



City of Detroit General Retiree Healthcare Trust

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

Tuesday, July 23, 2024, 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 1:02 p.m.

B. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Barbara Wise-Johnson (via Teams); Trustee Charles Gayney; Trustee Roger Cheek (via Teams); Trustee Floyd Allen (via Teams); Trustee Dion Stevens; As four (4) Trustees are required to make a quorum and six (6) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.

C. **Others Present:** Frank Judd (*Legal Counsel*), Violet Gjorgjevski and Jennifer Crosby (*BeneSys*)

II. Approval of Agenda

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

III. Public Comment – None

IV. VSP – Scott Mitchell

Chairman Sheehan requested that Mr. Mitchell be moved to the August Board meeting agenda so that Trustee Wise-Johnson and Trustee Cheek will be there in person.

V. Regular Agenda

A. Approval of the June 25, 2024, Meeting Minutes

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the Meeting Minutes of June 25, 2024, as amended. **Motion** passed unanimously.

VI. Financial Reports

A. Fifth Third Statement – June 2024

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve and accept the Fifth Third Statement for June 2024. **Motion** passed unanimously.

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B. Principal Statement – May 2024

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve and accept the Principal Statement for May 2024. **Motion** passed unanimously.

C. Financial Statement – May 2024

Motion was made by Trustee Stevens and seconded by Trustee Wise-Johnson to approve and accept the Financial Statement for May 2024. **Motion** passed unanimously.

D. Bills for Approval

Invoices in the aggregate amount of \$42,425.08 were presented for payment from: BeneSys (\$32,778.40); Kienbaum Hardy Viviano Pelton (\$9,646.68).

Motion was made by Trustee Wise Johnson and seconded by Trustee Gayney to approve and authorize payment of the invoice subject to availability of funds. **Motion** passed unanimously.

E. Bills for Ratification

The Bills for Ratification report was presented to the Board along with the invoices of premiums paid.

Motion was made by Trustee Gayney and seconded by Trustee Wise-Johnson to approve the Bills for Ratification for July 23, 2024, as presented. **Motion** passed unanimously.

G. Fifth Third Bank Balance

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

VII. Administrative Reports

A. BeneSys Barometers through April 2024

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of May 2024. 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 May 2024 was 5,600, which is a decrease of 30 eligible participants from April 2024.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of May 2022 thru May 2024, was provided. This report shows an expense of \$2,688,758 at the end of May 2024.

Investment Income by Month - A report showing the investment gain/loss for the months of May 2022 thru May 2024 was provided. There is an increase in investment income over 2023 as of May 2024.

Fund Assets - A report showing the assets and equity of the Fund for the months of May 2022 through May 2024 was provided for review. This report shows both Assets and Fund Equity have increased from April to May 2024.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of May 2022 through May 2024 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of May 2022 through May 31, 2024, was reviewed.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the BeneSys Barometers for May 2024 as presented. **Motion** passed unanimously.

B. BeneSys Claims Performance Report – 2nd Quarter 2024

Ms. Crosby presented the Claims Performance Report for second Quarter 2024. BeneSys met the Performance Guarantee for Claims Performance in the Second Quarter 2024.

C. BeneSys Claims Accuracy Report – 2nd Quarter 2024

Ms. Crosby presented the Claims Accuracy Report for second Quarter 2024. BeneSys met the Performance Guarantee for Claims Accuracy in second Quarter 2024.

D. BeneSys Telephone Response Time Report – 2nd Quarter 2024

Ms. Crosby presented the Telephone Response Time Report for second Quarter 2024. BeneSys met the Performance Guarantee for Claims Accuracy in second Quarter 2024.

Motion was made by Trustee Stevens and seconded by Trustee Gayney that the BeneSys Claims Performance Report, Claims Accuracy Report and Telephone Response Time Report were received and accepted. The Telephone Response Time has met the Performance Guarantee for BeneSys, but it has slipped since last year. **Motion** passed unanimously.

E. BeneSys Outstanding HRA Check Report – June 2024

BeneSys provides and annual reporting of all outstanding HRA checks in June. Ms. Crosby presented the report for June 2024. There are significantly fewer outstanding checks since the implementation of Direct Deposit.

F. BeneSys Notice Regarding Plan Year Changes

Ms. Gjorgjevski reviewed a Memo from BeneSys that serves as a reminder that plan year changes for retiree benefits need to be finalized and submitted to BeneSys by October 1st annually to allow sufficient time to process the request, update procedures, train staff

and communicate effectively with members. In addition, some plan year changes may require implementation fees due to the complexity involved. Ms. Gjorgjevski stated that most of the plan year changes for the VEBA would not have an implementation fee, but timely submission is very important to the overall success of the VEBA and BeneSys. Discussion took place and the Board is concerned about the potential of implementation fees for what they do not consider to be material changes. Ms. Gjorgjevski is going to clarify with the upper management at BeneSys and report back.

VIII. Financial Consultant

A. New Policy Rebalance/Dodge & Cox Funding

Motion was made by Trustee Stevens and seconded by Trustee Gayney per recommendation to terminate SSgA MSCI EM and BNY Mellon Newton Global Real Return (Dreyfus), fund \$20M to Dodge & Cox, rebalance existing managers to target by contributing \$3.5M to SSgA Russell 3000 Index, Redeem \$1M from Arena SDHY, redeem \$4M Garcia Hamilton Core Bond, and move all residual funds to Principal Cash. **Motion** passed unanimously.

B. Monthly Performance Report – June 30, 2024

Motion was made by Trustee Stevens and seconded by Trustee Gayney to accept and approve the Monthly Performance Report for June 30, 2024, as presented. **Motion** passed unanimously.

IX. Legal Report

X. New Business

A. BCBS Dental – Report Package

BeneSys provided deep dive dental report provided by BCBS Dental. This report provided utilization spend, trends against book of business, savings and average discount by network, quantity of services rendered by participating and non-participating providers and quantity of preventative services, included annual cleaning.

B. DENCAP Invoicing

Ms. Crosby shared with the Board communication from DENCAP stating that they will not be able to provide member count on invoices until 2025 due to implementation of a new system.

C. Manquen Vance – Renewal Delivery Details

Manquen Vance provided estimated dates when they would be receiving 2025 renewal quotes from each vendor. The Board asked that Manquen Vance provide each quote upon receipt to BeneSys so that it could be shared with the Board. The board would like for Manquen Vance to attending the August 27, 2024, Board Meeting.

D. Vendor Agreement re: Open Enrollment 2025 Cost

Ms. Crosby shared vendor responses to the Board's request that they share the cost of Open Enrollment printing and mailing.

E. Posting Actuarial Valuation Scenarios on Website

The Board would like to move this to the August 27, 2024, Board Meeting.

F. Delta Dental 2025 Rates and Potential Enhancements

The Board would like to move this to the August 27, 2024, Board Meeting.

XI. Unfinished Business

A. Proctor Appeal

Mr. Judd informed the Board that Mr. Stephen Proctor has filed a Civil Lawsuit against the VEBA for a denied Appeal in the 36th District Court Small Claims Division. Mr. Judd will be filing a formal answer with the court and will keep the Board informed.

B. 2024 Open Enrollment Printing/Mailing Cost Reimbursement

Ms. Crosby updated the Board that all funds have been received from Vendors, so this item is complete.

C. GRS Supplemental Report

This information was provided as a reference for the Board.

D. Open Enrollment Timeline

This information was provided as reference for the Board.

E. Recurring HRA Payments

This item is in process for a January 1, 2025, implementation.

F. 2025 Benefit Review

This item is in process.

G. Performance Guarantee Response 1Q 2024

This item is in process.

H. Service Provider Review – BeneSys, Inc.

The Board is removing this item from the agenda. They provide immediate feedback to BeneSys regarding performance and maintain their due diligence.

XII. Correspondence - None

XIII. Trustee Comment/Open Forum

XIV. Adjournment

There being no further business a **Motion** was made by Trustee Gayney and seconded by Trustee Stevens to adjourn the meeting at 1:50 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate