

Rx benefit under the Anthem Blue Cross renewal offering. This change will become effective with the 8-1-09 renewal.

New Pharmacy Benefits

New pharmacy benefits are available for renewals effective May 1, 2009 for all Rx plans.

Our enhanced mail order pharmacy benefit now allows employees to get a 90-day mail-order supply for the same cost as a 30-day retail supply for generics. Using our NextRx mail order service can result in savings of over 66% per year of the member's out-of-pocket expenses compared to retail.

New Lumenos plans are now available featuring co-pays. Under these co-pay plans, once an employee satisfies their Lumenos plan deductible, they pay pharmacy co-pays of \$10 for generic, \$30 for brand, \$50 for brand formulary and 30% co-insurance for self-injectables. Once their out-of-pocket maximum is reached, pharmacy scripts will be covered in full. Non-participating pharmacy expenses will continue to be offered as co-insurance. These plans will include the same great mail-order co-pay structure outlined above. Plans with 100% in-network co-insurance will raise in-network out-of-pocket maximums by \$1,000 and \$2,000 for out-of-network.

Generic Premium is a new, affordable plan that includes coverage for generic and select brand-name drugs. The plan encourages the use of generic medications through lower co-pays, yet offers hundreds of medication options in highly utilized categories. While our fully insured customers can realize great savings by encouraging employees to use our mail order service, our self-insured employer groups can require mandatory mail order usage and take advantage of the most savings available.

Mandatory Generic Substitution (MGS) will now be implemented into pharmacy plans that do not currently have MGS. This means when a member requests brand drugs while a generic drug is available, the member will pay the generic co-pay plus the difference between generic and brand, but no more than 50% of the plan's cost of the drug.

Specialty Pharmacy Program

In addition to the mandated changes found on the checklists attached, we want to point out a change in the way specialty medications for specific complex conditions will be handled. (Note: this change may already be included in prior year contract changes).

Specialty medication is usually dispensed as an injectable drug, but may be available in other forms, such as a pill or inhalant. Prescriptions for a specialty pharmacy drug are covered only when ordered through the Specialty Pharmacy Program unless an exception is given by the specialty drug program (see the EOC for details). Specialty drugs can no longer be ordered through mail order or

picked up at the pharmacy. The Specialty Pharmacy Program will deliver the medication by mail or common carrier.

The cost of a specialty pharmacy drug may have to be paid in full if it is not obtained through the Specialty Pharmacy Program. Specialty drugs are limited to a 30-day supply for each fill. For more information about what conditions might fall under the Specialty Drug program as well as the additional care coordination support available to members go to www.anthem.com/ca. Click on pharmacy then click on Specialty Pharmacy Program.

Specialty Pharmacy Drugs (*obtained through the Specialty Pharmacy Program*)

Generic specialty pharmacy drugs	cost is equivalent to retail generic copay
Brand name formulary specialty pharmacy drugs*	cost is equivalent to retail brand formulary copay
Brand name non-formulary specialty pharmacy drugs*	cost is equivalent to retail brand non-formulary copay
Self-administered specialty pharmacy injectable drugs, except insulin	cost is equivalent to retail self-administered injectable drugs or applicable coinsurance

*** If formulary applies**

If you have any questions about this renewal, please feel free to contact me.