



Scotia – Glenville

Central Schools

District Offices • 900 Preddice Parkway • Scotia, New York 12302

April 24, 2025

Free Market Health

It is common knowledge that prescription drug costs have steadily skyrocketed, and these increases have driven large increases in premiums over the last few years. We routinely consult with Highmark to review trends and to consider ways to lower costs without compromising the quality of care. Highmark has identified that some of the prescription drugs in our formulary do not require **prior authorizations**(PA's). A PA means there is an oversight process to confirm that a particular drug is medically necessary. This situation is a significant cost driver for all participants: Highmark has noted that 1% of covered members are responsible for 42% of the money spent on pharmaceutical benefits. As is now the case, all drugs are available to covered members.

As you know from this year's budget presentations, the Highmark/ESI drug rate increased 30% last year and I am estimating a minimum 30% increase for 25/26.

To address this issue we have been working with our health insurance consortium (CASHIC) , our Insurance TPA (Amsure) and NYSUT and 766 labor and benefit officers to address this concern by moving to a Free Market Health platform for pharmaceutical management.

Free Market Health is a specialty drug platform offered by Highmark as it relates to GLP-1s(for weight loss purposes) and certain classification/costs of specialty drugs. The platform also provides competitive bidding by approved specialty drug pharmaceutical companies

The change simply includes a review of medical necessity prior to authorizing a new prescription. The PA is typically seamless for members. While the member will receive a notification that a medication requires a PA, the notice also goes to the prescribing physician, who coordinates the approval with Highmark.

As with any change, there are potential impacts to members, which we have addressed in the terms of the Free Market Health (FMH) rollout. Any member who is taking a GLP-1 (weight loss) medication as of July 1, 2025 will be grandfathered from the PA requirements. However, if there is a subsequent change from one GLP-1 to another (like switching from Wegovy to Ozempic), then the PA process will occur. Similarly, if a member is newly prescribed a GLP-1 after July 1, 2025, then the PA will be needed.

If you are affected by the PA requirement based on a particular medication you are taking as of July 1, 2025, you will receive a notice directly from Highmark (as will your doctor, who will handle it). Otherwise, these reviews will occur behind-the-scenes, and you should not notice anything different. Additionally, the FMH program will incorporate a competitive bidding component in the sourcing of certain specialty medications, to obtain the best price possible (usually once a year). These medications are typically delivered directly to members, so the member may only see that their medication is being shipped from a different pharmacy. However, because the district is self-insured for prescription drugs, all participants will benefit from the cost savings.

There is no change to retiree contributions or loss of benefit for retirees. Any retiree currently on a drug that falls into the category which will move to pre-authorization, will be grandfathered in as long as they remain on the current prescription.

With this letter, I am attaching the HighMark FreeMarket Health (FMH) listing of specialty drugs that will require prior authorization.

We will be scheduling an informational meeting on Wednesday May 7,2025 for open enrollment at the Scotia Glenville High School.

Thank you for your attention to this matter.