FULLY FUNDED PLANS ONLY

April 17, 2015

RE: Semi-Annual Notice of Changes

Dear Employers and Brokers:

As part of our commitment to provide affordable access to high quality health care, we continually review the benefits and services offered to our members. As a result, from time to time, we update the coverage we provide and change the way that coverage is administered. We then notify our subscribers and their employers, our brokers, and our contracted providers of these changes.

We have attached a copy of an amendment to the HNE Explanation of Coverage. We will notify HNE subscribers of this amendment with the next edition of our member newsletter, *Living Well*. If you have any questions, please call us at 413.233.3535.

Sincerely,

Jeff Krawczyk
Director of Sales

One Monarch Place · Suite 1500 · Springfield, MA 01144-1500 · 413.787.4000 · 800.842.4464 · hne.com

AMENDMENT 02-2015

This is an Amendment to your Health New England, Inc. Explanation of Coverage (EOC). Please keep this Amendment with your EOC as it changes the terms of that EOC. Any language in the EOC that does not follow the terms of this Amendment no longer applies. This Amendment is effective on July 1, 2015, unless noted below.

The EOC is amended as follows.

Benefit, Program, or Requirement	Description
Clarification: **Member Reimbursement for Services from Out-of-Plan Providers**	**Section 1 – Introduction** **Section 5 – Claims and Utilization Management Procedures** Claims for member reimbursement for services from Out-of-Plan providers must be received by HNE within one year from the date of the services. Member Cost Sharing* will apply to services from Out-of-Plan providers.
Hospital Observation – Member Cost Sharing	**Section 3 – Covered Benefits – Observation Room** Effective July 1, 2015, our explanation of the benefit for "Observation Room" is ***replaced*** with the text below. **Observation room** If you are in a hospital in observation status: • Health New England will pay for the observation room charges. • Member Cost Sharing* applies for services provided while you are in observation. • You must pay the ER Copay or Coinsurance, if it applies.

* Member Cost Sharing is what you pay for Deductibles, Copays, or Coinsurance.

Benefit, Program, or Requirement	Description
Substance Abuse Services	**Section 3 – Covered Benefits – Behavioral Health (Mental Health and Substance Abuse Services)** Effective July 1, 2015, the following is ***added*** to the list of "What is Covered." • Medically Assisted Therapies (MAT) for opioid addiction Member Cost Sharing[*] may apply. Effective October 1, 2015, the following is ***added*** to the list of "What is Covered." • Clinical Stabilization Services (CSS) for treatment of substance abuse. (CSS is a 24 hour treatment program. It usually follows an inpatient detoxification. Prior Approval is not required when you use In-Plan providers.)
Health Diagnostic Laboratory, Inc.	**Section 4 – Exclusions and Limitations** The following is ***added*** to the list of services and items that Health New England does ***not*** cover. • Services by Health Diagnostic Laboratory, Inc.
Cologuard® Screening Test	**Section 4 – Exclusions and Limitations** The following is ***added*** to the list of services and items that Health New England does ***not*** cover. • Cologuard® genetic test for colorectal cancer screening
Surgical Management of Morbid Obesity	**Section 4 – Exclusions and Limitations** Health New England will allow repeat procedures for the surgical treatment of morbid obesity. The repeat procedures must meet clinical review criteria. You may access and view this criteria on hne.com. Click on Member, then click on Medical Information, and then click on Medical Policies. To get a paper copy of the criteria, you can call Member Services at 800.310.2835. There is no charge to you for a paper copy. The following is ***deleted*** from the list of "Limitations and Partial Exclusions." HNE covers only one surgical procedure per lifetime for the surgical management of morbid obesity. "Lifetime" means the life of the covered Member.

[*] Member Cost Sharing is what you pay for Deductibles, Copays, or Coinsurance.

<table>
<tr><th>Benefit, Program, or Requirement</th><th>Description</th></tr>
<tr><td>Clarification:
Infertility Benefit</td><td>
Section 3 – Covered Benefits – Infertility Treatment

The text below replaces the text for "Infertility Treatment."

Infertility Treatment
(Requires Prior Approval)
Health New England covers all infertility procedures that are not experimental. This includes, but is not limited to the items below:

Artificial Insemination / Intra-Uterine Insemination (AI/IUI)
In Vitro Fertilization and Embryo Transfers (IVF-ET)
Gamete Intrafallopian Transfer (GIFT)
Sperm, egg and/or inseminated egg procurement and processing, and banking of sperm or inseminated eggs, to the extent the donor's insurer does not cover them
Intracytoplasmic Sperm Injection (ICSI) for the treatment of male factor Infertility
Zygote Intrafallopian Transfer (ZIFT)
Assisted Hatching
Cryopreservation of eggs during an active IVF cycle or as Medically Necessary (in the case of impending or possible loss or damage of reproductive tissue because of medical treatments (chemo or radiation))

There are limits to the benefits. There are also some exclusions. Health New England must approve some services in advance. Health New England covers infertility services for Massachusetts and Connecticut residents only. This is defined in the terms of Health New England's Infertility Protocol. You can ask Health New England Member Services to send you a copy of the Protocol. Health New England covers infertility services for a Connecticut resident only until her 40th birthday, as Connecticut law requires.

<u>What is Not Covered</u>

Sperm or egg banking that is not connected with approved infertility treatment and is not Medically Necessary because of impending or possible loss or damage of reproductive tissue related to medical treatments or conditions that may diminish fertility
Any costs associated with any form of surrogacy, including gestational carriers

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<tr><td>Clarification:
Surrogacy</td><td>
Section 4 – Exclusions and Limitations

The following is added to the list of services and items that Health New England does not cover.

Any costs associated with any form of surrogacy, including gestational carriers
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Benefit, Program, or Requirement	Description
Gender Reassignment Surgery	Health New England has changed the clinical review criteria used for benefit decisions related to gender reassignment surgery. This change is effective January 1, 2015. This surgery requires Prior Approval. You may access and view this criteria on hne.com. Click on Member, then click on Medical Information, and then click on Medical Policies. To get a paper copy of the criteria, you can call Member Services at 800.310.2835. There is no charge to you for a paper copy.
Changes to Health New England's Clinical Review Criteria	Health New England has changed the clinical review criteria used for benefit decisions related to the procedures listed below. These procedures require Prior Approval. You may access and view this criteria on hne.com. Click on Member, then click on Medical Information, and then click on Medical Policies. To get a paper copy of the criteria, you can call Member Services at 800.310.2835. There is no charge to you for a paper copy. • Reduction Mammoplasty • Abdominal Panniculectomy • INFUSE Bone Graft – External • Endothelial Keratoplasty – External • Cochlear Implants
Massachusetts Office of Patient Protection – Address Change	**Section 6 – Inquiries and Grievances – Massachusetts Office of Patient Protection** Effective 12/31/2014, the mailing address for the Office of Patient Protection is: Health Policy Commission Office of Patient Protection 50 Milk Street, 8th Floor Boston, MA 02109 The phone number and email address have not changed.
Additional Preventive Services	The items below will be covered as preventive services. Members will have no Cost Sharing for Deductibles, Copays, or Coinsurance when they use Health New England In-Plan providers. • Behavioral Health counseling to promote a healthy diet and physical activity This is for prevention of cardiovascular disease in adults who have known risk factors. Coverage for these services will be effective August 1, 2015. • Low dose aspirin for women at risk for pre-eclampsia Coverage for low dose aspirin will be effective September 1, 2015.

Prescription Drug Coverage Note: Tier 1 – lowest copay; Tier 2 – mid copay level; Tier 3 – highest copay level		
Step Therapy Drug changes effective July 1, 2015: For HNE to cover the Step Therapy drugs listed here, you first must try the corresponding First Line drugs. If HNE has paid a claim for the First Line drug within the previous 180 or 360 days (depending on the First Line drug), then you are eligible for coverage of the Step Therapy drug. ***The use of samples does not satisfy the requirements of documented usage of a First Line drug or medical necessity for a Step Therapy drug.*** If it is Medically Necessary for you to use a Step Therapy drug before trying a First Line drug, then your doctor can contact HNE to request a medical review.		
You must try:	**First Line Drug(s):**	• Generic ADD/ADHD immediate or extended release products or Methylphenidate ER tablets (generic Concerta)
Before HNE will cover:	**Step Therapy Drug(s):**	• Vyvanse Note: Applies to new prescriptions only.
You must try:	**First Line Drug(s):**	• Generic ADD/ADHD immediate or extended release products or Methylphenidate ER tablets (generic Concerta)
Before HNE will cover:	**Step Therapy Drug(s):**	• Strattera Note: Applies to new prescriptions only.
You must try:	**First Line Drug(s):**	• Nasacort Allergy 24hr OTC
Before HNE will cover:	**Step Therapy Drug(s):**	• Azelastine Nasal Spray • Triamcinolone Nasal Spray • Nasonex • Beconase AQ • Veramyst • QNASL • Zetonna • Dymista • Omnaris • Olopatadine Nasal Spray
You must try:	**First Line Drug(s):**	• Fenofibrate
Before HNE will cover:	**Step Therapy Drug(s):**	• Omega-3-Acid Ethyl Esters • Vascepa Note: Applies to new prescriptions only.
You must try:	**First Line Drug(s):**	• Oxybutynin Er
Before HNE will cover:	**Step Therapy Drug(s):**	• Tolterodine Note: Applies to new prescriptions only.
You must try:	**First Line Drug(s):**	• Finasteride and Tamsulosin
Before HNE will cover:	**Step Therapy Drug(s):**	• Avodart Note: Applies to new prescriptions only.

Prescription Drug Coverage
Note: Tier 1 – lowest copay; Tier 2 – mid copay level; Tier 3 – highest copay level

Tier Assignments
The following Drugs are changing Copay Tier Assignment.

Drug Name	Tier before 7/1/15	Tier on or after 7/1/15
Nasonex	2	3
Namenda XR	2	3
Avodart	2	3
Adderall XR	1	3

Quantity Limit Additions
Starting July 1, 2015, HNE will add the Quantity Limits to the drugs below.

Drug Name	Quantity Limit per 30 day supply (unless otherwise specified)
Vancomycin Capsule	125 mg, 56 capsules per **14 days**
Flector Patch	30 patches for **15 day supply**
Pataday Solution	2.5 ml (1 bottle)
Patanol Solution	5 ml (1 bottle)
Humira	2 Injections/ Pen Injector
Namenda XR	30 capsules
Avodart	30 tablets
Triamcinolone Nasal Spray	1 bottle
Veramyst	1 bottle
Azelastine Nasal Spray	1 bottle
Olopatadine Nasal Spray	1 bottle
QNASL	1 bottle
Omnaris	1 bottle
Dymista	1 bottle
Zetonna	1 bottle
Nasonex	1 bottle

Prescription Drug Coverage
Note: Tier 1 – lowest copay; Tier 2 – mid copay level; Tier 3 – highest copay level

Prescription Drug Coverage
Note: Tier 1 – lowest copay; Tier 2 – mid copay level; Tier 3 – highest copay level

Quantity Limit Additions (continued)
Starting July 1, 2015, HNE will add the Quantity Limits to the drugs below.

Drug	Quantity Limit
Beconase AQ	1 bottle
Vyvanse	30 capsules
Strattera	30 capsules

Prior Authorizations effective July 1, 2015

- Vancomycin 250mg
- Flector Patch
- Voltaren Gel
- Tacrolimus
- Elidel

Plan Limitations effective July 1, 2015

- Adderall XR brand name will no longer be our preferred first line agent. Generic Amphetamine-Dextroamphetamine 24hr capsules will be our preferred first line agent as of July 1, 2015.
- Adapalene Cream/Gel 0.1% will not be covered for members 30 years of age or older.
- Tretinoin Cream/Gel all strengths will not be covered for members 30 years of age or older.
- Tretinoin Microsphere and pump all strengths will not be covered for members 30 years of age or older.

Plan Exclusions effective July 1, 2015

The following Prescription Drugs are **not** a Covered Benefit:
- Metformin ER 1000mg will be excluded. As an alternative: HNE allows Metformin ER 500mg 60 tablets for 30 days.
- Treximet will be excluded. As an alternative: use separate agents.

Did you know you could save money on your allergy prescriptions?

Allergies are a chronic condition. Treatment can be expensive. But, many allergy drugs are now available over-the-counter OTC). Usually OTC drugs are not covered by your insurance. However, the OTC version may be less costly to you.

Over the past few years, the majority of allergy drugs have become available in both generic forms and OTC forms. Some examples are Nasacort 24hr, Flonase, Claritin, Zyrtec, and Allegra.