

## Explanation of RX Plan Design Recommendation

1. **Enhanced Drug Formulary Lists:** A formulary is essentially an approved list of drugs covered at some level by the plan. If a drug is not covered, or not paid, it is considered “not on formulary”. The City is moving to the Cigna 2017 Standard Formulary Drug List - including Specialty drugs. This will have minimal impact on current scripts issued.
2. **Step Therapy:** Step Therapy is a clinical cost management program designed to promote the use of low-cost, therapeutically appropriate medications. For many conditions, several medication options are available and Step Therapy helps an individual and physician choose the most affordable option. Cost savings are provided by recommending that customers use lower cost medications in key drug classes where high-cost brands are prevalent. Current employee’s prescriptions are grandfathered. This will apply only to new prescriptions.
3. **Prior Authorization:** Clinical management program where certain drugs require prior authorization review for medical necessity. Current employee’s prescriptions are grandfathered. This will apply only to new prescriptions.
4. **Cigna 90 Now (90-day benefit + network):** Offers customers the option to fill maintenance medications in a 90-day supply within the 90-day retail network such as CVS and Walmart or Cigna Home Delivery Pharmacy.
5. **Specialty Pharmacy – Exclusive Home Delivery:** Requires the use of Cigna Home Delivery Pharmacy for specialty medications for certain serious medical conditions. This means that customers must fill their specialty medications exclusively through Cigna Exclusive Specialty Home Delivery Pharmacy in order to have their medication covered under their plan.