

SUMMARY OF MATERIAL MODIFICATIONS

Date: October 2019

To: ALL PARTICIPANTS
TEAMSTERS LOCAL 639 - EMPLOYERS HEALTH TRUST FUND

From: The Board of Trustees of the Teamsters Local 639 - Employers Health Trust Fund

Subject: Notice of Plan Changes to Specialty Drug Coverage and Opioid Medications

Dear Participant:

This Summary of Material Modifications announces changes to the Fund's coverage for specialty prescription drugs effective January 1, 2020. It also announces changes to the Fund's coverage for Opioid Medications for children and adolescents age 19 and younger effective November 1, 2019.

Please read this document carefully and keep it in a safe place.

Specialty Prescription Drug Coverage

Effective January 1, 2020, all specialty prescription drugs dispensed by CVS/Caremark through their specialty pharmacy will be covered under the prescription drug benefits section of the Plan and at 100% with no participant cost sharing.

This change affects only specialty prescription drugs that are currently dispensed through CVS/Caremark's specialty pharmacy. Specialty prescription drugs are a special classification of medicines for serious and often chronic conditions such as multiple sclerosis, hemophilia, some cancers, organ transplants and Hepatitis C. They can be injected, infused or taken orally and can be self-administered or used in an outpatient setting. Specialty prescription drugs generally have one or more the following characteristics:

- Frequent dosing adjustment and intensive clinical monitoring;
- Need for intensive patient training and compliance assistance;
- Limited availability;
- Specialized product handling and/or administration which may involve patient-specific dosing;
- High cost.

Many of these are reviewed by CVS/Caremark for medical necessity and are only covered after prior approval by CVS/Caremark.

The Fund currently covers most of these specialty drugs dispensed by CVS/Caremark under the *medical benefits* section of the Plan at 80% coinsurance after the medical deductible and then at 100% coinsurance for the balance of the calendar year after the maximum annual out of pocket limit has been met. Other specialty medications such as botulinum toxins (such as "Botox") and oral or powder immunosuppressive agents are covered under the *prescription drug benefits* section of the Plan after a \$20 copayment for preferred brand drugs, \$35 copayment for non-preferred brand drugs or \$5 copayment for generic drugs.

Effective January 1, 2020, all specialty medications processed through CVS/Caremark's Specialty Pharmacy will be covered under the *prescription drug benefits* section of the Plan at 100% coinsurance without any copayment. This means that you will not pay any out of pocket costs for these medications. This change reduces your cost of coverage of these medications and offers additional convenience in obtaining your medications. Prior authorization from CVS/Caremark will continue to be needed for specialty drugs.

Specialty Drugs Processed by CVS/Caremark	Current Coverage	Improved Coverage
	Cost per specialty prescription	Cost per specialty prescription
For those Specialty Drugs covered under pharmacy card program	Generic drug \$ 5 Preferred brand drug \$20 Non-Preferred brand drug \$35	<u>ALL</u> covered Specialty Drugs are now processed under pharmacy card program at no cost
For those Specialty Drugs covered under medical benefit	Deductible and 20% coinsurance up to the medical out-of-pocket limit	

Specialty Drug Process and Formulary

The attachment entitled "Advanced Control Specialty Formulary" contains a list of common specialty medications*. Just like today, many of these medications require prior approval from CVS/Caremark. The attached Specialty Guideline Management (SGM) Therapy and Drug Overview lists some specialty medications that require pre-authorization*. Current drug lists can be found at CVSspecialty.com/DrugList. Their pre-authorization program supports safe, clinically appropriate and cost-effective use of specialty medicines.

*These lists change from time to time. Not all the medications listed are covered under the Fund's plan.

Your doctor can continue to send CVS/Caremark your specialty prescription in a number of ways:

- E-prescribe it to the specialty pharmacy at 800 Biermann Ct., Suite B Mount Prospect, IL 60056; or
- Call 1-800-237-2767 directly; or
- Fax it to 1-800-323-2445

Now, you can also drop off a written prescription at any CVS Pharmacy.

CVS/Caremark's CareTeam will take it from there. They will work with your provider to get the approval. You can chose delivery at home, doctor's office, or pick up at a CVS Pharmacy. Their CareTeam can help you with medicine and disease specific education and counseling such as managing side effects and ensuring you take your medication effectively. They can also remind you when it's time to refill your prescription and answer your questions.

Prescription Drug ID Card

You can continue to use your existing prescription drug ID card with the phone number and website to access information on specialty drugs and other medications.

Current Specialty Drug Users

If you are currently taking a specialty drug dispensed by CVS/Caremark, starting January 1, 2020, you will not pay anything for your specialty medication. You will receive a letter from CVS/Caremark advising you to call the specialty pharmacy hotline at 1-800-237-2767 to set up your specialty profile and provide your ID card information on or after January 1, 2020.

If you have questions, please visit **CVSSpecialty.com** or call **1-800-237-2767 or 1-866-444-8896**. You can also find online support through **www.CVSSpecialty.com**, including disease-specific information and interactive areas to submit questions to pharmacists and nurses.

Opioid Medication Management Program for participants age 19 years and younger

Effective November 1, 2019, the CVS/Caremark Opioid Medication Management Program for prescription drugs will include a new strategy addressing opioid misuse and abuse in children and adolescents age 19 and younger.

The new program is designed to provide protection given the risk of addiction associated with these highly potent medications. Children and adolescents age 19 and younger will be restricted to a three-day or less supply of short-acting immediate release and immediate release combination opioid products. Your physician can apply to CVS/Caremark for prior authorization for a medically necessary longer day supply. Opioid prescriptions for cancer, sickle cell disease or palliative care are exempt from this three-day strategy.

This Summary of Material Modifications describes changes to the Fund's benefits and should be kept with your Summary Plan Description for handy reference and safekeeping.

If you have any questions about these changes, please visit Caremark.com, call Caremark at 1-866-444-8896, or call the Fund Office at (800)-983-2699.

The Trustees continue to reserve the right to amend, modify, or terminate the Fund and any or all benefits provided thereunder.

Sincerely,
Board of Trustees

GRANDFATHERED HEALTH PLAN

This group health plan believes it is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the “Affordable Care Act”). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Fund Office. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866)-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans. You may also contact the U.S. Department of Health and Human Services at www.healthreform.gov.

Attachments: Advance Control Specialty Formulary
Specialty Guideline Management (SGM) Therapy and Drug Overview