

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
October 16, 2013

TRUSTEES PRESENT

Ms. Audrey Hidano, Chairperson
Mr. Dean Hirata (left at 11:23 am)

Ms. Karolyn Mossman
Mr. Clifford Uwaine (arrived 10:11 am)

TRUSTEES ABSENT: None

ATTORNEY

Mr. Kyle Chang, Deputy Attorney General

EUTF STAFF

Ms. Sandra Yahiro, Acting Administrator
Ms. Donna Tonaki
Ms. Maria Quartero

Ms. Bonny Kahalewai
Mr. Bert Nishihara

OTHERS PRESENT

Ms. Kawehi Keliipuleole, Kaiser
Mr. Teruo Nagasako, HMSA

Ms. Lori Nishimura, C&C, HR

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 10:00 a.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Conference Room, 201 Merchant Street, Honolulu, Hawaii, on Wednesday, October 16, 2013.

II. APPROVAL OF MINUTES

A. July 22, 2013

The Administrative Committee reviewed the draft minutes of July 22, 2013.

MOTION was made for the Administrative Committee to approve the minutes of July 22, 2013 as circulated. (Mossman/Hirata) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

III. OLD BUSINESS

A. EUTF Internal Controls

Ms. Sandra Yahiro reported the EUTF Internal Controls report will be finalized at the end of November 2013, until then this item will remain on agenda. Discussion held by Trustees and staff that there are some outstanding critical items to be reviewed. [Trustee Uwaine arrived 10:11 a.m.]

B. Administrative Rules Revision Project – Section 2.04

Ms. Yahiro explained the reason and recommendation for Section 2.04 rule change.

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MOTION was made for the Administrative Committee to approve Section 2.04 rule change to add in second sentence after office “within 90 days of the administrator’s action. If no action is taken by the administrator within 30 days of the written appeal to the administrator being filed in the Fund’s office, then the written appeal to the Board must be filed in duplicate in the Fund’s office within 120 days of the written appeal to the administrator being filed in the Fund’s office”.

MOTION was made (Mossman/Hirata) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

Discussion held by Trustees and staff regarding Rule 4:10(c) Continuation of Coverage rule change. The Acting Administrator stated the information given to the Trustees by the benefits consultant at the May 31, 2013 Committee meeting was incorrect and summarized what was clarified at the June 25, 2013 Committee meeting. At the June 25, 2013 Committee meeting it was clarified that the EUTF is not required to allow someone to change when there is a significant change in the premium. Trustee Mossman stated that she would like this item on the agenda for the Board to review and to make sure this rule is set up properly.

IV. NEW BUSINESS

A. FY15 Budget

Overview by Ms. Donna Tonaki regarding the FY15 Budget. Chair Hidano requested, in the future, the EUTF staff provide background/history on where the EUTF was and where we are going. Discussion held by Trustees and staff that the EUTF should add additional justification for positions, if the Investment position should be at a higher level, status on Bank of Hawaii services, and why the EUTF staff is asking for additional staff for the Accounting division. Chair Hidano stated the EUTF has to go forward but expressed her concern that we do not want to just add bodies and that she is fiscally responsible. Discussion held by Trustees and staff regarding the Health Management Project Coordinator and Medical Data Analyst positions. This item is deferred until the end of the meeting, so the Acting Administrator can get additional information for the Committee.

B. 2014 Legislative Proposals

Ms. Sandra Yahiro reported that other than the death validation proposal the EUTF does not have any legislative proposals.

V. EXECUTIVE SESSION

MOTION was made to move into Executive Session at 10:44 a.m. (Hirata/Uwaine)
The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

Executive Session adjourned at 11:23 a.m.

Recessed at 11:23 a.m. and Reconvened 11:24 a.m. [Trustee Hirata left at 11:23 a.m.]

Discussion held by Trustees and staff regarding changing the level and title of the Investment Specialist to an Investment Officer position.

MOTION was made for the Administrative Committee to approve to change the Investment Specialist position to Investment Officer for a salary not-to-exceed \$100,000. (Mossman/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

MOTION was made for the Administrative Committee to approve to accept the seven (7) positions (1 Member Service Clerk, 2 Account Clerks, 1 Accountant, 1 Investment Officer, 1 Total Health Management Project Coordinator, 1 Medical Data Analyst) as recommended by the EUTF staff. (Mossman/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

VI. FUTURE AGENDA ITEMS DISCUSSION AND NEXT MEETING DATE

The EUTF staff will poll the Committee for available dates. The Acting Administrator will review last session bills related to the EUTF that are still alive and report to the Committee for review and discussion.

VII. ADJOURNMENT

MOTION was made to adjourn the meeting at 11:34 a.m. (Mossman/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

Respectfully submitted,

/s/

Audrey Hidano, Chairperson

APPROVED on January 10, 2014.

DOCUMENTS DISTRIBUTED:

1. Draft Minutes for 7/22/13. (3 pages)