

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**  
**Minutes of the Benefits Committee Meeting**  
**Tuesday, August 15, 2023**

**TRUSTEES PRESENT**

Mr. Osa Tui, Chairperson (via video conference)	Ms. Sabrina Nasir (joined at 9:07 a.m., via video conference)
Mr. Wesley Machida, Vice Chairperson (joined at 9:11 a.m., via video conference)	Ms. Maureen Wakuzawa
Ms. Jacqueline Ferguson-Miyamoto	Mr. James Wataru
Ms. Audrey Hidano	Mr. Robert Yu

**TRUSTEES ABSENT**

Mr. Christian Fern

**ATTORNEY**

Mr. Michael Chambrella, Deputy Attorney General

**EUTF STAFF**

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

**CONSULTANTS** (via video conference, unless otherwise noted)

Ms. Sarah Gunderson, Segal	Mr. Stephen Murphy, Segal (in person)
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**OTHERS PRESENT** (via video conference or teleconference, unless otherwise noted)

Ms. Stacia Baek, HDS	Ms. Joni Lozano, CVS (in person)
Ms. Sandra Benevides, CVS (in person)	Ms. Denise Mercil, Securian
Ms. Tammi Bongoll, Kaiser	Dr. Christopher Miura, Kaiser
Mr. Ty Bowers, CVS	Ms. Joy Narciso, HMSA (in person)
Ms. Melaca Cannella, CVS (in person)	Mr. Kurt Neuenfeld, CVS
Mr. Su Chai, Kaiser	Mr. Nathan Reeves, CVS
Mr. Jeff Dragsten, CVS (in person)	Mr. Luis Rodriguez, Humana
Mr. Thomas England, Kaiser	Ms. Joleen Sato, HMSA
Ms. Elaine Fujiwara, HDS	Mr. Dave Shiroma, Kaiser
Ms. Samantha Furutani, CVS	Mr. Brad Shope, HMSA
Ms. Reyna Galinato, HMSA	Dr. Toby Smith, HMSA
Dr. Rupal Gohil, HMSA	Mr. Guy Tingey, CVS
Mr. Galen Haneda, HMSA	Mr. Troy Tomita, Kaiser
Ms. Vanelle Hirayasu, HMA	Ms. Anne VanHaaren, CVS
Ms. Monica Kim, VSP	Ms. Steffany Wong, HMSA
Ms. Alyson Kusatsu, HMSA (in person)	Mr. Scott Yamaguchi, Kaiser
Ms. Joey Lee, HDS	Ms. Jana Young, HMSA
Mr. Chris Letoto, HMSA (in person)	Mr. Justin Yoshimoto, HMSA
Mr. Larry Loew, Humana	Anonymous

**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 9:01 a.m. by Trustee Osa Tui, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, August 15, 2023.

Chairperson Tui announced that Roderick Becker resigned from the Board.

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II. REVIEW OF MINUTES – May 16, 2023

The Benefits Committee reviewed the draft minutes of May 16, 2023.

MOTION was made and seconded to approve the minutes of May 16, 2023, as circulated. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-2/ Employee-Beneficiary Trustees-4)

III. NEW BUSINESS

A. Kaiser Permanente Medical Plan Changes

Mr. Troy Tomita and Mr. Thomas England, Kaiser Permanente, proposed increasing coverage of hearing aids to 80% of the hearing aid cost for each hearing-impaired ear every 36 months which Kaiser is doing for their book of business. Kaiser provided the following options:

- Option 1: Increase coverage of hearing aids to 80% for each hearing-impaired ear every 36 months under the EUTF and HSTA VB Kaiser active employee and retiree medical/prescription drug plans effective July 1, 2024 and January 1, 2025, respectively.
- Option 2: Add hearing aid coverage at 40% to the EUTF and HSTA VB Kaiser retiree medical/prescription drug plans effective January 1, 2024 or 2025.

Mr. Stephen Murphy, Segal Consulting, presented a memo comparing the proposed Kaiser coverage with national and HMSA coverage noting that Option 1 is more in-line with these groups. EUTF staff estimated that the increase in the retiree premiums under options 1 and 2 would increase the unfunded liability by approximately \$10 million and \$5 million, respectively. The unrestricted, unreserved net assets in the retiree agency fund was \$288 million at May 31, 2023.

Trustees Sabrina Nasir and Wesley Machida joined the meeting during the presentation, at 9:07 a.m. and 9:11 a.m., respectively.

MOTION was made and seconded to recommend to the Board increasing hearing aid coverage to 80% under the EUTF and HSTA VB Kaiser Permanente active employee medical/prescription drug plans effective July 1, 2024. (Wataru/Ferguson-Miyamoto) The motion failed. (Employer Trustees-2 YES Hidano, Nasir, 2 NO Machida, Yu/ Employee-Beneficiary Trustees-4 YES Ferguson-Miyamoto, Tui, Wakuzawa, Wataru)

MOTION was made and seconded to recommend to the Board adding hearing aid coverage at 40% to the EUTF and HSTA VB Kaiser Permanente retiree medical/prescription drug plans effective January 1, 2024 and moving \$5 million from the EUTF Trust Fund to the OPEB Trust. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

B. HMSA Payment Transformation

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

1. Background and upcoming changes
2. Costs and utilization

3. Quality of care
4. Member access and satisfaction
5. Provider satisfaction

C. HMSA Update on Member Engagement in Model of Care for Condition Care and Complex Case Management Programs

Ms. Sarah Gunderson, Segal Consulting, provided an overview of model of care and complex case management programs nationally and the enrollment challenges. She also noted that although HMSA's enrollment numbers are lower than those of mainland counterparts, it has improved in 2022.

Ms. Alyson Kusatsu and Ms. Joy Narciso, HMSA, provided an update on the Model of Care complex case management, event driven care, condition care and pregnancy and postpartum support programs, and behavioral health noting that engagement levels are low but have improved recently with changes to outreach.

During the presentation, Trustee Nasir was excused from the meeting at 9:55 a.m. and returned to the meeting at 10:02 a.m.

The meeting recessed at 10:15 a.m. and reconvened at 10:20 a.m.

D. HMSA Evidence-Based Programs

1. AccordantCare Rare

Mr. Jeff Dragsten, Ms. Melaca Cannella, and Mr. Nathan Reeves, CVS (HMSA's subcontractor), provided an update on the first year of the AccordantCare Rare program that provides support for members with 19 conditions, effective January 1, 2022 for EUTF and HSTA VB active employees noting the following for calendar year 2022:

- EUTF participation rate of 26% is comparable to HMSA and national rates.
- Return on investment of 1.37:1

CVS noted that the future targeted ROI is 2:1.

MOTION was made and seconded to recommend to the Board adopting the AccordantCare Rare program for the EUTF and HSTA VB retiree HMSA medical plans effective January 1, 2024. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

2. Supportive Care

Dr. Toby Smith, HMSA, presented the HMSA supportive care program (SC) which is a regular benefit under the EUTF and HSTA VB active plans and a pilot program under the EUTF and HSTA VB retiree plans through December 31, 2024. SC provides palliative, holistic care for members with serious or life-threatening conditions.

Costs were avoided for the 2022 SC enrollees as compared to a control group. This was the fourth out of five years in which costs were avoided due to the SC program.

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MOTION was made and seconded to recommend to the Board adopting a palliative care program for the EUTF and HSTA VB retiree HMSA medical plans effective January 1, 2024. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

E. Upcoming Plan Changes

Mr. Mizuno summarized upcoming and previously discussed plan changes.

IV. NEXT MEETING DATE – October 10, 2023

The next meeting agenda will include CVS utilization reports for the period ending June 30, 2023 and CVS/SSI updates on the Drug Savings Review, biosimilars, and Medicare Part D benefit design.

V. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 11:05 a.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-4)

Respectfully submitted,

/s/

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Osa Tui, Chairperson

APPROVED on October 10, 2023.

Documents Distributed:

1. Draft Benefits Committee Minutes of May 16, 2023. (7 pages)
2. Memorandum to BOT from Kaiser Permanente, regarding 2024 Active and 2025 Retiree Benefit Change, dated August 15, 2023, Redacted Version. (7 pages)
3. Memorandum to Benefits Committee from Segal Consulting, regarding Hearing Aid Benefits, dated August 15, 2023, Redacted Version. (5 pages)
4. Payment Transformation Update, dated August 15, 2023, prepared by HMSA, Redacted Version. (17 pages)
5. Model of Care Overview & Updates, dated August 15, 2023, prepared by HMSA, Redacted Version. (16 pages)
6. Using proactive care management to improve member health and reduce costs for you with AccordantCare Rare, 2022 EUTF Annual Review (Jan 1-Dec 31, 2022), dated August 15, 2023, prepared by CVS Health, Redacted Version. (20 pages)
7. HMSA Supportive Care 2022 Cost Impact Summary, dated August 15, 2023, prepared by HMSA, Redacted Version. (19 pages)
8. Memorandum to Benefits Committee from Program Specialist, regarding Upcoming Plan Changes – CONFIDENTIAL, dated August 8, 2023, Redacted Version. (4 pages)