



PEEHIP Premium, Benefit, and Policy Changes Issue

Dependent Eligibility Verification Audit Update

The deadline of June 6, 2011, is fast approaching for completing your dependent’s eligibility verification. Secova mailed a Reminder Notice the week of April 28 and a full Reminder Packet the week of May 16 to those who had not submitted the appropriate eligibility documents for their dependents by the requested deadlines.

If you fail to complete the verification process by the deadline of June 6, 2011, your account will be placed on claim hold.

Members can contact Secova 24 hours a day, 7 days a week at 877.616.6345 (toll-free) if you have any questions during this process. Required documentation may be submitted by members in one of three ways:

- ◆ Secure Web site: Scanned and uploaded to <https://deva.secova.com/PEEHIP> (preferred method)
- ◆ Secure Fax: Faxed to Secova at 866.763.3472 (toll-free) (preferred method)
- ◆ Mail: Using the prepaid envelope included in the Verification or Reminder Packet

If you have recently sent in your documentation, you may want to visit Secova’s Dependent Eligibility Verification Web site for PEEHIP members at <https://deva.secova.com/PEEHIP> to confirm receipt and status of the documents or contact Secova at 877.616.6345 (toll-free). ■

Free Medications!

Zero Dollar Copayment Starts July 1, 2011

The PEEHIP Board approved the Zero Dollar Copayment Program effective July 1, 2011, for certain drugs to allow members an opportunity to save money on their copayments for up to three months when they switch from a brand-name Proton Pump Inhibitor medication to the generic therapeutic alternative medication, as shown in the chart. **Starting July 1, 2011, your copayment will be \$0 if you use one of the listed generic alternatives.**

If you or one of your covered dependents fill a prescription for a brand name Proton Pump Inhibitor after July 1, you will receive a letter from MedImpact about your eligibility for PEEHIP’s Zero Dollar Copayment Program and how to receive a therapeutically equivalent generic drug absolutely free for up to three months. This program will save you money on your copayments and will reduce the drug costs to PEEHIP if you continue to use the therapeutically equivalent generic drug medication instead of the brand-name drug. **Your regular copayment for generics after the zero dollar copayment program is over will only be \$6.**

If you and your doctor agree that you are able to switch to the therapeutically equivalent generic drug, you can participate in this special program. Your doctor should write a prescription for the generic medication and indicate on the prescription that the brand-name medication should be discontinued. When

a participating pharmacy processes the new prescription, the computer will automatically charge nothing (\$0) for your copayment for up to three months.

Members who are already taking one or more of the generic medications listed and were not taking the brand-name drug(s) will not be eligible for the zero dollar copayment and will not receive a letter from MedImpact. We thank the members who are taking the lower cost therapeutically equivalent generic medication and pleased that so many members are saving money on their copayments.

Drug Category	Proton Pump Inhibitors
Condition:	Heartburn
Brand Name Drugs:	Aciphex, Dexilant, Nexium, Prevacid (non OTC*), Prilosec (non OTC*), Protonix and Zegerid
Generic Substitutes:	lansoprazole, omeprazole, and pantoprazole

*non-over-the-counter medication

Insurance Premium Rate Information

The PEEHIP Board met in May and voted to make only minimal changes in the premium rates for fiscal year 2012, despite a potential 5.05% reduction in PEEHIP's funding by the Legislature for the upcoming 2012 fiscal year. Changes to the premiums, benefits, and policies implemented last fiscal year to address the funding crisis and provide reasonable assurance of the stability and sustainability of the plan in future years is a contributing factor in the Board's ability to keep the out-of-pocket rate increases at a very minimal amount.

The Hospital Medical premium rates for active employee single and family coverage and the Medicare-eligible retiree single and family coverage will remain the same as last years' rates. The COBRA, Leave of Absence and Surviving Spouse premium rates will all decrease.

The Non-Medicare retiree premium rates will increase by only \$5 for single and \$10 for family coverage due to the increase in the Medicare Part B premium. The premium rates will increase incrementally by 1/3 of the family premium for the grandfathered group of members combining allocations due to the 3-year phase out of the combining of allocations program that began last fiscal year.

Lastly, there will be a minimal increase in the tobacco surcharge and no changes in the rates for the four single or family optional coverage plans. These rates are shown in the chart below and are **effective October 1, 2011**.

PEEHIP Hospital Medical or VIVA/HMO Health Plan	Active Employees	COBRA & Leave of Absence	Active Members & Active & Retired Members Combining Allocations
Single	\$15	\$401	~
Family	\$177	\$960	\$118
Supplemental Medical Plan	\$0	\$159	\$0

PEEHIP Hospital Medical or VIVA/HMO Health Plan	Retired Employees*	Surviving Spouse/Dependent	Retired Members Combining Allocations*
Single/Non-Medicare-eligible	\$151	\$658	~
Family/Non-Medicare-eligible & Non-Medicare-eligible Dependents	\$391	\$847	\$316
Family/Non-Medicare-eligible & Only Dependent Medicare-eligible	\$250	\$816	\$190
Single/Medicare-eligible	\$10	\$328	~
Family/Medicare-eligible & Non-Medicare-eligible Dependent	\$250	\$517	\$190
Family/Medicare-eligible & Only Dependent Medicare-eligible	\$109	\$486	\$73
Tobacco Surcharge**	\$28	\$28	\$28

* These rates are applicable to retired members not subject to the sliding scale rates (based on 25 years of service). Members who retired on or after October 1, 2005, are subject to the sliding scale premium rates which are based on years of service and the cost of the insurance program. A chart illustrating the new sliding scale rates will be posted on the PEEHIP Web site.

** Tobacco surcharge applies to the Hospital Medical and HMO plans only. ■

Approved Benefit Changes to the VIVA Health Plan

Copayment Changes	New Copayments effective October 1, 2011
Outpatient Hospital copayment	\$100
Emergency Room copayment	\$100
Prescription Drug copayments (Note: the generic drug copayment remains \$12)	\$30 preferred drugs \$50 non-preferred drugs

Common Law Spouses are No Longer Eligible Dependents for PEEHIP Coverage

Pursuant to Board action effective May 6, 2011, PEEHIP will no longer approve new common-law spouses as eligible dependents. However, members who currently have a common-law spouse on their PEEHIP coverage will be allowed to produce a valid marriage certificate to remain an eligible dependent no later than **October 1, 2011**. Failure to produce a valid marriage certificate by October 1, 2011, will result in a cancellation of coverage for the common law spouse. The cancelled spouse may enroll in COBRA coverage for up to a period of 36 months if a timely request is made to PEEHIP by the member or spouse.

PEEHIP provides eligibility for a spouse to whom a member is currently and legally married and requires a copy of a marriage certificate to verify eligibility and one additional current document to show proof of current marital status such as one of the following:

- ◆ Page 1 and signature page of member's 2010 Federal Income Tax Return (1040, 1040A or 1040EZ) as filed with the IRS listing the spouse
- ◆ Current mortgage statement, home equity loan, or lease agreement listing both member and spouse
- ◆ Current property tax documents listing both member and spouse
- ◆ Automobile registration that is currently in effect listing both member and spouse
- ◆ Current credit card or account statement listing both member and spouse
- ◆ Current utility bill listing both member and spouse
- ◆ Current utility bill listing the spouse at the same address as the member

Note: "Current" is defined as within the last six months. ■

PEEHIP Board Approves Changes in Prescription Drug Program

PEEHIP Formulary

The Board approved removing two non-preferred drugs, Nexium and Infergen, from the PEEHIP Formulary Drug List effective **October 1, 2011**. See the chart for details. These changes will result in an increase in the amount you pay for these prescription drugs. **All members affected by these changes will be mailed a letter prior to October 1, 2011.** PEEHIP's Formulary is a drug list that helps determine your copayment for each prescription. You will pay a lower copayment of \$40 for the preferred brand drugs and \$6 for the generic drugs on the PEEHIP Formulary List for a 30-day supply. Non-formulary brand drugs have the highest copayment of \$60 for a 30-day supply. The PEEHIP Formulary Drug List is available on the PEEHIP Pharmacy Benefits web page at www.rsa-al.gov/PEEHIP/pharm-benefits.html.

Indication	Non-Preferred Drug Effective 10/1/2011 (\$60 copayment)	Preferred Drug Alternatives (\$40 copayment)	Generic Drug Alternatives (\$6 copayment)
Heartburn	Nexium	none	lansoprazole, omeprazole, pantoprazole
Hepatitis C	Infergen	Pegasys, PegIntron	none

Prior Authorization Program

The medications shown below will require an approved Prior Authorization before they will be covered by PEEHIP.

- ◆ Interferon Agents: Intron A; Infergen; Pegasys; PegIntron
- ◆ Epidermal Growth Factor Receptor Inhibitors: Tarceva; Iressa
- ◆ Pradaxa
- ◆ Synagis

The necessary clinical information must be provided by your doctor's office through a Prior Authorization Review before PEEHIP will consider paying for these medications. This prior authorization process is necessary to prevent unapproved off-label use of these medications. **All members affected by these changes will be mailed a letter prior to October 1, 2011.** The Prior Authorization phone and fax numbers are 800.347.5841 and 877.606.0728, respectively.

Step Therapy Program

The PEEHIP Board approved the following changes (see chart below for details) to the Step Therapy Program:

- ◆ A new Anti-diabetic Agents Step Therapy Program which applies to all new prescriptions written on or after **October 1, 2011**
- ◆ The deletion of the existing Savella Step Therapy Program effective **October 1, 2011**
- ◆ Changes to the existing Proton Pump Inhibitor Program which applies to all new prescriptions written on or after **July 1, 2011**

Condition	Drug Category	Product	Change Made	Effective Date of Change
Diabetes	Anti-diabetic Agents	Cycloset, Kombiglyze	New step therapy program	October 1, 2011
Fibromyalgia	Savella	Savella	Removed product from Step Therapy Program	October 1, 2011
Heartburn	Proton Pump Inhibitor	pantoprazole	Moved from 2nd step to 1st step product	July 1, 2011
		Aciphex, Dexilant, Prevacid, Prilosec, Protonix and Zegerid	Moved from 3rd step to 2nd step products	July 1, 2011

Quantity Level Limit (QLL) Program

Effective **October 1, 2011**, the PEEHIP Board approved the inclusion of the medications shown in the chart below in the QLL Program. A quantity of each medication will be covered by PEEHIP without a Prior Authorization (PA). If your prescription calls for more than the limit specified below, a PA is required. If the PA is not approved, a member may purchase the additional quantity at their own expense. The limits are recommended by the U.S. Food & Drug Administration (FDA) and medical studies based on manufacturers' guidelines. The purpose of the PA is to prevent stockpiling or misuse and also helps PEEHIP control the cost by limiting the "extra" supply of these medications. **All members affected by these changes will be mailed a letter prior to October 1, 2011.**

Brand Name Drug	Maximum Quantity Level Limit per 30 Days
Simponi	#1 50 mg syringe
Cimzia	6 vials first month, then 2 vials monthly
Tarceva	30
Iressa	30
Revlimid	28 per 28 days
Thalomid	56 per 28 days
Pradaxa	60

Maintenance Drug List

The PEEHIP Board approved adding the following medications to the PEEHIP Maintenance Drug List **effective October 1, 2011: warfarin, Coumadin, Januvia, Janumet, Actoplus Met and Actoplus Met XR**. The first fill of new prescriptions for medications on this list is limited to a 30 day supply. After the first fill, members can receive a 90 day supply when the prescription is written as a 90-day prescription and no more than 130 days have lapsed between fills at the retail participating pharmacy. The copay for a 90-day supply is \$12 for generics, \$80 for preferred brand drugs, and \$120 for non-preferred brand drugs. ■