

Pharmacy Bulletin—September 2009

Important Changes and Information

- January 1, 2010 Pharmacy Formulary Changes
- Managing Specialty Medications
 - Benefit Change for Certain Specialty Medications
 - Retail Specialty Pharmacy Network—Medication List Update
 - New to Market Specialty Medications
 - Reminder: Specialty Medication Prior-Authorization Requirement
- New Retail Pharmacy Network Options Available for Fully Insured Health Plans
- Generic Drug Promotion Mailing

January 1, 2010 Pharmacy Formulary Changes

At Blue Cross Blue Shield of Massachusetts, we make a continuous effort to keep prescription medication benefits affordable by periodically making changes to our covered medication list. Working closely with doctors, pharmacists, and other industry experts, we evaluate our formulary to assess: How effective is a medication? What other medications are available that treat the same condition? How does the cost of a particular medication compare to the cost of similar ones that treat the same condition?

As a result of these evaluations, we have made the following changes to our pharmacy formulary that will go into effect on January 1, 2010. Members who are affected by these changes will be receiving a notification from us no later than December 1, 2009.

Medications Moving to Non-Covered Status in Our Standard and BlueValue RxSM Formularies

The following is a list of medications that will no longer be covered and a list of their covered alternatives. A drug is moved to non-covered status after careful clinical consideration and an evaluation of its cost relative to its alternatives. For example, one of the changes we are making for January 1 is

to move Zocor, a cholesterol lowering medication, to non-covered status. There is a generic equivalent, simvastatin, in addition to several other options, that help to control pharmacy costs for everyone. When medically necessary, a physician may request an exception to have a non-covered drug covered.

| Non-Covered Medication | Alternative Covered Medication |
|-----------------------------|--------------------------------|
| Allergy | |
| Flonase | Fluticasone Propionate |
| Antidepressant | |
| Prozac | Fluoxetine HCl |
| Zoloft | Sertraline HCl |
| Wellbutrin SR | Bupropion SR |
| Celexa | Citalopram HBr |
| Pamelor | Nortriptyline HCl |
| Anafranil | Clomipramine HCl |
| Paxil | Paroxetine HCl |
| Wellbutrin | Bupropion HCl |
| Tofranil | Imipramine HCl |
| Cholesterol Lowering | |
| Tricor | Fenofibrate, Gemfibrozil |
| Triglide* | Fenofibrate, Gemfibrozil |
| Fenoglide* | Fenofibrate, Gemfibrozil |
| Zocor | Simvastatin |
| Pravachol | Pravastatin Sodium |



| Non-Covered Medication | Alternative Covered Medication |
|--------------------------------|--------------------------------|
| Diabetes | |
| Glucophage | Metformin HCl |
| Glucophage XR | Metformin HCl ER |
| Dermatology | |
| Cleocin T | Clindamycin |
| ClindaMax | Clindamycin |
| Clindets | Clindamycin |
| Clindagel | Clindamycin |
| ClindaReach | Clindamycin |
| Evoclin | Clindamycin |
| Olux | Clobetasol Propionate |
| Gastrointestinal (PPIs) | |
| Pantoprazole* | Omeprazole |
| Prevacid* | Omeprazole |
| Protonix* | Omeprazole |
| Growth Hormone | |
| Genotropin* | Humatrope, Saizen, Nutropin/AQ |
| Norditropin* | Humatrope, Saizen, Nutropin/AQ |
| Omnitrope* | Humatrope, Saizen, Nutropin/AQ |
| Tev-Tropin* | Humatrope, Saizen, Nutropin/AQ |
| Heart | |
| Coreg | Carvedilol |
| Inderal LA | Propranolol HCl |
| Norvasc | Amlodipine Besylate |
| Rythmol | Propafenone HCl |
| Tenormin | Atenolol |
| Migraine | |
| Fioricet | Butalbital-Apap-Caffeine |
| Fiorinal with Codeine #3 | Butalbital Compound-Codeine |
| Fiorinal | Butalbital-Aspirin-Caffeine |
| Pain Relievers | |
| Actiq | Fentanyl Citrate |
| Dilaudid | Hydromorphone HCl |
| Duragesic | Fentanyl |
| Sedative/Sleep | |
| Ambien | Zolpidem Tartrate |

| Non-Covered Medication | Alternative Covered Medication |
|---------------------------|--------------------------------|
| Stimulant/ADHD | |
| Adderall | Amphetamine Salt Combo |
| Dexedrine | Dextroamphetamine Sulfate |
| Ritalin | Methylin |
| Ritalin-SR | Methylin ER |
| Other Medications | |
| Bravelle* | Gonal-f |
| Detrol* | Oxybutynin |
| Detrol LA* | Oxybutynin, Oxybutynin ER |
| Ditropan | Oxybutynin |
| Ditropan XL | Oxybutynin, Oxybutynin ER |
| Tranxene T-Tab | Clorazepate |
| Zithromax | Azithromycin |
| Neurontin | Gabapentin |
| DDAVP* | Desmopressin Acetate |
| Zofran | Ondansetron HCl |
| Zofran ODT | Ondansetron ODT |
| Zovirax (excluding cream) | Acyclovir |
| Purinethol | Mercaptopurine |
| Estrace Tablets | Estradiol |
| Actigall | Ursodiol |
| Imuran | Azathioprine |
| Plaquenil | Hydroxychloroquine Sulfate |
| Soma | Carisoprodol |
| Fosamax* | Alendronate Sodium |
| Sinemet 25-100 | Carbidopa-Levodopa |
| Requip* | Ropinirole HCl |
| Arava | Leflunomide |
| Colazal | Balsalazide Disodium |

* Applies to the BlueValue Rx formulary

Step-Therapy Updates for Certain Medications

Step therapy is a key part of our prior-authorization program, which allows us to assist physicians with appropriate and affordable drug treatments. For members who are starting treatment, before Blue Cross Blue Shield of Massachusetts will provide coverage for certain medications designated as Step 2 or higher, a member must first try a Step 1 medication. Certain medications may require multiple steps before authorization is granted.

We are adding new step-therapy polices for certain drugs used in the treatment of migraine headaches, overactive bladder, and gout. The following is a list of the medications that will be included in our step-therapy program and their step, effective January 1, 2010.

| Medications Used in the Treatment of Migraine Headaches |
|---|
| Step 1: Sumatriptan |
| Step 2: Amerge, Imitrex, Relpax, Zomig, Zomig-ZMT |
| Step 3: Axert, Frova, Maxalt, Maxalt-MLT, Treximet |

| Medications Used in the Treatment of Overactive Bladder |
|--|
| Step 1: Oxybutynin, Oxybutynin ER |
| Step 2: Vesicare |
| Step 3: Detrol, Detrol LA, Ditropan, Ditropan XL, Enablex, Sanctura, Sanctura XR, Toviaz |

| Medications Used in the Treatment of Gout |
|---|
| Step 1: Allopurinol |
| Step 2: Uloric |

We are also updating our existing step-therapy polices for asthma, diabetes management, and immune modulating drugs.

For asthma, we will be adding an additional step to require the use of Symbicort prior to Advair.

For diabetes, we will be adding Actos, Actoplus Met, Avandia, Avandamet, Avandaryl, and Duetact to Step 2.

For immune modulating drugs, we will require the use of Enbrel and Humira prior to Cimzia, Simponi, and Remicade.

Medications Changing Tier Status in Our Standard and BlueValue Rx Formularies

Tier changes are made when we determine that a medication offers more or less value, both clinically and financially, than alternative medications in its therapeutic class. As a result, a member will either pay more or less for their medication. The following medications and their tier level are effective January 1, 2010.

| Medication | Covered Tier Level as of January 1, 2010 |
|--------------------------------------|--|
| Actos | Tier 3 |
| Actoplus Met | Tier 3 |
| Dextroamphetamine/ Amphetamine ER | Tier 2 |
| Avandaryl | Tier 3 |
| Avandamet | Tier 3 |
| Avandia | Tier 3 |
| Cimzia | Tier 3 |
| Omeprazole 40mg | Tier 2 |

New Quality Care Dosing Limitation

Quality Care Dosing efforts help to monitor the quantity and dose of medication a patient receives based on FDA recommendations, as well as manufacturer and clinical information.

Effective January 1, 2010 the medication OxyContin will have a limitation of 90 tablets (120 tablets for 60mg and 80mg strengths). When medically necessary, a physician can request an exception to this guideline.

New Prior-Authorization Requirement for Proton Pump Inhibitors (PPIs)

PPIs are used in the treatment of certain gastrointestinal conditions. Effective January 1, 2010 we will be updating our medical policy for this drug class to ensure usage is consistent with Food and Drug Administration (FDA) guidelines. Coverage will only be allowed for up to a 90-day supply unless there is a diagnosis of Zollinger-Ellison syndrome, Barrett's esophagus, NSAID induced ulcer prevention, or erosive esophagitis.

As of January 1, 2010 the covered drugs in this class will include omeprazole and lansoprazole. Lansoprazole is available if a member tries and fails therapy on omeprazole. Also, as additional medications in this class move to over-the-counter status (Zegerid, Prevacid 15mg), those medications will no longer be available through the pharmacy benefit.

Managing Specialty Medications

Specialty medications continue to be an area of focus for purchasers and providers of health care services. Medications classified as “specialty” are commonly used in the treatment of complex conditions, are often administered via an injection or infused, and can be expensive. In addition, people taking these medications may require close monitoring, frequent dose adjustments, and additional support from their physician or other health care provider. These medications can serve as an important treatment for people with certain conditions.

So why the focus on these medications? While medications classified as specialty represent a very low volume of claims, usually less than 1 percent, the cost of specialty medications is rising at an exponential rate, often at a rate of 15 percent per year. The main driver of this trend is unit cost price increases. Additionally, there is a robust pipeline of specialty medications that will be entering the market in future years along with expanded use of those specialty medications already on the market. Specialty medications are also unique in that they are reimbursed in both the medical and the pharmacy benefit.

In an effort to help manage the specialty medication trend, Blue Cross Blue Shield of Massachusetts has developed a long-term strategy with a focus on the quality and affordability of health care. Outlined below are upcoming changes that Blue Cross Blue Shield of Massachusetts will be making in support of this overall strategy.

Benefit Change for Certain Specialty Medications

As part of our ongoing efforts to improve the safety and affordability of the care our members receive, there will be a change in the way benefits are provided for certain specialty medications. Members who receive any of the specialty medications listed below as part of outpatient services, including treatment received at a physician’s office or outpatient hospital, will only have those medications covered under their pharmacy benefit. Members will no longer have these medications covered under their medical benefit. This means that the member must have a prescription for the medication and purchase it through a pharmacy that is part of the designated retail specialty pharmacy network. The member will be responsible for their applicable pharmacy cost-share amount.

This change will take effect beginning on January 1, 2010, based on the effective date schedule below.

| Effective Date Schedule | |
|---------------------------------------|--|
| Account Renewal Date | Specialty Medication Change Effective Date |
| October 1, 2009– December 31, 2009 | January 1, 2010 |
| January 1, 2010 or later | Upon renewal |

Please note: This change does not apply to Medicare or Medicare supplemental plans.

| Affected Specialty Medications | |
|--------------------------------|-----------------|
| Fertility | |
| Bravelle | Gonal-f RFF |
| Chorionic Gonadotropin | Luveris |
| Fertinex | Menopur |
| Follistim AQ | Pregnyl |
| Ganirelix | Profasi |
| Gonal-f | Repronex |
| Growth Hormone | |
| Genotropin | Omnitrope |
| Humatrope | Saizen |
| NordiFlex | Serostim |
| Norditropin | Tev-Tropin |
| Nutropin | Zorbitive |
| Nutropin AQ | |
| Hepatitis C | |
| Copegus | Rebetol |
| Infergen | Rebetron |
| Pegasys | RibaPak |
| PegIntron | Ribasphere |
| PegIntron RediPen | Ribavirin |
| Red Blood Cell Agents | |
| Aranesp | Procrit |
| Epogen | |
| Other Drugs | |
| Actimmune | Kineret |
| Avonex | Leuprolide |
| Betaseron | Lupron |
| Cimzia | Mozobil |
| Copaxone | Octreotide |
| Enbrel | Orfadin |
| Forteo | Pulmozyme |
| Fuzeon | Rebif |
| Humira | Roferon-A (DSC) |

Affected Specialty Medications (continued)

Other Drugs

| | |
|----------|-------------|
| Increlex | Sandostatin |
| Intron A | TOBI |

Retail Specialty Pharmacy Network—Medication List Update

As of January 1, 2010 Blue Cross Blue Shield of Massachusetts will be adding the following prescription drugs to our list of specialty medications that must be obtained through a designated retail specialty pharmacy.

Medications Available at Specialty Pharmacies

| | |
|------------------------|------------|
| Adcirca | Orfadin |
| Afinitor | Panretin |
| Arcalyst Injection | Promacta |
| Boniva Injection | Pulmozyme |
| Chorionic Gonadotropin | Rebetron |
| Cimzia Kit | Simulect |
| Endometrin | Somatuline |
| Faslodex | Sucraid |
| Fusilev I.V. | Tasigna |
| Kuvan | TOBI |
| Mozobil | Treanda |
| Nplate | Xenazine |
| Octreotide | Zenapax |
| Omnitrope | |

In order to obtain pharmacy benefit coverage for the medications listed above, members will need to fill their prescription through one of the designated retail specialty pharmacies as of January 1, 2010. For a list of these pharmacies, please visit our website at www.bluecrossma.com/pharmacy.

As an accommodation, members will be allowed one refill of their medication at their current pharmacy. This one-time accommodation is only available through April 1, 2010. After this final refill, they must fill their prescription through one of the designated retail specialty pharmacies.

We will be notifying affected members and physicians of this change.

As a reminder, members enrolled in Medex,[®] Blue MedicareRx,SM or a Medicare Advantage plan that includes prescription drug coverage are not required to fill prescriptions at the designated retail specialty pharmacies.

New to Market Specialty Medications

As new prescription drugs are approved by the U.S. Food and Drug Administration, and designated “specialty” by Blue Cross Blue Shield of Massachusetts, we will immediately add them to our list of medications that are required to be filled at one of our retail specialty network pharmacies. As with all newly approved drugs, Blue Cross Blue Shield of Massachusetts will consider them non-covered until a complete formulary evaluation has been completed; however, members who receive a formulary exception will need to fill their initial prescription at one of the retail specialty network pharmacies. This process will ensure that members taking these medications are receiving services from the specialty pharmacies, including education and information, at the start of their treatment.

Reminder: Medical Benefit Specialty Medication Prior-Authorization Requirement

Effective October 1, 2009, certain specialty drugs that are provided under the medical benefit will now require prior authorization for HMO, POS, and Access BlueSM plans. This change is to ensure that drug utilization is consistent with current medical policy guidelines for the safety and effectiveness of our members who take these medications.

Providers will be asked to submit requests for authorization, including demographic and relevant clinical information, prior to administering these medications.

New Retail Pharmacy Network Options Available for Fully Insured Health Plans

In January 2009, Blue Cross Blue Shield of Massachusetts introduced two additional cost-saving national pharmacy network options for self-funded employers. These options are now available for fully insured groups with more than 50 employees.

These pharmacy networks, which are administered by our pharmacy benefits manager, Express Scripts,[®] Inc., are known as The Select Network and The Select Choice Network.

The Select Network—reduces pharmacy costs through a smaller network of retail pharmacies. Members are required to utilize a retail pharmacy in this smaller network that delivers improved unit-cost pricing compared to Blue Cross Blue Shield of Massachusetts' traditional retail pharmacy network.

The Select Choice Network—provides members with choice while reducing overall pharmacy costs through incentives for members to use lower cost designated pharmacies within Blue Cross Blue Shield of Massachusetts' traditional broad network of retail pharmacies. The designated pharmacies have improved unit-cost pricing that allows members to pay a lower cost share when they choose to purchase a prescription at one of these pharmacies. Members also have the choice

of purchasing their prescription at any of the other network pharmacies that participate in our traditional broad retail network, but they will pay a higher cost share for their prescriptions.

To view the national pharmacy directory for each of the network options, please visit www.bluecrossma.com/employers or www.bluecrossma.com/brokers and select **Pharmacy Coverage** in the Plans & Products section.

Contact your account executive to learn more.

Generic Drug Promotion Mailing

The use of a generic drug instead of a brand-name drug provides cost savings for both employers and members. Generic and brand-name drugs must meet the same U.S. Food and Drug Administration standards for safety, purity, strength, and effectiveness. To provide both education and an incentive for some of our members using brand-name cholesterol lowering medications that have a generic alternative, beginning in November Express Scripts, Inc. will be mailing letters to eligible members enrolled in fully insured health plans. If the member switches to the generic alternative, their copayment for that drug will be waived for three months. This promotion is also available to self-funded employers by request. For more information on this mailing, please contact your account executive.

