



Annual Report 2021

Since 1985, the Love Canal Medical Trust Fund has been providing medical benefits to its named beneficiaries. Through the provision of these benefits, the Fund seeks to serve as a constant reminder of the medical consequences of human exposure to toxic chemicals.

LOVE CANAL MEDICAL FUND, INC.

I. Introduction

This Board of Directors' report for the Love Canal Medical Fund, Inc. (LCMF) ends December 31, 2021. The following two paragraphs describe the creation of the Love Canal Medical Trust Fund and the Love Canal Medical Fund, Inc.

A. Creation of the Love Canal Medical Trust Fund:

On December 20, 1983, the Supreme Court, State of New York, County of Niagara, approved a settlement agreement between the plaintiffs and the defendants in the case of Urban et al. vs. Occidental Chemical Corporation et al. The settlement agreement called for the establishment of the Love Canal Medical Trust Fund (LCMTF) for the benefit of the living plaintiffs of the lawsuit. The purpose of the Medical Trust Fund is to provide future benefits to plaintiffs who incur medical expenses related to medical problems that reasonably could have been associated with exposure to toxic chemicals emanating from a former landfill in Niagara Falls, New York, known as the "Love Canal." Individuals eligible for benefits from the Love Canal Medical Trust Fund are limited to those thirteen hundred twenty-eight (1328) plaintiffs who entered into the settlement agreement.

B. Creation of the Love Canal Medical Fund, Inc.

On January 4, 1985, the same Court ordered establishment of a not-for-profit corporation to be named the "Love Canal Medical Fund, Inc." (LCMF) to administer the Love Canal Medical Trust Fund, subject to the Court's supervision. The Court ordered that the Fund received from the settlement the amount of one million dollars (\$1,000,000) and directed that the Fund report to the Court annually concerning its activities and that the Court approves all expenditures. The Fund's Certificate of Incorporation was filed with the Secretary of State, State of New York, on August 5, 1985. All the Board's actions are subject to Court approval.

II. Background and Administration of the Love Canal Medical Fund

The Love Canal Medical Fund applied for and was granted tax-exempt status under Section 501(c)(4) of the Internal Revenue Code in 1989. Form 990 – Return of Organization Exempt From Income Tax is filed annually with the Internal Revenue Service. A copy is available upon request.

LCMF received tax-exempt status from New York State sales tax in 1991. Payment of medical expenses from LCMF to beneficiaries is tax-exempt.

A. Board Members

The New York State Supreme Court appointed the initial members of the Board of Directors. Most of the Board of Directors consists of former residents of Love Canal, while others are experts in professions related to the administration of the Fund. All Directors volunteer their services. A list of the Board of Directors who served in 2021 is included at the end of this report.

B. Medical Benefits Plan

The Board of Directors of the Love Canal Medical Fund was directed by the Court to develop and submit to the court for approval a Medical Benefits Plan containing a process for distributing benefits to the Love Canal Medical Trust Fund beneficiaries. In response, the Medical Benefits Plan was prepared first in 1987 and later updated in 1994, 1996, 1999, 2008, 2009, 2010, and 2016. Amendments were made to the Plan with time limits, some of which were renewed several times, such as prescription medications and appliance coverage. Some amendments were allowed to expire. The Plan is not an insurance policy. Beneficiaries should not rely upon the Medical Benefits Plan as their primary or sole source for reimbursement of medical expenses. Nor should the Medical Benefits Plan be considered a substitute for health insurance.

The Medical Benefits Plan describes the conditions, provisions, exclusions, and limitations of the coverage provided by LCMF for medical expenses incurred by beneficiaries for medical conditions, which reasonably could be associated with exposure to toxic chemicals found at the Love Canal toxic waste site. The Plan also covers preventive and diagnostic procedures for early detection of medical conditions that could reasonably be associated with exposure to toxic chemicals found at the Love Canal toxic waste site. These medical conditions could have been present at the time of residency in Love Canal, or they may be any of the many medical conditions that may have developed since moving away from the area.

The Plan will pay up to a maximum of \$10,000 per beneficiary per year for covered out-of-pocket medical expenses, subject to exclusions and limitations. Beneficiaries are directed to the Medical Benefits Plan Booklet for a list of these exclusions and limitations. Coverage currently provides reimbursement for out-of-pocket expenses up to **\$350.00** for an annual routine physical examination and/or diagnostic/preventive procedures or visits per beneficiary per year.

C. Submission and Payment of Claims

A procedure was established to review, approve, and pay claims. Claims are submitted on forms provided by the LCMF and found on the LCMF website. Claims are received and processed by USI Insurance Services, a professional claims adjuster. The Claims Adjuster makes recommendations based on the Medical Benefits Plan. These claims are assigned a file number, so the claimant's identity is not known to Board members. The processed claims are then sent to the LCMF Medical Benefits Claims Committee. Claims are reviewed by the Committee, which meets between Board meetings to discuss and vote on each claim. The Committee's decisions are then given to the Claims Adjuster who responds to the beneficiaries and issues payment for approved claims. The Claims Adjuster may contact beneficiaries or that beneficiary's medical providers to clarify questions raised by the Committee to obtain additional information. All Committee approved decisions are brought to the entire Board for its review and approval. Also, in certain instances, the Committee will refer a claim to the whole Board for its review, discussion and decision. When a claim is denied, the Claims Adjuster contacts the beneficiary and gives the reason for the denial. A description of the appeal process is also provided. USI Insurance Services has processed claims for the LCMF since July 2018.

LOVE CANAL MEDICAL FUND, INC.

D. Claims for Board Members

Some members of the Board of Directors are beneficiaries of the Fund. The Court ruled that Board members who are beneficiaries are entitled to payment of their medical claims. Procedures were established so that Board Members who have a claim against the Fund do not vote on their own claims.

E. Medical Appeals Board

The Fund established a Medical Appeals Board in 1990. The purpose of the Medical Appeals Board is to review any claim appealed by a beneficiary that has been rejected for payment based on medical reasons. The Board decides on all policy issues. The Medical Appeals Board may also be contacted for expert opinion when required. Medical Appeals Board Members are not paid.

F. Financial Matters

Merrill Lynch manages the investments of the Love Canal Medical Fund, Inc. The funds of the Love Canal Medical Trust Fund are invested primarily in Certificates of Deposit and Mutual Funds. At times, the Fund also invests in U.S. Government securities. All financial matters are approved by the Board of Directors and by the NY State Supreme Court. A statement describing the account status is sent monthly by Merrill Lynch to the Treasurer and the Finance/Audit Committee.

G. Reporting to the New York State Supreme Court

The Love Canal Medical Fund Board reports annually to the Supreme Court of the State of New York concerning its activities and all financial matters. Judge Frank Caruso is the current court officer appointed to review the budget and expenditures.

H. By-Laws

The By-Laws were last reviewed and revised on October 25, 2019. A copy of the By-Laws of the Love Canal Medical Fund, Inc. is available upon request.

III. Year 2021 Activities

A. Meetings

In the year 2021, the Love Canal Medical Fund met on April 23rd in-person and virtually and again on November 5th in-person as well as virtually.

B. Board of Directors

Lois Gibbs, Sheila Graziano, Perry Davis, Danielle Battaglia, and Angela Tuchols were re-elected to the Board on November 5, 2021 for terms ending December 31, 2024.

LOVE CANAL MEDICAL FUND, INC.

C. Medical Benefits Claims Reimbursed

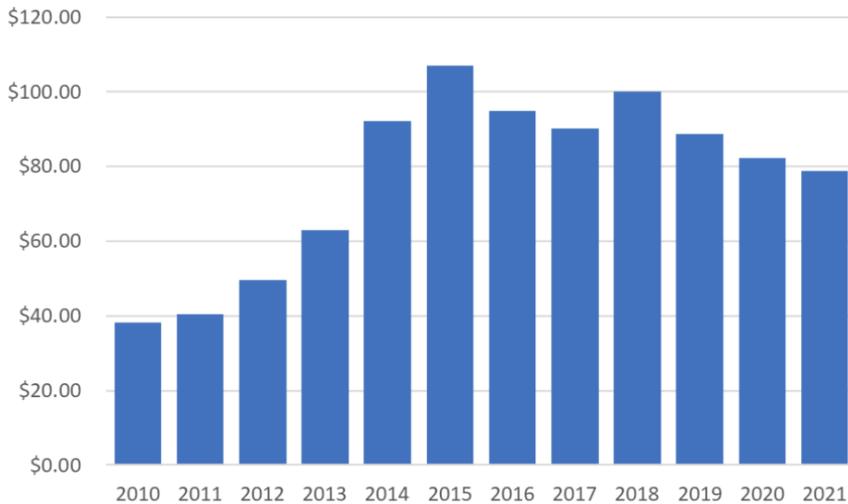
The amount of benefits paid to beneficiaries during the year ended December 31, 2021 was \$78,736. The Fund began with a \$1,000,000 court award in December 1983. Since inception, the Fund has paid a total of \$1,952,389 in benefits through December 31, 2021 and had a balance of \$1,626,593 at year end.

D. Financial Statement

Brown & Company, LLP, Certified Public Accountants, completed a compilation for the year ended December 31, 2021. Details are as follows:

- Investment income of \$76,654 combined with an unrealized gain of \$194,183 resulted in total revenues of \$270,837.
- Expenses, including reimbursed medical claims, totaling \$146,426 combined with total revenues of \$270,837 resulted in a change in net assets without donor restrictions (also known as net income) of \$124,411.
- The Fund's total assets as of December 31, 2021 were \$1,626,593.

Thousands:



2010	\$38,334.83
2011	\$40,378.57
2012	\$49,560.94
2013	\$62,862.95
2014	\$92,184.86
2015	\$106,988.24
2016	\$95,011.80
2017	\$90,234.50
2018	\$100,052.00
2019	\$88,639.00
2020	\$82,324.00
2021	\$78,736.00

Running Total of Annual Beneficiary Payments

*Yearly dollar amounts noted as per Annual Reports

E. Medical Benefits

- At the April 23rd board meeting, the Board of Directors voted to raise the limit on prescription benefits from \$750 to \$1,000 effective January 1, 2022, until December 31, 2022. This decision will be re-evaluated at that time. This benefit is subject to the \$100.00 deductible fee for medical benefits.

F. Outreach Activities

- Efforts to encourage beneficiaries to contact LCMF continued in 2021.
 - An information postcard and Holiday card were mailed to all known recipients, with 20 holiday cards returned.
- The Administrator received and responded to 15 email inquiries in 2021, compared to 9 email inquiries in 2020.
- The Administrator received and responded to 52 telephone inquiries in 2021 compared to 41 in 2020. A telephone line with voicemail (716-773-6578) was put into service in 2001 for beneficiaries. This telephone service was updated to a cell phone in 2021, with the same number, for quicker and easier communication with beneficiaries.
 - In 2021, the outreach committee began efforts to manually contact inactive beneficiaries via phone, email and Internet. The goal of this effort is to get information to all beneficiaries and update our records.

G. General Board Activities

- Michael Zimmerman, Chair of the Love Canal Medical Fund, resigned on October 5, 2021.
- Luella Kenny, as Vice Chair, assumed the position of Acting Chair on October 5, 2021 and was voted in as chair on November 5, 2021.
- All Board Members:
 - Have completed either their initial HIPAA (Health Insurance Portability and Accountability Act) training or retraining in accordance with all Federal requirements.
 - Have completed a Conflict-of-Interest Policy Statement identifying, if appropriate, any business relationships they may have with the LCMF.
- Voted on the following Board Member categories at the Annual Meeting:
 - Election of Directors for three-year terms.
 - Election of Officers for a one-year term.
 - Election of Committee Members for one-year terms.

LOVE CANAL MEDICAL FUND BOARD OF DIRECTORS SERVING IN 2021

Janice Alexander	Resident	
Danielle Battaglia	Resident	
Matthew Ciurczak	Resident	
Joseph Dunmire	Resident	(Voting Member - January 1, 2021;) (Non-Voting Member - January 2, 2021 - May 20, 2021)

Perry Davis, Ph.D.	Resident	
Beverly Docteur	Expert	
Gerald Docteur	Expert	
Lois Gibbs	Resident	
Sheila Graziano, Esq.	Expert	
Luella Kenny	Resident	
Leo Kuziemkowski	Expert	
Stephen U. Lester, MS	Expert	
Barbara Quimby	Resident	
Angela Tuchols	Resident	
Willie Underwood, MD	Expert	
Michael Zimmerman	Resident	(January 1, 2021 - October 5, 2021)

LOVE CANAL MEDICAL FUND OFFICERS

Michael Zimmerman	Chair	(January 1, 2021 – October 5, 2021)
Luella Kenny	Vice-Chair	(January 1, 2021 – October 5, 2021)
	Acting Chair	(October 5, 2021 – November 5, 2021)
	Chair	(November 5, 2021 - December 31, 2021)
Sheila Graziano	Secretary	
Angela Tuchols	Vice-Chair	(November 5, 2021 – December 31, 2021)
Joseph Dunmire	Treasurer	(January 1, 2021)
Beverly Docteur	Treasurer	(January 2, 2021 – December 31, 2021)