

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the Administrative Committee Meeting
May 17, 2002

TRUSTEES PRESENT: Ms. Kathryn S. Matayoshi, Chairperson
Ms. Audrey Hidano
Mr. Gerald Machida
Mr. James Williams

ATTORNEY: Ms. Pat Ohara, Deputy Attorney General

HEUHBTF STAFF: Mr. Tracy Ban
Ms. Lynette Fukunaga
Ms. Shirley Kawamoto
Ms. Wanda Kimura
Mr. Gary Sanehira
Ms. Karen Tom

OTHERS PRESENT: Mr. George Butterfield, HSTA-Retired
Ms. Kathy Fay – HDS

I. CALL TO ORDER

The meeting of the Administrative Committee was called to order at 2:05 p.m. by Chairperson Kathryn Matayoshi in Conference Room 303, No. 1 Capitol District Building, 250 South Hotel Street, Honolulu, Hawaii, on Friday, May 17, 2002.

II. APPROVAL OF MINUTES

MOTION to approve the minutes of April 18, 2002 as amended. (Williams/Hidano)
Discussion: Title of the minutes is changed to read: "Minutes of the Administrative Committee."
Vote: Unanimously passed.

MOTION to approve the minutes of April 25, 2002 as amended. (Williams/Hidano)
Discussion: Title of the minutes is changed to read: "Minutes of the Administrative Committee."
Vote: Unanimously passed.

Executive Session minutes of April 25, 2002 will be reviewed and approved during Executive Session that will be taken up after Item VI on the agenda.

III. UNFINISHED BUSINESS

- A. Hiring of Administrator/Executive Director
This item will be taken off the Administrative Committee's agenda and deferred to the Selection Committee.
- B. Scope of Service for Consultant services to evaluate the Health Fund Information and Management System (HFIMS)

Staff reported that the Gartner Group submitted their proposal on May 15, 2002 and based on conference call held on May 17, 2002, the Gartner Group will handle the scope of work for \$50,000. A revised proposal will be submitted. Staff will be providing assistance and documentation developed last year. Timeframe for the study is six weeks.

Motion for Trustee Williams to review and sign the engagement letter to Gartner Group. (Matayoshi/Hidano)

Discussion: Focus groups should include a good cross section of users.

Vote: Unanimously passed.

IV. NEW BUSINESS

A. Review of draft responses to questions from Benefit Plan Consultant applicants

Motion to approve the responses to written questions and authorize

Trustee Williams to sign the written response to prospective offerors.

(Matayoshi/Hidano)

Discussion: Responses to written questions were reviewed and amended by Committee. See attachment. Committee referred Question 16, Liquidated Damages, to the Benefits Committee for incorporation of language into their contracts with the carriers for consideration by the Board.

Vote: Unanimously passed.

Motion to include corrections to the RFP with the response to written questions.

(Matayoshi/Williams)

Discussion: Corrections are to make language consistent with the RFP.

Vote: Unanimously passed.

RECESS: 3:17 p.m. to 3:22 p.m.

B. Benefit Plan Consultant proposal review process

The Committee reviewed and approved the proposal evaluation review materials prepared by staff.

The committee will meet on June 17, 2002, 1 p.m., to recommend up to three proposals to the full board on June 25, 2002. The finalists will be asked to make oral presentations at the June 25, 2002 meeting. The presenters will be required to have decision making and binding authority.

C. HIPAA

Motion to add HIPAA to the agenda. (Williams/Hidano)

The Committee was provided Deputy Attorney General Diane Kishimoto's correspondence to the Office for Civil Rights requesting clarification on Hawaii Public Employees Health Fund (PEHF)'s compliance with HIPAA privacy regulations and whether PEHF has satisfied administrative exemption

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requirements. Discussion: Whether the board should join the HIPAA Readiness Collaborative. Depending on the number of members, costs may be \$3,000/\$2,000/\$1,300. A recommendation has been deferred to the Chief Executive Officer (CEO) and to budget for it in FY 2003.

Vote: Unanimously passed.

V. Approval of Executive Session Minutes

Motion to go into Executive Session. (Hidano/Williams)

Discussion: None.

Vote: Unanimously passed.

4 p.m. to 4:08 p.m.

VI. NEXT MEETING

The next meetings of the Administrative Committee are scheduled for May 31, 2002, 9 a.m. and June 17, 2002, 1 p.m. A Transition Committee meeting with PEHF and HEUHBTF members will be scheduled for the last week in May or first week in June.

VII. ADJOURNMENT

Motion to adjourn. (Hidano/Machida)

Discussion: None.

Vote: Unanimously passed.

Meeting adjourned at 4:08 p.m.

Respectfully submitted,

Kathryn Matayoshi, Chairperson

APPROVED on July 17, 2002.

DOCUMENTS DISTRIBUTED:

1. Minutes for April 18, 2002 Administrative Committee Meeting. (4 pages)
2. Minutes for April 18, 2002 Administrative Committee Meeting. (3 pages)
3. Draft (04/17/02) Responses to Written Questions. (9 pages)
4. Benefits Consultant Evaluation Process. (2 pages)
5. Trustee Rating Sheet. (4 pages)
6. Items Received/Missing Checklist. (1 page)
7. Summary Evaluation Scores Sheet. (1 page)
8. Evaluation for Completeness of Proposal. (7 pages)
9. Summary Evaluation Scores Sheet. (1 page)

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10. Corrections to RFP. (3 pages)
11. Letter dated April 25, 2002 to Office for Civil Rights from AG's Office. (6 pages)
12. Letter dated March 5, 2002 to Karen Tom from Office of Information Practices.
(6 pages)
13. Summary of Protected Health Information (02/08/02). (1 page)
14. Approved minutes for April 11, 2002 Administrative Committee Meeting. (4 pages)