

## **ANNUAL REPORT**

**FOR THE PERIOD JULY 1, 2011 THROUGH JUNE 30, 2012**

**Hawaii Employer-Union Health Benefits Trust Fund  
State of Hawaii**

**December 2012**

**THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**  
**ANNUAL REPORT**  
**Fiscal Year ended June 30, 2012**

This report presents an overview of the organization and activities of the Hawaii Employer-Union Health Benefits Trust Fund ("EUTF") for the fiscal year 2011-2012. The EUTF manages and administers the health and life insurance plans for eligible state and county employees and retirees and their dependents. The objective of the EUTF is to provide quality health plans that are affordable to employers and employees.

The EUTF was established under Chapter 87A of the Hawaii Revised Statutes and is administratively attached to the Department of Budget and Finance. The office is located at Suite 1520, City Financial Tower, Honolulu, Hawaii.

The EUTF operates according to administrative rules originally adopted in February 2003 and most recently revised in 2009. The administrative rules were formulated to meet the requirements of Chapter 87A,

#### **MAJOR EVENTS IN FISCAL YEAR 2012**

Following an extensive Request for Proposals process for all benefit plans in the prior fiscal year, awards of contracts were made to be effective January 1, 2012 for all benefit plans except prescription drug. Several protests and appeals from the incumbent pharmacy benefit manager and subsequent hearings delayed the transition of the pharmacy benefit coverage from informed Rx to CVS Caremark. The effective date for the plans for active employees and non-Medicare retirees was May 1, 2012 and for Medicare retirees, July 1, 2012.

The EUTF Benefits Committee was re-established and met to review plans offered to members.

The EUTF Administrative Committee was re-established and met to begin work on revising the Administrative Rules to be in compliance with changes required by the Affordable Care Act.

The process of transferring banking arrangements to Bank of Hawaii in accordance with the 2011 contract began.

#### **TRUST FUND ORGANIZATION**

##### Board of Trustees

The EUTF is administered by a board of trustees ("Board") which is responsible for determining the benefit plans offered, negotiating and entering into contracts with insurance carriers and plan administrators, establishing eligibility criteria and management policies for the EUTF, and overseeing all EUTF activities.

There are ten trustees, five representing the public employers and five representing employee-beneficiaries, including a retiree representative. The trustees as of July 1, 2011 are shown below:

**Employer Trustees**

- Loretta Fuddy, Director, Dept. of Health
- Audrey Hidano, Deputy Director, Dept. of Labor and Industrial Relations
- Dean Hirata, Deputy Director, Dept. of Budget and Finance
- Everett Kaneshige, Deputy Director, Dept. of Commerce and Consumer Affairs
- Sunshine Topping, Director, Dept. of Human Resources and Development

**Employee-Beneficiary Trustees**

- George Kahooohanohano, Retirees
- Derek Mizuno, HGEA
- Karolyn Mossman, HSTA
- Celeste Nip, HFFA
- Clifford Uwaine, UPW

Board officers were elected July 1, 2011 as follows: George Kahooohanohano, Chairperson, Derek Mizuno, Vice-Chairperson and, Dean Hirata, Secretary-Treasurer.

Board member changes during the year include: Barbara Krieg, Director, Dept of Human Resources and Development replacing Sunshine Topping and Luis Salaveria, Deputy Director, Budget and Finance replacing Everett Kaneshige.

The Board has regularly scheduled monthly meetings with the exception of April and November. Board agendas and minutes are posted on the EUTF website [eutf.hawaii.gov](http://eutf.hawaii.gov).

The EUTF is audited annually and the annual financial reports are also posted on the EUTF website.

**Administrator and Staff**

The EUTF is managed by an administrator who is hired by and reports to the Board.

The administrator is assisted in managing the EUTF by an assistant administrator, a financial management officer, an information systems analyst, and a health benefits program manager. EUTF staff has a total of 49 employees (including management staff and the Administrator).

The EUTF has three branches: the Financial Services Branch, Information Systems Branch, and Member Services Branch.

- The financial management officer is supported by six accountants and three account clerks, who reconcile employee accounts, collect employer/employee contributions for health benefits, process all vendor payments, prepare monthly financial statements and coordinate an annual financial audit.
- The information systems analyst manages support for internal IT services, manages 1<sup>st</sup> level support for the benefits administration system, fulfills HIPAA security responsibilities, coordinates additional support services provided by DAGS/ICSD and Vitech Systems Group, Inc, and is supported by five IT staff.
- The health benefits program manager oversees the Member Services Branch and is supported by employees assigned to customer service, enrollment and training duties that include in person visits and phone calls and e-mails from

members, handling all processing for retirees, and processing all active employee enrollment submissions.

#### Advisors, Consultants and Major Contracts

The Board employs professional consultants and advisors on certain specific issues of importance to the EUTF:

- **Benefits Plan Consultant:** The Board has contracted with the Segal Company ("Segal") to provide benefit plan consulting services. Segal is a major national benefits consulting firm and provides access to their wide range of services from their Glendale California office.
- **Benefits Administration System ("BAS"):** Vitech Systems Group, Inc. provides the benefits administration computer system which handles all enrollment input and transmission, member records and premium calculation and tracking. Vitech Systems Group, Inc. provides on-going support of the benefits administration system including programming periodic plan and eligibility rule changes.
- **Investment Consultants:** Pension Consulting Alliance provides guidance in long term investments.
- **Actuary:** Aon Consulting provides actuarial evaluation and analysis of the Other Post Employment Benefit ("OPEB") liability for retiree health plans.
- **Auditor:** Macias, Gini & O'Connell is the accounting firm which audits the EUTF financial records.
- **Additional Contract:** Aon Consulting provides data aggregation for submission to the Early Retiree Reimbursement Program (see below).

#### **HEALTH AND LIFE INSURANCE BENEFIT PLANS**

With the January 1, 2012 implementation of new contracts, the EUTF provided health and life insurance benefits through contracts with the following organizations:

- ◆ **Hawaii Medical Service Association ("HMSA")**
  1. PPO Plans – 90/10 and 80/20
  2. HMO
  3. High Deductible Health Plan
  4. HSTA VB\* 90/10 & 80/20 PPO plans
  5. Retiree PPO 90/10 plans
- ◆ **Kaiser Permanente ("Kaiser")**
  1. Comprehensive HMO (EUTF & HSTA VB\*)
  2. Basic HMO
  3. Retiree Comprehensive HMO (Non Medicare and Kaiser Senior Advantage Medicare plans)



- ◆ CVS Caremark
  1. Prescription drug coverage for HMSA PPO and HMO plans – Active and non-Medicare retirees effective May 1, 2012
  2. Prescription drug coverage through an Employer Group Waiver Plan (EGWP) with Silver Script the CVS Caremark EGWP administrator effective July 1, 2012.
- ◆ Hawaii Dental Service (“HDS”) – EUTF Active and Retiree & HSTA VB\* Active, Retiree and Supplemental plans
- ◆ Vision Service Plan (“VSP”) – Active, Retiree & HSTA VB\* plans
- ◆ Royal State National Insurance Company, Ltd
  1. Chiropractic coverage through ChiroPlan Hawaii, Inc. (“ChiroPlan”) – included with all active medical plans
  2. Group Life insurance for all active employees and retirees.
- ◆ Supplemental Medical Plans
  1. Royal State National Insurance Company, Ltd. (“Royal State”)
  2. HMSA Supplemental
  3. HMSA HSTA VB\* Supplemental

Previous benefit plan contracts expired on June 30, 2011, and were extended through December 31, 2011 with no increase in premium to accommodate the January 1, 2012 effective date specified in the Requests for Proposals.

The Affordable Care Act became effective for the active employee medical and prescription drug plans on July 1, 2011. As a result of the change in employee contribution amounts determined by the collective bargaining process, EUTF plans lost grandfather status. The primary impact was the change for the active employee medical and prescription drug plans in the eligibility criteria for dependent children. This extended the age maximum to 26 without regard for employment, marital status or residence. For retiree plans and active employee dental and vision plans, the dependent child limit remains full-time students only after age 19 up to the age of 24.

\* HSTA VB refers to the plans developed in response to Judge Sakamoto’s December 7, 2010 ruling. HSTA VB plans cover only those who were previously covered by the HSTA VEBA plans.

## **EUTF ACTIVITY IN 2011 – 2012**

### **Awards of Contracts following Requests for Proposals for all Benefit Plans**

Working with Segal, the EUTF released Requests for Proposals for all benefit plans: Medical, Prescription Drug, Chiropractic, Dental, Vision and Life insurance in April 2011. Based on the recommendations of the evaluation committees the Board awarded contracts to be effective January 1, 2012 with options to extend through June 30, 2015. Although the benefit coverage did not change, there were carrier changes made in addition to a significant change in the financial arrangement for the PPO medical plans.

**Awards which resulted in carrier changes are:**

PPO Medical 90/10 plan:	HMA Administrator to HMSA
Pharmacy Benefit Manager:	informed Rx to CVS Caremark *
Life insurance:	Standard Insurance to Royal State National

\* The effective date was delayed as noted above: May 1, 2012 active and non Medicare retirees and July 1, 2012 Medicare retirees.

**Financial Arrangements as of January 1, 2012:**

Prior to January 1, the HMSA EUTF plans and the HMA PPO plan were self funded such that the EUTF paid HMSA and HMA fees to administer the plans plus the actual cost of claims paid. The new contract with HMSA is fully insured which transfers the risk from the EUTF to the carrier and provides budgetable premium caps for employers. In addition the HMSA, HDS and VSP contracts include a provision for an annual return of surplus premium to the EUTF when premium paid exceeds incurred claims and expenses. The carriers provided three years of insured rates or fees through June 30, 2015 for active employees with the following financial arrangements.

**Fully Insured:**

- Kaiser plans
- Royal State Life insurance
- Chiro Plan through Royal State
- Royal State Supplemental plan

Fully Insured with premium refund in those years in which premium exceeds incurred claims and expenses:

- HMSA plans
- HDS Dental plans
- VSP vision plans

**Self funded plans**

- CVS Caremark Rx plans and Silver Script EGWP Rx plan

The first plan year period for active employees is 18 months from January 1, 2012 through June 30, 2013. Subsequent plan years will continue on a July 1 plan year. Retiree plans changed to a calendar year plan year.

**Other notable activity during the year included:**

Open enrollment for the January 1, 2012 changes was held in October 2011 for all active and retiree plans. Reference guides were revised and numerous employee and retiree meetings were held throughout the state.

The EUTF coordinated the evaluation of employers' Other Post Employment Benefits liability which is required by the Governmental Accounting Standards Board ("GASB"). Aon's actuarial staff performed the evaluation as part of an ongoing contract. The OPEB valuation report as of July 1, 2011 is posted on the EUTF website.

The EUTF continued its submissions for the federal Early Retiree Reinsurance Program ("ERRP") which is provided as part of the Affordable Care Act. Working with Aon as our data aggregator, the EUTF received \$2,035,800 in this fiscal year in addition to the first reimbursement payment of \$4.6 million received in early 2011. The ERRP funds received totaled \$6,635,804 and were applied to reduce 2012 prescription drug rates.

## **OPERATIONS**

### Ongoing Programs and General Operations

The EUTF participates with the major State departments and counties to provide pre-retirement, new hire orientation, DPO informational, and Open Enrollment sessions during the year.

During FY2012, the EUTF Member Services Branch continued to achieve greater operational efficiencies. The Call Center successfully handled 87,027 phone calls and staff serviced over 10,415 walk-in visitors. Additionally, 71,502 incoming documents were imaged; 51,351 enrollment-related outbound documents were printed in-house and mailed directly to plan participants.

Information Systems handled the following systems issues in addition to normal work flow:

- System modifications to administer extending the eligibility of an Active employee's dependent child to age 26 for medical plan and prescription drug plan, effective July 1, 2011 due to Federal Affordable Care Act.
- Submitted eligibility files used to apply for reimbursement of a portion of the costs of providing health coverage to early retirees and their eligible dependents due to the ERRP provision of the Affordable Care Act.
- System modifications to administer eligibility due to civil union relationships beginning on January 1, 2012.
- System modifications to transition administration and eligibility to new prescription drug pharmacy benefit plans manager.
- Working with DAGS, developed file transfer procedures to provide Benefit Plan cost data for 2012 W-2s in accordance with the Federal Affordable Care Act.

An annual audit of the EUTF, as required by Chapter 87A-25(2), is being conducted for the plan year July 1, 2011 through June 30, 2012 by Macias, Gini & O'Connell. The EUTF audited financial reports will be presented to the Board in early 2013 and the audit report will be forwarded under separate cover.

The following pages provide enrollment data as of June 16, 2012 and premium and claim payment data for the six months from January 1 through June 30, 2012.

# **ENROLLMENT COUNTS**

## Enrollment Counts - EUTF Actives

The table below shows EUTF Actives enrollments as of 06-16-2012

### Count by Enrollment Coverage

Benefit Plan	Type of Enrollment			
	Self	Two-Party	Family	Grand Total
<b>Medical Plans</b>				
PPO-90/10 Medical (HMSA), Chiro (RSN)	3,120	915	1,396	5,431
PPO-80/20 Medical (HMSA), Chiro (RSN)	12,606	4,215	6,944	23,765
HMO Medical (HMSA), Chiro (RSN) bundled with HMO Drug (CaremarkPCS)	1,703	411	564	2,678
High Deductible Health Plan Medical (HMSA), Drug (HMSA)	134	15	29	178
HMO Comprehensive Medical (Kaiser), Drug (Kaiser), Chiro (RSN)	4,539	1,451	2,087	8,077
HMO Basic Medical (Kaiser), Drug (Kaiser), Chiro (RSN)	879	214	250	1,343
Supplemental Medical (HMSA), Drug (HMSA), Chiro (RSN)	154	112	163	429
Supplemental Medical (RSN), Drug (RSN), Chiro (RSN)	81	93	200	374
<b>Medical Plans Total</b>	<b>23,216</b>	<b>7,426</b>	<b>11,633</b>	<b>42,275</b>
<b>Drug Plans</b>				
PPO Drug (CaremarkPCS)	15,133	5,070	8,265	28,468
HMO Drug (CaremarkPCS) bundled with HMO Medical (HMSA)	1,703	411	564	2,678
<b>Drug Plans Total</b>	<b>16,836</b>	<b>5,481</b>	<b>8,829</b>	<b>31,146</b>
<b>Dental Plan (HDS)</b>	<b>21,967</b>	<b>10,111</b>	<b>14,010</b>	<b>46,088</b>
<b>Vision Plan (VSP)</b>	<b>21,657</b>	<b>8,969</b>	<b>12,659</b>	<b>43,285</b>
<b>Life Insurance (RSN)</b>	<b>55,260</b>			<b>55,260</b>

### Count by Subscribers and Dependents

Benefit Plan	Type		
	Subscribers	Dependents	Total
<b>Medical Plans</b>			
PPO-90/10 Medical (HMSA), Chiro (RSN)	5,431	5,084	10,515
PPO-80/20 Medical (HMSA), Chiro (RSN)	23,765	24,624	48,389
HMO Medical (HMSA), Chiro (RSN) bundled with HMO Drug (CaremarkPCS)	2,678	2,079	4,757
High Deductible Health Plan Medical (HMSA), Drug (HMSA)	178	103	281
HMO Comprehensive Medical (Kaiser), Drug (Kaiser), Chiro (RSN)	8,077	7,753	15,830
HMO Basic Medical (Kaiser), Drug (Kaiser), Chiro (RSN)	1,343	943	2,286
Supplemental Medical (HMSA), Drug (HMSA), Chiro (RSN)	429	578	1,007
Supplemental Medical (RSN), Drug (RSN), Chiro (RSN)	374	698	1,072
<b>Medical Plans Total</b>	<b>42,275</b>	<b>41,862</b>	<b>84,137</b>
<b>Drug Plans</b>			
PPO Drug (CaremarkPCS)	28,468	29,438	57,906
HMO Drug (CaremarkPCS) bundled with HMO Medical (HMSA)	2,678	2,077	4,755
<b>Drug Plans Total</b>	<b>31,146</b>	<b>31,515</b>	<b>62,661</b>
<b>Dental Plan (HDS)</b>	<b>46,088</b>	<b>50,776</b>	<b>96,864</b>
<b>Vision Plan (VSP)</b>	<b>43,285</b>	<b>45,706</b>	<b>88,991</b>

## Enrollment Counts - HSTA VB Actives

The table below shows HSTA VB Actives enrollments as of 06-16-2012

### Count by Enrollment Coverage

Count of Subscribers Benefit Plan	Type of Enrollment			
	Self	Two-Party	Family	Grand Total
Medical Plans				
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (CaremarkPCS), Vision (VSP)	1,520	327	918	2,765
HSTA VB PPO-80/20 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (CaremarkPCS), Vision (VSP)	1,863	589	1,642	4,094
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP)	945	233	557	1,735
HSTA VB Supplemental Medical (HMSA), Drug (HMSA), Vision (HMSA), Chiro (RSN)	48	54	142	244
Medical Plans Total	4,376	1,203	3,259	8,838
Drug Plan				
HSTA VB PPO Drug (CaremarkPCS) bundled with PPO-80/20 or PPO-90/10 Medical (HMSA)	3,383	916	2,560	6,859
Drug Plan Total	3,383	916	2,560	6,859
Dental Plans				
HSTA VB Dental (HDS)	4,215	1,476	3,459	9,150
HSTA VB Supplemental Dental (HDS)	59	62	203	324
Dental Plans Total	4,274	1,538	3,662	9,474
Vision Plans				
HSTA VB Vision (VSP) - Stand Alone	53	72	187	312
HSTA VB Vision (VSP) bundled with Medical	4,359	1,201	3,036	8,596
Vision Plans Total	4,412	1,273	3,223	8,908
Life Insurance (RSN)	11,231			11,231

### Count by Subscribers and Dependents

Benefit Plan	Type		
	Subscribers	Dependents	Total
<b>Medical Plans</b>			
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (CaremarkPCS), Vision (VSP)	2,765	2,988	5,753
HSTA VB PPO-80/20 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (CaremarkPCS), Vision (VSP)	4,094	5,411	9,505
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP)	1,735	1,929	3,664
HSTA VB Supplemental Medical (HMSA), Drug (HMSA), Vision (HMSA), Chiro (RSN)	244	471	715
<b>Medical Plans Total</b>	<b>8,838</b>	<b>10,799</b>	<b>19,637</b>
<b>Drug Plan</b>			
HSTA VB PPO Drug (CaremarkPCS) bundled with PPO-80/20 or PPO-90/10 Medical (HMSA)	6,859	8,397	15,256
<b>Drug Plan Total</b>	<b>6,859</b>	<b>8,397</b>	<b>15,256</b>
<b>Dental Plans</b>			
HSTA VB Dental (HDS)	9,150	11,538	20,688
HSTA VB Supplemental Dental (HDS)	324	662	986
<b>Dental Plans Total</b>	<b>9,474</b>	<b>12,200</b>	<b>21,674</b>
<b>Vision Plans</b>			
HSTA VB Vision (VSP) - Stand Alone	312	628	940
HSTA VB Vision (VSP) bundled with Medical	8,596	10,046	18,642
<b>Vision Plans Total</b>	<b>8,908</b>	<b>10,674</b>	<b>19,582</b>

## Enrollment Counts - EUTF Retirees

The table below shows EUTF Retirees enrollments as of 06-16-2012

### Count by Enrollment Coverage

Count of Subscribers Benefit Plan	Type of Enrollment			
	Self	Two-Party	Family	Grand Total
Medical Plans				
PPO-90/10 Medical (HMSA) - Retiree				
Retiree (Medicare)	15,623	8,869	508	25,000
Retiree (Non-Medicare)	2,866	2,963	954	6,783
PPO-90/10 Medical (HMSA) - Retiree Total	18,489	11,832	1,462	31,783
HMO Medical (Kaiser), Drug (Kaiser) - Retiree				
Retiree (Medicare)	3,607	1,809	123	5,539
Retiree (Non-Medicare)	642	594	176	1,412
HMO Medical (Kaiser), Drug (Kaiser) - Retiree Total	4,249	2,403	299	6,951
Out-of-State Plan				
Retiree (Medicare)	79	50		129
Retiree (Non-Medicare)	5	3		8
Out-of-State Plan Total	84	53		137
Medical Plans Total	22,822	14,288	1,761	38,871
Drug Plans				
PPO Drug (InformedRx) - Medicare	14,562	8,408	476	23,446
PPO Drug (CaremarkPCS) - Non-Medicare	3,818	3,245	987	8,050
Drug Plans Total	18,380	11,653	1,463	31,496
Dental Plan (HDS)	22,764	14,087	1,641	38,492
Vision Plan (VSP)	22,731	14,431	1,768	38,930
Life Insurance (RSN)	34,852			34,852

### Count by Subscribers and Dependents

Benefit Plan	Type		
	Subscribers	Dependents	Total
<b>Medical Plans</b>			
<b>PPO-90/10 Medical (HMSA) - Retiree</b>			
Retiree (Medicare)	25,000	10,027	35,027
Retiree (Non-Medicare)	6,783	5,318	12,101
<b>PPO-90/10 Medical (HMSA) - Retiree Total</b>	<b>31,783</b>	<b>15,345</b>	<b>47,128</b>
<b>HMO Medical (Kaiser), Drug (Kaiser) - Retiree</b>			
Retiree (Medicare)	5,539	2,092	7,631
Retiree (Non-Medicare)	1,412	1,028	2,440
<b>HMO Medical (Kaiser), Drug (Kaiser) - Retiree Total</b>	<b>6,951</b>	<b>3,120</b>	<b>10,071</b>
<b>Out-of-State Plan</b>			
Retiree (Medicare)	129	50	179
Retiree (Non-Medicare)	8	3	11
<b>Out-of-State Plan Total</b>	<b>137</b>	<b>53</b>	<b>190</b>
<b>Medical Plans Total</b>	<b>38,871</b>	<b>18,518</b>	<b>57,389</b>
<b>Drug Plans</b>			
<b>PPO Drug (InformedRx) - Medicare</b>	<b>23,446</b>	<b>9,488</b>	<b>32,934</b>
<b>PPO Drug (CaremarkPCS) - Non-Medicare</b>	<b>8,050</b>	<b>5,679</b>	<b>13,729</b>
<b>Drug Plans Total</b>	<b>31,496</b>	<b>15,167</b>	<b>46,663</b>
<b>Dental Plan (HDS)</b>	<b>38,492</b>	<b>18,028</b>	<b>56,520</b>
<b>Vision Plan (VSP)</b>	<b>38,930</b>	<b>18,680</b>	<b>57,610</b>

## Enrollment Counts - HSTA VB Retirees

The table below shows HSTA VB Retirees enrollments as of 06-16-2012

### Count by Enrollment Coverage

Count of Subscribers Benefit Plan	Type of Enrollment			
	Self	Two-Party	Family	Grand Total
Medical Plans				
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (HMSA or CaremarkPCS), Vision (VSP) - Retiree				
Retiree (Medicare)	718	650	33	1,401
Retiree (Non-Medicare)	303	451	67	821
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (HMSA or CaremarkPCS), Vision (VSP) - Retiree Total	1,021	1,101	100	2,222
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with Vision (VSP) - Retiree				
Retiree (Medicare)	3	5		8
Retiree (Non-Medicare)		1		1
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with Vision (VSP) - Retiree Total	3	6		9
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP) - Retiree				
Retiree (Medicare)	89	69	7	165
Retiree (Non-Medicare)	45	31	8	84
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP) - Retiree Total	134	100	15	249
HSTA VB Out-of-State Plan				
Retiree (Medicare)	1			1
Retiree (Non-Medicare)	1			1
HSTA VB Out-of-State Plan Total	2			2
Medical Plans Total	1,160	1,207	115	2,482
Drug Plans				
HSTA VB PPO Drug (HMSA) bundled with PPO-90/10 Medical (HMSA) - Medicare	648	553	27	1,228
HSTA VB PPO Drug (CaremarkPCS) bundled with PPO-90/10 Medical (HMSA) - Non-Medicare	373	548	73	994
Drug Plans Total	1,021	1,101	100	2,222
Dental Plan (HDS)	1,155	1,195	108	2,458
Vision Plan (VSP)	1,160	1,207	115	2,482
Life Insurance (RSN)	2,548			2,548



# Enrollment Counts - HSTA VB Retirees

The table below shows HSTA VB Retirees enrollments as of 06-16-2012

## Count by Subscribers and Dependents

Benefit Plan	Type		
	Subscribers	Dependents	Total
<b>Medical Plans</b>			
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (HMSA or CaremarkPCS), Vision (VSP) - Retiree			
Retiree (Medicare)	1,401	725	2,126
Retiree (Non-Medicare)	821	602	1,423
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with PPO Drug (HMSA or CaremarkPCS), Vision (VSP) - Retiree Total	2,222	1,327	3,549
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with Vision (VSP) - Retiree			
Retiree (Medicare)	8	5	13
Retiree (Non-Medicare)	1	1	2
HSTA VB PPO-90/10 Medical (HMSA), Chiro (RSN) bundled with Vision (VSP) - Retiree Total	9	6	15
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP) - Retiree			
Retiree (Medicare)	165	85	250
Retiree (Non-Medicare)	84	48	132
HSTA VB HMO Medical (Kaiser), Drug (Kaiser), Chiro (RSN) bundled with Vision (VSP) - Retiree Total	249	133	382
HSTA VB Out-of-State Plan			
Retiree (Medicare)	1	0	1
Retiree (Non-Medicare)	1	0	1
HSTA VB Out-of-State Plan Total	2	0	2
<b>Medical Plans Total</b>	<b>2,482</b>	<b>1,466</b>	<b>3,948</b>
<b>Drug Plans</b>			
HSTA VB PPO Drug (HMSA) bundled with PPO-90/10 Medical (HMSA) - Medicare	1,228	616	1,844
HSTA VB PPO Drug (CaremarkPCS) bundled with PPO-90/10 Medical (HMSA) - Non-Medicare	994	711	1,705
<b>Drug Plans Total</b>	<b>2,222</b>	<b>1,327</b>	<b>3,549</b>
<b>Dental Plan (HDS)</b>	<b>2,458</b>	<b>1,439</b>	<b>3,897</b>
<b>Vision Plan (VSP)</b>	<b>2,482</b>	<b>1,466</b>	<b>3,948</b>

## Waived Subscriber Enrollments Counts

The tables below show calculated Waived counts as of 06-16-2012

**Total Number of EUTF Actives:** 67,250

Waived Plans	Total
Medical Plans	16,137
Drug Plans	16,865
Dental Plan	11,688
Vision Plan	15,057
Life Insurance	759

**Total Number of EUTF Retirees:** 42,418

Waived Plans	Total
Medical Plans	1,065
Drug Plans	1,361
Dental Plan	1,468
Vision Plan	1,006
Life Insurance	50

## Enrollment Counts - All Subscribers

The table below shows All Subscribers enrollments as of 06-16-2012

Count of Subscribers Employer	Benefit Plan				
	Medical Plans	Drug	Dental Plan	Vision Plan	Life Insurance
<b>City and County of Honolulu</b>					
Active	6,927	5,196	7,515	7,160	8,610
Retiree (Medicare)	4,618	3,224			
Retiree (Non-Medicare)	1,963	1,753	6,481	6,581	5,409
<b>City and County of Honolulu Total</b>	<b>13,508</b>	<b>10,173</b>	<b>13,996</b>	<b>13,741</b>	<b>14,019</b>
<b>Honolulu Board of Water Supply</b>					
Active	413	321	448	416	506
Retiree (Medicare)	429	328			
Retiree (Non-Medicare)	127	116	546	558	471
<b>Honolulu Board of Water Supply Total</b>	<b>969</b>	<b>765</b>	<b>994</b>	<b>974</b>	<b>977</b>
<b>County of Hawaii</b>					
Active	1,922	1,646	1,993	1,912	2,277
Retiree (Medicare)	853	768			
Retiree (Non-Medicare)	520	551	1,327	1,368	1,171
<b>County of Hawaii Total</b>	<b>3,295</b>	<b>2,965</b>	<b>3,320</b>	<b>3,280</b>	<b>3,448</b>
<b>Hawaii Dept of Water Supply</b>					
Active	139	122	144	143	160
Retiree (Medicare)	65	61			
Retiree (Non-Medicare)	24	27	88	89	73
<b>Hawaii Dept of Water Supply Total</b>	<b>228</b>	<b>210</b>	<b>232</b>	<b>232</b>	<b>233</b>
<b>County of Kauai</b>					
Active	975	908	1,032	991	1,207
Retiree (Medicare)	472	429			
Retiree (Non-Medicare)	239	267	687	709	562
<b>County of Kauai Total</b>	<b>1,686</b>	<b>1,604</b>	<b>1,719</b>	<b>1,700</b>	<b>1,769</b>
<b>County of Maui</b>					
Active	2,010	1,166	2,126	2,007	2,445
Retiree (Medicare)	765	460			
Retiree (Non-Medicare)	379	303	1,133	1,150	970
<b>County of Maui Total</b>	<b>3,154</b>	<b>1,929</b>	<b>3,259</b>	<b>3,157</b>	<b>3,415</b>
<b>State of Hawaii</b>					
Active	38,184	28,270	41,732	39,039	50,549
Retiree (Medicare)	25,038	19,404			
Retiree (Non-Medicare)	5,855	6,022	30,681	30,950	28,737
<b>State of Hawaii Total</b>	<b>69,077</b>	<b>53,696</b>	<b>72,413</b>	<b>69,989</b>	<b>79,286</b>
<b>Hawaii Public Charter Schools</b>					
Active	543	376	572	525	737
Retiree (Medicare)	3				
Retiree (Non-Medicare)	3	5	7	7	7
<b>Hawaii Public Charter Schools Total</b>	<b>549</b>	<b>381</b>	<b>579</b>	<b>532</b>	<b>744</b>
<b>Grand Total</b>	<b>92,466</b>	<b>71,723</b>	<b>96,512</b>	<b>93,605</b>	<b>103,891</b>

# **Hawaii Employer Union Health Benefits Trust Fund**

## **Excerpts of Annual Plan Experience Report**

Calendar Year to Date through June 30, 2012

Provided by the Segal Company, October 23, 2012

### **Reports Provided:**

#### **EUTF Actives –**

1. HMSA Medical Plans
2. Kaiser & Royal State Plans
3. CVS Caremark Prescription Drug Plans
4. Average Monthly Enrollment – Medical Plans
5. Other Benefit Plans – Dental, Vision, Life, Chiro
6. Other Benefit Plans – Enrollment

#### **HSTA VB Actives**

1. HMSA & Kaiser Medical Plans
2. CVS Caremark Prescription Drug Plans
3. Average Monthly Enrollment – Medical Plans
4. Other Benefit Plans – Dental, Vision, Life, Chiro
5. Other Benefit Plans – Enrollment

#### **EUTF Retirees**

1. Retirees Under Age 65 – Medical
2. Retirees Under Age 65 – Prescription Drug
4. All Retirees – Dental & Life
5. All Retirees – Dental & Life Enrollment
6. EUTF & HSTA VB Vision
7. EUTF & HSTA VB Vision - Enrollment

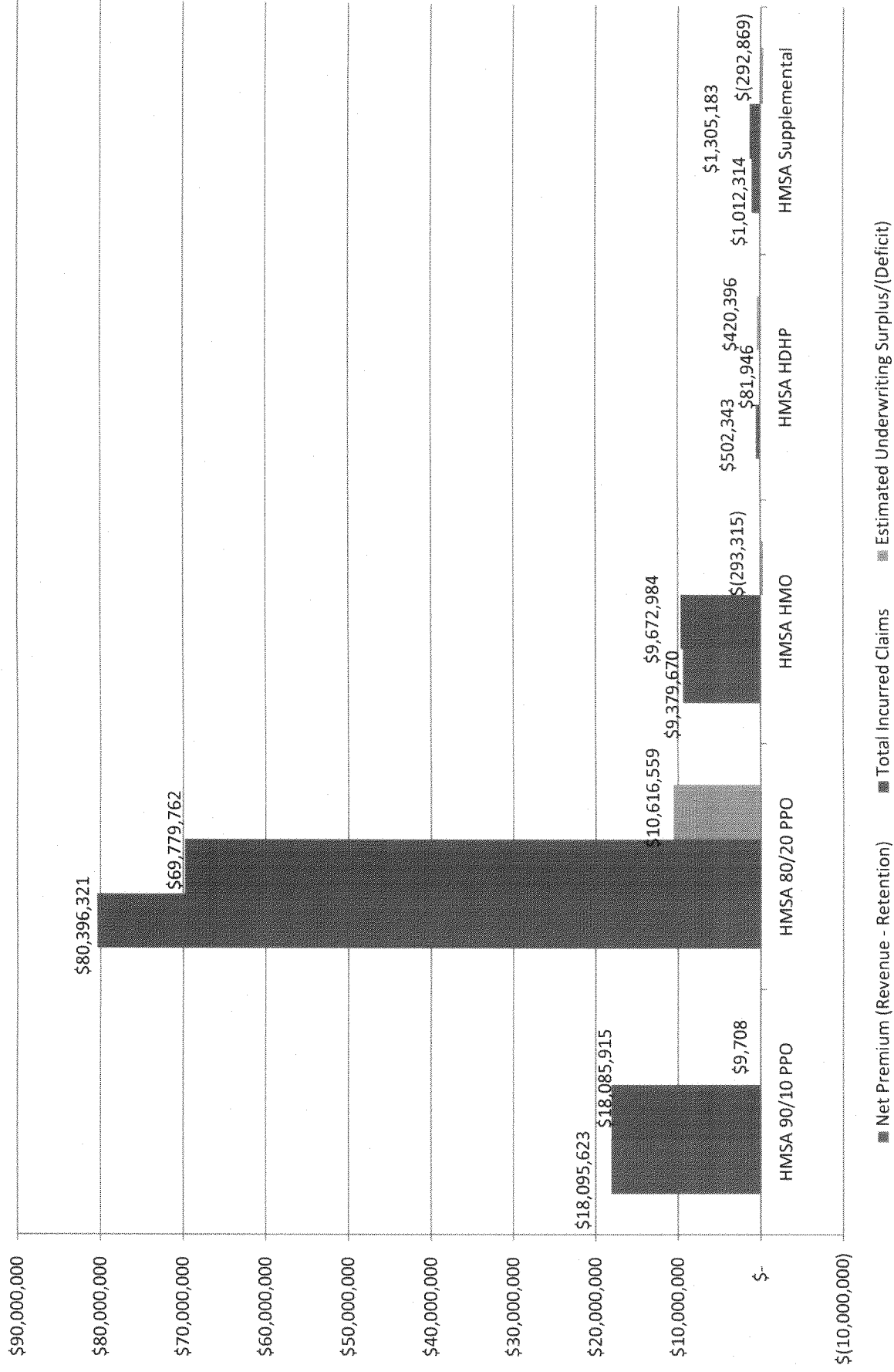
#### HSTA VB Retirees Under 65

1. Retirees Under Age 65 – Medical
2. Retirees Under Age 65 – Prescription Drug
3. All Retirees – Dental & Life
4. Retirees Under Age 65 – Enrollment
5. All Retirees – Dental & Life Enrollment

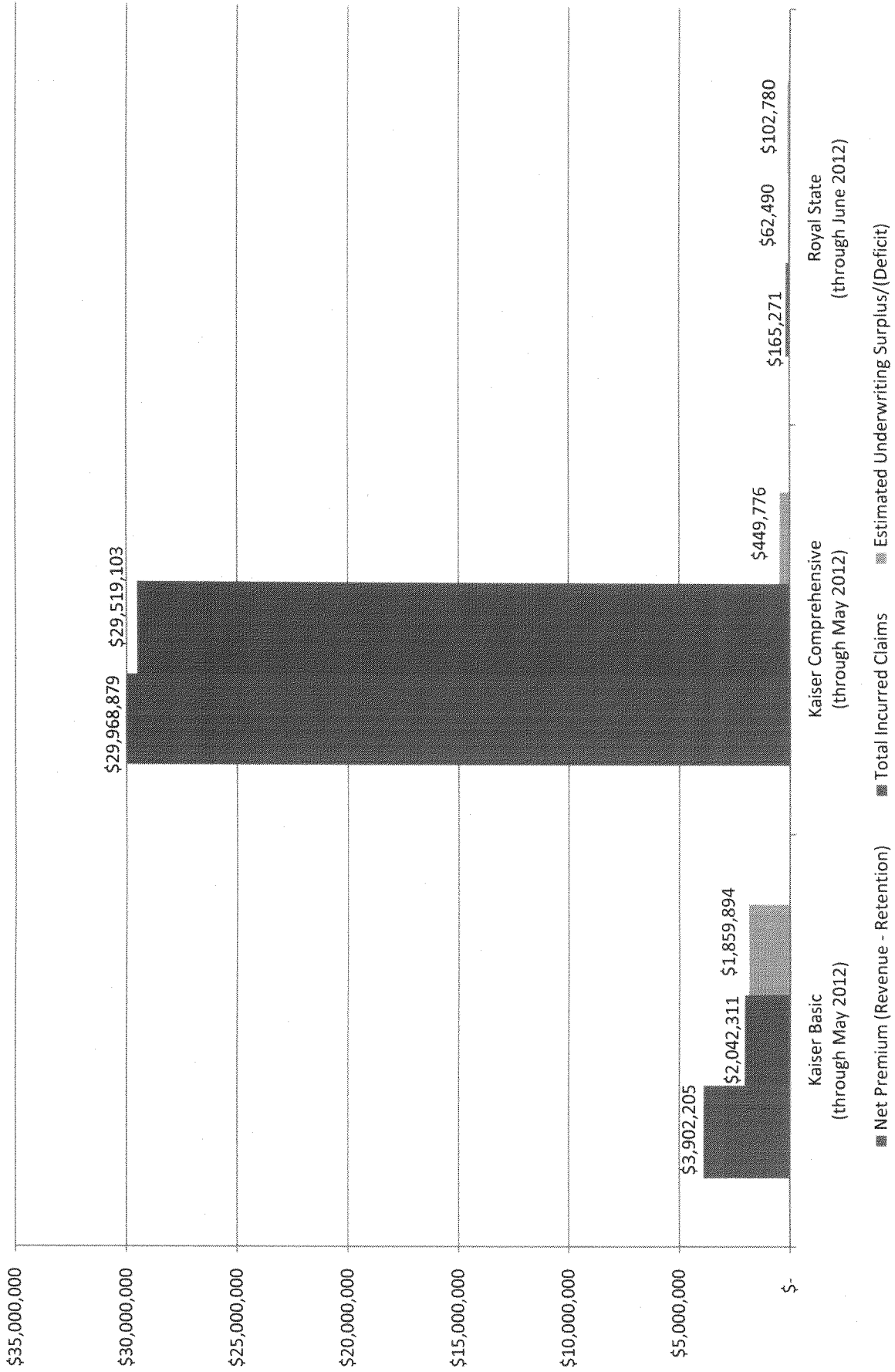
#### Retirees Over Age 65

1. HMSA Medical
2. HMSA Medical Enrollment

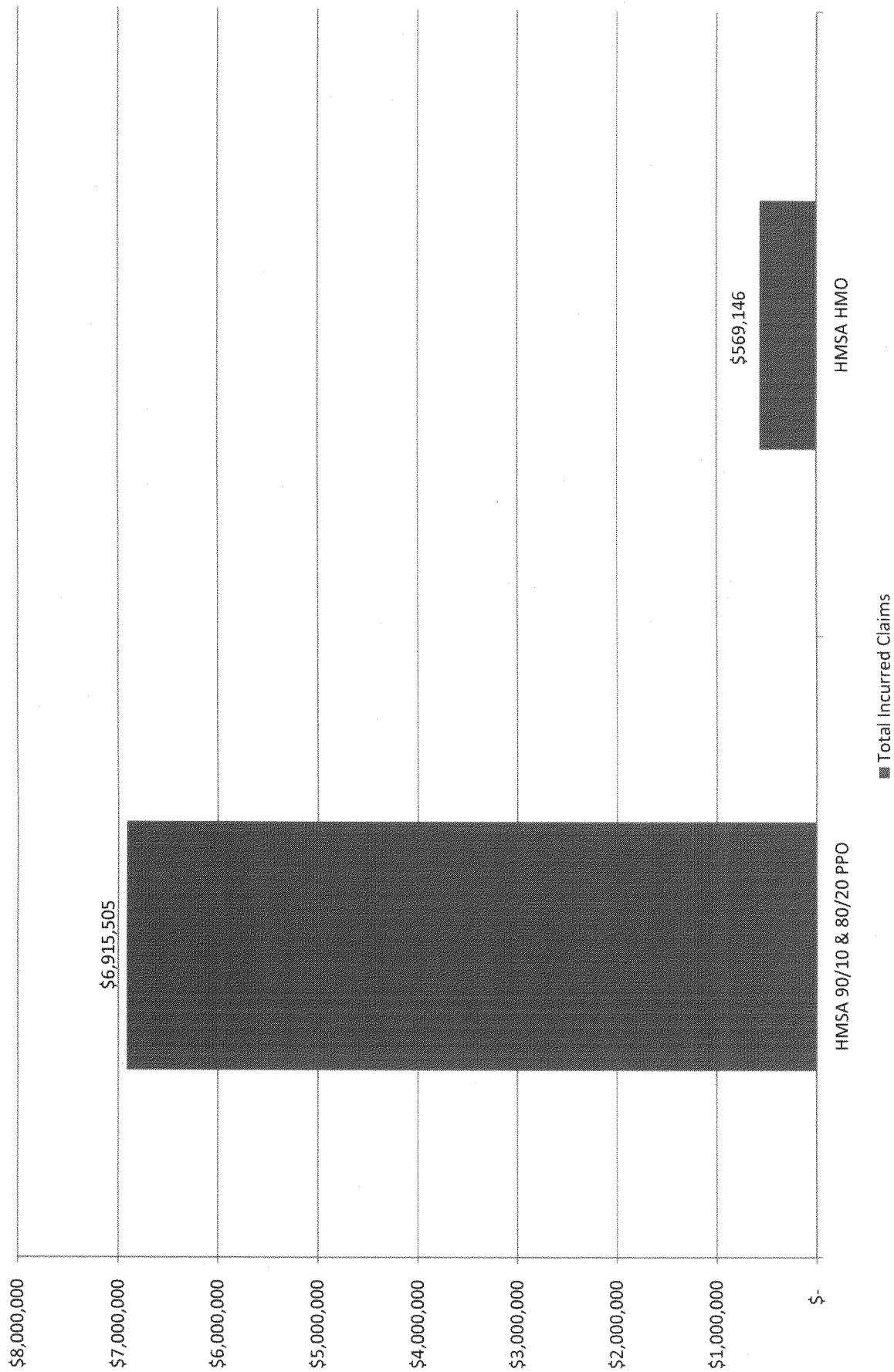
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF Actives - HMSA Medical Plans



# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD EUTF Actives - Medical Plans

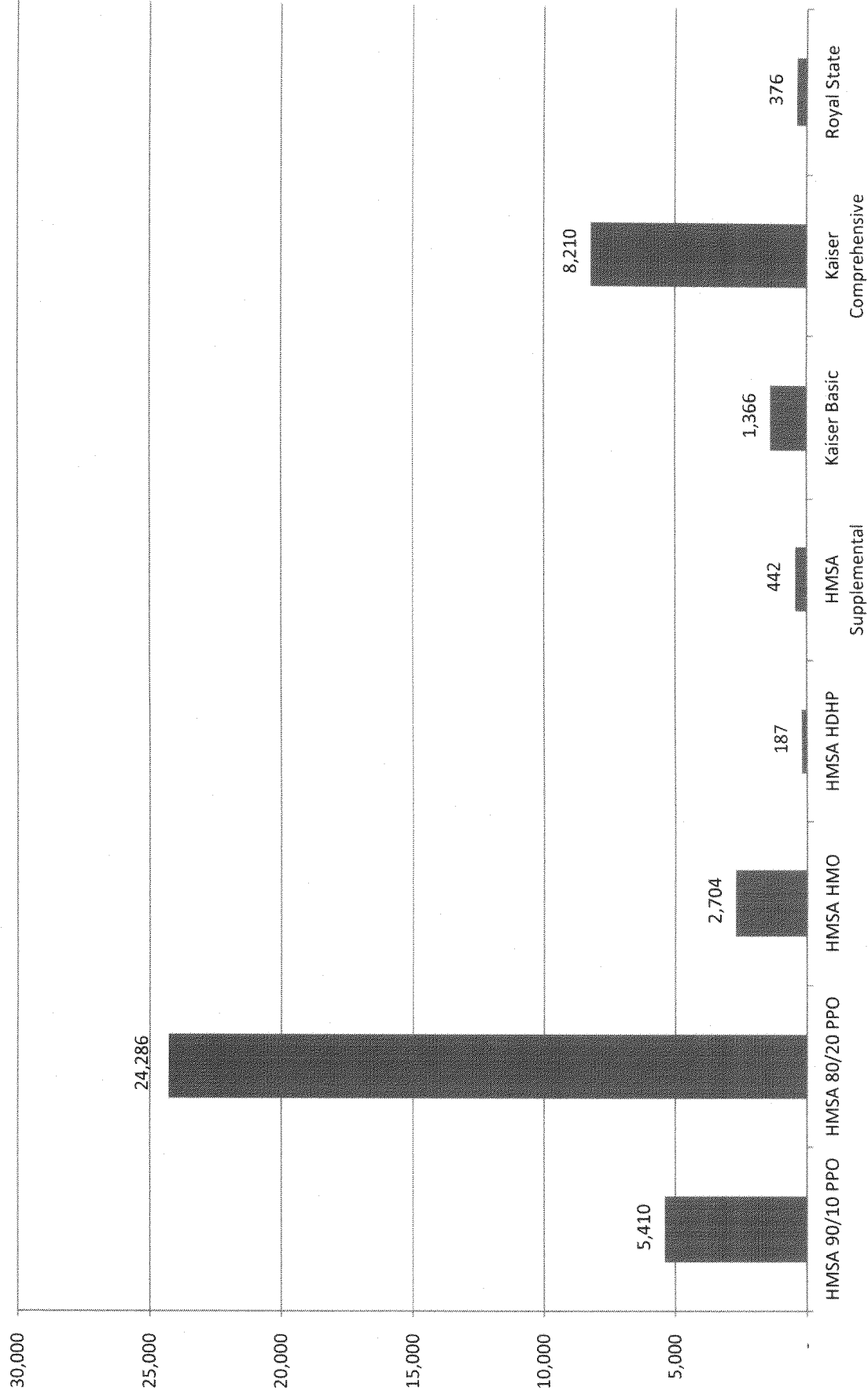


# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF Actives - Prescription Drug Plans through Caremark



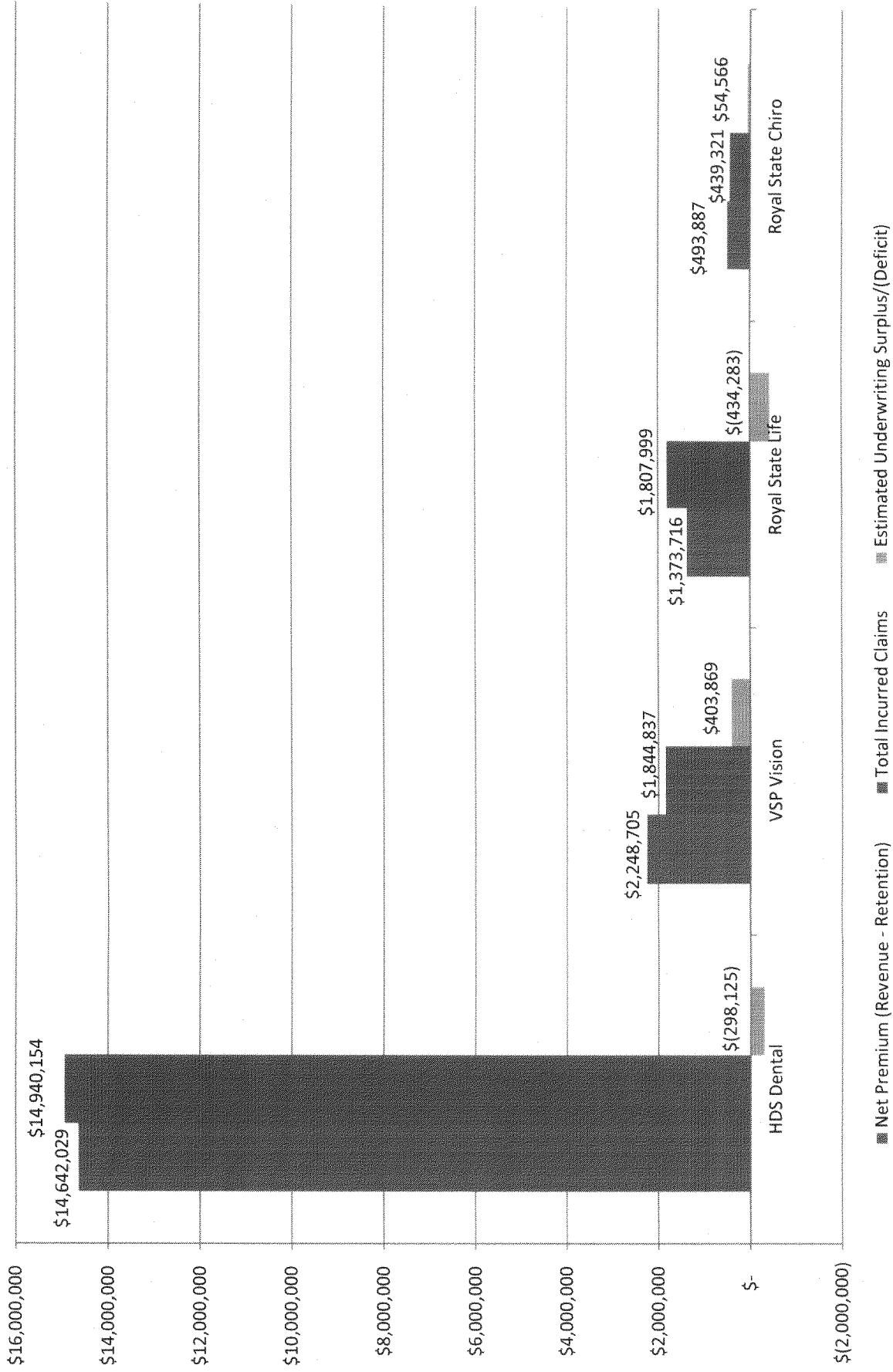


# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD EUTF Actives - Average Monthly Enrollment

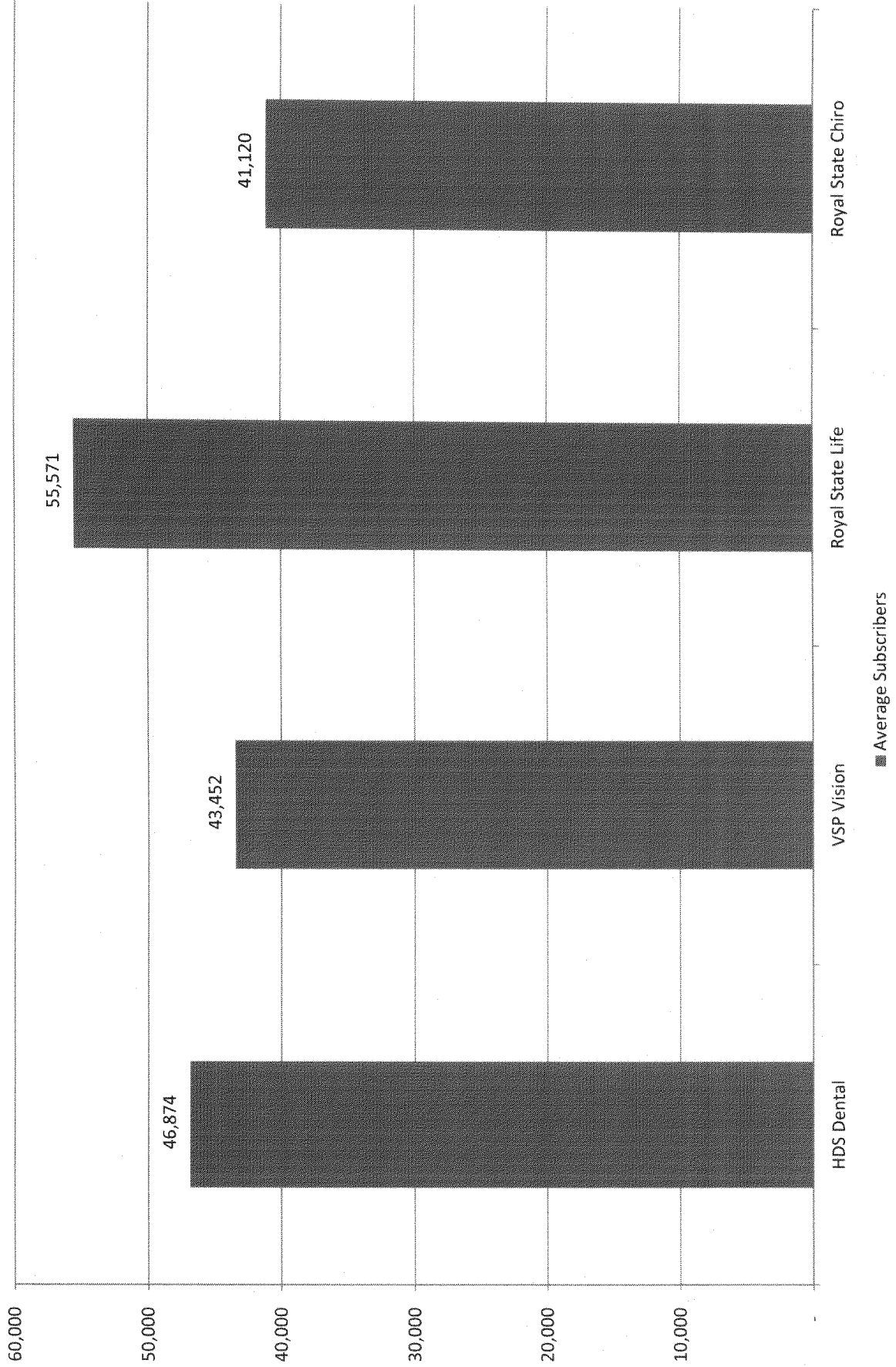


■ Average Subscribers (through May 2012 for Kaiser, and through June for all others)

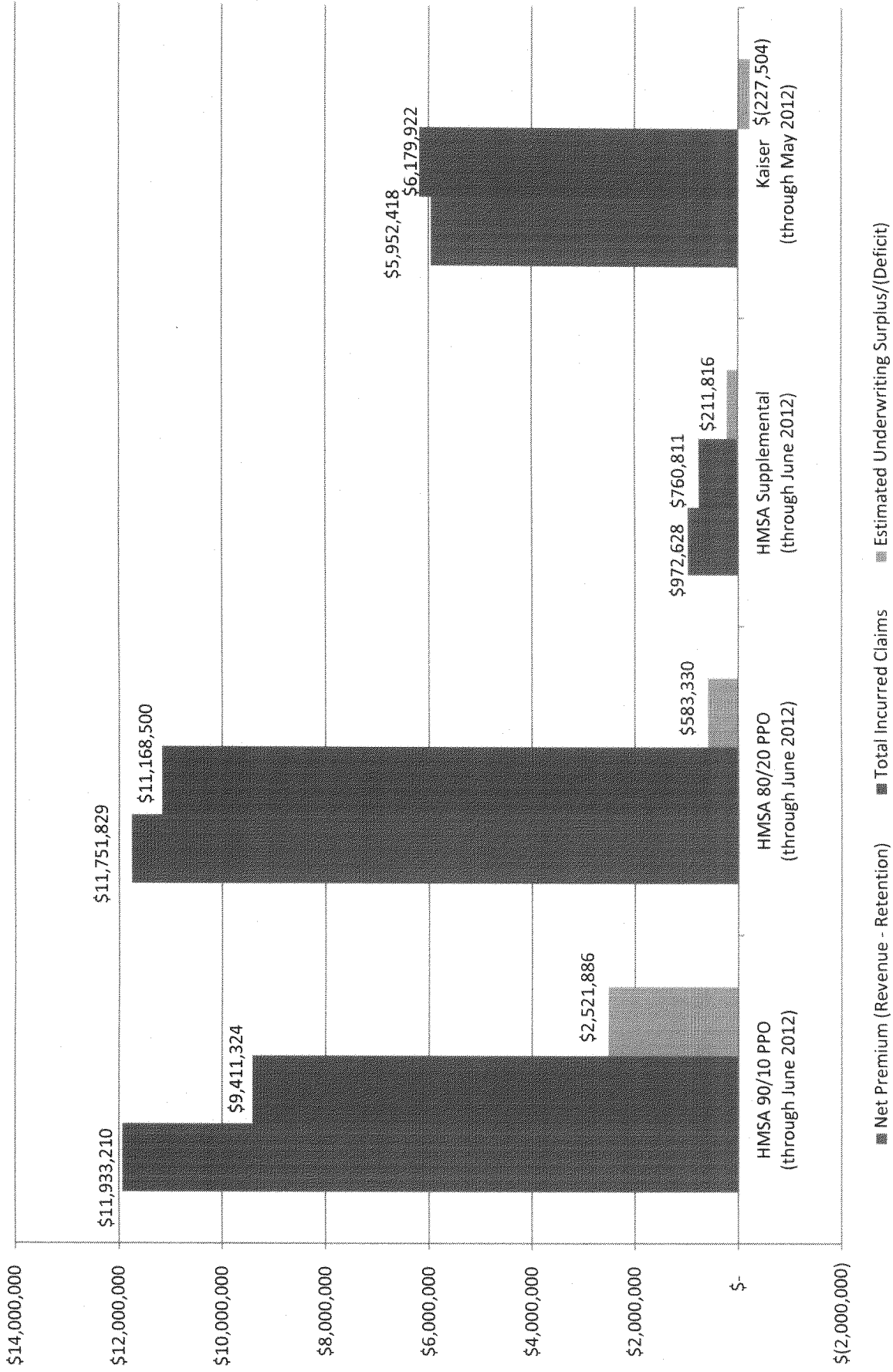
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF Actives - Other Benefits



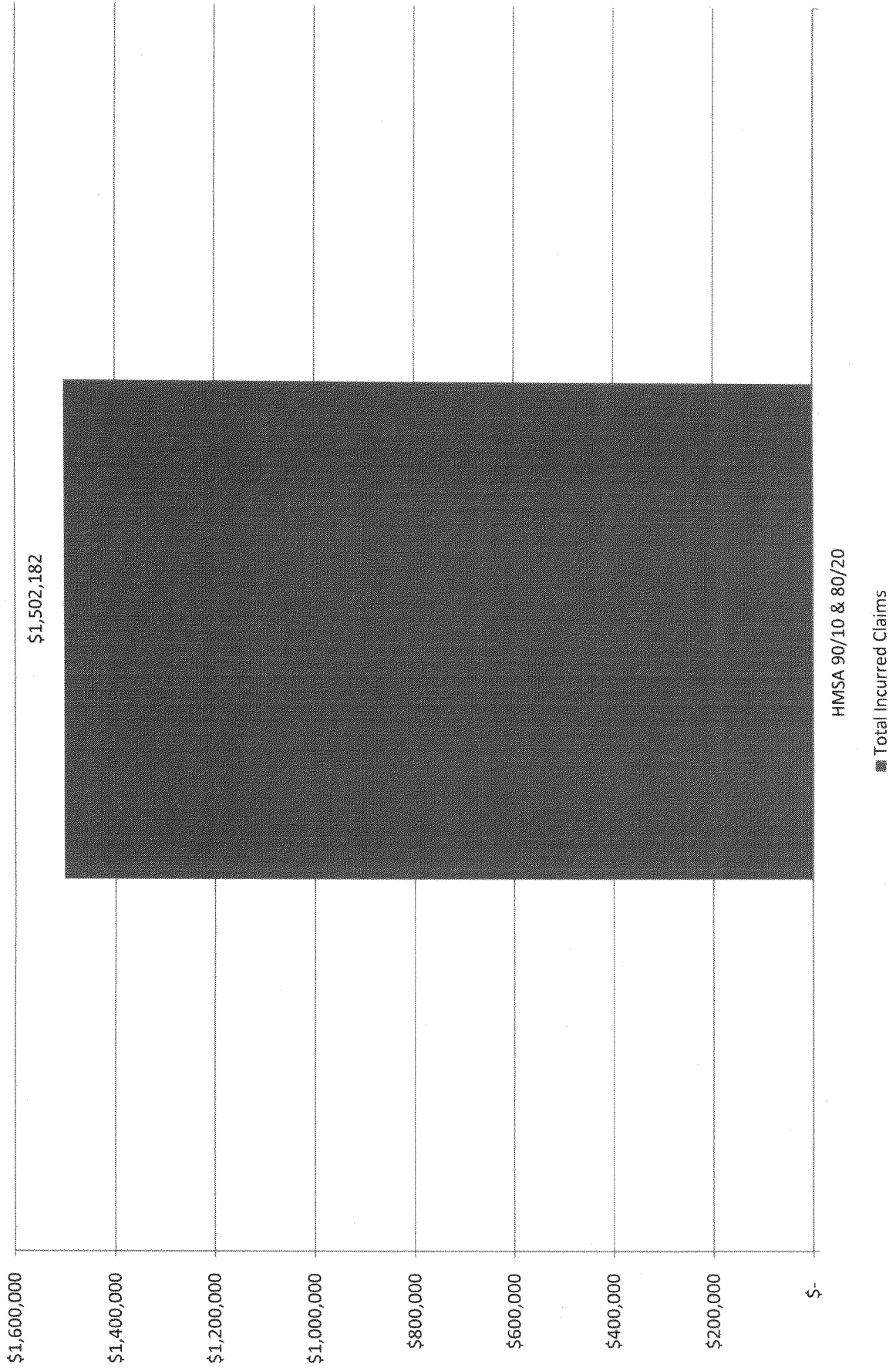
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF Actives - Average Monthly Enrollment



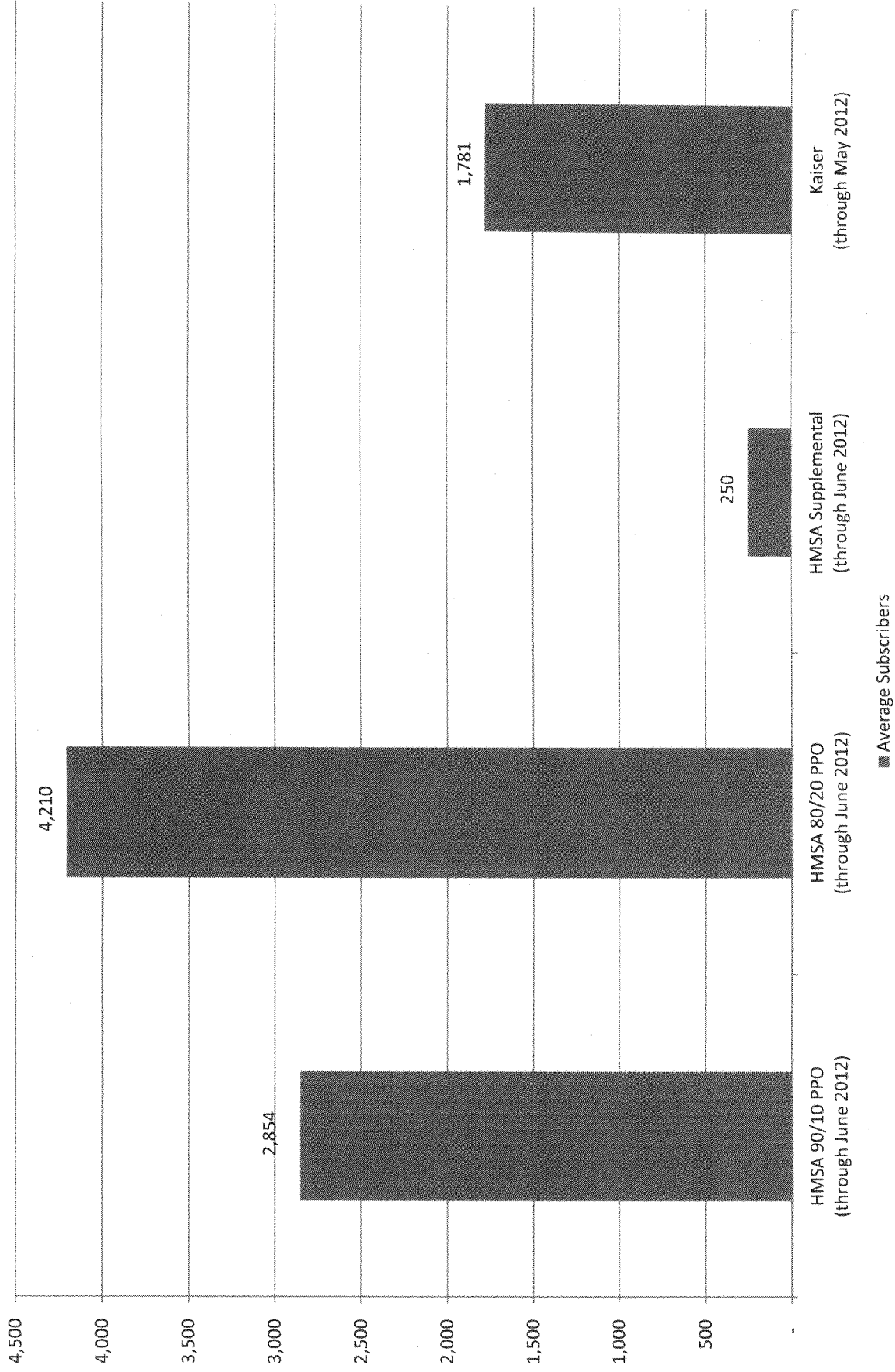
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD HSTA VB Actives - Medical Plans



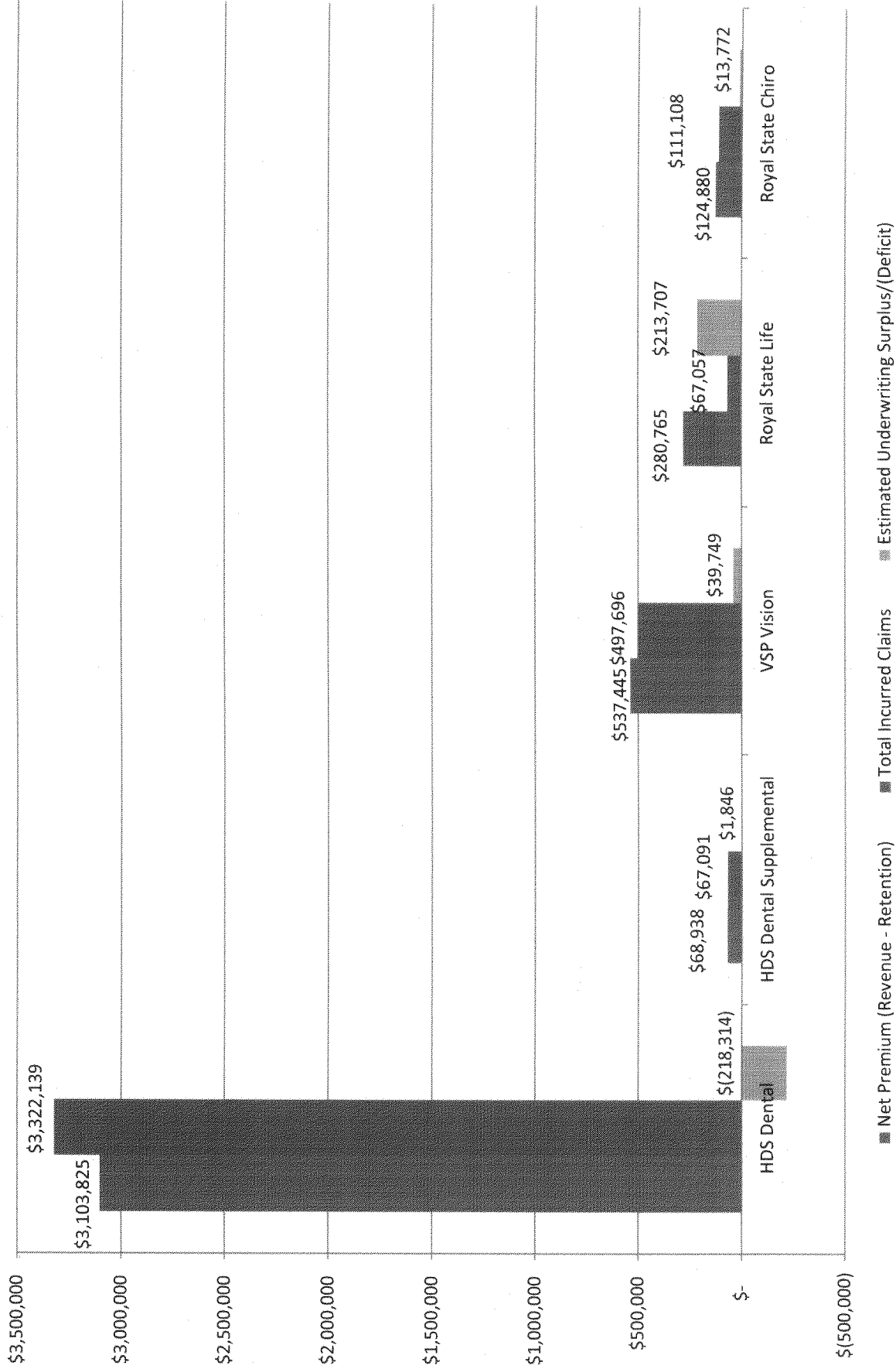
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 HSTA VB Actives - Prescription Drug Plans through Caremark



# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD HSTA VB Actives - Average Monthly Enrollment

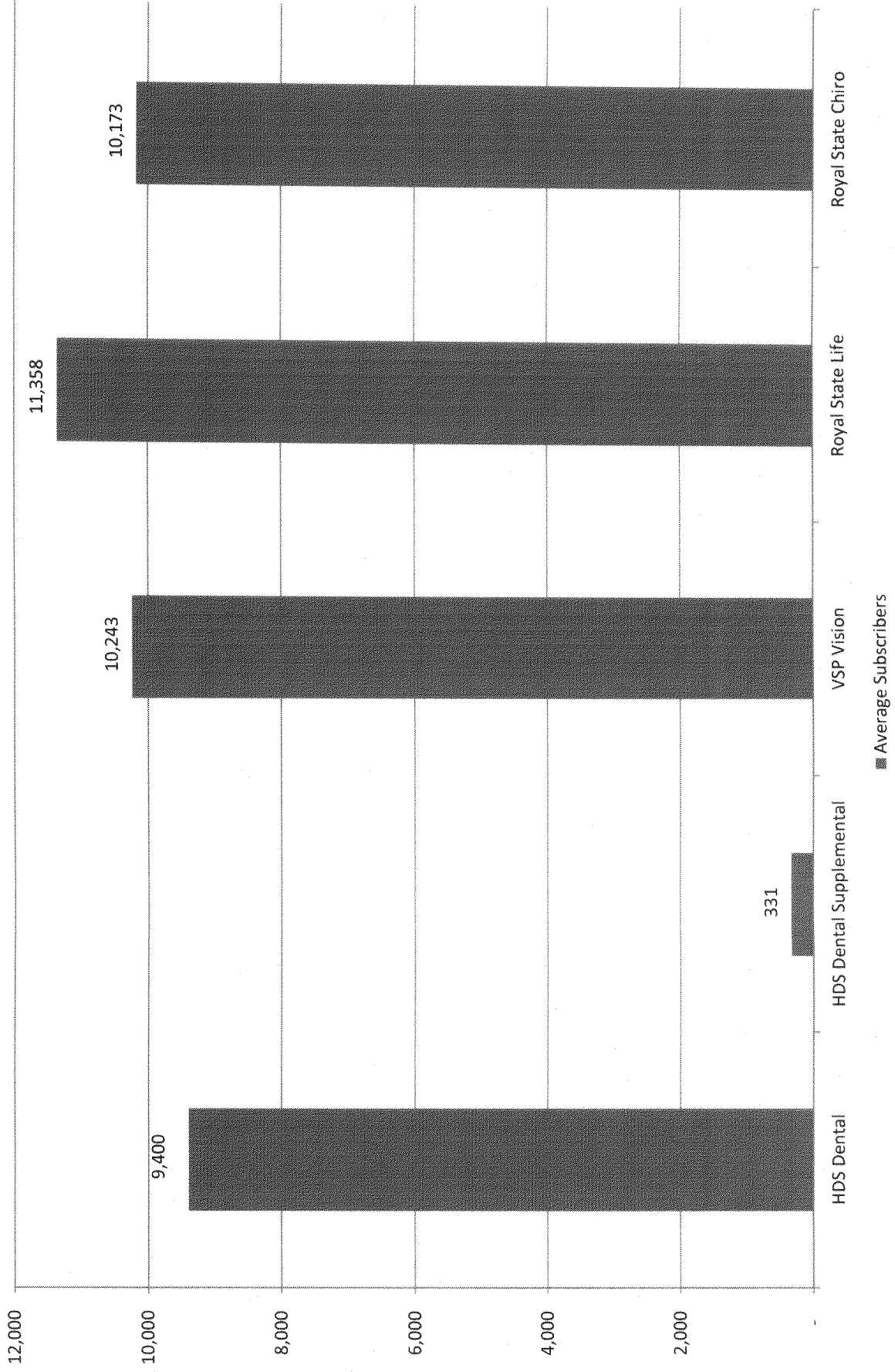


# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 HSTA VB Actives - Other Benefits



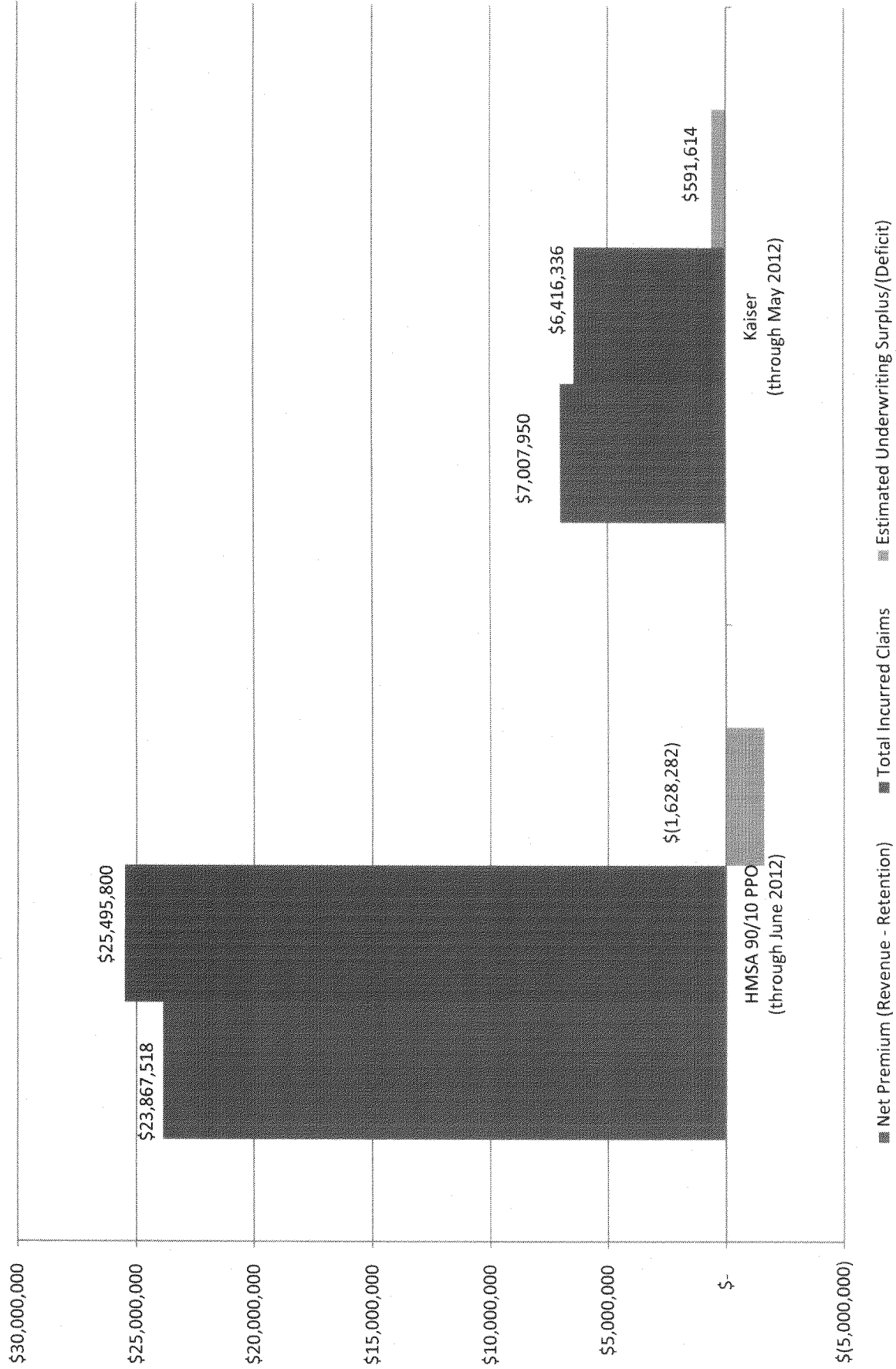


**Hawaii Employer Union Health Benefits Trust Fund  
Annual Plan Experience - YTD through June 2012  
HSTA VB Actives - Average Monthly Enrollment**

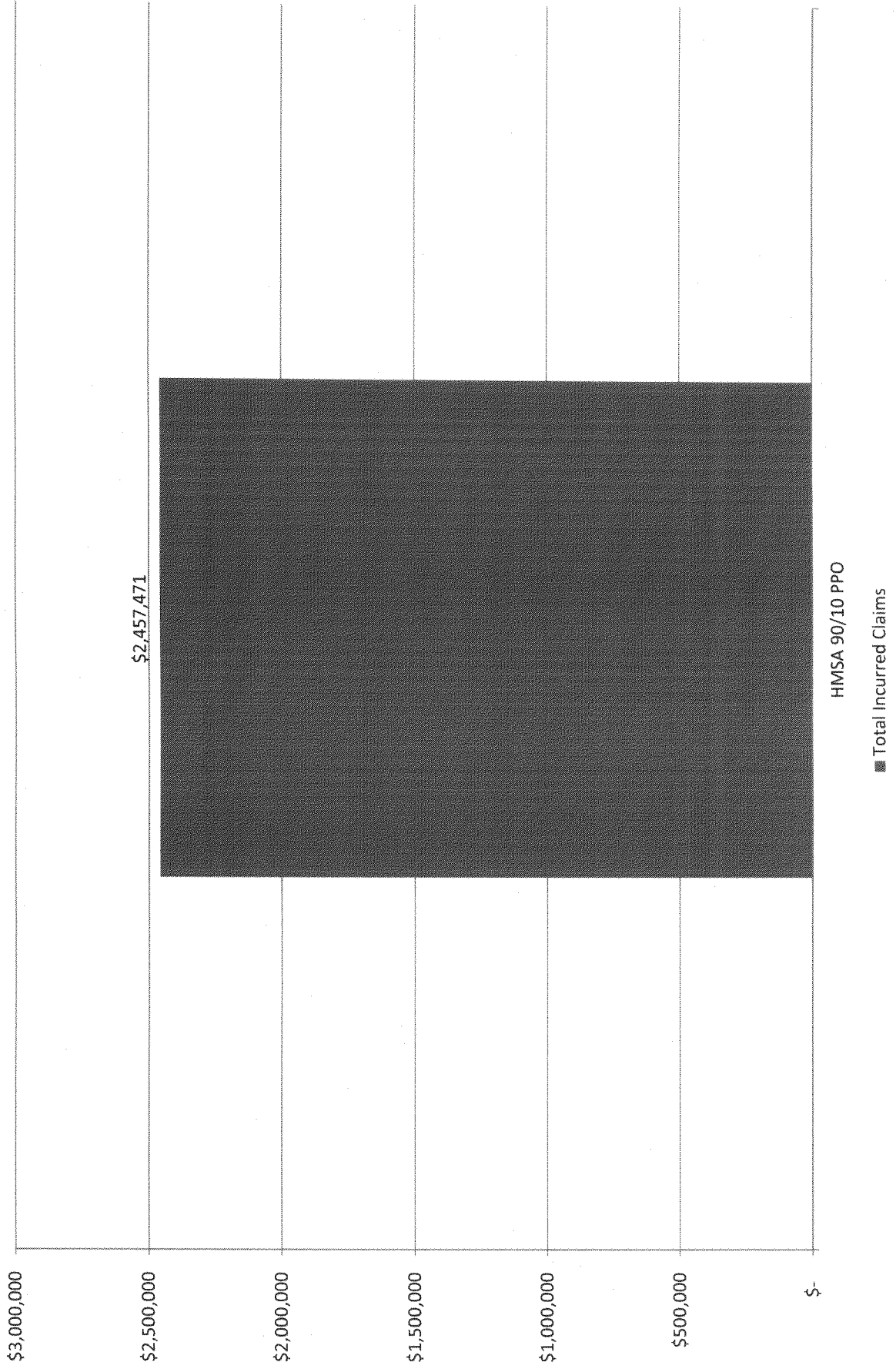




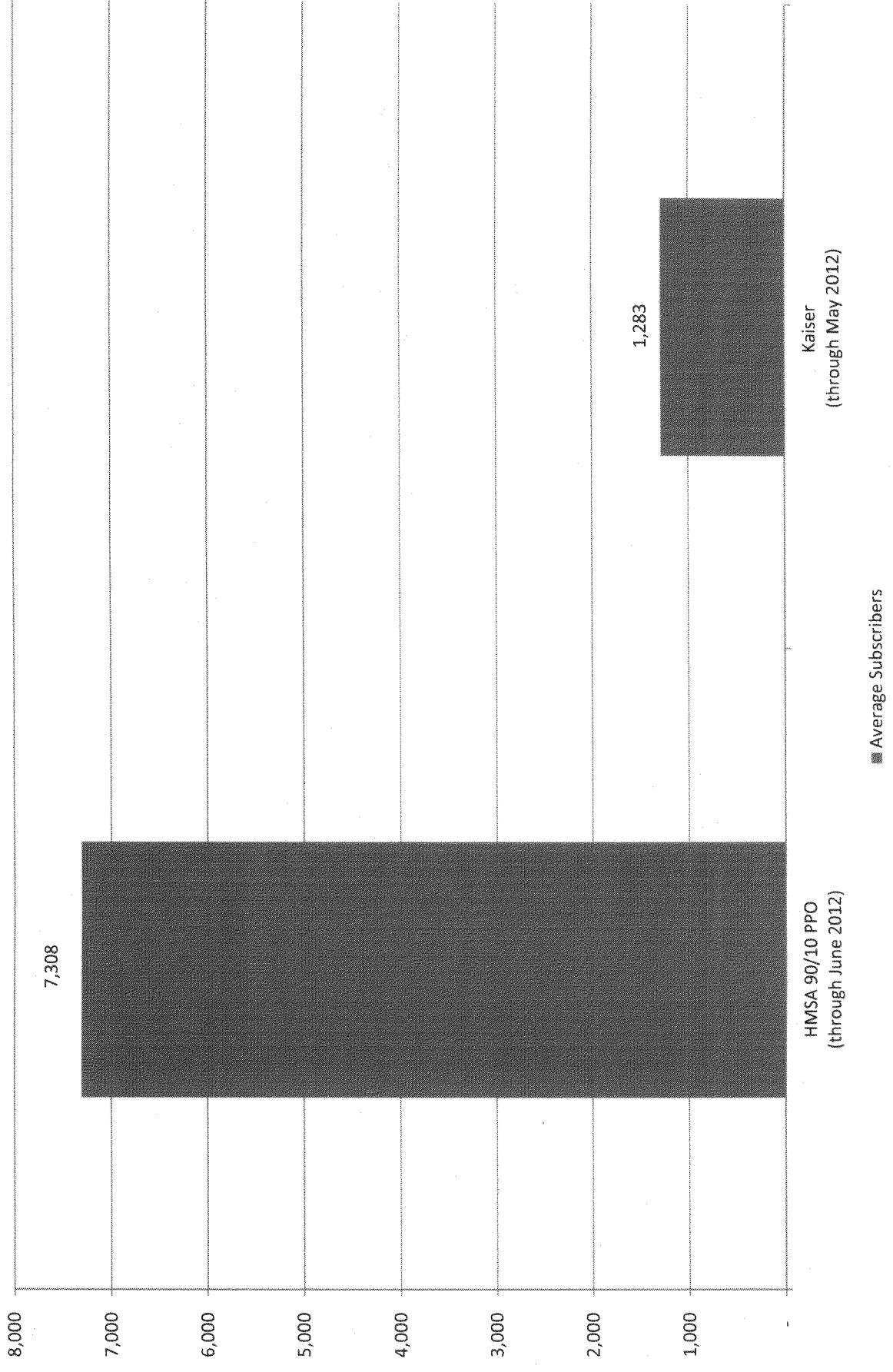
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD EUTF Retirees Under 65 - Medical Plans



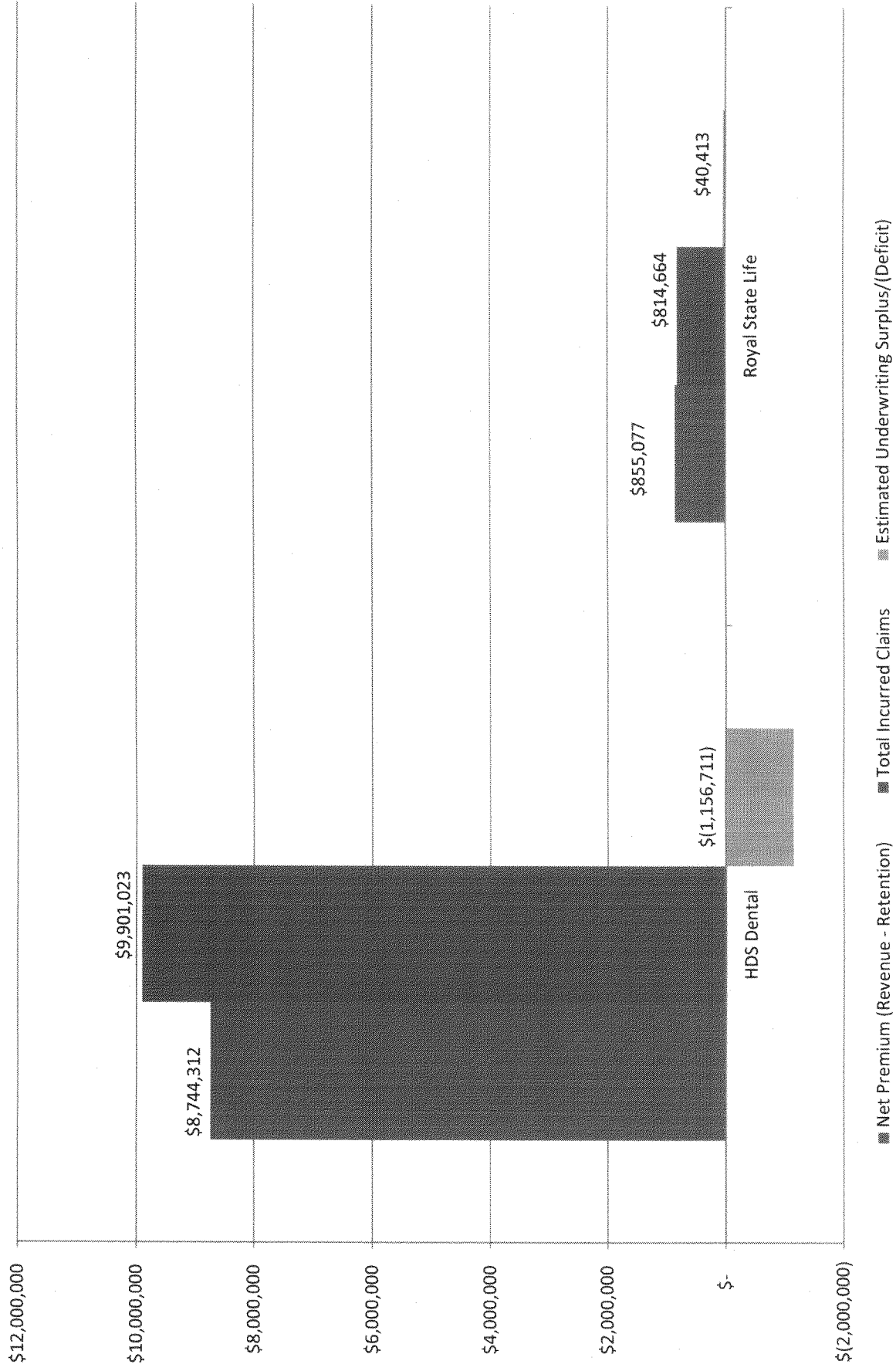
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF Retirees Under 65 - Prescription Drug Plans through Caremark



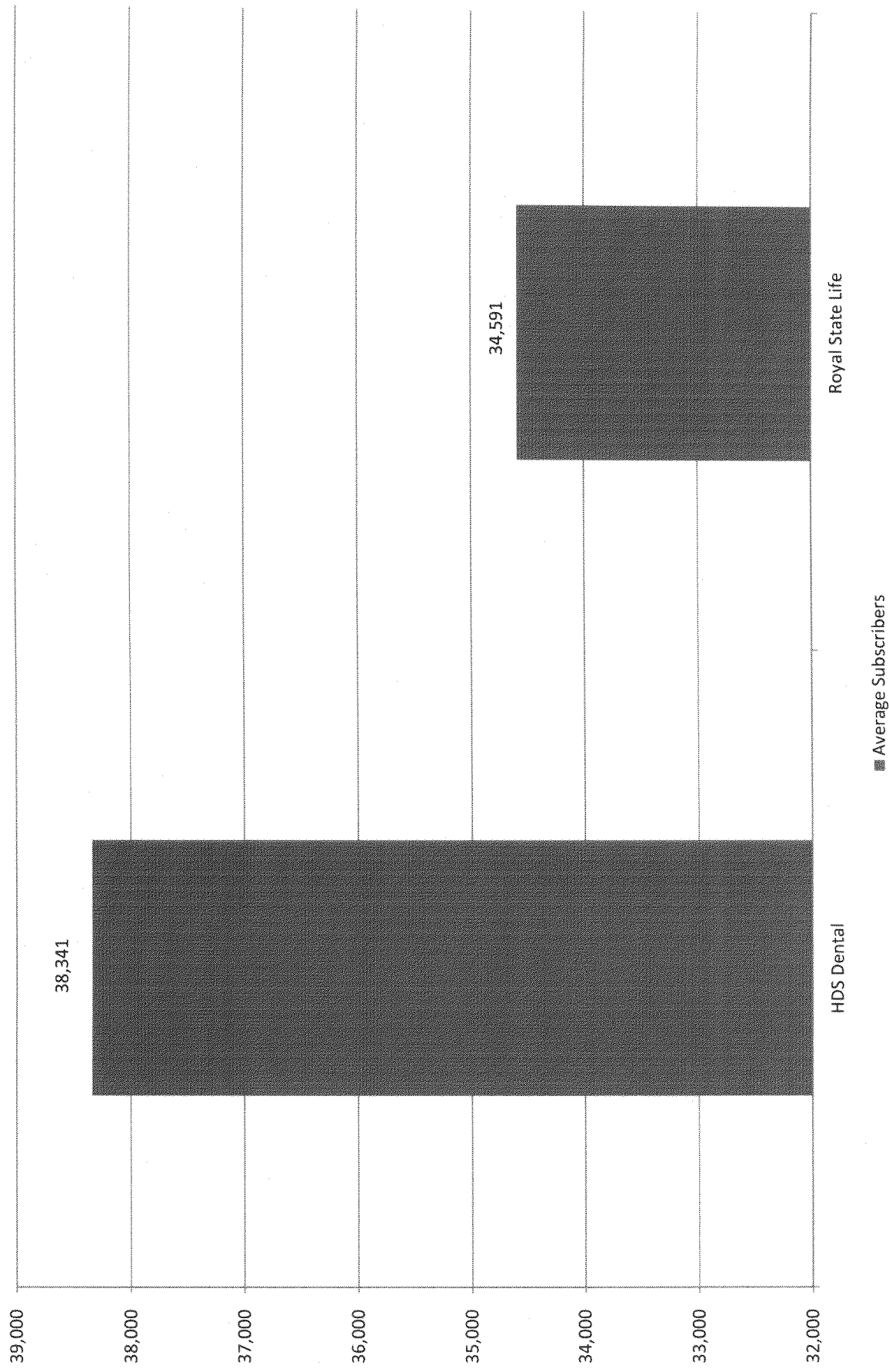
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD EUTF Retirees Under 65 - Average Monthly Enrollment



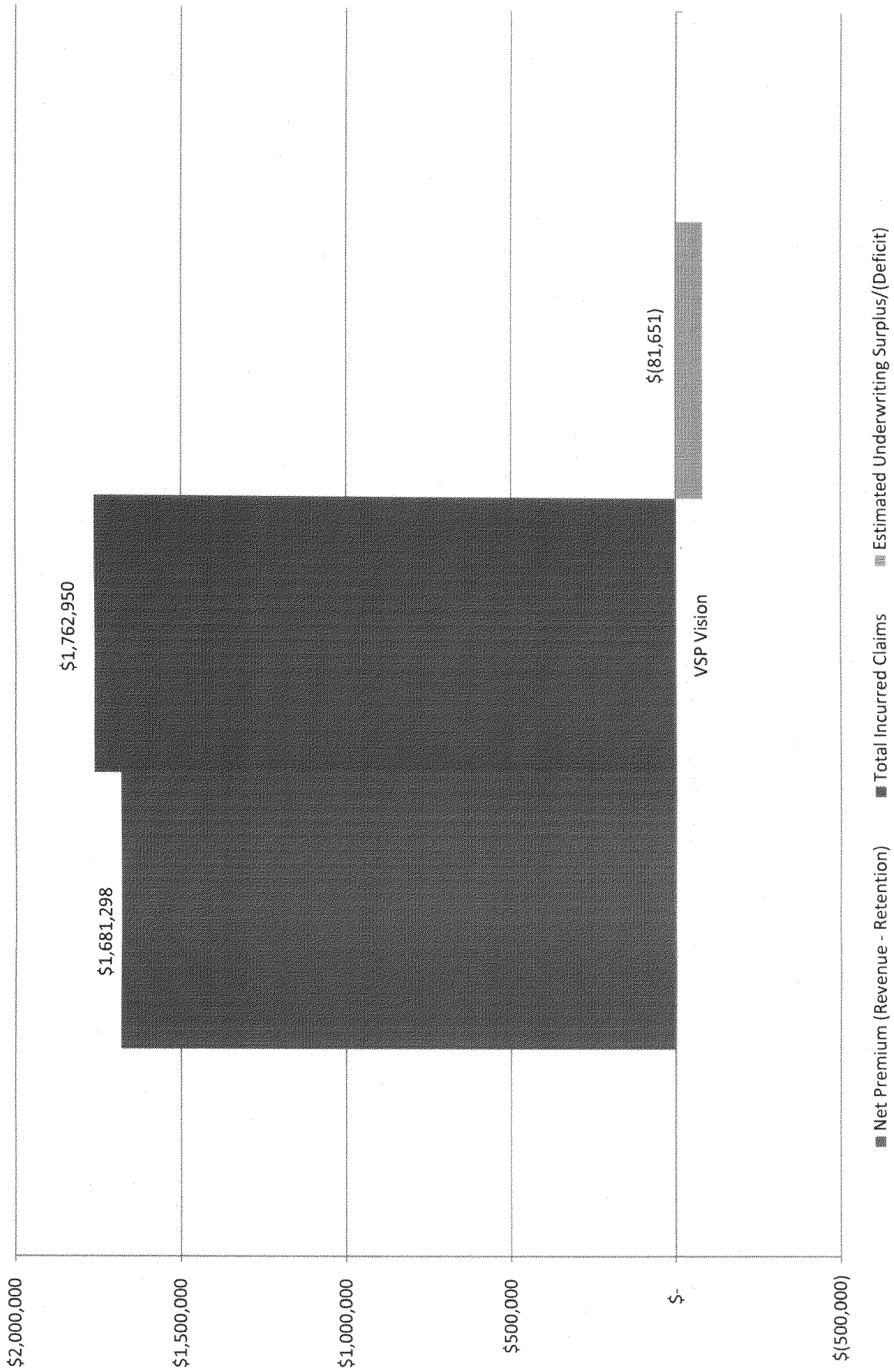
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF All Retirees - Other Benefits



# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF All Retirees - Average Monthly Enrollment

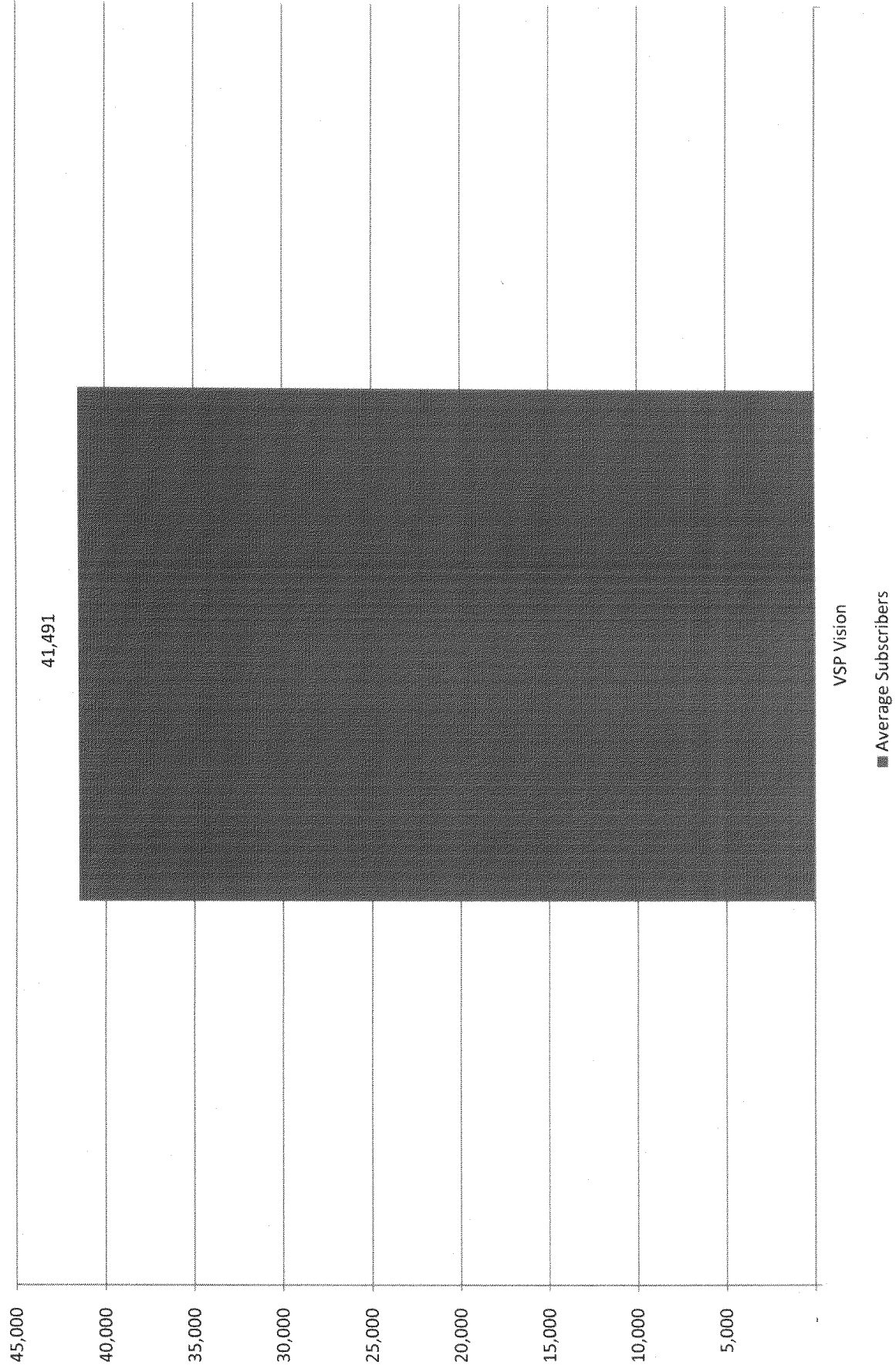


# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 EUTF and HSTA VB All Retirees - Vision

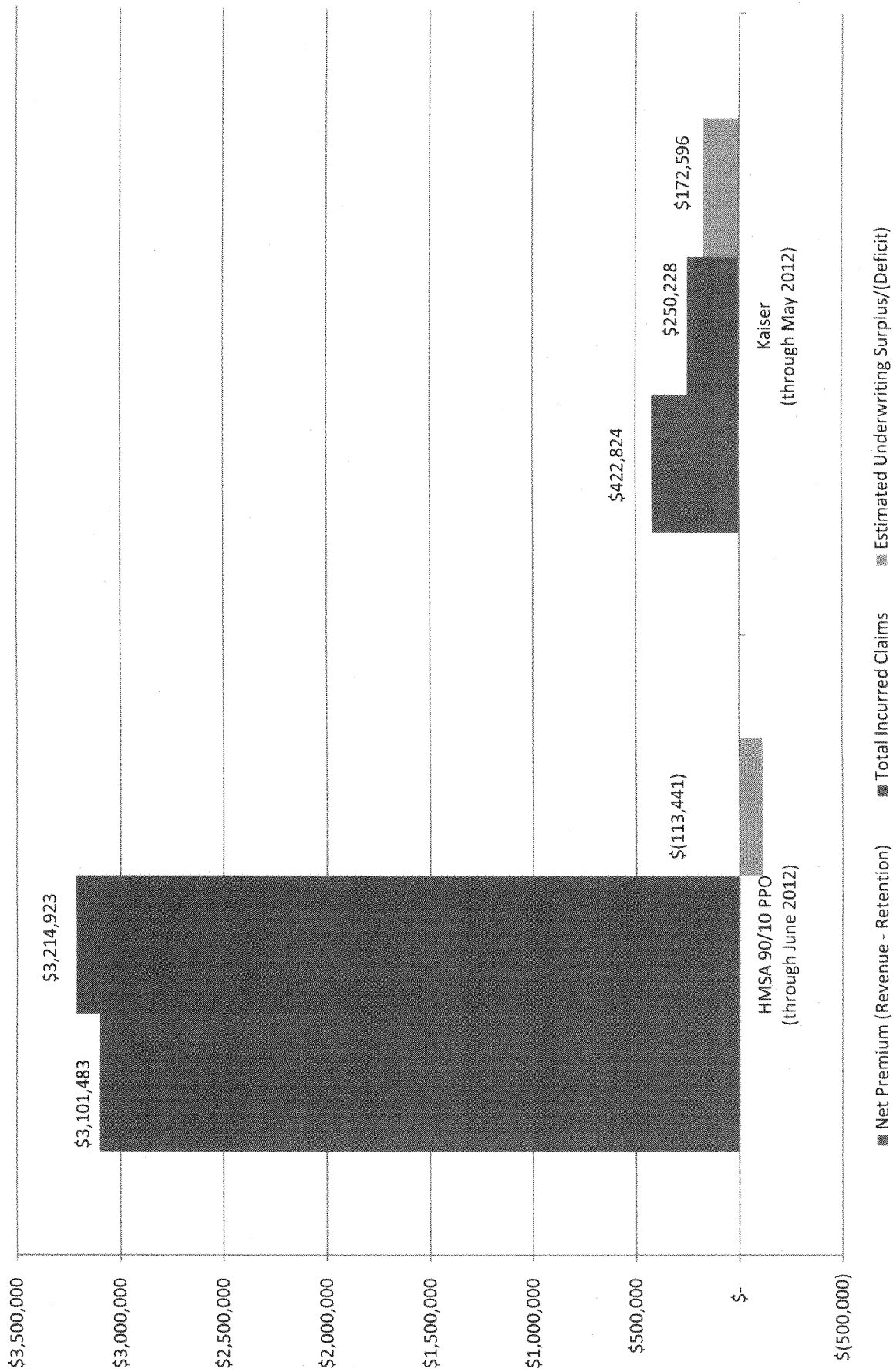




**Hawaii Employer Union Health Benefits Trust Fund**  
**Annual Plan Experience - YTD through June 2012**  
**EUTF and HSTA VB All Retirees - Average Monthly Enrollment**

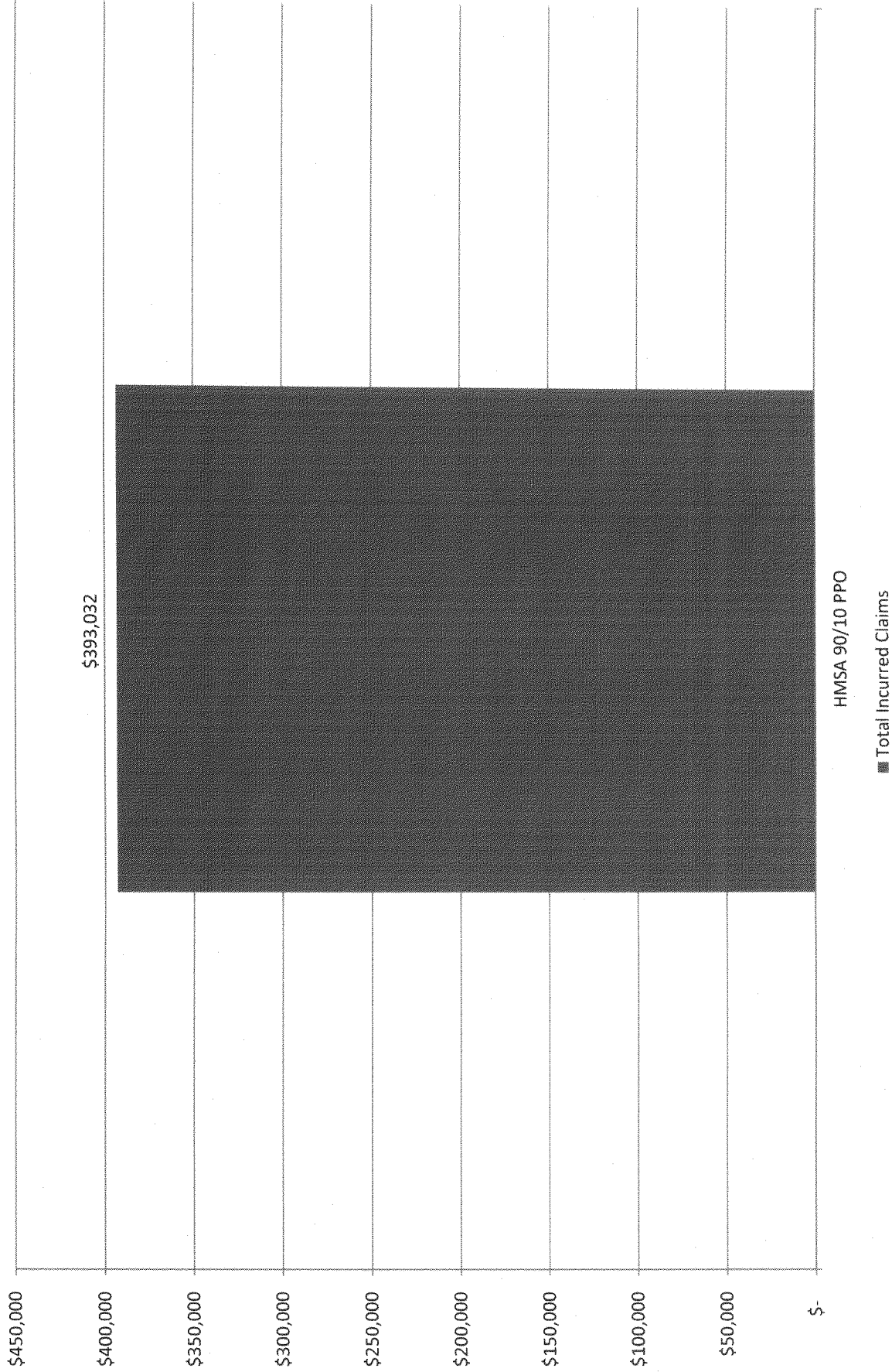


# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD HSTA VB Retirees Under 65 - Medical Plans

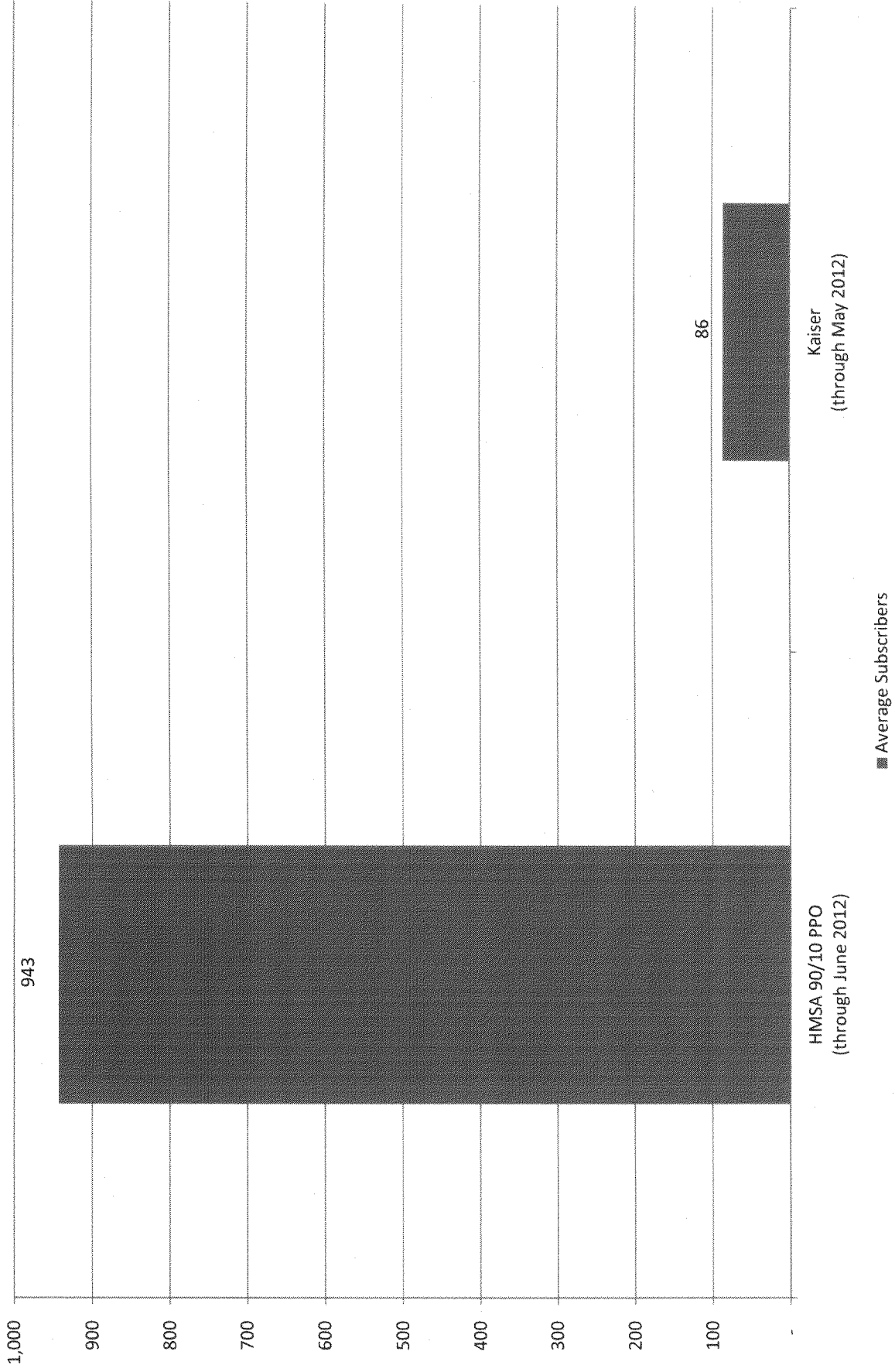




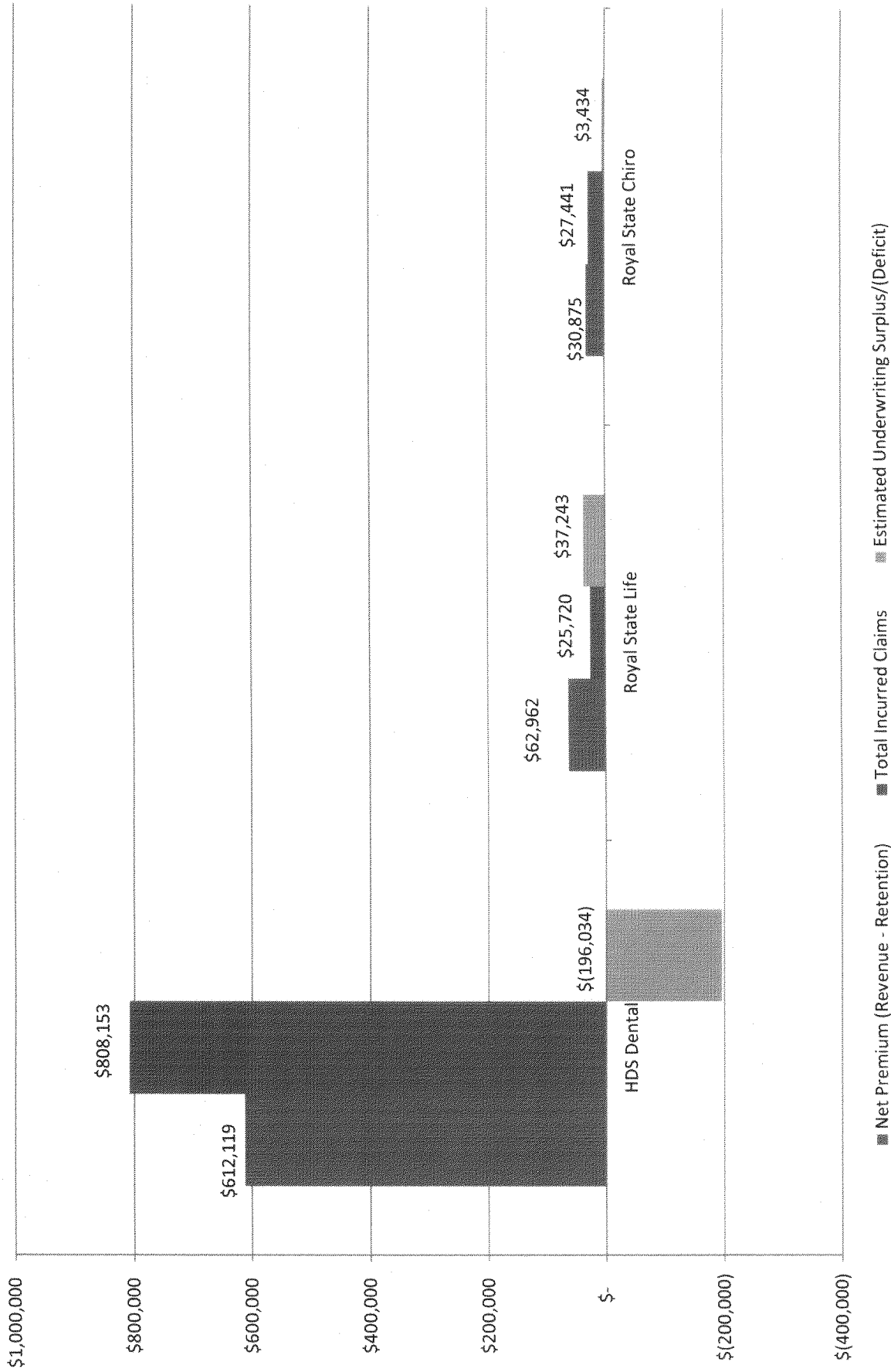
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 HSTA VB All Retirees - Prescription Drug Plans through Caremark



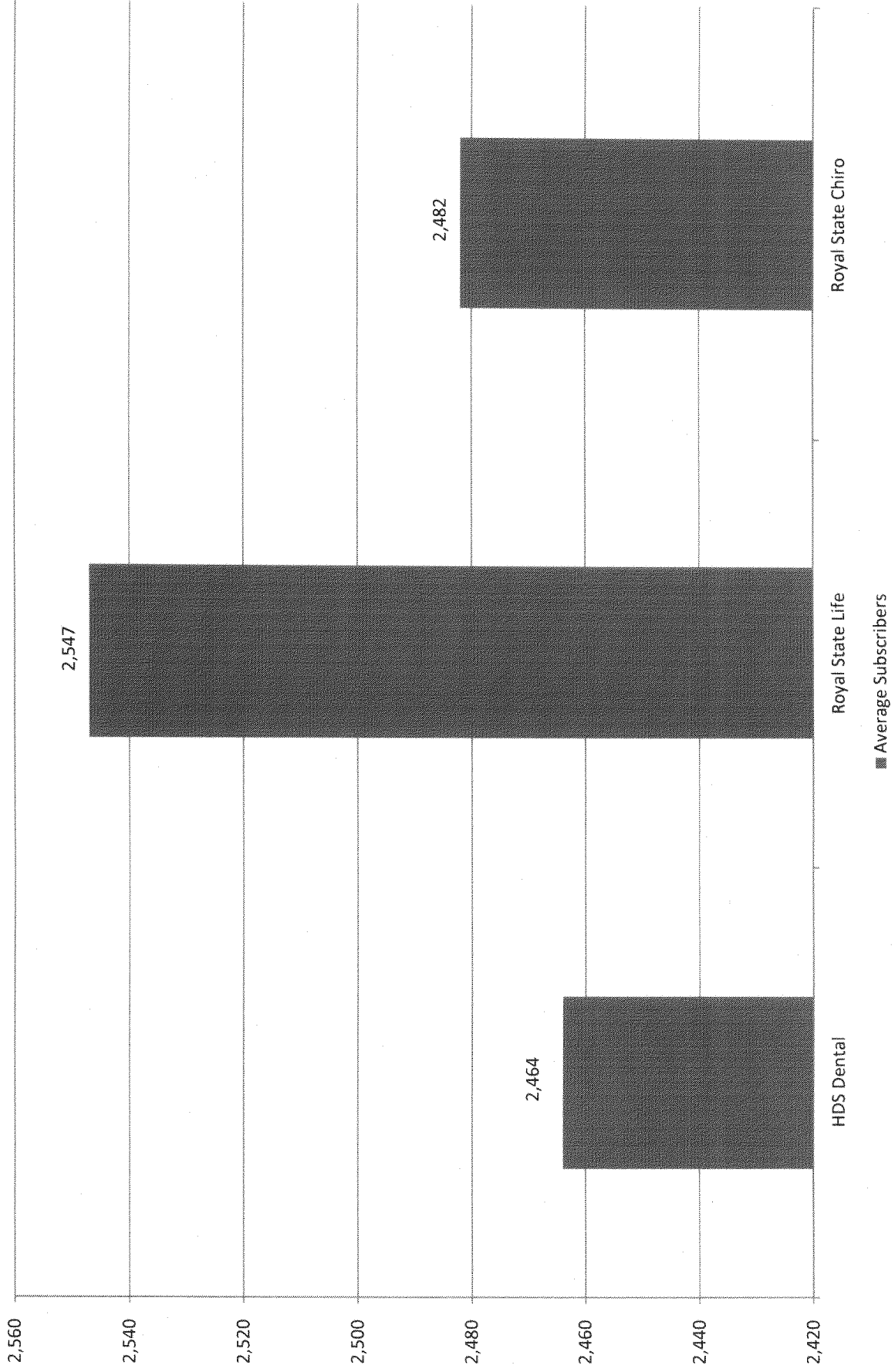
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD HSTA VB Retirees Under 65 - Average Monthly Enrollment



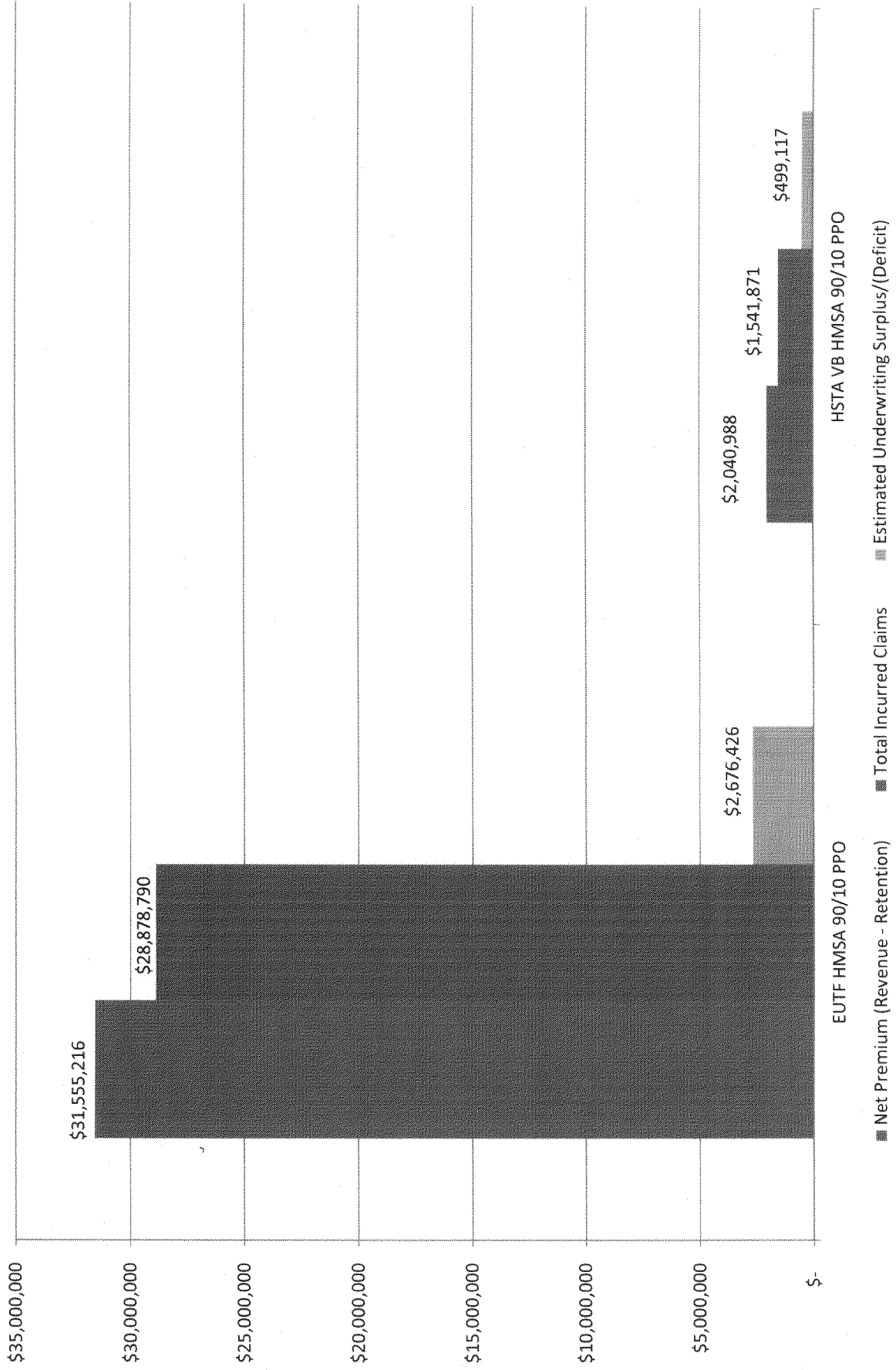
# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 HSTA VB All Retirees - Other Benefits



**Hawaii Employer Union Health Benefits Trust Fund  
Annual Plan Experience - YTD through June 2012  
HSTA VB All Retirees - Average Monthly Enrollment**



# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 Retirees Over 65 - HMSA Medical Plans



# Hawaii Employer Union Health Benefits Trust Fund Annual Plan Experience - YTD through June 2012 Retirees Over 65 - Average Monthly Enrollment

