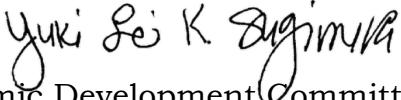


April 1, 2026

MEMO TO: BFED-1 File

F R O M: Yuki Lei K. Sugimura, Chair   
Budget, Finance, and Economic Development Committee

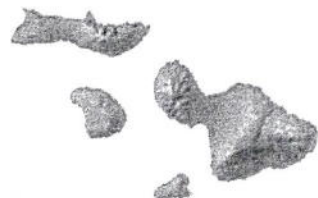
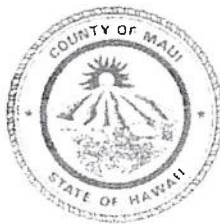
SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO  
PROPOSED FISCAL YEAR 2027 BUDGET FOR THE COUNTY OF  
MAUI** (BFED-1)

The attached informational document pertains to Item 1 on the Committee's agenda.

bfed:2027bgt:260401afile03:kes

Attachment

Received at BFED meeting on 04/01/2026



**RICHARD T. BISSEN, JR.**  
Mayor

**CYNTHIA M. RAZO-PORTER**  
Director


**KAINEA K.G. AIWOHI-ALO**  
Deputy Director

**DEPARTMENT OF PERSONNEL SERVICES**  
**COUNTY OF MAUI**  
**200 SOUTH HIGH STREET**

**WAILUKU, MAUI, HAWAI'I 96793**  
**PHONE (808) 270-7850 \* FAX (808) 270-7969**

Website: [www.mauiCounty.gov/departments/Personnel](http://www.mauiCounty.gov/departments/Personnel) • Email: [personnel.services@mauiCounty.gov](mailto:personnel.services@mauiCounty.gov)

March 25, 2026

Ms. Lesley Milner   
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

Honorable Richard T. Bissen, Jr.  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

**APPROVED FOR TRANSMITTAL**

  
Mayor 3-27-26  
Date

For Transmittal to:  
Honorable Yuki Lei Sugimura  
Chair, Budget, Finance and Economic Development Committee  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Sugimura:

**SUBJECT: HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
(EUTF) (BFED-20(3))**

We are in receipt of your communication (BFED-20(3)), which requests answers to several questions. Please find our responses below.

*Question 1. An estimated annual cost if the County were to pay 100 percent of the health premium contribution for employees, by plan type and bargaining unit. Include the number of employees in each plan type.*

**Response:** The estimated annual cost is \$39 million, status quo. Please refer to table on Page 2.

However, higher-tier plan costs are much more than the basic plans. Fully subsidizing the higher rates would likely result in employees selecting the higher-cost options, which could cost more than \$66 million and would not be financially sustainable.

MEDICAL PLAN	Type of Enrollment	Estimated Employee Enrollment
PPO - 75/25 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	454
	Two-Party	182
	Family	332
PPO - 80/20 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	106
	Two-Party	27
	Family	39
PPO - 90/10 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	34
	Two-Party	8
	Family	9
HMO - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	8
	Two-Party	1
	Family	1
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	464
	Two-Party	162
	Family	340
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	121
	Two-Party	30
	Family	70

*Question 2: An estimated annual cost of extending a comparable benefit to employees enrolled in plans other than HMSA 75/25 and Kaiser Standard, including the cost of a stipend or other parity-based approach.*

**Response:** The estimated annual cost of extending a comparable benefit to employees enrolled in plans other than HMSA 75/25 and Kaiser Standard, including the cost of a stipend is approximately \$4.7 million. This includes bargaining units 11 and 15 whose contracts have not yet been settled.

*Question 3. What is the individual employee's out-of-pocket premium, by plan, that the employer currently pays each month?*

**Response:** The Hawaii EUTF Active Employees Rates are attached and outline the Employee's monthly contribution and Employer's monthly contribution by Benefit Plan. Please refer to Attachment 1.

*Question 4. An estimate of the difference between the current employer share contribution for employees enrolled in the HMSA 75/25 and Kaiser Standard plans and the contribution for employees enrolled in other plans that do not receive the same benefit. Please include the average per employee and the total amount.*

**Response:** Please refer to the table below.

	Employer Contribution	# of Emp	Avg per employee
HMSA 75/25 Plan and Kaiser Standard	\$25,661,188.00	1,934	\$ 13,268.45
All other plans excluding stipend	\$ 5,090,129.04	454	\$ 11,211.74

Please note: The Employer contribution is 90% without the County of Maui Supplemental Agreement for the HMSA 75/25 and Kaiser Standard plans. The HMSA 80/20 plan is the prevalent plan to cost the 60/40 Employer/employee share.

*Question 5. Was the amount the Council appropriated in Fiscal Year 2026 sufficient to extend the health care benefit, or stipend, to all employees? If not, please include the cost difference that would have been needed for FY 2026, how the shortfall was addressed, and the amount that would be needed to provide the benefit to all employees in FY 2027.*

Response: As of today, it appears the amount appropriated in fiscal year 2026 is sufficient. Please note that bargaining units 11 and 15 contracts have not yet been settled. As such, additional employer paid contributions or stipends are not included for those bargaining units. The total amount needed to provide the benefit to all employees in fiscal year 2027 is estimated at \$41,700,000.

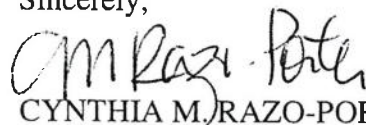
*Question 6. Information on whether the Department has considered a more equitable benefit structure for future fiscal years and, if so, the options being considered. What, if any, policy direction is needed from the Council?*

Response: Currently, basic plan premiums are covered at 100% to ensure all employees have access to affordable health coverage. Without the Supplemental Agreements for 100% employer paid premium, 90% of the basic plan premiums would be paid by the Employer.

To balance equity and fiscal responsibility, the Department is looking at alternatives such as increasing contributions equivalent to 100% of the basic plan premiums toward higher-tier plans. However, this concept remains under review as it requires reconfiguring the EUTF benefit application system, involving additional costs to the Employer, and time to reconfigure and test.

I hope this information is helpful to the Budget, Finance, and Economic Development Committee.

Sincerely,

  
CYNTHIA M. RAZO-PORTER  
Director of Personnel Services

CMRP

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
ACTIVE EMPLOYEES**

COUNTY OF MAUI  
EFFECTIVE JULY 1, 2025  
BU 00, 01, 02, 03, 04, 13

EFFECTIVE JANUARY 1, 2026  
BU 12

Benefit Plan	Type of Enrollment	Semi-Monthly Employee Contribution	Monthly Employee Contribution	Monthly Employer Contribution	Percent Employer	Total
<b>MEDICAL PLANS</b>						
PPO - 75/25 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	-	-	586.10	100.0%	\$586.10
	Two-Party	-	-	1,423.22	100.0%	\$1,423.22
	Family	-	-	1,814.12	100.0%	\$1,814.12
PPO - 80/20 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	178.13	356.26	534.36	60.0%	\$890.62
	Two-Party	432.65	865.30	1,297.92	60.0%	\$2,163.22
	Family	551.57	1,103.14	1,654.70	60.0%	\$2,757.84
PPO - 90/10 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	267.64	535.28	534.36	50.0%	\$1,069.64
	Two-Party	650.18	1,300.36	1,297.92	50.0%	\$2,598.28
	Family	829.09	1,658.18	1,654.70	49.9%	\$3,312.88
HMO - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	329.48	658.96	534.36	44.8%	\$1,193.32
	Two-Party	800.53	1,601.06	1,297.92	44.8%	\$2,898.98
	Family	1,020.87	2,041.74	1,654.70	44.8%	\$3,696.44
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	-	-	561.36	100.0%	\$561.36
	Two-Party	-	-	1,364.12	100.0%	\$1,364.12
	Family	-	-	1,740.22	100.0%	\$1,740.22
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	163.73	327.46	534.36	62.0%	\$861.82
	Two-Party	398.15	796.30	1,297.92	62.0%	\$2,094.22
	Family	508.47	1,016.94	1,654.70	61.9%	\$2,671.64
Supplemental Medical and Prescription Drug - Verdegard Administrators (fka HMA)	Self	-	-	35.96	100.0%	\$35.96
	Two-Party	-	-	64.18	100.0%	\$64.18
	Family	-	-	69.50	100.0%	\$69.50
<b>DENTAL PLAN</b>						
HDS Dental	Self	-	-	40.38	100.0%	\$40.38
	Two-Party	-	-	80.78	100.0%	\$80.78
	Family	-	-	121.16	100.0%	\$121.16
<b>VISION PLAN</b>						
VSP Vision	Self	-	-	4.20	100.0%	\$4.20
	Two-Party	-	-	7.82	100.0%	\$7.82
	Family	-	-	10.22	100.0%	\$10.22
<b>LIFE INSURANCE</b>						
Securian Life Insurance	Employee	-	-	4.12	100.0%	\$4.12