

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, May 13, 2024

9:30 am at BeneSys Office, Troy, MI via In-Person and via Conference Call

Trustees:

Chet Opolski

Richard Kosmack

Dan Bojalad

Tracy Shippy

Greg Trozak

Brian Roehl

Floyd Allen (via phone)

Role:

Chairman

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

Others present: LaDominic Brandon Berkley, Priority Health (via Teams)

Jean Young, Plante Moran (via Teams)

Justin Chambers, Plante Moran (via Teams)

Louis Sinagra, Member (via phone)

Legal Representation: Aaron Castle

BeneSys Representation: Daris Garoufalidis (via Teams), Violet Gjorgjevski and Jennifer Crosby

The meeting was held In-Person at the BeneSys Office, Troy, MI

The meeting was called to order by Chairman Opolski at 9:30 am.

Motion – To accept the agenda for May 13, 2024: *By D. Bojalad, seconded by T. Shippy.*

- Motion Carried – Unanimously

Public Comment – None

Regular Minutes

Motion – To approve the Regular Meeting Minutes from April 22, 2024, and the Admin Committee Meeting Minutes from May 6, 2024: *By B. Roehl, seconded by R. Kosmack.*

- Motion Carried – Unanimously

Financial Reports

BeneSys provided the April 2024 Fifth Third Statement.

Motion - pay the Bills for Approval with addition of invoice from JLA for Fiduciary Liability Policy: *By T. Shippy, seconded by D. Bojalad*

Administrative Reports

A. Appeals

a. 2677664931

Motion – To approve the Level 2 Appeal for participant 2677664931 to allow their 2023 HRA Reimbursement to be processed after the March 31, 2024, deadline, as recommended by the Administrative Committee: *By D. Bojalad, seconded by R. T. Shippy.*

- Motion Carried – Unanimously

b. 2839095312

Motion – To approve the Level 2 Appeal for participant 2839095312 to allow their 2022 HRA Reimbursement to be processed after the March 31, 2023, deadline: *By B. Roehl, seconded by R. Kosmack.*

- B. Roehl Opposed - Motion Carried

Priority Health – LaDom Brandon Berkley & Rob Roberts

Ms. Berkley provided the Board with the renewal rates for 2025. She explained that the Inflation Reduction Act requires all Medicare prescription drug plans to have an annual out-of-pocket cost that is capped at \$2,000 for 2025. As a result, the rates for 2025 are increasing by 5% with no enhancements to benefits. She stated that they will need to know if the Board will be increasing the Buy Back for 2025 no later than June 3, 2024. This presents a problem because the Board must receive their Actuarial Valuation before decisions regarding enhancements can be made. Discussion took place. Ms. Berkley is going to see if Priority Health can file multiple Buy Back bids with Medicare before June 3, 2024, and make a final decision after the Actuarial Valuation has been received.

Ms. Berkley updated the Board regarding their Performance Guarantee for 2023. There were two areas regarding Eligibility transactions that were not met for 2023. Priority Health will be giving a credit to the Trust as a result.

Mr. Opolski asked that Priority Health provide an enrollment total for PPO and HMO on the invoices so that the Board can easily see the enrollment totals.

Plante Moran – Jean Young & Justin Chambers

Ms. Young provided the Board with the audited Financial Statement for December 31, 2023. The Trust experienced a 10% increase from 2022 to 2023 of \$9.3M. An unmodified opinion was issued.

Motion – to accept and approved the Financial Statement for December 31, 2023, as presented by Plante Moran: *By G. Trozak, seconded by D. Bojalad*

Financial Consultants – Mariner

Mr. Green gave the Board a market update for first quarter 2024. The Fund was up by 3% as of March 31, 2024. Discussion took place regarding the reporting format and analysis. Mr. Green agreed to provide a peer group benchmark in future reporting.

Legal Report

A. HRA Claims Policy

Mr. Castle provided the HRA Claims Policy to the Board.

Motion – To approve the HRA Claims Policy as presented per the recommendation of the Admin Committee: *By B. Roehl, seconded by G. Trozak.*

- Motion Carried – Unanimously

C. VEBA Grant Funds

Mr. Castle provided an update.

Correspondence - None

Business Agent Report

Chairman Opolski informed the Board that he received an invoice from Iron Mountain that showed a significant increase in cost. He reached out to Iron Mountain to voice his concern and they provided a contract to reduce the amount back to what the Trust had been paying. Mr. Castle is reviewing this contract.

New Business

A. HRA Premium Reimbursement – Bank Statements

Ms. Crosby addressed the Board regarding the use of Bank Statements to verify insurance premium payments. She had a recent situation where a member had reached out to her upset because her claim and her spouses claim for 2024 were denied because they provided bank statements as proof of medical insurance premiums. They have used these bank statements for the previous 5 years with no problems. Ms. Crosby asked that if a bank statement gives providers name, date of coverage, recipient of coverage, states that it is a premium and give

the amount paid; can they be used as supporting documentation for HRA Claims. The Board and legal counsel stated yes, and Mr. Garoufalidis conceded as well.

Unfinished Business

A. Private Debt Education

This information was provided during the Administrative Committee meeting and was provided here for Mr. Allen's benefit.

B. Insured Group MA-PD Request for Quotes

This information was provided during the Administrative Committee meeting and was provided here for Mr. Allen's benefit.

C. Letter to Kapnick – VEBA Surviving Spouses

This information was provided during the Administrative Committee meeting and was provided here for Mr. Allen's benefit.

D. Priority Health – Performance Guarantee Settlement

Ms. Berkley discussed this item during her discussion earlier with the Board.

E. Actuarial Valuation December 31, 2023

Ms. Crosby provided communication from GRS Consulting regarding providing the Actuarial Valuation for December 31, 2023, at either the June 25, 2024, Board meeting or the July 23, 2024, Board meeting. She has requested they provide the information sooner rather than later.

F. Waiver of Recourse

Ms. Crosby received the Trustees waiver of recourse payments today and will reach out to Trustee Allen to obtain his as well.

G. Open Enrollment 2025

Ms. Crosby informed the Board that the Open Enrollment dates will be Monday, October 7, 2024, to Monday, November 4, 2024. She has secured Pelister Park for the Open Enrollment meeting for the West side on October 16, 2024, and the Polish Century Club for the East Side on October 23, 2024. It was agreed that the time for these meetings will be reduced to 10 a.m. to 1 p.m. this year.

Trustee Comment/Open Forum

Mr. Opolski reminded the Board of the MAPERS Spring Conference being held May 19-21, 2024. He also reminded the Board that Mr. Garoufalidis will be attending the June Board meeting as stand-in for Ms. Gjorgjevski.

Adjournment

Motion – to adjourn: *by D. Bojalad, seconded by R. Kosmack.*

- Motion Carried - Unanimously

Meeting adjourned at 11:41 a.m.