I. CALL TO ORDER
The meeting of the Benefits Committee was called to order at 9:01 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, September 28, 2020.

II. MINUTES – August 24, 2020
The Benefits Committee reviewed the draft minutes of August 24, 2020.

MOTION was made and seconded to approve the minutes of August 24, 2020, as circulated. (Ferguson-Miyamoto/Elefante) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

III. OLD BUSINESS
A. HMSA Supportive Care
Mr. Derek Mizuno noted that this item was presented at the August 24, 2020 Committee meeting. At the August 25, 2020 Board meeting, the Board Chairperson Roderick Becker requested that this be discussed at today’s Committee meeting. Mr. Mizuno noted that supportive care is a regular benefit under the EUTF and HSTA VB active employee plans and a pilot benefit under the EUTF and HSTA VB retiree plans through December 31, 2020. HMSA recommended addition of supportive care as a regular benefit for the retiree plans.

The Committee discussed a number of items related to the program including national studies related to benefit effectiveness, the program is a HMSA program providing palliative care, which services under the program are covered under Medicare, and when enough data has been collected and analyzed to determine the program’s effectiveness.

MOTION was made and seconded to move into Executive Session at 9:07 a.m. to discuss legal matters with the Deputy Attorney General. (Hidano/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

The regular meeting reconvened at 9:37 a.m.

The Committee requested that HMSA, Segal and EUTF staff:
1. Compare what benefits in the program are also covered by Medicare.
2. Provide national studies that show the benefits of the program.
3. Make a recommendation based on the viability of the program; do HMSA and Segal envision the services provided to move away from the benefits covered under the program.
4. Determine if it is possible to not cover the program but cover only certain benefits that can evolve over time and/or are tied to something like Medicare.
5. Determining when sufficient data (i.e. cost avoidance and sample size) has been captured to formulate an opinion on the overall effectiveness of the program.

B. HMSA Reversing Heart Disease Program
Mr. Mizuno noted that this item was presented at the August 24, 2020 Committee meeting. At the August 25, 2020 Board meeting, the Board Chairperson Roderick Becker requested that this be discussed at today’s Committee meeting. Mr. Mizuno noted that this program is a pilot benefit under the EUTF and HSTA VB active and retiree plans through June 30, 2021 and December 31, 2020, respectively. HMSA recommended extension of the reversing heart disease pilot program.

MOTION was made and seconded to recommend to the Board continuation of the reversing heart disease pilot program for EUTF and HSTA VB HMSA active employee and retiree plans through June 30, 2025 and December 31, 2024, respectively. (Ferguson-Miyamoto/Tui) The motion failed. (Employer Trustees-2 NO Becker, Hidano, 2 YES Elefante, Johnston/Employee-Beneficiary Trustees-3 YES Ferguson-Miyamoto, Fern, Tui)

The Committee requested that HMSA, Segal and EUTF staff investigate the possibility of not covering the program but cover certain benefits that can evolve over time and determining when sufficient data (i.e. cost avoidance and sample size) has been captured
to formulate an opinion on the overall effectiveness of the program.

IV. NEW BUSINESS

A. Kaiser Permanente Senior Advantage (KPSA) Acupuncture Coverage
   Mr. Troy Tomita, Kaiser Permanente, presented a memo dated September 28, 2020 regarding a mandate from the Centers for Medicare and Medicaid Services (CMS) to cover acupuncture for chronic back pain effective January 21, 2020. Mr. Tomita noted that acupuncture serves as alternative treatment to opioids, the eligibility criteria, coverage is limited and providers must be approved by CMS.

   No motion was necessary since this is a CMS mandate.

B. Self-Funded Prescription Drug (CVS) Proposed Plan Changes
   Ms. Sandra Benevides, CVS, presented a recommendation to increase the annual maximum out-of-pocket limit (MOOP) for the prescription drug plan bundled with HMSA 75/25 PPO plan. She noted that each calendar year the federal government increases the combined medical and prescription drug MOOP. Currently, the prescription drug plan bundled with the HMSA 75/25 medical plan has a lower prescription drug MOOP (a richer drug benefit) than the other HMSA active plans since the 75/25 medical MOOP is larger. Consistent with previous years, CVS recommends increasing the MOOP for the prescription drug plan bundled with the 75/25 plan to get it closer to the other HMSA active plans.

   Trustee James Wataru entered the meeting at 10:19 a.m.

   MOTION was made and seconded to recommend to the Board increasing the annual maximum out-of-pocket limit for the CVS prescription drug plan bundled with the HMSA PPO 75/25 medical plan to $3,550 single/$7,100 family effective January 1, 2022. (Ferguson-Miyamoto/Hidano) Trustee Christian Fern voiced his concern about negatively impacting a large number of members as the 75/25 plan is now the most prevalent plan. Trustee Roderick Becker questioned why the motion should not pass. The motion failed. (Employer Trustees-4 YES Becker, Elefante, Hidano, Johnston/Employee-Beneficiary Trustees-4-NO Ferguson-Miyamoto, Fern, Tui, Wataru)

   Ms. Benevides presented a recommendation to change the coordination of benefits logic currently in place. When an active employee’s dependent has non-EUTF prescription drug coverage (Primary plan), the EUTF plan (secondary plan) covers 100% of the member’s out-of-pocket copayment from the primary plan ($0 copayment for member) with the following exceptions:

   1. When the Primary plan excludes the prescription drug (member will pay standard copayment under the EUTF plan).
   2. When the EUTF plan excludes the prescription drug (EUTF plan makes no payment).

   CVS inherited the logic from the EUTF’s prior pharmacy benefit manager.

   A problem arises when the member’s copayment from the Primary plan exceeds what the EUTF plan would have paid if primary resulting in situations in which the EUTF plan as
secondary pays more than if the EUTF plan was primary. Estimated impact is to 1,700 EUTF actives and non-Medicare retirees totaling $20,000.

MOTION was made and seconded to move into Executive Session at 10:37 a.m. to discuss legal matters with the Deputy Attorney General. (Ferguson-Miyamoto/Tui) The motion passed unanimously. (Employer Trustees-4 /Employee-Beneficiary Trustees-4)

The regular meeting reconvened at 10:52 a.m.

MOTION was made and seconded to recommend to the Board to change the coordination of benefit logic for the EUTF active CVS prescription drug plans to ensure that the EUTF plan pays no more than what it would have paid as primary, effective July 1, 2021. (Becker/Hidano) The motion passed unanimously. (Employer Trustees-4 /Employee-Beneficiary Trustees-4)

MOTION was made and seconded to recommend to the Board to change the coordination of benefit logic for the EUTF non-Medicare retiree CVS prescription drug plan to ensure that the EUTF plan pays no more than what it would have paid as primary, effective January 1, 2022. (Becker/Hidano) The motion passed unanimously. (Employer Trustees-4 /Employee-Beneficiary Trustees-4)

Ms. Benevides presented a recommendation to exclude high cost products with effective alternative medication. There are two high cost extended release versions (Glumetza and Fortamet) of the active ingredient, Metformin, and one low cost extended release version (Glucophage XR) to treat diabetes. The active ingredient is the same for all three prescription drugs, the difference is how they are released into the system. Effective June 1, 2017, the Board required that EUTF active employees and non-Medicare retirees obtain a prior authorization for use of Glumetza and Fortamet. Despite this action, CVS has noticed that there is high utilization of Glumetza from one pharmacy (89%) versus the rest of the network utilization of Glumetza and Fortamet (5-6%). EUTF staff also determined that Glumetza and Fortamet are not on Kaiser and HMSA’s standard formulary and no members are taking these two drugs, except for a minimal amount for HMSA clients with open formularies.

MOTION was made and seconded to recommend to the Board exclusion of Glumetza and Fortamet from the EUTF active and non-Medicare retiree CVS prescription drug plans effective January 1, 2021. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4 /Employee-Beneficiary Trustees-4)

V. EXECUTIVE SESSION
MOTION was made and seconded to move into Executive Session at 11:36 a.m. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4 /Employee-Beneficiary Trustees-4)

The regular meeting reconvened at 11:52 a.m.

VI. NEXT MEETING DATE – October 26, 2020
VII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 11:53 a.m. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

Respectfully submitted,

/s/

Laurel Johnston, Chairperson

APPROVED on October 26, 2020

Documents Distributed:
1. Draft Benefits Committee Minutes of August 24, 2020. (3 pages)
2. Memorandum to BOT from Health Benefits Specialist Regarding HMSA Ornish and Supportive Care, dated September 22, 2020, Redacted Version. (2 pages)
3. Memorandum to BOT from Kaiser Permanente Regarding CMS Mandate – Acupuncture for chronic back pain, dated September 28, 2020, Redacted Version. (1 page)