



CHRISTIAN SCHOOLS
INTERNATIONAL

CSI Canada Insurance Plan & Trust Fund

UPDATE

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To: Participating Boards and
Covered Employees

From: Howard Van Mersbergen,
Executive Secretary-Treasurer

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The Trustees have added the Dynamic Therapeutic Formulary (DTF) prescription drug benefit to the Flex plans effective September 1, 2008. By using the DTF, your school will take advantage of lower premium rates for the Flex plans. In Update 318 we introduced the plan and this Update contains more details to assist you in making a decision on whether or not to use the DTF for your participants.

Dynamic Therapeutic Formulary (DTF)

Schools are faced with the challenge of offering comprehensive, yet cost-effective health plan benefits to employees. ESI Canada's Dynamic Therapeutic Formulary is a drug plan with a difference. Offered as part of a tiered plan, the DTF combines the benefits of a managed formulary (drug list) with the flexibility of a traditional drug plan. The purpose of the DTF is to maximize savings and maintain effectiveness, flexibility, and choice.

How Does DTF Work?

Under the plan, Tier 1 drugs are offered at a higher reimbursement level than other medications. Tier 1 is a defined list of drugs that are clinically proven and cost-effective. Tier 2 drugs have a lower reimbursement level. For example, Tier 1 drugs are covered 100% under CSI's Flex 1 plan, and Tier 2 drugs are covered at 80%. By separating drugs into 2 tiers, DTF incorporates the cost-saving benefits of a managed drug plan without eliminating coverage for other medications.

Higher reimbursement for preferred DTF drug therapies encourages members to use more cost effective drugs while still providing the flexibility to choose most other prescription drugs at a lower reimbursement level. Additional savings can be generated if participants switch their existing medications to lower cost DTF alternatives.

Who Decides What Drugs are Included on the DTF?

ESI Canada, the country's largest pharmacy benefit manager, determines which drugs are covered by the DTF. ESI has a Drug Evaluation Committee which includes ESI Canada's doctors of pharmacy, pharmacists, and pharmacy technicians.

Designed as a generic plan, the DTF was developed following a review of all drug classes. The top drug classes, representing the most expensive drug costs, were reviewed in more detail to select the most clinically sound and cost-effective treatments for the formulary.

On an ongoing basis, drug reviews are conducted monthly by the Drug Evaluation Committee that works to ensure that the DTF is clinically sound, cost-effective, and designed to support a healthy population.

What Support will be Available to Participants?

Manulife's DTF toolkit will provide participants with the information and tools they need to help them make the most of their prescription drug benefit. In addition to a detailed overview, the package includes a DTF pocket guide and handy patient file stickers to take to their doctors. Participants can also access a drug look-up table on the Manulife web site.

Sample DTF Scenario

Sarah went to see her doctor when she became ill. When the doctor opened her file, he noted the DTF sticker she had given him on a previous visit. He then discussed with Sarah an approach for treating her ailment. After reviewing Sarah's DTF pocket reference guide, they discovered two suitable medications covered by her drug plan; a DTF drug that would be reimbursed at 100% and another medication that would be reimbursed at 80%. After reviewing the treatment options available under each tier, Sarah and her doctor settled on an approach that would treat her condition, while also factoring lifestyle and coverage considerations into her treatment plan.

Drug Coverage Options

Effective September 1, 2008, the prescription drug coverage under the Flex plans will be based on the Dynamic Therapeutic Formulary. The coverage under the Standard plan will not change and will continue to be based on Manuscript Generic Drug Plan 2.

For schools that wish to use the Flex plans and continue with the current drug coverage, there is a new Drug Benefit Option available. If you purchase this option, your drug coverage will remain as it is and will not be based on the DTF. Rate sheets showing premium rates for health coverage and the drug plan option were mailed recently with Update 318.

Contacting the CSI Benefits Office

More information about your CSI benefit plans is located on our web site at www.CSIonline.org. Select Employee Benefits, Canada, and the appropriate plan. If you have questions, contact Bonnie by e-mail at bhofmann@CSIonline.org or by phone at 800-635-8288, ext. 230.