



SOUTHERN CALIFORNIA PIPE TRADES PENSIONERS & SURVIVING SPOUSES HEALTH FUND

SUPPLEMENT No. 12

To: All Participants
From: Board of Trustees
Date: August 2021
Re: High Cost Medication

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

The Board of Trustees has amended the Plan to improve coverage for Specialty Medications.

Effective for prescriptions dispensed on or after July 1, 2021, the Specialty Medication benefit has been expanded to include Prescription Drugs costing \$1,000 or more for a 30-day supply. This means the Plan will pay more of the cost for these types of high-cost medications and you will pay less. This changes the 2019 Summary Plan Description as follows:

SECTION **9. MEDICAL BENEFITS**

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Specialty Medication

A Prescription Drug is covered as a Specialty Medication when the Fund determines that the medication:

- A. Requires special delivery, preparation, or handling; or
- B. Requires special administration or monitoring; or
- C. Treats a complex condition; or
- D. Costs \$1,000 or more for a 30-day supply.

The Plan will pay 80% of either (1) the cost or (2) the Red Book average wholesale price of the Specialty Medication, whichever is lower. A Specialty Medication requires prior authorization from the Fund Office. Generic or other lower-cost drug substitutes may be required. A maintenance medication for a chronic or long-term condition (such as diabetes), other than one that costs \$1,000 or more for a 30-day supply, is not considered a Specialty Medication.

...



Patients who, before July 1, 2021, have been reimbursed for a medication now considered a Specialty Medication under the new rules will not be required to obtain preauthorization for the same medication, nor to change to a generic or other lower-cost drug substitute, but will be subject to the 20% patient coinsurance for a Specialty Medication dispensed on or after July 1, 2021.