

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
Minutes of the Board of Trustees  
Tuesday, April 23, 2019

TRUSTEES PRESENT

Ms. Audrey Hidano, Vice Chairperson  
Mr. Christian Fern, Secretary-Treasurer  
Ms. Linda Currivan Musto

Mr. Damien Elefante  
Ms. Laurel Johnston  
Mr. Gordon Murakami

TRUSTEES ABSENT

Mr. Roderick Becker, Chairperson  
Ms. Celeste Nip

Mr. Clifford Uwaine  
Mr. Ryker Wada

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

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

Mr. Thomas Morrison, Benefits Consultant  
Mr. Raymond Kan  
Ms. Chandra Maroney  
Ms. Heather McMahan  
Ms. Lara Nitta

OTHERS PRESENT

Ms. Marissa Adachi, HMSA  
Ms. Cheryl Archer, USAble  
Ms. Irene Bayudan, VSP  
Ms. Evelyn Baysa, HMA  
Ms. Sandra Benevides, CVS Health  
Mr. Tom England, Kaiser  
Ms. Elaine Fujiwara, HDS  
Mr. Galen Haneda, HMSA

Ms. Keiko Hiraoka, Lilly  
Mr. Brandon Kumabe, HMSA  
Ms. Mae Kishimoto, HSTA-R  
Ms. Angele Kohls, Kaiser  
Mr. Christopher Letoto, HMSA  
Mr. Troy Tomita, Kaiser  
Mr. Scott Yamaguchi, Kaiser  
Mr. Trebor Waihee-Yanazaki, HMSA

I. CALL TO ORDER

The meeting of the Board of Trustees was called to order at 9:03 a.m. by Vice Chairperson Audrey Hidano, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, April 23, 2019.

II. MINUTES – March 19, 2019.

The Board reviewed the draft minutes of March 19, 2019.

MOTION was made and seconded to approve the minutes of March 19, 2019 as circulated. (Currivan Musto/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

III. EXECUTIVE SESSION

MOTION was made and seconded for the Board to move into Executive Session at 9:05 a.m. (Elefante/Johnston) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

The regular meeting reconvened from Executive Session at 9:55 a.m.

Vice Chairperson Hidano reported that the Board approved the following in Executive Session:

1. The Executive Session minutes of March 19, 2019.
2. A commitment of \$50 million to a private equity fund subject to contract negotiation.

#### IV. BENEFITS COMMITTEE REPORT

##### A. HMSA Medical Proposed Plan Changes

###### **Digital Breast Tomosynthesis**

Mr. Derek Mizuno reported that HMSA is still working on the request from the Benefits Committee to provide additional information on cost avoidance, pricing for non-Medicare and Medicare retirees and summaries of studies supporting the benefits of this type of screening. EUTF staff and Segal Consulting recommend deferring this until the May 21, 2019 Board meeting.

###### **Maternity Reimbursement**

Mr. Mizuno explained the proposed plan change to the HMSA retiree medical plan effective January 1, 2020 to revise the reimbursement methodology for the physicians to incentivize post-partum visits. The Benefits Committee is not recommending this change since it will increase both plan and member cost.

###### **In Vitro Fertilization**

Mr. Mizuno explained the proposed plan change to the HMSA retiree medical plan effective January 1, 2020 to expand in vitro fertilization benefits from once per lifetime for all HMSA plans regardless of employer to one IVF procedure per group plan type. The Benefits Committee is not recommending the change since they do not believe that the EUTF is required to make this change.

#### V. NEW BUSINESS

##### A. New Chairperson (employee trustee), Vice Chairperson (employee trustee) and Secretary-Treasury (employer trustee) Effective July 1, 2019

Trustee Christian Fern was nominated for Chairperson effective July 1, 2019 (Murakami/Hidano).

MOTION was made and seconded to close nominations for Chairperson effective July 1, 2019. (Johnston/Elefante) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Trustee Fern was elected Chairperson effective July 1, 2019.

Nominations for Vice Chairperson were deferred.

Trustee Laurel Johnston was nominated for Secretary Treasurer effective July 1, 2019 (Johnston/Fern)

MOTION was made and seconded to close nominations for Secretary-Treasurer effective July 1, 2019. (Johnston/Fern) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Trustee Johnston was elected Secretary-Treasurer effective July 1, 2019.

VI. OLD BUSINESS

A. 2019 EUTF Related Legislation

Mr. Mizuno summarized the status of the EUTF proposed bills and other bills impacting the EUTF.

VII. REPORTS

A. Segal

1. Quarterly Trend Report

Mr. Tom Morrison updated the Board on trends in the health care industry.

B. Administrator

1. Meetings with legislators and unions
2. Public engagement

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

The EUTF Managers' and Specialists' reports were in the Board packet.

1. Member Services Branch (MSB)

- a. MSB Data
- b. MSB Staffing Update
- c. 2019 Active Employee Open Enrollment (OE) Human Resources Officer/County Personnel Officer (HRO/CPO) Training Sessions
- d. Carrier Reports

2. Information Systems (IS)

- a. Active Employee Open Enrollment 2019
- b. V3 Benefits Administration System (V3 BAS) Modified Phase II (Employer File Feed)
- c. HIC to MBI Number Conversion
- d. HIPAA Risk Assessment
- e. Medicare Part B Reimbursement Amounts for 2017
- f. Vacancies
- g. Enrollment Counts

3. EUTF Benefits Audit Specialist Report

- a. Audits Currently in Progress
- b. Additional Audits to be Initiated by 6/30/19
- c. Completed and Recurring Audits

4. EUTF Program Specialist Report

- a. Worksite wellness
- b. Preventive health
- c. Chronic disease management

5. Financial Services Branch (FSB)
  - a. FSB Performance Data
  - b. Management Letter Corrective Action Plan Status
  - c. EUTF Collections
  - d. FSB Staffing Update
  - e. Financial Statements as of February 28, 2019

D. Carrier Reports

The Carrier reports were in the Board packet.

1. CVS Caremark

Trustee Linda Currivan Musto commended CVS on contributions to the Girl Scouts of Hawaii Women of Distinction and Aloha United Way for the Women United Event.

2. SilverScript

3. Hawaii Dental Service (HDS)

4. Hawaii Mainland Administrators (HMA)

5. Hawaii Medical Service Association (HMSA)

Trustee Currivan Musto commended HMSA for participation in seven community events spanning four islands.

6. Kaiser Health Foundation

Trustee Currivan Musto commended Kaiser for emergency preparedness and participation in State Department of Education annual fitness meets for children.

7. Securian

8. US Able Life

9. Vision Service Plan (VSP)

VIII. NEXT MEETING DATE

The next Board meeting is on Tuesday, May 21, 2019 at 9:00 a.m.

IX. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 10:06 a.m. (Elefante/Currivan Musto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

Respectfully submitted,

/s/

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Christian Fern, Secretary-Treasurer

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Board of Trustees Meeting

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Documents Distributed:

1. Draft Board Minutes of 3/19/19. (7 pages)
2. Memorandum to BOT from Benefits Committee Regarding 4/22/19 Benefits Committee Meeting dated 4/22/19. (1 page)
3. Legislative Update dated 4/23/19. (2 pages)
4. Trends by Segal Consulting, 1<sup>st</sup> Quarter 2019. (1 page)
5. Administrators Monthly Report to the Board from 3/9/19 dated 4/12/19. (1 page)
6. Memorandum to BOT from Member Services Branch Manager Regarding March 2019-April 2019 Member Services Operations Report dated 4/12/19. (12 pages)
7. Memorandum to BOT from Information Systems Chief Regarding March 2019-April 2019 Information Systems (IS) Operations Report dated 4/12/19. (11 pages)
8. Memorandum to Administrator from EUTF Benefits Audit Specialist Regarding March 2019-April 2019 EUTF Benefits Audit Specialist Report dated 4/12/19. (2 pages)
9. Memorandum to Administrator from EUTF Program Specialist Regarding March 2019-April 2019 EUTF Program Specialist Report dated 4/12/19. (2 pages)
10. Memorandum to BOT from Financial Management Officer Regarding March-April 2019 Financial Services Branch (FSB) Report dated 4/12/19. (15 pages)
11. CVS Caremark Monthly Carrier Report for March 2019 dated 4/9/19. (2 pages)
12. SilverScript Monthly Carrier Report for March 2019 dated 4/5/19. (3 pages)
13. HDS Monthly Carrier Report for March 2019 dated 4/10/19. (2 pages)
14. HMA Monthly Carrier Report for March 2019 dated 4/1/19. (2 pages)
15. HMSA Monthly Carrier Report for March 2019 dated 4/15/19. (3 pages)
16. Kaiser Monthly Carrier Report for March 2019 dated 4/10/19. (2 pages)
17. Securian Financial Monthly Carrier Report for March 2019 dated 4/10/19. (1 page)
18. US Able Life Monthly Carrier Report for March 2019 dated 4/5/19. (2 pages)
19. VSP Monthly Carrier Report for March 2019 dated 4/9/19. (2 pages)