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TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON SENATE BILL NO. 930 S.D. 2 H.D. 1

April 4, 2017
2:00 p.m.
Room 308

**RELATING TO UNCLAIMED PROPERTY OF THE HAWAII EMPLOYER-UNION
HEALTH BENEFITS TRUST FUND**

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The EUTF Board of Trustees strongly supports this Administration bill. This bill will provide the EUTF with a mechanism to void unclaimed property in a similar fashion to the Department of Budget and Finance Unclaimed Property Program (Unclaimed Property Program). EUTF is not allowed to transmit most unclaimed property to the Unclaimed Property Program because of the Health Insurance Portability & Accountability Act (HIPAA), as the EUTF's unclaimed property contains protected health information.

The EUTF's originally proposed criteria to void unclaimed property (i.e. less than \$500 and outstanding over 10 years) is slightly different (in dollar amounts) than the Unclaimed Property Program (i.e. less than \$100 and outstanding over 10 years) because of the high percentage of EUTF unclaimed property currently outstanding over 180 days,

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.

less than \$350 and greater than or equal to \$100 as of December 31, 2016:

- Less than \$100: 49 (11%) totaling \$1,824 (2%)
- Greater than or equal to \$100 and less than \$350 378 (85%) totaling \$101,705 (89%)
- Greater than or equal to \$350: 18 (4%) totaling \$10,260 (9%)

The high number of unclaimed property less than \$350 and greater than or equal to \$100 results as the majority of the EUTF unclaimed property relates to quarterly Medicare Part B premium reimbursements of \$314.70 (\$104.90 monthly Medicare Part B premium for 2016 x 3 months). As this quarterly reimbursement is expected to increase in the future (e.g. retirees who enroll in Medicare Part B after December 31, 2016 have a higher quarterly reimbursement of \$402 = \$134 monthly premium x 3 months for 2017), EUTF requests a threshold of at least \$500 to avoid continual requests to increase the amount.

Thank you for the opportunity to testify.