The work that we do to care for more than 40,000 lives
Working people and families across our nation face uncertainty every day. Workers worry about whether they will be able to afford or maintain their health coverage, retire with financial security, keep their jobs or pay for safe, nurturing child care for their children while they are at work. At our 1199SEIU Greater New York Funds, we work hard every day to help ensure our members can care for their residents without these worries.

This report highlights our 1199SEIU Greater New York Benefit and Pension, Training and Employment and Child Care Funds’ 2012 achievements. Included are the details about the work that we do throughout the year to care for more than 40,000 lives—those of our nursing home workers, retirees and their families—and to make a difference in our industry. We have also included firsthand accounts from just a few of the members who have taken advantage of the benefits our Funds offer.

Of course, all of the accomplishments we highlight in the following pages are only a part of what we do to provide 1199SEIU members with comprehensive health coverage, new skills and opportunities on the job, affordable, dependable child care and security in retirement. We hope you enjoy reading about this important work and some of the unique, innovative programs and services we offer to support our members and meeting some of the members whose lives it has changed.

Sincerely,

Mitra Behroozi
Benefit and Pension Funds

Deborah King
Training and Employment Funds

Vivian Fox
Child Care Funds
1199SEIU Greater New York Benefit Fund

Highlights

Our 1199SEIU Greater New York Benefit Fund (GNYBF) covers 45,000 healthcare workers, retirees and family members with comprehensive health and quality of life benefits. The GNYBF offers a range of quality health benefits including medical, hospital, prescription, mental health, dental and vision benefits, totaling more than $150 million each year. In addition, our members receive ancillary benefits like wellness and social assistance programs. We make it a priority to manage our plan with an eye toward value, focusing on maximizing every dollar for our members’ benefit. As a result, our GNYBF provides more coverage for less money than a commercial health plan.

OUR COVERED LIVES

Members: 21,527
Dependents: 20,569
Retirees: 2,721
Total Lives: 44,817

SCHEDULE OF BENEFITS

In 2012, we spent $156.4 million on our members’ comprehensive coverage.

<table>
<thead>
<tr>
<th>Category</th>
<th>Cost (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>$65.6</td>
</tr>
<tr>
<td>Medical</td>
<td>$45.8</td>
</tr>
<tr>
<td>Prescriptions</td>
<td>$18</td>
</tr>
<tr>
<td>Laboratory and X-ray</td>
<td>$10.1</td>
</tr>
<tr>
<td>Dental</td>
<td>$4.4</td>
</tr>
<tr>
<td>Surgical</td>
<td>$7.8</td>
</tr>
<tr>
<td>Anesthesia</td>
<td>$3.7</td>
</tr>
<tr>
<td>Life Insurance premiums</td>
<td>$429.606</td>
</tr>
<tr>
<td>Amalgamated AD&amp;D insurance</td>
<td>$67.573</td>
</tr>
<tr>
<td>Vision care</td>
<td>$174,914</td>
</tr>
<tr>
<td>Other*</td>
<td>$387,524</td>
</tr>
</tbody>
</table>

2012 Total: $156.4 Million

*Other* includes EFC, citizenship and wellness programs; and retiree activities. Totals do not include claims incurred but not yet paid.

Note: For detailed information, please request Milliman’s Actuarial Report from the Fund.

BENDING THE COST CURVE

The GNYBF has traditionally kept our cost trends below national averages. In the past two years, these trends have been even lower due to the effect of the 2010 Arbitration Award, which for the first time required modest co-pays for members and a weekly premium for spousal coverage. As a result, since 2001, the GNYBF’s costs have risen only 66.4%, while nationally, healthcare costs have risen by 146.5%.

MAXIMIZING OUR HEALTHCARE DOLLARS

The Fund’s actuaries predict that the current contract’s programs and new members’ cost share will save the GNYBF $25.38 million by September 2014, exceeding by $4.88 million the $20.5 million goal mandated by the 2010 Arbitration Award. In light of these savings, the Industry Arbitrator issued a new Award, which delayed the scheduled employer contribution increase and lowered member co-pays.

From 2004 to the end of the current contract in 2014, the GNYBF’s cost-containment programs will save $141 million – lowering benefit costs by 13.6%.

2012 Cost Containment Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Savings (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacy</td>
<td>$1.79</td>
</tr>
<tr>
<td>Utilization Management</td>
<td>$0.66</td>
</tr>
<tr>
<td>Lab/Radiology</td>
<td>$0.18</td>
</tr>
<tr>
<td>Wraparound Network</td>
<td>$1.56</td>
</tr>
<tr>
<td>Other Programs</td>
<td>$0.04</td>
</tr>
</tbody>
</table>

Total 2012 Savings: $4.23 Million

Note: Cost savings, trends and family of four healthcare costs refer to members employed in New York who are covered by the GNYBF’s self-administered plan. The remaining statistics include an additional 2,922 members employed in New Jersey and their dependents, who receive a separate benefit package administered through Aetna.
WELLNESS PROGRAMS

We understand that supporting a healthy, productive workforce means more than just providing affordable, accessible health coverage.

Our Wellness Department helps members improve both their physical and mental well-being. In 2012, our worksite clinics; health fairs; health awareness days; and wellness, nutrition, stress management, crisis intervention and prenatal workshops served 1,900 members. Our personalized Health Coaching service connected with close to 3,500 members with chronic conditions, while 1,400 members across all our Funds called our 24-Hour Nurse Helpline for health advice.

BEYOND HEALTH BENEFITS

1199SEIU members have access to a wide range of supportive benefits, from help applying for U.S. citizenship to tax and home mortgage assistance.

- Citizenship: 104
- Home Mortgage: 205
- Tax Assistance: 91
- Total Members Served: 400

Making a Difference in Our Members’ Lives

Dawn Ming, Clerk
Shore View Nursing Home
1199SEIU member since 2003

Being an 1199SEIU Wellness Champion helped Dawn Ming – and her co-workers – get healthier.

When Dawn Ming attended the Greater New York (GNY) Benefit Fund delegates’ training in the spring of 2012, the announcement of the new GNY Wellness Champion initiative was music to her ears. She wanted to lose weight and become more active, but up to that point she had experienced little success in maintaining healthier habits. So she registered as a Wellness Champion — signing a commitment to participate and encourage other members’ participation in programs designed to help them lose weight, quit smoking, manage a chronic condition or otherwise improve their health — and the results have followed. “I’ve lost 10 pounds,” Dawn said. “I have more energy, and, to put it simply, I feel great.”

Despite being a vegetarian and considering herself a fairly healthy eater, she made adjustments to her diet, like eliminating fried foods and replacing soda and other drinks with water. She started doing a 10- to 15-minute stretching and calisthenics routine every morning, and made changes to increase her activity level over the course of a day, such as taking the stairs rather than the elevator. But perhaps the most significant change was that along with other members, she now walks for 30 minutes during her lunch break several times a week. “At least a dozen members from Shore View Nursing Home took the message from the delegates meeting to heart,” Dawn said. “A few have joined a gym, and others walk around the grounds on their lunch hour or their break.”

The Wellness Champion Program has given her the chance to lead by example and share in her co-workers’ successes, Dawn said, adding that she’s never seen a shift in the culture among staff members like the one that’s taking place now. “There’s much more attention being paid to health and wellness,” she said. “The whole facility feels different.”

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1199SEIU Greater New York Pension Fund

Highlights

Our 1199SEIU Greater New York Pension Fund supports 1199SEIU retirees in achieving the financial security that they will need in retirement. Eligible retirees receive a defined benefit pension – a set monthly payment that fewer than one in five workers around the country can count on today. With $471 million in assets, the Pension Fund currently pays out more than $53 million each year to our 8,700 retirees and their beneficiaries.

$53.2 million paid to 8,716 retirees in 2012

SOUND INVESTMENT STRATEGY

Our diversified investment strategy enables our Fund to continue our recovery from the 2008 market crash.

<table>
<thead>
<tr>
<th>Net Pension Returns</th>
<th>Pension Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008 = 31.9%</td>
<td>2008 = $341 Million</td>
</tr>
<tr>
<td>2009 = 18.2%</td>
<td>2009 = $383 Million</td>
</tr>
<tr>
<td>2010 = 14.7%</td>
<td>2010 = $421 Million</td>
</tr>
<tr>
<td>2011 = 14.7%</td>
<td>2011 = $419 Million</td>
</tr>
<tr>
<td>2012 = 14.7%</td>
<td>2012 = $471 Million</td>
</tr>
</tbody>
</table>

Target Asset Allocations

- **Equity**: 40% (U.S. Equity = 20%, Int’l Equity = 15%, Emerging Market = 5%)
- **Fixed Income**: 25% (U.S. Fixed Income = 25%, Int’l Fixed Income = 0%)
- **Alternatives**: 35% (Real Estate = 8%, Private Equity = 8%, Hedge Funds = 13%, Special Opportunities = 6%)
- **Total**: 100%

Improving Service for Our Members: Our Funds’ Eligibility Department

Technological advances and streamlined operations bolster member support and improve efficiency across all of our Funds.

Our 1199SEIU members work in hundreds of nursing homes, hospitals, and home care agencies and a variety of job titles, both full time and part time. Coordinating their benefit eligibility and ensuring over 400,000 members in all of our Funds, retirees and dependents can access health coverage, pension, training and child care benefits is a massive task – one that is handled by our Eligibility Department, part of the Strategic Support Division. The Strategic Support Division (SSD), under our National Benefit Fund, supports the administrative operations of all of our Benefits, Pension, Training and Employment and Child Care Funds. Throughout 2012, the SSD, led by Chief Administrative Officer Donna Rey, worked closely with her Eligibility, Human Resources and Information Technology teams to maximize the Eligibility Department’s efficiency and make sure our members can access their benefits when they need them.

One major initiative completed in 2012 was the final implementation of a data management system uniquely designed for our Funds’ complex needs, which better streamlines service for our members. Eligibility Director Darryl Garrison describes the system as housing all the information for each member or retiree in a central location, allowing staff to quickly verify benefit eligibility and perform a wide range of other administrative functions.

“In 2012, we really started to see the fruits of our labor,” Garrison said. “The new system allows us to automate functions, operate more efficiently and establish an electronic record that is both accessible to all the required staff and updated immediately whenever a new document is scanned and attached to a member’s file.”

Beyond the technological advances, Garrison is also enthusiastic about new ways his team is working together to improve the member experience. Engaged by the Human Resources Department, the Eligibility Department formed a collaborative Labor-Management Team (LMT) to improve their workflow – the very same approach used by our Training and Employment Funds’ Labor Management Initiatives, Inc., at many of our industry’s facilities. Made up of front-line Eligibility staff members – who are also members of the Benefit Fund’s Staff Association – and management representatives, the team was empowered to spur organizational changes by encouraging maximum participation from staff, reported Human Resources Chief Brandy Shiloh. The LMT also led to the establishment of a new Business Intelligence Unit. Comprised of data analysts and quality control reviewers, this Unit now charts and graphs weekly performance targets across all areas – including enrollment, data entry, quality control, coordination of benefits, COBRA and hotline support – and posts them throughout the department. In addition to improving productivity, the changes have fostered a healthy competitive spirit and helped management spot potential for growth. “The LMT process has given us the ability to better identify front-line staff that have the knowledge, drive and potential to work at the next level as a coordinator, which in turn allows our managers and assistant managers to be more effective,” Garrison said. “The end result is we’ve able to do a better job at achieving our goal, which is always to provide the highest quality service to our members.”

The Strategic Support Division (SSD), under our National Benefit Fund, supports the administrative operations of all of our Benefit, Pension, Training and Employment and Child Care Funds.
Making a Difference in Our Members’ Lives

Winsome Hinds-Wilson, Nursing Assistant Fulton Commons Care Center
1199SEIU member since 2004

Our training programs support members like Winsome Hinds-Wilson in achieving educational goals and filling shortages within the nursing home industry.

For as long as she can remember, Winsome Hinds-Wilson knew she wanted to help people in her community by working in healthcare. She dreamed of being a nurse but worried that financial hurdles would prevent her from reaching her goal. Thanks to the benefits offered through our 1199SEIU Greater New York Education Fund, however, Winsome’s dream became a reality this past April when she completed a 17-month program to become a Licensed Practical Nurse (LPN). Throughout 2012, she juggled her full-time schedule as a nursing assistant at Fulton Commons Care Center with LPN classes offered through the Eastern Suffolk BOCES program—while raising her 9-year-old daughter: “It was very tough,” she said. “Besides my full schedule, I needed to study and complete my assignments, which meant there was no time for much else.”

Winsome said she was proud of the example she set for her daughter, Asia, who supported her “100 percent” despite the fact that her rigorous schedule meant less time for them to spend together, at least while school was in session. Of course, Asia was front and center when her mother completed her mission of becoming an LPN. “We went out for a special dinner after my graduation,” Winsome said. “It meant a lot to both of us.” The two live in Queens, near her new employer, another 1199SEIU institution, where she began working as an LPN in June. In many ways, she said, she has realized her long-held desire to give back to the community—in large part thanks to her 1199SEIU membership. “None of this would have been possible for me without the benefits from 1199,” she said. “The opportunities are there if you’re willing to work for them, and the support I’ve had along the way helped me through.”

After several years of studies—from pre-LPN and LPN classes to the full-time clinical experience requirements—complete to become a Licensed Practical Nurse (LPN). Throughout 2012, she juggled her full-time schedule as a nursing assistant at Fulton Commons Care Center with LPN classes offered through the Eastern Suffolk BOCES program—all while raising her 9-year-old daughter: “It was very tough,” she said. “Besides my full schedule, I needed to study and complete my assignments, which meant there was no time for much else.”

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1199SEIU/Greater New York Child Care Fund

Highlights

As working families across the country struggle to balance their work and home lives, 1199SEIU members enjoy the security and peace of mind that their unique child care benefits provide. Our Greater New York Child Care Fund offers a wide assortment of programs to more than 1,000 children each year. These benefits support our members and their children from infancy through college with voucher reimbursements for day care, after-school care and summer day camps; quality early childhood education through our 1199SEIU Future of America Learning Center; holiday and Saturday cultural arts programs for children whose parents work weekends; summer sleep-away camp; WorkForce 2000 and SAT Prep programs to help teens succeed in school and in the workplace; and a college fair and scholarships. The Fund also connects parents with the services they need through our Child Care Resource and Referral Services, and offers them workshops and seminars throughout the year.

<table>
<thead>
<tr>
<th>Programs</th>
<th>Benefits Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vouchers (After-School and Day Care)</td>
<td>618</td>
</tr>
<tr>
<td>Summer Camp</td>
<td>340</td>
</tr>
<tr>
<td>Scholarships</td>
<td>226</td>
</tr>
<tr>
<td>Holiday Programs</td>
<td>55</td>
</tr>
<tr>
<td>Youth Programs</td>
<td>34</td>
</tr>
<tr>
<td>Cultural Arts Programs</td>
<td>5</td>
</tr>
<tr>
<td>Child Care Learning Center</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,279</strong></td>
</tr>
</tbody>
</table>

**OUR WORK IN 2012**

- Sixty members participated in 12 parenting seminars, which included four new topics based on what our members told us were frequent parenting challenges: guiding and monitoring children’s computer usage, finding after-school programs, applying for and preparing adolescents for high school and finding resources to enhance children’s educational growth and development.

- Fifty members and children attended the Fund’s College Fair, meeting with over 55 representatives from colleges and organizations and participating in college admissions and financial aid workshops throughout the day.

- We awarded scholarships to 226 college students, including six for the Next Generation Nursing Program. We also gave 37 incentive awards to students who achieved higher than a “B” average.
Weathering the Storm: 1199SEIU Greater New York Funds Step Up to Support Members Affected by Sandy

1199SEIU members know they can count on their Funds to help when they are in need. So, while the Union and the industry mobilized to support residents and 1199SEIU members affected by Superstorm Sandy in New York City and the surrounding areas, our Funds stepped up to ensure that our hardest-hit members had the support they needed to ride out the recovery.

As soon as the storm ended, our Greater New York Benefit Fund’s Member Assistance, Member Services and Outreach teams were on the frontlines, helping members in the field, providing crisis counseling, working telephone lines, meeting with members at our Manhattan and satellite offices and connecting them with resources to support them during the recovery. The Benefit Fund’s staff also created a guide with information on emergency assistance, temporary shelter, food banks, social and family service resources and more, which was distributed and posted on our website immediately following the storm. Meanwhile, our Funds’ 2012 trustees attended by 400 participants from 30 long-term care facilities.

Furthermore, since the storm hit during the Greater New York Child Care Fund’s two-month registration period for 2013 benefits, the Child Care Fund (CCF) extended registration through the first week of November so no members would miss the deadline due to storm disruption. In addition, CCF staff members volunteered their time to visit communities in the Rockaways and on Staten Island – which were among the areas hardest hit by the storm – to distribute supplies and offer help to people in need.

Our Greater New York Funds have also continued to be involved in the ongoing recovery effort. In December, the Quality Care Community – a collaborative effort between employers and the 1199SEIU nursing Home Division to improve care for residents and staff of the homes – hosted “Healing after the Storm: Rebuilding Community.” The conference, which was dedicated to addressing the many needs of nursing homes and staff in Sandy’s aftermath, was attended by 400 participants from 30 long-term care facilities.

Despite the many challenges our members faced throughout this difficult time, their 1199SEIU benefits were there for them.