

**THE TOLBERT HEALTHCARE PROJECT**  
**www.tolberthealthcare.com**  
**1-888-490-0131**

Adult Clinic Services:

Mr. Wayne C. Rowe  
Chief Executive Officer  
Quality of Life Health Services, Inc.  
1316 Noble Street  
Anniston, Alabama 36201  
(256) 236-0221

Children Clinic Services:

Dr. Angela M. Martin, M.D.  
222 East 10<sup>th</sup> Street  
Anniston, Alabama 36207  
(256) 237-1184

August 5, 2006

**Re: Revised Prescription Drug Co-Payment Program Beginning August 15, 2006**

Dear Claimant:

Thank you for registering with the Tolbert Healthcare Project. Claimant use of the two Clinics, Quality of Life for adults, and Dr. Angela M. Martin for children, continues to be overwhelming. Over 11,500 claimant prescriptions were filled during the three-month period ending June 30, 2006 at great cost to the Project.

In order for the Project to continue to provide you with high quality and inexpensive medical and dental care, while providing prescription drugs to all claimants using the Clinics, we are forced to increase the prescription drug co-payments that we began to implement around Thanksgiving of last year.

The new co-payments will be effective August 15, 2006.

Inexpensive prescription drugs, costing \$25 or less, will have a small co-pay of \$5. Thereafter, the co-payment will be \$15 or less for prescription drugs whose cost is up to \$100. For prescription drugs whose cost is greater than \$100, the co-payment amount will increase as the cost of the drug increases.

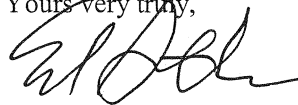
This co-payment schedule will be reviewed at the end of each calendar quarter to see if it is too high or too low, in order to allow us to continue to provide you with inexpensive dental and medical care and prescription drugs.

In an effort to obtain prescription drugs at the lowest price and to minimize the prescription cost to claimants, on July 14, 2006, the Project requested proposals for prescription drugs and services from pharmaceutical providers. We plan to select a low-cost provider by about October 1, 2006. The co-payments will be reviewed at that time.

A further explanation of the need to revise the prescription drug benefit and a copy of the new co-payment schedule are enclosed.

Thank you for your understanding as we make every effort to make our Clinics available to all Tolbert claimants.

Yours very truly,



Ed Gentle,  
Claims Administrator

ECGIII  
Enclosure

August 15, 2006

## **TOLBERT HEALTH CARE PRESCRIPTION DRUG BENEFIT - REVISION**

### **Rationale:**

1. The demand for prescription drugs. The demand for prescription drugs on the part of Tolbert claimants is escalating at an alarming rate. Even though a formulary (a standardized list of the prescription drugs that the Clinics will dispense) was established to hold costs down, this has not been totally effective.

2. The rising cost. Over eleven thousand five hundred (11,500) prescriptions were filled in the fifth quarter of the contract period (April 1, 2006 - June 30, 2006). Each claimant using the pharmacy averaged 6.4 formulary drug prescriptions during the quarter.

3. Efforts to leverage resources. Claimants with drug benefits often need encouragement to use existing benefits. Many of the senior citizen claimants may indeed secure benefits through revised Medicare Part D program, which began in 2006. Claimants are also hesitant about signing up for Prescription Assistance Programs because all of these programs (including Pfizer Sharing the Care) require a verification of the claimant's income to ensure that individuals meet the income criteria established by each drug company ("PAP screening"). Claimants are now required to be PAP screened before using the Prescription Drug Benefit.

4. A Pharmacy Benefit Request for Proposals was issued to about a dozen potential providers on July 14, 2006, with an anticipated award date of about September 30, 2006. An alternative provider may supply prescription drugs at lower prices.

### **Plan of Action:**

1. In order to provide additional supplemental funds to the Prescription Drug Program offered for Tolbert Claimants, an increased co-pay schedule is being implemented. The schedule is based on the cost of the formulary drug; and therefore would require no verification of income.
2. Co-pays for pharmacy drugs will encourage the claimant to use any drug cards or benefits available.
3. The charging of a co-pay will make the Prescription Assistance Programs more appealing to claimants and will reduce reluctance to provide income verification.
4. No non-formulary drugs will be purchased without the express written consent of the Project Director, who will review all requests with the C.E.O. and C.F.O.

August 15, 2006

**TOLBERT HEALTH CARE  
FORMULARY CO-PAY SCHEDULE**

<b>Prescription Drug Cost</b>	<b>Co-Pay</b>
\$5.00 - \$25.00	\$5.00
\$25.01 - \$50.00	\$10.00
\$50.01 - \$75.00	\$12.50
\$75.01 - \$100.00	\$15.00
\$100.01 - \$150.00	\$20.00
\$150.01 - \$200.00	\$25.00
\$200.01 - \$250.00	\$30.00
\$250.01 - \$300.00	\$35.00
\$300.01 - \$350.00	\$40.00
\$350.01 - \$400.00	\$45.00
\$400.01+	<ol style="list-style-type: none"><li>1) The purchase of any formulary drug with a value greater than \$400 will require approval from the administrative staff.</li><li>2) All formulary prescription drugs with a value greater than \$400 will be provided to Tolbert claimants at cost, plus an \$8.00 handling fee.</li><li>3) Pre-payment of the fee will be required.</li></ol>