

Fallon Health & Life Assurance Company, Inc.

FALLON PREFERRED CARE AMENDMENTS

- **Amendment 7**
- **Amendment 6**
- **Amendment 5 (eff. 03/01/19)**
- **Amendment 4 (eff. 01/01/19)**
- **Amendment 3 (eff. 10/01/18)**
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Fallon Health & Life Assurance Company, Inc.

AMENDMENT 7

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Questions? Just ask.
2. Disenrollment rates
3. Obtaining specialty care and services
4. Mental Health and substance abuse services

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Questions? Just ask.

Under **Questions? Just ask** section add the following after **For answers to general questions or inquiries**:

For assistance in finding a provider

- If you need assistance finding a provider, please call Customer Service at 1-888-468-1541; select menu option 6. For assistance finding a behavioral health provider, call 1-888-421-8861.

Medical management

For policies issued or renewed coincident with or following July 1, 2019, the following change applies:

In the **Medical management** section under **Prior authorization** (Amendment 6), remove the following:

- Outpatient mental health services (including intermediate care), beyond eight sessions

Add the following:

- Outpatient counseling for mental health and substance use conditions beyond eight sessions
- Intermediate and outpatient community-based mental health services for children and adolescents under the age of 19

2018 Disenrollment rates

Under **Involuntary disenrollment rate** in the **Leaving Fallon Preferred Care** section (Amendment 1), replace entire paragraph with the following:

For the calendar year 2018, FHLAC's involuntary cancellation or disenrollment rate was 0.00%. The involuntary disenrollment rate includes any members disenrolled by the plan due to misrepresentation or fraud on the part of the member or commission of acts of verbal or physical abuse. For calendar year 2018, FHLAC's voluntary disenrollment rate was 0.03%.

Mental Health and substance abuse services

For policies issued or renewed coincident with or following July 1, 2019, the following change applies:

Under **Mental Health and substance abuse services** in the **Description of benefits** section, under **Covered** add the following:

Intermediate services for children and adolescents under the age of 19. Benefits are only available to members who are residents of Massachusetts or whose principal place of employment is in Massachusetts.

1. Community-based acute treatment (CBAT) provided in a staff-secure setting on a 24-hour basis to provide intensive therapeutic services including, but not limited to daily medication monitoring; psychiatric assessment; nursing availability; specializing (as needed); individual, group and family therapy; case management; family assessment and consultation; discharge planning; and psychological testing, as needed.
2. Intensive community-based treatment (ICBAT) providing the same services as CBAT but for higher intensity-including more frequent psychiatric and psychopharmacological evaluation and treatment and more intensive staffing and service delivery.

Under **Outpatient services** section add the following:

Outpatient community-based services for children and adolescents under the age of 19. Benefits are only available to members who are residents of Massachusetts or whose principal place of employment is in Massachusetts.

1. Intensive Care Coordination (ICC): a collaborative service that provides targeted case management services to children and adolescents with a serious emotional disturbance, including individuals with co-occurring conditions, in order to meet the comprehensive medical, behavioral health, and psychosocial needs of an individual and the individual's family, while promoting quality, cost effective outcomes. This service includes an assessment, the development of an individualized care plan, referrals to

appropriate levels of care, monitoring of goals, and coordinating with other services and social supports and with state agencies, as indicated. The service shall be based upon a system of care philosophy and the individualized care plan shall be tailored to meet the needs of the individual. The service shall include both face-to-face and telephonic meetings, as indicated and as clinically appropriate. ICC is delivered in office, home or other settings, as clinically appropriate.

2. Family Stabilization Team (FST): FST (also referred to as In-Home Therapy), is an intensive family therapy model focused on youth who are most at risk for out-of-home placement due to behaviors in the home. Youth and family engage in intensive family therapy, as well as some individual skill building to improve functioning. This service is implemented by a two-person team; a master's-level clinician creates the treatment plan and provides the clinical interventions while a paraprofessional conducts skill building activities with individuals, dyads, or groups within the family system.
3. In-home Behavioral Services (IHBS): a combination of medically necessary behavior management therapy and behavior management monitoring; provided, however, that such services shall be available, when indicated, where the child resides, including in the child's home, a foster home, a therapeutic foster home, or another community setting. In-home behavioral services include:
 - Behavior management monitoring - monitoring of a child's behavior, the implementation of a behavior plan and reinforcing implementation of a behavior plan by the child's parent or other caregiver.

- Behavior management therapy - therapy that addresses challenging behaviors that interfere with a child's successful functioning; provided, however, that "behavior management therapy" shall include a functional behavioral assessment and observation of the youth in the home and/or community setting, development of a behavior plan, and supervision and coordination of interventions to address specific behavioral objectives or performance, including the development of a crisis-response strategy; and provided further, that "behavior management therapy" may include short-term counseling and assistance.
4. Mobile Crisis Intervention (MCI): a short-term, mobile, on-site, face-to-face therapeutic response service that is available 24 hours a day, 7 days a week to a child experiencing a behavioral health crisis. Mobile crisis intervention is used to identify, assess, treat and stabilize a situation, to reduce the immediate risk of danger to the child or others, and to make referrals and linkages to all medically necessary behavioral health services and supports and the appropriate level of care. The intervention shall be consistent with the child's risk management or safety plan, if any. Mobile crisis intervention includes a crisis assessment and crisis planning, which may result in the development or update of a crisis safety plan. Prior authorization not required for MCI.

Under **Exclusions** add the following:

12. Family support and training for children and adolescents under the age of 19
13. Therapeutic mentoring services for children and adolescents under the age of 19

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 6

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Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Understanding your health care coverage
2. Medical management
3. Inquiries, appeals and grievances

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Understanding your health care coverage

Effective April 1, 2019 the following change applies.

Under **Coverage of care for an emergency medical condition** in the **Understanding your health care coverage** section, after the fourth paragraph replace with the following:

- If you are a Massachusetts resident, notify Fallon Health medical management at 1-800-868-5200 (except for mental health or substance abuse conditions).
- If you are a resident of any state other than Massachusetts, notify American Health Holding medical management at 1-866-353-1787 (except for mental health or substance abuse conditions).
- If you are hospitalized for mental health or substance abuse conditions, notify Beacon Health Strategies medical management at 1-888-421-8861.

Medical management

Effective April 1, 2019 the following change applies.

In the **Medical management** section, after the second paragraph replace with the following:

- Fallon Health, FHLAC's parent company, provides medical management services for Massachusetts residents, except for services received for mental health and substance abuse conditions, high-tech radiology and sleep study therapy. To reach Fallon, call 1-800-868-5200.
- Beacon Health Strategies (Beacon) provides medical management services for all members (in state and out-of-state) for mental health and substance abuse conditions. To reach Beacon, call 1-888-421-8861.
- eviCore provides medical management services for all members (in state and out-of-state) for high-tech radiology services, including, but not limited to, all outpatient MRI/MRA, CT/CTA, PET and nuclear cardiology imaging studies. To reach eviCore call 1-888-693-3211.

- Sleep Management Solutions provides medical management services for all members (in state and out-of-state) for sleep study and/or sleep therapy services. To reach SMS call 1-866-827-2469 (Monday – Friday, 8:00 a.m. – 5:00 p.m. EST).
- American Health Holding, Inc. (AHH) provides all medical management services for members who live outside of Massachusetts, with the exception of mental health and substance abuse conditions, high-tech radiology and sleep studies (see above bullets). To reach AHH, call 1-866-353-1787.

The following change is effective immediately.

Under **Prior authorization in the Medical management** section, remove the following:

- Pulmonary rehabilitation services for chronic obstructive pulmonary disease (COPD)

Inquiries, appeals and grievances

Effective April 1, 2019 the following change applies.

Under **Filing an appeal: internal appeal review** in the **Inquiries, appeals and grievances** section, after **If you are not a Massachusetts resident** add the following:

Appeals for non-Massachusetts residents related to adverse determination for mental health and substance abuse conditions:

Write: Beacon Health Options
P.O. Box 1856
Hicksville, NY 11802-1856
Call: 1-844-231-7949
Hours: 9:00 a.m. to 6:00 p.m.
Email: Woburn.appeals@beaconhealthoptions.com
Fax: 1-781-994-7636

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 5

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001
Effective March 1, 2019

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Office visits and outpatient services
2. Prescription drugs

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Office visits and outpatient services

Under **Office visits and outpatient services** in the **Description of Benefits** section, under *Covered* replace number one with the following:

1. Office visits and related services, including:

- Office visits to diagnose or treat an illness or an injury
 - Telehealth visits done via a secure, real time Telemedicine platform which is inclusive of both an audio and visual component.
- A second opinion
- Pediatric specialty care, including mental health care, by a provider with recognized expertise in specialty pediatrics
- Respiratory therapy services
- Hormone replacement therapy services for perimenopausal and postmenopausal women

Prescription drugs

Under **Prescription drugs** in the **Description of benefits** section (Amendment 4), under *Exclusions* add the following:

29. Ybuphen (ibuprofen 600mg & acetaminophen 500mg)

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 4

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001
Effective January 1, 2019

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Prior authorization
2. Home health care services
3. Prescription drugs

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Prior authorization

Under **Prior authorization** in the **Medical management** section, add the following bullet:

- Home health care services

Home health care services

Under **Home health care services** in the **Description of benefits** section add the following after the first paragraph:

Home health care services require prior-authorization. To obtain prior-authorization, you or someone acting on your behalf must call the appropriate medical management office at least five business days prior to the scheduled date of service. For more information, refer to the “Medical management” section.

Prescription drugs

Under **Prescription drugs** in the **Description of benefits** section (Amendment 3), replace the entire section up to **Exclusions** with the following:

The plan covers medically necessary prescription drugs that are prescribed by a licensed health care provider, according to the requirements and guidelines discussed below. All drugs and supplies must be approved for sale by the U.S. Food and Drug Administration and used for the purposes indicated.

The Fallon Health formulary

The Fallon formulary is a list of medications covered by the health plan that shows the applicable cost-sharing tier, prior authorization requirements, and any other limitation for each medication. We have selected the formulary, tiers, and determined the criteria for prior authorization based on the medication’s efficacy and cost-effectiveness. The prescription drug formulary is available online at fallonhealth.org. If you do not have access to our website or if you have any questions about the formulary, call Customer Service. A committee of doctors and pharmacists reviews and updates the formulary regularly.

Fallon Preferred Care

The Fallon prescription drug formulary has a multi-tiered cost-sharing structure for the in-network level of benefits. There is a different cost-sharing for each tier. A tier exception is not allowed. The Fallon formulary may include drugs used for the off-label treatment of cancer or HIV/AIDS, in accordance with Massachusetts state law.

Only medications on our formulary are covered. Medications not on the formulary are considered non-formulary and are excluded and are not covered. There is a Non-formulary exception process if your provider feels that the medications on our formulary are not appropriate for your condition. This request must be approved by Fallon before we will pay for the drug. (See **Non-Covered Items**.)

Utilization Management

Utilization management includes Prior Authorization, Quantity Limits, and Step Therapy as described below.

Prior Authorizations

Coverage of certain formulary medications is based on medical necessity. For these drugs, you will need prior authorization from the plan. They are noted on the formulary as “PA.” Your doctor should request prior authorization from the plan before he or she writes the prescription and give us the clinical information that we need to make our decision. We will review the prior authorization request according to our criteria for medical necessity.

Opioid Management Program

Opioid painkillers provide needed relief to those with acute or chronic pain. But given their potential for harm, and the very real – and pervasive – problem of misuse and abuse, ensuring appropriate use is more critical now than ever before. Our standard opioid management program will be aligned with the “Guideline for Prescribing Opioids for Chronic Pain” issued by the Centers of Disease and Prevention (CDC) in March 2016 and will:

- **Limit days' supply**

The length of the first fill (when appropriate) will be limited to seven days for immediate release, new, acute prescriptions for plan members who do not have a history of prior opioid use, based on their prescription claims. A physician can submit a prior authorization (PA) request if it is important to exceed the seven-day limit.

- **Limit quantity of opioids**

The quantity of opioid products prescribed (including those that are combined with acetaminophen, ibuprofen or aspirin) will be limited up to 90 Morphine Milligram Equivalent (MME) per day (based on a 30-day supply). Prescribers who believe their patient should exceed CDC Guideline recommendations can submit a PA request for up to 200 MME per day. Quantities over 200 MME per day will require an appeal. Opioid products containing acetaminophen, aspirin, or ibuprofen will be limited to 4 grams of acetaminophen or aspirin, and 3.2 grams of ibuprofen per day.

- **Require step therapy**

Use of an immediate-release (IR) formulation will be required before moving to an extended-release (ER) formulation, unless the member has a previous claim for an IR or ER product, or the prescriber submits a PA.

Dispensing limitations

Prescription drugs are generally dispensed for up to a 30-day supply. The corresponding cost-sharing, as noted in your Schedule of Benefits, will be charged for up to a 30-day supply. In some instances, the plan has established dispensing limitations (They are noted on the formulary as "QL."), which may include a quantity limit on certain medications. Occasionally, for safety reasons or as directed by your provider, the length of therapy may be less than 30 days. If your doctor prescribes an amount of

medication that is less than a 30-day supply (or for other prescription items, such as inhalers, that are dispensed as single units), you must still pay the corresponding cost-sharing for each prescription. For maintenance medication, you may obtain up to a 90-day supply unless the medication must be obtained from the specialty vendor (noted as “SP” on the on-line formulary) or for certain narcotic medications per Massachusetts law. Per Massachusetts state law, certain contraceptives may be available for up to a 12 month supply. We follow FDA, state and federal dispensing guidelines. You cannot obtain a refill until most or all of the previous supply has been used.

Please note: Your doctor may prescribe medication in a dose that is not available through the purchase of a single prescription. In these cases, you may need to fill more than one prescription and pay the corresponding cost-sharing, as noted in your Schedule of Benefits, for each to achieve the desired dose.

Step-therapy

There are certain medications for which you will be required to have previously used or be unable to take certain other formulary medications. This is called step-therapy. They are noted on the formulary as “ST”.

Step-therapy is a strategy where drugs for a given condition are dispensed using a logical sequence beginning with Step 1 drugs (most cost-effective) moving to Step 2 drugs (less cost-effective), based on accepted medical guidelines and standards.

Generic and brand-name drugs

Brand-name drugs are drugs that are approved by the U.S. Food and Drug Administration and produced and sold under the original manufacturer’s brand name. A generic drug is a drug product that meets the approval of the U.S. Food and Drug Administration and is equivalent to a

brand-name product in terms of quality and performance. It may differ in certain other characteristics (e.g., shape, flavor, or preservatives). By law, generic drug products must contain identical amounts of the same active drug ingredient as the brand-name product.

Generic drugs cost less than their brand name counterpart. You should discuss generic drug alternatives with your physician or pharmacist. You will receive a generic drug from network pharmacies anytime one is available, unless your doctor has directed the pharmacist to only dispense a specific brand-name drug. However, some brand-name drugs do not have a generic equivalent. In both these cases, you will receive the brand-name drug if on the Fallon formulary or if approved through the non-formulary exception process, and you will be responsible for the appropriate cost-sharing for that drug, as noted in your Schedule of Benefits.

Mail-order prescriptions

You may also get your prescription medication refill(s) through a network pharmacy mail-order program. You may have your prescription mailed directly to you at home or at any other location if you are traveling within the country. Most medications can be mailed; however, there are some that may not. (Medications cannot be mailed to other countries.)

When you fill your prescription through our mail-order program, you may order up to a 90-day supply of most medications. Certain narcotic medications cannot be filled for a 90-day supply per Massachusetts law. Per Massachusetts state law, certain contraceptives may be available for up to a 12 month supply. You will be responsible for the appropriate cost-sharing amount, as noted in your Schedule of Benefits. Medications required to be obtained from the network specialty pharmacy (noted as "SP" on the on-line formulary) can only be obtained up to a one-month supply at a time.

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New members

If you are a new member and need to have an existing prescription refilled, we encourage you to see your provider to review your prescriptions. If you are currently taking a drug that requires prior authorization or other utilization management by Fallon, your doctor will need to submit a request for prior authorization. We will determine coverage of that drug based on our criteria for medical necessity. If the drug you are currently taking is a higher-tier medication or a brand medication, you may want to discuss lower-tier or generic alternatives with your doctor.

Prior Authorization Process

Prior authorization (PA) is required for any medication exceeding the cost threshold and any medication noted with a “PA”, “QL”, or “ST” on the Fallon Health formulary. A PA is also required for a drug that exceeds our Opioid Management Strategy limits and for formulary exception requests. Before we will pay for these medications, your provider must fill out a Fallon Health prescription prior authorization form. This form will be reviewed by clinical pharmacists and compared to our clinical criteria. Routine requests are processed within 2 business days from the date of receipt of a complete request. Urgent/emergency requests are processed within one business day of the date or receipt of a complete request. Both the provider and member will receive written confirmation of approval or denial of the request. If the request is approved, you may fill your prescription at a network pharmacy. If the request is denied, you and your provider will receive detailed denial information that includes your rights to appeal our decision.

Covered items (some of these medications and covered items may require prior authorization.) This list includes formulary medications only, unless otherwise stated or excluded below.

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- Prescription medication
- Prescription contraceptive drugs and devices
- Hormone replacement therapy
- Injectable agents (self-administered*)
- Insulin, insulin pens, and oral medications to treat diabetes
- Syringes (including insulin syringes) or needles when medically necessary
- Orally administered anticancer medications used to kill or slow the growth of cancerous cells
- Certain orally administered medications used to prevent breast cancer
- Supplies for the treatment of diabetes, as required by Massachusetts state law, including, but not limited to:
 - Blood glucose monitoring strips
 - Urine glucose strips
 - Lancets
 - Ketone strips
- Long-term antibiotic therapy for a patient with Lyme disease when determined to be medically necessary and ordered by a licensed physician after making a thorough evaluation of the patient's symptoms, diagnostic test results or response to treatment. An experimental drug shall be covered as a long-term antibiotic therapy if it is approved for an indication by the United States Food and Drug Administration.

* Injectables administered in the doctor's office or under other professional supervision are covered as a medical benefit.

Preventive medications

Covered items include (some of these medications and covered items may require prior authorization.):

ACA Preventive Medications at \$0

- Fallon will cover preventive medications as required by the Patient Protection and Affordable Care Act. This includes over-the-counter medications. Over-the-counter medications must be prescribed by a health care provider. Covered over-the counter medications include:
 - aspirin
 - iron supplementation
 - folic acid
 - Calcium with Vitamin D
 - some vitamin D formulations
 - gum/lozenges/patches for nicotine replacement therapy
 - bowel preps

Note: you may need to submit your prescription and your receipt to Fallon for reimbursement.
- FDA-approved tobacco cessation medications, no prior authorization required:
 - Nicotine patch
 - Nicotine oral or nasal spray
 - Nicotine inhaler
 - Bupropion
 - Varenicline
- Certain bowel preps
- Certain oral contraceptives* , emergency contraceptives, and contraceptive devices
 - Fallon will also cover over-the-counter women's contraceptive methods such as sponges and spermicides that are FDA-approved and prescribed by a health care provider. You may need to submit your prescription and your receipt to Fallon for reimbursement

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- Certain low to moderate dose statins used for the prevention of cardiovascular disease
- Certain pediatric multivitamins containing fluoride and fluoride supplements for children six months to sixteen years of age

***Exception Request for Contraceptives**

Generic contraceptives are covered in full. Brand name contraceptives generally require cost sharing such as a copayment. However, if your attending provider indicates you must use an FDA-approved brand contraceptive due to medical necessity you may make an exception request to have the brand name contraceptive covered with no cost sharing. Your attending provider should contact CVS Caremark by telephone at 1-866-772-9538 or Fax 1-888-836-0730 and request an exception request for contraceptive cost sharing due to medical necessity. Examples of medical necessity include severity of side effects, differences in permanence and reversibility of contraceptives, and ability to adhere to appropriate use of the item or service.

Special Medical Formulas

Special medical formulas to treat certain metabolic disorders as required by Massachusetts state law. Metabolic disorders covered under Massachusetts state law include: phenylketonuria; tyrosinemia; homocystinuria; maple syrup urine disease; propionic acidemia; and methylmalonic acidemia in a dependent child, including when medically necessary to protect unborn fetuses of pregnant women with phenylketonuria. Prior authorization is required.

Non-Covered Items

Non-Formulary:

Medications not on the formulary are considered non-formulary and are not covered.

If your provider feels that the medications on our formulary are not appropriate for your condition, there is a formulary exception request process available. Your prescriber must support the request by providing clinical information and a statement that provides justification for supporting the need for the non-formulary drug to treat your condition, including a statement that all covered formulary drugs on any tier will be or have been ineffective, would not be as effective as the non-formulary drug, or would have adverse effects. This request must be approved by Fallon Health before we will pay for the drug.

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 3

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001
Effective October 1, 2018

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Prescription drugs
2. General exclusions and limitations

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Prescription drugs

Under **Prescription drugs** in the **Description of benefits** section, replace the entire section with the following:

The plan covers medically necessary prescription drugs that are prescribed by a licensed health care provider, according to the requirements and guidelines discussed below. All drugs and supplies must be approved for sale by the U.S. Food and Drug Administration and used for the purposes indicated.

The Fallon Health formulary

The Fallon formulary is a list of medications covered by the health plan that shows the applicable cost-sharing tier, prior authorization requirements, and any other limitation for each medication. We have selected the formulary, tiers, and determined the criteria for prior authorization based on the medication's efficacy and cost-effectiveness. The prescription drug formulary is available online at fallonhealth.org. If you do not have access to our website or if you have any questions about the formulary, call Customer Service. A committee of doctors and pharmacists reviews and updates the formulary regularly.

The Fallon prescription drug formulary has a multi-tiered cost-sharing structure for the in-network level of benefits. There is a different cost-sharing for each tier. A tier exception is not allowed. The Fallon formulary may include drugs used for the off-label treatment of cancer or HIV/AIDS, in accordance with Massachusetts state law.

Utilization Management

Utilization management includes Prior Authorization, Quantity Limits, and Step Therapy as described below.

Prior Authorizations

Coverage of certain formulary medications is based on medical necessity. For these drugs, you will need prior authorization from the plan. They are noted on the formulary as "PA." Your doctor should request prior authorization from the plan before he or she writes the prescription and give us the clinical information that we need to make our decision. We will review the prior authorization request according to our criteria for medical necessity.

Dispensing limitations

Prescription drugs are generally dispensed for up to a 30-day supply. The corresponding cost-sharing, as noted in your Schedule of Benefits, will be charged for up to a

30-day supply. In some instances, the plan has established dispensing limitations (They are noted on the formulary as “QL.”), which may include a quantity limit on certain medications. Occasionally, for safety reasons or as directed by your provider, the length of therapy may be less than 30 days. If your doctor prescribes an amount of medication that is less than a 30-day supply (or for other prescription items, such as inhalers, that are dispensed as single units), you must still pay the corresponding cost-sharing for each prescription. For maintenance medication, you may obtain up to a 90-day supply unless the medication must be obtained from the specialty vendor (noted as “SP” on the on-line formulary). Per Massachusetts state law, certain contraceptives may be available for up to a 12 month supply. We follow FDA, state and federal dispensing guidelines. You cannot obtain a refill until most or all of the previous supply has been used.

Please note: Your doctor may prescribe medication in a dose that is not available through the purchase of a single prescription. In these cases, you may need to fill more than one prescription and pay the corresponding cost-sharing, as noted in your Schedule of Benefits, for each to achieve the desired dose.

Step-therapy

There are certain medications for which you will be required to have previously used or be unable to take certain other formulary medications. This is called step-therapy. They are noted on the formulary as “ST”.

Step-therapy is a strategy where drugs for a given condition are dispensed using a logical sequence beginning with Step 1 drugs (most cost-effective) moving to Step 2 drugs (less cost-effective), based on accepted medical guidelines and standards.

Generic and brand-name drugs

Brand-name drugs are drugs that are approved by the U.S. Food and Drug Administration and produced and sold under the original manufacturer's brand name. A generic drug is a drug product that meets the approval of the U.S. Food and Drug Administration and is equivalent to a brand-name product in terms of quality and performance. It may differ in certain other characteristics (e.g., shape, flavor, or preservatives). By law, generic drug products must contain identical amounts of the same active drug ingredient as the brand-name product.

Generic drugs cost less than their brand name counterpart. You should discuss generic drug alternatives with your physician or pharmacist. You will receive a generic drug from network pharmacies anytime one is available, unless your doctor has directed the pharmacist to only dispense a specific brand-name drug. However, some brand-name drugs do not have a generic equivalent. In both these cases, you will receive the brand-name drug if on the Fallon formulary or if approved through the non-formulary exception process, and you will be responsible for the appropriate cost-sharing for that drug, as noted in your Schedule of Benefits.

Mail-order prescriptions

You may also get your prescription medication refill(s) through a network pharmacy mail-order program. You may have your prescription mailed directly to you at home or at any other location if you are traveling within the country. Most medications can be mailed; however, there are some that may not. (Medications cannot be mailed to other countries.)

When you fill your prescription through our mail-order program, you may order up to a 90-day supply of most medications. Per Massachusetts state law, certain contraceptives may be available for up to a 12 month supply. You will be responsible for the appropriate cost-sharing amount, as noted in your Schedule of Benefits.

Medications required to be obtained from the network specialty pharmacy (noted as “SP” on the on-line formulary) can only be obtained up to a one-month supply at a time.

New members

If you are a new member and need to have an existing prescription refilled, we encourage you to see your provider to review your prescriptions. If you are currently taking a drug that requires prior authorization or other utilization management by Fallon, your doctor will need to submit a request for prior authorization. We will determine coverage of that drug based on our criteria for medical necessity. If the drug you are currently taking is a higher-tier medication or a brand medication, you may want to discuss lower-tier or generic alternatives with your doctor.

Covered items (some of these medications and covered items may require prior authorization.) This list includes formulary medications only, unless otherwise stated or excluded below.

- Prescription medication
- Prescription contraceptive drugs and devices
- Hormone replacement therapy
- Injectable agents (self-administered*)
- Insulin, insulin pens, and oral medications to treat diabetes
- Syringes (including insulin syringes) or needles when medically necessary
- Orally administered anticancer medications used to kill or slow the growth of cancerous cells
- Certain orally administered medications used to prevent breast cancer

- Supplies for the treatment of diabetes, as required by Massachusetts state law, including, but not limited to:
 - Blood glucose monitoring strips
 - Urine glucose strips
 - Lancets
 - Ketone strips
- Long-term antibiotic therapy for a patient with Lyme disease when determined to be medically necessary and ordered by a licensed physician after making a thorough evaluation of the patient's symptoms, diagnostic test results or response to treatment. An experimental drug shall be covered as a long-term antibiotic therapy if it is approved for an indication by the United States Food and Drug Administration.

* Injectables administered in the doctor's office or under other professional supervision are covered as a medical benefit.

Preventive medications

Covered items include (some of these medications and covered items may require prior authorization.):

ACA Preventive Medications at \$0

- Fallon will cover preventive medications as required by the Patient Protection and Affordable Care Act. This includes over-the-counter medications. Over-the-counter medications must be prescribed by a health care provider. Covered over-the counter medications include:
 - aspirin
 - iron supplementation
 - folic acid
 - Calcium with Vitamin D
 - some vitamin D formulations

- gum/lozenges/patches for nicotine replacement therapy
- bowel preps
- Note:** you may need to submit your prescription and your receipt to Fallon for reimbursement.
- FDA-approved tobacco cessation medications, no prior authorization required:
 - Nicotine patch
 - Nicotine oral or nasal spray
 - Nicotine inhaler
 - Bupropion
 - Varenicline
- Certain bowel preps
- Certain oral contraceptives* , emergency contraceptives, and contraceptive devices
 - Fallon will also cover over-the-counter women's contraceptive methods such as sponges and spermicides that are FDA-approved and prescribed by a health care provider. You may need to submit your prescription and your receipt to Fallon for reimbursement
- Certain low to moderate dose statins used for the prevention of cardiovascular disease
- Certain pediatric multivitamins containing fluoride and fluoride supplements for children six months to sixteen years of age

***Exception Request for Contraceptives**

Generic contraceptives are covered in full. Brand name contraceptives generally require cost sharing such as a copayment. However, if your attending provider indicates you must use an FDA-approved brand contraceptive due to medical necessity you may make an exception request to have the brand name contraceptive covered with no

cost sharing. Your attending provider should contact CVS Caremark by telephone at 1-866-772-9538 or Fax 1-888-836-0730 and request an exception request for contraceptive cost sharing due to medical necessity. Examples of medical necessity include severity of side effects, differences in permanence and reversibility of contraceptives, and ability to adhere to appropriate use of the item or service.

Special Medical Formulas

Special medical formulas to treat certain metabolic disorders as required by Massachusetts state law. Metabolic disorders covered under Massachusetts state law include: phenylketonuria; tyrosinemia; homocystinuria; maple syrup urine disease; propionic acidemia; and methylmalonic acidemia in a dependent child, including when medically necessary to protect unborn fetuses of pregnant women with phenylketonuria. Prior authorization is required.

Non-Covered Items

Non-Formulary:

Medications not on the formulary are considered non-formulary and are not covered.

Exclusions:

Medications listed below under “**Related Exclusions**” are considered excluded and are not covered.

If you are covered under a small group or nongroup plan, and your provider feels that the medications on our formulary are not appropriate for your condition there is an exception request process available. Your prescriber must support the request by providing a statement that provides justification for supporting the need for the excluded drug to treat your condition, including a statement that all covered formulary drugs on any tier will be

or have been ineffective, would not be as effective as the excluded drug, or would have adverse effects. This request must be approved by Fallon Health before we will pay for the drug. Please contact our pharmacy benefit manager, CVS Caremark at 1-855-582-2022 to submit an exception request. You or your prescribing physician may make an expedited exception request if exigent circumstances exist. Exigent circumstances exist when you are suffering from a health condition that may seriously jeopardize your life, health, or ability to regain maximum function or when you are undergoing a current course of treatment using a non-formulary drug. You will be notified within 72 hours of receipt of information sufficient to begin our review for a standard request, or 24 hours of receipt of information sufficient to begin our review for an expedited request. If you disagree with the decision on your standard or expedited exception request above, you may file an external exception request. To file a standard or expedited external exception request please contact Fallon Health at 1-800-333-2535 or email us at grievance@fallonhealth.org. We will forward your external exception request to an independent review organization for a review and determination. The same standards and time frames outlined above will apply to standard and expedited external review requests.

Related exclusions (please see **General exclusions and limitations** for additional limitations)

1. Drugs that you can buy without a prescription, unless included on the Fallon formulary or specifically described as covered above.
2. Drugs not on our formulary, unless non-formulary prior authorization has been granted.

3. Drugs that are specifically excluded from the formulary, unless an exception has been granted.
4. Drugs that are investigational or that have not been approved for general sale and distribution by the U.S. Food and Drug Administration
5. Drugs that are not used or prescribed in accordance with FDA-approved labeling (unless compendia supported), including, but not limited to: unapproved doses, unapproved duration of therapy and unapproved indications. (This does not include the off-label uses of covered prescription drugs used in the treatment of HIV/AIDS or cancer when used in accordance with state law. This also does not include bone marrow transplants for breast cancer as required by state law.)
6. Drugs that require prior authorization, if prior authorization is not received
7. Drugs prescribed for purposes that are not medically necessary. This includes, but is not limited to, drugs for cosmetic purposes, to enhance athletic performance, for appetite suppression, or for other non-covered conditions. This also includes drugs that do not meet medical criteria. Cosmetic includes, but is not limited to, melasma, vitiligo, and alopecia.
8. Vitamins and minerals, whether or not a prescription is required, are excluded from coverage, unless listed in the Fallon drug formulary or under the Oh Baby! program
9. Over-the-counter birth control preparations or devices, unless specifically described as covered in the above
10. Medications used for preference or convenience

11. Medications that are new to the market that have not been reviewed by Fallon for safety and adverse events. These medications are not covered by Fallon until they have been reviewed and guidelines for their use have been developed. This could take up to 180 days post-marketing.
12. Replacement of more than one lost/mishandled medication per benefit period
13. Prescription drugs that are a combination of a covered prescription item and an item that is specifically excluded, such as vitamins, minerals, or medical foods/formulas.
14. Bio-identical hormone replacement therapy.
15. The following Prescription Proton Pump Inhibitors: Prevacid (brand name capsules), Protonix (brand name), Zegerid, Prilosec (brand name) and others not on the Fallon formulary
16. Tier cost-sharing exceptions.
17. The following are not covered benefits:
 - Topical emollients
 - Medical wound dressings for maintenance or long term care of a condition
 - Work-required vaccines
18. The following non-sedating antihistamines: Allegra, Allegra ODT, cetirizine HCl, Clarinex, Claritin, Claritin Reditabs, fexofenadine HCl, Xyzal and Zyrtec.
19. Vimovo
20. Medical marijuana
21. Duexis (ibuprofen/famotidine)
22. Omeclamox (amoxicillin/clarithromycin/omeprazole) Therapy Pack

23. Vascepta (icosapent ethyl)
24. Liptruzet (atorvastatin/ezetimibe)
25. Diclegis (doxylamine/pyridoxine)
26. Acticlate (doxycycline Hyclate)
27. Jublia (efinaconazole soln)
28. Durlaza (aspirin 162.5mg)
29. Cuprimine (penicillamine) capsules
30. Glumetza (metformin) tablets
31. Fortamet (metformin SR 24h osmotic) tablets
32. Sernivo (betamethasone dipropionate spray emulsion) 1.5% Spray
33. Bonjesta (doxylamine/pyridoxine)
34. Yosprala (aspirin/omeprazole)

General exclusions and limitations

Under **General exclusions and limitations** remove the following exclusion:

69. Unauthorized in-area urgent care visits

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 2

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001
Effective April 1, 2018

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Emergency and urgent care

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Emergency and urgent care

Under **Emergency and urgent care** in the **Description of benefits** section, under **Covered** replace number 3 with the following:

3. Telemedicine visits with physicians through an agreement exclusively with Teladoc. Visits are performed by phone, video, or mobile app. These visits are used to diagnose, treat and prescribe medications (if necessary) for common health issues such as sinus problems, bronchitis, allergies, cold and flu symptoms, respiratory infection, or ear infection.

Teladoc does not replace your primary care physician; it is a convenient option for care. Please visit the Fallon Health website for URL link and additional information on Teladoc. See your Schedule of Benefits for cost-sharing information.

Fallon Health & Life Assurance Company, Inc.

AMENDMENT 1

This is part of your Fallon Preferred Care
Member Handbook/Evidence of Coverage
Form #17-670-001

This amendment changes certain sections of your Fallon Preferred Care *Member Handbook/Evidence of Coverage*. Please read it carefully and keep it with your handbook. The information in this amendment replaces any information in your handbook, Schedule of Benefits or prior amendments that conflicts with it. If you have questions about this amendment, please contact the Customer Service Department at 1-888-468-1541 (TRS 711). Representatives are available Monday, Tuesday, Thursday and Friday from 8 a.m. to 6 p.m. and Wednesday from 10 a.m. to 6 p.m.

Your *Member Handbook/Evidence of Coverage* has been amended to include information on the following:

1. Understanding your health care coverage
2. Medical management
3. The claims process
4. Disenrollment rates

The following changes apply to your *Member Handbook/Evidence of Coverage*:

Understanding your health care coverage

Effective July 1, 2018 the following changes apply:

Under **Medical management procedures** in the **Understanding your health care coverage** section, replace entire section with the following:

Whether you obtain care from participating providers or nonparticipating providers, there are medical management procedures for certain services. See the glossary of this *Member Handbook/Evidence of Coverage* for a definition of medical management.

If you do not follow medical management procedures (prior-authorization and notification), your claim may be denied, or you may be responsible for additional charges which are in addition to any deductible or coinsurance amounts you must pay, and are not counted toward your out-of-pocket maximum. See the **medical management** section for more information.

Under **Know your covered benefits** section, replace entire section with the following:

Only medically necessary services and supplies, described in this *Member Handbook/Evidence of Coverage*, are covered under this plan. If the plan determines that a service or supply was not medically necessary, no benefits will be paid. Additionally, this plan has medical management features. Medical management determines whether a covered benefit is medically necessary for you. The **medical management** section includes more detailed information on medical management procedures. Certain services require prior-authorization. This means that you must have the plan review your request for care before you receive it. It is important that you read and understand this *Member Handbook/Evidence of Coverage* to familiarize yourself with the way this plan works. If you fail to follow medical management procedures (prior-authorization and notification) as described, your claim may be denied, or you may be responsible for additional charges which are in addition to any deductible or coinsurance amounts you must pay, and are not counted toward your out-of-pocket maximum. See the **medical management** section for more information.

Medical management

Effective July 1, 2018 the following changes apply:

Under **Prior authorization** in the **Medical management** section, replace the fourth paragraph with the following:

Anyone—a member, family member, provider, provider designee, nurse or hospital admissions personnel—may call, but it is your responsibility to ensure that the services receive prior-authorization. If you do not call for prior-authorization and do not receive approval for the above services before you receive them, your claim will be denied. If your claim is denied for not having prior-authorization, you may take the following actions to request authorization retroactively within 120 days of the date of service:

- If the medical management office responsible for review of your service is Fallon Health, Beacon Health Options, or Sleep Management Solutions, you may file an appeal to request authorization retroactively within 120 days of the date of service.
- If the medical management office responsible for review of your claim is eviCore or American Health Holdings, your provider may submit a retroactive request for medical necessity review within 120 days of the date of service.

If you do not take the above actions within 120 days of the date of service, there is no further opportunity to have your claim reviewed to determine if your claim is for a covered service and was medically necessary.

If you file an appeal within 120 days of the date of service with Fallon Health, Beacon Health Options, or Sleep Management Solutions, and your appeal is approved or if your provider submits a retroactive request for medical necessity review within 120 days of the date of service with eviCore or American Health Holdings, and the retroactive request is approved, you will be responsible for additional

charges. These amounts are in addition to any deductible or coinsurance amounts you must pay, and are not counted toward your out-of-pocket maximum. See the Schedule of Benefits for more information.

The claims process

Effective July 1, 2018 the following change applies:

Under **Service area and Care in foreign countries** in **The claims process** section, replace the second paragraph with the following:

You may submit claims for emergency services rendered in a foreign country if the services are not provided free of charge by the country. The claims must be itemized and in (or translated into) English. If claim reimbursement is requested, proof of payment is required. Payment will be made to you, and you must pay the provider.

The following change is effective immediately.

Under **Coordination of Benefits**, replace the first paragraph with the following:

Coordination of benefits (COB) takes place when more than one health insurance plan covers a service. This includes plans that provide benefits for hospital, medical, dental or other health care expenses. We will coordinate payment of covered services with other plans under which you are covered. Other plans include personal injury protection insurance, automobile insurance, homeowner's insurance, school insurance and other plans that pay medical expenses. To the extent permitted by law, benefits available under an auto, homeowners or commercial policy shall be primary to this Plan. Medical Payments Coverage under a motor vehicle insurance policy shall always be secondary to and in excess of any Health Benefit Plan or Personal Injury Protection.

2017 Disenrollment rates

Under **Involuntary cancellation rate** in the **Leaving Fallon Preferred Care** section, replace entire paragraph with the following:

For calendar year 2017, FHLAC's involuntary cancellation or disenrollment rate was 0.00%. The involuntary disenrollment rate includes any members disenrolled by the plan due to misrepresentation or fraud on the part of the member or commission of acts of verbal or physical abuse. For calendar year 2017, FHLAC's voluntary disenrollment rate was 0.44%.