

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
October 29, 2018

TRUSTEES PRESENT

Ms. Linda Currivan Musto, Chairperson
Mr. Roderick Becker
Mr. Damien Elefante (arrived 10:00 am)

Mr. Christian Fern
Ms. Laurel Johnston
Mr. Clifford Uwaine (arrived 9:06 am)

TRUSTEES ABSENT: None

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. Linda Green

Mr. Tom Morrison, Benefits Consultant
Ms. Bonny Kahalewai
Ms. Lara Nitta
Ms. Desiree Yamauchi

OTHERS PRESENT

Ms. Marissa Adachi, HMSA
Ms. Dina Aun, CVS Health
Ms. Stacia Baek, HMSA
Ms. Sandra Benevides, CVS Health
Mr. Su Chai, Kaiser
Mr. Tom Delaney, HDS
Mr. Tom England, Kaiser
Ms. Elaine Fujiwara, HDS
Mr. Galen Haneda, HMSA
Ms. Vanelle Hirayasu, HMA
Dr. Karen Hu, HDS
Ms. Monica Kim, VSP
Ms. Monica Kohls, Kaiser

Mr. Brandon Kumabe, HMSA
Mr. Lawrence Lau, HDS
Mr. Christopher Letoto, HMSA
Ms. Bev Luney, USABLE
Ms. Denise Mercil, Securian
Mr. Kurt Neuenfeld, CVS Health
Mr. Clesson Pang, HDS
Ms. Sarah Smith, CVS Health
Mr. Troy Tomita, Kaiser
Dr. Anthea Wang, Kaiser
Mr. Trebor Waihee Yamazaki
Mr. Scott Yamaguchi, Kaiser

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 9:00 a.m. by Trustee Linda Currivan Musto, Chairperson, in the EUTF Board Room, City Financial Tower, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Monday, October 29, 2018.

II. MINUTES – September 26, 2018

The Benefits Committee reviewed the draft minutes of September 26, 2018.

MOTION was made and seconded to approve the minutes of September 26, 2018 as circulated. (Johnston/Becker) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:02 a.m. (Becker/Fern) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-2)

The regular meeting reconvened from Executive Session at 11:17 a.m.

The Chairperson reported that the following were approved in Executive Session:

1. Executive Session minutes of September 26, 2018
2. A recommendation to extend the benefits consultant contract.

IV. PROPOSED PLAN CHANGES

A. Kaiser Medical and Prescription Drug Proposed Plan Changes

Mr. Derek Mizuno summarized the Kaiser proposed additions of the facility-based and digital-based Diabetes Prevention Programs for the EUTF and HSTA VB active employee and non-Medicare retiree Kaiser plans and the EUTF staff and Segal recommendation.

Trustee Uwaine stepped out of the meeting.

MOTION was made and seconded to recommend to the Board addition of the facility-based and digital-based Diabetes Prevention Programs to the EUTF and HSTA VB active employee and non-Medicare retiree Kaiser plans as a pilot project for the period July 1, 2019 – June 30, 2020. (Becker/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

Trustee Uwaine returned to the at 11:20 a.m.

B. HMSA Medical Proposed Plan Changes

Mr. Mizuno summarized the proposed changes, prior to each motion, for the EUTF and HSTA VB active employee plans effective July 1, 2019 and the EUTF staff and Segal recommendations.

Advance Care Planning

MOTION was made and seconded to recommend to the Board coverage of advance care planning for the EUTF active employee HMSA plans at 100% in-network and at the standard coinsurance levels out-of-network and addition of advance care planning to the HSTA VB active employee HMSA plans at 100% in-network and at the standard coinsurance levels out-of-network effective July 1, 2019. (Johnston/Becker) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Genetic Counseling

MOTION was made and seconded to recommend to the Board coverage of genetic counseling for the EUTF and HSTA VB active employee HMSA plans at the standard coinsurance levels in-network and out-of-network effective July 1, 2019. The motion passed unanimously. (Becker/Fern) (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Annual Preventative Health Exam

MOTION was made and seconded to recommend to the Board replacing the annual physical exam benefit with the annual preventative health exam benefit for the EUTF active employee HMSA plans at the same coinsurance levels effective July 1, 2019. (Becker/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Chlamydia and Gonorrhea Screenings for Men

MOTION was made and seconded to recommend to the Board addition of chlamydia and gonorrhea screenings for men to the EUTF and HSTA VB active employee HMSA plans at 100% in-network and at the same coinsurance levels out-of-network as provided for women effective July 1, 2019. (Johnston/Becker) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

75/25 Deductible

MOTION was made and seconded to not recommend to the Board an increase in the EUTF HMSA 75/25 PPO plan annual deductible to \$350 single/\$1,050 family effective July 1, 2019. (Becker/Uwaine) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Diabetes Prevention Program

MOTION was made and seconded to recommend to the Board adding the Diabetes Prevention Program to the HSTA VB active employee HMSA plans effective July 1, 2019. (Uwaine/Johnston) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Mr. Mizuno also noted that EUTF staff and Segal have reviewed and accept the language changes to the HMSA Guide to Benefits for the active employee plans effective July 1, 2019. Most of the changes are the same changes made to the January 1, 2019 retiree Guide to Benefits.

C. Self-Funded Prescription Drug (CVS) Proposed Plan Changes

Ms. Sandra Benevides and Mr. Kurt Neuenfeld, CVS, presented possible plan changes to the active employee and non-Medicare retiree plan changes. Mr. Mizuno and Mr. Tom Morrison, Segal, also provided the EUTF staff and Segal recommendations.

Two-Trial Step Therapy

Mr. Neuenfeld reported to the Board that grandfathering was available. The Committee discussed grandfathering the two classes with greater potential for negative health impact and not grandfathering the other two classes with seemingly lower potential for negative health impact.

MOTION was made and seconded to recommend to the Board adding two trials as part of the generic step therapy program to the proton pump inhibitors (treatment of acid reflux) and urinary antispasmodics (treatment of urinary incontinence) drug classes without grandfathering and the ACE/ARB (treatment of high blood pressure) and Cox 2 inhibitors (treatment of pain) drug classes with grandfathering to the EUTF active employee CVS prescription drug plans effective July 1, 2019. The motion passed unanimously. (Johnston/Elefante) (Employer Trustees-3/Employee-Beneficiary Trustees-3)

75/25 MOOP Change

Ms. Benevides explained that this change has been made periodically to increase the annual maximum out-of-pocket (MOOP) of the drug plan bundled with the HMSA 75/25 plan up toward the MOOP for the drug plan bundled with the HMSA HMO, 90/10 and 80/20 plans, subject to federal limits.

MOTION was made and seconded to recommend to the Board increasing the maximum out-of-pocket costs to \$2,900 self/\$5,800 family for the EUTF active employee CVS prescription drug plan bundled with the HMSA 75/25 plan effective July 1, 2019. (Johnston/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Specialty Coinsurance Tiers

Ms. Benevides explained how 2% of the membership's specialty drug costs is accounting for about 1/3 of the total drug costs and how the specialty trend in the past year was approximately 22%. Although the specialty share is based on coinsurance (20%), a significant number of members reach the maximum amount per prescription (\$250) and/or the specialty MOOP (\$2,000).

MOTION was made and seconded to recommend to the Board specialty tier Proposal 2 (generics 10% and \$200 per prescription maximum; preferred brands 20% and \$300 per prescription maximum; and non-preferred brands 30% and \$400 per prescription maximum, all with a \$2,500 MOOP) for all EUTF active employee CVS prescription drug plans effective July 1, 2019. (Johnston/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Enhanced Specialty Guideline Management – Soliris

Trustee Uwaine stepped out of the meeting.

The Committee, EUTF staff, Segal and CVS discussed the medical condition that Soliris is treating, grandfathering options, the appeals process, and the alternative therapies that must be tried before Soliris will be covered. CVS will check the prior authorization expiration date for the member using Soliris.

MOTION was made and seconded to recommend to the Board adding Soliris to the enhanced specialty guideline management program for EUTF active employee and non-Medicare retiree CVS prescription drug plans effective April 1, 2019. (Becker/Johnston) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

Trustee Uwaine returned to the meeting.

Medication Assisted Treatment Drugs

The Committee, EUTF staff, Segal and CVS discussed the removal of any cost barriers (i.e. generic copayments) for members to use transition drugs to treat their opioid addictions.

MOTION was made and seconded to recommend to the Board coverage of medication assisted treatment drugs at a \$0 copayment for EUTF and HSTA VB active employee, non-Medicare retiree and Medicare retiree CVS/SSI prescription drug plans effective February 1, 2019. (Fern/Uwaine) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Multi-Ingredient Compounds

The Committee, EUTF staff, Segal and CVS discussed how these multi-ingredient claims with specialty drugs should have been processing at the specialty coinsurance tier however because of the limitations on the CVS system, they were processed at the non-specialty tiers. This will be corrected November 17, 2018. Three members are currently benefitting from this arrangement and a grandfather option is available.

MOTION was made and seconded to recommend to the Board grandfathering non-specialty copayments for those members using multi-ingredient compounds with specialty drugs subject to no changes in the dosage and continual enrollment effective November 17, 2018. (Uwaine/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Standard Control Formulary with Prior Authorization

The Committee, EUTF staff, Segal and CVS discussed the drugs that will no longer be covered without a prior authorization, the number of disrupted members, the potential negative health impact of disruption, the total cost savings from rebates, that there are no grandfathering options, the appeals process, and how the removed drugs can change from year to year.

MOTION was made and seconded to recommend to the Board the Standard Control Formulary With Prior Authorization for the EUTF active employees and non-Medicare retiree CVS prescription drug plans effective July 1, 2019. (Johnston/Becker) The motion failed. (3 YES – Employer Trustees – Becker, Elefante, Johnston/3 NO – Employee-Beneficiary Trustees – Currivan Musto, Fern and Uwaine)

D. HDS Dental Proposed Plan Changes

Mr. Mizuno summarized the proposed changes and EUTF staff and Segal recommendations.

Full Mouth X-Rays

No motion was made.

Total Health Plus

MOTION was made and seconded to recommend to the Board addition of Total Health Plus dental benefits to the EUTF and HSTA VB active employee HDS dental plans effective July 1, 2019. (Becker/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

E. VSP Vision Proposed Plan Changes

Mr. Mizuno summarized the proposed change and the EUTF staff and Segal recommendation.

MOTION was made and seconded to recommend to the Board 100% coverage of standard progressive lenses for the EUTF and HSTA VB active employee VSP vision plans effective July 1, 2019. (Johnston/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

VI. FUTURE AGENDA ITEMS DISCUSSION AND NEXT MEETING DATE

Mr. Mizuno reported that there is no Committee meeting scheduled at this time.

VII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn meeting at 1:36 p.m. (Becker/Johnston) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Respectfully submitted,

/s/

Linda Currivan Musto, Chairperson

APPROVED on March 18, 2019 as amended.

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DOCUMENTS DISTRIBUTED:

1. Draft Benefits Committee Minutes of 9/26/18. (3 pages)
2. EUTF 2019 Kaiser Permanente Recommended Benefit Changes, Active Contract: 7/1/19-6/30/19, Redacted Version. (7 pages)
3. HMSA 2019 Plan Change Overview and Authorization, EUTF Actives, 10/29//2018 (Redacted-For Public). (5 pages)
4. HMSA 2019 Language Change Overview and Authorization, EUTF Actives, 10/29//2018 (Redacted-For Public). (10 pages)
5. 2019 EUTF Plan Design Proposals, Redacted Version by CVS Health dated 10/29/18. (22 pages)
6. EUTF Actives July 2019, Proposed Benefit Changes by HDS, Redacted Version dated 10/29/18. (19 pages)
7. 2019 EUTF Actives – Standard Progressive Lenses by VSP dated 10/29/18. (6 pages)