Support Staff Benefit Program (SSBP)
Seeking Efficiencies in Current Spending

This is the second bulletin for 2015 prepared by the Support Staff Benefits Committee (SSBC) and outlines the current benefit program features. In prior years, the SSBC was able to improve several areas – life insurance went from 1 x annual salary to 2 x annual salary in 2010, Critical Illness benefit was added in 2012, and a Health Spending Account and Personal Spending Account were added in 2013.

Approved Benefit Program Changes

The cost to provide benefits continues to rise, and it is becoming more difficult to sustainably fund the benefit plans. The committee’s focus has been on a review of the current spending and finding ways to reduce high cost, low value benefits, in particular in the area of prescription drug costs.

Proposed Changes Overview

- The Support Staff Benefits Committee’s (SSBC) mandate is to balance the benefits provided with the cost of investing in the current and future health of covered members. The SSBC members are sensitive to participant needs and stakeholder concerns; the impact of changing medical, dental, drug, and other health related practices; the impact of changes to the health care system; plan utilization; and the current market reality.

- The SSBC is committed to the concepts of improved health of support staff and internal reinvestment and spending reallocation where warranted. For example, some benefits may be reduced while others are improved, based on health-related value. In 2013, massage therapy was removed from the Supplemental Health Plan but replaced with the Health Spending Account (HSA) and Personal Spending Account (PSA).

- The SSBC have approved a number of prescription drug plan design changes that will be effective January 1, 2016. These include:
Prescription Drug Benefit Changes

It is the SSBC’s goal to have every member receive the right drug at the right cost at the right time. However, it is not to provide the highest cost drugs the first time every time.

1. The first drug benefit plan change relates to specialty and high-cost drugs and adopting a disease-state cost-management approach requiring prior authorization in seventeen areas.

Note: This change will not apply to individuals already being treated for one of these conditions with a specialty or biologic drug approved through the special authorization process. The changes will be in place for individuals newly seeking treatment January 1, 2016 and later.

a) There are a number of specialty drugs that treat the conditions listed in the Sun Life document. The drugs are all considered effective; however, the drug costs vary considerably. As a result, some drug products will receive preferential listing and individuals will be required to first try those specific treatments in order to have their costs covered by the plan. If there is a medically-based clinical reason that the preferred product cannot be used by the individual (e.g. tried the product and could not tolerate the side effects, etc.), an alternate drug will be covered.

b) The savings generated by using preferred products will help ensure the drug benefit plan’s ongoing financial viability while supporting the health of individuals in need. Currently, the cost of those claims is just over 20% of total paid drug claims (an increase of about 14% over the prior year) but come from less than 1% of all prescription drug claims paid for specialty drugs. The number of new, expensive specialty drugs coming to market is increasing and the University and NASA are jointly taking steps to ensure covered members and their families have ongoing access to treatment for serious and chronic conditions.

c) Sun Life’s drug inquiry mobile app is currently available to all plan members. It will indicate which products are preferred products. Having this information will support individuals in conversations with their treating physicians and dispensing pharmacists. Additional communication for covered members, as well as health care professionals, will be made available in the upcoming weeks.
2. The second change to the drug plan applies to non-specialty drugs, maintenance medications, and over-the-counter products.

a) The Benefit Plan (SSBP) will introduce an expanded preferred pricing policy for prescription drugs.

- The SSBP has a lowest cost alternative (LCA) pricing policy in place, but it is not now a mandatory policy. Currently, plan members can choose a brand or its generic form (same active ingredients) and the plan pays for either drug even though the cost of the brand drug can be several times as expensive as the generic drug.

Effective January 1, 2016, lowest cost alternative (LCA) pricing will be mandatory and physician override of lower cost generic drugs for brand products will no longer be covered. If you choose to use a higher cost drug, the plan will pay the lowest cost price and you will be responsible for payment of the additional charge. However, those additional costs are eligible to be covered by your health spending account (HSA).

- The current University drug plan covers a number of drug products excluded from the public Alberta Drug Benefit List. Many of these drugs are brand name drugs (some have generics and others do not), however, all of these drug products have therapeutic alternatives (different active ingredients) which treat the same condition and are considered equally safe and effective.

Effective January 1, 2016, SSBP will implement therapeutic alternative preferred pricing in four therapeutic groups. Drugs used to treat stomach hyperacidity, high blood pressure (single ingredient and combination products), anti-inflammatories, and triptans (for treatment of migraines) will be impacted.

The drug plan will now pay the preferred (lowest) price, whether an individual chooses that product or another in the same group. The preferred price will be the cost of the lowest priced drug in the therapeutic drug group. If you choose to receive a higher cost product you will be able to claim the difference between the lowest preferred cost drug and the higher cost drug through your health spending account (HSA).

On the next page, there is an example of how different drugs used to treat stomach hyperacidity will be covered under the new plan.
### Stomach Hyperacidity Medications

<table>
<thead>
<tr>
<th>Medication</th>
<th>Price per Pill</th>
<th>Amount Paid by Drug Plan**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dexilant (brand)</td>
<td>$2.39</td>
<td>0.24</td>
</tr>
<tr>
<td>Nexium (brand)</td>
<td>2.36</td>
<td>0.24</td>
</tr>
<tr>
<td>Prevacid (brand)</td>
<td>2.00</td>
<td>0.24</td>
</tr>
<tr>
<td>Esomeprazole (generic Nexium)</td>
<td>1.87</td>
<td>0.24</td>
</tr>
<tr>
<td>Pariet (brand)</td>
<td>1.33</td>
<td>0.24</td>
</tr>
<tr>
<td>Losec (brand)</td>
<td>1.10</td>
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</tr>
<tr>
<td>Tecta (brand)</td>
<td>0.75</td>
<td>0.24</td>
</tr>
<tr>
<td>Lansoprazole (generic Prevacid)</td>
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<td>0.24</td>
</tr>
<tr>
<td>Omeprazole (generic Losec)</td>
<td>0.41</td>
<td>0.24</td>
</tr>
<tr>
<td>Rabeprazole (generic Pariet) *</td>
<td>0.24</td>
<td>0.24</td>
</tr>
</tbody>
</table>

* Preferred (maximum) allowable cost
** Additional costs may be submitted to HSA account if credits are available.

- All of these products treat the same conditions and can be used interchangeably as they are therapeutically equivalent. They are equally as safe and well-tolerated. However, the price ranges from $0.24 to $2.39 per pill, a ten-fold difference.

- Sun Life’s drug inquiry tool is available online and will indicate which drug products are preferred products. Access to this information will support individuals in conversations with their doctor and pharmacist. Additional communications for covered members and health care professionals are in development.

- The SSBP will continue to add all new non-specialty drugs to the SSBP Drug Benefits List and preferred pricing policies will apply.

b) Effective January 1, 2016, support staff with prescriptions, on the maintenance medications list, will be covered for a maximum of five dispensing fees per calendar year for each maintenance medication.

- Maintenance medications are used to treat chronic, long-term conditions (often life-long). Once settled in a treatment regime, medication can be dispensed in 90 or 100-day quantities. Examples of these types of drugs are those used to manage cholesterol, high blood pressure and stomach acidity.

- If individuals choose to have prescriptions filled more frequently, only the cost of the drug itself will be covered. Any additional dispensing fees will become an out-of-pocket expense.
of-pocket expense and not be covered by the SSBP. These fees are an eligible expense under the HSA.

c) **Non-life sustaining over-the-counter (OTC) drug products** will not be reimbursed under the SSBP effective January 1, 2016.

- OTC medications include those that you can purchase from the shelf of your local pharmacy or drug aisle (Eg. Aspirin). Most OTC products do not require a prescription and are much more affordable than prescription drugs. OTC’s under a benefit plan typically cost about $24 per prescription including a dispensing fee of up to $12.30 per script however may be purchased off the shelf for a fraction of the cost.

If you have any questions, please contact any of the members of the Support Staff Benefits Committee listed below.

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Support Staff Benefits Committee Members
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