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 Tuesday, September 14, 2021.

MOTION was made and seconded to move the EGWP quarterly utilization report ending 6/30/21 included in agenda item III. New Business A. CVS quarterly utilization reports ending 6/30/21, after agenda item III. New Business B. CVS prescription drug plan changes. (Wataru/Tui) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

II. MINUTES – August 17, 2021
The Benefits Committee reviewed the draft minutes of August 17, 2021.
MOTION was made and seconded to approve the minutes of August 17, 2021, as circulated. (Wataru/Tui) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

III. NEW BUSINESS
A. CVS quarterly utilization reports ending 6/30/21 (reported by PSG)
   Ms. Diane Clausen, PSG, presented reports for the fiscal year and six-month period ended June 30, 2021 for EUTF active and non-Medicare retiree plans, respectively. PSG presented the semi-annual and annual reports to the Committee since they receive, load and analyze the claims data from CVS/SilverScript (SSI). PSG noted that per member per month costs increased 6.2% for the actives and 12.8% for the non-Medicare retirees (before rebates) over the respective time periods. PSG also highlighted drug classes and specific drugs that are driving our trend. Utilization management programs for certain classes and drugs were presented later in the meeting.

B. CVS prescription drug plan changes
   Ms. Rhea Lopez, PSG, presented 17 recommended prescription drug plan changes. The numerous changes included those previously presented by CVS and those recently identified by CVS, PSG and EUTF staff. In the future, PSG will prepare and present the recommendations in consultation with CVS and EUTF staff.

Trustee Elefante entered the meeting at 10:25 a.m.

MOTION was made and seconded to recommend to the Board the following utilization management programs for the EUTF active and non-Medicare retiree self-funded prescription drug plans effective January 1, 2022, subject to rebate guarantee negotiation:
   1. Quantity limit with post limit prior authorization for Mupirocin
   2. Prior authorization for Palforzia
   3. Prior authorization for Afrezza with grandfathering
   4. Drug Exclusion Plan Design (DEPD)
   5. Step therapy with post-step therapy prior authorization for Gralise, Horizant, Lyrica and Lyrica CR
   6. Step therapy with post-step therapy prior authorization for oral CGRP Receptor Antagonists
   7. Prior authorization for Rosacea products
   8. Step therapy with post-step therapy prior authorization for Reyvow
   9. Prior authorization for Acthar
(Wataru/Tui) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

MOTION was made and seconded to recommend to the Board the following utilization management programs for the EUTF active and non-Medicare retiree self-funded prescription drug plans effective January 1, 2022, subject to rebate guarantee negotiation:
   10. Step therapy with post-step therapy prior authorization for anti-diabetic agents
   11. Step therapy with post-step therapy prior authorization for DPP-4 inhibitors
   12. Prior authorization on omega-3 fatty acids
   13. Quantity limit with post limit prior authorization for topical corticosteroids
   14. Prior authorization for targeted Psoriasis drugs
15. Step therapy with post-step therapy prior authorization for intravenous and injectable CGRP Receptor Antagonists

(Wataru/Tui) The Committee discussed concerns about the high member impact, how rebates are impacted, how member impact is determined and the prior authorization criteria. Trustees James Wataru and Osa Tui withdrew their motion and second, respectively. The Committee requested that PSG and CVS address these matters at the September 21, 2021 Board meeting.

MOTION was made and seconded to recommend to the Board increasing the maximum-out-of-pocket to $3,700 single and $7,400 family for the EUTF active employee prescription drug plan bundled with the HMSA 75/25 PPO effective January 1, 2023. (Wataru/Becker) The motion failed. (Employer Trustees-4 YES Becker, Elefante, Hidano, Johnston/Employee-Beneficiary Trustees-3 NO Fern, Tui, Wataru)

MOTION was made and seconded to recommend to the Board exclusion of Auvi-Q, Durlaza, Kerydin and Yosprala from the EUTF Medicare retiree self-funded prescription drug plans effective January 1, 2022. (Becker/Hidano) The motion failed. (Employer Trustees-4 YES Becker, Elefante, Hidano, Johnston/Employee-Beneficiary Trustees-1 YES Tui, 2 NO Fern, Wataru)

C. CVS quarterly utilization reports ending 6/30/21 (reported by PSG), (continued)

Mr. Ty Bowers, CVS Health/SilverScript, reported on the Medicare retirees for the six-months ended June 30, 2021, since PSG was still reconciling the claims data from SSI, noting a claims trend per member per month of 0.4% (before rebates). Additionally, subsidies and rebates had increased from the previous six-month period resulting in a negative trend when taking these into consideration.

D. SilverScript Medicare Part D update

Mr. Bowers provided an update on various thresholds for Part D standard plan designs for 2022 that will impact Medicare and pharmaceutical manufacturer subsidies to the EGWP plan but not impact members directly.

E. Board Adopted Pilot Programs

Chair Johnston informed the Committee of a listing of pilot programs prepared by staff for information.

IV. NEXT MEETING DATE – November 9, 2021

The next meeting agenda will include HMSA and KP semi-annual utilization reports ending 6/30/21, HMSA Model of Care presentation, active and retiree plan changes, Segal and PSG analysis reports on the EUTF plans, and the Strategic Plan (7/1/21-6/30/25).

V. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 11:15 a.m. (Wataru/Tui) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)
Respectfully submitted,

/s/

Laurel Johnston, Chairperson

APPROVED on November 9, 2021.

Documents Distributed:
1. Draft Benefits Committee Minutes of August 17, 2021. (3 pages)
5. EUTF plan change proposals and recommendations, prepared by CVS Health, dated September 2021, Redacted Version. (49 pages)
6. Memorandum to Benefits Committee from CVS Health/SilverScript Regarding 2022 Medicare Part D Final Rule and Rate Notice, dated September 14, 2021. (2 pages)
7. Summary of EUTF Board Adopted Pilot Programs, prepared by EUTF, 01/01/21-12/31/24. (1 page)