

CITY OF PASCAGOULA
Employee Health Care Plan Amendment #5
Plan Year 2022/23

The City of Pascagoula does hereby amend the City of Pascagoula Employee Health Care Plan as follows:

Effective January 1, 2023:

Page 30 | Prescription Drug Program is amended to add the following:

Paydhealth

Important: Prior authorization may be required before benefits will be considered for payment. Failure to obtain prior authorization may result in a penalty and an increased out-of-pocket cost. Refer to the Care Management section of this SPD for a description of these services and prior authorization procedures.

Certain medications are covered under the Prescription Benefit Program and require Prior Authorization from the plan's Prescription Benefit Manager, Magellan Rx. To assist members to determine whether prescriptions are covered under the Medical plan or under the Prescription Benefit Program see the General Exclusions Section of this document. Covered Persons may call Magellan Rx at 800-424-7553 to pre-authorize a prescription under the Prescription Benefit Program. A list of these medications can also be viewed at <http://www.paydhealth.com>. Refer to the Prescription Drug Benefits section of this SPD for additional details.

Excluded Prescription Medications – Certain prescription drugs that are listed on the Major-Medical Formulary List, as defined below, and that are NOT prescribed:

1. As inpatient care,
2. As emergency care,
3. As urgent care,
4. During an outpatient surgical procedure,

are excluded under the Medical provisions of the Plan, and may only be eligible for coverage under, and subject to, the terms of the Prescription Benefit Program administered by Magellan Rx on behalf of the Plan. "Major-Medical Excluded Formulary List" means the list of drugs that are excluded from coverage under the Medical provision of the Plan, as from time to time amended, and which may be viewed at <http://www.paydhealth.com>. The terms of the Prescription Benefit Program include the procedures issued by Magellan Rx to administer the preferred drug formulary and by the Plan who authorizes the Excluded Formulary List and its associated prior authorization criteria.

Prescription Drug Co-pays apply to satisfy the Annual Out-of-Pocket Maximum. After the Annual Out-of-Pocket Maximum has been met, covered Prescription Drugs will be payable at 100% for the remainder of the Calendar Year. Out-of-Pocket non-compliance penalties for Specialty Drugs included on the Select Drugs and Products List do not contribute to meeting the Annual Out-of-Pocket Maximum or Deductibles.

* Specialty Drugs listed on the Specialty Drug List are subject to the copayments listed above and require prior authorization. All Specialty Drugs must be ordered through Magellan RX Specialty at 800-424-7553.

Covered Persons using Specialty Drugs included on the Select Drugs and Product List must enroll in the Plan Select Drugs and Products Program. Contact the Specialty Contact Center for additional information at 877-869-7772. Failure to meet prior authorization criteria, including enrollment in the Select Drugs and Products Program when applicable, will result in a cost containment penalty equal to a 100% reduction in benefits payable.

Select Drugs and Products Program or “Partner Program Name”

The Plan requires Covered Persons to enroll in the Select Drugs and Products Program when individuals are prescribed prescription drugs listed on the Select Drugs and Products List. This Program is paid for by the Plan and provides matching of alternate funding programs to Covered Persons. All Covered Persons using listed specialty drugs are required to meet prior authorization, step-therapy, and administrative review criteria, which includes enrollment in the Program and adjudication of their Specialty Drug cost by an alternate funding program prior to meeting Plan coverage criteria. Failure to prior authorize and complete the requirements of the Select Drugs and Products Program will result in a cost containment penalty equal to a 100% reduction in benefits payable. This will be treated as an adverse benefit determination under the Plan and the Covered Person will have an opportunity to (i) appeal that decision or (ii) comply with the requirements of the Program to avoid the cost containment penalty.

Some alternate funding programs require verification of income as a condition of meeting alternate funding program criteria. In such cases, the Covered Person will be asked to provide this information directly to the alternate funding program, and such information will not be provided to the Plan and is not considered in determining coverage by the Plan.

All Specialty Drug prescriptions paid for by the Plan through the appeals process must be dispensed or coordinated by [Specialty Pharmacy Name]. Questions related to the Select Drugs and Products Program may be made directly to the Plan Specialty Contact Center by calling (877) 869-7772.

Specialty Drug is a Drug or biologic products that have ANY of the following features associated with their use or acquisition: 1) difficult or unusual process of administration to the patient when self-administered or healthcare practitioner administered, 2) require enrollment in a FDA mandated Risk Evaluation and Mitigation Strategy (“REMS”), 3) require enhanced data collection efforts, 4) require patient management service that are enhanced to the normal practice of pharmacy, 5) are products used in the treatment of rare disease, 6) require patient training or side effect management, and 7) cost greater than \$670 per 30-day supply as defined by the Plan. Copyright 2021 Paydhealth, LLC. All Rights Reserved.

Specialty Drug List means a list of Specialty Drugs, typically dispensed by a specialty pharmacy provider. The Specialty Drug List is updated periodically by the Plan’s prescription benefit manager to address changes in prescription labelling, new market entrants, and safety and efficacy considerations, certain products included on the Specialty Drug List may require steptherapy or prior authorization prior to coverage limits applying.

Select Drugs and Products List means a list of Specialty Drugs that are subject to step-therapy, prior authorization, and administrative review and must be acquired after enrollment in the Plan’s Select Drugs and Products Program for coverage limits to apply.

These changes, as approved by the City of Pascagoula on _____ day of _____, 2022, are effective January 1, 2023. By signature of its duly authorized representative below, the Plan Administrator agrees to be bound by the terms and provisions of the above amendment on or after the effective date hereof.

City of Pascagoula

Printed Name: _____ Title: _____

Signature: _____ Date: _____