

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Board of Trustees
Tuesday, October 18, 2022

TRUSTEES PRESENT

Ms. Audrey Hidano, Vice Chairperson
Mr. Osa Tui, Secretary-Treasurer (via video conference)
Mr. Damien Elefante (via video conference)
Ms. Jacqueline Ferguson-Miyamoto
Mr. Christian Fern (via video conference)

Mr. Wesley Machida (via video conference)
Ms. Celeste Nip (via video conference, excused at 11:00 a.m.)
Mr. James Wataru
Mr. Robert Yu (via video conference)

TRUSTEES ABSENT

Mr. Roderick Becker, Chairperson

ATTORNEY

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

EUTF STAFF

Mr. Derek Mizuno, Administrator
Ms. Donna Tonaki, Assistant Administrator
Ms. Desiree Yamauchi
Ms. Amy Cheung (via video conference)
Ms. Lauren Endo (via video conference)
Mr. Marvin Judd (via video conference)

Ms. Emily Kaimuloa (via video conference)
Mr. Quoc Le (via video conference)
Ms. Jessica McDonald
Ms. Lara Nitta
Mr. Jack O'Neill (via video conference)

CONSULTANTS (via video conference)

Ms. Diane Clausen, PSG
Mr. Nate Karnitz, PSG

Mr. Stephen Murphy, Segal Consulting

OTHERS PRESENT (via video or audio conference)

Ms. Stacia Baek, HMSA
Mr. Kevin Balaod, With.Intelligence
Ms. Sandra Benevides, CVS (in person)
Ms. Tammi Bongoll, Kaiser
Mr. Melaca Cannella, CVS
Mr. Su Chai, Kaiser
Mr. Joseph Couto, CVS
Mr. Jeffrey Dragsten, CVS
Mr. Thomas England, Kaiser
Ms. Elaine Fujiwara, HDS
Ms. Samantha Furutani, CVS
Dr. Rupal Gohil, HMSA
Mr. Brent Griffiths, LifeWorks
Mr. Galen Haneda, HMSA
Ms. Vanelle Hirayasu, HMA

Ms. Monica Kim, VSP
Ms. Mae Kishimoto, HSTA-Retired
Ms. Charina Masatsugu, Kaiser
Ms. Denise Mercil, Securian
Dr. Christopher Miura, Kaiser
Mr. Tyler Mizota
Mr. Kurt Neuenfeld, CVS
Ms. Jackee Pagurayan, HMSA
Mr. Dave Shiroma, Kaiser
Mr. Manu Stanton, HMSA
Mr. Guy Tingey, CVS
Mr. Troy Tomita, Kaiser
Mr. Scott Yamaguchi, Kaiser
Anonymous Attendee (x2)

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 Vice Chairperson Audrey Hidano, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, October 18, 2022.

Mr. Derek Mizuno announced the promotion of Ms. Jessica McDonald to the Member Services Branch Manager effective October 3, 2022.

II. REVIEW OF MINUTES – SEPTEMBER 27, 2022

The Board reviewed the draft minutes of September 27, 2022. The trustees noted the following amendments:

- Page 3, line 3, add “Trustee Machida asked if a member wanted to continue with the non-preferred or targeted drug would they be able to. PSG responded that they could through the exception process.”
- Page 3, line 10, add “Trustee Machida asked if this was a formulary change.”

MOTION was made and seconded to approve the minutes of September 27, 2022, as amended. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4 / Employee-Beneficiary Trustees-5)

III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:04 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4 / Employee-Beneficiary Trustees-5)

The regular meeting reconvened at 9:35 a.m.

Vice Chairperson Hidano reported that no action was taken and no motions were made during Executive Session.

IV. OLD BUSINESS

A. Benefits Administration System Implementation and Enrollment Processing Status Update
Ms. Donna Tonaki and Mr. Brent Griffiths, LifeWorks, provided the Board with an update on the implementation of the new Benefits Administration System (BAS) and enrollment processing noting the following:

- LifeWorks and EUTF staff are addressing issues related to the member portal, Medicare Part B reimbursements, transfers, HSTA VB members, payroll deductions and death and Medicare Part D imports.
- The current outstanding backlog of unprocessed active and retiree enrollment forms is approximately 1,256 vs. 2,753 for October 2021. The 2021 includes forms related to past Medicare Part B premiums as a postcard was sent to retirees being reimbursed at amounts lower than the standard deduction in August or September 2021. Going back to July 2021, the lowest amount of outstanding forms was 1,279. These amounts include duplicates and events other than enrollment changes such as bargaining unit and demographic changes and future events. Additionally, many retiree forms have been completed but need to be removed from the listing.

V. NEW BUSINESS

A. Board Committees

Trustees Celeste Nip and Robert Yu volunteered to join the Benefits Committee. EUTF staff and Segal recommended that Benefits Committee meetings continue to be approximately one week prior to the Board meeting.

Mr. Mizuno also noted that the section related to outside advisors in the committee charters does not apply to investment managers and general partners as they do not advise because they have discretion to execute their mandates.

B. 2023 Medicare Part B Premium and Retiree Base Monthly Contribution

Ms. Amy Cheung presented a memorandum regarding the 2023 Medicare Part B Premium and Retiree Base Monthly Contribution noting that the standard Medicare Part B premium has been reduced from \$170.10 in 2022 to \$164.90 in 2023.

C. AccordantCare Rare Program Status Update

Mr. Jeff Dragsten and Joseph Couto, CVS, provided an update on the AccordantCare Rare program that provides telephonic support for members with rare conditions. The program started on January 1, 2022 for EUTF and HSTA VB active employees with HMSA medical plans. Through August 2022, 888 members have been identified as eligible and contacted for the program with 232 (26%) participating. The EUTF participation rate is slightly higher than the HMSA book of business. CVS confirmed that for those identified, AccordantCare sends a letter that is co-branded with HMSA and then calls the member. HMSA and EUTF staff will investigate other ways to inform members of this program. CVS also noted that since the program is in its early stages with less than a year of experience, a calculation of return on investment (ROI) has not been made. CVS explained that its current ROI methodology is to look at the eligible group in its totality and compare the group cost after program participation to group cost assuming no program participation. If this is not an industry standard, the trustees and EUTF staff asked that HMSA and CVS work on a calculation that compares savings from the program with a control group not in the program.

VI. REPORTS

A. Segal

1. Segal Compliance News

Mr. Stephen Murphy, Segal, summarized the Segal reports.

B. Administrator

1. Meetings with Legislators and Unions

2. Staffing Update

3. Training

C. EUTF Managers', Program Specialist and Benefits Audit Specialist Reports

1. Member Services Branch (MSB)

a. MSB Data

b. Outreach & Training

c. 2023 Retiree Open Enrollment

Ms. McDonald noted that call answer rates have improved in September but are still below our goals. Improvement can be traced to lower call volume and ending in person and Teams appointments and allocating more EUTF staff to answer phones. We also turned off the call back feature on Tuesday, September 27 which lowered call answer rates and increased average call times as a caller who elected the call back was classified as answered with a very minimal call time (about 0 seconds). We will now be better able to set a baseline. EUTF staff continue to investigate ways to improve the call answer rate such as reducing the average call length,

improving lunch time coverage, driving members to the website and pre-retirement sessions, and having the recording address common issues (e.g. how retirees update addresses).

2. Information Systems (IS)
 - a. EUTF New Benefits Administration System (BAS) Project
 - b. EUTF New Benefits Administration System (BAS) Project – Data Conversion
 - c. EUTF Equipment Replacement
 - 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. 2022 Financial Audit
 - e. Financial Statements as of June 30, 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)
 6. Humana
 7. Kaiser Health Foundation
 8. Securian
 9. Vision Service Plan (VSP)

III. EXECUTIVE SESSION (continued)

The Board meeting recessed and moved into Executive Session at 10:46 a.m.

Trustee Nip was excused from the meeting at 11:00 a.m., during Executive Session.
The regular meeting reconvened at 11:21 a.m.

Vice Chairperson Hidano reported that the following were approved during Executive Session:

- September 27, 2022 Executive Session Minutes
- A recommendation from PSG on a mid-market check

VII. NEXT MEETING DATE

Tuesday, November 22, 2022, 9:00 a.m.

VIII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 11:21 a.m.

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

October 18, 2022 Minutes

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

Respectfully submitted,

/s/

Osa Tui, Secretary-Treasurer

APPROVED on November 22, 2022.

Documents Distributed:

1. Draft Board Minutes of September 27, 2022. (7 pages)
2. Hawaii EUTF – Ariel BAS Update, prepared by Lifeworks, dated October 18, 2022. (3 pages)
3. Hawaii Employer-Union Health Benefits Trust Fund Committees, revised 10/06/2022. (1 page)
4. Memorandum to BOT from EUTF Financial Management Officer, regarding 2023 Medicare Part B Premium and Retiree Base Monthly Contribution, dated October 7, 2022. (3 pages)
5. Using proactive care management to improve member health and reduce costs for you with AccordantCare Rare, prepared by CVS Health and HMSA, dated October 18, 2022, Redacted Version. (21 pages)
6. Memorandum to BOT from Segal Consulting, regarding Meeting of the Board of Trustees – Segal Reports, dated October 18, 2022. (4 pages)
7. Administrator’s Monthly Report to the Board for September 17 – October 7, 2022, dated October 7, 2022. (1 page)
8. Memorandum to BOT from Member Services Branch Manager, regarding September-October 2022 Member Services Operations Report, dated October 7, 2022. (6 pages)
9. Memorandum to BOT from Applications Supervisor, regarding September – October 2022 Information Systems (IS) Operations Report, dated October 7, 2022. (2 pages)
10. Memorandum to Administrator from Program Specialist (Eligibility and Enrollment) regarding September-October 2022 Eligibility and Enrollment Report, dated October 7, 2022. (2 pages)
11. Memorandum to Administrator from EUTF Program Specialist regarding September – October 2022 EUTF Program Specialist Report, dated October 7, 2022. (1 page)
12. Memorandum to BOT from EUTF Financial Management Officer regarding September – October 2022 Financial Services Branch (FSB) Report, dated October 7, 2022. (15 pages)
13. CVS Caremark Monthly Carrier Report for September 2022 dated October 6, 2022. (2 pages)
14. SilverScript Monthly Carrier Report for September 2022 dated October 1, 2022. (2 pages)
15. HDS Monthly Carrier Report for September 2022 dated October 7, 2022. (2 pages)
16. HMA Monthly Carrier Report for September 2022 dated October 6, 2022. (2 pages)
17. HMSA Monthly Carrier Report for September 2022 dated October 10, 2022. (3 pages)
18. Humana Monthly Carrier Report for September 2022 dated October 10, 2022. (3 pages)
19. Kaiser Permanente Monthly Carrier Report for September 2022 dated October 10, 2022. (2 pages)
20. Securian Financial Monthly Carrier Report for September 2022 dated October 10, 2022. (1 page)
21. VSP Monthly Carrier Report for September 2022 dated October 10, 2022. (2 pages)