

EUTF PROPOSAL: INFO SHEET
July 1, 2023 - June 30, 2025

Background

Health insurance rates are going up. Unless this Tentative Agreement is ratified, your contribution expense will also go up.

Today, the Employer's contribution is a fixed dollar amount calculated at 60% of the HMSA 80/20 plan premium. This fixed dollar contribution applies to any plan and cannot exceed 84.3% of the total premium.

You must ratify the Tentative Agreement so that the Employer can recalculate a new fixed dollar amount based on the new premiums applying to any plan and cannot exceed 90% of the total premium. Otherwise, the existing fixed dollar amount will remain unchanged regardless of premium increases and the result is that your out of pocket contribution expense will increase.

Summary of the Ratification Vote

- If you vote IN FAVOR of ratifying the EUTF Tentative Agreement, the employer's contribution will be increased to remain at 60% of the HMSA 80/20 plan and not to exceed 90% of the total premium.
- If you vote TO REJECT the EUTF Tentative Agreement, the employer's contribution will remain unchanged and your out of pocket contribution expense will increase depending on your specific plans.

Is there anything else being changed?

The only change in the aforementioned plans is the recalculation of the employer's contribution formula.

Tentative Agreement Follows

ARTICLE XXII

HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND (EUTF)

Delete the existing language in this Article in its entirety and replace with the following:

A. "Health Benefit Plan" shall mean the medical PPO, HMO, prescription drug, dental, vision and dual coverage medical plans.

B. Effective July 1, 2023

Subject to the applicable provisions of Chapters 87A and 89, Hawai'i Revised Statutes, the Employer shall pay monthly contributions which include the cost of any Hawai'i Employer-Union Health Benefits Trust Fund (Trust Fund) administrative fees to the Trust Fund effective July 1, 2023, not to exceed the monthly contribution amounts as specified below:

1. For each Employee-Beneficiary with no dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY CONTRIBUTION</u>
<u>a. Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$453.36</u>
<u>b. Dental</u>	<u>\$ 21.48</u>
<u>c. Vision</u>	<u>\$ 2.52</u>
<u>d. Dual coverage (medical & drug)</u>	<u>\$ 20.32</u>

The Employer shall pay the same monthly contribution for each member enrolled in a self only medical plan (PPO or HMO), regardless of which plan is chosen; provided that the dollar amount contributed by the

1 Employer shall not cause the employer share to exceed 90% of the total
2 premium.

3
4 2. For each Employee-Beneficiary with one dependent-beneficiary
5 enrolled in the following Trust Fund health benefit plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY</u> <u>CONTRIBUTION</u>
a. <u>Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$1,101.12</u>
b. <u>Dental</u>	<u>\$ 42.96</u>
c. <u>Vision</u>	<u>\$ 4.68</u>
d. <u>Dual coverage (medical & drug)</u>	<u>\$ 36.40</u>

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14 The Employer shall pay the same monthly contribution for each member
15 enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is
16 chosen; provided that the dollar amount contributed by the Employer shall not
17 cause the employer share to exceed 90% of the total premium.

18
19 3. For each Employee-Beneficiary with two or more dependent-
20 beneficiaries enrolled in the following Trust Fund health benefit plans:

<u>BENEFIT PLAN</u>	<u>TOTAL EMPLOYER MONTHLY</u> <u>CONTRIBUTION</u>
a. <u>Medical (PPO or HMO) (medical, drug & chiro)</u>	<u>\$1,403.80</u>
b. <u>Dental</u>	<u>\$ 70.62</u>
c. <u>Vision</u>	<u>\$ 6.12</u>
d. <u>Dual coverage (medical & drug)</u>	<u>\$ 39.42</u>

1 **The Employer shall pay the same monthly contribution for each member**
2 **enrolled in a family medical plan (PPO or HMO), regardless of which plan is**
3 **chosen; provided that the dollar amount contributed by the Employer shall not**
4 **cause the employer share to exceed 90% of the total premium.**

5
6 **4. For each Employee-Beneficiary enrolled in the Trust Fund group**
7 **life insurance plan, the Employer shall pay \$4.12 per month which reflects one**
8 **hundred percent (100%) of the monthly premium and any administrative fees.**

9
10 **C. Effective July 1, 2024**

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12 **Subject to the applicable provisions of Chapters 87A and 89, Hawai'i**
13 **Revised Statutes, effective July 1, 2024 for plan year 2024-2025, with the**
14 **exception of items C.1.d., C.2.d., C.3.d., and C.4., which shall be as described**
15 **below, the Employer shall pay a specific dollar amount equivalent to sixty percent**
16 **(60%) of the final premium rates established by the Trust Fund Board for the**
17 **respective health benefit plan, plus sixty percent (60%) of any administrative fees.**

18
19 **1. The amounts paid by the Employer shall be based on the plan year**
20 **2024-2025 final monthly premium rates established by the Trust Fund for each**
21 **Employee-Beneficiary with no dependent-beneficiaries enrolled in the following**
22 **Trust Fund health benefit plans:**

23
24 **BENEFIT PLAN**

25 **a. Dental**

26 **b. Vision**

27 **c. Dual coverage (medical & drug)**

1 d. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall
2 pay the same monthly contribution for each member enrolled in a self only
3 medical plan, regardless of which plan is chosen. The amount shall be based on
4 60% of the total premium of the HMSA 80-20 medical plan (with drug & chiro),
5 provided that the dollar amount contributed by the Employer shall not cause the
6 employer share to exceed 90% of the total premium.

7
8 2. The amounts paid by the Employer shall be based on the plan year
9 2024-2025 final monthly premium rates established by the Trust Fund for each
10 Employee-Beneficiary with one dependent-beneficiary enrolled in the following
11 Trust Fund health benefit plans:

12
13 BENEFIT PLAN

14
15 a. Dental

16 b. Vision

17 c. Dual coverage (medical & drug)

18
19 d. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall
20 pay the same monthly contribution for each member enrolled in a two-party
21 medical plan, regardless of which plan is chosen. The amount shall be based on
22 60% of the total premium of the HMSA 80-20 medical plan (with drug & chiro),
23 provided that the dollar amount contributed by the Employer shall not cause the
24 employer share to exceed 90% of the total premium.

25
26 3. The amounts paid by the Employer shall be based on the plan year
27 2024-2025 final monthly premium rates established by the Trust Fund for each

1 **Employee-Beneficiary with two or more dependent-beneficiaries enrolled in the**
2 **following Trust Fund health benefit plans:**

3
4 **BENEFIT PLAN**

5
6 **a. Dental**

7 **b. Vision**

8 **c. Dual coverage (medical & drug)**

9
10 **d. Medical (PPO or HMO) (medical, drug & chiro) - the Employer shall**
11 **pay the same monthly contribution for each member enrolled in a family medical**
12 **plan, regardless of which plan is chosen. The amount shall be based on 60% of**
13 **the total premium of the HMSA 80-20 medical plan (with drug & chiro), provided**
14 **that the dollar amount contributed by the Employer shall not cause the employer**
15 **share to exceed 90% of the total premium.**

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17 **4. For each Employee-Beneficiary enrolled in the Trust Fund group life**
18 **insurance plan, the Employer shall pay one hundred percent (100%) of the**
19 **monthly premium and any administrative fees.**

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21 **D. No later than three (3) weeks after the Trust Fund Board formally**
22 **establishes and adopts the final premium rates for Fiscal Year 2024 – 2025, the**
23 **Office of Collective Bargaining shall distribute the final calculation of the**
24 **Employers' monthly contribution amounts for each health benefit plan.**

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26 **E. Payment for Plans Eliminated or Abolished. The Employer shall**
27 **make no payments for any and all premiums for any portion or part of a Trust**
28 **Fund health benefit plan that the Trust Fund Board eliminates or abolishes.**

Signature: 

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1 **F. Rounding Employer's Monthly Contribution. Whenever the**
2 **Employer's monthly contribution (premium plus administrative fee) to the Trust**
3 **Fund is less than one hundred percent (100%) of the monthly premium amount,**
4 **such monthly contribution shall be rounded to the nearest cent as provided**
5 **below:**

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7 **1. When rounding to the nearest cent results in an even amount,**
8 **such even amount shall be the Employer's monthly contribution. For example:**

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10 **(a) \$11.397 = \$11.40 = \$11.40 (Employer's monthly contribution)**

11 **(b) \$11.382 = \$11.38 = \$11.38 (Employer's monthly contribution)**

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13 **2. When rounding to the nearest cent results in an odd amount,**
14 **round to the lower even cent, and such even amount shall be the Employer's**
15 **monthly contribution. For example:**

16 **(a) \$11.392 = \$11.39 = \$11.38 (Employer's monthly contribution)**

17 **(b) \$11.386 = \$11.39 = \$11.38 (Employer's monthly contribution)**

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20 **All Employer contributions effective July 1, 2023 reflect the rounding**
21 **described in item F. Employer contributions effective July 1, 2024 shall be**
22 **rounded as described in item F. after the Trust Fund Board formally establishes**
23 **and adopts the final premium rates for Fiscal Year 2024-2025.**

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25 **G. If an agreement covering periods beyond the term of this Agreement**
26 **is not executed by June 30, 2025, Employer contributions to the Trust Fund shall**
27 **be the same monthly contribution amounts paid in plan year 2024-2025 for the**
28 **Health Benefit Plan approved by the Trust Fund including any monthly**
29 **administrative fees.**