

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
September 21, 2015

TRUSTEES PRESENT

Dr. Virginia Pressler, Chairperson	Ms. Linda Currivan Musto (arrived 8:06 am)
Ms. Colleen Pasco, Vice-Chairperson	Mr. Wesley Machida
Mr. Roderick Becker (arrived 8:10 am)	Mr. Clifford Uwaine

TRUSTEES ABSENT: None

ATTORNEY

Mr. Kyle Chang, Deputy Attorney General (arrived 8:17 am)

EUTF STAFF

Ms. Sandra Yahiro, Administrator	Ms. Linda Green
Mr. Derek Mizuno, Assistant Administrator	Ms. Bonny Kahalewai
Ms. Maria Quartero	Mr. Raymond Kan
Mr. Adam Dreher	Ms. Donna Tonaki

OTHERS PRESENT

Ms. Marissa Adachi, HMSA	Ms. Iris Koike, HMSA
Ms. Cheryl Archer, USAble	Mr. Christopher Letoto, HMSA
Ms. Sandra Benevides, CVS Caremark	Mr. Douglas Murata, Royal State
Mr. Andrew Elliott, CVS Caremark	Mr. Kurt Neuenfeld, CVS Caremark
Ms. Elaine Fujiwara, HDS	Ms. Cindy Richardson, Kaiser
Ms. Danielle Jones, UnitedHealthcare	Mr. Troy Tomita, Kaiser

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 8:01 a.m. by Trustee Clifford Uwaine, in EUTF Conference Room, City Financial Tower, Honolulu, Hawaii, on Monday, September 21, 2015.

II. ELECTION OF CHAIR AND VICE-CHAIR

Trustee Wesley Machida is nominated for Chairperson. (Uwaine) Trustee Uwaine withdrew his nomination.

Trustee Virginia Pressler is nominated for Chairperson (Uwaine/Machida)

MOTION was made for the Benefits Committee to close nominations. (Machida/Pasco) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

MOTION was made for the Benefits Committee to appoint Trustee Virginia Pressler, Chairperson of the EUTF. (Uwaine/Nishimoto) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

Meeting turned over to new Chair Virginia Pressler.

Trustee Colleen Pasco was nominated for Vice-Chairperson. (Uwaine/Machida)

MOTION was made for the Board to close nominations. (Uwaine/Machida) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

MOTION was made for the Board to appoint Trustee Colleen Pasco, Vice-Chairperson of the EUTF. (Uwaine/Machida) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

III. APPROVAL OF MINUTES

A. November 21, 2014

The Benefits Committee reviewed the draft minutes of November 21, 2014.

MOTION was made to approve the minutes of November 21, 2014 as circulated. (Uwaine/Pasco) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

IV. NEW BUSINESS

A. Presentation by CVS

1. Overview of Plan Performance, Including Trend
2. Current Programs in Place

Ms. Sandra Benevides and Mr. Kirk Neuenfeld summarized the EUTF CVS/Caremark Prescription Drug Coverage Overview. [Trustee Linda Currivan Musto arrived at 8:06 a.m., Trustee Roderick Becker arrived at 8:10 a.m., and Deputy Attorney General Kyle Chang arrived at 8:17 a.m.] Discussion was held by the Trustees, staff, and CVS Caremark regarding the reporting period, specialty drugs, impact/trend of Act226 (HB65), and the maintenance choice program. CVS Caremark will provide comparative analysis with the EUTF and other clients in Executive Session. Further discussion held by Trustees, staff, and CVS Caremark that if certain plan designs were discontinued by the EUTF, members would still have the ability to go through the appeals process.

3. Adding Hepatitis C Class of Drugs to the Specialty Step Therapy for EUTF Active Employee and Non-Medicare Retiree Plans

Ms. Benevides summarized the plan changes to add Hepatitis C class under the Specialty Preferred Drug Plan Design (SPDPD) program. Discussion held by Trustees, staff, and CVS Caremark that the real savings is to the EUTF for enrolling in this program. The member pays the same co-payment. Further discussion held by Trustees, staff, and CVS Caremark regarding the exclusion of coverage of Viekira Pak (Hepatitis C treatment) for Medicare retirees on the wrap plan process to use the Viekira Pak, the difference between the two drugs, and that there is an appeal process through CVS Caremark.

[Trustee Uwaine left at 9:00 a.m.]

MOTION was made to recommend to the Board to approve the addition of the Hepatitis C Class of Drugs to the Specialty Preferred Drug Plan Design for EUTF Active Employees and EUTF Non-Medicare Retiree Plans, excluding the HSTA VB plans and excluding any members currently taking the non-preferred drugs, effective January 1, 2016. (Currivan Musto/Pasco) The motion passed. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

4. Exclude Coverage of Certain Hepatitis C Treatments on EUTF Medicare Retiree Plans

MOTION was made to recommend to the Board to approve the exclusion from coverage of Viekira Pak Hepatitis C treatment for the EUTF Medicare wrap Plan, excluding HSTA VB plans and excluding any members currently taking the excluded drug, effective January 1, 2016. (Currivan Musto/Pasco) The motion passed. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

5. Exclude Topical Pain Patches Not Approved by the FDA from Active Employee Plans and Retiree Plans

MOTION was made to recommend to the Board to approve the exclusion of topical pain patches not approved by the FDA from active employee plans, non-Medicare and Medicare retiree plans, including HSTA VB plans, effective January 1, 2016. (Pasco/Machida) The motion passed. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

Recessed at 9:05 a.m. and reconvened at 9:10 a.m.

6. Generic Step Therapy
 - a. Add Acne Class of Medication Therapy
Mr. Neuenfeld summarized the plan changes to add Acne class of medications without grandfathering for EUTF actives and EUTF non-Medicare retirees and explained the process for implementation and the prior authorization process.

MOTION was made to recommend to the Board to approve the addition of the acne class of medication therapy to the generic step therapy program for EUTF active employees and EUTF non-Medicare retirees, excluding HSTA VB plans and excluding any members currently taking the non generic acne medication, effective March 1, 2016 with grandfathering. (Pasco/Currivan Musto)

Discussion held by the Trustees, staff, and CVS Caremark that the savings would be prospective only for new members that need treatment. CVS Caremark recommends not grandfathering.

AMENDED MOTION was made to recommend to the Board to approve the addition of the acne class of medication therapy to the generic step therapy program for EUTF active employees and EUTF non-Medicare retirees, excluding HSTA VB plans and excluding any members currently taking the non generic acne medication, effective March 1, 2016 with grandfathering and ending in 24 months. (Currivan Musto/Machida) The motion passed. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

b. Change Step Therapy Program From Requiring One Trial of Generics to Two Trials

Ms. Benevides made a correction on page 16 of the presentation. The first line of the chart for EUTF actives, under "Net Savings", the correct amount is \$174,792 and on the second line for EUTF non-Medicare Retirees, under "Member Impact" the correct total is "451" and under "Net Savings" the correct amount is "\$64,175".

[Trustee Uwaine returned at 9:21 a.m.]

MOTION was made to recommend to the Board to approve to change the generic step therapy program for EUTF active employees and EUTF non-Medicare retiree plans, excluding HSTA VB plans and excluding any members currently taking the non generic drugs, to require two trials, effective March 1, 2016 with grandfathering. (Pasco) No second made.

Discussion held by the Trustees, staff, and CVS Caremark regarding the requirement of two trials of using a generic alternative (instead of one).

There being no objections by the Committee, agenda item no. 9 is taken out of order.

9. Drug Savings Review (DSR)

Mr. Kurt Neuenfeld summarized the plan changes for DSR. Discussion held by Trustees, staff, and CVS Caremark regarding savings for the EUTF.

MOTION was made to recommend to the Board to approve the implementation of the Drug Savings Review Program for active employees and non-Medicare retirees including the HSTA VB plans, effective January 1, 2016. (Currivan Musto/Machida) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Ms. Sandra Benevides continued to summarize the EUTF CVS/Caremark Prescription Drug Coverage Overview – Possible Plan Changes to Consider for the Board’s information at this time.

7. Retail 90 Network
This item is deferred.
8. Formulary Options
This item is deferred.

The following items are deferred until the next Benefits Committee Meeting.

- B. Medical Plan Design Changes for Active Employees July 1, 2016
 - C. Hawaii Dental Service Plan Design Change for Active Employees July 1, 2016
 - D. Vision Service Plan Design Change for Active Employees July 1, 2016
 - E. EUTF’s Wellness and Disease Management Programs/Activities
- V. EXECUTIVE SESSION
- A. Pricing of Medical Plan Design Changes for Active Employees July 1, 2016
 - B. Pricing of Vision Service Plan Design Change for Active Employees July 1, 2016
- VI. NEW BUSINESS (continuation)
- B. Medical Plan Design Changes for Active Employees July 1, 2016
 - D. Vision Service Plan Design Change for Active Employees July 1, 2016
- VII. ADJOURNMENT
- MOTION was made to adjourn the Benefits Committee meeting at 9:55 a.m. (Uwaine/Currivan Musto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Respectfully submitted,

/s/

Virginia Pressler, Chairperson

APPROVED on November 16, 2015.

DOCUMENTS DISTRIBUTED:

1. Draft Benefits Committee Minutes of 11/21/14. (6 pages)
2. EUTF CVS/Caremark Prescription Drug Coverage Overview by CVS Caremark dated 9/21/15. (30 pages)

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3. Key Metrics at a Glance by CVS Caremark submitted 9/2015. (1 page)
4. Memorandum to the EUTF Benefits Committee from the Administrator Regarding Proposed Changes to the EUTF HDS Dental Plan (excludes HSTA VB HDS Dental Plan) dated 9/15/15. (1 page)
5. Letter to Administrator from HDS Regarding EUTF & HSTA VB Active Dental Plans Effective 07/01/2016 dated 9/16/15. (8 pages)