

**University of Kentucky
Retiree Prescription Benefit**

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Prescription Benefit Management

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**UK Retiree Prescription
Benefit**

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- Pre-65 (non-Medicare Retirees)
 - Early Retirees
 - Working Retirees
- Medicare Retirees
 - Medicare A and B Participants
 - No longer working

Plan Differences


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Where are Pre-65 Retiree
Rx Benefit and
Medicare Rx Benefit
Different/Same


Pre-65 & Non-Medicare Rx Benefit




- Universal Prescription Benefit for all health plans (UKHMO, PPO, EPO, etc)
- Same Rx Benefit as for Active Employees (use same Rx ID card as when active employee)
- Spouses/Dependents – covered under same ID number as retiree
- Administered by Express Scripts – UK direct access to enrollment




Medicare Retiree Rx Benefit



- UK Medicare PART D Prescription Drug Plan
- New ID card and ID numbers
- Medicare Covered Spouses have own ID card and unique ID numbers
- Administered by Express Scripts CMS (Medicare) controls enrollment



Pre-65 & Non-Medicare Rx Benefit



Actives and Retirees < 65 years

Retail (up to one month supply)

	coinsurance	minimum	maximum
Generic	20%	\$8	\$50
Formulary	40%	\$20	\$60
Non-formulary	50%	\$40	No Maximum

Express Scripts Home Delivery or UK Retail Pharmacies (35-90 day supply)

	coinsurance	minimum	maximum
Generic	10%	\$24	\$100
Formulary	30%	\$60	\$120
Non-formulary	40%	\$120	No Maximum

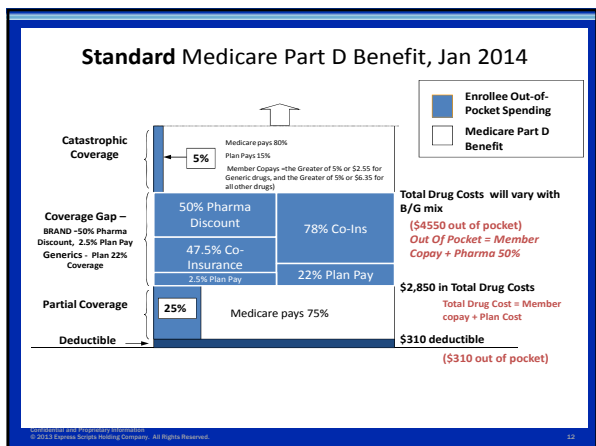
Coverage Differences

	Diabetes Testing Supplies • Pre-65 – Covered on Express Scripts Card • Medicare Rx – Covered on Red, White, Blue Medicare Card
	Medicare B Covered Drugs – Neb Solutions, Transplant Medications, some Oral Chemotherapy • Pre-65 – Covered on Express Scripts Card • Medicare Rx – Covered on Red, White, Blue Medicare Card
	Part D Excluded Drugs – Vitamins/minerals, Cough and Cold • Pre-65 – Covered on Express Scripts Card (if Rx, not OTC) • Medicare Rx – NON-Covered
	Shingles Vaccine • Pre-65 – Covered as Medical or Rx Benefit after age 60 • Medicare Rx – Covered ONLY on Prescription Benefit

UK Medicare Rx Benefit

Express Scripts Medicare (PDP) for the University of Kentucky

- This ***IS*** a Medicare Part D Plan
 - Do not enroll in a different Part D or Medicare Advantage Plan
 - Subject to all CMS Medicare D Requirements



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Medicare Part D – TrOOP

- TrOOP = True Out of Pocket
 - Includes Retiree Copay/Coinsurance
 - Includes – PHARMA 50% contribution in GAP

	Initial Coverage Phase	Coverage Gap Phase
Total Cost of Rx	\$3,000	\$3,000
Member Copay	\$60	\$60
PHARMA Contribution	\$0	\$1,500
TrOOP	\$60	\$1,560

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UK Medicare Part D (EGWP)

EOB

- Medicare required document
- Sent monthly following any Rx activity

The screenshot shows a document header with 'Express Scripts Medicare' and 'August 09, 2013'. It includes a member ID and group number. The main title is 'Your Monthly Prescription Drug Summary'. Below the title, there are several sections: SECTION 1: Your prescriptions during the past month; SECTION 2: Your 'out of pocket costs' and 'total drug costs' (amounts and definitions); SECTION 3: Questions for the plan's drug list that will affect drug you take; SECTION 4: If you see mistakes on this summary or have questions, what should you do? SECTION 5: Important things to know about your drug coverage and your rights. At the bottom, there is contact information for Express Scripts Medicare (ESM) and the University of Kentucky Member Services.

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Medicare Part D – LEP

- LEP = LATE ENROLLMENT PENALTY
 - 1% per Month of Standard Medicare D Premium
 - Receive a letter from Express Scripts
 - Documentation of Creditable Coverage
 - UK Benefits Pharmacist can provide Express Scripts with documentation for you IF you were previously covered on UK Prescription plan

Know Your Rx Pharmacy Services

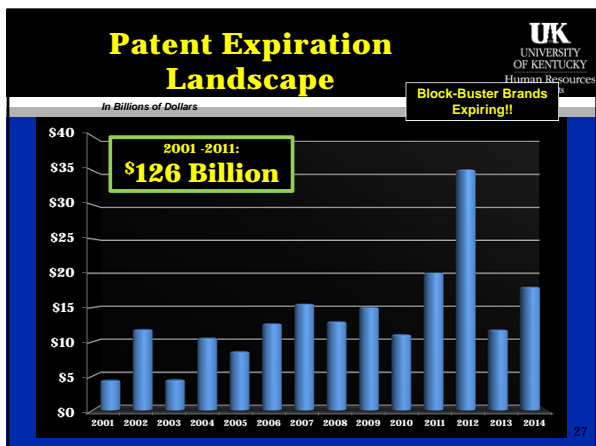


- New Member Services
- Copay Counseling
- ID Cards
- Savings Opportunities
- Medicare Retiree transition
- Therapeutic/Clinical Information
- Physician Liason

Know Your Rx Coalition Current Membership







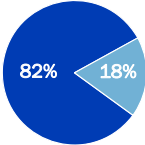
Coupons and Samples **UK**
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 Can SAMPLES **COST** me **MORE** in **COPAYS?**

Coupons/Samples provide low or no-cost first fill
Refills may be more expensive than other lower cost brand or generic alternatives
Products with coupons may be “new” drugs (slightly modified “old” drugs with little or no therapeutic advantage) – Dex, Lev, XR

Market Projection
Rare and Specialty growth **UK**
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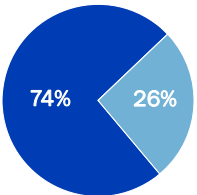
2011



82% 18%

Specialty Rx spend: **\$11 billion**

2014



74% 26%

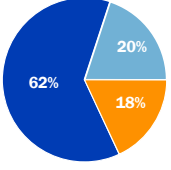
Specialty Rx spend: **\$19 billion**

■ Traditional Pharmacy Spend ■ Specialty Pharmacy Spend

Sources: Express Scripts Drug Trend Report; MarketScan Commercial Database

Specialty growth in pharmacy and medical **UK**
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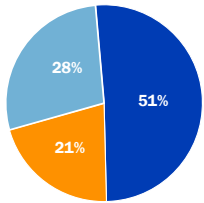
2012



62% 20% 18%

»»

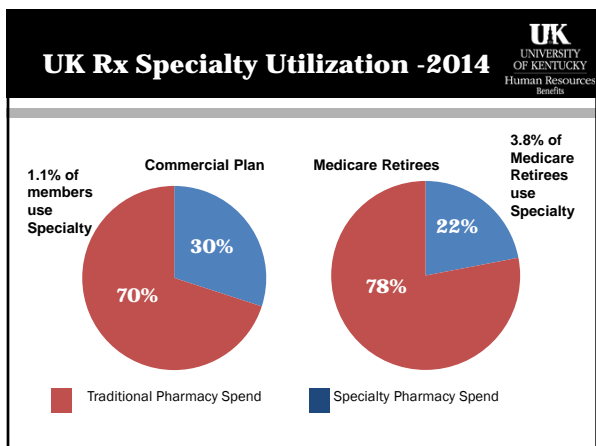
2015



28% 51% 21%

■ Traditional ■ Specialty Pharmacy Benefit ■ Specialty Medical Benefit

Sources: Express Scripts Drug Trend Report; MarketScan Commercial Database



Direct to Consumer/Physician Marketing

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Nasonex

Copay -

Nasonex ~\$89

Fluticasone (generic Flonase) \$8

Flunisolide (generic Nasalide) \$8

Nasacort AQ (OTC) ~\$12

Direct to Consumer/Physician Marketing

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Nexium

Copay -

Nexium \$ 121 Pre-65 Plan
\$60 Medicare Rx (2014)
\$121 Medicare Rx (2015)


Lansoprazole (generic Prevacid) - \$8


Omeprazole (generic Prilosec) - \$8

Pantoprazole (generic Protonix)-\$8

Rabeprazole (generic Aciphex) ~\$18

OTC - Nexium 20mg ~\$18

Medication Copays – Pre 65 Plan 		
Drug	90-Day Supply at Retail Pharmacy (3 x 30 days)	90-Day Supply at Express Scripts Home Delivery Pharmacy or UK Pharmacy
Crestor 5 mg Tablets	\$288	\$205
Avodart 0.5mg	\$219	\$155
Lumigan 0.01% Eyedrops	\$178	\$126
Benicar 20mg Tablets	\$191	\$135
Nasonex Nasal Spray	\$267	\$190
Total Annual Copays	\$4,572	\$3,244

Medication Copays – Medicare Rx 		
Drug	90-Day Supply at Retail Pharmacy (2014/2015)	90-Day Supply at Express Scripts Home Delivery Pharmacy (2014/2015)
Crestor 5 mg Tablets	\$180/\$288	\$120/205
Avodart 0.5mg	\$219	\$155
Lumigan 0.01% Eyedrops	\$178	\$126
Benicar 20mg Tablets	\$191	\$135
Nasonex Nasal Spray	\$267	\$190
Total Annual Copays	\$4,020/\$4,572	\$2,904/\$3,244

Therapeutic Alternatives - Pre-65 Plan		
Drug	90-Day Supply at Retail Pharmacy (3 x 30 days)	90-Day Supply at Express Scripts Home Delivery or UK Pharmacy
Crestor 5 mg Tablets	\$288	\$205
Atorvastatin 20mg	\$24	\$24
Avodart 0.5mg	\$219	\$155
Finasteride 5mg	\$24	\$24
Lumigan 0.01% Eye Drops	\$178	\$126
Latanoprost Eye Drops	\$24	\$24
Benicar 20mg Tablets	\$191	\$135
Losartan 100mg	\$24	\$24
Nasonex Nasal Spray	\$267	\$190
Fluticasone Nasal Spray	\$24	\$24
Previous Annual Copay	\$4,572	\$3,244
New Annual Copay	\$480	\$480

Therapeutic Alternatives - Medicare Rx Plan

Drug	90-Day Supply at Retail Pharmacy (2013/2014)	90-Day Supply at Express Scripts Home Delivery Pharmacy (2013/2014)
Crestor 5 mg Tablets	\$180/\$237	\$120/187
Atorvastatin 20mg	\$25	\$9
Avodart 0.5mg	\$178/\$178	\$140/\$140
Finasteride 5mg	\$27	\$10
Lumigan Eye Drops	\$116/\$145	\$86/\$114
Latanoprost Eye Drops	\$12	\$6
Benicar 20mg Tablets	\$110/\$138	\$82/\$109
Losartan 100mg	\$24	\$8
Nasonex Nasal Spray	\$267	\$190
Fluticasone Nasal Spray	\$15	\$6
Previous Annual Copay	\$4,020/\$4,572	\$2,904/\$3,244
New Annual Copay	\$412	\$372

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Questions?

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