

May 16, 2011

Re: PRESCRIPTION PLAN CHANGES FOR EXCLUSIVE SPECIALTY DRUG PROVIDER AND STEP THERAPY. THIS LETTER DOES NOT PERTAIN TO ANY MEMBER WHO IS IN PERSONAL CHOICE 65, KEYSTONE 65 OR MEDIGAP SECURITY PLAN C

Dear Health & Welfare Participant:

In January of this year, you received a letter from the Fund informing you of the new prescription co-payments that went into effect on March 1, 2011. Those co-payment are as follows:

\$10 Generic
\$25 Brand Name Formulary
\$40 Brand Name Non-Formulary

We also mentioned in that letter that the Fund was researching additional programs to help better manage prescription costs and provide potential savings to you. Beginning June 1, 2011 the Fund will begin two (2) new programs:

- **Exclusive Specialty Drug Provider**
- **Step Therapy**

Exclusive Specialty Drug Provider

Beginning June 1, 2011, the Fund will have CuraScript: Express Scripts' Specialty Pharmacy, as a sole source for getting specialty medication prescriptions filled. The Fund is instituting this for the following reasons:

- CuraScript's highly trained specialty experts, including pharmacists, nurses and patient care coordinators, are available to answer your therapy questions.
- CuraScript's exclusive care management programs ensure that you have the support you need to manage your condition.
- The costs for these specialty medications are extremely high, and having a single service provider of these medications to our members will help the Fund and our members save health care dollars.

Express Scripts will do a direct mailing to members who are affected by this change. CuraScript's toll free number is 1-866-848-9870. This program will include specialty medications for illnesses such as Cancer, Hemophilia, Hepatitis C, Multiple Sclerosis and others. Again, Express Scripts will directly contact members who are affected by this.

Step Therapy

Please note that any participant who is currently taking a specific medication for a condition will be “grandfathered” and will not have to participate in Step Therapy for that medication provided you have had your medication filled within the past 3 months. Step Therapy will apply to all new prescriptions written for new conditions effective June 1, 2011.

Step Therapy is a program designed exclusively for people who have certain conditions such as: Hypertension, Depression, Osteoporosis, Arthritis, Cholesterol, Insomnia, Allergies, Neuropathic pain, Diabetes, Overactive Bladders, Stomach Acid conditions and others.

The Step Therapy program was developed under the guidance of Independent Doctors, Pharmacists and other medical experts. Together with Express Scripts, these medical professionals review the most current research of thousands of prescription medications. Then, they carefully choose the appropriate medication as front-line medications.

Step Therapy helps to manage drug costs by ensuring that patients try frontline, clinically effective, lower cost medication before they “step up” to a higher cost medication. Please visit the health benefits section of our website (www.dc47afscme.org) to find additional information on the Step Therapy program.

Again, this Step Therapy program will begin on June 1, 2011 and will only include prescriptions that are written for a new medical condition for Fund participants. Anyone taking a medication now for any condition will be able to continue with that medication.

If you or a family member are now taking a brand name formulary drug (\$25 co-pay) or brand name non formulary drug (\$40 co-pay) you should consider asking your doctor if there is a generic alternative drug at (\$10 co-pay) that may treat your condition.

Yours truly,

Catherine G. Scott,
Chair
Health & Welfare Fund

Yours truly,

Bob McAllister,
Fund Administrator