

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Benefits Committee Meeting
Tuesday, May 19, 2026

TRUSTEES PRESENT

Mr. Osa Tui, Chairperson (via video conference)
Mr. Robert Yu, Vice Chairperson

Ms. Jacqueline Ferguson-Miyamoto
Mr. James Wataru (via video conference)

TRUSTEES ABSENT

Mr. Christian Fern
Mr. Brian Furuto
Mr. Aedward Los Banos

Ms. Sabrina Nasir
Ms. Kristen Sakamoto
Ms. Maureen Wakuzawa

ATTORNEY

Mr. Michael Chambrella, Deputy Attorney General

EUTF STAFF

Ms. Donna Tonaki, Assistant Administrator
Ms. Desiree Yamauchi

Ms. Lara Nitta
Ms. Melissa Tom (via video conference)

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

Mr. Tyler Brotz (via video conference)
Ms. Shelley Chun
Ms. Mary Fedor

Mr. Quentin Gunn
Ms. Tammy Halter
Mr. Richard Ward

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

Mr. Blaise Aquino, HMSA
Ms. Stacia Baek, HDS (in person)
Ms. Sandra Benevides, CVS (in person)
Mr. Ty Bowers, CVS (in person)
Mr. Thomas England, Kaiser (in person)
Ms. Clarice Forsyth, HMSA
Dr. Rupal Gohil, HMSA
Mr. Galen Haneda, HMSA (in person)
Mr. Gabe Hellinger, Humana
Ms. Monica Kim, VSP (in person)
Ms. Meagan Kini-Ho, HMSA
Mr. Lawrence Lau, HDS
Ms. Joey Lee, HDS (in person)
Mr. Kenneth Lee, Kaiser
Ms. Joni Lozano, CVS (in person)

Ms. Denise Mercil, Securian
Mr. Kurt Neuenfed, CVS (in person)
Mr. Ezra Ng, HMSA
Mr. Mark Nishimura, HMSA (in person)
Mr. Clesson Pang, HDS
Ms. Kelsi Quon, HMSA
Ms. Taylor Relich, CVS (in person)
Mr. Alex Rutter, CVS (in person)
Ms. Michelle Sasaki, HMSA (in person)
Mr. Dave Shiroma, Kaiser (in person)
Mr. Troy Tomita, Kaiser (in person)
Ms. Steffany Wong, HMSA
Mr. Isaac Yuen, HMSA (in person)
Anonymous

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, May 19, 2026.

II. REVIEW OF MINUTES – April 16, 2026

The Benefits Committee reviewed the draft minutes of April 16, 2026. Since there were no edits or objections by the Trustees, the minutes stand approved.

III. NEW BUSINESS

A. Carrier Utilization Reports for the period ending December 31, 2025

1. Kaiser Permanente Semi-Annual Utilization Report

Mr. Troy Tomita and Mr. Thomas England, Kaiser Permanente, presented their annual utilization report through December 31, 2025 for the EUTF non-Medicare retiree and Medicare retiree plans (calendar year) and active employee plans (6 months) and noted the following:

- a. The PMPM claims trend of 1.9% claims for non-Medicare retiree plan. Primary drivers included a 12.0% increase in outpatient PMPM spend due to an 8.7% increase in average cost per visit and a 16.8% increase in mental health visits per 1,000 and a 9.1% increase in pharmacy PMPM spend due to a 2.9% increase in brand and specialty prescriptions.
- b. For the EUTF Medicare Kaiser Permanente Senior Advantage (KPSA) plan, Kaiser reported inpatient utilization (admits per 1,000), outpatient utilization (visits per 1,000), and brand and specialty drug scripts decreased year over year.
- c. For the mid-year report for the EUTF active plans, Kaiser reported a 1.1% claims PMPM trend.

2. HMSA Semi-Annual Utilization Report

Ms. Michelle Sasaki and Mr. Isaac Yuen, HMSA, presented their annual utilization report through December 31, 2025 for the EUTF Medicare and non-Medicare retiree plans (calendar year) and active employee plans (6 months) and noted the following:

- a. The PMPM claims trend of 4.0% and 17.5% claims for Medicare and non-Medicare retiree plans, respectively. Primary drivers included a 9.1% increase in outpatient PMPM spend for Medicare retirees due to a 11.4% PMPM increase in outpatient surgery, a 23.8% increase in inpatient PMPM spend for non-Medicare retirees due to high-cost claimants residing out of state, and an increase in antineoplastic drug spend.
- b. For the mid-year report for the EUTF active plans, HMSA reported a -1.8% claims PMPM trend.

3. Humana Annual Utilization Report

Mr. Gabe Hellinger, Humana, presented its annual utilization report for the period ending December 31, 2025 (calendar year) for the EUTF Medicare Advantage plan noting a 23.3% claims PMPM trend. This is the first time that Humana is reporting because enrollment has reached 100 members. However, because enrollment is low, claims trend is volatile.

4. HDS Retiree Annual Utilization Report

Ms. Stacia Baek and Ms. Joey Lee, HDS, presented their annual utilization report for the period ending December 31, 2025 for the retiree plans and noted the following:

- a. The PMPM claims trend of 5.8% driven by a change to the basic care benefit in 2025.
- b. 5.0% of retirees met the \$2,000 plan maximum (compared to 4.0% in 2024).
- c. 97.7% of retiree visits were in-network.
- d. Basic services claims PMPM trend saw the largest increase at 20.8% and is expected to continue to rise with the addition of coverage of posterior composite fillings in 2026.

5. VSP Retiree Annual Utilization Report

Ms. Monica Kim, VSP, presented its annual utilization report for the period ending December 31, 2025 for the retiree plans and noted the following:

- a. The PMPM claims trend of 2.9% driven by a 7.2% increase in eye exam services year over year.
- b. 30% of retirees received an eye exam in 2025 (compared to 28% in 2024).
- c. 93% of retirees visited an in-network provider.

B. Kaiser Permanente Proposed Plan Changes

Mr. Tomita, Kaiser Permanente, proposed the following plan changes:

1. 100% coverage of post-discharge non-emergency medical transportation (NEMT) under the retiree and active plans effective January 1, 2027 and July 1, 2027, respectively. Requires transportation to be coordinated through Kaiser Permanente.
2. Changing the day supply limit for maintenance medications from 90 to 100 days under the KPSA plans effective January 1, 2027.

MOTION was made and seconded to recommend to the Board adding 100% coverage of post-discharge non-emergency medical transportation (NEMT) under the Kaiser Permanente retiree and active plans effective January 1, 2027 and July 1, 2027, respectively. (Yu/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-3)

MOTION was made and seconded to recommend to the Board changing the day supply limit for maintenance medications from 90 to 100 days under the Kaiser Permanente Senior Advantage (KPSA) plans effective January 1, 2027. (Yu/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-3)

C. HMSA Primary Care Payment Model

Mr. Galen Haneda and Mr. Mark Nishimura, HMSA, reported that it will return to a fee for service (FFS) payment model for primary care effective July 1, 2026.

Chairperson Tui questioned the reason for this change when HMSA has been reporting only positive things with its capitated payment model up to this point. Trustee Yu questioned whether quality scores will revert to what they were before the capitated payment model began in 2016 and whether PCP visits have actually declined since COVID.

D. 2026 Segal Retiree Annual Report

Ms. Tammy Halter, Ms. Shelley Chun, Mr. Quentin Gunn, and Ms. Mary Fedor, Segal Consulting, presented its analysis of the retiree benefit plans and recommends the following:

1. Diabetes. Increase engagement in and monitor efficacy of diabetes programs.
2. Mental health. Continue to promote carrier mental health programs and ensure carriers are connecting members with appropriate care.
3. Site optimization. Have HMSA evaluate that members have adequate access to

receive outpatient or at-home services for services like infusions when appropriate.

IV. EXECUTIVE SESSION

MOTION was made and seconded to move into Executive Session at 11:00 a.m. (Yu/Ferguson-Miyamoto) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-3)

The regular meeting reconvened at 11:15 a.m.

Chairperson Tui reported that during Executive Session, the Board:

- Approved a recommendation to the Board to accept CVS' proposed inflation cap and trend guarantees for the non-Medicare retiree and active prescription drug plans administered by CVS effective January 1, 2026 and July 1, 2026, respectively.
- Reviewed and discussed the November 19, 2025 minutes. Since there were no edits or objections by the Trustees, the minutes stand approved.

V. NEXT MEETING DATE – August 18 2026

The next meeting agenda will include updates on HMSA's primary care payment model, care management model, and disease management programs.

VI. ADJOURNMENT

MOTION was made and seconded to adjourn the meeting at 11:15 a.m. (Ferguson-Miyamoto/Yu) The motion passed unanimously. (Employer Trustees-1/Employee-Beneficiary Trustees-3)

Documents Distributed:

1. Draft Benefits Committee Minutes for April 16, 2026. (3 pages)
2. Memorandum to Benefits Committee from Program Specialist, regarding 5/19/26 Benefits Committee Meeting – Reference Sheet – Confidential, dated May 19, 2026, Redacted Version. (3 pages)
3. EUTF Cost and Utilization Summary, Retirees and Actives, prepared by Kaiser Permanente, dated May 19, 2026, Redacted Version. (27 pages)
4. EUTF Semi-Annual Cost and Utilization Summary, prepared by HMSA, dated May 19, 2026, Redacted Version. (52 pages)
5. Memorandum to BOT EUTF from Humana, regarding 2025 Plan Compass Report-Hawaii EUTF, dated April 30, 2026. (4 pages)
6. EUTF & HSTA VB Retirees Annual Utilization Report, January – December 2025, prepared by HDS, dated May 19, 2026, Redacted Version. (14 pages)
7. EUTF & HSTA VB Retiree Utilization, Plan Year Ending 12/31/2025, prepared by VSP Vision Care, dated May 19, 2026, Redacted Version. (16 pages)
8. Memorandum to BOT EUTF from Kaiser Permanente, regarding 2027 Benefit Changes, dated May 19, 2026, Redacted Version. (3 pages)
9. HMSA Primary Care Payment Model Changes, prepared by HMSA, dated May 19, 2026, Redacted Version. (10 pages)
10. EUTF Annual Retiree Report, prepared by Segal, dated May 19, 2026, Redacted Version. (38 pages)