

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
Wednesday, May 17, 2017

TRUSTEES PRESENT

Ms. Audrey Hidano, Chairperson
Ms. Laurel Johnston (arrived at 9:15a.m.)

Ms. Celeste Nip

TRUSTEES ABSENT:

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. Shannon Hall

Ms. Bonny Kahalewai
Mr. Raymond Kan
Mr. Rodney Shinno

OTHERS PRESENT

Ms. Sandra Benevides, CVS Health
Ms. Elaine Fujiwara, HDS
Ms. Monica Kim, VSP

Ms. Bev Luney, USABLE Life
Ms. Jennifer Woo, C&C DHR

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 9:02 a.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Wednesday, May 17, 2017.

II. APPROVAL OF MINUTES

A. December 15, 2016

The Administrative Committee reviewed the draft minutes of December 15, 2016.

MOTION was made and seconded to approve the minutes of December 15, 2016 as circulated. (Nip/Hidano) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-1)

III. NEW BUSINESS

A. Out-of-State Retiree Premium Reimbursements

Mr. Derek Mizuno summarized the addition of a EUTF policy related to medical and prescription drug coverage for out-of-state retirees in accordance with HRS 87A-33.5 that mirrors the current process with the addition of a limitation on retroactive reimbursements of out-of-state premiums to two years which is consistent with the

limitation on Medicare Part B premium income adjustment retroactive reimbursements.

MOTION was made and seconded to recommend that the Board limit reimbursement of premiums paid by retirees who live outside of Hawaii to retiree medical and prescription drug plans issued by companies outside of Hawaii who have also contracted with the EUTF to provide medical and prescription drug plans that are only available to Hawaii residents. Additionally, such reimbursement shall be:

1. Limited to the lesser of the actual cost of the medical and prescription plan or the amount of employer contributions for the most comparable medical and prescription drug plan offered by the EUTF;
2. Paid quarterly in arrears after receipt of documentation has been provided that provides evidence that the premiums have been paid by the retiree;
3. If proof is submitted more than two years after the premiums were paid, the EUTF shall only reimburse for a two year retroactive period.

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

B. Proposed EUTF Administrative Rule Changes

Mr. Mizuno summarized the staff recommendation, excluding item #4, to revise the EUTF Administrative Rules. Mr. Mizuno highlighted the changes in EUTF practice.

Trustee Laurel Johnston entered the meeting at 9:15 a.m.

MOTION was made and seconded to recommend approval to the Board of the proposed EUTF Administrative Rules as recommended by the EUTF staff in the memorandum to the Committee dated 5/11/17, excluding item #4. (Nip/Johnston) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

C. Progress on the strategic plan through March 31, 2017

Mr. Mizuno asked the Committee to submit questions or comments on the staff's progress on the strategic plan.

IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:53 a.m. (Nip/Johnston) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Executive Session adjourned at 9:57 a.m.

V. FUTURE AGENDA ITEMS DISCUSSION AND NEXT MEETING DATE

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Administrative Committee Meeting

May 17, 2017 Minutes

Page 3

VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 9:59 a.m. (Nip/Johnston)

The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Respectfully submitted,

/s/

Audrey Hidano, Chairperson

APPROVED on November 15, 2017.

DOCUMENTS DISTRIBUTED:

1. Draft Administrative Committee Minutes of 12/15/16 (2 pages)
2. Memorandum to the Administrative Committee from the Administrator Regarding Out-of-State Retiree Premium Reimbursements dated 5/11/17 (5 pages)
3. Memorandum to the Administrative Committee from the Administrator Regarding Proposed 2017 Administrative Rule Changes (70 pages)
4. Monitoring of Progress on the Goals, Objectives and Action Plan January 1, 2015 – April 30, 2017 (27 pages)