

In the Matter of Interest Arbitration:

NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

and

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES (BMWED), affiliated with TEAMSTERS RAIL CONFERENCE, INTERNATIONAL BROTHERHOOD OF TEAMSTERS

and

BROTHERHOOD OF RAILROAD SIGNALMEN, AFL-CIO (BRS)

and

PASSENGER RAIL LABOR BARGAINING COALITION (PRLBC) (as the representative of the BMWED and BRS)

Interest Arbitration

Supplemental Award

2010-14 Agreement

BOARD OF ARBITRATION

Ira F. Jaffe, Esq., Chairman  
Shyam Das, Esq., Member  
Herbert Fishgold, Esq., Member

APPEARANCES:

For Amtrak:

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For the PRLBC:

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### **OPINION**

Pursuant to a September 6, 2013 Arbitration Submission Agreement between the National Railroad Passenger Corporation (“Amtrak” or “Carrier”), and the Brotherhood of Maintenance of Way Employees (“BMWED”) and the Brotherhood of Railroad Signalmen (“BRS”), this Board issued an Award on March 25, 2014 (“Award”), setting forth the terms and duration of the successor agreements to: 1) the agreement between Amtrak and the BMWED covering the Northeast Corridor, as amended, and known as the Northeast Corridor Agreement; 2) the agreement between Amtrak and the BMWED covering the remainder of the Amtrak system, known as the Corporate / Off-Corridor Agreement; and 3) the agreement between Amtrak and the BRS covering the system, known as the Wage and Rule Agreement, effective March 1, 2007. The BMWED and BRS were each represented by the Passenger Rail Labor Bargaining Coalition (“PRLBC”). The Award included language that reflected terms in the Submission Agreement that provided for the Board to retain jurisdiction in order to resolve any disputes between Amtrak and the BMWED and/or the BRS relative to the language of those successor agreements. After the issuance of the Award, the Parties disagreed with respect to a number of provisions in the written collective bargaining agreements and jointly agreed to mediation with the Panel Chair to attempt to resolve those language disputes. That process resulted in agreement as to many issues, but three issues remained that were not able to be resolved in mediation and in subsequent direct discussion

between the Parties: 1) the language of the “me, too” side letters; 2) the language setting forth the prescription drug changes that are to be implemented, effective January 1, 2015; and 3) a proposal by the PRLBC that the language of the successor agreements include new limitations on the authority of the Joint Medical Administration Committee (“JMAC”).

Amtrak requested that evidentiary hearings be held with regard to the positions of the Parties on these issues. The PRLBC opposed that request, initially asserting that hearings were both unnecessary and not permissible under the terms of the Arbitration Submission Agreement and the Railway Labor Act, and later asserting that the request for additional hearings should be denied since, in its view, no new evidence would be relevant to the Board’s determination. According to the PRLBC, if the evidence was not made known to the Board in the course of the initial arbitration process, then it could not have been considered by the Board as a basis for its Award and, therefore, should not be relevant now.

To the extent that the language to implement the Award is not in dispute and has been jointly agreed to, it is incorporated and adopted as part of this Supplemental Award. What follows is a discussion of the disputed language items.

Prior to discussing these items in any detail, a few general observations are appropriate. The Board views its role as one of selecting or crafting language for the successor agreements that implements both the language of our Award and our intent in selecting those terms. We decline to revisit any of our prior rulings regarding the terms and duration of the successor agreements. That does not mean that certain additional evidence not introduced in the initial hearings or not known and considered initially by

the Board may not be relevant to our judgment in this phase of the arbitration. This is particularly true in light of the failure of the record in the initial hearings to have highlighted or in some cases addressed at all the remaining issues in dispute. In fact, the details of the disputes regarding the prescription drug plan changes and the JMAC first came to the Board's attention only after the completion of the initial hearings in this matter. We are persuaded nonetheless that no further evidentiary hearings are needed and that the record as it presently exists is adequate for us to appropriately select implementing contractual language in the disputed areas in question. Finally, it should be noted that this limited jurisdiction was retained by the Board in our Award and is also being exercised pursuant to the Arbitration Submission Agreement, the relevant provisions of the Railway Labor Act, and the joint agreement of the Parties.

#### The "Me, Too" Side Letter

The Award at page 20 provides in pertinent part that: "The Agreements are to contain the same 'me, too' provisions contained in the agreements that the Carrier reached with the other 13 organizations."

With the exception of whether the word "agreement" should be pluralized when it appears for the final time in the paragraph quoted below, the Parties' proposals each would include the following language in the "Me, Too" Side Letter:

In the event the Carrier reaches agreements with other Organizations (representing other crafts) which contain more favorable general wage increases or benefits during the current round of negotiations, such provisions will be incorporated into this agreement, unless such improvement(s) was made in consideration for modification(s) in other work rules in the agreement[s] between the parties.

This language mirrors language found in many of the Amtrak pattern agreements. The two disputed items relative to the "Me, Too" Side Letter are: 1) a request by the Carrier to designate in the Side Letter the person who would serve as arbitrator in the event that a

dispute arose over the application of the “Me, Too” letter; and 2) a request by the PRLBC to add the following sentence: “The preceding sentence may apply to agreements the Carrier reached with other Organizations prior to the March 25, 2014 Interest Arbitration Award.”

The Board declines to adopt either of the two proposed additions to the Amtrak pattern “Me, Too” language. Neither change to the Amtrak pattern language of the “Me, Too” Side Letter was provided for in the Award and neither addition is necessary in order to implement the intent of the Board.

Any agreement with respect to naming an arbitrator or the process for selecting an arbitrator in the event that the BMWED and/or BRS opt to grieve and arbitrate a claimed breach of the “Me, Too” side letter must result from the mutual agreement of the parties. No such request was made in the original hearings or at any other time prior to the Award. None of the other pattern “Me, Too” side letters contain such language.

The Board in its initial Award expressly declined to attempt to interpret the “Me, Too” side letter or express any view regarding whether any of the prior agreements provided any possible basis for triggering the provisions of that side letter. Our decision to adopt the language found in the other Amtrak pattern agreements without modification reflects our continued views in that regard. The fact that offers may have been made after the issuance of our Award in mediation to adopt different language cannot alter that approach. The offers to adopt modified language were conditioned upon agreement being reached on other items and, ultimately, no agreement was reached on those other items.

The final adopted language, therefore, mirrors that found in the Amtrak pattern agreements and in the event that the BMWED and/or BRS attempts to invoke the

“Me, Too” Side Letter, the Parties remain free to assert all claims and defenses.

### The Change in AmPlan’s Prescription Drug Benefits

This dispute is by far the most significant of the supplemental disputes presented to the Board for disposition. The Award imposed an additional 1.5% pay increase, effective January 1, 2015 that the Award described as being granted on a “cost-neutral basis” (Award at 17). The quid pro quo for the additional 1.5% increase in pay was the implementation of changes to AmPlan modeled upon the changes to the Railroad Employees National Health and Welfare Plan (“National Plan”) effected by the freight rail carriers and the organizations in the settlements reached both before PEB No. 243 (the UTU settlements) and after PEB No. 243 (the other organizations, including the BMWED and BRS). The language of the Award in regard to the required AmPlan changes was as follows:

The adoption of the health plan changes and the linked wage increases, effective January 1, 2015, rather than at an earlier date, has multiple benefits. First, it should avoid triggering the “me, too” provisions, but any of the other organizations that desire the tradeoff of health plan design changes for additional wage increases can utilize the early reopener provisions of their agreements and obtain the same bargain. Second, there is no destabilizing effect to implementing the provisions in this fashion. It will not even take place until a date when other organizations may agree pursuant to the early reopener provisions of their agreements to adopt similar changes. Thus, the prospect of uniform administration of a single plan of benefits remains possible. Third, the change accommodates the different balance between health care changes and wages held by the BMWED and BRS while not forcing such changes upon other organizations during the term of the existing agreements. Fourth, the changes appear fair and reasonable, both in terms of mirroring the changes that were part of the Freight Pattern (which, while not adopted herein, still remains relevant to the wage and benefit terms of Amtrak’s represented workforce) and in terms of the clear trend towards changes in cost sharing and health plan design. Fifth, by providing that the changes not occur until January 1, 2015, a number of notice and administrative issues have been minimized.

### Health Plan

The health care provisions of the Agreements are to mirror those under the Amtrak Pattern agreements through December 31, 2014. Thus, no plan design changes other than the change to the Emergency Room co-pay to \$75 (waived in the event of admission to the hospital) are to be made and the monthly premiums are to be set at the following amounts: \$177.54 (July 1, 2009); \$181.62 (July 1, 2011); \$189.53 (July 1, 2012); and \$209.19 (July 1, 2013 and thereafter until adjusted by future agreement or until July 1, 2016, when new rates can be implemented). Since the BMWED and BRS

represented employees have been paying premiums of \$177.54 per month, as part of the calculation of retroactive pay, offsets may be taken to reflect the failure of those individuals to have paid the full Amtrak Pattern employee premium rates.

Effective January 1, 2015, the Carrier is to implement the design changes to AMPLAN that were provided for under the Freight Pattern and PEB No. 243. These include specifically the adoption of deductibles, coinsurance, out of pocket maximums, and changes to the prescription drug program. Premiums are to be set at \$209.19 (the premiums paid pursuant to the other Amtrak Pattern agreements) or, if lower, 15% of the total cost of AMPLAN, Dental, Vision, AD&D and Life Insurance cost. Unless a different rate is set through subsequent negotiations, the employee premiums will be reset, effective July 1, 2016, at the lower of \$230 per month or 15% of the total cost of AMPLAN, Dental, Vision, AD&D and Life Insurance cost.

(Award at 22-23.)

After careful review, the Board finds that the proposed language of the PRLBC more appropriately reflects the language of the Award and the intent of the Board than the language proposed by Amtrak. Accordingly, with some modification to clarify our Award, the Board adopts the proposed PRLBC language relative to the Prescription Drug Program. A summary of the principal reasons for this holding follows.

A brief overview of the relevant history of this item is necessary to understand the ruling of the Board in this regard. At the arbitration hearings in this matter, the principal issue related to the weight to be accorded the Amtrak pattern and the Freight pattern in determining the terms of the Award in this matter. The PRLBC urged adoption of the Freight pattern, with its higher wage increases and its adoption of health insurance program changes that approximately offset the net cost of those wage increases. The Carrier urged adoption of the pattern settlements reached by Amtrak with the other organizations, both before and after PEB No. 243, which provided for lower overall wage increases, but which did not contain the changes to the health insurance program agreed to by the Freight carriers and the organizations.

The health insurance program changes made to the National Plan consisted of the following changes: 1) introduction of an annual deductible; 2) introduction of a

copayment for certain services; 3) changes to the pharmacy benefit program, including copayments for various tiers of covered drugs and the introduction of step therapy and dose quantity limitations; and 4) provisions for limiting the dollar amount of premium payments by employees. Prior to the creation of AmPlan, Amtrak employees participated in the National Plan. While the provisions of the two health programs are similar, they are not identical. Particularly significant for purposes of this dispute is the fact that the National Plan and AmPlan utilize different Pharmacy Benefit Managers (“PBMs”). AmPlan utilizes CVS Caremark as its PBM. The National Plan utilizes Express Scripts as its PBM.

The differences in PBMs translate into differences in the manner in which various prescription drug program features are designed and differences in the particular drugs that are subject to step therapy, quantity limits, preauthorization, and dosage limitations. The dispute arises with respect to whether the changes that were part of the Freight pattern are to be incorporated “as is” into AmPlan (as urged by the PRLBC) or whether AmPlan is to be amended to incorporate changes that “mirror” or are “similar to” the Freight pattern prescription drug program changes, but of different design based upon the recommendations of CVS Caremark (as urged by Amtrak).

The differences between the pharmacy benefit programs in the National Plan and AmPlan were recognized in testimony at the arbitration hearings in this matter when several witnesses testified that, due to differences in the pharmacy benefit programs of the two programs, if the Board decided to apply the Freight pattern changes to AmPlan, then it was projected to result in different net cost savings to Amtrak than had been projected in PEB No. 243 in connection with the Freight bargaining. Limited testimony



was provided in the arbitration with respect to the significance of these differences from the vantage point of “net” projected savings to Amtrak if the Freight pattern changes were to be adopted by AmPlan. No differences in projected cost savings were identified with respect to the non-prescription drug program-related changes to the design of the health insurance program. Specifically, Amtrak’s experts valued the application of the Freight pattern health changes to AmPlan at less value than the values calculated in the Freight negotiations and noted in PEB No. 243 due to the following differences: 1) the fact that CVS Caremark already had some utilization programs in place; as a result, application of the Freight pattern changes was projected to provide lesser savings to Amtrak than was projected to be received by the Freight carriers; 2) the fact that AmPlan was already using some medical utilization management (specifically, some prior authorization and dose and quantity limits on certain drugs); as a result, application of the Freight pattern changes was projected to provide lesser savings to Amtrak than was projected to be received by the Freight carriers; and 3) the different impact of medical cost sharing changes as a result of other differences in plan design between the National Plan as it existed in 2010 and AmPlan as it exists presently; as a result, application of the Freight pattern changes was projected to provide greater savings to Amtrak than was projected to be received by the Freight carriers.

While the existence of the JMAC and its role was discussed in the record, there were no claims asserted at that time that the Board could not award the Freight pattern health plan changes that were sought by the PRLBC due to a need that any such changes first be considered and adopted in the JMAC process. Nor was there any concern about creating different levels of AmPlan benefits – one level for the employees of the

organizations who had not agreed to the health plan changes that were included in the Award and a different level for the BMWED and BRS represented workforces who were covered by the Award mandated changes.

After the completion of the evidentiary hearings and prior to the issuance of its Award, the Board inquired of both the PRLBC and the Carrier as to whether if the Board was persuaded that the Amtrak pattern was the appropriate standard for the selection of both wages and the terms of AmPlan, the Board nevertheless should award the “Freight pattern” health plan design changes and increase the “Amtrak pattern” wages to reflect that difference. Both Amtrak and the PRLBC replied that they had no objection to the Board including such provisions in its Award. The Board thereafter included in its Award provisions for changes to AmPlan that mirrored the changes to the National Plan made pursuant to the Freight pattern and also included provisions for an additional 1.5% wage increase, both items to be effective as of January 1, 2015. The understanding of the Board was that the wage and benefit changes were projected to be of roughly equal economic value, recognizing that projections are just that and actual savings could be less or more. The language used by the Board to describe those terms were set forth at pages 22-23 of the Award and were reproduced earlier at pages 6-7 of this Supplemental Award.

No objection was raised to the language of the Award by either Party. It appears, in hindsight, that Amtrak anticipated some unstated variations from the Freight pattern prescription drug program changes due to the differences in PBM and in underlying plan design, whereas the PRLBC anticipated that the Freight pattern changes would be applied without any such adjustments. The Carrier also complains that, if the PLRBC position is

adopted, then it may receive cost savings that are less than those equivalent to the 1.5% wage increase provided in exchange for the health plan changes.

Both Parties recognize that our role is one of selecting contract language to effect our Award, not to reconsider the Award itself in light of matters that were never raised to the Board prior to the issuance of the Award. At the time of the Award, the Board understood that it was doing two things: 1) implementing the Freight plan changes to AmPlan, which it understood was a different plan and, therefore, might need to be adjusted in some respect to conform to the provisions of AmPlan; and 2) providing an additional pay increase over and above the Amtrak pattern increases in recognition of the additional health program changes which were projected to save Amtrak a sum of money roughly equivalent to those health program changes. In essence, the Freight pattern changes were being adopted, effective January 1, 2015, as modified to conform to AmPlan, and the projected savings were being monetized and returned to employees in the form of additional wages, as of that same date. We understood that the economic equivalence was approximate and based upon cost projections that might ultimately yield actual savings either above or below the projected savings. We further understood that other organizations at Amtrak would have the opportunity to join in the changes in exchange for receipt of the additional wage adjustment.

After the Award issued and the Parties exchanged proposed language to implement its health care provisions, it became clear that the PRLBC was advocating adoption of language that would closely track the Freight pattern, as reflected in the side letter regarding health plan changes contained in the UTU Agreement with the freight carriers – the collective bargaining agreement that contained changes to the National Plan

that later formed the basis for the changes negotiated as part of the Freight pattern following the issuance of PEB No. 243, while Amtrak was advocating adoption of language that mirrored the Freight pattern health changes except as it related to the pharmacy benefit program.

The bulk of the anticipated savings that were projected to result from implementation of the health plan changes were unrelated to the changes to the pharmacy benefit program. Specifically, the institution of annual deductibles and copayments were projected to produce savings much greater than those associated with changes to the pharmacy benefit program. Further, while the Parties differ as to the precise terms of the language to be included in the Agreement relative to the pharmacy benefit program changes, there is no dispute that either Party's proposed language will produce significant changes to AmPlan's pharmacy benefit program and are expected to generate significant savings.

With respect to the pharmacy benefit program changes, Amtrak's position has changed somewhat in the period following our Award. Initially, the Carrier urged that the Agreement incorporate a listing of drugs and categories and rules consistent with the manner in which CVS Caremark administers the pharmacy benefits of most of its clients and that would result in projected net cost savings approximately equal to the 1.5% wage adjustment that was a quid pro quo for the health plan changes. It further proposed that, in accord with provisions in Amtrak's contract with CVS Caremark, CVS Caremark retain the discretion to unilaterally make changes to the listed drugs and categories and rules. In its final proposed language, however, Amtrak has altered its position and while it continues to assert that the listing of drugs and categories should conform to that

recommended by CVS Caremark, Amtrak agrees to the inclusion in the Agreement of the Freight pattern language regarding the role of the JMAC – a position that would recognize the authority of the JMAC to make changes to the listed drugs, categories, and rules, in accord with the terms of the JMAC Agreement.

The most significant differences between the two proposals submitted to us regarding the pharmacy benefit program are as follows. The Freight pattern provisions reflected in Exhibit B include eight categories of non-specialty drugs, whereas the proposed CVS Caremark AmPlan changes would utilize sixteen categories of non-specialty drugs. There are many similarities, but some differences, in the listed drugs. The PRLBC did not dispute the ability of the PBM to change drugs within the categories, but challenged the ability of Amtrak and the PBM to add unilaterally new categories of drugs subject to dose or quantity limits or step therapy protocols. The PRLBC acknowledges that those drugs currently subject under AmPlan to quantity and/or duration limits (e.g., those used to treat erectile dysfunction and those covered by the Specialty Guidelines Management program and a non-formulary brand exclusion program) will not be affected by the adoption of the Freight pattern changes. The proposals contain different provisions with respect to step therapy and dosage/quantity limits. The Parties had differing positions as to whether the existing Specialty Guidelines Management (“SGM”) program at AmPlan encompasses step therapy and/or dosage or quantity limits. There was no dispute that the existing SGM program at AmPlan includes preauthorization requirements. The Board is unable to resolve that dispute and intends by the adoption of Exhibit C to simply continue the status quo. No new limitations or rules are being imposed that are not part of the existing SGM program and similarly none of

the existing limitations or rules are being rescinded. Nothing is intended to limit any future changes that may be made to the SGM program as a result of the JMAC process. The Carrier represented that the most substantial area of dispute between the Parties in terms of its dollar significance (due to the cost of the drug itself and the large number of employees who utilize it or may do so in the future) relates to Amtrak's proposal to require step therapy prior to providing employees with Crestor (an expensive non-specialty cholesterol lowering drug), attempting to shift utilization to lower cost cholesterol lowering drugs in cases that are clinically appropriate.

We find that the discussion of the health plan changes, including the pharmacy benefit program changes, that took place in the context of the initial interest arbitration proceedings were based upon valuing the potential application of the Freight pattern health changes when applied to AmPlan. While we understood that implementation of those changes would trigger a number of plan design changes to AmPlan, as applied to the BMWED and BRS represented employees and any other groups that agreed to be bound by those revised terms, we had no intention of limiting the discretion that the JMAC enjoys under the JMAC Agreement relative to implementing further plan design changes (including any changes to the new changes based upon the Freight pattern made by this Agreement to AmPlan's prescription drug program). No language in our Award purports to limit that discretion and, in fact, with the exception of one item discussed in the next section, the final proposed sets of language provided to us by the Parties contain identical verbiage with respect to the JMAC.

The Board is concerned about Amtrak's assertion that applying the Freight pattern changes to AmPlan will not "save" monies sufficient to fully fund the 1.5% wage

adjustment that was the equivalent exchange for those plan design changes. Even if it could be shown ultimately after additional evidence that the cost estimates in this regard used by the Board in support of its Award were in error or were based upon changes to AmPlan that reflected changes to AmPlan different than the Freight pattern changes, the ruling in this case would have to be the same. The hearing evidence focused upon cost savings projected from the application of the Freight pattern changes to AmPlan and the variance in the savings from those projected in PEB No. 243 due to the differences between AmPlan and the National Plan; none of the costing at the hearings were described as being based upon adoption of the prescription drug plan changes now identified as those proposed by CVS Caremark.

In sum, after careful consideration, the Board is persuaded that no purpose would be served by holding further evidentiary hearings in this matter and that the prescription drug program Agreement language be modeled upon that contained in the Freight pattern agreements. We include, however, one additional sentence in the Pharmacy Benefit Program contract language not in the Freight pattern Side Letter language for clarification. The additional sentence recognizes that nothing in the Agreement is intended to restrict the existing discretion that the JMAC enjoys under the JMAC Agreement to consider changes to the rules and design of AmPlan, including any future modifications to the changes that are described in the Agreement itself. The focus during and after the hearings and in our Award was upon agreement to plan design changes that triggered savings to Amtrak that, in turn, were monetized into additional wage increases. At no point was there any evidence that the prescription drug program changes were items that the PRLBC proposed to enshrine with special contractual protection against

future modification by the JMAC that did not exist with respect to other provisions of AmPlan.

The Proposed Limitation to the JMAC Agreement's Voting Provisions

There was no proposal during the arbitration hearings to limit the JMAC agreement or restrict the terms of the JMAC agreement. The JMAC agreement was signed by the Carrier and all of the Organizations with whom the Carrier has a collective bargaining relationship, including the BMWED and BRS. The JMAC agreement provides in Article III, Functions, Responsibilities and Authority of the Joint Medical Administration Committee, that:

10. The Committee shall have authority to review and effect changes in administrative procedures to be followed in connection with the operation of the Medical Plan, but shall have no authority to modify collectively bargained benefits or benefit levels.

The JMAC Agreement further provides in Article V, Amendment and

Termination, that:

This Agreement may be amended or terminated at any time by the unanimous consent of the Committee members appointed by Amtrak and the Participating Labor Organizations, or by agreement of Amtrak and the Participating Labor Organizations. Such amendment or termination by Committee members may occur independent of the formal Section 6 processes involving Amtrak and the unions which are parties to this Agreement. In matters involving amendment or termination of this Agreement, the Neutral shall have no vote.

The Board declines to include the language sought by the PRLBC that would eliminate the authority of JMAC trustees appointed by organizations who have not agreed to accept equivalent health care changes to vote to amend the existing therapeutic drug categories listed in Exhibit B. The Board is unpersuaded that this language is appropriate and declines to award it.

Even assuming arguendo that such a proposal could be made to so amend the JMAC Agreement consistent with the amendment language of that Agreement – and it is



far from clear that such a provision is within the authority of the Board to grant – no persuasive basis for adopting such a proposal was shown. No proposal was made during the arbitration process or at any other time prior to the Award to amend the JMAC Agreement in this fashion. The request, therefore, is one that seeks to submit a new issue for determination, rather than one of determining contract language that implements the Board's Award.

Further, the expectation of the Board is that a number of other organizations will negotiate to be covered by the revisions to AmPlan set forth in the Award and to receive the additional wage adjustment that is linked to those changed health plan provisions. Whether or not the result of those separate negotiations is a single set of terms and coverages applicable to all of Amtrak's organized workforce, no persuasive reason was shown to modify the voting authority of the JMAC members to determine issues related to the AmPlan pharmacy benefit program particularly given the rapidly changing nature of drug treatments and the changing legal environment. The fact that the new Agreement adds to AmPlan a therapeutic drug category for cancer treatment drugs – a category that, to date, the JMAC and Amtrak chose not to adopt – illustrates why the authority of the JMAC should not be limited as urged by the PRLBC. As noted earlier herein, nothing in our Award restricts the authority of the JMAC, consistent with the JMAC Agreement, to modify the prescription drug program, including the prescription drug program changes implemented for the BMWED and BRS represented employees that are described in Exhibit B. Nor do we intend to change JMAC's existing authority over changes in Exhibit C. While the Award directs the adoption of a number of cost-saving health plan changes and provides for a wage adjustment reflective of those plan changes, nothing in

the language of the Agreement is intended to remove from the JMAC its fiduciary obligation to address rules and coverage issues in conjunction with the recommendations of AmPlan's PBM and the independent committee of experts relied upon by the PBM.

Finally, the Opinion in this matter describes the holding and rationale of the Board with respect to the most significant contract language items in dispute. The Board has resolved, as well, a number of less significant disagreements (mostly grammatical) in the proposed language of the Agreement, but does not believe that it is necessary to separately explain the reasons for those particular resolutions.

**SUPPLEMENTAL AWARD**

For the reasons noted above, and in accordance with the jurisdiction retained in our March 25, 2014 Award, we direct that the Parties adopt the language attached hereto as Appendix A and Appendix B as terms for their successor collective bargaining agreements to: 1) the agreement between Amtrak and the BMWED covering the Northeast Corridor, as amended, and known as the Northeast Corridor Agreement; 2) the agreement between Amtrak and the BMWED covering the remainder of the Amtrak system, known as the Corporate / Off-Corridor Agreement; and 3) the agreement between Amtrak and the BRS covering the system, known as the Wage and Rule Agreement, effective March 1, 2007. It is the Board's understanding that if the existing contractual terms are not changed by our Award or Supplemental Award then the existing contractual provisions continue in full force and effect.

August 20, 2014



Ira F. Jaffe, Esq.  
Chairman, Board of Arbitration

August 20, 2014



Shyam Das, Esq.  
Member, Board of Arbitration

August 20, 2014



Herbert Fishgold, Esq.  
Member, Board of Arbitration

## **APPENDIX A**

### **CONTRACT LANGUAGE IMPLEMENTING THE MARCH 25, 2014 INTEREST ARBITRATION AWARD**

The following contract language implements the March 25, 2014 Interest Arbitration Award with respect to the Amtrak – BMW Corporate and NEC Agreements, and is effective as specifically indicated herein:

#### **ARTICLE I – WAGES**

##### **Section 1 - First General Wage Increase**

(a) Effective July 1, 2010, all rates of pay for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 1 shall be applied as follows:

(b) Disposition of Fractions -

Rates of pay resulting from application of paragraph (a) above, which end in fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(c) Application of Wage Increases -

The increase in wages provided for in this Article shall be applied in accordance with the wage or working conditions agreement in effect between Amtrak and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid.

##### **Section 2 - Second General Wage Increase**

Effective January 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 3 - Third General Wage Increase**

Effective July 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 4 - Fourth General Wage Increase**

Effective January 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 5 – Fifth General Wage Increase**

Effective July 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 6 – Sixth General Wage Increase**

Effective January 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 6 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 7 –Seventh General Wage Increase**

Effective July 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 7 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 8 – Eighth General Wage Increase**

Effective January 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 8 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 9 – Ninth General Wage Increase**

Effective July 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 9 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 10 – Tenth and Eleventh General Wage Increases**

Effective January 1, 2015, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent and an additional amount of one-and-one-half (1.5) percent, compounded prior to application. The increase provided for in this Section 10 shall be applied in the same manner as provided for in Section 1 hereof.

**ARTICLE II – HEALTH CARE AND ASSOCIATED BENEFITS****Part A -Plan Changes****Section 1 -Continuation of Health and Welfare Plans**

The AMPLAN (including Early Retirement Major Medical Benefit Plan (“ERMA”), Dental, Vision, AD&D, and Life Insurance coverage, modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, will be continued subject to the provisions of the Railway Labor Act.

**Section 2 – Plan Design Changes to Contain Costs**

The payment on behalf of a participant or beneficiary with respect to any visit to a hospital emergency room shall be \$75. Note: Where the participant or beneficiary is admitted to the hospital, such payment is waived.

**Section 3 – Plan Design Changes to Contain Costs, effective January 1, 2015**

(a) The Plan's Managed Medical Care Program ("MMCP") shall be revised as follows:

- (1) There shall be a separate, stand-alone, Annual Deductible for In-Network Services for which a fixed-dollar copayment does not apply. This Annual Deductible shall be \$200 per individual per year and \$400 per family per year.
- (2) The percentage of Eligible Expenses paid by the Plan for any In-Network Services for which a fixed-dollar copayment does not apply (as defined by procedure code) shall be 95% of the Eligible Expenses that exceed the applicable Annual Deductible provided for in clause (1) above; the amount payable by the employee as a result of this "coinsurance" shall be capped at \$1,000 per individual per year and \$2,000 per family per year.
- (3) The Urgent Care Center Co-Payment for In-Network Services shall be decreased to \$20.00 for each visit.
- (4) In cases where a fixed-dollar copayment of \$20 currently applies to an office visit, the copayment shall be reduced to \$10 if the office is in a "convenient care clinic." A "convenient care clinic" means, for purposes of this Section, a health care facility typically located in a high-traffic retail store, supermarket or pharmacy that provides affordable treatment for uncomplicated minor illness and/or preventative care to consumers.
- (5) The Plan shall not cover radiological services performed at a convenient care clinic.

(b) The Plan's Managed Medical Care Program ("MMCP") and its Comprehensive Health Care Benefit ("CHCB") shall both be revised to include:

- (1) Participation in a "Radiology Management Program" (as described in Exhibit A hereto);
- (2) Arrangements for covered employees and their covered dependents to receive, on a wholly voluntary basis and without any copayment or coinsurance, the following

additional “Institutions of Excellence/Institutions of Quality” (as described in Exhibit A hereto): Bariatric Resource Services, Cancer Resource Services, and Kidney Resource Services.

- (3) Arrangements for covered employees and their covered dependents to receive, on a wholly voluntary basis and without any copayment or coinsurance, the resource services made available under a “Care Advocate Team” (as described in Exhibit A hereto).

(c) The Plan’s Prescription Drug Card and Mail Order Prescription Drug Programs shall include:

- (1) Prior Authorization by the Plan’s current pharmacy benefit manager (or any successor pharmacy benefit manager) (“PBM”) shall be required, in accordance with such PBM’s Prior Authorization Program then in effect, before any prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Program shall be dispensed. The PBM may enter a temporary override to allow dispensing at retail of no more than a five-day supply of a daily-dosed drug without Prior Authorization if a Prior Authorization is being processed.
- (2) Employees and their covered dependents shall be required to adhere to Step Therapy and Quantity/Duration Limits Programs then in effect of the Plan’s PBM with respect to the prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Step Therapy Program and/or Quantity/Duration Limits Program, as the case may be.

(d) The Plan's Prescription Drug Card Program Co-Payments to In-Network Retail Pharmacies per prescription are revised as follows:

- (1) Generic Drug - decrease to \$5.00;
- (2) Brand Name (Non-Generic) Drug on Program Administrator's Formulary - increase to \$25.00;
- (3) Brand Name (Non-Generic) Drug Not on Program Administrator's Formulary - increase to \$45.00;

(e) The Plan's Mail Order Prescription Drug Program Co-Payments per prescription are revised as follows:

- (1) Generic Drug - decrease to \$5.00



- (2) Brand Name (Non-Generic) Drug on Program Administrator's Formulary - increase to \$50.00;
  - (3) Brand Name (Non-Generic) Drug not on Program Administrator's Formulary - increase to \$90.00.
- (f) The design changes contained in this Section 3 shall become effective on January 1, 2015.

**Section 4 - Plan Design Changes – ERMA, effective January 1, 2015**

(a) ERMA's Prescription Drug Card and Mail Order Prescription Drug Programs shall be revised as follows:

- (1) Prior Authorization by ERMA's current pharmacy benefit manager (or any successor pharmacy benefit manager) ("PBM") shall be required, in accordance with such PBM's Prior Authorization Program then in effect, before any prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Program shall be dispensed. The PBM may enter a temporary override to allow dispensing at retail of no more than a five-day supply of a daily-dosed drug without Prior Authorization if a Prior Authorization is being processed.
  - (2) Retirees and their covered dependents shall be required to adhere to Step Therapy and Quantity/Duration Limits Programs then in effect of ERMA's PBM with respect to the prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Step Therapy Program and/or Quantity/Duration Limits Program, as the case may be.
- (b) The design changes contained in this Section shall become effective on January 1, 2015, and shall apply only to individuals who become eligible for ERMA coverage on or after January 1, 2015.

## **Part B – Employee Cost Sharing of Plan Cost Amounts**

### **Section 1- Monthly Cost-Sharing Contributions**

Employee cost sharing contributions towards AMPLAN, Dental, Vision, AD&D, and life insurance coverage under this contract will be as follows:

- (a) Effective July 1, 2011 the per month employee cost-sharing contribution shall be changed to \$181.62
- (b) Effective July 1, 2012 the per month employee cost-sharing contribution shall be changed to \$189.53
- (c) Effective July 1, 2013 the per month employee cost-sharing contribution shall be changed to \$209.19
- (d) The employee monthly cost-sharing contribution shall be adjusted using the current Amtrak costing methodology, effective July 1, 2016, so as to equal the least of 15% of the Amtrak 2015 monthly cost per participating employee, 15% of the Amtrak 2015 monthly cost per participating employee covered by an agreement that includes the equivalent health care changes included in this Agreement, or \$230.00, unless otherwise mutually agreed by the parties during negotiations commencing when this Agreement becomes amenable pursuant to paragraph (e).
- (e) Notwithstanding the Moratorium provisions in Article V, the parties may re-open Health Care with notice not to be served prior to May 1, 2014, not to be effective before July 1, 2014

### **Section 2- Pre-Tax Contributions**

Employee cost-sharing contributions made pursuant to this Part shall be made on a pre-tax basis to the extent applicable.

### **Section 3 – Method of Making Employee Cost-Sharing Contributions**

Amtrak shall deduct the amount of AMPLAN, Dental, Vision, AD&D, and life insurance from the employee's wages.

### **PART C - Flexible Spending Accounts**

Amtrak's Flexible Spending Account ("FSA") Plan is modified to incorporate the following:

Amtrak may opt to not initiate, or to terminate the FSA as quickly as is allowed by law:

(1) If any change in the law or regulations or any other development or circumstance materially impacts the financial consequences of the FSA to Amtrak; or

(2) If in any year the "Cadillac Tax" applies.

### **ARTICLE III - SUPPLEMENTAL SICKNESS**

The January 9, 1980 Supplemental Sickness Benefit Agreement, as subsequently amended (Sickness Agreement), shall be further amended as provided in this Article.

#### **Section 1 - Adjustment of Plan Benefits**

(a) The benefits provided under the Supplemental Sickness Benefit Plan established pursuant to the Sickness Agreement ("SSB Plan") shall be adjusted as provided in paragraph (b) so as to restore the same ratio of benefits to rates of pay as existed on December 31, 2009 under the terms of that Agreement.

(b) Section 4 of the Sickness Agreement shall be revised as follows:

	<u>Per Hour</u>	<u>Per Month</u>
Class I Employees Earning (as of 12/31/09)	\$22.68 or more or more	\$3,946 or more
Class II Employees Earning (as of 12/31/09)	\$21.07 or more but less than \$22.68	\$3,666 or more but less than \$3,946
Class III Employees Earning (as of 12/31/09)	Less than \$21.07	Less than \$3,666

Basic and Maximum Benefit Amount Per

Month

<u>Classification</u> <u>Maximum</u>	<u>Basic</u>	<u>RUIA</u>
Class I \$2,660.00	\$1,268.00	\$1,392.00
Class II \$2,513.00	\$ 1,121.00	\$1,392.00
Class III	\$ 951.00	\$1,392.00 \$2,343.00

Combined Benefit Limit

<u>Amount</u>	<u>Classification</u>	<u>Maximum</u> <u>Monthly</u>
	Class I	\$2,854
	Class II	\$2,691

Class III

\$2,511

**Section 2 - Further Adjustment of Plan Benefits**

(a) Effective April 1, 2014, the benefits provided under the Plan shall be adjusted so as to restore the same ratio of benefits to rates of pay as existed on the effective date of this Article.

(b) The benefit adjustment described in Section 2(a) above shall be made effective on each of the following dates: July 1, 2014, and January 1, 2015.

(c) The benefit adjustment described in Section 2(a) above shall be made effective on the date of each general wage increase that becomes effective after January 1, 2015.

**ARTICLE IV – OTHER CHANGES****Section 1 - Payroll Efficiencies**

(a) Employees shall receive their pay bi-weekly, by direct deposit into an account with a bank, credit union, financial-services organization, or similar institution. Payroll advice will contain an itemized record of all deductions from employee's earnings.

(b) For the purposes of Payroll calculation, the work week will be a period of seven (7) consecutive days beginning with Monday at 12:01 a.m.

**Section 2 – Discipline**

The Discipline Rules are modified to eliminate formal investigations for Alcohol and Drug Waiver violations. Any discipline assessed will be subject to appeal directly to the Director of Labor Relations and to arbitration under the grievance rule. The burden of proving an Alcohol and Drug Waiver violation rests with the Carrier.

## **ARTICLE V - GENERAL PROVISIONS**

### **Section 1 -Effect of this Document**

- (a) The purpose of this contract language flowing from the Interest Arbitration Award dated March 25, 2014 is to fix the general level of compensation during the period of the Agreement, and to settle the disputes growing out of all of the parties' respective Section 6 Notices served during this round of bargaining.
- (b) This contract language and the Agreements between the parties shall remain in effect through January 1, 2015 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (c) No party to this contract language shall serve, prior to November 2, 2014 (not to become effective before January 2, 2015) any notice or proposal (other than those provided in Article II, Part B, section 1(e)) for the purpose of changing the subject matter of the provisions of the agreements between the parties or which proposes matters covered by the proposals of the parties cited in paragraph (a) of this Section, and any proposals in pending notices relating to such subject matters are hereby withdrawn.
- (d) This Article will not bar management and the organization from agreeing upon any subject of mutual interest.

It is agreed this contract language and the side letters which follow implement the March 25, 2014 Interest Arbitration Award between the parties:

**SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

**FOR THE NATIONAL  
RAILROAD PASSENGER  
CORPORATION:**

**FOR THE BROTHERHOOD OF  
MAINTENANCE OF WAY  
EMPLOYES:**

\_\_\_\_\_  
Charles E. Woodcock, III  
Leader, Corporate Labor Relations

\_\_\_\_\_  
Jed Dodd  
General Chairman

\_\_\_\_\_  
T. J. Nemeth  
General Chairman

\_\_\_\_\_  
Dale Bogart  
General Chairman

\_\_\_\_\_  
Hayward J. Granier  
General Chairman

\_\_\_\_\_  
Dennis Albers  
General Chairman

\_\_\_\_\_  
Louis Below  
General Chairman

\_\_\_\_\_  
Freddie N. Simpson  
President

\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

**Re: Language Implementing the March 25, 2014 Interest Arbitration Award – Amtrak Incentive Plan**

Dear Sirs:

This refers to our discussions regarding Amtrak’s desire to implement an incentive plan tied to statutory and corporate performance metrics, such as Customer Service Index, financial, etc. The plan development, adjustments thereto and its continuation will be at the discretion of Amtrak.

Our intent is to develop the plan measures in the future.

The plan will pay out up to 5% of the measurement year’s straight time earnings except to those who resign or are terminated (unless later reinstated).

There will be no pyramiding with existing incentive plans. Payments made under existing plans on an annualized basis will offset payments under this plan.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*



\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

**Re: Language Implementing the March 25, 2014 Interest Arbitration Award – Pay Shortages**

Dear Sirs:

This refers to Article III, Section 1 Payroll Efficiencies, paragraph (a). It is understood that concurrent with the implementation of Bi-weekly pay, the following will govern pay shortages:

“If an employee’s pay is short the equivalent of eight (8) hours pay or more, the amount short will be issued to the employee by either check or direct deposit within two (2) business days of notification.”

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – “Me Too” Application**

Dear Sirs:

In the event the Carrier reaches agreements with other Organizations (representing other crafts) which contain more favorable general wage increases or benefits during the current round of negotiations, such provisions will be incorporated into this agreement, unless such improvement(s) was made in consideration for modification(s) in other work rules in the agreements between the parties.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Retroactive Pay**

Dear Sirs:

Retroactive pay will be made as soon as practicable. It is understood that the retroactive portion of any wage increase shall be applied only to employees who have an employment relationship with the carrier on the date of the Award or who retired or died subsequent to July 1, 2010, including sick leave, disability, disability retirement, temporary suspension, furlough or leave of absence. Any employee in a dismissed status on the date of the Award who is subsequently returned to service through the disciplinary appeal process will be considered eligible for retroactive pay.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Cost-Sharing Contribution Offset**

Dear Sirs:

It is understood that retroactive employee cost-sharing contributions shall be offset against any retroactive wage payments provided to affected employees under Article I of this document. However, there shall be no such offset for any month for which the affected employees were not obligated to make a cost sharing contribution. Employees' retroactive cost sharing contributions shall in no event exceed the retroactive portion of general wage increases payable under Article I.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

Jed Dodd  
General Chairman – BMWED

Dale Bogart  
General Chairman – BMWED

T. J. Nemeth  
General Chairman – BMWED

Dennis Albers  
General Chairman – BMWED

Hayward J. Granier  
General Chairman – BMWED

Louis Below  
General Chairman – BMWED

Dear Sirs:

This confirms our understanding with respect to Article II, Part A, Sections 3(c)(1) and (2), and Sections 4(a)(1) and (2) of the Agreement. The prescription drug management rules and therapeutic drug therapies identified in Exhibit B of the Agreement are those that have been implemented by the Railroad Employees National Health and Welfare Plan. Exhibit C sets forth the therapeutic drug categories for specialty drugs subject to all rules and procedures that are part of the existing CVS Caremark's (AmPlan's Pharmacy Benefit Manager) Specialty Guidance Pharmacy Management Program adopted by the AmPlan Joint Medical Administration Committee ("JMAC") on July 15, 2010. Exhibit C of the Agreement also adds to those listed specialty drugs a group of oncology treatment drugs that were not among those adopted by the JMAC on July 15, 2010.

The parties intend that new prescription drug management rules and therapeutic drug therapies for which there are no existing therapeutic drug categories listed in Exhibits B and C shall not apply to the Plan unless such application has been (a) recommended by an independent committee of experts generally relied upon by the Plan's pharmacy benefit manager, (b) such recommendation is also made by the pharmacy benefit manager itself, and (c) the recommendation is accepted and approved by the JMAC.

Nothing in this Letter or Article II of the Agreement shall limit the ability of the JMAC, in accordance with the provisions of the JMAC Agreement, to adopt changes to the prescription drug program of AmPlan that modify or

eliminate the prescription drug management rules and therapeutic drug therapies set forth in Exhibits B and C.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

**EXHIBIT A**  
**Clinical Support Services<sup>1</sup>**

***Radiology Management Program*** – Under this program, a radiology notification process is required for participating (network) physicians, health care professionals, facilities and ancillary providers for certain advanced outpatient imaging procedures, prior to performance, with administrative claim denial for failure to provide notification. The program is a prior notification requirement only, not a precertification, preauthorization or medical necessity determination program, and currently applies to the following outpatient advanced imaging procedures: CT, MRI, PET and Nuclear Medicine, including Nuclear Cardiology. These services that take place in an emergency room, observation unit, urgent care center, or during an inpatient stay do not require notification.

The process may require a physician-to-physician discussion, the purpose of which is to engage the ordering physician in a discussion about the use of evidence-based clinical guidelines. However, the final decision authority rests with the ordering physician. This program is invisible to the covered member – non-compliance (i.e., non-notification) will result in an administrative denial of the claim with no balance billing to the patient.

***Institutions of Excellence/Institutions of Quality (IOE)*** – this service are based on the foundation that certain facilities treat patients who consistently achieve favorable clinical outcomes, as demonstrated by reduced hospital lengths of stay and readmission rates, lower infection rates, etc. Programs are typically designed around specific disease states or conditions in which IOEs can be clearly identified. The following programs develop national IOE networks and specialty nurse resources that provide specific case management interventions:

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<sup>1</sup> The actual program names, specific services/processes, and administration will vary by medical vendor.

- Bariatric Resource Services (BRS) - BRS provides a national Institute of Excellence network of bariatric surgery centers and hospitals with an upfront case management component.
- Cancer Resource Services (CRS)/Cancer Support Program (CSP) - This clinical consulting with cancer specialists, combined with an extensive nationwide IOE network will deliver clinical and financial value.
- Kidney Resource Services (KRS) – KRS provides a large network of dialysis facilities meeting strict quality outcomes with kidney nurse specialists assisting patients.

***Care Advocate Team (CAT)*** – These services include enhanced one-to-one coaching for individuals facing potential procedures that have been carefully targeted as having varied treatment practices and inconsistent patient outcomes. CAT normally targets back pain, knee/hip replacement, benign prostate disease, prostate cancer, benign uterine conditions, hysterectomy, breast cancer, coronary artery disease and bariatric surgery.



**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

Therapeutic Drug Category	Drugs
<b>Specialty Drugs</b>	
Gout Therapy	Uloric® Krystexxa™
Rheumatological (RA Agents)	Actemra® Arava® Cimzia® Enbrel® Humira® Kineret® Orencia® Remicade® Rituxan® Simponi™
Misc Agents	Benlysta® Savella®
Erythroid Stimulants	Aranesp® Epogen® Procrit®
Growth Hormones	Egrifta® Genotropin® Geref® Humatrope® Increlex™ IPlex™ Norditropin® Nutropin® Omnitrope® Saizen® Serostim™ Tev-Tropin,® Zorbtive®
Interferons	Actimmune® Alferon-N® Infergen® Intron-A® Pegasys® Peg-Intron® Roferon®
Interleukins	Axcalyst™ Ilaris™
Multiple Sclerosis Therapy	Amypra™ Avonex® Betaseron® Copaxone® Extavia® Gilenya™ Novantrone® Rebif® Tysabri®
Myeloid Stimulants and Hemostatics	Leukine® Neulasta® Neumega® Neupogen® Nplate™ Promacta®
Vaccines & Misc Immunologicals	Rotox® Dysport™ Myobloc™ Xeomin®
Vaccines & Misc Immunologicals (Immune Globulins)	Carimune NF® Flebogamma DIF® Gammagard® Gammagard S-D® Gammaplex® Gamimune-N® Gamunex® Gamunex-C® Hizentra™ Priviligen™ Vivaglobin®
Dermatologicals - Psoriasis	Amevive® Stelara®

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

Therapeutic Drug Category	Drugs
Cancer Therapy	Afinitor <sup>®</sup> Avastin <sup>®</sup> Dacogen <sup>™</sup> Erbitux <sup>®</sup> Gleevec <sup>®</sup> Halaven <sup>™</sup> Herceptin <sup>®</sup> Istodax <sup>®</sup> Jevtana <sup>®</sup> Nexavar <sup>®</sup> Sprycel <sup>®</sup> Sutent <sup>®</sup> Tarceva <sup>™</sup> Tassigna <sup>®</sup> Temodar <sup>®</sup> Torisel <sup>™</sup> Tykerb <sup>®</sup> Vectibix <sup>™</sup> Vidaza <sup>®</sup> Vocrient <sup>™</sup> Zolanza <sup>™</sup> Zytiga <sup>™</sup>
Cancer Therapy (Misc.)	Mozobil <sup>™</sup>
Cancer Therapy (Misc.)	Xgeva <sup>™</sup>
Misc Antineoplastic Agents	Arimidex <sup>®</sup> Aromasin <sup>®</sup> Femara <sup>®</sup>
Misc Antineoplastic Agents	Revlimid <sup>®</sup> Thalomid <sup>®</sup>
Antivirals (Ribavirin Therapy)	Copegus <sup>®</sup> Rebetol <sup>®</sup> Ribatab <sup>®</sup>
HIV/AIDS Therapy	Selzentry <sup>™</sup>
RSV Agents	Synagis <sup>®</sup>
Parkinson's	Apokyn
Hormone Therapy (Misc.)	Acthar <sup>®</sup> Gel Sensipar <sup>®</sup>
Misc Agents	Soliris <sup>™</sup>
Misc Neurological Therapy	Nuedexta <sup>™</sup> Xenazine <sup>®</sup>
Hormone Therapy (Misc.)	Zavesca <sup>®</sup>
Hormone Therapy (Misc.)	Vpriv <sup>™</sup> Cerezyme <sup>®</sup>
Hormone Therapy (Misc.)	Samsca <sup>™</sup>
Hormone Therapy (Misc.)	Kuvan <sup>™</sup> Somavert <sup>®</sup>
Non-Narcotic Pain Relief (Hyaluronic Acid Derivatives)	Euflexxa <sup>™</sup> Hyalgan <sup>®</sup> Orthovisc <sup>®</sup> Supartz <sup>®</sup> Synvisc <sup>®</sup>
Lupus	Benlysta

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP  
THERAPY RULES\***

Therapeutic Drug Category	Drugs
Hepatitis C	Boceprevir, Telaprevir
Misc. Pulmonary Agents	Berinert® Cinryze™ Kalbitor® Xolair®
Misc. Pulmonary Agents	Cayston® TORI®
Misc. Pulmonary Agents	Pulmozyme®
Pulmonary Arterial Hypertension	Flolan® Letairis™ Remodulin® Revatio™ Tracleer® Ventavis® Adcirca™ Tyvaso® Veletri®
<b>Non-Specialty/Traditional Drugs</b>	
Hypnotics	Ambien® Ambien CR™ Butisol® chloral hydrate Dalmane® Doral® Eduar™ Halcion® Lunesta™ Nembutal® Prosom® Restoril® Rozerem® Silenor® Sonata® Zolpimist™
Migraine	Alsuma™ Amerge™ Axert® Frova® Imitrex® Imitrex Inj® ImitrexNS® Maxalt® MaxaltMLT® Migranal NS® Relpax® Sumavel® Treximet™ Zomig® Zomig ZMT®
Narcolepsy	Nuvigil® Provigil® Xyrem®
Narcotic Pain Relief	Abstral® Actiq® Fentora™ Onsolis™
Non-Narcotic Pain Relief (Misc.)	Cambia™ Lidoderm® Stadol NS® Vimovo™
Dermatologicals - Acne	Solodyn®
Anorexiants/Weight loss	Adipex-P® Bontzil® Didrex® Fastin® Tenuate® Xenical®
Hormone Therapy (Select Androgens & Anabolic Steroids)	Androderm® AndroGel® Axiron® Fortesta™ Striant® Testim Gel® , Various anabolic steroids

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B**

**DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

**\*Drugs within drug categories are subject to change by PBM**

Therapeutic Drug Category	Drugs
Nausea	Anzenet <sup>®</sup> Cosust <sup>®</sup> Emsend <sup>®</sup> Emsend Trifold Pacx <sup>®</sup> Xytril <sup>®</sup> Sancuso <sup>®</sup> Zofran <sup>®</sup> Zofran ODR <sup>®</sup> Zuplenz <sup>®</sup>

1/ The Coverage Authorization Program consists of traditional prior authorization, smart prior authorization, step therapy and quantity/dose rules which are based on FDA-approved prescribing and safety information, clinical guidelines, and uses that are considered reasonable, safe, and effective. These rules are recommended by an outside, independent organization based on information and data specific to the Amtrak membership. Each Therapeutic Drug Category has a rule(s) specific to that category.

Therapeutic Drug Category	Preferred Drugs	Targeted Drugs
Proton Pump Inhibitors	Nexium, lansoprazole/ODT, omeprazole, omeprazole sodium bicarbonate, pantoprazole	Acipens, Dexiant (Kapids), Pravacid/Susp, Prilosec Oral Susp (brand), Prevacid 40mg Susp, Zegerid Packet
Sleep Agents/Hypnotics	zolpidem ER, zaleplon	Edilar, Lunesta, Rozerem, Silenor
Depression	citalopram & other generics	Laxapro, Luvox CR, Paxera (New users only)
Osteoporosis	Boniva, Fosamax D, ibandronate	Actonel (w/CA)
Intranasal steroids	Nasonex, flunisolide, fluticasone	Beconase AQ, Nasacort/AQ, Omnaris, Rhinocort/AQUA, Veramyst
Angiotensin II Receptor Blockers	Olvan/HCT, Micardis/HCT, losartan/HCTZ	Macardil/HCT, Avapro/Avalide, Benicar/HCT, Toprol/HCT
Migraine	Maxal/MLT, Relpax, naratriptan, sumatriptan	Alsuma, Avart, Frowa, Sumavel, Treximet, Zandri/ZMT
Glaucoma	Lumigan, Xalatan (generic)	Travatan, Travatan Z
Growth Hormone (specialty drug)	Genotropin, Humatrope, Norditropin	Nutropin, Nutropin AQ, Satzon
Tumor Necrosis Factor (specialty drug)	Enbrel, Humira	Cimzia, Simponi

2/ Preferred Drug Step Therapy identifies users of non-preferred/non-covered medications and communicates less expensive generic and preferred brand alternatives (when appropriate).

**\*Drugs within drug categories are subject to change by PBM**

**Exhibit C – Specialty Guideline Management Drug List\***

<b>ACROMEGALY</b> octreotide acetate (SANDOSTATIN) Sandostatin LAR Sandostatin LAR Depot Somatuline Depot Somavert	<i>Leuprolide acetate</i> <i>Supprelin LA</i>	<i>Humatrope</i> <i>Increlex</i> <i>Norditropin</i> <i>Nutropin/Nutropin AQ</i> <i>Omnitrope</i> <i>Saizen</i> <i>Tev-Tropin</i>	<i>Olysio</i> <i>Pegasys</i> <i>PegIntron</i> <i>ribavirin (Copegus,</i> <i>Rebetol, RibaPak,</i> <i>Ribashere)</i> <i>Sovaldi</i> <i>Victrelis</i>	<i>Gamunex</i> <i>Hizentra</i> <i>Octagam</i> <i>Privigen</i>
<b>ALCOHOL AND OPIOID DEPENDENCY</b> <i>Vivitrol</i>	<b>COAGULATION DISORDERS</b> <i>Ceptroin</i>	<b>HEMATOPOIETICS</b> <i>Mozobil</i> <i>Neumega</i>	<b>HEREDITARY ANGIOEDEMA</b> <i>Berinert</i> <i>Cinryze</i> <i>Firazyr</i> <i>Kalbitor</i>	<b>IMMUNE (IDIOPATHIC) THROMBOCYTOPENIA (ITP)</b> <i>Nplate</i> <i>Promacta</i>
<b>ALLERGIC ASTHMA</b> <i>Xolair</i>	<b>CRYOPYRIN- ASSOCIATED PERIODIC SYNDROMES (CAPS)</b> <i>Arcalyst</i> <i>Ilaris</i> <i>Kineret</i>	<b>HEMOPHILIA &amp; RELATED BLEEDING DISORDERS</b> <i>Advate</i> <i>Alphanate</i> <i>AlphaNine SD</i> <i>Bebulin</i> <i>BeneFIX</i> <i>Corfact</i> <i>Feiba VH</i> <i>Feiba NF</i> <i>Helixate FS</i> <i>Hemofil M</i> <i>Humate-P</i> <i>Koate-DVI</i> <i>Kogenate FS</i> <i>Monoclate-P</i> <i>Mononine</i> <i>NovoSeven</i> <i>Profilnine SD</i> <i>Recombinate</i> <i>Refacto</i> <i>RiaSTAP</i> <i>Rixubis</i> <i>Stimate Nasal Spray</i> <i>Wilate</i> <i>Xyntha</i>	<b>HORMONAL THERAPIES</b> <i>Eligard</i> <i>Firmagon</i> <i>leuprolide acetate</i> <i>(LUPRON)</i> <i>Lupron Depot</i> <i>Treistar</i> <i>Vantas</i> <i>Zoladex</i>	<b>INFECTIOUS DISEASE</b> <i>Actimmune</i> <i>Alferon-N</i>
<b>ALPHA1- ANTITRYPSINDEFICIEN CY</b> <i>Aralast</i> <i>Glassia</i> <i>Prolastin-C</i> <i>Zemaira</i>	<b>CUSHING'S SYNDROME</b> <i>Korlym</i> <i>Signifor</i>	<b>HEMOPHILIA &amp; RELATED BLEEDING DISORDERS</b> <i>Advate</i> <i>Alphanate</i> <i>AlphaNine SD</i> <i>Bebulin</i> <i>BeneFIX</i> <i>Corfact</i> <i>Feiba VH</i> <i>Feiba NF</i> <i>Helixate FS</i> <i>Hemofil M</i> <i>Humate-P</i> <i>Koate-DVI</i> <i>Kogenate FS</i> <i>Monoclate-P</i> <i>Mononine</i> <i>NovoSeven</i> <i>Profilnine SD</i> <i>Recombinate</i> <i>Refacto</i> <i>RiaSTAP</i> <i>Rixubis</i> <i>Stimate Nasal Spray</i> <i>Wilate</i> <i>Xyntha</i>	<b>HUMAN IMMUNODEFICIENCY VIRUS (HIV)</b> <i>Egrifta</i> <i>Fuzeon</i> <i>Serostim</i>	<b>INFERTILITY</b> <i>Bravelle</i> <i>Cetrotide</i> <i>chorionic</i> <i>gonadotropin</i> <i>(Novarel, Ovidrel,</i> <i>Pregnyl)</i> <i>Follistim AQ</i> <i>ganirelix acetate</i> <i>Gonal-F</i> <i>leuprolide acetate</i> <i>Menopur</i> <i>Repronex</i>
<b>ANEMIA</b> <i>Aranesp</i> <i>Epogen</i> <i>Omontys</i> <i>Procrit</i>	<b>CYSTIC FIBROSIS</b> <i>Bethkis</i> <i>Cayston</i> <i>Kalydeco</i> <i>Pulmozyme</i> <i>TOBI Podhaler</i> <i>tobramycin inhalation</i> <i>solution (TOBI)</i>	<b>HEPATITIS C</b> <i>incivek</i> <i>intron-A</i>	<b>IMMUNE THERAPIES</b> <i>Bivigam</i> <i>Carimune NF</i> <i>Cytogam</i> <i>Flebogamma</i> <i>GamaSTAN S/D</i> <i>Gammagard</i> <i>Gammaked</i> <i>Gammplex</i>	<b>INFLAMMATORY BOWEL DISEASE</b> <i>Cimzia</i> <i>Humira</i> <i>Remicade</i> <i>Simponi</i> <i>Tysabri</i>
<b>BOTULINUM TOXINS</b> <i>Botox</i> <i>Dysport</i> <i>Myobloc</i> <i>Xeomin</i>	<b>ELECTROLYTE DISORDERS</b> <i>Samsca</i>			<b>IRON OVERLOAD</b> <i>deferoxamine</i> <i>(DESFERAL)</i> <i>Exjade</i> <i>Ferriprox</i>
<b>CARDIAC DISORDERS</b> <i>Tikosyn</i>	<b>GASTROINTESTINAL DISORDERS – OTHER</b> <i>Gattex</i> <i>Zorbtive</i>			
<b>CENTRAL PRECOCIOS PUBERTY (CPP)</b> <i>Lupron Depot-PED</i>	<b>GOUT</b> <i>Krystexxa</i>			
	<b>GROWTH HORMONE &amp; RELATED DISORDERS</b> <i>Genotropin</i>			

Products distributed by CVS Caremark Specialty Pharmacy, as well as products covered by a plan member's prescription benefit plan, may change from time to time. In addition, a plan member's specific prescription benefit plan design may not cover certain products or categories, regardless of their appearance on this document at any time. This document contains references to brand-name prescription drugs that are trademarks or registered trademarks of pharmaceutical manufacturers not affiliated with CVS Caremark.

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\* Drugs within drug categories are subject to change by the PBM

## Exhibit C – Specialty Guideline Management Drug List\*



<b>LIPID DISORDERS</b>	Arzerra	Tykerb	Stelara	<b>SYSTEMIC LUPUS ERYTHEMATOSUS</b>
Juxtapid	Avastin	Valchlor		Benlysta
Kynamro	Bosulif	Valstar	<b>PULMONARY ARTERIAL HYPERTENSION</b>	<b>UREA CYCLE DISORDERS</b>
<b>LYSOSOMAL STORAGE DISORDERS &amp; RELATED DISORDERS</b>	Caprelsa (formerly vandetanib)	Vectibix	Adcirca	Carbaglu
Adagen	Cometriq	Velcade	epoprostenol sodium	Ravicti
Aldurazyme	(Dacogen)Eribitux	Vidaza	Letairis	
Cerezyme	Erivedge	Votrient	Remodulin	
Cystagon	Erwinaze	Xalkori	sildenafil (Revatio)	
Cystaran	Folotyn	Xeloda	Tracleer	
Elaprase	Fusilev	Xgeva	Tyvaso	
Elelyso	Gazyva	Xtandi	Veletri	
Fabrazyme	Gilotrif	Yervoy	Ventavis	
Lumizyme	Gleevec	Zaltrap		
Myozyme	Halaven	Zelboraf		
Naglazyme	Hercseptin	zoledronic acid (Zometa)		
Orfadin	Hycamtin	Zolinza	<b>RENAL DISORDER</b>	
Procysbi	Imbruvica	Zytiga	Sensipar	
VPRIV	Inclusig	<b>OSTEOARTHRITIS</b>		
Zavesca	Inlyta	Euflexxa	<b>RESPIRATORY SYNCYTIAL VIRUS</b>	
<b>MOVEMENT DISORDERS</b>	Intron-A	Gel-One	Synagis	
Apokyn	Istodax	Hyalgan		
Xenazine	Ixempra	Orthovisc	<b>RETINAL DISORDERS</b>	
<b>MULTIPLE SCLEROSIS</b>	Jakafi	Supartz	Avastin	
Ampyra	Jevtana	Synvisc	Eylea	
Aubagio	Kadcyla	Synvisc One	Lucentis	
Avonex	Kyprolis	<b>OSTEOPOROSIS</b>	Macugen	
Betaseron	Mekinist	Forteo	Visudyne	
Copaxone	mitoxantrone	Prolia	<b>RHEUMATOID ARTHRITIS</b>	
Extavia	Nexavar	zoledronic acid (Reclast)	Actemra	
Gilenya	Oncaspar	<b>PAIN MANAGEMENT</b>	Cimzia	
mitoxantrone	Perjeta	Prialt	Enbrel	
Rebif	Pomalyst	<b>PAROXYSMAL NOCTURNAL HEMOGLOBINURIA</b>	Humira	
Tecfidera	Proleukin	Soliris	Kineret	
Tysabri	Revlimid	<b>PHENYLKETONURIA</b>	Orencia	
<b>NEUTROPENIA</b>	Rituxan	Kuvan	Remicade	
Granix	Sprycel	<b>PRE-TERM BIRTH</b>	Rituxan	
Leukine	Stivarga	Makena	Simponi	
Neulasta	Suteni	<b>PSORIASIS</b>	Simponi Aria	
Neupogen	Sylatron	Enbrel	Xeljanz	
<b>ONCOLOGY</b>	Synribo	Humira	<b>SEIZURE DISORDERS</b>	
Adcetris	Tafinlar	Remicade	Acthar	
Afinitor	Tarceva		Sabril	
	Targretin			
	Tasigna			
	temozolomide (Temodar)			
	Thalomid			
	Torisel			
	Treanda			

Products distributed by CVS Caremark Specialty Pharmacy, as well as products covered by a plan member's prescription benefit plan, may change from time to time. In addition, a plan member's specific prescription benefit plan design may not cover certain products or categories, regardless of their appearance on this document at any time. This document contains references to brand-name prescription drugs that are trademarks or registered trademarks of pharmaceutical manufacturers not affiliated with CVS Caremark.

**APPENDIX B****CONTRACT LANGUAGE IMPLEMENTING THE MARCH 25, 2014  
INTEREST ARBITRATION AWARD**

The following contract language implements the March 25, 2014 Interest Arbitration Award with respect to the Amtrak – BRS Agreement covering the system, known as the Wage and Rule Agreement, effective March 1, 2007, and is effective as specifically indicated herein:

**ARTICLE I – WAGES****Section 1 - First General Wage Increase**

(a) Effective July 1, 2010, all rates of pay for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 1 shall be applied as follows:

(b) Disposition of Fractions -

Rates of pay resulting from application of paragraph (a) above, which end in fractions of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(c) Application of Wage Increases -

The increase in wages provided for in this Article shall be applied in accordance with the wage or working conditions agreement in effect between Amtrak and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid.

**Section 2 - Second General Wage Increase**

Effective January 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 3 - Third General Wage Increase**

Effective July 1, 2011, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 4 - Fourth General Wage Increase**

Effective January 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 5 – Fifth General Wage Increase**

Effective July 1, 2012, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 6 – Sixth General Wage Increase**

Effective January 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 6 shall be applied in the same manner as provided for in Section 1 hereof.



**Section 7 – Seventh General Wage Increase**

Effective July 1, 2013, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 7 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 8 – Eighth General Wage Increase**

Effective January 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one (1) percent. The increase provided for in this Section 8 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 9 – Ninth General Wage Increase**

Effective July 1, 2014, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent. The increase provided for in this Section 9 shall be applied in the same manner as provided for in Section 1 hereof.

**Section 10 – Tenth and Eleventh General Wage Increases**

Effective January 1, 2015, all rates of pay resulting from that calculation for employees covered by this Agreement shall be increased in the amount of one-and-one-half (1.5) percent and an additional amount of one-and-one-half (1.5) percent, compounded prior to application. The increase provided for in this Section 10 shall be applied in the same manner as provided for in Section 1 hereof.

**ARTICLE II – HEALTH CARE AND ASSOCIATED BENEFITS****Part A -Plan Changes****Section 1 -Continuation of Health and Welfare Plans**

The AMPLAN (including Early Retirement Major Medical Benefit Plan (“ERMA”), Dental, Vision, AD&D, and Life Insurance coverage, modified as provided in this Article with respect to employees represented by the organization and their eligible dependents, will be continued subject to the provisions of the Railway Labor Act.

## **Section 2 – Plan Design Changes to Contain Costs**

The payment on behalf of a participant or beneficiary with respect to any visit to a hospital emergency room shall be \$75. Note: Where the participant or beneficiary is admitted to the hospital, such payment is waived.

## **Section 3 – Plan Design Changes to Contain Costs, effective January 1, 2015**

(a) The Plan's Managed Medical Care Program ("MMCP") shall be revised as follows:

- (1) There shall be a separate, stand-alone, Annual Deductible for In-Network Services for which a fixed-dollar copayment does not apply. This Annual Deductible shall be \$200 per individual per year and \$400 per family per year.
- (2) The percentage of Eligible Expenses paid by the Plan for any In-Network Services for which a fixed-dollar copayment does not apply (as defined by procedure code) shall be 95% of the Eligible Expenses that exceed the applicable Annual Deductible provided for in clause (1) above; the amount payable by the employee as a result of this "coinsurance" shall be capped at \$1,000 per individual per year and \$2,000 per family per year.
- (3) The Urgent Care Center Co-Payment for In-Network Services shall be decreased to \$20.00 for each visit.
- (4) In cases where a fixed-dollar copayment of \$20 currently applies to an office visit, the copayment shall be reduced to \$10 if the office is in a "convenient care clinic." A "convenient care clinic" means, for purposes of this Section, a health care facility typically located in a high-traffic retail store, supermarket or pharmacy that provides affordable treatment for uncomplicated minor illness and/or preventative care to consumers.
- (5) The Plan shall not cover radiological services performed at a convenient care clinic.

(b) The Plan's Managed Medical Care Program ("MMCP") and its Comprehensive Health Care Benefit ("CHCB") shall both be revised to include:

- (1) Participation in a "Radiology Management Program" (as described in Exhibit A hereto);
- (2) Arrangements for covered employees and their covered dependents to receive, on a wholly voluntary basis and without any copayment or coinsurance, the following additional "Institutions of Excellence/Institutions of Quality" (as described in Exhibit A hereto): Bariatric Resource Services, Cancer Resource Services, and Kidney Resource Services.
- (3) Arrangements for covered employees and their covered dependents to receive, on a wholly voluntary basis and without any copayment or coinsurance, the resource services made available under a "Care Advocate Team" (as described in Exhibit A hereto).

(c) The Plan's Prescription Drug Card and Mail Order Prescription Drug Programs shall include:

- (1) Prior Authorization by the Plan's current pharmacy benefit manager (or any successor pharmacy benefit manager) ("PBM") shall be required, in accordance with such PBM's Prior Authorization Program then in effect, before any prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Program shall be dispensed. The PBM may enter a temporary override to allow dispensing at retail of no more than a five-day supply of a daily-dosed drug without Prior Authorization if a Prior Authorization is being processed.
- (2) Employees and their covered dependents shall be required to adhere to Step Therapy and Quantity/Duration Limits Programs then in effect of the Plan's PBM with respect to the prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Step Therapy Program and/or Quantity/Duration Limits Program, as the case may be.

(d) The Plan's Prescription Drug Card Program Co-Payments to In-Network Retail Pharmacies per prescription are revised as follows:

- (1) Generic Drug - decrease to \$5.00;

- (2) Brand Name (Non-Generic) Drug on Program Administrator's Formulary - increase to \$25.00;
  - (3) Brand Name (Non-Generic) Drug Not on Program Administrator's Formulary - increase to \$45.00;
- (e) The Plan's Mail Order Prescription Drug Program Co-Payments per prescription are revised as follows:
- (1) Generic Drug - decrease to \$5.00
  - (2) Brand Name (Non-Generic) Drug on Program Administrator's Formulary - increase to \$50.00;
  - (3) Brand Name (Non-Generic) Drug not on Program Administrator's Formulary - increase to \$90.00.
- (f) The design changes contained in this Section 3 shall become effective on January 1, 2015.

#### **Section 4 - Plan Design Changes – ERMA, effective January 1, 2015**

- (a) ERMA's Prescription Drug Card and Mail Order Prescription Drug Programs shall be revised as follows:
- (1) Prior Authorization by ERMA's current pharmacy benefit manager (or any successor pharmacy benefit manager) ("PBM") shall be required, in accordance with such PBM's Prior Authorization Program then in effect, before any prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Program shall be dispensed. The PBM may enter a temporary override to allow dispensing at retail of no more than a five-day supply of a daily-dosed drug without Prior Authorization if a Prior Authorization is being processed.
  - (2) Retirees and their covered dependents shall be required to adhere to Step Therapy and Quantity/Duration Limits Programs then in effect of ERMA's PBM with respect to the prescription drugs in the therapeutic drug categories shown on Exhibits B and C hereto as subject to such Step Therapy Program and/or Quantity/Duration Limits Program, as the case may be.
- (b) The design changes contained in this Section shall become effective on January 1, 2015, and shall apply only to individuals who become eligible for ERMA coverage on or after January 1, 2015.

## **Part B – Employee Cost Sharing of Plan Cost Amounts**

### **Section 1- Monthly Cost-Sharing Contributions**

Employee cost sharing contributions towards AMPLAN, Dental, Vision, AD&D, and life insurance coverage under this contract will be as follows:

- (a) Effective July 1, 2011 the per month employee cost-sharing contribution shall be changed to \$181.62
- (b) Effective July 1, 2012 the per month employee cost-sharing contribution shall be changed to \$189.53
- (c) Effective July 1, 2013 the per month employee cost-sharing contribution shall be changed to \$209.19
- (d) The employee monthly cost-sharing contribution shall be adjusted using the current Amtrak costing methodology, effective July 1, 2016, so as to equal the least of 15% of the Amtrak 2015 monthly cost per participating employee, 15% of the Amtrak 2015 monthly cost per participating employee covered by an agreement that includes the equivalent health care changes included in this Agreement, or \$230.00, unless otherwise mutually agreed by the parties during negotiations commencing when this Agreement becomes amenable pursuant to paragraph (e).
- (e) Notwithstanding the Moratorium provisions in Article V, the parties may re-open Health Care with notice not to be served prior to May 1, 2014, not to be effective before July 1, 2014

### **Section 2- Pre-Tax Contributions**

Employee cost-sharing contributions made pursuant to this Part shall be made on a pre-tax basis to the extent applicable.

### **Section 3 – Method of Making Employee Cost-Sharing Contributions**

Amtrak shall deduct the amount of AMPLAN, Dental, Vision, AD&D, and life insurance from the employee's wages.

### **PART C - Flexible Spending Accounts**

Amtrak's Flexible Spending Account ("FSA") Plan is modified to incorporate the following:

Amtrak may opt to not initiate, or to terminate the FSA as quickly as is allowed by law:

(1) If any change in the law or regulations or any other development or circumstance materially impacts the financial consequences of the FSA to Amtrak; or

(2) If in any year the "Cadillac Tax" applies.

### **ARTICLE III - SUPPLEMENTAL SICKNESS**

The January 9, 1980 Supplemental Sickness Benefit Agreement, as subsequently amended (Sickness Agreement), shall be further amended as provided in this Article.

#### **Section 1 - Adjustment of Plan Benefits**

(a) The benefits provided under the Supplemental Sickness Benefit Plan established pursuant to the Sickness Agreement ("SSB Plan") shall be adjusted as provided in paragraph (b) so as to restore the same ratio of benefits to rates of pay as existed on December 31, 2009 under the terms of that Agreement.

(b) Section 4 of the Sickness Agreement shall be revised as follows:

	<u>Per Hour</u>	<u>Per Month</u>
Class I Employees Earning (as of 12/31/09)	\$22.68 or more or more	\$3,946 or more
Class II Employees Earning (as of 12/31/09)	\$21.07 or more but less than \$22.68	\$3,666 or but less than \$3,946
Class III Employees Earning (as of 12/31/09)	Less than \$21.07	Less than \$3,666

Basic and Maximum Benefit Amount Per

Month

Classification  
Maximum

Basic

RUIA

Class I  
\$2,660.00

\$1,268.00

\$1,392.00

Class II  
\$2,513.00

\$ 1,121.00

\$1,392.00

Class III

\$ 951.00

\$1,392.00  
\$2,343.00

Combined Benefit Limit

Amount

Classification

Maximum

Monthly

Class I

\$2,854

Class II	\$2,691
Class III	\$2,511

## **Section 2 - Further Adjustment of Plan Benefits**

(a) Effective April 1, 2014, the benefits provided under the Plan shall be adjusted so as to restore the same ratio of benefits to rates of pay as existed on the effective date of this Article.

(b) The benefit adjustment described in Section 2(a) above shall be made effective on each of the following dates: July 1, 2014, and January 1, 2015.

(c) The benefit adjustment described in Section 2(a) above shall be made effective on the date of each general wage increase that becomes effective after January 1, 2015.

## **ARTICLE IV – OTHER CHANGES**

### **Section 1 - Payroll Efficiencies**

(a) Employees shall receive their pay bi-weekly, by direct deposit into an account with a bank, credit union, financial-services organization, or similar institution. Payroll advice will contain an itemized record of all deductions from employee's earnings.

(b) For the purposes of Payroll calculation, the work week will be a period of seven (7) consecutive days beginning with Monday at 12:01 a.m.

### **Section 2 – Discipline**

The Discipline Rules are modified to eliminate formal investigations for Alcohol and Drug Waiver violations. Any discipline assessed will be subject to appeal directly to the Director of Labor Relations and to arbitration under the grievance rule. The burden of proving an Alcohol and Drug Waiver violation rests with the Carrier.



## **ARTICLE V - GENERAL PROVISIONS**

### **Section 1 -Effect of this Document**

- (a) The purpose of this contract language flowing from the Interest Arbitration Award dated March 25, 2014 is to fix the general level of compensation during the period of the Agreement, and to settle the disputes growing out of all of the parties' respective Section 6 Notices served during this round of bargaining.
- (b) This contract language and the Agreements between the parties shall remain in effect through January 1, 2015 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- (c) No party to this contract language shall serve, prior to November 2, 2014 (not to become effective before January 2, 2015) any notice or proposal (other than those provided in Article II, Part B, section 1(e)) for the purpose of changing the subject matter of the provisions of the agreements between the parties or which proposes matters covered by the proposals of the parties cited in paragraph (a) of this Section, and any proposals in pending notices relating to such subject matters are hereby withdrawn.
- (d) This Article will not bar management and the organization from agreeing upon any subject of mutual interest.

It is agreed this contract language and the side letters which follow implement the March 25, 2014 Interest Arbitration Award between the parties:

**SIGNED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

**FOR THE NATIONAL  
RAILROAD PASSENGER  
CORPORATION:**

**FOR THE BROTHERHOOD OF  
RAILROAD SIGNALMEN:**

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Charles E. Woodcock, III  
Leader, Corporate Labor Relations

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David Ingersoll  
General Chairman, BRS

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Dennis Boston  
Vice President, BRS

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Amtrak Incentive Plan**

Dear Sir:

This refers to our discussions regarding Amtrak's desire to implement an incentive plan tied to statutory and corporate performance metrics, such as Customer Service Index, financial, etc. The plan development, adjustments thereto and its continuation will be at the discretion of Amtrak.

Our intent is to develop the plan measures in the future.

The plan will pay out up to 5% of the measurement year's straight time earnings except to those who resign or are terminated (unless later reinstated).

There will be no pyramiding with existing incentive plans. Payments made under existing plans on an annualized basis will offset payments under this plan.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Pay Shortages**

Dear Sir:

This refers to Article III, Section 1 Payroll Efficiencies, paragraph (a). It is understood that concurrent with the implementation of Bi-weekly pay, the following will govern pay shortages:

“If an employee’s pay is short the equivalent of eight (8) hours pay or more, the amount short will be issued to the employee by either check or direct deposit within two (2) business days of notification.”

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – “Me Too” Application**

Dear Sir:

In the event the Carrier reaches agreements with other Organizations (representing other crafts) which contain more favorable general wage increases or benefits during the current round of negotiations, such provisions will be incorporated into this agreement, unless such improvement(s) was made in consideration for modification(s) in other work rules in the agreements between the parties.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Retroactive Pay**

Dear Sir:

Retroactive pay will be made as soon as practicable. It is understood that the retroactive portion of any wage increase shall be applied only to employees who have an employment relationship with the carrier on the date of the Award or who retired or died subsequent to July 1, 2010, including sick leave, disability, disability retirement, temporary suspension, furlough or leave of absence. Any employee in a dismissed status on the date of the Award who is subsequently returned to service through the disciplinary appeal process will be considered eligible for retroactive pay.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

**Re: Language Implementing the March 25, 2014 Interest Arbitration  
Award – Cost-Sharing Contribution Offset**

Dear Sir:

It is understood that retroactive employee cost-sharing contributions shall be offset against any retroactive wage payments provided to affected employees under Article I of this document. However, there shall be no such offset for any month for which the affected employees were not obligated to make a cost sharing contribution. Employees' retroactive cost sharing contributions shall in no event exceed the retroactive portion of general wage increases payable under Article I.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*

\_\_\_\_\_, 2014

David Ingersoll  
General Chairman, BRS

Dear Sir:

This confirms our understanding with respect to Article II, Part A, Sections 3(c)(1) and (2), and Sections 4(a)(1) and (2) of the Agreement. The prescription drug management rules and therapeutic drug therapies identified in Exhibit B of the Agreement are those that have been implemented by the Railroad Employees National Health and Welfare Plan. Exhibit C sets forth the therapeutic drug categories for specialty drugs subject to all rules and procedures that are part of the existing CVS Caremark's (AmPlan's Pharmacy Benefit Manager) Specialty Guidance Pharmacy Management Program adopted by the AmPlan Joint Medical Administration Committee ("JMAC") on July 15, 2010. Exhibit C of the Agreement also adds to those listed specialty drugs a group of oncology treatment drugs that were not among those adopted by the JMAC on July 15, 2010.

The parties intend that new prescription drug management rules and therapeutic drug therapies for which there are no existing therapeutic drug categories listed in Exhibits B and C shall not apply to the Plan unless such application has been (a) recommended by an independent committee of experts generally relied upon by the Plan's pharmacy benefit manager, (b) such recommendation is also made by the pharmacy benefit manager itself, and (c) the recommendation is accepted and approved by the JMAC.

Nothing in this Letter or Article II of the Agreement shall limit the ability of the JMAC, in accordance with the provisions of the JMAC Agreement, to adopt changes to the prescription drug program of AmPlan that modify or eliminate the prescription drug management rules and therapeutic drug therapies set forth in Exhibits B and C.

Very truly yours,

Charles E. Woodcock, III  
*Leader, Corporate Labor Relations*



**EXHIBIT A**  
**Clinical Support Services<sup>2</sup>**

***Radiology Management Program*** – Under this program, a radiology notification process is required for participating (network) physicians, health care professionals, facilities and ancillary providers for certain advanced outpatient imaging procedures, prior to performance, with administrative claim denial for failure to provide notification. The program is a prior notification requirement only, not a precertification, preauthorization or medical necessity determination program, and currently applies to the following outpatient advanced imaging procedures: CT, MRI, PET and Nuclear Medicine, including Nuclear Cardiology. These services that take place in an emergency room, observation unit, urgent care center, or during an inpatient stay do not require notification.

The process may require a physician-to-physician discussion, the purpose of which is to engage the ordering physician in a discussion about the use of evidence-based clinical guidelines. However, the final decision authority rests with the ordering physician. This program is invisible to the covered member – non-compliance (i.e., non-notification) will result in an administrative denial of the claim with no balance billing to the patient.

***Institutions of Excellence/Institutions of Quality (IOE)*** – this service are based on the foundation that certain facilities treat patients who consistently achieve favorable clinical outcomes, as demonstrated by reduced hospital lengths of stay and readmission rates, lower infection rates, etc. Programs are typically designed around specific disease states or conditions in which IOEs can be clearly identified. The following programs develop national IOE networks and specialty nurse resources that provide specific case management interventions:

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<sup>2</sup> The actual program names, specific services/processes, and administration will vary by medical vendor.

- Bariatric Resource Services (BRS) - BRS provides a national Institute of Excellence network of bariatric surgery centers and hospitals with an upfront case management component.
- Cancer Resource Services (CRS)/Cancer Support Program (CSP) - This clinical consulting with cancer specialists, combined with an extensive nationwide IOE network will deliver clinical and financial value.
- Kidney Resource Services (KRS) – KRS provides a large network of dialysis facilities meeting strict quality outcomes with kidney nurse specialists assisting patients.

***Care Advocate Team (CAT)*** – These services include enhanced one-to-one coaching for individuals facing potential procedures that have been carefully targeted as having varied treatment practices and inconsistent patient outcomes. CAT normally targets back pain, knee/hip replacement, benign prostate disease, prostate cancer, benign uterine conditions, hysterectomy, breast cancer, coronary artery disease and bariatric surgery.

**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

Therapeutic Drug Category	Drugs
<b>Specialty Drugs</b>	
<b>Gout Therapy</b>	Uloric® Krystexxa™
<b>Rheumatological (RA Agents)</b>	Actemra® Arava® Cimzia® Enbrel® Humira® Kineret® Orencia® Remicade® Rituxan® Simponi™
<b>Misc Agents</b>	Benlysta® Savella®
<b>Erythroid Stimulants</b>	Aranesp® Epogen® Procrit®
<b>Growth Hormones</b>	Egrifta™ Genotropin® Geref® Humatrope® Increlex™ IPLox™ Norditropin® Nutropin® Omnitrope® Saizen® Serostim® Tev-Tropin,® Zorbtive®
<b>Interferons</b>	Actimmune® Alferon-N® Infergen® Intron-A® Pegasys® Peg-Intron® Roferon®
<b>Interleukins</b>	Arcalyst™ Ilaris®
<b>Multiple Sclerosis Therapy</b>	Amypra™ Avonex® Betaseron® Copaxone® Extavia® Gilenya™ Novantrone® Rebif® Tysabri®
<b>Myeloid Stimulants and Hemostatics</b>	Leukine® Neulasta® Neumega® Neupogen® Nplate™ Promacta®
<b>Vaccines &amp; Misc Immunologicals</b>	Botox® Dysport™ Myobloc™ Xeomin®
<b>Vaccines &amp; Misc Immunologicals (Immune Globulins)</b>	Carimune NF® Flebogamma DIF® Gammagard® Gammagard S-D® Gammaplex® Gamimune-N® Gamunex® Gamunex-C® Bizentra™ Privigen™ Vivaglobin®
<b>Dermatologicals - Psoriasis</b>	Amevive® Stelara®

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

Therapeutic Drug Category	Drugs
Cancer Therapy	Afinitor <sup>®</sup> Avastin <sup>®</sup> Dacogen <sup>™</sup> Erbitux <sup>®</sup> Gleevec <sup>®</sup> Halaven <sup>™</sup> Herceptin <sup>®</sup> Istodax <sup>®</sup> Jevtana <sup>®</sup> Nexavar <sup>®</sup> Sprycel <sup>®</sup> Sutent <sup>®</sup> Tarceva <sup>™</sup> Tassigna <sup>®</sup> Temodar <sup>®</sup> Torisel <sup>™</sup> Tykerb <sup>®</sup> Vectibix <sup>™</sup> Vidaza <sup>®</sup> Vocrient <sup>™</sup> Zolanza <sup>™</sup> Zytiga <sup>™</sup>
Cancer Therapy (Misc.)	Mozobil <sup>™</sup>
Cancer Therapy (Misc.)	Xgeva <sup>™</sup>
Misc Antineoplastic Agents	Arimidex <sup>®</sup> Aromasin <sup>®</sup> Femara <sup>®</sup>
Misc Antineoplastic Agents	Revlimid <sup>®</sup> Thalomid <sup>®</sup>
Antivirals (Ribavirin Therapy)	Copegus <sup>®</sup> Rebetol <sup>®</sup> Ribatab <sup>®</sup>
HIV/AIDS Therapy	Selzentry <sup>™</sup>
RSV Agents	Synagis <sup>®</sup>
Parkinson's	Apokyn
Hormone Therapy (Misc.)	Acthar <sup>®</sup> Gel Sensipar <sup>®</sup>
Misc Agents	Soliris <sup>™</sup>
Misc Neurological Therapy	Nuedexta <sup>™</sup> Xenazine <sup>®</sup>
Hormone Therapy (Misc.)	Zavesca <sup>®</sup>
Hormone Therapy (Misc.)	Vpriv <sup>™</sup> Carezyme <sup>®</sup>
Hormone Therapy (Misc.)	Samsca <sup>™</sup>
Hormone Therapy (Misc.)	Kuvan <sup>™</sup> Somavert <sup>®</sup>
Non-Narcotic Pain Relief (Hyaluronic Acid Derivatives)	Euflexxa <sup>™</sup> Hyalgan <sup>®</sup> Orthovisc <sup>®</sup> Supartz <sup>®</sup> Synvisc <sup>®</sup>
Lupus	Benlysta

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B****DRUGS FOR COVERAGE AUTHORIZATION AND STEP  
THERAPY RULES\***

Therapeutic Drug Category	Drugs
Hepatitis C	Boceprevir, Telaprevir
Misc. Pulmonary Agents	Berinert <sup>®</sup> Cinryze <sup>™</sup> Kalbitor <sup>®</sup> Xolair <sup>®</sup>
Misc. Pulmonary Agents	Cayston <sup>®</sup> TORI <sup>®</sup>
Misc. Pulmonary Agents	Pulmozyme <sup>®</sup>
Pulmonary Arterial Hypertension	Flolan <sup>®</sup> Letairis <sup>™</sup> Remodulin <sup>®</sup> Revatio <sup>™</sup> Tracleer <sup>®</sup> Ventavia <sup>®</sup> Adcirca <sup>™</sup> Tyvaso <sup>®</sup> Veletri <sup>®</sup>
<b>Non Specialty/Traditional Drugs</b>	
Hypnotics	Ambien <sup>®</sup> Ambien CR <sup>™</sup> Butisol <sup>®</sup> chloral hydrate Dalmane <sup>®</sup> Doral <sup>®</sup> Eduar <sup>™</sup> Halcion <sup>®</sup> Lunesta <sup>™</sup> Nembutal <sup>®</sup> Prosom <sup>®</sup> Restoril <sup>®</sup> Rozerem <sup>®</sup> Silenor <sup>®</sup> Sonata <sup>®</sup> Zolpimist <sup>™</sup>
Migraine	Alsuma <sup>™</sup> Amerge <sup>™</sup> Axert <sup>®</sup> Ergo <sup>®</sup> Imitrex <sup>®</sup> Imitrex Inj <sup>®</sup> ImitrexNS <sup>®</sup> Maxalt <sup>®</sup> MaxaltMLT <sup>®</sup> Migranal NS <sup>®</sup> Relpax <sup>®</sup> Sumavel <sup>®</sup> Treximet <sup>™</sup> Zomig <sup>®</sup> Zomig ZMT <sup>®</sup>
Narcolepsy	Nuvigil <sup>®</sup> Provigil <sup>®</sup> Xyrem <sup>®</sup>
Narcotic Pain Relief	Abstral <sup>®</sup> Actiq <sup>®</sup> Fentora <sup>™</sup> Onsolis <sup>™</sup>
Non-Narcotic Pain Relief (Misc.)	Cambia <sup>™</sup> Lidoderm <sup>®</sup> Stadol NS <sup>®</sup> Vimovo <sup>™</sup>
Dermatologicals - Acne	Solodyn <sup>®</sup>
Anorexiants/Weight loss	Adipex-P <sup>®</sup> Bontzil <sup>®</sup> Didrex <sup>®</sup> Fastin <sup>®</sup> Tenuate <sup>®</sup> Xenical <sup>®</sup>
Hormone Therapy (Select Androgens & Anabolic Steroids)	Androderm <sup>®</sup> AndroGel <sup>®</sup> Axiron <sup>®</sup> Fortesta <sup>™</sup> Striant <sup>®</sup> Testim Gel <sup>®</sup> , Various anabolic steroids

\*Drugs within drug categories are subject to change by PBM

**EXHIBIT B**

**DRUGS FOR COVERAGE AUTHORIZATION AND STEP THERAPY RULES\***

**\*Drugs within drug categories are subject to change by PBM**

Therapeutic Drug Category	Drugs
Nausea	Anzenet <sup>®</sup> Cosust <sup>®</sup> Emsend <sup>®</sup> Emsend Trifold Pacx <sup>®</sup> Xytril <sup>®</sup> Sancuso <sup>®</sup> Zofran <sup>®</sup> Zofran ODR <sup>®</sup> Zuplenz <sup>®</sup>

1/ The Coverage Authorization Program consists of traditional prior authorization, smart prior authorization, step therapy and quantity/dose rules which are based on FDA-approved prescribing and safety information, clinical guidelines, and uses that are considered reasonable, safe, and effective. These rules are recommended by an outside, independent organization based on information and data specific to the Amtrak membership. Each Therapeutic Drug Category has a rule(s) specific to that category.

Therapeutic Drug Category	Preferred Drugs	Targeted Drugs
Proton Pump Inhibitors	Nexium, lansoprazole/ODT, omeprazole, omeprazole sodium bicarbonate, pantoprazole	Acipens, Dexiant (Kapids), Pravacid/Susp, Prilosec Oral Susp (brand), Prevacid 40mg Susp, Zegerid Packet
Sleep Agents/Hypnotics	zolpidem ER, zaleplon	Edilar, Lunesta, Rozerem, Silenor
Depression	citalopram & other generics	Laxapro, Luvox CR, Paxera (New users only)
Osteoporosis	Boniva, Fosamax D, ibandronate	Actonel (w/CA)
Intranasal steroids	Nasonex, flunisolide, fluticasone	Beconase AQ, Nasacort/AQ, Omnaris, Rhinocort/AQUA, Veramyst
Angiotensin II Receptor Blockers	Olvan/HCT, Micardis/HCT, losartan/HCTZ	Macardil/HCT, Avapro/Avalide, Benicar/HCT, Toprol/HCT
Migraine	Maxal/MLT, Relpax, naratriptan, sumatriptan	Alsuma, Avart, Frowa, Sumavel, Treximet, Zandri/ZMT
Glaucoma	Lumigan, Xalatan (generic)	Travatan, Travatan Z
Growth Hormone (specialty drug)	Genotropin, Humatrope, Norditropin	Nutropin, Nutropin AQ, Satzon
Tumor Necrosis Factor (specialty drug)	Enbrel, Humira	Cimzia, Simponi

2/ Preferred Drug Step Therapy identifies users of non-preferred/non-covered medications and communicates less expensive generic and preferred brand alternatives (when appropriate).

**\*Drugs within drug categories are subject to change by PBM**

## Exhibit C – Specialty Guideline Management Drug List\*

<b>ACROMEGALY</b> octreotide acetate (SANDOSTATIN) Sandostatin LAR Sandostatin LAR Depot Somatuline Depot Somavert	<i>Leuprolide acetate</i> <i>Supprelin LA</i>	<i>Humatrope</i> <i>Increlex</i> <i>Norditropin</i> <i>Nutropin/Nutropin AQ</i> <i>Omnitrope</i> <i>Saizen</i> <i>Tev-Tropin</i>	<i>Olysio</i> <i>Pegasys</i> <i>PegIntron</i> <i>ribavirin (Copegus,</i> <i>Rebetol, RibaPak,</i> <i>Ribashere)</i> <i>Sovaldi</i> <i>Victrelis</i>	<i>Gamunex</i> <i>Hizentra</i> <i>Octagam</i> <i>Privigen</i>
<b>ALCOHOL AND OPIOID DEPENDENCY</b> <i>Vivitrol</i>	<b>COAGULATION DISORDERS</b> <i>Ceprofin</i>	<b>HEMATOPOIETICS</b> <i>Mozobil</i> <i>Neumega</i>	<b>HEREDITARY ANGIOEDEMA</b> <i>Berinert</i> <i>Cinryze</i> <i>Firazyr</i> <i>Kalbitor</i>	<b>IMMUNE (IDIOPATHIC) THROMBOCYTOPENIA (ITP)</b> <i>Nplate</i> <i>Promacta</i>
<b>ALLERGIC ASTHMA</b> <i>Xolair</i>	<b>CRYOPYRIN- ASSOCIATED PERIODIC SYNDROMES (CAPS)</b> <i>Arcalyst</i> <i>Ilaris</i> <i>Kineret</i>	<b>HEMOPHILIA &amp; RELATED BLEEDING DISORDERS</b> <i>Advate</i> <i>Alphanate</i> <i>AlphaNine SD</i> <i>Bebulin</i> <i>BeneFIX</i> <i>Corifact</i> <i>Feiba VH</i> <i>Feiba NF</i> <i>Helixate FS</i> <i>Hemofil M</i> <i>Humate-P</i> <i>Koate-DVI</i> <i>Kogenate FS</i> <i>Monoclate-P</i> <i>Mononine</i> <i>NovoSeven</i> <i>Profilnine SD</i> <i>Recombinate</i> <i>Refacto</i> <i>RiaSTAP</i> <i>Rixubis</i> <i>Stimate Nasal Spray</i> <i>Wiate</i> <i>Xyntha</i>	<b>HORMONAL THERAPIES</b> <i>Eligard</i> <i>Firmagon</i> <i>leuprolide acetate</i> <i>(LUPRON)</i> <i>Lupron Depot</i> <i>Treistar</i> <i>Vantas</i> <i>Zoladex</i>	<b>INFECTIOUS DISEASE</b> <i>Actimmune</i> <i>Alferon-N</i>
<b>ALPHA1- ANTITRYPSINDEFICIEN CY</b> <i>Aralast</i> <i>Glassia</i> <i>Prolastin-C</i> <i>Zemaira</i>	<b>CUSHING'S SYNDROME</b> <i>Korlym</i> <i>Signifor</i>	<b>HEMOPHILIA &amp; RELATED BLEEDING DISORDERS</b> <i>Advate</i> <i>Alphanate</i> <i>AlphaNine SD</i> <i>Bebulin</i> <i>BeneFIX</i> <i>Corifact</i> <i>Feiba VH</i> <i>Feiba NF</i> <i>Helixate FS</i> <i>Hemofil M</i> <i>Humate-P</i> <i>Koate-DVI</i> <i>Kogenate FS</i> <i>Monoclate-P</i> <i>Mononine</i> <i>NovoSeven</i> <i>Profilnine SD</i> <i>Recombinate</i> <i>Refacto</i> <i>RiaSTAP</i> <i>Rixubis</i> <i>Stimate Nasal Spray</i> <i>Wiate</i> <i>Xyntha</i>	<b>HUMAN IMMUNODEFICIENCY VIRUS (HIV)</b> <i>Egrifta</i> <i>Fuzeon</i> <i>Serostim</i>	<b>INFERTILITY</b> <i>Bravelle</i> <i>Cetrotide</i> <i>chorionic</i> <i>gonadotropin</i> <i>(Novarel, Ovidrel,</i> <i>Pregnyl)</i> <i>Follistim AQ</i> <i>ganirelix acetate</i> <i>Gonal-F</i> <i>leuprolide acetate</i> <i>Menopur</i> <i>Repronex</i>
<b>ANEMIA</b> <i>Aranesp</i> <i>Epogen</i> <i>Omonlys</i> <i>Procrit</i>	<b>CYSTIC FIBROSIS</b> <i>Bethkis</i> <i>Cayston</i> <i>Kalydeco</i> <i>Pulmozyme</i> <i>TOBI Podhaler</i> <i>tobramycin inhalation</i> <i>solution (TOBI)</i>	<b>ELECTROLYTE DISORDERS</b> <i>Samsca</i>	<b>IMMUNE THERAPIES</b> <i>Bivigam</i> <i>Carimune NF</i> <i>Cytogam</i> <i>Flebogamma</i> <i>GamaSTAN S/D</i> <i>Gammagard</i> <i>Gammaked</i> <i>Gammaplex</i>	<b>INFLAMMATORY BOWEL DISEASE</b> <i>Cimzia</i> <i>Humira</i> <i>Remicade</i> <i>Simponi</i> <i>Tysabri</i>
<b>BOTULINUM TOXINS</b> <i>Botox</i> <i>Dysport</i> <i>Myobloc</i> <i>Xeomin</i>	<b>ELECTROLYTE DISORDERS</b> <i>Samsca</i>	<b>GASTROINTESTINAL DISORDERS – OTHER</b> <i>Gattex</i> <i>Zorbtive</i>		
<b>CARDIAC DISORDERS</b> <i>Tikosyn</i>	<b>GOUT</b> <i>Krystexxa</i>	<b>GROWTH HORMONE &amp; RELATED DISORDERS</b> <i>Genotropin</i>		<b>IRON OVERLOAD</b> <i>deferoxamine</i> <i>(DEFERAL)</i> <i>Exjade</i> <i>Feriprox</i>
<b>CENTRAL PRECOCIOUS PUBERTY (CPP)</b> <i>Lupron Depot-PED</i>				

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\* Drugs within drug categories are subject to change by the PBM

## Exhibit C – Specialty Guideline Management Drug List\*

**LIPID DISORDERS**

Juxtapid  
Kynamro

**LYSOSOMAL STORAGE DISORDERS & RELATED DISORDERS**

Adagen  
Aldurazyme  
Cerezyme  
Cystagon  
Cystaran  
Elaprase  
Elelyso  
Fabrazyme  
Lumizyme  
Myozyme  
Naglazyme  
Orfadin  
Procysbi  
VPRIV  
Zavesca

**MOVEMENT DISORDERS**

Apokyn  
Xenazine

**MULTIPLE SCLEROSIS**

Ampyra  
Aubagio  
Avonex  
Betaseron  
Copaxone  
Extavia  
Gilenya  
mitoxantrone  
Rebif  
Tecfidera  
Tysabri

**NEUTROPENIA**

Granix  
Leukine  
Neulasta  
Neupogen

**ONCOLOGY**

Adcetris  
Afinitor

Arzerra  
Avastin  
Bosulif  
Caprelsa (formerly vandetanib)  
Cometriq  
decitabine  
(Dacogen)Eribitux  
Erivedge  
Erwinaze  
Folotyn  
Fusilev  
Gazyva  
Gilotrif  
Gleevec  
Halaven  
Herceptin  
Hycamtin  
Imbruvica  
Inclusig  
Inlyta  
Intron-A  
Istodax  
Ixempra  
Jakafi  
Jevtana  
Kadcyla  
Kyprolis  
Mekinist  
mitoxantrone  
Nexavar  
Oncaspar  
Perjeta  
Pomalyst  
Proleukin  
Revlimid  
Rituxan  
Sprycel  
Stivarga  
Sutent  
Sylatron  
Synribo  
Tafinlar  
Tarceva  
Targretin  
Tasigna  
temozolomide (Temodar)  
Thalomid  
Torisel  
Treanda

Tykerb  
Valchlor  
Valstar  
Vectibix  
Velcade  
Vidaza  
Votrient  
Xalkori  
Xeloda  
Xgeva  
Xtandi  
Yervoy  
Zaltrap  
Zelboraf  
zoledronic acid (Zometa)  
Zolinza  
Zytiga

**OSTEOARTHRITIS**

Euflexxa  
Gel-One  
Hyalgan  
Orthovisc  
Supartz  
Synvisc  
Synvisc One

**OSTEOPOROSIS**

Forteo  
Prolia  
zoledronic acid (Reclast)

**PAIN MANAGEMENT**

Prialt

**PAROXYSMAL NOCTURNAL HEMOGLOBINURIA**

Soliris

**PHENYLKETONURIA**

Kuvan

**PRE-TERM BIRTH**

Makena

**PSORIASIS**

Enbrel  
Humira  
Remicade

Stelara

**PULMONARY ARTERIAL HYPERTENSION**

Adcirca  
epoprostenol sodium  
Letairis  
Remodulin  
sildenafil (Revatio)  
Tracleer  
Tyvaso  
Veletri  
Ventavis

**RENAL DISORDER**

Sensipar

**RESPIRATORY SYNCYTIAL VIRUS**

Synagis

**RETINAL DISORDERS**

Avastin  
Eylea  
Lucentis  
Macugen  
Visudyne

**RHEUMATOID ARTHRITIS**

Actemra  
Cimzia  
Enbrel  
Humira  
Kineret  
Orencia  
Remicade  
Rituxan  
Simponi  
Simponi Aria  
Xeljanz

**SEIZURE DISORDERS**

Acthar  
Sabril

**SYSTEMIC LUPUS ERYTHEMATOSUS**

Benlysta

**UREA CYCLE DISORDERS**

Carbaglu  
Ravicti

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