

New York State  
Nurses Association  
Benefits Fund



2015

Annual Report

# Summary Annual Report - 2015

**This is a summary of the annual report of the New York State Nurses Association Benefits Fund**, EIN 23-7336001, Plan No. 501, for the period January 1, 2015, through December 31, 2015. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The New York State Nurses Association Benefits Fund has committed itself to pay hospitalization, medical, dental, prescription drug, vision, short- and long-term disability, life insurance, and accidental death and dismemberment claims incurred under the terms of the plan.

## **Insurance Information**

The plan had contracts with Hartford Life Insurance Company to pay short-term disability, life insurance, and accidental death and dismemberment; and Davis Vision Inc. to pay vision claims incurred under the terms of the plan. The total premiums paid for the plan in the year ending December 31, 2015, were \$1,731,504.

## **Basic Financial Statement**

The value of plan assets, after subtracting liabilities of the plan, was \$85,911,822 as of December 31, 2015, compared to \$91,472,143 as of January 1, 2015. During the plan year, the plan experienced a decrease in its net assets of \$5,560,321. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$212,433,289, including employer contributions of \$211,535,553, employee contributions of \$1,895,582, and earnings from investments of -\$997,846.

Plan expenses were \$217,993,610. These expenses included \$13,809,682 in administrative expenses and \$204,183,928 in benefits paid to participants and beneficiaries.\*

## **Your Right To Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Transactions in excess of 5 percent of the plan assets;
5. Insurance information, including sales commissions paid by insurance carriers; and
6. Information on payments to service providers.

To obtain a copy of the full annual report, or any part thereof, write the office of Ronald F. Lamy, who is Chief Executive Officer, New York State Nurses Association Benefits Fund, P.O. Box 12430, Albany, NY 12212-2430, (518) 869-9501. The charge to cover copying costs will be \$2.50 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (New York State Nurses Association Benefits Fund, 3 Pine West Plaza, Washington Ave. Ext., Albany, NY 12205) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Ave. N.W., Washington, D.C. 20210.

\*These figures may differ from the financial statements due to differences in required presentation formats.

# Statements of Benefit Obligations and Net Assets Available for Benefits December 31, 2015 and 2014

	2015	2014
<b>Benefit obligations</b>		
Claims reserve	\$ 26,890,000	\$ 22,583,000
Self-funded benefits payable	4,698,532	5,224,527
<b>Total benefit obligations</b>	<b>31,588,532</b>	<b>27,807,527</b>
<b>Assets</b>		
Investments, at fair value:		
Money market mutual funds	61,073	61,004
Bond mutual funds	50,463,734	73,421,718
Equity mutual funds	39,673,777	24,713,708
	90,198,584	98,196,430
Cash and cash equivalents	19,823,465	18,705,759
Employer contributions receivable, net	3,393,394	1,985,700
Pharmaceutical rebates receivable	5,044,336	1,430,676
Furniture, fixtures, office equipment, at cost, less accumulated depreciation of \$611,152 and \$573,519 at Dec. 31, 2015 and 2014, respectively	83,981	106,154
Other assets	217,766	210,812
<b>Total assets</b>	<b>118,761,526</b>	<b>120,635,531</b>
<b>Liabilities</b>		
Accounts payable and other liabilities	1,261,172	1,355,861
<b>Total liabilities</b>	<b>1,261,172</b>	<b>1,355,861</b>
<b>Net assets available for benefits</b>	<b>117,500,354</b>	<b>119,279,670</b>
<b>Excess of net assets available for benefits over benefit obligations</b>	<b>\$85,911,822</b>	<b>\$91,472,143</b>

## Statements of Changes in Benefit Obligations and Net Assets Available for Benefits December 31, 2015 and 2014

	2015	2014
<b>Change in benefit obligations</b>		
Increase in claims reserve	\$ 4,307,000	\$ 943,000
Increase (decrease) in self-funded benefits payable	(525,995)	(664,805)
<b>Increase in benefit obligations</b>	<u>3,781,005</u>	<u>278,195</u>
<b>Additions to net assets</b>		
Contributions:		
Employer contributions	211,535,553	206,102,756
Participant COBRA contributions	1,895,582	1,646,385
	<u>213,431,135</u>	<u>207,749,141</u>
<b>Investment income</b>		
Net (depreciation) appreciation in fair value of mutual fund investments	(2,595,476)	1,262,750
Interest and dividends	1,597,630	1,300,154
	<u>(997,846)</u>	<u>2,562,904</u>
Investment expenses	(52,000)	(52,000)
Net investment (loss) income	<u>(1,049,846)</u>	<u>2,510,904</u>
<b>Total additions to net assets</b>	<u>212,381,289</u>	<u>210,260,045</u>
<b>Deductions from net assets</b>		
Benefit payments for self-funded programs:		
Medical	155,806,498	150,443,948
Dental	10,080,057	9,891,097
Pharmaceutical	30,724,276	30,875,587
Short-term and long-term disability	2,060,588	2,020,637
	<u>198,671,419</u>	<u>193,231,269</u>
Insurance premiums:		
Medical and vision insurance premiums	578,325	550,962
Life, accidental death and dismemberment, and short-term disability insurance premiums	1,153,179	1,112,883
	<u>1,731,504</u>	<u>1,663,845</u>
Administrative service fees:		
Medical	9,559,596	8,556,768
Dental	424,390	411,989
Pharmaceutical	309,143	215,636
	<u>10,293,129</u>	<u>9,184,393</u>
Professional fees:		
Actuarial and consulting	703,430	855,563
Legal	137,022	196,265
Audit	50,610	53,200
	<u>891,062</u>	<u>1,105,028</u>
Administrative expenses:		
Salaries and related taxes	1,419,097	1,356,725
Employee benefits	509,470	500,996
Fiduciary premiums	34,983	34,787
Rent	130,672	131,561
Trustee and office staff travel	51,091	44,263
Data processing	62,789	63,298
Office supplies, postage, and other	365,389	484,436
	<u>2,573,491</u>	<u>2,616,066</u>
<b>Total deductions from net assets for plan benefits</b>	<u>214,160,605</u>	<u>207,800,601</u>
<b>Net (decrease)increase to net assets available for plan benefits</b>	<u>(1,779,316)</u>	<u>2,459,444</u>
<b>(Decrease) increase in excess of net assets available for plan benefits over benefit obligations</b>	<u>(5,560,321)</u>	<u>2,181,249</u>
<b>Excess of net assets available for plan benefits over benefit obligations:</b>		
Beginning of year	91,472,143	89,290,894
End of year	<u><b>\$ 85,911,822</b></u>	<u><b>\$ 91,472,143</b></u>

## Participating Employers in 2015

Albert Einstein College of Medicine  
of Yeshiva University  
A.O. Fox Memorial Hospital  
The Brooklyn Hospital Center  
Bronx-Lebanon Hospital Center  
Bronx-Lebanon Special Care Center  
Cabrini of Westchester  
Catskill Regional Medical Center  
Centerlight Healthcare  
County of Sullivan  
County of Westchester  
Flushing Hospital Medical Center  
Gracie Square Hospital  
Interfaith Medical Center  
Kingsbrook Jewish Medical Center  
Maimonides Medical Center  
Montefiore Nyack Hospital  
The Mount Sinai Hospital  
Mount Sinai St. Luke's Hospital  
Mount Sinai West  
Nephro Care, Inc.  
The New Jewish Home  
New York Dialysis Management, Inc.  
New York Dialysis Services, Inc.  
New York Dialysis Services, Inc./ABC  
New York Methodist Hospital  
New York Presbyterian Hospital  
New York State Nurses Association Pension Plan  
and Benefits Fund  
Parker Jewish Institute for Health Care  
and Rehabilitation  
Peconic Bay Medical Center  
Richmond University Medical Center  
Southside Hospital  
St. John's Riverside Hospital  
St. Joseph Hospital  
St. Vincent's Hospital/Opioid Treatment Center  
St. Vincent's Westchester  
Staffco of Brooklyn, LLC  
Staten Island University Hospital – North  
Syosset Hospital  
Terence Cardinal Cooke Health Care Center  
Union Community Health Center  
US Family Health Plan  
Vassar Brothers Hospital  
The Visiting Nurse Association Health Care  
Services, Inc.  
Wyckoff Heights Medical Center

# Trustees Serving in 2015

(Includes Trustees who served a partial term)

## NYSNA Trustees

John Barrett

NYSNA

Jill Furillo

NYSNA

Nancy Hagans

Maimonides Medical Center

Patricia Leo Holloman, RN

The Mount Sinai Hospital

Nancy Kaleda

NYSNA

Patricia Kane

Staten Island University Hospital

Betty Ann Lynch, RN

Mt. Sinai-St. Luke's Hospital

Ari Moma, RN

Interfaith Medical Center

Allyson Selby, RN

New York Methodist Hospital

Mary Ellen Warden

Mount Sinai West

## Employer Trustees

Dennis Buchanan

New York Methodist Hospital

Jeffrey Cohen

The Mount Sinai Hospital

Ben Fernandez (Alternate Trustee)

Montefiore Medical Center

Sheila Garvey

Flushing Hospital Medical Center

Rebecca Gordon

North Shore Long Island Jewish  
Health System

Howard Green

Howard Green Consulting

Marc J. Leff

St. John's Riverside Hospital

Bruce McIver

League of Voluntary Hospitals

Guy Mennonna (Alternate Trustee)

Brooklyn Hospital Center

Ronald Phillips

New York Presbyterian Hospital

Stacie Williams

New York Presbyterian Hospital