Canada Post returned mail process being introduced to Mariner, Exclaims, HealthPro streams

A standardized returned mail process has now been implemented by the Health & Dental Claims mailrooms across all streams. If there is no record of an updated plan member’s address on our claims payment system, the mailroom will redirect any returned mail to the plan member via their plan administrator in the following manner:

ABC Company
Attn: <plan member>
CONFIDENTIAL: TO BE OPENED BY PLAN MEMBER
C/O <plan administrator>
1234 King Street
Waterloo, ON N2J 3J3

Plan administrators are asked to simply forward this mail, unopened, to the appropriate plan member. Plan administrators should give plan members notice that this will be the new process, and take the opportunity to remind plan members to ensure their contact information remains current.

Implementing this proven process on the Mariner, Exclaims & HealthPro streams will allow us to provide even better service to plan members. It lets us:

• expedite the delivery of returned Health & Dental Claims correspondence to plan members;
• reduce the risk of privacy & confidentiality breaches;
• reduce Customer Service Centre inquiries that plan members have to make regarding the status of their claim(s); and
• reduce the number of stop payments and reissues, thereby reducing the risk of the plan member attempting to deposit a cheque with a stop payment on it, and reducing the wait for a claims reimbursement.

If you have any questions about this change, please contact your RGO or Manulife Financial representative.

This Administrative Update and previous editions are available on the Group Benefits website. Go to www.manulife.ca/groupbenefits and click on “Newsletters.” Administrative Update is provided to share information with plan administrators. It is not intended as advice. Although we strive for accuracy, we are only bringing summaries and highlights to your attention. Please refer to your Group Policy for complete terms and conditions. If there is a discrepancy between our communications and the Group Policy, the terms of the Policy will apply.
Special Delivery

If you’re not already receiving Employee Benefit News and Wellness Report electronically, it’s time to take advantage of our free, online subscription service!

In a random readership survey conducted in March, many people indicated their preference to receive the quarterly Manulife Financial newsletters electronically via e-mail. Beginning in December, Employee Benefit News and Wellness Report will become one hundred percent electronic newsletters, easily accessed from the “Newsletters” page on our public websites. From there, you can read these popular publications online, send links via e-mail to others in your organization or print a copy for future reference. The newsletters will continue to be published each March, June, September and December.

To make sure you never miss a copy, visit our website and subscribe to receive e-mail notification when the newest edition is toasted, posted, and ready to read.

Our quarterly newsletter for plan administrators, Administrative Update, will continue to be mailed via Canada Post to readers who currently receive it in paper format. Electronic copies of this newsletter can also be found on our website.

To subscribe:

Go to www.manulife.ca

Click on the “Newsletters” link under the heading “Group Benefits.”

Click “Subscribe on-line today” and complete the electronic subscription form.

Beginning in December, go to www.manulife.ca for:

Employee Benefit News - Group benefits industry news and information that will help plan sponsors make future decisions about their benefits programs.

Wellness Report - Health and wellness information you can distribute to your plan members.

…and continue to check your mailbox or inbox for:

Administrative Update - Information you need to know in order to manage the day-to-day operation of your benefits plans.
Ontario: Bill 102

In late June, Ontario passed Bill 102, the Transparent Drug System for Patients Act, 2006. The Act is expected to receive Royal Assent and come into effect on October 1. Bill 102 is the result of a system-wide review of Ontario’s drug system and is intended to create significant prescription drug savings for the provincial plan.

Of particular note to plan administrators, one of the proposed changes under Bill 102 is that the Ontario Drug Benefit (ODB) program will increase the dispensing fee amount payable to pharmacists from $6.54 to $7.00. In situations where a client’s contract duplicates ODB’s dispensing fee cap, Manulife will require plan administrators to submit an amendment, requesting their contract be updated to match the new $7.00 dispensing fee. Manulife will not automatically update contracts to the new ODB plan design.

Much of Bill 102’s effect on private drug plans will be determined by the Ontario Ministry of Health’s development of a new formulary, pricing, generic interchangeability, and other regulations. Until this work has been completed, the implications for group benefits plans cannot be fully determined.

For more detailed information on Bill 102, refer to this quarter’s edition of Employee Benefit News.

RAMQ - 2006 plan changes

On July 1, 2006, the Quebec government implemented the following changes to the coverage provided by the provincial health plan, the Régie de l’assurance maladie du Québec (RAMQ):

- annual out-of-pocket maximums changed from $857 to $881
- co-insurance level changed from 28.5% to 29%

These changes will have no effect on Manulife Financial rates. However, in situations where a client’s contract duplicates RAMQ’s coverage, Manulife will require plan administrators to submit an amendment, requesting their contract be updated to match the new RAMQ plan design. Manulife will not automatically update contracts to the new RAMQ plan design.

New Short-Term Disability Benefits Guide

The new STD Benefits Guide (GC2218E/F) is now available for order by all plan administrators through the plan administrator secure site.

This guide is designed to help steer plan members through the process of completing a short-term disability claim. It also provides plan members with an understanding of the information they’ll need to submit to support their claim, and answer plan members’ frequently asked questions.
Dynamic Therapeutic Formulary (DTF) updates

The list of drugs covered on the DTF undergoes a continuous review by a team of health care professionals at ESI Canada, the country’s largest Pharmacy Benefit Manager. Drugs covered on the DTF may periodically change to ensure the most effective and affordable drugs used to treat most medical conditions are included.

Twice a year ESI Canada (Manulife’s Pharmacy Benefit Manager) reviews commonly used drug classes to revisit previous decisions in light of new medical research. This may result in certain drugs being removed from the Tier 1 of the DTF.

When a drug is scheduled for removal, you will be given advance notice in Administrative Update, so that you can communicate the information to your plan members.

The following page outlines the drug classes that have recently been reviewed, and the outcome of each review. Drugs that are being removed may be covered, as determined by the plan sponsor, on the second tier of your plan.

Updated DTF plan member materials

Letter for affected plan members: To assist you in communicating these changes to plan members, a letter outlining this information will be available late September for you to print and distribute, as required:

www.manulife.ca/groupbenefits/DTFupdate

…and materials ready to order:

- **DTF Pocket Guide**: This guide (GC2158E/F) has been updated to reflect the new information, providing your plan members with a list of drug coverage for the most commonly prescribed drugs and therapeutic alternatives for drugs not covered by the DTF.

- **Plan Member Feature Sheet**: The DTF Pocket Guide is attached to the Feature Sheet (GC2162E/F) that provides new plan members with an overview of the DTF. It also includes DTF stickers for the plan member’s doctor’s files.

DTF materials: How many to order? Which forms do you need?

- The Plan Member Feature Sheet is intended for NEW plan members only. You only need to provide one when the plan member FIRST enrolls in the DTF Drug Plan (Note: The DTF Pocket Guide is attached to the Feature Sheet).

- After the plan member has received his/her initial copy of the Plan Member Feature Sheet, he/she only requires updates of the DTF Pocket Guide twice a year. So you only need to order the DTF Pocket Guide for CURRENT plan members.

- Remember…the DTF Pocket Guide and the Plan Member Feature Sheet are updated twice a year, so you only need to order a six month supply.

<table>
<thead>
<tr>
<th>Number of current plan members</th>
<th>DTF Pocket Guide (GC2158E/F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of potential new plan members in the next 6 months</td>
<td>Plan Member Feature Sheet (GC2162E/F)</td>
</tr>
</tbody>
</table>

Ordering a new supply of DTF plan member materials

1. Go to www.manulife.ca/groupbenefits and login to the appropriate public site.

2. Select the Forms hyperlink/button to open the Materials Re-order form (GL0006E/F).

3. Print off and complete this form, and fax it to Manulife Financial c/o Relizon Canada (@ 1-800-230-2520).

If you have any questions regarding the DTF or any of the recent changes, please contact your Manulife Financial representative.
<table>
<thead>
<tr>
<th>Drug or Drug Class Reviewed</th>
<th>Drug(s) to be removed*</th>
<th>Drug(s) remaining/added</th>
<th>Reason for recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proton Pump Inhibitors (PPIs) for ulcers, etc.</td>
<td>No change to current coverage</td>
<td>Pariet 10mg, generic Losec 20mg (omeprazole)</td>
<td>• The drugs covered are still the most cost effective in the drug class</td>
</tr>
<tr>
<td>NSAIDs</td>
<td>No change to current coverage</td>
<td>Aspirin, Mobicox, Naprosyn, Voltaren, etc</td>
<td>• The drugs covered are still the most cost effective in the drug class</td>
</tr>
<tr>
<td>HMG-CoA reductase inhibitors for high cholesterol</td>
<td>No change to current coverage</td>
<td>Crestor, Lescol, Lipitor, generic Pravachol (pravastatin), and generic Zocor (simvastatin)</td>
<td>• The drugs covered are still the most cost effective in the drug class</td>
</tr>
<tr>
<td>Paxil CR</td>
<td>Paxil CR (all strengths) to be removed from the DTF on March 15, 2007*</td>
<td>Paxil (regular formulation) and its generics</td>
<td>• Paxil CR has similar effects as Paxil but is not considered interchangeable with generic Paxil</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Coverage of Paxil will encourage use of the generic</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Other drugs in this drug class are still covered, so provide many options for patients (e.g., Prozac, Cela, Zolfo, etc.)</td>
</tr>
<tr>
<td>Bisphosphonates for osteoporosis and Paget’s disease</td>
<td>Brand Fosamax (all strengths and formulations) to be removed from the DTF on March 15, 2007*</td>
<td>Generic Fosamax (alendronate)</td>
<td>• Fosamax is not considered interchangeable with its generic counterparts in some of the major provinces</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Removal of brand Fosamax will encourage use of the generic</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Other drugs in this drug class are also still covered so provide many options for patients (e.g., Actonel, Aclasta, Aredia and generics, Didrocal, Didronel and generics, etc.)</td>
</tr>
<tr>
<td>Thyroid hormones for thyroid deficiency</td>
<td>No change to current coverage</td>
<td>Levothyroxine (e.g., Eltroxin, Synthroid, and generics), Cytomel, Thyroid hormone</td>
<td>• A preferred drug could not be chosen because the drugs in this drug class have different effects and clinical uses</td>
</tr>
<tr>
<td>Combination estrogens/progestins for hormone replacement therapy</td>
<td>FEMHRT, Activelle, and Premelle to be removed from the DTF on March 15, 2007*</td>
<td>Premplus</td>
<td>• The non-covered drugs are combination drugs which are not as cost effective as Premplus</td>
</tr>
</tbody>
</table>

**Reminders - as previously communicated in Q1 2006 Administrative Update**

| Reminder: Insomnia drugs (non-benzodiazepine)     | Starnoc, Imovane, generic Imovane to be removed from DTF effective Sept. 5, 2006       | Restoril, Mogadon, Halcion, and flurazepam (as well as any generics of these drugs)    | • Starnoc, Imovane (and its generic) are more expensive than the drugs remaining on the DTF and there is not enough clinical evidence to show that they have better effect or less side effects |
| Reminder: 5-HT1 receptor agonists ("triptans") for migraine | Brand Imitrex tablets to be removed from DTF effective Sept. 5, 2006                    | Generic Imitrex tablets, Imitrex nasal spray and injection, Amerge, Zomig, Maxalt, Axert, Relpax, Frova | • Brand Imitrex tablets will be removed because there are now generic equivalents available |
|                                                   |                                                                                        |                                                                                        | • Other triptans will continue to be covered because they have different clinical effect from each other |

* Please note: Drugs that are being removed may be covered, as deemed appropriate by the plan sponsor, on the second tier of the plan.
Clarification: Emergency Travel Assistance phone numbers for out-of-country travelers

In the first quarter 2006 edition of Administrative Update, we asked plan sponsors to provide their plan members with three new telephone numbers that can be used to contact World Access (Manulife Financial’s emergency travel assistance provider) during medical or other emergencies, depending on where they are travelling outside the country. Please refer to the first quarter edition of Administrative Update for the information, in addition to noting the following clarifications:

Toll-free calls from Mexico: In Mexico, the prefix numbers (00) are regionally determined. Therefore, depending on what region of Mexico a plan member is calling from, the prefix may only include one zero. In case of an emergency, plan members should confirm the regional code when they arrive at their destination in Mexico.

Toll-free calls from other countries: When calling from other countries that participate in UITF (Universal International Toll-Free)*, the country code prefix # should be added to the actual phone number: country code prefix # + 800-9221-9221 (Note that the middle four digits (9221) are indeed correct, and the entire number, without the country code prefix #, is 11 digits).

The country code: This refers to the country from which the plan member is calling, and not the country to which they are calling. Plan members are asked to confirm the country code upon arrival to their destination.

*Argentina, Australia, Austria, Belgium, China, Colombia, Costa Rica, Denmark, Finland, France, Germany, Hungary, Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Macao, Malaysia, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, U.K.

*The UITF listing is subject to change. For countries not reflected on the current UITF list, plan members should continue to use the collect number indicated on their benefits card. Also, while Canada does participate in UITF, plan members should continue to use the number on their cards for Canada.