I. CALL TO ORDER
The meeting of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund.

TRUSTEES PRESENT
Mr. Christian Fern, Chairperson
Mr. James Wataru, Vice Chairperson
Mr. Roderick Becker (via video conference)
Mr. Damien Elefante (via video conference, entered at 9:02 a.m.)
Ms. Jacqueline Ferguson-Miyamoto

TRUSTEES ABSENT
None

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

EUTF STAFF
Mr. Derek Mizuno, Administrator
Ms. Donna Tonaki, Assistant Administrator
Ms. Desiree Yamauchi (via video conference)
Ms. Amy Cheung (via video conference)
Ms. Lauren Endo (via video conference)
Ms. Linda Green (via video conference)
Mr. Marvin Judd (via video conference)
Ms. Bonny Kahalewai (via video conference)

CONSULTANTS (via video conference)
Mr. Colin Bebee, Meketa
Mr. Gary Behnke, Segal Consulting
Ms. Diane Clausen, PSG
Ms. Carla Goetz, PSG

OTHERS PRESENT (via video or audio conference)
Mr. Jarrett Arakawa, HMSA
Ms. Terri Arceneaux, LifeWorks
Ms. Stacia Baek, HMSA
Mr. Kevin Balaod, With.Intelligence
Ms. Sandra Benevides, CVS
Ms. Julie Bodenski, Humana
Ms. Tammi Bongoll, Kaiser
Mr. Ty Bowers, CVS
Mr. Luis Carbajal, CVS
Mr. Su Chai, Kaiser
Mr. Nathan Dorward, LifeWorks
Mr. Thomas England, Kaiser
Ms. Elaine Fujiwara, HDS
Dr. Rupal Gohil, HMSA
Mr. Brent Griffiths, LifeWorks
Mr. Galen Haneda, HMSA

I. CALL TO ORDER
The meeting of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund.
Fund (EUTF) was called to order at 9:00 a.m. by Chairperson Christian Fern, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, February 15, 2022.

II. NEW TRUSTEES INTRODUCTION AND TRUSTEES REAPPOINTMENT
Chairperson Fern announced that Trustees Roderick Becker and Audrey Hidano were reappointed for another four-year term through December 31, 2025.

III. REVIEW OF MINUTES – JANUARY 10, 2022
The Board reviewed the draft minutes of January 10, 2022.

MOTION was made and seconded to approve the minutes of January 10, 2022, as circulated. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-5)

IV. NEW BUSINESS
A. Selection of Board Secretary-Treasurer (Employer Trustee)

Trustee Elefante entered the meeting at 9:02 a.m.

MOTION was made and seconded to appoint Trustee Wesley Machida as Secretary-Treasurer of the Board. (Hidano/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

B. Committee Assignments
Chairperson Fern informed the Board that Trustee Machida volunteered to join the Benefits, Investment, and Emergency Appeal (1st alternate) Committees.

Trustee Becker volunteered to join the Administrative Committee.

C. Benefits Administration System Implementation Status Update
Mr. Gary Behnke, Segal, Mr. Brent Griffiths, LifeWorks, and Ms. Julia Okinaka, Accuity, provided the Board with an update on the status of the implementation of the new Benefits Administration System requesting that the go-live date be moved from March 1, 2022 to May 1, 2022 for the following reasons:

• Billing data conversion delays
• Additional time for EUTF to test
• Defects reported by EUTF
• Still unit testing functionality
• Adding functionality back into go-live: Employer portal and Data Collection Tool

Trustee Hidano reiterated her concerns from the December 2021 meeting about not having continued delays. Mr. Griffiths noted that the team is working on a timeline with important dates and resources. The trustees instructed LifeWorks, Segal, Accuity and EUTF staff to ensure that there are no more delays. Mr. Derek Mizuno requested an executive session to discuss contract matters.

MOTION was made and seconded to move into Executive Session to discuss contract
matters at 9:29 a.m. (Hidano/Nip) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

The regular meeting reconvened at 9:45 a.m.

D. 2022 EUTF RELATED LEGISLATION
Mr. Mizuno summarized the legislative bills that the EUTF staff are tracking including EUTF Board, EUTF Benefits 87A, health insurance benefit, EUTF operations, EUTF related and ERS related bills. Mr. Mizuno recommended opposing SB3259 Auditor; Study; EUTF; Health Insurance Plans the goal of the bill is not to improve EUTF but to investigate HMSA.

MOTION was made and seconded to oppose SB3259 Auditor; Study; EUTF; Health Insurance Plans. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-5)

V. COMMITTEE REPORTS
A. Investment Committee
   1. December 31, 2021 Quarterly Performance Report
      Mr. Kuan Yuan and Mr. Colin Bebee, Meketa Investments (Meketa) presented the fourth-quarter 2021 quarterly performance report. The OPEB Trust Fund portfolio finished the quarter at $6.1 billion and gained 4.4% (net of fees) for the quarter, outperforming the policy benchmark of 3.2%. Since inception (June 23, 2011), the portfolio has returned 8.4% (net of fees) versus the policy benchmark return of 8.2%.

      The EUTF Trust Fund portfolio finished the quarter at $335.4 million, up 0.5% for the quarter (net of fees). Since inception (October 1, 2013), the portfolio has returned 4.0% (net of fees).

   2. Quarterly Private Equity & Private Credit Report – Q3 2021
      Mr. Yuan presented the third-quarter 2021 Private Equity and Private Credit performance results. At the end of the quarter, Private Equity and Private Credit reported market values of $399.9 million and $180.9 million, respectively, with since inception internal rates of return of 37.5% and 15.4% (both net of fees), respectively. For the same time period, Private Equity and Private Credit outperformed their benchmarks of 23.4% and of 8.8%, respectively.

   3. Quarterly Real Estate Report – Q3 2021
      Mr. Yuan presented the third-quarter 2021 Private Real Assets performance results. At the end of the quarter, Private Real Assets reported a market value of $446.6 million with a since inception return of 6.5% (net of fees), slightly underperforming the asset class benchmark of 6.6%. Asset class performance has been improving in recent quarters and there are no concerns at this point.

B. Benefits Committee
   1. Kaiser Permanente annual burden of disease and HEDIS reports ending December 31, 2020
   2. HMSA annual burden of disease and HEDIS reports ending December 31, 2020
Mr. Mizuno noted that the EUTF membership continues to have higher levels of obesity than the rest of Kaiser and HMSA's book of business and screening and HEDIS control measures decreased during the pandemic.

3. HMSA benefit updates
   a. Audio-only telehealth visits
      Mr. Mizuno noted that HMSA is extending coverage of audio only provider visits under the telehealth benefit through March 31, 2022 (from December 31, 2021) in response to rising COVID-19 cases on Hawaii.

   b. Benefit changes required by the No Surprises Act
      Mr. Mizuno noted that to comply with federal law the Committee is recommending changing the air ambulance out-of-network (OON) benefit to match the in-network benefit for all HMSA active and retiree medical plans.

      MOTION was made and seconded to approve the Benefits Committee recommendation to change the air ambulance out-of-network coinsurance benefit under the EUTF and HSTA VB HMSA PPO active and retiree plans to match the in-network coinsurance benefit effective January 1, 2022 in accordance with federal law. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-5)

4. Coverage of over-the-counter COVID tests
   a. HMSA/CVS update
      Mr. Mizuno noted that to comply with the federal government's mandate that health plans cover at home COVID-19 tests for personal use (8 tests per member per 30-day period or calendar month), EUTF is currently covering these tests under the CVS/SilverScript active and retiree prescription drug plans and the Kaiser active and non-Medicare retiree medical and prescription drug plans. HMSA has recently informed the EUTF that it will be covering the tests for its fully insured plans under the medical plan. Such coverage for the EUTF is advantageous from a cost perspective.

      MOTION was made and seconded to approve the Benefits Committee recommendation to cover over-the-counter COVID-19 tests under the HMSA active and retiree medical plans effective January 15, 2022 through the end of the national public health emergency in accordance with federal law. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-5)

      Mr. Mizuno then noted that coverage under the CVS/SilverScript prescription drug plans will end February 28, 2022. The Committee is recommending covering the at home COVID-19 tests for non-Medicare retirees and dependents with only EUTF prescription drug coverage, under the CVS prescription drug plan to comply with federal law.

      MOTION was made and seconded to approve the Benefits Committee recommendation to cover over-the-counter COVID-19 tests under the CVS...
prescription drug plan for non-Medicare retirees and dependents enrolled in the CVS prescription drug plan only and not in an EUTF medical plan effective January 15, 2022 through the end of the national public health emergency in accordance with federal law. (Hidano/Nip) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

Mr. Mizuno noted that the federal government recently announced that Medicare will be covering the at home COVID-19 tests in the spring. At such time, HMSA will deny COVID-19 test claims from Medicare retirees.

b. Kaiser Permanente update

Mr. Mizuno noted that the Committee is also recommending coverage under the Kaiser active and retiree medical and prescription drug plans to comply with federal law (active and non-Medicare retiree plans) and be consistent with the other Kaiser plans with minimal cost impact (Medicare retiree plans).

MOTION was made and seconded to approve the Benefits Committee recommendation to cover over-the-counter COVID-19 tests under the Kaiser Permanente active and non-Medicare retiree medical and prescription drug plans effective January 15, 2022 through the end of the month in which the national public health emergency ends in accordance with federal law. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

MOTION was made and seconded to approve the Benefits Committee recommendation to cover over-the-counter COVID-19 tests under the Kaiser Permanente Senior Advantage Medicare retiree medical and prescription drug plans effective January 15, 2022 through the end of the month in which the national public health emergency ends in the same manner as the Kaiser Permanente commercial plans. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

c. Humana update

Mr. Mizuno noted that the Humana plan is not required to cover the at home COVID-19 tests.

d. HMA coverage

Mr. Mizuno noted that coverage under the HMA supplemental plan is not required by federal law. The Board has the option to cover or exclude. Coverage is provided under the members primary non-EUTF plan and the HMA plan would cover amounts over $12 under direct reimbursement, if the primary plan meets the safe harbor requirements. The Committee is not recommending coverage as tests are currently available for less than $12.

MOTION was made and seconded to approve the Benefits Committee recommendation to exclude coverage of over-the-counter COVID-19 tests from the active HMA supplemental medical and prescription drug plan effective January 15, 2022. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer
5. Segal initial analysis report on EUTF health plans
Mr. Mizuno noted that Segal completed their analysis and identified areas of focus over the upcoming contract period to be worked with EUTF staff and the carriers.

6. 2022 health and wellness communication plan
Mr. Mizuno noted that the Committee reviewed the 2022 health and wellness communication plan which includes webinars, Holomua and Well Aware communications, and direct mailers by the carriers.

VI. REPORTS
A. Segal
   1. Quarterly Plan Performance Report through December 31, 2021
   2. Quarterly Performance Guarantee Report through December 31, 2021
   3. 2022 Segal Health Plan Cost Trend Survey
      Mr. Stephen Murphy, Segal, summarized the Segal reports. Mr. Mizuno noted that HDS will not be assessed the 4th quarter 2021 performance guarantee penalty related to mailing of ID cards within 48 hours because a one-day delay on December 7, 2021 caused by flooding of the HDS offices caused them to miss the performance guarantee. Mr. Mizuno noted that there's a provision in the contract related to acts of God.

B. Pharmaceutical Strategies Group (PSG)
   1. CVS/SSI Plan Performance Report through December 31, 2021
   2. CVS/SSI Performance Guarantee Report through December 31, 2021
      Ms. Diane Clausen, PSG, summarized the PSG report.

C. Administrator
   1. Meetings with Legislators and Unions
   2. Staffing Update
   3. Training
   4. Operations

D. EUTF Managers’, Program Specialist and Benefits Audit Specialist Reports
   1. Member Services Branch (MSB)
      a. MSB Data
      b. Outreach & Training
   2. Information Systems (IS)
      a. EUTF New Benefits Administration System (BAS) Project
      b. EUTF New Benefits Administration System (BAS) Project – Data Conversion
      c. Printer and Copier Lease Procurement
   3. Eligibility and Enrollment Report
      a. Audits Currently in Progress
      b. Completed and Recurring Audits
   4. EUTF Program Specialist Report
      a. Worksite wellness
      b. Preventive health
      c. Chronic disease management
   5. Financial Services Branch (FSB)
a. FSB Performance Data  
b. Refunds and Medicare Part B Overpayments Status  
c. EUTF Collections  
d. Financial Statements as of November 30, 2021  

E. Carrier Reports  
1. CVS Caremark  
2. SilverScript  
3. Hawaii Dental Service (HDS)  
4. Hawaii Mainland Administrators (HMA)  
5. Hawaii Medical Service Association (HMSA)  
6. Humana  
7. Kaiser Health Foundation  
8. Securian  
9. Vision Service Plan (VSP)  

VII. EXECUTIVE SESSION  
MOTION was made and seconded to move into Executive Session at 10:44 a.m. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-5)  

Trustee Machida was excused from the meeting at 11:00 a.m. during Executive Session.  

The regular meeting reconvened at 11:16 a.m.  

Chairperson Fern reported that the following were performed during Executive Session:  
- Approved the December 21, 2021 and January 10, 2022 minutes.  
- Denied an appeal related to a late enrollment form.  
- Approval of a contract amendment for the benefits administration system.  

VIII. NEXT MEETING DATE  
Tuesday, March 22, 2022, 9:00 a.m. – Benefits Committee Report  

IX. ADJOURNMENT  
MOTION was made and seconded for the Board to adjourn the meeting at 11:17 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-5)  

Respectfully submitted,  

/s/  
Christian Fern, Chairperson  

APPROVED on March 22, 2022.  

Documents Distributed:  
1. Draft Board Minutes of January 10, 2022. (6 pages)  
2. EUTF Committees as of January 11, 2022. (1 page)
3. Ariel Benefits Administration System Update, dated February 15, 2022, prepared by LifeWorks, Segal, and Accuity. (6 pages)
4. Legislative Update, dated February 14, 2022. (9 pages)
5. Memorandum to BOT from Investment Committee Regarding February 8, 2022 Investment Committee Meeting Report, dated February 8, 2022. (1 page)
6. Memorandum to BOT from EUTF Benefits Committee Regarding Confidential: Benefits Committee Report, dated February 10, 2022. (2 pages)
7. EUTF Year to Date Contract Plan Experience Report, Contract Year to Date through December 2021, prepared by Segal, dated February 15, 2022. (38 pages)
8. Memorandum to EUTF from Segal, regarding Segal’s 2022 Health Plan Cost Trend Survey, dated February 15, 2022. (20 pages)
10. Memorandum to BOT from PSG, regarding 4Q 2021 CVS Performance Guarantee Reporting, dated February 8, 2022. (14 pages)
12. Memorandum to BOT from Member Services Branch Manager Regarding January – February 2022 Member Services Operations Report, dated February 4, 2022. (6 pages)
14. Memorandum to Administrator from Program Specialist (Eligibility and Enrollment) Regarding January-February 2022 Eligibility and Enrollment Report, dated February 4, 2022. (2 pages)
15. Memorandum to Administrator from EUTF Program Specialist Regarding January – February 2022 EUTF Program Specialist Report, dated February 4, 2022. (6 pages)
17. CVS Caremark Monthly Carrier Report for January 2022 dated February 8, 2022. (3 pages)