

SOUTHERN CALIFORNIA DRUG BENEFIT FUND

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August 1, 2024

Dear Participant,

We understand how much you rely on your Benefit Fund coverage. Your benefits protect your family's health and finances, now and in the future, and the Fund always looks for ways that your Fund benefits can further meet your needs.

Some changes to your benefits are coming soon, including:

- Updates to your prescription drug coverage
- Diabetes support through Optum Rx

Changes to the prescription drug plan

As health care costs rise, our goal is to keep your premiums and out-of-pocket costs as low as possible without sacrificing the quality of your coverage. Some medications, like opioids, diabetes treatments, and weight-loss drugs, also require extra safety precautions.

To manage costs and protect our members, we are making a few changes to the way prescription drugs are covered. Your secure account at **OptumRx.com**, called My Medicine Cabinet, is a good place to check how your medications are covered by the Plan, whether they are subject to certain reviews, and how much your copays are.

Emphasizing lower-cost drugs

Brand-name drugs can often be more expensive than generic drugs. Generic drugs have the same active ingredients, are approved by the U.S. Food and Drug Administration, and have the same quality and effectiveness as brand-name drugs. Further, multiple drugs might exist to treat the same condition—all with varying costs.

Taking a more expensive drug when a lower-cost option is available costs you and the Fund more money without changing the effectiveness of your treatment. If you are currently taking a higher-cost drug when an equally effective, lower-cost option is available, Optum Rx will reach out to you by mail.

If your doctor believes that a higher-cost drug is medically necessary for your care, the doctor can apply for an exception on your behalf by contacting Optum Rx.

New practices for opioids, diabetes medications, and weight-loss drugs

Effective October 1, 2024, these drug categories will have additional oversight, including:

- 1. You and your doctor, when possible, must have tried lower-risk treatment options before certain drugs will be covered. This practice is called **step therapy**.
- 2. Certain drugs will require **prior authorization** from Optum Rx before you can fill your prescription to ensure that the drug is medically necessary for your treatment.
- 3. Once your drug is covered, **quantity limits** will apply to protect you from overuse.

An updated list of preferred prescription drugs

This list, called a **formulary**, indicates whether specific prescriptions are covered and at which level. Effective January 1, 2025, we are switching to the Optum Rx Premium Formulary.

Over 95% of members will be unaffected by this change. **Optum Rx will contact you by** mail in October if your prescription is affected and will work with you to figure out the best option for your care moving forward.

Better diabetes management

Staying on top of diabetes takes some work. We are providing you with support through Optum Rx to keep your health on track.

If you have diabetes and are at higher risk, Optum Rx will mail you an invitation to the Diabetes Management Program starting September 1, 2024. The program provides tailored individual guidance and coaching with a pharmacist to help you manage your condition.

If you enroll in the program, copays for a blood glucose meter and testing strips or a continuous glucose monitor (CGM) will be waived. You get these supplies for free as another way to support you in your fight with diabetes.

Questions?

We are excited about these changes and hope you are, too. If you have questions, please contact the Fund at (323) 666-8910, ext. 503, or Optum Rx at (800) 356-3477 for questions about your medications/prescriptions.

Sincerely,

The Board of Trustees Southern California Drug Benefit Fund