

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

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ADMINISTRATOR DEREK M. MIZUNO

ASSISTANT ADMINISTRATOR

May 17, 2021

Board of Education State of Hawaii P.O. Box 2360 Honolulu, HI 96804

Re: State of Hawaii Employer Contributions for DOE Excluded Members From All Bargaining Units

Dear Members of the Board of Education:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board and staff would like to raise an administrative issue should the State Department of Education (DOE) excluded members (from a bargaining unit) not be provided the employer contributions to EUTF health plans effective July 1, 2021 that were recently ratified by certain bargaining units.

At this time, we understand that the following bargaining units have ratified collective bargaining agreements and employers have decided to implement for excluded employees from all bargaining units, updated employer contributions:

- 1. Bargaining units 01 (non-supervisory employees in blue collar positions), 02 (supervisory employees in blue collar positions), 03 (non-supervisory employees in white collar positions), 07 (University of Hawaii Professional Assembly), and 08 (administrative, professional and technical employees of the University of Hawaii and the community colleges)
- 2. Excluded employees all employers, other than DOE, including the State executive branch; Legislature; Judiciary; University of Hawaii system; Hawaii Health Systems Corporation; City and County of Honolulu; Counties of Maui, and Kauai; and the Board and Departments of Water Supply.

Currently excluded members are not separately identified in our benefits administration system under one bargaining unit code (e.g. BU00) as employers often code them under a subcode (e.g. 73 or 93). Unfortunately, these subcodes are embedded under different bargaining units such as BU13. As a result, we cannot easily change the employer contributions for excluded employees (estimated 3,000 impacted). Fortunately, EUTF staff can program a "fix" at minimal cost and time by moving these excluded employee subcodes to BU00. However, this is an "all or nothing" process. If we are unable to execute this for all excluded employees, it will take significant additional EUTF staff hours (estimated at over 200 hours) to manually identify excluded employees not tied to bargaining units that have ratified the new employer contributions.

Your consideration to this matter is greatly appreciated.

Sincerely,

Derek M. Mizuno Administrator

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.