

JANUARY 2021 FORMULARY AND UTILIZATION MANAGEMENT STRATEGY

Cigna Pharmacy Management®

Plan affordability is a strategic imperative for Cigna – especially now as plan sponsors struggle through a lengthy pandemic that threatens their business and the health of their employees and their families.

Our low net drug cost and utilization management (UM) approach is an integral part of achieving affordability for clients and customers. This model reevaluates the traditional pricing process with the goal to deliver more affordable drug options to customers and immediate savings to clients. This includes removing certain high-priced and/or low-value drugs where other alternatives are available – regardless of incentives or rebates. For January 2021, there are a number of changes to achieve better formulary affordability and improved pharmacy plan performance for clients.



January 1, 2021 formulary changes

As part of our ongoing commitment to provide affordable and quality health care coverage, we regularly review and update our formularies. Our latest formulary changes focus on:

Removal of
egregiously
priced drugs

Promotion of
generic and
over-the-
counter (OTC)
drugs

Promotion of
low cost
therapeutic
alternatives



Together, these
actions help achieve
an average savings of...

\$1.60
per member
per month²

Together, all the way.®

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Summary of January 1, 2021 formulary changes³

Below are examples of drug classes targeted as part of our formulary changes process for January 2021. These highlights do not reflect the entire list of Cigna's formulary changes. For drug-specific changes, please request a customer formulary change flyer.

These changes apply to Cigna's Standard, Performance, Value and Advantage formularies, as noted.

Removal of egregiously priced drugs

We lower overall claims costs by removing the following drugs with hyper-inflated costs from our formularies, regardless of drug company incentives.

Topical corticosteroids

Most customers use one time and only 10 percent continue to use these drugs after 30 days. We will remove a number of high cost drugs from our Standard, Performance, Value and Advantage formularies¹ and will offer lower-cost generics. Some examples are: Cordran, Olux, Apexicon, hydrocortisone butyrate lotion.

Other categories

We will remove these seven drugs from our Standard, Performance, Value and Advantage formularies¹ because they have significant cost inflation or are otherwise inappropriately priced compared to alternative products:

- › **Butalbital/acetaminophen 50-300 tablet** - headaches
- › **Condylox gel** - anogenital warts
- › **Noxafil tablet** - oral antifungal, multisource brand
- › **Pregenna and Trinaz** - prenatal vitamins
- › **Taperdex** - 7-day dose pack of dexamethasone (steroid)
- › **Xolegel** - topical antifungal

Promotion of generic and OTC drugs

New generics to market create opportunity to use lower cost to improve medication adherence. We will initiate the following edits for these drugs/conditions:

Albuterol inhalers

New generics introduced in 2020 open the opportunity to move customers away from higher-cost brands. All available generic products will be covered across all formularies on tier one. All brands will be not covered across all formularies.¹

Anticonvulsants

Many of these branded products are already off formulary to promote generic usage. We will update our UM strategy to require use of generics for all indications, including seizure.

Dry eyes

Consistent with Cigna's low net drug cost formulary approach, we will promote Restasis as our preferred product (generic anticipated in 2021), and remove the following branded drugs from our Value and Advantage formularies:¹

- › **Cequa**
- › **Restasis Multidose**
- › **Xiidra**

Glaucoma

We will make the following formulary changes to help promote use of generic alternatives:

- › **Lumigan** - We will remove this drug from our Standard and Performance formularies.¹
- › **Travatan Z, Zioptan, Xalatan, Xelpros** - We will remove these drugs from our Standard, Performance, Value and Advantage formularies.¹

Non-sedating antihistamine (NSA), now called "Allergy"

For Value and Advantage formularies, the Allergy class is standardly excluded as over-the-counter (OTC) alternatives are available. This category will exclude two additional classes with OTC alternatives: Nasal steroids and topical eye antihistamines. Clients can elect to add back coverage of generics within this drug class.

1. **Nasal steroids** - For Value and Advantage formularies, we will promote the use of OTC alternatives (including those for children) for these drugs:
 - › **Beconase AQ, Qnasl, Qnasl Children, Omnaris, Zetonna, flunisolide, fluticasone Prop, Xhance, mometasone Fur, Nasonex** - We will exclude these drugs from coverage for Value and Advantage formularies.¹
 - › **Flunisolide, fluticasone, mometasone** - We will add these drugs to our Allergy generic buy-up.
2. **Topical eye antihistamines** - We will promote the use of OTC alternatives. Allergy coverage will include generic products (azelastine, epinastine). We will exclude the following from coverage for Value and Advantage formularies:¹
 - › **azelastine**
 - › **Lastacraft**
 - › **Bepreve**
 - › **Pazeo**
 - › **epinastine**
 - › **Zerviate**

Oral contraceptives

We will promote generics and drug list alternatives from the Patient Protection and Affordable Care Act Preventive Drug Program. We will remove the following brand drugs from our Value and Advantage formularies:¹

- › Balcoltra
- › Natazia
- › Slynd
- › Taytulla

Promoting generics

For clients choosing Member Pay Difference and Mandatory Generics programs to promote generics, we will move these drugs from preferred brand to non-preferred brand and apply additional cost at point-of-service for customers who choose brand:

- › **Amicar solution** – Applies for Standard formulary only.
- › **Lotemax 0.5% drops** – Applies for Standard and Performance formularies.
- › **Megace ES solution, Lyrica solution, Kitabis Pak Neb** – Applies to our Standard, Performance, Value and Advantage formularies.

Rosacea

We will continue to manage these expensive products, as there are numerous topical generics available. We will remove the following drugs from our Standard, Performance, Value and Advantage formularies:¹

- › Soolantra
- › Finacea foam
- › Finacea gel
- › Metrogel
- › Metroloction
- › Metrocream

Rosadan Kit will be excluded from our formularies; meaning there will be no opportunity for medical necessity review.

Specialty multisource brands

To help promote use of generic alternatives, we will remove these brand drugs from our Standard, Performance, Value and Advantage formularies:¹

- › Ampyra ER
- › Sensipar
- › Baraclude

Thyroid disorder

There are multiple brands and generics on the market. The following changes will help improve affordability within this high-use class of drugs:

- › **Unithroid, Synthroid, Armour Thyroid** – We will move these drugs to non-preferred brand for our Standard and Performance formularies.

Topical diclofenac (arthritis)

We are strengthening our UM strategy for this drug class. This includes removing step therapy and encouraging use of lower-cost topical products through a prior authorization strategy for Standard and Performance formularies. Additionally, we will remove these drugs from our Value and Advantage formularies:¹

- › Diclofenac 1.3% patch
- › Flector 1.3% patch
- › Voltaren 1% gel

Topical psoriasis

We will model our low net drug cost formulary approach by promoting the use of generics. We will remove this drug from our Standard and Performance formularies:¹

- › Sorilux 0.005% foam (\$900/prescription)

Triptans (migraines)

Many high-priced multi-source brands offer an opportunity to promote use of generics. We will remove these drugs from our Standard, Performance, Value and Advantage formularies:¹

- › Amerge
- › Frova
- › Maxalt
- › Maxalt MLT
- › Relpax

Promotion of low cost therapeutic alternatives

Many high-cost drugs have viable alternatives – we promote these through a targeted formulary and UM strategy.

Constipation

We will take action to model our low net drug cost formulary approach for the following drugs:

- › **Linzess** – We will remove this drug from our Value and Advantage formularies.¹
- › **Motegrity, Trulance, Zelnorm** – We will remove these drugs from our Standard, Performance, Value and Advantage formularies.¹

Diabetes – DPP4 inhibitors

We will continue to promote use of lower-cost therapeutic alternatives for diabetes (non-insulin) by removing these drugs from our Standard and Performance formularies:¹

- › Kombiglyze
- › Onglyza

Glucose emergency kits

We will promote use of lower-cost therapeutic alternatives for glucose emergency kits.

- › **Baqsimi** – We will add coverage for this drug to our Standard, Performance, Value and Advantage formularies.
- › **Gvoke and Glucagen Hypokit** – We will remove these drugs from our Value and Advantage formularies.¹

Inflammatory psoriasis and other conditions

We will promote use of lower-cost therapeutic alternatives for psoriasis and other inflammatory conditions through these actions for the following drugs:

- › **Taltz** – We will move this drug to a preferred brand tier for our Standard, Performance, Value and Advantage formularies.
- › **Cosentyx** – We will remove this drug from our Standard, Performance, Value and Advantage formularies.¹ – additional alternatives for Cosentyx include Enbrel, Humira, Otezla, Skyrizi, Stelara, Tremfya, Xeljanz/Xeljanz XR, Taltz.

Long-acting beta agonist (LABA)/Inhaled corticosteroid (ICS) inhalers

These drugs include LABA and ICS for asthma and chronic obstructive pulmonary disorder (COPD). We will promote use of lower-cost therapeutic alternatives for COPD and asthma.

- › **Advair HFA and Breo Ellipta** – We will remove these drugs from our Value and Advantage formularies.¹
- › **Bevespi** – We will add this drug to preferred brand coverage for our Standard and Performance formularies.

Medication assisted treatment (MAT)

We will promote use of lower-cost therapeutic alternatives for opioid use disorder by moving this drug from preferred brand to non-preferred brand on our Standard, Performance, Value and Advantage formularies:

- › **Bunavail**

Pancreatic enzymes

These drugs are used for pancreatic insufficiency due to cystic fibrosis, chronic pancreatitis, pancreatectomy or other conditions. We will promote use of lower-cost therapeutic alternatives with these actions:

- › **Creon, Pertzye, Zenpep** – We will remove these drugs from our Standard, Performance, Value and Advantage formularies.¹
- › **Pancreaze** – We will add this drug to preferred brand coverage for our Standard, Performance, Value and Advantage formularies.

Additional clinical updates

Claims data shows that 60% of use for the following four main brands of non-warfarin oral anticoagulants are not for the proper cardiovascular indication.

To manage proper usage, we will add prior authorization for all formularies for these drugs:

- › **Eliquis**
- › **Pradaxa**
- › **Savaysa**
- › **Xarelto**



Summary of positive changes

The January 2021 formulary updates will result in positive changes for the following conditions/ drug classes:

Drug Class (drugs)	Planned changes	Formularies affected
Albuterol HFA (generic for Proventil)	› Adding authorized generic for Proventil to generic tier	› Standard, Performance, Value and Advantage
	› Adding authorized generic for Ventolin HFA to generic tier	› Value and Advantage
Anti-inflammatory (Taltz autoinjector and syringe)	› Adding to preferred brand with no change to specialty pharmacy prior authorization	› Standard, Performance, Value and Advantage
Cysteamine (Cystagon)	› Moving to preferred brand	› Value and Advantage
Glucose emergency kits (Baqsimi)	› Moving to preferred brand and retaining quantity limit	› Standard, Performance, Value and Advantage
Hepatitis C (Harvoni and Epclusa brands)	› Moving to preferred brand with no change to specialty pharmacy prior authorization	› Standard, Performance, Value and Advantage
LAMA/LABA (Bevespi)	› Moving to preferred brand (previously off formulary)	› Standard and Performance
Migraine/injectable Calcitonin Gene-Related Peptides (Emgality and Ajovy)	› Moving Emgality and Ajovy to preferred brand	› Value and Advantage
Pancreatic enzymes (Pancreaze)	› Moving to preferred brand	› Standard, Performance, Value and Advantage
Seizures	› Vimpat moving to preferred brand	› Value and Advantage

Customer communications

Less than 2% of customers will be affected by these changes.⁴

We will send letters and emails to affected customers in early October 2020. Reminder notifications will release in early November and again in January 2021. Other materials are available at client request, such as formulary specific flyers for customer and formulary PDFs.

Health care provider communications

To build awareness and help providers talk with their patients, we will:

- › Send a letter to affected providers that outlines key formulary changes/drug alternatives.
- › Provide a posting on our provider portal.
- › Share a newsletter article.



Our priority is to maintain affordability for our clients and customers now and in the future. We will continue to make enhancements to our formularies to help drive sustainable cost savings and improve customer health outcomes.



1. If a customer and/or prescriber believes any of the products that will no longer be covered as preferred options are medically necessary, then Cigna will review requests for a medical necessity exception. 2. For clients using Standard, Performance, Value or Advantage formularies. Cigna National Book of Business pricing analysis estimating value of January 2021 formulary and UM changes. Results may vary. 3. Utilization management changes are for clients that have adopted Essential, Complete or Limited UM package. State laws in Texas and Louisiana may require your plan to cover your medication at your current benefit level until your plan renews. This means that if your medication is taken off the drug list, is moved to a higher cost-share tier or needs approval from Cigna before your plan will cover it, these changes may not begin until your plan's renewal date. State law in Illinois may require your plan to cover your medications at your current benefit level until your plan renews. This means that if you currently have approval through a review process for your plan to cover your medication, the drug list change(s) listed here may not affect you until your plan renewal date. If you don't currently have approval through a coverage review process, you may continue to receive coverage at your current benefit level if your doctor requests it. 4. Cigna's National Book of Business estimate of customers disrupted by 1/1/21 formulary changes.

This document is intended to provide current information as of the time it was published. It does not supersede contractual obligations and other detailed plan documents or contracts. This information is subject to change.

Health benefit plans vary, but in general to be eligible for coverage a drug must be approved by the Food and Drug Administration (FDA), prescribed by a health care professional, purchased from a licensed pharmacy and medically necessary. If your plan provides coverage for certain prescription drugs with no cost-share, the customer may be required to use an in-network pharmacy to fill the prescription or the prescription may not be covered or reimbursement may be limited by your plan's copayment, coinsurance or deductible requirements.

Product availability may vary by location and plan type and is subject to change. All group health insurance policies and health benefit plans contain exclusions and limitations. For costs and details of coverage, contact a Cigna representative.

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Standard, Performance, Value and Advantage formularies