

# JANUARY 2020 FORMULARY AND UTILIZATION MANAGEMENT STRATEGY

## Cigna Pharmacy Management®

**As a result of our combination with Express Scripts we have strengthened our scale and influence with drug manufacturers, driving greater affordability with more preferred brand drugs in key classes in our formularies. And we are adding clinical utilization management (UM) edits to help clients achieve immediate cost savings, quality and safety.**

### Low net cost approach with strengthened UM

We are continuing to leverage our low net drug cost approach where we reevaluate traditional pricing with the goal of delivering more affordable brand drug options to our clients and customers. This includes removing certain high-priced and/or low-value drugs where other alternatives are available – regardless of incentives or rebates.

This proven strategy, combined with additional clinical UM programs, drives lower costs, promotes the use of clinically appropriate alternatives, and provides additional assurance against potentially harmful, ineffective or unnecessary drug treatments.<sup>1</sup>

### Cigna's UM

Prior authorizations

Step therapy

Quantity limits

### January 1, 2020 formulary changes

As part of our ongoing commitment to provide affordable and quality health care coverage, we regularly review and update our formularies. Here are major areas of formulary change focus.

- › **UM strategies** that promote proper and safe use.
- › **Adding drugs to formulary** and/or moving to preferred tier due to enhanced contracting.
- › Removing drugs **priced inappropriately** compared with identical or near identical products.<sup>2</sup>
- › Removing drugs used for conditions where other **more cost-effective options** are available.<sup>2</sup>

**\$1.00–\$2.20**  
savings per member  
per year  
for clients using  
Cigna's UM packages<sup>1</sup>

Savings vary by  
UM package and  
formulary

**Together, all the way.®**



Offered by Cigna Health and Life Insurance Company or its affiliates.

## Summary of January 1, 2020 formulary changes<sup>3</sup>

Below are examples of drug classes targeted as part of our January 2020 (unless otherwise noted) formulary change process. These highlights do not reflect the entire list of Cigna's formulary changes. For drug-specific changes, please request a formulary change flyer.

### Opioids

To promote safety and avoid long-term use for those with a new prescription for opioids we will:

- › Update current short-acting opioid prior authorization (PA) from >7 days to >3 days for new users taking opioid for acute dental pain.
- › Add PA to opioids containing cough suppressants for non-acute use (>21 days).

### Weight loss

(For clients whose plans cover weight loss drugs)

This class has historically been unmanaged through UM. With the introduction of some expensive drugs in this class (and growing concern expressed by clients), we have added UM to this category. The intent is to assure appropriate use and guide customers toward generics rather than high-cost brands, when appropriate.

- › Adding clinical PA on all covered brand weight loss products.

### Attention deficit hyperactivity disorder (ADHD)

We are monitoring for appropriate use and applying UM to promote drug safety.

- › For those clients who adopted our strongest UM package (Complete), we will add PA to help ensure appropriate use for all covered ADHD agents that do not have PA in place today. This includes a PA for any customer over the age of 18 who does not have a documented ADHD indication.
- › A six-month evaluation will take place to assess if PA should apply to our Essential UM package.

Quantity limits will be implemented for long-acting stimulants for ADHD.

### Seizure control

As a result of better contracting, we are moving **Fycompa** to preferred brand tier, improving affordability and access to coverage for customers (October 2019 change).

### Ulcers and ulcerative colitis

We will exclude all **histamine H2 antagonist** products on Value formulary to drive to over-the-counter (OTC) drugs.

- › Value and Advantage formularies will cover generic liquid H2 products.
- › **Mesalamine** will move to the generic tier because this drug is no longer egregiously priced.

### Pulmonary arterial hypertension (PAH)

Goal is to guide toward generics from high-cost brands.

- › Upon PA renewal, customers must prove intolerance to generic for branded **Letairis**, **Tracleer** and **Adcirca**.

### Vitamin B12 deficiency

We'll move **Nascobal** off formulary<sup>2</sup> to encourage use of more affordable alternative options such as:

- › OTC
- › Injection at health care provider's office, under the medical benefit
- › Injection available at the pharmacy through the pharmacy benefit for self-administration

### Vitamin D analogs

These are topical products used to treat plaque psoriasis. We are taking advantage of the availability of a generic for **Taclonex ointment**. We are moving against high-cost brands in favor of the lower-cost generic alternatives. We are moving the following drugs off formulary.<sup>2</sup>

- › **Taclonex Suspension, Taclonex ointment, Enstilar**

## HIV

Based on a Cigna internal study,<sup>4</sup> looking at total medical cost, and review of other literature, Cigna recommends single-tablet regimens that can help improve adherence by taking only one pill a day vs. multiple pills per day. Our proprietary study results show adherence could improve by **15%** when customers take a single tablet instead of multiple tablet regimens.<sup>4</sup> Lower adherence can increase:

- › Resistance to HIV medications.<sup>4</sup>
- › Disease progression.<sup>4</sup>
- › Medication costs.<sup>4</sup>

As a result:

- › We will add PA to all HIV medications for new starts with some exceptions, such as if the medication is a single-tablet regimen.
- › Several multisource brand drugs will move off formulary to encourage use of identical generics.

## Inflammatory conditions

Adding **quantity limits** to all oral and self-injectable anti-inflammatory products that do not already have one.

- › For clients who have medical and pharmacy benefits with Cigna, we will use integrated data to identify certain conditions and allow higher dosing for: **Cimzia**, **Humira** and **Stelara**.

## Cystic fibrosis – antibiotics

Strengthening our UM to help ensure inhaled antibiotics for cystic fibrosis are prescribed per Food and Drug Administration (FDA) indications.

- › Add quantity limits and specialty PA to all products.

## Inhalers for asthma and COPD

Moving the following drugs off formulary to drive to lower-cost alternatives: **Spiriva**, **Stiolto**, **Striverdi** and **Arcapta** (varies by formulary). We will offer customers better access to **Trelegy**, **Dulera** and **Serevent**.

## Birth control

As a result of contract enhancements, we are moving **Nuvaring** to the preferred brand tier on Value and Advantage formularies.

## Irritable bowel and constipation

We are offering improved affordability and access for these drugs.

- › Remove **Trulance** from non-formulary and add to preferred brand tier, due to contract enhancements.

## Malaria

We will remove benefit exclusion on all malaria agents to allow preventive coverage.

- › We will add PA on some branded products that have much more cost-effective alternatives, including generics, while guiding customers to the most cost-effective therapy through UM.

## Acne tetracyclines

**Acne tetracycline kits** containing OTCs will be excluded from coverage.

- › We will also move the high-cost **Oracea** brand and its generic **doxycycline (40 mg capsule)** off formulary to drive toward lower-cost alternatives.<sup>2</sup>

## Cancer

**Tarceva** (lung cancer) will move off formulary<sup>2</sup> in response to generic **erlotinib** launch.

- › **Erlotinib** added to tier one with specialty PA.
- › **Tarceva** users grandfathered until January 1, 2020.

**Erivedge** (skin cancer) added to preferred brand tier. **Zytiga 250 mg and 500 mg** (prostate cancer) – will move off formulary<sup>2</sup> in response to generic **abiraterone** launch.

## Multiple sclerosis

- › Moving **Aubagio** off formulary<sup>2</sup> to drive to more cost-effective agents. Grandfather all current users indefinitely.
- › Added **Mayzent** to preferred brand tier – due to enhanced contracting.

## In vitro fertilization (IVF)

(For clients whose plans cover IVF therapy) **Gonal-F** will be preferred IVF product on both medical and pharmacy benefit. **Gonal-F** is a preferred product at Freedom Fertility Pharmacy®, Cigna's preferred fertility pharmacy – making coverage for this therapy more accessible and affordable for many customers.

- › **Gonal-F** will be added to the preferred brand tier and added as a preferred brand for medical coverage.
- › **Follistim AQ** will be added to non-preferred brand tier for pharmacy and medical.

## Diabetes

### Metformin first-line treatment for type 2 diabetes

- › An internal study of Cigna medical, pharmacy and lab data estimated improvements in glucose control and reduction in total cost of care when metformin therapy is optimized.<sup>4</sup>
- › **All branded diabetic medications will require a trial of metformin prior to coverage.**

As a result of enhanced contracting, we are:

- › Adding two diabetes-branded drugs to preferred brand tier, to improve access.

- **Steglatro and Segluromet**

Other actions:

- › Adding quantity limits on **insulins**
- › Removing certain branded drugs and high-cost generics, to drive to lower-cost alternatives – current users grandfathered indefinitely.
- **alogliptin, alogliptin/metformin, alogliptin/pioglitazone**

### Customer communications

Approximately 1% of customers will be affected by these changes.<sup>5</sup>

We will send letters and emails to affected customers in early October 2019. Reminder notifications will release in early November and again in January 2020. Other materials are available at client request, such as formulary specific flyers, customer flyers, and formularies.

### Health care provider communications

To build awareness and help providers talk with their patients, we will:

- › Send a letter to affected providers that outlines key formulary changes.
- › Provide a posting on our provider portal.
- › Share a newsletter article.

Drug costs (under the medical and pharmacy benefit) are the number one driver of health care costs for an employer.<sup>6</sup> Our priority is to maintain affordability for our clients and customers now and in the future. We will continue to make enhancements to our formularies to help drive sustainable cost savings and improve customer health outcomes.



1. For clients using Standard, Performance, Value or Advantage formularies and using either Essential or Complete UM package. Cigna National Book of Business pricing analysis estimating value of January 2020 formulary and UM changes. Results may vary. 2. If a customer and/or prescriber believes any of the products that will no longer be covered as preferred options are medically necessary, then Cigna will review requests for a medical necessity exception. 3. For clients using Standard, Performance, Value or Advantage formularies and using either Essential or Complete UM package. Cigna National Book of Business pricing analysis estimating value of January 2020 formulary and UM changes. Individual client/customer results will vary and are not guaranteed. State laws in Texas and Louisiana may require your plan to cover your medication at your current benefit level until your plan renews. This means that if your medication is taken off the drug list, is moved to a higher cost-share tier or needs approval from Cigna before your plan will cover it, these changes may not begin until your plan's renewal date. To find out if these state laws apply to your plan, please call Customer Service using the number on your Cigna ID card. State law in Illinois may require your plan to cover your medications at your current benefit level until your plan renews. This means that if you currently have approval through a review process for your plan to cover your medication, the drug list change(s) listed here may not affect you until your plan renewal date. If you don't currently have approval through a coverage review process, you may continue to receive coverage at your current benefit level if your doctor requests it. To find out if this state law applies to your plan, please call Customer Service using the number on your Cigna ID card. 4. Cigna National Book of Business study, full-year 2018. Individual results will vary. 5. Cigna's National Book of Business estimate of customers disrupted by 1/1/20 formulary changes. 6. Cigna Book of Business national study 2017. Projection compares the following health care spend for medical service categories: Drugs and Biologics, Inpatient Facility, Outpatient Facility, Professional Services, Other Medical Services.

This document is intended to provide current information as of the time it was published. It does not supersede contractual obligations and other detailed plan documents or contracts. This information is subject to change.

Health benefit plans vary, but in general to be eligible for coverage a drug must be approved by the Food and Drug Administration (FDA), prescribed by a health care professional, purchased from a licensed pharmacy and medically necessary. If your plan provides coverage for certain prescription drugs with no cost-share, the customer may be required to use an in-network pharmacy to fill the prescription or the prescription may not be covered or reimbursement may be limited by your plan's copayment, coinsurance or deductible requirements.

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