

April 21, 2021

BOARD OF GOVERNORS
HAWAII JOINT UNDERWRITING PLAN
Microsoft Teams Meeting

I. Call to Order

Ms. Maria Carvalho called the meeting to order at 9:02 a.m.

Members Present:

Maria Carvalho
Dennis Dionne (Farmers Hawaii)
Todd Feltman (State Farm)
Reid Higashi (Business Insurance Services, Inc.)
Lance Kawano (First Insurance Company of Hawaii)
Russell Lo
Michael Mitsuka (Allianz Global Corporate Specialty)
Chenise Morrow-Blalock (Hawaii Independent Insurance Agents Association)
Lane Nishioka (Island Insurance)

Others Present:

Daniel Jacob (State of Hawaii Deputy Attorney General)
Jerry Bump (DCCA/Insurance Division)
Kathleen Nakasone (DCCA/Insurance Division)
Rae Oda (DCCA/Insurance Division)
Claire Taise-Chee (DCCA/Insurance Division)
Thomas Assad (AIPSO)
Natalie Benkovich (AIPSO)
Jim Chrones (AIPSO)
Alicia Hanson (AIPSO)
Sherri Palermo (AIPSO)
Edward Sullivan (AIPSO)

Members Absent:

None

II. Reading of Antitrust Statement

The antitrust statement was read by Ms. Carvalho as follows:

“As members of this organization or participants in this meeting, we need to be mindful of the constraints of the antitrust laws. There shall be no discussions of agreements or concerted actions that may restrain competition. This prohibition includes the exchange of information concerning individual company rates, coverages, market practices, claims settlement practices or any other competitive aspect of an individual company’s operation. Each member or participant is obligated to speak up immediately for the purpose of preventing any discussion falling outside the bounds indicated.”

III. Approval of Minutes

Motion to approve the minutes of the January 20, 2021 meeting passed unanimously.

IV. Financial Reports from the Hawaii Insurance Division/AIPSO

Statutory summary report for November, financial statements for the previous quarter, and cash flow projections as of November 2020 and January 2021 were previously distributed to Board members by Mr. Bump. Following discussion, motion to recommend to the Commissioner that he approve a \$1.5 million assessment on member companies when AIPSO issues the policy year closeout passed unanimously.

V. Hawaii Joint Underwriting Plan Servicing Carrier Bid from AIPSO

Mr. Assad presented AIPSO’s proposal to handle the business on behalf of the HJUP, replacing the current servicing carriers. Following discussion, motion to recommend to the Commissioner to move forward with AIPSO’s proposal pending a cost comparison to be provided by AIPSO, clarification of the role of an oversight committee, and identifying the entity that will serve as the “On Island” presence passed with seven Board members in favor and one abstention. (Voting yes: Ms. Carvalho, Mr. Feltman, Mr. Higashi, Mr. Lo, Mr. Mitsuka, Ms. Morrow-Blalock, Mr. Nishioka; Abstaining: Mr. Kawano. Mr. Dionne was not present for the vote due to technical difficulties.)

VI. Next Board Meeting

July 21, 2021 at 9:00 a.m., Microsoft Teams Meeting

VII. Adjournment

The meeting was adjourned at 10:17 a.m.