



City of Detroit General Retiree Healthcare Trust

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

Tuesday, March 22, 2022, 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 1:08 p.m.
- B. **Board Members present at roll call:** Chairperson Thomas Sheehan; Trustee Chuck Gayney; Trustee Roger Cheek; Trustee Shirley Lightsey; Trustee Barbara Wise-Johnson. As five (5) Trustees are required to make a quorum and six (6) were present, Chairperson Sheehan declared a quorum and the meeting proceeded.
- C. **Others Present:** Doris Ewing (*via phone*), Aaron Castle (*Legal via phone*), Violet Gjorgjevski (*BeneSys in person*) and Jennifer Crosby (*BeneSys in person*)

II. Approval of Agenda

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

III. Public Comment - None

IV. Regular Meeting Agenda

Approval of Minutes

A. Proposed February 22, 2022, regular meeting minutes

Motion was made by Trustee Gayney and seconded by Trustee Lightsey to approve the minutes of the February 22, 2022, as presented. **Motion** passed unanimously.

V. Financial Reports

A. Fifth Third Statement – February 2022

Motion was made by Trustee Lightsey and seconded by Trustee Cheek to approve and accept the Fifth Third Statement for February 2022. **Motion** passed unanimously.

B. Financial Statements – December 2021

Motion was made by Trustee Gayney and seconded by Trustee Cheek to approve and accept the Financial Statements for December 2021. **Motion** passed unanimously.

P.O. Box 4955 ♦ Troy, MI 48099-4955

Phone 248·641·4913 ♦ Facsimile 248·813·9898 ♦ Toll Free 844·563·8911

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C. Bills for Approval

Invoices in the aggregate amount of \$612,957.45 were presented for payment from: BCBS MA (\$257,818.00); BCN (\$36,388.56); BeneSys (\$40,466.45); Delta Dental (\$46,853.56); DENCAP (\$16,831.80); Fifth Third Bank (\$2,500.00); Golden Dental (\$19,420.45); HAP (\$99,853.50); Heritage Vision (\$19,691.24); Humana (\$10,486.07); NEPC (\$33,437.50); Priority Health (\$810.00); RSCD (\$1,123.98); VSP (\$28,400.32).

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.

G. Fifth Third Bank Balance

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

VI. Administrative Reports

A. BeneSys Barometers through December 2021

The BeneSys Barometers were provided as follows:

Eligible by Month - A report showing number of eligible members by month through the month of December 2021. 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 December 2021, was 6,415, which is a decrease of 163 eligible participants from November 2021.

Income and Expenses by Month - A report showing the income and expenses, excluding investment income, for the months of December 2019 thru December 2021, was provided. This report shows an expense of \$6,778,171 at the end December 2021.

Investment Income by Month - A report showing the investment gain/loss for the months of December 2019 thru December 2021 was provided.

Fund Assets - A report showing the assets and equity of the Fund for months of December 2019 through December 2021 was provided for review. This report shows both Assets and Fund Equity have increased after a slight decline.

Benefit and Operating Costs by Month – A report showing the total benefit and operating costs for the months of December 2019 through December 2021 was provided.

Benefit Premiums Paid – A report showing the total premiums paid for medical, dental and vision for the months of December 2019 through December 31, 2021, was reviewed.

Motion was made by Trustee Gayney and seconded by Trustee Cheek to approve the BeneSys Barometers for December 2021 as presented. **Motion** passed unanimously.

B. HRA Reimbursement Direct Deposit Follow Up

Ms. Gjorgjevski informed the Board that the HRA Reimbursement Direct Deposit is up and running with no further issues.

VII. Financial Consultants

A. Monthly Performance Report – February 28, 2022

Motion was made by Trustee Lightsey and seconded by Trustee Gayney to accept and approve the Monthly Performance Report dated February 28, 2022, as presented. **Motion** passed unanimously.

B. Acadian Invoice Follow Up

Ms. Gjorgjevski presented requested follow up that the Acadian Invoice was accurate.

VIII. Benefit Consultant – None

IX. Legal Report

A. AG Opinion OMA Update

Mr. Castle reviewed the Memo provided to the Board regarding the Michigan Attorney General's opinion that public bodies in Michigan must accommodate Trustees and members of the public with qualifying disabilities under the American with Disabilities Act. Updated verbiage for meeting notices provided that BeneSys will implement.

B. Benesys Fee Proposal

Mr. Castle updated the Board that BeneSys has indicated their acceptance to the Board's counterproposal reflecting a 4% decrease as of January 1, 2022, and reevaluation later this year after the Board receives the December 31, 2021 Annual Actuarial Valuation from GRS. A copy of the corresponding Second Amendment to the Administrative Service Agreement was provided for the Board's approval.

Motion was made by Trustee Gayney and seconded by Trustee Wise Johnson to accept and approve for signature the Second Amendment to the Administrative Service agreement as provided. **Motion** passed unanimously.

C. Benefit Consultant

Mr. Castle informed the Board that the contractual negotiations with Mercer have hit an impasse with respect to limits of liability and jury waiver provisions contained in the draft Engagement letter. A copy of the Engagement letter as it currently stands was provided to the Board. Discussion took place regarding the matter. It was determined to invite Manquen Vance to present at the next Committee of the Whole Meeting.

X. New Business

Trustee Gayney requested that BeneSys provide a one-page data sheet summarizing benefits given by the Trust from 2016 to the rate caps for 2023, to include MA premiums, member share of premium cost, HRA Amounts etc. so the Board has the information when planning for 2023 benefit renewals.

XI. Unfinished Business

A. BeneSys – Signed Counterproposal

This item was discussed during the Legal Report.

B. 1099 Mailing Issue

Ms. Gjorgjevski informed the Board that she has made Fifth Third aware of the issues with the 1099 Mailing so that they don't have this issue next year.

C. Humana Open Enrollment Allowance Agreement

Pending further information.

D. Open Enrollment Printing/Mailing Cost

Mr. Hindman, Owner of American Graphics Printing, met with the Board to discuss the cost of the 2022 Open Enrollment Printing/Mailing. He explained to the Board that because there were two pages added for the 2022 mailing, they couldn't use their automated process but instead had to manually prepare the packets for mailing. This caused a considerable amount of increase to the cost to the mailing. This issue was not discussed with BeneSys during the process of preparing the mailing and should have been disclosed up front for discussion with the Board prior to moving forward. Mr. Hindman stated that he would discuss this with his team and get back to the Board after having looked at the matter further. The Board agreed to pay \$22,833.36 to American Graphics to cover the cost of postage from the mailing.

E. Hearing Aid Benefit Follow Up

The Board requested that BeneSys provide information regarding Hearing Aid benefits provided through the MA plans to have available when determining 2021 benefits.

F. Website Usage Information

Ms. Gjorgjevski reviewed updated website usage information for the Board per their request.

G. Pension Report – Eligibility Dates for Early Retirees

This item is pending.

H. Service Provider Review – BeneSys Inc.

This item is pending.

XI. Correspondence

BeneSys provided the following communications to The Board for review.

A. Humana – Value Added Items and Services

B. Humana – CenterWell Pharmacy Communication

C. Humana – CenterWell Pharmacy Overview

- D. Humana – Medicare Newsletter March 2022**
- E. Humana – Pharmacy Rebranding**
- F. MAPERS 2022 Spring Conference**

XII. Trustee Comment/Open Forum

XII. Adjournment

There being no further business a **Motion** was made by Trustee Cheek and seconded by Trustee Gayney to adjourn the meeting at 2:08 p.m. **Motion** passed unanimously.

Respectfully submitted,

Jennifer Crosby, Plan Associate