



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
RYAN YAMANE, CHAIRPERSON
ROBERT YU, VICE-CHAIRPERSON
JAMES WATARU, SECRETARY-TREASURER
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CHRISTIAN FERN
AUDREY HIDANO
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SABRINA NASIR
OSA TUJ
MAUREEN WAKUZAWA
ADMINISTRATOR
DEREK M. MIZUNO
ASSISTANT ADMINISTRATOR
DONNA A. TONAKI

December 11, 2024

NOTICE OF MEETING OF THE BOARD OF TRUSTEES
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

DATE: December 17, 2024, Tuesday
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 – November 26, 2024
- III. Old Business
 - A. Benefits Administration System Implementation Status Update
- IV. New Business
 - A. Claim Technologies, Inc. Claims Audit Reports
 - 1. Kaiser Permanente Medical and Prescription Drug Plans for Active Employees July 1, 2022 – June 30, 2023 and Retirees January 1, 2022 – December 31, 2022
 - 2. Securian Financial Life Insurance Plans for Active Employees July 1, 2020 – June 30, 2023 and Retirees January 1, 2020 – December 31, 2022 – Performance Guarantees Only
- V. Investment Committee Report
 - A. Private Equity Pacing Update
 - B. Private Credit Pacing Update
 - C. Private Real Assets Pacing Update

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.

- D. Investment Policy Statement Update
- E. Investment Manager Due Diligence Update

- VI. Executive Session
 - A. Premium Rates for Active Employees Effective July 1, 2025 for HMSA, Kaiser, HDS, VSP and Securian [Authorized under HRS 92-5(a)(4)(8)]

- IV. New Business (continued)
 - B. Self-Funded Prescription Drug (Administered by CVS) Rates for Active Employees Effective July 1, 2025
 - C. Self-Funded Supplemental Medical and Prescription Drug Rates (Administered by Verdegard) for Active Employees Effective July 1, 2025
 - D. Board Meeting Schedule for Fiscal Year 2026

- VII. Reports
 - A. EUTF Benefits Consultant (Segal)
 - 1. Compliance News
 - 2. Quarterly Trends Report
 - B. Administrator
 - 1. Meetings with Legislators and Unions
 - 2. Staffing Update
 - 3. Training
 - C. EUTF Managers' and Program Specialists' Reports
 - 1. Member Services Branch (MSB)
 - a. MSB Data
 - b. Outreach & Training
 - c. 2025 Retiree Open Enrollment
 - 2. Information Systems (IS)
 - a. EUTF Benefits Administration System (BAS) Project
 - b. Equipment Replacement
 - c. Enrollment Counts
 - 3. Eligibility and Enrollment Report
 - a. Audits Currently in Progress
 - b. Point in Time Reconciliation Audits
 - c. Recurring Audits
 - 4. Health and Wellness 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. 2024 Financial Audit
 - e. Financial Statements as of July 31 and August 31, 2024
 - D. Carrier Reports

1. CVS Caremark
2. SilverScript
3. Hawaii Dental Service (HDS)
4. Hawaii Medical Service Association (HMSA)
5. Humana
6. Kaiser Health Foundation
7. Securian
8. Verdegard Hawaii (formerly known as HMA)
9. Vision Service Plan (VSP)

VI. Executive Session (continued)

B. Investment Committee Report

1. Private Real Assets Manager Evaluation [Authorized under HRS 92-5(a)(8) and HRS 87A-31(g)]
2. Private Equity Manager Evaluation [Authorized under HRS 92-5(a)(8) and HRS 87A-31(g)]

C. Deputy Attorney General Legal Opinions [Authorized under HRS 92-5(a)(4) and 92-5(a)(6)]

D. Insurance Brokerage Services Procurement [Authorized under HRS 92-5(a)(8)(HRS 103D)]

E. Appeals [Authorized under HRS 92-5(a)(4)(8)(Article I. Section 6 of the Hawaii State Constitution, HIPAA)]

1. Request to Change Plans

F. Review of Minutes – November 26, 2024 [Authorized under HRS 92-5(a)(8) and 92-9(b)]

G. Personnel [Authorized under HRS 92-5a(2)(8)]

VIII. Next Meeting

Monday, January 13, 2025, 9:00 a.m. – July 1, 2024 Actuarial Valuation and June 30, 2024 Audited Financial Statements

IX. 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: Board Meeting-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:

- [Join the meeting now](#) or copy and paste the following URL into your browser:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzkyYjA5MjktMjE2OC00ZDNIiMTliMWYtYjJjMTdhZGI2NGI5%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
 - If prompted, enter:
 - Meeting ID: 268 532 435 199
 - Passcode: P3hJBB
 - For instructions to turn on live captions in Microsoft Teams, [please click here.](#)
- Dial-in number: [+1 808-829-4853](#) United States, Honolulu (Toll)
 - Phone Conference ID: 893 787 832#

A listing of all documents included in the Board packet will be available at the EUTF website (eutf.hawaii.gov) through the Events Calendar two (2) business days prior to the meeting.

The Board packet can be accessed at the EUTF website (eutf.hawaii.gov) through the Events Calendar two (2) business days 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.

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

2 Minutes of the Board of Trustees

3 Tuesday, November 26, 2024

4
5 TRUSTEES PRESENT

6 Mr. Ryan Yamane, Chairperson

Mr. Wesley Machida (via video conference, excused at 10:58 a.m.)

7 Mr. Robert Yu, Vice Chairperson

Ms. Sabrina Nasir

8 Ms. Jacqueline Ferguson-Miyamoto

Mr. Osa Tui

9 Mr. Christian Fern (excused at 10:58 a.m.)

Ms. Maureen Wakuzawa

10 Ms. Audrey Hidano

11
12 TRUSTEES ABSENT

13 Mr. James Wataru, Secretary-Treasurer

14
15 ATTORNEY

16 Mr. Michael Chambrella, Deputy Attorney General

17
18 EUTF STAFF

19 Mr. Derek Mizuno, Administrator

Mr. Marvin Judd (via video conference)

20 Ms. Donna Tonaki, Assistant Administrator

Ms. Emily Kaimuloa (via video conference)

21 Ms. Amy Cheung, Financial Management Officer (via video conference)

Mr. Joao Marco Maffini (via video conference)

22 Ms. Jessica McDonald, Member Services Branch Manager

Ms. Katie Matsushima

23 Mr. Todd Nishida, Information Systems Chief (via video conference)

Ms. Lara Nitta (via video conference)

24 Mr. David Okamoto, Chief Investment Officer

Ms. Melissa Tom (via video conference)

25 Mr. Brett Tatsuno, Investment Officer (via video conference)

Ms. Desiree Yamauchi

26
27 CONSULTANTS (via video conference)

28 Mr. Colin Bebee, Meketa Investments

Ms. Mary Fedor, Segal Consulting

29 Mr. Tyler Brotz, Segal Consulting

Mr. Stephen Murphy, Segal Consulting

30 Ms. Shelley Chun, Segal Consulting

Ms. Stephanie Sorg, Meketa Investments

31
32 OTHERS PRESENT (via video or audio conference, unless otherwise noted)

33 Mr. Blaise Aquino, HMSA

Ms. Monica Kim, VSP

34 Ms. Tiffany Andrade, HMSA

Ms. Meagan Kini-Ho, HMSA

35 Ms. Stacia Baek, HDS

Ms. Mae Kishimoto, HSTA-Retired

36 Mr. Kevin Balaod, With Intelligence

Ms. Joey Lee, HDS

37 Ms. Amy Bell, TELUS Health

Mr. Chris Letoto, HMSA

38 Ms. Sandra Benevides, CVS

Mr. Neal Nakashima, Marsh

39 Mr. Su Chai, Kaiser

Mr. Dave Shiroma, Kaiser

40 Mr. Francis Cuenca, CVS

Ms. Jenny Smith, Humana

41 Ms. Kjirsten Elsner, Securian

Dr. Rodd Takiguchi, Kaiser

42 Ms. Samantha Furutani, CVS

Mr. Troy Tomita, Kaiser

43 Dr. Rupal Gohil, HMSA

Mr. Scott Yamaguchi, Kaiser

44 Mr. Galen Haneda, HMSA

45
46 I. CALL TO ORDER

47 The meeting of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust
48 Fund (EUTF) was called to order at 9:01 a.m. by Chairperson Ryan Yamane, in the EUTF
49 Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, November 26,
50 2024.

51
52 II. REVIEW OF MINUTES – OCTOBER 22, 2024

53 The Board reviewed the draft minutes of October 22, 2024. Since there were no edits or

1 objections by the Trustees, the minutes stand approved.
2

3 III. NEW BUSINESS

4 A. EUTF Fiduciary Liability Insurance

5 Mr. Neal Nakashima, Marsh USA, presented Marsh's recommendation to renew the
6 fiduciary liability insurance policy with RLI Insurance Company (RLI) noting that the
7 premiums have not increased. This is positive since risk increased with the increase in
8 assets by over 15%.
9

10 MOTION was made and seconded to bind fiduciary liability insurance coverage with RLI
11 as recommended by Marsh for the period December 15, 2024 to December 15, 2025.
12 (Yu/Ferguson-Miyamoto) Trustee Audrey Hidano asked how consultants use of AI
13 impacts coverage. Mr. Nakashima said he would look into the matter. The motion passed
14 unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-4)
15

16 B. 2025 Medicare Part B Premiums and Base Monthly Contributions

17 Ms. Amy Cheung presented a memo dated November 15, 2024, regarding the 2025
18 Medicare Part B Premium and Retiree Base Monthly Contribution (BMC), noting that the
19 standard Medicare Part B premium has been increased from \$174.70 in 2024 to \$185.00 in
20 2025 (5.9%). Over the past several years, the 75% retirees did not have to pay any
21 premiums since the BMC was significantly higher than the retiree premiums. However, for
22 2025, non-Medicare self retirees selecting HMSA medical, CVS prescription drug, HDS
23 dental and VSP vision will have to pay \$1.78 per month.
24

25 IV. OLD BUSINESS

26 A. Benefits Administration System Implementation Status Update

27 Ms. Amy Bell, TELUS Health, provided an update on the implementation of the new
28 Benefits Administration System (BAS) noting the following:

- 29 • Sprint 8 (primarily retiree open enrollment) went into Production today which was
30 slightly after the planned implementation date because the Medicare Part B premiums
31 were released late.
- 32 • There's no change on the two remaining payroll and other accounting report and the
33 remaining death file import issues, all scheduled to be completed by December 31,
34 2024.
- 35 • The Medicare expiry implementation date has been re-scheduled from October 31,
36 2024 to December 31, 2024 due to additional issues being identified.
37

38 B. Permitted Interaction Group

39 Mr. Derek Mizuno informed the Board that at this meeting the Board is able to vote on a
40 recommendation from the permitted action group to authorize the Chair to mail a letter to
41 the Governor, Lt. Governor, Senate President, Speaker of the House, and Mayors
42 recommending a comprehensive review of the overall benefits package provided to
43 employees.
44

45 MOTION was made and seconded to authorize the Chair to mail a letter to the Governor,
46 Lt. Governor, Senate President, Speaker of the House, and Mayors recommending a
47 comprehensive review of the overall benefits package provided to employees.
48 (Yu/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-5/

1 Employee-Beneficiary Trustees-4)
2

3 V. EXECUTIVE SESSION

4 MOTION was made and seconded to move into Executive Session at 9:16 a.m. (Yu/Ferguson-
5 Miyamoto) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary
6 Trustees-4)
7

8 The regular meeting reconvened at 10:30 a.m.
9

10 Chairperson Yamane reported that during Executive Session, the Board

- 11 • Deferred an appeal to waive audit requirements and reinstate coverage.
- 12 • Approved an appeal to waive collection of employer contributions related to an ex-
13 spouse.
- 14 • Approved a commitment of funds to a private equity fund, subject to contract negotiation.
- 15 • Approved a commitment of funds to a private credit fund, subject to contract negotiation.
- 16 • Approved a recommendation to the Board regarding RFP 24-001 and RFP 20-003
17 Medical Benefits and PBM Services.
- 18 • Reviewed and discussed the October 22, 2024 minutes. Since there were no edits or
19 objections, the minutes stand approved.
20

21 VI. COMMITTEE REPORTS

22 A. Investment Committee

23 1. Quarterly Performance Report – Q3 2024

24 Ms. Stephanie Sorg, Meketa Investment, highlighted significant points in the Q3
25 Performance Report. The OPEB Trust finished the quarter at \$8.4 billion, gaining 3.9%
26 and 13.8% for the quarter and one-year period, respectively (net of fees). These results
27 met the policy benchmark of 3.9% for the quarter, but underperformed the one-year
28 benchmark of 15.6%, primarily due to short-term benchmarking challenges within the
29 private equity and private credit asset classes. Since inception (June 23, 2011), the
30 portfolio has returned 7.4% (net of fees) versus the policy benchmark return of 7.4%.
31

32 Ms. Sorg reported that the EUTF Trust Fund finished the quarter at \$596.2 million, up
33 3.4% and 14.1% for the quarter and one-year period, respectively (net of fees). Since
34 inception (October 1, 2013), the portfolio has returned 4.0% (net of fees).
35

36 2. Quarterly Private Credit Report – Q2 2024

37 This report was included for informational purposes and was not discussed at the
38 meeting.
39

40 3. Quarterly Private Equity Report – Q2 2024

41 This report was included for informational purposes and was not discussed at the
42 meeting.
43

44 4. Quarterly Private Real Assets Report – Q2 2024

45 This report was included for informational purposes and was not discussed at the
46 meeting.
47

48 5. EUTF Trust Fund Objective Recommendation

1 Mr. David Okamoto summarized the Investment Committee's recommendation to
2 establish clearer objectives for the long-term component of the EUTF Trust portfolio to
3 optimize and improve the decision-making process for future strategic allocation
4 studies.

5
6 MOTION was made and seconded to approve the Investment Committee's
7 recommendation for an EUTF Trust Fund objective to maximize returns subject to:

- 8 • Investment Committee and Board's risk tolerance
- 9 • 90% probability of exceeding inflation over ten-years

10 (Yu/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-5/
11 Employee-Beneficiary Trustees-4)

12
13 6. Manager Selection Process

14 Mr. Okamoto summarized the Investment Committee's recommendation to change the
15 selection process for non-private market managers to only interview the manager
16 recommended by staff and the general consultant. This change represents a slight shift
17 towards delegating more authority to staff, which is consistent with recent institutional
18 investor trends.

19
20 MOTION was made and seconded to approve the Investment Committee's
21 recommendation for the general consultant and staff to present one finalist for interview
22 during the selection process of non-private market managers. (Yu/Ferguson-
23 Miyamoto) The motion passed unanimously. (Employer Trustees-5/Employee-
24 Beneficiary Trustees-4)

25
26 B. Benefits Committee

27 1. Utilization Reports for the period ending June 30, 2024

28 a. HDS Active Utilization Report

29 Mr. Derek Mizuno noted that the EUTF and HSTA VB active employee claims
30 trend per member per month (PMPM) for the period ending June 30, 2024 of 1.0%
31 was slightly higher than the HDS book-of-business (BOB) and active members
32 continue to have higher rates of oral exams and cleanings and lower rates of no
33 visits than the HDS BOB and national peers.

34
35 b. VSP Active Utilization Report

36 Mr. Mizuno noted that the EUTF and HSTA VB active employee claims trend
37 PMPM for the period ending June 30, 2024 of -0.5% was slightly less than the VSP
38 BOB and actives continue to have higher annual eye exam rates than the VSP local
39 BOB but is slightly under national BOB rates.

40
41 c. Kaiser Permanente Utilization Report

42 Mr. Mizuno noted that the EUTF active employee claims trend PMPM for the
43 period ending June 30, 2024 of 13.1% was significantly higher than the Kaiser
44 BOB. The high trend is primarily being driven by an 20.1% trend in inpatient costs
45 related to higher complexity admissions for intensive neonatal, kidney and sepsis
46 care.

47
48 d. HMSA Utilization Report

1 Mr. Mizuno noted that the EUTF active employee claims trend PMPM for the
2 period ending June 30, 2024 of 12.6% was significantly higher than the HMSA
3 BOB. The high trend is primarily being driven by 17.3% and 44.7% trends in
4 inpatient and specialty drug costs, respectively, related to increases in inpatient high
5 claims and higher complexity admissions and the Board's decision to allow
6 coverage of specialty drugs administered in outpatient and physician office settings
7 under the medical plan versus previous coverage only under the CVS prescription
8 drug plan only effective July 1, 2023. A preliminary review is showing decreases
9 in costs under the CVS prescription drug plans for certain specialty drugs that are
10 now being administered under the HMSA medical plans.

11
12 2. Proposed HMSA Medical Plan Changes

13 Mr. Mizuno summarized the reasons for the Benefits Committee recommendation to
14 approve the HMSA proposed plan changes noting costs, potential cost savings related
15 to the cardiac rehabilitation program addition and removal of barriers to good
16 utilization.

17
18 MOTION was made and seconded to approve the Benefits Committee's
19 recommendation of the following HMSA plan changes:

- 20 1. Remove the developmental delay exclusion for physical, occupational, and speech
21 therapy under the EUTF and HSTA VB active and retiree plans effective July 1,
22 2025 and January 1, 2026, respectively
- 23 2. Remove the postpartum visit limitation (of one per birth) for maternity care under
24 the EUTF active HMSA HMO plan effective July 1, 2025
- 25 3. Add coverage for cardiac rehabilitation at the same benefit level as physical and
26 occupational therapy under the EUTF and HSTA VB active and retiree plans
27 effective July 1, 2025 and January 1, 2026, respectively, and
- 28 4. Remove the member cost share (up to the eligible charge) and the application of the
29 deductible for out-of-network immunizations under the HSTA VB active 90/10 plan
30 and EUTF and HSTA VB retiree plans effective July 1, 2025 and January 1, 2026,
31 respectively.

32 (Tui/Fern) The motion passed unanimously. (Employer Trustees-5/Employee-
33 Beneficiary Trustees-4)

34
35 3. Segal Annual Active Report

36 Mr. Mizuno summarized Segal's analysis of the medical, dental and vision plans noting
37 no items that would require plan design changes.

38
39 C. Administrative Committee

40 1. EUTF Annual Report – Fiscal Year 2024

41 Mr. Mizuno summarized the Administrative Committee's recommendation to approve
42 the EUTF Annual Report for fiscal year 2024 for submission to the Legislature.

43
44 MOTION was made and seconded to approve the Administrative Committee's
45 recommendation to approve the EUTF Annual Report for fiscal year 2024 for
46 submission to the Legislature. (Ferguson-Miyamoto/Fern) The motion passed
47 unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-4)
48

2. Proposed EUTF Administrative Rule Changes

Mr. Mizuno summarized the proposed EUTF Administrative Rule changes to effectuate the dependent children eligibility changes approved by the Board at their October 22, 2024 meeting.

MOTION was made and seconded to approve the Administrative Committee's recommendation to approve the proposed EUTF Administrative Rule changes.

(Ferguson-Miyamoto/Yu) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-4)

VI. REPORTS

A. EUTF Benefits Consultant (Segal)

1. Compliance News
 2. Quarterly Plan Performance Report – September 30, 2024
 3. Quarterly Performance Guarantee Report – September 30, 2024
- Mr. Stephen Murphy summarized the Segal reports.

B. Administrator

1. Meetings with Legislators and Unions
2. Staffing Update
3. Training

C. EUTF Managers' and Program Specialists' Reports

1. Member Services Branch (MSB)
 - a. MSB Data
 - b. Outreach & Training
 - c. 2025 Retiree Open Enrollment
2. Information Systems (IS)
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5. Financial Services Branch (FSB)
 - a. FSB Performance Data
 - b. Refunds and Medicare Part B Overpayments Status
 - c. EUTF Collections
 - d. 2024 Financial Audit
 - e. Financial Statements as of June 30, 2024

D. Carrier Reports

1. CVS Caremark
2. SilverScript
3. Hawaii Dental Service (HDS)
4. Hawaii Medical Service Association (HMSA)

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

November 26, 2024 Minutes

Page 7

- 1 5. Humana
- 2 6. Kaiser Health Foundation
- 3 7. Securian
- 4 8. Verdegard Hawaii (formerly known as HMA)
- 5 9. Vision Service Plan (VSP)
- 6

7 V. EXECUTIVE SESSION (continued)

8 The Board meeting recessed and moved into Executive Session at 10:57 a.m.

9
10 Trustees Wesley Machida and Christian Fern were excused from the meeting at 10:58 a.m.

11
12 The regular meeting reconvened at 11:54 a.m.

13
14 Chairperson Yamane reported that during Executive Session, the Board discussed a personnel
15 matter.

16
17 VIII. NEXT MEETING

18 Tuesday, December 17, 2024, 9:00 a.m. – premiums for active employees July 1, 2025

19
20 IX. ADJOURNMENT

21 MOTION was made and seconded for the Board to adjourn the meeting at 11:55 a.m. (Yu/Tui)
22 The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-3)

23
24
25 Documents Distributed:

- 26 1. Draft Board Minutes for October 22, 2024. (6 pages)
- 27 2. 2024 EUTF Fiduciary Liability Insurance Proposal, prepared by Marsh, dated October 21, 2024.
28 (3 pages)
- 29 3. Memorandum to BOT from EUTF Financial Management Officer, regarding 2025 Medicare Part
30 B Premium and Retiree Base Monthly Contribution, dated November 15, 2024. (3 pages)
- 31 4. Hawaii EUTF – Ariel BAS Updated, prepared by TELUS Health, dated November 26, 2024. (5
32 pages)
- 33 5. Memorandum to EUTF BOT from EUTF Permitted Interaction Group, regarding Permitted
34 Interaction Group Recommendations, dated July 30, 2024. (5 pages)
- 35 6. Memorandum to BOT from Investment Committee, regarding November 19, 2024 Investment
36 Committee Meeting Report, dated November 20, 2024. (2 pages)
- 37 7. Memorandum to EUTF BOT from Administrative Committee, regarding Administrative
38 Committee Report – November 1, 2024 Meeting, dated November 1, 2024. (1 page)
- 39 8. Memorandum to BOT EUTF from Segal Consulting, regarding Segal Reports – Compliance
40 News, dated November 26, 2024. (9 pages)
- 41 9. EUTF, Year to Date Contract Plan Experience Report, Contract Year to Date through September
42 2024, prepared by Segal Consulting, dated November 26, 2024. (41 pages)
- 43 10. Administrator’s Monthly Report to the Board for October 12 – November 15, 2024, dated
44 November 15, 2024. (1 page)
- 45 11. Memorandum to BOT from Member Services Branch Manager, regarding October – November
46 2024 Member Services Operations Report, dated November 15, 2024. (6 pages)
- 47 12. Memorandum to BOT from Information Systems Chief, regarding October 2024 – November
48 2024 Information Systems (IS) Operations Report, dated November 15, 2024. (9 pages)

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

November 26, 2024 Minutes

Page 8

- 1 13. Memorandum to Administrator from Eligibility Specialist regarding October – November 2024
- 2 Eligibility and Enrollment Report, dated November 15, 2024. (2 pages)
- 3 14. Memorandum to EUTF BOT from Health and Wellness Specialist regarding October –
- 4 November 2024 Health and Wellness Specialist Report, dated November 15, 2024. (4 pages)
- 5 15. Memorandum to BOT from EUTF Financial Management Officer regarding October 2024 –
- 6 November 2024 Financial Services Branch (FSB) Report, dated November 15, 2024. (15 pages)
- 7 16. CVS/Caremark Monthly Carrier Report for October 2024 dated November 4, 2024. (2 pages)
- 8 17. SilverScript Monthly Carrier Report for October 2024 dated November 1, 2024. (3 pages)
- 9 18. HDS Monthly Carrier Report for October 2024 dated November 7, 2024. (2 pages)
- 10 19. HMSA Monthly Carrier Report for October 2024 dated November 7, 2024. (4 pages)
- 11 20. Humana Monthly Carrier Report for October 2024 dated November 8, 2024. (3 pages)
- 12 21. Kaiser Permanente Monthly Carrier Report for October 2024 dated November 8, 2024. (2
- 13 pages)
- 14 22. Securian Financial Monthly Carrier Report for October 2024 dated November 8, 2024. (1 page)
- 15 23. Verdegard Hawaii Monthly Carrier Report for October 2024 dated November 8, 2024. (2 pages)
- 16 24. VSP Vision Care Monthly Carrier Report for October 2024 dated November 6, 2024. (6 pages)



Hawaii EUTF – Ariel BAS Update

December 17, 2024



2024 Sprints

Sprint 1 – Completed 1/25/2024

Sprint 2 – Completed 3/22/2024

Sprint 3 – Completed 7/2/2024

Sprint 4: Core System Upgrade – Completed 8/16/2024

Sprint 5: County of Kauai – Completed 8/16/2024

Sprint 6: Death File Import – Completed 9/6/2024

Sprint 7: Core System Upgrades and Milestone and Expiry Jobs –
Completed 10/11/2024

Sprint 8: Retiree OE – Completed 11/25/2024



Issue Summary

Item	Population Impacted	Cases Resolved	Status	Planned Resolution Date	Impact
Payroll and Other Accounting Reports	Employee and employer contributions; and carrier billing	N/A	EUTF prioritized 12 payroll and Accounting report issues to be fixed by TH. - 10 have been resolved. - 2 reports are being updated to include additional columns of data. Targeted for 12/31.	-12/31 4/30/24 6/30/24 12/31/24	Unable to reconcile accounts with over or under balances

Issue Summary

Item	Population Impacted	Cases Resolved	Status	Planned Resolution Date	Impact
	30/month	All being manually identified	The Death Import job updates were put into PROD on 9/6/24. There are some scenarios that do not work as expected and TH is working on these issues. Issues should be resolved with hot fixes by 12/31/24.	12/31/24	EUTF staff will manually manipulate DOH file to exclude scenarios that are defective and will process these manually. The majority of deaths will be processed via the death file import.
		All being manually completed	Automating Expiry Jobs: <ul style="list-style-type: none"> - Student Expiry – Complete. - Medicare Expiry – Targeted for 12/31/24. 	10/31/24 12/31/24	

2025 Sprints

Sprint 1: Core System Upgrade 1/26/2025

Sprint 2: Retiree Special OE Event (Dependent Children Eligibility) 3/7/2025

Sprint 3: Active OE 4/18/2025

Sprint 4: Core System Upgrade 7/13/2025

Sprint 5: Retiree OE 10/2025

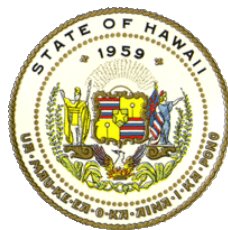
Sprint 6: Core System Upgrade 11/2025



Claims Administration Audits

Kaiser Permanente and Securian Life Insurance

Presented to



State of Hawaii
Hawaii Employer-Union Health Benefits Trust Fund Medical Plans

December 17, 2024



**CLAIM TECHNOLOGIES
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Audit Objectives

Determine:

- whether claims have been paid improperly;
- the dollar amount of improperly paid claims;
- the options available to recover overpayments resulting from improperly paid claims;
- the benefit plan contractor's compliance with performance guarantees; and
- recommendations for improvement in the delivery of benefit plan services and/or plan design.

Kaiser Medical Plans Audit Summary

- Audit Period:
 - Active: July 1, 2022, through June 30, 2023
 - Retiree: January 1, 2022, through December 31, 2022
- The population of claims and amount paid by the plans for during the audit periods were:

Total Paid Amount Active	\$26,035,437
Total Paid Amount Retiree	\$31,433,754
Total Number of Claims Paid/Denied Adjusted Active	50,463
Total Number of Claims Paid/Denied Adjusted Retiree	29,948

Kaiser Random Sample Audit Findings

Key Performance Indicators	Administrator's Performance by Quartile			
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
	<i>Lowest</i> ← → <i>Highest</i>			
Financial Accuracy Rate				99.92%
Accurate Payment Frequency				99.20%
Accurate Processing Frequency				99.20%



Kaiser 100% Electronic Screening

The following shows the categories of medical services identified as **potentially** paid incorrectly or claims flagged for process improvement through Electronic Screening and Targeted Sampling.

These findings are not included in the Random Sample results reported on the previous slide.

- Duplicate Payments \$179,344
- Preventive Services Denied \$27,879
- Active Employee Eligibility Screening \$9,181
- Copay Application – PCP Office Visits \$2,100
- Preventive Services with Cost Share Applied \$1,329



Kaiser Compliance with Performance Guarantees

CTI found the following discrepancy when reviewing and reconciling Kaiser's self-reported results for performance guarantee goals. Kaiser has agreed to pay **\$22,260.67** to the EUTF for the following performance guarantees not met during the audit period.

Resolve 98% of written inquiries within 10 business days and 100% within 20 business days.	Q1 2022– Not Met Penalty of \$22,260.67 still owed to the EUTF
---	---

Securian Life Insurance Plan Audit Objective

- Validate Securian's compliance with self-reported performance guarantee metrics during the audit period
- Audit Period:
 - Active: July 1, 2020, through June 30, 2023
 - Retiree: January 1, 2020, through December 31, 2022

Securian Compliance with Performance Guarantees

CTI found the following discrepancies when reviewing and reconciling Securian's self-reported results for performance guarantee goals. Securian has agreed to pay **\$11,036** to the EUTF for the following performance guarantees not met during the audit period.

99% of calls answered within an average of 30 seconds	Q1 2020– Not Met Penalty of \$5,518 still owed to the EUTF
99% of telephone inquiries/issues resolved at the first point of contact	Q1 2020– Not Met Penalty of \$5,518 still owed to the EUTF

***CTI thanks you for the privilege
of serving.***

**State of Hawaii
Hawaii Employer-Union Health Benefits
Trust Fund Medical Plans**



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Comprehensive Claim Administration Audit

EXECUTIVE SUMMARY REPORT

Hawaii Employer-Union Health Benefits Trust Fund Medical Plans

Administered by Kaiser Permanente

Audit Period:

Actives: July 1, 2022 through June 30, 2023

Retirees: January 1, 2022 through December 31, 2022

Additional Performance Guarantee Validation for:

Actives: July 1, 2021 through June 30, 2022

Retirees: January 1, 2021 through December 31, 2021

Presented to

Hawaii Employer-Union Health Benefits Trust Fund

December 17, 2024



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TABLE OF CONTENTS

INTRODUCTION.....	3
OBJECTIVES AND SCOPE.....	5
AUDIT FINDINGS AND RECOMMENDATIONS	4
Random Sample Audit	4
100% Electronic Screening with Targeted Sample Analysis	5
Administrative Procedures Review	5
Compliance with Performance Guarantees.....	7
CONCLUSION.....	8

INTRODUCTION

This **Executive Summary** contains CTI’s findings and recommendations from our audit of Kaiser Permanente’s (Kaiser) administration of the Hawaii Employer-Union Health Benefits Trust Fund (the EUTF) plans. You can review the detail that supports CTI’s findings and recommendations in our **Specific Findings Report**.

CTI specializes in the audit and control of health plan claim administration. Accordingly, the statements we make relate narrowly and specifically to the overall effectiveness of policies, procedures, and systems Kaiser used to pay the EUTF’s claims during the audit period.

CTI conducted the audit according to accepted standards and procedures for claim audits in the health insurance industry. We based our audit findings on the data and documentation provided by the EUTF and Kaiser. The validity of our findings relies on the accuracy and completeness of that information. We planned and performed the audit to gain reasonable assurance that claims were adjudicated consistently and accurately in relationship to the policy provisions and administrative agreement between the EUTF and Kaiser.

While performing the audit, CTI complied with all confidentiality, non-disclosure, and conflict of interest requirements and did not receive anything of value or any benefit of any kind other than agreed upon audit fees.

OBJECTIVES AND SCOPE

The objectives of CTI’s audit of Kaiser’s claim administration were to determine:

- whether claims have been paid improperly;
- the dollar amount of improperly paid claims;
- the options available to recover overpayments resulting from improperly paid claims;
- the benefit plan contractor’s compliance with performance guarantees; and
- recommendations for improvement in the delivery of benefit plan services and/or plan design.

CTI audited Kaiser’s claim administration of the the EUTF medical plans for the period of July 1, 2022 through June 30, 2023 for actives and January 1, 2022 through December 31, 2022 for retirees. The population of claims and amount paid during that period were:

Total Paid Amount	\$57,469,191
Total Number of Claims Paid/Denied/Adjusted	80,411

The audit included the following components which are described in greater detail on the following pages:

- Random Sample Audit of 125 Claims
- 100% Electronic Screening with 75 Targeted Samples
- Administrative Procedures Review
- Compliance with Performance Guarantees

AUDIT FINDINGS AND RECOMMENDATIONS

Random Sample Findings

CTI validated claim processing accuracy based on a sample of 125 medical claims paid or denied by Kaiser during the audit period. We selected the random sample to provide a statistical confidence level of 95% +/- 3% margin of error.

CTI’s Random Sample Audit categorizes errors into key performance indicators. We use this systematic labeling of errors and calculation of performance as the basis for the benchmarks generated using results from our most recent 100 medical claim audits.

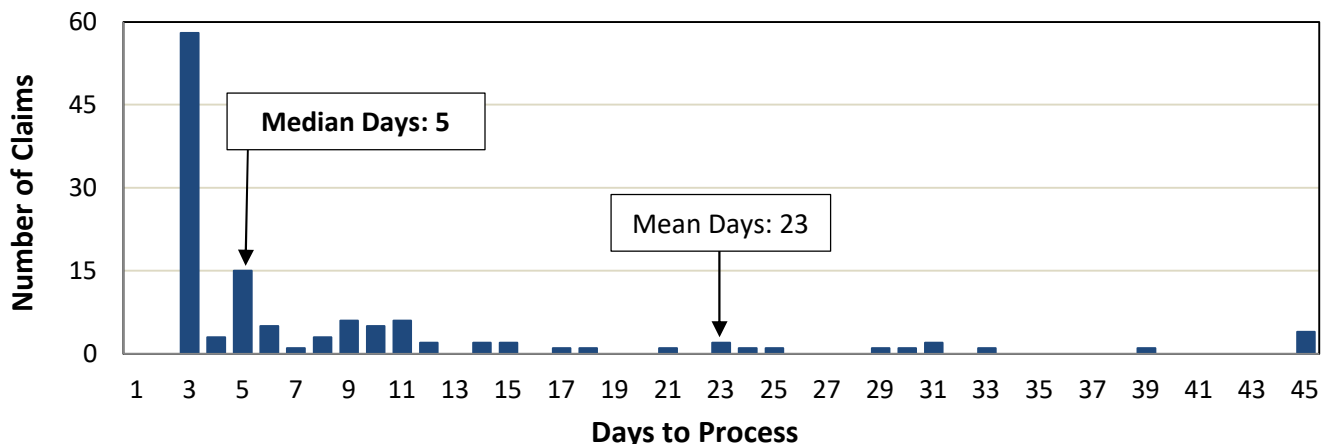
The following table illustrates Kaiser’s performance was in the highest quartile for all of CTI’s benchmarked performance indicators.

Key Performance Indicators	Administrator’s Performance by Quartile				
	Quartile 1	Quartile 2	MEDIAN	Quartile 3	Quartile 4
	Lowest ▶ Highest				
Financial Accuracy: Compares total dollars associated with correct claim payments to total dollars of correct claim payments that should have been made.			98.90%		99.92%
Accurate Payment: Compares number of correctly paid claims to total number of claims paid.			97.60%		99.20%
Accurate Processing: Compares number of claims processed without any type of error (financial or non-financial) to total number of claims processed.			97.11%		99.20%

Claim Turnaround Time

A final measure of claim administration performance is claim turnaround time. Through the audit sample, Kaiser demonstrated its median turnaround time on a complete claim submission was 5 days from the date it received a complete claim to the date the claim was paid or denied.

Median and Mean Claim Turnaround



Random Sample Recommendation

CTI suggests that the EUTF continue to monitor Kaiser’s performance to ensure continued high performance and no new issues arise.

100% Electronic Screening with Targeted Samples Findings

We used our proprietary Electronic Screening and Analysis System (ESAS) software to further analyze claim payment and eligibility maintenance accuracy as well as any opportunities for system and process improvement. Using the data file provided by Kaiser, we adjudicated each line on every claim the plan paid or denied during the audit period against the plan’s benefits. Our Technical Lead Auditor tested a targeted sample of 75 claims to provide insight into Kaiser’s claim administration as well as operational policies and procedures.

The following table shows the medical services identified as potentially overpaid. It is important to note that the amount shown represents potential payment errors; additional testing would be required to substantiate the findings and provide the basis for remedial action planning or recovery.

ESAS Candidates for Additional Testing	Paid/At Risk
Duplicate Payments	\$179,344
Copayment Application – PCP Office Visit	\$2,100
Preventive Services	\$28,208
Denied	\$27,879
With Coinsurance	\$1,159
With Copayment	\$170
Employee Eligibility Screening – Claims Paid*	\$9,181

**CTI notes that 0.016% of the the EUTF’s total medical spend processed by Kaiser was identified as paid for members who may not have been eligible for coverage. This result is lower compared to the less than 0.5% CTI typically reports.*

For specific information on the over and underpayments identified, see the ESAS section of CTI’s **Specific Findings Report**.

100% Electronic Screening with Targeted Samples Recommendations

The EUTF should talk to Kaiser about conducting a focused analysis of the errors identified through ESAS to determine if overpayment recovery and/or system improvements are possible and to reduce or eliminate similar errors going forward. For the issues identified by ESAS, CTI can prepare claim detail for Kaiser to use in its analysis.

We recommend the EUTF review results of the eligibility screening and perform causal analysis to identify workflow and/or system improvements to reduce or eliminate paying claims on ineligible claimants.

Administrative Procedures Review Findings

Kaiser completed our Administrative Procedures Review Questionnaire and provided information on its:

- Systems, staffing, and workflow;
- Claim administration and eligibility maintenance procedures; and
- Internal control risk mechanisms, e.g., HIPAA protections; internal audit policies and practices; and fraud, waste, and abuse detection and prevention.

Our Administrative Procedures Review indicated:

- Kaiser provided its System and Organization (SOC), Type II reports for the period of January 1, 2023 through December 31, 2023. Kaiser’s external audit firm, KPMG, LLP, noted Kaiser had fairly described its systems and controls, and the controls operated effectively to provide reasonable assurance the Control Objectives were achieved throughout the period if complementary subservice organization and user entity controls assumed in the design of Kaiser’s controls operated effectively throughout the period.
- When coordinating benefits as secondary carrier, Kaiser calculated the total allowable if primary payor less the payment by the primary payor to determine the amount payable as secondary. Kaiser was unable to provide a coordination of benefits (COB) savings report because COB savings was not tracked at the group level.
- Kaiser reported 98.6% of claims were received electronically during the audit period and 96.8% of claims were auto adjudicated.
- Kaiser reported it had a \$100.00 minimum dollar threshold to recoup an overpayment and could not automatically recoup a refund from the next payment made to the same provider. An overpayment recovery report was not provided because recoveries were not tracked at the group level.
- Kaiser used two vendors, Equian-Trover and Rawlings Company, to perform subrogation investigation and recoveries. Equian charged a 16.5% commission and Rawlings charged 16.95%. Subrogation recoveries were not adjusted in the claim system, they were credited back to EUTF via journal entry. A subrogation activity report was not provided because recoveries were not tracked at the group level.
- Kaiser used MultiPlan, Cigna, and Health Risk Group to obtain savings for out-of-network provider services. A provider savings report was not provided because savings were not tracked at the group level.
- We screened 100% of non-facility claims against the Office of Inspector General’s List of Excluded Individuals and Entities (OIG’s LEIE) and identified the following providers as sanctioned. Our screening indicated the following provider received payment from the administrator during the audit period.

NPI	Exclusion Date	Reinstatement Date	Exclusion Type	Provider Name	Claim Count	Total Charged	Total Allowed	Total Paid
1932183274	20190120	N/A	1128b4	MICHAEL G FARNSWORTH MD	7	\$2,475	\$1,127	\$1,127
Totals					7	\$2,475	\$1,127	\$1,127

Operational Review Recommendations

- CTI recommends discussing with Kaiser future ability to provide reporting specific to the EUTF for coordination of benefits savings, overpayment, and third-party recovery activity, and out of network savings.
- CTI recommends the EUTF discuss with Kaiser their process for excluding providers on the OIG’s LEIE from future payments.

Compliance with Performance Guarantees

CTI reviewed Kaiser’s self-reported performance results for the performance guarantee goals listed in the following chart. Detailed reports were requested and reconciled against results provided for each stated goal. Kaiser owes **\$22,260.67** to the EUTF for penalties not yet paid as a result of performance guarantees not met during the audit period.

Performance Guarantees and Goals	Audit Result
Call Center Response	
Answer 100% of calls within an average of 20 seconds	Met for all quarters.
Resolve 98% of telephone inquiries/issues resolved at first point of contact	Met for all quarters.
Achieve call abandonment rate below 3%	Met for all quarters.
Claims Processing and Claims Service	
Achieve 99% financial accuracy on claim payments	Met for all quarters.
Achieve 99% of claims coded accurately	Met for all quarters.
Process 99% of claims within 30 calendar days	Met for all quarters.
Process 99% of appeals within 30 calendar days pre-service and 60 calendar days post-service	Met for all quarters
EUTF Trustee and EUTF Administrative Service	
Resolve 98% of enrollee issues within 3 business days	Met for all quarters.
Achieve a 4 or higher on Contractor service levels	Met 2021. Not met 2022 penalty \$44,530 paid via ACH 2/3/23.
Provide all reports within time periods determined by EUTF staff	Met for all periods.
Provide all benefit summaries/guides within time periods determined by EUTF staff.	Met for all periods.
Maintain consistent, local primary account team through contract term	Met for all periods.
Plan Administration	
Load weekly 834 files within 24 hours after receipt and process all transactions (e.g., enrollments, terminations, and other life events) including mailing of ID cards within 48 hours	Met for all periods 2021. Met for all periods 1/1/22 through 5/8/22. Beginning 5/9/22 through 6/30/23 – PG waived due to a new benefit administration system. Waiver documentation provided.
Achieve 99% processing accuracy for transactions	Met for all periods 2021. Met for all periods 1/1/22 through 5/8/22. Beginning 5/9/22 through 6/30/23 – PG waived due to a new benefit administration system. Waiver documentation provided.
Achieve 99% accuracy on an annual reconciliation between Contractor’s enrollees versus the EUTF’s enrollees.	Met 2021. Waived for 2022 as indicated above.
Maintain a geo access of 95% or better	Actives and Retirees: Not met for Molokai for all quarters. Actives: Not met for Lanai Q1 22 and Q3 22. Retirees: Not met for Kauai Q3 21, Q4 21, Q1 22. Documentation was provided showing penalty payments for each quarter.
Participant Service	
Resolve 98% of written inquiries within 10 business days and 100% within 20 business days.	Not met, penalty still owed \$22,260.67 – Q1 22. Not met, \$22,269 penalty paid on 8/3/22 – Q2 22.

Performance Guarantees and Goals	Audit Result
	Not met, \$22,269 penalty paid on 11/2/22 – Q3 22. Met for all other periods.
Achieve 90% satisfaction rate based on enrollee satisfaction survey. The confidence rate must be 95% with a 3% or less error rate.	Met 2021 – 92%. Not met 2022 – 91%, confidence level error rate not met, \$44,530 penalty paid 2/2/23.
Achieve 99% accuracy on communication to participants including ID cards. Letters are to be pre-approved by the EUTF prior to mailing.	Met for all periods.
Wellness and Total Health Management	
Develop and present to EUTF, within ten months of the commencement of the contract, a comprehensive wellness, disease management, integrated health management plan identifying areas for improvement in program utilization and clinical, health metrics.	Met.
Report on Healthcare Effectiveness Data and Information Set (HEDIS) measures Provide a report, in the format required by EUTF, by August 31 annually.	Met.
Report utilization rates and recommendations for improvements for wellness, disease management and integrated health management programs by member type, within 30 days after the end of each quarter.	Met for all periods.
For both the commercial and retiree populations, meet or exceed the national 90th percentile quality benchmark; or show improvement of 5.0% or better from the prior year in the diabetes test result percentage for A1c levels less than or equal to 8.0	Met – 2021 Active. Met – 2021 Retiree. Not met – 2022 Active, \$52,426.25 penalty paid 2/15/24. Met – 2022 Retiree.
For both the commercial and retiree populations, meet or exceed the national 90th percentile quality benchmark; or show improvement of 5.0% or better from the prior year in hypertension control <140/90	Met – 2021 Active. Met – 2021 Retiree. Not met – 2022 Active and Retiree, \$70,400 penalty paid 2/15/24.
Annual burden of disease report by July 31st each year. Data elements, criteria, and reporting format to be provided by EUTF annually.	Met.

CONCLUSION

We understand you will need to review these findings and recommendations to determine your priorities for action. Should the EUTF desire additional assistance with this, our contract offers eight hours of post-audit time to help you create an implementation plan.

CTI also suggests that the EUTF perform a follow-up audit to verify that Kaiser has made the recommended improvements, continues to perform above benchmark, and no new processing issues occur.

We consider it a privilege to have worked with the EUTF and your staff. We welcome any opportunity to assist you in the future. Thank you again for choosing CTI.

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Performance Guarantee Verification

FINDINGS REPORT

**Hawaii Employer-Union Health Benefits Trust Fund Life Insurance Plans
Administered by Securian Financial**

Audit Periods

Active – July 1, 2020 through June 30, 2021

July 1, 2021 through June 30, 2022

July 1, 2022 through June 30, 2023

Retiree – January 1, 2020 through December 31, 2020

January 1, 2021 through December 31, 2021

January 1, 2021 through December 31, 2022

Presented to

Hawaii Employer-Union Health Benefits Trust Fund

December 17, 2024



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TABLE OF CONTENTS

INTRODUCTION.....	3
PERFORMANCE GUARANTEE VERIFICATION	3
CONCLUSION.....	5
APPENDIX – Administrator’s Response to Draft Report.....	6

INTRODUCTION

This **Findings Report** contains CTI’s findings and recommendations from our performance guarantee verification of Securian Financial’s (Securian’s) administration of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) life insurance plans. We provide this report to EUTF, the plan sponsor, and Securian, the claims administrator. A copy of Securian’s response to these findings appears in an Appendix of this report.

We based our findings on the data and information provided by Securian. The validity of our findings relies on the accuracy and completeness of that information.

Verification Objectives

The objectives of CTI’s review of Securian’s self-reported performance guarantee results were to verify the accuracy of the results and penalties due were paid in full to the EUTF.

Verification Scope

CTI reviewed data from Securian in support of their self-reported performance guarantee for the EUTF life plans for the period of July 1, 2020 through June 30, 2023 for actives and January 1, 2020 through December 31, 2022 for retirees.

Performance Guarantee Validation

CTI obtained a copy of the Performance Guarantees from your Administrative Services Agreement (ASA) with Securian to independently validate the administrator’s self-reported performance. To do so, we asked for and reviewed the detail and methodology used by Securian. As a result of CTI’s review, CTI identified **\$11,036** in penalties due to the EUTF. Itemized amounts are bolded in the chart below.

Performance Guarantees and Goals	Audit Result
Call Center Response	
99% of calls answered within an average of 30 seconds (not including calls answered by an automated voice response system).	Q1 2020 – Not Met Q2 2020 – Not Met Paid \$5,525 7/28/20 Q4 2020 – Not Met Paid \$5,528 on 2/11/21 Q1 2023 – Not Met Paid \$5,489 on 5/8/23 Securian owes the following penalties to EUTF: Q1 2020 - \$5,518 Securian stated they rounded the results up to the whole number instead of calculating out to two decimal places as required in the contract.
99% of telephone inquiries/issues resolved at the first point of contact (the number of telephone inquiries/issues completely resolved at the first point of contact divided by the total number of telephone inquiries/issues).	Q1 2020 – Not Met Q1 2021 – Not Met Paid \$5,423 on 5/7/21 Q2 2021 – Not Met Paid \$5,513 on 8/4/21 All Other Quarters Met Securian owes the following penalties to EUTF: Q1 2020 - \$5,518
Achieve call abandonment rate below 1%.	Q3 2020 – Not Met Paid \$5,506 11/9/20 Q4 2020 – Not Met Paid \$5,528 on 2/11/21 Q1 2021 – Not Met Paid \$5,523 on 5/7/21

Performance Guarantees and Goals	Audit Result
	Q2 2021 – Not Met Paid \$5,513 on 8/4/21 Q3 2021 – Not Met Paid \$5,483 on 11/15/21 Q4 2021 – Not Met Paid \$5,506 on 2/9/22 All Other Quarters Met
Claims Processing and Claims Service	
Achieve 99% financial accuracy on claim payments.	All Quarters Met
Process 95% of all claims within 5 business days and 99% within 30 calendar days of receipt of appropriate documents.	All Quarters Met
Resolves 98% of written inquiries within 10 business days and 100% within 20 business days of receipt of the inquiry.	All Quarters Met
Process 99% of appeals within 30 calendar days and 100% within 60 calendar days.	No appeals were filed during the review period.
EUTF Trustee and EUTF Administrative Service	
Resolve 95% of enrollee issues within 3 business days.	No enrollee issues were reported during the review period.
Achieve a level 4 or higher (on a scale of 1 to 5) on Contractor service levels to the EUTF staff as rated by the EUTF staff selected by the Administrator on an annual basis. The EUTF will determine the evaluation criteria.	2020 – Met 2021 – Met 2022 – Met
Provide all quarterly reports as described in this RFP plus any additional reports requested by the EUTF within time periods determined by the EUTF staff.	Emails were reviewed showing quarterly reports were delivered timely.
Provide all reports as described in this RFP plus any additional reports requested by the EUTF within time periods determined by the EUTF staff.	Emails were reviewed showing reports were delivered timely.
Plan Administration	
Load weekly 834 files within 24 hours after receipt and process all transactions (e.g., enrollments, terminations, and other life events) within 48 hours.	All Quarters Met
Process 99% of all transactions accurately.	Q1 2020 – Not Met Paid \$5,518 on 5/18/20 Q2 2020 – Not Met Paid \$5,525 on 7/28/20 All Other Quarters Met

CONCLUSION

We consider it a privilege to have worked for, and with, your staff and administrator. Our contract offers eight hours of post-audit time to help you develop an implementation plan should EUTF desire additional assistance in that regard.

Thank you again for choosing CTI.

APPENDIX – ADMINISTRATOR RESPONSE TO DRAFT REPORT

Your administrator’s response to the draft report follows.

RE: Hawaii EUTF Audit Results - Securian Responses (encrypt)

From: Elsner, Kjirsten B.
To: Joni Amato
Cc:
Sent: 11/26/2024 3:50:41 PM

Hi Joni,

Securian’s response:

Securian agrees with CTI’s audit findings, and we agree with the calculated penalty of \$11,036 for the two Q1 2020 performance guarantee penalties. The payment for these penalties is in process and the checks will be sent to EUTF shortly.

Joni, if you would like me to update you when this payment is issued, I can let you know.

Thank you and have a Happy Thanksgiving,
Kjirsten

Kjirsten Elsner, FLMI

Pronouns: she/her/hers

Relationship Management Director

Employee Benefits Solutions

kjirsten.elsner@securian.com

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December 11, 2024

TO: EUTF Board of Trustees
FROM: Investment Committee
SUBJECT: December 10, 2024 Investment Committee Meeting Report

The Investment Committee met on December 10, 2024 and discussed the following:

1. Private Equity Pacing Update: Meketa presented a pacing plan update for Private Equity (PE). As of 6/30/24, EUTF's PE allocation is 10.2% versus the interim target of 10.5% and long-term target of 15%. The recommended pacing plan for 2025 is \$360 million across 3-5 partnerships, ranging from \$45-115 million each. This represents an increase of \$60 million over the 2024 target. In addition, up to \$75 million in up to five co-investments, ranging from \$15-25 million each.

Recommendation to the Board: Approve the 2025 Private Equity Pacing Plan.

2. Private Credit Pacing Update: Callan presented a pacing plan update for Private Credit (PC). As of 6/30/24, EUTF's PC allocation is 7.6% versus an interim target of 7.5% and long-term target of 10%. The recommended pacing plan for 2025 is \$350 million across 3-6 partnerships, ranging from \$75-150 million each. This represents an increase of \$50 million over the 2024 target.

Recommendation to the Board: Approve the 2025 Private Credit Pacing Plan.

3. Private Real Assets Pacing Update: Callan presented a pacing plan update for Real Assets (RA). As of 6/30/24, EUTF's RA allocation is 9% versus an interim target of 9% and long-term target of 12%. The recommended pacing plan for 2025 is \$215 million across 2-4 partnerships, ranging from \$50-100 million each for real estate funds and \$50-75 million each for infrastructure funds. This represents an increase of \$15 million over the 2024 target.

Recommendation to the Board: Approve the 2025 Private Real Assets Pacing Plan.

4. Investment Policy Statement Update: EUTF staff presented the updated Investment Policy Statement (IPS) for review and approval. Updates included a new selection process for non-private market managers, the performance objective for the EUTF Trust Fund, defining leverage utilization within private real assets, delegating authority to EUTF staff related to time sensitive matters for private market funds, updated strategic targets and ranges for OPEB and the EUTF Trust Fund, and removing and updating benchmarks and managers that are no longer applicable.

Recommendation to the Board: Approve the revised Investment Policy Statement.

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.

Memorandum to the EUTF Board of Trustees

Subject: December 10, 2024 Investment Committee Meeting Report

December 11, 2024

Page 2

5. Investment Manager Due Diligence Update: EUTF staff presented a memorandum regarding the ongoing due diligence of existing investment managers. The Investment Policy Statement sets guidelines for manager monitoring, including periodic onsite due diligence meetings. EUTF staff and our investment consultants continue to meet with managers within the required frequency.



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Memorandum

To: Board of Trustees
 Hawaii Employer-Union Health Benefits Trust Fund

From: Stephen Murphy *[Signature]*

Date: December 17, 2024

Re: 2025/2026 Active Prescription Drug Rates

Segal projected the Active rates for the self-insured prescription drug benefit effective July 1, 2025, through June 30, 2026. The projections include approved plan changes at the May 28, 2024, and October 22, 2024, Board meetings, and the results of the contract improvements from RFP 24-001.

The attached tables include a comparison of the prior year's rates with this year's rates, in addition to the rate development for each Active composite rate. The historical composite rate changes are noted in the table below.

Vendor	2022/2023	2023/2024	2024/2025	2025/2026
CVS	12.1%	1.2%	18.4%	22.6%

As requested by the EUTF, Segal has also provided adjusted EUTF prescription drug rates based on two scenarios. Page 5 demonstrates the immediate impact of combining all EUTF prescription drug plans with the same premium rate. Alternatively, page 6 illustrates a gradual impact of combining all EUTF prescription drug plans with the same premium rate by increasing the 75/25 PPO prescription drug premiums and reducing the projected increase to the 90/10 PPO, 80/20 PPO, and HMO prescription drug premiums.

We look forward to discussing this with you at the upcoming meeting.

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Attachment (5920607)

**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 Prescription Drug Monthly Rates**

Current Rating Methodology

Active Plans	Monthly Rates 7/1/2024 - 6/30/2025	Monthly Rates 7/1/2025 - 6/30/2026 ⁽¹⁾	\$ Change from 24-25	% Change from 24-25
EUTF 90/10 PPO, 80/20 PPO, and HMO Plans Combined - All BUs				
Single	\$ 232.76	\$ 268.06	\$ 35.30	15.2%
Two-Party	565.58	651.36	85.78	15.2%
Family	720.58	829.86	109.28	15.2%
Composite	\$ 375.75	\$ 427.42	\$ 51.67	13.8%
EUTF 75/25 PPO Plan - All BUs				
Single	\$ 104.36	\$ 139.76	\$ 35.40	33.9%
Two-Party	253.58	339.60	86.02	33.9%
Family	323.08	432.66	109.58	33.9%
Composite	\$ 193.12	\$ 256.85	\$ 63.73	33.0%
HSTA VB PPO Plan				
Single	\$ 210.78	\$ 243.54	\$ 32.76	15.5%
Two-Party	512.18	591.78	79.60	15.5%
Family	652.54	753.96	101.42	15.5%
Composite	\$ 439.28	\$ 507.32	\$ 68.04	15.5%

⁽¹⁾ Includes plan changes below approved at the 10/22/2024 Board meeting and savings as a result of the RFP 24-001:

- Effective 7/1/25: Add Hyperinflation Management and Basic Control Formulary for EUTF actives
- Effective 7/1/25: Remove metformin and diabetic supplies from the 24-month smart logic lookback period for EUTF actives

The projections in this report are estimates of future costs and are based on information available to Segal at the time the projections were made. Segal has not audited the information provided. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, health trend rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period increases.

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**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 Prescription Drug Monthly Rates**

Projection of Rx Costs for Actives

	EUTF 90/10, 80/20 PPO and HMO Combined	EUTF 75/25 PPO	HSTA VB PPO
Experience Period: 10/2023-9/2024			
1. Claims	\$ 86,064,577	\$ 72,051,713	\$ 17,384,843
2. Rebates - Estimated	\$ (25,004,200)	\$ (20,786,400)	\$ (4,658,500)
3. Employee Enrollment	170,019	244,224	29,581
Projection Period: 7/2025-6/2026			
Annual trend			
4. Claims	11.0%	11.0%	11.0%
5. Rebates	0.0%	0.0%	0.0%
6. Trend months	21.0	21.0	21.0
Applied Trend			
7. Claims (1 + 4.) ^ (6. / 12)	1.200	1.200	1.200
8. Rebates (1 + 5.) ^ (6. / 12)	1.000	1.000	1.000
9. Claims adjustment for historical benefit changes and pricing changes ⁽¹⁾	1.001	1.001	1.001
10. Claims adjustment for future benefit changes and pricing changes ⁽²⁾	0.943	0.943	0.948
11. Rebates adjustment for future pricing changes ^{(2) (3)}	1.110	1.070	1.140
12. Enrollment and Claims Fluctuation Factor	1.026	1.034	1.023
Projected Costs PEPM:			
13. Claims (1. / 3. x 7. x 9. x 10. x 12.)	\$ 588.73	\$ 345.92	\$ 684.85
14. Rebates (2. / 3. x 8. x 11.)	\$ (163.31)	\$ (91.07)	\$ (179.53)
15. Caremark Administration Fee	\$ 2.00	\$ 2.00	\$ 2.00
Projected Costs PEPM: 7/2025-6/2026	\$ 427.42	\$ 256.85	\$ 507.32
Prior Projected Costs PEPM: 7/2024-6/2025	\$ 375.75	\$ 193.12	\$ 439.28
Percent Change	13.8%	33.0%	15.5%

- (1) Includes the following historical benefit changes:
- Effective 7/1/24: Adjustments for pricing changes as a result of the RFP 20-003; Coverage of Auvi-Q for EUTF; Added prior authorization on Rezdifra for EUTF
- (2) Includes the following future benefit change:
- Effective 7/1/25: Adjustments for pricing changes as a result of the RFP 24-001
 - Effective 7/1/25: Add Hyperinflation Management and Basic Control Formulary for EUTF
 - Effective 7/1/25: Remove metformin and diabetic supplies from the 24-month smart logic lookback period for EUTF
- (3) Projected rebates include \$7.1 million reduction as projected by CVS for 2025/2026 due to contractual Rebate Credits.

**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 Prescription Drug Monthly Rates**

EUTF PPO and HMO Plans Combined

Active Plans	Monthly Rates 7/1/2024 - 6/30/2025	Monthly Rates 7/1/2025 - 6/30/2026 ⁽¹⁾	\$ Change from 24-25	% Change from 24-25
<i>EUTF PPO and HMO Plans Combined - All BUs including BU12</i>				
Single	\$ 154.38	\$ 186.42	\$ 32.04	20.8%
Two-Party	375.12	452.98	77.86	20.8%
Family	477.94	577.12	99.18	20.8%
Composite	\$ 270.26	\$ 324.59	\$ 54.33	20.1%
<i>HSTA VB PPO Plan</i>				
Single	\$ 210.78	\$ 243.54	\$ 32.76	15.5%
Two-Party	512.18	591.78	79.60	15.5%
Family	652.54	753.96	101.42	15.5%
Composite	\$ 439.28	\$ 507.32	\$ 68.04	15.5%

Note: Combined EUTF PPO and HMO rates are calculated based on weighted average enrollment and are for illustrative purposes only.

⁽¹⁾ Includes plan changes below approved at the 10/22/2024 Board meeting and savings as a result of the RFP 24-001:

- Effective 7/1/25: Add Hyperinflation Management and Basic Control Formulary for EUTF actives
- Effective 7/1/25: Remove metformin and diabetic supplies from the 24-month smart logic lookback period for EUTF actives

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**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 Prescription Drug Monthly Rates**

Current Rating Methodology with Adjustments to EUTF Plans

Active Plans	Monthly Rates 7/1/2024 - 6/30/2025	Monthly Rates 7/1/2025 - 6/30/2026 ⁽¹⁾	\$ Change from 24-25	% Change from 24-25
EUTF 90/10 PPO, 80/20 PPO, and HMO Plans Combined - All BUs				
Single	\$ 232.76	\$ 250.56	\$ 17.80	7.6%
Two-Party	565.58	608.84	43.26	7.6%
Family	<u>720.58</u>	<u>775.68</u>	<u>55.10</u>	7.6%
Composite	\$ 375.75	\$ 399.53	\$ 23.78	6.3%
EUTF 75/25 PPO Plan - All BUs				
Single	\$ 104.36	\$ 149.78	\$ 45.42	43.5%
Two-Party	253.58	363.94	110.36	43.5%
Family	<u>323.08</u>	<u>463.68</u>	<u>140.60</u>	43.5%
Composite	\$ 193.12	\$ 275.23	\$ 82.11	42.5%
HSTA VB PPO Plan				
Single	\$ 210.78	\$ 243.54	\$ 32.76	15.5%
Two-Party	512.18	591.78	79.60	15.5%
Family	<u>652.54</u>	<u>753.96</u>	<u>101.42</u>	15.5%
Composite	\$ 439.28	\$ 507.32	\$ 68.04	15.5%

⁽¹⁾ Includes plan changes below approved at the 10/22/2024 Board meeting and savings as a result of the RFP 24-001:

- Effective 7/1/25: Add Hyperinflation Management and Basic Control Formulary for EUTF actives
- Effective 7/1/25: Remove metformin and diabetic supplies from the 24-month smart logic lookback period for EUTF actives

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Memorandum

To: Board of Trustees
 Hawaii Employer-Union Health Benefits Trust Fund

From: Stephen Murphy *sm*

Date: December 17, 2024

Re: 2025/2026 Active Supplemental Medical and Prescription Drug Plan Rates

Segal projected the Actives rates for the self-insured Supplemental Medical and Prescription Drug Plan effective July 1, 2025, through June 30, 2026. This includes the administrative fee proposed by Verdegard Administrators (formerly known as HMA) in RFP 24-001.

The attached tables include a comparison of the prior year’s rates with this year’s rates, in addition to the rate development. The historical composite rate changes are noted in the table below.

Vendor	2022/2023	2023/2024	2024/2025	2025/2026
Verdegard	-17.8%	3.7%	2.0%	3.8%

We look forward to reviewing this memorandum with you.

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Attachment (5919472)

**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 EUTF Actives Supplemental Medical and Prescription Drug Plan
Monthly Rates**

Plan		Enrollment ⁽¹⁾	Current Rates 7/1/2024 - 6/30/2025			Projected Rates 7/1/2025 - 6/30/2026			% Change	
			Claims	ASO Fees ⁽²⁾	Total	Claims	ASO Fees ⁽³⁾	Total	Claims	Total
EUTF Actives -	Single	146	\$18.08	\$16.60	\$34.68	\$18.78	\$17.18	\$35.96	3.9%	3.7%
Supplemental	Two-Party	126	\$45.22	\$16.60	\$61.82	\$47.00	\$17.18	\$64.18	3.9%	3.8%
Plan	Family	271	\$50.34	\$16.60	\$66.94	\$52.32	\$17.18	\$69.50	3.9%	3.8%

⁽¹⁾ Enrollment based on EUTF September 2024 Enrollment Report

⁽²⁾ As proposed by HMA in RFP 20-003.

⁽³⁾ As proposed by Verdegard Administrators (fka HMA) in RFP 24-001.

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**Hawaii Employer-Union Health Benefits Trust Fund
2025/2026 EUTF Actives Supplemental Medical and Prescription Drug Plan
Self-Insured Claims Projection**

	<u>Incurred Claims</u> ⁽¹⁾	<u>Subscribers</u> ⁽¹⁾	<u>Incurred Claims</u> <u>PEPM</u>	<u>Trend Factor</u> ⁽²⁾	<u>Credibility Factor</u>	<u>Trended Incurred</u> <u>Claims PEPM</u>
7/22-6/23	\$ 280,900	/ 7,352	= \$ 38.21	x 1.0927	x 40%	= \$ 16.70
7/23-6/24	\$ 281,700	/ 7,069	= \$ 39.85	x 1.0609	x 60%	= <u>25.37</u>
						\$ 42.07

	<u>10/23 Enrollment</u> <u>from EUTF</u>	<u>Current Claims</u> <u>7/24-6/25</u>	<u>Current Claims</u> <u>Tier Factor</u> ⁽³⁾	<u>9/24 Enrollment</u> <u>from EUTF</u>	<u>Projected Claims</u> <u>7/25-6/26</u>	<u>Projected Claims</u> <u>Tier Factor</u> ⁽³⁾
Single	162	\$ 18.08	1.00	146	\$ 18.78	1.00
Two-Party	130	\$ 45.22	2.50	126	\$ 47.00	2.50
Family	<u>304</u>	<u>\$ 50.34</u>	<u>2.78</u>	<u>271</u>	<u>\$ 52.32</u>	<u>2.78</u>
Total	596	\$ 40.46	2.24	543	\$ 42.06	2.24

Notes

- (1) Incurred Claims and Subscribers based on monthly experience report provided by Verdegard, adjusted based on actual run-out.
- (2) Trend factor based on 3% utilization increase trended to 7/25-6/26 for 36 months for 7/22-6/23 experience and for 24 months for 7/23-6/24 experience.
- (3) Tier factor based on prior projection's tier factors and updated based on September 2024 enrollment provided by EUTF.

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JOSH GREEN, M.D.
GOVERNOR
SYLVIA LUKE
LIEUTENANT GOVERNOR

**STATE OF HAWAII'
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**

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December 13, 2024

TO: Board of Trustees
FROM: Derek Mizuno, Administrator
RE: Board Meeting Schedule for Fiscal Year 2026

The following is a summary of Board and Committee meetings for the next 12-18 months:

Board meetings (12 meetings)

- In general, 4th Tuesday of every month at 9:00 a.m.

Benefits Committee (generally six meetings)

- February 4, 2025 – HMSA and KP annual disease burden and HEDIS reports ending December 31, 2023 and 2025 communication plans and upcoming plan changes.
- April 8, 2025 – prescription drug semi-annual utilization reports ending December 31, prescription drug plan changes and Segal retiree annual prescription drug report.
- May 20, 2025 – medical semi-annual utilization reports and dental and vision retiree annual reports ending December 31, plan changes and Segal retiree annual report.
- August 20, 2025 (tentative) – HMSA and KP Disease Management/Integrated Health Management improvement plans and HMSA medical program updates
- October 21, 2025(tentative) – prescription drug semi-annual utilization reports ending June 30 and prescription drug plan changes.
- November 19, 2025 (tentative) – medical semi-annual utilization reports, and dental and vision active annual reports ending June 30, plan changes and Segal active annual report.

Investment committee (minimum four meetings)

- In general, 7th Monday/Tuesday after quarter end
- Quarterly total portfolio performance reports
- Private market manager proposals
- Education

Administrative Committee (generally four meetings)

- January/February – 2021-2025 strategic plan update and 2025-2029 draft strategic plan
- May – proposed EUTF Administrative Rule changes and 2021-2025 strategic plan update
- August – proposed legislative proposals and budget
- October – Report to Legislature, strategic plan update and personnel matters

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.

- December – 2021-2025 strategic plan update and personnel matters

Tentative Board Meeting Schedule

FY25 Remaining Schedule


- Monday 9:00 a.m., January 13, 2025
- Tuesday 9:00 a.m., February 11, 2025
- Tuesday 9:00 a.m., March 11, 2025
- Tuesday 9:00 a.m., April 15, 2025
- Tuesday 9:00 a.m., May 27, 2025
- Tuesday 9:00 a.m., June 24, 2025

FY26 Proposed Schedule

- Tuesday 9:00 a.m., July 29, 2025
- Tuesday 9:00 a.m., August 26, 2025
- Tuesday 9:00 a.m., September 23, 2025
- Tuesday 9:00 a.m., October 28, 2025
- Tuesday 9:00 a.m., November 25, 2025 (IFEBP Annual Conference 11/9-11/12 in Honolulu)
- Tuesday 9:00 a.m., December 16, 2025 (3rd Tuesday, week prior to Christmas)
- Monday 9:00 a.m., January 19, 2026 (3rd Monday, actuarial valuation presentation)
- Tuesday 9:00 a.m., February 17, 2026 (3rd Tuesday to take positions on Legislative bills)
- Tuesday 9:00 a.m., March 24, 2026 (Spring Break is 3/16-3/20)
- Tuesday 9:00 a.m., April 28, 2026
- Tuesday 9:00 a.m., May 26, 2026
- Tuesday 9:00 a.m., June 23, 2026

Memorandum

To: Board of Trustees
Hawaii Employer-Union Health Benefits Trust Fund

From:  Stephen Murphy

Date: December 17, 2024

Re: Segal Reports - Compliance News

Attached for the Board of Trustees' information is compliance news impacting EUTF's health plans.

New Guidance on Preventive Services (November 25, 2024)

The Departments of Labor, Health and Human Services, and the Treasury (collectively, the Departments) have published guidance in the form of FAQs on:

- Preventive care coverage for pre-exposure prophylaxis (PrEP) medication taken to prevent human immunodeficiency virus (HIV)
 - For plan years beginning on or after August 31, 2024, plans must cover, without cost sharing, the three formulations of FDA-approved PrEP medications (two oral and one injectable) that the United States Preventive Services Task Force (USPSTF) recommended in 2023 be covered under the ACA: Truvada® (a tablet approved in July 2012), Descovy® (a tablet approved in October 2019) and Apretude (an injectable drug approved in December 2021).
 - Plans must not be permitted to use medical management techniques to direct individuals prescribed PrEP to use one formulation over another.
 - Reaffirms that plans must cover without cost-sharing specified baseline, follow-up testing and monitoring services that are essential to the efficacy of PrEP.

Note: EUTF and HSTA VB s Active plans will be compliant with these new requirements effective 7/1/2025, upon Board approval and execution of required CVS form(s) (e.g., Client Requirements Document, Clinical Plan Management, etc.). A Retiree only plan is not subject to the group health standards of ACA.

- Coding requirements for preventive services claims
 - Plans should cover preventive services claims from in-network providers with no cost-sharing when providers submit the claims using industry-standard coding, unless the plan has individualized information that the services were not preventive for the individual.

- If a provider determines that an individual belongs to a high-risk population and a preventive service recommendation applies to that high-risk population, then the plan is required to cover that service without cost sharing.
- If a plan's fraud, waste and abuse (FWA) protocols identify an issue with a claim for a recommended preventive item or service, plans and issuers should not impose cost sharing (or deny the claim) without individualized information to establish FWA concerns.
- The scope of breast reconstruction coverage under the ACA and the Women's Health and Cancer Rights Act (WHCRA)
 - A health plan or insurer subject to the WHCRA [and] provides medical and surgical benefits with respect to a mastectomy...must cover all stages of reconstruction of the breast on which the mastectomy was performed and surgery and reconstruction of the other breast to produce a symmetrical appearance, in a manner determined in consultation with the attending physician and the patient. The FAQs clarify that WHCRA requires plans that cover mastectomies must also provide coverage for chest wall reconstruction with aesthetic flat closure as a type of breast reconstruction.

Attachments

cc: Derek Mizuno, EUTF
Lara Nitta, EUTF

New Guidance on Preventive Services

The Departments of Labor, Health and Human Services, and the Treasury (collectively, the Departments) have published guidance in the form of FAQs on:



- Preventive care coverage for pre-exposure prophylaxis (PrEP) medication taken to prevent human immunodeficiency virus (HIV)
- Coding requirements for preventive services claims
- The scope of breast reconstruction coverage under the ACA and the Women’s Health and Cancer Rights Act (WHCRA)

PrEP coverage

FAQs Part 68 states that, for plan years beginning on or after August 31, 2024, plans must cover, without cost sharing, the three formulations of FDA-approved PrEP medications (two oral and one injectable) that the United States Preventive Services Task Force (USPSTF) recommended in 2023 be covered under the ACA: Truvada® (a tablet approved in July 2012), Descovy® (a tablet approved in October 2019) and Apretude (an injectable drug approved in December 2021).

Additionally, FAQs Part 68 clarifies that plans must not be permitted to use medical management techniques to direct individuals prescribed PrEP to use one formulation over another because the 2023 USPSTF recommendation for PrEP specifies three formulations of medications approved by the FDA for PrEP use.

FAQs Part 68 also reaffirms [FAQs Part 47](#), which were issued on July 19, 2021, requiring that plans must cover without cost-sharing specified baseline, follow-up testing and monitoring services that are essential to the efficacy of PrEP. Baseline, follow-up, and monitoring services include HIV testing, Hepatitis B and C testing, creatinine testing and calculated estimated creatine clearance or glomerular filtration rate, pregnancy testing, sexually transmitted infection screening and counseling, and adherence counseling.

Coding for recommended preventive items and services

The new FAQs ([FAQs Part 68](#)) note it is critical that appropriate medical service codes identify when items and services are furnished as preventive items or services, and that plans correctly process such claims as claims for recommended preventive items and service.

In-network claims for preventive services

Plans should cover preventive services claims from in-network providers with no cost-sharing when providers submit the claims using industry-standard coding, unless the plan has individualized information that the services were not preventive for the individual. Mere suggestions that a claim was not preventive cannot be used to deny payment as preventive and should be further investigated by the plan. Plans can use their claims and appeals procedures to obtain substantiating information.

High-risk patients

If a provider determines that an individual belongs to a high-risk population and a preventive service recommendation applies to that high-risk population, then the plan is required to cover that service without cost sharing.

Fraud, waste and abuse

When evaluating claims, plans may use programs designed to detect and address fraud, waste and abuse (FWA). However, if a plan's FWA protocols identify an issue with a claim for a recommended preventive item or service, plans and issuers should not impose cost sharing (or deny the claim) without individualized information to establish FWA concerns.

Examples

The FAQs provide examples of how the guidance applies to colonoscopies, injectable contraceptives, screening mammography and kidney function tests for individuals taking PrEP.

Breast reconstruction coverage under the ACA and WHCRA

If a health plan or insurer subject to the WHCRA provides medical and surgical benefits with respect to a mastectomy, the plan must cover all stages of reconstruction of the breast on which the mastectomy was performed and surgery and reconstruction of the other breast to produce a symmetrical appearance, in a manner determined in consultation with the attending physician and the patient.

The FAQs provide further detailed clinical guidance. They clarify that WHCRA requires group health plans and insurers offering group health benefits covering mastectomies to provide coverage for chest wall reconstruction with aesthetic flat closure as a type of breast reconstruction.

Action items

Plan sponsors should contact their pharmacy benefit managers to ensure that they will comply with the new requirements to offer PrEP without steering patients to one version or another.

Plans should review their coding guidelines, claims processing systems, and other relevant internal protocols and make any necessary modifications to ensure that claims for recommended preventive items or services (including items and services that are integral to the furnishing of a recommended preventive item or service) are properly covered without cost sharing.

The Departments did not specify an effective date for the clinical guidance on breast reconstruction coverage, so plan sponsors should implement this requirement immediately.

This page is for informational purposes only and does not constitute legal, tax or investment advice. You are encouraged to discuss the issues raised here with your legal, tax and other advisors before determining how the issues apply to your specific situations.




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Memorandum

To: Board of Trustees
Hawaii Employer-Union Health Benefits Trust Fund

From: Stephen Murphy 

Date: December 17, 2024

Re: Segal's 2024 Fourth Quarter *Trends* Report

Segal's 2024 Fourth Quarter *Trends* report spotlights the value of data analytics to assess the effectiveness of these primary cost management strategies:

- Plan Design and Network Management
- Vendor Management
- Population Health Management

Traditionally restricted to self-funded plan sponsors, Segal's Health Analysis of Plan Experience (SHAPE) data analytics platform enables EUTF to identify its key-cost drivers and focus on strategies intended to improve patient outcomes while minimizing costs. Prevalent data analytic strategies include:

- Financial cost management
- Risk assessment and management
- Vendor Management
- Participant engagement

SHAPE has assisted EUTF in identifying cancer, circulatory conditions, musculoskeletal conditions, and diabetes as its key cost drivers. Consequently, EUTF has been able to proactively work with its vendor partners (e.g., HMSA and CVS) to engage eligible members in targeted condition management programs like Virta's Type 2 Diabetes Reversal program.

Through SHAPE, EUTF will be able to independently validate program participation and assess the financial impact of programs like Virta.

cc: Derek Mizuno, EUTF
Lara Nitta, EUTF

Trends

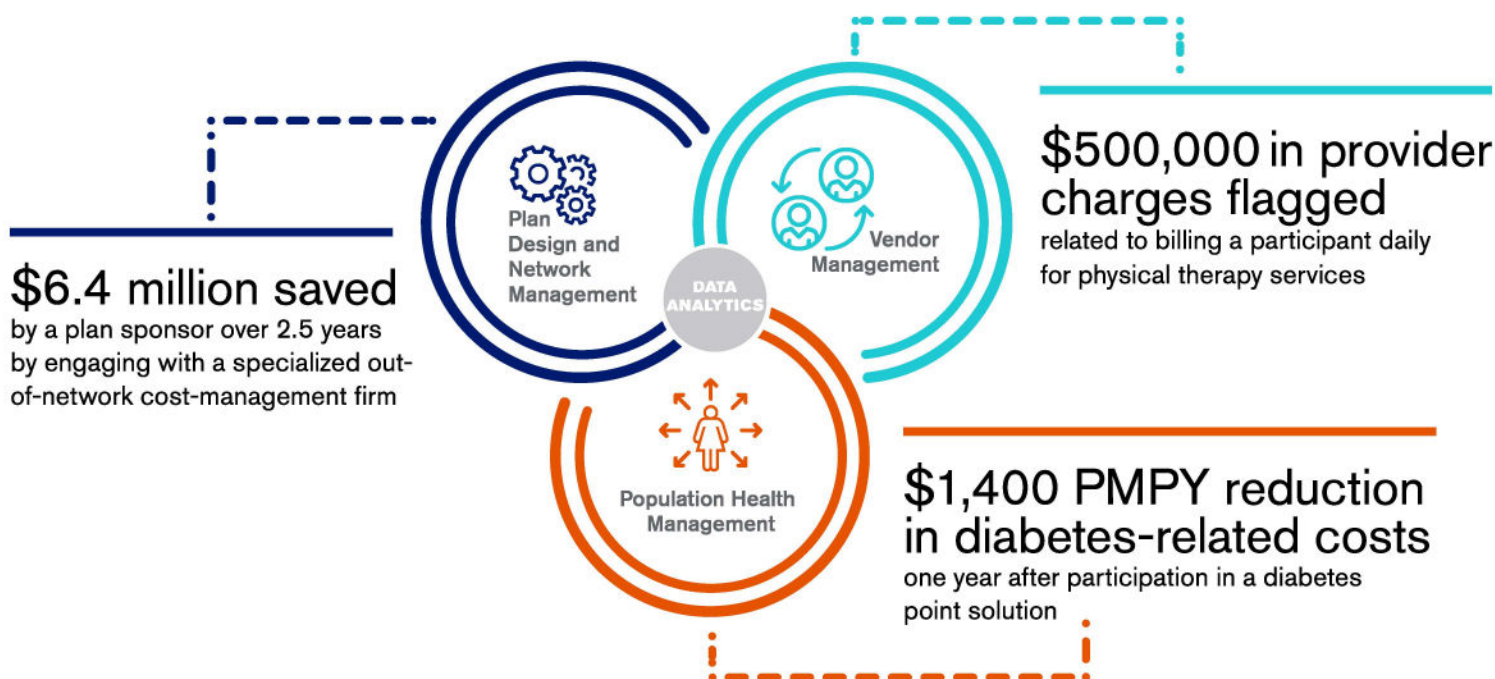
Statistics and Strategies for Health Plan Sponsors

Fourth Quarter 2024

Key statistics

Segal's balanced, three-pronged approach to effective healthcare cost management involves managing plan design/networks, vendors and population health, with data analytics being central to supporting each of those cost-management strategies.

Sample Results of Data Analytics for Each of Three Effective Cost-Management Strategies



Source: Segal's SHAPE data warehouse, 2024

Using data analytics to improve health plan performance and outcomes

Approximately 25 percent of healthcare spending in the U.S. is considered wasteful, according to several studies, including one published in the American Medical Association's journal [JAMA](#)[®]. This waste includes costs from duplicate services, variation in treatment costs, inefficiencies in contracting, overtreatment or use of low-value treatment, costs of [fraud and abuse](#), and other administrative complexities.

Waste and the [high rate of health plan cost trends](#) highlight the need for plan sponsors to use data analytics. Because one cannot manage what isn't measured, plan sponsors use data analytics to understand the true drivers of cost, so they can focus their cost-management strategies more efficiently and align them with the changing environment as well as improve participant outcomes.

Data analytics strategies

These are the most common data analytics strategies:

- **Financial cost management.** Data analytics are used to evaluate plan expenses, understand trend and monitor claims reserves. Plan sponsors often analyze spending patterns to identify areas where costs can be reduced without compromising quality. This can include use of anomaly detection algorithms to identify and prevent fraudulent claims or transactions.
- **Risk assessment and management.** Plan sponsors can use predictive modeling to identify high-risk participants within a population, which allows for targeted, clinical interventions that aim to reduce future costs by preventing costly complications, hospitalizations and hospital readmissions for the same illness. By identifying those at high risk for disease, emphasis can be placed on early detection and treatment with less invasive and less costly options. Assessing the severity of participants' conditions will identify those needing significant care management.
- **Benefit design optimization.** This data analytics strategy examines how participants use different benefits to identify underutilized or overutilized services. The results can be used to design benefit plans that better meet the needs of different participant groups based on usage patterns and preferences.
- **Vendor management.** Plan sponsors with data analytics capabilities can better hold their vendors and administrators accountable for meeting service and performance guarantees that deliver value. Data analytics can also be used to evaluate the cost-effectiveness of different vendors and negotiate better terms based on the data insights.
- **Health and wellness outcomes.** Plan sponsors use data analytics to track key performance indicators to measure the effectiveness of benefit programs. The strategy can be used to assess the impact of specific interventions on participant outcomes or financial well-being.
- **Participant engagement.** Data analytics can analyze participant behavior to understand engagement levels and identify factors that drive engagement. This information can be used to develop incentive programs that increase engagement in wellness programs.
- **Regulatory compliance.** Plan sponsors use data analytics to identify the financial impact of new regulations, such as the recently issued final mental health parity rules and confirm their benefit plans are in compliance with regulatory requirements.

By using these strategies, plan sponsors can make data-driven decisions that enhance the value of their benefits program, improve participant satisfaction and manage costs more effectively.

From theory to practice

Most plan sponsors rely on their healthcare vendors to provide data on their plan costs and utilization. These sponsors need to decide if the data analytics offered by their existing healthcare vendors is sufficient.

While healthcare vendors have sophisticated reporting, most plan sponsors use many administrators and reporting is not integrated. Furthermore, vendor reporting may be unlikely to highlight results that are unfavorable to the vendor. Consequently, outsourcing data analytics to an independent plan advocate may make sense, to get a holistic view.

Compliance reminder: Final mental health parity rules establish new standards

The final rules set forth new standards for imposing nonquantitative treatment limitations (NQTLS) on mental health and substance use disorder conditions and require additional data collection and evaluation requirements for compliant NQTL documented comparative analyses. Plan sponsors should evaluate the final rules and determine the impact on future Mental Health Parity and Addiction Equity Act compliance efforts.

Learn more about the final rules in our [September 26, 2024 insight](#).

To discuss the implications for your plan of anything covered here, contact your Segal consultant or [get in touch via our website, segalco.com](#).

This *Trends* was published in October 2024. For previous issues of *Trends* or other Segal publications, [visit the insights page of our website, segalco.com](#).

Trends is for informational purposes only and does not constitute legal, tax or investment advice. You are encouraged to discuss the issues raised here with your legal, tax and other advisors before determining how the issues apply to your specific situations.

Administrator's Monthly Report to the Board

Coverage Period: November 16 – December 6, 2024

Ongoing Projects/Issues

No.	Current Status	Progress Made	Problems/Issues	Next Steps
1.	Meetings with Legislators and Unions	11/21 Senate President Kouchi 12/02 Speaker Nakamura staff 12/03 WAM Vice Chair Moriwaki Prior to 11/16/24 met with four unions and one retiree group.	None	To continue meetings with Legislators and Union heads.
2.	Staffing Update	Total positions 62 <i>Ongoing recruitment</i> 1. MSB Member Services Clerk 2. MSB Member Services Representative 3. FSB Account Clerk III 4. FSB Account Clerk III 5. FSB Account Clerk IV 6. ADMIN Investment Analyst		
3.	Training	EUTF staff IFEBP Annual Conference (11/10-11/13) reports (attached) 1/28-1/29 IFEBP Health Benefits Expo, St. Petersburg, FL 3/24-3/26 Pension Bridge Annual Conference, Half Moon Bay, CA 4/28-4/29 Health Care Management Conference, Fort Myers, FL 4/28-5/1 SALGBA Annual Conference, St. Louis, MO 5/17-5/18 NCPERS Fiduciary Program, Denver, CO 5/17-5/18 NCPERS Trustee Educational Seminar, Denver, CO 5/18-5/21 NCPERS Annual Conference, Denver, CO		

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December 6, 2024

TO: Derek Mizuno, Administrator
FROM: Donna Tonaki, Assistant Administrator
SUBJECT: IFEBP Annual Conference

This year's 70th Annual IFEBP Conference was held in San Diego, CA from November 10-13, 2024. The following summarizes the key take aways from some of the sessions that I attended.

Artificial Intelligence (AI)

There were several different sessions on AI for Public Sector Plans and Practical Uses for AI in the Fund Office. The sessions explained the potential benefits and challenges with AI and finding the right balance on how to successfully incorporate AI into the workplace. AI brings efficiency and speed in data processing and has great promise but it is evolutionary and not automatically revolutionary. There are great potential benefits of AI but diligence and understanding solutions and what is real and not is the key. Some of the potential benefits are 1) reduced costs; 2) easier/more efficient self-service for members; 3) more personalization; 4) validation and error correction; and 5) analytics and insights. Some of the potential challenges are 1) misleading information; 2) plagiarism concerns; 3) copyright concerns and legal protection; 4) data confidentiality; and 5) data security.

Follow up:

EUTF has already met with several vendors that demonstrated their AI system. We are working with ETS and Microsoft on implementing AI and will first focus on EUTF information for EUTF staff to use (e.g., EUTF Administrative Rules, HRS and internal processes) for questions from members and for training. In addition, EUTF staff could use AI for helping with writing documents and letters; and for summarizing meetings, documents or emails. Once staff is comfortable with the use of AI, we would consider rolling out AI to EUTF members via our website or call answering. This could reduce customer service time, increase staff productivity on other work tasks, and positively impact the member experience.

Data Automation and Office Efficiency

This session was focused on ensuring efficient operations of a Fund office. A polling took place on the main struggle within your fund office and most attendees were "Resistance to Change". The key to change is to make sure procedures are documented and to involve key personnel in brainstorming sessions. Other takeaways are to reduce manual processes which reduces risk of

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Memorandum to Derek Mizuno, Administrator
December 6, 2024
Subject: IFEBP Annual Conference
Page 2

errors, automate manual workflows, understand how you can automate incoming and outgoing data and documents, and continue to review your workflows.

Follow up:

EUTF currently scans and indexes all forms coming into the office and employers upload HRIS files to update demographic changes, BU changes, new hires and terminations. EUTF will continue to review our manual processes and document our procedures as necessary and strengthen processes to ensure that our operations are running efficiently.



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December 6, 2024

TO: Derek Mizuno
Administrator

FROM: Lauren Endo
Compliance Officer

SUBJECT: 2024 Annual Employee Benefits Conference

The International Foundation of Employee Benefits Plans (IFEBP) held their 70th annual employee benefits conference in San Diego, California from November 10-13, 2024. I also attended a class during the preconference on November 9, 2024. Noted below are key points from the conference sessions and items for further action/follow up.

Cybersecurity and Social Engineering Fraud

This was a half-day session during the preconference which discussed the importance of cybersecurity, security breaches, preventing social engineering, basic breach response process, and insurance coverage. The main points of this session were that the most common types of cybersecurity attacks on plans are from ransomware and phishing schemes. It was also noted that cybersecurity insurance is good to have since it helps those insured in dealing with a breach should one occur.

Follow up: It was noted that entities should have an incident response plan that outlines what to do in case of a major security breach. The incident response plan should be practiced, and those with roles outlined in the plan should know what they are expected to do. EUTF has an incident response plan within its HIPAA Security Policies and Procedures. We will annually review the policy with those that have stated roles.

Understanding Cyber Liability Insurance

This session discussed the following topics related to cyber liability insurance: type of policies, amount of coverage needed, what is covered, and trends to consider. Cyber liability insurance will typically cover incident response (coaching and legal services, credit monitoring, forensics, notification, credit monitoring, public relations) and data recovery if a cybersecurity event, such as a ransomware attack, were to occur. It was noted that cyber crime continues to grow annually, with \$12.5 billion in losses in 2023, and that cyber liability insurance is a “must have” with the amount of incidents that happen annually.

Follow up: The State of Hawaii has a cyber liability insurance policy through the Department of Accounting and General Services Risk Management Office. We will reach out to the Risk

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Management Office to obtain information on what the policy covers, and how we could access the coverage should the need arise.

Cybersecurity Update: Where Are We Now?

This session discussed the costs related to data breaches, the importance of cybersecurity, legal obligations, and best practices for a breach response. It was noted that benefit plans are a popular target for cybercrime because they maintain large amounts of sensitive information and there is access to large sums of money. Also related to this is that each third-party service provider that is utilized by plans are susceptible to attacks which makes vendor selection important. It was recommended that plans have a written information security policy, an incident response plan that is understood and practiced by all parties involved, annual employee training and layered security (such as strong passwords requirements, phishing and penetration tests).

Follow up: EUTF has written security policies, and an incident response plan that is embedded within the security policy. On an ongoing basis, we will review the security policies to ensure that they are up to date and will communicate to staff any changes to the policy. EUTF requires passwords to be complex for logging on to all of its systems. In 2024, EUTF began conducting annual security training for employees. We will research phishing and penetration tests of our systems.

Best Practices in Health Plan Cybersecurity

This session discussed types of cybercrime, complying with the HIPAA security rule, strategies to protect against a cyber attack and responding to a security breach. It was noted that signs of a cyber attack can include: 1) a user realizing that they clicked on a suspicious link or file attachment; 2) an inability to access certain files as malware encrypts, deletes, renames and relocates data; 3) increase in system activity of a computer for no apparent reason; and 4) detection of suspicious network communications between the malware variant at the attackers control servers.

Follow up: It was noted that plans should audit the data practices of their vendors with business associate agreements (BAA) and find out what types of safeguards the vendors have regarding data protection. The EUTF BAA requires vendors to be compliant with all HIPAA security requirements, however, we will research how similar entities audit their vendors.



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December 6, 2024

TO: Derek Mizuno, Administrator
FROM: Katie Matsushima, Eligibility Specialist
SUBJECT: IFEBP Conference 2024

The 70th Annual International Foundation of Employee Benefit Plans Conference was held in San Diego, California from November 10 – 13, 2024. The following summarizes key takeaways and EUTF's current situation.

Communicating with Plan Participants

This session discussed the importance of having a benefits communication action plan. The communication action plan should:

- Identify communication goals to help participants understand their benefits better.
- Increase utilization of benefits.
- Increase participant appreciation for the benefit funds.
- Assist participants in finding forms, contacts, and resources.
- Assist participants in responding to deadlines.
- Encourage healthy lifestyles.
- Comply with benefit fund legal obligations.

Benefit plans communicate with many types of people that span over five different generations. Each generation has different expectations and communication preferences. The EUTF currently utilizes letters, mailings, fax, the EUTF website, and offers Self Service capabilities. The EUTF can consider evolving our communication methods to better meet participant needs, reduce customer service time, and increase member satisfaction by exploring the following:

- Expand video offerings.
- Mobile apps.
- Artificial Intelligence (AI): AI tools that power chatbots, AI tools for generating communications, and AI tools that can track and help us better understand participants and data.

Mental Health Benefits-Helping Your Participants Access Crucial Resources

This session provided an understanding of mental health parity considerations, achieving whole-person care, coverage for substance use disorders, and addressing provider shortages:

- An individual spends approximately 2-3 hours finding the right provider for their healthcare needs and 80% of telehealth is therapy.

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- The number of providers decreases 5% for therapy if a member prefers to meet with a provider in-person.
- Provider shortages are a real problem however, there are ways to address the issue by taking care of high performing providers, checking plan design for limiting language, and insisting that networks of care recruit and retain more providers at all levels.

When appeals are submitted and the EUTF is informed of situations where a member may not have access to certain healthcare services, providers, and/or clinics; the EUTF will continue to work with our healthcare carriers to better understand Hawaii's healthcare landscape as well as continue to troubleshoot and work together towards possible solutions to improve a member's access to care and preferred physicians. This may occur on a case-by-case basis when appeals are received.

Whose Kid Is This? And Other Reasons to Conduct Dependent Eligibility Audits

This session explained the differences between eligible and ineligible dependents, how ineligible dependents get on benefit plans, and how to conduct eligibility audits to identify and remove ineligible dependents. The session emphasized:

- Allocating ample time to send mailers, reminder letters, and for the submittal of documents.
- Allowing some flexibility when receiving proof documents.
- Data is already outdated by the time an audit is completed.
- Benefit plans should continuously collect proof documents to maintain dependent eligibility.

The EUTF conducts recurring eligibility audits and outreach that include mailings, reminder letters, and outbound phone calls. Outreach serves to communicate in multiple ways the purpose of an audit, requests proof documentation, and provides customer service in answering members' questions. The EUTF will continue to review and update eligibility audit processes as necessary to ensure best practices are followed. Positive outcomes in conducting eligibility audits include cost savings, updates to contact and demographic information, and knowledge regarding member wellness.



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December 4, 2024

TO: Derek Mizuno, Administrator

FROM: Lara Nitta, Program Specialist

SUBJECT: 2024 IFEBP Conference

The 2024 IFEBP Conference was held in San Diego, California from Nov. 10-13, 2024.

Economic outlook (presented by Marci Rossell). Current inflation is at 2% but is perceived to be higher because of the compounded inflation rate post pandemic. During the pandemic, government-supported income allowed consumers to buy big ticket items when supply was low causing inflation to increase to 8%. Other points made:

- Inflation impacts long term interest rates.
- Tax cuts causes the stock market to rally and anti-trust deregulation.
- The decline in the commercial real estate market has had little impact to the global economy. (Similarly, when the risk is spread, high cost claims have little impact to premiums.)
- AI complements (rather than replaces) labor from an economic standpoint as it brings down production cost yet increases yield, increases wages, and closes the pay gap.

Actuarial valuation (presented by Horizon Actuarial Services, LLC). A typical actuarial report includes plan projections (based on the plan's experience), assumptions (including a mortality assumption and trend analysis), contribution rate setting, and reserve targeting. An incurred but unpaid claims reserve (IBU) usually ranges between two to three months and consists of incurred by not reported (IBNR) claims and claims payable (reported but not paid).

Follow up: Evaluation of RFP 25-001 Actuarial Valuation Services for Other Post-Employment Benefits (OPEB) in Dec. 2024.

Legislative update (presented by Segal). The next congressional session (the 119th Congress) will likely address PBM reform (e.g. ban spread pricing, require rebate pass through, require disclosure of rebate information at the drug level) and Medicare coverage of GLP-1s for obesity. Extension of the \$35 insulin cap to commercial plans is unlikely.

Preventive services update. There is a proposed rule (issued 10/21/24) requiring 100% coverage of OTC contraceptives and every FDA-approved contraceptive drug or drug-led combination product. FAQ 68 (issued 10/21/24) requires coverage of PrEP medication and chest wall reconstruction related to a mastectomy.

Follow up: Work with Segal to ensure compliance with federal rules and regulations.

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PBM contract (presented by Foster & Foster Consulting Actuaries, Inc.). A PBM contract should include:

- Documentation of PA criteria (including Tier 1 utilization for antidiabetic GLP-1s)
- Savings formulas (e.g. patient assistance program)
- Medispan definitions (including MONY codes to define brand and generic products)
- Ingredient cost definition (exclude savings from clinical or copay card programs)
- PBM profit centers (i.e. how are they making their money)
- Formulary. There is nothing wrong with a closed formulary where the PBM is accountable for its published formulary and PA list.
- Market check terms
- Rebate guarantee terms (including a detailed list of rebate credit drugs and exclusions)

Follow up: Market check tentatively scheduled for October 2026.

Pipeline update (presented by Express Scripts). Noted the following:

- Various indications for GLP-1s are in the pipeline, including for Alzheimer's (a fraction of the cost of Aduhelm) and kidney disease. There is still a shortage of GLP-1s but recent removal from the FDA shortage list allows the FDA to go after compounding pharmacies.
- The FDA accelerated pathway allows for faster approval of oncology treatments but increases the cost of ineffective products (e.g. Relyvrio, Elevidys, and Kisunla).
- The timing of the Stelara biosimilar (Amgen) launch in Jan. 2025 (after most plan designs have been determined) allows the manufacturer to provide for another year. Other biosimilars expected in 2025 include Perjeta, Prolia/Xgeva, Soliris, and Xolair.
- CMS price negotiations may not be effective in providing lower cost. For example, the Stelara manufacturer will provide an 80% discount off of WAC whereas CMS negotiated a 70% price reduction. Drugs selected for price negotiation only stay on the list for a year, and because CMS also sets the pharmacy reimbursement rate for these drugs, some independent pharmacies have indicated that they will not carry them.

GLP1s (presented by Milliman, Inc. and Laborers Local 157 Benefit Funds). Basically, coverage of GLP-1s is necessary for the following reasons:

- 15% sustained weight loss would result in \$240B medical savings for commercial employers (treating 30M people).
- Two-thirds gain weight back when they stop taking GLP-1s.
- Expanded indications of GLP-1s counter the idea that obesity is a lifestyle condition.

Follow up: Continue to monitor GLP-1 spend and utilization.

Cancer advancements

Cancer navigation. Patients who are directed to the right specialist are less likely to pass away in five years and “about 40% of cancer patients fail to reach centers well-equipped for their care”. In a navigation program, union members want care close to home, personalized support from an expert, and end to end support from diagnosis to treatment.

Cancer screening. Common cancer screenings include breast, cervical, lung, colorectal and prostate cancer screenings, but there are so many more types of cancer (e.g. pancreas, bladder, ovary, stomach, etc.). There is a multi-cancer early detection (MCED) test, a blood test sold by the company Galleri, that can detect more than 50 types of cancer before symptoms appear. The selling point is that treating cancer in its early stage can cost three times less than in its late stage. However, the cost per test is about \$950.

Cc: Steve Murphy, Segal
Shelley Chun, Segal



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December 6, 2024

TO: Board of Trustees

FROM: Jessica McDonald
Member Services Branch Manager

SUBJECT: November – December 2024 Member Services Operations Report

This report covers the time-period from November 16, 2024 – December 6, 2024. Additional details will be provided upon request.

a. Member Services Branch (MSB) Data

Customer Service Automated Call Distribution (ACD) Report for November 2024:

ACD	Incoming ACD Calls	Outgoing ACD Calls	Total Ans.	Average Call Duration (minutes)	% Ans.	% Ans. within 10 Sec.	% Ans. within 11-30 Sec.	% Ans. within >30 Sec.	Total Abandoned
MSB	3,658	279	3,418	4:00	93.44%	36.09%	16.27%	41.09%	240

See the attached MSB Automated Call Distribution (ACD) report for more information on call trends.

MSB’s call answer rate was 93.44% for the month of November. Members were primarily calling to check the status of their enrollment requests and retirement/Medicare inquiries. We continue to assign more MSR’s on the phones daily, including additional MSR’s during peak hours. Incoming calls are manageable since we are generally processing enrollment forms within the standard processing period and are clearing the backlog of non-life event documents.

Currently, there are twelve (12) MSR’s; five (5) MSR’s answering the ACD line, responding to emails, and walk-ins and seven (7) MSR’s processing all forms and documents (the retirement and active processing teams were merged as of 10/1/24). Additionally, there are two (2) MS clerks scanning and indexing enrollment forms into the BAS.

Other Servicing Initiatives

- Number of General Emails received and responded: 227 (309 in November 2023)
- Number of Walk-ins serviced: 638 (626 in November 2023)

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.

Member Portal Logins

	Count of Logins
January 2024	3,476
February 2024	5,329
March 2024	6,844
April 2024	18,655
May 2024	4,240
June 2024	5,714
July 2024	5,880
August 2024	7,635
September 2024	8,792
October 2024	6,163
November 2024	4,426
Total Count of Registered Users	21,321

	Active EC-1s		Retiree EC-2s		Medicare Related Documents	
	2024	2023	2024	2023	2024	2023
November	328	234	439 (+133 OE)	294	452	706
October	229	362	261 (+318 OE)	239 (+10 OE)	320	420
September	205	286	181	175	402	N/A Medicare Related data was not collected over this period.
August	118	343	153	218	178	
July	210	295	188	270	323	
June	137	298	218	358	457	
May	334	577	221	361	434	
April	135 (+21 OE)	245 (+1,248 OE)	125	276	145	
March	195	426	117	389	201	
February	203	559	177	669*	591	
January	232	749	433*	926*	1,456*	
	2023	2022	2023	2022	2023	
December	297	434	509 *	781	1,163*	

**Retiree/Medicare counts are high due to 12/31 retirements and annual SSA letters.*

Memorandum to Board of Trustees

December 6, 2024

Subject: November – December 2024 Member Services Operations Report

Page 3

b. Outreach & Training

The Outreach & Training Team conducted 4 pre-retirement presentations and participated in the DHRD State Benefits Fair during the month of November. Total attendance for the month was 390 (54 in December 2023).

c. 2025 Retiree Open Enrollment

Retiree Open Enrollment (OE) was held October 14 – 31, 2024 and conducted via hard copy enrollment forms. The EUTF received 318 (249 for 2023) OE forms and processing was completed on December 6, 2024. Enrollments will be sent to the carriers on December 11, 2024.

Enclosures

MSB Automated Call Distribution Report

November 2024

Day	Day of Week	Incoming Calls	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				# of Agents in ACD	Outgoing Calls
						10	10-30	> 30	< 10	10-30	> 30	Total		
1	Friday	165	161	97.58%	3:24	53.33%	14.55%	29.70%	0	1	3	4	8	14
4	Monday	196	187	95.41%	4:21	40.31%	16.84%	38.27%	1	2	6	9	7	9
5	Tuesday	HOLIDAY - ELECTION DAY												
6	Wednesday	273	242	88.64%	4:18	15.38%	8.79%	64.47%	0	1	30	31	8	5
7	Thursday	225	208	92.44%	4:06	35.56%	11.56%	45.33%	2	0	15	17	9	18
8	Friday	207	194	93.72%	3:41	44.93%	12.56%	36.23%	0	5	8	13	8	19
11	Monday	HOLIDAY - VETERAN'S DAY												
12	Tuesday	327	287	87.77%	4:20	17.13%	7.95%	62.69%	2	5	33	40	7	15
13	Wednesday	215	197	91.63%	4:07	22.33%	20.47%	48.84%	0	0	18	18	7	27
14	Thursday	194	184	94.85%	3:54	41.75%	16.49%	36.60%	0	1	9	10	6	20
15	Friday	179	162	90.50%	4:13	22.91%	22.91%	44.69%	1	1	15	17	6	10
18	Monday	229	212	92.58%	3:55	29.69%	19.21%	43.67%	3	1	13	17	6	25
19	Tuesday	206	181	87.86%	4:03	25.73%	20.87%	41.26%	1	2	22	25	8	22
20	Wednesday	187	172	91.98%	4:22	32.62%	22.46%	36.90%	3	1	11	15	9	23
21	Thursday	180	178	98.89%	3:37	47.78%	21.11%	30.00%	0	1	1	2	8	14
22	Friday	184	183	99.46%	3:57	51.09%	17.93%	30.43%	0	0	1	1	9	21
25	Monday	227	221	97.36%	3:52	46.70%	15.86%	34.80%	1	2	3	6	9	12
26	Tuesday	172	164	95.35%	3:49	54.07%	19.19%	22.09%	3	1	4	8	10	10
27	Wednesday	161	159	98.76%	3:59	49.69%	19.25%	29.81%	0	0	2	2	9	13
28	Thursday	HOLIDAY - THANKSGIVING												
29	Friday	131	126	96.18%	3:48	54.20%	14.50%	27.48%	0	0	5	5	5	2
Monthly Totals		3658	3418	93.44%	4:00	36.09%	16.27%	41.09%	17	24	199	240	139	279

MSB Automated Call Distribution Report

January to December 2024

Month	Incoming Calls	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				# of Agents in	Outgoing Calls
					10	10-30	> 30	< 10	10-30	> 30	Total		
January	5133	4348	84.71%	4:14	23.63%	8.84%	52.23%	40	74	671	785	127	319
February	4171	3712	89.00%	4:02	37.04%	10.69%	41.26%	20	88	351	459	134	317
March	3902	3461	88.70%	4:02	33.85%	12.61%	42.23%	22	76	343	441	128	284
April	6935	5480	79.02%	4:32	16.77%	7.77%	54.48%	44	202	1209	1455	189	408
May	4202	3889	92.55%	4:13	48.69%	13.61%	30.25%	13	70	230	313	174	395
June	4143	3708	89.50%	4:16	37.94%	14.17%	37.39%	23	88	324	435	141	327
July	5049	4573	90.57%	4:11	33.99%	15.63%	40.96%	28	74	374	476	178	407
August	4847	4554	93.96%	4:21	34.93%	15.12%	43.90%	23	32	238	293	175	352
September	4501	4105	91.20%	4:07	30.37%	11.58%	49.26%	18	39	339	396	166	276
October	5228	4759	91.03%	4:09	29.57%	13.66%	47.80%	19	53	397	469	192	383
November	3658	3418	93.44%	4:00	36.09%	16.27%	41.09%	17	24	199	240	139	279
December													

Report Created 12/2/2024

***The ACD Assigned MSR's column reflects how many MSR's were assigned to ACD over the day. The actual number of MSR's logged into the ACD may fluctuate throughout the day.**

MSB Automated Call Distribution Report

January to December 2023

Month	Incoming Calls	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				# of Agents in	Outgoing Calls
					10	10-30	> 30	< 10	10-30	> 30	Total		
January	6896	3405	49.38%	6:02	2.31%	0.62%	46.45%	85	122	3284	3491	131	326
February	4125	2964	71.85%	5:18	11.44%	2.98%	57.43%	35	43	1083	1161	113	293
March	4484	3438	76.67%	4:28	18.42%	3.70%	54.55%	23	49	974	1046	115	181
April	4884	3319	67.96%	4:40	10.77%	2.38%	54.81%	27	57	1481	1565	109	220
May	4253	3798	89.30%	4:14	33.81%	6.44%	49.05%	14	31	410	455	124	238
June	4433	3654	82.43%	4:24	21.93%	4.92%	55.58%	22	47	710	779	134	180
July	4613	3425	74.25%	4:07	7.76%	3.23%	63.26%	29	52	1107	1188	116	173
August	4929	3866	78.43%	4:34	17.81%	5.42%	55.20%	40	63	960	1063	138	356
September	4742	3903	82.31%	4:23	21.78%	5.34%	55.19%	32	62	745	839	129	230
October	5013	4328	86.34%	4:09	25.71%	8.50%	52.12%	28	84	573	685	155	287
November	3989	3641	91.28%	4:16	39.18%	8.87%	43.22%	27	39	282	348	136	232
December	3875	3484	89.91%	4:22	36.39%	8.23%	45.29%	27	36	328	391	121	278

Report Created 12/2/2024



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December 6, 2024

TO: Board of Trustees

FROM: Todd Nishida, Information Systems Chief

SUBJECT: November 2024 - December 2024 Information Systems (IS) Operations Report

This report covers the period from November 16, 2024 through December 6, 2024. This report provides updates on certain key IS items. Additional details will be provided at the Board of Trustees meeting or upon request.

- a. EUTF Benefits Administration System (BAS) Project
EUTF has begun the reconciliation of enrollments with the carriers. The Applications section completed a reconciliation for HMSA that is being reviewed by the Eligibility Specialist. Reconciliation for Kaiser will start in this month.
- b. Equipment Replacement
The current phone system contract is set to expire at the end of February 2025. The Systems team has begun the procurement process to replace the current on-premises system with a vendor hosted solution. The goal is to have a replacement installed by January 2025.
- c. Enrollment Counts
Ariel BAS enrollment counts for the month of November are attached.

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.

Enrollment Counts - Active (Summary)

The table below shows Active enrollment for period ending 11-30-2024

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
EUTF			
PPO-90/10 HMSA Medical and Chiro bundled with PPO Drug (CVS)	2,403	1,169	3,572
PPO-80/20 HMSA Medical and Chiro bundled with PPO Drug (CVS)	10,563	7,520	18,083
PPO-75/25 HMSA Medical and Chiro bundled with PPO Drug (CVS)	21,731	21,506	43,237
HMO HMSA Medical and Chiro bundled with HMO Drug (CVS)	673	327	1,000
HMO Comprehensive Kaiser Medical, Drug and Chiro	3,911	2,724	6,635
HMO Standard Kaiser Medical, Drug and Chiro	9,893	8,898	18,791
Verdegard Supplemental Medical and Drug	537	917	1,454
EUTF Total	49,711	43,061	92,772
HSTA VB			
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	733	711	1,444
HSTA VB PPO-80/20 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	1,605	2,393	3,998
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP)	576	757	1,333
HSTA VB Total	2,914	3,861	6,775
Medical Total	52,625	46,922	99,547
Drug			
EUTF			
PPO-90/10 CVS Prescription Drug bundled with PPO Medical (HMSA)	2,403	1,169	3,572
PPO-80/20 CVS Prescription Drug bundled with PPO Medical (HMSA)	10,562	7,520	18,082
PPO-75/25 CVS Prescription Drug bundled with PPO Medical (HMSA)	21,729	21,506	43,235
HMO CVS Prescription Drug bundled with HMO Medical (HMSA)	673	327	1,000
EUTF Total	35,367	30,522	65,889
HSTA VB			
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	733	711	1,444
HSTA VB PPO-80/20 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	1,605	2,393	3,998
HSTA VB Total	2,338	3,104	5,442
Drug Total	37,705	33,626	71,331
Dental			
EUTF			
Dental (HDS)	51,892	44,019	95,911
EUTF Total	51,892	44,019	95,911
HSTA VB			
HSTA VB Dental (HDS)	3,105	3,857	6,962
HSTA VB Supplemental Dental (HDS)	73	113	186
HSTA VB Total	3,178	3,970	7,148
Dental Total	55,070	47,989	103,059
Vision			
EUTF			
Vision (VSP)	49,851	41,004	90,855
EUTF Total	49,851	41,004	90,855
HSTA VB			
HSTA VB Vision (VSP) - Stand Alone	173	331	504
HSTA VB Vision (VSP) bundled with Medical	2,914	3,344	6,258
HSTA VB Total	3,087	3,675	6,762
Vision Total	52,938	44,679	97,617
Life			
EUTF			
EUTF Securian Life Insurance	58,757	0	58,757
EUTF Total	58,757	0	58,757
HSTA VB			
HSTA VB Securian Life Insurance	3,794	0	3,794
HSTA VB Total	3,794	0	3,794
Life Total	62,551	0	62,551

Enrollment Counts - EUTF Active

The table below shows EUTF Active enrollment for period ending 11-30-2024

Count by Subscribers by Enrollment Coverage

Benefit Plan	Self	Two-Party	Family	Total
Medical				
PPO-90/10 HMSA Medical and Chiro bundled with PPO Drug (CVS)	1,797	315	291	2,403
PPO-80/20 HMSA Medical and Chiro bundled with PPO Drug (CVS)	6,831	1,729	2,003	10,563
PPO-75/25 HMSA Medical and Chiro bundled with PPO Drug (CVS)	11,849	3,839	6,043	21,731
HMO HMSA Medical and Chiro bundled with HMO Drug (CVS)	514	70	89	673
HMO Comprehensive Kaiser Medical, Drug and Chiro	2,562	647	702	3,911
HMO Standard Kaiser Medical, Drug and Chiro	5,724	1,720	2,449	9,893
Verdegard Supplemental Medical and Drug	147	120	270	537
Medical Total	29,424	8,440	11,847	49,711
Drug				
PPO-90/10 CVS Prescription Drug bundled with PPO Medical (HMSA)	1,797	315	291	2,403
PPO-80/20 CVS Prescription Drug bundled with PPO Medical (HMSA)	6,830	1,729	2,003	10,562
PPO-75/25 CVS Prescription Drug bundled with PPO Medical (HMSA)	11,847	3,839	6,043	21,729
HMO CVS Prescription Drug bundled with HMO Medical (HMSA)	514	70	89	673
Drug Total	20,988	5,953	8,426	35,367
Dental (HDS)	28,920	11,221	11,751	51,892
Vision (VSP)	28,418	10,504	10,929	49,851
Life Insurance (Securian)	58,757			58,757

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
PPO-90/10 HMSA Medical and Chiro bundled with PPO Drug (CVS)	2,403	1,169	3,572
PPO-80/20 HMSA Medical and Chiro bundled with PPO Drug (CVS)	10,563	7,520	18,083
PPO-75/25 HMSA Medical and Chiro bundled with PPO Drug (CVS)	21,731	21,506	43,237
HMO HMSA Medical and Chiro bundled with HMO Drug (CVS)	673	327	1,000
HMO Comprehensive Kaiser Medical, Drug and Chiro	3,911	2,724	6,635
HMO Standard Kaiser Medical, Drug and Chiro	9,893	8,898	18,791
Verdegard Supplemental Medical and Drug	537	917	1,454
Medical Total	49,711	43,061	92,772
Drug			
PPO-90/10 CVS Prescription Drug bundled with PPO Medical (HMSA)	2,403	1,169	3,572
PPO-80/20 CVS Prescription Drug bundled with PPO Medical (HMSA)	10,562	7,520	18,082
PPO-75/25 CVS Prescription Drug bundled with PPO Medical (HMSA)	21,729	21,506	43,235
HMO CVS Prescription Drug bundled with HMO Medical (HMSA)	673	327	1,000
Drug Total	35,367	30,522	65,889
Dental (HDS)	51,892	44,019	95,911
Vision (VSP)	49,851	41,004	90,855

Data Taken 11-25-2024

Enrollment Counts - HSTA VB Active

The table below shows HSTA VB Active enrollment for period ending 11-30-2024

Count by Subscribers by Enrollment Coverage

Benefit Plan	Self	Two-Party	Family	Total
Medical				
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	414	109	210	733
HSTA VB PPO-80/20 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	591	282	732	1,605
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP)	256	96	224	576
Medical Total	1,261	487	1,166	2,914
Drug				
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	414	109	210	733
HSTA VB PPO-80/20 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	591	282	732	1,605
Drug Total	1,005	391	942	2,338
Dental				
HSTA VB Dental (HDS)	1,263	694	1,148	3,105
HSTA VB Supplemental Dental (HDS)	11	32	30	73
Dental Total	1,274	726	1,178	3,178
Vision				
HSTA VB Vision (VSP) - Stand Alone	26	45	102	173
HSTA VB Vision (VSP) bundled with Medical	1,302	620	992	2,914
Vision Total	1,328	665	1,094	3,087
Life Insurance (Securian)	3,794			3,794

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	733	711	1,444
HSTA VB PPO-80/20 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	1,605	2,393	3,998
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP)	576	757	1,333
Medical Total	2,914	3,861	6,775
Drug			
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	733	711	1,444
HSTA VB PPO-80/20 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	1,605	2,393	3,998
Drug Total	2,338	3,104	5,442
Dental			
HSTA VB Dental (HDS)	3,105	3,857	6,962
HSTA VB Supplemental Dental (HDS)	73	113	186
Dental Total	3,178	3,970	7,148
Vision			
HSTA VB Vision (VSP) - Stand Alone	173	331	504
HSTA VB Vision (VSP) bundled with Medical	2,914	3,344	6,258
Vision Total	3,087	3,675	6,762

Data Taken 11-25-2024

Enrollment Counts - EUTF Active

The table below shows EUTF Active enrollment for period ending 11-30-2024

Count by Subscribers by Bargaining Unit

Benefit Plan	00	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	Total
Medical																	
PPO-90/10 HMSA Medical and Chiro bundled with PPO Drug (CVS)		65	255	25	407	29	364	83	275	128	55	110	29	123	428	25	2,403
PPO-80/20 HMSA Medical and Chiro bundled with PPO Drug (CVS)		180	1,462	155	2,254	166	1,267	302	718	592	214	417	190	650	1,870	91	10,563
PPO-75/25 HMSA Medical and Chiro bundled with PPO Drug (CVS)	1	472	3,141	215	4,149	247	3,242	328	821	1,357	545	953	1,127	958	3,820	252	21,731
HMO HMSA Medical and Chiro bundled with HMO Drug (CVS)		17	76	15	119	11	101	12	43	36	15	35	6	46	129	10	673
HMO Comprehensive Kaiser Medical, Drug and Chiro	1	65	573	93	772	81	516	101	319	159	69	196	77	239	593	53	3,911
HMO Standard Kaiser Medical, Drug and Chiro		173	1,315	91	1,739	102	1,923	153	543	733	219	345	354	333	1,710	101	9,893
Verdegard Supplemental Medical and Drug		14	50	4	129	11	61	10	18	28	16	10	29	23	127	7	537
Medical Total	2	986	6,872	598	9,569	647	7,474	989	2,737	3,033	1,133	2,066	1,812	2,372	8,677	539	205 49,711
Drug																	
PPO-90/10 CVS Prescription Drug bundled with PPO Medical (HMSA)		65	255	25	407	29	364	83	275	128	55	110	29	123	428	25	2,403
PPO-80/20 CVS Prescription Drug bundled with PPO Medical (HMSA)		180	1,462	155	2,254	166	1,267	302	718	592	214	416	190	650	1,870	91	10,562
PPO-75/25 CVS Prescription Drug bundled with PPO Medical (HMSA)	1	472	3,140	215	4,149	247	3,242	328	821	1,357	545	953	1,127	958	3,820	251	21,729
HMO CVS Prescription Drug bundled with HMO Medical (HMSA)		17	76	15	119	11	101	12	43	36	15	35	6	46	129	10	673
Drug Total	1	734	4,933	410	6,929	453	4,974	725	1,857	2,113	829	1,514	1,352	1,777	6,247	377	142 35,367
Dental (HDS)	2	1,060	7,147	626	10,305	711	7,640	1,034	2,794	3,032	1,175	2,167	1,887	2,453	9,089	566	204 51,892
Vision (VSP)	2	1,024	6,924	605	9,921	691	7,215	1,000	2,638	2,894	1,138	2,079	1,820	2,366	8,792	547	195 49,851
Life Insurance (Securian)	2	1,262	8,128	737	11,965	842	8,125	1,211	3,146	3,352	1,356	2,519	2,092	2,703	10,438	633	246 58,757

Enrollment Counts - HSTA VB Active

The table below shows HSTA VB Active enrollment for period ending 11-30-2024

Count by Subscribers by Bargaining Unit

Benefit Plan	05	06	Total
Medical			
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	733		733
HSTA VB PPO-80/20 Medical and Chiro (HMSA) bundled with PPO Drug (CVS), Vision (VSP)	1,602	3	1,605
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP)	576		576
Medical Total	2,911	3	2,914
Drug			
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	733		733
HSTA VB PPO-80/20 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA)	1,602	3	1,605
Drug Total	2,335	3	2,338
Dental			
HSTA VB Dental (HDS)	3,102	3	3,105
HSTA VB Supplemental Dental (HDS)	73		73
Dental Total	3,175	3	3,178
Vision			
HSTA VB Vision (VSP) - Stand Alone	173		173
HSTA VB Vision (VSP) bundled with Medical	2,911	3	2,914
Vision Total	3,084	3	3,087
Life Insurance (Securian)	3,791	3	3,794

Data Taken 11-25-2024

Enrollment Counts - Retiree (Summary)

The table below shows Retiree enrollment for period ending 11-30-2024

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
EUTF			
PPO-90/10 Medical (HMSA) - Retiree			
Medicare	34,400	13,311	47,711
Non-Medicare	5,170	4,489	9,659
PPO-90/10 Medical (HMSA) - Retiree Total	39,570	17,800	57,370
HMO Medical (Kaiser), Drug (Kaiser) - Retiree			
Medicare	6,972	2,353	9,325
Non-Medicare	1,060	836	1,896
HMO Medical (Kaiser), Drug (Kaiser) - Retiree Total	8,032	3,189	11,221
PPO Medical - Medicare Advantage (Humana) - Retiree			
Medicare	71	9	80
PPO Medical - Medicare Advantage (Humana) - Retiree Total	71	9	80
Out-of-State Plan - Retiree			
Medicare	185	60	245
Non-Medicare	6	3	9
Out-of-State Plan - Retiree Total	191	63	254
EUTF Total	47,864	21,061	68,925
HSTA VB			
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree			
Medicare	1,930	854	2,784
Non-Medicare	5	0	5
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree Total	1,935	854	2,789
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree			
Medicare	12	5	17
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree Total	12	5	17
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree			
Medicare	205	65	270
Non-Medicare	4	1	5
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree Total	209	66	275
HSTA VB Out-of-State Plan - Retiree			
Medicare	2	2	4
HSTA VB Out-of-State Plan - Retiree Total	2	2	4
HSTA VB Total	2,158	927	3,085
Medical Total	50,022	21,988	72,010
Drug			
EUTF			
PPO Drug (SilverScript) - Medicare	33,063	12,647	45,710
PPO Prescription Drug (CVS) - Non-Medicare	5,441	4,600	10,041
EUTF Total	38,504	17,247	55,751
HSTA VB			
HSTA VB PPO-90/10 Prescription Drug (SilverScript) bundled with HSTA VB PPO Medical (HMSA) - Medicare	1,929	854	2,783
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA) - Non-Medicare	6	0	6
HSTA VB Total	1,935	854	2,789
Drug Total	40,439	18,101	58,540
Dental			
Dental (HDS)	48,774	22,007	70,781
HSTA VB Dental (HDS) - Retiree	2,157	930	3,087
Dental Total	50,931	22,937	73,868
Vision			
Vision (VSP)	48,697	21,985	70,682
HSTA VB Vision (VSP) bundled with Medical - Retiree	2,159	925	3,084
Vision Total	50,856	22,910	73,766
Life			
EUTF Securian Life Insurance - Retiree	45,613	0	45,613
HSTA VB Securian Life Insurance - Retiree	2,119	0	2,119
Life Total	47,732	0	47,732

Enrollment Counts - EUTF Retiree

The table below shows EUTF Retiree enrollment for period ending 11-30-2024

Count by Subscribers by Enrollment Coverage

Benefit Plan	Self	Two-Party	Family	Total
Medical				
PPO-90/10 Medical (HMSA) - Retiree				
Medicare	21,590	12,382	428	34,400
Non-Medicare	2,009	2,259	902	5,170
PPO-90/10 Medical (HMSA) - Retiree Total	23,599	14,641	1,330	39,570
HMO Medical (Kaiser), Drug (Kaiser) - Retiree				
Medicare	4,700	2,202	70	6,972
Non-Medicare	450	455	155	1,060
HMO Medical (Kaiser), Drug (Kaiser) - Retiree Total	5,150	2,657	225	8,032
PPO Medical - Medicare Advantage (Humana) - Retiree				
Medicare	62	9		71
PPO Medical - Medicare Advantage (Humana) - Retiree Total	62	9		71
Out-of-State Plan - Retiree				
Medicare	128	54	3	185
Non-Medicare	3	3		6
Out-of-State Plan - Retiree Total	131	57	3	191
Medical Total	28,942	17,364	1,558	47,864
Drug				
PPO Drug (SilverScript) - Medicare	20,869	11,802	392	33,063
PPO Prescription Drug (CVS) - Non-Medicare	2,188	2,340	913	5,441
Drug Total	23,057	14,142	1,305	38,504
Dental (HDS)	28,913	18,295	1,566	48,774
Vision (VSP)	28,872	18,244	1,581	48,697
Life Insurance (Securian)	45,613			45,613

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
PPO-90/10 Medical (HMSA) - Retiree			
Medicare	34,400	13,311	47,711
Non-Medicare	5,170	4,489	9,659
PPO-90/10 Medical (HMSA) - Retiree Total	39,570	17,800	57,370
HMO Medical (Kaiser), Drug (Kaiser) - Retiree			
Medicare	6,972	2,353	9,325
Non-Medicare	1,060	836	1,896
HMO Medical (Kaiser), Drug (Kaiser) - Retiree Total	8,032	3,189	11,221
PPO Medical - Medicare Advantage (Humana) - Retiree			
Medicare	71	9	80
PPO Medical - Medicare Advantage (Humana) - Retiree Total	71	9	80
Out-of-State Plan - Retiree			
Medicare	185	60	245
Non-Medicare	6	3	9
Out-of-State Plan - Retiree Total	191	63	254
Medical Total	47,864	21,061	68,925
Drug			
PPO Drug (SilverScript) - Medicare	33,063	12,647	45,710
PPO Prescription Drug (CVS) - Non-Medicare	5,441	4,600	10,041
Drug Total	38,504	17,247	55,751
Dental (HDS)	48,774	22,007	70,781
Vision (VSP)	48,697	21,985	70,682

Data Taken 11-25-2024

Enrollment Counts - HSTA VB Retiree

The table below shows HSTA VB Retiree enrollment for period ending 11-30-2024

Count by Subscribers by Enrollment Coverage

Benefit Plan	Self	Two-Party	Family	Total
Medical				
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree				
Medicare	1,093	823	14	1,930
Non-Medicare	5			5
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree Total	1,098	823	14	1,935
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree				
Medicare	7	5		12
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree Total	7	5		12
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree				
Medicare	141	63	1	205
Non-Medicare	3	1		4
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree Total	144	64	1	209
HSTA VB Out-of-State Plan - Retiree				
Medicare		2		2
HSTA VB Out-of-State Plan - Retiree Total		2		2
Medical Total	1,249	894	15	2,158
Drug				
HSTA VB PPO-90/10 Prescription Drug (SilverScript) bundled with HSTA VB PPO Medical (HMSA) - Medicare	1,092	823	14	1,929
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA) - Non-Medicare	6			6
Drug Total	1,098	823	14	1,935
Dental (HDS)	1,244	899	14	2,157
Vision (VSP)	1,250	896	13	2,159
Life Insurance (Securian)	2,119			2,119

Count by Subscribers and Dependents

Benefit Plan	Subscribers	Dependents	Total
Medical			
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree			
Medicare	1,930	854	2,784
Non-Medicare	5	0	5
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with PPO Drug (SilverScript or CVS), Vision (VSP) - Retiree Total	1,935	854	2,789
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree			
Medicare	12	5	17
HSTA VB PPO-90/10 Medical and Chiro (HMSA) bundled with Vision (VSP) - Retiree Total	12	5	17
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree			
Medicare	205	65	270
Non-Medicare	4	1	5
HSTA VB HMO Medical, Drug and Chiro (Kaiser) bundled with Vision (VSP) - Retiree Total	209	66	275
HSTA VB Out-of-State Plan - Retiree			
Medicare	2	2	4
HSTA VB Out-of-State Plan - Retiree Total	2	2	4
Medical Total	2,158	927	3,085
Drug			
HSTA VB PPO-90/10 Prescription Drug (SilverScript) bundled with HSTA VB PPO Medical (HMSA) - Medicare	1,929	854	2,783
HSTA VB PPO-90/10 Prescription Drug (CVS) bundled with HSTA VB PPO Medical (HMSA) - Non-Medicare	6	0	6
Drug Total	1,935	854	2,789
Dental (HDS)	2,157	930	3,087
Vision (VSP)	2,159	925	3,084

Data Taken 11-25-2024

Enrollment Counts - All Subscribers

The table below shows All Subscriber enrollments for period ending 11-30-2024

Employer	Medical	Drug	Dental	Vision	Life
City and County of Honolulu					
Active	7,258	5,389	7,600	7,346	8,709
Retiree (Medicare)	6,030	4,535			
Retiree (Non-Medicare)	1,624	1,394	7,764	7,787	6,725
City and County of Honolulu Total	14,912	11,318	15,364	15,133	15,434
Honolulu Board of Water Supply					
Active	465	337	478	460	535
Retiree (Medicare)	478	383			
Retiree (Non-Medicare)	80	78	562	567	487
Honolulu Board of Water Supply Total	1,023	798	1,040	1,027	1,022
Honolulu Authority for Rapid Transportation					
Active	32	24	33	34	35
Retiree (Medicare)	17	14			
Retiree (Non-Medicare)	3	1	21	21	23
Honolulu Authority for Rapid Transportation Total	52	39	54	55	58
County of Hawaii					
Active	2,225	1,714	2,277	2,207	2,649
Retiree (Medicare)	1,365	1,222			
Retiree (Non-Medicare)	407	383	1,789	1,791	1,619
County of Hawaii Total	3,997	3,319	4,066	3,998	4,268
Hawaii Dept of Water					
Active	121	96	127	125	148
Retiree (Medicare)	105	92			
Retiree (Non-Medicare)	14	13	122	122	115
Hawaii Dept of Water Total	240	201	249	247	263
County of Kauai					
Active	1,015	885	1,058	1,033	1,198
Retiree (Medicare)	698	648			
Retiree (Non-Medicare)	174	177	876	893	817
County of Kauai Total	1,887	1,710	1,934	1,926	2,015
Kauai Department of Water					
Active	62	54	70	68	81
Retiree (Medicare)	45	42			
Retiree (Non-Medicare)	12	12	55	55	59
Kauai Department of Water Total	119	108	125	123	140
County of Maui					
Active	2,195	1,087	2,292	2,222	2,589
Retiree (Medicare)	1,322	837			
Retiree (Non-Medicare)	466	305	1,816	1,819	1,675
County of Maui Total	3,983	2,229	4,108	4,041	4,264
State of Hawaii					
Active	38,403	27,554	40,219	38,599	45,437
Retiree (Medicare)	33,639	27,160			
Retiree (Non-Medicare)	3,447	3,070	37,825	37,700	36,112
State of Hawaii Total	75,489	57,784	78,044	76,299	81,549
Hawaii Public Charter Schools					
Active	849	565	916	844	1,170
Retiree (Medicare)	78	59			
Retiree (Non-Medicare)	18	14	101	101	100
Hawaii Public Charter Schools Total	945	638	1,017	945	1,270
Grand Total	102,647	78,144	106,001	103,794	110,283

Data Taken 11-25-2024



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**STATE OF HAWAII'
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**

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HONOLULU, HAWAII 96813
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DONNA A. TONAKI

December 6, 2024

TO: Derek Mizuno
Administrator

FROM: Katie Matsushima
Eligibility Specialist

SUBJECT: November – December 2024 Eligibility and Enrollment Report

This report covers the time period from November 16, 2024 – December 6, 2024. Additional details will be provided upon request.

Audits Currently in Progress (On hold):

• **Verify Retiree Eligibility and Tiers**

In Progress

- EUTF will review **273** retirees with ERS to determine correct tier.

Completed

- Letters to **124** retirees whose tiers are being impacted (e.g. 50% to 75%) were mailed on Friday, October 8, 2021. Tier change was effective January 1, 2022. Retroactive refunds of overpayments will be made but no retroactive collections of underpayments will be required.

Point in Time Reconciliation Audits between:

Please note, this performance guarantee (PG) was waived for the last rating period due to the implementation of the BAS. Point in Time Reconciliation Audits for SilverScript have resumed in May 2024. Point in Time Reconciliation Audits for HMSA have resumed in October 2024 and Kaiser and CVS will resume in December 2024 and January 2025. The initial audit will be to reconcile enrollment following the BAS implementation and will not be subject to PG.

Prior Reporting Year Results:

- CVS/SilverScript and EUTF enrollment- Accuracy **99.41%** (Previous Accuracy: N/A)
- Kaiser and EUTF enrollment- Accuracy **99.99%** (Previous Accuracy: **99.72%**)
- HMA and EUTF enrollment- Accuracy **100%** (Previous Accuracy: **91.77%**)
- HDS and EUTF enrollment- Accuracy **100%** (Previous Accuracy: **100%**)
- VSP and EUTF enrollment- Accuracy **100%** (Previous Accuracy: **99.99%**)
- HMSA and EUTF enrollment- Accuracy **99.99%** (Previous Accuracy: **99.99%**)

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.

Recurring Audits:

The Unreported Divorce Audits have resumed as of December 2023. The remaining recurring audits are set to resume in 2024 (refer to projected start dates noted in Current Status).

Description	Active/ Retiree	Initial Terms	Terms for Fiscal Year 24/25	Current Status	Initial Cleanup Date	Frequency
Unreported Divorce Audit	Active	45 & 5 step- children	62	Restarted 2023	6/30/2017	Monthly
Unreported Divorce Audit	Retiree	32 former spouses	12	Restarted 2023	4/30/2018	Monthly
Adult Disabled Recertification	Active	10	12	Completed July 2024	6/30/2017	Every 7 years (2031)
Adult Disabled Recertification	Retiree	N/A	--	Restarted August 2024	2015 by previous Administrator	Every 7 years (2022)
Surviving Spouse/ Surviving Child	N/A	25	--	Restarting Q1 of 2025	11/30/2017 and 2/28/2018	Every other month
Termination of Life Insurance Enrollment for Terminated Employees	Active	2,073	--	Restarting Q1 of 2025	3/27/2019 (retroactive to 3/31/2018)	Annually
Medicare Savings Program	Retirees and Dependents	36	--	Restarting Q1 of 2025	12/31/2018	Monthly
Spouses with Self and Two-Party Plans	Active and Retiree	14	--	Restarting Q2 of 2025	3/31/2018	Annually
Domestic Partner Recertification	Active	167	--	Restarting Q2 of 2025	12/31/2018	Every 2 years (2022)
Domestic Partner Recertification	Retiree	20	--	Restarting Q2 of 2025	8/31/2017	Every 2 years (2022)
Out-of-State Unreported Deaths	Retirees and Dependents	48	--	Restarting Q2 of 2025	4/5/2018 - (Terminations retroactive to date of death)	Every other month
Dependent Children Non-ACA Eligibility (i.e. not married)	Active and Retiree	19	--	Restarting Q2 of 2025	4/30/2021	Every other month



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ASSISTANT ADMINISTRATOR
DONNA A. TONAKI

December 6, 2024

TO: EUTF Board of Trustees
FROM: Melissa Tom, Health and Wellness Specialist
SUBJECT: November – December Health and Wellness Specialist Report

This report covers the period November 16, 2024 – December 6, 2024

A. Worksite Wellness

1. Two Education Workshop webinars were offered this reporting period: 1) “Advance Care Planning”, hosted by Kokua Mau, and 2) “Consumer Alert”, hosted by HMSA. These sessions were part of November’s “Healthy Habits” wellness theme and recordings are available on the Health and Wellness website.
2. The *Healthy Holiday Mindfulness* Wellness Challenge, led by HMSA, concluded on December 6 with 235 registrants. Participants participated in the challenge by logging daily mindfulness activities in the areas of stillness, movement, eating and reflection.

B. Preventive Health

1. On November 18, the EUTF Well Aware Quarterly Benefit Message was emailed to HROs and Wellness Champions, for distribution to employees. The theme of the message promoted ways to prevent and navigate chronic conditions during the holidays season. See attached.
2. Kaiser launched two preventative health campaigns: 1) Fit Rewards and Healthy Balance Program, and 2) Total Health Assessment and Digital Health Programs. These program benefits are available to Kaiser members wanting to improve their health.

C. Chronic Disease Management

1. HMSA’s Diabetes Management Resource Guide campaign took place in November to commemorate Diabetes Awareness Month. The mailer and email campaign targeted over 17,000 EUTF members with diabetes and provide resources for care coordination and support. The Guide will also be available on the EUTF website. See attached.
2. During this reporting period, quarterly disease management, well-being and the annual HEDIS reports were submitted by Kaiser Permanente.

Attachments

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.



WELL AWARE

A Quarterly Health & Wellness Benefit Message from EUTF

Winter
2024



Stay Healthy During the Holiday Season

The holiday season may be a hectic time that makes it easier for healthy habits to slide. Follow these tips to help keep you and your family healthy and happy this holiday season.

- **Get enough sleep.** It's important for everyone to maintain a regular shut-eye schedule to restore and repair our bodies. Plentiful sleep also helps with weight loss and mental capacity.
- **Prevent illness.** There are little things, such as washing your hands and not sharing utensils, that we can all do to keep germs at bay and avoid colds and viruses.
- **Eat healthy.** Many people gain weight over the holidays, and they usually don't lose it. A healthy diet not only helps with waistlines, but it also evens out energy levels.
- **Reduce stress.** The holidays are fun but too many commitments may be overwhelming. Make time for friends, family, and good cheer, and embrace relaxation when you can.
- **Exercise regularly.** Exercising for a short amount of time is better than not exercising at all. Make exercising a family affair by taking walks after meals or creating fun, physically engaging activities.

For more resources to keep you healthy, visit kp.org/health-wellness.

Health & Wellness Member Benefits More Resources Available!

It's never too late to create healthy habits! Find tools to support your wellness goals, mental health, and condition control at [EUTF's Virtual Wellness Fair](#) and on the [EUTF Health and Wellness](#) page. Details on upcoming activities can be found on the [EUTF Wellness Challenges and Webinars](#) page! To be added to the EUTF Wellness Champion email list, please contact us at eutfwellness@hawaii.gov.



Tips for Managing Chronic Conditions During the Holidays

The holiday season is full of joy but can present challenges for those with chronic conditions.

Here are five quick tips to stay well:

- **Stick to Self-Care Routines:** Take [medications](#) as prescribed, stay hydrated, and prioritize sleep.
- **Manage Stress:** Practice relaxation techniques like meditation or deep breathing. [HMSA's Online Care](#) offers free emotional support and counseling.
- **Stay Active:** Engage in short bursts of physical activity—even [10 minutes](#) can boost well-being. Use [HMSA Member Discounts](#) to save on fitness memberships and products.
- **Plan Meals Wisely:** If you have dietary restrictions, communicate with hosts or bring a dish that suits your needs. Find healthy holiday recipes at islandscene.com/food.
- **Utilize Health Plan Benefits:** Work with a [health coach](#) for free support in managing chronic conditions. Call the [Health and Well-being Support](#) team at 1 (855) 329-5461, option 1.

Enjoy the season while staying healthy! Happy Holidays from [HMSA](#).



Keep Your Eyes Healthy for Life.

Whether it's a routine checkup or your very first time, a WellVision Exam® from your VSP network doctor is a great step to taking care of your eyes and your overall health. A VSP® WellVision Exam can help with the early detection of more than 270 health conditions.¹ With this exam, a doctor of optometry can provide patients with prescriptions for glasses and/or contact lenses, as well as help detect early signs of chronic conditions like high blood pressure, diabetes, and high cholesterol along with eye and vision issues.

Make your appointment with a VSP network doctor today. Find one near you or scan QR code, vsp.com/eye-doctor or call 866.240.8420.



¹Full Picture of Eye Health, American Optometric Association, 2020.

Let us
help you
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best life.



P.O. Box 860
Honolulu, HI 96808-0860



November is Diabetes Awareness Month

Are you or a loved one living with diabetes?

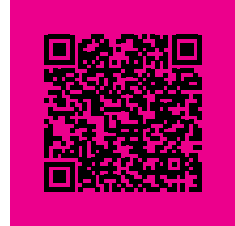
Nearly one in 10 adults in Hawaii has been diagnosed with diabetes and nearly five in 10 are undiagnosed. If you're newly diagnosed, have been living with type 1 or type 2 diabetes for a while, or are helping a loved one who has diabetes, HMSA is here to help.

We can coordinate care with doctors and connect you to health coaches, skilled nurses, and resources to help manage diabetes with lifestyle changes.

Get started today:

- Visit hmsa.com/diabetes.
- Call HMSA Health and Well-being Support at **1 (855) 329-5461**, option 1, Monday through Friday, 8 a.m. to 5 p.m., to speak with a health coach.
- Scan the QR code to get our diabetes resource guide. Or email EUTFinfo@hmsa.com and we'll mail one to you.

Get our diabetes resource guide



Scan the QR code with the camera on your smartphone or tablet.





JOSH GREEN, M.D.
GOVERNOR
SYLVIA LUKE
LIEUTENANT GOVERNOR

**STATE OF HAWAII'
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**

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December 6, 2024

TO: Board of Trustees
FROM: Amy Cheung *ac*
EUTF Financial Management Officer
SUBJECT: November 2024 – December 2024 Financial Services Branch (FSB)

This report covers the period of November 16, 2024 through December 6, 2024. Additional details will be provided upon request.

a. FSB Performance Data

FSB's call answer rate was 89.99% (899 out of 999 calls) for November 2024 compared to 91.93% for October 2024. Please see attached for the Automated Call Distribution (ACD) reports for more information.

During November, staff reviewed and issued 400 shortage notices and 141 cancellation notices compared to 400 shortage notices and 123 cancellation notices last year. Staff also reviewed and mailed out 126 retiree invoices to retirees who pay a portion of their premiums via check for the month of November.

b. Refunds and Medicare Part B Overpayments Status

Refunds: The new BAS processes pre-tax refunds for active employees through payroll except for events related to terminations, deaths, and non-payment terminations. The net payable to employee-beneficiaries as of June 30, 2024 was \$1,264,419 and as of August 30, 2024 was \$1,079,266. There was an overall net payable decrease of \$185,153 during this fiscal year.

Medicare Part B Overpayments: The financial management team continues to collect on the prior fiscal years overpayment balance by contacting the debtor or estate (at least two times). If there is no response, we forward the collection to the Department of the Attorney General for collection and/or write off. Since July 1, 2024, the EUTF has written off 303 Medicare Part B overpayments totaling \$81,832. We recovered 34 overpayments totaling \$26,431 in November.

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.

c. EUTF Collections

The following provides the collections status on completed audits as of September 30, 2024.

Description	Date of Collection Letters	Number of Accounts Outstanding [^]	Total Recovery Amount*	Total Amount Collected (To-Date)	Total Amount Referred to AG for Collection	Remaining Outstanding Balance
Surviving Spouse/Surviving Child Audit	02/08/18	2	\$120,027	\$36,023	\$71,520	\$12,484
Surviving Spouse/Surviving Child Audit - Ongoing	08/30/18-present	5	\$186,251	\$84,248	\$48,727	\$53,276
Unreported Divorces for Retirees/Actives - Ongoing	08/30/18-present	18	\$860,452	\$267,973	\$479,821	\$112,658
Family Link & Special Audits - Ongoing	12/31/18-present	5	\$21,251	\$12,946	\$0	\$8,305
Total		30	\$1,187,981	\$401,190	\$600,068	\$186,723
% of Total				34%	51%	15%

[^] Adjusted to exclude accounts on appeal status, approved appeals, and referred to AG for collection.

* Total recovery amount represents total employer contributions owed less adjustments related to approved appeals.

d. 2024 Financial Audit

The 2024 financial statements and other report deliverables were issued on November 26, 2024.

e. Financial Statements as of July 31 and August 31, 2024

The unaudited financial statements for the month of July 2024 and August 2024 are included in your packet for review.

Accounting Automated Call Distribution Report

November 2024

Day	Day of Week	Incoming Calls Accounting	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				Voice Message	Outgoing Calls Accounting
						10	10-30	> 30	< 10	10-30	> 30	Total		
1	Friday	46	44	95.65%	2:51	82.61%	4.35%	8.70%	2	0	0	2	0	0
4	Monday	63	61	96.83%	3:38	84.13%	3.17%	9.52%	0	1	1	2	0	6
5	Tuesday	HOLIDAY - ELECTION DAY												
6	Wednesday	86	72	83.72%	4:02	52.33%	2.33%	29.07%	1	1	12	14	0	1
7	Thursday	64	54	84.38%	4:05	60.94%	0.00%	23.44%	3	1	6	10	0	8
8	Friday	45	44	97.78%	2:35	82.22%	0.00%	15.56%	1	0	0	1	0	2
11	Monday	HOLIDAY - VETERAN'S DAY												
12	Tuesday	75	62	82.67%	3:43	66.67%	2.67%	13.33%	4	2	7	13	0	6
13	Wednesday	53	49	92.45%	4:45	71.70%	7.55%	13.21%	0	1	3	4	0	4
14	Thursday	37	36	97.30%	4:03	67.57%	13.51%	16.22%	0	0	1	1	0	2
15	Friday	39	39	100.00%	3:49	82.05%	2.56%	15.38%	0	0	0	0	0	4
18	Monday	55	43	78.18%	5:16	63.64%	1.82%	12.73%	4	0	8	12	0	0
19	Tuesday	45	42	93.33%	4:45	71.11%	4.44%	17.78%	0	0	3	3	0	2
20	Wednesday	42	38	90.48%	5:05	64.29%	4.76%	21.43%	2	0	2	4	0	1
21	Thursday	78	59	75.64%	5:11	50.00%	1.28%	24.36%	2	3	14	19	0	2
22	Friday	51	45	88.24%	4:49	66.67%	7.84%	13.73%	3	0	3	6	0	3
25	Monday	73	67	91.78%	4:32	53.42%	1.37%	36.99%	1	0	5	6	0	1
26	Tuesday	62	62	100.00%	3:12	88.71%	1.61%	9.68%	0	0	0	0	0	8
27	Wednesday	57	55	96.49%	3:24	87.72%	5.26%	3.51%	1	0	1	2	0	4
28	Thursday	HOLIDAY - THANKSGIVING												
29	Friday	28	27	96.43%	4:05	67.86%	14.29%	14.29%	1	0	0	1	0	2
Monthly Totals		999	899	89.99%	4:05	68.77%	3.70%	17.52%	25	9	66	100	0	56

Accounting Automated Call Distribution Report

January to December 2024

Month	Incoming Calls Accounting	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				Voice Message	Outgoing Calls Accounting
					10	10-30	> 30	< 10	10-30	> 30	Total		
January	1416	1269	89.62%	4:12	55.44%	6.36%	27.82%	46	16	85	147	0	84
February	1130	1013	89.65%	4:20	63.45%	5.04%	21.15%	27	19	71	117	0	82
March	1037	919	88.62%	5:21	57.18%	5.59%	25.84%	16	15	87	118	0	102
April	1627	1409	86.60%	4:18	59.13%	5.04%	22.43%	33	39	146	218	0	129
May	1065	923	86.67%	4:48	63.29%	7.98%	15.40%	26	23	93	142	0	116
June	1189	1040	87.47%	3:59	67.62%	4.54%	15.31%	24	27	98	149	0	46
July	1481	1306	88.18%	3:48	68.26%	3.58%	16.34%	46	24	105	175	0	71
August	1133	1076	94.97%	4:15	75.11%	6.35%	13.50%	16	2	39	57	0	63
September	1221	1125	92.14%	3:59	70.11%	5.24%	16.79%	23	8	65	96	0	72
October	1438	1322	91.93%	3:53	72.95%	3.69%	15.30%	26	9	81	116	0	59
November	999	899	89.99%	4:05	68.77%	3.70%	17.52%	25	9	66	100	0	56
December													

Report Created 12/2/2024

Accounting Automated Call Distribution Report

January to December 2023

Month	Incoming Calls Accounting	Answered	% Answered	Average Time Per Call (min)	% Answered within x seconds			Abandoned Time (in seconds)				Voice Message	Outgoing Calls Accounting
					10	10-30	> 30	< 10	10-30	> 30	Total		
January	2600	1590	61.15%	5:55	12.96%	2.15%	46.04%	24	45	941	1010	0	106
February	1489	1173	78.78%	5:24	30.49%	2.96%	45.33%	14	29	273	316	0	84
March	1599	1399	87.49%	5:38	42.34%	8.44%	36.71%	7	23	170	200	0	98
April	1475	1243	84.27%	5:57	40.75%	5.97%	37.56%	15	14	203	232	0	105
May	1147	1048	91.37%	5:45	56.15%	7.76%	27.46%	11	8	80	99	0	81
June	1329	1218	91.65%	5:25	54.40%	8.05%	29.19%	8	11	92	111	0	123
July	1506	1296	86.06%	5:43	41.50%	6.64%	37.92%	14	18	178	210	0	138
August	1315	1201	91.33%	5:06	61.29%	8.14%	21.90%	15	11	88	114	0	121
September	1323	1178	89.04%	4:34	51.55%	5.90%	31.59%	24	14	107	145	0	86
October	1514	1343	88.71%	5:03	52.58%	4.95%	31.18%	29	20	122	171	0	118
November	1095	1003	91.60%	4:28	62.92%	5.11%	23.56%	12	9	71	92	0	89
December	984	924	93.90%	4:42	66.57%	4.98%	22.36%	17	5	38	60	0	93

Report Created 12/2/2024

Hawaii Employer-Union Health Benefits Trust Fund
ENTERPRISE (ACTIVES) - STATEMENT OF NET POSITION
1 Month Ended July 31, 2024
(PRELIMINARY-Unaudited)

		UNAUDITED Current Month Ended July 31, 2024	AUDITED Current Month Ended June 30, 2024	Notes
ASSETS				
Current Assets:				
1	Cash	\$ 3,747,777	\$ 3,616,719	
2	Short-term investment (principal)	155,000,000	155,000,000	
3	Net return on investment	24,696,816	22,316,349	
4		179,696,816	177,316,349	
5	Total cash and investments	183,444,594	180,933,068	
Receivables:				
6	Premium receivable from State of Hawaii and counties	49,278,529	39,566,435	Receivable for one month of employer contributions and one pay period of employee payroll premium deductions withheld net of prepayments.
7	Rebates receivable	20,144,948	32,127,031	CVS drug rebates \$19.57M, CVS network guarantees \$410.32K and HMSA, VSP, HUMANA performance penalties \$168.54K.
8	Experience refunds due from insurance companies	978,541	978,541	Experience refunds for HDS \$950.44K and VSP \$28.1K.
9	Self-funded reserves	5,021,274	5,021,274	Reserves held by self-funded carriers (CVS \$4.958M and Verdegard \$63.2K) to cover claim payment lag.
10	Prepaid expenses	17,546	29,143	Prepaid expenses such as insurance and computer maintenance.
11	Total current assets	258,885,431	258,655,491	
12	Capital assets, net of accumulated depreciation	9,346,852	9,453,121	Capitalized assets such as computers, benefits administration system, and other fixed assets.
13	TOTAL ASSETS	\$ 268,232,282	\$ 268,108,613	
14	Deferred outflows of resources related to pension	1,368,251	1,368,251	
15	Deferred outflows of resources related to OPEB	1,145,440	1,145,440	
16		\$ 270,745,974	\$ 270,622,304	
LIABILITIES				
Current Liabilities:				
17	Vouchers and contracts payable	\$ 2,141,832	\$ 2,222,232	Accounts payable (includes payments to TELUS Health for the maintenance and support of the BAS, short-term/long-term lease payments, and PCORI fees).
18	Due to State of Hawaii	109,913	109,913	Forfeitures for FY24.
19	Accrued wages and employee benefits payable	1,438,982	1,420,941	
20	Premiums payable to insurance carriers	52,587,800	49,436,274	One month of premiums owed to fully insured plan carriers.
21	Payable to employee - beneficiaries	1,082,480	1,199,979	Refunds owed to employee-beneficiaries.
22	Claims and administrative fee liability for self-funded plan	8,910,463	7,296,006	Claims reimbursements and administrative fees owed to CVS 1/2 month and Verdegard outstanding claims.
23	Compensated absences, current portion	153,888	153,888	Current portion of unpaid vacation liability.
24	Total current liabilities	\$ 66,425,358	\$ 61,839,232	
Noncurrent Liabilities:				
25	Net other postemployment benefits payable	6,064,088	6,064,088	EUTF share of OPEB liability.
26	Compensated absences	462,562	462,562	Non-current portion of unpaid vacation liability.
27	Net pension liability	6,572,720	6,572,720	EUTF share of pension liability.
28	L/T Lease Liability	532,651	532,651	
29	L/T SBITA Lease Liability	2,478,495	2,478,495	Long-term lease liability portion of subscription-based information technology arrangements (SBITAs) in accordance with GASB 96.
30	Total Liabilities	\$ 82,535,874	\$ 77,949,748	
31	Deferred inflows of resources related to pension	433,696	433,696	
32	Deferred inflows of resources related to OPEB	1,120,351	1,120,351	
33	TOTAL LIABILITIES	\$ 84,089,921	\$ 79,503,795	
NET ASSETS:				
34	Net investment in capital assets	\$ 9,346,852	\$ 9,453,121	
Unrestricted gain primarily from benefit plans				
35	ACA PCORI	3,807,399	3,807,399	At the 4/28/20 meeting, the Board approved to reserve additional funds to pay for PCORI fees through 6/30/29 for actives and 12/31/28 for retirees.
36	Self-funded claim stabilization reserve	58,936,000	49,321,000	Reserve reflects 35% of FY24 self-funded prescription drug plan claims and expenses.
37	Administrative fees (08/24-06/29 Actives)	29,984,284	30,446,915	At the 6/26/18 meeting, the Board approved waiver of administrative fees from 7/1/19 (actives) and 1/1/19 (retirees) through 6/30/24 (actives) and 12/31/23 (retirees). At the 9/25/18 meeting, the Board extended the waiver through 6/30/29 (actives) and 12/31/28 (retirees).
38	Unreserved	84,581,518	98,090,072	
39	Unrestricted gain primarily from benefit plans	177,309,201	181,665,386	Unrestricted gain or surplus for EUTF. This amount is cumulative from year-to-year.
40	Total Net Assets	186,656,053	191,118,509	
41	TOTAL LIABILITIES AND NET ASSETS	\$ 270,745,974	\$ 270,622,304	

Hawaii Employer-Union Health Benefits Trust Fund
ENTERPRISE (ACTIVES) - STATEMENT OF REVENUE, EXPENSES and CHANGES IN NET POSITION

1 Month Ended July 31, 2024

(PRELIMINARY-Unaudited)

		7/31/2024 1-Month Budget	7/31/2024 1-Month Actual	Variance	7/31/2024 Self-Funded Plans and Other 1-Month Actual	Notes
REVENUES:						
1	Premium revenue for self-funded plans	\$ -	\$ -	\$ -	\$ 10,251,568	
2	Administrative fee - EUTF	-	-	-	-	Administrative fees paid by employees and employers are added to the premiums. Effective 1/1/19 and 7/1/19, administrative fees for retirees and actives are waived through 12/31/28 (retirees) and 6/30/29 (actives), respectively.
3	Investment income	-	-	-	679,175	\$433.44K interest income from money market account and \$245.73K BOH excess credits.
4	Unrealized gain (loss) on investments	-	-	-	1,947,022	Appreciation (Depreciation) in fair market value of short-term investments.
5	Total Revenues	\$ -	\$ -	\$ -	\$ 12,877,766	
EXPENSES:						
6	TPA expenses	\$ -	\$ -	\$ -	\$ 79,365	Administrative expenses paid to self-funded plan carriers (CVS \$70.28K and Verdegard \$9.08K).
7	Benefits paid for self-funded plans	-	-	-	16,205,442	Claims paid to self-funded plan carriers (CVS \$16.19M and Verdegard \$17.74K).
8	Personnel services	532,849	588,982	(56,133)	-	Salaries for EUTF staff.
9	Office supplies	1,250	1,275	(25)	-	Office supplies includes copier paper, envelopes, repair and maintenance, board refreshments, paper shredding services, and other small purchases. FY24 actual expenditures were higher because of one-time costs of cubicle reconfigurations.
10	Dues & subscriptions	75	-	75	-	
11	Postage	14,167	10,000	4,167	-	\$10K in regular postage refill for monthly shortage and cancellation notices, confirmation letters, COBRA notices, and student certifications.
12	Telephone	4,000	1,847	2,153	-	Telephone charges includes phone lines, long distance charges, toll-free line and annual maintenance of telephone equipment.
13	Printing & binding	15,417	4,262	11,155	-	Holomua \$4.26K.
14	Transportation - intra state	708	349	359	-	Interisland travel expenses such as airfare, per diem, car rental, staff car mileage reimbursement, motor pool car rental.
15	Transportation - out of state	5,667	-	5,667	-	IFEBP annual conference.
16	Office space	34,167	37,610	(3,443)	-	Office lease rental.
17	Rental of equipment (copier)	2,167	3,198	(1,031)	-	Xerox copiers and postage meter machine.
18	Insurance	5,750	11,497	(5,747)	-	Amortization of Fiduciary Liability.
19	Services on a fee basis - legal	14,333	25,491	(11,158)	-	Deputy AG's salary and fringe benefits, and outside non-OPEB Trust Fund services.
20	Consultant services	57,917	40,613	17,304	-	Segal \$29.37K, DOH death verifications \$0.24K, and claims audit fees \$11K.
21	Training and registration	2,917	377	2,539	-	IFEBP registration and SALGBA annual fee.
22	Computer hardware/software maintenance	157,735	130,543	27,192	-	\$125K expenses for the TELUS Health (fka Lifeworks) benefits administration system which includes amortization of software/hardware maintenance, M&O maintenance, services related to TELUS Health contract and \$5.5K other computer and software expenses.
23	Depreciation and Amortization	-	-	-	106,270	Depreciation and amortization expense for fixed and prepaid assets.
24	Investment fees - EUTF reserves	-	-	-	1,421	Fees associated with short-term investments.
25	(Gain) loss from carrier payments	-	-	-	91,680	This amount is the resulting (gain) loss after the collection of employer/employee contributions and the payment to carriers. This amount fluctuates every month.
26	Total Expenses	\$ 849,117	\$ 856,043	\$ (6,926)	\$ 16,484,178	
27	EXCESS OF REVENUES OVER EXPENDITURE	\$ (849,117)	\$ (856,043)	\$ 6,926	\$ (3,606,412)	

Hawaii Employer-Union Health Benefits Trust Fund
AGENCY (RETIREES) - STATEMENT OF FIDUCIARY NET POSITION

1 Month Ended July 31, 2024

(PRELIMINARY-Unaudited)

		UNAUDITED Current Month Ended July 31, 2024	AUDITED Current Month Ended June 30, 2024	Notes
ASSETS:				
1	Cash	\$ 51,915,764	\$ 73,583,170	
2	Short-term investment (principal)	303,250,000	303,250,000	
3	Net return on investment	101,584,059	96,541,122	
4		404,834,059	399,791,122	
5	Total cash and investments	456,749,823	473,374,292	
Receivables:				
6	Premium receivable from State of Hawaii and counties	47,150,982	-	Receivable for one month of employer contributions and one pay period of employee payroll premium deductions withheld net of prepayments.
7	Rebates receivable	43,695,280	69,355,349	\$4.38M (CVS drug rebates), \$26.40M (SILVERSCRIPT drug rebates), and \$11.28M (coverage gap) through 3/31/24, and performance Penalties \$181.27K.
8	Experience refunds due from insurance companies	54,881	54,881	Experience refunds for HDS \$54.88K for CY2023.
9	Medicare reimbursements from individuals, net of allowance	(0)	354,392	Receivable from beneficiaries of deceased retirees who were overpaid for Medicare Part B premium reimbursements (net of allowance for bad debt).
10	Receivables from agencies	-	-	
11	Total receivables	90,901,143	69,764,622	
12	Self-funded reserves	8,165,204	8,165,204	Reserves held by self-funded carriers (CVS \$1.7M and SILVERSCRIPT \$6.4M) to cover claim payment lag.
13	TOTAL ASSETS	\$ 555,816,171	\$ 551,304,118	
LIABILITIES:				
14	Vouchers and contracts payable	\$ 11,381	\$ 199,383	
15	Premiums payable	64,299,386	64,753,047	One month of premiums owed to the fully insured plan carriers.
16	Due to retirees	10,934	64,440	Refunds owed to retirees.
17	Medicare Part B premium reimbursement payable	9,816,682	-	At quarter-end, we reimburse retirees Medicare Part B premiums. Therefore, quarter-end balances are zero.
18	AP unclaimed checks	267,521	267,521	Uncashed checks either older than 6 months or deceased (unclaimed) owed to members.
19	Benefit claims payable	30,560,170	27,496,710	Claims reimbursements and administrative fees owed to CVS and SILVERSCRIPT.
20	IBNR liability for self-funded plans	492,900	492,900	Incurred but not reported (IBNR) liability for claims reimbursement from self-funded plans.
21	Total Liabilities	\$ 105,458,975	\$ 93,274,001	
NET ASSETS:				
	Unrestricted gain primarily from benefit plans			
22	ACA PCORI fees	\$ 3,393,575	\$ 3,393,575	At the 4/28/20 meeting, the Board approved to reserve additional funds to pay for PCORI fees through 6/30/29 for actives and 12/31/28 for retirees.
23	Self-funded claim stabilization reserve	113,148,000	96,831,000	Reserve reflects 35% of FY24 self-funded prescription drug plan claims and expenses.
24	Administrative fees (08/24-12/28 Retirees)	18,083,290	18,444,776	At the 6/26/18 meeting, the Board approved waiver of administrative fees from 7/1/19 (actives) and 1/1/19 (retirees) through 6/30/24 (actives) and 12/31/23 (retirees). At the 9/25/18 meeting, the Board extended the waiver through 6/30/29 (actives) and 12/31/28 (retirees).
25	Unreserved	315,732,331	339,360,767	
26	Unrestricted gain primarily from benefit plans	450,357,196	458,030,118	Unrestricted gain or surplus for EUTF. This amount is cumulative from year-to-year.
27	TOTAL LIABILITIES AND NET ASSETS	\$ 555,816,171	\$ 551,304,118	

Hawaii Employer-Union Health Benefits Trust Fund
AGENCY (RETIREES) - STATEMENT OF REVENUE AND EXPENSES and CHANGES IN NET POSITION
1 Month Ended July 31, 2024
(PRELIMINARY-Unaudited)

		7/31/2024 1-Month Actual	7/31/2024 Self-Funded Plans and Other 1-Month Actual	Notes
REVENUES:				
1	Premium revenue for self-funded plans	\$ -	\$ 13,287,825	
2	Investment income	830,181	-	<i>Dividends from short-term investments.</i>
3	Unrealized gain (loss) in investment	4,213,862	-	<i>Appreciation (Depreciation) in fair market value of short-term investments.</i>
4	Direct subsidy - Silverscript	-	901,160	
5	LIPS low income subsidy - Silverscript, Kaiser	-	16,136	<i>Low income subsidy for Medicare Part D prescription drug plan Silverscript (\$16.14K).</i>
6	Reinsurance - Silverscript	-	3,323,198	
7	Total revenues	\$ 5,044,043	\$ 17,528,318	
EXPENSES:				
8	TPA expenses	\$ -	\$ 367,706	<i>Administrative expenses paid to self-funded plan carriers (CVS \$10.8K and Silverscript \$356.91K).</i>
9	Benefits paid for self-funded plans	-	29,811,843	<i>Claims paid to self-funded plan carriers (CVS \$5.69M and Silverscript \$24.12M).</i>
10	Investment fees	4,613	-	<i>Fees associated with short-term investments.</i>
11	(Gain) loss from carrier payments	-	61,120	<i>This amount is the resulting (gain) loss after the collection of contributions and the payment to carriers. This amount fluctuates every month.</i>
12	Total expenses	4,613	30,240,669	
13	EXCESS OF REVENUES OVER EXPENDITURES (LOSS)	\$ 5,039,430	\$ (12,712,351)	
15	CHANGE IN NET ASSETS	\$ 5,039,430	\$ (12,712,351)	

Hawaii Employer-Union Health Benefits Trust Fund
OPEB STATEMENT OF NET POSITION
1 Month Ended July 31, 2024
(PRELIMINARY-Unaudited)

			UNAUDITED Current Month Ended July 31, 2024	AUDITED Current Month Ended June 30, 2024	<i>Notes</i>
ASSETS:					
1	OPEB operating account	\$	2,316,888	\$ 2,183,024	
2	OPEB contributions in transit / receivable		-	-	
3	OPEB contributions		5,653,195,315	5,491,724,315	
4	OPEB contributions, at cost		5,653,195,315	5,491,724,315	
5	Net return on investment		2,514,682,804	2,423,103,666	
6	Total Assets	\$	8,170,195,007	\$ 7,917,011,005	
LIABILITIES:					
7	Vouchers and contracts payable		2,927,657	2,302,640	<i>Payable to Acuitas, Alliance Bernstein, ASB Int'l, BlackRock, Callan, Gateway, Geode, Heitman, Longtail, MS Prime, Mt. Lucas, Northern Trust, Nossaman, Meketa Investment Group, Inc., Reinhart, and SLC/Ryan Labs.</i>
NET POSITION - Restricted for Other					
8	Postemployment Benefits	\$	8,167,267,350	\$ 7,914,708,365	
Employers					
OPEB Net Assets					
9	Hawaii DWS	\$	31,607,033		
10	Honolulu BWS		144,223,127		
11	Kauai DWS		17,346,714		
12	County of Maui		582,740,343		
13	County of Hawaii		378,360,803		
14	County of Kauai		239,525,158		
15	C&C Honolulu		1,536,311,283		
16	State of Hawaii		5,231,038,282		
17	HART		6,114,609		
18	Total	\$	8,167,267,350		

Hawaii Employer-Union Health Benefits Trust Fund
OPEB STATEMENT OF REVENUE AND EXPENSES
1 Month Ended July 31, 2024
(PRELIMINARY-Unaudited)

		7/31/2024 1-Month - Other	7/31/2023 1-Month - Other	Notes
	ADDITIONS:			
1	OPEB ER contrib (PREFUNDING)	\$ 161,471,000	\$ 56,014,192	
2	Employer contributions at cost	\$ 161,471,000	\$ 56,014,192	
	Investment earnings:			
3	Investment income	7,280,746	10,030,462	
4	Securities lending income	44,980	55,590	
5	Unrealized gain (loss)	84,777,937	105,494,405	
6		\$ 92,103,663	\$ 115,580,457	
	Investment fees:			
7	Securities lending expense	\$ 9,891	\$ 12,223	
8	Management - Acuitas	289,204	252,392	
9	Management - Northern Trust	63,007	51,683	
10	Management - SLC (fka Ryan Labs)	6,428	5,650	
11	Management - Geode	26,348	25,092	
12	Management - Mt. Lucas	71,323	46,826	
13	Management - Reinhart	24,401	-	
14	Management - Gateway	32,830	33,180	
15	Management - Nossaman	165	-	
16	Management - Callan	30,500	16,750	
17	Management - BlackRock	8,026	28,554	
18	Management - ASB Intl	52,098	87,120	
19	Management - MS Prime	212,691	203,440	
20	Management - Heitman	49,479	62,967	
21	Management - Longtail	94,567	21,250	
22	Custodial - Northern Trust	5,583	5,583	
23	Consulting - Meketa Investment Group, Inc.	39,140	36,600	
24	Total Investment Fees	\$ 1,015,678	\$ 889,310	
25	Investment Earnings, Net	\$ 91,087,985	\$ 114,691,147	
26	EXCESS OF REVENUES OVER EXPENDITURES (LOSS)	\$ 252,558,985	\$ 170,705,340	
27	Net Position - Beginning	7,914,708,365	6,728,822,800	
		-	-	
28	Net Position - Ending	\$ 8,167,267,350	\$ 6,899,528,140	

Experience Accounting of CVS Caremark Actives Self-Funded Plans
 Summary of FYE 6/30/2024 & FYE 6/30/2025

CVS Caremark Actives													
	JULY 2023	AUGUST 2023	SEPT 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUNE 2024	FYE 6/30/2024
	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	TOTAL
Total Revenue	8,645,481	8,673,495	8,741,901	8,734,411	8,720,947	8,745,611	8,641,665	8,668,276	8,715,749	8,647,110	8,723,976	8,655,753	104,314,375
Less:													
Benefit Claims	12,670,110	13,855,282	12,628,170	13,753,835	12,928,072	13,782,520	14,680,184	14,090,583	14,353,864	14,972,343	15,521,274	14,322,953	167,559,189
Administrative Expense	68,413 12,738,523	68,417 13,923,699	69,073 12,697,243	69,181 13,823,016	69,485 12,997,557	69,555 13,852,075	69,095 14,749,279	69,411 14,159,994	69,654 14,423,518	69,631 15,041,974	69,595 15,590,869	69,242 14,392,194	830,752 168,389,941
Subtotal	(4,093,042)	(5,250,205)	(3,955,341)	(5,088,605)	(4,276,610)	(5,106,464)	(6,107,615)	(5,491,718)	(5,707,769)	(6,394,864)	(6,866,892)	(5,736,441)	(64,075,566)
Add:													
CVS Caremark Rebate	0	0	12,036,355	0	0	12,205,054	0	0	11,415,017	0	0	13,300,000	48,956,426
Network Guarantee	0	0	0	0	0	0	0	0	0	0	0	0	0
Ranbaxy Settlement	0	0	0	0	0	0	0	67,593	0	0	0	0	67,593
Restasis Settlement	0	0	0	0	0	22,560	0	0	0	0	0	0	22,560
Opana Settlement	0	0	0	0	0	0	0	0	420	0	0	0	420
IBNR	0	0	0	0	0	0	0	0	0	0	0	(8,200)	(8,200)
TOTAL	(4,093,042)	(5,250,205)	8,081,014	(5,088,605)	(4,276,610)	7,121,150	(6,107,615)	(5,424,126)	5,707,667	(6,394,864)	(6,866,892)	7,555,359	(15,036,768)

CVS Caremark Actives													
	JULY 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUNE 2025	FYE 6/30/2025
	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	TOTAL
Total Revenue	10,220,015												10,220,015
Less:													
Benefit Claims	16,187,706												16,187,706
Administrative Expense	70,285 16,257,991	0	0	0	0	0	0	0	0	0	0	0	70,285 16,257,991
Subtotal	(6,037,976)	0	0	0	0	0	0	0	0	0	0	0	(6,037,976)
Add:													
CVS Caremark Rebate	0												0
TOTAL	(6,037,976)	0	0	0	0	0	0	0	0	0	0	0	(6,037,976)

Experience Accounting of CVS Caremark Non-Medicare Retirees Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

CVS Caremark Non-Medicare Retirees													
	JULY 2023	AUGUST 2023	SEPT 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUNE 2024	FYE 6/30/2024
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	TOTAL
Revenue	2,940,329	2,823,986	2,105,829	2,484,616	2,475,815	2,282,336	2,454,961	2,591,875	2,448,422	2,386,140	2,403,847	2,428,952	29,827,109
Less:													
Benefit Claims	5,267,184	6,135,304	5,283,520	5,676,908	5,460,283	5,307,676	6,650,257	5,961,759	5,398,378	5,986,462	5,788,516	5,084,284	68,000,531
Benefit Claims Medicare	(1,261,897)	(1,430,740)	(1,226,295)	(1,251,388)	(1,287,964)	(1,204,904)	(2,388,774)	(1,721,739)	(1,568,056)	(1,544,140)	(1,541,858)	(1,370,099)	(17,797,854)
Net Benefit Claims	4,005,287	4,704,564	4,057,225	4,425,520	4,172,319	4,102,772	4,261,483	4,240,020	3,830,322	4,442,322	4,246,658	3,714,184	50,202,676
Administrative Expense	14,448	13,579	11,924	11,962	11,900	11,877	11,370	11,468	11,058	10,802	10,680	10,720	141,788
	4,019,735	4,718,143	4,069,150	4,437,482	4,184,218	4,114,649	4,272,852	4,251,488	3,841,380	4,453,124	4,257,338	3,724,904	50,344,464
Subtotal	(1,079,406)	(1,894,157)	(1,963,320)	(1,952,866)	(1,708,403)	(1,832,313)	(1,817,891)	(1,659,613)	(1,392,958)	(2,066,984)	(1,853,491)	(1,295,952)	(20,517,354)
Add:													
CVS Caremark Rebate	0	0	4,706,936	0	0	4,321,018	0	0	4,260,577	0	0	4,200,000	17,488,531
Network Guarantee	0	0	0	0	0	421,294	0	0	0	0	0	0	421,294
Ranbaxy Settlement	0	0	0	0	0	0	0	50,149	0	0	0	0	50,149
Restatis Settlement	0	0	0	0	0	75,392	0	0	0	0	0	0	75,392
Opana Settlement	0	0	0	0	0	0	0	0	872	0	0	0	872
IBNR	0	0	0	0	0	0	0	0	0	0	0	600	600
TOTAL	(1,079,406)	(1,894,157)	2,743,616	(1,952,866)	(1,708,403)	2,985,391	(1,817,891)	(1,609,464)	2,867,619	(2,066,984)	(1,853,491)	2,904,048	(2,556,781)

CVS Caremark Non-Medicare Retirees													
	JULY 2024	AUGUST 2024	SEPT 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUNE 2025	FYE 6/30/2025
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	TOTAL
Revenue	2,357,969												2,357,969
Less:													
Benefit Claims	5,693,636												5,693,636
Benefit Claims Medicare	(1,407,661)												(1,407,661)
Net Benefit Claims	4,285,976												4,285,976
Administrative Expense	10,798												10,798
	4,296,773												4,296,773
Subtotal	(1,938,804)	0	0	0	0	0	0	0	0	0	0	0	(1,938,804)
Add:													
CVS Caremark Rebate	0												0
Network Guarantee	0												0
TOTAL	(1,938,804)	0	0	0	0	0	0	0	0	0	0	0	(1,938,804)

Experience Accounting of Silverscript Medicare Retirees Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

SILVERSCRIPT - MEDICARE RETIREES ONLY													
	<u>JULY 2023</u>	<u>AUGUST 2023</u>	<u>SEPT 2023</u>	<u>OCT 2023</u>	<u>NOV 2023</u>	<u>DEC 2023</u>	<u>JAN 2024</u>	<u>FEB 2024</u>	<u>MAR 2024</u>	<u>APR 2024</u>	<u>MAY 2024</u>	<u>JUNE 2024</u>	<u>FYE 6/30/2024</u>
	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	TOTAL
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	
Revenue	10,729,184	10,834,940	11,649,801	11,212,107	11,112,010	11,390,607	11,487,566	11,257,945	11,079,395	10,994,064	10,819,949	11,289,143	133,856,711
Less:													
Benefit Claims	19,175,990	20,580,038	19,701,025	21,134,610	20,736,808	20,511,499	26,948,051	19,916,938	21,243,158	22,061,657	23,055,924	15,971,768	251,037,467
Benefit Claims Paid to CVS	1,261,897	1,430,740	1,226,295	1,251,388	1,287,964	1,204,904	2,388,774	1,721,739	1,568,056	1,544,140	1,541,858	1,370,099	17,797,854
Administrative Expense	339,303	344,638	353,685	353,654	353,297	353,440	357,592	357,265	357,143	357,408	358,958	356,908	4,243,292
	20,777,189	22,355,415	21,281,005	22,739,652	22,378,070	22,069,843	29,694,416	21,995,943	23,168,357	23,963,205	24,956,741	17,698,776	273,078,613
Subtotal	(10,048,005)	(11,520,476)	(9,631,205)	(11,527,544)	(11,266,060)	(10,679,237)	(18,206,850)	(10,737,998)	(12,088,962)	(12,969,141)	(14,136,793)	(6,409,633)	(139,221,903)
Add:													
Coverage Gap Discount	0	0	13,796,395	0	0	14,179,129	0	0	5,394,773	0	0	10,900,000	44,270,298
Silverscript Rebate	0	0	19,383,126	0	0	20,240,066	0	0	18,682,397	0	0	18,100,000	76,405,589
Direct Subsidy	(107,358)	(419,171)	(352,380)	(356,004)	(330,785)	(360,723)	517,721	522,368	515,906	512,883	512,883	602,165	1,257,505
LIPS Subsidy	16,276	15,985	16,392	15,770	16,654	16,358	8,539	16,852	18,176	16,644	28,300	16,130	202,075
LICS Subsidy	0	0	0	0	0	0	0	0	15,234	0	0	1,103,511	1,118,745
Part D Reinsurance	3,059,455	3,068,909	3,063,373	3,066,616	3,078,304	3,074,674	3,331,474	3,280,565	3,283,668	3,318,815	3,318,339	3,309,812	38,254,003
Reinsurance Settlement	0	0	0	0	0	0	0	0	0	0	0	(3,533,954)	(3,533,954)
Ranbaxy Settlement	0	0	0	0	0	0	0	100,299	0	0	0	0	100,299
Network Guarantee	0	0	0	0	0	1,709,460	0	0	0	0	0	0	1,709,460
IBNR	0	0	0	0	0	0	0	0	0	0	0	(79,100)	(79,100)
TOTAL	(7,079,633)	(8,854,754)	26,275,700	(8,801,162)	(8,501,888)	28,179,728	(14,349,115)	(6,817,914)	15,821,193	(9,120,799)	(10,277,271)	24,008,930	20,483,017

SILVERSCRIPT - MEDICARE RETIREES ONLY													
	<u>JULY 2024</u>	<u>AUGUST 2024</u>	<u>SEPT 2024</u>	<u>OCT 2024</u>	<u>NOV 2024</u>	<u>DEC 2024</u>	<u>JAN 2025</u>	<u>FEB 2025</u>	<u>MAR 2025</u>	<u>APR 2025</u>	<u>MAY 2025</u>	<u>JUNE 2025</u>	<u>FYE 6/30/2025</u>
	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	TOTAL
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	
Revenue	10,929,856												10,929,856
Less:													
Benefit Claims	24,118,206												24,118,206
Benefit Claims Paid to CVS	1,407,661												1,407,661
Administrative Expense	356,908												356,908
	25,882,775	0	0	0	0	0	0	0	0	0	0	0	25,882,775
Subtotal	(14,952,920)	0	0	0	0	0	0	0	0	0	0	0	(14,952,920)
Add:													
Coverage Gap Discount	0												0
Silverscript Rebate	0												0
Direct Subsidy	901,160												901,160
LIPS Subsidy	16,136												16,136
LICS Subsidy	0												0
Part D Reinsurance	3,323,198												3,323,198
Reinsurance Settlement	0												0
Network Guarantee	0												0
TOTAL	(10,712,427)	0	0	0	0	0	0	0	0	0	0	0	(10,712,427)

Experience Accounting of Verdegard (formerly known as HMA, LLC) Actives Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

Verdegard (formerly known as HMA, LLC)													
	<u>JULY 2023</u>	<u>AUG 2023</u>	<u>SEP 2023</u>	<u>OCT 2023</u>	<u>NOV 2023</u>	<u>DEC 2023</u>	<u>JAN 2024</u>	<u>FEB 2024</u>	<u>MAR 2024</u>	<u>APR 2024</u>	<u>MAY 2024</u>	<u>JUNE 2024</u>	<u>FYE 6/30/2024</u>
	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>TOTAL</u>
Revenue	32,953	33,527	32,153	34,155	32,874	32,445	31,053	33,717	31,659	31,721	31,794	31,840	389,891
Less:													
Benefit Claims	16,265	23,393	32,058	26,406	23,014	26,909	50,687	19,037	20,254	10,776	16,142	14,336	279,277
Administrative Expense	9,415	9,448	9,415	9,560	9,496	9,432	9,239	9,399	9,399	9,287	9,223	8,028	111,342
IBNR	0	0	0	0	0	0	0	0	0	0	0	16,000	16,000
	25,681	32,841	41,473	35,965	32,510	36,341	59,926	28,436	29,654	20,063	25,365	38,364	406,619
TOTAL	7,272	686	(9,321)	(1,810)	364	(3,895)	(28,873)	5,281	2,006	11,658	6,430	(6,524)	(16,728)

Verdegard (formerly known as HMA, LLC)													
	<u>JULY 2024</u>	<u>AUG 2024</u>	<u>SEP 2024</u>	<u>OCT 2024</u>	<u>NOV 2024</u>	<u>DEC 2024</u>	<u>JAN 2025</u>	<u>FEB 2025</u>	<u>MAR 2025</u>	<u>APR 2025</u>	<u>MAY 2025</u>	<u>JUNE 2025</u>	<u>FYE 6/30/2025</u>
	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>TOTAL</u>
Revenue	31,553												31,553
Less:													
Benefit Claims	17,736												17,736
Administrative Expense	9,080												9,080
	26,816	0	0	0	0	0	0	0	0	0	0	0	26,816
TOTAL	4,737	0	0	0	0	0	0	0	0	0	0	0	4,737

Hawaii Employer-Union Health Benefits Trust Fund
ENTERPRISE (ACTIVES) - STATEMENT OF NET POSITION
2 Month Ended August 31, 2024
(PRELIMINARY-Unaudited)

		UNAUDITED Current Month Ended August 31, 2024	AUDITED Current Month Ended June 30, 2024	Notes
ASSETS				
Current Assets:				
1	Cash	\$ 588,745	\$ 3,616,719	
2	Short-term investment (principal)	155,000,000	155,000,000	
3	Net return on investment	26,998,630	22,316,349	
4		181,998,630	177,316,349	
5	Total cash and investments	182,587,375	180,933,068	
Receivables:				
6	Premium receivable from State of Hawaii and counties	45,618,693	39,566,435	Receivable for one month of employer contributions and one pay period of employee payroll premium deductions withheld net of prepayments.
7	Rebates receivable	20,144,948	32,127,031	CVS drug rebates \$19.57M, CVS network guarantees \$410.32K and HMSA, VSP, HUMANA performance penalties \$168.54K.
8	Experience refunds due from insurance companies	920,230	978,541	Experience refunds for HDS \$920.23.
9	Self-funded reserves	5,021,274	5,021,274	Reserves held by self-funded carriers (CVS \$4.958M and Verdegard \$63.2K) to cover claim payment lag.
10	Prepaid expenses	11,748	29,143	Prepaid expenses such as insurance and computer maintenance.
11	Total current assets	254,304,267	258,655,491	
12	Capital assets, net of accumulated depreciation	9,240,582	9,453,121	Capitalized assets such as computers, benefits administration system, and other fixed assets.
13	TOTAL ASSETS	\$ 263,544,849	\$ 268,108,613	
14	Deferred outflows of resources related to pension	1,368,251	1,368,251	
15	Deferred outflows of resources related to OPEB	1,145,440	1,145,440	
16		\$ 266,058,540	\$ 270,622,304	
LIABILITIES				
Current Liabilities:				
17	Vouchers and contracts payable	\$ 2,272,591	\$ 2,222,232	Accounts payable (includes payments to TELUS Health for the maintenance and support of the BAS, short-term/long-term lease payments, and PCORI fees).
18	Due to State of Hawaii	109,913	109,913	Forfeitures for FY24.
19	Accrued wages and employee benefits payable	1,430,812	1,420,941	
20	Premiums payable to insurance carriers	52,521,230	49,436,274	One month of premiums owed to fully insured plan carriers.
21	Payable to employee - beneficiaries	1,068,473	1,199,979	Refunds owed to employee-beneficiaries.
22	Claims and administrative fee liability for self-funded plan	8,036,247	7,296,006	Claims reimbursements and administrative fees owed to CVS 1/2 month and Verdegard outstanding claims.
23	Compensated absences, current portion	153,888	153,888	Current portion of unpaid vacation liability.
24	Total current liabilities	\$ 65,593,153	\$ 61,839,232	
Noncurrent Liabilities:				
25	Net other postemployment benefits payable	6,064,088	6,064,088	EUTF share of OPEB liability.
26	Compensated absences	462,562	462,562	Non-current portion of unpaid vacation liability.
27	Net pension liability	6,572,720	6,572,720	EUTF share of pension liability.
28	L/T Lease Liability	532,651	532,651	
29	L/T SBITA Lease Liability	2,478,495	2,478,495	Long-term lease liability portion of subscription-based information technology arrangements (SBITAs) in accordance with GASB 96.
30	Total Liabilities	\$ 81,703,669	\$ 77,949,748	
31	Deferred inflows of resources related to pension	433,696	433,696	
32	Deferred inflows of resources related to OPEB	1,120,351	1,120,351	
33	TOTAL LIABILITIES	\$ 83,257,716	\$ 79,503,795	
NET ASSETS:				
34	Net investment in capital assets	\$ 9,240,582	\$ 9,453,121	
Unrestricted gain primarily from benefit plans				
35	ACA PCORI	3,807,399	3,807,399	At the 4/28/20 meeting, the Board approved to reserve additional funds to pay for PCORI fees through 6/30/29 for actives and 12/31/28 for retirees.
36	Self-funded claim stabilization reserve	58,936,000	49,321,000	Reserve reflects 35% of FY24 self-funded prescription drug plan claims and expenses.
37	Administrative fees (09/24-06/29 Actives)	29,521,652	30,446,915	At the 6/26/18 meeting, the Board approved waiver of administrative fees from 7/1/19 (actives) and 1/1/19 (retirees) through 6/30/24 (actives) and 12/31/23 (retirees). At the 9/25/18 meeting, the Board extended the waiver through 6/30/29 (actives) and 12/31/28 (retirees).
38	Unreserved	81,295,191	98,090,072	
39	Unrestricted gain primarily from benefit plans	173,560,242	181,665,386	Unrestricted gain or surplus for EUTF. This amount is cumulative from year-to-year.
40	Total Net Assets	182,800,824	191,118,509	
41	TOTAL LIABILITIES AND NET ASSETS	\$ 266,058,540	\$ 270,622,304	

Hawaii Employer-Union Health Benefits Trust Fund							
ENTERPRISE (ACTIVES) - STATEMENT OF REVENUE, EXPENSES and CHANGES IN NET POSITION							
2 Month Ended August 31, 2024							
(PRELIMINARY-Unaudited)							
		BUDGET	8/31/2024 2-Month Budget	8/31/2024 2-Month Actual	Variance	8/31/2024 Self-Funded Plans and Other 2-Month Actual	Notes
REVENUES:							
1	Premium revenue for self-funded plans	\$	\$ -	\$ -	\$ -	\$ 20,461,163	
2	Administrative fee - EUTF	10,189,407	-	-	-	-	Administrative fees paid by employees and employers are added to the premiums. Effective 1/1/19 and 7/1/19, administrative fees for retirees and actives are waived through 12/31/28 (retirees) and 6/30/29 (actives), respectively.
3	Investment income		-	-	-	2,856,863	\$2.37M interest income from money market account and \$487.69K BOH excess credits.
4	Unrealized gain (loss) on investments		-	-	-	2,313,672	Appreciation (Depreciation) in fair market value of short-term investments.
5	CVS rebates		-	-	-	145,488	
6	Purchasing card rebates		-	-	-	709	
7	Performance penalties		-	-	-	209,887	
8	Total Revenues	\$ 10,189,407	\$ -	\$ -	\$ -	\$ 25,987,783	
EXPENSES:							
9	TPA expenses	\$	\$	\$	\$	\$ 158,739	Administrative expenses paid to self-funded plan carriers (CVS \$140.68K and Verdegard \$18.06K).
10	Benefits paid for self-funded plans					32,022,927	Claims paid to self-funded plan carriers (CVS \$31.98M and Verdegard \$45.09K).
11	Personnel services	6,394,190	1,065,698	1,169,794	(104,096)	-	Salaries for EUTF staff.
12	Office supplies	15,000	2,500	4,636	(2,136)	-	Office supplies includes copier paper, envelopes, repair and maintenance, board refreshments, paper shredding services, and other small purchases. FY24 actual expenditures were higher because of one-time costs of cubicle reconfigurations.
13	Dues & subscriptions	900	150	-	150	-	
14	Postage	170,000	28,333	10,000	18,333	-	\$10K in regular postage refill for monthly shortage and cancellation notices, confirmation letters, COBRA notices, and student certifications.
15	Telephone	48,000	8,000	15,258	(7,258)	-	Telephone charges includes phone lines, long distance charges, toll-free line and annual maintenance of telephone equipment.
16	Printing & binding	185,000	30,833	4,262	26,571	-	Holomua \$4.26K.
17	Transportation - intra state	8,500	1,417	1,685	(268)	-	Interisland travel expenses such as airfare, per diem, car rental, staff car mileage reimbursement, motor pool car rental.
18	Transportation - out of state	68,000	11,333	377	10,956	-	IFEBP annual conference.
19	Office space	410,000	68,333	75,100	(6,767)	-	Office lease rental.
20	Rental of equipment (copier)	26,000	4,333	4,619	(286)	-	Xerox copiers and postage meter machine.
21	Insurance	69,000	11,500	17,245	(5,745)	-	Amortization of Fiduciary Liability.
22	Services on a fee basis - legal	172,000	28,667	42,655	(13,989)	-	Deputy AG's salary and fringe benefits, and outside non-OPEB Trust Fund services.
23	Consultant services	695,000	115,833	155,988	(40,154)	-	Segal \$58.75K, financial audit fees \$75K, DOH death verifications \$0.24K, and claims audit fees \$22K.
24	Training and registration	35,000	5,833	-	5,833	-	
25	Computer hardware/software maintenance	1,892,817	315,470	255,593	59,876	-	\$250K expenses for the TELUS Health (Ika Lifeworks) benefits administration system which includes amortization of software/hardware maintenance, M&O maintenance, services related to TELUS Health contract and \$.15K other computer and software expenses.
26	Depreciation and Amortization		-	-	-	212,540	Depreciation and amortization expense for fixed and prepaid assets.
27	Investment fees - EUTF reserves		-	-	-	2,841	Fees associated with short-term investments.
28	(Gain) loss from carrier payments		-	-	-	151,207	This amount is the resulting (gain) loss after the collection of employer/employee contributions and the payment to carriers. This amount fluctuates every month.
29	Total Expenses	\$ 10,189,407	\$ 1,698,234	\$ 1,757,213	\$ (58,978)	\$ 32,548,254	
30	EXCESS OF REVENUES OVER EXPENDITURE	\$ -	\$ (1,698,234)	\$ (1,757,213)	\$ 58,978	\$ (6,560,471)	

Hawaii Employer-Union Health Benefits Trust Fund
AGENCY (RETIRES) - STATEMENT OF FIDUCIARY NET POSITION

2 Month Ended August 31, 2024

(PRELIMINARY-Unaudited)

		UNAUDITED Current Month Ended August 31, 2024	AUDITED Current Month Ended June 30, 2024	Notes
ASSETS:				
1	Cash	\$ 48,560,785	\$ 73,583,170	
2	Short-term investment (principal)	303,250,000	303,250,000	
3	Net return on investment	106,034,648	96,541,122	
4		409,284,648	399,791,122	
5	Total cash and investments	457,845,432	473,374,292	
Receivables:				
6	Premium receivable from State of Hawaii and counties	48,507,249	-	Receivable for one month of employer contributions and one pay period of employee payroll premium deductions withheld net of prepayments.
7	Rebates receivable	43,695,280	69,355,349	\$5.83M (CVS drug rebates), \$26.40M (SILVERSCRIPT drug rebates), and \$11.28M (coverage gap) through 3/31/24, and performance Penalties \$181.27K.
8	Experience refunds due from insurance companies	-	54,881	Experience refunds for HDS \$54.88K for CY2023.
9	Medicare reimbursements from individuals, net of allowance	0	354,392	Receivable from beneficiaries of deceased retirees who were overpaid for Medicare Part B premium reimbursements (net of allowance for bad debt).
10	Receivables from agencies	-	-	
11	Total receivables	92,202,529	69,764,622	
12	Self-funded reserves	8,165,204	8,165,204	Reserves held by self-funded carriers (CVS \$1.7M and SILVERSCRIPT \$6.4M) to cover claim payment lag.
13	TOTAL ASSETS	\$ 558,213,166	\$ 551,304,118	
LIABILITIES:				
14	Vouchers and contracts payable	\$ 14,347	\$ 199,383	
15	Premiums payable	65,010,686	64,753,047	One month of premiums owed to the fully insured plan carriers.
16	Due to retirees	10,793	64,440	Refunds owed to retirees.
17	Medicare Part B premium reimbursement payable	20,103,224	-	At quarter-end, we reimburse retirees Medicare Part B premiums. Therefore, quarter-end balances are zero.
18	AP unclaimed checks	267,521	267,521	Uncashed checks either older than 6 months or deceased (unclaimed) owed to members.
19	Benefit claims payable	30,031,914	27,496,710	Claims reimbursements and administrative fees owed to CVS and SILVERSCRIPT.
20	IBNR liability for self-funded plans	492,900	492,900	Incurred but not reported (IBNR) liability for claims reimbursement from self-funded plans.
21	Total Liabilities	\$ 115,931,384	\$ 93,274,001	
NET ASSETS:				
	Unrestricted gain primarily from benefit plans			
22	ACA PCORI fees	\$ 3,393,575	\$ 3,393,575	At the 4/28/20 meeting, the Board approved to reserve additional funds to pay for PCORI fees through 6/30/29 for actives and 12/31/28 for retirees.
23	Self-funded claim stabilization reserve	113,148,000	96,831,000	Reserve reflects 35% of FY24 self-funded prescription drug plan claims and expenses.
24	Administrative fees (09/24-12/28 Retirees)	17,721,804	18,444,776	At the 6/26/18 meeting, the Board approved waiver of administrative fees from 7/1/19 (actives) and 1/1/19 (retirees) through 6/30/24 (actives) and 12/31/23 (retirees). At the 9/25/18 meeting, the Board extended the waiver through 6/30/29 (actives) and 12/31/28 (retirees).
25	Unreserved	308,018,402	339,360,767	
26	Unrestricted gain primarily from benefit plans	442,281,781	458,030,118	Unrestricted gain or surplus for EUTF. This amount is cumulative from year-to-year.
27	TOTAL LIABILITIES AND NET ASSETS	\$ 558,213,166	\$ 551,304,118	

Hawaii Employer-Union Health Benefits Trust Fund
AGENCY (RETIREES) - STATEMENT OF REVENUE AND EXPENSES and CHANGES IN NET POSITION
2 Month Ended August 31, 2024
(PRELIMINARY-Unaudited)

		8/31/2024 2-Month Actual	8/31/2024 Self-Funded Plans and Other 2-Month Actual	Notes
REVENUES:				
1	Premium revenue for self-funded plans	\$ -	\$ 26,407,208	
2	Investment income	5,177,734	-	<i>Dividends from short-term investments.</i>
3	Unrealized gain (loss) in investment	4,318,593	-	<i>Appreciation (Depreciation) in fair market value of short-term investments.</i>
4	Direct subsidy - Silverscript	-	1,380,682	
5	LIPS low income subsidy - Silverscript, Kaiser	-	33,347	<i>Low income subsidy for Medicare Part D prescription drug plan Silverscript (\$33.35K).</i>
6	Reinsurance - Silverscript	-	6,641,252	
7	Performance penalties	-	139,925	
8	Total revenues	\$ 9,496,327	\$ 34,602,414	
EXPENSES:				
9	TPA expenses	\$ -	\$ 735,361	<i>Administrative expenses paid to self-funded plan carriers (CVS \$21.54K and Silverscript \$713.82K).</i>
10	Benefits paid for self-funded plans	-	59,001,636	<i>Claims paid to self-funded plan carriers (CVS \$11.26M and Silverscript \$47.74M).</i>
11	Investment fees	9,275	-	<i>Fees associated with short-term investments.</i>
12	(Gain) loss from carrier payments	-	100,805	<i>This amount is the resulting (gain) loss after the collection of contributions and the payment to carriers. This amount fluctuates every month.</i>
13	Total expenses	9,275	59,837,802	
14	EXCESS OF REVENUES OVER EXPENDITURES (LOSS)	\$ 9,487,053	\$ (25,235,388)	
16	CHANGE IN NET ASSETS	\$ 9,487,053	\$ (25,235,388)	

Hawaii Employer-Union Health Benefits Trust Fund
OPEB STATEMENT OF NET POSITION
2 Month Ended August 31, 2024
(PRELIMINARY-Unaudited)

			UNAUDITED Current Month Ended August 31, 2024	AUDITED Current Month Ended June 30, 2024	<i>Notes</i>
ASSETS:					
1	OPEB operating account	\$	2,459,005	\$ 2,183,024	
2	OPEB contributions in transit / receivable		-	-	
3	OPEB contributions		5,682,528,542	5,491,724,315	
4	OPEB contributions, at cost		5,682,528,542	5,491,724,315	
5	Net return on investment		2,571,981,258	2,423,103,666	
6	Total Assets	\$	8,256,968,805	\$ 7,917,011,005	
LIABILITIES:					
7	Vouchers and contracts payable		2,142,044	2,302,640	<i>Payable to Acuitas, Alliance Bernstein, ASB Int'l, BlackRock, Callan, Gateway, Geode, Heitman, Longtail, MS Prime, Mt. Lucas, Northern Trust, Nossaman, Meketa Investment Group, Inc., Reinhart, and SLC/Ryan Labs.</i>
NET POSITION - Restricted for Other					
8	Postemployment Benefits	\$	8,254,826,761	\$ 7,914,708,365	
Employers			OPEB Net Assets		
9	Hawaii DWS	\$	33,672,862		
10	Honolulu BWS		144,121,699		
11	Kauai DWS		17,501,733		
12	County of Maui		582,947,649		
13	County of Hawaii		382,902,060		
14	County of Kauai		241,828,058		
15	C&C Honolulu		1,543,648,270		
16	State of Hawaii		5,302,033,588		
17	HART		6,170,842		
18	Total	\$	8,254,826,761		

Hawaii Employer-Union Health Benefits Trust Fund
OPEB STATEMENT OF REVENUE AND EXPENSES
2 Month Ended August 31, 2024
(PRELIMINARY-Unaudited)

		8/31/2024 2-Month - Other	8/31/2023 2-Month - Other	Notes
ADDITIONS:				
1	OPEB ER contrib (PREFUNDING)	\$ 190,804,227	\$ 97,261,703	
2	Employer contributions at cost	\$ 190,804,227	\$ 97,261,703	
	Investment earnings:			
3	Investment income	10,797,342	18,110,716	
4	Securities lending income	117,184	96,728	
5	Unrealized gain (loss)	140,387,882	5,740,564	
6		\$ 151,302,409	\$ 23,948,008	
	Investment fees:			
7	Securities lending expense	\$ 25,769	\$ 21,268	
8	Management - Acuitas	578,408	504,784	
9	Management - Northern Trust	(421,120)	103,366	
10	Management - SLC (fka Ryan Labs)	13,200	11,317	
11	Management - Geode	50,931	50,353	
12	Management - Mt. Lucas	137,244	104,364	
13	Management - Reinhart	24,401	-	
14	Management - Gateway	65,908	66,360	
15	Management - Nossaman	330	29,719	
16	Management - Callan	30,500	67,000	
17	Management - BlackRock	15,011	57,108	
18	Management - ASB Intl	120,122	174,240	
19	Management - MS Prime	425,382	406,880	
20	Management - Heitman	113,009	132,302	
21	Management - Longtail	172,567	42,500	
22	Custodial - Northern Trust	558,300	11,166	
23	Consulting - Meketa Investment Group, Inc.	78,280	73,200	
24	Total Investment Fees	\$ 1,988,239	\$ 1,855,926	
25	Investment Earnings, Net	\$ 149,314,169	\$ 22,092,082	
26	EXCESS OF REVENUES OVER EXPENDITURES (LOSS)	\$ 340,118,396	\$ 119,353,785	
27	Net Position - Beginning	7,914,708,365	6,728,822,800	
		-	-	
28	Net Position - Ending	\$ 8,254,826,761	\$ 6,848,176,585	

Experience Accounting of CVS Caremark Actives Self-Funded Plans
 Summary of FYE 6/30/2024 & FYE 6/30/2025

CVS Caremark Actives													
	JULY 2023	AUGUST 2023	SEPT 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUNE 2024	FYE 6/30/2024
	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	TOTAL
Total Revenue	8,645,481	8,673,495	8,741,901	8,734,411	8,720,947	8,745,611	8,641,665	8,668,276	8,715,749	8,647,110	8,723,976	8,655,753	104,314,375
Less:													
Benefit Claims	12,670,110	13,855,282	12,628,170	13,753,835	12,928,072	13,782,520	14,680,184	14,090,583	14,353,864	14,972,343	15,521,274	14,322,953	167,559,189
Administrative Expense	68,413 12,738,523	68,417 13,923,699	69,073 12,697,243	69,181 13,823,016	69,485 12,997,557	69,555 13,852,075	69,095 14,749,279	69,411 14,159,994	69,654 14,423,518	69,631 15,041,974	69,595 15,590,869	69,242 14,392,194	830,752 168,389,941
Subtotal	(4,093,042)	(5,250,205)	(3,955,341)	(5,088,605)	(4,276,610)	(5,106,464)	(6,107,615)	(5,491,718)	(5,707,769)	(6,394,864)	(6,866,892)	(5,736,441)	(64,075,566)
Add:													
CVS Caremark Rebate	0	0	12,036,355	0	0	12,205,054	0	0	11,415,017	0	0	13,300,000	48,956,426
Network Guarantee	0	0	0	0	0	0	0	0	0	0	0	0	0
Ranbaxy Settlement	0	0	0	0	0	0	0	67,593	0	0	0	0	67,593
Restasis Settlement	0	0	0	0	0	22,560	0	0	0	0	0	0	22,560
Opana Settlement	0	0	0	0	0	0	0	0	420	0	0	0	420
IBNR	0	0	0	0	0	0	0	0	0	0	0	(8,200)	(8,200)
TOTAL	(4,093,042)	(5,250,205)	8,081,014	(5,088,605)	(4,276,610)	7,121,150	(6,107,615)	(5,424,126)	5,707,667	(6,394,864)	(6,866,892)	7,555,359	(15,036,768)

CVS Caremark Actives													
	JULY 2024	AUG 2024	SEP 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUNE 2025	FYE 6/30/2025
	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	Actives	TOTAL
Total Revenue	10,220,015	10,178,577											20,398,591
Less:													
Benefit Claims	16,187,706	15,791,642											31,979,348
Administrative Expense	70,285 16,257,991	70,393 15,862,035	0	0	0	0	0	0	0	0	0	0	140,678 32,120,026
Subtotal	(6,037,976)	(5,683,458)	0	0	0	0	0	0	0	0	0	0	(11,721,434)
Add:													
CVS Caremark Rebate	0	0											0
Remicade Settlement	0	1,507											1,507
TOTAL	(6,037,976)	(5,681,951)	0	0	0	0	0	0	0	0	0	0	(11,719,927)

Experience Accounting of CVS Caremark Non-Medicare Retirees Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

CVS Caremark Non-Medicare Retirees													
	JULY 2023	AUGUST 2023	SEPT 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUNE 2024	FYE 6/30/2024
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	TOTAL
Revenue	2,940,329	2,823,986	2,105,829	2,484,616	2,475,815	2,282,336	2,454,961	2,591,875	2,448,422	2,386,140	2,403,847	2,428,952	29,827,109
Less:													
Benefit Claims	5,267,184	6,135,304	5,283,520	5,676,908	5,460,283	5,307,676	6,650,257	5,961,759	5,398,378	5,986,462	5,788,516	5,084,284	68,000,531
Benefit Claims Medicare	(1,261,897)	(1,430,740)	(1,226,295)	(1,251,388)	(1,287,964)	(1,204,904)	(2,388,774)	(1,721,739)	(1,568,056)	(1,544,140)	(1,541,858)	(1,370,099)	(17,797,854)
Net Benefit Claims	4,005,287	4,704,564	4,057,225	4,425,520	4,172,319	4,102,772	4,261,483	4,240,020	3,830,322	4,442,322	4,246,658	3,714,184	50,202,676
Administrative Expense	14,448	13,579	11,924	11,962	11,900	11,877	11,370	11,468	11,058	10,802	10,680	10,720	141,788
	4,019,735	4,718,143	4,069,150	4,437,482	4,184,218	4,114,649	4,272,852	4,251,488	3,841,380	4,453,124	4,257,338	3,724,904	50,344,464
Subtotal	(1,079,406)	(1,894,157)	(1,963,320)	(1,952,866)	(1,708,403)	(1,832,313)	(1,817,891)	(1,659,613)	(1,392,958)	(2,066,984)	(1,853,491)	(1,295,952)	(20,517,354)
Add:													
CVS Caremark Rebate	0	0	4,706,936	0	0	4,321,018	0	0	4,260,577	0	0	4,200,000	17,488,531
Network Guarantee	0	0	0	0	0	421,294	0	0	0	0	0	0	421,294
Ranbaxy Settlement	0	0	0	0	0	0	0	50,149	0	0	0	0	50,149
Restatis Settlement	0	0	0	0	0	75,392	0	0	0	0	0	0	75,392
Opana Settlement	0	0	0	0	0	0	0	0	872	0	0	0	872
IBNR	0	0	0	0	0	0	0	0	0	0	0	600	600
TOTAL	(1,079,406)	(1,894,157)	2,743,616	(1,952,866)	(1,708,403)	2,985,391	(1,817,891)	(1,609,464)	2,867,619	(2,066,984)	(1,853,491)	2,904,048	(2,556,781)

CVS Caremark Non-Medicare Retirees													
	JULY 2024	AUGUST 2024	SEPT 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUNE 2025	FYE 6/30/2025
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	TOTAL
Revenue	2,357,969	2,295,312											4,653,281
Less:													
Benefit Claims	5,693,636	5,569,274											11,262,910
Benefit Claims Medicare	(1,407,661)	(1,451,011)											(2,858,671)
Net Benefit Claims	4,285,976	4,118,264											8,404,239
Administrative Expense	10,798	10,746											21,544
	4,296,773	4,129,010											8,425,783
Subtotal	(1,938,804)	(1,833,698)	0	0	0	0	0	0	0	0	0	0	(3,772,502)
Add:													
CVS Caremark Rebate	0	0											0
Remicade Settlement	0	306											306
TOTAL	(1,938,804)	(1,833,392)	0	0	0	0	0	0	0	0	0	0	(3,772,196)

Experience Accounting of Silverscript Medicare Retirees Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

SILVERSCRIPT - MEDICARE RETIREES ONLY													
	JULY 2023	AUGUST 2023	SEPT 2023	OCT 2023	NOV 2023	DEC 2023	JAN 2024	FEB 2024	MAR 2024	APR 2024	MAY 2024	JUNE 2024	FYE 6/30/2024
	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	TOTAL
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	
Revenue	10,729,184	10,834,940	11,649,801	11,212,107	11,112,010	11,390,607	11,487,566	11,257,945	11,079,395	10,994,064	10,819,949	11,289,143	133,856,711
Less:													
Benefit Claims	19,175,990	20,580,038	19,701,025	21,134,610	20,736,808	20,511,499	26,948,051	19,916,938	21,243,158	22,061,657	23,055,924	15,971,768	251,037,467
Benefit Claims Paid to CVS	1,261,897	1,430,740	1,226,295	1,251,388	1,287,964	1,204,904	2,388,774	1,721,739	1,568,056	1,544,140	1,541,858	1,370,099	17,797,854
Administrative Expense	339,303	344,638	353,685	353,654	353,297	353,440	357,592	357,265	357,143	357,408	358,958	356,908	4,243,292
	20,777,189	22,355,415	21,281,005	22,739,652	22,378,070	22,069,843	29,694,416	21,995,943	23,168,357	23,963,205	24,956,741	17,698,776	273,078,613
Subtotal	(10,048,005)	(11,520,476)	(9,631,205)	(11,527,544)	(11,266,060)	(10,679,237)	(18,206,850)	(10,737,998)	(12,088,962)	(12,969,141)	(14,136,793)	(6,409,633)	(139,221,903)
Add:													
Coverage Gap Discount	0	0	13,796,395	0	0	14,179,129	0	0	5,394,773	0	0	10,900,000	44,270,298
Silverscript Rebate	0	0	19,383,126	0	0	20,240,066	0	0	18,682,397	0	0	18,100,000	76,405,589
Direct Subsidy	(107,358)	(419,171)	(352,380)	(356,004)	(330,785)	(360,723)	517,721	522,368	515,906	512,883	512,883	602,165	1,257,505
LIPS Subsidy	16,276	15,985	16,392	15,770	16,654	16,358	8,539	16,852	18,176	16,644	28,300	16,130	202,075
LICS Subsidy	0	0	0	0	0	0	0	0	15,234	0	0	1,103,511	1,118,745
Part D Reinsurance	3,059,455	3,068,909	3,063,373	3,066,616	3,078,304	3,074,674	3,331,474	3,280,565	3,283,668	3,318,815	3,318,339	3,309,812	38,254,003
Reinsurance Settlement	0	0	0	0	0	0	0	0	0	0	0	(3,533,954)	(3,533,954)
Ranbaxy Settlement	0	0	0	0	0	0	0	100,299	0	0	0	0	100,299
Network Guarantee	0	0	0	0	0	1,709,460	0	0	0	0	0	0	1,709,460
IBNR	0	0	0	0	0	0	0	0	0	0	0	(79,100)	(79,100)
TOTAL	(7,079,633)	(8,854,754)	26,275,700	(8,801,162)	(8,501,888)	28,179,728	(14,349,115)	(6,817,914)	15,821,193	(9,120,799)	(10,277,271)	24,008,930	20,483,017

SILVERSCRIPT - MEDICARE RETIREES ONLY													
	JULY 2024	AUGUST 2024	SEPT 2024	OCT 2024	NOV 2024	DEC 2024	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUNE 2025	FYE 6/30/2025
	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	MEDICARE	TOTAL
	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	Retirees	
Revenue	10,929,856	10,824,072											21,753,927
Less:													
Benefit Claims	24,118,206	23,620,826											47,739,032
Benefit Claims Paid to CVS	1,407,661	1,451,011											2,858,671
Administrative Expense	356,908	356,908											713,816
	25,882,775	25,428,744	0	0	0	0	0	0	0	0	0	0	51,311,520
Subtotal	(14,952,920)	(14,604,673)	0	0	0	0	0	0	0	0	0	0	(29,557,593)
Add:													
Coverage Gap Discount	0	0											0
Silverscript Rebate	0	0											0
Direct Subsidy	901,160	479,522											1,380,682
LIPS Subsidy	16,136	17,211											33,347
LICS Subsidy	0	0											0
Part D Reinsurance	3,323,198	3,318,055											6,641,252
Reinsurance Settlement	0	0											0
Network Guarantee	0	0											0
TOTAL	(10,712,427)	(10,789,885)	0	0	0	0	0	0	0	0	0	0	(21,502,311)

Experience Accounting of Verdegard (formerly known as HMA, LLC) Actives Self-Funded Plan
 Summary of FYE 6/30/2024 & FYE 6/30/2025

Verdegard (formerly known as HMA, LLC)													
	<u>JULY 2023</u>	<u>AUG 2023</u>	<u>SEP 2023</u>	<u>OCT 2023</u>	<u>NOV 2023</u>	<u>DEC 2023</u>	<u>JAN 2024</u>	<u>FEB 2024</u>	<u>MAR 2024</u>	<u>APR 2024</u>	<u>MAY 2024</u>	<u>JUNE 2024</u>	<u>FYE 6/30/2024</u>
	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>TOTAL</u>
Revenue	32,953	33,527	32,153	34,155	32,874	32,445	31,053	33,717	31,659	31,721	31,794	31,840	389,891
Less:													
Benefit Claims	16,265	23,393	32,058	26,406	23,014	26,909	50,687	19,037	20,254	10,776	16,142	14,336	279,277
Administrative Expense	9,415	9,448	9,415	9,560	9,496	9,432	9,239	9,399	9,399	9,287	9,223	8,028	111,342
IBNR	0	0	0	0	0	0	0	0	0	0	0	16,000	16,000
	25,681	32,841	41,473	35,965	32,510	36,341	59,926	28,436	29,654	20,063	25,365	38,364	406,619
TOTAL	7,272	686	(9,321)	(1,810)	364	(3,895)	(28,873)	5,281	2,006	11,658	6,430	(6,524)	(16,728)

Verdegard (formerly known as HMA, LLC)													
	<u>JULY 2024</u>	<u>AUG 2024</u>	<u>SEP 2024</u>	<u>OCT 2024</u>	<u>NOV 2024</u>	<u>DEC 2024</u>	<u>JAN 2025</u>	<u>FEB 2025</u>	<u>MAR 2025</u>	<u>APR 2025</u>	<u>MAY 2025</u>	<u>JUNE 2025</u>	<u>FYE 6/30/2024</u>
	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>Actives</u>	<u>TOTAL</u>
Revenue	31,553	31,018											62,572
Less:													
Benefit Claims	17,736	27,351											45,087
Administrative Expense	9,080	8,981											18,061
	26,816	36,331	0	0	0	0	0	0	0	0	0	0	63,148
TOTAL	4,737	(5,313)	0	0	0	0	0	0	0	0	0	0	(576)



Monthly Carrier Report

Date: December 2, 2024

Carrier: CVS Health

Period Report Covers: November 2024

Customer Service Utilization and Performance Data:

• **Call Center Statistics:**

- Number of calls answered by a live representative: 446
- Percentage of calls answered in 10 seconds: 96.4 % (430 calls)
- Percentage of calls answered in 30 seconds: 96.4 % (430 calls)
- Average speed of answer (number of seconds before live person answers calls): 6.4 seconds
- Average call duration: 691 seconds
- Calls abandoned at 30 seconds or greater: 5
- Percentage of calls abandoned at 30 seconds or greater: 0.7 %

Breakdown of calls by subject matter (one call can be logged in more than one category)

- Miscellaneous – View Account 30
- Claim Inquiry – Rejected Claim 61
- Rx Order – Order Update 15
- Rx Order – Check Status 26
- Account Maintenance – ID Cards 16
- Rx Order Refill 34
- Plan Design - Override 30
- Plan Design- Prior Authorization 40
- Drug Coverage 109
- Eligibility – Processing Information 16
- Others 108

• **Requests by EUTF to Account Mgmt/Customer Care:**

Number of Requests: 88

The average turnaround time for requests was responded to in 1 business day.

All rush enrollments were processed within 1 business day.

Breakdown of escalations by subject matter:

- Account Maintenance – 13
- Enroll Verify – 3
- Outreach – 0
- Reinstatements – 20
- Research – 4
- Rush Enrollments – 48

• **Appeals: There is a lag in appeals activity. The following appeals information is for the month of October 2024.**

21 Total appeals for non-specialty drugs – 17 approved, 4 denied

13 Total appeals for specialty drugs – 5 approved, 8 denied

- **CVS Health Walk-In Servicing**
No CVS Health members visited the customer service office on Bishop Street during the month of November 2024.
- **Operational Issues Pertaining to EUTF Members:**
No information to report.
- **Issues Raised By or With the Vendor and Correspondence to or Referred to the Vendor:**
No information to report.
- **Any Legal Actions or Proceedings Involving EUTF Members:**
No information to report.
- **Pending or Approved Insurance Regulations or State Legislation Affecting Benefits:**
No information to report.
- **New Issues with Respect to New Programs or Benefits of Interest to Board:**
No information to report.
- **EUTF Client Service Team Contact and Pending Changes to Team, If Any:**
No information to report.
- **Community Activities Relating to Vendor's That May Be Of Interest to EUTF:**
No information to report.
- **Other:**
Weight loss medications are top of mind for our PBM clients. CVS Caremark released the attached article on current research around forced deprescribing of weight management GLP-1s and findings in collaboration with our CVS weight management program.

There was one Consumer-level recall notice received by CVS Caremark for the month of November 2024.

- CVS Health Daily Fiber Psyllium Husk Powder Original Coarse distributed by CVS Health

If you have questions, please contact me at 808-282-0724, or by email at sandra.benevides@cvshhealth.com.

Mahalo,



Sandra Benevides
Strategic Account Executive

Weight management GLP-1 deprescribing

Does the science support it?

Lia Gass Rodriguez, MD, FAAP
Chief Medical Officer, CVS Healthspire Payor Solutions



Weight management medications in the GLP-1 and GIP/GLP-1 classes – commonly referred to collectively as GLP-1s – have helped many people lose significant weight. Unsurprisingly, demand for these drugs has soared. But what happens after people who use them reach their goal weight? Can they stop using the medication?

The prospect of discontinuing can be appealing to both payors and plan members for a variety of reasons, including the high cost of these drugs.

\$1K+ per month – current list prices for Wegovy (semaglutide) and Zepbound (tirzepatide)^{1, 2}

Additionally, people who use weight management GLP-1s may experience needle fatigue, unpleasant side effects, or difficulty filling their prescriptions due to shortages. Some may not be seeing results or may have hit a plateau with their weight loss. Others may simply want to try maintaining their weight through lifestyle changes alone. Clinical data indicate that as many as half of all patients who use GLP-1s stop using them within a year.

As many as half of all patients stop using weight management GLP-1s within 12 months.³

¹ <https://www.axios.com/2024/04/29/weight-loss-drugs-cost-glp-1>

² <https://pricinginfo.lilly.com/zepbound>

³ <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2819256>

Those who are interested in trying to discontinue their medication should consult with their prescribers. Together, they can discuss the benefits and drawbacks of stopping the medication on an individual basis, as well as the importance of committing to long-term lifestyle changes, such as diet and exercise, to manage weight.

What we know about GLP-1s and deprescribing

GLP-1s help control blood glucose, promote feelings of fullness, and suppress appetite. When paired with lifestyle changes, the drugs can contribute to substantial weight loss, which is why it is so important to provide wrap-around lifestyle and nutrition support for plan members who use these medications.

Payors hear a lot about “deprescribing” when they are evaluating weight management programs. Some vendors actively promote a time-limited or mandated deprescribing off-ramp as a key component of their program. This can be enticing to payors who are trying to control drug spend. Current medical literature, however, does not support it as a blanket approach.

Current research on deprescribing

Clinically rigorous research continues to demonstrate a tendency for people to regain at least some of the weight they’ve lost when they discontinue weight management drugs. One such study with semaglutide (generic drug name for Wegovy) found that on discontinuation of the medication, patients regained about two-thirds of their prior weight loss in just a year.⁴

~2/3 of lost weight regained within one year of stopping semaglutide

A similar study tested deprescribing of tirzepatide (generic drug name for Zepbound). Study participants had lost, on average, 20.9 percent body weight over a 36-month period. Those who were then transitioned to an injection that contained no active drug – referred to as a placebo – regained about 14 percent of their weight in a year, while those who stayed on tirzepatide lost an additional 5.5 percent.⁵

~14% body weight regained within one year of stopping tirzepatide

Other reputable clinical studies have been consistent in finding that patients experience significant weight re-gain when they discontinue these medications.^{6,7}

It’s important to remember that obesity is a chronic condition with numerous underlying causes – including socioeconomic, environmental, and genetic factors, as well as cultural influences⁸ – that are not fully resolved simply because a person reaches their goal weight.

⁴ <https://pubmed.ncbi.nlm.nih.gov/35441470/>

⁵ <https://jamanetwork.com/journals/jama/fullarticle/2812936>

⁶ <https://jamanetwork.com/journals/jama/fullarticle/2777886>

⁷ <https://dom-pubs.pericles-prod.literatumonline.com/doi/10.1111/dom.14725>

⁸ <https://www.cdc.gov/obesity/risk-factors/risk-factors.html>

The drawbacks of a one-size-fits-all approach

Programs that promote GLP-1 deprescribing often employ a one-size-fits-all strategy – including the diet used as a part of their program. A common assumption is that people can safely and effectively discontinue a weight management GLP-1 and maintain their weight loss if they adopt a ketogenic – or “keto” – diet.

While some people do have success losing weight on a ketogenic diet, this highly restrictive eating plan is not for everyone. It requires moderate protein and high daily fat intake, as well as very restrictive carbohydrate intake. Ketogenic diets may pose risks to people with certain health conditions. Adherence is an issue, as well, with many people finding the diet difficult and unrealistic to sustain over a long time.⁹

Deprescribing medications for other conditions

Weight loss achieved through the use of medications may make it possible to [deprescribe – or adjust prescriptions for – other medications](#). Obesity is a risk factor for numerous health conditions, including diabetes, high blood pressure, high cholesterol, and sleep apnea. Achieving and maintaining a healthy weight may make it possible to discontinue medications used to treat many of these related conditions, which can affect overall drug spend.

This is why it’s so important to take a whole-person approach to weight management that looks beyond the numbers on the scale or the cost of a single medication. Patients can see changes in their blood glucose, cholesterol levels and blood pressure. These numbers together provide a more comprehensive indicator of a person’s overall health.

A personalized approach to therapy

There is a lot we’re still learning about how GLP-1s affect the body, which may help guide prescribing decisions for plan members who use them. While universal deprescribing is unlikely to drive optimal results, it may make sense on an individual basis to explore discontinuation, lowering the dose, or increasing time between doses, as patients enter a maintenance phase with their treatment. Alternately, some individuals may be able to successfully transition to an older generation medication.¹⁰

Whatever path a member and their prescriber may choose, it is important to continue the lifestyle changes these medications are intended to be an adjunct to. Lifestyle coaching and nutrition support, such as through the [CVS Weight Management™ program](#), can help boost the efficacy of GLP-1s and may even help some people achieve their weight goals without medication.

The CVS Weight Management program provides one-on-one support from a dedicated registered dietitian, personalized nutrition planning, an engaging digital app, a connected scale and other devices as appropriate, and more. Members who struggled to lose weight on medication alone increased their weight loss by six times after enrolling. The program has also driven significant cost savings for clients.

⁹ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8322232/>

¹⁰ <https://jamanetwork.com/journals/jamainternalmedicine/article-abstract/2825063>

- **6x total weight loss** for members previously struggling to lose weight on medication alone¹¹
- **Up to 22% less client spend on GLP-1s** for weight loss compared with clients who didn't adopt the program¹²

Members enrolled in the program are monitored to identify opportunities to deprescribe medications for high blood pressure, high cholesterol, diabetes, and other conditions, in coordination with their primary care provider. If a member expresses interest in decreasing their GLP-1 dosage or discontinuing it altogether, their program care team will support them in doing so. Their dedicated registered dietician will continue to work with them on healthy eating, exercise, the importance of sleep, and other habits that can help them maintain their weight.

As the clinical landscape for GLP-1s [continues to evolve](#), we're committed to supporting plan sponsors with evidence-based, clinically appropriate coverage, cost, and care solutions that can help control spend without compromising health outcomes.

¹¹ Reflects relative increase in total weight loss from weight management medication start before and after enrollment in CVS Weight Management.

¹² Comparing pilot client to a comparable client peer group in Q2 2024.

Monthly Carrier Report

Date: December 1, 2024

Carrier: 9445

Period Report Covers: November 2024

▪ **Customer Service Utilization and Performance Data:**

▪ **Call Center Statistics:**

Number of calls – 257

Percentage of calls answered in 30 seconds – 90.9% (20 calls)

Average speed of answer (number of seconds before live body answers calls) 50.2 seconds

Abandonment rate 0.0%

Average call duration 271 seconds

Breakdown of calls by subject matter (one call can be logged in more than one category):

- Miscellaneous – View Member Account – 160
- Rx Verification - Rx Verify Directions – 66
- Plan Design – Prior Auth - 87
- Order Placement – CCR Refill – 412
- Order Status – Order Inquiry - 160
- Plan Design – Plan Benefit Override - 80
- Retail Test Claim - 104
- Plan Design – Plan Design Education - 241
- Others – 416

▪ **Requests by EUTF to Account Management/Customer Care:**

Number of Requests: 15

Average turnaround time complaints were responded to: less than 1 Day

Breakdown of escalations by subject matter:

- *Account Maintenance: 5*
- *Reinstate: 2*
- *Research: 2*
- *Verify Enrollment: 3*
- *Outreach: 0*
- *Rush/Manual Enrollments: 3*

- **CVS Health Walk-In Servicing**

1 SilverScript member visited the customer service office on Bishop Street during the month of November 2024.

- **Operational Issues Pertaining to EUTF Members:**

No new issues to report.

Issues Raised by or With the Vendor and Correspondence to or Referred to the Vendor:

No new issues to report.

- **Any Legal Actions or Proceedings Involving EUTF Members:**

No new actions to report.

- **Pending or Approved Insurance Regulations or State Legislation Affecting Benefits:**

No new information to report.

- **New Issues with Respect to New Programs or Benefits of Interest to Board:**

No new information to report

- **EUTF Client Service Team Contact and Pending Changes to Team, If Any:**

No new information to report

- **Community Activities Relating to Vendors That May Be of Interest to EUTF:**


No new information to report

- **Other:**

No new information to report

If you would like to have further detail on any of these topics, please feel free to contact Ty Bowers at 480-253-2963 or via email at ty.bowers@cvshhealth.com.

Mahalo,



Ty Bowers
Strategic Account Director, Medicare Account Services

Monthly Carrier Report

Date: December 9, 2024

Carrier: Hawaii Dental Service

Period Report Covers: November 2024

- Customer Service Utilization and Performance Data:
Number of in person interactions with HDS and EUTF participants (walk-ins) = 4
- Call Center Statistics:
Total number of calls = 987
Percentage of calls answered in 10 seconds = 39.73%
Percentage of calls answered in 30 seconds = 91.73%
Average speed of answer (number of seconds before live body answers calls) = 16.05 seconds
Abandonment rate = 0.81%
Average call duration = 5:45 minutes
Breakdown of calls by subject matter
Eligibility/Benefits: 45%
Claim Status: 15%
Request for ID card: 7%
Refer to EUTF (address change): 1%
Dentist search: 2%
Other Misc.: 31%
HDS Online Support: 0%
Results may not total 100%. One call could have more than one subject matter.
- Complaints:
Number of Complaints = 0
Average turnaround time complaints were responded to = n/a
Breakdown of complaints by subject matter Number Resolved/Number Pending
Resolution - None

- Operational Issues Pertaining to EUTF Members:

Network Additions	Network Exits
Dr. Don B. Sand - Molokai	Dr. Carl S. Chikasuye - Oahu
Dr. Hannah Bodnar - Hawaii	
Dr. Janna Mitsos - Maui	
Dr. Kaitlin E. Lee - Oahu	

- Issues Raised by or With the Vendor and Correspondence to or Referred to the Vendor: None
- Any Legal Actions or Proceedings Involving EUTF Members: None
- Pending or Approved Insurance Regulations or State Legislation Affecting Benefits: None
- New Issues with Respect to New Programs or Benefits of Interest to Board: None
- EUTF Client Service Team Contact and Pending Changes to Team, If Any: None
- Community Activities Relating to Vendors That May Be of Interest to EUTF: HDS sponsored the Walk to end Alzheimer's on November 2nd. HDS CEO, Diane Paloma, was co-chair for the event. HDS sponsored the Ronald McDonald House Charities Hope and Heroes Gala on November 23rd. HDS Foundation granted \$250,000 to the University of Hawaii for Loan Repayment administered by the UH-Hawaii/Pacific Basin Area Health Education Center.
- Other: HDS received six appeals.



Joey Lee, Director of Sales



Monthly Carrier Report

Date: December 9, 2024

Carrier: Hawaii Medical Service Association (HMSA)

Period Report Covers: November 2024

Customer Service Utilization and Performance Data:

- **Call Center Statistics:**

- Number of calls - 2229
- Average speed of answer (number of seconds before live body answers calls) - 01:21
- Abandonment rate - 3.84%
- Average call duration - 08:09 (MM:SS)

- **Appeals:**

HMSA's organization is set up with an initiative known as First Call Resolution (FCR). FCR is the concept that members should only have to contact HMSA one time with their concern/inquiry for it to be resolved. Although members' inquiries may not be resolved during the first call, the idea is that the member should not have to call HMSA again after their initial contact.

If a member is not satisfied with a response by a customer service representative, the member is provided with HMSA's Appeals Rights and Processes. If a member decides to submit a formal Appeal with HMSA, HMSA begins tracking the member appeal through our Appeals Department, which is the information that we have provided below.

- **November 2024**

- Total number of appeals unresolved from the previous month: 28
- Total number of appeals received: 29
- Average turnaround time appeals were responded to: 26.6 days (excluding appeals that were extended)
- Total number of appeals resolved with extensions: 0
 - In some instances, additional information is required to support the nature of an Appeal, such as additional medical records. Extensions are applied after obtaining member approval.
- Total number of appeals resolved without an extension: 20
- Breakdown of appeals by subject matter - Number Resolved/Number Pending Resolution:
 - 37 Appeals pending as of December 9, 2024.
 - 20 Appeals resolved in November 2024.
 - 0 Appeals withdrawn in November 2024.
 - 0 Appeals voided in November 2024.



Appeal Description	Count of Cases
Overtured	8
Medication	3
Imaging	3
Genetic Testing	1
Physical Exam	1
Upheld	12
Imaging	4
Sacroiliac Join Injection	2
Physical Therapy	2
Lab Service	1
Surgery	1
Speech Therapy	1
Medication	1
Total	20

Operational Issues Pertaining to EUTF Members:

None for November 2024.

Issues Raised By or With the Vendor and Correspondence to or Referred to the Vendor:

None for November 2024

Any Legal Actions or Proceedings Involving EUTF Members:

None for November 2024.

Pending or Approved Insurance Regulations or State Legislation Affecting Benefits:

None for November 2024.

New Issues with Respect to New Programs or Benefits of Interest to Board:

None for November 2024.

EUTF Client Service Team Contact and Pending Changes to Team, if Any:

None for November 2024.



Community Activities Relating to Vendor's That May Be of Interest to EUTF:

Health and Provider Events

- Alzheimer's Walk Oahu
- Navian Hawaii Na Hoa Malama
- Hawaii Parkinson's Walk
- Lanai Kinaole
- Walk to End Alzheimer's Maui
- Kapiolani Health Foundation Soiree
- Kuakini Foundation Holiday Trees and Treasures
- Hawaii island Healthcare Career Expo
- Hilo Benioff Medical center Foundation Wine, Cheese Chocolate & More

Community Events

- Hawaii Community Caregiver Network Breakfast
- March of Dimes Golf Invitational
- Hawaii Homelessness Housing Conference
- Mayor's Craft and Country Fair

School Fairs and Events

- Aiea High School Career Fair
- Waimea High School Career Fair
- Kapaa High School Career Fair
- UH Women's Volleyball vs Cal Poly pre-game
- Konawaena High School College & Career Fair
- Moanalua High School Turkey Trot
- Chamber of Commerce HI School Mentor Program Professional Development class

Other:

None.

If you have any questions, please contact me at 952-7845.

Sincerely,

Christopher M. Letoto
Manager, EUTF Program
Account Management and Sales



Monthly Carrier Report

Date: December 9, 2024

Carrier: Humana

Plan: EUTF Medicare Advantage Plan (MA Only)

- 1. **Period Report Covers:** November 1, 2024 through November 30, 2024

Customer Service Utilization and Performance Data:

• **Call Center Statistics:**

- Number of calls answered by a live representative
 - EUTF specific: 6
 - Humana Book of Business: 79,795
- Percentage of calls answered in 30 seconds
 - Humana Book of Business: 91.32%
- Average speed of answer (number of seconds before live person answers calls):
 - Humana Book of Business: 15 seconds
- Average call duration:
 - Humana Book of Business: 592 seconds

Breakdown of calls by subject matter (calls can be logged in more than one category or not logged)

Call Driver*	Number of Calls*
○ Authorization/Referral	0
○ Benefits	2
○ Claims	1
○ Communication	1
○ Demographics	0
○ Disenrollment	0
○ Eligibility	0
○ Enrollment	0
○ Fulfillment	0
○ Grievance & Appeals	0
○ Rx	0
○ Provider	1
○ Outbound Call	0
○ Wellness	1
○ Other/Miscellaneous	0

*EUTF specific

- **Requests by EUTF to Account Management/Customer Care (Account Concierge ACS):**
 - Number of Requests in November: 0 Account Management and ACS
 - The average turnaround time for request: N/A
 - All rush enrollments were processed within 1 business day(s): 0 requests made
 - Breakdown of escalations by subject matter:
 - Account Management and ACS subject matter – N/A
 - Rush enrollment subject matter – N/A

- **Appeals: The following appeals information is for the month of November 2024.**
 - Number of Appeals in November 2024: 0
 - Number of Appeals resolved in November 2024: 0
 - Number of Appeals withdrawn in November 2024: 0
 - Number of Appeals voided in November 2024: 0
 - Number of Appeals pending in November 2024: 0
 - Total number of appeals remaining open in November 2024: 0
 - Average turnaround time appeals were responded to: 0 or N/A days (excluding appeals that were extended)
 - Breakdown of appeals by subject matter:

Appeal Description	Count of Appeals
Overtured	N/A
Upheld	N/A
Outpatient Surgery	N/A
Withdrawn	N/A
Total	N/A

- **Humana Walk-In Servicing**
 - The Humana office at 733 Bishop St, Suite 2100, Honolulu, HI 96813 is open with normal business hours (Monday through Friday from 8:00 a.m. to 5:00 p.m.)
 - There were 0 EUTF members that visited the Humana office in November.

- **Operational Issues Pertaining to EUTF Members:**
No information to report for November 2024.

- **Issues Raised By or With the Vendor and Correspondence to or Referred to the Vendor:**
No information to report for November 2024.

- **Any Legal Action or Proceedings Involving EUTF Members:**
No information to report for November 2024.

- **Pending or Approved Insurance Regulations or State Legislation Affecting Benefits:**
No information to report for November 2024.

- **New Issues with Respect to New Programs or Benefits of Interest to Board:**
No information to report for November 2024
- **Other:**
No information to report for November 2024.

Please contact me with any questions at 502-418-2712, or by email at jsmith55@humana.com .

Thank you,

A handwritten signature in black ink, appearing to read "Jenny Smith". The signature is fluid and cursive, with the first name "Jenny" being more prominent than the last name "Smith".

Jenny Smith

Senior Account Executive

Monthly Carrier Report

Date: December 10, 2024

Carrier: Kaiser Permanente

Period Report Covers: November 2024

- **Customer service utilization and performance data:**

- **Call center statistics:**

Number of calls: 390 Calls

Percentage of calls answered in 30 seconds: 90.86%

Percentage of calls answered in 20 seconds: 89.85%

Percentage of calls answered in 10 seconds: 89.34%

Average speed of answer: 11 seconds

Abandonment rate: 1.02%

Average call duration: average talk time 461 seconds

(20%) Access, (53%) Benefits, (0%) Billing Issues, (4%) Claims, (1%) Complaints,
(10%) Eligibility, (7%) ID/Demographics, (5%) Materials Requested

- **Complaints:**

Number of Complaints: 66

Average turnaround time complaints were responded to: 8.72 days to close concerns

Breakdown of complaints by subject matter – Number Resolved/Number Pending

Resolution: 47 closed, 19 open

– Access – (4) Appointment schedule, (1) Referral, (1) Cancellation

– Benefits & Enrollment – (1) Denial, (2) Benefit change, (1) Silver&Fit

– Facility – (1) Check in/out process, (1) Parking, (1) Lost item, (1) Item not sufficient

– Operational Process – (4) Phone system, (5) KP.org

– Physician – (11) Courtesy & communication, (15) Diagnosis treatment or care

– Other – (5) Billing issue, (2) Prescription, (4) Balance billing

- **Appeals:**

Number of Appeals in November 2024: 0

Number of Appeals approved in November 2024: 0

Number of Appeals denied in November 2024: 0

- **Operational issues pertaining to EUTF members:**

Holiday Clinic Closures:

January 1, 2025 – In observance of New Years Day

January 20, 2025 – In observance of Martin Luther King Jr. Day

ER will remain open 24/7

- **Issues raised by or with the vendor and correspondence to or referred to the vendor:**

No information to report

- **Any legal actions or proceedings involving EUTF members:**

No information to report

- **Pending or approved insurance regulations or state legislation affecting benefits:**

No information to report

- **New issues with respect to new programs or benefits of interest to board:**
No information to report
- **EUTF client service team contact and pending changes to team, if any:**
No information to report
- **Community activities relating to vendor's that may be of interest to EUTF:**
No information to report
- **Other:**
Kaiser Permanente Moanalua Medical Center Leads Hawaii in Patient Safety Ratings – The Leapfrog Group, a national nonprofit watchdog, has awarded Kaiser Permanente Moanalua Medical Center an “A” grade in the Fall 2024 Leapfrog Hospital Safety Grade, making it the only hospital in Hawaii to receive this designation this year.

The Hospital Safety Grade, administered twice annually in the spring and fall, measures the overall performance of nearly 3,000 hospitals nationwide in keeping patients safe from preventable medical errors, infections, and injuries. The information is publicly available in hospital data related to patient care, medication errors, and infection prevention and released as a free resource to help patients and their families make informed health care decisions.

The Hospital Safety Grades utilize hospital performance data collected by the Centers for Medicare & Medicaid Services, the Leapfrog Hospital Survey, and information from other supplemental data sources. Grades are calculated by using up to nearly two dozen national safety measures. Less than 30% of hospitals nationwide received an “A” grade in the Fall 2024 report.

To explore Moanalua Medical Center’s full grade details and to find valuable tips for staying safe in the hospital, visit HospitalSafetyGrade.org.

Kaiser Permanente named highest-rated Medicare health plan in Hawaii – Kaiser Permanente Hawaii has received 4.5 out of 5 stars from the Centers for Medicare & Medicaid Services for its 2025 Medicare health plans, making it the highest-rated in Hawaii.

The high rating is a reflection of the expert medicine, seamless care and outstanding service Kaiser Permanente Hawaii provides to its Medicare health plan members.

Every year, CMS publishes Medicare Advantage (Part C) and Medicare prescription drug plan (Part D) ratings. Consumers can use the ratings to compare the quality of Medicare plans.

To develop the ratings, CMS considers many areas of care and service. For example, CMS looks at how well health plans keep members healthy and manage their chronic conditions. CMS also considers patient experiences, customer service, patient access and pharmacy services.

Troy Tomita



Senior Account Manager
Kaiser Permanente

Monthly Carrier Report – Hawaii EUTF

Date: December 09, 2024
Carrier: Securian Financial
Report Period: November 2024

Customer Service, Utilization and Performance Data

- Group Term Life Claims Paid: 124
- Active Employee Claims: 7
- Retiree Claims: 109
- Average Processing Time: 5 business days

Appeals Summary

- Number of Active Appeals: 0
- Number of Resolved Appeals: 0
- Average Time to Resolve: N/A
- Resolution Summary: N/A

Walk-In Servicing

- Number of Walk-In Visits: 0
- Average Time per Walk-In: 0 minutes 0 seconds

Customer Service Statistics

- Number of Calls Received: 188
- Average Speed to Answer: 5 seconds
- Abandonment rate of all calls received: 0.00%
- Average Call Duration: 4 minutes 53 seconds
- Requests by Category:
 - Claims: 2
 - Member information changes or updates: 34
 - Policy related requests: 99
 - Other: 33

Narrative of Other Activities

- Complaints: None to report.
- Operational Issues Impacting EUTF Members: None to report.
- Issues Raised By or With the Vendor: None to report.
- Legal Actions/Proceedings Involving EUTF Members: None to report.
- Pending/Approved Insurance Regulations Impacting Benefits: None to report.
- New Programs and Benefits of Interest to Board: None to report.
- Changes to EUTF Service Team: None to report.
- Community Activities of Interest to the Board: None to report.

Submitted 12/09/2024 by:
Denise Mercil, Field Service Representative, Securian Financial
(808) 282-6783, Denise.Mercil@Securian.com





Monthly Carrier Report

Date: December 9, 2024

Plan: EUTF Supplemental Medical and Prescription Drug Plan

Carrier: Verdegard Hawaii formerly known as HMA

Period Report Covers: November 1st, 2024 through November 30th, 2024

Customer Service Utilization and Performance Data

Total number of employees enrolled: 541

Total number of members enrolled: 1458

Total number of claims paid: 191

Average turnaround time: 18 Days

Call Center Statistics

Number of Calls: 73

Average Speed of Answer From a Live Body: 62 Seconds

Abandonment Rate: 5%

Breakdown of Calls (By Subject Matter)

Although we do not have an automated manner in which to track the breakdown of calls by subject matter, our detailed assessment for this month is as follows:

- **Approximately 50% of calls received are member's following-up on claims status.**

Claims status inquiries include:

- Confirm receipt of claims and documents
- Confirm claim reimbursement amounts
- Claims status

- **Approximately 50% of calls received are of other miscellaneous related inquiries.**

Miscellaneous inquiries include:

- Requests for claim form
- Inquiry to learn more about the plan
- Benefit check
- Eligibility

- **Complaints:**
Number of Complaints: 0
Average turnaround time complaints were responded to: N/A
Breakdown of complaints by subject matter: N/A
Resolution: N/A
- **Operational issues pertaining to EUTF Members:**
None to report.
- **Issues raised by or with the vendor and correspondence to or referred to the vendor:**
None to report.
- **Any legal actions or proceedings involving EUTF Members:**
None to report.
- **Pending or approved insurance regulations or state legislation affecting benefits:**
None to report.
- **New issues with respect to new programs or benefits of interest to board:**
None to report.
- **EUTF client service team contact and pending changes to team, if any:**
None to report.
- **Community activities relating to vendor's that may be of interest to EUTF:**
None to report.
- **Others:**

Please feel free to contact me directly at (480)-921-8944 ext 3319 with any questions or clarification concerning this report.

Sincerely,
Salena Atencio




Account Management
Verdegard Hawaii

Monthly Carrier Report

Date: December 10, 2024

To: **EUIF Board of Trustees**

From: VSP Vision Care 
 Monica Kim, Market Director - Hawaii

Report Period: **NOVEMBER 2024**

• **Customer Service Utilization Data:**

- EUIF customer walk-ins to the VSP Hawaii Office in November 2024: N/A

• **Call Center Statistics:**

VSP's main 1-800 customer service line (1-800-877-7195) *Monthly Data*

2024 Quarterly Performance Guarantee applied to VSP's main Customer Service Line

- Number of Calls Company-Wide: 769,536 calls

EUIF-specific toll-free number (1-866-240-8420) *Monthly Data*

2024 Quarterly Performance Guarantee now applies to EUIF-specific phone line

Q3 2024 Results included in VSP's Performance Standards Report

- Number of calls: 94 Active & Retiree calls
- Average speed of answer (# of seconds before live body answers calls): 63 seconds
- Call abandonment rate: 2.13%
- Average call duration: 2 minutes 47 seconds

EUIF Member Call Response Report (combined): 171 Active & 242 Retiree calls

- VSP Confidential EUIF Call Response Reports enclosed
 (Call breakdown by subject matter)

• **Complaints:**

- Number of Complaints*: 0 (0 Active & 0 Retiree)
- Average turnaround time complaints were responded to:
 - Call Resolution (same day) n/a
 - Complaint Acknowledgement within 5 business days n/a
 - Complaint Resolution within 30 calendar days n/a
- Breakdown of complaints by subject matter:
 VSP Confidential Complaint & Grievance Summary Reports (Active & Retiree) enclosed
 - Number Resolved n/a
 - Number Pending Resolution n/a

*Individuals with complaints may state more than one issue

- **Operational Issues Pertaining to EUIF Members:** None
- **Issues Raised By or With the Vendor and Correspondence To or Referred to the Vendor:** None
- **Any Legal Actions or Proceedings Involving EUIF Members:** None
- **Pending or Approved Insurance Regulations or State Legislation Affecting Benefits:** None
- **New Programs or Benefits of Interest to the Board:** None
- **EUIF Client Service Team Contact and Pending Changes to Team, if Any:** None
- **Community Activities Relating to Vendor's That May Be of Interest to EUIF:** None
- **Other:** None

Call Response Summary Report
 HI EMPLOYER UNION HEALTH TRUST 12216503
 November 2024

On average, for 1,000 subscribers, VSP receives 7 calls per month

Total Client Calls

171

<u>Reason</u>	<u>Reason For Calling</u>	<u>Client Counts</u>	<u>Client Percent</u>	<u>VSP Percent BOB</u>
Claims	In-Network Claim	8	4.68%	1.25%
	Out of Network Claim	10	5.85%	2.49%
Doctor Referral	Provided Dr List	3	1.75%	4.27%
	Member Not Active	1	.58%	.99%
Eligibility Not Online	Member Not Found	3	1.75%	.16%
	Refer to Client	2	1.17%	.76%
IVA Service	Benefits Description link received	30	17.54%	26.18%
	Dependent Check Eligibility	1	.58%	1.25%
	Member Benefits Description	4	2.34%	4.87%
	Member Check Eligibility	13	7.60%	16.09%
	Provided Dr List	1	.58%	.58%
Member Benefits & Services	Provider List Link received	4	2.34%	.74%
	Available Services	30	17.54%	11.87%
	Benefits Description	40	23.39%	13.86%
Member VSP.com	ID Number/ID Card Inquiry	10	5.85%	3.47%
	Claim Submission	1	.58%	.46%
	Password Reset	1	.58%	2.22%
TPA/Individual Plan	Register / Update Account	4	2.34%	1.89%
	Change/Cancel	2	1.17%	2.03%
	Enrollment	1	.58%	.30%
	Premiums/Billing	2	1.17%	1.18%
Grand Total		171		

Report includes authenticated and tracked calls and should only be used for trending purposes and does not represent the total number of calls received by VSP. It should not be used as a comparison to other reports, or for reporting of Performance Guarantees.

Call Response Summary Report
 HI EMPLOYER-UNION TRUST RETIRE 12216652
 November 2024

On average, for 1,000 subscribers, VSP receives 7 calls per month

Total Client Calls

242

<u>Reason</u>	<u>Reason For Calling</u>	<u>Client Counts</u>	<u>Client Percent</u>	<u>VSP Percent BOB</u>
Claims	In-Network Claim	7	2.89%	1.25%
	Out of Network Claim	9	3.72%	2.49%
Doctor Referral	Provided Dr List	10	4.13%	4.27%
	Benefits Description link received	53	21.90%	26.18%
IVA Service	Dependent Benefits Description	2	.83%	.46%
	Dependent Check Eligibility	2	.83%	1.25%
	Member Benefits Description	12	4.96%	4.87%
	Member Check Eligibility	39	16.12%	16.09%
	Provided Dr List	1	.41%	.58%
	Provider List Link received	2	.83%	.74%
	Early Services	2	.83%	.04%
Member Authorization	Issuing	3	1.24%	.66%
	Available Services	41	16.94%	11.87%
	Benefits Description	38	15.70%	13.86%
Member Benefits & Services	Correct Member/Dependent Info	1	.41%	.61%
	ID Number/ID Card Inquiry	15	6.20%	3.47%
	Claim Submission	1	.41%	.46%
	Password Reset	2	.83%	2.22%
Member VSP.com	Register / Update Account	2	.83%	1.89%
Grand Total		242		

Report includes authenticated and tracked calls and should only be used for trending purposes and does not represent the total number of calls received by VSP. It should not be used as a comparison to other reports, or for reporting of Performance Guarantees.

Complaints and Grievances Summary Report
HI EMPLOYER UNION HEALTH TRUST - 12216503
State: ALL
November 2024 - November 2024

NO COMPLAINTS FOR THIS CLIENT DURING THIS PERIOD.

Complaints and Grievances Summary Report
HI EMPLOYER-UNION TRUST RETIRE - 12216652
State: ALL
November 2024 - November 2024

NO COMPLAINTS FOR THIS CLIENT DURING THIS PERIOD.