



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

STATE OF HAWAII'
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
201 MERCHANT STREET, SUITE 1700
HONOLULU, HAWAII 96813
Oahu (808) 586-7390
Toll Free 1(800) 295-0089
www.eutf.hawaii.gov

BOARD OF TRUSTEES
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ADMINISTRATOR
DEREK M. MIZUNO

ASSISTANT ADMINISTRATOR
DONNA A. TONAKI

November 9, 2023

NOTICE OF MEETING
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
ADMINISTRATIVE COMMITTEE

DATE: November 16, 2023, Thursday
TIME: 9:00 a.m.
PLACE: HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND (EUTF)
CITY FINANCIAL TOWER
201 MERCHANT STREET, SUITE 1700
HONOLULU, HAWAII

A G E N D A

**OPEN SESSION PARTICIPATION IN PERSON, VIA TELECONFERENCE AND
VIA TELEPHONE**
(see below for teleconference and telephone details)

- I. Call to Order
- II. Review of Minutes – August 17, 2023
- III. New Business
 - A. 2024 Legislative Proposal
 - B. Strategic Plan Update as of June 30, 2023
- IV. Next Meeting – May 2024
- V. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact Ms. Desiree Yamauchi at (808) 587-5434 or eutfadmin@hawaii.gov, as soon as possible, preferably at least 3 business days prior to the meeting. Requests made as early as possible have a greater likelihood of being fulfilled.

Testimony may be submitted prior to the meeting via email to eutfadmin@hawaii.gov or via postal mail to: Hawaii Employer-Union Health Benefits Trust Fund, Attn: Administrative

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

Committee-Testimony, 201 Merchant Street, Suite 1700, Honolulu, HI 96813. Please include the word “testimony”, the agenda item number, and subject matter following the address line. There is no deadline for submission of testimony, however, the EUTF requests that all written testimony be received no later than 9:00 a.m., one (1) business day prior to the meeting date in order to afford Board members adequate time to review materials.

To view the meeting and provide live oral testimony during the meeting, following are the Microsoft Teams Meeting details:

- [Click here to join the meeting](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTQ2YjQ5YmQtNzY1OS00NjUzLWI5MWQtMTMzZjhjY2RlZDU0%40thread.v2/0?context=%7b%22Tid%22%3a%223847dec6-63b2-43f9-a6d0-58a40aaa1a10%22%2c%22Oid%22%3a%221ec28820-992a-428a-a6a0-44c156209163%22%7d) or copy and paste the following URL into your browser:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTQ2YjQ5YmQtNzY1OS00NjUzLWI5MWQtMTMzZjhjY2RlZDU0%40thread.v2/0?context=%7b%22Tid%22%3a%223847dec6-63b2-43f9-a6d0-58a40aaa1a10%22%2c%22Oid%22%3a%221ec28820-992a-428a-a6a0-44c156209163%22%7d
 - For instructions to turn on live captions in Microsoft Teams, [please click here.](#)
- Dial-in number: [+1 808-829-4853](tel:+18088294853) United States, Honolulu (Toll)
- Phone Conference ID: 161 997 15#

The Board packet can be accessed at the EUTF website (eutf.hawaii.gov) through the Events Calendar forty-eight (48) hours prior to the meeting. A copy of the packet will also be available for public inspection in the EUTF office at that time.

Please contact Ms. Desiree Yamauchi at (808) 587-5434 or eutfadmin@hawaii.gov if you have any questions.

Upon request, an electronic copy of this notice can be provided.

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
Thursday, August 17, 2023

TRUSTEES PRESENT

Ms. Audrey Hidano, Chairperson

Ms. Maureen Wakuzawa

Mr. Wesley Machida (via video conference)

TRUSTEES ABSENT

Mr. Osa Tui

Mr. Robert Yu

Mr. James Wataru, Vice Chairperson

ATTORNEY (via video conference)

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator

Ms. Amy Cheung

Ms. Donna Tonaki, Assistant Administrator

Ms. Jessica McDonald

Ms. Desiree Yamauchi

Mr. Kuan Yuan

OTHERS PRESENT

Ms. Joey Lee, HDS

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 9:00 a.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Thursday, August 17, 2023.

II. REVIEW OF MINUTES – July 24, 2023

The Committee reviewed the draft minutes of July 24, 2023.

MOTION was made and seconded to approve the minutes of July 24, 2023, as circulated. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

III. NEW BUSINESS

A. 2024 Legislative Proposals

Mr. Derek Mizuno reported that there are no 2024 Legislative Proposals at this time.

B. Proposed EUTF Administrative Rule Changes

Ms. Jessica McDonald summarized the proposed EUTF Administrative Rule Changes. Trustee Wesley Machida requested that his proposed change related to section 1.06 Committees of the Board be amended to have officers serve no more than two-years.

MOTION was made and seconded to recommend to the Board approval of the EUTF staff proposed EUTF Administrative Rule changes which excludes the change to 1.06

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Administrative Committee Meeting

August 17, 2023 Minutes

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Committees of the Board. (Wakuzawa/Machida) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

MOTION was made and seconded to recommend to the Board approval of the trustee proposed EUTF Administrative Rule change to section 1.06 Committees of the Board, as amended to reflect “The officers’ term shall be for no more than two years beginning July 1 and ending June 30, and shall rotate between the trustee groups”. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

C. Supplemental Budget Request – July 1, 2024-June 30, 2025

Ms. Amy Cheung summarized the Supplemental Budget Request for FY25. The Committee discussed the reasons for the additional Investment Officer position and the benefits from the new benefits administration system – member and employer online portals and software upgrades occurring 2-3 times per year.

MOTION was made and seconded to recommend to the Board approval of the supplement budget request for July 1, 2024 to June 30, 2025. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

D. Statement of Delegation of Authority

Trustee Machida suggested that HRS 87A-24(9) and 87A-26 be included in the Statement of Delegation of Authority.

MOTION was made and seconded to recommend to the Board approval of the revised Statement of Delegation of Authority. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

E. Collection Procedures

Mr. Mizuno presented the revised Collection Procedures and noted the following additional changes:

- Item B. EUTF Errors – add a cap of \$2,500 individually.
- Item C.1. Cost benefit analysis – change “10% of the total outstanding” to “\$2,500 individually”.
- Item C.1. Remove “in the Financial Services Branch monthly report”.

MOTION was made and seconded to move into Executive Session at 9:27 a.m. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

The regular meeting reconvened from Executive Session at 9:36 a.m.

Trustee Machida suggested that item B. EUTF Errors and item C.1. be revised to reflect

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Administrative Committee Meeting

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an aggregate amount of \$25,000.

MOTION was made and seconded to recommend to the Board approval of the revised Collection Policy and Procedures as amended during the meeting. (Machida/Wakuzawa)
The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:38 a.m. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

The regular meeting reconvened from Executive Session at 10:04 a.m.

Chairperson Hidano reported that the July 24, 2023 Executive Session Minutes were approved during Executive Session:

V. NEXT MEETING

November 2023 – annual report to legislature, strategic plan update and personnel

VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 10:05 a.m. (Machida/Wakuzawa) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-1)

Respectfully submitted,

Audrey Hidano, Chairperson

DOCUMENTS DISTRIBUTED:

1. Draft Administrative Committee Minutes of July 24, 2023. (2 pages)
2. Memorandum to EUTF Administrative Committee from Administrator, regarding 2024 Legislative Proposals, dated August 11, 2023. (1 page)
3. Memorandum to EUTF Administrative Committee from EUTF Eligibility Specialist, regarding Proposed EUTF Administrative Rules Changes, dated August 17, 2023. (20 pages)
4. Memorandum to EUTF Administrative Committee from EUTF Financial Management Officer, regarding Fiscal Year 2024-2025 Supplemental Budget, dated August 7, 2023. (18 pages)
5. Statement of Delegation of Authority, Adopted July 9, 2002, Amended April 2, 2013 and December 20, 2022 by Board of Trustees. (1 page)
6. EUTF Collection Procedures, Approved at the 08/26/2014 Board Meeting, Redlined Version.

136 (3 pages)

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DONNA A. TONAKI

November 8, 2023

TO: EUTF Administrative Committee

FROM: Derek Mizuno, Administrator

SUBJECT: 2024 Legislative Proposal

Background

HRS 87A-33(b)(c) established base monthly contribution amounts (BMC) as of January 1, 2014 with changes thereafter equal the annual change in Medicare Part B premiums. For example, Medicare Part B premiums increased by 5.9% from 2023 (\$164.90) to 2024 (\$174.70), therefore, the BMC for each group (i.e. Medicare and non-Medicare, and self, two-party and family) will increase by 5.9% effective January 1, 2024.

A problem arises because the Centers for Medicare and Medicaid Services (CMS) publishes the Medicare Part B premium for the next year between mid-October to early November. Retiree open enrollment (OE) is held during the second half of October. It is difficult to move OE later since OE changes must be provided to the carriers by mid-November.

As we encounter more retirees who are responsible for a portion of their or their dependents' premiums, it becomes more important that the BMC be available to them prior to OE so they can make an informed decision on their plan selections.

Proposed Option

EUTF staff would like to amend HRS 87A-33(b)(c) so that the BMC effective January 1, 2026 will be based on the change in Medicare Part B premiums from 2024 to 2025. We will know the BMC effective January 1, 2026 in mid-October to early November 2024, about one-year before retiree OE for 2026.

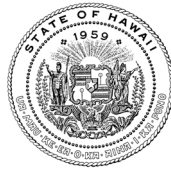
For the BMC effective January 1, 2025, in which there is no year-to-year Medicare Part B premium change, we propose use of 5.2% which is the 5- and 10-year annualized growth rate.

Recommendation

EUTF staff recommends that the Administrative Committee recommend approval to the Board to amend HRS 87A-33(b) to have the base monthly contribution determined by the change in Medicare Part B from the previous year and to use a 5.2% increase for the 2025 base monthly contribution.

If approved, we will present a draft bill at the November 21, 2023 Board meeting.

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November 8, 2023

TO: EUTF Administrative Committee

FROM: Derek Mizuno, Administrator

SUBJECT: Strategic Plan Update as of June 30, 2023

The following is a summary of the attached update on the strategic plan through June 30, 2023:

Goal 1: Limit three-year active employee medical and prescription drug claim trends (before rebates) ending 6/30/25 to the following basis points (bps) less than the book of business (BOB) trend, while maintaining competitive benefit coverage.

The HMSA, Kaiser and CVS active plans for the period 7/1/21 – 6/30/23 are all meeting their goals – HMSA and CVS 200 basis points lower than the book of business (BOB) and Kaiser lower than the BOB. Lower trends than the BOB under the CVS active plans for diabetes have contributed to the out performance. The following recently approved changes should improve trend going forward:

1. Tier 1 strategy to cover brands with lower net costs instead of higher net cost generics effective 7/1/23.
2. GLP-1 utilization management program effective for commercial (7/1/23) [and EGWP (10/1/23 new utilizers and 1/1/24 all utilizers)] plans.
3. Virta Diabetes Management Programs effective 1/1/24.

Goal 2: This goal relates to the retirees and will be updated through December 31, 2023 next year.

Goal 3: Achieve a return, net of fees, for the period 7/1/21 - 6/30/25 of 7% or greater within prudent levels of risk.

The OPEB Trust performance for the period 7/1/21 – 6/30/23 was 1.5% (gross). However, the returns outpaced the Policy Benchmark 1.4% and was in the 14th percentile of public plans (median public plan return was -0.2% over the period). The co-investment and new tail risk/long volatility strategies were added during the fiscal year.

Goal 4: Improve overall member satisfaction surveys receiving a rating of 4 or higher (5 Strongly Agree, 4 Agree, 3 Neither Agree nor Disagree, 2 Disagree and 1 Strongly

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Disagree) to the question “Overall, I am very satisfied with the service I received today.”

We are not meeting the goal for the period 7/1/24 – 6/30/25 of 85% as we had a rating of 4 or 5 on 29% of the surveys. The following are contributing factors and strategies to address the deficiencies:

1. Turnover (12% versus goal of 8%) and vacancy rate (16% vs. goal of 5%). Reasons for the seven (11 in FY22) staff leaving during the year are not concerning. The bigger concern is being able to hire staff as DHRD has not been producing lists of applicants.

We recently decided to downgrade a Member Services Representative position to be able to use the wiki wiki list. The high vacancy rate negatively impacts our call answer rates and processing speed.

2. We went live on the new benefits administrative system (BAS) in May 2022 and encountered significant issues in which members enrollment and premium deductions were impacted. These problems along with the inability to hire more staff contributed to long wait times (MSB – 65.4% answer rate with 13.2% within 30 seconds), abandoned calls (MSB – 35%) and delays in responding to emails. The BAS functions have improved and we continue to work with the vendor on system improvements, and changes to internal processes (e.g., ending MSB Teams appointments and focusing functions of the Member Services Representatives) have improved results (e.g., first three months of the new fiscal year call wait times MSB – 78.3% answer rate with 20.4% answered within 30 seconds and abandoned calls MSB – 21.7%).

EUTF staff and TELUS Health are focusing on resolving payroll deduction issues. Resolution of these issues should free staff time to answer phones and address outstanding refunds. In addition, EUTF staff continue to work with employers to encourage employee use of the member portal. We're planning on rolling out the member portal for active open enrollment in 2024.

3. We continue to receive numerous calls from members with questions that could be addressed by reviewing our website. Attendance at in-person and web-based programs have not returned to pre-pandemic levels (3,700 during the fiscal year vs. 7,775 FY20).

With the rollout of the member portal on a larger scale in FY24, we're hopeful that more members will become familiar with our website and benefits. We also plan to provide more education through emails to the employees.

Progress on Strategic Plan
7/1/21 - 6/30/23

PUBLIC

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
Legend	B = Baseline			
	G = Goal			
	A = Actual			
Goal 1	Limit three-year active employee medical and prescription drug claim trends (before rebates) ending 6/30/25 to the following basis points (bps) less than the book of business (BOB) trend, while maintaining competitive benefit coverage.		A. Understand active employee medical and prescription drug high risk areas (i.e. claims and conditions) and work with the carriers/third party administrators to identify, develop, implement, and promote programs. B. Use plan design and utilization and care management programs. C. Educate the membership on cost effective use of their benefits.	- Included information on HMSA Blue Distinction Centers in OE material. - Included articles on HMSA Blue Distinction Centers and Kaiser Moanalua Medical Center in the Holomua (Winter 2021). -Included an article on how to contain rising premiums (CVS Check Drug Cost tool and after hours care) in the Holomua (Summer 2023).
	<u>HMSA</u>			
	B: 7/1/17 - 6/30/21	EUTF -0.3%, BOB %		
	G: 7/1/21 - 6/30/25	200 bps less than BOB		
	A: 7/1/21 - 6/30/23	EUTF 5.1%, BOB %		
	<u>Kaiser</u>			
	B: 7/1/17 - 6/30/21	EUTF 2.9%, BOB %		
	G: 7/1/21 - 6/30/25	Equal to or less than BOB		
	A: 7/1/21 - 6/30/23	EUTF 0.7%, BOB %		
	<u>CVS</u>			
	B: 7/1/17 - 6/30/21	EUTF 2.7%, Peer %		
	G: 7/1/21 - 6/30/25	200 bps less than Peer		
	A: 7/1/21 - 6/30/23	EUTF 10.1%, Peer %		
Objectives:				
1.1	<u>HMSA Telehealth</u> . Increase the active member percentage of telehealth psychiatric and substance abuse services over total psychiatric and substance abuse services		1. Educate the membership regarding availability and cost effective use of the benefits and making decisions that promote health through the Holomua, quarterly newsletters (e.g. departmental human resources officers and Well Aware), direct mailers, Outreach & Training points of contact, social media, EUTF website, benefits administration system (e.g. pop up notifications, emails, and texts), carriers (e.g. texts, open enrollment material, integrate into health coaching, disease management and care model, physicians, and physician organizations), unions, and employers (e.g. departmental human resources officers monthly meetings and their departmental human resources offices websites).	- Included information on HMSA and KP online and urgent care in OE material. - Included articles on HMSA and KP online and urgent care in the Holomua (Winter 2022).
	B: 7/1/20 - 6/30/21	EUTF 32.5%, BOB %		
	G: 7/1/24 - 6/30/25	34.0%		
	A: 7/1/22 - 6/30/23	EUTF 24.9%, BOB %		
1.2	<u>Kaiser Telehealth</u> . Increase the active member percentage of telehealth mental health visits over total mental health visits		2. Work with the carriers to educate providers regarding	
	B: 7/1/21 - 6/30/22	EUTF 73.9%, BOB %		
	G: 7/1/24 - 6/30/25	300 bps greater than baseline		

**Progress on Strategic Plan
7/1/21 - 6/30/23**

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
	A: 7/1/22 - 6/30/23	EUTF 69.8%, BOB %	cost effective uses of the benefits and making decisions that promote health.	
1.3a	<u>CVS Generic Dispensing</u> . Increase the self-funded prescription drug plan generic dispensing rate		3. Modify the plan design to incentivize cost effective behaviors. 4. Investigate utilization and care management programs.	- Tier 1 Strategy effective 7/1/23 was approved at the 9/27/22 Board meeting which should help to manage claim trend but may adversely impact the GDR.
	B: 7/1/20 - 6/30/21	EUTF 86.5%, BOB %, Peer %	5. Develop and implement a virtual worksite wellness program.	
	G: 7/1/24 - 6/30/25	88.7% (PSG high of Hawaii BOB)	6. Conduct four worksite wellness events each fiscal year.	
	A: 7/1/22 - 6/30/23	EUTF 86.2%, BOB %, Peer %	7. Improve engagement on carrier mobile apps (CVS, Kaiser and HMSA online care) or websites.	- EUTF continues to have the Advanced Control Specialty Formulary in place to manage Specialty drug costs. - Specialty carve out policy change effective 7/1/23 was approved at the 11/22/22 Board meeting which should shift some of the specialty cost to the medical plan.
1.3b	<u>CVS Specialty Trend</u> . Ensure that the three-year prescription drug specialty claim trend (before rebates) ending 6/30/25 is equal to or less than the Peer.		8. Increase utilization of high performing physicians and physician organizations.	
	B: 7/1/17 - 6/30/21	EUTF 11.2%, Peer %	9. Direct members to Blues Distinction Plus Centers for cost effective care.	
	G: 7/1/21 - 6/30/25	Equal to or less than Peer	10. Develop an educational guide for addressing obesity and proper usage of ER, urgent care, PCP and telehealth based on type of service.	- Included articles on HMSA and KP DPP programs in the Holomua (Fall 2021). - Proposed UM step therapy for diabetic drugs at the 9/21/21 Board meeting but was not approved due to the rebate impact. - Proposed the Basic Control Formulary which places UM on non-preferred products in 10 specific drug classes (including diabetic agents) at the 9/27/22 Board meeting but was not approved. - UM strategy for GLP-1s effective 7/1/23 was approved at the 4/25/23 Board meeting. - Virta Diabetes Management Program (HMSA's digital diabetes reversal program) effective 1/1/24 was approved at the 5/23/23 Board meeting.
	A: 7/1/21 - 6/30/23	EUTF 18.9%, Peer %		
1.3c	<u>CVS Diabetes Claims Trend</u> . Ensure that the year over year prescription drug diabetes claim trend (before rebates) ending 6/30/25 is equal to or less than the Peer.			
	B: 7/1/19 - 6/30/21	EUTF 7.9%, Peer %		- Passed legislation to eliminate reimbursement of the spousal Medicare Part B and income related monthly adjustment amounts for new hires at the 2023 legislative session.
	G: 7/1/23 - 6/30/25	Equal to or less than Peer		
	A: 7/1/21 - 6/30/23	EUTF 17.2%, Peer %		
Goal 2	(a) Limit the actuarial accrued liability (AAL) from the 7/1/25 actuarial valuation to 90% of the projected AAL as of 7/1/25 from the 7/1/21 actuarial valuation		A. Understand retiree medical and prescription drug high risk areas (i.e. claims and conditions) and work with the carriers/third party administrators to identify, develop, implement, and promote programs. B. Use plan design and utilization and care management programs. C. Modify the retiree benefit for new hires as appropriate. D. Educate the membership on cost effective use of their benefits	
	B: 7/1/25 (based on 7/1/21 valuation)	\$19.18 billion		
	G: 7/1/25 (90% of 7/1/21 valuation amount)	\$17.26 billion (90% of \$19.18 billion)		
	A: 7/1/25 (based on 7/1/22 valuation)	\$14.9 billion (Meeting)		

Progress on Strategic Plan
7/1/21 - 6/30/23

Goals/Objectives			Planned Strategies & Tactics	Progress on Strategies & Tactics
	(b) Limit the annual required contribution (ARC) for the 17-year period 7/1/27 – 6/30/44 (all employers initial unfunded actuarial accrued liabilities are projected to be paid off) from the 7/1/25 actuarial valuation to 90% of the ARC from the 7/1/21 actuarial valuation for the same time period			
	B: 7/1/21	\$29.16 billion excluding the impact of the \$390 million ARC prepayment		
	G: 7/1/25	\$26.24 billion (90% of \$29.16 billion)		
	A: 7/1/22	\$20.8 billion (Meeting)		
Objectives				
2.1	Limit three-year non-Medicare retiree medical and prescription drug claim trends (before rebates) ending 12/31/24 to less than the BOB by the following		1. Same as Tactics 1, #1-10 2. Investigate modification of Medicare Part B premium reimbursements for new hires. 3. Investigate the possibility of a lower benefit retiree plan design for new hires.	Same as Goal 1
	<u>HMSA</u>			
	B: 1/1/17 - 12/31/20	EUTF 0.5%, BOB %		
	G: 1/1/21 - 12/31/24	150 bps less than BOB		
	A: 1/1/21 - 12/31/22	YoY: EUTF 17.3%, BOB %		
	<u>CVS</u>			
	B: 1/1/17 - 12/31/20	EUTF 6.4%, Peer %		
	G: 1/1/21 - 12/31/24	100 bps less than Peer		
	A: 1/1/21 - 12/31/22	YoY: EUTF 14.9%, Peer %		
2.2	Limit three-year Medicare retiree medical and prescription drug claim trends (before rebates) ending 12/31/24 to less than the BOB by the following:			Same as Goal 1
	<u>HMSA</u>			
	B: 1/1/17 - 12/31/20	EUTF -0.3%, BOB %		
	G: 1/1/21 - 12/31/24	100 bps less than BOB		
	A: 1/1/21 - 12/31/22	YoY: EUTF 5.1%, BOB %		
	<u>SSI</u>			
	B: 1/1/17 - 12/31/20	EUTF 5.5%, BOB %		
	G: 1/1/21 - 12/31/24	50 bps less than BOB		
	A: 1/1/21 - 12/31/22	YoY: EUTF 7.9%, BOB %		

**Progress on Strategic Plan
7/1/21 - 6/30/23**

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
2.3	<u>HMSA Telehealth</u> . Increase the retiree member percentage of telehealth psychiatric and substance abuse services over total psychiatric and substance abuse services			Same as Objective 1.1
	B: 1/1/20 - 12/31/20	EUTF 46.1%, HMSA Commercial %, HMSA Medicare %		
	G: 1/1/24 - 12/31/24	48%		
	A: 1/1/21 - 12/31/21	EUTF 57.7%, HMSA Commercial %, HMSA Medicare %		
	A: 1/1/22 - 12/31/22	EUTF 45.0%, HMSA Commercial %, HMSA Medicare %		
2.5a	<u>CVS Generic Dispensing</u>			Same as Objective 1.3a
	Non-Medicare – Increase the self-funded prescription drug plan generic dispensing rate			
	B: 1/1/20 - 12/31/20	EUTF 84.5%, Peer %, BOB %		
	G: 1/1/24 - 12/31/24	88.7% (PSG high of Hawaii BOB)		
	A: 1/1/21 - 12/31/21	EUTF 84.4%, Peer %, BOB %		
	A: 1/1/22 - 12/31/22	EUTF 84.4%, Peer %, BOB %		
	Medicare – Ensure that the self-funded prescription drug plan generic dispensing rate is within 300 bps of the BOB.			
	B: 1/1/20 - 12/31/20	EUTF 82.4%, BOB %		
	G: 1/1/24 - 12/31/24	300 bps less than BOB		
	A: 1/1/21 - 12/31/21	EUTF 82.4%, BOB %		
	A: 1/1/22 - 12/31/22	EUTF 82.4%, BOB %		
2.5b	<u>CVS Specialty trend</u> . Ensure that the three-year prescription drug specialty claim trend (before rebates) ending 12/31/24 is within the Peer/BOB by the following:			Same as Objective 1.3b
	Non-Medicare			
	B: 1/1/17 - 12/31/20	EUTF 17.6 %, Peer %		
	G: 1/1/21 - 12/31/24	300 bps less than Peer		
	A: 1/1/21 - 12/31/22	YoY: EUTF 18.2%, Peer %		
	Medicare			
	B: 1/1/17 - 12/31/20	EUTF 17.5%, BOB %		

Progress on Strategic Plan
7/1/21 - 6/30/23

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
	G: 1/1/21 - 12/31/24	Equal to or less than BOB		
	A: 1/1/21 - 12/31/22	YoY: EUTF 13.2%, BOB %		
2.5c	<u>CVS Diabetes claim trend.</u> Ensure that the year over year prescription drug diabetes claim trend (before rebates) ending 12/31/24 is equal to or less than the Peer/BOB.			Same as Objective 1.3c
	Non-Medicare			
	B: 1/1/19 - 12/31/20	EUTF 22.9%, Peer %		
	G: 1/1/23 - 12/31/24	Equal to or less than Peer		
	A: 1/1/21 - 12/31/22	YoY: EUTF 22.7%, Peer %		
	Medicare			
	B: 1/1/19 - 12/31/20	EUTF 9.5%, BOB %		
	G: 1/1/23 - 12/31/24	Equal to or less than Peer		
	A: 1/1/21 - 12/31/22	YoY: EUTF 15.4%, BOB %		
Goal 3	Achieve a return, net of fees, for the period 7/1/21 - 6/30/25 of 7% or greater within prudent levels of risk. (8.4% inception to date 6/2011, net of fees, through 6/30/21)		Implement the investment portfolio in accordance with the Investment Policy Statement.	
	B: 7/1/11 - 6/30/21	8.4%		
	G: 7/1/21 - 6/30/25	≥7%		
	A: 7/1/21 - 6/30/23	1.5% (not meeting)		
Objective	Exceed the median return of the peer group over the period 7/1/21 – 6/30/25 within prudent levels of risk.		1. Adhere to the Investment Policy Statement including the evolving policy plan and asset allocation plan, and review these annually. 2. Complete a liquidity study of the investment portfolio by 12/31/21. 3. Implement a co-investment strategy by 12/31/23.	2. Liquidity study include with asset allocation update in June 2022. 3. Co-investment strategy implented by 12/31/22.
	B: 7/1/18 - 6/30/21	59th percentile		
	G: 7/1/21 - 6/30/25	Better than the 50th percentile		
	A: 7/1/21 - 6/30/23	14th percentile (meeting)		

**Progress on Strategic Plan
7/1/21 - 6/30/23**

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
Goal 4	Improve overall member satisfaction surveys receiving a rating of 4 or higher (5 Strongly Agree, 4 Agree, 3 Neither Agree nor Disagree, 2 Disagree and 1 Strongly Disagree) to the question “Overall, I am very satisfied with the service I received today”		A. Ensure staffing levels are appropriate and hire, train, empower and retain staff in a supportive work environment. B. Update procedures and processes to maximize efficiency and effectiveness. C. Utilize technology (e.g. EUTF website and new benefits administration system self-service) and educate the membership on eligibility and enrollment issues. D. Educate, including the use of technology (i.e. new benefits administration system employer portal), employer personnel offices on EUTF eligibility rules and benefits to act as an extension of EUTF.	- Procurement of a new phone system has been postponed till FY 2025-2026 (maintenace ends 6/26)
	B: 1/1/20 - 12/31/20	42%		
	G: 7/1/24 - 6/30/25	85%		
	A: 7/1/22 - 6/30/23	29% (31% prior year)		
Objectives:				
4.1	Reduce the average annual turnover rate		1. Review and modify processes and procedures to maximize efficiency and effectiveness including the production of manuals and reference materials for staff. 2. Encourage the membership and departmental human resources officers to visit the EUTF website for information such as enrollment and eligibility rules through the Holomua, quarterly newsletters (e.g. departmental human resources officers and Well Aware), direct mailers, Outreach & Training points of contact, social media, EUTF website, EUTF telephone greeting and in-office flyers (e.g. informational videos and slider updates). Begin making announcements about the upcoming events through the new benefits administration system (e.g. pop up notifications, emails and texts), carriers (e.g. texts), unions, and employers (e.g. departmental human resources officers’ monthly meetings and their departmental human resources offices websites). 3. Collaborate with employers, employees and unions to identify new seminar topics, identify current seminars sponsored by employers and the unions that EUTF can participate in and utilize technology to reach a broader base. 4. Modify the EUTF Administrative Rules, as necessary.	- There were 7 departures in FY23 (versus 11 in FY22).
	B: 7/1/19 - 6/30/21	13%		
	G: 7/1/23 - 6/30/25	8%		
	A: 7/1/22 - 6/30/23	12% (not meeting)		
4.2	Reduce the average annual position vacancy rate			- We continue to work with B&F and DHRD on obtaining lists of applicants. However, its been difficult to obtain lists.
	B: 7/1/19 - 6/30/21	12%		
	G: 7/1/23 - 6/30/25	5%		
	A: 7/1/22 - 6/30/23	16% (Not meeting)		
4.3	Implement the new BAS on time (2/1/22) and on budget.			NA
	B:	N/A		
	G:	2/1/22		
	A:	5/5/22 and on budget		
4.4	Active employees and retirees register in the new BAS. Measures recommended by TelusHealth and Segal.			- Overall participation around 4% (4,905 members have logged onto Member portal). Approximately 75% of these participating members are Active Employees and 25% are Retirees. '- Overall participation around 7.5% (9,035 members have accounted activated). Approximately 70% of these participating members are Active Employees and 30% are Retirees.
	B:	N/A		
	G: Actives and retirees register by 12/31/23	50% actives and 25% retirees		
	A: 6/30/23	10% actives and 5% retirees		
4.5	Employers (i.e. department level) register in the new BAS. Measures recommended by TelusHealth and Segal.		5. Redesign the website – layout and improved performance – by 6/30/25. 6. Investigate a possible new phone system for FY23-25.	- 100% participation at the Employer level - 95% participation at the Department level (several department and charter schools have not signed the agreements)

**Progress on Strategic Plan
7/1/21 - 6/30/23**

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
	B:	N/A	<p>7. Mandate the use of the new BAS by all active employees and employers.</p> <p>8. Conduct member, employer and carrier surveys over the first 24 months after BAS implementation to gather feedback for improvements to portals for the period 7/1/24 – 6/30/25.</p> <p>9. Identify ways to improve the current refund process and procedures to issue refunds faster.</p> <p>10. Continue to encourage the existing retiree population who pay their premiums by check to switch their payment option to ERS pension or ACH deductions.</p>	- 11/2/2023: no change in participation but CCHON has resumed uploading HRIS and County of Kauai has received onboard training to begin loading and will begin once account access has been provisioned
	G: 12/31/23	100%		
	A: 6/30/23	95%		
4.6	Active employee and retiree transactions utilize the new BAS portal. Measures recommended by TelusHealth and Segal.			- We have pushed back full roll out of the member portal. - 8,059 members have logged on member portal more than 1 time. 4,860 members have logged onto member portal more than 2 times. 3,381 members have logged onto member portal more than 3 times.
	B:	N/A		
	G: 7/1/23 - 6/30/25	75% actives and 50% retirees		
	A: 7/1/22 - 6/30/23	Data not available		
4.7	Reduce the amount of administrative appeals			- Received Board approval to extend Acquisition of Coverage to 90 days (pending Admin Rule change).
	B: 7/1/20 - 6/30/21	54		
	G: 7/1/23 - 6/30/25	40 annually		
	A: 7/1/22 - 6/30/23	30		
<i>MSB - Outreach & Training</i>				
4.8	Increase the number of members reached through in person seminars or web-based programs			- Conducted benefit presentations for HGEA, HSTA and HSTA, and pre-retirement presentations for HGEA and UPW (Aug 2022 – March 2023). - Conducted 61 pre-retirement webinars (Jul 2022 - Jun 2023). - New hire presentations coordinated by employer groups were limited to EUTF providing handouts and resources only. - Created open enrollment, employer portal training, pre-retirement videos for active employees, departmental human resource officers and retirees (Aug 2022 - June 2023).
	B: 7/1/19 - 6/30/20	7,775		
	G: 7/1/23 - 6/30/25	9,000 annually		
	A: 7/1/22 - 6/30/23	3,700		
4.9	Increase the number of departmental human resource officers reached through in person seminars or web-based programs			
	B: 7/1/20 - 6/30/21	363		
	G: 7/1/23 - 6/30/25	400 annually		
	A: 7/1/22 - 6/30/23	460		
<i>MSB - Member Services</i>				
4.10	Reduce the average number of days to process enrollment forms from the receipt of all necessary information.			- Regularly recruiting to fill vacancies. - Developing tools and resources, working with employers to encourage the use of employer/member portal for select life event (e.g. new hires, terminations) - Working with TelusHealth to resolve defects in order to continue the rollout of self-service member portal and employer capabilities.
	B: 7/1/20 - 6/30/21	9 business days		
	G: 7/1/23 - 6/30/25	7 business days		
	A: 7/1/22 - 6/30/23	Cannot yet be measured in new BAS		
4.11	Increase the average monthly call answer rate within 30 seconds			- Regularly recruiting to fill vacancies. - Developing tools and resources available through website and through employers in order to reduce

**Progress on Strategic Plan
7/1/21 - 6/30/23**

	Goals/Objectives		Planned Strategies & Tactics	Progress on Strategies & Tactics
	B: 7/1/20 - 6/30/21	48%		incoming calls.
	Carriers PG:	93% within 20 seconds or average within 20 seconds		- Resuming in-person (e.g. Open Enrollment) and continuing webinar informational sessions (e.g. pre-retirement) in order to reduce incoming calls.
	G: 7/1/23 - 6/30/25	90%		- Working with TelusHealth to resolve defects and issues that impact members in order to reduce incoming calls.
	A: 7/1/22 - 6/30/23	13.2% (answer rate 65.4%)		
4.12	Reduce call abandonment rate			
	B: 7/1/20 - 6/30/21	23%		
	Carriers PG:	< 3%		
	G: 7/1/23 - 6/30/25	< 5%		
	A: 7/1/22 - 6/30/23	35%		
4.13	New BAS: Determine the EUTF staff user errors over months 13-24 after BAS implementation to develop an objective for the period 7/1/24-6/30/25.			NA
	B: 5/1/23 - 4/30/24	TBD		
	G: 7/1/24 - 6/30/25	TBD		
	A: 7/1/24 - 6/30/25	NA		
<i>FSB - Participant Accounting Section</i>				
4.14	Reduce the number of outstanding refunds			- Staff focusing on processing current refunds that resulted from system defects and issues; and working with TelusHealth to resolve defects and issues that would generate refunds.
	B: 6/30/21	8,666		- Recruiting to fill an Account Clerk III position to assist with processing outstanding refunds.
	G: 6/30/25	300		
	A: 6/30/23	6,236		
4.15	Reduce number of average monthly shortage and cancellation notices			- Working with TelusHealth to resolve defects and issues that would generate shortage and cancellation notices.
	B: 7/1/20 - 6/30/21	465 and 132		
	G: 7/1/23 - 6/30/25	200 and 50		
	A: 7/1/22 - 6/30/23	506 and 260		
4.16	Increase the average monthly call answer rate within 30 seconds			- Staff focusing on reducing the time spent on each call while continuing to provide helpful customer service to our members.
	B: 7/1/20 - 6/30/21	81%		- Providing callers the option to email us instead of calling.
	Carriers PG:	93% within 20 seconds or average within 20 seconds		- Recruiting to fill an Account Clerk III position to assist with calls.
	G: 7/1/23 - 6/30/25	90%		
	A: 7/1/22 - 6/30/23	37.8% (answer rate 77.8%)		
4.17	Reduce call abandonment rate			- Working with TelusHealth to resolve defects and issues that would reduce the number of calls/abandoned calls.
	B: 7/1/20 - 6/30/21	7%		

Progress on Strategic Plan
7/1/21 - 6/30/23

Goals/Objectives			Planned Strategies & Tactics	Progress on Strategies & Tactics	
	Carriers PG:	< 3%			
	G: 7/1/23 - 6/30/25	3%			
	A: 7/1/22 - 6/30/23	22.2%			
ISB - Systems Management Section					
4.18	New BAS: Determine the number of member/employer inquiries over months 13-24 after BAS implementation to develop an objective, if necessary, for the period 7/1/24-6/30/25.				
	B: 5/1/23 - 4/30/24	Pending			
	G: 7/1/24 - 6/30/25	TBD			
	A: 5/1/23 - 6/30/23	50			
ISB - Applications Management Section					
4.19	New BAS: Determine the number of change requests and orders over months 13-24 after BAS implementation to develop an objective, if necessary, for the period 7/1/24-6/30/25.			- No change requests and orders	
	B: 5/1/23 - 5/1/24	TBD			
	G: 7/1/24 - 6/30/25	TBD			
	A: 5/1/23 - 6/30/23	None			
4.20	New BAS: Determine if there are any deficiencies in the Member, Employer, and Carrier portal over the first 24 months and develop a plan to make improvements for the period 7/1/24-6/30/25.				
	B: 5/1/22 - 5/1/24	TBD			
	G: 7/1/24 - 6/30/25	TBD			
	A: 5/1/22 - 6/30/23	We continue to work on resovling defects with TELUS Health			