



EAST END HEALTH PLAN NEWS & NOTES

Spring 2011

A Periodic Publication from the East End Health Plan

EAST END HEALTH PLAN SETS NEW PREMIUMS EFFECTIVE JULY 2011

The East End Health Plan Board of Trustees met recently to approve new rates for the 2011/12 School Year. A priority of the Plan has always been to provide comprehensive benefits at a cost effective price. The Trustees will continue to closely monitor the operations of the Plan so that the rate of increase in future premiums is as low as possible. The monthly rates which will go into effect as of July 1, 2011 through June 30, 2012 will be:

Individual Policy:	\$682
Family Policy:	\$1,543

In addition to the above rates, the rates for those retirees in the Plan who have Primary Coverage through Medicare will be as follows:

Individual Covered by Medicare:	\$532
One Spouse Covered by Medicare/ One Not Covered by Medicare:	\$1,393
Both Spouses Covered by Medicare:	\$1,243

COBRA RATES:

Individual Policy:	\$695.64
Family Policy:	\$1,573.86

REMEMBER THAT IF YOU PAY YOUR PREMIUMS DIRECTLY, SUCH AS RETIREES, COBRA ENROLLEES OR IF AS AN ACTIVE ENROLLEE, YOUR DISTRICT REQUIRES THAT YOU PAY A PREMIUM CONTRIBUTION, THE AMOUNT YOU PAY DEPENDS ON THE CONTRACT AGREEMENT THAT YOU HAVE WITH THE SCHOOL DISTRICT WHERE YOU ARE/WERE EMPLOYED. IF YOU HAVE QUESTIONS REGARDING YOUR CONTRIBUTION TO THE HEALTH INSURANCE PREMIUM, PLEASE CONTACT THE HEALTH PLAN COORDINATOR AT YOUR DISTRICT.

EAST END HEALTH PLAN PRESCRIPTION DRUG PLAN How You Can Keep Your Costs As Low As Possible

The East End Health Plan continues to provide you with a comprehensive prescription drug plan that is designed to provide you with the prescription medicines that you need. The co-pays for this program are separated into three different categories:

Generic Drugs – These drugs are the lowest cost drugs available to you with a co-pay of only \$2 whether you receive them from a retail pharmacy (30-day supply) or the mail order pharmacy (90-day supply). Generic drugs are equivalent to a brand name drug and the quality of these medicines is strictly regulated by the FDA. When talking to your physician about prescription drugs, always ask about generic medicines in that they will cost you less than the brand name drug.

Preferred Brand Name Drugs – These are drugs that usually do not have a generic alternative available to them. However, they are usually far more expensive than generic drugs. As a result, they have a higher co-pay, \$20 for a retail pharmacy (30-day supply) and \$25 for the mail order pharmacy (90-day supply). It is always a good idea to talk with your physician about preferred drugs if there are no generic alternatives available to you. This will keep your co-pay a low as possible. If you or your physicians have questions about what drugs are preferred, please contact the ProAct Help Desk by calling 888-219-6886. The listing of drugs and what category they are classified under is also available on the ProAct website: www.proactrx.com.

Non-Preferred Brand Name Drugs – These are some of the most expensive drugs and frequently have a generic alternative available to them. Because of their cost and that there are usually more cost effective medicines; these drugs carry the highest co-pays, \$40 for a retail pharmacy (30-day supply) and \$50 for the mail order pharmacy (90-day supply). Furthermore, there is a Mandatory Generic Drug Provision. This means that if there is a direct generic drug available, the enrollee would have to pay the difference in cost between the generic and the brand name drug.

How Does a Drug End Up In One Of These Classifications?

The company that the East End Health Plan contracts with to run our Prescription Drug Program is ProAct. The EEHP transitioned to ProAct from CVS/Caremark on January 1, 2011. Each of these companies is called a Prescription Benefit Manager (PBM). The PBM is responsible for classifying these drugs in a drug listing that they call a Formulary. These Formulary Classifications are subject to change, usually each calendar year quarter.

The Formulary is the list of prescription medications that each PBM considers either preferred or non-preferred. The way each PBM classifies drugs under its Formulary is a complex process in which they rely on independent physicians and pharmacists to assist them in determining how to classify each brand name prescription medication as either preferred or non-preferred.

While there are exceptions, usually if there is no generic alternative for a prescription drug it is classified as a preferred brand name drug and carries a lower co-pay. Once a generic alternative becomes available for a medicine, the prescription drug is usually classified as a non-preferred brand name drug, and carries a higher co-pay. The reason for this is that there is now a much lower cost alternative drug available to you in the form of a generic drug.

Let's use an example: There were a number of EEHP members that were using a sleep aid medicine called Lunesta. Prior to late in the year 2010, there was no direct generic alternative available for Lunesta. As a result, the co-pay for Lunesta was \$20 for a 30-day supply at a retail pharmacy.

Late in 2010, a generic form of Lunesta called Eszopiclone became available. Because the much lower cost generic drug became available, the brand name medicine was reclassified as a non-preferred brand name drug and the co-pay increased to \$40 for a 30-day supply at a retail pharmacy. Furthermore, because there was now a direct generic drug available for Lunesta, the enrollee would have to pay the difference in cost between the generic and the brand name drug.

Those who were unaware of this transition in the drug's classification were faced with a higher co-pay when they went for their next fill. However, most people called the PBM to inquire about the increased co-pay and were told of the generic alternative and saw their co-pay DECREASE from \$40 to \$2 for a 30-day supply at the retail pharmacy.

This is a perfect example of working along with ProAct to actually decrease your out-of-pocket expenses instead of facing an increase in costs.

How Do I Know When a Prescription Drug Changes Formulary Classifications?

It is unusual for a brand name drug to change from a preferred brand name drug to a non-preferred brand name drug, but it can happen. Typically drugs will change classification when a generic drug becomes available for a brand name drug.

With our new PBM, ProAct, we have been able to put in place a system that whenever a drug changes classification from preferred to non-preferred all of the EEHP members that have been taking that medicine will be notified. That will give you the opportunity to speak with your doctor regarding what alternatives are available to you and what your out-of-pocket cost will be associated with the change. Almost always when a drug changes classifications, there is an opportunity for you to actually save money by using a generic instead of a brand name medicine.

What are the Best Ways for Me to Save Money under the EEHP Prescription Drug Plan?

There are a few basic ways to make sure you are minimizing your out-of-pocket costs associated with your prescription:

Formulary Listing - Take a copy of the Formulary Listing with you when you go to visit your doctor. The Formulary Listing that identifies the most frequently prescribed drugs can be easily printed from the ProAct website (www.proactrx.com). Bring this with you when you visit your doctors. Doctors are very familiar with the Formulary Listing and will be able to discuss your options and your co-payments with you if you bring a copy of the Formulary.

ProAct Help Desk - Please contact the ProAct help desk with any and all questions at (888) 219-6886. You will be able to work with a pharmaceutical professional that will be able to answer all your questions and help you identify ways to keep your out-of-pocket costs to a minimum and receive the medicines you need.

Mandatory Generic Substitution Clause – Remember that the EEHP Plan contains a provision that if you take a brand name drug that has a direct generic substitution available for the brand name drug like we described earlier with the Lunesta example, if you continue to take the brand name drug, you will be required to pay the non-preferred brand name drug co-payment plus the difference in cost between the drugs. This could result in significant out-of-pocket costs for you. If this situation occurs, please talk to your doctor about the generic drug so that you do not have to pay the dramatically increased costs. If there are special circumstances that require you to stay with the brand name drug, please contact ProAct at (888) 219-6886 and they will assist you.