

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

2 Minutes of the Board of Trustees

3 Wednesday, June 16, 2010

4
5 TRUSTEES PRESENT

6 Mr. George Kahooanohano, Chairperson Mr. Ron Boyer
7 Mr. Bobby Lee, Vice Chairperson Mr. Michael Formby
8 Mr. Stanley Shiraki, Secretary-Treasurer Mr. Randy Perreira
9 Ms. Barbara Annis

10
11 TRUSTEES ABSENT

12 Dr. J.N. Musto
13 Ms. Marie Laderta

14
15 ATTORNEY

16 Mr. Brian Aburano, Deputy Attorney General

17
18 EUTF STAFF

19 Ms. Sandi Yahiro, Acting Assistant Administrator Ms. Joni Tamayo-Wilson, Consultant
20 Ms. Maria Quarterero Mr. Rod Tam, Consultant
21 Ms. Kathleen Shiroma
22 Ms. Donna Tonaki

23
24 OTHERS PRESENT

25 Ms. Lynette Arakawa, HDS Ms. Doreen Kuroda, DHRD
26 Mr. Tracy Ban, B&F Mr. Blaise Liu, Royal State
27 Ms. Nikki Bassett, informedRx Ms. Clare Lopes, BWS Retired
28 Ms. Sandra Benevides, Kaiser Permanente Mr. Michael Moss, Kaiser Permanente
29 Mr. Richard Borecca, Star Advertiser Mr. Harris Nakamoto, HMA
30 Mr. Greg Buscetto, informedRx Ms. Elaine Naylor, HGEA-R
31 Ms. Letha Delaw, HPD Mr. Lawrence Nishihara, Akamai Benefit
32 Ms. Monica Engle, VSP Ms. Kris Nishimura, HMSA
33 Mr. Corey Fujii, CVS Mr. Tony Saguibo, HMSA
34 Ms. Elaine Fujiwara, HDS Mr. Rod Shinno, ATPA
35 Mr. Mark Fukuhara, Akamai Benefits Mr. Kimberly Svetin, Molokai Drugs
36 Ms. Susan Goya, HGEA-R Ms. Linda Starr, HGEA-Retiree
37 Ms. Wendy Hamada, HMA Mr. Phil Takaba, HMSA
38 Mr. Clifford Hayashi, Times Supermarket Mr. Vaughn Tokashiki, HSTA-R
39 Ms. Bonny Kahalewai, Standard Insurance Ms. Margaret Tugaoen
40 Mr. Jack Katahira, HGEA-R Ms. Valerie Trechter, Kaiser Permanente
41 Ms. Ruth Kim, HSRTA Ms. SueAnn Yasuoka, Times Supermarket
42 Ms. Alice Kotake, HSTA-R Mr. Greg Wiles

43
44
45 I. CALL TO ORDER

46 The regular meeting of the Board of Trustees was called to order at 9:00 a.m. by
47 Trustee George Kahooanohano, Chairperson, in EUTF Conference Room, 201
48 Merchant Street, Honolulu, Hawaii, on Wednesday, June 16, 2010.

49

1 Chair Kahooahanohano introduced and welcomed new employer Trustee Michael Formby
2 and Deputy Attorney General Brian Aburano who is attending for Deputy Attorney
3 General Diane Erickson.
4

5 II. APPROVAL OF MINUTES

6 The Board reviewed the draft minutes of March 18, 2010.
7

8 There being no objections by the Trustees, the minutes of March 18, 2010 were approved
9 as circulated.
10

11 The minutes of March 31, 2010 is being reviewed by the EUTF staff and Deputy
12 Attorney General.
13

14 III. REPORTS

15 A. EUTF Staff Reports

16 1. June Update

17 a. EUTF Options – Active Rates/Benefits

18 Overview by Ms. Sandi Yahiro regarding EUTF options for active
19 rates/benefits (see handout). Discussion held by Trustees and staff regarding
20 if a retiree open enrollment can be held, if staff reviewed options, and if any
21 of the options require an amendment to Aon’s contract. Ms. Yahiro stated the
22 retiree open enrollment will still be held because the effective date is
23 January 1, 2011, staff did review and agreed with these options, and no
24 contract amendment is needed with Aon. Discussion held by Trustees and
25 staff regarding the possibility to have a regular open enrollment under Options
26 One and Three.
27

28 b. Implementation of VEBA Members to the EUTF

29 Overview by Ms. Yahiro regarding the implementation of VEBA members to
30 the EUTF (see revised handout dated 6/9/10). Ms. Yahiro is recommending
31 that the EUTF “map” VEBA members. Discussion held by Trustees and staff
32 regarding an HSTA survey, the “carrier to carrier” option, and that HSTA is
33 having an open enrollment in July and members will be in plans that they
34 want so carrier to carrier would be the best. Mr. Vaughn Tokashiki, HSTA
35 retiree, asked where he and other VEBA retirees would fall. Ms. Yahiro stated it
36 would be the same mapping as the actives. Mr. Tokashiki asked where Medicare
37 retirees would fall. Ms. Yahiro stated that if they are in the HMSA VEBA retiree
38 plan then they would be mapped to the EUTF HMSA retiree plan. Mr. Tokashiki
39 asked where the retirees would fall for HDS, prescription drugs, and VSP. Ms.
40 Yahiro stated that they will be mapped to the EUTF plans for HDS and VSP.
41 Ms. Nikki Bassett from informedRx stated that non-Medicare retirees would be
42 mapped to EUTF’s non-Medicare retiree drug plan through informedRx and
43 Medicare retirees would be mapped to EUTF’s Medicare retiree drug plan through
44 informedRx.
45

1 MOTION was made for the Board to approve the option to “map” VEBA
2 members as recommended by the Acting Assistant Administrator.
3 (Annis/Boyer) After discussion held by the Trustees, the motion passed
4 unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)
5

6 MOTION was made for the Board to approve the option to map VEBA
7 members “carrier to carrier”. (Shiraki/Annis)
8

9 Discussion held by Trustees and staff regarding if the EUTF staff is able to do
10 a survey of VEBA members, when the survey should be done, amending the
11 motion to provide for HSTA doing the survey at no cost to the EUTF, and
12 concerns about approving the “carrier to carrier” option today as that may
13 change depending on the outcome of the survey and have a great impact on
14 the EUTF staff. Mr. Mossman from Kaiser stated it is imperative that the
15 Board make decisions on what is going to be in place January 1. Further
16 discussion by the Trustees and staff regarding the impact this motion may
17 have on the EUTF staff and the deadline for any HSTA survey. There being
18 no objections by the Trustees, this item is deferred until the next Board
19 meeting.
20

- 21 c. RFP No. 10-001 Benefits Consultant
22 This item will be addressed in Executive Session.
23
- 24 d. New EC-1 Form – Implementation of New Administrative Rules
25 Overview by Ms. Yahiro regarding the new EC-1 Form. Discussion held by
26 Trustees and staff regarding “Coverage & premium contrib. start first day of
27 the 1st pay period following event” which is in Section 2 of the EC-1 Form.
28 Trustees may review the new EC-1 Form and contact Ms. Yahiro if they have
29 any questions.
30
- 31 e. Vitech Systems Group, Inc. – V3 Benefits Administrative System
32 Implementation
33 Overview by Ms. Kathleen Shiroma regarding Vitech Systems Group (see IT
34 Operations Report).
35
- 36 f. IT Support by Gartner, Inc. – SPO Approved Vendor
37 Overview by Ms. Kathleen Shiroma regarding Vitech Systems Group (see IT
38 Operations Report).
39
- 40 g. IT Staff Update
41 Overview by Ms. Kathleen Shiroma regarding IT staff report (see IT
42 Operations Report).
43
- 44 h. Update on Contract for Custodian Services

- 1 Overview by Ms. Donna Tonaki regarding the update on contract for
2 custodian services (see Accounting Operations Report).
3
4 i. Update on GASB Actuarial Valuation Contract Extension
5 Overview by Ms. Tonaki regarding the update on GASB Actuarial Valuation
6 contract extension (see Accounting Operations Report).
7
8 j. FY09 Financial Audit
9 Overview by Ms. Tonaki regarding the status of the FY09 Financial Audit
10 (see Accounting Operations Report). Chair Kahoohanohano expressed his
11 concern about the long delay in finalizing the Audit. Trustee Annis stated that
12 this Audit is the last thing pending for the State to do its CAFR report. It is
13 June and the State has not produced its 2009 CAFR report; this is a serious
14 situation and should get handled as soon as possible.
15
16 k. Accounting Issues
17 Overview by Ms. Tonaki regarding accounting issues (see Accounting
18 Operations Report).
19
20 l. Financial Services Branch
21 Overview by Ms. Tonaki regarding the Financial Services Branch (see
22 Accounting Operations Report).
23
24
25 B. Deputy Attorney General
26 1. Base Monthly Contribution
27 Deputy Attorney General Aburano reported that he was asked to research certain
28 issues regarding the “base monthly contribution” and to report on this matter to
29 the Board. Mr. Aburano noted that the public employers’ contributions to the
30 EUTF for retiree health benefits plans are based on the base monthly contribution.
31 Under HRS § 87A-33, the base monthly contribution is a fixed amount that is
32 subject to annual adjustment. The annual adjustment is the percentage increase or
33 decrease in the Medicare Part B premium rate. As used in HRS § 87A-33, the
34 Medicare Part B premium rate is what is published in the Federal Register in or
35 around November of each year. Certain issues have arisen regarding the
36 Medicare Part B premium rates that were published in October 2009.
37
38 First, there is no longer a single Medicare Part B premium rate. Instead, there are
39 now multiple rates - a standard premium rate and four higher rates that apply to
40 participants with high incomes. The standard Medicare Part B premium rate for
41 2009 was \$96.40. The standard Medicare Part B premium rate for 2010 as shown
42 in the October 2009 Federal Register is \$110.50; the other rates for 2010 range
43 from \$154.70 to \$353.60. For purposes of adjusting the base monthly
44 contribution, Mr. Aburano believes that the \$110.50 rate should be used since it is

1 the standard rate applicable to most Medicare participants and appears to reflect
2 medical plan cost inflation; whereas, the higher rates are more in the nature of
3 progressive taxation on high income participants.
4

5 Second, there is a provision in the federal statutes that provides that persons who
6 receive social security benefits and have their Medicare Part B premiums
7 deducted from those benefits do not have to pay a Medicare Part B premium
8 increase if the premium increase will cause a net decrease in their social security
9 benefits. Since there is no increase in social security benefits for 2010, this means
10 that most EUTF retirees who participate in Medicare Part B will only have to pay
11 \$96.40 for Medicare Part B premiums in 2010 and not \$110.50. Despite this,
12 Mr. Aburano believes that the base monthly contribution should be adjusted for
13 the increase in Medicare Part B premiums to \$110.50. This is because HRS §
14 87A-33 says the adjustment is the percentage increase in the Medicare Part B
15 premium rate as shown in the Federal Register. The October 2009 Federal
16 Register shows the Medicare Part B premium increasing to \$110.50; the fact that
17 most EUTF retirees won't have to pay this amount does not change the reported
18 rate increase.
19

20 Mr. Aburano said that the Board was not required to take action on this item. The
21 base monthly contribution is set by statute. Mr. Aburano said that he is simply
22 advising ERS staff on this matter for administrative purposes. He noted that it is
23 the public employers who are obligated to pay contributions to the EUTF up to
24 the base monthly contribution and cautioned that they may not agree with his
25 research and analysis as presented today.
26

27 D. Benefits Consultant

28 1. June Report

29 a. Fully-Insured Benefit Design Options for Active Plan Benefits and Rates
30 Effective 7/1/2010 through 6/30/2011

31 This item will be addressed in Executive Session.
32

33 b. Self-Funded Benefit Design Options for Active Plan Benefits and Rate
34 Effective 7/1/2010 through 6/30/2011

35 Mr. Rod Tam reported that due to the Board action to extend rates through
36 September 30, 2010, Aon is looking at more updated information including all
37 the HSTA information received. Preliminarily, the HSTA data does look like
38 it will help the overall pool. Aon did notice in the most recent months that the
39 self-insured PPO plans had a couple of spikes in the opposite direction. The
40 HMSA payments came down significantly and the HMA payments went up.
41 The HMA payments were as expected because as Aon reported last month
42 there were not a lot of claims received. Since HMSA's payments went down,
43 Aon would like to speak to HMSA to see what is going on. Aon will provide
44 their recommendations at the next Board meeting for rates effective

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

June 16, 2010 Minutes

PAGE 6

1 October 1, 2010, to include HSTA in January. Trustee Annis stated that she is
2 concerned about the timing because she was under the impression that the
3 Board would have all the information at this meeting and that decisions could
4 be made. Even if the effective date is October 1, the EUTF needs three to four
5 months for an open enrollment and that is a lot of work. Ms. Yahiro stated
6 that after a discussion yesterday with Aon, she was also concerned. A
7 meeting was held with Aon and the EUTF managers to see if a hardship open
8 enrollment could be held if the Board was given recommended rates at the
9 next Board meeting and made a decision effective October 1. It would be
10 tight but the EUTF could do it. Trustee Annis stated this is the first she heard
11 of it and she has done a lot of homework in this area as many others probably
12 have and is taken aback. Discussion held by Trustees and staff regarding
13 having a hardship open enrollment and concerns that without decisions by the
14 Board today the EUTF would be unable to hold an open enrollment.
15 Ms. Yahiro explained the process for a hardship open enrollment and stated
16 that it could be done if all the pieces fall in place. Trustee Annis expressed
17 concern that the EUTF will not be able to do an open enrollment. Discussion
18 held by Trustees and staff regarding what would happen if there were benefit
19 and rate changes. Ms. Yahiro stated that if there were significant benefit and
20 rate changes, the EUTF could not do a hardship open enrollment. Discussion
21 held by Trustees and staff regarding having a meeting in July. Ms. Maria
22 Quartero will poll the Trustees on their availability for July 12-14, 2010.

23
24 c. Health Care Reform – Early Retiree Reinsurance

25 Mr. Tam reported that Aon is working with the EUTF regarding the contract.
26 Ms. Yahiro stated they are working on what the EUTF's responsibility would
27 be work wise. The EUTF wants to make sure whatever they agree to is very
28 minimal. The draft contract has been prepared and should be executed in the
29 next couple of weeks. The application will be submitted shortly after the
30 contract is executed. Further discussion on this item will be addressed in
31 Executive Session.

32
33 d. RFP – Proposals to Furnish Health and Life Insurance Benefit Plans and/or
34 Administrative Services for Active Employees and Retirees – Criteria and
35 Timeline

36 This item will be addressed in Executive Session.

37
38 e. Performance Guarantees as of March 31, 2010

39 Mr. Tam stated that all of the carriers that submitted reports have met their
40 performance guarantees. Aon received informedRx's report this morning.

41
42 f. Response to Trustee Questions

43 Mr. Tam stated that Aon has prepared a response to Trustees questions. The
44 Board will review the responses and can submit any follow-up to Aon.

1
2 Recessed at 10:25 a.m. and Reconvened at 10:35 a.m.
3

4 E. Financial Report as of April 30, 2010

5 Overview by Ms. Tonaki regarding the financial reports for April 30, 2010.
6 Discussion held by Trustees, staff and benefits consultant regarding when the IBNR
7 can be lowered. Mr. Tam stated that last month the IBNR projection was lowered
8 and did caution that the unrestricted gain would be changing to reflect changing the
9 IBNR. The next IBNR projection will be increased. In looking at the trends, Aon
10 will be able to adjust it downwards from the last projection of 22.1%. Overview by
11 Ms. Tonaki regarding the Experience Accounting of Self-Funded Plans. The EUTF
12 continues to have gains in some of our plans; the overall gain from July 2009 to May
13 2010 is approximately \$19.5 million. Discussion held by Trustees and staff regarding
14 where the amount for May is shown on the financials. Ms. Tonaki stated it is not
15 reflected on the financials because the financials is only through April 30, 2010. A
16 grand total page is not included, so you must add the total of each carrier. In the
17 future, Ms. Tonaki will include a grand total page. Discussion held by Trustees, staff
18 and benefits consultant regarding significant differences between the actives and
19 retirees that may have to be analyzed differently. Mr. Tam stated Aon looks at the
20 IBNR and unrestricted reserves as a whole. If the opinion comes back from the
21 Attorney General that we need to separate everything there is a possibility, for
22 reserving purposes that we would have to increase on the actives side.
23

24 F. Carriers

25 1. HDS

26 Written report submitted. Ms. Lynette Arakawa stated that for the “mapping,”
27 HDS offers a supplemental for HSTA VEBA members and the EUTF does not
28 have a supplemental plan for dental. The basic plan is the same.

29 2. HMSA

30 Written report submitted. Mr. Saguibo gave an update on the Hawaii County’s
31 Hawaii Informational Exchange (HIE) and the negotiations with the Queen’s
32 Health System.

33 3. HMA

34 Written report submitted.

35 4. informedRx (NMHC)

36 Written report submitted. Mr. Greg Buscetto gave an update on Times
37 Supermarket. Mr. Jerry Shipken gave an update on the program savings.
38 Discussion held by Trustees and informedRx regarding pharmacies in Maui and
39 Molokai. informedRx is reaching out to pharmacies on Maui and Molokai but does
40 not have contracts yet. At this time. Molokai Drugs has decided not to participate
41 but are still hopeful they can be on board. They got Maui Foodland and will be
42 reaching out to other independent pharmacies. informedRx will report on the
43 status of Maui and Molokai at the next Board meeting.
44

- 1
- 2
- 3 5. Kaiser
- 4 Written report submitted. Ms. Valerie Trechter informed the Board that she is
- 5 leaving Kaiser to relocate to the mainland. Ms. Sandra Benevides will continue to
- 6 represent the EUTF.
- 7 6. Royal State Insurance
- 8 Written report submitted.
- 9 7. Standard Insurance
- 10 Written report submitted.
- 11 8. VSP
- 12 Written report submitted.

13 IV. UNFINISHED BUSINESS

14 A. Administrator Recruitment Activities

15 This item will be addressed in Executive Session.

16

17 B. Fully-Insured Benefit Design Options for Active Plan Benefits and Rates Effective

18 7/1/2010 through 6/30/2011

19 This item will be addressed in Executive Session.

20

21 C. Self-Funded Benefit Design Options for Active Plan Benefits and Rates Effective

22 7/1/2010 through 6/30/2011

23 This item was addressed during the Consultant's report.

24

25 D. EUTF HMO and HDHP Administered by HMSA – Step Therapy

26 Presentation by Ms. Kris Nishimura regarding the Preferred Drug Step Therapy program

27 (see report dated 6/16/10). Discussion held by Trustees and Ms. Nakamura regarding

28 affected members on page 3 and the projected savings on page 5 of the presentation.

29 Chair Kahoohanohano asked if this program is going to be implemented with or without the

30 Board's approval because he has received correspondence that says everything is effective

31 July 1. Ms. Nakamura stated that it is for the standard plans that EUTF is not included.

32 Discussion held by Trustees and benefits consultant regarding what impact this would have

33 for the rates and all the members. Mr. Tam stated Aon has not analyzed this but the impact is

34 minimal because of the dollar amount. Trustee Annis asked if the impact is less than 1%.

35 Mr. Tam stated yes. Discussion held by Trustees and benefits consultant regarding if Aon

36 has any recommendation or considerations. Mr. Tam stated that informedRx has similar

37 types of programs that are in place and that there is going to be a savings. Discussion held by

38 Trustees and benefits consultant regarding if Aon has any other considerations. Mr. Tam

39 stated no. Discussion held by Trustees and benefits consultant regarding that the Board is

40 looking for Aon's recommendation on this program like Aon did for the last step therapy

41 program. Mr. Tam stated that the Board is looking to save money with a program that is

42 similar to what was done for the self-funded fee for service plan and recommends that the

43 Board adopt this program. Discussion held by Trustees and Ms. Saguibo regarding the

44 effective date. Trustee Annis stated that it should be effective the date of our new plans.

45

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

June 16, 2010 Minutes

PAGE 9

1 MOTION was made for the Board to approve the step therapy program as presented
2 by HMSA effective the date when the rate changes. (Shiraki/Annis) After discussion
3 by the Trustees, the motion passed unanimously. (Employer Trustees-4/Employee-
4 Beneficiary Trustees-3)

5

6 E. Implementation of VEBA Members to the EUTF
7 This item will be addressed in Executive Session.

8

9 V. NEW BUSINESS

10 A. Election of Officers

11 Trustee Michael Formby was nominated for Chairperson. (Boyer)

12

13 MOTION was made to close nomination. (Shiraki/Boyer). The motion passed
14 unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

15

16 Trustee Michael Formby was elected Chairperson by virtue of being the only trustee
17 nominated for that position.

18

19 Trustee Marie Laderta was nominated for Vice-chairperson. (Shiraki)

20

21 MOTION was made to close nomination. (Shiraki/Boyer). The motion passed
22 unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

23

24 Trustee Marie Laderta was elected Vice-chairperson by virtue of being the only
25 trustee nominated for that position.

26

27 Trustee George Kahoohanohano was nominated for Secretary-Treasurer. (Annis)

28

29 MOTION was made to close nomination. (Lee/Perreira). The motion passed
30 unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

31

32 Trustee George Kahoohanohano was elected Secretary-Treasurer by virtue of being
33 the only trustee nominated for that position.

34

35 There being no objections by the Trustees, the Administrative Committee members
36 are: Trustees Barbara Annis, Ron Boyer, Michael Formby, George Kahoohanohano,
37 Dr. J.N. Musto, and Randy Perreira.

38

39 There being no objections by the Trustees, the Benefits Committee members are:
40 Trustees Michael Formby, Bobby Lee, George Kahoohanohano, Marie Laderta,
41 Randy Perreira, and Stanley Shiraki.

42

1 MOTION was made for the Board to approve that all Trustees serve on the
2 Investment Committee. (Perreira/Boyer) The motion passed unanimously.
3 (Employer Trustees-4/Employee-Beneficiary Trustees-3)
4
5

6 B. Draft Board Schedule FY 2011

7 Mr. Aburano stated that Diane Erickson may have a conflict on Wednesdays due to
8 the Land Use Commission Board meetings on that same day. Chair Kahooohanohano
9 stated that the EUTF meetings have always been held on Wednesdays and the Land
10 Use Commission changed from Thursdays to Wednesdays due to furlough Friday.
11

12 MOTION was made for the Board to approve the proposed FY 2011 Board meeting
13 schedule as presented, subject to revision by the Board at a later date if needed.
14 (Annis/Shiraki) The motion passed unanimously. (Employer Trustees-4/Employee-
15 Beneficiary Trustees-3)
16

17 C. HSA – Sterling

18 Overview by Ms. Yahiro regarding HMSA’s request to send a letter prepared by
19 Sterling HSA to members currently enrolled in the High Deductible Health Plan
20 (HDHP) regarding health savings accounts. Ms. Yahiro recommends denying this
21 request. Ms. Yahiro stated that there are multiple companies that HMSA deals with
22 that administer health savings accounts - Sterling HSA being one of them. There has
23 been no procurement done by this Board. If the Board allows this letter with Sterling
24 HSA’s letterhead to be sent out, the Board may appear to be endorsing Sterling HSA
25 over other companies that HMSA does business with. Discussion held by Trustees
26 and staff regarding whether the EUTF Reference Guide references Sterling HSA
27 under the HMO plan, whether that gives the impression that it is the EUTF’s savings
28 plan, and whether the Reference Guides should be edited. Further discussion held by
29 Trustees, staff and Mr. Saguibo regarding why if HMSA does not endorse any
30 particular company, it submitted this request to the Board. Mr. Saguibo stated that
31 HMSA does not endorse any particular company over another and clarified that
32 Sterling HSA asked HMSA if they could distribute their letter to HDHP members, but
33 HMSA did not feel it was appropriate for HMSA to distribute Sterling HSA’s
34 communication using EUTF’s member list without seeking the Board’s approval.
35

36 MOTION was made for the Board to deny, as recommended by the Acting
37 Administrator, HMSA’s request to send a letter from Sterling HSA to HDHP
38 members soliciting them to use Sterling HSA as their health savings account
39 administrator. (Boyer/Annis) The motion passed unanimously. (Employer Trustees-
40 4/Employee-Beneficiary Trustees-3)
41

42 The EUTF staff will revise the Reference Guides to delete “Sterling HSA” under the
43 HMSA HDHP plan.
44

1 D. Base Monthly Contribution

2 This item was addressed during the Deputy Attorney General's report.

3
4 E. RFP No 10-001 Benefits Consultant

5 This item will be addressed in Executive Session.

6
7 F. RFP – Proposals to Furnish Health and Life Insurance Benefit Plans and/or

8 Administrative Services for Active Employees and Retirees – Criteria and Timeline

9 This item will be addressed in Executive Session.

10
11 VI. COMMUNICATIONS FROM THE PUBLIC AND INPUT FROM ATTENDEES

12 Mr. Vaughn Tokashiki asked if there are no differences between the non-Medicare and
13 Medicare retirees. Mr. Tam stated that the plans are the same. However, if you have
14 Medicare it would generally be primary and your plan would be secondary.

15 Mr. Tokashiki asked if mail order is mandatory for retirees. It is mandatory for non-
16 Medicare and not for Medicare retirees. Chair Kahooohanohano stated that these requests
17 should be addressed directly with Mr. Jerry Shipken or Nikki Bassett from informedRx.

18 A member of the public shared her concern regarding wheelchairs and is requesting the
19 Board factor in her concern when making decisions. Chair Kahooohanohano stated that at
20 this time the Board is unable to do anything regarding the wheelchair situation without
21 having all the information and referred her to Ms. Yahiro to get all the details to better
22 address the situation.

23
24 VII. FUTURE AGENDA ITEMS AND NEXT MEETING DATE

25 A. July 21, 2010 – Regular Board meeting

26
27 VIII. EXECUTIVE SESSION

28 MOTION was made to go into Executive Session at 11:40 a.m. for the reasons stated on
29 the agenda. (Boyer/Annis) The motion passed unanimously. (Employer Trustees-
30 4/Employee-Beneficiary Trustees-3)

31
32 Executive Session adjourned at 12:20 p.m.

33
34 The Chair reported that the Board has taken the following actions in Executive Session:

- 35 1. Approval to extend fully-insured benefits and rates for three months.
 - 36 2. Approval of Aon Supplemental Contract for Retiree Early Retiree Reinsurance.
 - 37 3. Approval to refer the RFP – Proposal for Furnish Health Benefits and Life Insurance
38 Benefit Plans and/or Administrative Services for Active Employees and Retiree to the
39 Benefits Committee.
 - 40 4. Approval to refer RFP No. 10-001 Benefits Consultant to the Administrative
41 Committee.
- 42

1 IX. ADJOURNMENT

2 There being no objections by the Trustees, the meeting adjourned at 12:22 p.m.

3
4 Respectfully submitted,

5
6
7 /s/

8
9 _____
George Kahoohanohano, Secretary-Treasurer

10
11 APPROVED on November 24, 2010.

12
13 Documents Distributed:

- 14 1. Draft Board Minutes for 3/18/10. (12 pages)
- 15 2. EUTF Options – Active Rate/Benefits dated 6/8/10. (1 page)
- 16 3. Letter to Rod Shinno from ATPA Regarding VEBA Options dated 5/27/10. (2 pages)
- 17 4. Options to Transition VEBA Members Into EUTF Plans Effective 1/1/11 Revised 6/9/10.
18 (3 pages)
- 19 5. Draft EC-1Form. (5 pages)
- 20 6. Memorandum to BOT from IT Systems Analyst Regarding June IT Operations Report
21 dated 6/9/10. (2 pages)
- 22 7. Memorandum to BOT from Financial Management Officer Regarding June Accounting
23 Operations Report dated 6/8/10. (2 pages)
- 24 8. Memorandum to BOT from Aon Regarding June 2010 Benefit Consultant Report dated
25 6/9/10. (2 pages)
- 26 9. EUTF Performance Summary Reports for 1/2010-3/2010 Prepared by Aon dated 6/15/10.
27 (3 pages)
- 28 10. Letter to BOT from Aon Regarding Response to Trustee Questions dated 6/16/10. (4
29 pages)
- 30 11. EUTF Statement of Net Assets (Unaudited) dated 6/8/10. (1 page)
- 31 12. EUTF Combined Statement of Revenues and Expenses-Budget & Actual Comparison
32 10 Months Ended 4/30/10 (Unaudited) dated 6/8/10. (1 page)
- 33 13. EUTF Statement of Cash Flows 10 Months Ended 4/30/10 (Unaudited) dated 6/8/10.
34 (1 page)
- 35 14. Presentation by HMSA, “EUTF Preferred Drug Step Therapy Program June 16, 2010”. (5
36 pages)
- 37 15. Letter to Acting Assistant Administrator Regarding Letter Prepared by Sterling HSA
38 from HMSA dated 4/1/10. (2 pages)
- 39 16. Draft EUTF Board of Trustees FY11 Meeting Schedule dated 6/3/10. (1 page)
- 40 17. Letter from Governor Appointing Michael Formby as EUTF Trustee dated 5/26/10. (1
41 page)
- 42 18. HMSA News Release “HMSA to preserve health coverage for young adults earlier than
43 required by new federal health care provision” dated 5/3/10. (2 pages)
- 44 19. CMS Letter Regarding 2010 Coverage Gap Rebate dated 6/10/10. (2 pages)