

UHC Announces Generic Protonix, Pantoprazole, Launched

McGohan Brabender has received the following announcement from UnitedHealthcare: On December 24, 2007, Teva Pharmaceuticals introduced¹ and shipped generic Protonix, pantoprazole, delayed-release tablets in 20 mg and 40 mg to some pharmacies. (Protonix and pantoprazole are proton pump inhibitors 'PPIs' that treat heartburn and stomach ulcers). However, not all pharmacies have pantoprazole at this time, including Medco By Mail. United Healthcare has made the following tier placement decisions based on this information.

Advantage Prescription Drug List (PDL) Tier Changes²

- Protonix remains in Tier 2
- Pantoprazole was placed in Tier 3

Traditional PDL Tier Changes²

- Protonix remains in Tier 2
- Pantoprazole was placed in Tier 1

Tier Decision Rationale

According to UnitedHealthcare, Pantoprazole was placed in Tier 3 on the Advantage PDL because it is more expensive than Protonix, as well as significantly more expensive than other PPIs such as omeprazole (Tier 2 on Advantage PDL), Aciphex (Tier 2) and Zegerid (Tier 2). By leaving Protonix in Tier 2, members on the Advantage PDL will have the same copayment.

Future Tier Changes

UnitedHealthcare states that they will monitor the ongoing market dynamics and make appropriate tier changes if it makes financial sense for members and customers.

Retail Pharmacies

- **Advantage PDL**
Usually, generic medications are less expensive than brand name medications. So, pharmacies automatically switch prescriptions for brand medications to the generic version of the medication when available. In this case, because of UnitedHealthcare's manufacturer discount, pantoprazole is more expensive than Protonix. This means that Advantage PDL members could receive pantoprazole at a Tier 3 copayment instead of Protonix at a Tier 2 copayment.
- **Communications**
To minimize disruption, UnitedHealthcare is asking network pharmacies to check the members' benefit plans to determine the lowest cost option for UnitedHealthcare members. They're also sending letters to current retail Protonix users on the Advantage PDL instructing them to request brand Protonix instead of the generic. Because not all pharmacies have supplies of pantoprazole, some members will not encounter this issue

and the pharmacy will dispense Protonix as usual.

- **Traditional PDL and Consumer-Driven Plans**

There is **no disruption** for Traditional PDL and consumer-driven plan members. Traditional PDL members will pay a lower Tier 1 copayment for generic pantoprazole if their pharmacy has it in stock. If not, they will continue to pay a Tier 2 copayment for Protonix. Members on a high-deductible plan will receive generic pantoprazole, which, for the vast majority of those who have not reached their deductible, will be the lower cost alternative.

Medco By Mail Pharmacies

Medco By Mail did not receive pantoprazole. Protonix will continue to be dispensed at a Tier 2 copayment for both Advantage and Traditional PDL members.

Member Communication Plan

While UnitedHealthcare's standard protocol is to only notify members when they are negatively impacted, due to the uniqueness of this PDL decision, they plan to communicate with members in the following ways.

1. A letter to Advantage PDL Protonix users at retail instructing them to request brand Protonix to continue to receive their medication at their current copayment.
2. A second letter to Advantage PDL Protonix users if the generic moves to a lower tier than the brand, instructing them to now request generic pantoprazole at their pharmacy (this may or may not happen automatically).
3. Template newsletter article created for employers that they can provide to employees. A simple explanation and instructions will help ensure members are maximizing their pharmacy benefit.
4. Members taking either Protonix or pantoprazole will receive a tailored message when they visit Pharmacy Online on myuhc.com.
5. Customer Care training to ensure they are prepared to answer Advantage PDL member questions regarding the higher cost of the generic compared to the brand.

If you have any questions, please contact your McGohan Brabender Account Representative at (800) 293-2347.

¹The introduction of pantoprazole is being challenged by the patent holder, Wyeth. As a result, all shipments of pantoprazole were put on hold until January 22, 2008.

²Changes impacting the fully insured apply to all states except Texas (specific process for change required).