

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
Minutes of the Benefits Committee Meeting  
May 14, 2002

TRUSTEES PRESENT: Ms. Joan Lewis, Chairperson  
Ms. Audrey Hidano, Vice-Chairperson

TRUSTEES ABSENT: Mr. Neal Miyahira  
Mr. Willard Miyake

GUEST PRESENTERS: Ms. Patty Foley – Outrigger Hotels and Resorts  
Ms. Mary Ann Inouye – Kamehameha Schools  
Ms. Julie Price – Hawaiian Electric Industries  
Mr. Gary Rodrigues – UPW  
Ms. Sheila Sumida – First Hawaiian Bank

HEUHBTF STAFF: Ms. Lynette Fukunaga  
Ms. Shirley Kawamoto  
Ms. Wanda Kimura  
Ms. Karen Tom

OTHERS PRESENT: Ms. Jean Aoki - HSTRA  
Ms. Becky Bates – HDS  
Mr. George Butterfield – HSTA-Retired  
Ms. Nani Crowell – HSTA MBC  
Ms. Alana Deppe-Mariota – Kaiser Permanente  
Ms. Monica Engle – VSP  
Ms. Ruth P. Kim – HSTA-Retired, ORTA  
Mr. Norbert Mendes – HDS  
Mr. Michael Moss – HMSA  
Mr. Gordon Murakami – Royal State  
Ms. Karen Muronaka – HSTA-Retired, ORTA  
Ms. Celeste Nip – HFFA  
Ms. Karen Sawai – HDS  
Mr. Rod Tam - HMSA

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 1:35 p.m. by Chairperson Joan Lewis in Conference Room 303, No. 1 Capitol District Building, 250 South Hotel Street, Honolulu, Hawaii, on May 14, 2002.

II. APPROVAL OF MINUTES

Motion was made to approve the minutes of April 30, 2002. (Hidano/Lewis)

Discussion: None.

Vote: Unanimously passed.

III. BENEFIT PLAN BRIEFINGS

A. The private sector presenters are members of the Hawaii Business Health Council (HBHC), a coalition which negotiates benefits as one employer with carriers.

1. Ms. Julie Price, Director of Benefits for Hawaiian Electric Industries, stated that Hawaiian Electric offers benefits to attract and retain highly qualified employees as well as to comply with the act that mandates that benefits be offered. Basically, employees and retirees under the age of 65 have the same plan and over 65 retirees have a Medicare supplement plan. Average age of their employees is 45 - 47 and they have 1,700 active employees and 1,200 retirees.

She briefed the members on Hawaiian Electric's flex (pre-tax) plan where employees determine where the company's dollars will be applied for their benefits. While the plan provides incentives to employees to select lower coverages, it is expensive to administer. Such a plan requires a computer system that can interface with the payroll system and intensive communication/education efforts.

2. Ms. Sheila Sumida, Executive Vice President, Human Resources Division of First Hawaiian Bank, presented First Hawaiian Bank's benefit plans which covers its 2,300 employees and 500 retirees. The average age of their employees is 31 years. The Bank has implemented an early intervention program whereby employees voluntarily participate in health screening. The screening seeks to detect diseases before they become problems, such as heart disease and diabetes.
3. Ms. Mary Ann Inouye, Kamehameha Schools, gave a presentation of Kamehameha Schools' flexible pre-tax benefits program covering 1,350 full-time employees and 950 temporary employees. Ms. Inouye shared information about HBHC and that the Council's consultants are developing prevention and wellness programs for the future and that Kamehameha Schools would like to be able to provide more opportunity for choices and flexibility.
4. Ms. Patty Foley, Outrigger Hotels and Resorts, presented Outrigger's health benefits plans and noted that retirees are not covered by their plans.

B. Mr. Gary Rodrigues of the United Public Workers, was unable to give his presentation due to other commitments. The Hawaii Firefighters Association provided a handout summarizing their benefits plan coverage, effective July 1, 2002.

IV. Request for Rate Information for FY 2004

Motion to refer draft letters to HMSA, Kaiser, HDS, VSP, and Royal State National requesting cost estimates to continue benefit plans currently provided by the Health Fund for the first Trust Fund plan year to the full board for approval. (Lewis/Hidano)

Discussion: Mr. Gordon Murakami, Royal State, expressed a concern that carriers may be reluctant to give a quote because the request involves more than what is currently in existence, thus the need for board direction. Mr. Michael Moss, HMSA, expressed his concern that the later a request for quotes are received and the passage of recent legislation might adversely affect their ability to respond in a timely manner.

Vote: Unanimously passed.

V. Future Agenda Items and Next Meeting Date

The next meeting will be scheduled after the Benefits Consultant is hired. Agenda items will include a request to the Deputy Attorney General for advice on what will happen if plans are not in place by the next open enrollment period. This will also be brought to the board's attention at the next board meeting.

VI. ADJOURNMENT

Motion to adjourn. (Hidano/Lewis)

Discussion: None.

Vote: Unanimously passed.

Meeting adjourned at 3:55 p.m.

Respectfully submitted,

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Joan Kamila Lewis, Chairperson

APPROVED on July 23, 2002.

DOCUMENTS DISTRIBUTED:

1. Minutes for April 30, 2002. (3 pages)
2. Hawaiian Electric Industries. (12 pages)
3. First Hawaiian Bank. (15 pages)
4. Kamehameha Schools. (3 pages)
5. Outrigger Hotels and Resorts. (12 pages)
6. Hawaii Fire Fighters Association. (1 page)
7. Hawaii State Teachers Association. (22 pages)
8. Draft Letter to Carriers (HMSA, Kaiser, HDS, VSP, and Royal State National). (16 pages)
9. Approved minutes for April 2, 2002. (5 pages)
10. Approved minutes for April 16, 200. (3 pages)