



# 4th District IBEW Health Fund: *News Wire*

SUMMER 2018

**Keeping You Wired To Benefits News and Information.** We believe the more our members know about how our Fund works, the more effective we can be at providing affordable, comprehensive benefit coverage. The **Fund Business** section of this issue examines what it means to be a “self-funded” plan, how contributions cover benefit claims and operating expenses, and how our members—and the Fund—save money with generic medications. Moving on, the **Health Corner** puts the spotlight on the prescription drug plan with an overview of the new Sav-Rx mobile app and programs that make the Plan better for our members and the Fund. Closing out this issue is the **Fund Stuff** section with an announcement about a new feature on our website. Registered members now have access to a paperless delivery option that will make it more convenient for them to keep track of their health care claims. If you are not registered yet, go to [www.4thdistricthealthfund.com](http://www.4thdistricthealthfund.com) and click on the “login” button in the bottom, right-hand corner to get started.

## ISSUE HIGHLIGHTS

- How Our Fund Works
- Did You Know: Prescription Drug Costs
- Prescription Drug Programs At Work
- Another Convenient and Cost-Saving Option

## FUND BUSINESS

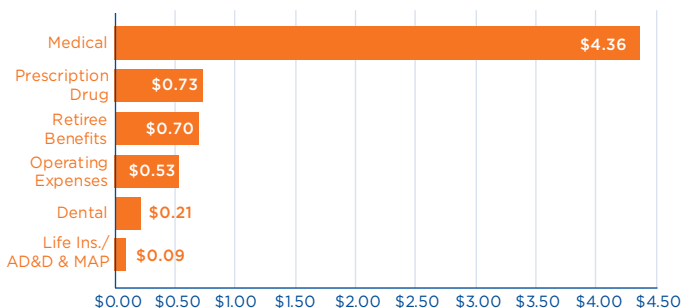
### How Our Fund Works

The Local Unions have agreements with many different employers that require contributions to the Fund for their employees’ work in covered employment. In return for these contributions, the Fund provides medical, dental, prescription drug, vision, wellness, disability, and death benefits to participants. An additional contribution is made for the HRA benefit.

The Fund is self-funded for most coverage, which means employer contributions and self-payments (and any interest earned on those contributions) are used to pay the cost of the health care expenses that our participants incur. Covered expenses incurred by a participant are paid out by the Fund and directly affect our bottom line. We choose to operate this way because we’ve determined that it’s more cost-effective to pay claims on a self-funded basis than to insure benefits. We are self-funded for all benefits except the Member Assistance Program (MAP) and life insurance/AD&D benefits.

The chart below illustrates how the hourly employer contribution is used to pay for the different types of expenses involved with operating the Health Fund. As shown, the majority of each contribution goes toward medical and prescription drug claims and less than a dollar is for Plan operating expenses.

How Hourly Contribution Dollars are Spent



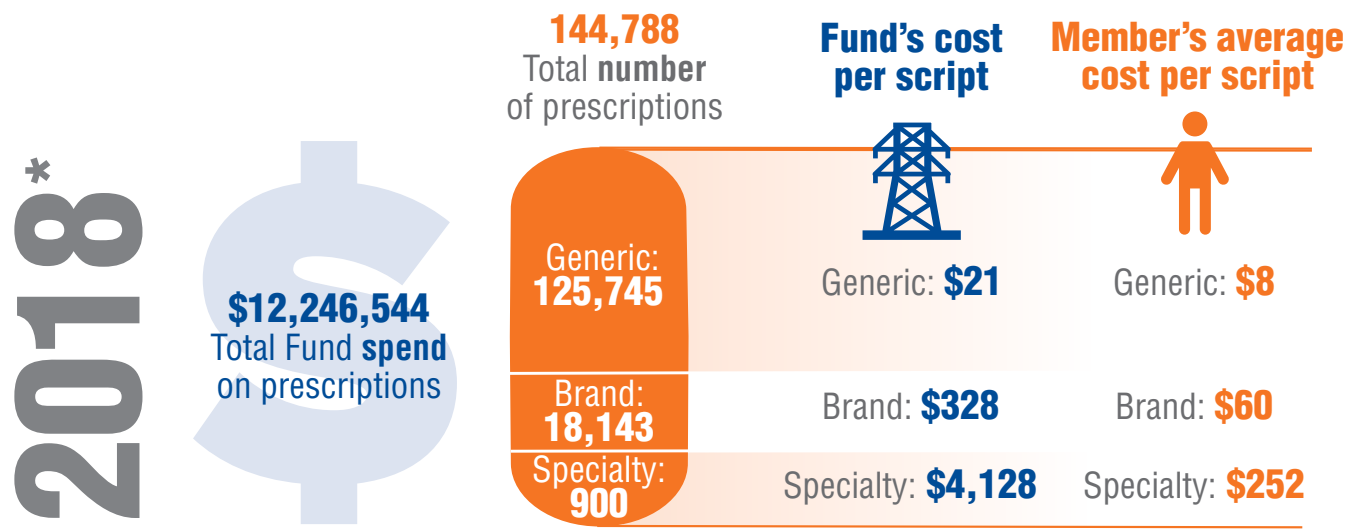
Note: Hourly breakdown is based on the average contribution rate across all plans of \$6.62 per hour and expenses from Fiscal Year 2017 (October 1 – September 30).

Did You Know: Prescription Drug Costs

It's not surprising to hear that the cost of prescription medications and the number of prescriptions filled each year continue to go up. The most significant cause of rising costs are specialty medications. Although the number of specialty medication scripts is low, their cost accounts for the majority of the Fund's cost per script. These medications are typically very expensive because they require special handling during storage and distribution. These drugs are used to treat complex medical conditions and are usually injectable, infusible, or complex oral medications.

Generic drugs have the lowest cost, which saves you and the Fund money. Generic drugs are chemically identical to the brand name version, so they are as safe and effective as the brand equivalent. Our members are taking note of this. As shown below, the majority of the prescriptions for the last year have been for generic medications.

The Fund's medical plans cover specialty, brand name and generic medications. For more information about these benefits, visit [www.4thdistricthealthfund.com](http://www.4thdistricthealthfund.com).



\*Timing is the period of April 2017 through March 2018.

**Beneficiary designations.** While you're not required to update your beneficiary designations at any particular time, it is a good idea to take another look at them to make sure they are up-to-date. For example, if your marital status changed or if you have a newly eligible family member (as a result of marriage, birth or adoption) and you haven't yet updated your beneficiary designation accordingly, now is a good time to do so.

**Beneficiary Designation Forms** are posted on [www.4thdistricthealthfund.com](http://www.4thdistricthealthfund.com). Use this form to designate or update your beneficiary information. If you don't designate a beneficiary, benefits will be paid to your survivors or estate in a pre-determined manner based on plan rules.



## The 4th District Health Fund is Going Mobile

Introducing the **NEW** 4th District IBEW Health Fund App

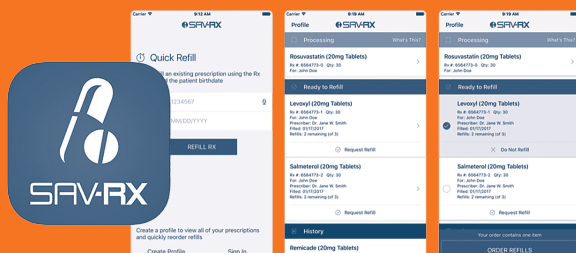
With this new app, members have convenient access to their Health Fund information any time they need it. Registered members can track the status of their claims, dollar bank balances and eligibility information. They'll also have access to an online look-up tool for in-network medical providers and their medical ID card. Search "4th District Health Fund" in the App Store (Apple) or on Google Play (Android) to download the app today.



## Prescription Drug Programs At Work

Whether you need an occasional prescription for a specific illness or maintenance medications for a chronic condition, you'll be glad to know that Sav-Rx has a number of programs in place to help ensure you are getting safe and effective medications at reasonable prices.

Sav-Rx Prescription Drug Programs	
Program	How It Works
Specialty Drug Program	<ul style="list-style-type: none"> <li>Specialty drugs and high-cost drugs used to treat serious and/or chronic conditions usually require special handling and/or packaging</li> <li>Specialty drugs must be filled through the Sav-Rx Specialty Pharmacy due to their sensitive nature; otherwise the Fund does not pay benefits</li> <li>Specialty drug copays are the same as copays for non-specialty medications</li> </ul>
Prior Authorization Program	<ul style="list-style-type: none"> <li>This program is an extension of the Specialty Drug Program and targets medications that do not qualify as specialty medications but do benefit from additional clinical management</li> <li>This requirement helps ensure members are receiving the appropriate drugs and quantities for the treatment of specific conditions as approved by the U.S. Food and Drug Administration (FDA)</li> </ul>
Step Therapy Program	<ul style="list-style-type: none"> <li>For certain medications, this program requires you to try a more cost-effective drug before a brand name drug will be covered</li> <li>If you take a prescription on a regular basis for an ongoing condition like arthritis, asthma, or high blood pressure, you may have to go through step therapy</li> </ul>
Mandatory Generic Program	<ul style="list-style-type: none"> <li>Before filling a prescription with a brand name drug, you must try the generic equivalent first</li> <li>If you fill a prescription for a brand name drug without trying the generic equivalent, you'll pay the brand name drug copay PLUS the difference in cost between the generic and brand name drugs</li> <li>If a brand name medication is medically necessary, your prescribing physician must submit a written letter of medical necessity on your behalf so that you only have to pay the brand name copay and not the cost difference</li> </ul>
High Impact Advocacy Program	<ul style="list-style-type: none"> <li>Selected specialty medications will be filled through the Sav-Rx Specialty Pharmacy</li> <li>Sav-Rx will facilitate your enrollment into a manufacturer-sponsored coupon program</li> </ul>
Therapeutic Quantity Limits Program	<ul style="list-style-type: none"> <li>Particular classes of medications will have therapeutic limits to ensure the proper utilization based upon FDA-approved, manufacturer labeling</li> </ul>



**Filling your next prescription is easy through the Sav-Rx app.**

The Sav-Rx app provides a quick and convenient way to get your prescriptions. Once your profile is created, you can order multiple refills at once, view your history and prescription order status, track a mail order delivery, and update your personal contact information. Search "Sav-Rx" in the App Store (Apple) or on Google Play (Android) to download the app today.

## Another Convenient and Cost-Saving Option

The Fund has introduced a paperless delivery option for your Explanation of Benefits (EOB). This is not only a more convenient and efficient way to keep track of your benefit claims, it also helps the Fund reduce our printing and mailing expenses.

As a self-funded plan, keeping operating expenses like these to a minimum is important (see the *"How Our Fund Works"* article for more information).

To elect paperless delivery, log on to the Member Dashboard at [www.4thdistricthealthfund.com](http://www.4thdistricthealthfund.com) and click on the green "Go Paperless" button to get started. If you forget your username or password, click on the help links on the login screen. For questions, contact the Fund Office at 1-304-525-0331 or 1-888-466-9094.

The image shows a screenshot of the 4th District IBEW Member Dashboard. The dashboard includes a header with the IBEW and NECA logos, and navigation links for 'MEMBER AREA HOME PAGE' and 'ELIGIBILITY'. The main content area is titled '4th District IBEW' and 'WELCOME NABBY & MICHAEL'. Below this is a 'YOUR PROFILE' section with fields for ADDRESS, MARITAL STATUS, BIRTH DATE, and PHONE. A 'Go Paperless' button is visible. To the right, a modal window titled 'Electronic Delivery' is open, showing a confirmation message: 'You have the option to receive your Explanation of Benefits (EOBs) electronically instead of having paper. This is a more convenient and efficient way to keep track of your health care claims.' A checkbox labeled 'I want to receive electronic EOBs.' is checked. Below this, it says 'You will receive an email alert at aschwab@biccysystems.com when an EOB is available.' There are 'Cancel' and 'Submit' buttons at the bottom of the modal.

**What's an EOB?** Every time you go to the doctor, you receive an EOB that shows the physician's fees, what the Fund covers and how much you will have to pay. This summary can help you track when you will meet your deductible and your total health care expenses for the year.