

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Minutes of the Board of Trustees

Tuesday, September 23, 2025

TRUSTEES PRESENT

Mr. James Wataru, Chairperson

Mr. Osa Tui, Vice Chairperson

Ms. Sabrina Nasir, Secretary-Treasurer (via video conference,
excused at 10:19 a.m.)

Ms. Jacqueline Ferguson-Miyamoto

Ms. Audrey Hidano

Mr. Wesley Machida (via video conference)

Ms. Maureen Wakuzawa

Mr. Ryan Yamane (excused at 9:50 a.m.)

Mr. Robert Yu

TRUSTEES ABSENT

Mr. Christian Fern

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF (in person, unless otherwise noted)

Mr. Derek Mizuno, Administrator

Ms. Donna Tonaki, Assistant Administrator

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

Ms. Jessica McDonald, Member Services Branch Manager

Mr. Michael Gadach (via video conference)

Ms. Emily Kaimuloa (via video conference)

Ms. Katie Matsushima

Ms. Lara Nitta (via video conference)

Ms. Melissa Tom (via video conference)

Ms. Desiree Yamauchi

Ms. Mary Zane (via video conference)

CONSULTANTS (via video conference)

Ms. Shelley Chun, Segal Consulting

Ms. Mary Fedor, Segal Consulting

Mr. Quentin Gunn, Segal Consulting

Mr. Stephen Murphy, Segal Consulting

Mr. Richard Ward, Segal Consulting

OTHERS PRESENT (via video conference)

Mr. Blaise Aquino, HMSA

Ms. Stacia Baek, HDS

Ms. Sandra Benevides, CVS

Mr. Su Chai, Kaiser

Mr. Francis Cuenca, CVS

Mr. Joe Ebisa, WithIntelligence

Mr. Thomas England, Kaiser

Ms. Samantha Furutani, CVS

Dr. Rupal Gohil, HMSA

Mr. Galen Haneda, HMSA

Ms. Monica Kim, VSP

Ms. Meagan Kini-Ho, HMSA

Ms. Mae Kishimoto, HSTA-Retired

Mr. Shaughn Knoell, Kaiser

Ms. Joey Lee, HDS

Mr. Chris Letoto, HMSA

Ms. Denise Mercil, Securian

Mr. Kurt Neuenfeld, CVS

Mr. Ezra Ng, HMSA

Mr. Mark Nishimura, HMSA

Ms. Kelsi Quon, HMSA

Ms. Michelle Sasaki, HMSA

Mr. Dave Shiroma, Kaiser

Ms. Jenny Smith, Humana

Dr. Rodd Takiguchi, Kaiser

Dr. Jeffrey Tom, HMSA

Mr. Troy Tomita, Kaiser

Ms. Steffany Wong, HMSA

Anonymous (x3)

I. CALL TO ORDER

The meeting of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) was called to order at 9:00 a.m. by Chairperson James Wataru, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Tuesday, September 23, 2025.

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

September 23, 2025 Minutes

Page 2

II. REVIEW OF MINUTES – AUGUST 26, 2025

The Board reviewed the draft minutes of August 26, 2025. Since there were no edits or objections by the Trustees, the minutes stand approved.

III. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 9:02 a.m. (Tui/Yu) The motion passed unanimously. (Employer Trustees-5/Employee-Beneficiary Trustees-4)

Trustee Ryan Yamane was excused from the meeting during Executive Session, at 9:50 a.m.

The regular meeting reconvened at 10:01 a.m.

Chairperson Wataru reported that during Executive Session, the Board:

- Denied an appeal to amend open enrollment elections.
- Approved an appeal to amend open enrollment elections.
- Approved an appeal for a late open enrollment supporting document.
- Approved an appeal to waive collection of over reimbursement of Medicare Part B premiums.
- Reviewed and discussed the August 26, 2025 minutes. Since there were no edits or objections, the minutes stand approved.

IV. NEW BUSINESS

A. Legislative Working Groups

1. Prior Authorization - Act 151, 2025 SLH

Mr. Derek Mizuno noted that Act 151 established a working group comprised of 18 members of which EUTF has two positions to review and make recommendations related to prior authorizations.

MOTION was made and seconded to appoint Mr. Derek Mizuno and Ms. Lara Nitta to the prior authorization working group in accordance with Act 151, 2025 Session Laws of Hawaii. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

2. Pharmacy Benefit Managers – SR53

Mr. Mizuno noted that SR53 established a working group related to management of pharmacy benefit managers. Although, EUTF does not have any positions on this working group, the Administrator of the State Health Planning and Development Agency requested EUTF participation.

MOTION was made and seconded to appoint Trustee Wesley Machida and Mr. Derek Mizuno to the pharmacy benefits managers working group. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

V. BENEFITS COMMITTEE REPORTS

Mr. Mizuno summarized the Benefits Committee Report noting the recommendations from the Benefits Committee.

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

Improvement Plan

B. HMSA DM/IHM Improvement Plan

C. HMSA Disease Management Programs

1. AccordantCare Rare Program

MOTION was made and seconded to approve the Benefits Committee's recommendation to terminate the AccordantCare Rare Program for active employees as recommended by Segal effective June 30, 2026. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

2. Virta Disease Management Programs

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

E. HMSA Active Employee PPO Plan Options

MOTION was made and seconded to approve the Benefits Committee's recommendation to 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). (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

MOTION was made and seconded to approve the Benefits Committee's recommendation to lower the EUTF HMSA 75/25 PPO 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. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

MOTION was made and seconded to approve the Benefits Committee's recommendation to lower 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. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

F. Proposed Plan Changes

1. HMSA

MOTION was made and seconded to approve the Benefits Committee's recommendation to add 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. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-4)

2. HDS

MOTION was made and seconded to approve the Benefits Committee's recommendation to add 100% coverage of the caries risk assessment under the EUTF and HSTA VB HDS dental retiree and active employee plans effective January 1, 2026

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

September 23, 2025 Minutes

Page 4

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

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

Trustee Sabrina Nasir was excused from the meeting at 10:19 a.m.

VI. REPORTS

A. Administrator

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

Trustee Wesley Machida had concerns regarding vacancies as internal job postings were requested for certain positions more than six-months ago. Trustee Machida expressed that being fully staffed will help to prevent errors and requested that a letter be sent from the Board to the Director of Finance regarding vacancies.

MOTION was made and seconded for the Board to send a letter to the Director of Finance, Budget & Finance, requesting an update on vacancies with a deadline of three weeks for a response. (Machida/Tui) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-4)

B. EUTF Managers' and Program Specialists' Reports

1. Member Services Branch (MSB)
 - a. MSB Data
 - b. Outreach & Training
 - c. 2026 Retiree Open Enrollment
2. Information Systems (IS)
 - a. EUTF Benefits Administration System (BAS) Project
 - b. Termination of Coverage by Absence on the Carrier file
 - 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. 2025 Financial Statements Audit
 - e. Financial Statements as of June 30, 2025

C. Carrier Reports

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

September 23, 2025 Minutes

Page 5

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)

Trustee Audrey Hidano requested an update from HMSA regarding their subcontractors and whether or not they are registered to do business in the State of Hawaii and are paying General Excise Taxes. Mr. Chris Letoto, HMSA, advised that it is the responsibility of the subcontractor to pay GET and there is no current requirement that subcontractors be licensed in the state. Trustee Osa Tui requested that all carriers provide an update regarding subcontractor registration and payment of GET.

As a follow-up to the September 16, 2025 Benefits Committee Meeting regarding HMSA's communication plan for the Diabetes Prevention Program, Mr. Chris Letoto advised the Board that program materials were being disseminated to members September 23-25, 2025, and HMSA's HealthPro News was being emailed to providers October 1-5, 2025.

VII. NEXT MEETING

Tuesday, October 28, 2025, 9:00 a.m. – Administrative and Benefits Committee Reports

Before the end of the calendar year, Trustee Machida requested a report of all funds that were transferred from the EUTF Trust Fund to OPEB Trust.

VIII. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 10:30 a.m. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/ Employee-Beneficiary Trustees-4)

APPROVED on October 31, 2025.

Documents Distributed:

1. Draft Board Minutes for August 26, 2025. (7 pages)
2. Act 151 Relating to Health, House of Representatives, Thirty-Third Legislature, 2025, State of Hawaii. (15 pages)
3. Senate Resolution 53, The Senate, Thirty-Third Legislature, 2025, State of Hawaii. (4 pages)
4. Memorandum to EUTF BOT from Benefits Committee, regarding September 16, 2025 Benefits Committee Meeting, dated September 16, 2025. (3 pages)
5. Administrator's Monthly Report to the Board for August 15 – September 11, 2025, dated September 11, 2025. (1 page)
6. Memorandum to BOT from Member Services Branch Manager, regarding August– September 2025 Member Services Operations Report, dated September 11, 2025. (6 pages)

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Board of Trustees Meeting

September 23, 2025 Minutes

Page 6

7. Memorandum to BOT from Interim Information Systems Chief, regarding August 2025 – September 2025 Information Systems (IS) Operations Report, dated September 11, 2025. (9 pages)
8. Memorandum to Administrator from Eligibility Specialist regarding August – September 2025 Eligibility and Enrollment Report, dated September 11, 2025. (2 pages)
9. Memorandum to EUTF BOT from Health and Wellness Specialist regarding August – September Health and Wellness Specialist Report, dated September 11, 2025. (5 pages)
10. Memorandum to BOT from EUTF Financial Management Officer regarding August 2025 – September 2025 Financial Services Branch (FSB) Report, dated September 11, 2025. (5 pages)
11. CVS/Caremark Monthly Carrier Report for August 2025 dated September 2, 2025. (2 pages)
12. SilverScript Monthly Carrier Report for August 2025 dated September 1, 2025. (2 pages)
13. HDS Monthly Carrier Report for August 2025 dated September 9, 2025. (2 pages)
14. HMSA Monthly Carrier Report for August 2025 dated September 5, 2025. (3 pages)
15. Humana Monthly Carrier Report for August 2025 dated September 8, 2025. (3 pages)
16. Kaiser Permanente Monthly Carrier Report for August 2025 dated September 9, 2025. (2 pages)
17. Securian Financial Monthly Carrier Report for August 2025 dated September 9, 2025. (1 page)
18. Verdegard Hawaii Monthly Carrier Report for August 2025 dated September 9, 2025. (2 pages)
19. VSP Vision Care Monthly Carrier Report for August 2025 dated September 8, 2025. (6 pages)