

December 14, 2015

TO: ALL PLAN A PPO PARTICIPANTS
FROM: BOARD OF TRUSTEES
RE: NEW PPO PLAN PHARMACY BENEFIT MANAGER/NEW MEDICAL ID CARDS

In an effort to offset a 10% projected increase in overall prescription drug costs Caremark will be replaced as the Plan's Pharmacy Benefit Manager by Navitus effective January 1, 2016. It is very important that whichever pharmacy you use to fill prescriptions is made aware of this change. As such, you will be receiving correspondence directly from Navitus outlining the new pharmacy program along with two (2) Navitus Prescription ID cards to replace those from Caremark.

IMPORTANT, as a result of this change we are enclosing two (2) new black/white Anthem medical ID cards to immediately replace the current blue/white Anthem medical cards. If anyone needs more than two ID cards please contact the Trust Office (x-310). Whenever possible please be sure your service providers copy this new medical ID card as opposed to the Navitus prescription ID card.

A booklet that will explain in detail a 3-Tier system that will determine how prescriptions will be covered by the Plan will be coming directly from Navitus. Basically this change is expected to be seamless for participants who fill/refill non-maintenance prescriptions at a major pharmacy chain as most all pharmacies in the CVS/Caremark national network will be in the Navitus network (**excluding Walmart**). In this instance you should just notify your dispensing pharmacy of the change by showing your Navitus prescription ID card.

All participants now using mail order and/or receiving specialty drug medication(s), as well as using a medication requiring "prior authorization", should be on the lookout for correspondence from MedVantx for mail order prescriptions and from Navitus for specialty drug prescriptions, which will be coming during the month of December in an effort to ensure continuity. It is also possible a letter from Navitus will be received advising of a need to seek a new prescription for a lower Tier medication as a means of avoiding a big cost increase should the change not be made.

While it is expected that pricing should be no more than what was charged through Caremark it is reasonable to expect, but not guaranteed, that your co-pay should also be no more than what was paid through Caremark. As with Caremark, participants will be able to seek pricing and manage their prescriptions through the Navitus web site portal. Information on using this tool will appear in the booklet to be provided by Navitus.

Therefore, please always open any communication coming from Navitus, MedVantx or the San Diego Electrical Health & Welfare Trust as it may contain very important information about this transition, the pharmacy benefit program and/or the PPO Plan in general. Please direct any questions at this time to the Trust Office (x702).

Thank you.

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