I. CALL TO ORDER
The meeting of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) was called to order at 9:00 a.m. by Chairperson Christian Fern, in the City Financial Tower Conference Room, 201 Merchant Street, Suite 1935, Honolulu, Hawaii, on Tuesday, April 26, 2022.
II. REVIEW OF MINUTES – March 22, 2022
The Board reviewed the draft minutes of March 22, 2022.

MOTION was made and seconded to approve the minutes of March 22, 2022, as circulated. (Wataru/Yu) The motion passed unanimously. (Employer Trustees-5 / Employee-Beneficiary Trustees-5)

III. OLD BUSINESS
A. Benefits Administration System Implementation Status Update
Ms. Donna Tonaki, 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 noting the following:
1. Go-live is planned for May 1, 2022
2. EUTF staff and LifeWorks continue to work on data conversion and defects.
3. There will be nine LifeWorks staff in the EUTF offices next week to assist with the transition. Enhanced support from LifeWorks will be provided for at least eight weeks after go-live. LifeWorks staff will roll off upon EUTF consent.
4. Post go-live areas of concern are remaining defects, data conversion and reconciliation, and data flows (e.g. enrollment information to the carriers and payroll deduction exchanges with the employers).

The Trustees asked the team questions regarding the implementation. Mr. Sonny Kekipi, ETS, noted that from ETS’ experience, this is one of the more well-run implementations.

B. 2022 EUTF Related Legislation
Mr. Derek Mizuno summarized the EUTF related legislative bills noting that there are only about twelve that are still alive. Mr. Mizuno noted that the Senate will be agreeing to the House amendments to the EUTF proposed bill (SB3072) that exempts EUTF from certain public disclosure requirements related to alternative investments.

Mr. Mizuno noted that during PSG’s audit of the prescription drug plans administered by CVS/SilverScript for the period July 1, 2015 – June 30, 2018 actives and January 1, 2015 – December 31, 2017 retirees, PSG identified $1.0 million of underpayment errors related to one manufacturer rebate contract. As a result, PSG was contracted to audit additional manufacturer rebate contracts. PSG selected an additional six rebate contracts totaling $13.7 million noting errors in one manufacturer rebate contract totaling $14,675. PSG noted that these errors and the initial errors were not systemic and were due to human error as they involve complex calculations.

IV. NEW BUSINESS
A. New Chairperson (Employer Trustee), Vice Chairperson (Employer Trustee) and Secretary-Treasurer (Employee Trustee) Effective July 1, 2022

MOTION was made and seconded to appoint Trustee Roderick Becker as Chair of the Board and Trustee Audrey Hidano as Vice Chair of the Board effective July 1, 2022. (Machida/Yu) The motion passed unanimously. (Employer Trustees-5 / Employee-
Beneficiary Trustees-5)

MOTION was made and seconded to appoint Trustee Osa Tui as Secretary-Treasurer of the Board effective July 1, 2022. (Fern/Wataru) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-5)

V. ADMINISTRATIVE COMMITTEE REPORT
A. Strategic Plan – January 1, 2018 – June 30, 2021
Mr. Mizuno reviewed the results of the strategic plan goals for the period ending June 30, 2021. Mr. Mizuno noted that the main reason for the drop in customer satisfaction survey results was member wait times when calling in due to vacancies caused by turnover and an inability to hire replacements (i.e. State hiring freeze during the early part of the pandemic) and the focus of staff resources on the benefits administration system implementation. We are currently waiting for a certified list from DHRD to hire two additional Member Service Representatives and once the new system is stabilized and members can access self-service, we expect call wait times to improve. Additionally, members can set up in-person or Teams (since September 2021) appointments. The Trustees discussed ways to more timely fill the vacant positions.

B. Draft Strategic Plan - July 1, 2021 – June 30, 2025
Mr. Mizuno noted that the draft strategic plan for July 1, 2021 – June 30, 2025 was presented to the Board, Administrative Committee and Benefits Committee about a year ago. The revised plan has updated numbers and at the Board's suggestion has split the previous plan's goal #2 related to reduction of the unfunded actuarial accrued liability into three parts – 2a) reduction of the actuarial accrued liability, 2b) reduction of future annual required contributions and 3) meeting or exceeding the investment hurdle rate of 7%.

MOTION was made and seconded to approve the Administrative Committee’s recommendation to approve the goals, objectives, strategies and tactics for the Strategic Plan for the period July 1, 2021 to June 30, 2025. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-5)

C. Committee Charter
Mr. Mizuno noted that the Administrative Committee charter recommended by the Administrative Committee focuses on areas that have recently been discussed at committee meetings. Trustee Wesley Machida noted that he has some recommended changes but will wait to recommend them in the future.

MOTION was made and seconded to approve the Administrative Committee’s recommendation to approve the Administrative Committee Charter. (Wataru/Hidano) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-5)

VI. REPORTS
A. Segal
   1. Legislative Update
      Mr. Stephen Murphy, Segal, summarized the Segal reports.

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

Mr. Mizuno informed the Board that Ms. Mae Kishimoto, HSTA-Retired, had a question after the March 22, 2022 Board Meeting regarding air ambulance coverage. A summary of HMSA and Kaiser air ambulance coverage is included with the Administrator report.

C. 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. EUTF Office Re-Opening
      d. Enrollment Counts
   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 December 31, 2021 and January 31, 2022

D. Carrier Reports
   1. CVS Caremark
   2. SilverScript
   3. Hawaii Dental Service (HDS)
   4. Hawaii Mainland Administrators (HMA)
   5. Hawaii Medical Service Association (HMSA)

Mr. Mizuno informed the Board of the HMSA extension of coverage of audio-only visits through May 31, 2022 from March 31, 2022 under EUTF and HSTA VB plans.

Mr. Mizuno also advised that HMSA members can now call and request that COVID-19 at home test kits be mailed to them and HMSA reimbursements are limited to the $12 safe harbor cap.

Mr. Mizuno also noted that EUTF Medicare members will have their COVID-19 at home test kits covered through Medicare Part B effective April 4, 2022 and will no longer have coverage under the HMSA EUTF and HSTA VB Medicare Plans.
Trustee Becker inquired if anyone had any information regarding the accuracy of at home tests with the new variants that are constantly emerging. Ms. Stacia Baek, HMSA, informed the Board that HMSA provides tests that have FDA approval. Mr. Murphy will follow up and report on his findings.

Mr. Troy Tomita, Kaiser, informed the Board that Kaiser members can pickup COVID-19 at home tests at any facility and file for a reimbursement, or they can pickup tests from any Kaiser Pharmacy, if available. Chairperson Fern mentioned that Kaiser members are able to obtain their free eight test kits a month from Costco or Walmart by providing their Kaiser membership card. Mr. Tomita will forward a list of retail pharmacies that Kaiser members can obtain COVID-19 OTC tests with no out of pocket costs.

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 10:24 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-5)

Trustee Nip was excused from the meeting at 11:55 a.m. during Executive Session.

The regular meeting reconvened at 11:57 a.m.

Chairperson Fern reported that the following were performed during Executive Session:

- Approved February 15 and March 22, 2022 Executive Session minutes.
- Approved an award of contract for RFP 22-003 Life Insurance, subject to contract negotiation.
- Approved an award of contract for RFP 22-004 Vision, subject to contract negotiation.
- Approved an award of contract for RFP 22-005 Dental, subject to contract negotiation.

VIII. NEXT MEETING DATE

Tuesday, May 24, 2022, 9:00 a.m. – Benefits and Investment Committee Reports

IX. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 11:58 a.m. (Wataru/Tui) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-4)

Respectfully submitted,

/s/

Wesley Machida, Secretary-Treasurer
DOCUMENTS DISTRIBUTED:
1. Draft Board Minutes of March 22, 2022. (7 pages)
2. Ariel Benefits Administration System Update, dated April 26, 2022, prepared by LifeWorks, Segal, and Accuity. (5 pages)
3. Legislative Update, dated April 25, 2022. (2 pages)
5. Memorandum to BOT from Administrative Committee Regarding April 16, 2022 Administrative Committee Meeting, dated April 16, 2022, Redacted. (2 pages)
6. Memorandum to EUTF from Segal, regarding Meeting of the Board of Trustees – Segal Reports, dated April 26, 2022. (14 pages)
7. Administrator’s Monthly Report to the Board for March 12 – April 14, 2022, dated April 14, 2022, Redacted. (3 pages)
8. Memorandum to BOT from Member Services Branch Manager Regarding March – April 2022 Member Services Operations Report, dated April 15, 2022. (6 pages)
10. Memorandum to Administrator from Program Specialist (Eligibility and Enrollment) Regarding - March-April 2022 Eligibility and Enrollment Report, dated April 14, 2022. (2 pages)
11. Memorandum to Administrator from EUTF Program Specialist Regarding March – April 2022 EUTF Program Specialist Report, dated April 14, 2022. (2 pages)
12. Memorandum to BOT from EUTF Financial Management Officer Regarding March – April 2022 Financial Services Branch (FSB) Report, dated April 14, 2022. (25 pages)
13. CVS Caremark Monthly Carrier Report for March 2022 dated April 6, 2022. (3 pages)
15. HDS Monthly Carrier Report for March 2022 dated April 7, 2022. (2 pages)
16. HMA Monthly Carrier Report for March 2022 dated April 7, 2022. (2 pages)
17. HMSA Monthly Carrier Report for March 2022 dated April 10, 2022. (6 pages)
21. VSP Monthly Carrier Report for March 2022 dated April 7, 2022. (3 pages)