HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
Tuesday, November 9, 2021

TRUSTEES PRESENT
Ms. Laurel Johnston, Chairperson
Mr. Roderick Becker (via video conference)
Mr. Damien Elefante (via video conference, joined at 9:42 a.m.)
Ms. Jacqueline Ferguson-Miyamoto (via audio conference)
Mr. Christian Fern (via video conference, excused at 11:32 a.m.)
Ms. Audrey Hidano (via video conference)
Mr. James Wataru

TRUSTEES ABSENT
Mr. Osa Tui, Vice Chairperson

ATTORNEY (via video conference)
Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF
Mr. Derek Mizuno, Administrator
Ms. Desiree Yamauchi
Ms. Linda Green (via video conference)
Ms. Lara Nitta

CONSULTANTS (via video conference)
Ms. Diane Clausen, PSG
Mr. Stephen Murphy, Segal
Ms. Lynn Smith, PSG
Mr. Johnny Wu, Segal

OTHERS PRESENT (via video conference or teleconference)
Mr. Jarrett Arakawa, HMSA
Ms. Stacia Baek, HMSA
Ms. Sandra Benevides, CVS
Ms. Maricell Blackwell, HMSA
Mr. Ty Bowers, CVS
Mr. Su Chai, Kaiser
Mr. Thomas England, Kaiser
Ms. Kathy Fujihara-Chong, HMSA
Mr. Riley Fujisaki, House Finance
Ms. Elaine Fujiwara, HDS
Ms. Samantha Furutani, CVS
Dr. Rupal Gohil, HMSA
Mr. Galen Haneda, HMSA
Ms. Vanelle Hirayasu, HMA
Ms. Kessy Kepaa, C&C Honolulu
Ms. Ms. Meeye Kim, HMSA
Ms. Monica Kim, VSP
Ms. Heather Lauro, HMSA
Mr. Chris Letoto, HMSA
Ms. Denise Mercil, Securian
Dr. Christopher Miura, Kaiser
Dr. Dave Moskowitz, HMSA
Ms. Joy Narciso, HMSA
Mr. Kurt Neuenfeld, CVS
Ms. Jackee Pagurayan, HMSA
Mr. Clesson Pang, HDS
Dr. Robert Sherman, HDS
Mr. Dave Shiroma, Kaiser
Mr. Troy Tomita, Kaiser
Mr. Albert Vargas, House Finance
Mr. Scott Yamaguchi, Kaiser
Mr. Isaac Yuen, HMSA
(anonymous attendee x4)

I. CALL TO ORDER

The meeting of the Benefits Committee was called to order at 9:04 a.m. by Trustee Laurel Johnston, Chairperson, in the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Conference Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, November 9, 2021.

Mr. Derek Mizuno requested that the HDS proposed plan changes be moved to the beginning of III. New Business and that the HMSA Model of Care with Disease Management and Integrated Health Management fee analysis be moved from Executive Session to open session III. New Business. Mr. Mizuno noted that he had mistakenly put the HMSA Model of Care

with Disease Management and Integrated Health Management fee analysis in Executive Session.

MOTION was made and seconded to move the following agenda items:

1. III.D. New Business, HDS proposed plan changes to the beginning of III. New Business, and
2. IV.A. Executive Session, HMSA Model of Care with Disease Management and Integrated Health Management fee analysis to the end of III. New Business

(Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

II. MINUTES – September 14, 2021

The Benefits Committee reviewed the draft minutes of September 14, 2021.

MOTION was made and seconded to approve the minutes of September 14, 2021, as circulated. (Wataru/Becker) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

III. NEW BUSINESS

A. HDS proposed plan changes

Ms. Elaine Fujiwara and Dr. Robert Sherman, HDS, presented a proposal to cover decoronation at standard plan benefits to the HDS active employee and retiree plans effective July 1, 2022 and January 1, 2023, respectively, noting the following:

- Decoronation involves the removal of the top of a tooth at the gumline leaving the root in place.
- Decoronation replaces extraction for patients with underlying conditions who may be at serious medical risk for systemic infection.
- The change is being made to HDS' book of business.
- Premium impact and cost comparison to extractions were included in the Committee's confidential presentation.

MOTION was made and seconded to recommend to the Board coverage of decoronation with a limit of once per tooth per lifetime at 80% coverage for HDS EUTF and HSTA VB active plans and 45% coverage for the HSTA VB active supplemental plan effective July 1, 2022, and 60% coverage for the EUTF and HSTA VB retiree plans effective January 1, 2023. (Wataru/Becker) Trustee Roderick Becker asked for Segal and EUTF staff's recommendation. Mr. Stephen Murphy, Segal, and EUTF staff support this recommendation from HDS. The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-3)

B. Kaiser Permanente-semi-annual utilization report ending June 30, 2021

Mr. Thomas England, Kaiser, presented the Kaiser Permanente semi-annual claims report through June 30, 2021 for the active employee and non-Medicare retiree plans noting the year-over-year per member per month (PMPM) claims trends of -1.5% and -0.4%, respectively. Kaiser noted the following for the active plans:

1. Inpatient PMPM decreased by 9.9% as there were two large inpatient claims in the prior plan year and none of similar magnitude in plan year 2021

2. Outpatient PMPM decreased slightly by 0.7% as a lower cost per visit than the prior year outweighed an increase in outpatient visits per 1,000 members.
3. Kaiser has been able to maintain screenings at 91.8% of pre pandemic levels and is making efforts to return to pre-pandemic levels.

C. HMSA semi-annual utilization report ending June 30, 2021

Mr. Stacia Baek, HMSA, presented the HMSA semi-annual claims report through June 30, 2021 for the active employee and retiree plans noting the following:

1. Active, non-Medicare retiree and Medicare retiree year-over-year PMPM claims trend of 6.1%, -1.3% and 7.0%, respectively.
2. An increase in mental and behavioral health services.
3. Decreases in emergency room visits, screenings, and elective surgeries which contributed to inpatient and outpatient surgery utilization remaining below pre-COVID levels. HMSA is working on increasing screening levels.

Trustee Elefante entered the meeting at 9:42 a.m.

D. HMSA proposed plan changes

Ms. Baek presented the following plan changes:

1. Allowing HMSA to expand plan benefits and coverage as required by federal and state law including emergency declarations for EUTF and HSTA VB active and retiree plans effective July 1, 2022 and January 1, 2023, respectively, upon concurrence by EUTF staff, the deputy attorney general and the benefits consultant.

The following proposed changes to the EUTF HMSA HMO active plan effective July 1, 2022 (all changes are being made to the HMSA HMO book of business):

2. Changing the chemotherapy injection/infusion benefit from $15 copayment to a $15 administrative fee plus 10% coinsurance.
3. Changing the injection (other than self-administered), allergy testing, and growth hormone therapy benefit from a $15 copayment to 10% coinsurance.
4. Increasing the extended care facility benefit limit from 100 to 120 days per calendar year.
5. Removing the inter-island transportation benefit (currently full payment of interisland airfare arranged by HMSA) so that members instead access HMSA's Care Access Assistance program (CAAP) which currently has a reimbursement cap of $100 per roundtrip.

Trustee Becker asked for Segal and EUTF staff's recommendation. Segal and EUTF staff recommended items #1 and #4. Segal did not recommend (and EUTF staff didn't have a position on) the other HMSA recommendations as the changes do not generate significant cost savings.

The Committee questioned whether the $100 reimbursement under the CAAP program would be sufficient to cover the airfare as interisland airfare can vary significantly.

MOTION was made and seconded to move into Executive Session (Wataru/Ferguson-Miyamoto) The vote was Employer Trustees-4 YES Becker, Elefante, Hidano, Johnston/Employee-Beneficiary Trustees-2 YES Ferguson-Miyamoto, Wataru, 1 NO Fern.

Mr. Mizuno initially informed the board that the motion failed. The Committee questioned this decision and asked the deputy attorney general to provide his opinion. The Committee decided to move forward with III. New Business E. HMSA Model of Care with Disease Management and Integrated Health Management fee analysis while the deputy attorney general researched this matter.

E. HMSA Model of Care with Disease Management and Integrated Health Management fee analysis
Dr. Dave Miskowitz and Ms. Kathy Fujihara-Chong, HMSA, presented an update on their Model of Care program and the return on the integrated health management investment.

D. HMSA proposed plan changes (continued)
The Committee waived attorney-client privilege limited to the Deputy Attorney General's response on the result of the earlier vote to move into Executive Session. Mr. Michael Chambrella informed the Committee the earlier motion to move into Executive Session passes as only a majority decision is necessary with respect to voting on motions, other than recommendations to the Board, by the Committee.

The Committee moved into Executive Session at 10:51 a.m.

The regular meeting reconvened at 11:20 a.m.

MOTION was made and seconded to recommend to the Board to allow HMSA to change plan benefits and coverage only to the extent required by federal and state emergency declarations

- If the required mandate cannot be presented to the Board at a regularly scheduled meeting before the effective date, and
- Upon concurrence from EUTF staff, the Deputy Attorney General, and the EUTF Benefits Consultant

for EUTF and HSTA VB HMSA active and retiree plans effective July 1, 2022 and January 1, 2023, respectively. (Becker/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Mr. Mizuno noted that a similar motion can be made at the EUTF Board meeting to apply this motion to all carriers as it has been added to the November 16, 2021 Board agenda.

MOTION was made and seconded to recommend to the Board increasing the extended care facility benefit limit from 100 to 120 days per calendar year under the EUTF active HMSA HMO plan effective July 1, 2022. (Wataru/Becker) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Trustee Fern was excused from the meeting at 11:32 a.m.

MOTION was made and seconded to recommend to the Board removing the interisland transportation benefit from the EUTF active HMSA HMO plan effective July 1, 2022 so that members instead access HMSA's Care Access Assistance program which currently has a reimbursement cap of $100 per roundtrip. (Wataru/Becker) Trustee James Wataru asked HMSA if parents or legal guardian's airfare was covered. Ms. Baek responded that

the CAAP benefit extends to a companion of a minor under both the current benefit and CAAP. The motion failed. (Employer Trustees-4 NO Becker, Elefante, Hidano, Johnston/Employee-Beneficiary Trustees-2 NO Ferguson-Miyamoto, Wataru)

IV. EXECUTIVE SESSION
Approval of minutes was deferred to the next meeting.

V. NEXT MEETING DATE – January 25, 2022
The next meeting agenda will include HMSA and KP annual disease burden and HEDIS reports ending December 31, 2020, Segal analysis report on EUTF health plans, and 2022 health and wellness communication plans.

VI. ADJOURNMENT
MOTION was made and seconded to adjourn the meeting at 11:37 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-2)

Respectfully submitted,

/s/

_____

Osa Tui, Vice Chairperson

APPROVED on February 10, 2022.

Documents Distributed:

1. Draft Benefits Committee Minutes of September 14, 2021. (4 pages)
2. EUTF Cost and Utilization Summary, Actives and Non-Medicare Retirees, prepared by Kaiser Permanente, dated November 9, 2021, Redacted Version. (22 pages)
3. EUTF Active Plans, Plan Year Summary Report, July 2020-June 2021, prepared by HMSA, dated November 9, 2021, Redacted Version. (40 pages)
4. Memorandum to Benefits Committee from Benefits Specialist, Regarding CONFIDENTIAL – HMSA and HDS Proposed Plan Changes, dated November 9, 2021, Redacted Version. (3 pages)
5. Plan Change Overview and Authorization, 2022 EUTF Actives and 2023 EUTF Retirees, prepared by HMSA, Redacted Version. (3 pages)
6. EUTF & HSTA VB, Active July 1, 2022, Retiree January 1, 2023, Proposed Benefit Change, prepared by HDS, dated November 9, 2021, Redacted Version. (5 pages)
7. 2021 EUTF Integrated Health Management Program Update, prepared by HMSA, dated November 9, 2021., Redacted Version. (37 pages)