



HMV 5/27/03

Hawaii Government Employees Association
Charles R. Kendall Building, 888 Mililani St., Suite 601, Honolulu, HI 96813, Phone (808) 536-2351, FAX (808) 528-4059

May 23, 2003

Mrs. Audrey Hidano, Acting Chairperson
Board of Trustees
Hawaii Employer-Union Health Benefits Trust Fund
P. O. Box 150
Honolulu, Hawaii 96810-0150

Dear Mrs. Hidano:

HGEA has received numerous complaints statewide regarding the open enrollment meetings planned and conducted by the staff of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). Besides the logistical problems with inadequate meeting sites and meeting space, we have received reports of inaccurate and disparaging remarks made by the presenters about the role of HGEA and other public sector unions in the implementation of the EUTF.

Clearly, we find that these problems hinder the ability of public employees to make their necessary enrollment choices for health coverage. The schedule of meetings developed is insufficient to meet the needs of employees, with poor locations and times offered. Facilities chosen have not been able to accommodate the crowd of employees seeking information. Further, as if to add insult to injury, employees who were unable to get their questions answered in the enrollment meetings have been unable to make contact with your staff due to constantly busy telephone lines.

The HGEA further protests the conduct of the individuals presenting information on behalf of the EUTF. Specifically, presenters have blamed the unions for the problems experienced by the EUTF as well as changes made to employee benefits. Presenters have made disparaging remarks about HGEA negotiations of health benefits, suggesting that our members would be better off with the United Public Workers negotiating for them. These individuals are obviously ignorant of the bargaining history of medical premiums between the UPW and employers to make such inaccurate and inflammatory remarks. We have also received complaints regarding presenters stating that the union negotiators should be blamed for getting poor contribution amounts from the employer, that active employees are subsidizing retirees, and that the union trustees should be blamed for offering only a two-tiered single and family plan rate. Rather than explain the reason why the two-tiered rate was selected, the only comment made by a presenter at a number of meetings was that he was also personally affected and did not appreciate having to pay a higher amount to cover his spouse under the family plan rate. In other meetings, a presenter described the composition of the board of trustees as being five employer trustees and five employee trustees and that all they do is "abuse each other." We have

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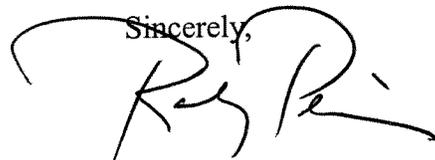
also received reports that the presenters are rude, abrupt, and not able or willing to answer questions from the audience. Clearly, it is incumbent upon the board of trustees to ensure that your staff is capable, competent and well-trained to conduct presentations, which based on all accounts is in serious doubt at this point.

While it is too late to remedy the logistical problems for this initial round of meetings, we demand that the EUTF not repeat such errors in the future. We further insist that your staff do whatever is necessary to answer the multitude of questions being asked by employees, and that the information provided is factual and objective for employees to make sound choices.

We do expect that you will take whatever steps are necessary to curb the opinions and inaccurate statements of your staff presenting at these meetings. It is not in the best interest of the EUTF and its plan participants for information to be presented in such fashion. It is not our desire or intent to engage in a public war of words with the EUTF, but to avoid that from occurring we must demand that your staff cease and desist from such conduct.

We look forward to hearing what positive actions will be initiated to improve the presentations being made, as well as the services provided to your active and retiree enrollees.

Should you have any questions, please call me at 543-0011.

Sincerely,

Randy Perreira
Deputy Executive Director

cc: HGEA Board of Directors