

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
April 19, 2016

TRUSTEES PRESENT

Ms. Audrey Hidano, Chairperson

Ms. Celeste Nip

TRUSTEES ABSENT

Mr. Wesley Machida

Mr. Clifford Uwaine

ATTORNEY:

Mr. Kyle Chang, Deputy Attorney General (left 2:50 pm)

EUTF STAFF

Mr. Derek Mizuno, Administrator

Mr. Tom Morrison, Benefits Consultant (via conference call)

Ms. Maria Quartero

Ms. Bonny Kahalewai

Mr. Adam Dreher

Ms. Haley Morris

Ms. Linda Green

Mr. Reid Shimabukuro

OTHERS PRESENT

Ms. Sandra Benevides, CVS Caremark

Mr. Christopher Letoto, HMSA

Mr. Adam Gorvine, US Able Life

Ms. Tracie Mukai, HDS

Ms. Monica Kim, VSP

Mr. Douglas Murata, Royal State

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 2:01 p.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Board Room, 201 Merchant Street, Honolulu, Hawaii, on Tuesday, April 19, 2016.

II. APPROVAL OF MINUTES

A. March 14, 2016

The Administrative Committee reviewed the draft minutes of March 14, 2016.

MOTION was made to approve the minutes of March 14, 2016 as circulated.

(Nip/Hidano) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

III. NEW BUSINESS

A. EUTF Administrative Rule Changes

1. General Changes

Mr. Derek Mizuno summarized the proposed Administrative Rule changes as recommended by the EUTF staff. Discussion held by the Trustees and staff regarding concerns of proposed change to Rule 3.01(a)(4).

MOTION was made to recommend approval to the Board of the general changes to the EUTF Administrative Rules as recommended by the EUTF staff in the memorandum to the Committee dated April 13, 2016, excluding the change to Rule 3.01(a)(4) “The unmarried child of an employee who is killed in the performance of the employee’s duty, provided the child is under the age of nineteen limiting age, as defined in Rule 1.02 ~~or is an adult disabled child in accordance with Rule 3.01(b)(3)~~ and does not have a surviving parent who is eligible to be an employee-beneficiary.” (Nip/Hidano) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

2. Medicare Part B Premium Reimbursements (Income Adjustments, 0% Retirees and Spouses of Self Only Retirees)

Mr. Mizuno summarized the proposed EUTF Administrative Rule changes for Medicare Part B Premium reimbursements (income adjustments, 0% retirees and spouses of self only retirees). Discussion held by the Trustees and staff regarding concerns about these proposed changes and that further discussion needs to be held by the Board. This item will be presented to the full Board for discussion.

B. Electronic Payments By Members

Mr. Mizuno reported that this is for the Trustees information only and summarized the electronic payment options that the EUTF would like to offer to the membership.

C. Reserves of Unrestricted Net Assets

Mr. Mizuno summarized the EUTF staff’s recommendation to change the reserve of unrestricted net assets from a set dollar amount for the self-funded prescription drug plan to 35% of the most recent fiscal year self-funded prescription drug plan claims and expenses.

MOTION was made to recommend approval to the Board to change the reserve of unrestricted net assets from a set dollar amount for the self-funded prescription drug plan to 35% of the most recent fiscal year self-funded prescription drug plan claims and expenses as recommended by the EUTF staff. (Nip/Hidano) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

IV. EXECUTIVE SESSION

MOTION was made to move into Executive Session at 2:47 p.m. (Nip/Hidano) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

Executive Session adjourned at 3:26 p.m.

V. FUTURE AGENDA ITEMS DISCUSSION AND NEXT MEETING DATE

Add “Personnel issues” to agenda for Executive Session at the next Board meeting.

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VI. ADJOURNMENT

MOTION was made to adjourn the meeting at 3:27 p.m. (Nip/Hidano)

The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

Respectfully submitted,

/s/

Audrey Hidano, Chairperson

APPROVED on November 2, 2016.

DOCUMENTS DISTRIBUTED:

1. Draft Administrative Committee Minutes of 3/14/16. (2 pages)
2. Memorandum to the Administrative Committee from the Administrator regarding EUTF Administrative Rule Changes – General Changes dated 4/13/16. (2 pages)
3. Draft redline version of the proposed EUTF Administrative Rules. (68 pages)
4. Memorandum to the Administrative Committee from the Administrator regarding EUTF Administrative Rule Changes – Medicare Part B Premium Reimbursements (Income Adjustments, 0% Retirees and Spouses of Self Only Retirees) dated 4/13/16. (8 pages)
5. Memorandum to the Administrative Committee from the Administrator regarding Electronic Payments by Members dated 4/14/16. (2 pages)
6. Memorandum to the Administrative Committee from the Administrator regarding Reserves of Unrestricted Net Assets dated 4/13/16. (2 pages)