

**PREPAID HEALTH CARE ADVISORY COUNCIL MEETING**

**State of Hawaii  
Department of Labor and Industrial Relations  
830 Punchbowl Street, Room 320  
Honolulu, HI 96813**

**June 28, 2018  
1:30 p.m. to 2:35 p.m.**

Council members present

Mr. Paul Tom, Chair  
Mr. Michael Moss  
Dr. John McDonnell (1:33 p.m.)  
Ms. Laudra Eber  
Mr. Paul Marx  
Ms. Carol Shimomura  
Ms. Sharon Leng

DC Staff Present

Keith Kim  
Misty Sumida

Others Present

Mitchell Lau, Kaiser  
Michael Madix, Atlas  
Tammy Vitolo, HWMG  
Paul Kaiser, HWMG  
Stacey Carroll, Hawaiian Airlines  
Cindy Saiki, Hawaiian Airlines  
Amanda Marcus, HMSA  
Austin Bunag, HMSA  
Will Lee, Hawaiian Airlines  
Messay Sanderson, Kaiser  
Doris Dvonch, Attorney General's Office

With a quorum present, Chair Tom called the meeting to order at 1:30 p.m.

**APPROVAL OF MINUTES**

Chair Tom asked if there were any further corrections, amendments, deletions, or changes to the circulated minutes of the February 27, 2018 meeting which had been amended previously. There were no further changes and a motion was made by Ms. Leng to approve the February 27, 2018 meeting minutes as circulated. The motion was seconded by Mr. Moss and carried by unanimous vote.

Chair Tom asked if there were any further corrections, amendments, deletions, or changes to the circulated minutes of the April 5, 2018 meeting which had been amended previously. There were

no further changes and a motion was made by Ms. Eber to approve the April 5, 2018 meeting minutes as circulated. The motion was seconded by Ms. Leng and carried by unanimous vote.

Chair Tom asked if there were any corrections, amendments, deletions, or changes to the circulated minutes of the April 26, 2018 meeting. There were no changes and a motion was made by Ms. Shimomura to approve the April 26, 2018 meeting minutes as circulated. The motion was seconded by Mr. Marx and carried by unanimous vote.

Dr. McDonnell arrived at 1:33.

## REVIEW OF PLANS

Hawaiian Airlines, Inc.  
Self funded



Hawaiian Airlines HMSA CompMED-A

Hawaiian Airlines, Inc. was represented by Stacey Carroll, Cindy Saiki, and Will Lee

This comprehensive medical plan has a \$200 (PPO)/\$400 (NPO) individual deductible, 80% benefit and \$2,500 out-of-pocket limit including the deductible and copayments.

Ms. Shimomura asked about the lack of coverage for applied behavior analysis. Ms. Carroll stated that the employer will add the benefit in 2019 after labor union negotiations allow the employer to provide the benefit to both union and non-union employees. Chair Tom stated that plan is self-funded so is not subject to State insurance laws requiring the coverage.

Ms. Shimomura stated that the ambulance benefits for air and ground were listed twice on page 16.

A motion was made by Ms. Leng to recommend approval of the plan under Section 393-7(b) provided:

1. The annual individual deductible is capped at \$350 (PPO/NPO combined);
2. The eligibility requirement is in compliance with the PHC Act; and
3. Full medical coverage is continued for disabled employees for at least three months following the month of disability.

The motion was seconded by Ms. Shimomura and carried by unanimous vote.

Hotelbeds USA, Inc.  
CIGNA Health and Life Insurance Company



Open Access Plus Medical Benefits

This PPO medical plan has a \$300 individual deductible, 100% (PPO)/70% (NPO) benefit and \$2500 (PPO)/\$3000 (NPO)(all) out-of-pocket limit including the deductible and copayments.

A motion was made by Dr. McDonnell to recommend approval of the plans under Section 393-7(b) provided:

1. Outpatient in-vitro fertilization expenses are covered for at least one attempt; and
2. Exclusion of benefits for services performed by a person who is a parent, child or spouse who normally resides in your house or your Dependent's house is modified to exclude only services performed by a parent, child or spouse of the insured.

The motion was seconded by Ms. Eber and carried by unanimous vote.

Hotelbeds USA, Inc.

CIGNA Health and Life Insurance Company

Open Access Plus In-network Medical Benefits

This EPO medical plan has a \$300 individual deductible, 80% (PPO) benefit and \$3000 (PPO) out-of-pocket limit including the deductible and copayments.

Chair Tom stated that the MDX provider network may have at least 50% provider participation on Oahu, but may not have 50% of providers in areas including Kauai and Kona. The plan cannot be marketed in areas that do not meet this requirement. If services are performed in those areas, the service must be covered as if it were provided by a participating provider.

A motion was made by Mr. Moss to recommend approval of the plan under Section 393-7(b) provided:

1. The plan is offered only to the employees in the counties in which the provider network includes at least 50% of providers in the county;
2. All out-of-network services are covered at the in-network benefit level when services are provided in counties where the provider network includes less than 50% of providers in the county;
3. Outpatient in-vitro fertilization expenses are covered for at least one attempt; and
4. Exclusion of benefits for services performed by a person who is a parent, child or spouse who normally resides in your house or your Dependent's house is modified to exclude only services performed by a parent, child or spouse of the insured.

The motion was seconded by Mr. Marx and carried by unanimous vote.

Alzheimers's Disease & Related Disorders Association, Inc.

Self-funded

Open Access Plus Medical Benefits Hawaii High Plan

This PPO medical plan has a \$0 (PPO)/\$300 (NPO) individual deductible, 90% (PPO)/ 70% (NPO) benefit and \$1500 (PPO)/ \$2500 (NPO)(all) out-of-pocket limit including the deductible and copayments.

Ms. Eber stated the premium allocation for the coverage did not appear to meet the legal requirements and needed to be checked.

A motion was made by Ms. Eber to recommend approval of the plan under Section 393-7(b). The motion was seconded by Ms. Shimomura and carried by unanimous vote.

Alzheimers's Disease & Related Disorders Association, Inc. [REDACTED]

Self-funded

Open Access Plus Medical Benefits Hawaii Low Plan

This PPO medical plan has a \$300 individual deductible, 80% (PPO)/ 70% (NPO) benefit and \$1500 (PPO)/\$2500 (NPO)(all) out-of-pocket limit including the deductible and copayments.

Chair Tom stated the department should check the premium allocation.

A motion was made by Ms. Shimomura to recommend approval of the plan under Section 393-7(b). The motion was seconded by Mr. Moss and carried by unanimous vote.

Versace USA, Inc. [REDACTED]

CIGNA Health and Life Insurance Company

Open Access Plus Medical Benefits Hawaii Plan

This PPO medical plan has a \$100 individual deductible, 90% (PPO)/ 70% (NPO) benefit and \$2000 (all) out-of-pocket limit including the deductible and copayments.

A motion was made by Ms. Shimomura to recommend approval of the plan under Section 393-7(b) provided:

1. Speech and physical therapy are covered for at least 30 visits each per contract year; and
2. The exclusion of benefits for service prescribed or administered by a person who is a parent, child or spouse who normally resided in your house or Dependent's house is modified to exclude only services prescribed or administered by a parent, child, or spouse of the insured.

The motion was seconded by Mr. Marx and carried by unanimous vote.

## OTHER BUSINESS

UnitedHealthcare Insurance Company

UnitedHealthcare Options PPO

UnitedHealthcare Insurance Company is informing the Department of changes and clarifications being made to the plan effective January 1, 2018. UnitedHealthcare is requesting continued approval of the plan. The plan was last approved under Section 393-7(a).

Chair Tom questioned the effects of approving the changes retroactively to the date of their request for approval in March 2018. Mr. Moss felt from the consumer's point of view, the changes were improvements. Ms. Eber felt the revised wording in prior authorization certification section was revising the benefit to charge the insured 30% more when no preauthorization was obtained. Ms. Eber also felt the hospice and medical foods benefits had changed. She also had concerns about the new wording regarding pharmaceutical benefits, step therapy, and maximums on drugs. Ms. Eber also questioned whether urgent care was considered a free-standing facility since free standing facilities will not be covered unless the person has a prescription from a physician. She commented that it is unlikely a person who goes to urgent care on the weekend or afterhours is unlikely to have a prescription.

A motion was made by Mr. Marx to defer action on the plan. The motion was seconded by Mr. Moss and carried by unanimous vote.

#### ADJOURNMENT

Chair Tom adjourned the meeting at 2:35 p.m. The next meeting is tentatively scheduled for August 16, 2018 or August 23, 2018.

Administratively approved plans  
Chanel Inc