

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

Minutes of the Board of Trustees

Friday, October 31, 2025

TRUSTEES PRESENT

Mr. James Wataru, Chairperson

Mr. Osa Tui, Vice Chairperson

Ms. Sabrina Nasir, Secretary-Treasurer

Ms. Jacqueline Ferguson-Miyamoto

Mr. Christian Fern

Ms. Audrey Hidano (via video conference)

Mr. Wesley Machida (via video conference, excused at 10:32 a.m.)

Ms. Maureen Wakuzawa

Mr. Ryan Yamane

TRUSTEES ABSENT

Mr. Robert Yu

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General (via video conference)

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)

Mr. Michael Gadach (via video conference)

Mr. Marvin Judd (via video conference)

Ms. Emily Kaimulua (via video conference)

Ms. Katie Matsushima

Ms. Lara Nitta (via video conference)

Ms. Melissa Tom (via video conference)

Ms. Desiree Yamauchi

CONSULTANTS (via video conference)

Mr. Tyler Brotz, Segal Consulting

Ms. Shelley Chun, Segal Consulting

Ms. Mary Fedor, Segal Consulting

Ms. Tammy Halter, Segal Consulting

Mr. Stephen Murphy, Segal Consulting

Mr. Richard Ward, Segal Consulting

OTHERS PRESENT (via video conference)

Mr. Blaise Aquino, HMSA

Mr. Kevin Balaod, With.Intelligence

Ms. Amy Bell, TELUS Health

Ms. Jessica Benson, Verdegard

Ms. Sandra Benevides, CVS

Mr. Ty Bowers, CVS

Mr. Su Chai, Kaiser

Mr. Francis Cuenca, CVS

Mr. Bryan Eberhardt, CVS

Ms. Samantha Furutani, CVS

Mr. Roy Goo, HMSA

Mr. Galen Haneda, HMSA

Ms. Melissa Iida, HMSA

Ms. Meagan Kini-Ho, HMSA

Ms. Joey Lee, HDS

Mr. Chris Letoto, HMSA

Ms. Joni Lozano, CVS

Ms. Charina Masatsugu, HMSA

Ms. Denise Mercil, Securian

Mr. Kurt Neuenfeld, CVS

Mr. Ezra Ng, HMSA

Ms. Kelsi Quon, HMSA

Ms. Cathy Rapozo, VSP

Mr. Alex Rutter, CVS

Ms. Michelle Sasaki, HMSA

Mr. Dave Shiroma, Kaiser

Ms. Jenny Smith, Humana

Mr. Troy Tomita, Kaiser

LUC

Anonymous

Appellant (x4)

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 8:30 a.m. by Chairperson James Wataru, in the EUTF Board Room, 201 Merchant Street, Suite 1700, Honolulu, Hawaii, on Friday, October 31, 2025.

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MOTION was made and seconded to move section V. Benefits Committee Report and VI. New Business after agenda item II, and III. Old Business after the first Executive Session. (Tui/Fern) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

II. REVIEW OF MINUTES – SEPTEMBER 23, 2025

The Board reviewed the draft minutes of September 23, 2025. Since there were no edits or objections by the Trustees, the minutes stand approved.

V. BENEFITS COMMITTEE REPORTS

Mr. Derek Mizuno presented the Benefits Committee Report.

A. CVS Semi-Annual Utilization Reports for the period ending June 30, 2025

B. CVS Prescription Drug Plan Changes

MOTION was made and seconded to approve the Benefits Committee's recommendation to add prior authorization and quantity limits to coverage of Eohilia, Journavx, Vezah, Voquezna and Xdemvy with grandfathering under the EUTF active and non-Medicare retiree prescription drug plans administered by CVS effective January 1, 2026. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

MOTION was made and seconded to approve the Benefits Committee's recommendation to add a 30-day initial fill limit on anti-diabetic and anti-obesity medication GLP-1s under the EUTF active and non-Medicare retiree prescription drug plans administered by CVS effective January 1, 2026. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

MOTION was made and seconded to approve the Benefits Committee's recommendation to add coverage of continuous glucose monitors and disposable insulin pumps with utilization management under the EUTF and HSTA VB active and non-Medicare retiree prescription drug plans administered by CVS effective July 1, 2026. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

C. 2026 Medicare Part D and the Inflation Reduction Act Update (presented by SilverScript)

D. CVS Weight Management Program (presented by HMSA)

MOTION was made and seconded to approve the Benefits Committee's recommendation to add the CVS weight management program (standard and prevention components with no BMI requirements for prevention) to EUTF and HSTA VB HMSA active and retiree plans effective July 1, 2026. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

VI. NEW BUSINESS

A. Updated Prescription Drug Plan Retiree Rates Effective January 1, 2026 – Caremark and SilverScript

Mr. Steve Murphy, Segal Consulting, presented updated retiree prescription drug plan rates effective January 1, 2026 for the plans administered by CVS and SilverScript. Medicare

subsidies are projected to be more than what was anticipated when the original rates were approved. This increase in subsidies lowers the EUTF retiree rates.

MOTION was made and seconded to approve the revised CVS and SilverScript prescription drug plan retiree premiums effective January 1, 2026 as recommended by Segal. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 8:42 a.m. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-4/Employee-Beneficiary Trustees-5)

The regular meeting reconvened at 10:41 a.m.

Trustee Wesley Machida was excused during Executive Session at 10:32 a.m.

Chairperson Wataru reported that during Executive Session, the Board:

- Denied an appeal for late open enrollment.
- Approved an appeal for late open enrollment.
- Approved an appeal for late open enrollment.
- Denied an appeal for reimbursement of Medicare Part B premiums.
- Approved an appeal to amend new hire plan selections.
- Approved an appeal for late new hire enrollment.
- Approved an appeal to amend open enrollment.
- Approved amendment of a contract for audit services.
- Reviewed and discussed the September 23, 2025 minutes. Since there were no edits or objections, the minutes stand approved.

III. OLD BUSINESS

A. Benefits Administration System Implementation Status Update

Ms. Amy Bell, TELUS Health, provided an update on the implementation of the new Benefits Administration System.

VII. REPORTS

A. Administrator

1. Meetings with Legislators and Unions
2. Staffing Update
3. Life Insurance for 0% Retirees
4. Carrier Subcontractors
5. Training

Mr. Mizuno provided an update regarding tax clearance certificates from the carrier's subcontractors, noting that:

- HDS, Humana, Securian, Verdegard, and VSP do not utilize subcontractors,
- Kaiser provided tax clearances for their three subcontractors,
- CVS and SilverScript utilize one subcontractor and are working on obtaining the tax clearance certificate, and

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- HMSA provided eight tax clearances from their subcontractors, and are pending tax certificates from three subcontractors.

EUTF staff will obtain these annually.

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. Risk and Vulnerability Assessment
 - 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

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)

VIII. NEXT MEETING

Tuesday, November 25, 2025, 9:00 a.m. – Investment Committee Report and fiduciary liability insurance.

IX. ADJOURNMENT

MOTION was made and seconded for the Board to adjourn the meeting at 10:54 a.m. (Tui/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-3/Employee-Beneficiary Trustees-5)

APPROVED on November 25, 2025.

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Documents Distributed:

1. Draft Board Minutes for September 23, 2025. (6 pages)
2. Hawaii EUTF – Ariel BAS Update, prepared by TELUS Health, dated October 31, 2025. (6 pages)
3. Memorandum to EUTF BOT from Benefits Committee, regarding October 21, 2025 Benefits Committee Meeting, dated October 21, 2025, Redacted Version. (3 pages)
4. Memorandum to BOT EUTF from Segal Consulting, regarding Updated 2026 Retiree Prescription Drug Rates, dated October 28, 2025. (5 pages)
5. Administrator’s Monthly Report to the Board for September 12 – October 16, 2025, dated October 16, 2025. (2 pages)
6. Memorandum to BOT from Member Services Branch Manager, regarding September – October 2025 Member Services Operations Report, dated October 16, 2025. (6 pages)
7. Memorandum to BOT from Interim Information Systems Chief, regarding September 2025 – October 2025 Information Systems (IS) Operations Report, dated October 16, 2025. (1 page)
8. Memorandum to Administrator from Eligibility Specialist regarding September – October 2025 Eligibility and Enrollment Report, dated October 16, 2025. (2 pages)
9. Memorandum to EUTF BOT from Health and Wellness Specialist regarding September – October Health and Wellness Specialist Report, dated October 16, 2025. (6 pages)
10. Memorandum to BOT from EUTF Financial Management Officer regarding September 2025 – October 2025 Financial Services Branch (FSB) Report, dated October 16, 2025. (15 pages)
11. CVS/Caremark Monthly Carrier Report for September 2025 dated October 1, 2025. (2 pages)
12. SilverScript Monthly Carrier Report for September 2025 dated October 1, 2025. (2 pages)
13. HDS Monthly Carrier Report for September 2025 dated October 9, 2025. (2 pages)
14. HMSA Monthly Carrier Report for September 2025 dated October 8, 2025. (3 pages)
15. Humana Monthly Carrier Report for September 2025 dated October 8, 2025. (3 pages)
16. Kaiser Permanente Monthly Carrier Report for September 2025 dated October 10, 2025. (2 pages)
17. Securian Financial Monthly Carrier Report for September 2025 dated October 7, 2025. (1 page)
18. Verdegard Hawaii Monthly Carrier Report for September 2025 dated October 7, 2025. (2 pages)
19. VSP Vision Care Monthly Carrier Report for September 2025 dated October 7, 2025. (6 pages)