

Road to Hana, Maui

SPRING 2020

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Employees' Retirement System
of the State of Hawaii

HOLOMUA

RETIREES & ACTIVE MEMBERS

30th Legislative Session and ERS-Related Legislation

The 30th Hawaii State Legislature opened the second year of its biennium on Jan. 15 and will continue through May 7 when the session will close.

During this session, the ERS is focused on controlling its unfunded liability (obligations that are not sufficiently funded), maintaining its tax-qualified status under the Internal Revenue Code and ensuring that ERS assets remain secure and continue to grow in a volatile and unpredictable market.

The following bills introduced on behalf of the ERS will help to protect the benefits of all ERS members and beneficiaries and will, ultimately, reduce the cost of the plan for taxpayers in the state.

H.B. 2311/S.B. 2867 **Relating to Compensation for the Purposes of ERS Benefits**

This bill amends Sections 88-21 and 88-21.5 to define "compensation" as the base compensation rate designated by the employee's personnel action report notification or certification. The ERS receives payroll reports from eight employers that include the State of Hawaii and the counties. Currently, the various employers define and report compensation inconsistently, and in order to fairly compute retirement benefits for all employees as a tax-qualified plan, the ERS proposes with this bill a definition by which all employees' retirement benefits will be computed fairly and equitably.

H.B. 2312/S.B. 2868 **Relating to Qualified Domestic Relations Orders**

The ERS will begin processing Hawaii Domestic Relations Orders to allow the ERS to make direct payments to alternate payees on July 1, 2020. In order to facilitate its implementation and to provide transparency on ERS benefits payable to parties involved, this bill specifies the benefits

payable and clarifies the process of the development, qualification, approval and application of Hawaii Domestic Relations Orders.

H.B. 2313/S.B. 2869 **Relating to ERS Investments**

This bill identifies specific types of alternative investment fund information, the disclosure of which would likely put the system at a competitive disadvantage, and therefore categorically exempts such categories of information from disclosure under chapter 92F, consistent with market best practices.

ERS, as a prudent investor, engages in diversified investment, including high-yield private alternative investment funds. Due diligence into such investments requires that the system invest time and money for detailed proprietary and confidential information regarding the projected performance of each fund. If the system is required to disclose such confidential information, the system is disadvantaged as a competitive investor. In order to manage such risks, the system currently expends significant efforts in responding to requests for such confidential information.

H.B. 2314/S.B. 2870 **Relating to ERS Disability Retirement**

This bill clarifies the definitions and requirements of service-connected disability and accidental death benefits in order to preserve the benefits as originally intended.

Service-connected disability means a physical or mental incapacity resulting from an accident for the further performance of duty, that at the time of the application is likely to be permanent. An "accident" is an "unlooked-for mishap or an untoward event which is not expected or designed, occurring while in the actual performance of duty at some definite time and place."

See ERS legislation on Back Cover

WORKING TO FULFILL YOUR RETIREMENT DREAMS

Message from the Executive Director

ESG, an ERS Perspective

Environmental, social and governance (ESG) considerations have long been factors integrated into the retirement system's investment decision-making process. ESG considerations include, but are not limited to, climate change, pollution, respect for civil and human rights, working conditions, executive pay, board diversity and structure, including effective oversight. These, along with a range of related and unrelated factors, are being utilized by us when evaluating the long-term investment potential amongst myriad different opportunities. We believe that ESG factors affect the fundamental economic value, risk and return expectations for virtually the full range of investment opportunities being considered, both now and into the future.

The ERS Board of Trustees has elected to express its ESG policy considerations through engagement with companies in which we invest, communications with our investment management partners, through proxy voting and significantly through our membership in and partnership with the global Principles for Responsible Investment (PRI). As a signatory and member of its Climate Action 100, we have joined over 2,800 institutional investors across the globe representing \$86.3 trillion in assets to amplify our voice and impact. We invest in achieving desirable environmental and social goals so long as they do not impair our first objective, achieving the best return for our members.

Some ESG advocates view full divestment of all interests in companies deemed non-compliant with ESG mandates as the best and most appropriate response. While divestment remains an option, we, along with the PRI and the overwhelming majority of public pension plans, view corporate engagement in an effort to effectuate positive change

as the initial, preferred and more effective course of action. While representing a powerfully symbolic initial statement, divestment, as applied to our portfolio would increase our portfolio risk and adversely impact our long-term expected return. Both are results we consciously attempt to avoid.

Fossil fuel investments

The most common target of divestment advocates, have been steadily reduced as a percentage of our investment portfolio. Representing approximately 5% of our investable assets in 2014, fossil fuels now comprise less than 2%. We have gradually and intentionally exited a segment of our fossil fuel investments, not because we adjudged the companies to be bad actors but because of our view that their near- and longer-term earnings prospects were less favorable relative to alternative opportunities. At the same time, the companies within this segment in which we remain are those with whom we are committed to further engagement and who collectively represent some of our best investments and reside in one of our highest performing sectors. Some of these companies, in fact, are leading the transition to renewable energy production. A further and perhaps more important expression of our commitment to ESG principles is to be found in the approximately \$2.5 billion we have invested to date with managers evidencing ESG sensitivity and investment policies underlying their holdings. Our so-called "green" investments are increasing, and are expected to continue to grow.

The ESG focus of this article should in no way be interpreted as reflecting our primary or only investment concern. We weigh every possible investment against as many as 18 different risk factors before deciding it should be



Executive Director Thom Williams testifies during a House Labor Committee hearing on ERS bills on Feb. 6 at the State Capitol.

added to our portfolio. As pension plans fiduciaries, we never lose sight of our fiduciary responsibility to invest for the exclusive benefit and in the best interest of our members. Our first priority is to maximize our risk-adjusted return on investments in order to achieve plan sustainability and, ultimately, full funding. Any failure on our behalf to prioritize our members' interest would represent a breach of our fiduciary responsibility. We are comfortable in integrating ESG considerations only in such instances where our members' best interest and ESG considerations symbiotically coverage.

Willing to listen

Many have different ideas as to when, to what degree and how we should invest. Though we may come to different conclusions, we're always willing to listen. These otherwise legitimate views are often derived from the reality of different perspectives and responsibilities. The push toward complete and total divestment of fossil fuels is viewed by us as a "one size fits all" response which ignores the uniqueness of each public plan as well as the differences in corporate responses to ESG challenges. Each plan has its own risk tolerance, funding level, contribution stream, liquidity profile and demographics. Those shouldering fiduciary responsibility for our plan are best positioned to balance multiple and often competing objectives. As astute practitioners constantly learning and evolving along with our environment, we have concluded one size never fits all. Rather, "one size fits one!" In the long run, we believe our investment activities and practice reflect not only our best professional judgment, but our members' best interests as well.

Mahalo,

Thom Williams



The ERS's Michelle Hinazumi and Nenita Morales participated in a state Department of Human Resources Development benefits fair at the Kauai Marriott Resort last year. They handed out informational materials and answered questions from the membership on the Garden Island.

Report from Elizabeth T. Burton, CAIA, Chief Investment Officer

Aloha Kākou,

This past winter has been an exciting time for the ERS investment office. On Dec. 12, Chief Investment Officer Magazine honored our investment staff with the Industry Innovation Award, “Public Defined Benefit Plan Below \$20 Billion.” The ERS bested five other strong finalists among all sub-\$20 billion plans throughout the U.S. We continue our commitment to innovatively designing a risk-aware portfolio that protects rather than gambles retirement assets, and are humbled and honored that our efforts and accomplishments have been recognized by respected peers and institutions.

The end of 2019 was also exciting on a performance basis. Since the inception of the current investment team (approaching six years), the fund has repeatedly and dramatically outperformed its policy benchmark. The team performed at an annual record, exceeding the benchmark by 300 basis points. In dollar terms, not only did we increase fund assets by \$2.2 billion in one year, but we also added nearly half a billion in outperformance over our benchmark.

Although I mentioned several times over the last few newsletters that the major

restructuring of our portfolio to a risk-aware profile has been accomplished, we continue to refine our asset allocation as the markets warrant. We are not one to make dramatic swings in investments. Our focus on liquidity over the past few decades has positioned us uniquely versus peers to invest thoughtfully in strategies that may help us to preserve our capital as global-risk assets exhibit lower returns. There is a famous adage that there is no free lunch (in investing, or anywhere) other than diversification. While this tenet may be obvious, what is less obvious is where and in what to diversify. Rather than play fortune-teller and predict with perfect precision what opportunities will provide the most cover, we at the ERS believe in diversifying our diversifiers — don’t put all your eggs in one basket.

We already have a stable of diversifiers in our Crisis Risk Offset Portfolio, but we are adding new diverse strategies that will increase our ability to diversify our assets across market environments. One such

strategy we will be expanding is our allocation to macro strategies. Global macro funds are active (as opposed to passive) funds that profit from insights into the underlying economic variables impacting markets. They capitalize on broad market disruptions caused by political or economic events — something we may see in the coming years. They can earn profits across nearly all liquid assets including equities, currencies, bonds, and commodities. As you can see in Table 2, macro strategies have historically been profitable when returns to U.S. equities and U.S. bonds have suffered. While the past is not a guarantor of the future, we do believe that diversifying our portfolio across potential outperformers is prudent to maintain our progress toward our target return and full funding path.

Note that the above returns to macro are simply the industry — all funds, top decile to bottom decile. As demonstrated by our outperformance over the benchmark the past five years I believe our team has proven their prowess in manager and strategy selection. We do not aim for “average,” we aim for best-in-class and our team has proven that they can achieve this.

Once again, our team continues to seek resources and support to best execute our mission so that we may safeguard the assets of our beneficiaries. We will continue to invest prudently, efficiently, and cost-effectively and in the best-in-class investments that we are able to source.

Thank you for allowing me to serve you as your Chief Investment Officer. As always, I am honored by the opportunity.



ERS Chief Investment Officer Elizabeth Burton accepted the Industry Innovation Award for “Public Defined Benefit Plan below \$20 Billion” at the ceremony in New York City in December.

TABLE 1: Total Fund Performance as of 12/31/2019

Category	Market Value	Fiscal YTD	1 Year	3 Years	5 Years	ITD
Total Fund	\$18 Billion	5.3%	15.8%	9.1%	7.1%	7.9%
Total Fund Benchmark		4.8%	12.8%	8.2%	6.3%	7.9%
Excess Return		0.5%	3.0%	0.9%	0.7%	-0.1%

TABLE 2: Macro Strategy Returns During Crises¹

Crisis Event	Time Period	U.S. Equities	U.S. High Yield Bonds	Discretionary Macro Strategies	Systematic Macro Strategies
Russia Crisis / LTCM	June – Sept 1998	-6.30%	-5.52%	N/A	3.66%
Dot.com Crash	May 2000 – Oct 2002	-36.92%	-10.53%	33.17%	5.77%
Global Financial Crisis	July 2007 – Mar 2009	-44.66%	-23.20%	11.17%	20.74%
Sovereign Debt Crisis	Mar – Oct 2011	-4.32%	1.25%	-0.90%	-3.69%

US Equities: S&P 500 Index; US High Yield Bonds: Bloomberg Barclays B US High Yield Index; Discretionary Macro: SG Macro Trading Index; Systematic Macro: HFRI Macro Systematic Diversified Index.¹

Source: Bloomberg

Mahalo,
Elizabeth T. Burton, CAIA
Chief Investment Officer

Hirai, Yap join Board of Trustees

Chairman Emmet Kane introduced new trustees Craig Hirai and Bennett Yap at the first meeting of the year of the Board of Trustees on Jan. 13.

Kane and Jerry Rauckhorst were re-elected as board chair and vice-chair, respectively. Gov. David Ige appointed Hirai as the director of the state Department of Budget and Finance, effective Dec. 16, 2019. The budget director serves on the eight-member ERS board.

Yap, elected in December to a six-year term, and Kane, who was unopposed and re-elected, took the oath of office at the ERS offices on Jan. 8. Yap is an IT Manag-

er at the state Department of Labor and Industrial Relations. He fills a general employee seat held by Jackie Ferguson-Miyamoto, who retired in December after serving on the board since 1996. Yap received



New trustees Bennett Yap, left, and state Budget Director Craig Hirai attended their first board meeting on Jan. 13.

about 50 percent of the vote among the three candidates for the general employee seat during the mail-in election conducted by vendor KMH LLP last year. A total of 25,666 ballots were received. The board accepted the election result at its meeting on Dec. 9. The other candidates were Ray Matsuura and Ryan Morita.

Hirai served as executive director of the Hawaii Housing Finance & Development Corporation (HHFDC), from 2013 until his appointment as budget director.

The eight-member Board of Trustees is the governing body of the ERS, and includes four trustees elected by the membership: two general employees, a teacher and a retiree. The governor appoints the four other trustees.

HiDRO program to begin July 1

Starting in July 2020, the Employees' Retirement System will provide the option of direct payment of a portion of retirement benefits to an alternate payee, such as a member's spouse or former spouse, through a Hawaii Domestic Relations Order.

The Hawaii Domestic Relations Orders (HiDRO) law, Hawaii Revised Statutes, Section 88-93.5, Distribution of property in a divorce action, takes effect on July 1. A HiDRO is a domestic relations order (DRO), filed with a court, and qualified by the ERS. It allows the ERS to pay a portion of

a retirement benefit, either a monthly fixed amount or percentage or a lump sum (if applicable), to an alternate payee. Starting on the effective date of the law, the ERS will provide model domestic relations order forms to be used for the purposes of obtaining a HiDRO.

There will be separate forms for pre-retirement (active employee or former employee with vested status) and post-retirement (current retiree). The ERS will charge a fee, to be approved by the Board of Trustees, for review of any HiDROs forms.

For a pre-retirement, the HiDRO can be applied to retirement benefits, including a monthly pension and a portion of a refund, if

the retiree chooses a retirement option with a refund (hybrid or contributory members only). The HiDRO would be applied at the time of the member's or former member's retirement. For a post-retirement, the HiDRO can only be applied to a monthly pension and will be applied in the month after a court-filed DRO is qualified by the ERS.

The HiDRO also can be applied if the member chooses to withdraw their accumulated contributions (hypothetical balance for hybrid members) before retirement. The withdrawal of accumulated contributions is only allowed when a member is no longer employed in a position that requires ERS membership and meets other requirements. After a withdrawal, the former member is no longer eligible for a retirement benefit.

It is important to note that ERS direct payments to an alternate payee will not commence until a court-filed DRO is qualified as a HiDRO by the ERS. Starting on July 1, members, spouses and former spouses will be able to request relevant member information prior to deciding whether to pursue a HiDRO. For a spouse or former spouse, a Complaint for Divorce or Divorce Decree is required when making the request.

Materials, instructions and information related to the HiDRO program will be available on the ERS website (ers.hawaii.gov) on July 1. Interested parties can call the ERS after July 1 for more information. The ERS will assist in explaining the program, the model forms and other procedures, but does not provide legal or financial advice. We recommend you contact a professional to help you with those questions.

FOR ACTIVE & RETIREES

ACTIVE MEMBERS

ERS Brown Bag Sessions

As a reminder, here are the remaining Brown Bag sessions for 2020:

DATES	RETIREMENT PLAN	TIME	LOCATION
April 24 August 27 October 20	HYBRID – TIER 1	11:30 p.m. to 12:30 p.m.	City Financial Tower-ERS 201 Merchant Street Suite 1400
September 22	HYBRID – TIER 2		
April 8 September 10 October 6	NONCONTRIBUTORY		

To register, please call our office at 586-1735 at least one week prior to the scheduled workshop. Each session is limited to thirty-five (35) members. On the day of the session, please report to the 14th floor in our building and staff will accompany you to the conference room. Feel free to bring your lunch, too. Limited parking is available in our building.

Your Ohana Counts!

Complete your Census questionnaire

Households across Hawaii and the rest of the United States are being counted in the biggest peacetime operation the U.S. government undertakes—the decennial Census. The Census,

which is a once-a-decade count of every person living in the United States, determines political

representation, fuels federal funding to the states and impacts state and local planning of roads, schools, care centers and more.

Census data are used to fund Medicare and Medicaid, housing assistance, school lunches and many other programs important to our local communities. Census data are used to forecast population and economic growth, determine the unemployment rate, estimate housing needs and study important topics like the minimum wage and the self-sufficiency income needed for Hawaii families.

Earlier in March, invitations were sent by mail to fill out the census questionnaire online or by phone. Both online and over the phone, the questionnaire will be translated into Chinese, Vietnamese, Korean, Tagalog, Japanese and Spanish and other languages. If you did not respond in two weeks, a reminder and a paper questionnaire would be mailed. If you still haven't responded by the end of April, a census taker hired by the U.S. Census Bureau will follow up in person to make sure you're counted.

If you respond online, over the phone, or with the paper questionnaire by the week of April 20, you won't receive a knock at your door by a census worker. From May through July, though, you may still see census workers out in your neighborhood following up with neighbors who haven't responded. You can identify a census worker through their ID badge, which includes their name, photograph and a Department of Commerce watermark. They will also be carrying an official Census Bureau bag and an electronic device, such as a laptop or smartphone, with the Census Bureau logo on it.

The Census Bureau will never ask you for your Social Security number, donations, anything on behalf of a political party, or for your banking or credit card information. If you suspect fraud or a scam, call the Local Census Office in Honolulu at (808) 650-6611 to talk with a Census Bureau representative. Learn more at https://census.hawaii.gov/census_2020.

Submitted by the Hawaii Government Complete Count Committee

FOR ACTIVE & RETIREES

UA 'IKE ANEI 'OUKOU? DID YOU KNOW?

The ERS updated more than 5,000 addresses for members, former members and retirees during the second half of 2019. Help us keep your contact information current through your personnel office (active members) or by contacting the ERS (<http://ers.ehawaii.gov/resources/contact-us>). You may also submit a mailing address change form (ERS-211) by mail or by dropping it off at one of our offices. (<http://ers.ehawaii.gov/wp-content/uploads/2012/02/ERS-211-Mailing-Address-Change.pdf>). The mailing list is used by ERS to provide important updates, retiree tax information, the quarterly newsletter *Holomua* (retirees only), as well as to receive ballots for trustee elections.

Tax information follow-up

If you received benefits from the ERS during 2019, your Form 1099-R was mailed to your home address by Jan. 31. For foreign addresses, the Form 1042-S was mailed by Feb. 28. If you haven't received your form, please call our office to request

a reprint. Please allow at least one week for mail delivery to a U.S. address and two weeks for delivery

to a foreign address. If your address has changed, please provide us with a new address when requesting a duplicate form.

For those who received benefits from ERS during 2019 due to either a service-connected (work-related) disability or death, an Annual Nonreportable Benefit Notice was mailed to your home address by Jan. 31. This notice applies to the portion of your pension benefits that are considered payments in the nature of workers' compensation and, therefore, are excludable from gross income under Internal Revenue Code (IRC) Section 104(a)(1). If a portion of your benefits are taxable, you should have received a 2019

Form 1099-R by Jan. 31.

For more information, you may want to review the Retiree FAQ section of the ERS website <http://ers.ehawaii.gov> (Retirees/Retirees FAQs) or information on the IRS website (<http://www.irs.gov>) such as IRS Publication 575, Pension and Annuity Income, and the instructions for IRS Form 1040 U.S. Individual Income Tax Return.

To change the amount of federal taxes withheld in 2020, please complete Form W-4P, Withholding Certificate for Pension or Annuity Payments. This form is available under the Retirees > Pension Forms section of our website, or call our office to have the form mailed to you. Form W-4P may also be obtained from the IRS or downloaded from the IRS website. For Form W-4P to be valid, enter your name, address, full social security number, withholding election, and sign and date the form. Please also include your phone number and retirement date on the bottom of the form. Allow 4-6 weeks for the change to be made, and refer to the tax withholding tables for the approximate federal income taxes to be withheld.

RETIRED MEMBERS

Oahu Spring 2020 Filing Session

For Oahu members, we would like to remind you that appointments are filling up quickly for our Spring Filing Sessions. **If you plan to retire on June 1, July 1, or August 1 of 2020, you must file your application by the deadline indicated below in the "notable dates"**

section. If you have not already done so, contact our office at (808) 586-1735 to schedule your appointment. Appointment times are 8 a.m., 9:15 a.m., 10:30 a.m., 1 p.m., and 2:15 p.m. Below are the dates for the remaining filing sessions.

FILING SESSION DATES	NOTABLE DATES
April: 1, 7, 9, 15, 17, 21, 23, 27, 29	April 1 = Last day to file for May 1
May: 1, 5, 7, 13, 15, 19, 21, 27, 29	May 1 = Last day to file for June 1
June: 1, 3, 9, 12, 16, 18, 24, 26	June 1 = Last day to file for July 1
July: 2	July 2 = Last day to file for August 1

For Neighbor Island members, please contact our staff on your island directly for an appointment.

Open Enrollment

The Open Enrollment period for all EUTF Active Employee Health and Life Insurance plans, including HSTA VB plans, will be April 1–30, 2020.

Now is the time when you should stop and think about health coverage for yourself and your family and determine which plan will best meet your needs for the new plan year (July 1, 2020 through June 30, 2021). Open Enrollment is your only opportunity to make changes without a qualifying event during the plan year (e.g., marriage and birth). EC-1/EC-1H enrollment forms must be submitted to your employer's Open Enrollment designee by April 30, 2020.

Here are some important dates to remember:

- **Open Enrollment election period: April 1–30, 2020**
- **Rate changes effective: July 1, 2020**
- **Plan period: July 1, 2020 through June 30, 2021**

Visit EUTF's website at eutf.hawaii.gov to review the 2020 Active Employee Reference Guide and find dates, times and locations of Open Enrollment Informational Sessions to hear a 35-minute presentation about health and wellness programs offered through your EUTF plans. EUTF and health insurance carrier representatives will be available after the sessions to answer questions.

Medicare Part B

Premium Reimbursements for 2020

If your (and/or your spouse's) March 2020 quarterly Medicare Part B premium reimbursement was less than the standard \$144.60 per month (\$433.80 per quarter) but should be greater, submit a copy of your 2020 Social Security Administration (SSA) letter indicating your Medicare Part B premium.

If your (and/or your spouse's) 2020 Medicare Part B premium is greater than the standard \$144.60 per month, provide EUTF with a copy of your SSA letter or Centers for Medicare and Medicaid Services (CMS) invoice indicating your Medicare Part B premium. Members have

Benefit Plan Changes Effective July 1, 2020

HMSA Medical Plans

Added coverage of 3D digital breast tomosynthesis screenings under the mammography (screening) benefit.

Added air ambulance coverage from Hawaii to the continental United States for critical care treatment when commercial travel is not an option because of the need for life-supporting equipment and/or a medical support team.

KP Medical Plans

Added 40% hearing aid coverage (60% member coinsurance) for one hearing aid per ear every 36 months for EUTF active plans subject to limitations.

In accordance with federal law, pre-exposure prophylaxis (PrEP) for the prevention of HIV infection medication will be covered at \$0 copayment for EUTF and HSTA VB active plans.

CVS Prescription Drug Plans

In accordance with federal law, pre-exposure prophylaxis (PrEP) for the prevention of HIV infection medication will be covered at \$0 copayment for EUTF and HSTA VB active plans.

EUTF 75/25 PPO drug plan calendar year maximum out-of-pocket (MOOP) will increase from \$2,900/\$5,800 (Individual/Family) to \$3,150/\$6,300 effective January 1, 2021.

up to two years to submit a copy of their SSA letter or CMS invoice to receive this higher amount.

Please submit your SSA letter or CMS invoice to the EUTF, 201 Merchant Street, Suite 1700, Honolulu, HI 96813.

If the EUTF overpays you for any reason, you must return the overpayment to the EUTF. Failure to do so will affect future reimbursements.

Verification of Your Medicare Part B Premium Reimbursement

If you need verification of your Medicare Part B premium reimbursement for Medicaid or another third party, please request by:

Calling (EUTF, Financial Services Branch at (808) 586-7390 ext. 3);

HDS Dental Plans

Added coverage of two additional teeth of Silver Diamine Fluoride (SDF) per date of service and coverage of restorations if placed after 30 days of SDF treatment (EUTF and HSTA VB 100% coverage and the HSTA VB supplemental 50% coverage).

Added coverage of athletic/sport mouth guards for members age 18 and under every 24 months (EUTF and HSTA VB 80% coverage and the HSTA VB supplemental 45% coverage).

VSP Vision Plan

Increased the retail frame allowance from \$120 to \$150. Frames are covered every other year. When shopping for a new frame at a VSP provider other than Costco, Sam's Club and Walmart, your frame may be 100% covered even if the retail price is greater than the frame allowance. Discuss with your VSP provider when making your frame selection.

Increased the contact lens allowance from \$120 to \$130. Contacts covered every year in lieu of glasses (lenses and/or frame).

Removed the contact lens fitting and evaluation costs from the contact lens allowance, keeping the full \$130 allowance available for contact lenses. Member copayment for the fitting and evaluation is capped at \$60 at VSP providers.

If you have any questions regarding these active plan changes, please contact HMSA (Oahu 948-6499 or toll free 1-800-776-4672), Kaiser (Oahu 432-5955 or toll free 1-800-966-5955), CVS (toll free 1-855-801-8263), HDS (Oahu 529-9310 or toll free 1-866-702-3883), or VSP (Oahu 532-1600 or toll free 1-800-522-5162).

Emailing (EUTFaccounting@hawaii.gov); or

Faxing (808-586-2121, Attn: Med B Specialist).

The EUTF will mail the verification letter in about 5 business days to your current address on file.

If a third party is requesting information be submitted directly to them, a HIPAA Authorization Form for Release of Protected Health Information must be submitted with the request (<https://eutf.hawaii.gov/wp-content/uploads/2019/01/HIPAA-Authorization-Form-secured.pdf>). The HIPAA Authorization Form must state "Information pertaining to Medicare Part B premium reimbursements" on line 3 of the form. Contact information including a valid email address of the third party must be provided.

FOR RETIREES

HMSA Members

Preventive Care

HMSA believes preventive care is an investment that can help you at every stage of life. Even if you don't have health problems now, annual visits with your doctor can help you stop future health problems before they start. Your annual visit is included in your HMSA plan. If you are an EUTF active member, ask to schedule your Annual Preventive Health Evaluation (APHE) when you call your physician. All HSTA VB actives and retirees still have a covered physical exam. Either way, we have you covered!

FOR ACTIVE & RETIREES

After-Hours Non-Emergency Care Options for HMSA Members

HMSA's Online Care

Get fast and convenient care with HMSA's Online Care®. This service allows you to see a doctor or other health care provider from the comfort and privacy of your home, office or anywhere you can go online in Hawaii, 24/7, 365 days a year. You can get real-time answers to your health questions and have prescriptions sent directly to your pharmacy. Use Online Care to help with:

- Sudden or acute conditions like bronchitis or ear and sinus infections
- Chronic conditions like allergies, diabetes or hypertension
- Common conditions like headaches, colds or the flu
- Managing multiple medications, side effects or drug interactions
- Getting you on-track with your health and well-being goals

HMSA encourages you to enroll before you become sick or injured. It is easy to register for an account:

- Download the HMSA Online Care app at no cost in the Apple App Store or

Google Play.

- Click Sign Up and enter your information from your HMSA membership card.
- Enter your email address and create a password.
- Select your health plan, enter your HMSA subscriber ID number, and click Continue.

You are done and can use Online Care the next time you need care.

American Well® is an independent company providing hosting and software services for HMSA's Online Care platform on behalf of HMSA.

After-Hours Care

Need care that cannot wait until the next day but is not an emergency? With HMSA, you have convenient care options including after-hours care provided at clinics such as:

Queen's Medical Center – West Oahu After Hours Center

For patients of all ages.
Hours: Monday-Friday 5pm-10pm.
Saturday-Sunday and certain holidays 12pm-8pm.

Phone: 808-691-3115 on Oahu
If you have any questions regarding Online Care, after-hours care or urgent care, please contact HMSA (Oahu 948-6499 or toll free 1-800-776-4672). For a current list of participating urgent care providers, go to hmsa.com/employer/eutf/member-resources.

Kaiser Members

Make 2020 your healthiest year yet! Use these Kaiser Permanente resources to boost your health and well-being all year long.

Preventive care

Knowing your health risks early can help you manage your health and avoid future health problems. To catch problems early, we offer appointments with your health care team, preventive screenings and online tools to help identify certain health issues before they

IMPORTANT

The EUTF is a separate organization from the ERS. If you have any questions about information in these articles, please contact the EUTF directly. Contact information: (808) 586-7390, 1 (800) 295-0089 toll free; email: eutf@hawaii.gov

become serious.

Take an active role in your health care by talking to your doctor. Successful communication with your doctor involves effective two-way communication. To get the best outcome during your visit, prepare for what you would like to discuss ahead of time, ask questions and recap what was discussed.

You can also visit us for preventive services like cancer and diabetes screenings. Getting screening tests regularly may identify breast, cervical, and colorectal (colon) cancers early, when treatment is likely to work best. Talk with your doctor about your screening results and when and how often you should be screened.

Take an online Total Health Assessment and earn rewards

Get a head start with a Total Health Assessment on kp.org/eutf. This easy-to-use online survey gives you a big-picture view of your health and provides personal recommendations to help you reach your wellness goals. Even better for 2020, it takes only 10 minutes to complete.

Your health plan with Kaiser Permanente provides more than just coverage – it's a partnership in health. It connects you to a group of doctors, services and online tools for a total approach to help you stay mentally, physically and emotionally healthy in 2020.

Log on to kp.org/eutf to explore the healthy resources that are available to you through Kaiser Permanente.

Call or visit kp.org/appointments to schedule your preventive exam.



Employees' Retirement System
of the State of Hawaii

201 Merchant Street,
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Contact ERS-Pension

Monday-Friday 7:45am-4:30pm
(Except State Holidays)

For pension related questions,
please contact ERS at:

O'ahu: (808) 586-1735

Kaua'i: (808) 274-3010

Hawai'i: (808) 974-4077

Maui: (808) 984-8181

Moloka'i & Lāna'i

toll-free to Maui:

1 (800) 468-4644, ext. 48181

Continental U.S.

toll-free to O'ahu:

1 (888) 659-0708

<http://ers.hawaii.gov>

Contact EUTF

**Medical coverage/Medicare
reimbursements**

Monday-Friday: 7:45am-4:30pm
(Except State Holidays)

(808) 586-7390;

Toll-free: 1 (800) 295-0089

email at eutf@hawaii.gov,

or mail: 201 Merchant Street,
Suite 1700

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RETIREES & ACTIVE MEMBERS

Ask ERS

Answers to some frequently asked questions:

Q: Is it true that a retiree will receive a final payment in the month of his or her death?

A: Yes. The ERS will make a final payment to the retiree in the month of death in the method that it was normally paid (direct deposit or in a few instances by check). It is important to immediately report the death because any payment made after the month of death would need to be returned to the ERS. It also makes it easier and quicker for ERS to send information to a beneficiary if there are survivor benefits. To report a death, call the ERS at 808-586-

1735. For more information go the ERS website: <http://ers.hawaii.gov/retirees/retirees-death>.

Q: I am considering leaving my job and the state. What do I need to know regarding my ERS retirement plan?

A: Before leaving employment, please contact our office (information on left side of this page) to get up-to-date information on your retirement benefits eligibility, and to make sure the ERS has your correct address and contact information.

ERS legislation

From Front Cover

These definitions must be met in order to qualify for service-connected disability or accidental death benefits.

Recent court rulings have required the ERS to provide service-connected disability retirement and/or accidental death benefits that were never contemplated in determining employer contributions, employee contributions, and employee benefits (including monthly retirement allowance benefits to be provided for an extended duration and at a higher rate, plus the refund of employee contributions), and conse-

quently, increased the State's unfunded liability as a whole. This bill does not alter ERS benefits provided, nor does ineligibility of these benefits preclude eligible members from collecting ERS service retirement, ERS ordinary disability retirement, ERS ordinary death benefits, workers' compensation, or social security disability.

We will update you on the results of this legislative session in the next Holomua. More information on ERS-related and other legislation is available at the Hawaii State Legislature website at www.capitol.hawaii.gov.