

TO: Indemnity Plan Actives, Casuals and Non-Medicare Retirees
Covered Under the Medco Prescription Drug Plan

FROM: Board of Trustees

RE: Change in Prescription Drug Co-Payments
Effective July 1, 2007

The Trust has changed the co-payments under the prescription drug plan administered by Medco for actives, casuals and non-Medicare retirees. The changes are effective with prescriptions filled on or after July 1, 2007. The purpose of the change is to encourage participants' use of generic drugs and mail order for maintenance medications. The current co-payments and the new co-payments are described below.

Current Co-Payments

Retail Pharmacy (30 Day Supply)
Generic Drugs \$10
Brand Drugs 20% w/\$15 min.

New Co-Payments (July 1, 2007)

New Retail Pharmacy (30 Day Supply)
Generic Drugs 20% w/\$10 minimum
Brand Drugs 20% w/\$25 minimum

Mail Order (90 Day Supply)

Generic Drugs \$10
Brand Drugs \$30

New Mail Order (90 Day Supply)

Generic Drugs No-Copay
Brand Drugs \$50

The reasons for the change are that brand drugs and prescription filled at retail cost significantly more. The average cost of a WTWT retail generic prescription is \$50.21 and the average cost of a mail order generic prescription is \$175.08. Compare these generic drug costs to those of the average brand name drug \$116.23 for a retail prescription and \$398.10 for a mail order prescription. As you can see, the cost of generic drugs is substantially less than that of brand name drugs. Additionally, the Trust receives greater discounts on drugs filled through mail order. The Trustees encourage you to use generic drugs and mail order whenever possible in order to save money for you and the Trust.

If you have any questions about the new prescription drug co-payments please call your Area Administrative Office.

cc: Trust Consultant
Trust Counsel
Local Unions