

Prepaid Health Care Advisory Council Meeting

State of Hawaii  
Department of Labor and Industrial Relations  
830 Punchbowl Street, Room 310  
Honolulu, HI 96813

February 27, 2020  
1:30 p.m. to 2:17 p.m.

Council members present

Mr. Paul Marx, Chair  
Ms. Laudra Eber  
Dr. John McDonnell  
Ms. Bonnie Pang  
Mr. Mike Hogan

Council members not present

Ms. Carol Shimomura

DC Staff Present

Lois Iyomasa  
Stacey Hiranaka  
Kimi Kaneda  
Marisa Yagi  
Misty Sumida

Others Present

Alyson Estrella, UHA  
Jennifer Barad, UHA  
Paul Ajoste, UHA  
Garret Sugai, Kaiser  
Chad Hertzog, Kaiser  
Paula Young, Kaiser  
Messay Sanderson, Kaiser  
May Goya, Kaiser  
Mitchell Lau, Kaiser  
Brandon Kumabe, HMSA  
Austin Bunag, HMSA  
Eleu Kane, HWMG  
Denise Dias, HWMG  
Anne Estaquio, Director's Office (DLIR)  
Adam Rosenberg, Attorney General's Office

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

#### Introduction of new Council member

Deputy Director Estaquio introduced Mike Hogan, the new Council member.

Chair Marx deviated from the agenda to announce that upon Kaiser's request, its plans were deferred.

#### Approval of Minutes

Chair Marx returned to the order of the agenda and asked if there were any changes to the circulated minutes of the November 21, 2019 meeting. A motion was made by Ms. Eber to approve the minutes as circulated. The motion was seconded by Ms. Pang and carried by unanimous vote.

Review of plans – None.

#### Other business

##### Hawaii Management Alliance Association (HMAA)

HMAA was represented by Mr. Kane, VP of Sales, and Ms. Dias, VP of Claims and Customer Service.

##### Option Plus One

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(a).

Ms. Eber asked why the preexisting condition provision contains the sentence that “No one will be denied coverage despite having a preexisting condition.” Ms. Dias stated all changes were made to comply with HMSA. Ms. Eber was concerned that the wording could allow the contractor to provide coverage to the person but to deny expenses related to the preexisting condition. She felt it was more to the point to say that the plan will cover preexisting conditions. However, if the wording is identical on the prevalent plan, she would not pursue it on this plan.

Ms. Pang inquired about telephonic services and autism benefits. She asked whether telephonic services are covered at no copayment. Mr. Kane confirmed there is no copayment. Ms. Dias confirmed autism benefits have no cap.

Ms. Eber recalled the Council's prior discussion about coverage of complications of a procedure when the procedure is not covered by the plan. Dr. McDonnell was under the impression that HMSA previously had not covered complications in the prevalent plan but when the HMO plan began to cover complications, the HMSA's PPO plans did so also. Mr. Austin Bunag of HMSA clarified that HMSA's HMO plans cover complications, but the PPO plans do not. Mr. Kane stated that HMAA's plans, like the prevalent plan, do not cover complications of a procedure if

the procedure is not covered. Dr. McDonnell felt it is ethical for a plan to cover complications even if the procedure is not covered and would not recommend approval of the plans since the plans did not include this coverage. Ms. Eber added that some cosmetic procedures were performed for a person's well-being, not only for appearance purposes.

A motion was made by Ms. Eber to recommend continued approval of the plan under Section 393-7(a). The motion was seconded by Ms. Pang, Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

#### Option Plus Two

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(a).

Ms. Eber asked if the requirement to obtain preadmission approval applies in emergency situations. Ms. Dias stated emergencies do not require precertification.

Ms. Pang asked about the in-network physician services category on page 11 and the coinsurance for telehealth services. Mr. Kane stated the coinsurance was 10% for out-of-network providers then corrected himself to state it was for in-network providers. Ms. Pang felt this did not meet the coinsurance in the prevalent plan. Ms. Dias stated it may be a typographical error. Mr. Kane stated the coinsurance would be fixed.

Ms. Pang asked for clarification on the cap for autism benefits. Ms. Dias responded that there was no cap.

A motion was made by Ms. Eber to recommend continued approval of the plan under Section 393-7(a) provided the in-network physician health telehealth services coinsurance is amended to 0%. The motion was seconded by Ms. Pang.

Mr. Hogan noted that the language on page 12 of the Option Plus One plan contained the same coinsurance so the Council may want to recommend the same revision in the Option Plus One plan. Council deferred the vote to return to the Option Plus One plan.

#### Option Plus One

Ms. Eber and Ms. Pang retracted the motion and second made earlier in the meeting.

A motion was made by Ms. Eber to recommend continued approval of the plan under Section 393-7(a) provided the in-network physician health telehealth services coinsurance is amended to 0%. The motion was seconded by Ms. Pang, Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

### Option Plus Two

A motion was made by Ms. Eber to recommend continued approval of the plan under Section 393-7(a) provided the in-network physician health telehealth services coinsurance is amended to 0%. The motion was seconded by Ms. Pang. Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

Mr. Kane asked if the change was necessary so HMAA's plans matched the prevalent plan. Council agreed that was correct. The Council's understanding was that there is no coinsurance on the telehealth services on the prevalent plan. Ms. Pang confirmed that the prevalent plan does not have coinsurance for the service.

### Comprehensive Plus Plan

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(a).

Ms. Pang noted that the telehealth services coinsurance on page 11 was 15% and should be amended to 0%.

A motion was made by Mr. Hogan to recommend continued approval of the plan under Section 393-7(a) provided the in-network physician health telehealth services coinsurance is amended to match the prevalent plan. The motion was seconded by Ms. Eber. Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

### HMAA 90/10 PPO Plan

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(a).

Ms. Pang stated that the telehealth services coinsurance on page 11 was 10% and should be amended to 0% to match the prevalent plan.

A motion was made by Ms. Pang to recommend continued approval of the plan under Section 393-7(a) provided the in-network physician health telehealth services coinsurance is amended to 0%. The motion was seconded by Mr. Hogan. Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

Ms. Eber asked for more information about the telehealth benefit. Ms. Pang stated it was either talking to a doctor or going online for a virtual visit. Ms. Dias of HMAA added that the State may define it to also include provider-to-provider communication so a virtual conference without

a patient in the room or to transmit medical documents. Ms. Eber asked if it was in consideration of the shortage of doctors or to the high cost of medical care? Ms. Dias guessed that the State may have taken that all into account when it set the requirement. Dr. McDonnell recalled a presentation by Dr. Forton to the Board of Medical Examiners in which Dr. Forton proposed that based on the patient's history, the physician could use telehealth to treat the patient without an in-person visit and this could prevent a patient in North Kohala from having to drive to Hilo for an office visit. At the time Dr. McDonnell was opposed because the in-person exam was needed to detect certain issues. However, Dr. McDonnell concluded that telehealth technology has improved, and there are other tests available to help evaluate the patient.

#### HMAA PPO Plan (7B)

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(b).

Ms. Eber stated that as a 7(b) plan, the Council could be more lenient, so Ms. Pang stated she was not raising an issue with the coinsurance for physician services telehealth services.

Since the other plans contained typos regarding the coinsurance, Mr. Hogan asked HMAA if the \$15 copay for telehealth is intended or an error? Mr. Kane stated he would check and clarify.

Ms. Pang was concerned the \$25,000 maximum on autism was restrictive. Ms. Dias stated that before HMSA removed the maximum from the prevalent plan, the maximum was \$25,000.

Ms. Eber stated under the Patient Protection Act, a lifetime max was not allowed. She then questioned whether certain benefits that were permitted to have a maximum. Ms. Dias stated the plan was a 7(b) plan but Ms. Eber stated 7(b) plans would still need to comply with federal regulations. Mr. Kane stated the maximum was compliant since the autism cap is an annual, not lifetime, maximum.

A motion was made by Ms. Pang to recommend continued approval of the plan under Section 393-7(b) provided the in-network physician services telehealth services coinsurance was confirmed to be 15%. The motion was seconded by Mr. Hogan. Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

#### Executive Plan Option (EPO)

HMAA informed the Department of changes being made to the plan effective January 1, 2021 and requested continued approval of the plan under Section 393-7(b).

Mr. Hogan stated the telehealth services coinsurance was 20% so he requested HMAA clarify if the coinsurance is correct or an error. Ms. Dias stated she would confirm.

A motion was made by Ms. Pang to recommend continued approval of the plan under Section 393-7(b) provided the in-network physician services telehealth services coinsurance was confirmed to be 20%. The motion was seconded by Mr. Hogan. Chair Marx, Ms. Eber, Ms. Pang, and Mr. Hogan voted for the motion. Dr. McDonnell opposed the motion. The motion was carried by the majority vote.

Mr. Hogan stated that since Dr. McDonnell's concerns were primarily driven by the language of the prevalent plan. He asked from a housekeeping perspective, at what point would the council request HMSA clarify language in its plan? Chair Marx stated the plan could be reviewed when it was presented to Council.

Mr. Rosenberg asked what the Council desired from HMAA in response to the Council's action?

Ms. Paula Young of Kaiser Permanente interjected that Kaiser based its telehealth benefit off a law that was passed around 2016 that required telehealth benefits must be on parity with the office visit benefit. She suggested that if the requirement still exists, telehealth may need to be on parity with the office visit regardless of whether the plan is 7(a) or 7(b).

Mr. Bunag of HMSA stated that HMSA has no copay for HMSA Online Care which is HMSA's specific branded telehealth online consult. The plan also has telehealth with an asterisk and this benefit depends on the service received. HMSA views telehealth as a method of access, not necessarily a benefit. To comply with the state mandate to have the benefit in writing and for benefit and reimbursement parity, HMSA indicated that the benefit varies. HMSA's assessment found variation in the services provided via telehealth such as office visits, preventive services, or psychological diagnostic so the telehealth benefit would be the same as the benefit for the service performed in person.

Mr. Kane stated that the 10% coinsurance on the 7(a) plans may be correct because HMAA mimicked the 2020 version of HMSA's plan for the most part. Ms. Dias stated page 11 of the document shows the coinsurance but on page 10 it specifically says teleservices are covered at no copay.

Ms. Pang asked about the high doc service. Mr. Kane and Ms. Dias stated that was clarified on page 10.

Ms. Pang felt everything that had been said should be struck and all the plans should move forward without any changes. However, Chair Marx felt the Council needed to first make sure the coinsurance and copayment amounts were documented correctly and were not typographical errors.

Mr. Kane stated the two 7(a) plans have a 10% coinsurance and the 7(b) plans have a \$15 copayment and 20% coinsurance.

Ms. Eber felt that as if the Council's earlier motions to recommend approval did not specify amounts, the actions taken were acceptable even with the explanation about parity. Chair Marx stated he had the same understanding.

Mr. Rosenberg reiterated that if the Council's action was to recommend approval contingent upon clarification of the amounts, the plans would not return to the Council for further recommendation after the clarification was obtained. Ms. Eber confirmed the Council does not expect to review the plans after clarification is obtained.

#### Adjournment

Mr. Marx adjourned the meeting at 2:17 p.m. The next meeting is tentatively scheduled for April 2, 2020.

Administratively approved plans:  
Trust Healthcare Consulting Services LLC  
Stears Conrad and Schmidt Consulting Engineers Inc  
Scholastic Book Fairs, Inc.  
Avalon Care Center - Honolulu LLC  
Hawaiian Airlines