I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 9:00 a.m. by Trustee Laurel Johnston, Chairperson, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Monday, June 22, 2020.

II. MINUTES – MAY 19, 2020

The Benefits Committee reviewed the draft minutes of May 19, 2020.

MOTION was made and seconded to approve the minutes of May 19, 2020, as circulated. (Fern/Elefante) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-3)

III. NEW BUSINESS

A. Summary of Benefits – Kaiser, HMSA, HDS, and VSP
As a follow up to the Committee’s request to provide more context for plan changes and an overall review of the plan benefits, Mr. Derek Mizuno presented a comparison of the EUTF active employee and retiree plans to the carriers’ prevalent plans prepared by EUTF staff, Segal and the carriers noting that the member out-of-pocket costs and covered procedures are very similar. Recommended plan changes stem from comparison of the EUTF plans to the carriers’ prevalent plans, analysis of trend from utilization reports, EUTF strategic plan goals, and federal and state mandates.

The Committee requested additional information on plan designs of other states using available data and focusing on a limited number of plans.

B. Extension of COVID-19 Related Coverage under HMSA Plans and Payment Transformation

HMSA, Segal, EUTF staff and the Committee discussed the following:
1. Extending coverage at 100% of COVID-19 diagnostic testing as required by federal law through the end of the national public health emergency from June 30, 2020.
2. Extending coverage at 100% of COVID-19 treatment costs through July 31, 2020 from June 30, 2020. HMSA is planning to extend coverage for its fully insured book of business through December 31, 2020. The Committee can adopt this extension at the July 2020 Committee and/or Board meetings.
3. Extending telehealth coverage at 100% through July 31, 2020 from June 30, 2020. HMSA is planning to extend coverage for its fully insured book of business through December 31, 2020. The Committee can adopt this extension at the July 2020 Committee and/or Board meetings.
4. Adding coverage at 100% of COVID-19 diagnostic testing for asymptomatic patients prior to elective surgeries for the period April 1, 2020 – June 30, 2020. HMSA is planning to extend coverage for its fully insured book of business through December 31, 2020. If the Committee changes the June 30, 2020 end date to July 31, 2020, the Committee can then adopt HMSA’s extension at the July Committee and/or Board meetings.

The Committee asked numerous questions of HMSA regarding the criteria under federal law for coverage of COVID-19 diagnostic tests (medical necessity), whether the number of covered COVID-19 diagnostic tests is unlimited (yes, as long as it meets the medical necessity criteria, and how HMSA is ensuring that reimbursements are reasonable (HMSA negotiates an eligible charge or reimbursement rate that does not vary significantly between providers).

COVID-19 Diagnostic Tests in Accordance with Federal Law

MOTION was made and seconded to recommend to the Board coverage of 100% of COVID-19 diagnostic testing costs under the EUTF and HSTA VB HMSA medical plans for services incurred from July 1, 2020 through the end of the national public health emergency in accordance with federal law. (Uwaine/Elefante) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

COVID-19 Diagnostic Tests Prior to Elective Surgery

MOTION was made and seconded to recommend to the Board coverage of 100% of COVID-19 diagnostic testing costs for asymptomatic patients prior to elective surgery
under the EUTF and HSTA VB HMSA medical plans for services incurred from April 1, 2020 through July 31, 2020. (Tui/Becker) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

COVID-19 Treatment Costs
MOTION was made and seconded to recommend to the Board coverage of 100% of COVID-19 treatment costs under the EUTF and HSTA VB HMSA medical plans for services incurred from July 1, 2020 through July 31, 2020. (Becker/Tui) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Telehealth Coinsurance
MOTION was made and seconded to recommend to the Board coverage of 100% of all telehealth services under the EUTF and HSTA VB HMSA medical plans for services incurred from July 1, 2020 through July 31, 2020. (Becker/Tui) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Mr. Mizuno presented an email to the Board dated June 8, 2020 regarding recent StarAdvertiser articles and the Aimed Alliance Survey in regards to HMSA payment transformation. Committee members should forward inquiries to the Administrator for HMSA to incorporate into their annual payment transformation update in August 2020.

Mr. Chambrella left the meeting at 10:15 a.m.

C. CVS Prescription Drug
1. Plan Summary
   As a follow up to the Committee’s request to provide more context for plan changes and an overall review of the prescription drug plan benefits, CVS/SSI presented the PBM Plan Overview dated June 22, 2020 that highlighted the following topics:
   A. The role of CVS Health as the pharmacy benefits manager
   B. Cost drivers
   C. Formulary management
   D. Utilization management
   E. Plan design – copayments and coinsurance
   F. Retrospective review programs
   G. Health improvement programs

2. Hyperinflation Management Program
   Since the EUTF has not adopted an exclusionary formulary, CVS is presenting a program to address the cost trend.

   CVS presented the Hyperinflation Management Program in which the Board would delegate authority to CVS to exclude drugs with clinically appropriate alternatives that experience significant price increase and prescription volume effective October 1, 2020. Trustee Roderick Becker requested that this matter be placed on the September 2020 Committee agenda for further discussion.

   Trustee Becker left the meeting at 11:04 a.m.
3. ACA Preventive Services: Medications for Breast Cancer Prevention
   CVS presented federal requirements to cover exemestane and anastrozole when
   prescribed for prevention of breast cancer at 100% for active employee plan years
   beginning on or after September 3, 2020. CVS also noted options to add to the retiree
   plans or earlier adoption for the active employee plans.
   
   MOTION was made and seconded to recommend to the Board coverage of exemestane
   and anastrozole when prescribed for preventive use only at 100% for the EUTF and
   HSTA VB active plans effective July 1, 2021 in accordance with federal law.
   (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/Employee-
   Beneficiary Trustees-3)

4. Emerging Trends Utilization Management Recommendations
   Since the EUTF has not adopted an exclusionary formulary, CVS is re-proposing
   utilization management, step therapy and prior authorizations at an individual drug
   level to address the cost trend, proper utilization, and safety issues.
   
   MOTION was made to recommend to the Board the following programs
   • Topical corticosteroid quantity limits with post limit prior authorization
   • Mupirocin quantity limits with post limit prior authorization
   • Gralise, Horizant, Lyrica and Lyrica CR step therapy program
   • Prior authorization on Rosacea products
   • Prior authorization on Palforzia products
   for CVS EUTF active employee and non-Medicare retiree prescription drug plans
   effective August 1, 2020 with grandfathering. (Elefante) There was no second to the
   motion.

IV. NEXT MEETING DATE
A. July 2020 – possible retiree plan changes
   Mr. Mizuno noted that a meeting will be scheduled in July.

V. ADJOURNMENT
   MOTION was made and seconded for the Board to adjourn the meeting at 11:30 a.m.
   (Elefante/Uwaine) The motion passed unanimously. (Employer Trustees-3/Employee-
   Beneficiary Trustees-3)

Respectfully submitted,

Laurel Johnston, Chairperson

APPROVED on 08/24/2020 as amended.

Documents Distributed:
1. Draft Benefits Committee Minutes of May 19, 2020. (2 pages)
2. Memorandum to EUTF Benefits Committee from EUTF Health Benefits Specialist Regarding
   Comparison Between EUTF and Prevalent Plans in the State, redacted version, dated June 18,
1. 2020. (16 pages)
2. 3. Memorandum to EUTF Board of Trustees from HMSA dated June 22, 2020 (3 pages)
3. 4. Email to BOT by EUTF Administrator Regarding StarAdvertiser Articles on HMSA Payment Transformation, dated June 8, 2020. (21 pages)
4. 5. EUTF PBM Plan Overview by CVS Health, dated June 22, 2020. (27 pages)
5. 6. Blunting the impact of hyperinflated drugs, Helping clients manage drugs with significant inflation by CVS Health, dated June 22, 2020. (18 pages)