

Prescription Drug Benefit Transition

Department of Human Resources
June 26, 2018

Today

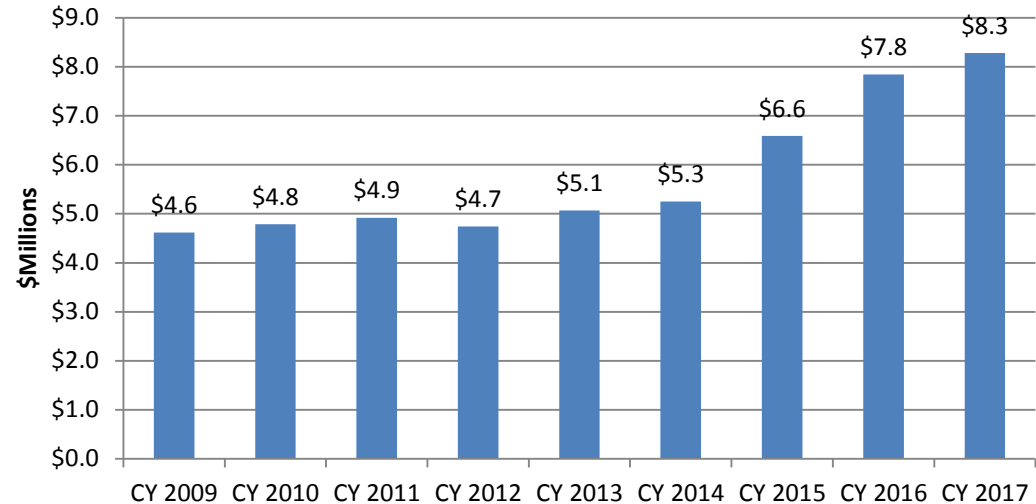
1. Background
2. Impact of PBM Change
3. Implementation Plan
4. Direct Scripts Mail Order Pharmacy

Financial Pressures on Health Plan Expenses

Specialty Rx
utilization driving
recent cost
increases

Self-Insured Rx Paid Claims

Active and COBRA Enrollees



Financial Pressures on Health Plan Expenses

Step 1 – plan changes implemented 1/1/2018

Step 2 – ongoing assessment and
consideration of additional changes

Decision – Change PBM

MedImpact is new PBM

Direct Scripts will fulfill Mail Order Pharmacy

Effective August 1

Impact of PBM Change to MedImpact

Affects Anthem PPO, MMO PPO, Anthem HDHP

No Change in Co-Payments

Similar Retail Pharmacy Network

Mail Order Pharmacy for all Maintenance Rx

Impact of PBM Change to MedImpact

New ID cards

All maintenance Rx will need to convert to mail order

Transition items

YTD Out-of-Pocket Rx costs carryover

PAs grandfathered

Implementation Timeline

Jul. 25-27 MedImpact Welcome Letter mailed

Jul. 23-24 New ID Cards mailed

Aug. 1 New Rx coverage takes effect



CWRU

A PRESCRIPTION TO REDUCE RX COST

JUNE 26TH, 2018



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Introducing Direct Scripts

Direct Scripts is disrupting Pharmacy Benefits by removing middlemen, significantly reducing costs and increasing transparency like Amazon did for publishing.

We are a full service PBM that distributes brand, generic and specialty drugs directly to the consumer through:

- ▶ Our proprietary Direct Scripts Mail order pharmacy for maintenance drugs
- ▶ Our network of 65,000+ retail outlets for acute drugs
- ▶ Our unique specialty pharmacy mail order fulfillment service for specialty drugs.

The cost savings for our customers are achieved through:

- ▶ Our transparent cost plus pricing for mail order maintenance drugs (35%+ savings)
- ▶ 100% rebate pass through to the payer (employer) Formulary control favoring the patient and payer, not the PBM
- ▶ Efficient implementation requiring little employer resources



FAQ's

Question: I currently use mail order/home delivery. How can I make sure I don't run out of medication during the transition to Direct Scripts Mail?

Keep using your current home delivery pharmacy prior to August 1, 2018. On August 1, 2018, most home delivery prescriptions with remaining refills will automatically transfer to Direct Scripts Mail Order Pharmacy. Prescriptions for certain medications will not transfer. Examples include controlled substances and expired prescriptions. In these cases, you'll need a new prescription from your doctor.

Question: How do I know my medications will be received on time with Direct Scripts?

On August 1, 2018, you will be automatically signed up in the Direct Scripts automatic refill program for mail order/home delivery prescriptions. In this program, Direct Scripts will:

Text to notify you that your medication will ship soon (unless you cancel within three business days of the refill notice)

Deliver your medication to the address on file for standard delivery

Bill your credit card for any copayment, coinsurance or amount due.

Question: Once I place a mail order/home delivery order, how quickly will I get my medication?

New prescription orders are delivered by standard U.S. mail and will arrive around 10 business days from the date Direct Scripts Mail receives the order. Refills normally arrive within 7 business days.



FAQ's

Question: What are the advantages of using Direct Scripts home delivery?

Many members find Direct Scripts home delivery to be a convenient, cost-effective and safe option for medications they take regularly.

- Medications are delivered directly to your mailbox, which means fewer trips to the pharmacy
- You will receive up to a three-month supply, which may save you money on copays
- Pharmacists are available by phone to answer questions
- Refills are automatically set up so that you receive and take your medications on time

Question: How do I order my prescriptions from Direct Scripts Mail order pharmacy?

There are four ways to place a home delivery order:

ePrescription. Your doctor can send an electronic prescription to Direct Scripts Mail

Phone. Call the toll-free number on the back of your member ID card

Mail. Mail the original written prescription by your provider to Direct Scripts Mail P.O Box 363071 North Las Vegas, NV 89036

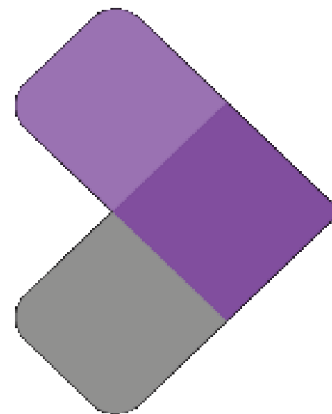
Fax from your Physician: Your physician's office can fax a prescription to: **818-839-5696**



Pharmacy Contact Info

DIRECT
SCRIPTS

7111 Pecos Road Suite 104
Las Vegas NV 89101 (800) 913-1846



Customer Service

E WeCare@DirectScripts.com
P (800) 913-1846 F (818) 839-5696

DirectScripts.com

Pharmacy.DirectScripts.com



Pharmacy Contact Info

**Your doctor can provide a new prescription
for 90-day supply with refills by:**

E-Prescription: Direct Scripts Mail
71 N Pecos Rd Ste 104,
Las Vegas NV 89101 (NCPDP: 2994021)

Fax from your doctor: 818-839-5696

Prescription Voicemail: 800-913-1846

Mail to: Direct Scripts Mail
PO Box 363071, North Las Vegas, NV 89026

Questions?