

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Board of Trustees
Tuesday, July 30, 2019

TRUSTEES PRESENT

Mr. Christian Fern, Chairperson	Mr. Damien Elefante
Ms. Celeste Nip, Vice-Chairperson	Mr. Gordon Murakami
Ms. Laurel Johnston, Secretary-Treasurer	Mr. Clifford Uwaine
Mr. Roderick Becker (arrived 9:19 am)	Mr. Ryker Wada
Ms. Linda Currivan Musto	

TRUSTEES ABSENT

Ms. Audrey Hidano

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator	Mr. Thomas Morrison, Benefits Consultant
Ms. Maria Quartero	Ms. Emily Kaimuloa
Ms. Amy Cheung	Mr. Raymond Kan
Ms. Linda Green	Ms. Lara Nitta
Ms. Bonny Kahalewai	

OTHERS PRESENT

Ms. Stacia Baek, HMSA	Ms. Monica Kim, VSP
Ms. Sandra Benevides, CVS Health	Ms. Mae Kishimoto, HSTA-R
Mr. Ty Bowers, CVS Health	Ms. Angela Kohls, Kaiser
Mr. Su Chai, Kaiser	Mr. Brandon Kumabe, HMSA
Ms. Pamela Cunningham	Mr. Christopher Letoto, HMSA
Mr. Thomas England, Kaiser	Ms. Denise Mercil, Securian
Ms. Elaine Fujiwara, HDC	Dr. Chris Miura, Kaiser
Ms. Susan Goya, HGEA-R	Mr. Ezra Ng, HMSA
Mr. Galen Haneda, HMSA	Mr. Troy Tomita, Kaiser
Ms. Vanelle Hirayasu, HMA	Ms. Scott Yamaguchi, Kaiser

I. CALL TO ORDER

The meeting of the Board of Trustees was called to order at 9:06 a.m. by Chairperson Christian Fern, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, July 30, 2019.

II. MINUTES – June 25, 2019.

The Board reviewed the draft minutes of June 25, 2019.

MOTION was made and seconded to approve the minutes of June 25, 2019 as circulated. (Currivan Musto/Murakami) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-5)

III. EXECUTIVE SESSION

MOTION was made and seconded for the Board to move into Executive Session at 9:08 a.m. (Johnston/Currivan Musto) The motion passed unanimously. (Employer

Trustees-3/Employee-Beneficiary Trustees-5)

The regular meeting recessed at 9:40 a.m. and reconvened from Executive Session at 9:44 a.m.

Chairperson Fern reported that the Board performed the following in Executive Session:

1. Approved Executive Session minutes of June 25, 2019.
2. Authorized EUTF staff to contract with outside legal counsel to assist with procurement of a new benefits administration system.

IV. BENEFITS COMMITTEE REPORT

A. Opioid Management Strategy for Children and Adolescents

Mr. Derek Mizuno summarized the Benefits Committee Report recommendation. Trustee Celeste Nip asked if more than three-days supply was needed, how would the member obtain the additional pills. Sandra Benevides, CVS, noted that certain conditions are excluded from the three-day limit and there is a prior authorization process.

MOTION was made and seconded to approve the Benefits Committee's recommendation to adopt the CVS Opioid Management Program for Children and Adolescents for the EUTF active employees and non-Medicare retiree prescription drug plans effective November 1, 2019. (Elefante/Murakami) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

B. SilverScript/HMSA Coverage of Diabetic Supplies under Medicare

Mr. Mizuno summarized the presentations made to the Benefits Committee by SilverScript, HMSA and Segal regarding coverage of diabetic supplies under Medicare Part B and the HMSA medical plan. There is no recommendation from the Benefits Committee.

V. REPORTS

A. Segal

1. Five-Year Rate Projection with Approved 2020 Retiree Rates

Mr. Tom Morrison presented the Five-Year Rate Projection with Approved 2020 Retiree Rates. Trustee Celeste Nip asked how the actual 2020 retiree rates compared with the previous projection. Mr. Morrison noted that the HMSA 2020 retiree rates approximated the projections while the Kaiser 2020 retiree rates were significantly less than projections.

B. Administrator

1. Meetings with legislators and unions
2. Public engagement
3. 2019 Active Open Enrollment Plan Movement

Mr. Mizuno summarized the continued move from higher cost/benefit to lower cost/benefit plans and with greater magnitude for bargaining unit 12 (SHOPO) because of the premium increase.

- C. EUTF Managers', Program Specialist and Benefits Audit Specialist Reports
 - 1. Member Services Branch (MSB)
 - a. MSB Data
 - b. MSB Staffing Update
 - c. Carrier Reports
 - 2. Information Systems (IS)
 - a. EUTF New Benefits Administration System (BAS) Project
 - b. V3 Benefits Administration System (V3 BAS) Modified Phase II (Employer File Feed)
 - c. HIC to MBI Number Conversion
 - d. ISB Staff Update
 - e. Enrollment Counts
 - 3. EUTF Benefits Audit Specialist Report
 - a. Audits Currently in Progress
 - b. Additional Audits to be Initiated by 12/31/19
 - 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. 2019 Financial Audit
 - f. Financial Statements as of May 31, 2019

D. Carrier Reports

- 1. CVS Caremark
- 2. SilverScript
- 3. Hawaii Dental Service (HDS)
Trustee Linda Currivan Musto commended HDS on their participation in the June 1, 2019 Keiki Summer Fest at the Kauai Marriot Resort.

Hawaii Mainland Administrators (HMA)

- 5. Hawaii Medical Service Association (HMSA)
Trustee Currivan Musto commended HMSA for their participation in the 2019 HMSA Kaimana Awards & Scholarships Program on June 8, 2019.
- 6. Kaiser Health Foundation

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Trustee Currivan Musto commended Kaiser for their awards from the American Heart Association, pledge to the University of Hawaii at Manoa John A. Burns School of Medicine (JABSOM) for five four-year scholarships, and new imaging suite.

7. Securian

8. USAbLe Life

9. Vision Service Plan (VSP)

Trustee Currivan Musto commended VSP on the opening of their first two EyeConic retail stores and the acquisition of Visionworks.

Ms. Mae Kishimoto, HSTA-R, asked Mr. Raymond Kan if the EUTF owned their data. Mr. Kan replied that the EUTF owns its data.

VII. NEXT MEETING DATE

The next Board meeting is on Tuesday, August 27, 2019 at 9:00 a.m. – Administrative, Benefits and Investment Committee Reports.

VIII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 10:10 a.m. (Murakami/Currivan Musto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

Respectfully submitted,

/s/

Christian Fern, Secretary-Treasurer

APPROVED on August 27, 2019.

Documents Distributed:

1. Draft Board Minutes of 6/25/19. (5 pages)
2. Memorandum to BOT from Benefits Committee Regarding Benefits Committee Report dated 7/29/19. (1 page)
3. Administrators Monthly Report to the Board from June 2019-July 2019 dated 7/19/19. (9 pages)
4. Memorandum to BOT from Member Services Branch Manager Regarding June 2019-July 2019 Member Services Operations Report dated 7/19/19. (6 pages)
5. Memorandum to BOT from Information Systems Chief Regarding June 2019-July 2019 Information Systems (IS) Operations Report dated 7/19/19. (15 pages)
6. Memorandum to Administrator from EUTF Benefits Audit Specialist Regarding June 2019-July 2019 EUTF Benefits Audit Specialist Report dated 7/19/19. (2 pages)
7. Memorandum to Administrator from EUTF Program Specialist Regarding June 2019-July 2019 EUTF Program Specialist Report dated 7/19/19. (4 pages)
8. Memorandum to BOT from Financial Management Officer Regarding June 2019-July 2019 Financial Services Branch (FSB) Report dated 7/19/19. (15 pages)

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9. CVS Caremark Monthly Carrier Report for June 2019 dated 7/8/19. (4 pages)
10. SilverScript Monthly Carrier Report for June 2019 dated 7/5/19. (5 pages)
11. HDS Monthly Carrier Report for June 2019 dated 7/10/19. (2 pages)
12. HMA Monthly Carrier Report for June 2019 dated 7/1/19. (2 pages)
13. HMSA Monthly Carrier Report for June 2019 dated 7/15/19. (7 pages)
14. Kaiser Monthly Carrier Report for June 2019 dated 7/9/19. (3 pages)
15. Securian Financial Monthly Carrier Report for June 2019 dated 7/10/19. (1 page)
16. US Able Life Monthly Carrier Report for June 2019 dated 7/9/19. (2 pages)
17. VSP Monthly Carrier Report for June 2019 dated 7/10/19. (5 pages)