

1 HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
2 Minutes of the Administrative Committee Meeting
3 June 16, 2003
4

5 TRUSTEES PRESENT

6 Ms. Kathryn S. Matayoshi, Chairperson Mr. Gerald Machida
7 Ms. Audrey Hidano Mr. Will Miyake
8

9 TRUSTEES ABSENT

10 Mr. Dayton Nakanelua
11

12 ATTORNEY: Mr. Brian Aburano, Deputy Attorney General
13

14 EUTF STAFF

15 Mr. Mark Fukuhara, Administrator Mr. John Garner, Consultant
16 Ms. Maria Quartero Ms. Donna Tonaki
17 Ms. Kathleen Shiroma
18

19 OTHERS PRESENT

20 Ms. Lynette Arakawa, HDS Mr. Maurice Morita, HSTA
21 Ms. Monica Engle, VSP Ms. Karen Muronaka, HSTA-Retired
22 Ms. Elaine Fujiwara, HDS Mr. Gordon Murakami, Royal State Group
23 Ms. Venus Gabuyo, MBAH Mr. Rod Tam, HMSA
24 Mr. Tracy Matsumoto, Chiro Plan Hawaii Ms. Lori Taniguchi, Royal State Group
25

26 I. CALL TO ORDER

27 The meeting of the Administrative Committee was called to order at 9:01 a.m. by
28 Chairperson Kathryn Matayoshi in Conference Room 405, Leiopapa A Kamehameha
29 Building, 235 South Beretania Street, Honolulu, Hawaii, on Monday, June 16, 2003.
30

31 II. APPROVAL OF MINUTES

32 Approval of Administrative Committee minutes for October 9, 18, 2002;
33 February 3, 20, 2003; and March 4, 2003.
34

35 MOTION was made to approve minutes for October 9, 18, 2002; February 20, 2003;
36 March 4, 2003; and February 3, 2003 as amended on page 2, line 33 to add "without
37 prior review by the Board" after the word "information". (Machida/Miyake)
38 Discussion held by Trustees.
39 Vote: Unanimously passed.
40

41 III. REPORTS:

42 A. Administrator: None
43
44 B. Deputy Attorney General: None
45
46 C. Benefits Consultant: None
47

48 IV. UNFINISHED BUSINESS

49 A. EUTF/PEHF Transition

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Administrative Committee Meeting

June 16, 2003 Minutes

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- 1 1. Mr. Bert Nishihara gave overview on analysis of amounts to be returned to
2 employers (see handout). Discussion by Trustees on amounts to be
3 returned to employers.
4

5 Mr. Aburano gave an overview on the attorney-client privileged
6 communication that he had provided to the Trustees regarding the PEHF's
7 return of rate credits and reimbursements to public employers. The
8 Trustees asked whether the PEHF could legally return the public
9 employers' share of rate credits and reimbursements to the public
10 employers prior to the PEHF going out of business and its assets being
11 transferred to the EUTF. Mr. Aburano stated that under Section 87-3,
12 HRS, the PEHF had legal authority to take this action. In fact,
13 Section 87-3, HRS, appeared to require the PEHF to return the public
14 employers' share of rate credits and reimbursements. On the other hand,
15 Section 87-3, HRS, only permitted and did not require the PEHF to return
16 the employees' share of rate credits and reimbursements. Mr. Aburano
17 added that Section 87-3, HRS, was not repealed or amended by Act 88.
18 Some Trustees voiced the opinion that the employees' share of rate credits
19 and reimbursements should be returned to them by the PEHF –
20 particularly if the PEHF returned the public employers' share of rate
21 credits and reimbursements. Trustee Miyake raised a question as to
22 whether the EUTF had the legal ability to return the employees' share of
23 rate credits and reimbursements. The Trustees discussed asking the PEHF
24 board to return the employees' share of PEHF rate credits and
25 reimbursements to the PEHF employee-beneficiaries prior to July 1, 2003.
26

- 27 2. Mr. Nishihara gave an overview on PEHF Audit (see handout).
28 Discussion held by Trustees on the PEHF Audit.
29

- 30 3. Mr. Fukuhara reported that a memorandum dated June 2, 2004 from the
31 Chief of Staff regarding the closeout of the PEHF was sent to Department
32 Heads (see handout).
33

- 34 4. Mr. Aburano gave overview on the Memorandum of Understanding
35 (MOU). Discussion by Trustees on the MOU. Further discussion by
36 Trustees and staff on the contracts that were covered by the MOU.
37

38 MOTION was made to go in to Executive Session. (Hidano/Miyake)

39 Discussion: None

40 Vote: Unanimously passed.
41

42 V. NEW BUSINESS: None
43

44 VI. COMMUNICATIONS FROM THE PUBLIC AND INPUT FROM ATTENDEES

45 There was no communication from the public.
46

1 VII. FUTURE AGENDA ITEMS AND NEXT MEETING DATE

2 Meeting will be scheduled at a later date as needed.

3
4 VIII. ADJOURNMENT

5 Motion to adjourn. (Hidano/Miyake)

6 Discussion: None.

7 Vote: Unanimously passed.

8
9 Meeting adjourned at 10:46 a.m.

10
11 Respectfully submitted,

12
13
14 /s/

15
16 _____
17 Mark Recktenwald, Chairperson

18 APPROVED on September 18, 2003.

19
20 DOCUMENTS DISTRIBUTED:

- 21 1. Minutes for 10/9/02. (5 Pages)
- 22 2. Minutes for 10/18/02. (3 Pages)
- 23 3. Minutes for 2/3/03. (3 Pages)
- 24 4. Minutes for 2/20/03. (3 Pages)
- 25 5. Minutes for 3/4/03. (3 Pages)
- 26 6. Memo from Chief of Staff Regarding Closing of PEHF dated 6/2/03. (1 Page)
- 27 7. PEHF Audit Schedule from BF/PEHF dated 6/13/03. (1 Page)
- 28 8. PEHF Analysis of Amount to be Returned to Employers from BF/PEHF dated 6/13/03.
29 (1 Page)
- 30 9. Letter from HSRTA regarding RFP for TPA dated 6/7/03. (1 Page)

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