

March 13, 2023

Mr. Casey Enevoldsen Vice President, Employee Experience, Lund Food Holdings, Inc. Sent via email to <u>Casey.Enevoldsen@lfhi.com</u>

Dear Casey,

Re: L&B March 8, 2023 Information Request Response - please provide requested information by March 17, 2023 to the Union

Question 5 – We dispute that this question is not applicable. We are asking for the monthly employer premium cost in 2023. This question is fundamental to bargaining and the Union's understanding of Lunds and Byerlys H&W proposal. Our question is: what does Lunds and Byerlys proposal cost?

Question 6 – We dispute that this question is not applicable. We have asked a highly relevant cost related question: what is the administrative cost of Lunds and Byerlys H&W proposal? Specifically, what is the monthly per member cost and the annual cost of ASO arrangement with United Healthcare?

Question 7 – Lunds and Byerlys failed to answer the question. The Union requested the claims experience history of the current non-union group covered by the proposed plan, and the projected cost for this same group for the next three years. The Union also requested the headcount of current Lunds and Byerlys non-union employees and dependents. Lunds and Byerlys contends that their H&W proposal provides a superior plan versus the current MRMC H&W Fund. This and other information requests made by the Union are necessary for the Union to assess Lunds and Byerlys proposal.

Question 8 – Lunds and Byerlys states in response to the Union's question that coverage is the same and "would not be a subject of bargaining". This statement is troubling because H&W coverage is a mandatory subject of bargaining under the NLRA.

Question 10 – The Union asserts that this question is applicable because trend rates will help the Union determine whether Lunds and Byerlys H&W proposal is realistic and whether the proposed benefits are affordable and sustainable. This is important because Lunds and Byerlys has stated in response to Question 8 that benefit coverage is not subject to bargaining, suggesting that the Employer could arbitrarily reduce benefits.

Question 11 – Lunds and Byerlys requested further clarification. More directly, is Lunds and Byerlys proposing any reduction in benefits or increase in employee premiums during the term of the CBA?

Question 12 – Lunds and Byerlys answer is that the carrier would review all appeals. As a result, Union members would lose the due process that they currently have where Union and employer trustees adjudicate appeals.

Question 13 & 14 – An observation on Lunds and Byerlys H&W proposal. They are using United Healthcare, the current network for MRMC. This situation is troubling in terms of MRMC's relationship with United Healthcare, with potential conflicts of interest.

Question 20 – The Union requested information that was used to evaluate utilization. What information did Lunds and Byerlys provide UHC and its benefit consultant, USI Insurance Services, to determine an ASO quote from the insurance carrier?

Sincerely,

Rena Wong, President UFCW Local 663