

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
2 Minutes of the Benefits Committee Meeting
3 Monday, June 22, 2020
4

5 TRUSTEES PRESENT

6 Ms. Laurel Johnston, Chairperson (via video conference) Mr. Damien Elefante
7 Mr. Osa Tui, Vice Chairperson (via video conference) Mr. Christian Fern (via video conference)
8 Mr. Roderick Becker (via video conference, excused from meeting Ms. Audrey Hidano (via video conference)
9 at 11:04 a.m.) Mr. Clifford Uwayne (via video conference)

10
11 TRUSTEES ABSENT

12 None

13
14 ATTORNEY

15 Mr. Michael Chambrella, Deputy Attorney General (via video conference, excused from meeting at 10:15 a.m.)
16 Mr. Clayton Zane, Deputy Attorney General (via video conference)

17
18 EUTF STAFF

19 Mr. Derek Mizuno, Administrator Mr. Stephen Murphy, Benefits Consultant (via video conference)
20 Ms. Donna Tonaki, Assistant Administrator Ms. Linda Green (via video conference)
21 Ms. Desiree Yamauchi Ms. Lara Nitta

22
23 OTHERS PRESENT (via video conference or teleconference)

24 Mr. Michael Amorillo, ASH Mr. David Lauck, CVS
25 Ms. Sokhadina Aun, CVS Ms. Denise Mercil, Securian
26 Ms. Stacia Baek, HMSA Dr. Christopher Miura, Kaiser
27 Ms. Sandra Benevides, CVS Ms. Heather Miyasato, HMSA
28 Mr. Ty Bowers, CVS Ms. Alissa Nelson, HMSA
29 Ms. Cheryl Byron, CVS Mr. Kurt Neuenfeld, CVS
30 Ms. Elaine Fujiwara, HDS Mr. Allan Nogra, ASH
31 Ms. Carol Gallardo, ASH Mr. Jerry Nosewicz, ASH
32 Mr. Galen Haneda, HMSA Mr. Andrew Perry, HMSA
33 Ms. Vanelle Hirayasu, HMA Mr. Dave Shiroma, Kaiser
34 Ms. Monica Kim, VSP Mr. Troy Tomita, Kaiser
35 Ms. Angela Kohls, Kaiser Ms. Grace Weaver-Reyes, HMSA
36 Mr. Thomas LaBrot, ASH Mr. Chad Wong, HMSA
37 Mr. Chris Letoto, HMSA Mr. Brian Wu, HMSA

38
39 I. CALL TO ORDER

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

43
44 II. MINUTES – MAY 19, 2020

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

46
47 MOTION was made and seconded to approve the minutes of May 19, 2020, as circulated.
48 (Fern/Elefante) The motion passed unanimously. (Employer Trustees-4/ Employee-
49 Beneficiary Trustees-3)

50
51 III. NEW BUSINESS

52 A. Summary of Benefits – Kaiser, HMSA, HDS, and VSP

1 As a follow up to the Committee's request to provide more context for plan changes and
2 an overall review of the plan benefits, Mr. Derek Mizuno presented a comparison of the
3 EUTF active employee and retiree plans to the carriers' prevalent plans prepared by EUTF
4 staff, Segal and the carriers noting that the member out-of-pocket costs and covered
5 procedures are very similar. Recommended plan changes stem from comparison of the
6 EUTF plans to the carriers' prevalent plans, analysis of trend from utilization reports,
7 EUTF strategic plan goals, and federal and state mandates.

8
9 The Committee requested additional information on plan designs of other states using
10 available data and focusing on a limited number of plans.

11
12 **B. Extension of COVID-19 Related Coverage under HMSA Plans and Payment**
13 **Transformation**

14 HMSA, Segal, EUTF staff and the Committee discussed the following:

- 15 1. Extending coverage at 100% of COVID-19 diagnostic testing as required by federal
16 law through the end of the national public health emergency from June 30, 2020.
- 17 2. Extending coverage at 100% of COVID-19 treatment costs through July 31, 2020 from
18 June 30, 2020. HMSA is planning to extend coverage for its fully insured book of
19 business through December 31, 2020. The Committee can adopt this extension at the
20 July 2020 Committee and/or Board meetings.
- 21 3. Extending telehealth coverage at 100% through July 31, 2020 from June 30, 2020.
22 HMSA is planning to extend coverage for its fully insured book of business through
23 December 31, 2020. The Committee can adopt this extension at the July 2020
24 Committee and/or Board meetings.
- 25 4. Adding coverage at 100% of COVID-19 diagnostic testing for asymptomatic patients
26 prior to elective surgeries for the period April 1, 2020 – June 30, 2020. HMSA is
27 planning to extend coverage for its fully insured book of business through December
28 31, 2020. If the Committee changes the June 30, 2020 end date to July 31, 2020, the
29 Committee can then adopt HMSA's extension at the July Committee and/or Board
30 meetings.

31
32 The Committee asked numerous questions of HMSA regarding the criteria under federal
33 law for coverage of COVID-19 diagnostic tests (medical necessity), whether the number
34 of covered COVID-19 diagnostic tests is unlimited (yes, as long as it meets the medical
35 necessity criteria, and how HMSA is ensuring that reimbursements are reasonable (HMSA
36 negotiates an eligible charge or reimbursement rate that does not vary significantly
37 between providers).

38
39 **COVID-19 Diagnostic Tests in Accordance with Federal Law**

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

45
46 **COVID-19 Diagnostic Tests Prior to Elective Surgery**

47 MOTION was made and seconded to recommend to the Board coverage of 100% of
48 COVID-19 diagnostic testing costs for asymptomatic patients prior to elective surgery

1 under the EUTF and HSTA VB HMSA medical plans for services incurred from April 1,
2 2020 through July 31, 2020. (Tui/Becker) The motion passed unanimously. (Employer
3 Trustees-4/Employee-Beneficiary Trustees-3)
4

5 **COVID-19 Treatment Costs**

6 MOTION was made and seconded to recommend to the Board coverage of 100% of
7 COVID-19 treatment costs under the EUTF and HSTA VB HMSA medical plans for
8 services incurred from July 1, 2020 through July 31, 2020. (Becker/Tui) The motion
9 passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)
10

11 **Telehealth Coinsurance**

12 MOTION was made and seconded to recommend to the Board coverage of 100% of all
13 telehealth services under the EUTF and HSTA VB HMSA medical plans for services
14 incurred from July 1, 2020 through July 31, 2020. (Becker/Tui) The motion passed
15 unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)
16

17 Mr. Mizuno presented an email to the Board dated June 8, 2020 regarding recent
18 StarAdvertiser articles and the Aimed Alliance Survey in regards to HMSA payment
19 transformation. Committee members should forward inquiries to the Administrator for
20 HMSA to incorporate into their annual payment transformation update in August 2020.
21

22 Mr. Chambrella left the meeting at 10:15 a.m.
23

24 C. CVS Prescription Drug

25 1. Plan Summary

26 As a follow up to the Committee's request to provide more context for plan changes
27 and an overall review of the prescription drug plan benefits, CVS/SSI presented the
28 PBM Plan Overview dated June 22, 2020 that highlighted the following topics:

- 29 A. The role of CVS Health as the pharmacy benefits manager
 - 30 B. Cost drivers
 - 31 C. Formulary management
 - 32 D. Utilization management
 - 33 E. Plan design – copayments and coinsurance
 - 34 F. Retrospective review programs
 - 35 G. Health improvement programs
- 36

37 2. Hyperinflation Management Program

38 Since the EUTF has not adopted an exclusionary formulary, CVS is presenting a
39 program to address the cost trend.
40

41 CVS presented the Hyperinflation Management Program in which the Board would
42 delegate authority to CVS to exclude drugs with clinically appropriate alternatives that
43 experience significant price increase and prescription volume effective October 1,
44 2020. Trustee Roderick Becker requested that this matter be placed on the September
45 2020 Committee agenda for further discussion.
46

47 Trustee Becker left the meeting at 11:04 a.m.
48

1 3. ACA Preventive Services: Medications for Breast Cancer Prevention

2 CVS presented federal requirements to cover exemestane and anastrozole when
3 prescribed for prevention of breast cancer at 100% for active employee plan years
4 beginning on or after September 3, 2020. CVS also noted options to add to the retiree
5 plans or earlier adoption for the active employee plans.
6

7 MOTION was made and seconded to recommend to the Board coverage of exemestane
8 and anastrozole when prescribed for preventive use only at 100% for the EUTF and
9 HSTA VB active plans effective July 1, 2021 in accordance with federal law.
10 (Fern/Elefante) The motion passed unanimously. (Employer Trustees-3/Employee-
11 Beneficiary Trustees-3)
12

13 4. Emerging Trends Utilization Management Recommendations

14 Since the EUTF has not adopted an exclusionary formulary, CVS is re-proposing
15 utilization management, step therapy and prior authorizations at an individual drug
16 level to address the cost trend, proper utilization, and safety issues.
17

18 MOTION was made to recommend to the Board the following programs

- 19 • Topical corticosteroid quantity limits with post limit prior authorization
- 20 • Mupirocin quantity limits with post limit prior authorization
- 21 • Gralise, Horizant, Lyrica and Lyrica CR step therapy program
- 22 • Prior authorization on Rosacea products
- 23 • Prior authorization on Palforzia products

24 for CVS EUTF active employee and non-Medicare retiree prescription drug plans
25 effective August 1, 2020 with grandfathering. (Elefante) There was no second to the
26 motion.
27

28 IV. NEXT MEETING DATE

29 A. July 2020 – possible retiree plan changes

30 Mr. Mizuno noted that a meeting will be scheduled in July.
31

32 V. ADJOURNMENT

33 MOTION was made and seconded for the Board to adjourn the meeting at 11:30 a.m.
34 (Elefante/Uwaine) The motion passed unanimously. (Employer Trustees-3/Employee-
35 Beneficiary Trustees-3)
36

37 Respectfully submitted,
38
39

40 _____
41 Laurel Johnston, Chairperson
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43 APPROVED on 08/24/2020 as amended.
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45 Documents Distributed:

- 46 1. Draft Benefits Committee Minutes of May 19, 2020. (2 pages)
- 47 2. Memorandum to EUTF Benefits Committee from EUTF Health Benefits Specialist Regarding
48 Comparison Between EUTF and Prevalent Plans in the State, redacted version, dated June 18,

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Benefits Committee Meeting

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- 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
- 4 Transformation, dated June 8, 2020. (21 pages)
- 5 5. EUTF PBM Plan Overview by CVS Health, dated June 22, 2020. (27 pages)
- 6 6. Blunting the impact of hyperinflated drugs, Helping clients manage drugs with significant
- 7 inflation by CVS Health, dated June 22, 2020. (18 pages)
- 8 7. ACA – Drug Additions for Breast Cancer Prevention by CVS Health, dated June 22, 2020. (7
- 9 pages)
- 10 8. JAMA, Medication Use to Reduce Risk of Breast Cancer, US Preventative Services Task Force
- 11 Recommendation Statement, dated September 3, 2019, corrected October 11, 2019. (11 pages)
- 12 9. Emerging Trends Recommendations by CVS Health, dated March 23, 2020, updated June 22,
- 13 2020. (18 pages)

DRAFT