

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
September 3, 2003

TRUSTEES PRESENT

Mr. Mark Recktenwald, Chairperson Ms. Kathleen Watanabe
Mr. Gerald Machida

TRUSTEES ABSENT

Ms. Audrey Hidano Mr. Dayton Nakanelua
Mr. Will Miyake

ATTORNEY: Mr. Brian Aburano, Deputy Attorney General

EUTF STAFF

Mr. Mark Fukuhara, Administrator Mr. Xaven Kazazian, Consultant
Mr. Alex Kagawa Ms. Kathleen Shiroma
Mr. Lawrence Nishihara Ms. Donna Tonaki
Ms. Maria Quartero

OTHERS PRESENT

Ms. Monica Engle, VSP Mr. Norbert Mendes, HDS
Ms. Venus Gabuyo, MBAH Mr. Maurice Morita, HSTA
Ms. Shirley Kawamoto, B&F Ms. Lori Taniguchi, Royal State Group
Ms. Ruth Kim, HSRTA

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 10:05 a.m. by Chairperson Mark Recktenwald in Conference Room 204, Leiopapa A Kamehameha Building, 235 South Beretania Street, Honolulu, Hawaii, on Wednesday, September 3, 2003.

II. APPROVAL OF MINUTES: None

III. REPORTS:

A. Administrator

Mr. Fukuhara reported:

1. EUTF Telephone System-First Phase (see handout)
The cost for implementing an Automated Call Distribution (ACD) system from Verizon will be \$200/month and each individual will have a direct line with voicemail. The EUTF staff's lines from Hemmeter will also be moved to CFT. Target date to start operating is mid October.
2. EUTF Telephone System-Proposed Final (see handout)
This system would be used if we do not hire a TPA. Everyone would be available to answer calls and may also put "do not disturb" if unable to answer due to meetings, working schedule, etc. Before implementation, need to work with staff and go through consultation with Unions. The system would be able to handle 23 simultaneous incoming calls with extra lines available to call out.

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3. EUTF Calls, Voicemail and E-mail Report (see handout)
This report was done manually. The ACD system will be able to track automatically. A similar report will be submitted to the Trustees at the next Board meeting. Discussion by Trustees and staff on e-mail system. Mr. Fukuhara added that 1 customer service representative who is experienced in this area responds to the e-mails.
4. Enrollment Status as of August 18, 2003 (see handout)
Discussion held by Trustees and staff regarding medicare and family plan versus single plan for retirees.
5. Updates:
 - a. Minutes will be ready for review and approval at the next meeting.
 - b. Staff is working on FAQs for website.
 - c. ERS Board has instructed ERS employees, due to backlog of pension calculations, to only do ERS work and not the EUTF health benefits counseling. EUTF staff will be attending pre-retirement sessions that will be held next week on the neighbor islands. Sessions are also being held on September 9, 10, 11, 2003 involving HHSC voluntary resignations. Trustee Machida is concerned why ERS Board does not give flexibility for ERS staff to continue to counsel retirees on health benefits. Mr. Fukuhara clarified that the ERS staff will still unofficially assist the retirees on the health benefits. Further discussion by Trustees about who would be responsible if the Board decides to hire a TPA. Mr. Fukuhara stated that the RFP would have to be amended to broaden the scope to include servicing ERS retirees and 2 new employers (Hawaii County Board of Water Supply and Charter Schools). Further discussion held by Trustees and staff on the services for the neighbor islands. Ms. Ruth Kim from the public added that ERS would be penalized if they are late in calculating pensions.

B. Deputy Attorney General: None

C. Benefits Consultant: None

IV. UNFINISHED BUSINESS: None

V. NEW BUSINESS

- A. Potential Legislative Proposals (see handout)
Trustee Recktenwald noted that only Trustee Miyake provided any legislative proposals to the Committee. Trustee Machida voiced a concern about discussing and making recommendations on Trustee Miyake's legislative proposals without him being present. After discussion by the Trustees and staff, the consensus of

the Trustees was to defer discussion of the legislative proposals to the next Administrative Committee meeting on September 18, 2003, 9 a.m.

- B. Potential Administrative Rule Changes (see handout)
Trustee Recktenwald noted that Trustee Watanabe had identified certain of the EUTF's Administrative Rules that she had some concerns about and wanted to discuss. Trustee Watanabe indicated that such a discussion should perhaps wait until there were more Trustees present to discuss her concerns and provide some history to why the identified Administrative Rules were adopted in their present form. After discussion by the Trustees and staff, the consensus of the Trustees was to defer discussion of any potential Administrative Rule changes to the next Administrative Committee meeting on September 18, 2003, 9 a.m.

VI. COMMUNICATIONS FROM THE PUBLIC AND INPUT FROM ATTENDEES
There was no communication from the public.

VII. FUTURE AGENDA ITEMS AND NEXT MEETING DATE
The next regular Committee meeting to discuss potential legislative proposals, potential Administrative Rule changes, and other matters is September 18, 2003, 9 a.m.

VIII. ADJOURNMENT
Motion to adjourn. (Machida/Watanabe)
Discussion: None.
Vote: Unanimously passed.

Meeting adjourned at 11:17 a.m.

Respectfully submitted,

/s/

Mark Recktenwald, Chairperson

APPROVED on September 18, 2003.

DOCUMENTS DISTRIBUTED:

1. EUTF Telephone System dated 9/3/03. (1 Page)
2. EUTF Telephone System-Proposed Final dated 9/3/03. (1 Page)
3. EUTF Calls, Voicemail, & E-mail Report dated 9/3/03. (1 Page)
4. Enrollment Status As of 8/18/03 dated 9/3/03. (1 Page)
5. Potential Legislative Issues 2004 Legislature dated 9/3/03. (1 Page)
6. Administrative Rules for Discussion dated 9/3/03. (5 Pages)
7. Approved Minutes for 9/13/02. (7 Pages)
8. Approved Minutes for 9/16/02. (1 Page)

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9. Approved Minutes for 9/17/02. (1 Page)
10. Approved Minutes for 9/18/02. (1 Page)
11. Approved Minutes for 10/9/02. (5 Pages)
12. Approved Minutes for 10/18/02. (3 Pages)
13. Approved Minutes for 2/3/03. (3 Pages)
14. Approved Minutes for 2/20/03. (3 Pages)
15. Approved Minutes for 3/4/03. (3 Pages)