhea, Ear Infections, Fever, Headache, Infections, Insect Bites, Joint Aches, Rashes, Sinus Infections, Skin Infections, Sore Throat are some of the common conditions that can be treated.

The cost of the Telemedicine visit for you and your covered dependents will be paid for by the Health Fund. Your cost will be zero.

PLEASE NOTE: if you do not provide your Excellus BCBS Member Number, or if MDLIVE is unable to verify your coverage, you will be charged \$49.00

To use the service you must register for the program. Register online at: ExcellusBCBS.com/Telemedicine (e-mail confirmation will be required) or call 1-866.692.5045. All members of your family who are covered under the health insurance will need to register if services are going to be requested. Registering will



require your name, date of birth, address, phone number(s), Excellus BCBS Member Number (found on your medical ID card), a unique username and password, the answer to a security question of your choice. You'll also need the name, address, fax number and phone number of your primary care provider and/or pediatrician.

The doctors have 15 years of experience practicing medicine and are licensed in New York state, Specialties include primary care, pediatrics, emergency and family medicine. Your own doctor may even be on the roster listing.

You can download the MDLIVE app on your cell phone.

Dental Benefit: Participating vs. Non-Participating Provider

For participants receiving dental benefits from the Health Fund it is important to understand the difference between a participating dentist and a non-participating dentist.

You have the right to select any licensed dentist for treatment or services. However, the amount paid by the Fund for covered dental services is based upon the Schedule of Dental Plan Allowances and is determined by the Board of Trustees. Every service or procedure performed by a dentist is assigned an amount based on the American Dental Association (ADA) procedure code listing. The Fund will pay the lesser of the amount contained in the Schedule of Dental Plan Allowances or the amount charged by the dentist. The amount paid by the Fund for a covered dental service is the same regardless of whether the dental service is provided by a Participating Dental Provider or Non-Participating Dental Provider. This means that if you receive a covered dental service from a Non-Participating Dental Provider, you will usually be balanced billed by the Non-Participating Dental Provider and personally responsible for any amount that exceeds the Fund's payment.



PARTICIPATING DENTAL PROVIDERS

A Participating Dental Provider is a dentist who has a signed contractual agreement with the Fund. Participating Dental Providers will accept the Fund's payment as payment in full for covered services. Payments for all covered services will automatically be paid to a Participating Dental Provider. When payment is made to a Participating Dental Provider, you will receive an Explanation of Benefits detailing the payment to the provider. If a service is not covered under the Plan, you are responsible for payment to the Participating Provider for the service.

Lifetime Benefit Solutions is the third party claims processor for the Fund and will provide information concerning Participating Dental Providers. Also, this information will be available on the Fund's website at www.nytfund.org, with a link for claim forms and the Fund's dental provider directory – NEW YORK STATE TEAMSTERS DENTAL PROVIDER DIRECTORY. As a dental provider's status may change, you should contact Lifetime Benefit Solutions to be certain the dental provider is a Participating Dental Provider with the Fund.

NON-PARTICIPATING DENTAL PROVIDERS

A Non-Participating Dental Provider is a dentist who does not have a signed contractual agreement with the Fund. If services are received from a Non-Participating Dental Provider, they will not accept the Fund's payment as payment in full. You will usually be balanced billed above the amount paid by the Fund up to charge for which you will be responsible. When services are received from a Non-Participating Provider, payment will be made directly to you, unless there is an assignment of benefits.

The Fund currently has over 2,180 providers in the network with the recognition that dentist's in certain geographic areas and dental specialists making the decision not to participate.

With that understanding, effective January 1, 2020, the Board of Trustees have approved a 6% increase for all dental procedure codes (except orthodontia services). The Trustees will continue to work with the Health Fund consultant to recognize areas that may need to be addressed in the future.



New York State Teamsters Benefit Funds

P.O. Box 4928
Syracuse, NY 13221-4928



**FORWARD SERVICE
REQUESTED**



Contact the Fund Office or the
Benefit Provider directly using
one of the numbers below:

- NYS Teamsters
Benefit Funds 315-455-9790
TOLL FREE 1-877-698-3863
- Excellus BlueCross BlueShield
Claims 1-877-650-5840
Inpatient Admissions
Pre-Cert 1-800-926-2357
Participating Providers 1-800-920-8889
- Express Scripts 1-800-939-2108
- Lifetime Benefit Solutions
(Dental) 1-800-803-5773
- Davis Vision
(Vision Benefits) 1-800-783-6872
- Legal Benefit Plan 1-888-697-8527
- Ullico
(Disability)..... 1-888-855-4261, ext. 3040

HAVE YOU MOVED RECENTLY? Remember that if you change your address, you need to contact the Fund office to keep your records current. The Funds send out important updates on your benefits throughout the year. An incorrect address could delay your receipt of this important information. If you have changed your address, please contact Member Services at (877)698-3863 or visit the website at www.nytfund.org.



Mr. Mark Gladfelter, Labor and Employee Relations Manager for YRC Freight, and Mr. Samuel Pilger, Vice President, Industrial Relations for USF Holland were appointed as Trustees to the New York State Teamsters Council Health & Hospital Fund and the New York State Teamsters Conference Pension & Retirement Fund effective September 2018 and July 2019 respectively.

The Board of Trustees welcomes both of them and looks forward to their contributions to the management of the Funds.

New York State Teamsters Benefit Funds



(315) 455-9790

Toll Free (877) 698-3863

FAX NUMBERS

- Administration: (315) 455-1237
- Finance Dept: (315) 455-9834
- Health Dept: (315) 234-1046
- Pension Dept: (315) 234-1047
- E-MAIL: benefits@nytfund.org

BOARD OF TRUSTEES

New York State Teamsters Council
Health & Hospital Fund

New York State Teamsters Conference
Pension & Retirement Fund

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Co-Chairman
- Brian K. Hammond
Mark D. May
Paul A. Markwitz

EMPLOYER TRUSTEES

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Co-Chairman
- Mark A. Gladfelter
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Daniel W. Schmidt

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