

Introduction to the EUTF and Your EUTF Health Benefits

Introduction to the EUTF

The Hawaii Employer-Union Health Benefits Trust Fund or more commonly known as the EUTF provides medical, chiropractic, prescription drug, dental, vision, and life insurance benefits to all eligible State of Hawaii, City and County of Honolulu, County of Hawaii, County of Maui and County of Kauai employees and retirees. The EUTF covers approximately 70,000 active employees plus 60,000 of their dependents, and 45,000 retirees plus 20,000 of their dependents.

The EUTF began providing insurance benefits to State and county employees and retirees on July 1, 2003. Governing documents are Chapter 87A, Hawaii Revised Statutes and the EUTF Administrative Rules.

The EUTF is a State agency administratively attached to the State of Hawaii Department of Budget and Finance and is governed by a board of trustees. All EUTF employees are also State employees. The board is comprised 10 trustees – 5 representing the employers and 5 representing the employees. The board generally meets monthly except in the month of October. The board appoints an Administrator to oversee daily operations.

The EUTF is responsible for designing the health benefit plans (e.g. coinsurance, copayments and deductibles) subject to federal and state regulations, contracting with insurance carriers and pharmacy benefit managers to provide the services, and developing and/or negotiating premium rates. Employer contributions for active employee insurance premiums are based on applicable public sector collective bargaining agreements or by executive order. Employer contributions for retiree insurance premiums are based on Chapter 87A, Hawaii Revised Statutes.

The Employees' Retirement System of the State of Hawaii (ERS) is a sister agency of the EUTF that administers pension benefits for State and county retirees. While the EUTF and ERS are separate and distinct organizations, both organizations work together to serve State and county government employees and retirees.

Our Mission at the EUTF:

We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

Your EUTF Health Benefits

We at EUTF share your concern about the continual rising cost of healthcare premiums and its negative impact on your take home pay. But, did you know that you and the rest of the members of the EUTF have an important role in influencing the cost of your healthcare premiums? Your healthcare premiums are similar in certain respects to car insurance premiums. The more accidents you get into and rising costs of repairs will cause your car insurance premiums to rise. In a similar fashion, the two main factors in determining the cost of healthcare are 1) the decisions you make in how you use your healthcare benefits or utilization and 2) the rising cost

of healthcare services. You directly have influence on the first item, utilization of your healthcare benefits.

Additionally, wisely utilizing your health benefits can also reduce your costs at your care provider or pharmacy. For example, non-emergency procedures that could be performed at a nearby urgent care facility may cost \$100 as compared to the emergency room cost of \$700. This lower cost would result in a lower payment for you at the time of service, and will result in a lower charge to the EUTF health plan as follows:

1. Your coinsurance or out-of-pocket cost at the urgent care facility in this example would be \$20 at the urgent care facility versus \$140 at the emergency room saving you \$120 at the time you receive your service.*
2. The cost to the plan using the urgent care facility would be \$80 (\$100 total charge - \$20 paid by you) versus \$560 (\$700 total charge - \$140 paid by you) saving the EUTF plan \$480.*

* Example assumes the member is enrolled in the HMSA 80/20 medical plan.

If we wisely utilize our benefits, you will see your healthcare out-of-pocket costs at the time of service immediately decrease and your healthcare premiums increase at slower rates or even decrease over time.

Please join the EUTF in learning more about your EUTF health benefits as the EUTF strives to provide you with quality benefit plans that are reliable and affordable