



To: Physicians/Pharmacists

Subject: Implementation of Rx05 Managed Drug Formulary for CAW Local 555,
Policy number 25018

Date: June 16, 2006

This memo is provided to inform you of the new drug formulary and some important aspects of its administration.

Effective June 16, 2006, the Rx05 managed drug formulary is introduced for members of McMaster University's CAW Local 555 and their dependent family members. (The CAW group represents approximately 2500 McMaster employees.)

McMaster's extended health plan will continue to be administered by Sun Life Financial, with the existing pay-direct drug card system, as administered by Emergis.

Briefly, the Rx05 plan will function as follows:

- **Drug formulary frozen as of December 31, 2005** - Drugs requiring a prescription by law, which are covered by our drug formulary as of December 31, 2005, will continue to be covered with some exclusions.
- **Exclusions** – Rx05 coverage does not include weight loss medication, erectile dysfunction drugs, fertility drugs and smoking cessation products. Diagnostic equipment and extension devices will continue to be covered but will be separated from the Drug Plan, i.e., requiring the submission of paper claims.
- **Mandatory generic substitution** – While generic drug substitution is practiced in Ontario, the Rx05 drug formulary will require mandatory generic substitution. Where the employee does not accept the generic drug, and purchases the brand name drug, the extended health plan will only reimburse the cost of the generic drug.
- **Addition of new drugs after January 1, 2006** – The medical and cost efficacy of new drugs approved by Health Canada, will be evaluated by the Emergis pharmacy team and an independent review body. New drugs will be added to the formulary where clinical evidence is found to support the medical and cost efficacy of a new drug as a first line treatment. New drugs added to the National Formulary will be added to the Rx05 formulary.

Questions concerning drug and equipment coverage under the Rx05 drug formulary can be directed to Sun Life at 1-800-361-6212 or email askus@sunlife.com.