



BCBSM Prescription Drug Overview

St. Clair County Retirees



Pharmacy Benefit Program

| Benefit Features | BCBSM Benefit Design |
|---|--|
| Tier 1 Generics | \$10/\$10 |
| Tier 2 Preferred Brand Name | \$20/\$40 |
| Tier 3 Non-Preferred Brand Name | \$40/\$80 |
| Retail -90 | 2x your 30 day copay |
| Mail Order | 2x your 30 day copay |
| Coverage for Brand Name Drugs When Generic Equivalent is Available | Brands not covered when generic available unless it's a medical necessity even if doctor writes DAW |
| Prior Authorization/Step Therapy | Yes, but does not apply to most medications you are currently taking |



Triple-Tier Benefit Design

- Triple-Tier Benefits use Custom Formulary
- Copays apply to Tiers 1-3
 - Ex. \$10/\$20/\$40 or \$10/\$40/\$80
 - Tier 1 Generic ⇒ *Losartan (Cozaar®)*
 - Tier 2 Preferred ⇒ *Benicar®*
 - Tier 3 Non-Preferred ⇒ *Diovan®*



Triple-Tier Benefit Design

- P&T (Pharmacy & Therapeutics) Committee evaluates brand name drugs to assign tier based on (a) efficacy **then** (b) safety and **then** (c) cost

Tier 1 – All Generic Drugs

Tier 2 – Preferred

Tier 3 – Non-Preferred

- Brand name drug that has direct generic on market
- **Brand name drug with therapeutic alternative on Tier 1 or Tier 2**





Triple-Tier Benefit Design, *cont.*

- Non-Preferred (Tier 3) drugs are covered



- Always an alternative on Tiers 1 or 2
- Example:

Diovan (Tier 3) has alternatives in Tier 1 (Losartan) and Tier 2 (Benicar)

You have a lesser copay for preferred drugs!



Prescription Definitions

Generic Drugs

- There's little difference between a brand-name drug and its generic equivalent
- U.S. FDA requires that generic drugs have the identical active ingredients as their brand-name equivalents
- Can differ from brand-name drugs only in color and shape
- Price is the major difference between the brand-name and generic version of a drug



Prescription Definitions

Generic vs. Brand-Name Drug Examples

- This table provides a few examples of brand-name drugs and their generic equivalents
- Generic equivalents are available for many commonly used drugs

| Generic Drug | Brand-Name Drug |
|--------------|-----------------------|
| Simvastatin | Zocor [®] |
| Alendronate | Fosamax [®] |
| Omeprazole | Prilosec [®] |
| Cetirizine | Zyrtec [®] |
| Fluoxetine | Prozac [®] |



Prescription Definitions

- Are generic drugs as good as the brand?

“One of the reasons [generic drugs] are underused is that there is a perception out there among physicians and patients that brand-name drugs are better than generic drugs. We found no evidence that brand-name drugs are any better in terms of clinical outcomes than generic drugs.”

Source: Journal of the American Medical Association, December 3, 2008
(Volume 200, Number 21)



Prior Authorization / Step Therapy

- **Prior Authorization (PA)**
 - Process requiring a physician to obtain approval from BCBSM before prescribing select brand name prescription drugs
 - These select Rx drugs will be covered if:
 - Prescribing physician requests PA
 - Specific criteria is met
 - BCBSM approval is granted for the drug in question



Prior Authorization / Step Therapy

- **Step Therapy (ST)**
 - Applies criteria for select Rx drugs at the **point of service (POS)** to determine if less costly drug can be used for same drug therapy
 - Claims that do not meet Step Therapy criteria require Prior Authorization
- **Most of your of current medications will be grandfathered**
 - All drugs **EXCEPT** a select few drugs for safety and abuse potential reasons



Mandatory MAC (Mandatory Generic)

- Physician indicates “DAW” (DAW1)
 - Member required to pay the difference in cost between the brand name and generic, *in addition to* the applicable copay
- Member requests brand name drug (DAW2)
 - Member required to pay the difference in cost between the brand name and generic, *in addition to* the applicable copay
- Physician may apply for medical necessity
 - Member pays only applicable brand copay



Over the Counter Coverage

- With a written prescription from your physician, you can have the following drugs covered:
 - Claritin®
 - Claritin-D®
 - Prilosec OTC®
 - Zrytec®
 - Zrytec-D®



Changes in the RX Benefit

- With a prescription from your physician you can get the following paid for at the 2nd tier copay for your plan:
 - Diabetic Test Strips
 - Lancets
 - Ancillary supplies will not be covered: i.e. cotton balls, alcohol swabs, etc.



Changes in the RX Benefit

- XID1 rider will be implemented. This rider means that the following will no longer be covered by your plan:
 - Erectile Dysfunction Drugs
 - Viagra
 - Levitra
 - Cialis
 - Staxxyn



90 day Supply of Medications

- 2 ways to obtain medications
 - Both charge same amount (2x your 30 day copay)
- Retail 90 Network
 - Convenience of local pharmacy
 - Keep dollars within the community
- Mail Order via Medco
 - Standard meds shipped free of charge to your house
 - No waiting in line



Specialty Medications

Drugs used for chronic and complex conditions (Enbrel, Humira, Copaxone)

- Walgreens Specialty Pharmacy
 - Home delivery pharmacy for **specialty drugs**
 - Prescriptions delivered at no cost
 - Provides free ancillary supplies (e.g. syringes, needles, alcohol swabs)
- Retail Network Pharmacy
 - Members can fill a specialty prescription at a retail pharmacy
 - Not all pharmacies will dispense specialty drugs so members are advised to call pharmacy



Prescription Drug Card Advantages

- Drug card offers “lesser of” pricing
 - Member pays the lowest price of copay, approved amount or pharmacy retail
- Drug interactions are transmitted to pharmacist
 - Member can go to different pharmacies

Use Prescription Card to avoid Drug Interactions!!!!



Lesser of Pricing Example

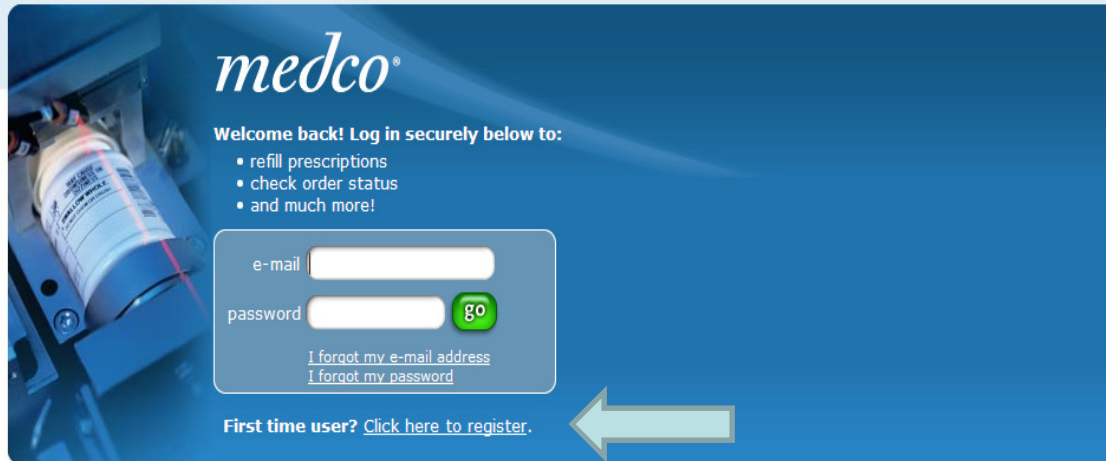
Example with \$15 Generic Copay

| | Drug X | Drug Y | Drug Z |
|------------------------|--------|--------|--------|
| Pharmacy Retail Price | \$4 | \$30 | \$45 |
| BCBSM Contracted Price | \$7 | \$9 | \$25 |
| Member Pays | \$4 | \$9 | \$15 |



Member Website

- <http://www.bcbsm.com>
- Member can research:
 - Custom Formulary
 - Mail order forms
 - On-line benefit tool
 - Pharmacy Initiative information



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- check order status
- and much more!

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Your medication questions can't always wait.

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Prescriptions & benefits **Health resource center** Medco Health Store^{New!}

Price a medication: results [Help](#)

Micha (Date of Birth: 07/20/1978)

You searched for:
Omeprazole
 Capsule Dr 20 Mg, Generic

[View drug information](#)

Important: Please review [coverage notes](#) to see if coverage for this medication has any restrictions.

| Medco By Mail | Retail pharmacy View 90 day retail pricing |
|--|--|
| Generic | Generic |
| Days' supply: 90 | Days' supply: 30 View 90 day retail pricing |
| Qty: 90 | Qty: 30 |
| Covered View coverage notes | Covered View coverage notes |
| Your estimated cost: \$20.00 Plan pays: \$16.00 Your annual cost: \$80.00 | Your estimated cost: \$10.00 Plan pays: \$4.60 Your annual cost: \$120.00 |

Estimated pricing is based on your plan design and is not available for all medications. Medication prices may vary. Pharmacist's judgment, your doctor's instructions on how to take the medication, and applicable law may impact the actual dispensed quantity and/or days' supply you may receive. Medication costs outside of your prescription program, and sales tax, where applicable, are not included.

- ▶ Start over to get [pricing for another medication](#).
- ▶ [Get new pricing](#) with different quantity and/or day's supply.
- ▶ [View a list of all drugs priced during this visit to our site](#).
- ▶ You may have formulary alternatives available. [Click here to learn more](#).
- ▶ Mail order may save you money, [find out how](#).

By using your plan's mail order pharmacy benefit, your copay:

- ▶ for generic medications will be \$ 80.00 /year and you could save approximately \$ 41/year;



Review of Triple Tier Benefit

| Benefit Features | Benefit Design |
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In Final Analysis

- Always ask for a generic medicine
- Remind pharmacy to **ALWAYS** use prescription card
- Ask pharmacy if the claim went through Blue Cross
- Ask doctor for a 90 day prescription for maintenance drugs
- **Remember that each Tier 3 drug has a less expensive alternative**
- Don't forget your custom formulary quick guide when visiting your physician