

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
November 16, 2015

TRUSTEES PRESENT

Mr. Roderick Becker (arrived 11:28 am)
Ms. Linda Currivan Musto

Mr. Wesley Machida (left 11:28 am)
Mr. Clifford Uwaine

TRUSTEES ABSENT

Dr. Virginia Pressler, Chairperson

Ms. Colleen Pasco, Vice-Chairperson

ATTORNEY

Mr. Kyle Chang, Deputy Attorney General

EUTF STAFF

Ms. Sandra Yahiro, Administrator
Mr. Derek Mizuno, Assistant Administrator
Ms. Maria Quartero
Mr. Adam Dreher
Ms. Linda Green

Mr. Tom Morrison, Benefits Consultant
Ms. Bonny Kahalewai
Mr. Raymond Kan
Ms. Donna Tonaki

OTHERS PRESENT

Ms. Marissa Adachi, HMSA
Mr. John Baleix, HMSA
Ms. Sandra Benevides, CVS Caremark
Ms. Emily Chun, Parent
Mr. Rick Edwards, CVS Caremark
Mr. Andrew Elliott, CVS Caremark
Ms. Elaine Fujiwara, HDS
Mr. Galen Haneda, HMSA
Ms. Danielle Jones, UnitedHealthcare
Mr. Brian Kaji, HMSA

Mr. Mike Kido,
Ms. Iris Koike, HMSA
Ms. Monica Kim, VSP
Mr. Myles Kiyabu, Royal State
Mr. Christopher Letoto, HMSA
Mr. Kurt Neuenfeld, CVS Caremark
Ms. Cindy Richardson, Kaiser
Ms. Sara Sato, HABA
Mr. Troy Tomita, Kaiser
Ms. Paula Young, Kaiser

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 9:01 a.m. by Trustee Wesley Machida in EUTF Conference Room, City Financial Tower, Honolulu, Hawaii, on Monday, November 16, 2015.

II. MINUTES

A. September 21, 2015

The Benefits Committee reviewed the draft minutes of September 21, 2015.

MOTION was made to approve the minutes of September 21, 2015 as circulated. (Currivan Musto/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

III. NEW BUSINESS

A. 5 Year Plan for EUTF Active Employee Medical and Prescription Drug Plans

Mr. Derek Mizuno stated the 5 year plan for EUTF active employee medical and prescription drug plans is provided for the Board's information. Discussion held by the Trustees, staff, and benefits consultant regarding the Cadillac Tax.

IV. EXECUTIVE SESSION

MOTION was made to move into Executive Session at 9:08 a.m. (Currivan Musto/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

Executive Session adjourned at 10:37 a.m.

V. OLD BUSINESS

A. Presentation by CVS

Ms. Sandra Benevides from CVS Caremark reported that the Benefits Committee approved changes on September 21, 2015 but is recommending to change the implementation date to April 1, 2016 and summarized the changes from the updated report dated November 16, 2015.

1. Revised Implementation Dates of Changes Approved on September 21, 2015

MOTION was made to recommend to the Board to approve to change the implementation date to April 1, 2016 for the changes approved at the September 21, 2016 Benefits Committee meeting (changes listed on slide 3 of the CVS presentation). (Currivan Musto/Uwaine) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

2. Benefit Plan Design Proposed Changes

MOTION was made to recommend to the Board to approve co-payment Option 2 for non specialty drugs for EUTF active employees, excluding HSTA VB active employees, under the self funded prescription drug plan effective July 1, 2016. (Currivan Musto/Machida) The motion passed. (Employer Trustees-1 YES-Machida/Employee-Beneficiary Trustees-1 YES-Currivan Musto, NO-Uwaine)

Recessed at 11:14 a.m. and reconvened at 11:20 a.m.

(Trustee Becker arrived at 11:28 a.m. and Trustee Machida left at 11:28 a.m.)

3. Retail 90 Network

MOTION was made to recommend to the Board to approve the Retail 90 network with co-payments of 2 times the 30 day co-payment for prescriptions filled at Retail 90 network pharmacies and mail order, and co-payments of 3 times the 30 day co-payment for prescriptions filled at non Retail 90 network pharmacies for EUTF active employees and non-Medicare retirees, excluding HSTA VB active employees and HSTA VB non-Medicare retirees, under the self-funded

prescription drug plan effective July 1, 2016, subject to the deputy attorney general research if it is lawful to change for retirees. (Currivan Musto/Becker) The motion passed. (Employer Trustees-1 YES-Becker/Employee-Beneficiary Trustees-1 YES-Currivan Musto, 1 NO-Uwaine)

4. Formulary Options

Discussion held by Trustees, staff, benefits consultant, and CVS Caremark regarding the formulary options. No action taken.

Mr. Kyle Chang left at 12:11 pm and returned at 12:16 p.m.

III. NEW BUSINESS (continuation)

B. HMSA Medical Plan Design Changes for Active Employees July 1, 2016

1. Proposed Changes to the EUTF HMSA 80/20 and 75/25 PPO Plans Effective July 1, 2016 (excludes HSTA VB HMSA plans)

Mr. Derek Mizuno summarized the proposed changes to the EUTF HMSA 80/20 and 75/25 PPO plans (see memorandum regarding proposed changes to the EUTF HMSA 80/20 and 75/25 PPO Plans dated November 6, 2015).

MOTION was made to recommend to the Board approval of changes Nos. 1-3 and 5-6 for the EUTF active employees HMSA Medical 80/20 PPO and 75/25 PPO plans, excluding HSTA VB active employee plans, effective July 1, 2016. (Uwaine/Currivan Musto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-2)

2. Autism, Orthodontic and Other Services

Mr. Mizuno summarized the background information for offering the autism and orthodontic benefits. HMSA explained what the benefits are and how it compares to the current the autism and orthodontic benefits.

MOTION was made to recommend to the Board addition of the autism benefits for the EUTF (and HSTA VB) active employees HMSA PPO and HMO medical plans effective July 1, 2016. (Uwaine/Currivan Musto)

Ms. Sandra Yahiro stated she has and will always recommend to not enhance HSTA VB plans, unless statutorily required, which the EUTF is not in this case. HSTA VB active and retiree plans have richer benefits than the EUTF members. When plans are changed for the EUTF members, HSTA VB plans are excluded. Discussion held by the Trustees and staff regarding concerns expressed about not offering or offering the plans for HSTA VB members. Ms. Emily Chun, member of the public, expressed her support for the EUTF to cover the autism and orthodontic benefits.

AMENDED MOTION was made to recommend to the Board to exclude HSTA VB members from the motion for the addition of the autism benefits for the EUTF active employees HMSA PPO and HMO medical plans effective July 1, 2016. (Becker/Currivan Musto) The motion passed. (Employer Trustees-1 YES-Becker/Employee-Beneficiary Trustees-1 YES-Currivan Musto, 1 NO-Uwaine)

3. Dr. Dean Ornish Program

For the Committee's information only, Mr. Mizuno summarized the Dr. Dean Ornish program.

Due to lack of quorum, the following agenda items are deferred.

C. Kaiser Medical Plan Design Changes for Active Employees July 1, 2016

D. Hawaii Dental Service Plan Design Change for Active Employees July 1, 2016

E. Hawaii Dental Service Plan Design Change for HSTA VB Retirees January 1, 2016

F. Vision Service Plan Design Change for Active Employees July 1, 2016

G. Base Monthly Contribution Update

H. EUTF's Wellness and Disease Management Programs/Activities

VII. ADJOURNMENT

Due to lack of quorum, the meeting adjourned at 1:00 p.m.

Respectfully submitted,

/s/

Virginia Pressler, Chairperson

APPROVED on June 27, 2016.

DOCUMENTS DISTRIBUTED:

1. Draft Benefits Committee Minutes of 9/21/15. (9 pages)
2. Memorandum to the Benefits Committee from the Administrator Regarding the 5 Year Plan for EUTF Active Employee Medical and Prescription Drug Plans dated 11/6/15. (6 pages)
3. Handout – Possible EUTF Changes by Administrator dated 11/19/14. (7 pages)
4. Memorandum to the Benefits Committee through the Administrator Regarding Proposed

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Changes to the EUTF HDS Dental Plan (excludes HSTA VB HDS Dental Plan) dated 9/15/15. (9 pages)

5. Memorandum to the Benefits Committee through the Administrator Regarding Excluded Drugs from CVS' Standard Formulary dated 11/6/15. (8 pages)
6. Memorandum to the Benefits Committee through the Administrator Regarding Dr. Dean Ornish's Program for Reversing Heart Disease dated 11/1/6/15. (4 pages)
7. Letter to the Benefits Committee from Autism Speaks dated 11/13/15 hand delivered by Mr. Mike Kido from Ashford, Wriston. (6 pages)