

# Writers' Guild-Industry Health Fund

## Health Benefit Changes

### Summary of Material Modification

January 20, 2014

## A Message From The Board of Trustees

*This document is a Summary of Material Modification (“SMM”) intended to notify you of important updates or changes to certain benefits under the Writers’ Guild-Industry Health Fund (“Plan”) PPO Plan.*

## Prescription Drug Coverage

As you know, there are three categories of prescription drugs under your prescription drug benefit:

- **Generic** — The equivalent to a brand-name original drug and containing identical active ingredients at the same dosage (you will pay the least out of pocket) (Copay – Retail - \$10/Mail - \$20);
- **Preferred brand\*** — A brand-name drug that appears on the Preferred Drug List (PDL) which identifies preferred choices in selected drug categories (you will pay more out of pocket for preferred brand-name drugs than you would for generic drugs) (Copay – Retail - \$15/Mail - \$30); and
- **Non-preferred brand\*** — A brand-name drug that doesn’t appear on the PDL (you will pay the most out of pocket) (Copay – Retail - \$25/Mail - \$36).

*\*There are additional costs to you if you select a brand name drug, whether preferred or non-preferred when there is a generic equivalent available to you. See the summary plan description for further information.*

The Plan’s prescription benefit, managed by Express Scripts (ESI), provides coverage for a wide variety of brand-name and generic medications. A national panel of physicians and pharmacists continually reviews and compares prescription drugs to ensure your drug list includes proven medication to treat medical and mental health conditions.

### **Changes to the Preferred Drug List**

The Plan prescription benefit includes a list of Preferred Drugs that Express Scripts has concluded are either more effective at treating a particular condition than other drugs in the same class of drugs, or are as effective and are less costly than similar medications. Some Non-Preferred drugs may also be covered under the prescription drug program, but at a higher cost-sharing tier. Collectively, these lists of drugs make up the Plan’s Formulary, which is based on Express Scripts’ National Preferred Formulary. The Plan’s Formulary is updated periodically and is subject to change. The Plan’s Formulary was updated January 1, 2014. To see if your medication is on the preferred or non-preferred drug list, please visit the Express Script at [Express-Scripts.com/Health & Benefit Information/Learn about Formularies](http://Express-Scripts.com/Health%20&%20Benefit%20Information/Learn%20about%20Formularies).

### **Changes to the Non-Covered Drug List**

Changes have also been made to the list of drugs that are excluded from the Plan’s Formulary, as thus are not covered. These changes to the Non-Covered Drug List will go into effect beginning April 1, 2014. Should you fill a prescription of a drug from the Non-Covered Drug list you will pay the full non-discounted retail price.

Exceptions to this rule may be authorized in limited circumstances through a Formulary Exception Process managed by Express Scripts. If approved through that process, the applicable Formulary co-pay would apply



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for the approved drug based on the Plan's cost share structure. Your physician may initiate the Formulary Exception Process by calling Express Scripts at (800)753-2851. Exceptions must be requested in advance. If the request for Formulary Exception is denied by Express Scripts, the Covered Participant may appeal the denial to the Fund's Administrative Office.

You should note that the Plan's Formulary includes covered medications across all therapeutic classes. While a covered alternative medication won't be identical to a drug on the Non-Covered Drug List that has been excluded from the Formulary, Express Scripts' Pharmacy and Therapeutics Committee has evaluated these covered alternatives and determined that they are at least as effective at treating the same medical conditions as the excluded drug.

**Here's what this means for you:**

- The medications not on the Plan's Formulary List will not be covered by the Plan.
- If you are currently taking one of these medications, you will be notified in coming days from Express Scripts informing you of steps you should take to obtain an alternative medication. Your doctor can prescribe another medication that is covered and is proven to be effective.
- After **April 1, 2014**, if you try to fill a prescription for a medication that is not covered, and you have not applied for and received approval of an exception, you will be required to pay the full, non-discounted retail price.

To see if a medication is covered on the **2014 Express Scripts Preferred Drug List** or to view the **2014 ESI Preferred Drug List Exclusions**, please visit **Express-Scripts.com** or see the Fund's website at **[www.wgaplans.org/Health Fund/External Links](http://www.wgaplans.org/Health Fund/External Links)**.

### **Frequently Asked Questions (FAQ)**

*Why do medications change Formulary status?*

Medications change formulary status annually with the start of the plan year. Medications change Formulary status due to changes in the marketplace. Each year new brand medications are approved by the FDA. Brand name patents also expire each year allowing less expensive alternatives to become available (i.e. generic equivalents) Express Scripts advises that it selects Formulary medications based on clinical quality and cost effectiveness.

*Why are these medications being excluded from our Plan?*

A national panel of physicians and pharmacists continually reviews and compares prescription drugs to ensure your drug list includes proven medications to treat every condition. Some drugs may no longer be included when other safe and effective alternatives are available. This is a nationwide trend in the pharmacy benefit management industry and represents an important strategy in the effort to control rising health care costs for the benefit of all participants.

*Can Express Scripts help determine alternative medications?*

Express Scripts can advise you as to other medications within the therapeutic class. Contact Express Scripts at (877) 213-3867. You should, of course, discuss all medications with your doctor.



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*If my drug is listed on the Formulary, does that guarantee that it's covered?*

Not always. The Plan can make a determination that certain drugs will not be covered, such as Proton pump inhibitors (PPI), Growth Hormones and Hair-growth stimulators. In certain instances, some drugs listed on the Formulary will require prior-authorization.

*But isn't my doctor the best person to choose the right drug?*

Yes! Your doctor knows you, your condition and your history. This list of medications is the best choice for the vast majority of patients. Your doctor may find a special reason to prescribe a medication that is not on the list. This could be due to an allergy, your past experience with a drug on the list, or a drug interaction. In this case, the Express Scripts Formulary Exception Process needs to be followed.

*Does the Formulary restrict the medications my doctor can prescribe?*

No. Your Formulary just shows the medications that are covered by your prescription drug benefit. Your doctor can always prescribe the medication that he or she believes is most appropriate. If the prescribed medication is not on the Formulary, and you do not obtain an exception in advance, you will pay the full non-discounted retail price for the medication.

*This summary is intended to satisfy the requirement for issuance of a SMM, summary of material reduction and modification to your uniform summary of benefits coverage under ERISA. You should take the time to read this SMM carefully and keep it with the summary plan description ("SPD") that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding this change to the Plan, please contact the Fund Office during normal business hours at: (818) 846-1015 or toll-free (800) 227-7863 or email your questions to [Participantservices@wgaplans.org](mailto:Participantservices@wgaplans.org).*