

May 2022

TO: **ALL ACTIVE PARTICIPANTS AND RETIREES UNDER 65 ENROLLED IN THE INDEMNITY PRESCRIPTION DRUG PLAN (SELF-FUNDED)**
AFL Hotel & Restaurant Workers Health & Welfare Trust Fund

FROM: BOARD OF TRUSTEES

SUBJECT: **INDEMNITY PRESCRIPTION DRUG PLAN CHANGES**

The following are important changes to the Indemnity Prescription Drug Plan.

PLEASE BE SURE TO READ THIS INFORMATION CAREFULLY.

By using the programs as described below, you may limit your out-of-pocket costs for prescription drugs. For assistance contact:

OptumRx Help Desk

Toll Free: 1 (888) 869-4600

Assistance available 24 hours daily. 7 days a week)

Effective July 1, 2022, as set forth below, the Indemnity Prescription Drug plan benefits is changing its Covered Drugs, Drugs Not Covered, Prior Authorization and Co-Payments. Other terms and conditions of the Indemnity Prescription Drug Plan as stated in the May 2019 Summary Plan Description (“SPD”) remain in effect.

COVERED DRUGS

Effective July 1, 2022, only prescription drugs and items listed on the Plan’s list of covered drugs (“Formulary”) that meet the Formulary criteria and restrictions are covered. The Formulary is reviewed throughout the year and is subject to change.

Drugs and items not listed on the Formulary are not covered unless medically necessary and your prescribing physician obtains a prior authorization approved by OptumRx.

To determine if a prescription drug is covered, you may contact OptumRx at 1 (888) 869-4600 or create an OptumRx account and view the Formulary online at www.optumrx.com . To set up an online OptumRx account:

1. Visit www.optumrx.com and register on the home page,
2. Enter information from your Member ID card and
3. Follow the website instructions to create an OptumRx account and profile.

You may also visit the Plans Website: www.unitehere5trustbenefits.com for a direct link to Optumrx.

PRIOR AUTHORIZATION

Certain medications, including medications not on the formulary, require Prior Authorization through OptumRx. To initiate a Prior Authorization, you should work in partnership with your prescribing physician and contact OptumRx to request a Prior Authorization. Your physician will be sent a form to complete and return to OptumRx. You and your physician will receive written notification from OptumRx after the physician’s documentation has been reviewed.

The Prior Authorization Requirements for the Indemnity Drug Plan benefits, remain in effect for the following programs:

- Brand Name Medication with a Generic Equivalent
- Oral Contraceptives
- Step Therapy Program
- Drug Quantity Management Program
- Specialty Medications

DRUGS NOT COVERED

No benefit shall be payable under the Indemnity Prescription Drug Plan for:

- Injectable drugs, including injectable drugs administered by a physician or physician's nurse, other than insulin and medications related to diabetes (Prior Authorization is required for more costly diabetic medications such as Byetta and Victoza)
- Agents used in skin tests for determining allergic sensitivity
- Fertility agents, other than oral in vitro fertilization prescription drugs (Prior Authorization is required)
- Medical equipment, appliances and other non-drug items
- Drugs furnished to beneficiaries confined as a registered bed patient in a hospital or skilled nursing facility
- Drugs for treatment of sexual dysfunction or inadequacies
- Drugs which may be purchased without a prescription
- Compounded medications costing more than \$150
- Any U.S. Food and Drug Administration ("FDA") approved agent released to market within the most recent 6 months is excluded until OptumRx has evaluated and provided clinical criteria for such medications
- New medications with similar composition to existing medications with no additional clinical or efficacy advantage
- Any drugs or products not approved by the FDA or medically unnecessary
- Higher cost generic drugs that have an FDA approved lower-cost generic available
- Non-Formulary drugs, except specified above.

INDEMNITY PRESCRIPTION DRUG BENEFIT PROGRAMS

You have the following options for obtaining covered prescription drugs:

1. Point of Service program
2. Central Fill program
3. Mail Order program
4. Direct Member Reimbursement program

To obtain services through the Point of Service or Central Fill programs, you must use participating or designated pharmacies and present your OptumRx identification card.

To obtain prescriptions through the Mail Order program, you must register with one of the Mail Order providers.

For the Direct Member Reimbursement program, you must file claims directly with the Pharmacy Benefits Manager.

If you have any questions about how to use these programs, please contact the Pharmacy Benefits Manager at 1 (888) 869-4600. A brief description of each program is outlined below.

POINT OF SERVICE (POS) PROGRAM (through any Participating Pharmacy)

The Point of Service prescription drug program is intended for short-term prescription drugs that you need for an acute or limited illness or injury. Under the Point of Service program, you pay the copayments listed below if you obtain your prescription drug from a Point of Service participating pharmacy. For a current list of participating pharmacies in your area, contact OptumRx at 1 (888) 869-4600 or visit OptumRx website.

	<u>Participating Pharmacy</u>
Generic Drugs, Insulin, Diabetic Supplies	\$6.00 copayment
Preferred Brand Name Drugs	\$18.00 copayment*
Non-Preferred Brand Name Drugs	\$28.00 copayment*
Days Supply Limit	Up to 15 days**

* If you request brand name only and a generic equivalent is available, you will be responsible for the brand name copayment plus the difference between the cost of the brand name drug and its generic equivalent.

** For prescription drugs that can only be dispensed in “unbreakable” packages (e.g., creams, ointments, certain inhalers), the days supply limit shall be equivalent to the package size days supply, not to exceed a 30-day supply, with a single copayment charged to the member.

** For oral contraceptives, a single copayment will apply for up to a 30-day supply.

Prescriptions obtained from a nonparticipating pharmacy are NOT covered under the Point of Service program. You are responsible for paying the entire cost of the prescription at the nonparticipating pharmacy and filing a claim under the Direct Member Reimbursement program. Note: If you were charged the full price for your medication at a Point of Service participating pharmacy, please call OptumRx at 1 (888) 869-4600 for assistance.

CENTRAL FILL PROGRAM (through designated Central Fill Pharmacies)

If you need to obtain a long-term or maintenance prescription drug that you take daily or regularly, you may fill your prescription through the Central Fill program. Under the Central Fill program, you fill your long-term prescriptions at any designated Central Fill pharmacy by following the steps below. For a current list of participating Central Fill pharmacies, contact OptumRx at 1 (888) 869-4600 or visit OptumRx website.

To use the Central Fill Program:

Step 1: Obtain a prescription from your doctor.

Step 2: Go to a Central Fill pharmacy and present your prescription and Member ID card.

Step 3: If this is the first time you are taking this drug or dosage of this drug, the pharmacist will fill your prescription for 15 days and you pay the following copayment:

	(Initial Fill) <u>15-day Supply Limit</u>
Generic Drugs, Insulin, Diabetic Supplies	\$6.00 copayment
Preferred Brand Name Drugs	\$18.00 copayment*
Non-Preferred Brand Name Drugs	\$28.00 copayment*

Step 4: If you and your doctor decide to continue to use this drug and dosage, you may obtain a refill for up to a 60-day supply. Call the Central Fill pharmacy refill phone number listed on your prescription at least three days before your prescription supply runs out and request a refill.

Step 5: Go to the Central Fill pharmacy and pick up your prescription refill for up to a 60-day supply at the following copayment:

	Refills <u>60-day Supply Limit</u>
Generic Drugs, Insulin, Diabetic Supplies	\$9.00 copayment
Preferred Brand Name Drugs	\$28.00 copayment*
Non-Preferred Brand Name Drugs	\$44.00 copayment*

* If you request brand name only and a generic equivalent is available, you will be responsible for the brand name copayment plus the difference between the cost of the brand name drug and its generic equivalent.

MAIL ORDER PROGRAM (through designated Mail Order Providers)

If you prefer to have your long-term prescription drugs delivered to your home or mailing address, you may use the Mail Order program. To use this program, contact OptumRx at 1 (888) 869-4600 for a Mail Order Form or visit OptumRx website to order online. Under the Mail Order program, you may obtain up to a 60-day supply at the copayments listed below.

	<u>60-day Supply Limit</u>
Generic Drugs, Insulin, Diabetic Supplies	\$9.00 copayment
Preferred Brand Name Drugs	\$28.00 copayment*
Non-Preferred Brand Name Drugs	\$44.00 copayment*

* If you request brand name only and a generic equivalent is available, you will be responsible for the brand name copayment plus the difference between the cost of the brand name drug and its generic equivalent.

DIRECT MEMBER REIMBURSEMENT PROGRAM

Under the Direct Member Reimbursement program, you may obtain prescription drugs from any legally licensed pharmacy that is not a Point of Service participating pharmacy. You are responsible for paying the entire cost of the prescription at the time services are received and filing a claim for reimbursement with OptumRx. The Trust Fund will pay as follows:

15-day Supply Limit*

Generic Drugs, Insulin, Diabetic Supplies	The Plan reimburses you the remaining Eligible Charge after a \$4.00 copayment.
Preferred Brand Name Drugs	The Plan reimburses you the remaining Eligible Charge after a \$10.00 copayment.
Non-Preferred Brand Name Drugs	The Plan reimburses you the remaining Eligible Charge after a \$10.00 copayment.

* For prescription drugs that can only be dispensed in “unbreakable” packages (e.g., creams, ointments, certain inhalers), the days’ supply limit shall be equivalent to the package size days’ supply, not to exceed a 30-day supply, with a single copayment charged to the member.

How to File a Direct Member Reimbursement Claim

To request a claim form, contact OptumRx at 1 (888) 869-4600 or visit OptumRx website. To use the Direct Member Reimbursement program:

Step 1: Present your OptumRx membership ID card to the provider of services.

Step 2: You should complete Part A of the claim form.

Step 3: The provider who dispenses the drug should complete Part B of the claim form.

Step 4: Mail the completed claim form together with your receipts to OptumRx within 90 days from the date of purchase. Payment will be made directly to you.

Claim forms submitted for prescription drugs purchased from a Point of Service participating pharmacy will NOT be accepted or paid under the Direct Member Reimbursement program. **All claims must be filed within 90 days from the date the drug was purchased. Any claim received by OptumRx after the 90-day period will be denied.**

Should you have any questions or need assistance with any of the above programs, contact OptumRx at 1 (888) 869-4600.

Should you have any further questions, visit the Trust Fund's website at www.unitehere5trustbenefits.com or contact the Trust Fund Office (BRMS) at 808-523-0199; neighbor islands 1-866-772-8989; or email: hiaflinfo@brmsonline.com

Disclosure of Grandfathered Status

The Trust Fund believes its group health plans are "grandfathered health plans" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator, Benefit & Risk Management Services, Inc., at 560 North Nimitz Highway, Suite 209, Honolulu, Hawaii 96817-5315 or 1-808-523-0199. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan. Please keep this important notice with your Plan Document/Summary Plan Description (SPD) for easy reference to all Plan provisions.