October, 2015

Dear Member:

We are pleased to announce that the PSC-CUNY Welfare Fund has made a change in the company with whom we contract to provide your prescription drug benefit. As of January 1, 2016, the Fund’s drug benefit will be provided through CVS/Caremark and its affiliate, SilverScript, for Medicare-eligible retirees.

The Welfare Fund Board of Trustees voted unanimously to change our pharmacy benefit manager (PBM) from Express Scripts to CVS/Caremark. They did so for three reasons: 1) Members will receive better service and support; 2) Members will be able to purchase three-month maintenance drugs at CVS retail pharmacies for the same cost as by mail; 3) CVS/Caremark will provide a better benefit at a lower cost to the Fund.

There will be no change in your co-payments due to this transition and the basic plan design will remain the same. There will be new advantages. You will still have the option of mail order for maintenance drugs, but you will also be able to fill a three-month prescription at a local CVS pharmacy at no extra cost. You may, if you prefer, continue to use most other non-CVS pharmacies under the same terms that currently apply to your benefit. The CVS/Caremark network extends to more than 68,000 pharmacies nationwide—not just CVS stores—including other major chains and most independent drug stores.

As an additional benefit, you will receive a 20% discount card applicable to all CVS-brand health-related products. CVS/Caremark also offers Minute Clinics in most of their stores, which you may find convenient for routine or urgent care as well as timely immunizations. Also, with CVS/Caremark you will have access to mobile pharmaceutical technology innovations, which will enable you to keep track of your benefit on a smart phone or tablet.

Administering our drug benefit was becoming increasingly difficult and expensive with our current PBM. The Fund’s Board undertook a competitive bidding process—receiving proposals from four companies—and carefully weighed the advantages and disadvantages of changing providers. After thorough analysis and discussion the Board decided that our members would be better served by CVS/Caremark. The contract with CVS/Caremark is projected to save the Fund enough over several years to allow continued strong supplemental benefits for our active and retired members.

For most members, the transition will be uncomplicated, but we realize that is not true for all. There will be some minor changes to the list of covered drugs with the change to CVS/Caremark. This would have happened whether we had stayed with Express Scripts or had gone to any other PBM. Our new relationship with CVS/Caremark will bring better,
more timely notice of modifications and clear, well-considered therapeutic alternatives for members and their physicians.

We are aware that for many members prescription drugs are life-sustaining, and you may have important personal concerns about how the transition to a new pharmacy benefit manager will affect you. You may also have practical questions about obtaining drugs through an unfamiliar system. Whatever your needs in the transition, we are committed to making it as easy as possible for you.

Together with CVS/Caremark, we will provide you with full, detailed information throughout the transition. This is only the first of several communications you will receive from us and from our new PBM. News will be posted on our website, pscunywf.org. Dedicated customer-care phone lines (one for active employees—and non-Medicare retirees—and one for Medicare retirees) are being set up at CVS/Caremark. Their customer care staff will be given orientation by our own staff and will provide a degree of knowledge and flexibility not available from other PBMs. Information about CVS/Caremark phone lines will be made available in our subsequent letter and—with additional features—on our website. These should be your first and best lines of contact, beginning later this month.

Again, the scope of the drug benefit and current co-pay rates will remain in place. Adjustments will be the subject of discussion and communication over the implementation period. Our members will have greater voice through the Fund than under our current arrangement. The Welfare Fund will continue to be a strong, pro-active advocate for you. No modifications will ever be considered that in any way compromise your health care.

Today, changes in the pharmaceutical industry are rapid, with new and ultra-expensive drugs coming to market. Recent rapacious practices by manufacturers are drawing political scrutiny. Regulation of the expansion of drug benefits under the Affordable Care Act continues to evolve. The Fund has to adapt continuously to new financial challenges and regulatory demands. We believe that a transition to CVS/Caremark will allow us to better navigate this environment and, above all, to provide better service and benefits to you.

Sincerely,

Larry Morgan
Executive Director