

Puget Sound Electrical Workers Trust Funds

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Administered by
Welfare & Pension Administration Service, Inc.

October 31, 2014

**TO: All Active Participants, Retirees, Beneficiaries and COBRA Participants
Puget Sound Electrical Workers Healthcare Trust (the “Plan”)**

RE: Benefit Changes Effective January 1, 2015

This is a summary of material modification describing benefit changes adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Summary Plan Description Booklet.

Effective January 1, 2015, the Plan is being amended with the benefit changes summarized below and where appropriate are reflected on the enclosed Summary of Benefits and Coverage.

Prescription Drug Co-pay Changes

	Tier	Current Co-pay	Effective January 1, 2015
Retail Co-pay (30-day supply)	1	\$10 Generic (\$0 at Costco)	\$10 Generic (\$3 at Costco)
	2	\$20 Preferred Brand	\$25 Preferred Brand
	3	\$40 Non-Preferred Brand	\$50 Non-Preferred Brand
Costco Mail Order Co-pay (90-day supply)	1	\$0 Generic	\$7.50 Generic
	2	\$40 Preferred Brand	\$62.50 Preferred Brand
	3	\$80 Non-Preferred Brand	\$125.00 Non-Preferred Brand

Prescription Drug Program Changes

Formulary Updates

What is a Formulary?

- Your prescription drug benefit features a formulary drug list. A formulary is a list of preferred medications organized into groups, or “Tiers.”
 - Tier 1 drugs are generic drugs and are the first choice whenever possible.
 - Tier 2 drugs are a set of preferred brand-name drugs.
 - Tier 3 drugs are non-preferred brand-name drugs.
- For a full formulary listing, please visit www.envisionrx.com, select Resource Tools, then click on Preferred Drug List.

What are the changes to my benefit?

- Brand drugs which now have a generic alternative available will be placed on the non-preferred brand tier, with the generic versions of those drugs available on the generic tier. These brand drugs are listed in Table A on the enclosed insert.

Please be aware that these changes in tier level may impact your co-pay and/or result in additional penalties if you continue to receive the brand medication when a generic alternative is available.

Implementation of Step Therapy Program Effective January 1, 2015

What is a Step Therapy Program?

A step therapy program is designed specifically for patients with certain conditions that require taking medications regularly. It is the practice of beginning medication therapy for a medical condition with the most cost-effective medication and progressing to other more costly therapy(s) should the initial medication not provide adequate therapeutic benefit. The step therapy approach to care is a way to provide you with savings without compromising your quality of care.

How does the Step Therapy Program work?

In step therapy, medications are grouped into two categories.

- Step 1: First Line medications – medications proven safe, effective, and affordable.
- Step 2: Second Line medications – mostly higher costing brand name medications.

You will first be required to try a recognized First Line medication (Step 1) before approval of a more costly and complex therapy is approved (Step 2). If the Step 1 therapy does not provide you with the therapeutic benefit desired, your physician may write a prescription for a Step 2 medication.

Which drugs will be subject to the Step Therapy Program?

There are two lists of drugs attached to this notice that are subject to the new Step Therapy Program. One list includes specialty drugs and the other list includes standard drugs. For specialty drugs, the Step Therapy Program will apply to new prescriptions only. For all drugs on the standard drug list, the Step Therapy Program will apply for any prescriptions or refills on or after January 1, 2015.

What should I do if I need to take a medication that is a Step 2 on the Step Therapy Program?

If you are in need of a medication that is a Step 2 on any of the step therapy programs, you will need to do one of the following:

- Have your physician write you a prescription for a First Line medication, or
- You will need to submit a Letter of Medical Necessity in order to receive the Second Line medication. Have your physician submit a Letter of Medical Necessity request for your current prescription and quantity, stating that it is medically necessary for you to be on the exact dosage and quantity. A Letter of Medical Necessity is a request that must be submitted annually. You or your physician can begin the Letter of Medical Necessity process by contacting the EnvisionRxOptions Help Desk at 1-800-361-4542.

Should you have questions regarding participating pharmacies or any of these updates within your prescription drug benefit, please contact the EnvisionRxOptions Customer Service Help Desk at 1-800-361-4542. The EnvisionRxOptions Help Desk is here to assist you with prescription questions 24 hours a day, 7 days a week. You may also contact the Administration Office for any additional questions at toll free 1-866-314-4239, option 1.

Always talk to your doctor before discontinuing or changing any medication. If you have medical questions, please contact your health care provider. We encourage you to work with your physician to determine which medication options are best for you.

Other Prescription Drug Benefit Changes

- **Specialty Medication Fill Rule** – All specialty medications are required to be filled at a Costco Specialty Pharmacy. *Effective January 1, 2015, first fill at a retail pharmacy will not be allowed.*
- **Compound Medication Drug Criteria** – A Letter of Medical Necessity (LMN) will be required on all compound medications costing more than \$200.
- **Erectile Dysfunction Medications** – Viagra, Levitra, Stendra, Edex, Caverject, Muse, and Cialis will not be covered for erectile dysfunction. The Plan will only cover Cialis for the diagnosis of Benign Prostatic Hyperplasia (BPH) with a Letter of Medical Necessity from your physician and requires prior authorization.

Emergency Room Co-pay

Effective January 1, 2015, the emergency room co-pay will increase to \$100 for all participants.

Summary of Benefits and Coverage

The Trust is required to provide a **Summary of Benefits and Coverage** (SBC) to all participants and beneficiaries. The enclosed SBC is for the Plan in which you are currently enrolled and replaces any prior SBC you may have received. *Please note: The SBC furnished to the participant will be considered provided to dependents unless the Plan has been advised of a different address for dependents.*

It is important to note that the SBC is only a **summary** and does not replace the Summary Plan Description (Plan booklet). Included in the SBC are “coverage examples,” which estimate what the Plan benefit would be under two common medical situations. If you are eligible or enrolled in Medicare or have primary coverage through another group health plan, this plan’s benefits will be coordinated with that other plan and differ from what’s indicated in the SBC and the coverage examples. **The SBC is not intended to be a cost estimator and should not be used to estimate your actual costs.**

A **Uniform Glossary of Terms** has also been published by the government. This document is intended to describe terms commonly used in health insurance coverage, such as “deductible” and “copayment.” Both the SBC and the Uniform Glossary of Terms have been posted to the Trust’s website at www.psewtrusts.com.

Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions. Should you have any questions, please contact the Administration Office toll free at 1-866-314-4239, option 1.

Board of Trustees

Puget Sound Electrical Workers Healthcare Trust

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Enclosures:

- Envision Table A – Formulary Changes
- Step Therapy Program: specialty and standard drug lists
- Summary of Benefits and Coverage

Table A: Brand Drugs Moving to Non-Preferred Status

Brand Drugs Moving to Non-Preferred Status (Generics are now available)		
DIOVAN® TAB 80MG	ZEMPLAR® CAP 2MCG	LODOSYN® TAB 25MG
DIOVAN® TAB 160MG	ZEMPLAR® CAP 4MCG	TRIZIVIR® TAB
DIOVAN® TAB 320MG	ZEMPLAR® CAP 1MCG	CIPRO® (10%) SUS 500MG/5
DIOVAN® TAB 40MG	TOBI® NEB 300/5ML	CIPRO® (5%) SUS 250MG/5
AVELOX® TAB 400MG	TEMODAR® CAP 100MG	ORTHO EVRA DIS WEEK
AVELOX® ABC TAB 400MG	TEMODAR® CAP 250MG	AVINZA® CAP 45MG
PRANDIN® TAB 0.5MG	TEMODAR® CAP 140MG	AVINZA® CAP 75MG
PRANDIN® TAB 1MG	TEMODAR® CAP 180MG	AVINZA® CAP 30MG
PRANDIN® TAB 2MG	TEMODAR® CAP 20MG	AVINZA® CAP 60MG
EVISTA® TAB 60MG	TEMODAR® CAP 5MG	AVINZA® CAP 90MG
RAPAMUNE® TAB 0.5MG	SORIATANE® CAP 10MG	AVINZA® CAP 120MG
CLEOCIN® PHOS INJ 300MG	SORIATANE® CAP 25MG	HEPSERA® TAB 10MG
CLEOCIN® PHOS INJ 600MG	SORIATANE® CAP 17.5MG	ARICEPT® TAB 23MG
CLEOCIN® PHOS INJ 900MG	MEPRON® SUS	LIDODERM® DIS 5%
DETROL® LA CAP 2MG	EPIVIR® HBV TAB 100MG	PREVPAC® MIS
DETROL® LA CAP 4MG	MEPRON® SUS	XELODA® TAB 150MG
MYCOBUTIN® CAP 150MG	OXSORALEN®-UL CAP 10MG	XELODA® TAB 500MG
ZYMAXID® SOL 0.5%	BENZACLIN® GEL 1-5%	LOVAZA® CAP 1GM
ALPHAGAN® P SOL 0.15%	DIFFERIN® GEL 0.3%	MICARDIS® TAB 20MG
ASTEPRO® SPR 0.15%	ACTONEL® TAB 150MG	MICARDIS® TAB 40MG
VFEND® SUS 40MG/ML	VIRAMUNE® XR TAB	MICARDIS® TAB 80MG
RETIN-A® MICR GEL 0.1%PUMP	LOCOID® LIPO CRE 0.1%	MICARDIS® HCT TAB 80/25MG
RETIN-A® MICR GEL 0.04%PMP	PENNSAID® SOL 1.5%	MICARDIS® HCT TAB 40/12.5
BENZACLIN® GEL 1-5%PUMP	EXALGO® TAB 8MG	MICARDIS® HCT TAB 80/12.5
NIASPAN® TAB 500MG ER	EXALGO® TAB 12MG	LUNESTA® TAB 1MG
NIASPAN® TAB 750MG ER	EXALGO® TAB 16MG	LUNESTA® TAB 2MG
NIASPAN® TAB 1000 ER	NITROLINGUAL® SPR PUMPSRA	LUNESTA® TAB 3MG

1) Specialty Step Therapies

Specialty medication step therapy criteria will only apply to new users of the listed medications.

Drug Category	Primary Treatment (Step one)	Secondary Treatment (Step Two)
Growth Hormone*	Must try and fail Genotropin or Norditropin prior to use of a secondary product	Humatrope, Nutropin AQ, Omnitrope, Saizen, Tev-Tropin
Hepatitis C	Must try and fail Pegasys or Peg-Intron before coverage.	Intron-A, Infergen
Multiple Sclerosis*	Must try and fail Avonex, Copaxone, or Tecfidera prior to use of a secondary product	Aubagio, Betaseron, Extavia, Gilenya, Rebif
Red Blood Cell Formation	Must try and fail Procrit before Aranesp or Epogen.	Aranesp, Epogen,
Rheumatoid Arthritis*	Must try and fail Enbrel and Humira prior to use of a secondary product	Stelara, Simponi, Cimzia, Xeljanz, Actemra, Orencia, Kineret

2) Standard Step Therapies

Drug Category	Primary Treatment (Step one)	Secondary Treatment (Step Two)
Angiotensin Receptor Blocker	Must try and fail Losartan/HCT, Valsartan HCT, or Irbesartan/HCT prior to use of a secondary product	Edarbi, Micardis/HCT, Hyzaar, Cozaar, Avapro, Avalide, Atacand/HCT, Teveten/HCT, Benicar/HCT
Antidepressant	Must try and fail any generic antidepressant prior to the use of a secondary product	Brintellix
Cholesterol/ Fibric Acid Derivative	Must try and fail a generic Fenofibrate prior to utilizing a secondary product	Tricor, Antara, Triglide, Lipofen
Cholesterol/Statin	Must try and fail Simvastatin, Pravastatin, Lovastatin, or Atorvastatin prior to utilizing a secondary product	Crestor 5 mg, Lipitor 10mg /20mg, Lescol/XL, Fluvastatin, Vytorin, Altoprev, Mevacor, Pravachol, Zocor, Livalo
Cox II Inhibitor	Must have been on one (1) generic NSAID in the last 180 days, or currently be on GI, Steroid, or Anticoagulant therapy, or be greater than age 50	Celebrex
Gout	Must try and fail Allopurinol prior to use of secondary product	Uloric, Zyloprim
Insomnia Agents	Must try and fail Zolpidem IR or Zaleplon prior to use of a secondary product	Ambien, Ambien Cr, Zolpidem CR, Edluar, Zolpimist, Sonata, Lunesta
Osteoporosis	Must try and fail Alendronate prior to use of a secondary product	Actonel, Boniva, Fosamax
Proton Pump Inhibitor (PPI)	Must try and fail Prilosec OTC, Omeprazole, Prevacid OTC, Lansoprazole or Pantoprazole prior to utilizing a secondary product	Nexium, Prilosec 40mg, Aciphex, Rabeprazole, Protonix, Prevacid, Zegerid, Dexilant
Selective Serotonin Reuptake Inhibitor (SSRI)	Must try and fail a generic SSRI prior to use of branded product	Viibryd
Serotonin (SSRI) and Norepinephrine Reuptake Inhibitor (SNRI)	If diagnosis is depression, member must try and fail a generic SSRI or SNRI first. If diagnosis is chronic pain, then the member is exempt from step therapy.	Cymbalta