



September 30, 2005



ROCKY MOUNTAIN
HEALTH PLANS®
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BROKER BRIEFINGS

NEWS

flash

Effective January 1, 2006

Change to Mail Order Prescription Drug Benefit

Effective January 1, 2006, there will be a change to the Rocky Mountain Health Plans (RMHP) mail order prescription drug coverage currently offered to small employer groups.

Commercial prescription drug plans with **flat dollar copays** will have a mail order copay of 2½ times the 31-day retail pharmacy copayment. The maximum copayment for specialty brand drugs will increase to \$375 per fill.

| | 31-days retail | 90-days mail order |
|--------------------|--|---|
| Generic | \$15 copay per fill | \$37.50 copay per fill |
| Preferred Brand | \$40 copay per fill | \$100 copay per fill |
| Nonpreferred Brand | \$55 copay per fill | \$137.50 copay per fill |
| Specialty Brand | 20% of allowed charges up to \$150 paid by member per fill | 20% of allowed charges up to \$375 paid by member per fill |

This change is necessary to balance the cost differences between retail and mail order prescription fills. In response to the mail order market, the retail Rx discounts have become more competitive. While only 7.2% of all Rx claims are filled through mail order, RMHP has seen the discount ranges between retail and mail order narrow, resulting in less than adequate cost sharing for the 90 day mail order supply.

Mail order will still offer the convenience of

- a) ordering through the mail, over the internet, fax or phone
- b) having the Rx delivered to the member's home and,
- c) the member enjoys a 16.67% discount off the copayment when compared to retail



BROKER BRIEFINGS NEWS FLASH

This notification is to provide you with an overview of the change and the activities currently occurring with your clients:

- Notification of the change was mailed to small employer groups on September 30.
- The change **does not** affect the prescription drug plans with percentage copays, the SOLO drug plans, the HMO Individual drug plans, Medicare, Medicaid or CHP+.
- This change **does not** affect Good Health Savings High Deductible Health Plans, however those plans have other changes that will be communicated separately.
- The change will be offered to large groups to accept either on January 1, 2006 or on the group's anniversary.
- Small groups have the option of selecting another RX and/or medical plan for January 1. If a plan design change is requested, the group's anniversary changes to January.
- Business Groups of One will be subject to medical underwriting if they elect to apply to change their plan for January 1.

Thank You!

As always, if you have any questions or comments or need assistance, please call your Rocky Mountain Health Plans Account Executive.

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|---|---|
| Grand Junction 970-244-7760 or 800-453-2981 | Denver 303-689-7367 or 800-823-8356 |
| Durango 970-385-5131 or 888-662-6489 | Pueblo 719-253-3900 or 888-332-8963 |
| Glenwood Springs 970-928-8618 or 800-793-1339 | Colorado Springs 719-632-1237 |