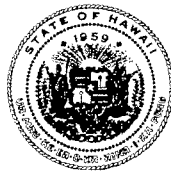


NEIL ABERCROMBIE  
GOVERNOR



**STATE OF HAWAII**  
**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND**


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**ADMINISTRATOR**  
BARBARA CORIELL

October 3, 2011

TO: All State and County Employees

FROM: Barbara Coriell, Administrator 

SUBJECT: Health Benefit Plan Rates/Premiums

The EUTF has received numerous inquiries over the past week regarding the rates/premiums for the medical, prescription drug, vision and dental plans. We apologize that the rates were not available prior to the beginning of the open enrollment period. We realize employee cost is a critical part of the open enrollment decision. The reason for the delay is that final drug rates were delayed by a procurement protest. The EUTF recently conducted a competitive procurement process for all coverages including a new prescription drug plan vendor. The EUTF Board of Trustees awarded the contract to a new vendor. One of the vendors who was not selected filed a protest. After the protest was denied, the vendor then filed an appeal with the Department of Commerce and Consumer Affairs (DCCA). The DCCA hearing is concluding this week. We do not know when the hearings officer will make his decision. Without a contracted prescription drug plan vendor, we do not have final rates/premiums.

We plan to post all of the rates/premiums by Wednesday, October 5, 2011. For the prescription drug plan we will post the rates/premiums using the new rates from the vendor who was awarded the contract. We anticipate these will be the final rates, however; we will include a footnote that the Rx premium could increase depending on the outcome of the appeal.

Be assured that we will have a prescription drug plan available for all employees on January 1, 2012 with the same benefits. We may contract temporarily with our current vendor, informedRx, until the appeal is concluded and we can make an orderly transition to the new vendor.

We apologize for the delay. Please check the EUTF website ([eutf.hawaii.gov](http://eutf.hawaii.gov)) within the next few days for the rates.

In addition, the collective bargaining process is in varying stages with many of the bargaining units which has added to the complexity of providing clear employee cost information.