

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
Minutes of the Benefits Committee Meeting  
Tuesday, April 9, 2024

TRUSTEES PRESENT

Mr. Wesley Machida, Vice Chairperson	Ms. Maureen Wakuzawa
Mr. Christian Fern (via video conference, excused at 10:30 a.m.)	Mr. James Wataru
Ms. Jacqueline Ferguson-Miyamoto	Mr. Ryan Yamane
Ms. Audrey Hidano	Mr. Robert Yu

TRUSTEES ABSENT

Mr. Osa Tui, Chairperson	Ms. Sabrina Nasir
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ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Mr. Derek Mizuno, Administrator	Ms. Lara Nitta
Ms. Desiree Yamauchi	Ms. Melissa-Kim Tom (via video conference)

CONSULTANTS

Ms. Shelley Chun, Segal	Mr. Stephen Murphy, Segal (via video conference)
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OTHERS PRESENT (via video conference or teleconference, unless otherwise noted)

Ms. Stacia Baek, HDS	Ms. Vanelle Hirayasu, Verdegard
Ms. Sandra Benevides, CVS (in person)	Ms. Monica Kim, VSP
Ms. Tammi Bongoll, Kaiser	Ms. Joey Lee, HDS
Mr. Ty Bowers, CVS (in person)	Ms. Joni Lozano, CVS
Ms. Cheryl Byron, CVS (in person)	Mr. Kurt Neuenfeld, CVS (in person)
Mr. Francis Cuenca, CVS	Mr. Dave Shiroma, Kaiser
Mr. Justin Emerson, CVS	Ms. Jenny Smith, Humana
Mr. Thomas England, Kaiser	Mr. Troy Tomita, Kaiser
Ms. Kjrستن Elsner, Securian	Ms. Anne VanHaaren, CVS (in person)
Ms. Samantha Furutani, CVS (in person)	

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 9:00 a.m. by Trustee Wesley Machida, Vice Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, April 9, 2024.

II. REVIEW OF MINUTES – February 6, 2024

The Benefits Committee reviewed the draft minutes of February 6, 2024.

MOTION was made and seconded to approve the minutes of February 6, 2024, as circulated. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/ Employee-Beneficiary Trustees-4)

III. NEW BUSINESS

A. CVS/SSI Semi-Annual Utilization Report for the period ending December 31, 2023

Ms. Sandra Benevides, Mr. Ty Bowers, Mr. Kurt Neuenfeld, and Ms. Anne VanHaaren, CVS presented prescription drug plan reports for the six months ended for EUTF active

plans and 12 months ended for retiree plans noting claim trends per member per month (PMPM) of 20.3% actives, 5.0% non-Medicare retirees and 12.6% EGWP. The Committee, CVS/SSI and Segal discussed GLP-1 prescription drugs to treat diabetes and weight loss that are driving trends. EUTF plans already have utilization management programs in place for GLP-1 utilization for both diabetes and weight management.

B. Segal Closed Non-Specialty Formulary Analysis (information only)

Mr. Derek Mizuno presented the current formulary for specialty (closed) and non-specialty (open) for the active and non-Medicare retiree plans and the current EGWP and wrap plans for Medicare retirees. Ms. Shelley Chun, Segal, presented two plan change options to the active and non-Medicare retiree plans, the Hyperinflation Management program and the Basic Control Formulary, that would exclude drugs or add utilization management programs on certain drug classes, respectively, with the associated member disruption and projected annual savings. The Committee, CVS/SSI and Segal discussed issues related to making these changes such as member disruption, member and physician notification, the appeal process, what other states are doing, and previous CVS client experience. CVS and Segal will present more information for possible adoption at a future Committee meeting.

C. CVS/SSI Prescription Drug Plan Changes

1. Auvi-Q Formulary Update

Ms. Benevides noted that in May 2017, the Board excluded Auvi-Q, an epinephrine autoinjector, from the EUTF active and non-Medicare plans due to high cost and available alternatives, a generic and the Epi-pen. CVS was able to negotiate a lower price for Auvi-Q and has added it back to their standard formularies. CVS is recommending coverage of Auvi-Q effective July 1, 2024.

MOTION was made and seconded to recommend to the Board coverage of Auvi-Q under the EUTF active and non-Medicare retiree prescription drug plans administered by CVS effective July 1, 2024. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

2. Antidiabetic GLP-1 Smart Logic Update (informational only)

Ms. Benevides provided an update on the antidiabetic GLP-1 smart logic criteria for prior authorization under the EUTF active and non-Medicare retiree plans that will take effect May 1, 2024.

3. Inflation Reduction Act Update

Mr. Bowers provided an update on the changes due to the Inflation Reduction Act that will impact EGWP plans in 2025. One of the main changes that EUTF and HSTA VB EGWP members will see is the addition of a calendar year maximum-out-of-pocket limit (MOOP) of \$2,000. To limit member confusion, EUTF staff, Segal and SSI recommended addition of a \$2,000 MOOP to the EUTF and HSTA VB EGWP wrap plans effective January 1, 2025 since the members view the EGWP and wrap plan as one plan. In addition, to create a seamless transition between the non-Medicare retiree and EGWP plans, EUTF staff, Segal and SSI recommended a \$2,000 MOOP on the EUTF and HSTA VB non-Medicare plans effective January 1, 2025. To offset the projected additional annual costs to the plan, the Committee could recommend a \$10 increase to the 30-day supply of non-preferred brands to the EUTF non-Medicare

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retiree and EGWP plans. A days supply over 30 would continue to be two times the 30-day copay amount for non-Medicare retiree plan Retail 90 pharmacies and mail order, and at EGWP pharmacies.

Trustee Fern was excused from the meeting at 10:30 a.m. during the presentation.

MOTION was made and seconded to recommend to the Board:

1. Adding a \$2,000 calendar year annual maximum out-of-pocket (MOOP) to the EUTF and HSTA VB EGWP plans administered by SilverScript and
  2. Removing the \$2,000 specialty calendar year MOOP from the EUTF EGWP plan administered by SilverScript
- effective January 1, 2025, as required by federal law. (Ferguson-Miyamoto/Yu) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

MOTION was made and seconded to recommend to the Board:

1. Adding a \$2,000 calendar year MOOP to the EUTF EGWP wrap plan administered by CVS and increasing copayments from \$30 to \$40 on 30-day supplies and \$60 to \$80 on over 30-day supplies for non-preferred brands on the EUTF EGWP and wrap plans administered by SilverScript and CVS, respectively, and
  2. Adding a \$2,000 calendar year MOOP, removing the \$2,000 specialty calendar year MOOP and increasing copayments from \$30 to \$40 on 30-day supplies, \$60 to \$80 on 60-day supplies and 90-day supplies at Retail 90 pharmacies and mail order, and \$90 to \$120 on 90-day supplies at non-Retail 90 pharmacies for non-preferred brands on the EUTF non-Medicare plan administered by CVS
- effective January 1, 2025. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

MOTION was made and seconded to recommend to the Board:

1. Adding a \$2,000 calendar year MOOP to the HSTA VB EGWP wrap plan administered by CVS, and
  2. Adding a \$2,000 calendar year MOOP on the HSTA VB non-Medicare plan administered by CVS
- effective January 1, 2025. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

IV. NEXT MEETING DATE – May 21, 2024

The next meeting agenda will include the HMSA, Kaiser Permanente, HDS, and VSP utilization reports and Segal retiree annual report for the period ending December 31, 2023 and retiree plan changes effective January 1, 2025.

V. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 10:38 a.m. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

Respectfully submitted,

/s/

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Osa Tui, Chairperson

APPROVED on May 21, 2024.

Documents Distributed:

1. Draft Benefits Committee Minutes of February 6, 2024. (2 pages)
2. RxInsights, EUTF-Actives, July 2023 – December 2023, Prescription Drug Benefit Review, prepared by CVS Health, Redacted Version. (14 pages)
3. RxInsights, EUTF Non-Medicare Retiree Report, January 2023 – December 2023, Prescription Benefit Review, prepared by CVS Health, Redacted Version. (19 pages)
4. RxInsights, EUTF Medicare Retirees, Jan 2023 – Dec 2023, Prescription Benefit Review, prepared by CVS Health, Redacted Version. (19 pages)
5. Memorandum to Benefits Committee from Program Specialist, regarding Prescription Drug Plan Overview - CONFIDENTIAL, dated April 1, 2024, Redacted Version. (4 pages)
6. Memorandum to EUTF Benefits Committee from Segal Consulting, regarding Closed non-specialty formulary analysis (informational only), dated March 28, 2024, Redacted Version. (24 pages)
7. Memorandum to BOT-EUTF from CVS Caremark, regarding Auvi-Q-Formulary Update, dated April 9, 2024, Redacted Version. (1 page)
8. Memorandum to BOT-EUTF from CVS Caremark, regarding GLP-1 and GIP/GLP-1 Agonist Prior Authorization Update eff. 5/1/2024, dated April 9, 2024, Redacted Version. (1 page)
9. EUTF Retirees, 2025 Medicare Redesign and Spending Cap, Non-Medicare and Medicare Retiree Options, prepared by SilverScript, dated April 9, 2024, Redacted Version. (17 pages)