

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**  
**Minutes of the Benefits Committee Meeting**  
**Tuesday, September 16, 2025**

**TRUSTEES PRESENT**

Mr. Osa Tui, Chairperson

Mr. Wesley Machida, Vice Chairperson (via video conference,  
excused at 11:52 a.m.)

Ms. Jacqueline Ferguson-Miyamoto

Mr. Christian Fern

Ms. Audrey Hidano

Ms. Sabrina Nasir (via video conference,  
excused at 10:18 a.m.)

Ms. Maureen Wakuzawa

Mr. James Wataru

**TRUSTEES ABSENT**

Mr. Ryan Yamane

Mr. Robert Yu

**ATTORNEY**

Mr. Michael Chambrella, Deputy Attorney General

**EUTF STAFF**

Mr. Derek Mizuno, Administrator

Ms. Donna Tonaki, Assistant Administrator (via video conference)

Ms. Jessica McDonald, Member Services Branch Manager (via video conference)

Ms. Lara Nitta

Ms. Melissa Tom

Ms. Desiree Yamauchi

**CONSULTANTS (Segal Consulting)** (in person unless otherwise noted)

Ms. Shelley Chun (via video conference)

Ms. Mary Fedor

Ms. Sarah Gunderson (via video conference)

Mr. Quentin Gunn

Mr. Stephen Murphy

**OTHERS PRESENT** (via video conference or teleconference, unless otherwise noted)

Mr. Blaise Aquino, HMSA

Ms. Stacia Baek, HDS

Ms. Sandra Benevides, CVS (in person)

Mr. Ty Bowers, CVS (in person)

Ms. Melaca Cannella, CVS

Mr. Francis Cuenca, CVS (in person)

Mr. Jeff Dragsten, CVS (in person)

Ms. Samantha Furutani, CVS (in person)

Dr. Rupal Gohil, HMSA (in person)

Mr. Galen Haneda, HMSA

Mr. Ryan Kagimoto, House Finance Staff

Ms. Monica Kim, VSP

Ms. Alyson Kusatsu, HMSA

Mr. Lawrence Lau, HDS

Ms. Joey Lee, HDS (in person)

Mr. Chris Letoto, HMSA (in person)

Ms. Denise Mercil, Securian

Ms. Heather Miyasato, HMSA (in person)

Mr. Kurt Neuenfeld, CVS

Mr. Ezra Ng, HMSA

Mr. Mark Nishimura, HMSA

Mr. Clesson Pang, HDS

Ms. Kelsi Quon, HMSA

Ms. Taylor Relich, CVS

Ms. Michelle Sasaki, HMSA (in person)

Ms. Jenny Smith, Humana

Dr. Rodd Takiguchi, Kaiser (in person)

Dr. Jeffrey Tom, HMSA (in person)

Mr. Troy Tomita, Kaiser (in person)

Ms. Marita Trammell, HMSA

Dr. Vinh Tran, HDS

Ms. Steffany Wong, HMSA (in person)

Ms. Jana Young, HMSA

Mr. Isaac Yuen, HMSA

**I. CALL TO ORDER**

The meeting of the Benefits Committee of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) was called to order at 9:00 a.m. by Trustee Osa Tui, Chairperson, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, September 16, 2025.

**II. REVIEW OF MINUTES – June 9, 2025**

The Benefits Committee reviewed the draft minutes of June 9, 2025.

Trustee Hidano asked HMSA if they had a response to her inquiry from the June 9, 2025 meeting regarding HMSA's communication plan to providers regarding the Diabetes Prevention Program. Mr. Chris Letoto, HMSA, advised that they will include it in their provider newsletter in October and will keep the Board informed of any other communication that is provided.

Since there were no edits or objections by the Trustees, the minutes stand approved.

### III. NEW BUSINESS

#### A. Kaiser Permanente Disease Management/Integrated Health Management (DM/IHM) Improvement Plan

Mr. Troy Tomita and Dr. Rodd Takiguchi, Kaiser Permanente, reported on Kaiser's progress and strategies to address improvement areas related to diabetes and hypertension control, obesity prevalence, primary care physician linking and advanced care planning completion.

#### B. HMSA DM/IHM Improvement Plan

Mr. Chris Letoto and Dr. Rupal Gohil, HMSA, reported on HMSA's progress and strategies to address improvement areas related to preventive care visits, advance care directives, reducing diabetes and obesity, cancer screenings and hypertension control. HMSA also presented progress related to its Model of Care programs, Complex Case Management and Conditions Care Program.

#### C. HMSA Disease Management Programs

##### 1. AccordantCare Rare Programs

Mr. Jeff Dragsten and Ms. Melaca Cannella of CVS Health, HMSA's subcontractor, reported results of the third year for the actives (from January 1, 2022) and first nine months for the retirees (from April 1, 2024) of the AccordantCare Rare program that provides support for members with 19 rare conditions noting the following:

- After two years of savings and return on investment (ROI) for the actives, there were no reported savings for CY2024 mainly due to a decrease in the total eligible member population.
- Savings net of fees and ROI for the nine-month period for the retirees was \$444,663 and 2.7:1.
- High EUTF participant satisfaction with the program in 2024 at 94%

HMSA terminated the AccordantCare Rare program for their book of business April 30, 2024 and has been supporting their members through in-house programs. Due to no reported savings and ROI on the actives, Segal recommended termination of the AccordantCare Rare Program for actives effective June 30, 2026.

MOTION was made and seconded to recommend to the Board the termination of the AccordantCare Rare Program for active employees as recommended by Segal effective June 30, 2026. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-5)

Trustee Sabrina Nasir was excused from the meeting at 10:18 a.m.

2. Virta Digital Diabetes Program

Dr. Jeff Tom, HMSA, reported early results of the Virta diabetes management program that became available in January 2024 for all EUTF HMSA members. Results through June 30, 2025 are positive for those in the program at least 15 months – reductions in A1c (down 0.57% vs. 1.0% national results) and weight (down 10% vs. 5% national), high engagement rates and an ROI of 1.3:1. HMSA negotiated to continue enrollment beyond two years at the Year 2 rate. HMSA will continue to monitor the program and report to the Benefits Committee again next year.

After the Virta presentation, Trustee Hidano asked that HMSA and Kaiser Permanente later confirm that its subcontractors are registered to do business in the State of Hawaii.

D. HMSA Primary Care Payment Model (formerly Payment Transformation)

Ms. Heather Miyasato, HMSA, provided an update on its Primary Care Payment Model (formerly Payment Transformation) focusing on the following:

1. Background
2. Cost and utilization
3. Quality performance measures
4. Patient access and satisfaction
5. Provider satisfaction
6. Model adjustments and updates

A correction was made on slide 2 to the EUTF PCP utilization split between PCPM and non-PCPM PCP visits.

E. HMSA Active Employee PPO Plan Options

Mr. Quentin Gunn, Segal Consulting, reviewed the current PPO medical options for active employees considering the following:

1. Total and employee premium trends
2. Enrollment trends including open enrollment changes and new hire selections
3. Claims trends
4. Demographics
5. Plan efficiency
6. Plan offerings in other western states

Based on their analysis, Segal provided the following options to the Committee:

- 1A. Close the EUTF HMSA 90/10 PPO medical/CVS prescription drug plans for active employees effective July 1, 2026 to new subscribers (those enrolled as of June 30, 2026 can continue to add or remove dependents during open enrollment or with qualifying events) OR
- 1B. Terminate the EUTF HMSA 90/10 PPO medical/CVS prescription drug plans for active employees effective June 30, 2026 and move those enrolled as of June 30, 2026 to the HMSA 80/20 PPO medical/CVS prescription drug plans effective July 1, 2026, if the employee does not make a change during 2026 open enrollment.
2. Enhance the EUTF HMSA 80/20 medical plan for active employees with lower coinsurance for certain services and a lower out-of-network deductible effective July 1, 2026.
3. Segal provided an option, in lieu of the premium adjustment to the CVS prescription drug plan bundled with the HMSA 75/25 PPO medical plan, that would decrease the HMSA

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Benefits Committee Meeting

September 16, 2025 Minutes

Page 4

75/25 medical plan calendar year maximum out-of-pocket (MOOP) from \$5,000 single/\$10,000 family to \$3,300 single/\$6,600 family effective July 1, 2026.

4. Segal provided an option to align the CVS prescription drug plans bundled with the HMSA 80/20 and 75/25 medical plans by reducing the 80/20 prescription drug plan CY MOOP from \$4,350 single/\$8,700 family to \$3,150 single/\$6,300 family effective July 1, 2026.

Trustee James Wataru noted his concern that there is no reason when comparing premiums, coinsurance and the maximum out-of-pocket for members to select the 90/10 over the 75/25. He noted that closure or elimination would remove this option.

MOTION was made and seconded to recommend to the Board closure of the EUTF HMSA 90/10 PPO medical/CVS prescription drug plans for active employees effective July 1, 2026 to new subscribers (those enrolled as of June 30, 2026 can continue to add or remove dependents during open enrollment or with qualifying events). (Fern/Wataru) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-5)

No MOTION was made to recommend to the Board enhancement of the EUTF HMSA 80/20 medical plan for active employees with lower coinsurance for certain services and a lower out-of-network deductible as presented by Segal effective July 1, 2026.

MOTION was made and seconded to recommend to the Board lowering the EUTF HMSA 75/25 medical plan for active employees calendar year maximum out-of-pocket from \$5,000 single/\$10,000 family to \$3,300 single/\$6,600 family effective July 1, 2026. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-5)

MOTION was made and seconded to recommend to the Board lowering the CVS prescription drug plan, that is bundled with EUTF HMSA 80/20 PPO medical plan for active employees, calendar year maximum out-of-pocket from \$4,350 single/\$8,700 family to \$3,150 single/\$6,300 family effective July 1, 2026. (Fern/Wataru) The motion passed unanimously. (Employer Trustees-2/Employee-Beneficiary Trustees-5)

Trustee Wesley Machida was excused from the meeting at 11:52 a.m.

F. Proposed Plan Changes

1. HMSA

Mr. Chris Letoto, HMSA, proposed the addition of an intensive cardiac rehabilitation (ICR) benefit, that includes the current Dr. Ornish's program of Reversing Heart Disease (Ornish), with no lifetime limitation for HMSA EUTF and HSTA VB active and retiree plans effective January 1, 2026. This is in addition to the cardiac rehabilitation (CR) benefit effective July 1, 2025 for actives and January 1, 2026 for retirees. ICR differs from CR in that it has an "additional focus on a lifestyle-based approach to cardiovascular health" and double the number of eligible sessions. During COVID, many Ornish sites closed and there is only one site left on Maui. Expanding the ICR benefit will allow coverage of other ICR programs as they become available in Hawaii. Segal recommends addition of this benefit.

MOTION was made and seconded to recommend to the Board addition of the intensive cardiac rehabilitation benefit, with no lifetime limitations, at the same benefit level as outpatient physical and occupational therapy under the EUTF and HSTA VB HMSA medical active employee and retiree plans effective January 1, 2026. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-5)

2. HDS

Ms. Stacia Baek and Ms. Joey Lee, HDS, proposed 100% coverage of the caries risk assessment under the EUTF and HSTA VB HDS dental retiree and active employee plans effective January 1, 2026 and July 1, 2026, respectively, and 50% coverage under the HSTA VB active supplemental dental plan effective July 1, 2026. This risk assessment is intended to support early intervention, help dentists create personalized treatment plans, identify high risk patients and educate members. This benefit is being added for HDS' commercial book of business. Segal recommends addition of this benefit. Mr. Derek Mizuno noted that the additional premiums is estimated to add \$3.4 million to the actuarial accrued liability.

MOTION was made and seconded to recommend to the Board 100% coverage of the caries risk assessment under the EUTF and HSTA VB HDS dental retiree and active employee plans effective January 1, 2026 and July 1, 2026, respectively, and 50% coverage under the HSTA VB active supplemental dental plan effective July 1, 2026, and transfer of \$3.4 million from the EUTF Trust Fund for retirees to the OPEB Trust. (Ferguson-Miyamoto/Wataru) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-5)

G. Kaiser Permanente Gender-Affirming Surgical Treatment (informational only)

Mr. Tomita reported that Kaiser has paused providing gender-affirming surgical treatment for members under age 19 at their facilities effective August 29, 2025. However, the benefit is still covered at non-Kaiser facilities.

IV. EXECUTIVE SESSION

Executive Session was deferred to the next meeting.

V. NEXT MEETING DATE – October 21, 2025

The next meeting agenda will include the CVS semi-annual utilization reports for the period ending June 30, 2025, CVS prescription drug plan changes, SilverScript update on 2026 Medicare Part D standard benefit design parameters and the Inflation Reduction Act, and HMSA/CVS Weight Management Program.

VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 12:04 p.m. (Wataru/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-5)

APPROVED on October 21, 2025.

Documents Distributed:

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Benefits Committee Meeting

September 16, 2025 Minutes

Page 6

1. Draft Benefits Committee Minutes for June 9, 2025. (4 pages)
2. Disease Management/Integrated Health Management Improvement Plan, Annual Update, Baseline: Measurement Period 1/1/2020-12/31/2020, Year 1 Update Period: 1/1/2021-12/31/2021, Year 2 Update Period: 1/1/2022-12/31/2022, Year 3 Update Period: 1/1/2023-12/31/2023, prepared by Kaiser Permanente, Redacted Version. (12 pages)
3. EUTF Disease Management/Integrated Health Management, Year 3 Improvement Plan Updates, (1/1/23-12/31/23), January 1, 2021-December 31, 2024 (Four-Year Goals), Baseline measurement period: 1/1/20-12/31/20, prepared by HMSA, dated September 16, 2025, Redacted Version. (47 pages)
4. Memorandum to Benefits Committee from Program Specialist, regarding 9/16/25 Benefits Committee Meeting – Reference Sheet – Confidential, dated September 16, 2025, Redacted Version. (2 pages)
5. Using proactive care management to improve member health and reduce costs for you, 2024 EUTF Annual Review (Jan 1-Dec 31, 2024), AccordantCare Rare, prepared by CBS Health, dated September 16, 2025, Redacted Version. (32 pages)
6. Memorandum to BOT EUTF from HMSA, regarding AccordantCare Program Update, dated September 16, 2025. (1 page)
7. Memorandum to Benefits Committee EUTF from Segal, regarding AccordantCare Rare, dated September 16, 2025, Redacted Version. (2 pages)
8. Virta's Type 2 Diabetes Reversal Program, What we have learned, prepared by HMSA, dated September 2025, Redacted Version. (50 pages)
9. Memorandum to Benefits Committee EUTF from Segal, regarding Segal Recommendation – Virta Program, dated September 16, 2025, Redacted Version. (2 pages)
10. Primary Care Payment Model Update, prepared by HMSA, dated September 16, 2025, Redacted Version. (15 pages)
11. EUTF Employee PPO Plan Analysis, Plan Evaluation, prepared by Segal Group, dated September 16, 2025. (36 pages)
12. Memorandum to EUTF Benefits Committee from HMSA, regarding Intensive Cardiac Rehabilitation with No Lifetime Limitation-HMSA Active and Retiree Plans, dated September 16, 2025, Redacted Version. (3 pages)
13. Memorandum to EUTF BOT from HDS, regarding Plan benefit change proposal: EUTF Caries Risk Assessment, dated August 26, 2025, Redacted Version. (12 pages)
14. Memorandum to BOT EUTF from Kaiser Permanente, regarding Gender Affirming Surgical Treatment <19, dated September 16, 2025, Redacted Version. (1 page)