

**CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST**



**Board Meeting Minutes**

**Monday, April 22, 2019**

**9:30 am at RDPFFA Office Sterling Heights Michigan**

**Conference Call in: 1-866-730-7512 Access Code 700275 Host 484296**

<b>Trustees:</b>	<b>Chet Opolski</b>	<b>Chairman</b>
	<b>Dan Bojalad</b>	<b>Trustee</b>
	<b>Brian Roehl</b>	<b>Trustee</b>
	<b>Tracy Shippy</b>	<b>Trustee</b>
	<b>John Barr</b>	<b>Trustee</b>
	<b>Floyd Allen – (via phone, excused at 11:27 am.)</b>	<b>Trustee</b>
	<b>Andy Dillon – (Absent)</b>	<b>Trustee</b>

**Others present:**      **Burton Carlson & Erik Burger, Graystone Consulting (via phone)**

**Legal Representation: Aaron Castle**

**BeneSys Representation: Samarah Murray and Violet Gjorgjevski**

The meeting was held at the offices of the Retired Detroit Police & Fire Fighters Association, 2525 E. 14 Mile Rd., Sterling Heights, Michigan 48310.

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

**Motion** – To accept the agenda for April 22, 2019: By D. Bojalad, seconded by J. Barr.

- Motion Carried – Unanimously

**Public Comment**

- None

**Regula Agenda**

**Motion** – To approve the meeting minutes from March 25, 2019: By B. Roehl, seconded by D. Bojalad

- Motion Carried - Unanimously

**Motion** – To approve the Closed Session meeting minutes from March 25, 2019: By B. Roehl, seconded by D. Bojalad

- Motion Carried - Unanimously

**Motion** – To approve the Administrative Committee meeting minutes from March 25, 2019: By B. Roehl, seconded by D. Bojalad

Motion Carried – Unanimously

#### **Graystone Consulting – Burton Carlson (via phone)**

Mr. Carlson updated the Board regarding the market value of the B Notes and recent trade activity noting that there has been one small trade since last month, and the current Bond valuation is remaining steady. Per J.J Kenny Drake, the current Bond price is \$87.72. The price is up since last month of \$87.02. Mr. Carlson also noted, that he reached out to a few Bond dealers since the last meeting to obtain some indicative pricing information.

The Board was provided with a cash flow analysis through the 2020 calendar year which is the same as last month, no changes or updates at this time. Mr. Carlson noted that the total benefit payments for 2019 and 2020, are based on the GRS actuarial report, December 31, 2016, Appendix – 1, which was then adjusted based on the plan design changes that are scheduled to be implemented (increasing claims cost for the year 2018 by an estimated \$2,056,000 and for the year 2019 by \$2,415,000 per GRS letter dated January 19, 2018).

#### **Benefit Consultant – GRS**

As requested at the March 25, 2019 meeting GRS provided cost estimates for various projects discussed. The Board discussed and based on that discussion has asked GRS to issue and evaluate a MAPD RFP.

**Motion** – To approve the GRS to issue and evaluate a MAPD RFP: By T. Shippy, seconded by J. Barr.

Motion Carried – Unanimously

#### **Financial Reports**

BeneSys provide a copy of the Morgan Stanley Consolidated YE Summary for 2018, Morgan Stanley March 2019 Statement and the Fifth Third March 2019 Statement for review.

**Motion** – To accept and file the Statements provided: By T. Shippy, seconded by B. Roehl.

Motion Carried – Unanimously

**Motion** – to review, accept and pay the Bills for Approval:

- Bills for Approval

By D. Bojalad, seconded by B. Roehl.

- Motion Carried – Unanimously

#### **Administrative Reports - None**

## **Legal Report**

Mr. Castle presented a Correction of Benefit Overpayments form letter that has been recommended by the Administrative Committee be approved for BeneSys to implement and use when required.

**Motion** – to review and accept the Correction of Benefit Overpayments form letter:  
By J. Barr, seconded by D. Bojalad.

- Motion Carried – Unanimously

Mr. Castle was directed to review the use of service animals and process for seeking reimbursement for expenses related to the use of a service animal. Based on his findings he has presented a draft form Letter of Medical Necessity to be presented to members if use of service animals is required. The form letter is only to be used as a guide to help members explain to their provider what is required in order for service animal expenses to be reimbursed.

**Motion** – to review and accept the Service Animal form letter of medical necessity:  
By D. Bojalad, seconded by T. Shippy.

- Motion Carried – Unanimously

Mr. Castle presented and reviewed a draft of the Professional Service Provider Review Policy. The Policy would set a regular review schedule of the Board's and VEBA's professional service providers, after discussion it was recommended to move the Policy to the Administrative Committee Agenda on May 6, 2019.

## **Correspondence**

Segal Select Insurance Services, Inc. provided correspondence regarding Compensation Reporting from January 01, 2018 to December 31, 2018 for Board review and file.

## **Business Agent Report**

Mr. Opolski discussed the Dental and Vision enrollment options. He has had discussion with COPS Trust to get both BeneSys and COPS Trust on the same page where mid-year enrollment into the Dental and Vision plans is requested by a member. Based on his discussion below is how COPS Trust and BeneSys will administer the Dental and Vision enrollments going forward;

- Enrollment/continuation into the dental and/or vision plan must be made by the Participant during the annual Open Enrollment period, as determined by the DPFRHCT
- Exceptions to the above would be:
  - If clearly there was an error made by the TPA
  - The Participant can clearly demonstrate an error during submission of his/her selection of benefit coverage at the time of the Open Enrollment
    - In either case, the Participant understands that benefit premiums would be retroactive to January 1st of that plan year, and
    - That the Participant MUST remain in the benefit plan for no less than one year
- Participants that elect to cease participation in either, or both, benefit plan(s) during the plan year, will not be eligible for re-enrollment for a period of no less than two years.

**Motion** – To enter into closed session at 11:00 am to address administrative appeals containing confidential personal health information under HIPAA: By J. Barr, seconded by B. Roehl.

- Roll call vote: J. Barr – yes  
D. Bojalad – yes  
C. Opolski – yes  
D. Roehl – yes  
T. Shippy – yes  
A. Dillon - yes

**Motion** - To come out of closed session at 11:27 am: By B. Roehl, second by T. Shippy.

- Motion Carried – unanimously

### **New Business**

#### **A. Appeals**

**Motion** - To approve Appeal No. **2781988486**: By J. Barr, second by D. Bojalad.

- Motion Carried – unanimously

**Motion** - To approve Appeal No. **2685261429**: By J. Barr, second by D. Bojalad.

- Motion Carried – unanimously

**Motion** - To deny in-part/approve in-part Appeal No. **2718667081**: By J. Barr, second by B. Roehl.

- Motion Carried – unanimously

**Motion** - To approve Appeal No. **2781859196**: By D. Bojalad, second by T. Shippy.

- Motion Carried – unanimously

**Motion** – To table for further review Appeal No. **281661130**: By B. Roehl, second by T. Shippy.

- Motion Carried – unanimously

**Motion** - To deny Appeal No. **2726379534**: By B. Roehl, second by T. Shippy.

- Motion Carried – unanimously

**Motion** - To deny Appeal No. **2817221019**: By D. Bojalad, second by J. Barr.

- Motion Carried – unanimously

**Motion** - To deny Appeal No. **2726242341**: By T. Shippy, second by B. Roehl.

- Motion Carried – unanimously

**Motion** - To approve Appeal No. **2950681745**: By J. Barr, second by D. Bojalad.

- Motion Carried – unanimously

### **Unfinished Business**

Ms. Gjorgjevski advised that the Trustee Stipends had been processed and will be monthly going forward.

### **Trustee Comment/Open Forum**

Trustee Roehl inquired about financials for 2019, BeneSys advised that with all the challenges they faced with obtaining accurate documentation it has put the financials back. The accounts have been able to rework the December 2018 financials based on new documents received and have began working on 2019. Once they have been completed, they will be presented to the Trustees on a monthly basis.

Discussion was had with the Board to sell a portion of the B-Notes at a price discussed. Attorney Castle to collaborate with the Investment Consultant to begin the process.

**Motion** – to pursue a sale of \$10 Million of the B-Notes at financial terms as agreed upon by the Board by B. Roehl seconded by J. Barr

- Motion Carried - Unanimously

### **Adjournment**

**Motion** – to adjourn by J, Barr seconded by B. Roehl

- Motion Carried - Unanimously

Meeting adjourned at 12:06 pm.