

**MINUTES OF THE RETIREMENT BOARD**  
**Thursday, July 13, 2017**

A meeting of the Retirement Board was held on Thursday, July 13, 2017 at 8:30 a.m., in the Administration Building, 9<sup>th</sup> Floor Committee Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Mark Deldin, Carol Grant, Larry Rocca, Bryan Santo, Bob Smith, Matthew Murphy, George Brumbaugh

Excused:

Gary Cutler

Also Present:

Stephen Smigiel, Stephanie Dobson, Eric Herppich, John Schapka, Joe Biondo, Larry Lee, Tom Michaud, Amy Cole, Erik Burger, Brian Brice, John Krakowiak

**1. Call to Order**

There being a quorum of the Board present, the meeting was called to order at 8:31 a.m. by Chair Deldin.

**2. Adoption of Revised Agenda**

*A motion was made by Trustee Grant, supported by Trustee Rocca to approve the revised agenda as presented. The motion carried.*

**3. Approval of Minutes – June 29, 2017**

*A motion was made by Trustee Smith, supported by Trustee Santo to approve the minutes of June 29, 2017 as presented. The motion carried.*

**4. Public Participation**

None

**5. Retirement Administrator Report**

**a. Ulliance Senior Coaching – Kent Sharkey**

Mr. Herppich introduced Mr. Kent Sharkey from Ulliance. He is here to provide the Board with an overview of their “Senior Coaching - Retiree Life Services” program. Ulliance is the Employee Assistance Provider (EAP) for the County. They offer benefits to employees such as assistance with personal or family related issues that may be impacting their ability to do their

jobs successfully. These could range from marital difficulties to substance abuse problems to financial concerns. Ulliance provides short term counseling and gives referrals to other resources so individuals may be able get assistance with the personal issues that may be affecting their ability to perform their jobs effectively. Ulliance offers these same type of services to retirees through a separate program that could be offered by the County.

Mr. Sharkey distributed a handout to correspond with his presentation and provided background on himself and Ulliance. They have had a relationship with Macomb County since 2006 and service approximately 1,000,000 people across North America and parts of the United Kingdom. The program he is here to talk about today is called "Your Senior Coach" and it is a customized program that focuses on retirees and life services. Part of what Ulliance would provide includes "pre-retirement workshops" twice a year in order to prepare employees for their upcoming retirement. These are specifically for current employees that are contemplating retirement and helps them prepare to adapt to change, repurpose their lives and enjoy their retirement on their terms. They offer a 24-hour toll-free crisis-line at no charge to the retiree or spouse/significant other as well as short-term, solution-focused counseling for a variety of personal issues. This counseling is provided by experienced, state-licensed/certified master level counselors and is confidential.

Trustee Smith inquired about what financial and legal services would be offered by Ulliance. Mr. Sharkey responded that they do not help people prepare for retirement with investment advice, but they do have people available to work with individuals who need assistance with debt management or setting up a budget once they enter retirement. The services they provide in that regard are more "problem-focused".

Mr. Sharkey provided information on specialty retiree life services including phone services for the hearing impaired and a language line that can interpret over 200 different languages. He stated that they would be willing to set up a table at the Retiree Holiday Luncheon to introduce themselves to the retirees and help them become aware that these services are available to them.

Ulliance also has a relationship with Blue Cross / Blue Shield of Michigan and if a retiree were to contact the insurance company, the insurance company will be able to advise them of the free services for coaching and counseling offered through their retiree healthcare benefit at Ulliance. There is no co-payment or deductible assessed to the retiree or their spouse. Ulliance can also connect the retiree with resources available to them within the community that they may not be aware of. There is also a benefit which offers retirees discounted tickets to various attractions and events. An online resource is also available to those retirees who may be a little more tech savvy.

Mr. Sharkey listed the types of retiree life issues that Ulliance can help address (e.g. home life enhancement, life after retirement, etc.). They also offer a free 30 minute consultation with an attorney and discounted hourly rates thereafter. The attorney can help with simple wills, provide information on how to set up a trust, and assist with dispute resolution.

Mr. Sharkey advised that they also offer educational life advisor webinars related to managing stress in retirement, nurturing healthy relationships and coping with grief and loss. Ulliance would have a dedicated account manager assigned to work with the County to help establish the relationship with the retirees and open the lines of communication. He also reviewed some projections for the services and indicated that ultimately the program would likely end up paying for itself. Mr. Sharkey said that currently the County pays \$1.59 per employee per month for Ulliance's EAP program and would be offered a reduced rate of \$1.00 per retiree per month for the Senior Coaching services.

Chair Deldin asked Trustee Brumbaugh as the Retiree Representative what his thoughts are on this program. Trustee Brumbaugh responded that this sounds like something the retirees would appreciate and is something the Board should seriously consider. He thinks it is something that would be utilized and Ulliance could work cooperatively with the Retirees' Association to make its availability widely known to the current and future retirees.

*A motion was made by Trustee Grant, supported by Trustee Murphy to receive and file the presentation on Senior Coaching services by Mr. Sharkey from Ulliance. The motion carried.*

**b. Revised MMRO Fee Schedule (proposed)**

Ms. Dobson provided the Board with a memo outlining the revised, proposed fee schedule provided to her by Mr. Minke at MMRO. She reviewed the increases listed and compared them to the prices provided in the original RFP from MMRO. New claims would increase roughly 48% with periodic reviews increasing approximately 35%. Appeal reviews would not change and pre-approval would now be required before any Independent Medical Evaluations (IMEs) or Independent Psychiatric Evaluations (IPEs) would be scheduled. Ms. Dobson would recommend that MMRO submit an invoice to her attention prior to scheduling IMEs or IPEs. If the Board wanted to provide a threshold limiting what Ms. Dobson could authorize on her own, that might help prevent some delays in processing.

Trustee Murphy questioned whether or not the Board should keep MMRO on temporarily and issue a new RFP. He does not know whether any of MMRO's competitors would be in the same ballpark as these prices. Chair Deldin reminded the Board members that MMRO was not chosen because they offered the lowest prices in the last RFP process. They were chosen because the Board felt they could provide superior service for the employees. He is of the mindset that the Board should just move on from here since this service will be reviewed again in a couple of years and the opportunity to make a change will be presented at that point.

Trustee Brumbaugh asked what the yearly expense to the system has been for these medical services. Ms. Dobson indicated that since inception with MMRO, 30 individuals had been assessed with an approximate cost of \$53,000. This is across a two year period. Trustee Brumbaugh estimated it would be about \$75,000 for two years with the proposed fee increases.

Trustee Smith commented that he is still not happy with the prospect that almost any amount could be charged for IMEs or IPEs. He does not understand how MMRO can say that the fees being charged by the physicians are going up, but cannot definitively say how much. He does not want to simply take their word for it and then possibly be in for a rude awakening when they receive the first bill for one of those services. Ms. Dobson said that it is her understanding that MMRO is seeing the increases only with more of the specialty physicians. Now that the process for submitting medical information has been streamlined, she is hopeful that the number of specialties needed by each individual will be greatly reduced.

*A motion was made by Trustee Santo, supported by Trustee Smith to receive and file the Revised MMRO Fee Schedule. The motion carried.*

*A motion was made by Trustee Murphy, supported by Trustee Smith to allow Ms. Dobson to authorize charges for IMEs and IPEs up to \$1,200 without additional approval from the Board. The motion carried.*

## **6. Unfinished Business**

### **a. Investment Consultant RFP**

Trustee Grant inquired about some additional departures of personnel from Graystone. Mr. Phil Shaffer of Graystone Consulting in Columbus, Ohio left the firm at the end of June. Ms. Cole did not have details regarding Mr. Shaffer's departure. Mr. Brice advised that Mr. Shaffer was also an institutional consultant and he left, along with three other people within his practice. It has not been announced where they will end up next. The bulk of that group's practice still remains at the firm in Columbus.

*A motion was made by Trustee Rocca, supported by Trustee Smith to postpone further discussion on the Investment Consultant RFP until the September 7, 2017 meeting. The motion carried.*

## **7. New Business**

Trustee Brumbaugh advised that he had received his signature verification form from Retirement Services and just wanted the Board to be aware that they had been sent out as Ms. Dobson indicated at the last meeting. Ms. Dobson added that at this point they have already received approximately 400 back. Additionally, one of the three outstanding verifications from 2016 had been received since the last meeting.

Chair Deldin asked if Trustee Brumbaugh could convey the importance of the signature verifications to the members of the Retirees' Association. He had been made aware of a situation with an irate retiree who caused a bit of a scene in Human Resources (HR) because they were unhappy they had to fill out the required document. He wondered if something could be placed in their quarterly newsletter reminding the retirees why completing this signature verification is so important to the Retirement System. There have been instances in

the past where pension payments were being deposited into accounts of people who had been deceased for several months because the system had not been notified of their passing. Trustee Brumbaugh agreed that this would be a good idea and also stated that he thinks the fact that the document must be notarized is probably what bothers people the most. HR does make an effort to have notaries available, but it is still problematic for some to make the trip to HR or to find another notary. Mr. Michaud suggested that a simple "witness" signature would be satisfactory as notary signatures can likely be plagiarized somewhat easily and it really does not add much to the level of security of the document. A notary is not legally required and a space for a witness signature with language stating they are signing "under penalty of perjury" would be sufficient. Ms. Dobson will pass this info on to Mr. Herppich and they will definitely look at revising the form for next year. Trustee Brumbaugh asked if it would be possible for Ms. Dobson to bring a draft of the revised form to the Board for review before sending it out.

Trustee Smith inquired about whether any of the other Board members had been getting any phone calls from retirees related to the retiree health care case. The case has been appealed to the Supreme Court and he wondered if someone could provide an update on the case. Unfortunately, Mr. Schapka had to excuse himself to attend a meeting related to this very topic. Chair Deldin asked that this be added to the agenda for the next meeting so Mr. Schapka can provide an update at that time.

Chair Deldin asked Ms. Cole if she had anything to report. Ms. Cole advised the Board that ValStone and American Core are scheduled to come in for the private real estate interviews on July 27<sup>th</sup>. There is some additional discussion occurring with Metropolitan, so they have not yet been scheduled.

Chair Deldin reported to the Board that Mr. Herppich will be leaving the organization after 27 years. He has accepted a similar position with Chesterfield Township. Chair Deldin was unsure of Mr. Herppich's exit date, but did not believe he would be in attendance at the next Board meeting. He asked the Board to wish Mr. Herppich well if they saw him and said that Ms. Karen Bathanti will be identified as the Interim Human Resources and Labor Relations Director.

Trustee Grant inquired if anyone from Conduent is scheduled to come in to present the 2016 valuation. Ms. Dobson believes they are in the final stages of preparing that report, but she will reach out to them to get an update and see what meeting date they may be targeting for their presentation.

## **8. Adjournment**

*There being no further business before the Board, a motion was made by Trustee Murphy, supported by Trustee Grant to adjourn the meeting at 9:25 a.m. The motion carried.*