

Cigna Pharmacy Management

STEP THERAPY PROGRAM



When it comes to medications to treat chronic health issues, individuals and doctors have more choices than ever before. By helping people find and choose lower cost alternatives, you can significantly lower your overall pharmacy costs. And when medications are more affordable, individuals may be more likely to take them as prescribed. That helps to improve their overall health and health care spending.

Adding step therapy to your Cigna Pharmacy plan is a no-cost, simple way to help people make the switch to lower cost medications. Companies that use our recommended step therapy program can lower total pharmacy costs by \$1.69 per person, per month.

Change behavior. Improve health. Lower cost.

Getting people to switch to lower cost alternative drugs requires a change in behavior. Our step therapy program makes that change possible by using a variety of influencers – program design, individualized outreach, ongoing communication, and financial incentives – to shift behaviors.

Program design: When there are several equally effective medication choices available, it makes sense to use the least expensive options first. Step therapy requires that individuals use one or more lower cost medications first before moving to higher cost brand name drugs. Our program covers 14 different classes of drugs used to treat some of the most common chronic health issues. These drug classes represent about 28% of all prescriptions filled, and 35% of all pharmacy claims.

Individualized outreach: Individuals taking medications for chronic health issues are identified for outreach. When the program begins, there is an initial grace period (usually 60 days) when educational

letters are sent to individuals who fill a step therapy medication. Because it is important to guard against interrupting therapy, these prescriptions are allowed to fill during this initial grace period to give the individual and their doctor time to consider alternatives.

Ongoing communication: Whenever an individual fills a step therapy prescription for the first time, we immediately send a letter to the individual and their doctor advising them that the medication is subject to step therapy requirements. We inform them of the lower-cost, therapeutically equivalent alternatives that are available, and we also instruct the doctor on how to request a prior authorization for the step therapy drug if its use is medically necessary and other alternatives cannot be used.

Financial Incentives: The individuals' out-of-pocket costs (copay or coinsurance) for generic and preferred brand alternatives are typically lower than for step therapy drugs. This creates additional motivation to encourage individuals to make the switch. Average savings is between \$20 and \$28 per prescription. The goal of our step therapy program is to motivate individuals and their doctors to try lower cost alternatives, while avoiding interruption in therapy. In most cases, those that try the lower cost alternative find it works just as well and make the switch – helping lower their out-of-pocket costs and overall pharmacy spend.

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Cigna's first fill, pay and educate approach

Other pharmacy benefit plans use harsh, first-time denials to push individuals to make the switch. That creates unnecessary burdens for individuals and their doctors – and can potentially delay and disrupt medication therapy.

Cigna has a better approach.

We fill and pay the first prescription request for a step therapy drug, but then communicate to the individuals and their doctors by mail the same week – explaining the need to make the switch or request prior authorization. This approach has been well received by our customers and doctors because it helps avoid interrupting therapy while the individual and doctor consider their alternatives.

Cigna recommended package: No fees. Big savings.

Cigna offers a variety of step therapy program designs to choose from, but our Cigna recommended package – available at no additional charge – is designed to deliver optimal savings:

The Cigna recommended package includes:

- Program design: “Generic and preferred brand first” design requires individuals to use both generics and preferred brands, in any order, before a step therapy drug is used.
- Individualized outreach: A 60-day grace period upon startup for all 14 drug classes.
- Ongoing communication: First fill, pay and educate letters after the first fill of a step therapy drug.
- \$1.69 per person, per month average savings opportunity in total pharmacy costs.
- No additional fee.

To learn more about Cigna's money-saving step therapy program, contact your Cigna account manager.

More drug classes, more savings.

Cigna's step therapy program is available for 14 different drug classes used to treat the most common chronic health issues. In total, these drug classes represent 28% of all prescriptions filled, and 35% of all pharmacy claims.

- ADD/ADHD
- Allergy
- Asthma
- Cholesterol lowering
- Depression
- Heartburn/ulcer
- High blood pressure
- Mental health
- Osteoporosis
- Overactive bladder
- Narcotic pain relievers
- Non-narcotic pain relievers
- Skin conditions
- Sleep disorders



On average, for individuals who have step therapy as part of their pharmacy benefit, six in 100 individuals are contacted through the program – and five in 100 successfully switch to lower-cost medications.



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