

May 7, 2007

*(Facsimile sent; original to be mailed)*

Ms. Marie C. Laderta, Chief Negotiator  
State Office of Collective Bargaining &  
Director, Office of Human Resources  
235 South Beretania Street, 14<sup>th</sup> Floor  
Honolulu, HI 96813

**RE: Article XXII, Hawaii Employer–Union Health Benefits Trust Fund**

Dear Ms. Laderta:

The State of Hawaii has just concluded negotiations over new contracts covering a majority of the bargaining units including Unit 06. I am not privy to the actual language of these agreements as it pertains to the state/employer monthly contributions for health insurance. However, it is my belief that certain contribution amounts for specific benefit plans will be increased as a result of these negotiations on July 1, 2007.

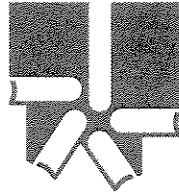
I wish to point you to the 2003-2009 Agreement between the State of Hawaii and the Board of Regents with the University of Hawaii Professional Assembly. In Article XXII, Section E, the language reads:

*From and after plan year 2004–2005, parts B, C, and D of this Article, as amended, shall continue in force; provided that the Employer's percentage rate and monthly contribution for benefit plans in part B, and the Employer's share of family dental cost in part D, shall be not less than the highest rate, monthly contribution, or share paid for any Employee–Beneficiary in any other bargaining unit in the same month.*

UHPA's understanding of this language is that the faculty members covered under Bargaining Unit 07 will receive an employer contribution not less than the highest rate being paid monthly to the employees of any other unit for *each of the benefit plans*. Therefore, if for one unit the contribution of the employer to Kaiser Permanente may be higher than other units, Bargaining Unit 07 participants in the Kaiser Permanente program would receive that higher employer contribution rate.

UNIVERSITY OF HAWAII  
PROFESSIONAL ASSEMBLY

1017 Palm Drive · Honolulu, Hawaii 96814-1928  
Telephone: (808) 593-2157 · Facsimile: (808) 593-2160  
Web Page: <http://www.uhpa.org>



Currently, the Employer–Union Trust Fund (EUTF) is in the midst of an open enrollment period to allow the enrollment and changes in coverage to employee–beneficiaries. It is essential that the employee–beneficiaries in Bargaining Unit 07 be alerted to the actual premiums they will need to pay for benefit plans so that they can make an informed decision. This information must be communicated expeditiously to Bargaining Unit 07 employees as the deadline for the open enrollment period is May 18. If this cannot be done, then the State should extend the open enrollment to allow the employee-beneficiaries to make an informed decision.

If you are in disagreement with UHPA’s interpretation of our current contract language, please contact us immediately so that we can initiate the necessary steps to adjudicate these differences. If you are in agreement, please communicate with the EUTF the employer contributions so that proper adjustments can be made for Bargaining Unit 07 employees. I appreciate your consideration of this very important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "J. N. Musto". The signature is fluid and cursive, with a large initial "J" and "M".

J. N. Musto, Ph.D.  
Chief Negotiator and Executive Director

JNM:pt

Cc: Edward D. L. Yuen, Director of Collective Bargaining, Unit 07  
Jim Williams, Executive Director, EUTF  
Brenna Hashimoto, System Director, Office of Human Resources, UH  
T. Anthony Gill, Esq., Gill & Zukeran