

Alliance Alert

The Public Employee Benefits Alliance (PEBA) Board met on June 7, 2006. The Board made the decision to execute a PEBA Alliance agreement with Caremark for the Pharmacy Benefit Manager Services effective 10/01/06. The Caremark Alliance agreement will be available to all active PEBA member groups who are current with their annual membership and proposal fees. For political subdivisions that did not join PEBA and/or did not participate in the PEBA Pharmacy Benefit Management Proposal, access to the PEBA Alliance agreement with Caremark is still possible. The Annual Membership Fee, Proposal Costs, Late Fee and Interlocal Agreement must be executed to participate. For any group that did not participate in the RFP, but is currently contracted with Caremark, the pricing below will be available at the expiration of the current contract term.

PEBA Fee Sheet

Annual Membership Fees	2006
Employer	
0-100 Lives \$150.00	\$150.00
101-500 Lives \$300.00	\$300.00
500-1000 Lives \$500.00	\$500.00
>1,000 Lives	\$700.00

Proposal Costs	
2006	
Pharmacy Benefit Manager:	\$2,000.00/\$250.00 late fee
Retiree Benefits	\$200.00
Disease Management	\$100.00
Late Fee Addition	Future late fees will be discussed at the next board meeting.

OPTIONS FOR CONTRACT-HOLDERS:

The PEBA Alliance Agreement Pricing Options include:

1. Rebate Sharing with 80% going to contract-holder
 - a. Two-tiered copay guarantee
 - b. Three-tiered copay guarantee
2. No Rebate sharing with an increase in AWP discounts and a decrease in administrative and dispensing fixed costs

The PEBA Alliance Agreement Network Options include:

1. National Network (Includes over 61,000 Pharmacies)
2. CareChoice Network (National Network without CVS and a few local pharmacies.)
At your request, a network list for your area will be prepared to compare the two networks.

The PEBA Plan Design Parameters will include these options:

1. Two-tiered, three-tiered and four-tiered Copay Options
2. Benefit Percentage Options
3. Over the Counter Prescription Options
4. Biotech Copay Options
5. Maintenance Dispensing Options
6. Health Savings Account Preventative Drug List Options
7. Front-end Deductible on any of the above.

For more information please contact PEBA directly:

Municipalities & Special Districts:

Counties:

Fax:

(800) 348-7879 ext. 6768

(800) 456-5974 ext. 3462 or 3463

(512) 719-6509

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