

05/20/2016

Dear Council Member,

The following summarizes the series of events regarding decisions made about National Union of Public Workers Medical Insurance.

On February 08, 2016, the Executive Committee of National Union of Public Workers met with the then Chairman (Bro. Cedric Murrell) and Agency Manager (Sis. Grace Hall) of the NUPW Insurance Inc., when a recommendation was put forward that the Board be reduced to five members and the selected names were submitted. Note must be made here that no mention was made about the tenuous state of the insurance plan and ICBL's position at this time.

Further, on February 25, 2016 an Annual General Meeting (AGM) meeting of the Board was held, yet there was no disclosure on the performance of the plan. Instead, the President, Akanni Mc Dowall (representative of the shareholder – national council) was informed by Bro. Cedric Murrell that the company was doing well, since the company had moved from a loss making position of (\$68,468) in 2014 to a profit making position of \$77,619 in 2015. He was further informed that current board members requested to continue on the board. However, new names for the board were submitted for period April 1st 2016 – March 31st 2019.

It is noted that the new board members were chosen based on the recommendation of the Executive, since a meeting called for Council on the 23<sup>rd</sup> February 2016 (**2 days before the AGM**) to ratify the names was not quorate.

By March 23<sup>rd</sup> 2016, Bro. Cedric Murrell called a meeting of the policyholders of the insurance plan and at this meeting an opportunity was sought by the President, Bro. Akanni McDowall to address the audience, but he was denied and asked to leave, because he was not a member of the plan.

Subsequently, a meeting of National Council was called on March 31<sup>st</sup>, 2016 when there was some contention about the selection of new members to serve on the Insurance Inc. Board.

However, on April 07, 2016 another meeting of Council was convened when the above matter was laid to rest as the new members were ratified. This was after the General Treasurer and sitting member of the Insurance Inc. Board, Bro Asokore Beckles well informed the council, and justifiably so, about the untenable position of the Insurance Inc. which he was made aware of at a meeting of the former Board. The position put before the Council was that the shareholder was well in its right not to entrust any further confidence in that Board. What is fundamental to this position is that ICBL declared in a recent newspaper article that they had given notice to NUPW of their termination of coverage of the plan since January, 2016. Some Board members and the Shareholder only knew in March, 2016.

Therefore, one of the main considerations was that the then Board failed to inform the shareholder in a timely manner on the state of affairs of the Insurance plan. Yet another consideration was that the then Agency Manager, Sis. Hall had resigned, and was believed to be taking up employment with Capita - at a moment most critical to the survival of the NUPW Insurance plan. Council further deliberated that Capita the company with whom NUPW was considering negotiating - would now employ Ms. Hall who shared a familial relationship with Bro Murrell. This represented a potential conflict of interest.

National Council thereby made some pivotal decisions:

- The NUPW Insurance Inc. will continue to be the entity to negotiate the plan on behalf of its members and therefore will provide Council with options of providers and a list of potential brokerage firms.
- An advertisement to be placed in the news media notifying members of the plan of a meeting to discuss the plan and the Secretariat to facilitate the process by calling all members.
- The NUPW to place another ad in the news media informing that the former Board would no longer have permission to conduct business on behalf of NUPW
- Decisions after April 1<sup>st</sup>, 2016 by the former Board would be null and void as the newly constituted Board would take effect from the aforementioned date.

Consequently, the Executive Committee on April 15, 2016 had its first meeting with Guardian as one of the potential providers recommended by the new Board.

In defiance, on April 22, 2016 a meeting was called by the former Chairman of the Board, Bro. Murrell for members of the plan against the background that Council had made its decision as stated previously.

By April 26, 2016 the new Board engaged in further negotiations this time with Sagicor and by April 27<sup>th</sup> 2016, the New Chairman (Bro. Tyrone Lowe) convened a meeting. This meeting was convened to essentially show the rates negotiated by the former board indicating that those rates were not necessarily the best option but better options were forthcoming as negotiations were ongoing.

In further defiance, on April 29, 2016 another meeting was convened with members of the plan, this time with Bro. Murrell declaring that he was acting as a member of the plan.

Nevertheless, in an effort to continue its negotiations the NUPW Insurance Inc. Board met with Capita on May 03, 2016.

On May 05, 2016 a special Council meeting was convened and chaired by the 1<sup>st</sup> Vice President in the absence of the President, where Capita was given an

opportunity to present their proposal before the Council. Unfortunately, that equal opportunity was not afforded the Chairman of the Insurance Inc. to present the Board's proposal and therefore could not fulfill the mandate as entrusted to them by the said Council previously. As a result, the Council made an ill-informed decision to accept Capita as the Broker and Sagicor as the provider to carry NUPW's Insurance plan.

Moreover, on May 10, 2016, Sagicor initiated a meeting with representatives of the NUPW to discuss the decision made by the Council and expressed the company's displeasure in the NUPW publicly committed them via news media without formalizing an agreement.

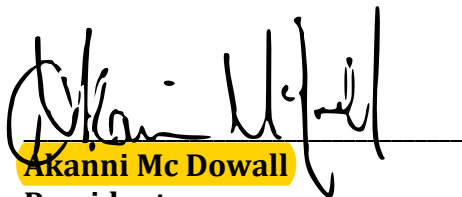
In conclusion, The President sought to inform the membership of the developments relating to the company and the plan as decided by Council. However, he was never given an opportunity to speak, as representative of the shareholder. Unfortunately, although Council would have made a number of decisions, the General Secretary never implemented some of those decisions.

As a result, a number of meetings were held between the Past Chairman and policyholders, which were not sanctioned by Council.

At a council meeting chaired by the 1st Vice President, the new Chairman of the board was never given an opportunity to present his proposals to Council. As a result, Council made an ill-informed decision to accept Capita as the Broker and Sagicor as the provider to carry NUPW's Insurance plan.

It is noted that at no time throughout the process did President, Akanni Mc Dowall make any unilateral decisions in relation to plan.

Solidarity



**Akanni Mc Dowall**  
**President**  
**National Union of Public Workers**

**NB** Please see attached rates negotiated by Capita & NUPW Insurance Inc.

Rates negotiated by Capita

Sagacor

GenCAPE Advantage Gr

5.4. Estimated Monthly CostsOPTION 1: Major Medical Maximum - \$1,000,000.00; Medical Deductible - \$500.00

Benefits	Members Under Age 66			
	Employee	Employee & Child	Employee & Spouse	Employee & Family
Lives	1016	120	148	112
Medical	169.75	271.60	322.50	441.35
Dental	25.70	41.10	48.85	74.55
Vision	27.95	44.70	53.10	72.65
<b>Total Health</b>	<b>223.40</b>	<b>357.40</b>	<b>424.45</b>	<b>588.55</b>
<b>Total</b>	<b>226,974.40</b>	<b>42,888.00</b>	<b>62,818.60</b>	<b>65,917.60</b>
<b>TOTAL MONTHLY PREMIUM</b>				<b>398,598.60</b>

Benefits	Members Over Age 66 & Retirees			
	Employee	Employee & Child	Employee & Spouse	Employee & Family
Lives	376	0	116	0
Medical	237.65	380.25	451.55	617.90
Dental	36.00	57.60	68.40	104.40
Vision	39.15	62.65	74.40	101.80
<b>Total Health</b>	<b>312.80</b>	<b>500.50</b>	<b>594.35</b>	<b>824.10</b>
<b>Total</b>	<b>117,612.80</b>	<b>0.00</b>	<b>68,944.60</b>	<b>0.00</b>
<b>TOTAL MONTHLY PREMIUM</b>				<b>186,557.40</b>

**RATES NUPWIAI NEGOTIATED**

Sagicor rates

SAGICOR						
Benefits	Members Under Age 66			Members Over Age 66 & Retirees		
	Single	Couple	Family	Single	Couple	Family
No. of Lives	996	274 Text	110	376	116	0
Medical	\$119.53	\$214.45	\$300.25	\$150.14	\$300.73	\$376.03
Dental	\$15.98	\$28.62	\$40.09	\$20.04	\$40.14	\$50.20
Vision	\$15.72	\$28.20	\$39.54	\$19.77	\$39.61	\$49.52
<b>Total Health</b>	<b>\$151.23</b>	<b>\$271.27</b>	<b>\$379.88</b>	<b>\$189.95</b>	<b>\$380.48</b>	<b>\$475.75</b>
<b>Total</b>	<b>\$150,629.94</b>	<b>\$74,328.62</b>	<b>\$41,786.92</b>	<b>\$71,419.35</b>	<b>\$44,135.71</b>	<b>\$0.00</b>
<b>TOTAL MONTHLY PREMIUM</b>			<b>\$382,300.54</b>			

Benefit comparison with Sagicor to the existing