

UA LOCAL 350 HEALTH, WELFARE AND VACATION TRUST FUNDS

445 Apple Street * P.O. Box 11337 * Reno, Nevada 89510 * (775) 826-7200

March 20, 2020

To: All Plan Participants and Dependents, including COBRA beneficiaries, under the UA Local 350 Health, Welfare and Vacations Trust Funds

This information is VERY IMPORTANT to you and your dependents. Please take the time to read it carefully.

OptumRx Communication

COVID-19 Policy Update

We are closely monitoring the impact across the country from the COVID-19 situation and are taking further action to support you and your members at this time. As new and rapidly evolving information is known, we are assessing our policies and procedures to ensure we continue to meet the clinical needs of your members and comply with applicable CDC guidance, as well as Federal, State and Local government requirements.

We recently communicated our decision to allow members to refill their maintenance medications early to ensure they have an uninterrupted supply of medication during the COVID-19 threat. Similarly, I'd like to inform you of two new policies we are putting into place to support you, your members and providers during this time.

OptumRx Prior Authorization (PA) Extension:

To meet the needs of members and to limit the burden on a stressed provider network amid the COVID-19 outbreak, OptumRx is extending existing PAs that are set to expire on or before May 1, 2020. This policy will go into effect **March 19, 2020 at 12:00pm (noon) CST.**

1. This intervention will ensure that convenient access to critical medications is maintained during this period when vulnerable populations are being directed to take precautionary measures.
2. OptumRx will automatically extend existing PA approvals for most chronic medications set to expire prior to May 1, 2020 for an additional 90 days.
3. OptumRx will re-evaluate the need for further extensions thereafter.
4. Drugs with significant abuse potential (i.e., opioids) or those that are generally dosed for finite durations or intermittently (i.e., hepatitis agents, fertility agents) as identified by OptumRx will follow normal process for renewals.
5. Prior authorization requirements for medications that are newly prescribed will remain in place.

OptumRx Specialty Medications Extended Supply Distribution:

During the COVID-19 outbreak, when a patient calls to refill their specialty medication, Optum Specialty Pharmacy will offer patients a one-time, 90-day supply of key chronic specialty medications. This policy will go into effect **the week of March 23, 2020.**

1. OptumRx will allow the OptumRx specialty pharmacy the ability to offer patients a one-time 90-day supply of key chronic specialty medications (versus the traditional 30 day supply).
2. Drugs within the following categories will remain limited to 30 days supply only:
 - Acute medications
 - Controlled substances
 - Drugs subject to REMS programming requiring 30 day dispensing and monitoring
 - Drugs with limited expiration dating
 - Drugs where storage/handling issues would increase risk of waste
 - Office-administered injectable/infusible therapies

- Drugs experiencing supply shortages
 - Drugs dosed less frequently than once monthly
 - Drugs whose monthly ingredient cost exceeds \$10,000
3. This policy will not auto-dispense medications in supplies >30 days without direct consent of the patient.
 4. This policy will also not apply to patients who are newly initiated on a specialty therapy.

If you have questions about either of these policies or need additional assistance for your members, please contact me at (612) 632-5914.

Shawna Engle

Refill-Too-Soon COVID-19 Response Policy

OptumRx monitoring COVID-19 Health Concerns

Given the recent developments and extensive news coverage about COVID-19, we understand the heightened concerns of our clients and members. As an enterprise, we have a team of experts actively engaged in and closely monitoring the COVID-19 pandemic. Our top priorities are the health and well-being of our members and patients, and the safety of all clinicians who deliver care.

To meet the clinical needs of our members and comply with applicable CDC guidance, as well as Federal, State and Local government requirements, OptumRx Clinical Affairs is allowing members to refill their maintenance medications early to ensure they have an uninterrupted supply of medication during the COVID-19 threat.

OptumRx's policy includes the following:

- OptumRx members with active eligibility may obtain an early refill of their prescription medications if they have refills remaining on file at a participating retail or mail-order pharmacy.
- The refill obtained will stay consistent with the standard days supply previously filled by the member as allowed by their plan (e.g., 30 or 90 day supply).
- This refill too soon waiver will be continuously evaluated to determine the appropriate duration based on CDC guidance, Federal and State declarations, and other relevant data.
- This policy is in effect for all regions and states covered by OptumRx.

OptumRx does not anticipate delays in dispensing prescriptions from Optum-owned pharmacies (Optum Home Delivery, Optum Specialty, Optum Infusion Services, Avella, Genoa, and Diplomat) related to COVID-19. We are monitoring the supply chain and actively working to maintain a reliable inventory. OptumRx uses anticipatory analysis to determine if, and when, we need to expand operations to include advance dispensing, workforce management, medication access, and more involved in ensuring we secure the medications needed for our patients and deliver those medications to members. At the same time, we are evaluating drug supplies going out to our pharmacies and ensuring our best practices and disaster recovery plans are implemented to meet the operational requirements of the organization.

For More Information on COVID-19, OptumRx is providing the following resources and tools to help you stay informed:

- We recommend members visit the [CDC website](#) to learn more about the disease, FAQs and the latest CDC guidance and protocols.
- Members can also visit [WHO website](#) to learn more about how the World Health is addressing COVID-19.
- If individuals have additional health related questions, we recommend they contact their primary care physician or clinic.
- Members who plan to travel should visit the [U.S. State Department website](#) or the [CDC website](#) for additional travel related information.

Please reach out if you have any questions or need additional assistance for your members.

Thank you, Shawna

The CDC is the primary source for the latest updates on COVID-19. For the most current information, please go to their site: <https://www.cdc.gov/coronavirus/2019-ncov/index.html>

Does OptumRx anticipate any type of delays to dispense prescription medications?

We **do not** anticipate delays in dispensing prescriptions from Optum-owned pharmacies (Optum Home Delivery, Optum Specialty, Optum Infusion Services, Avella, Genoa, Diplomat) related to COVID-19. OptumRx is prepared to use anticipatory analysis to determine if, and when, we need to expand operations to include advance dispensing, workforce management, medication access, and more involved in ensuring we secure the medications needed for our patients and ability to deliver those medications to members.

How will OptumRx ensure adequate drug supplies and contingency staffing associated with your home delivery and other supply chains?

We've successfully managed challenging situations in the past including H1N1, Epi Pen shortage, and numerous natural disasters. We are monitoring the supply chain and actively working to maintain a reliable inventory. We're also evaluating drug supplies going out to our pharmacies and ensuring our best practices and disaster recovery plans are implemented to meet the operational requirements of the organization.

Will OptumRx take steps to help members and prescribers adjust to supply chain disruption and find therapeutically equivalent medications in case supply challenges do occur?

Yes, similar to when we have an out-of-stock or recall situation today, we partner with our members and prescribers to identify alternatives and streamline the process to drive a faster turnaround and ensure our members have the therapy they need when they need it.

Will medications used to treat COVID-19 be covered in my plan?

Medications used in supportive care for the treatment of COVID-19 will be covered per the member's current health plan benefit design. While there is no current treatment other than supportive care, OptumRx is monitoring the use of anti-viral products and production of a vaccine and will continue to aggressively monitor CDC recommendations and outcomes of clinical studies.

Is OptumRx proactively waiving any refill-too-soon edits?

Yes. Our first priority is to ensure our members have access to the diagnostic and treatment care they need, and we are continuing to work with our customers and policymakers on this public health challenge. To ensure we meet the clinical needs of our members and to comply with applicable CDC, Federal, State and Local government requirements, OptumRx Clinical Affairs has implemented an early refill policy for maintenance medications. This authorization allows eligible OptumRx members to obtain early refills of their prescription medications if they have refills remaining on file at a participating retail or mail-order pharmacy.

What if a member is willing to pay out of pocket to stockpile medications?

Consistent with AMCP and other published policy, stockpiling is not encouraged because shortages are likely to increase when stockpiling occurs. We continue to assess if policy should change as CDC guidance evolves.

If lab test confirmation is required as part of utilization management criteria of a specialty drug, how will OptumRx ensure access to the specialty drug in the case of a quarantine?

OptumRx will evaluate the need to relax required utilization management criteria including any required lab tests for those members impacted by a quarantine.

How will OptumRx support access to a COVID-19 vaccine?

There is currently no approved vaccine for this virus. As soon as one is available, we will work to ensure access for our customers. We have a network of 68,000 pharmacies that can dispense vaccines and we will actively work with our pharmacies to administer any vaccines based on CDC recommendations and national availability.

Can the OptumRx customer service or website help identify local pharmacies in a member's geography which offer delivery service?

We recommend members contact their local pharmacy directly to check if they offer delivery service or determine if their prescription can be filled by OptumRx's home delivery service.

How can I find out if my local pharmacy is open to pick up a prescription?

We recommend you contact your local pharmacy directly to determine if they are open and filling prescriptions.

What role will OptumRx Home Delivery play in the distribution of acute prescriptions in the case of quarantine?

OptumRx Home Delivery will continue to play its primary role in the supply of chronic maintenance medications and a limited number of acute medications. OptumRx will continue to work collaboratively with our network of 68,000 pharmacies who are best situated to dispense acute medications.

Are your medications safe, or could they be carrying COVID-19?

At this time, OptumRx has no reason to suspect any concerns with medications being used in our pharmacies and is continuing to monitor the drug supply chain. OptumRx is firmly committed to the highest standards in selecting the vendors from which we source medications. Our prescription medications are purchased from approved sources that are safe and effective, and that have implemented protections that comply with all FDA regulations as well as national standards of the Verified Accredited Wholesaler Drug program (VAWD).

Will OptumRx allow members to change their retail prescriptions to Home Delivery?

If a member is interested in switching a prescription to Home Delivery, they can check through the OptumRx.com website to see if it is available. If a consumer is already on the phone, we will work with them through our normal onboarding process for new Home Delivery customers.

NOTICE OF STATUS AS A GRANDFATHERED PLAN

Because this medical Plan is a “grandfathered health plan,” we are required by law to provide this notice to you:

This group health plan believes the UA Local 350 Health, Welfare and Vacations Trust Funds medical plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted.

Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Administrative Office at (775) 826-7200. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at (866) 444-3272 or www.dol.gov/agencies/ebsa. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

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Please keep this important notice with your Rules and Regulations/Summary Plan Description (SPD) for easy reference to all Plan provisions. If you have any questions, you may call the Administrative Office at (775) 826-7200 or Toll Free at (877) 826-5053.

Sincerely,

Board of Trustees

Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding this Plan change, please contact the Fund Office.

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan.

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