

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
Tuesday, August 16, 2022

TRUSTEES PRESENT

Mr. Osa Tui, Chairperson (via video conference)	Ms. Jacqueline Ferguson-Miyamoto (via video conference)
Mr. Roderick Becker (via video conference)	Mr. Christian Fern (via video conference)
Mr. Damien Elefante (via video conference)	Mr. James Wataru

TRUSTEES ABSENT

Mr. Wesley Machida, Vice Chairperson	Ms. Audrey Hidano
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ATTORNEY (via video conference)

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

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

CONSULTANTS (via video conference)

Ms. Diane Clausen, PSG	Mr. Stephen Murphy, Segal
Ms. Carla Goetz, PSG	Ms. Lynn Smith, PSG

OTHERS PRESENT (via video conference or teleconference)

Ms. Stacia Baek, HMSA	Mr. Chris Letoto, HMSA
Ms. Sandra Benevides, CVS	Ms. Denise Mercil, Securian
Ms. Maricel Blackwell, HMSA	Dr. Christopher Miura, Kaiser
Mr. Ty Bowers, CVS	Ms. Heather Miyasato, HMSA
Ms. Cheryl Byron, CVS	Mr. Kurt Neuenfeld, CVS
Mr. Su Chai, Kaiser	Mr. Clesson Pang, HDS
Mr. Thomas England, Kaiser	Ms. Maureen Sapienza
Mr. Keli'i Franco, HMSA	Mr. Dave Shiroma, Kaiser
Ms. Elaine Fujiwara, HDS	Dr. Mark Sweet, HDS
Ms. Samantha Furutani, CVS	Mr. Troy Tomita, Kaiser
Ms. Carla Goetz, PSG	Dr. Jeff Tom, HMSA
Dr. Rupal Gohil, HMSA	S. Wong
Mr. Galen Haneda, HMSA	Mr. Scott Yamaguchi, Kaiser
Ms. Vanelle Hirayasu, HMA	Mr. Justin Yoshimoto, HMSA
Mr. Lloyd Kishi, Kaiser	Mr. Isaac Yuen, HMSA
Mr. Lawrence Lau, HDS	Anonymous (x2)

I. CALL TO ORDER

The meeting of the Benefits Committee of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) was called to order at 9:03 a.m. by Trustee Osa Tui, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, August 16, 2022.

II. REVIEW OF MINUTES – May 16, 2022

The Benefits Committee reviewed the draft minutes of May 16, 2022, noting that page 1, line 39, “Vice” should be deleted.

MOTION was made and seconded to approve the minutes of May 16, 2022, as amended.

(Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-2/
Employee-Beneficiary Trustees-4)

III. NEW BUSINESS

A. HDS Dental Plan Changes

Mr. Elaine Fujiwara, Mr. Clesson Pang, and Dr. Mark Sweet presented the HDS recommendation to add Total Health Plus benefits to the EUTF and HSTA VB retiree plans effective January 1, 2023. Total Health Plus benefits provides extra cleanings and fluoride treatments for members with certain conditions or who experience cancer (including oral cancer), Sjogren's Syndrome, stroke, heart attack, kidney failure, organ transplants and who have a medical risk for cavities. HDS added this to their book of business three years ago, about the same time it was added for EUTF and HSTA VB active employee plans. The Committee noted that the additional projected cost decreased by 50% from 2019, EUTF retiree dental premiums are decreasing by 6.2% on January 1, 2023 which is significantly more than the additional projected cost and the projected impact to the unfunded liability is an increase of \$10.5 million. Additionally, addition of the benefit would make the active and retiree plans consistent for this benefit. The Committee also noted the following:

1. Since retiree premiums have been set for January 1, 2023, EUTF staff recommends no adjustment to the premiums but paying HDS out of the EUTF Trust Fund.
2. In the past when benefits have been enhanced, the Board has transferred monies from the EUTF Trust to the OPEB Trust as to not impact the unfunded liability.

MOTION was made and seconded to recommend to the Board addition of Total Health Plus benefits to the EUTF and HSTA VB retiree dental plans effective January 1, 2023 with the related premiums for 2023 to be paid from the EUTF Trust and transfer of \$10.5 million from the EUTF Trust Fund to the OPEB Trust. (Wataru/Ferguson-Miyamoto) Member of the public, Maureen Sapienza, provided testimony recommending addition of the benefit. The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-4)

B. Kaiser Permanente Disease Management/Integrated Health Management Improvement Plan (January 1, 2021 through December 31, 2024)

Mr. Troy Tomita and Dr. Christopher Miura, Kaiser Permanente, presented their Disease Management/Integrated Health Management Improvement Plan for the period January 1, 2021 through December 31, 2024 noting the planned focus areas of diabetes control, hypertension control, obesity prevalence, primary care physician (PCP) linking and advanced care planning and planned activities. These areas were selected since HEDIS measures decreased during the pandemic (diabetes and hypertension), underlie many chronic conditions (obesity prevalence), and/or should improve member health or experience (PCP linking and advanced care planning).

C. HMSA Disease Management/Integrated Health Management Improvement Plan (January 1, 2021 through December 31, 2024)

Ms. Stacia Baek, HMSA, presented their Disease Management/Integrated Health Management Improvement Plan for the period January 1, 2021 through December 31, 2024 noting the planned focus areas of increasing preventive care visits, advance care

directives, diabetes control, reducing obesity, improving cancer screenings, hypertension control, and improving member enrollment in the model of care program and planned activities. These areas were selected since HEDIS measures decreased during the pandemic (cancer screenings and hypertension), is one of the EUTF's cost drivers (diabetes), underlie many chronic conditions (reducing obesity), and/or should improve member health or experience (preventive care visits, advance care directives and enrollment in model of care programs).

D. HMSA Evidence-Based Programs

1. Diabetes prevention programs

Ms. Baek, HMSA, summarized participation and results of the diabetes prevention programs. The facility-based Diabetes Prevention Program (DPP-F) is a regular benefit under the EUTF and HSTA VB active plans. Medicare retirees and Medicare dependents of retirees have coverage of DPP-F under Medicare. There continues to be limited enrollment in these plans.

HMSA also reported on the completion (December 31, 2021) of the pilot digital Diabetes Prevention Program (DPP-D) through Livongo. There were 120 DPP-D participants of which 45% met the weight loss goals. These members were provided information on other DPP-F providers and well-being programs, and all current participating DPP-F providers offer a digital option as well.

2. Digital diabetes management pilot program evaluation

Dr. Jeff Tom, HMSA, provided an update on the EUTF Diabetes Management Program pilot through Livongo that ends December 31, 2022. HMSA is planning to engage Virta as the provider of a diabetes management program. HMSA prefers the Virta program because of strong performance guarantees, proven ability to engage members, reduce member A1c and body weight, reduce diabetes drug cost, and monthly engagement is required for payment. The Virta program may not be rolled out to the entire HMSA membership until 2024 so HMSA is considering a pilot program with EUTF members before then. HMSA will work with EUTF staff on a possible pilot.

E. HMSA Payment Transformation

Ms. Heather Miyasato and Mr. Justin Yoshimoto, HMSA, provided an update on payment transformation focusing on the following:

1. Costs and utilization
2. Quality of care
3. Member engagement, access and satisfaction
4. Provider satisfaction

F. PSG Prescription Drug Plan Changes

Ms. Diane Clausen and Ms. Carla Goetz, PSG, presented a recommendation to add a new CVS/SilverScript option to exclude the Vision Enhancement Agents category that currently includes three products (Vuity, Upneeq and Acuvue Theravision with Ketotifen) that are considered cosmetic and have other alternative treatments.

MOTION was made and seconded to recommend to the Board exclusion of the Vision

Enhancement Agent category for EUTF active employee and non-Medicare retiree prescription drug plans administered by CVS effective October 1, 2022. (Becker/Wataru) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-4)

MOTION was made and seconded to recommend to the Board exclusion of the Vision Enhancement Agent category for EUTF Medicare retiree prescription drug plans administered by SilverScript effective January 1, 2023. (Becker/Wataru) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-4)

G. SilverScript Medicare Prescription Drug Plan

1. Medicare Part D standard benefit design parameters (2023)

Mr. Ty Bowers, SilverScript (SSI), presented an update on Medicare Part D thresholds (e.g. deductible and initial coverage limit) noting that these do not impact members directly but impacts manufacturer and Medicare subsidies to the EGWP.

Mr. Bowers also informed the Committee that the Inflation Reduction Act that was signed into law today will impact the EGWP plan. Once SSI is able to conduct an in-depth review of the Act, SSI will report to the Committee or Board on the impact.

2. Medicare Part D formulary analysis

Mr. Bowers noted that maximizing the number of prescription drugs, currently covered on the Medicare Part D formulary and OHI/wrap plan, covered under the Medicare Part D formulary will increase manufacturer and Medicare subsidies. The EUTF current EGWP formulary (bronze) covers about 94% of all Medicare Part D drugs. SSI developed a new formulary that covers 100% of all Medicare Part D drugs. SSI determined that it would not be beneficial for EUTF to move to the new formulary because there is a minimal increase in subsidies which would be more than offset by lower rebates.

3. OHI/Wrap formulary analysis

Mr. Bowers noted that utilization management programs including prior authorization, step therapy and quantity limits currently on the active and non-Medicare retiree plans are also applied to the OHI/Wrap plan, except for those not allowed by Medicare. SSI also noted that the active and non-Medicare retiree formulary is almost identical to the OHI/Wrap formulary which allows for a seamless member experience when moving from one group to another.

IV. NEXT MEETING DATE – September 20, 2022

The next meeting agenda will include PSG quarterly utilization reports ending June 30, 2022 and PSG prescription drug plan changes.

V. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 10:54 a.m. (Wataru/Elefante) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-4)

Respectfully submitted,

Osa Tui, Chairperson

APPROVED on September 20, 2022.

Documents Distributed:

1. Draft Benefits Committee Minutes of May 16, 2022. (4 pages)
2. EUTF Retirees, January 1, 2023, Proposed Benefit Changes, prepared by HDS, dated August 16, 2022, Redacted Version. (12 pages)
3. Disease Management/Integrated Health Management Improvement Plan, 4 Year Plan with Annual Update, January 1, 2021 – December 31, 2024, prepared by Kaiser Permanente, dated August 16, 2022. (10 pages)
4. EUTF Disease Management/Integrated Health Management (DM/IHM) Improvement Plan, 4 Year Plan with Annual Updates, January 1, 2021 – December 31, 2024, prepared by HMSA, dated August 16, 2022. (32 pages)
5. Diabetes Prevention Programs (DPP), 2021 Recap and 2022 mid-year updates, prepared by HMSA, dated August 16, 2022, Redacted Version.
6. Digital Diabetes Programs Evaluation, prepared by HMSA, dated August 16, 2022, Redacted Version. (23 pages)
7. Payment Transformation Update, prepared by HMSA, dated August 16, 2022, Redacted Version. (21 pages)
8. EUTF, Active, Non-Medicare Retiree and EGWP Plans, Pharmacy Benefit Change(s) for Consideration & Adoption, prepared by PSG, dated August 16, 2022, Redacted Version. (4 pages)
9. Memorandum to Benefits Committee – Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from CVS Health/SilverScript, regarding 2022 Medicare Part D Final Rule and Rate Notice, dated August 16, 2022. (2 pages)
10. Memorandum to Benefits Committee – Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from CVS Health/SilverScript, regarding 2023 Medicare Part D Formulary Review/Analysis, dated August 16, 2022. (1 page)
11. Memorandum to Benefits Committee – Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from CVS Health/SilverScript, regarding 2023 Medicare Retiree Wrap Formulary Review/Analysis, dated August 16, 2022. (2 pages)