

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
Monday, September 24, 2018

TRUSTEES PRESENT

Ms. Audrey Hidano, Chairperson
Ms. Laurel Johnston

Ms. Celeste Nip

TRUSTEES ABSENT

Mr. Clifford Uwaine

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

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

Ms. Amy Cheung
Ms. Bonny Kahalewai
Mr. Raymond Kan

OTHERS PRESENT

Ms. Stacy Dustin, PCG
Ms. Leila Kagawa, ETS

Mr. Todd Nacapuy, ETS
Ms. Laurie Thornton, PCG

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 9:04 a.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Monday, September 24, 2018.

II. APPROVAL OF MINUTES – June 15, 2018

The Committee reviewed the draft minutes of June 15, 2018.

MOTION was made and seconded to approve the minutes of June 15, 2018 as circulated. (Nip/Wada) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

III. NEW BUSINESS

A. Benefits Administration System Feasibility Study Results

Ms. Laurie Thornton and Ms. Stacy Dustin, Public Consulting Group (PCG), presented their Health Benefits Administration System Feasibility Study report.

The following items were noted in discussions between EUTF staff, the Committee, PCG and State Enterprise Technology Solutions (ETS) staff:

1. ETS has only been approving new software systems without customization. Business processes should be re-engineered or the software should be configured

to avoid customization of the software. Significant time at the beginning of the project should be spent reviewing the processes including both processes with and without customization. Significant customization of the current benefits administration system was a factor in not upgrading the current software.

2. EUTF should consider having the project managed by a State employee experienced with large scale system replacements instead of a third party project manager.
 3. EUTF should consider moving up the timeline for implementation of the independent verification and validation services contract.
 4. EUTF should consider adding in costs for organizational change management and business process reengineering.
 5. ETS recommended consideration of “going live” on the new system without running parallel with the old Vitech system based on their experience with the HawaiiPay and other projects.
 6. EUTF should continue to work closely with ETS.
- B. EUTF Proposed Budget Request for Fiscal Biennium 2019-2021

Ms. Donna Tonaki summarized the EUTF Proposed Budget Request for Fiscal Biennium 2019-2021. Mr. Mizuno added that when EUTF staff originally drafted the budget, it included three additional positions – Member Services Clerk, Account Clerk and Program Specialist. After further review, EUTF determined implementation of a new benefits administration system would automate manual processes and add member self-service, resulting in reduced EUTF staff workloads. As a result, the proposed budget focuses on 1) a new benefits administration system and 2) a compliance officer that would improve system security and HIPAA compliance.

MOTION was made and seconded to recommend to the Board approval of the proposed EUTF budget for fiscal year biennium 2019-2021. (Nip/Wada) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 10:07 a.m. (Nip/Wada) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Executive Session adjourned at 10:16 a.m.

The Chairperson reported that the Executive Session minutes of December 14, 2017 were approved in Executive Session.

V. FUTURE AGENDA ITEMS

Mr. Mizuno reported that the next Administrative Committee meeting is planned for November to discuss personnel, the report to the legislature on conversion from exempt to civil service, and progress on the 1/1/18 – 6/30/21 strategic plan.

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VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 10:17 a.m. (Wada/Nip) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Respectfully submitted,

/s/

Audrey Hidano, Chairperson

APPROVED on November 13, 2018.

DOCUMENTS DISTRIBUTED:

1. Draft Administrative Committee Minutes of 6/15/18. (3 pages)
2. EUTF Health Benefits Administration System Feasibility Study dated 9/24-25/2018. (19 pages)