



June 21, 2023

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

Dear Casey,

As the Union continues to consider your proposals that include the potential withdrawal from the Union's MRMC Health & Welfare plan and to switch to a Company sponsored Health & Welfare plan we need the following information from you. The information requested is germane to bargaining and impacts our ability to fully understand your proposals and the impacts on our members. 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.

Much of this information has been requested multiple times, and the Company has failed to provide such information and has failed to satisfy these requests. To many of the questions asked, the Company has refused, stating that, "the Company objects to this request to the extent it seeks information regarding individuals outside of the bargaining unit. This information is not presumptively relevant or necessary to the Union's representational duties." However, on March 8, you stated in your letter, "Lunds & Byerlys has maintained a very stable health and welfare benefit offering for its non-union employees. In fact, it is our belief that the Company's plan provides a better overall benefit to its participants without any labor union oversight as compared to the current benefit offered by the MRMC Health & Welfare plan." Such statements, and the subsequent proposals that involve moving bargaining unit employees to the Company-sponsored plan, have made this information relevant to our understanding of the security and stability of the Company plan and has made this information germane. Further, the Company has, in its most recent proposal, included language that would provide a mechanism by which bargaining unit employees would automatically transition to the Company-sponsored plan. Accordingly, we continue to seek answers to these questions.

New Questions/Information Requests Related to L&B's Health & Welfare and Other Economic Proposals:

1. Turnover data (in Excel format) for the past 10 years, please provide the following de-identified information:
 - a. Job Classification
 - b. Department
 - c. Hire Date
 - d. Termination Date
 - e. Wage Rate at Hire
 - f. Wage Rate at Termination



2. Any and all documents from Willis Towers Watson that L&B has received and/or used, within the last 10 years, to evaluate and inform its health and welfare planning and projections.
3. All changes in eligibility requirements for benefits under Company sponsored health and welfare plans over the past six years.
4. All changes in required employee co-premium requirements for Company sponsored health and welfare plans over the past six years.
5. Last three years of filed Form 5500s for Company sponsored health and welfare plans.
6. Last three years of filed Form 990s for Company sponsored health and welfare plans.
7. Last three years of financial statements for Company sponsored health and welfare plans.
8. Correspondence including analysis performed by, or on behalf of the Company detailing the experience and inflation trend for those plans.
9. Contracts with vendors including PPO network providers, HMOs, Accountable Care Organizations (“ACOs”), PBMs, insurance carriers, vision and dental carriers providing services for Company sponsored health and welfare plans.
10. Rebate income received by the Company in connection with prescription drug benefits provided Company sponsored health and welfare plans.
11. Notice filed by the Company, administrator or fiduciary of any Company sponsored health and welfare plans with fiduciary insurance carriers of possible claims or losses incurred by such plans.
12. List of fiduciaries of Company sponsored health and welfare plans.

Information Requests regarding L&B’s proposed Company-sponsored plan that have not been satisfied (from Union Letter to Casey dated 3/8/2023):

1. Who would be the benefit carrier and what are the plans that would be offered to bargaining unit employees?
 - a. The Company provided SPDs for its current HealthPartners plans, but the Company has also stated that United Healthcare/UMR would be the carrier. We know that no such plan with United Healthcare/UMR exists to-date. Which is it? If it is not the current HealthPartners plans, please provide the SPDs for all future plan offerings.
2. Is the Company plan proposed self-insured or insured? If self-insured, is this an ASO (administrative services only) arrangement?
 - a. The Company’s proposal is confusing in this regard. In your March 8 letter, you responded stating: “Self-insured. ASO.” However, our understanding is that the current Company-sponsored plans with HealthPartners are fully insured. Please reanswer this question to provide clarity in conjunction with the answer to #1 above.
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)?
 - a. Based on your previous responses, does this mean that the Company would not maintain any plan reserves or have any target reserves? If this is true, what mechanisms would exist to ensure financial stability of the plan?



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?
 - a. This question still has not been answered. Providing partial information about the current COBRA rates does not answer the question about the monthly premiums. Yes, the Company has provided information about their proposed employee portion of the premiums, but without being provided the overall premium rates we can not evaluate your proposed plan.
6. What is the monthly per member per month and annual administrative expense of the proposed plan?
7. What is the current L&B plan experience over the past 3 years and the projection for the next 3 years?
8. Since non-bargaining unit employees will be part of this plan, 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?
9. What health and prescription drug trend rates were used to produce the premiums for the proposed plan?
10. How will the cost of annual renewals be shared with bargaining unit employees in the proposed plan?
11. Provide a list of all medical providers including doctors, hospitals, clinics, nursing homes, group homes, etc. that will be considered in-network. Company has stated this will be the same as under the MRMC Plan. Please provide evidence to support.
 - a. No evidence has been provided to support that this would be the same as under the current MRMC Plan.
12. Provide a list of all medical providers including doctors, hospitals, clinics, nursing homes, group homes, etc. that will be considered out-of-network. Company has stated this will be the same as under the MRMC Plan. Please provide evidence to support.
 - a. There is no "out-of-network" under the current MRMC Plan. The information that the Company has disseminated has implied that there will be out-of-network providers. A list has not been provided.
13. 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.
 - a. The Company has provided SPDs for the current benefits offered to non-bargaining unit employees. Is this what will be offered? If different plans are offered, those SPDs have not been provided.
14. What are the out-of-network deductibles, co-pays, coinsurance on all plans?
 - a. These were in the HealthPartners SPDs, however, it has not been confirmed that these would be the same.
15. What are the plan coverage exclusions? Please provide a list of all procedures (including experimental procedures) that will not be covered.
16. 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.



17. 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.
18. Any and all information that the employer has used to evaluate and estimate utilization and any relevant documentation to support.
19. Copies of all administrative manuals, rules, or regulations with respect to your proposed healthcare plan.
20. Who will the plan's administrator be? What experience do they have administering health plans, claims, etc.?
 - a. We have requested evidence to support who the plan administrator will be. This request has not been satisfied.
21. 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.
22. 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.
23. A list of all criminal convictions of all management employees and plan administrators and their employees during the last ten years.

Additionally, and as stated in our March 24 letter to you, L&B has stated in numerous documents that they will be offering provider networks through UMR/UHG (United HealthCare) that replicate the provider networks that are currently covered by our Union plan. However, it is the Union's understanding that L&B currently has no contract or business relationship with UMR/UHG. Our requests for information and related documents re: your RFP, contract and internal communications with UMR/UHG to support your statements – along with all the outstanding questions regarding the Company plan – remain unanswered by L&B. Your response that our information request is “overly broad and unduly burdensome” is yet another example of the ongoing and improper obstruction of the bargaining process, and it is unacceptable. This information needs to be provided.

Considering that these questions have been outstanding for months and the Company has had ample time to produce the information being requested, please provide this information by June 26 at 9am, in electronic format.

Sincerely,

Rena Wong