

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
2 Minutes of the Administrative Committee Meeting  
3 June 16, 2003  
4

5 TRUSTEES PRESENT

6 Ms. Kathryn S. Matayoshi, Chairperson Mr. Gerald Machida  
7 Ms. Audrey Hidano Mr. Will Miyake  
8

9 TRUSTEES ABSENT

10 Mr. Dayton Nakanelua  
11

12 ATTORNEY: Mr. Brian Aburano, Deputy Attorney General  
13

14 EUTF STAFF

15 Mr. Mark Fukuhara, Administrator Mr. John Garner, Consultant  
16 Ms. Maria Quartero Ms. Donna Tonaki  
17 Ms. Kathleen Shiroma  
18

19 OTHERS PRESENT

20 Ms. Lynette Arakawa, HDS Mr. Maurice Morita, HSTA  
21 Ms. Monica Engle, VSP Ms. Kären Muronaka, HSTA-Retired  
22 Ms. Elaine Fujiwara, HDS Mr. Gordon Murakami, Royal State Group  
23 Ms. Venus Gabuyo, MBAH Mr. Rod Tam, HMSA  
24 Mr. Tracy Matsumoto, Chiro Plan Hawaii Ms. Lori Taniguchi, Royal State Group  
25

26 I. CALL TO ORDER

27 The meeting of the Administrative Committee was called to order at 9:01 a.m. by  
28 Chairperson Kathryn Matayoshi in Conference Room 405, Leiopapa A Kamehameha  
29 Building, 235 South Beretania Street, Honolulu, Hawaii, on Monday, June 16, 2003.  
30

31 II. APPROVAL OF MINUTES

32 Approval of Administrative Committee minutes for October 9, 18, 2002;  
33 February 3, 20, 2003; and March 4, 2003.  
34

35 MOTION was made to approve minutes for October 9, 18, 2002; February 20, 2003;  
36 March 4, 2003; and February 3, 2003 as amended on page 2, line 33 to add “without  
37 prior review by the Board” after the word “information”. (Machida/Miyake)  
38 Discussion held by Trustees.  
39 Vote: Unanimously passed.  
40

41 III. REPORTS:

42 A. Administrator: None  
43  
44 B. Deputy Attorney General: None  
45  
46 C. Benefits Consultant: None  
47

48 IV. UNFINISHED BUSINESS

49 A. EUTF/PEHF Transition

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Administrative Committee Meeting

June 16, 2003 Minutes

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- 1                   1.       Mr. Bert Nishihara gave overview on analysis of amounts to be returned to  
2                   employers (see handout). Discussion by Trustees on amounts to be  
3                   returned to employers.  
4

5                   Mr. Aburano gave an overview on the attorney-client privileged  
6                   communication that he had provided to the Trustees regarding the PEHF's  
7                   return of rate credits and reimbursements to public employers. The  
8                   Trustees asked whether the PEHF could legally return the public  
9                   employers' share of rate credits and reimbursements to the public  
10                  employers prior to the PEHF going out of business and its assets being  
11                  transferred to the EUTF. Mr. Aburano stated that under Section 87-3,  
12                  HRS, the PEHF had legal authority to take this action. In fact,  
13                  Section 87-3, HRS, appeared to require the PEHF to return the public  
14                  employers' share of rate credits and reimbursements. On the other hand,  
15                  Section 87-3, HRS, only permitted and did not require the PEHF to return  
16                  the employees' share of rate credits and reimbursements. Mr. Aburano  
17                  added that Section 87-3, HRS, was not repealed or amended by Act 88.  
18                  Some Trustees voiced the opinion that the employees' share of rate credits  
19                  and reimbursements should be returned to them by the PEHF –  
20                  particularly if the PEHF returned the public employers' share of rate  
21                  credits and reimbursements. Trustee Miyake raised a question as to  
22                  whether the EUTF had the legal ability to return the employees' share of  
23                  rate credits and reimbursements. The Trustees discussed asking the PEHF  
24                  board to return the employees' share of PEHF rate credits and  
25                  reimbursements to the PEHF employee-beneficiaries prior to July 1, 2003.  
26

- 27                  2.       Mr. Nishihara gave an overview on PEHF Audit (see handout).  
28                  Discussion held by Trustees on the PEHF Audit.  
29

- 30                  3.       Mr. Fukuhara reported that a memorandum dated June 2, 2004 from the  
31                  Chief of Staff regarding the closeout of the PEHF was sent to Department  
32                  Heads (see handout).  
33

- 34                  4.       Mr. Aburano gave overview on the Memorandum of Understanding  
35                  (MOU). Discussion by Trustees on the MOU. Further discussion by  
36                  Trustees and staff on the contracts that were covered by the MOU.  
37

38                  MOTION was made to go in to Executive Session. (Hidano/Miyake)

39                  Discussion: None

40                  Vote: Unanimously passed.  
41

42       V.       NEW BUSINESS: None  
43

44       VI.      COMMUNICATIONS FROM THE PUBLIC AND INPUT FROM ATTENDEES

45                  There was no communication from the public.  
46

1 VII. FUTURE AGENDA ITEMS AND NEXT MEETING DATE

2 Meeting will be scheduled at a later date as needed.

3  
4 VIII. ADJOURNMENT

5 Motion to adjourn. (Hidano/Miyake)

6 Discussion: None.

7 Vote: Unanimously passed.

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9 Meeting adjourned at 10:46 a.m.

10  
11 Respectfully submitted,

12  
13  
14 /s/

15  
16 \_\_\_\_\_  
17 Mark Recktenwald, Chairperson

18 APPROVED on September 18, 2003.

19  
20 DOCUMENTS DISTRIBUTED:

- 21 1. Minutes for 10/9/02. (5 Pages)
- 22 2. Minutes for 10/18/02. (3 Pages)
- 23 3. Minutes for 2/3/03. (3 Pages)
- 24 4. Minutes for 2/20/03. (3 Pages)
- 25 5. Minutes for 3/4/03. (3 Pages)
- 26 6. Memo from Chief of Staff Regarding Closing of PEHF dated 6/2/03. (1 Page)
- 27 7. PEHF Audit Schedule from BF/PEHF dated 6/13/03. (1 Page)
- 28 8. PEHF Analysis of Amount to be Returned to Employers from BF/PEHF dated 6/13/03.  
29 (1 Page)
- 30 9. Letter from HSRTA regarding RFP for TPA dated 6/7/03. (1 Page)

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