



Via Hand Delivery

March 8, 2023

Mr. Casey Enevoldsen
Vice President, Employee Experience
Lund Food Holdings, Inc.
4100 West 50th Street
Edina, MN 55424

Dear Casey,

In consideration of your proposal to withdraw from the Union's MRMC Health & Welfare plan and to switch to a new Company sponsored Health & Welfare plan we need the following information from you. Although you may believe that some of this information is proprietary or confidential you cannot expect us to agree to have our members' health and welfare put at risk without investigating, in depth and carefully, your proposed plan and its administration. We need to ensure stability, security, and plan efficiency for our members.

Your proposal was made at the eleventh hour of negotiations despite your earlier assurances that Lunds & Byerly's had no intention of renewing a proposal to withdraw from our Union plan similar to two years ago at our last contract negotiations. Please provide this information by 1pm today. If you cannot, please withdraw your proposal so that we can continue negotiations in good faith and our members can be assured of promptly receiving the raises and compensation they deserve after the sacrifices they have made to keep Minnesotans fed throughout the pandemic.

1. Is the Company plan proposed self-insured or insured? If self-insured, is this an ASO (administrative services only) arrangement?
2. What is the plan's governance structure? Who will make decisions regarding plan design changes?
3. What are the plan's current reserves? What are the plan's anticipated reserves? What are the plan's target reserves (both in terms of dollars and months of claims)?
4. What would happen should the plan reserves exceed the target reserves? How would the excess reserves impact premiums? Who would decide and determine this?
5. What are the monthly employer premiums for the proposed plan in 2023?
6. What is the monthly per member per month and annual administrative expense of the proposed plan?
7. Who are the current participants in the plan? What is the plan experience over the past 3 years and the projection for the next 3 years?
8. What are the differences in coverage, costs, etc. between current participants and our members who you propose to move into the plan?
9. Are non-bargaining unit employees of the Company covered by the proposed plan, and if so what is the average age and male/female breakdown of the non-bargaining unit group, and what is the claims experience for the non-bargaining unit group?
10. What health and prescription drug trend rates were used to produce the premiums for the proposed plan?
11. How will the cost of annual renewals be shared with bargaining unit employees in the proposed plan?



12. Who will review the appeals on denied claims?
13. Provide a list of all medical providers including doctors, hospitals, clinics, nursing homes, group homes, etc. that will be considered in-network.
14. Provide a list of all medical providers including doctors, hospitals, clinics, nursing homes, group homes, etc. that will be considered out-of-network?
15. Provide the Summary Plan Descriptions for all employer plans presented on healthcare, vision, dental, STD, Basic Life and AD&D, Supplemental Long Term Disability, and Supplemental Life Insurance.
16. What are the out-of-network deductibles, co-pays, coinsurance on all plans? None were provided.
17. What are the plan coverage exclusions? Please provide a list of all procedures (including experimental procedures) that will not be covered.
18. A list of all employers, customer or group subscribers of your healthcare plan with the name, phone number and address of the principal contact person or the purchaser or sponsor of the healthcare plan.
19. A list of all anticipated plan participants (including those in the bargaining unit and those not in the bargaining unit), including full name, position/job, phone number, address, age, and demographics.
20. Any and all information that the employer has used to evaluate and estimate utilization and any relevant documentation to support.
21. Copies of all administrative manuals, rules, or regulations with respect to your proposed healthcare plan.
22. Who will the plan's administrator be? What experience do they have administering health plans, claims, etc.?
23. As part of our review process we will need to interview the principal administrators/managers responsible for the employer's plan. Please advise us of the names of those individuals who are principally responsible for its administration and dates when they would be available for interviews.
24. Copies of all lawsuits or complaints with any plan administrators, as a company or as individuals, in the last ten years. Please include not only a copy of the complaint but also a copy of any document showing the disposition of said complaint.
25. A list of all criminal convictions of all management employees and plan administrators and their employees during the last ten years.

The information concerning the background of the management officials and plan administrators is relevant to determining the competency of your Company to manage a healthcare plan.

Upon receipt of this information, we may have follow up questions after reviewing the information.

Sincerely,

A handwritten signature in black ink, appearing to be "Rena Wong". The signature is stylized and somewhat cursive.

Rena Wong, President
UFCW Local 663