

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**  
**Minutes of the Administrative Committee Meeting**  
**Tuesday, June 10, 2025**

**TRUSTEES PRESENT**

Ms. Audrey Hidano, Chairperson  
Mr. James Wataru, Vice Chairperson  
Mr. Christian Fern  
Mr. Wesley Machida (via video conference)

Mr. Osa Tui  
Ms. Maureen Wakuzawa  
Mr. Robert Yu (via video conference)

**TRUSTEES ABSENT**

Mr. Ryan Yamane

**ATTORNEY**

Mr. Michael Chambrella, Deputy Attorney General

**EUTF STAFF**

Mr. Derek Mizuno, Administrator  
Ms. Donna Tonaki, Assistant Administrator  
Ms. Jessica McDonald, Member Services Branch Manager

Ms. Katie Matsushima  
Ms. Desiree Yamauchi

**OTHERS PRESENT** (via video conference)

Mr. Troy Tomita, Kaiser

**I. CALL TO ORDER**

The meeting of the Administrative Committee was called to order at 9:00 a.m. by Trustee Audrey Hidano, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, June 10, 2025.

**II. REVIEW OF MINUTES – February 6, 2025**

The Committee reviewed the draft minutes of February 6, 2025. Since there were no edits or objections by the Trustees, the minutes stand approved.

**III. NEW BUSINESS**

**A. Strategic Plan Update as of December 31, 2024**

Mr. Derek Mizuno provided an update on the Strategic Plan as of December 31, 2024 noting that based on the July 1, 2024 aggregate actuarial valuation, the EUTF is meeting goals to reduce the actuarial accrued liability (AAL) at July 1, 2025 and future annual required contributions (ARC) for the period July 1, 2027 to June 30, 2044 to 90% of the amounts projected on the July 1, 2021 actuarial valuation:

	<b>90% of Projection from 7/1/21 Valuation</b>	<b>Projection from 7/1/24 Valuation</b>
Projected AAL at 7/1/25	\$17.3 billion	\$15.9 billion
Projected ARC payments 7/1/27-6/30/44	\$26.2 billion	\$16.4 billion

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The primary reasons for the good performance are lower than projected healthcare premiums and for the ARC only, two bills approved by the 2023 Legislature to eliminate reimbursement of Medicare Part B premiums for spouses and reimbursement of Medicare Part B premium income-related monthly adjustment amounts for new hires from July 1, 2023. However, more recent claims trend for the retiree HMSA medical and CVS/SSI prescription drug plans have been higher than the premium projections and are likely to increase premiums in 2026 and beyond. However, Medicare EGWP subsidies have increased in 2025 and are likely to remain at the higher levels which will put downward pressure on the EGWP premiums. Segal will be presenting the retiree January 1, 2026 premiums at the June 2025 Board meeting.

Trustee Wes Machida noted that ARC payments made at the beginning of the fiscal year and contributions in excess of the ARC should both have a positive impact on lowering the unfunded actuarial accrued liability over time. Mr. Mizuno responded that EUTF staff will mail out letters this month encouraging employers to do this.

## B. Proposed EUTF Administrative Rule Changes

Ms. Katie Matsushima presented the proposed EUTF Administrative Rule changes noting only two changes in practice and numerous clarification or formatting changes. The following are the two changes in practice:

1. The rule change provides additional time for the Board to deliberate when considering rule changes, declaratory rulings and appeals.
2. Allows Medicare retirees when their dependent enrolls in Medicare Part B to switch to another plan. The current practice only allows such a change when the retiree enrolls in Medicare Part B.

MOTION was made and seconded to recommend to the Board approval of the proposed EUTF Administrative Rule changes. (Tui/Wataru) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-4)

## IV. EXECUTIVE SESSION

Executive Session was deferred to the next meeting.

## V. NEXT MEETING

Next meeting in August for supplemental budget requests, legislative proposals and the EUTF Annual Report.

## VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 9:17 a.m. (Tui/Wataru) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-4)

APPROVED on August 22, 2025.

DOCUMENTS DISTRIBUTED:

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1. Draft Administrative Committee Minutes for February 6, 2025. (3 pages)
2. Memorandum to EUTF Administrative Committee from Administrator, regarding Strategic Plan Update as of December 31, 2024, dated June 3, 2025, Redacted Version. (12 pages)
3. Memorandum to EUTF Administrative Committee from EUTF Eligibility Specialist, regarding Proposed Administrative Rule Changes, dated June 4, 2025. (75 pages)