

HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
Minutes of the [~~Board of Trustees~~]
Administrative Committee Meeting
April 25, 2002

TRUSTEES PRESENT: Ms. Kathryn S. Matayoshi, Chairperson
Mr. Jim Williams
Ms. Audrey Hidano

TRUSTEE ABSENT: Mr. Jimmy Yasuda

ATTORNEY: Mr. Brian Aburano, 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: Ms. Lynette Arakawa – HDS
Ms. Monica Engle – VSP
Mr. Charles Khim
Mr. Gordon Murakami – Royal State

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 Thursday, April 25, 2002.

Mr. Yasuda informed the Committee that he was unable to attend.

II. APPROVAL OF MINUTES

MOTION to approve the minutes of April 11, 2002. (Hidano/Williams)

Discussion: None.

Vote: Unanimously passed.

Executive Session minutes of April 11, 2002 and April 18, 2002 will be reviewed and approved during Executive Session which will be taken up after Item VI on the agenda.

III. REPORTS

A. Executive Search Firm

Staff reported that a redline and clean copy was being provided to the committee for review prior to presenting a copy before the Board.

The clean version of the Scope of Work, Executive Search Firm, will be included in the Board's packet on April 30, 2002.

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B. Special Conditions

Motion to recommend the Special Conditions with corrections to the Board for approval. (Hidano/Williams)

Discussion: Amend Item 10, Insurance, C. to read: "All the required insurance shall be carried with insurance carriers that ~~[are qualified to do business in the State of Hawaii, and]~~ have a general policyholder's rating of not less than A and a financial rating of no less than VII in the most current Best's Insurance Reports. If the Best's ratings are changed or discontinued, the parties shall agree to an equivalent method of rating insurance companies."

Vote: Unanimously passed.

C. Request for Proposal

For the record, Chair Matayoshi informed the committee that the letters and RFP for benefits consultant were mailed out.

IV. UNFINISHED BUSINESS

A. Hiring of Administrator/Executive Director was moved to the end of the agenda (after Item VI) for executive session.

B. Scope of Service for Consultant services to evaluate the Health Fund Information and Management System (HFIMS)

Motion to present Scope of Work for HFIMS consultant services as amended to the Board on April 30, 2002. (Hidano/Williams)

Discussion: The committee narrowed the scope of work for completion by the end of June 2002.

RECESS: 3:45 p.m.; reconvened 3:57 p.m.

Amendments to the Scope of Work for the HFIMS Assessment and Review Consultant were:

- 1) I. Objective
 - a) Remove the second and third bullets under the fourth paragraph on the procurement of professional technical expertise. The first bullet, "To advise the Trust Fund on HFIMS' capabilities, strengths, and weaknesses to support the requirements of the Trust Fund." remains as the reason for the procurement of consultant services.
 - b) Revise the last sentence on Page 1 to: "The deliverables relating to this contract are expected within six (6) weeks." rather than the two (2) months currently allotted.
- 2) II. Specifications
 - a) Assess Capability of HFIMS to Support Requirements of the Trust Fund

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Revise Item 5 to read: "Assess and identify the ability of the current HFIMS to comply with the requirements of Chapter 87A, HRS. For example, capability to: a) effectively integrate and support an accounts receivable and payable system for the Trust Fund as they relate to premiums, contributions and administrative fees and assessments; b) support possible premium conversion plan and/or flexible spending ~~[credit benefits]~~ plans; and c) support the assessment of administrative fees on the premiums received by the Trust Fund. A copy of Chapter 87A, HRS, is attached."

- b) Delete the complete section on Assess Ability of HFIMS to Comply with the HIPAA Requirements because this ability is being addressed by the Health Fund.
- 3) IV. Evaluation Criteria
 - a) Revise the first sentence on the fourth page to read: "Please submit written proposals no later than 4:30 p.m. HST on ~~[June 3]~~May 15, 2002 by any one of the following methods:"

Vote: Unanimously passed.

C. TPA vs. In-house administration

Determination of whether to use a TPA or in-house would have material impact on the decisions regarding use of HFIMS.

V. The Committee went into Executive Session to discuss Agenda Item II and Agenda Item IV.A.1: 4:15 p.m. to 4:55 p.m.

VI. NEXT MEETING

The next meeting of the Administrative Committee has not been determined. A meeting will be scheduled after the Selection Committee meets on Tuesday, May 7, 2002, 1 p.m. to 5 p.m. to review the applicants' resumes.

VII. ADJOURNMENT

Motion to adjourn. (Hidano/Williams)

Discussion: None.

Vote: Unanimously passed.

Meeting adjourned at 5:15 p.m.

Respectfully submitted,

/s/

Kathryn Matayoshi, Chairperson

APPROVED as corrected
on May 17, 2002.

DOCUMENTS DISTRIBUTED:

1. Minutes for April 11, 2002 Administrative Committee Meeting. (4 pages)
2. Executive Search Firm, Scope of Work (Ramseyer). (5 pages)
3. Executive Search Firm, Scope of Work (Clean). (4 pages)
4. Special Conditions (BA Draft 04/25/2002). (6 pages)
5. Timeline for Consultant to Evaluate and Assess HFIMS, Revised Draft (04/28/2002). (1 page)
6. Consultant for HFIMS, Scope of Work, Revised Draft (04-19-02). (2 pages)
7. HFIMS Assessment and Review Consultant, Scope of Work, Revised Draft (04-25-02). (4 pages)
8. List of organizations that use PeopleSoft. (1 page)
9. SPO Vendor List No. 01-28(SW), Information Technology (IT): Technical Reference, Reporting and Advisory Services (RFP-01-041-SW) dated January 4, 2002. (4 pages)