

TO: PANJ MEMBERS

FROM David L. Fox, Esq. PANJ General Counsel

RE: EXECUTIVE BRANCH MEDCO ARBITRATION DETERMINATION

AS TO CERTAIN NON-JUDICIAL STATE EMPLOYEES

DATE: May 3, 2011

...PANJ filed two grievances on behalf of PANJ Case-Related Professionals and PANJ Supervisors approximately one year ago regarding contract violations regarding changes implemented by Medco as to prescription drugs.

There is a recent Arbitration Award involving certain Executive Branch employees which is applicable to certain aspects of the PANJ grievance.

The Attorney General's office is evaluating whether or not it will appeal the Award and the AOC is evaluating how it may be implemented with regard to PANJ members and perhaps other judicial employees.

This is a summary of the Award and its potential benefit to PANJ members.

PANJ will provide you with follow-up information, as the full impact of the Award is determined.

We do need certain input from affected employees as set forth here. We already have the statements from members supporting the grievances.

A major issue is the determination by the State as set forth in a January 2010 letter from Medco, that effective February 1, 2010 employees would be responsible for payment for the entire cost of certain medications unless they get "prior approval." Prior to this, these prescription drugs were all covered under the prescription plan without prior approval, subject to a co-pay. These prescription drugs include the following: Aciphex; Actonel; Actonel with Calcium; Ambien CR; Amerge; Atacand; Atacand HCT; Avapro; Avalide; Axert; Beconase AQ; Benicar; Benicar HCT; Edluar; Fosamax D; Frova; Kapidex; lansoprazole; Lexapro; Luvox CR; Lunesta; Nasacort AQ; Omnaris; pantoprazole; Prevacid; Prilosec Oral Suspension; Protonix; Rhinocort Aqua; Roserem; Teveten; Teveten HCT; Treximet; Verarnyst; Zegerid; Zomig; and Zomig ZMT.

The latter change was one of a number of changes: