PHARMACY INFORMATION

What is a Prescription Drug List (PDL)?

This document is a list of commonly prescribed medications. Drugs are listed by common categories or class. They are placed into cost levels known as tiers. It includes both brand and generic prescription medications approved by the U.S. Food and Drug Administration (FDA).

What are tiers?

Tiers are the different cost levels you pay for a medication. Each tier is assigned a cost, which is determined by your employer or health plan. This is how much you will pay when you fill a prescription. Tier 1 medications are your lowest-cost options. If your medication is placed in Tier 2 or 3, look to see if there is a Tier 1 option available. Discuss these options with your doctor.

When does the Prescription Drug List change?

- Medications may move to a lower tier at any time.
- Medications may move to a higher tier when a generic becomes available.
- Medications may move to a higher tier or be excluded from coverage quarterly.

When a medication changes tiers, you may have to pay a different amount for that medication.

Why are some medications excluded from coverage?

Medications may be excluded from coverage under your pharmacy benefit when it works the same or similar as another prescription medication or an over-the-counter (OTC) medication. There may be other medication options available.

What is the difference between brand-name and generic medications?

Generic medications contain the same active ingredients (what makes the medication work) as brand-name medications, but they often cost less. Once the patent of a brand-name medication ends, the FDA can approve a generic version with the same active ingredients. These types of medications are known as generic medications. Sometimes, the same company that makes a brand-name medication also makes the generic version.

What if my doctor writes a brand-name prescription?

The next time your doctor gives you a prescription for a brand-name medication, ask if a generic equivalent or lower-cost option is available and if it might be right for you. Generic medications are usually your lowest-cost option, but not always. For some benefit plans if a brand-name drug is prescribed and a generic equivalent is available, your cost share may be the copay PLUS the cost difference between the brand-name drug and generic equivalent.

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On the medical/pharmacy plan Douglas County covers 2,144 employees and 4,979 total members. Historical pharmacy spend is listed below;

2013 $3,448,840
2014 $3,802,236
2015 $4,539,031
2016 through October $4,367,990

BCBSNE similar network to what Douglas County had with UHC is NetResults. On this formulary there are excluded medications and utilization management;

Preauthorization (PA): Your benefit plan may require preauthorization for certain drugs. This means that your doctor will need to submit a preauthorization request for coverage of these medications, and the request will need to be approved before the medication will be covered under your plan. For the medications listed in this document, if a preauthorization is commonly required, it will generally be noted next to the medication with a dot under the preauthorization column. Some plans may have preauthorization on additional medications beyond those noted in this document. Refer to your benefit plan materials for details about your particular benefits.

Step Therapy (ST): Your benefit plan may include a step therapy program. This means you may need to try another proven, cost-effective medication before coverage may be available for the drug included in the program. Many brand drugs have less expensive generic or brand alternatives that might be an option for you. For the medications listed in this document, if a step therapy is commonly required, it will generally be noted next to the medication with a dot under the step therapy column. Some plans may have step therapy programs on additional medications beyond those noted in this document. Refer to your benefit plan materials for details about your particular benefits.

Dispensing Limits (DL): Drug dispensing limits help encourage medication use as intended by the FDA. Dispensing limits are placed on medications in certain drug categories. For the medications listed in this document, if a dispensing limit applies, it will generally be noted next to the medication with a dot under the dispensing limits column. Limits may include quantity of covered medication per prescription, quantity of covered medication in a given time period, coverage only for members within a certain age range, and coverage only for members of a specific gender. If your doctor prescribes a greater quantity of medication than what the dispensing limit allows, you can still get the medication. However, you will be responsible for the full cost of the prescription beyond what your coverage allows.*

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Below is a list of some of the excluded medications. Members currently taking this medication will be grandfathered on their drug until 4/1/16.

EXCLUDED DRUGS		
DRUG NAME	**# of MEMBERS**	UHC Tier
CRESTOR	45	3
ORTHO TRI-CYCLEN	30	3
ONETOUCH ULTRA BLUE	28	
ORTHO-CYCLEN	28	3
ONETOUCH VERIO TEST STRIPS	16	
PROVENTIL HFA	14	3 SL
TESTIM	13	2 PA
ORTHO MICRONOR	11	3
VOLTAREN	11	2
PHENAZOPYRIDINE HCL	11	1
HUMALOG KWIKPEN	8	2 SL
YASMIN 28	8	1
YAZ	8	2
METHYLPHENIDATE HCL ER	7	3
ORTHO-NOVUM 7/7/7	7	3
DEPO-TESTOSTERONE	6	
DIFFERIN	6	2
HUMALOG	6	2
HUMALOG KWIKPEN, ONETOUCH ULTRA BLUE	6	2

- SL = Supply Limit PA = Prior Authorizations

Once we received the pharmacy claims file from UHC, BCBSNE was able to run disruption reports between their NetResults (closed formulary) and their Standard Formulary. Not only did they provide disruption reports they also did a financial impact analysis on the two formularies. Please see below;

Formulary Comparison Summary Net Results vs. Standard Formulary			
	Total Cost	Member Cost	Plan Cost
Cost Difference	**$172,699.60**	**$26,569.38**	**$146,130.23**
% Difference	**4.0%**	**2.7%**	**4.3%**
Annualized	**$207,239.52**	**$31,883.25**	**$175,356.28**

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Cost Difference of Brand/Generic Medications

The following table is a list of medications showing the difference in estimated total cost of each medication versus their generic equivalent. This does not take into consideration the difference in member cost-share.

Drug Name	Cost Difference to Generic
Ortho Tri-Cyclen	$32 more expensive per month
Ortho-Cyclen	$32 more expensive per month
Ortho Micronor	$33 more expensive per month
Yasmin	$75 more expensive per month
Yaz	$70 more expensive per month
Ortho-Novum 7/7/7	$20 more expensive per month
Crestor	$250 more expensive per month

In reviewing the 2017 PDL list for UHC all of the above ortho medications moved from tier 1 to tier 3. Also for Crestor, the members would have paid a $40 or $60 copay AND the difference in the cost of the medication between the brand and generic.

With any formulary change, you have medications that move tiers. Based on the utilization file received from UHC, 588 members will pay more for their current medication and 995 will pay less for their medication.