

July 17, 2024

BOARD OF GOVERNORS
HAWAII JOINT UNDERWRITING PLAN

Queen Liliuokalani Conference Room
King Kalakaua Building, 1st Floor
335 Merchant Street, Room 330
Honolulu, HI 96813

and

Videoconference via Zoom Meeting Application

I. Call to Order (00:00:01)

Mr. Lance Kawano called the meeting to order at 9:00 a.m.

Members Present:

Todd Feltman (State Farm)
Reid Higashi (Business Insurance Services, Inc.)
Lance Kawano (First Insurance Company of Hawaii)
Chenise Morrow-Blalock (Hawaii Independent Insurance Agents Association)
Lane Nishioka (Island Insurance)
Kim Sato (Farmers Hawaii)

Others Present:

Jerry Bump (DCCA/Insurance Division)
Kathleen Nakasone (DCCA/Insurance Division)
Rae Oda (DCCA/Insurance Division)
Claire Taise-Chee (DCCA/Insurance Division)
David Amaral (AIPSO)
Natalie Benkovich (AIPSO)
Jim Chrones (AIPSO)
Alicia Hanson (AIPSO)
Amy Hicks (AIPSO)
Victoria Ivanov (AIPSO)
David Maynard (AIPSO)
Andrea Olson (AIPSO)
Tracy Walsh (AIPSO)

Members Absent:

None

II. Reading of Antitrust Statement (00:02:21)

The antitrust statement was read by Mr. Kawano 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 (00:03:12)

Mr. Feltman moved to approve the meeting minutes from April 17, 2024. Ms. Blalock seconded the motion. With no members objecting, the motion passed unanimously.

IV. Financial Reports from the Hawaii Joint Underwriting Plan (00:03:52)

Mr. Bump provided an overview, noting that AIPSO had basically completed the true-up and assessment of the member companies.

V. Items for Discussion

A. AIPSO Proposal – Commercial Quoting Assistance (00:08:38)

Ms. Hanson presented AIPSO’s proposal to amend the commercial application process to reflect that the commercial quote is prepared by AIPSO Insurance Operations (AIO) commercial underwriting unit beginning October 1, 2024.

Mr. Feltman moved to recommend to the Commissioner to approve the changes. Mr. Nishioka seconded the motion. The motion passed unanimously.

B. AIPSO Proposal – Transfer of Coverages to Private Passenger: Accounting & Statistical Requirements Manual and Underwriting Manual Updates (00:12:03)

Mr. Amaral presented AIPSO’s proposals to update the accounting and statistical manual and to update the underwriting manual. Following discussion, Mr. Feltman moved to recommend to the Commissioner to approve the changes. Mr. Nishioka seconded the motion. The motion passed unanimously.

C. AIPSO Proposal – Increase Limits of Liability (00:21:32)

Mr. Bump reintroduced AIPSO's proposal. In answer to Mr. Nishioka's previously raised question as to whether adoption of the proposal would require a change to the Administrative Rules, Mr. Bump noted that it would require a rule change. Following discussion, the board decided to table the issue for further review before making any recommendation to the Commissioner.

D. Private Passenger Rate Review (01:10:10)

Ms. Hicks presented AIPSO's private passenger rate reviews as requested by the board for CPAI insureds, non-CPAI high risk insureds, and others unable to obtain coverage.

E. Servicing Provider Update from AIPSO (01:29:43)

Ms. Walsh provided AIPSO's servicing provider update.

F. Statutory Changes – HB1686 & SB2342 (01:33:00)

Mr. Bump noted statutory changes resulting from the passage of HB1686, which increases the chiropractic rate from \$75 to \$100 per visit, effective immediately upon signing by the Governor; and SB2342, which increases limits.

VI. Next Board Meeting

Wednesday, October 16, 2024 at 9:00 a.m.

VII. Adjournment (01:35:12)

The meeting was adjourned at 10:38 a.m.