

Pharmacy Passages

is a quarterly newsletter for our customers. Pharmacy Passages will update you on changes to the Preferred Products List. The Pharmacy and Therapeutics (P&T) Committee meets quarterly to evaluate product status and new prescription products approved by the FDA. The P&T Committee is comprised of independent physician providers and pharmacists.

The most current information is available on our Web site at www.innoviant.com.

A copy of this newsletter, as well as updated information regarding the Preferred Products List (PPL) can also be found on the Web site.

Your quarterly update

Rx InStep – new step-therapy programs for pharmacy benefits cost management

Our commitment to offering programs that deliver economic value is second to none. Providing plan sponsors with options that promote appropriate use and achieve cost savings creates new pathways that allow administrative control beyond that of a standard formulary. We are now offering step-therapy programs to provide additional tools to manage pharmacy benefits cost. It is important to point out that there are no administrative fees charged to you for electing to participate in any of these programs. We believe delivering valuable clinical and cost management program options to you is an essential responsibility of a prescription benefits administrator.

Why should you choose Rx InStep step-therapy programs?

Within a therapeutic category, there may be a number of products that deliver similar clinical value (the desired safety and the desired effectiveness). In considering acquisition cost and/or rebate opportunities, the products could have different economic impact to the plan sponsors cost. Currently we offer step-therapy programs for the following therapeutic categories of medications:

- Proton Pump Inhibitors
- HMGs (statins)
- Contraceptives

These step-therapy programs employ “smart edits” that require patients to use a preferred product(s) in that therapeutic category. Preferred status is awarded to a product that delivers good clinical value as well as the best economic value for the plan sponsor. By moving utilization to the preferred products, which were chosen by the Pharmacy and Therapeutics (P&T) Committee, the plan sponsor has the benefit of combining lower Average Wholesale Price (AWP) and the potential to earn higher rebates on the preferred medications. This combination is the key factor in promoting programs that lower the cost.

You can, with a 90-day lead-time, elect to start these programs at anytime. We are also available to consult with you and model the estimated effect for your plan. We can provide individual reports showing the medications, effect to members, and the number of claims for the medications. These reports, available at no additional cost, should give you a good idea of the savings potential for your particular group. If you would like a sample report, you may request them at Innoviantclinical@innoviant.com. Your companies’ benefits will be renewing soon, why not make a change now to reduce your prescription cost trend?

High-priced pharmaceuticals

In recent years, we have seen the introduction of several innovative medicines. Many of these new treatments are administered either by self-injection or injection by a healthcare professional. These products offer a renewed hope to patients suffering from chronic and sometimes debilitating diseases. For the

most part, these new discoveries have occurred because of newer research and developmental techniques. Unfortunately, the high cost of bringing these products to market is usually reflected with a very expensive price tag to the payers of healthcare.

As your pharmacy benefit manager, we believe it is our responsibility to encourage the prudent use of all medications; especially the newer high-priced pharmaceuticals. We will soon introduce a program that is dedicated to managing the efficient use of these products, both from a clinical and financial perspective.

Product Reviews

| Product | Indications | Standard Plan | Select Plan | Closed Plan |
|------------------|--|--|--|--|
| Copegus | New oral anti-viral agent (not a limited category) indicated in combination with Pegasys for the treatment of adults with chronic Hepatitis C. | Brand co-pay | Second tier preferred | Second tier preferred |
| Relpax | New oral triptan agent (is a limited category) indicated for the treatment of migraine. Added at preferred status in place of Axert. Preferred triptan agents now include Imitrex, Relpax and Zomig. | Brand co-pay | Second tier preferred | Second tier preferred |
| Axert | Existing oral triptan agent (is a limited category) indicated for the treatment of migraine. The cost of Axert has increased 51%. Axert was removed from preferred status. Preferred triptan agents now include Imitrex, Relpax and Zomig. | Brand co-pay | Third tier nonpreferred | Not covered |
| Alina | New oral suspension anti-diarrheal (not a limited category) indicated for the treatment of diarrhea caused by Cryptosporidium parvum and Giardia lamblia in pediatric patients 1 through 11 years of age. Effectiveness and safety of Alinia for those under 1 and over 11 has not been studied therefore an age edit allowing only for children age 1-11 is in place. | Brand co-pay with age edit of >1 and <11. | Second tier preferred with age edit of >1 and <11. | Second tier preferred with age edit of >1 and <11. |
| Amevive | New injectible antipsoratic agent. Indicated for the treatment of adult patients with moderate to severe chronic plaque psoriasis who are candidates for systemic therapy or phototherapy. Amevive is administered once weekly as an IV bolus or IM injection under the supervision of a healthcare professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |
| Avar, Avar Green | New topical antibiotics (not a limited category). Avar products are indicated for the control of acne vulgaris, rosacea and seborrheic dermatitis. | Brand co-pay | Second tier preferred | Second tier preferred |

Products being added to preferred status were effective as of June 2, 2003. Products being removed from preferred status were effective June 2, 2003, unless otherwise noted. Members currently using a product designated to be removed from preferred status will receive advanced notice of the change and will not be impacted with higher co-pays until August 1, 2003, unless otherwise noted.

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|------------------------|--|--|--|--|
| Finacea Gel | New rosacea agent indicated for topical treatment of inflammatory papules and pustules of mild to moderate rosacea. | Not covered under prescription benefit Cosmetic medications excluded by benefit plan language | Not covered under prescription benefit Cosmetic medications excluded by benefit plan language | Not covered under prescription benefit Cosmetic medications excluded by benefit plan language |
| Restasis 0.05% | New ophthalmic anti-inflammatory immunomodulator-type preparation (not a limited category) indicated to increase tear production in patients whose tear production is presumed to be suppressed due to ocular inflammation associated with keratoconjunctivitis sicca. | Brand co-pay with a quantity limit of 60 single-use vials per 30 days | Second tier preferred with a quantity limit of 60 single-use vials per 30 days | Second tier preferred with a quantity limit of 60 single-use vials per 30 days |
| Regenecare | New topical local anesthetic agent (not a limited category) indicated for the facilitation of a moist wound environment. | Brand co-pay with a limit of 1 copay per tube | Second tier preferred with a limit of 1 copay per tube | Second tier preferred with a limit of 1 copay per tube |
| Fuzeon Convenience Kit | New self-injectible antiretroviral agent indicated in combination with other antiretroviral agents for the treatment of HIV-1 infection in treatment-experienced patients. This product has been studied and approved as an add-on therapy to current regimens and for use only in the treatment experienced patient. To ensure appropriate use, the product will require prior authorization. | Brand co-pay Prior authorization required | Second tier preferred Prior authorization required | Second tier preferred Prior authorization required |
| Secreflo | SecreFlo is a new injectible diagnostic agent indicated for use in secretin stimulation testing. It is administered intravenously by a health care professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |

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|----------|--|--|---|---|
| Emend | New oral antiemetic/antivertigo agent (quantity limited category) indicated for the prevention of acute and delayed nausea and vomiting associated with initial and repeat courses of highly emetogenic cancer chemotherapy, including high-dose cisplatin. Quantity limits are placed on anti-emetic agents based on FDA approved dosing recommendations. All use outside of these recommendations is handled via prior authorization on a case by case basis. Emend will have a quantity limit of 3 capsules placed on the capsule product and a limit of 1 package on the 3-day dosage pack | Brand co-pay with a quantity limit of 3 capsules placed on the capsule product and a limit of 1 package on the 3-day dosage pack | Second tier preferred with a quantity limit of 3 capsules placed on the capsule product and a limit of 1 package on the 3-day dosage pack | Second tier preferred with a quantity limit of 3 capsules placed on the capsule product and a limit of 1 package on the 3-day dosage pack |
| Somavert | New self-injectible growth hormone receptor antagonist that is indicated for the treatment of acromegaly in patients failing surgery, radiation or other medical treatments. Due to the second-line recommendation, Somavert requires prior authorization. | Brand co-pay Prior authorization required | Second tier preferred Prior authorization required | Second tier preferred Prior authorization required |
| Zymar | New fluoroquinolone ophthalmic topical antibiotic (is a limited category) indicated for the treatment of bacterial conjunctivitis. Vigamox (see the next product review) is the preferred 3rd - 4th generation ophthalmic quinolone antibiotic. | Brand co-pay | Third tier nonpreferred | Not covered |
| Vigamox | New fluoroquinolone ophthalmic topical antibiotic (is a limited category) indicated for the treatment of bacterial conjunctivitis. Vigamox added as the preferred 3rd - 4th generation ophthalmic quinolone antibiotic. | Brand co-pay | Second tier preferred | Second tier preferred |
| Suboxone | New formulation of narcotic analgesic sublingual tablet (is a limited category). Suboxone is a combination of buprenorphine/naloxone. | Brand co-pay | Third tier nonpreferred | Not covered |

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|---|--|--|--|--|
| Lexapro 5mg/5ml solution | Suspension formulation of Lexapro, an existing SSRI antidepressant agent (is a limited category). | Brand co-pay | Second tier preferred | Second tier preferred |
| Novolog mix 70/30 – vial formulation | Existing insulin product (is a limited category) now available in 70/30 mix in vial formulation. | Generic co-pay (On the “Brands for Generic” program) | Generic co-pay (On the “Brands for Generic” program) | Generic co-pay (On the “Brands for Generic” program) |
| Novolog mix 70/30 – Prefilled pen syringe formulation | Existing insulin product (is a limited category) now available in 70/30 mix in a prefilled syringe formulation. | Brand co-pay | Second tier preferred | Second tier preferred |
| Azasan | Existing axathioprine immunosuppressive (not a limited category) in new 75mg and 100mg tablets. | Brand co-pay | Second tier preferred | Second tier preferred |
| Eligard | Existing leuprolide antineoplastic agent (not a limited category) in self-injectible form. | Brand co-pay | Second tier preferred | Second tier preferred |
| Simulect | Existing immunosuppressive agent now available in 10mg vial for injection administered by a healthcare professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |
| Loprox 1% | Existing topical antifungal agent (not a limited category) available in shampoo formulation. | Brand co-pay | Second tier preferred | Second tier preferred |
| Rapamune | Existing immunosuppressive agent (not a limited category) available in 2mg formulation. | Brand co-pay | Second tier preferred | Second tier preferred |
| Lovenox | Existing self-injectible anticoagulant agent (not a limited category) available in 100mg/ml strength. | Brand co-pay | Second tier preferred | Second tier preferred |
| Klonopin wafers | Existing anticonvulsant agent clonazepam (is a limited category) available in 0.125 mg, 0.25 mg, 0.5 mg, 1 mg, 2 mg wafer formulation. Clonazepam tablets are available generically. | Brand co-pay | Third tier nonpreferred | Not covered |

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|---------------|--|--|--|--|
| Thalomid | Existing antileprotic agent (not a limited category) in 100mg and 200mg capsule formulation. | Brand co-pay | Second tier preferred | Second tier preferred |
| Calcitriol | Existing vitamin D preparation available in 1mcg/ml, 2 mcg/ml injection administered by a healthcare professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |
| Oxytrol Patch | Oxybutynin 3.9 mg/24 hour patch formulation of existing urinary tract medication (is a limited category). Oxybutynin tablets are available generically. | Brand co-pay | Third tier nonpreferred | Not covered |
| Innopran XL | Existing beta-adrenergic blocking agent (not a limited category) in once daily formulation in 80mg or 120mg capsules. | Brand co-pay with once daily edit | Second tier preferred with once daily edit | Second tier preferred with once daily edit |
| Cardizem LA | Existing calcium channel blocking agent containing diltiazem (is a limited category) available in a once daily formulation. Long acting once daily diltiazem is available generically. | Brand co-pay with once daily edit | Third tier nonpreferred with once daily edit | Not covered |
| Subutex | Narcotic analgesic sublingual tablet (is a limited category) available in 2 and 8 mg strengths. | Brand co-pay | Third tier nonpreferred | Not covered |
| Zometa | Injectible Bone resorption inhibitor administered intravenously by a healthcare professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |
| Brevibloc | Injectible beta adrenergic blocking agent administered intravenously by a healthcare professional. | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent | Not covered under prescription benefit Subject to medical plan – specific plan benefit intent |

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|-----------------------------|---|---------------|-------------------------|-----------------------|
| Oramagicrx | Oral rinse Mucosisis/stomatitis agent containing K sorbate/Malto/Alo V/Mann PS (not a limited category). | Brand co-pay | Second tier preferred | Second tier preferred |
| Risperdal | Existing antipsychotic agent (not a limited category) disintegrating tablet formulation available in 0.5mg, 1mg and 2.5mg strengths. | Brand co-pay | Second tier preferred | Second tier preferred |
| First-Testosterone MC Cream | New transdermal androgenic agent. Reviewed as part of a class review. Androderm and Androgel are the topical androgenic agents at preferred status. First-Testosterone placed at nonpreferred status. | Brand co-pay | Third tier nonpreferred | Not covered |
| Testim | Existing transdermal androgenic agent. Reviewed as part of a class review. Androderm and Androgel are the topical androgenic agents at preferred status. Testim placed at nonpreferred status. | Brand co-pay | Third tier nonpreferred | Not covered |
| Testoderm | Existing transdermal androgenic agent. Reviewed as part of a class review. Androderm and Androgel are the topical androgenic agents at preferred status. Testoderm placed at nonpreferred status. | Brand co-pay | Third tier nonpreferred | Not covered |
| Androderm | Existing transdermal androgenic agent. Reviewed as part of a class review. Androderm and Androgel are the topical androgenic agents at preferred status. | Brand co-pay | Second tier preferred | Second tier preferred |
| Androgel | Existing transdermal androgenic agent. Reviewed as part of a class review. Androderm and Androgel are the topical androgenic agents at preferred status. | Brand co-pay | Second tier preferred | Second tier preferred |
| Adoxa | Branded tetracycline antibiotic agent containing doxyclyne (is a limited category). Doxyclyne is available generically. | Brand co-pay | Third tier nonpreferred | Not covered |

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|-----------|---|---------------|-------------------------|-----------------------|
| Foradil | Existing long-acting beta agonist for use in asthma and chronic obstructive pulmonary disease (is a limited category). Reviewed due to new product information. Placed at preferred status. | Brand co-pay | Second tier preferred | Second tier preferred |
| Zovirax | Existing anti-viral (is a limited category). Reviewed due to generic availability (acyclovir). Removed from preferred status. | Brand co-pay | Third tier nonpreferred | Not covered |
| Adalat CC | Existing calcium channel blocking agent (is a limited category). Reviewed due to generic availability (nifedipine). Removed from preferred status. | Brand co-pay | Third tier nonpreferred | Not covered |

Leukotriene Modifier Agents

Asthma and allergic rhinitis are common disorders that affect millions of individuals in the United States each year, with a major impact on healthcare costs. The class of medications known as Leukotriene Modifier Agents was previously marketed only for the treatment of asthma. It is now being marketed for the treatment of asthma and allergic rhinitis. These agents are one of the highest cost treatments for asthma and allergy.

The gold standard of care for asthma includes inhaled corticosteroid therapy, which work to reduce inflammation in the lungs. Leukotrienes may offer a benefit when added to inhaled steroids or in pediatric patients who may have difficulty with inhaler use.

The gold standard for allergy treatment includes nasal corticosteroids and oral antihistamines, which block the release of histamine causing allergy symptoms. Leukotrienes work by blocking a receptor that has been correlated with asthma and allergy.

At this time, the Average Wholesale Price (AWP) for Leukotrienes averages \$3.05 per day. The average AWP cost of inhaled steroids is \$2.89 per day and the average cost for nonsedating antihistamines is \$2.01 per day. In addition, the nonsedating antihistamine, loratadine marketed as Alavert, is available over-the-counter for the treatment of allergy for about \$0.60 per day.

Based on the efficacy of other available products to treat asthma and allergy, the Pharmacy & Therapeutics Committee has elected to add step-therapy requirements to leukotriene modifier agents effective August 1, 2003. Step-therapy edits require prior therapies or guidelines be met for the medication to be processed. The following guidelines were recommended for leukotriene modifiers:

- Claim for oral inhaled steroid medication; or
- Age less than 16 years

If a patient meets one or more of the above criteria, the claim will process at the brand co-pay. If one of the above criteria is not met, the claim will deny.



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