

AUTOMATIC SPRINKLER

LOCAL 281, U.A.

WELFARE FUND



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IMPORANT NOTICE REGARDING THE WELFARE FUND'S PHARMACY BENEFIT PROGRAM NEW PHARMACY BENEFIT MANAGER – MAXORPLUS, LTD. – EFFECTIVE JANUARY 1, 2022

November 2021

Dear Participant:

We are writing to advise you of an important change to the Automatic Sprinkler Local 281, U.A. Welfare Fund's ("Fund") pharmacy benefit manager ("PBM").

After an extensive review of the Fund's current pharmacy benefit program, the Trustees have selected MaxorPlus, Ltd. (MaxorPlus) as the Fund's new PBM, effective January 1, 2022.

As such, there will be a few changes accompanying the transition from the Fund's current PBM, OptumRx, to MaxorPlus. The purpose of this notice is to provide an overview of the transition.

We are confident this change will help position the Fund for steady growth, and better serve the needs of you and your family. As always, we encourage you to contact the Fund Office should you have any questions regarding the information contained in this notice.

Background

Pharmacy benefit managers, or PBMs, are companies which manage prescription drug benefits on behalf of payers of pharmacy benefits such as your Welfare Fund. A PBM plays a critical role in negotiating affordable drug prices with manufacturers and pharmacies, while also facilitating members' access to medications. As you know, the Fund currently uses OptumRx as its PBM.

The Board of Trustees is dedicated to maintaining a health plan that meets the needs of participants and their families. In keeping this commitment, the Trustees are mindful of their responsibility to safeguard the Fund's financial integrity and to make decisions which protect all participants.

With that in mind, the Trustees were compelled to determine whether the continued retention of OptumRx remained appropriate from both a cost and service standpoint, or whether switching to a different PBM would better suit the Fund's and members' needs. Therefore, the Fund engaged in a comprehensive process whereby seven PBM vendors submitted bids to the Fund. Ultimately, after much deliberation, the Trustees decided selecting MaxorPlus as the Fund's new PBM would result in the greatest benefit to the Fund and its participants.

Summary of What You Can Expect

Below is an outline of forthcoming changes you can expect resulting from the transition from OptumRx to MaxorPlus as the Fund's PBM. Please carefully review this information.

1. New Identification Cards

You will continue to use a separate ID card for your pharmacy benefit. However, you will be issued a new ID card through MaxorPlus within the upcoming month. Should you not receive your new card by January 1, 2022, please contact MaxorPlus at (800) 687-0707 to obtain your group and ID numbers.

On or after January 1, 2022, you will need to show your new MaxorPlus ID card when you pick up a prescription or refill at a retail pharmacy location. We anticipate most members will be able to continue using their current pharmacies through the transition to MaxorPlus. The MaxorPlus network includes over 65,000 pharmacies, including all chain pharmacies and most independent pharmacies. In the event you would like to locate a participating pharmacy near you or to see if your pharmacy belongs to the network, or if it is eligible to join the network, call (800) 687-0707 or visit the website, www.maxorplus.com.

Keep in mind MaxorPlus is a separate carrier from BlueCross BlueShield of Illinois (“BCBSIL”), and any questions on the pharmacy benefit should be directed to the Fund Office or MaxorPlus.

2. Retail Pharmacy Network and Mail Service

The process for obtaining your retail pharmacy prescriptions will remain the same. The only difference is on or after January 1, 2022, you will need to show your MaxorPlus ID card to pick up your prescription.

If you utilize the mail order prescription service, you will need to transfer your prescriptions to MaxorPlus. Importantly, you are not required to use the mail order service to obtain a 90-day supply of maintenance drugs. Instead, through MaxorPlus, you may choose to obtain your 90-day supply of maintenance drugs either through retail pharmacies *or* by mail order service.

3. Preferred Drug List

MaxorPlus has a different prescription drug formulary than OptumRx (i.e., an official list of medications which may be prescribed), called the Preferred Drug List. As such, some medications may not be on the Preferred Drug List or may require prior authorization or step therapy before being prescribed. MaxorPlus will send a partial list of preferred drugs for your review in the “Welcome Kit” you should expect to receive from MaxorPlus later this year. Any participants that may be affected will be contacted by MaxorPlus regarding their specific medication and alternatives. Please be sure to look for this.

4. Financial Assistance for Qualifying Specialty Medications through Payd Health

Presently, the Welfare Fund uses a vendor known as PillarRx to provide participants with financial assistance for qualifying specialty medications. This financial assistance is used to reduce the out-of-pocket expenses participants incur for eligible drugs.

Effective January 1, 2022, a company known as Payd Health will be replacing PillarRx. Payd Health operates similarly to PillarRx in that it also provides participants with financial assistance for extremely expensive specialty products usually prescribed to treat complex conditions.

Payd Health’s program, known as the *Select Drugs and ProductsSM Program*, makes drug manufacturer discounts available for qualifying medications. To minimize costs for you, your family, and the Fund, participation is required for participants who are prescribed products on the Select Drugs and Products List.

If you do not participate, you will be responsible for the full cost of the medication. All products included on the Select Drugs and Products List require pre-authorization.

If you are presently using a medication on the Select Drugs and Products List, you should expect direct outreach from Payd Health to enroll you into the applicable financial assistance program to reduce your out-of-pocket expenses. If you are not presently using a medication on the Select Drugs and Products List, but your physician prescribes you one in the future, you should likewise expect direct outreach from Payd Health for this purpose.

Assuming you meet all applicable criteria, engagement with Payd Health is expected to result in you paying little to nothing for qualifying prescriptions. In other words, Payd Health will help you get what would otherwise be a very expensive medication for free, or with a massive reduction in price.

To obtain these drugs at substantial discount, however, you must engage with the Payd Health program. Engagement with the program requires you to provide Payd Health with certain information necessary to enroll you in the manufacturer assistance programs available to you and your family. If you have any issues with this process, we encourage you to contact the Fund Office.

5. Schedule of Benefits

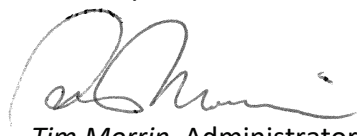
Your copayment and coinsurance amounts are effectively unchanged. The new schedule of benefits, however, reflects the option to obtain a 90-day supply of a maintenance drugs via retail pharmacy *or* the mail order service. Accordingly, your schedule of benefits is as follows:

	Generic Prescription Drug	Preferred Brand Formulary Prescription Drug	Non-Preferred Brand Formulary Prescription Drug	Specialty Drugs
Retail 30-Day Supply	\$8	\$30	\$50	\$20% up to \$100 Maximum
Mail Order or Retail 90-Day Supply	\$11	\$50	\$90	N/A

Conclusion

Effective January 1, 2022, MaxorPlus will be the Fund's new PBM. This notice provides preliminary information to orient you to the upcoming transition to the new PBM. Although you will be receiving a welcome kit and additional information from MaxorPlus directly, please be assured that the Fund Office is available to address any questions or concerns you may have regarding this transition.

Sincerely,



Tim Morrin, Administrator

On Behalf of the Trustees of the Automatic Sprinkler Local 281, U.A. Welfare Fund