

**1199/LVHH  
Memorandum of Agreement  
July 21, 2014**

1. This Memorandum of Agreement ("MOA") shall apply to the collective bargaining agreements currently in effect between (a) the League of Voluntary Hospitals and Homes of New York ("League") and 1199SEIU United Healthcare Workers East ("Union") covering the Employers listed in Schedule A ("League multi-employer CBA"), (b) the Employers listed in Schedule B and the Union ("Other CBAs") and (c) the League and the RN Division of the Union covering the Employers listed in Schedule C ("League/RN CBAs"), hereinafter collectively referred to as (the CBA(s)).

2. **Effective Date, Duration and Agreements**

- A. All CBAs shall remain in full force and effect including all side letters, exhibits, stipulations and attachments thereto, except as modified in this MOA.
- B. Except as provided in paragraph 3 A below the January 30, 2014 agreement between the parties shall be extended to September 30, 2014. The NBF contribution rate shall continue at 28.05% through September 30, 2014.
- C. The term of the CBAs shall be extended through September 30, 2018.
- D. The Other CBAs shall be incorporated into the League multi-employer CBA, subject to the provisions of paragraph 13.
- E. The League/RN Division Employers shall continue to collectively constitute a wholly independent bargaining group with the individual Employer agreements preserved.

3. **General Wage Increases, Increases to Minimum Rates and Steps**

A. Wage Increases and corresponding adjustments:

<u>Date</u>	<u>Increase</u>
October 1, 2014	3%
October 1, 2015	3%
October 1, 2016	3.5%
October 1, 2017	3.5%

B. **Minimum Rates during the First Year of Employment for Newly Hired Employees**

Adjust minimum rates for new hires based on most recent wage increase.

**4. 1199SEIU National Pension Fund (PF)**

Now that the PF is in the "Green Zone" eliminate provisions related to the rehabilitation plan, preferred schedule and contribution rates as follows:

The required contribution rate to the Pension Fund shall remain 11.25% until:

September 30, 2018            15.8%

Provided, however, the cost of the wage increases in excess of the cost of four 3% wage increases will be funded by a reduction in the pension fund contribution in accordance with the actuary's instructions. There shall be two \$300 lump sum retiree bonus payments that will be paid by the pension fund.

Effective dates of the two \$300 lump sum retiree bonus payments to be determined.

Modify Exhibit H to eliminate all provisions except (c) and (d).

**5. Employment Security**

As of January 1, 2015, employees hired prior to January 1, 2005 are subject to the employment guarantee provisions.

As of January 1, 2017, employees hired prior to January 1, 2007 are subject to the employment guarantee provisions.

**6. 1199SEIU National Benefit Fund (BF)**

A. Effective as of the following dates the NBF required contribution rate for League Hospitals shall be as follows:

	Rate or Max Contribution*	
10/1/2014	29.99%	\$14,000
10/1/2015	31.50%	\$14,873
10/1/2016	33.25%	\$15,936
10/1/2017	36.15%	\$17,180
<b>9/30/2018</b>		<b>\$14,000</b>

\*blended for all wage classes

B. Effective as of the following dates the NBF required contribution rate for League Nursing Homes shall be as follows:

	Rate or Max Contribution*	
10/1/2014	29.99% minus \$1,134, or	\$12,510
10/1/2015	31.50% minus \$1,211 or	\$13,398

10/1/2016	33.25% minus \$1,293 or	\$14,380
10/1/2017	36.15% minus \$1,397 or	\$15,523
<b>9/30/2018</b>		<b>\$12,510</b>

\*blended for all wage classes

League Nursing Home contributions shall be made on gross payroll less overtime.

- C. The Fund administration, together with the actuaries, shall develop a practicable contribution methodology, subject to the approval of the Trustees that effectuates the above schedules.
- D. NBF contributions of Employers who receive grants as a result of this MOA shall be adjusted to reflect those funds (no net increase or decrease in contributions otherwise due).
- E. Amend the NBF plan to provide cost reduction modifications and other reduction of approximately \$279 million.

**7. Funding for the Training and Upgrading Fund (TUF), Job Security Fund (JSF), Child Care Fund (CCF) and Labor Management Initiatives, Inc. (LMI) (collectively Small Funds)**

Contributions for these Funds shall remain at the current contribution levels (percentages).

In addition, \$60 million dollars will be made available for diversion to the Small Funds as determined by CIPC (including a \$12.5 million CIPC contingency).

Disputes at CIPC under this paragraph 7 shall not be subject to arbitration.

**8. JSF Committee**

Within thirty (30) days after ratification, a committee ("Committee") consisting of an equal number of members from the Union and the League shall meet to review the Job Security Fund ("JSF") recommendations and to consider other necessary reforms in JSF protocols and procedures. The Labor Management Initiative (LMI) shall assist the Committee in its work.

The Committee shall also review and make recommendations regarding the impact of the Employers' use of behavioral interviews on the JSF's ability to place otherwise qualified employees. The Committee shall retain the services of experts/professionals who shall be paid for through LMI.

Within six (6) months thereafter, the Committee shall issue a report with recommendations to adopt changes in the JSF's protocols and procedures and with respect to the use of behavioral interviews ("Report").

Any disputes regarding recommendations in the Report shall be submitted to CIPC.

## **9. Ambulatory and Primary Care Off-Site Agreement**

### Preliminary Statement:

1. 1199 recognizes that health care is undergoing substantial changes.
2. These changes will impact the delivery of health care services, from in-patient to out-patient care including ambulatory and primary care delivered at off-site facilities.
3. 1199 membership in hospital-based positions will see services shifted to out-patient care delivered at these off-site facilities.
4. 1199 will play an important and constructive role in this transition, by:
  - a. Having a trained work staff ready to assume these jobs;
  - b. Working with the Employers to secure adequate funding to facilitate the transition to off-site/out-patient care;
  - c. Actively working with management to ensure economic conditions which encourage the best patient care at these facilities.
  - d. Working with the Hospitals on a regulatory environment that ensures fair competition from other out-patient facilities.

### Definitions:

5. To facilitate this transition, the Employer<sup>1</sup> and the Union will follow these procedures at off-site/out-patient facilities described below providing ambulatory or primary care under the Employer:
  - a. Facilities operating under a Hospital's license (Art. 28);
  - b. Facilities with shared services (similar to services provided in the Hospital), including, but not limited to, physicians' offices.

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<sup>1</sup> For these purposes Employer means a Hospital Employer listed in Schedule A and B (excluding Affiliations).

An off-site/out-patient facility shall be defined as a facility that is not on or contiguous to the hospital campus. Free standing EDs (including EDs with holding beds) shall not be deemed to fall under this Ambulatory and Primary Care Off-Site proposal.

Procedures:

6. Recognizing that these facilities may have lower reimbursement than in-hospital services, that they compete with non-union facilities and that they are not 24/7 operations, employees shall be covered by the League agreement, except as modified with respect to:
  - a. Work rules adapted to the particular operations;
  - b. Health/pension benefits at a discount from League level.
  - c. Upon recognition, the first negotiated wage increase will be the most recent League increase.

To accommodate differences among the Employers in the structure and organization of these facilities, 1199 and the Employers will negotiate the Employer-specific terms locally. Such negotiations will take place within one hundred and twenty (120) days after ratification of this MOA. If agreement cannot be reached about applicability or terms, the matter will be submitted to expedited interest arbitration, it being understood that the interest arbitrator cannot order recognition of the Union at a facility.

7. To expedite this process, the Hospitals will provide the Union with a list of all facilities that fall under the definitions set forth above within one (1) month of ratification and quarterly thereafter.
8. The following recognition procedures shall apply to all facilities covered by this proposal. Employers shall:
  - i. Staff the facility, to the fullest extent possible, from the Job Security Fund;
  - ii. Promptly provide a list of employees with addresses, phone, title and shift;
  - iii. Grant 1199 immediate access to the facility;
  - iv. Remain neutral as to 1199 representation;
  - v. Grant lawful recognition upon majority status for all employees employed in positions that appropriately fall within the bargaining unit represented by 1199SEIU at the main hospital campus.
9. The parties shall not engage in conduct which undermines these procedures.
10. The parties shall designate a permanent arbitrator to resolve disputes who shall have the same enforcement authority as set forth under the Enforcement/Arbitrator provision of the League Union Organizing Rights Agreement (Attachment A).

11. The Union and the Employer shall honor existing agreements relating to Union recognition or employment at off-site/out-patient facilities, including but not limited to the September 13, 2013 NYUHC representation agreement and the NSLIJ 2006 statement of goals and principles agreements.
12. The terms of this agreement shall apply with respect to the terms and conditions of employment of employees hired after ratification of this Agreement at existing off-site/out-patient facilities where the League Agreement applies.

**10. Pro/Tech Issues:**

The parties agree to the following process to address a variety of professional/technical ("pro/tech") issues that were raised in League bargaining including:

1. Release with pay for up to two (2) days per year for required continuing education, subject to appropriate supervisory approval, which shall not be unreasonably denied.
2. Updates to the uniform pro/tech titles to make them current and to make commensurate adjustments in the minimum rates of pay, including steps.
3. Adjustments in the minimum rates and steps due to: (1) shortages in specific job titles, (2) wage scales below the market median, (3) disparities in rates among pro/tech job titles, and (4) changes in educational requirements, certification and/or licensing requirements.

The agreed to process is as follows:

- A. 1199 and the League shall make best efforts to find sufficient League funds for pro/tech adjustments and two (2) day release time with pay for required continuing education, where appropriate.
- B. Within sixty (60) days of ratification of the CBA, each Employer shall provide to the Union's Professional/Technical department ([DavidK@1199.org](mailto:DavidK@1199.org)) in Excel a listing of all bargaining unit titles and rates of pay, and a current payroll run and/or other documents from each Employer that includes for each Employee the following information: name, title, date of hire, rate of pay, hours of work, shift worked, experience steps and industry experience, if available.
- C. Within thirty (30) days of the Union's request, the League shall schedule a meeting with the Union representatives and members concerning the Union's proposals above. The League and the Union shall use their best efforts to resolve their differences within thirty (30) days of the first scheduled meeting. All agreements shall be reduced to writing and included in the CBA.

D. In the event that the parties cannot reach agreement on some or all of the issues, then the outstanding issues shall become issues for local bargaining. The Union and each Employer shall use their best efforts to complete local bargaining within ninety (90) days of the Union's request for local bargaining, with the first meeting to be scheduled within twenty (20) days of the Union's request.

E. In the event that local bargaining does not result in the resolution of outstanding issues, either the Union or the Employer may submit the dispute to CIPC within thirty (30) days after providing written notice to the other party of its desire to submit the issue(s) to CIPC, which will consider the matter without recourse to CIPC arbitration.

## **11. Registered Nurses**

### **A. Wage Adjustments:**

1. Funds generated by application of the wage increases effective October 1, 2015, 2016, and 2017 and .5% of the October 1, 2014 increase to the longevity differentials shall be used by the parties to negotiate increases to base rates and experience differentials. Prior methodology shall apply for determining individual Employer cash and rate.

2. There shall be local bargaining over potential savings resulting from the new Benefit Fund contributions. The agreed upon amount of saving shall be applied to increase base rates and experience differentials as agreed locally. After one hundred and twenty (120) days from execution of this MOA, disagreements may be heard by the Contract Interpretation and Policy Committee.

### **B. Funding for the RNTJSF and RNLMI**

The current level of benefits will be maintained with funding of approximately \$20,500,000.00 to be generated by:

- 1) Continuation of Employer contributions in accordance with the Feb, 2014 contribution agreement between the parties.
- 2) Pension Fund contribution diversions

### **C. Employment Security:**

The protected status dates shall be adjusted by the same time intervals, and shall be effective on the same dates, as the adjustments to the protected status dates in the non-RN League CBA.

### **D. Staffing Guidelines Process:**

The parties agree that the current staffing guidelines in each individual RN CBA need to be reviewed to reflect the changes in the delivery of health care (i.e., the increased acuity of patients

and development of new technology and specialties) since these guidelines were initially adopted in 1999.

The RN Oversight Committee shall meet within forty-five (45) days of ratification of this Agreement to develop the process for reviewing these staffing guidelines at each Employer, provide appropriate resources to each facility, including technical support, and set a timeline for resolution of all staffing issues on a facility by facility basis.

In the event that the Union and an Employer are unable to reach a joint resolution, the issue(s) shall be subject to RN CIPC as follows:

The function of RNCIPC shall be to assess the overall situation and take the action it determines to be most appropriate in the circumstances. Actions which RNCIPC may take, in its sole discretion, include (a) mediation or facilitation, (b) use of RNLMI facilitators, (c) rendering its own final and binding decision, or (d) on its motion submitting specified issues to an arbitrator selected by Amy Gladstein, Esq., and Daniel F. Murphy, Esq.

#### **E. Individual RN CBA Sunset Provisions**

All provisions of individual RN CBAs that have not already expired which sunset, including pilots, shall be extended for fifty (50) months from the existing sunset date.

#### **12. Nursing Home Provision**

- (1) The League's proposal on excluding overtime hours from National Benefit Fund contributions is acceptable.
- (2) (a) League homes employing members with multiple jobs, on which contributions are made to the National Benefit Fund and/or Greater New York Benefit Fund, will receive a credit from the National Benefit Fund equal to the amount of contributions in excess of those required for the highest wage class for which that member is already eligible, whether in the National Benefit Fund or Greater New York Benefit Fund.  
  
(b) Parties will establish an electronic exchange to facilitate this process and allow members with full-time benefits to seek additional work at League nursing homes and create additional savings.
- (3) If a Home is experiencing substantial economic hardship, it may petition CIPC for permission to have up to five (5) employees for paid time-off relief who will receive all collective bargaining agreement pay and benefits, except the Home will not be obligated to make health and small funds contributions or accrue paid time off benefits.

13. Other CBAs

All terms and conditions in the Other CBAs for the Employers and new bargaining units set forth in Schedule B shall remain in full force and effect and shall be deemed local agreements to the 2014 - 2018 League Multi-Employer Collective Bargaining Agreement that, effective July 31, 2014, is extended through September 30, 2018, unless expressly modified during the course of these negotiations and incorporated into this MOA.

14. This MOA is subject to ratification by (a) the Union membership and the League Members in Schedules A and B as a multi-employer group, and (b) the Union members of the RN Division voting as a single group and the League RN Employers in Schedule C, voting as a single group. Both parties shall use their best efforts to ratify the Agreement within thirty (30) days.

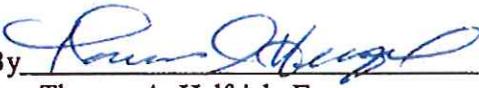
AGREED:

LEAGUE OF VOLUNTARY HOSPITALS  
AND HOMES OF NEW YORK  
(on behalf of Schedule A & B Employers)

By   
Bruce McIver, President

Date: July 22, 2014

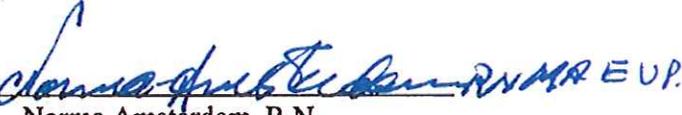
LEAGUE OF VOLUNTARY  
HOSPITALS AND HOMES OF NEW  
YORK  
(on behalf of Schedule C Employers)

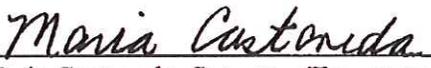
By   
Thomas A. Helfrich, Esq.,  
Sr. Vice President and Counsel  
Date: July 22, 2014

1199SEIU UNITED HEALTHCARE WORKERS EAST

By   
George Gresham, President

Date: July 22, 2014

By   
Norma Amsterdam, R.N.  
Executive Vice President  
Date: July 22, 2014

By   
Maria Castaneda, Secretary/Treasurer  
Date: July 23, 2014

July 21, 2014

Thomas A. Helfrich, Esq.  
Sr. Vice President and Counsel  
League of Voluntary Hospitals and  
Homes of New York  
555 West 57th Street  
New York, NY 10019

Re: Follow Up Work from League RN Work Group

Dear Tom:

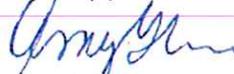
I am writing to confirm there are several topics that were discussed during bargaining for which the parties were not able to devote sufficient time to resolve. My suggestions concerning each are listed below.

1. With respect to health systems where there are hospitals with units represented by more than one union, or have no union, a local discussion should take place with respect to how transfers or the opening of new facilities will impact nurse representation and benefit entitlements. Such discussions should be initiated within thirty (30) days.

2. With respect to the question of qualifications for hiring under the Job Security Fund pursuant to the language in Section 22(c) of the 2001-2005 MOA, an appropriate venue for the conversation will be identified concerning training and degree requirements.

3. Lastly, during bargaining, nurses at certain facilities raised the issue of whether "local" funds that were allocated through bargaining had actually been spent. Please be advised that the Union intends to pursue its right to raise such issues through the contractual process and secure an accounting of such monies.

Very truly yours,



Amy Gladstein, Esq.  
Counsel, 1199SEIU RN Division

**SCHEDULE A**

**MEMBER INSTITUTIONS OF THE LEAGUE OF VOLUNTARY HOSPITALS AND  
HOMES OF NEW YORK, A MULTI-EMPLOYER BARGAINING UNIT, COVERED BY  
THIS AGREEMENT**

**ARAMARK**

**ARCH CARE**

Carmel Richmond Healthcare and Rehabilitation Center  
Ferncliff Nursing Home Co., Inc.  
Mary Manning Walsh Home  
St. Vincent DePaul Residence  
Terence Cardinal Cooke Health Care Center

**BETH ISRAEL MEDICAL CENTER**

Petrie Division  
Kings Highway Division

**BRONX LEBANON HOSPITAL CENTER**

**BRONX LEBANON SPECIAL CARE CENTER**

**BROOKDALE HOSPITAL MEDICAL CENTER**

Schulman & Schachne Institute for Nursing & Rehabilitation  
Arlene and David Schlang Pavilion

**THE BROOKLYN HOSPITAL CENTER**

**CABRINI OF WESTCHESTER**

**CENTERLIGHT HEALTH SYSTEM**

Beth Abraham Health Services  
Center for Nursing and Rehabilitation  
Margaret Tietz Nursing and Rehabilitation Center  
Schnurmacher Center for Rehabilitation & Nursing

**COHEN'S CHILDREN MEDICAL CENTER**

**CORIZON**

Corizon - Rikers Island Correctional Facility  
Correctional Medical Associates of NY PC  
Correctional Dental Associates of NY PC

EGER HEALTH CARE & REHABILITATION CENTER  
Eger Harbor House, Inc.

EPISCOPAL HEALTH SERVICES, INC.  
St. John's Episcopal Hospital South Shore  
Episcopal Health Services South Shore Billing

FLUSHING HOSPITAL MEDICAL CENTER

FOREST HILLS HOSPITAL

INTERFAITH MEDICAL CENTER

ISABELLA GERIATRIC CENTER

JAMAICA HOSPITAL MEDICAL CENTER  
Jamaica Hospital DTC  
Jamaica Hospital Nursing Home

JEWISH HOME LIFECARE  
Bronx Division  
Manhattan Division  
Sarah Neuman Nursing Home

KINGSBROOK JEWISH MEDICAL CENTER  
Rutland Nursing Home, Inc.

LENOX HILL HOSPITAL

LONG ISLAND JEWISH MEDICAL CENTER

LUTHERAN MEDICAL CENTER

LUTHERAN AUGUSTANA CTR FOR EXTENDED CARE AND REHABILITATION

MAIMONIDES MEDICAL CENTER

MANHATTAN EYE EAR & THROAT HOSPITAL

MONTEFIORE HEALTH SYSTEM  
MONTEFIORE MOUNT VERNON HOSPITAL  
MONTEFIORE NEW ROCHELLE  
MONTEFIORE SCHAEFFER EXTENDED CARE FACILITY  
MONTEFIORE MEDICAL CENTER  
Jack D. Weiler Hospital on the Einstein Campus  
Montefiore Wakefield Campus  
Montefiore Westchester Square  
Moses Campus

THE MOUNT SINAI HOSPITAL

City Hospital Center at Elmhurst (Affiliation)  
Queens Hospital Center (Affiliation)  
Mount Sinai Queens

NEW YORK COMMUNITY HOSPITAL OF BROOKLYN, INC.

NEWYORK-PRESBYTERIAN HOSPITAL/COLUMBIA UNIVERSITY MEDICAL CENTER

NEWYORK-PRESBYTERIAN/LOWER MANHATTAN HOSPITAL

NEW YORK MEDICAL COLLEGE/VALHALLA

NEW YORK METHODIST HOSPITAL

NYU HOSPITALS CENTER

Tisch Hospital  
Hospital for Joint Diseases  
Bellevue Hospital Center (Affiliation)  
Gouverneur Diagnostic Treatment Center (Affiliation)  
Cumberland Diagnostic Treatment Center (Affiliation)  
Woodhull Medical and Mental Health Center (Affiliation)

PARKER JEWISH INSTITUTE FOR HEALTH CARE AND REHABILITATION

REBEKAH REHAB & EXTENDED CARE CENTER

RICHMOND UNIVERSITY MEDICAL CENTER

SBH HEALTH SYSTEM

St. Barnabas Rehabilitation and Continuing Care Center

SOUTHSIDE HOSPITAL

ST. LUKE'S-ROOSEVELT HOSPITAL CENTER

St. Luke's-Roosevelt Hospital Center - Roosevelt Site  
St. Luke's-Roosevelt Hospital Center -- St. Luke's Site

ST. VINCENT CATHOLIC MEDICAL CENTER

STATEN ISLAND UNIVERSITY HOSPITAL

Staten Island University Hospital -- North Site  
Staten Island University Hospital -- South Site

UNION COMMUNITY HEALTH CENTER

VILLAGECARE

VillageCare Rehabilitation & Nursing Center  
Rivington House

WYCKOFF HEIGHTS MEDICAL CENTER

ZUCKER HILLSIDE HOSPITAL

**SCHEDULE B**

**NEW LEAGUE MEMBERS AND EXISTING MEMBER INSTITUTIONS  
WITH COLLECTIVE BARGAINING AGREEMENTS  
WHO JOINED SINCE JULY 19, 2009**

FRANKLIN HOSPITAL

PLAINVIEW HOSPITAL

RIVERSIDE HEALTH CARE SYSTEM, INC.

St. John's Riverside Hospital

Andrus Pavilion

Dobbs Ferry Pavilion

Park Care Pavilion

Malotz Skilled Nursing Pavilion

SYOSSET HOSPITAL

UNITED HEBREW OF NEW ROCHELLE

**SCHEDULE C**  
**LEAGUE OF VOLUNTARY HOSPITALS AND HOMES OF NEW YORK**  
**1199 RN INSTITUTIONS AND AFFILIATES**

BETH ISRAEL MEDICAL CENTER  
Petrie Division  
Kings Highway Division

BROOKDALE HOSPITAL MEDICAL CENTER  
Schulman & Schachne Institute for Nursing & Rehabilitation  
Arlene and David Schlang Pavilion

EPISCOPAL HEALTH SERVICES, INC.  
St. John's Episcopal Hospital South Shore

FOREST HILLS HOSPITAL

JAMAICA HOSPITAL MEDICAL CENTER  
Jamaica Hospital Nursing Home

MONTEFIORE MEDICAL CENTER  
Montefiore Wakefield Campus

THE MOUNT SINAI HOSPITAL  
Mount Sinai Queens

NEW YORK COMMUNITY HOSPITAL OF BROOKLYN, INC.

NYU HOSPITAL FOR JOINT DISEASES

RIVERSIDE HEALTH CARE SYSTEM, INC.  
St. John's Riverside Hospital  
Park Care Pavilion

SBH HEALTH SYSTEM  
St. Barnabas Rehabilitation and Continuing Care Center

UNITED HEBREW OF NEW ROCHELLE

AGREED:

LEAGUE OF VOLUNTARY HOSPITALS  
AND HOMES OF NEW YORK

1199SEIU HEALTHCARE WORKERS EAST

By   
Thomas A. Helfrich, Esq.,  
Sr. Vice President and Counsel  
Date: September, 2014  
August 25

By   
Norma Amsterdam, R.N.  
Executive Vice President  
Date: September, 2014  
August 27th

**League of Voluntary Hospitals and Homes** of New York

555 West 57th Street, New York, NY 10019-2925 • Tel(212)956-8900 • Fax(212)956-8355

**BRUCE McIVER**  
*President*

**THOMAS A. HELFRICH**  
*Sr. Vice President  
and Counsel*

**ROSEANN M. SIMONELLI**  
*Vice President*

Re. Implementation of NBF Contribution Change Under Paragraph  
6 of the July 21, 2014 MOA between the League and 1199SEIU

Dear George:

The above mentioned MOA provision provides for a substantial change to the NBF contribution methodology for League Employers, effective October 1, 2014 (New Methodology). In order to provide sufficient time for an orderly implementation of the New Methodology, we have agreed to provide a Transition Period from October 1, 2014 through December 31, 2014 as follows.

During the Transition Period, the League Employers' contribution obligation to the NBF shall continue at the current 28.05% of gross payroll rate according to the current provisions including HWE and RN Credits (Current Methodology).

Payments under the New Methodology will commence with the January 2015 payment due January 30, 2015.

For the period January 1, 2015 through September 30, 2015, the Employers' contribution obligation under the New Methodology shall be adjusted to reflect the difference between the Employer's contribution obligation for the Transition Period under the Current Methodology and what the contribution obligation would have been under the New Methodology (Transition Adjustment).

We anticipate that the New Methodology will be completed and ready for publication in the next few weeks. The Transition Period will allow sufficient time for the Employers, the Union and the NBF to be educated on the New Methodology and adjust their systems to achieve a smooth implementation without modifying the substantive agreement of the parties.

Very truly yours,

LEAGUE OF VOLUNTARY HOSPITALS AND HOMES OF NEW YORK

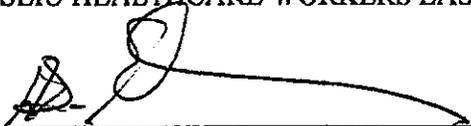
By 

Date: 9/18/14

Bruce McIver, President

AGREED:

1199SEIU HEALTHCARE WORKERS EAST

By 

Date: \_\_\_\_\_

George Gresham, President

## League of Voluntary Hospitals and Homes of New York

555 West 57th Street, New York, NY 10019-2925 • Tel(212)956-8900 • Fax(212)956-8355

**BRUCE MOIVER**  
President

**THOMAS A. HELFRICH**  
Sr. Vice President  
and Counsel

**ROSEANN M. SIMONELLI**  
Vice President

September 16, 2014

Norma Amsterdam, RN  
1199 National Health & Human Service  
Employees Union, AFL-CIO, SEIU  
310 West 43<sup>rd</sup> Street  
New York, NY 10036

Re: Confidentiality Agreement covering Staff Guideline discussions pursuant to Section 11. D. of the July 21, 2014 Memorandum of Agreement between the League and 1199 (RN Division) ("MOA")

Dear Norma:

This memorializes the agreement of the League, 1199, and each hospital listed on Attachment A incorporated by reference as if fully set forth herein (participating hospitals) and their respective local RN committees (parties). The MOA provides that the RN Oversight Committee shall develop a process for reviewing staffing guidelines at each Employer. In implementing that provision the League, 1199, participating hospitals and local committees have agreed to use an interest based problem solving approach which contemplates a more extensive sharing of information and a different deliberative process than is normally associated with traditional collective bargaining.

To facilitate that process and sharing of information, it is agreed that information provided by or obtained from any party in connection with implementing Section 11. D., including but not limited to data, analysis of data and statements made, opinions expressed and positions taken during the process, shall not be used or made public by any other party without the prior written consent of the party from whom the information was obtained. Without limiting the generality of the foregoing, it is expressly understood that such information will not be used against a party nor be made public in any labor dispute (including a dispute concerning the implementation of Section 11. D.), nor shall it be admissible for use by any other party in any adversarial proceeding including but not limited to arbitrations, special proceedings or court cases. This agreement shall not:

- (1) limit the right of a party to introduce information it provided to another party under Section 11. D. in any adversarial proceeding,
- (2) preclude the use of legal process in any proceeding between the parties (including arbitration) to obtain records that are otherwise maintained by a party in the normal course of business,

Norma Amsterdam, RN  
September 16, 2014  
Page 2

- (3) prevent members of the committee from internal reporting of the content of the discussions to their respective internal constituents i.e., management to other management and Union to their delegate body, it being agreed that such reporting will be performed in a manner that preserves the privacy obligations of this agreement.

This agreement is expressly intended to survive the completion of the Section 11. D. process at each hospital.

This agreement, having been executed by the League and the Union, is binding with respect to Section 11. D. proceedings of participating hospitals that have made a commitment to use the interest-based decision making process.

Further, this agreement shall apply to each individual who participates in the Section 11. D. process as an Employer or Union designee

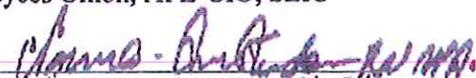
Sincerely,

League of Voluntary Hospitals and Homes  
Of New York

By:   
Thomas A. Helfrich

AGREED AND ACCEPTED

1199, National Health and Human Service  
Employees Union, AFL-CIO, SEIU

By:   
Norma Amsterdam, RN, MA, EVIP

**SCHEDULE A**  
**LEAGUE OF VOLUNTARY HOSPITALS AND HOMES OF NEW YORK**  
**1199 RN INSTITUTIONS AND AFFILIATES**

**BETH ISRAEL MEDICAL CENTER**

Petrie Division  
Kings Highway Division

**BROOKDALE HOSPITAL MEDICAL CENTER**

Schulman & Schachne Institute for Nursing & Rehabilitation  
Arlene and David Schlang Pavilion

**EPISCOPAL HEALTH SERVICES, INC.**

St. John's Episcopal Hospital South Shore

**FOREST HILLS HOSPITAL**

**JAMAICA HOSPITAL MEDICAL CENTER**

Jamaica Hospital Nursing Home

**MONTEFIORE MEDICAL CENTER**

Montefiore Wakefield Campus

**MOUNT SINAI HOSPITAL**

Mount Sinai Queens

**NEW YORK COMMUNITY HOSPITAL OF BROOKLYN, INC.**

**NYU HOSPITAL FOR JOINT DISEASES**

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**RIVERSIDE HEALTH CARE SYSTEM, INC.**

St. John's Riverside Hospital  
Park Care Pavilion

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**SBH HEALTH SYSTEM**

St. Barnabas Rehabilitation and Continuing Care Center

**UNITED HEBREW OF NEW ROCHELLE**

**League of Voluntary Hospitals and Homes of New York**

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**BRUCE McIVER**  
President

**THOMAS A. HELFRICH**  
Sr. Vice President  
and Counsel

**ROSEANN M. SIMONELLI**  
Vice President

October 24, 2014

George Gresham, President  
1199 SEIU Healthcare Workers East  
310 West 43<sup>rd</sup> Street  
New York, N.Y. 10036

Re: Modification of 1199SEIU-League 2014-2018  
Memorandum of Agreement (July 21, 2014)

Dear Mr. McIver:

This letter sets forth our agreement to modify certain terms of the 1199SEIU-League 2014-2018 Memorandum of Agreement (July 21, 2014) ("MOA") with respect to the National Benefit ("NBF") and Pension ("NPF") Funds.

In particular, the parties agree to modify MOA section 6 by implementing the Contribution Rate with Cap Methodology by the Flat Rate Methodology as set forth in the accompanying October 24, 2014 Milliman letter, applicable to League-represented Employers.

Further, the parties agree to Modify MOA section 4 by modifying the NPF contribution rates as set forth in the accompanying October 21, 2014 Milliman letter, applicable to League Employers.

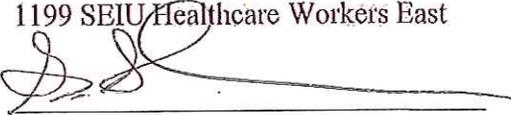
If you are in agreement with these modifications, please sign below and return an executed copy for our files.

Very truly yours,  
League of Voluntary Hospitals and Homes

  
\_\_\_\_\_  
Bruce McIver, President  
Date: October 24, 2014

Accepted and Agreed to by:

1199 SEIU Healthcare Workers East

  
\_\_\_\_\_  
George Gresham, President  
Date: October \_\_\_\_, 2014



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# **Development of Contribution Methodologies**

**October 1, 2014 – September 30, 2018**

**1199/SEIU National Benefit Fund**

**October 24, 2014**

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Prepared for:  
**1199/SEIU National Benefit Fund**

Prepared by:  
**Milliman, Inc.**



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## Introduction

This report details the methodology for determining contributions as well as how the contributions will be administered for payments due for the period October 1, 2014 – September 30, 2018 for the National Benefit Fund (NBF).

The cost basis for the League and Non-League contribution methodology was determined as follows:

The total cost of benefits and administration less investment income, COBRA contributions, and other non-employer contributions was projected over the period September 1, 2014 – August 31, 2018 using the methodologies and assumptions set forth in Appendix A. This total was divided between the League and Non-League employer groups on a per member basis (League members make up approximately 64% of the total Fund and Non-League members make up approximately 36%). In the aggregate, the League contribution rates and caps are projected to cover the League's proportionate share of total cost based on the number of employees as described above less \$44 million (subsidized by the August 31, 2014 margin). In the aggregate, the Non-League contribution rates are projected to cover the Non-League's proportionate share of total cost based on the number of employees as described above less \$282 million (subsidized by the August 31, 2014 margin).

Based on the assumptions in Appendix A, the August 31, 2014 margin is projected to be \$326 million, which is used to help subsidize the contributions for the employer groups (defined as one or more billing units associated with a given employer). A billing unit is defined as separate facilities or bargaining units within an employer group.

The target surplus at the end of the bargaining period is one month of contributions.

The margin/(shortfall) is equal to the surplus minus one month of contributions.

The bargaining period is for contributions due October 1, 2014 through September 30, 2018 (incurred September 1, 2014 through August 31, 2018)<sup>1</sup>.

Please see Appendix A for the details regarding the methodologies and assumptions used for the calculations in this report.

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<sup>1</sup> If the new physician fee schedule improvements were \$3.0 million for May 1, 2015 through April 30, 2016, \$7.0 million for May 1, 2016 through April 30, 2017, and \$11.0 million for May 1, 2017 through April 30, 2018, increasing by a 3.5% annual utilization trend thereafter, the margin at the end of the bargaining period is projected to be \$0. However, since the new physician fee schedule improvements were recently agreed to be \$11.1 million for January 1, 2015 through December 31, 2015, increasing by a 3.5% annual utilization trend after December 31, 2015, the shortfall is projected to be \$13 million at the end of the bargaining period. We believe this is a de minimus difference from the \$0 target given there is projected to be \$6.4 billion of revenue over the bargaining period.

## League Contributions

### METHODOLOGY FOR DETERMINING LEAGUE CONTRIBUTIONS

League employer groups will contribute under a "Contribution Rate with Cap" methodology, contributing, on a PMPY basis, the lesser of a contribution rate applied to wages and a contribution cap. The contribution cap PMPY varies depending on if the employer group is a Hospital or Nursing Home and is applied only to Wage Class I members. Wage Class II and III member contributions are only based on a contribution rate.

The threshold for determining Wage Class I eligibility will be based on the Wage Class I minimum wage threshold by billing unit provided by the NBF. A member and their wages are classified as Wage Class I if the member's average weekly wages in the wage base is greater than or equal to the Wage Class I minimum wage threshold. A member and their wages are classified as Wage Class II or III if the member's average weekly wages in the wage base is between 20%-100% of the Wage Class I minimum wage threshold. In order to calculate average weekly wages, we assumed that there are 4.33 weeks in every month (equal to 52 divided by 12).

The following table summarizes the contribution rates for each contract year (October – September). A League employer group will contribute a flat monthly contribution amount based on these rates applied to wages for Wage Class II and III members, and the lesser of (a) these rates applied to wages for Wage Class I or (b) a Wage Class I contribution cap PMPY for Wage Class I members.

**Contribution Rates**

Contract Year	Contribution Rate
Year One	29.99%
Year Two	31.50%
Year Three	33.25%
Year Four	36.15%

Billing units that do not participate in the pension plan pay 0.5% lower than the rates in shown above.

The following table summarizes the projected Wage Class I total cost PMPY for the total NBF for each contract year, which was the starting point for the Wage Class I contribution caps PMPY for all League employer groups. These total costs PMPY are projected to be incurred from September – August for each year.

**Projected Wage Class I Total Cost PMPY**

<b>Contract Year</b>	<b>Wage Class I Total Cost PMPY</b>
Year One	\$13,921
Year Two	\$14,851
Year Three	\$15,930
Year Four	\$17,194

The following adjustments were requested that would lower the contributions for League Nursing Homes, including:

- League Nursing Homes are eligible for a Wage Class I credit PMPY equal to the projected Wage Class I retiree total cost per active worker. All League Nursing Homes receive a credit, including those whose contributions for Wage Class I members are below the cap.
- League Nursing Homes receive an additional credit of \$200 PMPM in Contract Year Four for Wage Class I members. League Nursing Homes whose contributions are below the cap also receive an additional credit.
- League Nursing Homes do not make contributions on overtime wages for all members. This does not impact the Wage Class I contribution caps PMPY. We made an assumption that 5% of total wages are overtime wages.

The following table summarizes the Wage Class I contribution caps PMPY for League Nursing Homes for each contract year:

**Projected Wage Class I Contribution Caps PMPY  
League Nursing Homes**

<b>Contract Year</b>	<b>Wage Class I Total Cost PMPY</b>	<b>Credit: PMPY</b>	<b>Credit: Additional Credit PMPY</b>	<b>Wage Class I Contribution Cap PMPY</b>
Year One	\$13,921	(\$1,178)	\$0	<b>\$12,743</b>
Year Two	\$14,851	(\$1,252)	\$0	<b>\$13,598</b>
Year Three	\$15,930	(\$1,337)	\$0	<b>\$14,594</b>
Year Four	\$17,194	(\$1,443)	(\$200)	<b>\$15,552</b>

League Nursing Homes whose projected Wage Class I contributions PMPY, even after removing overtime wages, are greater than the Wage Class I cap will contribute the Wage Class I cap and therefore will not be affected by the removal of overtime wages from League Nursing Home contributions.

By contrast, the Wage Class I contribution cap PMPY was increased from the Wage Class I total cost PMPY for League Hospitals to account for the subsidies received by the League Nursing Homes (for the above two credits and for no contributions being made on overtime wages). For each contract year, we

took the total value of the League Nursing Home subsidies above and divided by the number of Wage Class I members for League Hospitals who would be capped (using the contribution rates shown above and using the Wage Class I Fund-wide total cost PMPY as the initial cap). We also decreased the Wage Class I contribution cap PMPY to account for the difference in the Funds employer group's contributions under the League methodology vs. the non-League methodology. After these adjustments, there was a shortfall as of September 30, 2018, so we needed to apply a factor to increase the caps in each year so that there would be \$0 margin as of September 30, 2018.

The following table summarizes the Wage Class I contribution caps PMPY for League Hospitals for each contract year:

**Projected Contribution Caps PMPY  
League Hospitals**

<b>Contract Year</b>	<b>Year One</b>	<b>Year Two</b>	<b>Year Three</b>	<b>Year Four</b>
Wage Class I Total Cost PMPY	\$13,921	\$14,851	\$15,930	\$17,194
Increase for League Nursing Home Credits	\$154	\$164	\$175	\$212
Increase for League Nursing Home Overtime Subsidy	\$62	\$52	\$35	\$25
Decrease for Funds Employer Group's Excess Contributions	(\$78)	(\$91)	(\$115)	(\$120)
<b>Adjusted Wage Class I Total Cost PMPY</b>	<b>\$14,059</b>	<b>\$14,975</b>	<b>\$16,024</b>	<b>\$17,312</b>
Cap Increase Factor	103.1%	102.9%	102.9%	100.0%
<b>Wage Class I Contribution Cap PMPY</b>	<b>\$14,500</b>	<b>\$15,405</b>	<b>\$16,484</b>	<b>\$17,312</b>

The Contract Year One Wage Class I contribution cap PMPY was set to \$14,500 and the Contract Year Four contribution cap PMPY was set equal to the Wage Class I total cost PMPY plus the increase for Wage Class I League Nursing Home Credits, the increase for League Nursing Home overtime subsidy, and the decrease for Funds employer group's excess contributions.

We calculated the Contract Year One contribution cap PMPY to be an increase of 3.1% above the Contract Year One Adjusted Wage Class I Total Cost PMPY and the Contract Years Two and Three Wage Class I contribution caps PMPY to be an increase of 2.9% above the Contract Years Two and Three Adjusted Wage Class I Total Cost PMPY to get a projected September 30, 2018 margin of \$0. The "Cap Increase Factors" generated approximately \$74 million of added League Hospital contributions, which was used to subsidize the League employer groups' contribution rates to achieve a \$0 margin on a Fund-wide basis.

We applied the contribution caps PMPY on an employer group level rather than the billing unit level. Please see Appendix B for the mapping of billing units to employer group used for the projections in this report. The Fund, in coordination with the League, will monitor and maintain the billing units associated with each employer group.



## ADMINISTRATION OF LEAGUE CONTRIBUTIONS

This section provides the methodology for the calculation of contributions for the League.

Effective with contributions due in January 2015, billing units will no longer be calculating their own monthly contributions. Milliman will provide the NBF with projected contributions by billing unit for each contract year and in turn the NBF will provide each billing unit with level monthly contribution amounts. The chart in Appendix C provides details on the timing for data and delivery.

In order to calculate a League employer group's contributions for a given contract year, we will first project wages and enrollment, split between Wage Class I and Wage Class II and III, for the corresponding period (September – August). In order to project wages, we will adjust the wage base for any applicable contractual wage increases and projected wage drift<sup>2</sup>. Projected enrollment will equal the average enrollment in the wage base. The threshold for determining Wage Class I eligibility was described earlier in this section. Wages and enrollment will be grouped at the employer group level as opposed to the billing unit level.

Once all Wage Class I wages are aggregated for a given employer group, uncapped contributions for Wage Class I members are calculated by multiplying projected wages by the corresponding contribution rate in each year of the contract. For League Nursing Homes, overtime wages are excluded.

If the projected uncapped contributions per Wage Class I member for a given employer group is less than or equal to the Wage Class I contribution cap PMPY in a given year, the employer group contributes the contribution calculated based on the percentage of wages. If the projected contributions per Wage Class I member is greater than the Wage Class I contribution cap PMPY, the employer group contributes the Wage Class I contribution cap PMPY for each Wage Class I member.

Additionally, League Nursing Homes will receive a "Wage Class I Nursing Home Credit" for each Wage Class I member and will also receive a subsidy of \$200 per Wage Class I member in Contract Year Four, which will be subtracted from the total contributions.

In order to calculate contributions for Wage Class II and III members, projected wages by employer group will be multiplied by the corresponding contribution rate in each year of the contract.

The total contributions for Wage Class I and Wage Class II and III members for each League employer group will be calculated by Milliman based on the methodology described above, divided by 12 so that it is a flat monthly contribution, allocated between billing units of each employer group based on average membership (each billing unit will have the same contribution per member as the other billing units in its employer group). We will provide the final monthly numbers to the Fund and the Fund will provide each billing unit its monthly contribution for the next contract year

<sup>2</sup> "Wage Drift" is defined to be the increase/decrease in the average wage per worker that results from promotional increases, contractual adjustments, change in workforce composition, and the fluctuation in hours worked per worker. Wage drift excludes the effect of the MOA's scheduled wage increases.



The following tables illustrate two sets of examples for determining contributions for Wage Class I members – one for an employer group contributing at the cap and one for an employer group contributing below the cap.

**1A. Wage Class I Member Contribution Calculation for a League Hospital Employer Group Contributing at the Cap**

(1)	Projected Year One Wages for Wage Class I Members	\$1,200,000	
(2)	Wage Class I Members	20	
(3)	Contribution Rate	29.99%	
(4)	Pre-Capped Contributions for the Contribution Period	\$359,880	= (1) * (3)
(5)	Annual Wage Class I Cap per Member	\$14,500	
(6)	Wage Class I Cap for the Contribution Period	\$290,000	= (2) * (5)
(7)	Projected Year One Contributions	\$290,000	= MIN [ (4), (6) ]
(8)	Projected Year One Monthly Contributions	\$24,167	= (7) / 12

**1B. Wage Class I Member Contribution Calculation for a League Hospital Employer Group Contributing below the Cap**

(1)	Projected Year One Wages for Wage Class I Members	\$800,000	
(2)	Wage Class I Members	20	
(3)	Contribution Rate	29.99%	
(4)	Pre-Capped Contributions for the Contribution Period	\$239,920	= (1) * (3)
(5)	Annual Wage Class I Cap per Member	\$14,500	
(6)	Wage Class I Cap for the Contribution Period	\$290,000	= (2) * (5)
(7)	Projected Year One Contributions	\$239,920	= MIN [ (4), (6) ]
(8)	Projected Year One Monthly Contributions	\$19,993	= (7) / 12

**2A. Wage Class I Member Contribution Calculation for a League Nursing Home Employer Group Contributing at the Cap**

(1)	Projected Year One Wages for Wage Class I Members*	\$1,200,000	
(2)	Wage Class I Members	20	
(3)	Contribution Rate	29.99%	
(4)	Contributions as a % of Wages for the Contribution Period	\$359,880	= (1) * (3)
(5)	League Nursing Home Credit per Member	\$1,178	
(6)	League Nursing Home Credit for the Contribution Period	\$23,560	= (2) * (5)
(7)	Pre-Capped Contributions for the Contribution Period	\$336,320	= (4) - (6)
(8)	Annual Wage Class I Cap per Member	\$12,743	
(9)	Wage Class I Cap for the Contribution Period	\$254,860	= (2) * (8)
(10)	Projected Year One Contributions	\$254,860	= MIN [ (7), (9) ]
(11)	Projected Year One Monthly Contributions	\$21,238	= (10) / 12



**2B. Wage Class I Member Contribution Calculation for a League Nursing Home Employer Group Contributing below the Cap**

(1)	Projected Year One Wages for Wage Class I Members*	\$800,000	
(2)	Wage Class I Members	20	
(3)	Contribution Rate	29.99%	
(4)	Contributions as a % of Wages for the Contribution Period	\$239,920	= (1) * (3)
(5)	League Nursing Home Credit per Member	\$1,178	
(6)	League Nursing Home Credit for the Contribution Period	\$23,560	= (2) * (5)
(7)	Pre-Capped Contributions for the Contribution Period	\$216,360	= (4) – (6)
(8)	Annual Wage Class I Cap per Member	\$12,743	
(9)	Wage Class I Cap for the Contribution Period	\$254,860	= (2) * (8)
(10)	Projected Year One Contributions	\$216,360	= MIN [ (7), (9) ]
(11)	Projected Year One Monthly Contributions	\$18,030	= (10) / 12

\*Nursing Home wages exclude overtime wages

Since the monthly contributions will be based on projected wages and enrollment, a reconciliation will be made once actual wages and enrollment are known. The reconciliation will be the difference between the employer group's actual monthly contribution and the monthly contribution the employer group would have made (if the contribution were calculated after knowing the actual wages and enrollment for the contract year). For example, for a given reconciliation, if an employer group contributed \$1.2 million more than it would have contributed in the previous contract year using updated data, its monthly contribution in the next contract year will be \$0.1 million lower per month. Since the final wages will not be available at the time of the following year's contribution calculation, the reconciliation will be included in the next two years' monthly contributions. Actual wages from October through April of the current year will be reconciled in the next year's contribution calculation and actual wages from May through September of the current year will be reconciled two years later.

For Contract Year One, we will only project contributions for January 1, 2015 – September 30, 2015. Employer groups will continue to contribute 28.05% of wages less current RN/HWE credits for the period October 1, 2014 – December 31, 2014 ("current methodology"). The difference between the contributions under the "current methodology" and the contributions that would have been made under the League's new methodology will be included in the projected contributions for January 1, 2015 – September 30, 2015.



## Non-League Contributions

### METHODOLOGY FOR DETERMINING NON-LEAGUE CONTRIBUTIONS

Non-League employer groups will continue contributing under the current contribution structure and contribute a flat percent of wages while maintaining the current RN/HWE structure. The amount of credits the Non-League currently receives as a whole will be increased by the wage increases of the prior MOA. We will calculate updated RN/HWE credits by employer group using data for the period November 1, 2012 – October 31, 2013.

The chart below shows the resulting contribution rates by year:

**Contribution Rates**

Contract Year	Contribution Rate
Year One	28.75%
Year Two	30.00%
Year Three	32.23%
Year Four	33.00%

Billing units who do not participate in the pension plan pay 0.5% lower than the rates in shown above.

The contribution rates were calculated to produce a margin of \$0 at the end of the bargaining period.

In calculating these rates, we have assumed the Non-League Not-for-Profit Nursing Homes contribute under the same structure as all other Non-League employer groups except that they do not make contributions on overtime wages, which we have assumed to reduce their wages used for contributions by 5%.

### ADMINISTRATION OF NON-LEAGUE CONTRIBUTIONS

This section provides the methodology for the calculation of contributions for the Non-League methodology.

Effective with contributions due in January 2015, billing units will no longer be calculating their own monthly contributions. Milliman will provide the NBF with projected contributions by billing unit for each contract year, and in turn the NBF will provide each billing unit with level monthly contribution amounts. The chart in Appendix C provides details on the timing for data and delivery.

In order to calculate a Non-League billing unit's contribution for a given contract year, we will first project wages and enrollment for the corresponding period. In order to project wages, we will adjust the wage base for any applicable contractual wage increases and projected wage drift. Projected enrollment will equal the average enrollment in the wage base.

Non-League contributions will be calculated with the same methodology currently in use. The first step is to calculate the gross contribution. Gross contributions are calculated by multiplying a billing unit's projected wages by the corresponding contribution rate. For Not-for-Profit Nursing Homes, overtime



wages are excluded. Once the gross contributions are calculated, RN/HWE credits, if any, are subtracted from the gross contributions to calculate the contributions due.

Once the total contributions for each billing unit are calculated by Milliman, the Fund will provide each billing unit its monthly contribution for the contract year. The contribution will be based on the methodology described above, divided by 12 so that it is a flat monthly contribution.

Since the monthly contributions will be based on projected wages and enrollment, a reconciliation will be made once actual wages and enrollment are known. The reconciliation will be the difference between the billing unit's actual monthly contribution and the monthly contribution the billing unit would have made (if the contribution were calculated after knowing the actual wages and enrollment for the contract year). For example, for a given reconciliation, if a billing unit contributed \$1.2 million more than it would have contributed in the previous contract year using updated data, its monthly contribution in the next contract year will be \$0.1 million lower per month. Since the final wages will not be available at the time of the following year's contribution calculation, the reconciliation will be included in the next two year's monthly contributions. Actual wages from October through April of the current year will be reconciled in the next year's contribution calculation and actual wages from May through September of the current year will be reconciled two years later.

For Contract Year One, we will only project contributions for January 1, 2015 – September 30, 2015. Employer groups will continue to contribute 28.05% of wages less current RN/HWE credits for the period October 1, 2014 – December 31, 2014 ("current methodology"). The difference between the contributions under the "current methodology" and the contributions that would have been made under the new Non-League methodology will be included in the projected contributions for January 1, 2015 – September 30, 2015.

### **Future Movement between League and Non-League**

#### **ADMINISTRATION OF CONTRIBUTIONS**

Since there are different contribution methodologies for League and Non-League employer groups, it is possible for an institution to contribute under two different methodologies in a given contract year if it were to move from League to Non-League or vice versa.

An institution that moves from Non-League to League will continue to contribute under the Non-League methodology for the remainder of the contract year and its monthly contribution will not change. However, since the institution moved from Non-League to League, its contribution for the following year will be adjusted by the difference between its non-League contribution and what it would have contributed under the League methodology, effective for the first full month after it reclassified (if an institution is reclassified on the first of a month, it will be effective that month). The difference between the contributions made after the institution reclassified under the Non-League methodology and the contributions that would have been made under the League methodology will be included in the projected contributions in the next contract year.

An institution that moves from League to Non-League will continue to contribute under the League methodology for the remainder of the contract year and its monthly contribution will not change. However, since the institution moved from League to Non-League, its contribution for the following year will be adjusted by the difference between its League contribution and what it would have contributed under the Non-League methodology, effective for the first full month after it reclassified (if an institution is reclassified on the first of a month, it will be effective that month). Milliman will calculate the RN/HWE credits that the institution is eligible for, if any. The difference between the contributions made after the institution reclassified under the League methodology and the contributions that would have been made under the Non-League methodology will be included in the projected contributions in the next contract year.

#### MAINTENANCE OF LEAGUE CONTRIBUTION CAPS AND RATES

Since the Wage Class I contribution caps PMPY for League Hospitals were increased in order to subsidize the "Wage Class I Nursing Home Credit," the additional League Nursing Home credit, and League Nursing Homes not contributing on overtime wages, an institution that moves from League to Non-League or vice versa may cause the subsidization to be higher or lower than necessary. Institutions that move from League to Non-League or vice versa will be tracked and their change in credit (if they are a Nursing Home) or subsidy (if they are not a Nursing Home) will be quantified.

For example, if a League Nursing Home who contributed at the Wage Class I contribution cap PMPY for its Wage Class I members in Contract Year One ( $\$13,921 - \$1,178 = \$12,743$ ) moved to Non-League in Contract Year Two, we will calculate the impact on the League employer groups subsidization (accounting for the "Wage Class I Nursing Home Credit," the additional League Nursing Home credit, and League Nursing Homes not contributing on overtime wages) for each remaining year of the contract (Contract Years Two, Three, and Four in this example), since League employer groups contributing at the cap no longer have to subsidize this employer group. We will also calculate the impact on the Non-League employer groups subsidization (accounting for the Non-League Not-for-Profit Nursing Homes not contributing on overtime wages) for each remaining year of the contract (Contract Years Two, Three, and Four in this example), since Non-League employer groups now have to subsidize this employer group.

As a counterexample, if a Non-League Not-for-Profit Nursing Home moved to the League in Contract Year Two, we will calculate the impact on the League employer groups subsidization (accounting for the "Wage Class I Nursing Home Credit," the additional League Nursing Home credit, and League Nursing Homes not contributing on overtime wages) for each remaining year of the contract (Contract Years Two, Three, and Four in this example), since League employer groups contributing at the cap now have to subsidize this employer group. We will also calculate the impact on the Non-League employer groups subsidization (accounting for the Non-League Not-for-Profit Nursing Homes not contributing on overtime wages) for each remaining year of the contract (Contract Years Two, Three, and Four in this example), since Non-League employer groups no longer have to subsidize this employer group.

We will keep track of the changes and if in the aggregate, they have a material impact on the projections, the Trustees will determine how to allocate the changes in subsidization arising from such movements.

## **Other Billing Unit Movements**

### **BILLING UNITS CHANGING EMPLOYER GROUPS**

The Fund, in coordination with the League, will monitor and maintain the billing units associated with each employer group as changes occur. A billing unit that changes its employer group will continue to contribute its calculated monthly contribution for the remainder of the contract year. However, since the institution changed employer groups, its contribution for the following year will be adjusted by the difference between its actual contributions and what it would have contributed with its new employer group, effective for the first full month after it moved (if an institution moves on the first of a month, it will be effective that month). The difference between the contributions made after the institution moved under its actual contributions and the contributions that would have been made with the new employer group will be included in the projected contributions in the next contract year if the change occurs prior to our calculation of the next contract year's contributions. Otherwise, the difference will be included in the projected contributions in the contract year after next.

### **BILLING UNITS JOINING THE FUND**

If an institution joins the Fund, we will calculate its monthly contributions for the remainder of the contract year under either the League or Non-League contribution methodology as described in the previous sections. The time period of the data used to develop the contributions will be consistent with the rest of the employer groups for that contract year, as shown in Appendix C.

## **Sensitivity of Results**

As discussed below under Statements of Reliance and Limitations, there are many assumptions underlying these projections, and it is likely that actual experience will differ from our assumptions. In particular, we note that these projections are sensitive to small fluctuations in contributions and expenses. Because of the various cost saving initiatives that were recently instituted, as well as uncertainty in the healthcare marketplace, the emergence of 2013 costs as well as ongoing trends are difficult to estimate. Contributions are also difficult to project due to the uncertainty of future wage drift. However, small changes can have a significant impact. Therefore, our results should be considered as point estimates in a wide range of possible outcomes. Because of this sensitivity to small variances, we recommend that emerging experience continue to be monitored.

## **Statements of Reliance and Limitations**

In preparing this letter, we have relied on data and information provided to us by the NBF, Syntonic, EmblemHealth, Express Scripts (ESI), and Aetna for claims through March 31, 2014 and employer wages and enrollment through December 31, 2013. We have also relied on the draft 2013 financial statements as provided by the NBF. This information included contributions, benefits reported and approved for payment,

investment income, administrative fees, and information on the NBF's balances. The results of our analysis are dependent on the underlying data and information being complete and accurate. Any variations could materially affect our results.

We have performed a limited review of the data for reasonableness and consistency and have not found material defects in the data. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

The projections reported herein have been developed on a basis consistent with our understanding of the Plan and include the provisions contained in the July 19, 2009 MOA, the February 11, 2014 Resolution of the NBF Board of Trustees, and the cost saving programs contained in the July 2009 and January 2007 agreements. The purpose of this letter is to project contributions for various contribution methodologies. Results for other purposes or measurement periods may differ significantly from the results reported herein. Accordingly, additional calculations may be needed for other purposes.

The estimates in this projection depend upon many assumptions as to future experience. However, actual medical expenses over a period of five years (2014 – 2018) could vary significantly as medical trends have fluctuated historically and are likely to fluctuate in the future. Further, because of the many programmatic changes to achieve cost savings, as well as market forces, assumptions as to future experience are more uncertain than in times of no change.

Contributions could vary based on actual versus expected wage drift. Similarly, actual investment returns could vary as the NBF's asset mix and the investment markets change over time. This could have an impact on the surplus.

The results are based on our current understanding of the Affordable Care Act (ACA) and the proposed and final regulations that have been released. The regulations are emerging and constantly changing, and consequently future results may need to be updated based on these changes. Milliman is a firm of actuaries and consultants and is not engaged in the practice of law. While care has been taken to prepare these materials to reflect all applicable guidance in this area, legal advice, if needed, should be requested from your attorney.

Since the results of the projection are dependent on the assumptions used, actual results will differ from the figures indicated in this projection to the extent that actual experience differs from that assumed.

This letter has been prepared for the internal use of and is only to be relied upon by the Trustees and staff of the 1199/SEIU National Benefit Fund and its professional advisors. No portion of this letter may be disclosed to any other party without Milliman's prior written consent. In the event such consent is given, the letter, including any attachments, must be provided in its entirety. Milliman does not intend to benefit any third party recipient of the work product, even if we consent to the release of the work product to such third party.

I am a consulting actuary with Milliman, a Member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To



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the best of my knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

If you have any questions, please call.

Sincerely,

A handwritten signature in black ink that reads "John J. Bauer".

John J. Bauer, F.S.A., M.A.A.A.  
Principal & Consulting Actuary

0534NBF50/29

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## APPENDIX A: PROJECTION METHODOLOGIES AND ASSUMPTIONS

### Contribution and Income

#### Employer Contributions

To project January 1, 2014 through September 30, 2014 employer contributions, we projected the total NBF wages for December 1, 2013 through August 31, 2014, and multiplied them by the corresponding contribution percentage in each month. We received reported wages incurred between January 1, 2013 and December 31, 2013 from the NBF. To project the wages for December 1, 2013 through August 31, 2014, we assumed annual drift of 0.5%.

We assumed Not-for-Profit Nursing Homes would not contribute on overtime wages beginning on October 1, 2014. We assumed 5% of wages were for overtime, based on NBF data. Since the employer groups will be making contributions on total wages less actual overtime wages, any differences will be considered in the reconciliation.

To project October 1, 2014 through September 30, 2018 employer group contributions, we assumed various methodologies as shown throughout this report.

#### Contribution Rates

Employer contribution rate of 28.05% of gross wages through September 30, 2014. Subsequent contributions were determined and are shown elsewhere in this report.

Billing units who do not participate in the pension plan pay 0.5% lower than these rates.

#### Wage Increases

2.50% increase on October 1, 2013  
3.00% increase on October 1, 2014  
3.00% increase on October 1, 2015  
3.50% increase on October 1, 2016  
3.50% increase on October 1, 2017

#### Wage Drift

Wages were increased annually by 0.5% to recognize changes in the average wage per worker that result from promotional increases, contractual adjustments, change in workforce composition, and the fluctuation in hours worked per worker. Wage drift excludes the effect of the MOA's scheduled wage increases.

#### City Contributions

The NBF provided City contributions for 2013 of \$3.9 million, and these were assumed to remain constant for each year of the projections. Members employed by NYC do not receive hospital or medical benefits.

**JSF Contributions**

The NBF provided Job Security Fund contributions for 2013 of \$3.2 million, and these were assumed to remain constant for each year of the projections. Contributions are made on behalf of members who participate in the Job Security Fund who continue to be covered by the Benefit Fund.

**COBRA**

To project the COBRA premiums, we multiplied the projected COBRA per life per month premium by the projected COBRA lives. Projected COBRA per life per month premiums were based on the 2013 average COBRA per life per month premium, trended at the projection claim expense trend for 2014 and later.

**RN/HWE Credits**

We have assumed the annual credit beginning January 1, 2014 will be \$59.6 million, based on the budget of \$60.1 million, adjusted for various migration in and out of the Fund. Additionally, for the period January 1, 2014 – September 30, 2014, we have assumed additional RN credits of \$15.0 million, paid evenly over the nine month period.

For League employer groups, credits terminate effective October 1, 2014.

For Non-League employer groups, credits continue for the projection period, using the current \$59.6 million total credits, allocated to Non-League employer groups based on the current ratio of Non-League employer group credits to total credits, increased by the scheduled wage increases in the current MOA, as of October 1, 2014, which is consistent with prior methodology. The 2.5% wage increase scheduled for October 1, 2014 in the prior MOA was not included, since it was replaced with a 3.0% wage increase in the new MOA. RN/HWE credits for Non-League employer groups will need to be recalculated with updated data once the MOA is finalized.

**Nursing Home Credits**

We have assumed Nursing Home credits of \$9.0 million in March 2014 and \$4.5 million in August 2014.

**Diversions to Other Funds**

Diversions from the Benefit Fund to the other Funds follow the revised MOA Attachment Y received May 16, 2013. These diversions total \$65.7 million between January 1, 2014 and April 30, 2015. Additionally, per the NBF, a diversion of \$1.0 million to the Youth Mentoring Program is assumed to be made on July 1 of each year.

Diversions are calculated on an incurred basis for these projections, one month earlier than the dates stated above.

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<b>Diversions from Pension</b>	<p>Diversions from the Pension Fund follow the revised MOA Attachment Y received May 16, 2013. The diversions from the Pension Fund used in these projections are \$154.2 million between January 1, 2014 and December 31, 2014. There will also be additional diversions from the Pension Fund of \$2.5 million between January 1, 2014 and April 30, 2015, \$11.1 million on August 1, 2014, and \$5.2 million on December 1, 2014. These additional diversions are scheduled to pay back lost interest due to diversions paid later than anticipated in the MOA.</p> <p>Diversions are calculated on an incurred basis for these projections, one month earlier than the dates stated above.</p>
<b>Interest and Collection Charges</b>	<p>Per discussions with the NBF, interest and collection charges are assumed to be the same as 2013 for 2014 and later.</p>
<b>Investment Income</b>	<p>At its September 25, 2013 meeting, the NBF Investment Committee directed us to change the investment income assumption from 6.7% annually to using investment income by month. Investment income for January 1, 2014 – April 30, 2015 using actual returns through June 30, 2014 was provided by the NBF's Investment Department on July 11, 2014. In all months after April 2015, we have assumed an investment income return based on the average return of the total NBF for the period May 1, 2014 – April 30, 2015.</p>
<b><u>Benefit Expense</u></b>	
<b>Trend</b>	<p>The projected hospital, medical and prescription drug expenses are based on an annual projection trend of 7.5% applied to estimates of claims incurred in calendar year 2013 with hospital, medical, and prescription drug claims run-out through March 31, 2014. Trend for all other benefit expenses is assumed to be 7.5%.</p>
<b>Plan Changes</b>	<p>Effective April 1, 2014, the following Wage Class III benefits were eliminated:</p> <p>Hospital Care, Hospice Care, Emergency Room Care, Program for Behavioral Health, Surgery, Anesthesia, Maternity Care, and Hearing Aids.</p> <p>Any other Wage Class III benefits that would qualify as Minimum Essential Coverage (MEC) and are not otherwise excepted under the law will be eliminated. Wage Class III members will instead receive a per diem "hospital indemnity" benefit, with the following limitations:</p>

- Member only coverage;
- Payable to members admitted to a hospital;
- Limited to \$200 per day of hospital admission; and
- Limited to a maximum of 10 days per hospital stay.

Wage Class III members will also be eligible for member-only Member Choice dental benefits.

The NBF estimates that the annual savings due to these plan changes will be approximately \$580,000. We have assumed an annual trend of 7.5% for future years.

<b>Medicaid Reclamation Project</b>	The NBF provided information on estimated 2013 hospital, medical, prescription drug, and dental incurred claims as a result of the Medicaid Reclamation project. The estimated 2013 incurred claims of \$13.3 million were added to the 2013 claim base used in the projections.
<b>Public Goods Pool</b>	We have adjusted the 2014 base GME expense to reflect the 0.6% increase in the state's base GME charges between 2013 and 2014. We have assumed an annual trend of 7.5% for future years.
<b>EmblemHealth</b>	Effective January 1, 2013, the EmblemHealth Employer Group Waiver Plan (EGWP) changed from self-insured to fully-insured. We have reflected the 2014 fully-insured rates in the projection. We assumed trend for 2015 and later to be 7.5%.
<b>Humana</b>	We have reflected the 2014 interim payments in the projection. We have assumed an annual trend of 7.5% for future years.
<b>Savings – Cost Containment</b>	Savings from the current MOA were based on the cost savings estimates that were associated with the current collective bargaining agreement. Savings were adjusted for membership changes. Savings for May 2015 and later were assumed to increase by an annual trend of 7.5%.  New cost savings programs for the NBF were assumed to total \$200 million over the first three years of the bargaining period - \$55 million in the first year, \$66 million in the second year, and \$79 million in the third year. We have assumed savings would equal \$79 million for years four and beyond as well.
<b>Fee Schedule Improvements</b>	The prior MOA included a provision that the NBF had \$40 million to facilitate improvements in the physician and dental reimbursement

schedules for the period January 1, 2008 through September 30, 2011. In addition, the current MOA includes a provision that the NBF allocate \$11 million, adjusted by a utilization trend of 3.5%, for improvements in the physician and dental reimbursement schedules for the twelve month period beginning October 1, 2011, with 3.5% utilization trend increases on October 1 each subsequent year. The combination of physician and dental reimbursement schedules for the period January 1, 2008 through September 30, 2011 and for the period October 1, 2011 through April 30, 2015 is \$82.7 million.

The NBF provided estimates on April 19, 2013 for improvements already in place totaling \$37.0 million through April 30, 2015.

We assumed that only the physician fee schedule improvements that are already in place as of March 18, 2014 (dental fee schedule improvements, Modifier 25 emergency room physician fee schedule improvements, and new provider special arrangements contracts) are included for the period July 1, 2014 through April 30, 2015, with a 3.5% annual utilization trend for future years. For 2015 and beyond, we continued the assumption of \$1.0 million of growth annually in new provider special arrangements contracts, adjusted for utilization trend.

In addition to these improvements, we assumed an additional \$11.1 million for January 1, 2015 through December 31, 2015. The total fee schedule improvements are expected to increase by a 3.5% annual utilization trend after December 31, 2015.

In calculating the total costs PMPY used as the baseline for calculating League employer groups Wage Class I caps, we assumed new physician fee schedule improvements of \$3.0 million for May 1, 2015 through April 30, 2016, \$7.0 million for May 1, 2016 through April 30, 2017, and \$11.0 million for May 1, 2017 through April 30, 2018, increasing by a 3.5% annual utilization trend thereafter, rather than the new physician fee schedule improvements described in the previous paragraph.

#### **Administrative Expenses**

2014 administrative expenses are based on the NBF's 2014 operating budget. The actual 2013 general expenses were provided by the NBF. All expenses in future years are assumed to trend at an annual rate of 5%. Note that we have not adjusted the administrative expenses for any changes in the Funds employer group's contributions.

#### **ACA**

These projections also reflect the following plan changes due to the ACA:

- Elimination of the lifetime maximum
- Extension of dependent coverage until age 26, including dental
- Elimination of the lifetime maximum on biotech drugs
- Elimination of the benefit maximum within the first twelve months for newborns
- Change in maximum waiting period for benefits to 90 days

Cumulative increase in actual hospital, medical, and prescription drug claims due to the ACA:

Year	2014	2015	2016	2017	2018
Increase	0.12%	0.22%	0.31%	0.41%	0.50%

These percentages were calculated using data provided by the NBF as well as the Milliman's *Health Cost Guidelines*<sup>TM</sup> (HCGs)<sup>3</sup>. The 2013 claim base used to project claims for 2014 and beyond was increased to account for the difference between our estimates of the impact of the ACA and the preliminary actuals provided by the NBF. We used our low estimates of the elimination of the lifetime maximum on biotech drugs and the elimination of the benefit maximum within the first twelve months for newborns based on estimates provided by the NBF and our middle estimates for the other changes. Dependents to age 26 experience is included in the 2013 claim base so no adjustment was needed.

Per discussions with the NBF, we have assumed that any necessary child coverage required in 2015 or later would be offered under a rider with self-supporting rates so there is no financial impact on the NBF.

In addition, these projections also reflect the following ACA provisions:

- The Patient-Centered Outcome Research per life per year fee of \$2.14 in 2014, increasing by annual trend of 7% thereafter
- The Transitional Reinsurance Program per life per year fee, estimated to be \$63 in 2014. This fee is assumed to cease beginning January 1, 2015.

We have not included any impact of the 40% Excise Tax (i.e., Cadillac Tax) on high cost health plans effective in 2018. The NBF's current

<sup>3</sup> The HCGs are a cooperative effort of Milliman health actuaries and represent a combination of their experience, research and judgment. An extensive amount of data is used in developing the HCGs and that data is updated annually. The cost models consider utilization and average charge levels for roughly 60 benefit categories, and can provide relativities in per capita plan costs between programs of different design, demographics, or geography.

health plan, if unchanged, is projected to avoid an assessment of the Excise Tax through 2018.

#### **Early Retiree Resolution**

Effective October 1, 2014, the NBF will permit early retirees receiving the Early Retiree Benefit the option once only to refuse the current Early Retiree Benefit package and instead opt for a non-MEC benefit package for members and spouses only as follows:

- Vision Care
- A per diem "hospital indemnity" benefit, with the following limitations:
  - Payable to members and spouses admitted to a hospital;
  - Limited to \$200 per day of hospital admission; and
  - Limited to a maximum of 10 days per hospital stay.
- Member Choice dental benefits
- Upon the Early Retiree becoming eligible for Medicare, benefits revert to the retiree health benefits as applicable.

The NBF has estimated that this is a cost neutral offering.

#### **DEVP Audit**

The NBF provided the estimated impact of the DEVP audit. The NBF audited its eligibility and determined 8,818 active dependents were ineligible as of April 24, 2014 and 1,035 retiree dependents were ineligible as of April 30, 2014. The NBF canceled coverage for most of these dependents in February and March 2014. As a result, we have estimated savings of approximately \$14 - \$15 million per year.

#### **Enrollment**

#### **Membership Growth**

Monthly membership information through December 31, 2013 was received from the NBF and was used in our projections. The projected monthly membership beginning January 1, 2014 is equal to the average membership for January 1, 2013 through December 31, 2013. Membership was increased due to Brookdale Hospital rejoining the NBF. Membership information was provided by the NBF. No other changes in the underlying employee population were assumed over the projection period.

## APPENDIX B: MAPPING OF BILLING UNIT TO EMPLOYER GROUP

The mapping below of billing unit to employer group was provided by Barbara Logan.

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
001002 - Bronx Lebanon Hospital Center	Bronx Lebanon	Y	N
001003 - Bronx Lebanon Special Care	Bronx Lebanon NH	Y	Y
001016 - University Consultation Center	N/A	N	N
001018 - Field Home - Holy Comforter	Field Home	N	Y
001019 - Seabury At Field Home	Field Home	N	Y
001035 - Shield Institute	N/A	N	N
001040 - Daughters of Jacob	DOJ	N	N
001041 - Daughters of Jacob (RN)	DOJ	N	N
001044 - Findlay House	DOJ	N	N
001045 - United Odd Fellow & Rebekah Hm	Rebekah	Y	Y
001056 - Beth Abraham Hospital	Centerlight	Y	Y
001058 - Bronx-Lebanon Highbridge-Woodycrest Care Center	Bronx Lebanon NH	Y	Y
001060 - Saint Vincent De Paul	ArchCare	Y	Y
001065 - Montefiore Medical Center	Montefiore	Y	N
001077 - Jewish Home - Kingsbridge	Jewish Home	Y	Y
001083 - Jack D. Weiler Hospital	Montefiore	Y	N
001085 - Community Resource Center For	N/A	N	N
001090 - South Bronx Mental Health Cncl	South Bronx	Y	Y
001099 - Albert Einstein College Of Medicine	Albert Einstein	N	N
001111 - Project Career/Sebnc	N/A	N	N
001113 - Saint Barnabas Hospital	St Barnabas	Y	N
001114 - Saint Barnabas Nursing Home	St Barnabas NH	Y	Y
001115 - Saint Barnabas Hospital (RN)	St Barnabas	Y	N
001116 - Fordham Tremont Community	N/A	N	N
001117 - Prison Health Services	Prison Health	Y	N
001121 - Morningside House N.H. (RN)	Morningside NH	N	N
001122 - Morningside House Nursing Home	Morningside NH	N	N
001123 - New York Dialysis Managment	N/A	N	N
001124 - Kings Harbor Care Center	N/A	N	N
001126 - Martin Luther King, Jr.	N/A	N	N
001128 - Montefiore North	Montefiore	Y	N
001129 - Montefiore North (RN)	Montefiore	Y	N
001150 - Puerto Rican Family Institute	N/A	N	N
001165 - Montefiore Medical Center-School Hlth Program	Montefiore	Y	N
001212 - Vip Community Services, Inc.	N/A	N	N
001271 - Schervier Nursing Care Center	Schervier NH	N	Y



Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
001272 - Hebrew Home-Riverdale	Hebrew Home NH	N	Y
001273 - Hebrew Home-Riverdale (RN)	Hebrew Home NH	N	Y
001274 - Union Community Health Center	St Barnabas	Y	N
001275 - Schervier Nursing Center (RN)	Schervier NH	N	Y
002004 - Terence Cardinal Cooke	ArchCare	Y	Y
002005 - Metropolitan Hospital Div Of	NY Medical College/Metropolitan	Y	N
002030 - Institute for Family Health	N/A	N	N
002031 - Manhattan Maintenance Company	N/A	N	N
002043 - New York Gracie Square	N/A	N	N
002062 - Morrison Health Services At	N/A	N	N
002069 - Mount Sinai Medical Center	Mt Sinai	Y	N
002093 - Lenox Hill Hospital (and 2096)	LIJ	Y	N
002164 - Mary Manning Walsh	ArchCare	Y	Y
002165 - Mary Manning Walsh (RN)	ArchCare	Y	Y
002208 - Northside Center For Child	N/A	N	N
002209 - 1199 Plaza Housing	N/A	N	N
002214 - Ryan-Nena Community Health Ctr	William Ryan	N	N
002215 - New York Blood Center	N/A	N	N
002216 - Hospital Joint Diseases (RN)	NYU	Y	N
002217 - Lenox Hill Neighborhood House	N/A	N	N
002218 - Hospital For Joint Diseases	NYU	Y	N
002220 - Healthport Technologies Llc	N/A	N	N
002221 - iod Incorporated -Copyright NY Presbyterian	N/A	N	N
003001 - New York Downtown	NY Presbyterian	Y	N
003003 - 1199SEIU Benefit & Pension Funds	SEIU Funds	N	N
003004 - Hospital League/Local 1199 Tra & Upg Fund	SEIU Funds	N	N
003005 - Maternity Infant Care	N/A	N	N
003006 - Hospital League/1199 Job Security Fund	SEIU Funds	N	N
003007 - 1199SEIU Labor Management Initiatives, Inc.	SEIU Funds	N	N
003009 - Service Employees Pension Fund	SEIU Funds	N	N
003016 - Greenwich House, Inc.	N/A	N	N
003020 - Rivington House	Village Care	Y	Y
003021 - Rivington House (RN)	Village Care	Y	Y
003039 - Cerebral Palsy Associations	N/A	N	N
003050 - Worksite Wellness Program, Pc	SEIU Funds	N	N
003064 - Beth Israel-Docs	Mt Sinai	Y	N
003066 - Beth Israel-Petrie	Mt Sinai	Y	N
003068 - Beth Israel-Petrie (RN)	Mt Sinai	Y	N
003069 - Robert Mapplethorpe	N/A	N	Y
003075 - Graham-Windham Services	N/A	N	N

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
003084 - New York University/Tisch-Rusk	NYU	Y	N
003085 - New York University/Affiliates	NYU	Y	N
003086 - Nyu Residual And Lab Research Unit	NYU	Y	N
003094 - Legal Aid Society	N/A	N	N
003095 - Federal Defenders of New York	N/A	N	N
003103 - 1199SEIU Funds - Executives	SEIU Funds	N	N
003174 - Saint Luke'S Roosevelt <Lpns>	Mt Sinai	Y	N
003175 - Roosevelt Hospital Medical Ctr	Mt Sinai	Y	N
003195 - Visiting Nurse Service Of Ny	N/A	N	N
003240 - Door, The	N/A	N	N
003245 - Elizabeth Seton Pediatric Center	N/A	N	N
003246 - John A Coleman School	N/A	N	N
003250 - Saint Vincent'S-Manhattan	N/A	N	N
003252 - Comprehensive Cancer Care Cntr	N/A	N	N
003254 - ISS Facility Services at Aptium	N/A	N	N
003255 - SEIU Communications Center, LLC	N/A	N	N
003267 - Community Service Society	N/A	N	N
003268 - 1199SEIU United Healthcare Workers East (and 3999)	N/A	N	N
003269 - Ardeon Realty Corporation	N/A	N	N
003273 - 1199 Seiu Credit Union	N/A	N	N
003276 - New York City Criminal Justice	N/A	N	N
003283 - Bridge, Incorporated	N/A	N	N
003284 - Community Agency For Senior	N/A	N	N
003287 - 1199/Employer Child Care Fund	SEIU Funds	N	N
003289 - 1199/Employer Child Care Fund Corporation	SEIU Funds	N	N
003295 - Ryan/Chelsea - Clinton	William Ryan	N	N
004002 - New York Methodist Hospital	NY Methodist	Y	N
004003 - ARAMark Valet Services-Maimonides	Aramark	Y	N
004004 - Brooklyn Hospital Center	Brooklyn Hospital	Y	N
004006 - Maimonides Medical Center	Maimonides	Y	N
004007 - Bishop Hucles Nursing Home	N/A	N	N
004008 - Staten Island University South	LIJ	Y	N
004009 - Institute For Community Living	N/A	N	N
004010 - Brookdale Hospital	Brookdale Hosp	Y	N
004012 - Brookdale Hospital (RN)	Brookdale Hosp	Y	N
004013 - Lutheran Medical Center	Lutheran	Y	N
004014 - Bayley Seton Hospital (Svcmc)	Richmond University	Y	N
004015 - Mmc Pharmacy, Inc.	Maimonides	Y	N
004017 - Independent Living Association	N/A	N	N
004019 - Sodexo-Suny Health Sciences	N/A	N	N
004020 - Block Institute	N/A	N	N

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
004022 - Saints Joachim And Anne	N/A	N	Y
004023 - Brooklyn-Queens Nursing Home	N/A	N	N
004027 - New York Community Hospital	NY Community	Y	N
004028 - New York Community Hospital Rn	NY Community	Y	N
004030 - Richmond Center for Rehabilitation	N/A	N	N
004031 - Sodexo Healthcare Services	N/A	N	N
004035 - Richmond U. Med Ctr	Richmond University	Y	N
004036 - Richmond U. Med Ctr (Pt)	Richmond University	Y	N
004037 - Richmond U. Med Ctr (Pro)	Richmond University	Y	N
004038 - Community Health Center Of Richmond	N/A	N	N
004044 - Kingsbrook Jewish	Kingsbrook	Y	N
004049 - Physician Affiliate Group of New York	Harlem Hospital	N	N
004050 - Federation of Multicultural Programs, Inc.	N/A	N	N
004055 - Brownsville Multiservice	N/A	N	N
004059 - N&W Agency	N/A	N	N
004060 - Ditmas Park Care Center	N/A	N	N
004061 - Sephardic Home For The Aged	Sephardic	N	N
004062 - Sephardic Home (RN)	Sephardic	N	N
004065 - Confidence Management Systems	N/A	N	N
004070 - Haym Salomon Home For The Aged	N/A	N	N
004080 - Nephrology Foundation	N/A	N	N
004091 - Interfaith Medical Center	Interfaith	Y	N
004093 - Nephro Care Inc.	N/A	N	N
004103 - Schulman Institute For Nursing & Rehab	Schulman NH	Y	Y
004104 - Schulman Institute (RN) For	Schulman NH	Y	Y
004110 - Buena Vida Continuing Care	N/A	N	Y
004114 - Aramark Healthcare Services	Aramark	Y	N
004120 - Ruby Weston Manor	N/A	N	N
004125 - Carmel Richmond Nursing And Rehab Ctr	ArchCare	Y	Y
004134 - Cnr Health Care Network (RN)	Centerlight	Y	Y
004136 - Saint Mary'S Brooklyn	N/A	N	N
004137 - Cnr Health Care Network, Inc.	Centerlight	Y	Y
004138 - University Hospital of Brooklyn	N/A	N	N
004139 - Mercy Home For Children	N/A	N	N
004142 - Staten Island Mental Health	N/A	N	N
004143 - Narco Freedom, Inc.	N/A	N	N
004144 - Woodhull Medical Group, Pc	NYU	Y	N
004150 - Hamilton Park Multicare Center	N/A	N	N
004160 - MMC Holding, INC	Maimonides	Y	N
004167 - Wyckoff Heights Hospital	Wyckoff Heights	Y	N
004168 - Wyckoff Heights Hospital (Wic)	Wyckoff Heights	Y	N

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
004231 - Brooklyn United Methodist Home	N/A	N	Y
004235 - Beth Israel-Kings Highway (RN)	Mt Sinai	Y	N
004236 - Beth Israel-Kings Highway	Mt Sinai	Y	N
004240 - Bensonhurst Center (and 4241)	N/A	N	N
004260 - Eger Health Care Center	Eger NH	Y	Y
004261 - Eger Health Care (RN)	Eger NH	Y	Y
004263 - Staten Island University North	LIJ	Y	N
004265 - Staten Island University	LIJ	Y	N
005004 - South Oaks Hospital	LIJ	Y	N
005005 - Belair Care Center, Inc.	N/A	N	N
005006 - Queens Child Guidance Center	N/A	N	N
005008 - Suffolk Center For Rehab. (Fka Patchogue)	N/A	N	N
005012 - Suffolk Restorative Therapy and Nursing, LLP	N/A	N	N
005013 - Petite Fleur Nursing Home	N/A	N	N
005021 - Flushing Hospital Medical Cntr	Flushing	Y	N
005024 - Hempstead Park Nursing Home	N/A	N	N
005039 - Parker Jewish Geriatric Inst.	Parker Jewish	Y	Y
005043 - United Cerebral Palsy-Suffolk	N/A	N	N
005052 - Apex Rehabilitation And Care Center	N/A	N	N
005053 - Huntington Village Rehab & Nursing Ctr.	N/A	N	N
005059 - Ross Health Care Center, Inc.	N/A	N	N
005070 - Long Island Jewish	LIJ	Y	N
005071 - Southampton Hospital (RN)	Southampton	N	N
005073 - Southampton Hospital	Southampton	N	N
005075 - Israel Senior Citizens	N/A	N	N
005076 - Avalon Gardens	Avalon Gardens NH	N	N
005077 - Avalon Gardens (RN)	Avalon Gardens NH	N	N
005080 - Smithtown Health Care Facility	N/A	N	N
005082 - Eastern Long Island	Eastern Long Island	N	N
005083 - Eastern Long Island (RN)	Eastern Long Island	N	N
005088 - Woodbury Center For Healthcare	N/A	N	N
005090 - Regal Heights Rehabilitation &	N/A	N	N
005097 - Mount Sinai Services At Queens Hospital Ctr(Res)	Mt Sinai	Y	N
005102 - Mount Sinai Services At Elmhurst Hosp.Ctr	Mt Sinai	Y	N
005107 - Cardiff Bay Center, LLC	N/A	N	N
005110 - North Shore-Lij-Forest Hills Uni. Hospital	LIJ	Y	N
005111 - North Shore-Lij-Forest Hills Uni. Hos.(RN)	LIJ	Y	N
005121 - Marquis Care Center	N/A	N	N
005147 - Southside Hospital	LIJ	Y	N
005153 - Glen Cove Center	N/A	N	N
005160 - Joseph P Addabbo Health Center	N/A	N	N

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
005161 - Lynbrook Rehabilitation and Nursing Home	N/A	N	N
005165 - New York Hospital-Queens Medical Center	N/A	N	N
005194 - Dry Harbor Nursing Home	N/A	N	N
005240 - Silvercrest Extended Care	N/A	N	Y
005242 - Morrison Senior Dining Silvercrest Ctr	N/A	N	N
005251 - Cold Spring Hills Center	Cold Spring Hills NH	N	N
005252 - Cold Spring Hills Center (RN)	Cold Spring Hills NH	N	N
005253 - Flushing House	N/A	N	N
005254 - West Lawrence Care Center	N/A	N	N
005255 - Haven Manor Health Care Center	N/A	N	N
005264 - White Oaks Nursing Home	N/A	N	N
005265 - Grace Plaza Of Great Neck, Inc	N/A	N	N
005268 - Saint John'S Episcopal	St Johns Episcopal	Y	N
005269 - Sunrise Manor Nursing Home	N/A	N	N
005270 - Bishop Maclean Episcopal	N/A	N	N
005271 - Central Nassau Guidance	N/A	N	N
005272 - Angelo J. Melillo Center	N/A	N	N
005273 - Southeast Nassau Guidance	N/A	N	N
005274 - North Shore Child & Family Guidance Center	N/A	N	N
005275 - South Shore Child Guidance	N/A	N	N
005276 - Family & Children'S Associates	N/A	N	N
005280 - Holliswood Care Center	N/A	N	N
005281 - Jamaica Hospital Nursing Home (and 8527)	Jamaica NH	Y	Y
005282 - Jamaica Hospital	Jamaica	Y	N
005283 - Holliswood Hospital	Holliswood	N	N
005285 - Helen Keller National Center	N/A	N	N
005286 - Faculty Student Associates at Stony Brook University	N/A	N	N
005289 - Nesconset Nursing Center	N/A	N	N
005290 - Holliswood Hospital (RN)	Holliswood	N	N
005291 - Saint John'S Episcopal (RN)	St Johns Episcopal	Y	N
005292 - Jamaica Hos. Nursing Home (RN)	Jamaica NH	Y	Y
005293 - Jamaica Hospital (RN)	Jamaica	Y	N
005294 - Highland Care Center Inc	N/A	N	N
005295 - React	N/A	N	N
005305 - Jamaica Hospital Medical Center (Patient Escorts)	Jamaica	Y	N
007002 - Sound Shore Medical Center Of	Montefiore	Y	N
007003 - New York Medical College	NY Medical College/Metropolitan	Y	N
007005 - Hebrew Hospital Home-Westchester	Hebrew Hospital Home	N	Y
007006 - Hebrew Hospital Home-Senior Housing	Hebrew Hospital Home	N	Y
007007 - Orange Regional Medical Center	N/A	N	N



Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
007008 - Saint Teresa Nursing Home	N/A	N	N
007012 - Sound Shore Medical Center (Pro)	Montefiore	Y	N
007016 - Children'S Rehabilitation Cntr	N/A	N	N
007020 - Andrus Pavilion Riverside Healthcare	St Johns Riverside	Y	N
007025 - Park Care Pavilion	St Johns Riverside	Y	N
007026 - Park Care Pavilion (RN)	St Johns Riverside	Y	N
007027 - Hudson River Healthcare	N/A	N	N
007029 - Saint Joseph's Medical Center (Mental Health)	St Josephs	N	N
007030 - Saint Joseph's Medical Center	St Josephs	N	N
007031 - Saint Josephs Medical Hospital	St Josephs	N	N
007032 - Malotz Skilled Nursing Pavilion	Malotz	Y	Y
007045 - Lawrence Hospital Center	N/A	N	N
007050 - Nyack Hospital	N/A	N	N
007070 - Good Samaritan Hospital	Bon Secours	N	N
007071 - Glen Island Care Center	N/A	N	N
007075 - Good Samaritan Hospital (RN)	Bon Secours	N	N
007079 - Ramapo Manor Nursing Home	N/A	N	N
007081 - Northern Services Group, Inc.	Northern Manor NH	N	Y
007082 - Northern Manor Geriatric (RN)	Northern Manor NH	N	Y
007085 - Schnurmacher Nursing Home	Centerlight	Y	Y
007090 - White Plains Hospital Center	N/A	N	N
007100 - Saint Luke'S Cornwall Hospital	N/A	N	N
007101 - United Hebrew Geriatric Center	N/A	Y	Y
007102 - Willow Towers	N/A	N	N
007109 - Bon Secours Community	Bon Secours	N	N
007110 - Bon Secours Community (RN)	Bon Secours	N	N
007115 - Cedar Manor, Inc.	N/A	N	N
007117 - Bethel Home	N/A	N	Y
007118 - Bethel Nursing And	N/A	N	Y
007125 - Somers Manor Nursing Home	N/A	N	N
007250 - Ferncliff Nursing Home	ArchCare	Y	Y
007251 - Ferncliff Nursing Home(RN)	ArchCare	Y	Y
007260 - Community Hospital At Dobbs Ferry	St Johns Riverside	Y	N
007261 - Catskill Regional Medical	N/A	N	N
007263 - Northern Westchester Hospital	N/A	N	N
007265 - Vassar College	N/A	N	N
007266 - Vassar Brothers Hospital	N/A	N	N
007267 - Saint Peter'S Cemetery	N/A	N	N
007268 - Marist College	N/A	N	N
007269 - Saint Cabrini Nursing Home	St Cabrini	Y	Y
007270 - Mount Vernon Hospital	Montefiore	Y	N

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
007275 - Lutheran Care Center	N/A	N	Y
007280 - Elant At Goshen, Inc.	Elant	N	Y
007285 - Elant At Newburgh, Inc.	Elant	N	Y
007287 - Glen Arden, Inc.	N/A	N	Y
007290 - Temco Industry Services	N/A	N	N
007295 - Putnam Hospital Center	N/A	N	N
007301 - Good Samaritan Lutheran	N/A	N	Y
007302 - Good Samaritan Lutheran Care Center Adult Home	N/A	N	Y
008352 - Village Center For Care	Village Care	Y	Y
008451 - Mount Sinai Hospital Of Queens	Mt Sinai	Y	N
008452 - Mount Sinai Hospital Of Queens (RN)	Mt Sinai	Y	N
008459 - Franklin Hospital	LIJ	Y	N
008460 - Bay Park Center For Nursing And Rehabilitation	N/A	N	N
008461 - Hebrew Home-Riverdale (144)	Hebrew Home NH	N	Y
008463 - Providence Rest Nursing Home	N/A	N	Y
008465 - Hebrew Hospital Home - Comm. Based Prog.	Hebrew Hospital Home	N	Y
008467 - Jamaica Hospital (144)	Jamaica	Y	N
008470 - North Shore-Lij-Forest Hills	LIJ	Y	N
008480 - Medical Arts Hospital	N/A	N	N
008482 - Menorah Home-Manhattan Beach	N/A	N	Y
008483 - Shorefront Geriatric Center	Boro Park	N	N
008499 - Wartburg Lutheran - Mt Vernon	N/A	N	Y
008500 - Bushwick Center for Nursing and Rehabilitation	N/A	N	N
008506 - Wyckoff Heights Hospital (144)	Wyckoff Heights	Y	N
008507 - Boro Park Center for Rehabilitation	Boro Park	N	N
008508 - New York Westchester Square Med.Ctr	Montefiore	Y	N
008509 - New York Westchester Square Med. Ctr - Pharmacy	Montefiore	Y	N
008510 - Kateri Residence	N/A	N	N
008521 - Brooklyn Hospital Center (144)	Brooklyn Hospital	Y	N
008531 - Augustana Lutheran (144)	Augustana NH	Y	Y
008534 - Saint Patrick'S Home	N/A	N	N
008540 - Hopkins Center for Rehabilitation	N/A	N	N
008550 - North Shore-Lij-Syosset	LIJ	Y	N
008563 - Concourse Rehabilitation And	N/A	N	N
008565 - Westledge Nursing Home	N/A	N	N
008566 - Platinum Health Services	N/A	N	N
008570 - Cabrini Center For Nursing Reh	N/A	N	Y
008580 - Services For The Underserved	N/A	N	N
008582 - Beth Israel-Kings Highway (144)	Mt Sinai	Y	N
008590 - Sarah Neuman Nursing Home	Jewish Home	Y	Y
008591 - Sarah Neuman Nursing Home (RN)	Jewish Home	Y	Y

Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
009017 - Safety Building Cleaning Corp	N/A	N	N
009085 - Jewish Home - Central House	Jewish Home	Y	Y
009086 - Jewish Home - Aged Central House	Jewish Home	Y	Y
009097 - Physicians Affiliate Group of New York-Harlem	Harlem Hospital	N	N
009109 - New York Presbyterian Hospital	NY Presbyterian	Y	N
009110 - William F Ryan Community	William Ryan	N	N
009111 - Columbia University Cafeteria	Columbia	N	N
009116 - Greater Harlem Nursing Home	Greater Harlem	N	N
009123 - Saint Mary'S Episcopal Center	N/A	N	Y
009138 - Columbia University Clericals	Columbia	N	N
009146 - Yeshiva University	N/A	N	N
009152 - Amsterdam Nursing Home Corp	N/A	N	Y
009153 - Saint Luke'S Hospital	Mt Sinai	Y	N
009154 - Isabella Geriatric Center	Isabella	Y	Y
009155 - Isabella Geriatric Center (RN)	Isabella	Y	Y
009160 - Incarnation Children's Center	N/A	N	N
012046 - Bronx Prescription Ctr South	N/A	N	N
012174 - Westchester Pharmacy	N/A	N	N
012206 - Cir-Kort Pharmacy Incorporated	N/A	N	N
012223 - Parkchester Pharmacy Parkchester Health Ctr	N/A	N	N
012246 - Vlv Med Pharmacy Inc	N/A	N	N
012248 - Community Rx, Inc.	N/A	N	N
012271 - Neighborhood Pharmacy Inc	N/A	N	N
012283 - White Plains Road Pharmacy	N/A	N	N
013003 - Rx 2000, Inc	N/A	N	N
013006 - Arrow Pharmacy Incorporated	N/A	N	N
013034 - Hartley Pharmacy	N/A	N	N
013061 - One Thirty Nine Pharmacy	N/A	N	N
013109 - Gallery Drugs	N/A	N	N
013115 - New Amsterdam Drug Mart, Inc.	N/A	N	N
013200 - Manhattan Physicians Group	N/A	N	N
013209 - Lenox Hill Health Network	N/A	N	N
013228 - East Harlem Council For Human Services - Prof.	N/A	N	N
014011 - J & A Drug Inc DbA	N/A	N	N
014017 - Great Atlantic & Pacific Tea Company	N/A	N	N
014018 - Great Atlantic & Pacific Company	N/A	N	N
014042 - Health Point Drugs, Inc.	N/A	N	N
014095 - Evans Fine Drug Store	N/A	N	N
014100 - A & S Pharmacy	N/A	N	N
014101 - New Lots Pharmacy, Inc.	N/A	N	N
014151 - New London Pharmacy	N/A	N	N



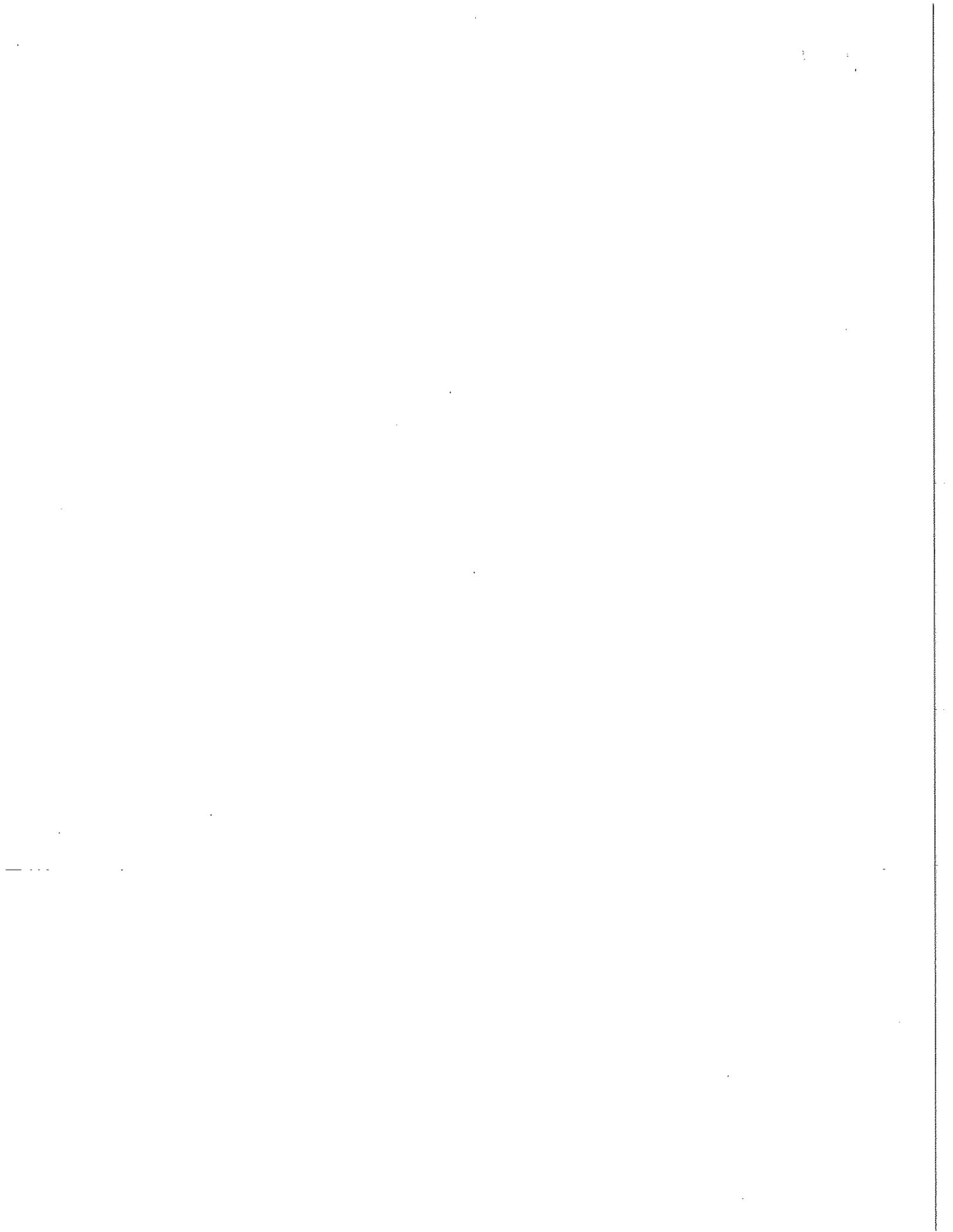
Billing Unit	Employer Group	League Indicator	Not-for-Profit Nursing Home Indicator
014205 - Bedford Williamsburg Center	N/A	N	N
014230 - Scarpa Pharmacy	N/A	N	N
014237 - Health Insurance Plan Pharmacy Employees	N/A	N	N
014267 - Bendiner & Schlesinger, Inc.	N/A	N	N
014298 - S & T Pharmacie Inc	N/A	N	N
014350 - Mil Rue Pharmacy	N/A	N	N
014370 - Raees Pharmacy	N/A	N	N
014404 - Sims Pharmacy Incorporated	N/A	N	N
014405 - Kala Pharmacy	N/A	N	N
014420 - East Harlem Council For Human Services -School	N/A	N	N
015079 - Vanderveer Pharmacy	N/A	N	N
015084 - M & M Pharmacy	N/A	N	N
015091 - Park Surgical Drug	N/A	N	N
015153 - Kings Highway Center	N/A	N	N
015154 - Beach Haven Pharmacy	N/A	N	N
015184 - Variety Mart Inc	N/A	N	N
015210 - Waldinger'S Prescr Phcy, Inc	N/A	N	N
015234 - Avenue X Pharmacy	N/A	N	N
015255 - Ideal Pharmacy Inc	N/A	N	N
015258 - Marben Pharmacy	N/A	N	N
016034 - Zeba Drugs	N/A	N	N
016048 - Franhill Drugs Inc	N/A	N	N
016065 - Dutch Broadway Pharmacy	N/A	N	N
016089 - Square Pharmacy	N/A	N	N
016096 - Estates Pharmacy Inc	N/A	N	N
016185 - Thriftway Far Rockaway Drug Co	N/A	N	N
016195 - Queens-Long Island Medical Group-Laguardia	N/A	N	N
016199 - Queens-Long Island Medical Group-Nassau	N/A	N	N
016303 - Vernon Boulevard Pharmacy	N/A	N	N
017020 - Nordon Drug Co	N/A	N	N
017025 - Caliber Enterprises, Inc.	N/A	N	N
017094 - Wyandanch Drugs	N/A	N	N
017199 - Rite Aid - Capital District	N/A	N	N
017200 - Rite Aid Corporation - Ny	N/A	N	N
017201 - Rite Aid Corporation - Nj	N/A	N	N
022000 - 1199Seiu United Healthcare-AETNA	N/A	N	N
035007 - Nathan Littauer Hospital	N/A	N	N
041023 - Chapin Home For The Aging	N/A	N	N
041201 - Peconic Bay Medical Center	N/A	N	N
041202 - North Shore-Lij-Plainview	LIJ	Y	N
041203 - Saint Joseph Hospital	St Josephs	N	N

<b>Billing Unit</b>	<b>Employer Group</b>	<b>League Indicator</b>	<b>Not-for-Profit Nursing Home Indicator</b>
041600 - Confidence Management-Garden Care Center	N/A	N	N
041601 - Hudson Pointe At Riverdale Center	N/A	N	N
041602 - Margaret Teitz Center	Centerlight	Y	Y
041603 - Woodhaven Nursing Home (and 41623)	N/A	N	N
041605 - Garden Care Center	N/A	N	N
041614 - Andrus On Hudson	Andrus on Hudson	N	Y
041624 - Andrus-on-Hudson (LPN)	Andrus on Hudson	N	Y
088889 - League/1199 Seiu Training &	SEIU Funds	N	N
088898 - Albert Einstein College Of Medicine Job Sec Fund	Albert Einstein	N	N
088899 - Hospital League/1199 Job Security Fund Students	SEIU Funds	N	N
Rutland Nursing Home (rep w/ Kingsbrook)	Rutland	Y	Y
Schaffer Extended Care (rep w/ New Rochelle)	Schaffer	Y	Y
St Barnabas NH RN (rep w/ Hosp RNs)	St Barnabas NH	Y	Y



**APPENDIX C: TIMING CHART**

Contract Year	Contributions Due	Wage and Eligibility Data Used for Projection (incurred basis)	Calculation Components (paid basis)	NBF Will Provide Milliman Data By	Milliman Will Provide Calculations to NBF By	NBF Will Mail Rates to Employers By	First Payment of New Rate Due
Year One	Jan 2015 to Sep 2015	Jul 2013 to Jun 2014	Jan 2015 to Sep 2015 - projected Oct 2014 to Dec 2014 - preliminary reconciliation	10/1/2014	11/1/2014	12/1/2014	1/30/2015
Year Two	Oct 2015 to Sep 2016	Apr 2014 to Mar 2015	Oct 2015 to Sep 2016 - projected May 2015 to Sep 2015 - preliminary reconciliation Oct 2014 to Apr 2015 - final reconciliation	7/1/2015	8/1/2015	9/1/2015	10/30/2015
Year Three	Oct 2016 to Sep 2017	Apr 2015 to Mar 2016	Oct 2016 to Sep 2017 - projected May 2016 to Sep 2016 - preliminary reconciliation Oct 2015 to Apr 2016 - final reconciliation	7/1/2016	8/1/2016	9/1/2016	10/30/2016
Year Four	Oct 2017 to Sep 2018	Apr 2016 to Mar 2017	Oct 2017 to Sep 2018 - projected May 2017 to Sep 2017 - preliminary reconciliation Oct 2016 to Apr 2017 - final reconciliation	7/1/2017	8/1/2017	9/1/2017	10/30/2017





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October 21, 2014

Board of Trustees  
1199SEIU Health Care Employees Pension Fund  
c/o Ms. Mitra Behroozi, Executive Director  
330 West 42nd Street  
New York, NY 10036-6977

**Re: 1199SEIU Health Care Employees Pension Fund -  
Minimum Required Contribution Rate**

Dear Trustees:

We have reviewed the 2014 Memorandum of Agreement between the League of Voluntary Hospitals and Homes of New York and 1199SEIU Healthcare Workers East ("July 2014 MOA") with respect to the required contribution rate to the 1199SEIU Health Care Employees Pension Fund ("Pension Fund"). The July 2014 MOA covers the period October 1, 2014 through September 30, 2018 and provides that the contribution rate to the Pension Fund will be:

Period	League Employers Required Contribution Rate
October 1, 2014 – December 31, 2014	11.25%
January 1, 2015 – December 31, 2015	10.83%
January 1, 2016 – January 31, 2017	11.25%
February 1, 2017 – September 29, 2018	10.00%
September 30, 2018	15.80%

We have also reviewed the rates for the Non-League Employers in the following table during the same time period, submitted to us by the union for inclusion in proposed bargaining agreements between 1199SEIU United Health Care Workers East and Non-League Employers. Those rates will be:

Period	Non-League Employers Required Contribution Rate
October 1, 2014 – December 31, 2014	11.25%
January 1, 2015 – December 31, 2015	10.22%
January 1, 2016 – January 31, 2017	10.76%
February 1, 2017 – September 29, 2018	10.76%
September 30, 2018	15.80%



In order for the Trustees to consider this proposed combination of contribution rates, we have completed a projection of Fund assets and liabilities reflecting the proposed contribution rates shown above based upon the January 1, 2014 valuation of the Fund and assuming a 7.75% rate of return on Fund assets in 2014 and each future year and have concluded that the Fund is projected to remain green (i.e., neither Critical nor Endangered) through the period covered by the July 2014 MOA. [Note: This conclusion assumes that the provisions of the Pension Protection Act of 2006 applicable to multi-employer pension plans, now scheduled to sunset at the end of 2014, are extended in substantially the same form for the period covered by the July 2014 MOA.] On this basis, we confirm that the plan continues to be funded on an actuarially sound basis during this period.

The Industry Activity Assumption used in this projection is the same as that used in the 2014 PPA Zone Certification, filed with the Internal Revenue Service on March 28, 2014. The projection uses the same plan provisions, census data and actuarial assumptions and methods as used in the January 1, 2014 actuarial valuation of the Pension Fund, which are unchanged from those used in our January 1, 2013 actuarial valuation (except for the interest rate and mortality used for the determination of Current Liability) as described in our Actuary's Report dated November 22, 2013. Those assumptions were developed and supported by the 2012 Experience Study of Fund recent demographic and economic experience. All statements of reliance and limitations in that Report also apply to this analysis.

We are available to respond to any questions regarding our analysis of the proposed change in contribution rate.

Cordially,

Kenneth L. Friedman, F.S.A., E.A., M.A.A.A., F.C.A.  
Consulting Actuary

/klf

c: Jeff Stein, Esq.  
Tom Helfrich, Esq.  
Dan Ratner, Esq.