



The Benefits Committee reviewed the draft minutes of December 16, 2019.

MOTION was made and seconded to approve the minutes of December 16, 2019, as circulated. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2)

### III. SELECTION OF NEW CHAIRPERSON

Mr. Derek Mizuno informed the Committee that with the recent resignation of Chairperson Linda Currivan-Musto the Committee can appoint a new Chairperson.

MOTION was made and seconded to appoint Trustee Laurel Johnston as the Benefits Committee Chairperson. (Elefante/Hidano) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2)

Mr. Mizuno noted that since Chairperson Johnston was the previous Vice Chairperson the Committee can appoint her replacement.

MOTION was made and seconded to appoint Trustee Osa Tui as the Benefits Committee Vice Chairperson. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2)

### IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:09 a.m. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

The regular meeting reconvened at 9:49 a.m.

### V. NEW BUSINESS – PROPOSED PLAN CHANGES

#### A. HDS Dental Proposed Plan Changes

Mr. Mizuno summarized the proposed plan changes.

##### Athletic/Sport Mouth Guards

Addition of 60% coverage of athletic/sport mouth guards (one every 24 months for members age 18 and under) for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit was added to the active plans effective July 1, 2020.

MOTION was made and seconded to recommend to the Board 60% coverage of athletic/sport mouth guards once every 24 months for members age 18 and for the EUTF and HSTA VB retiree HDS dental plans effective January 1, 2021. (Fern/Elefante) The motion failed. (Employer Trustees-2 YES Elefante, Johnston, 1 NO Hidano/ Employee-Beneficiary Trustees-2 YES Fern, Tui)

##### Occlusal/Night Guards

Addition of 60% coverage of occlusal/night guards (one every five years) for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit has not been approved for the EUTF and HSTA VB active employee plans.

MOTION was made to recommend to the Board 60% coverage of occlusal/night guards once every five years for the EUTF and HSTA VB retiree HDS dental plans effective January 1, 2021. (Fern). There was no second to the motion.

Composite Fillings on Back Teeth

Addition of 60% coverage of composite fillings on back teeth for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit has not been approved for the EUTF and HSTA VB active employee plans.

There was no motion.

B. VSP Vision Proposed Plan Changes

Mr. Mizuno summarized the proposed plan changes.

Retail Frame Allowance

An increase of the frame allowance from \$120 to \$150 for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit was added to the active plans effective July 1, 2020. The last increase in the frame allowance was in 2007 and the majority of VSP Hawaii clients are at the higher \$150 allowance. Chairperson Johnston asked why the EUTF plans are behind most plans in Hawaii for this and the following benefits. Mr. Mizuno noted that only within the past few years have EUTF staff, Segal and the carriers brought proposed plan changes to the Committee.

MOTION was made and seconded to recommend to the Board increasing the retail frame allowance from \$120 to \$150 every other year for the EUTF and HSTA VB retiree VSP vision plans effective January 1, 2021. (Fern/Elefante) Trustee Fern amended his motion to add a transfer of \$4.6 million from the retiree reserves to the OPEB Trust. Trustee Elefante rescinded his second.

Trustee Fern reintroduced his original motion. MOTION was made and seconded to recommend to the Board increasing the retail frame allowance from \$120 to \$150 every other year for the EUTF and HSTA VB retiree VSP vision plans effective January 1, 2021. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

Contact Lens and Fitting and Evaluation Allowance

Separation of the contact lens fitting and evaluation cost from the \$120 contact lens allowance and add a maximum member copay of \$60 for contact lens fitting and evaluations for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit was added to the active plans effective July 1, 2020. The majority of VSP Hawaii clients follow this treatment of the contact lens fitting and evaluation cost.

MOTION was made and seconded to recommend to the Board separating the contact lens fitting and evaluation from the contact lens allowance and capping the member copayment at \$60 for the EUTF and HSTA VB retiree VSP vision plans effective January 1, 2021. (Fern/Tui) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

Contact Lens Allowance

An increase of the contact lens allowance from \$120 to \$130 for EUTF and HSTA VB retiree plans effective January 1, 2021. This benefit was added to the active plans effective July 1, 2020. The last increase in the contact lens allowance was in 2007 and the majority of VSP Hawaii clients are at the higher \$130 allowance.

MOTION was made and seconded to recommend to the Board increasing the annual contact lens allowance from \$120 to \$130 for the EUTF and HSTA VB retiree VSP vision plans effective January 1, 2021. (Fern/Tui) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

C. Kaiser COVID-19 Costs and Diabetes Prevention Program

Mr. Mizuno summarized the proposed plan changes.

100% Coverage of COVID-19 Diagnostic Testing

Mr. Mizuno noted that Congress earlier this year passed a law requiring health plans cover COVID-19 diagnostic testing at 100%. The Kaiser plans have already changed coverage to comply with the law.

MOTION was made and seconded to recommend to the Board 100% coverage of COVID-19 diagnostic testing costs in accordance with federal law under the EUTF and HSTA VB Kaiser medical and prescription drug plans for services incurred from March 5, 2020 until ended by Kaiser. (Elefante/Fern) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

100% Coverage of COVID-19 Treatment Costs

Mr. Mizuno noted that the health insurance industry has moved to cover COVID-19 treatment costs at 100%. Kaiser recently made this change for all their plans.

MOTION was made and seconded to recommend to the Board 100% coverage of COVID-19 treatment costs under the EUTF and HSTA VB Kaiser medical and prescription drug plans for services incurred from April 1, 2020 until ended by Kaiser. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

Diabetes Prevention Program

Mr. Mizuno noted that Kaiser started a pilot project for a facility and digitally based Diabetes Prevention Program for EUTF and HSTA VB active employee and non-Medicare retiree plans for the period July 1, 2019 – June 30, 2020. To date there have been 15 EUTF participants. Kaiser would like to extend the pilot project another year to better assess its effectiveness.

MOTION was made and seconded to recommend to the Board extension of the facility and digitally based Diabetes Prevention Program pilot project for EUTF and HSTA VB active employee and non-Medicare retiree Kaiser medical and prescription drug plans for the period July 1, 2020 – June 30, 2021. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-2).

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Benefits Committee Meeting

April 27, 2020 Minutes

Page 5

D. Self-Funded Prescription Drug (CVS) Proposed Plan Changes

Ms. Sandra Benevides and Kurt Neuenfeld, CVS, summarized the following proposed plan changes for EUTF active employee and non-Medicare retiree plans with an effective date of July 1, 2020 with possible grandfathering:

1. Quantity limits for topical corticosteroids (external treatment for inflammation) with post limit prior authorization for cost and safety.
2. Quantity limit for Mupirocin (treats staph infections) with post limit prior authorization for cost and prevention of overuse.
3. Step therapy for Gralise, Horizant, Lyrica and Lyrica CR (manages or treats nerve pain) for members to try lower cost alternatives.
4. Prior authorization on Rosacea product for cost and safety.
5. Prior authorization on Palforzia (peanut allergy powder) for cost and proper utilization. No grandfathering is available since this is a new product.

There were no motions.

The Board meeting was recessed and moved into Executive Session at 10:43 a.m.

The regular meeting reconvened at 11:56 a.m.

VI. NEXT MEETING DATE

A. May 2020 – HMSA and Kaiser 2020 improvement plans, CVS hyperinflation program and proposed retiree medical plan changes effective January 1, 2021.

VII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 11:58 a.m. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-2)

Respectfully submitted,

/s/

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Laurel Johnston, Vice Chairperson

APPROVED on May 19, 2020.

Documents Distributed:

1. Draft Benefits Committee Minutes of December 16, 2019. (4 pages)
2. Memorandum to EUTF Benefits Committee from EUTF Health Benefits Specialist Regarding Proposed Plan Changes, dated April 21, 2020. (3 pages)
3. EUTF & HSTA VB Retirees January 2021, Proposed Benefit Changes by HDS, Redacted Version dated March 23, 2020. (17 pages)
4. EUTF Retirees – Benefit Changes 1/1/2021 by VSP, Redacted Version dated March 23, 2020. (10 pages)
5. Memorandum to BOT from Kaiser Permanente Regarding COVID-19 National Benefit Policy, Redacted Version dated April 17, 2020. (1 page)

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Benefits Committee Meeting

April 27, 2020 Minutes

Page 6

6. Memorandum to BOT from Kaiser Permanente Regarding Diabetes Prevention Program, Redacted Version dated March 10, 2020. (1 page)
7. EUTF Emerging Trend Utilization Management Recommendations by CVS Health, dated March 23, 2020. (17 pages)
8. RxInsights, EUTF-Actives, Redacted Version, Jul 2019-Dec 2019, Prescription Benefit Review by CVS Health. (14 pages)
9. RxInsights, EUTF Non-Medicare Retirees, Redacted Version, Jan 2019-Dec 2019, Prescription Drug Benefit Review by CVS Health. (31 pages)
10. RxInsights, EUTF-EGWP Retirees, Redacted Version, Jan 2016-Dec 2019, Prescription Benefit Review by CVS Health. (24 pages)