

March 1, 2007

Dear FirstCarolinaCare Member:

FirstCarolinaCare Inc. (FCC) is committed to providing you with a quality health plan at an affordable cost. One of the ways we accomplish this is through the review of prescription drug costs and usage. As a result, FCC has identified the proton pump inhibitor (PPI) class of drugs as a cost-savings opportunity for our members. This class of medication includes Nexium, Prevacid, Protonix, Aciphex, Prilosec, Zegerid, Prilosec OTC and omeprazole (generic Prilosec).

Effective **March 19, 2007**, FCC will make the following changes to its coverage of the PPI class:

- 1) A **step therapy** requirement will be applied to Protonix, Nexium, Prevacid, Aciphex and Zegerid. Step therapy means that certain medications must be tried in a set order for FCC to cover them. **This change will affect only adult patients new to PPI medications and not members currently on PPI medications.** If you need a PPI, your physician must write a prescription for Prilosec OTC or omeprazole first. If you do not get the results your physician wants with Prilosec OTC or omeprazole **40mg per day** (a higher dose), then you can **“Step Up”** to Protonix. If you do not get the desired results with Protonix, then you can **“Step Up”** to either Prevacid, Nexium, Aciphex or Zegerid.

This change will help you save money by trying the less expensive versions of the PPI medications first. Studies show that all of these medications are similar in safety and effectiveness when taken at equivalent doses. The member copayment comparison is as follows:

Prilosec OTC and omeprazole – generic \$10 copayment

Protonix – preferred brand \$25 to \$35 copayment

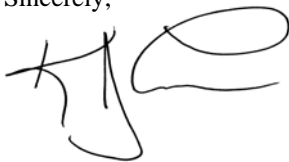
Nexium, Aciphex, Prevacid and Zegerid – non-preferred brand \$40 to \$50 copayment

- 2) Changes to FCC’s formulary include:
 - a. Omeprazole will move from the non-preferred tier to the generic tier. This will allow you to take either Prilosec OTC or omeprazole for a \$10 copayment.
 - b. FCC will no longer cover Prilosec 40mg capsules. If you need a higher dose of Prilosec, you are recommended to take two (2) omeprazole 20mg capsules or two (2) Prilosec OTC 20mg tablets. This will also save you money, because omeprazole and Prilosec OTC are \$10 a month compared to \$40 to \$50 a month for Prilosec 40mg. **At this time, this change will affect only members newly prescribed Prilosec 40mg and not members currently taking Prilosec 40mg capsules.**

Although step therapy does not apply to members currently on Nexium, Prevacid, Aciphex or Zegerid, those members still have an opportunity to save money by trying Prilosec OTC or omeprazole for a \$10 copayment. Discuss with your physician whether one of these medications may be an option for you.

We hope this information will be helpful and recommend you take this letter with you when you visit your physician. It is important to remember that you may have a delay in getting your medication if the changes above are not followed for members new to PPI therapy. If you have any questions, please call FCC at (800) 574-8556.

Sincerely,



Kenneth J. Lewis
President