

NEIL ABERCROMBIE
GOVERNOR



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HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

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January 11, 2011

TO: HSTA VEBA COBRA Members

FROM: Sandi Yahiro, Assistant Administrator *Sandi Yahiro*

SUBJECT: Information Regarding Transitioning to EUTF COBRA Health Plans Created Specifically for HSTA VEBA COBRA Members and Open Enrollment

Aloha!

As you are aware, under Act 106, SLH2010, the law enabling an alternative health benefits system for members previously enrolled in the Voluntary Employees' Beneficiary Association Trust (VEBA), sunset and terminated as of January 1, 2011. The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) created new health insurance benefit plans for HSTA VEBA Consolidated Omnibus Budget Reconciliation Act (COBRA) members in response to the December 7, 2010 oral ruling by Judge Sakamoto. The new plans offer HSTA VEBA COBRA members the same standard of coverage in benefits that they enjoyed under their HSTA VEBA COBRA plans. As such, as of January 1, 2011, all members formerly enrolled in VEBA COBRA must be transitioned to the EUTF specifically created health plans for HSTA VEBA COBRA coverage to continue.

Initially, all VEBA COBRA members will be enrolled in plans EUTF specifically created for HSTA VEBA COBRA members as described on page 2, effective January 1, 2011 as long as payment is made to the carriers (see page 6) by January 21, 2011. However, HSTA VEBA COBRA members may elect to change their EUTF COBRA plans effective March 1, 2011. In order to make a change, HSTA VEBA COBRA members **MUST** complete and submit the included COBRA enrollment form (Continuation of Coverage Form) during the limited COBRA open enrollment period starting January 13, 2011 and ending January 27, 2011. Please note that if you do NOT want to make changes you do **NOT** need to complete the COBRA Enrollment form.

This memo is intended to provide you with information to assist you in your transition to the COBRA plans. Below are questions and answers that we hope will be of help to you

I understand the EUTF must offer HSTA VEBA COBRA members the same benefits that we had in our HSTA VEBA COBRA plans. Is that correct? Will the premiums be the same?

Yes. Judge Sakamoto’s December 7, 2010 oral ruling stated that HSTA VEBA members are entitled to the same standard of coverage in benefits when transitioned to the EUTF on January 1, 2011. Premium information should be posted on EUTF’s website by January 13, 2011, or sooner.

When transitioned to EUTF on January 1, 2011, will I keep the same insurance carriers I have under my HSTA VEBA COBRA plans? Will I receive new enrollment cards?

In most situations, yes. However, if you currently have the HSTA VEBA HMA “80/20” medical plan and Catalyst prescription drug plan, on January 1, 2011, EUTF converted you to HMSA’s “80/20” medical plan and HMSA’s drug plan, both of which offer the same standard of coverage in benefits as the HSTA VEBA plans. See below.

Current HSTA VEBA Plans	EUTF Plans (created for HSTA VEBA members BU 05/45 effective January 1, 2011)
Kaiser Medical & Drug, VSP Vision & Chiro	Kaiser Comp & Drug, VSP Vision & Chiro
HMSA 90/10 PPO (fully insured) Medical and Drug, VSP Vision & Chiro	HMSA 90/10 (fully insured) Medical and Drug, VSP Vision & Chiro
HMA 80/20 (self funded) Medical, Catalyst Drug, VSP Vision & Chiro	HMSA 80/20 (fully insured), drug, VSP Vision & Chiro
HMSA Supplemental Medical, Drug, Vision & Chiro	HMSA Supplemental Medical, Drug, Vision & Chiro
VSP Vision only	VSP Vision only
Primary HDS Dental Plan	Primary HDS Dental Plan
Supplemental HDS Dental Plan	Supplemental HDS Dental Plan

Regarding new enrollment cards, you must use your current HSTA VEBA COBRA enrollment cards for the EUTF Kaiser plan, EUTF HMSA 90/10 plan, EUTF HMSA Supplemental plan, and EUTF HDS plan. The EUTF HMSA 80/20 plan (which was previously with HMA) will issue you a new enrollment card. More information will be forthcoming. Please check our website periodically for updates.

Will I receive new membership cards? If so, when?

Your benefit coverage with EUTF plans specifically created for HSTA VEBA COBRA started on January 1, 2011. In most instances you will use your HSTA VEBA COBRA membership cards. However, if you previously had HSTA VEBA COBRA HMA “80/20” medical plan and Catalyst prescription drug plan, on January 1, 2011, EUTF converted you to HMSA’s “80/20” medical plan and drug plan. If you need to visit the doctor, dentist, eye doctor, etc. on January 1, 2011 or after, and have not received your membership card, please send EUTF an email so that we can follow up with the insurance carrier PRIOR to your visit. **You are COVERED with EUTF effective January 1, 2011 provided payment is received by carrier on or before January 21, 2011.**

The following insurance carriers issue membership cards: HMSA, HMA, Kaiser, and HDS. If you do not receive a membership card by late-January, notify EUTF by email at eutf@hawaii.gov so that we can follow up and get back to you. Please note that the membership card(s) you receive in late-January will be for the benefit plan(s) EUTF converts you to pursuant to the table on page 2.

If you complete a Continuation Coverage (COBRA) Election Form, your change is effective March 1, 2011. You should receive your new membership card(s) by mid-March. If you do not receive a membership card by March 15, 2011, send EUTF an email and in the subject line type: “URGENT (HSTA COBRA)” so that we can follow up and get back to you. However, your changes start on March 1, 2011, regardless of whether you receive your cards. If you need to visit the doctor, dentist, eye doctor, etc. on March 1, 2011 or after, and have not received your membership card, you ARE covered provided payment was made to the appropriate carrier – send EUTF an email so that we can follow up with the insurance carrier.

My HSTA VEBA COBRA benefit bundles my medical, prescription drug, vision and chiropractic coverage. Will EUTF do the same for the plans they are creating for us?

Yes. EUTF has created bundled plans that provide the same standard of coverage in benefits currently being provided under HSTA VEBA COBRA bundled plans, in response to Judge Sakamoto’s oral ruling.

My HSTA VEBA COBRA drug plan is bundled with my medical plan, but I want to make changes to my enrollment. If I forgot to check the box on the Continuation of Coverage Form to enroll in EUTF’s COBRA drug plan, will I still be covered in EUTF’s COBRA drug plan?

No. You MUST check the “Self” or “Family” box next to “Prescription Drugs informedRx Prescription Drug” to have drug coverage under EUTF COBRA. If you leave all boxes blank, EUTF COBRA will assume you do not want (waive) drug coverage.

What will happen to my dependants that I currently cover under the HSTA VEBA COBRA Plans?

Any dependants you cover under the HSTA VEBA COBRA plan will be enrolled in the plans EUTF created specifically for HSTA VEBA COBRA effective January 1, 2011. If any of your qualified dependents chooses to enroll individually, make a copy of the blank form for each family member choosing to enroll separately in a EUTF COBRA plan. You may still enroll the rest of the family under your enrollment.

What if I want to drop or add a dependent?

Only dependents that were covered under your “active coverage” may participate in COBRA. You are not allowed to add dependents to COBRA that were not covered when you were an “active” plan participant. You are allowed to drop a plan or dependent at any time during your continuation period.

Will my cost for the plans EUTF specifically created for HSTA VEBA COBRA be the same as the HSTA VEBA COBRA plans?

Yes. See Attachment #1 and #2 of this memo.

How can I get more information on the various EUTF specifically created plans for HSTA VEBA COBRA plans’ benefits and EUTF COBRA plans’ benefits?

Visit the EUTF website at: www.eutf.hawaii.gov. Click on “Links to Carrier Websites”.

What if I want to change plans?

At your initial enrollment in COBRA, you may drop dependents that were previously covered but may not change the plan in which you are participating (i.e., PPO, HMO, indemnity plan, etc.) unless you relocate to an area where your current plan is not available.

The plans and qualified beneficiaries listed are those that were active on the last day of coverage (12/31/2010). You may only enroll in those plans that you had been enrolled on the last day of coverage.

If I do not complete a Continuation Coverage (COBRA) Election Form during the limited COBRA open enrollment, will my health benefits terminate?

If you did not make payment directly to the carriers (see page 6) by January 21, 2011 your coverage will be terminated. If you did make payment by January 21, 2011, your COBRA health benefits will continue. You do not need to complete a COBRA Election Form to continue your current coverage.

Will EUTF be conducting any limited open enrollment sessions that we can attend?

Yes. See Attachment #3 for Open Enrollment Information Session Schedule.

HSTA VEBA COBRA Members

January 11, 2011

Subject: Information Regarding Transitioning to EUTF COBRA Health Plans Created Specifically for HSTA VEBA COBRA Members and Open Enrollment

For open enrollment, who can explain the difference in the standard of coverage in benefits between the EUTF plans specifically created for HSTA VEBA COBRA members and the EUTF COBRA plans available to all other State and County COBRA members?

Call the insurance carries listed on page 6.

If I want to make a change and if I forget to check any box next to the various choices, what happens?

EUTF will assume you do not want (waive) that coverage.

If I do not want to make changes, do I still need to complete a COBRA Enrollment Form?

No.

If I want to make a change during open enrollment, where do I send my completed COBRA Form?

Mail your completed forms to EUTF. Our mailing address is:

Hawaii Employer-Union Health Benefits Trust Fund

ATTN: HSTA COBRA

P.O. Box 2121

Honolulu, HI 96805-2121

If I have questions, who can I contact?

We suggest you visit the EUTF website at www.eutf.hawaii.gov first to see if the information you need is available there. Click on the following links that may be pertinent:

- [New COBRA Guidelines](#)
- [Links to Carrier Web Sites](#)

If you still have questions, we prefer you email us your questions at: eutf@hawaii.gov. EUTF can answer your questions about eligibility, status of your enrollment, required supporting documents, and timing of submission of forms. However, if you have questions related to the **benefits** in any plan, we recommend you contact the applicable insurance carrier. Their contact information is:

- **ChiroPlan:** Honolulu (808) 621-4744, Neighbor Islands 1 (800) 414-8445
711 Kilani Avenue, Suite 3, Wahiawa, HI 96786
- **Hawaii Dental Service (HDS):** (808) 529-9310, Toll-free 1 (866) 702-3883
700 Bishop Street Suite 700, Honolulu, HI 96813
- **Health Management Associates (HMA):**
(808) 954-8796, Toll-free 1 (866) 826-5335
1440 Kapiolani Boulevard, Suite 1020, Attn: Enrollment, Honolulu, HI 96814
- **Hawaii Medical Service Association (HMSA):**
Oahu (808) 948-6499, Toll-free 1 (800) 766-4672
P.O. Box 860, Attn: Membership Services Dept., Honolulu, HI 96808-0860
- **Kaiser Permanente (Kaiser):** (808) 432-5955, Toll-free 1 (800) 966-5955
711 Kapiolani Boulevard, Honolulu, HI 96813
- **informedRx [billing handled by ARM Ltd.]:** Toll-free 1 (866) 533-6977
ARM Ltd., 171 West Wing Street #210, Arlington Heights, IL 60005
- **Vision Service Plan (VSP):** Honolulu (808) 532-1600, Toll-free 1 (800) 522-5162
P.O. Box 997100, Sacramento, CA 95899