



## Legislature & Governor Bentley Approve Increase in PEEHIP Funding

The Legislature and Governor Bentley approved an increase in PEEHIP’s funding allocation from \$714 to \$780 per active employee resulting in an additional \$77 million in revenue to help fund the \$220 million shortfall in the health insurance program for fiscal year 2015. This increased funding helped prevent out-of-pocket increases for PEEHIP’s active and retired members. ●

## PEEHIP Board Votes No Increases in Premiums, Copays & Deductibles for FY2015

The PEEHIP Board addressed the remaining shortfall at the April 14, 2014, board meeting by authorizing the use of \$107 million from the Alabama Retired Education Employee’s Health Care Trust as necessary to cover retiree health care costs, and by changing the plan language to address issues raised by the Affordable Care Act that would prevent \$36 million in increased costs to the plan

without increasing out-of-pocket costs to PEEHIP members.

PEEHIP members will not have to pay higher premiums, copays or deductibles in fiscal year 2015 as a result of the concerted efforts of the Legislature, Governor Bentley, and the PEEHIP Board. Out-of-pocket rates will remain at the same level as the rates for the fiscal 2014 plan year. ●

## Adjustments to COBRA, Leave of Absence, Surviving Spouse/Dependent and Sliding Scale Retiree Rates

As mandated by federal COBRA Law and state law (Section 16-25A-8(e)) related to Surviving Spouses paying the cost of their coverage, there will be increases to these rates. Also, members who retired on or after October 1, 2005, may experience rate adjustments because their premiums are subject to the sliding scale law

(Section 16-25A-8.1) and are based on years of service and the cost of the insurance program. An age and subsidy component may also apply for members retiring on or after January 1, 2012. The PEEHIP retiree premium calculators with the new rates will be available on the RSA website prior to October 1, 2014.

Hospital Medical or VIVA Health Plan	COBRA & Leave of Absence Rates
Single	\$409
Family	\$1,041
Supplemental Medical Plan	\$156
Hospital Medical or VIVA Health Plan	Surviving Spouse / Dependent Rates
Single/Non-Medicare-eligible	\$700
Family/Non-Medicare-eligible & Non-Medicare-eligible Dependents	\$934
Family/Non-Medicare-eligible & Only Dependent Medicare-eligible	\$907
Single/Medicare-eligible	\$354
Family/Medicare-eligible & Non-Medicare-eligible Dependent	\$595
Family/Medicare-eligible & Only Dependent Medicare-eligible	\$568

# Approved Benefit and Policy Changes

## Effective October 1, 2014



### PEEHIP's New and Improved Wellness Program to Launch August 1

PEEHIP has **Teamed Up For Health** with its strategic partners to launch a new and improved wellness program to help members achieve or maintain a healthy lifestyle. The goals of the program are to also identify and promote early detection and reduce the risk factors to slow the onset and progression of chronic disease and illnesses to enhance wellness and productivity.

In the July *PEEHIP Advisor*, we will provide information on the first step towards improving and maintaining your health by introducing the Wellness Screening process for active members, non-Medicare eligible retirees, and their covered spouses. These screenings are **at no cost** to you and are offered at various screening locations in your area.

Additional resources and services to help you maintain a healthy lifestyle will be offered throughout the wellness program. We want you to build a strong partnership with your health care providers. By maintaining or improving your health, you can live a longer, healthier life and help lower health care costs for you, your family and all insurance plan members. These savings mean we can offer you the most comprehensive plan at the lowest cost. ●

### Annual Out-of-Pocket Maximums

Effective October 1, 2014, the Affordable Care Act (ACA) requires all non-grandfathered health plans to comply with the annual limitation on out-of-pocket (OOP) maximums for in-network services: \$6,350 for single coverage and \$12,700 for family coverage. The PEEHIP Board approved a change to the plan language to comply with the ACA annual limits. PEEHIP covered members with hospital medical coverage will pay no more than the annual OOP maximums for in-network medical expenses (excludes drug copays) during the PEEHIP fiscal plan year (not calendar year). Effective October 1, 2015, PEEHIP will be required to also include drug copays in the annual OOP maximums. This is an enhanced benefit for our members. ●

### VIVA HMO Health Plan

Primary Care Physician copay decreases from \$30 to \$20; Specialist visit copay increases from \$30 to \$40; Surgical, diagnostic services and other outpatient care copay increases from \$125 to \$150; Mental health copay increases from \$30 to \$40; Emergency care copay increases from \$150 to \$175; Chiropractic copay increases from \$30 to \$40; added \$5 copay per lab test; Telemedicine consultation will be added at a copay of \$40 per consultation; specialty drug coinsurance increased from 10% to 20% with an increase in the out-of-pocket maximum from \$1,000 per member per calendar year to \$6,350 per member or \$12,700 per family. ●

## Prescription Drug Program Changes

*Changes do not apply to PEEHIP's Medicare GenerationRx Drug Program or the VIVA Health Plan*

### Drug Formulary Changes

These changes will result in either an increase or decrease in the amount you pay for these prescription drugs. **All members affected by these changes will be mailed a letter prior to October 1, 2014.** PEEHIP's Formulary is a drug list that helps determine your copayment for each prescription. You will pay a copayment of \$40 for the Tier 2 preferred brand drugs and \$6 for the generic drugs on the PEEHIP Formulary List for a 30-day supply. Tier 3 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/index.php/members/peehip/pharmacy/](http://www.rsa-al.gov/index.php/members/peehip/pharmacy/).

The following drugs have been moved from Tier 3 to Tier 2 and will have a lower copay of \$40: Enbrel, Fabior, Mekinist, Tafinlar, Tecfidera, Tivicay, Valchlor, Zubsolv.

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The following drugs have been moved from Tier 2 to Tier 3 and will have a copay of \$60:

Drug Name	Indication	Alternative Drugs (Tier 2 brand or generic)
Berinert	Acute hereditary angioedema	Firazyr
Cimzia	Rheumatoid arthritis, Psoriatic arthritis, Crohns, Ankylosing spondylitis	Humira, Enbrel
Gilotrif	Non-small cell lung cancer	Tarceva
Incivek	Chronic hepatitis C	Olysio, Sovaldi
Khedezla	Depression	paroxetine, venlafaxine ER/IR, fluoxetine, citalopram, sertraline, escitalopram, mirtazapine, bupropion
Onfi susp	Seizures	lamotrigine, topiramate
Pulmicort Flexhaler	Asthma	Qvar, Flovent
Rituxan	Rheumatoid arthritis, Leukemia, Polyangiitis	Enbrel, Humira but depends on diagnosis
Xyrem	Excessive daytime sleepiness	modafanil in some situations

Step Therapy Program Changes Effective 10/1/2014

The PEEHIP Step Therapy Program will have four new programs added, and a revision of five existing programs as shown in the chart below. **Current members utilizing these drugs will be grandfathered from these step therapy requirements.**

Program Name	Indication	Drug Name	Changes/Coverage Criteria
Anticonvulsants	Epilepsy	Trokendi XR	Requires prior use of a 1st step drug within the last 130 days: topiramate
	Partial Onset Seizures	Fycompa	Requires prior use of two 1st step drugs within the last 365 days: carbamazepine, gabapentin, lamotrigine, levetiracetam IR or ER, oxcarbazepine, valproic acid, divalproex, topiramate, zonisamide
Allergies - Intranasal antihistamine (New)	Allergic rhinitis	Astepro, Patanase	Requires prior use of a 1st step drug within the last 130 days: azelastine
Antipsychotic	Schizophrenia	Versacloz	Prior use of two 1st step drugs within the last 365 days: olanzapine, quetiapine, risperidone, ziprasidone
Hormone Replacement/ Menopause Therapy (New)	Vasomotor symptoms (VMS) associated with menopause	Brisdelle	Requires prior use of a 1st step drug within the last 130 days: paroxetine, venlafaxine
Immunologic (New)	Rheumatoid arthritis, psoriasis	Otrexup	Requires prior use of a 1st step drug within the last 130 days: methotrexate tablet or solution for injection
Non-steroidal anti-inflammatory	Analgesia, arthritis	Zorvolex	Requires prior use of a 1st step drug within the last 130 days: diclofenac
Proton Pump Inhibitors	GERD, H pylori, hypersecretory conditions	Esomeprazole strontium	Requires prior use of two 1st step drugs within the last 365 days: lansoprazole, omeprazole, pantoprazole, rabeprazole
Respiratory (New)	Asthma	Asmanex, Pulmicort Flexhaler, Alvesco, Aerospan	Requires prior use of both 1st step drugs within the last 365 days: Qvar and Flovent

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### Prescription Drug Program Changes continued from page 3

Additionally, the following existing Step Therapy programs are being amended/modified: Antidepressant (Khedezla); High Blood Pressure (Epaned); Analgesia/Pain (Pennsaid); Proton Pump Inhibitors (Aciphex Sprinkle; Aciphex); and Anti-hyperlipidemic (Antara).

### Prior Authorization Program Changes

The medications below will be added to the Prior Authorization Drug Program. **A letter will be mailed prior to October 1, 2014, to all members currently utilizing these drugs and the members' prescribing physicians.** The prior authorization requires an FDA approved indication for coverage to prevent unapproved off label use of these medications. Your doctor's office may call the Prior Authorization toll-free 800.347.5841 or fax 877.606.0728 to request a Prior Authorization review.

Drugs to be added to the Prior Authorization List: Bethkis; Gilotrif; MS Agents: Avonex, Betaseron, Copaxone, Extavia, Rebif; Mekinist; Tafenlar; Tivacay; Valchlor; Xyrem; and Zubsolv.

### Quantity Level Limit (QLL) Program

A quantity limit will be placed on the medications shown in the chart below. All QLs are for a 30-day supply unless otherwise specified. **All members affected by these changes will be mailed a letter prior to October 1, 2014.** PEEHIP will cover the quantity of each of these medications without the need for 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 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.

Aciphex - 30 tabs	Mekinist - 0.5mg = 90 tabs; 2mg = 30 tabs
Aciphex sprinkle - 30 caps	Otrexup - 1.6ml (4 injections) per 28 days
Actemra SC - 3.6ml (4 syringes) per 28 days	Patanase - 30.5g (1 bottle)
Aerospan - 17.8g (2 canisters)	Suboxone - 2mg, 4mg, 8mg = 90 films; 12mg = 60 films
Brisdelle - 30 caps	Tafenlar - 120 caps
Cinryze - 20 vials	Tarceva - 30 tabs
Clarinet syrup - 300ml	Trokendi XR - 25mg, 50mg, 100mg = 30 caps; 200mg = 60 caps
Epaned - 1200ml	Versacloz - 540ml
Esomeprazole strontium - 24.65mg = 30 caps; 4 9.3mg = 120 caps	Xyrem - 540ml
Onfi susp - 480 ml	Xyzal soln - 300ml
Fycoppa - 2mg = 120 tabs; 4mg, 6mg = 60 tabs; 8mg, 10mg, 12mg = 30 tabs	Zorvolex - 90 caps
Iclusig - 15mg = 60 tabs; 45mg = 30 tabs	Zubsolv - 1.4mg, 5.7mg = 90 tabs

The quantity limits on the following medications have been deleted: Pegasys - 5 vials, Pegintron - 5 vials. Additionally, the existing limits on the following drugs will have a revised QLL: Alvesco, Asmanex, Clarinet ODT, Pulmicort Flexhaler.

### Drug with Age Limits

Fabior will only be covered for patients 12 years of age and older. This is an FDA recommended safety edit indicated for patients 12 years of age and older. **Members affected by these changes will be mailed a letter prior to October 1, 2014.**

### Concurrent Use Edits

The following two drugs will have concurrent use edits: Suboxone and Zubsolv. If used with an opioid analgesic, the claim for these medications will be denied. This is a safety edit to ensure the appropriate use of these medications. ●