

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
Monday, June 26, 2017

TRUSTEES PRESENT

Ms. Laurel Johnston, Acting Chairperson
Mr. Roderick Becker

Ms. Linda Currivan Musto

TRUSTEES ABSENT:

Dr. Virginia Pressler, Chairperson
Mr. Gordon Murakami

Mr. Clifford Uwaine

ATTORNEY

Ms. Jodi Yi, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator
Ms. Donna Tonaki, Assistant Administrator
Ms. Maria Quartero
Ms. Linda Green

Mr. Tom Morrison, Benefits Consultant
Ms. Shannon Hall
Ms. Emily Kaneakua
Mr. Rod Shinno

OTHERS PRESENT

Ms. Darlynn Barte, HMSA
Ms. Nikki Bassett, USABLE Life
Ms. Sandra Benevides, CVS Health
Ms. Richelle Cardwell, HMSA
Ms. Melissa Cleveland, Kaiser
Dr. Laurel Coleman, HMSA
Ms. Irene Geyrozaga, Kaiser
Ms. Jeroyln Hee, HMSA
Ms. Monica Kim, VSP
Mr. Brandon Kumabe, HMSA

Mr. Joey Lee, HDS
Mr. Kyle Niuro, HMSA
Mr. Christopher Letoto, HMSA
Ms. Melissa Maino, CVS Health
Dr. Chris Miura, Kaiser
Mr. Kurt Neuenfeld, CVS
Ms. Charlayne Ranchez, Kaiser
Ms. Joleen Sato, HMSA
Mr. Troy Tomita, Kaiser
Dr. Anthea Wang, Kaiser

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 9:04 a.m. by Trustee Laurel Johnston, Acting Chairperson, in the EUTF Board Room, City Financial Tower, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Monday, June 26, 2017.

II. MINUTES

A. April 24, 2017

The Benefits Committee reviewed the draft minutes of April 24, 2017.

MOTION was made and seconded to approve the minutes of April 24, 2017 as circulated. (Currivan Musto/Becker) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

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III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:05 a.m. (Becker/Currivan Musto) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

The regular meeting recessed at 10:46 a.m. and reconvened at 10:51 a.m.

The Acting Chairperson reported that the Executive Session minutes of April 24, 2017 were approved in Executive Session.

IV. NEW BUSINESS

A. HMSA Proposed Retiree Benefit Plan Design Changes

The Committee discussed the addition of the supportive care benefit to the EUTF HMSA retiree medical plans effective January 1, 2018 for seriously ill patients with congestive heart failure, chronic pulmonary diseases and liver failure. Mr. Derek Mizuno reported that HMSA and the Deputy Attorney General will provide additional information to the Board regarding the proposed addition of a supportive care benefit for the EUTF HMSA retiree medical plans. No recommendation will be made to the Board by the Committee.

Mr. Mizuno discussed a recent letter from a retiree requesting the addition of air ambulance services on the mainland comparable to the interisland air ambulance services currently included in the HMSA retiree medical plans. Mr. Mizuno added that mainland air ambulance services are not included in non-EUTF HMSA medical plans and in certain instances are covered by Medicare. No recommendation will be made to the Board by the Committee.

Mr. Mizuno discussed the Ornish heart disease program benefit that was added to the retiree plans for the period 1/1/17 – 12/31/17. HMSA will prepare results for the EUTF retirees and active employees for presentation to the Committee in July or August.

B. CVS/SilverScript

1. Opioid Management Strategy

Ms. Sandra Benevides and Mr. Kurt Neuenfeld, CVS, presented two possible options, FDA label or CDC guidelines based strategies, to replace the current opioid management strategy. The Committee, staff, Segal and CVS discussed the new CDC guidelines that are stricter than the FDA label based guidelines. To date eight CVS government clients switched to the CDC based strategy, two switched to the label based strategy and three have not decided. The CDC based strategy is projected to have a negative impact on rebates offset by lower ingredient costs (\$110,000-\$112,812). Additionally, CVS believes that implementation of the provisions of SB505 Relating to Health (Opioid Therapy, Informed Consent, Prescription Limits, Nurses) is the responsibility of the prescriber and provider.

MOTION was made and seconded to adopt the morphine milligram equivalent opioid strategy as described on slide 14 of the CVS presentation for EUTF active employee

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and non-Medicare retiree prescription drug plans administered by CVS, excluding HSTA VB plans, effective October 1, 2017. (Currivan Musto/Becker) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

2. U.S. Prevention Services Task Force Requirement for Statins

Ms. Benevides and Mr. Neuenfeld presented the CVS recommendation to add low to moderate dose generic statins for ages 40 through 75 years with no quantity limits, no prior authorization and no copayment by July 1, 2018. This recommendation will ensure that EUTF complies with the U.S. Preventative Services Task Force recommendation to include such statins as an ACA preventative service. The task force's recommendation is for such statins to be covered under certain circumstances, however, CVS believes that the cost of implementing prior authorizations and the disruption outweigh its benefits. EUTF staff reported that in the recent past similar ACA preventative service mandates were implemented on the required date (not earlier) for active employees and not to the retiree plans. No recommendation will be made to the Board by the Committee.

3. Specialty Copayment Coupon Program

Ms. Benevides reported that this item is a follow up from the SALGBA conference attended by the Administrator and herself. This program would 1) exclude manufacturer coupons from the member's accumulated out-of-pocket costs and 2) allow the EUTF to take advantage of the full amount of manufacturer coupons for specialty drugs. Currently, the value of the coupons are limited to the member's coinsurance. This program for active employees and non-Medicare retirees is limited to CVS clients that have selected CVS as the exclusive specialty pharmacy. EUTF discontinued the exclusive specialty pharmacy arrangement with CVS in 2013 in accordance with Act 226, SLH 2013. The CVS account team is investigating whether CVS will make an exception for EUTF.

V. FUTURE AGENDA ITEMS DISCUSSION AND NEXT MEETING DATE

The next Committee meeting will be scheduled for July or August 2017.

VI. ADJOURNMENT

MOTION was made for the Board to adjourn meeting at 11:49 a.m. (Currivan Musto/Becker) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Respectfully submitted,

/s/

Laurel Johnston, Acting Chairperson

APPROVED on August 21, 2017.

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DOCUMENTS DISTRIBUTED:

1. Draft Benefits Committee Minutes of 4/24/17. (2 pages)
2. EUTF Actives Quarterly Review July 2016-March 2017, Prescription Benefits Review, Redacted Version. (7 pages)
3. EUTF Non-Medicare Retirees Quarterly Report Jan 2017-Mar 2017, Prescription Benefit Review, Redacted Version. (7 pages)
4. EUTF EGWP Retirees Quarterly Report Jul 2012-Mar 2017, Prescription Benefit Review, Redacted Version. (10 pages)
5. Opioid Utilization Management Strategy by CVS Health dated 6/26/17, Redacted Version. (13 pages)