



City of Detroit General Retiree Healthcare Trust

City of Detroit General Retiree Healthcare (RHC) Trust Meeting Minutes

Tuesday, June 27, 2023, Regular Meeting

BeneSys, Inc., 700 Tower Drive, Troy, MI 48098

I. Call to order and Roll call

A. A Regular meeting of the Board of Trustees of the Detroit General RHC Trust was called to Order by Chairperson Tom Sheehan at 1:05 p.m.

B. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Dion Stevens; Trustee Roger Cheek; Trustee Barbara Wise-Johnson; Trustee Charles Gayney: As four (4) Trustees are required to make a quorum and five (5) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.

C. **Others Present:** Floyd Allen (*Trustee via phone*); Francis Judd (*Legal Counsel via phone*); Abra Hill, Jamal Adora and Zari Gano (*GRS in person and via phone*); Jennifer Crosby and Violet Gjorgjevski (*BeneSys in person*).

II. Approval of Agenda

Motion was made by Trustee Gayney and seconded by Trustee Wise Johnson to approve the agenda. **Motion** passed unanimously.

III. Public Comment – None

IV. GRS – Abra Hill, Jamal Adora and Zari Gano

A. Presentation of Draft Actuarial Valuation for December 31, 2022

Ms. Hill provided the Actuarial Valuation for the Trust as of December 31, 2022. She stated that as of December 31, 2022, the present value of all future obligations based on established benefit targets at that date is \$153.0 million. Plan assets as of December 31, 2022, based on an 80% monetization of B Notes and market value of external assets, are \$193.0 million (including \$418,728 of future contributions that were not included in the market value).

The difference between the Plan assets of \$193.0 million and VEBA obligations of \$153.0 million represents a Plan surplus of \$40.0 million and a funded status of 126%. This indicates that the plan is expected to be able to satisfy all liabilities before running out of money if experience is equal to or better than assumed.

V. Regular Meeting Agenda

Approval of Minutes

A. Proposed May 30, 2023, Meeting Minutes

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Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the meeting minutes of the May 30, 2023, as amended. **Motion** passed unanimously.

B. Proposed June 13, 2023, Meeting Notes

Motion was made by Trustee Gayney and seconded by Trustee Wise-Johnson to approve the special meeting notes of the May 10, 2023, as presented. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – May 2023

Motion was made by Trustee Stevens and seconded by Trustee Wise-Johnson to approve and accept the Fifth Third Statement for May 2023. **Motion** passed unanimously.

B. Principal Statement – May 2023

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to approve and accept the Principal Statement for May 2023. **Motion** passed unanimously.

C. Financial Statement – April 2023

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve and accept the Financial Statement for April 2023. **Motion** passed unanimously.

E. Bills for Approval

Invoices in the aggregate amount of \$612,800.00 were presented for payment from: BCBS Dental (\$84,614.61); BCBS MA (\$228,938.02); BCN (\$32,059.72); BeneSys (\$27,574.97); Delta Dental (\$46,949.79); DENCAP (\$15,601.00); Golden Dental/DENCAP (\$20,853.82); HAP (\$90,270.67); Heritage Vision (\$18,804.90); Humana (\$10,474.30); NEPC (\$35,610.94); Priority Health (\$1,047.26).

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to approve and authorize payment of all invoices with removal of duplicates subject to availability of funds. **Motion** passed unanimously.

D. Fifth Third Bank Balance

Ms. Gjorgjevski provided the current cash balance from Fifth Third.

VI. Administrative Reports

A. BeneSys Barometers through April 2023

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of April 2023. This report reflects the breakdown of eligible members by HRA, HAP, Blue Care Network, and Blue Cross Blue Shield Medicare Advantage,

Humana and Priority Health and a total of all participants. The number of total eligible participants, as of April 2023, was 5,887, which is a decrease of 31 eligible participants from March 2023.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of April 2021 thru April 2023, was provided. This report shows an expense of \$1,880,764 at the end April 2023.

Investment Income by Month - A report showing the investment gain/loss for the months of April 2021 thru April 2023 was provided.

Fund Assets - A report showing the assets and equity of the Fund for the months of April 2021 through April 2023 was provided for review. This report shows both Assets and Fund Equity have increased slightly.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of April 2021 through April 2023 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of April 2021 through April 30, 2023, was reviewed.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the BeneSys Barometers for April 2023 as presented. **Motion** passed unanimously.

B. BeneSys Outstanding HRA Check Report for June 2023

Ms. Crosby presented the Outstanding HRA Check Report as of June 2023 to the Board. This report is presented annually. BeneSys follows a process put forth by the Board to follow up on checks that were issued and not cashed. This process is in place and followed.

C. BeneSys Claims Performance Report Q1 2023

Ms. Crosby had presented the Claims Performance Report to the Board for review at their meeting in May. The Performance Guarantees for the 1st Quarter 2023 were not met by BeneSys which will result in a credit of \$2,142.72 from BeneSys. Ms. Crosby presented a Root Cause Analysis as requested by the Board. She also presented an updated report that was provided to her by the Vice President, System Implementation and Client Services that showed an additional review of the Claims Performance for First Quarter 2023. This more in-depth report showed that the Performance Guarantee was still missed but by 7.78% rather than 24.5% as previously reported. The Board was not satisfied with the Root Cause Analysis and would like to have a member of BeneSys upper management attend the next Board Meeting to discuss this matter in more detail.

VII. Financial Consultants

A. Monthly Performance Report – May 31, 2023

The Board requested that Alexandra attend the next Board meeting to provide an update regarding Quarterly Performance.

VIII. Legal Report - None

IX. New Business

A. 2024 Open Enrollment Timeline

Ms. Crosby provided an Open Enrollment timeline for the 2024 benefit year.

B. 2024 Pre-2014 Open Enrollment Book Draft

Ms. Crosby provided a draft Open Enrollment Book for the members who retired prior to December 31, 2014, for the Board to review.

C. 2024 Post-2014 Open Enrollment Materials Draft

Ms. Crosby provided a draft of the Open Enrollment Materials for those retirees after January 1, 2015, for the Board to review.

D. BCBS – CMS Mandate re Race and Ethnicity

Ms. Crosby updated the Board regarding CMS mandating that enrollment application now have race and ethnicity selections now included. All 2024 and forward new enrollees or those who change their enrollment will have to provide their race and ethnicity to CMS. The Board requested additional information regarding this initiative.

X. Unfinished Business

A. BCBS/BCN High-Cost Claimants Reporting

BCBS/BCN provided information regarding participants who have met/exceeded the maximum out-of-pocket limit per the Board's request. The Board would like for Dan D'Amico from BCBS to attend the next meeting to discuss this in more detail.

B. Open Enrollment Options/Book Review

The Board is discussing this item.

C. Service Provider Review – BeneSys, Inc.

This item is on hold.

XI. Correspondence

- A. BCBS – Potential DePar – St. Antonio Reginal Hospital**
- B. BeneSys Navigator Q2 2023**
- C. MAPERS 2023 Fall Conference Agenda**

XII. Trustee Comment/Open Forum

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Stevens and seconded by Trustee Wise-Johnson to adjourn the meeting at 2:51 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate