

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
Minutes of the Board of Trustees  
Thursday, April 24, 2018

TRUSTEES PRESENT

Mr. Gordon Murakami, Chairperson	Mr. Christian Fern
Ms. Celeste Nip, Vice Chairperson (arrived 9:02 am)	Ms. Audrey Hidano
Ms. Laurel Johnston, Secretary-Treasurer	Dr. Virginia Pressler
Mr. Roderick Becker	Mr. Clifford Uwaine

TRUSTEES ABSENT

Ms. Linda Currivan Musto

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator	Mr. Thomas Morrison, Benefits Consultant
Ms. Donna Tonaki, Assistant Administrator	Ms. Bonny Kahalewai
Ms. Maria Quartero	Mr. Raymond Kan
Ms. Amy Cheung	
Ms. Linda Green	Ms. Lara Nitta
Ms. Shannon "Heather" Hall	

OTHERS PRESENT

Ms. Zeny Agullana, JPM	Ms. Mae Kishimoto, HSTA-R
Ms. Marissa Adachi, HMSA	Mr. Brandon Kumabe, HMSA
Mr. Garet Azama, HMSA	Mr. Christopher Letoto, HMSA
Ms. Evelyn Baysa, HMA	Ms. Bev Luney, USABLE
Ms. Elaine Fujiwara, HDS	Dr. Mark Mugiishi, HMSA
Mr. Dale Goya, HMSA	Mr. Douglas Murata, Royal State
Mr. Galen Haneda, HMSA	Mr. Glenn Park, HGEA-R
Ms. Keiko Hiraoka, Lilly	Mr. Troy Tomita, Kaiser
Ms. Monica Kim, VSP	

I. CALL TO ORDER

The meeting of the Board of Trustees was called to order at 9:00 a.m. by Chairperson Gordon Murakami, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, April 24, 2018.

II. MINUTES – April 5, 2018

The Board reviewed the draft minutes of April 5, 2018.

MOTION was made and seconded to approve the minutes of April 5, 2018 as circulated. (Pressler/Johnston) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

III. EXECUTIVE SESSION

MOTION was made and seconded for the Board to move into Executive Session at 9:02 a.m. (Pressler/Hidano) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

The regular meeting reconvened from Executive Session at 10:51 a.m.

Chairperson Murakami reported that the Board took the following actions in Executive Session:

1. Approved the Executive Session minutes of April 5, 2018.
2. Approved the award of contracts for dental benefits.
3. Approved the award of contracts for life insurance benefits.
4. Approved the award of contracts for vision benefits

#### IV. NEW BUSINESS

- A. New Chairperson (employer trustee), Vice Chairperson (employer trustee) and Secretary-Treasury (employee trustee) Effective July 1, 2018

Chair Murakami informed the Board that they need to elect a new Chairperson (employer trustee), Vice Chairperson (employer trustee) and Secretary-Treasurer (employee trustee) effective July 1, 2018 prior to the July 2018 Board meeting. Nominations for Chairperson and Vice Chairperson were deferred.

Trustee Christian Fern was nominated for Secretary-Treasurer. (Uwaine/Nip)

MOTION was made and seconded for the Board to close nominations. (Nip/Hidano) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

Trustee Fern was elected Secretary-Treasurer effective July 1, 2018.

#### V. OLD BUSINESS

- A. 2018 EUTF Related Legislation

Mr. Derek Mizuno reported on the status of HB694 HD2 SD2 and SB3104 SD2 HD2.

- B. Medicare Part B Notification for Retirees Aging into Medicare

Ms. Donna Tonaki discussed the current process of notifying retirees when they age into Medicare at age 65. The EUTF staff will not be making changes to the current process at this time.

#### VI. REPORTS

- A. Segal

1. Summary of Federal Legislative Changes for 2018 and 2019 impacting EUTF

Mr. Tom Morrison summarized the federal legislative changes for 2018 and 2019 that impact the EUTF.

- B. Administrator

The Administrator's report was in the Board packet.

1. HMSA limited prescription drug benefit
2. Meetings with legislators and unions
3. Public engagement

- C. EUTF Managers', Program Specialist and Benefits Audit Specialist Reports

The Managers, Benefits Audit Specialist, and Program Specialist reports were in the Board packet.

1. Member Services Branch (MSB)
  - a. MSB Data
  - b. MSB Staffing Update
  - c. 2018 Active Employee Open Enrollment
  - d. Carrier Reports
  
2. Information Systems (IS)
  - a. Active Employees Open Enrollment 2018
  - b. V3 Benefits Administration System (V3 BAS) Modified Phase II (Employer File Feed)
  - c. Vitech Rebill Issue
  - d. EUTF Health Benefits Hardware Server Replacement
  - e. V3 BAS Feasibility Study
  - f. Death Validation Import
  - g. Enrollment Counts
  
3. EUTF Benefits Audit Specialist Report
  - a. Spouses with Self and Two-Party Plans
  - b. Unreported Divorces – Retirees
  - c. Additional Audits to be Initiated by 6/30/18
  - d. Completed and Recurring Audits
  
4. EUTF Program Specialist Report
  - a. Worksite wellness
  - b. Preventive health
  - c. Chronic disease management
  - d. Advanced care planning (ACP) benefit
  
5. Financial Services Branch (FSB)
  - a. FSB Performance Data
  - b. Management Letter Corrective Action Plan Status
  - c. EUTF Collections
  - d. Financial Statements as of February 28, 2018

D. Carrier Reports

The carrier reports were in the Board packet.

1. CVS Caremark
  2. SilverScript
  3. Hawaii Dental Service (HDS)
  4. Hawaii Medical Service Association (HMSA)
  5. Kaiser Health Foundation
  6. Royal State Insurance
  7. UnitedHealthcare
  8. USABLE Life
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9. Vision Service Plan (VSP)

Ms. Monica Kim, VSP, reported on the contribution that VSP is making to assist the flood disaster victims on Kauai and Oahu in replacing their contact lenses and glasses.

VII. NEXT MEETING DATE

A. Wednesday, May 30, 2018 at 9:00 a.m. – Benefit and Investment Committee Reports

VIII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 11:07 a.m. (Johnston/Fern) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

Respectfully submitted,

/s/

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Laurel Johnston, Secretary-Treasurer

APPROVED on May 30, 2018.

Documents Distributed:

1. Draft Board Minutes of 4/5/18. (7 pages)
2. List of Legislative Bills Related to the EUTF updated 4/24/18. (8 pages)
3. Memorandum to BOT from Assistant Administrator Regarding Medicare Part B Notification for Retirees Aging into Medicare dated 4/19/18. (2 pages)
4. Legislative Update by Segal Consulting dated 4/24/18. (12 pages)
5. Administrator's Monthly Report to the Board from 3/24/18-4/13/18 dated 4/13/18. (1 page)
6. Memorandum to BOT from Member Services Branch Manager Regarding March-April 2018 Member Services Operations Report dated 4/13/18. (15 pages)
7. Memorandum to BOT from Information Systems Chief Regarding March-April 2018 Information Systems (IS) Operations Report dated 4/13/18. (11 pages)
8. Memorandum to Administrator from EUTF Benefits Audit Specialist Regarding March-April 2018 EUTF Benefits Audit Specialist Report dated 4/13/18. (2 pages)
9. Memorandum to Administrator from EUTF Program Specialist Regarding March-April 2018 EUTF Program Specialist Report dated 4/13/18. (2 pages)
10. Memorandum to BOT from Financial Management Officer Regarding March-April 2018 Financial Services Branch (FSB) Report dated 4/13/18. (6 pages)
11. EUTF Financial Statements as of February 28, 2018 dated 4/18/18 and Experience Accounting of Self Funded Plans for February 2018 dated 4/18/18. (9 pages)
12. CVS Caremark Monthly Carrier Report for March 2018 dated 4/9/18. (15 pages)
13. SilverScript Monthly Carrier Report for March 2018 dated 4/9/18. (3 pages)
14. HDS Monthly Carrier Report for March 2018 dated 4/10/18. (2 pages)
15. HMSA Monthly Carrier Report for March 2018 dated 4/13/18. (3 pages)
16. Kaiser Monthly Carrier Report for March 2018 dated 4/9/18. (2 pages)
17. Royal State Insurance Monthly Carrier Reports for March 2018 (Chiropractic and Supplemental Medical Plans) dated 4/6/18. (4 pages)
18. US Able Life Monthly Carrier Report for March 2018 dated 4/10/18. (2 pages)
19. VSP Monthly Carrier Report for March 2018 dated 4/8/18. (2 pages)