



City of Detroit General Retiree Healthcare Trust

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

Tuesday, February 27, 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 1:04 p.m.

B. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Barbara Wise-Johnson; Trustee Charles Gayney; Trustee Dion Stevens; Trustee Roger Cheek; Trustee Floyd Allen: 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:** Francis Judd; Violet Gjorgjevski and Jennifer Crosby

II. Approval of Agenda

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

III. Public Comment – None

IV. Delta Dental – Dawn Hanks & Matt MacPherson

Ms. Hanks from Delta Dental was invited to attend today's meeting the Board. She gave a presentation that reviewed 2024 updates, education regarding Network Management, 2023 dental plan performance, benchmarking and member resources and tools. She also informed the Board that Delta Dental has partnered with VSP and now has the ability to offer both, either together or separately.

IV. Regular Agenda

A. Approval of the February 2, 2024, Meeting Minutes

Motion was made by Trustee Gayney and seconded by Trustee Stevens to approve the meeting minutes for February 2, 2024, as amended. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – January 2024

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

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B. Principal Statement – December 2023

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

C. Financial Statement – November & December 2023

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

D. Bills for Approval

Invoices in the aggregate amount of \$624,990.20 were presented for payment from: American Graphics (\$407.15); BCBS Dental (\$98,565.54); BCBS MA (\$225,447.12); BCN (\$25,493.18); BeneSys (\$33,319.57); Delta Dental (\$49,735.03); DENCAP (\$35,324.00); Fifth Third (\$2,500.00); Golden Dental/DENCAP (\$20,786.35); HAP (\$85,394.80); Heritage Vision (\$18,874.24); Humana (\$10,183.30); Priority Health (\$1,405.30); RSCD (\$962.94); VanOverbeke, Michaud & Timmony (\$2,945.50); VSP (\$13,646.18).

Motion was made by Trustee Wise-Johnson and seconded by Trustee Gayney to approve and authorize payment of all invoices 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 Claims Accuracy Report – 4th Q 2023

Ms. Crosby presented the Claims Accuracy Report for 4th Quarter 2023. BeneSys met the Performance Guarantee for Claims Accuracy in 4th Quarter 2023.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to accept and approve the BeneSys Claims Accuracy Report for 4th Quarter 2023 as presented. **Motion** passed unanimously.

B. BeneSys Telephone Response Time Report – 4th Q 2023

Ms. Crosby presented the Telephone Response Time Report for 4th Quarter 2023. BeneSys met the Performance Guarantee for Telephone Response Time in 4th Quarter 2023.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to accept and approve the BeneSys Telephone Response Time Report for 4th Quarter 2023 as presented. **Motion** passed unanimously.

C. BeneSys Barometers through December 2023

The BeneSys Barometers were provided as follows:

Eligible by Month – Ms. Gjorgjevski stated she didn't feel the correct information was included in this section of the reporting; this will be corrected for the next Board Meeting.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of December 2021 thru December 2023, was provided. This report shows an expense of \$6,197,518 at the end of December 2023.

Investment Income by Month - A report showing the investment gain/loss for the months of December 2021 thru December 2023 was provided. Overall, 2023 showed a great gain from investments than 2022 but less than 2021.

Fund Assets - A report showing the assets and equity of the Fund for the months of December 2021 through December 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 December 2021 through December 2023 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of December 2021 through December 31, 2023, was reviewed.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to approve the BeneSys Barometers for December 2023 as presented. **Motion** passed unanimously.

VII. Financial Consultant

A. Monthly Performance Report – December 2023

Mr. Leonard shared the December 2023 performance report with the Board. The portfolio was up by 11.6% for 2023.

B. Market Outlook & Performance Update

C. Asset Allocation Recommendation

Mr. Leonard reviewed the asset allocation and the recommended options for rebalancing with the Board. They were given two recommendations to choose from.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to approve the use of Mix B as a recommendation for the asset allocation with a 50/50 split in Fixed Income between Garcia Hamilton and Dodge & Cox. **Motion** passed unanimously.

D. Core Plus Fixed Income Manager Search

Mr. Leonard provided the Core Plus Fixed Income Manager Search results to the Board. Three firms were analyzed the results of that analysis was reviewed with the Board. Mr. Leonard recommended Dodge & Cox.

Motion was made by Trustee Gayney and seconded by Trustee Stevens to select Dodge & Cox as a Core Plus Fixed Income Manager per the recommendation of the investment consultant. **Motion** passed unanimously.

Discussion took place regarding cash needs for upcoming benefit payments.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to take \$2M from Dreyfus for upcoming benefit payments. **Motion** passed unanimously.

VIII. Legal Report

A. Updated Rules of Procedure

Mr. Judd had provided an updated Rules of Procedure to the Board at the last meeting for them to review. This update incorporates the applicable provisions of PA 214 of 2023 which has become effective February 13, 2024.

Motion was made by Trustee Stevens and seconded by Trustee Gayney to accept the updated Rules of Procedure as presented. **Motion** passed unanimously.

IX. New Business

A. Election of Officers

Motion was made by Trustee Cheek and seconded by Trustee Gayney to maintain the current officers for the next year. Tom Sheehan as Chair, Barbara Wise-Johnson as Vice Chair and Dion Stevens as Secretary. **Motion** passed unanimously.

B. Tax Exemption

Ms. Gjorgjevski provided the Board with a Michigan Sales Tax and Use Tax Certificate of Exemption. The Board would like this sent to all current and future vendors.

C. BCBS Dental Billing Cycle

Ms. Crosby provided the Board with a response BeneSys received from BCBS regarding the request to allow more time after invoicing for Dental payment to be received, so that coverage isn't suspended. BeneSys has been sending the payments overnight mail for the past year to prevent the suspension, but this causes extra expense to the Trust. BCBS is stating they will not give this extra time to the Board. Discuss took place regarding this matter. The Board requested that BeneSys provide an average monthly billing for each monthly premium paid and will consider allowing BeneSys to pay invoices for premiums timely. The Board would then ratify these payments during the Board meeting.

D. Open Enrollment Cost Comparison 2023 v 2024

Ms. Crosby provide the Board with a comparison of the Open Enrollment Printing/Mailing costs between 2023 and 2024. The Board made significant changes in the Open Enrollment materials and wanted to see what benefit that provided to the trust. There was a modest reduction in cost to the trust.

E. Historic Benefits Report

Ms. Crosby provided an updated Historic Benefit Cost report to the Board. The Board requested that Legal Counsel review the report and vendor contracts to check for accuracy.

X. Unfinished Business

A. Recurring HRA Payments

At the last Board Meeting discussion took place regarding allowing for Medicare Part B premiums to be reimbursed on a recurring basis through the Health Reimbursement Account. The Board asked BeneSys to provide a Statement of Work as to how long setting this process up would take and what if any cost would be associated with it. The estimated time frame for project completion was given as 120 days and there is a nominal fee from BeneSys to update their system to allow the recurring reimbursements.

Motion was made by Trustee Gayney and seconded by Trustee Wise-Johnson to accept and approved the Statement of Work provided by BeneSys as presented. **Motion** passed unanimously.

B. 2025 Benefit Review

This item will be discussed further at the April and May Board meetings.

C. Total Open Enrollment Printing/Mailing Cost & Vendor Split

Ms. Crosby provide a summary of the Open Enrollment Printing/Mailing costs and the split between the vendors to reimburse the Trust for this cost.

Motion was made by Trustee Wise-Johnson and seconded by Trustee Stevens to accept and approved the cost share between the vendors as provided by BeneSys and proceed with invoicing the vendors. **Motion** passed unanimously.

D. Invite Vendors to Present to the Board

Ms. Crosby updated the Board that DENCAP is scheduled to attend the March Board meeting. BCBS and Manquen Vance are scheduled to attend the April Board meeting. The Board asked that Manquen Vance be moved to the May Board meeting for discussion regarding 2025 benefits.

E. GRS Supplemental Report

This item is on hold until May 2024.

F. Service Provider Review – BeneSys, Inc.

This item is on hold.

XI. Correspondence

- A. BeneSys DOL Cyber Security Program Response Q1 2024**
- B. CenterSquare Political Contribution Disclosure**
- C. CenterSquare Insurance Summary**
- D. Humana Annual Check-Up Campaign**
- E. Humana Well Being Guide**
- F. Humana Risk of Fall Campaign**
- G. Humana Value Added Items and Services**
- H. Humana Go365 New Member Awareness**
- I. Humana Provider Termination Letter**
- J. MAPERS 2024 Spring Conference Agenda**

XII. Trustee Comment/Open Forum

The Board cancelled the March 12, 2024, Committee of the Whole Meeting.

XIII. Adjournment

There being no further business a **Motion** was made by Trustee Wise-Johnson and seconded by Trustee Stevens to adjourn the meeting at 3:21 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate