

Prescription Drug Plan City of Marietta

Administered by: PharmAvail Benefit Management

Your City of Marietta health plan includes coverage for Prescription Drugs. The plan has contracted with a Pharmacy Benefits Manager (PBM), PharmAvail Benefit Management to manage these benefits. PharmAvail offers a network of retail, mail and specialty pharmacies. It also maintains the covered Prescription Drug list (known as the Formulary) and promotes and monitors the appropriate use of Prescription Drug benefits, including but not limited to possible excessive use, nationally recognized and recommended dosing regimens, drug interactions, adverse reactions and drug/pregnancy concerns.

Glossary of Prescription Drug Terms

In this document, you will see several key terms, which are defined below:

Brand Name Drug

Prescription Drugs that have been determined by the PharmAvail to be classified as Brand Name Drugs through use of an independent proprietary industry database.

Formulary

A document setting forth certain rules relating to the coverage of pharmaceuticals, that may include but not be limited to (1) a listing of preferred Prescription medications that are covered and/or prioritized in order of preference by the Claims Administrator, and are dispensed to Members through pharmacies that are Network Providers, and (2) Precertification rules. This list is subject to periodic review and modification. Charges for medications may be ineligible charges, in whole or in part, if a Member selects a medication not included in the Formulary.

Generic Drug

Prescription Drugs that have been determined by PharmAvail to be classified as Generic Drugs through use of an independent proprietary industry database. Generic Drugs have the same active ingredients, must meet the same FDA specifications for safety, purity and potency, and must be dispensed in the same dosage form (tablet, capsule, cream) as the counterpart Brand Name Drug.

Pharmacy

An establishment licensed by state law to dispense Prescription Drugs and other medications through a duly licensed pharmacist upon a Physician's or other authorized prescriber's order.

Prescription Drug (Drug)

A medicinal substance that is produced to treat illness or injury. Under the Federal Food, Drug & Cosmetic Act, such substances must bear a message on its original packing label that states, "Caution: Federal law prohibits dispensing without a prescription" or states "RxOnly." This includes the following:

- *Compounded (combination) medications, which contain at least one such medicinal substance, and is not essentially a copy of a commercially available drug product*
- *Insulin, diabetic supplies, and syringes.*

Prescription Drug Benefits

Unless otherwise stated below, Prescription Drugs must be Medically Necessary and not being used experimentally or for investigation purposes, in order for the particular drug to be eligible for the benefit. In some cases for particular drugs, the prescribing physician may be asked to provide additional information to PharmAvail so that medical necessity can be established. PharmAvail may establish quantity and/or age limits on specific prescription drugs.

Covered Prescription Drugs

To be eligible for coverage under the plan, the prescription drugs must be approved by the Food and Drug Administration (FDA) and under federal law must be prescribed by a licensed prescriber and obtained from a duly licensed U.S. pharmacy.

The Drug Benefit includes the following:

- 1. Drugs requiring a prescription available from a U.S. licensed Retail pharmacy*
- 2. Specialty Drugs (Prior Approval Required)*
- 3. Injectable Drugs*
- 4. Injectable insulin and certain diabetic supplies and equipment used for glucose testing and the administration of insulin;*
- 5. Oral contraceptive drugs, injectable contraceptive drugs, and contraceptive patches;*

Where You Can Obtain Prescription Drugs

Network Pharmacies

You can visit one of the local retail pharmacies in the network. Ninety-Nine percent of all duly licensed U.S. retail pharmacies are included in PharmAvail's nationwide network. Present the prescription or prescription order from your prescriber along with your Identification Card to the pharmacist and they will file your prescription claim electronically through PharmAvail. You will be required to pay any applicable Copayment, Coinsurance, and/or Deductible to the pharmacy when your prescription is filled. Failure to present your member identification card can result in your being charged the full retail price for the prescription; as without information included on the identification card, the pharmacy may be unable to file the claim for you. If this occurs, you will need to ask your pharmacist for an itemized receipt which can be submitted to PharmAvail at 3380 Trickum Road, 400-100. Woodstock, Georgia, 30188 with a written request for a refund.

Home Delivery Pharmacy/Mail Order Pharmacy

Mail order or Home Delivery Prescriptions are available through MEDVANTX Pharmacy Services. You will need to contact MEDVANTX to enroll when you first use the service.

You may mail written prescriptions from your physician or have your physician send the prescription(s) directly to MEDVANTX. Your physician may also phone or fax the prescription(s) to MEDVANTX. You will need to submit any applicable Copayments, Coinsurance or Deductible amounts to MEDVANTX when you request a prescription or prescription refill. Contact information for MEDVANTX is as follows:

MedVantx Pharmacy

PO Box 5736, Sioux Falls, SD 57117-5736

*Physicians' offices may fax prescriptions to:

(888) 868-8660

(*Note—Fax prescriptions are only acceptable if they are faxed directly from the physician's office.)

Member and Prescriber Toll Free Phone Contact: (866) 744-0621 www.MedVantxRx.com

Customer Service Hours: Monday-Friday 7:00am to 10:00pm and Saturday 8:00am to 5:00pm

Online services are available 24/7, 365 days per year

Specialty Pharmacy

If you require a Specialty Drug, you or your Physician may your Specialty Drugs from one of PharmAvail's network Pharmacies.

Specialty Drugs are Prescription Drugs which:

- Require pre-authorization under the plan before they can be dispensed;
- Are only approved to treat limited patient populations, diseases or conditions;
- Are normally injected, infused, or require close monitoring by a Physician or clinically trained individual; or
- Have limited availability, specialty dispensing and delivery requirements, and/or require additional patient support--any or all of which make the Drug difficult to obtain through traditional pharmacies.

Specialty Drugs Obtained From a Medical Provider or Clinic

Please note that when Specialty Drugs are obtained from a medical provider, physician's office or clinic, including but not limited to Specialty Drugs received in the physician's office as part of the Home Care Benefit, or as part of other Outpatient services, the Copayments, Coinsurance detailed in the "Prescription Drugs" Schedule of Benefits will not apply. Instead, Copayments/Coinsurance will be based on the practice setting in which the Specialty Drug is received.

Non-Duplication of Benefits

Non-duplication of benefits applies to Specialty Drugs under this plan. When benefits are provided for Specialty Drugs under this plan's medical benefits, they will not be provided under your Prescription Drug benefit. Conversely, if benefits are provided for Specialty Drugs under your Prescription Drug benefits they will not be provided under the Plan's medical benefits.

What You Pay for Prescription Drugs/Drug Tiers

Your share of the cost for Prescription Drugs may vary based on whether the particular prescription drug is a first, second, third or fourth tier drug. The tier placement of preferred drugs can change annually based on the availability of equally as effective, less expensive therapeutic alternatives.

- Tier 1 (Generic) Prescription Drugs have the lowest Coinsurance or Copayment. This tier contains low cost and preferred medications that may be generic or multi-source Brand drugs.
- Tier 2 (Preferred Brand) Prescription Drugs will have a higher Coinsurance or Copayment than those in Tier 1. This tier contains preferred medications that may be newly released generics, single source, or multi-source brand drugs.
- Tier 3 (Non-Preferred Brand) Prescription Drugs will have a higher Coinsurance or Copayment than those in Tier 2. This tier contains non-preferred and high cost medications. This tier includes medications that are single source or multi-source brand drugs.
- Tier 4 (Specialty) Prescription Drugs will have a Coinsurance for medications classified as Specialty Drugs.
- Tier 5 (Non-Preferred Specialty) Prescription Drugs will have a Coinsurance for medications classified as Non-Preferred Specialty Drugs.

Prescription Drug Tier and Formulary Assignment Process

PharmAvail Benefit Management has an established Pharmacy and Therapeutics Committee that consists of health care professionals, clinical pharmacists and physicians that review the therapeutic equivalency, clinical effectiveness and cost of new and older FDA-approved medications to determine appropriate Tier placement within the Formulary. This committee is tasked, first and foremost, with maintaining and insuring continued clinical soundness and quality within the drug plan. Further included in their review is the development of recommendations provided to plans for the purpose of improving and advancing care while maintaining program controls. These recommendations will include, but are not limited to, requiring prior authorization on certain drugs or categories of drugs, maintenance drug starter dosing, step therapy programs, and limits on dispensed quantities and refills.

Prior Authorization

Prior Authorization may be required for certain Prescription Drugs, or the prescribed quantity of a particular drug, (inclusive of all specialty medications). Prior Authorization helps promote appropriate utilization and enforcement of guidelines for Prescription Drug benefit coverage. PharmAvail uses pre-approved criteria, developed by the Pharmacy and Therapeutics Committee. PharmAvail will contact your pharmacy and/or physician to obtain additional information required to determine whether Prior Authorization should be granted and will communicate the results of the decision to your provider.

Step Therapy

Step therapy refers to the process in which you may be required to use one type of medication before benefits are available for another. PharmAvail monitors certain Prescription Drugs to control utilization and to ensure that appropriate prescribing guidelines are followed. These guidelines help you access high quality yet cost effective

prescription drugs. Step Therapy edits requiring prior use of equally effective Step-1 drugs will be applied to all brand-name hyper-lipotropics (i.e., Advicor, Altoprev, Crestor, Lescol XL, Livalo, Simcor, Vytorin); fibromyalgia agents (i.e., Lyrica); all brand-name ACE & ARB anti-hypertensive agents & combinations (i.e., Diovan, Diovan HCT, Diovan, Edarbi, Benicar, Tekturna); all brand-name triptan-class migraine treatments (i.e., Sumavel, Axert, Frova) and COX-II anti-inflammatory agents (i.e., Celebrex).

Evidence-Based Formulary Tier Program

As many drugs covered under the City of Marietta's drug plan have less costly options (to both member and plan) available that are therapeutically equivalent and clinically justifiable. Certain brand-name medications available in the past as preferred (Tier-2) options will be re-classified as non-preferred (Tier-3) drugs, including, but not limited to, Lovaza, Januvia, Azor, Coreg CR, Pristiq, Patanase, Janumet, Lyrica, Belsorma, Benicar, Opana, Oxycontin, Vyvanse, Mybetriq.

Drug Compliance/Adherence Support

PharmAvail's clinical program designed to support and assist members in complying to their drug regimens will be engaged once sufficient time (around 9 months) managing the plan affords PharmAvail's team of pharmacists the data required to target those members needing help. Restated, sufficient time must pass to allow individual member compliance to maintenance medications to be identified, tracked and quantified. Health data has proven that improving member compliance to drug therapy results in improved health for member, which is the entire goal of this program. For more information on this program, please contact one of PharmAvail's pharmacists at (800) 933-3734.

Day Supply and Refill Limits

Prescription Drugs are subject to day supply limits as listed in the "Summary of Prescription Benefit" that follows. In most cases, it is required that you use a certain amount of your prescription (e.g., 85%) before it can be refilled. However, in certain circumstances this requirement may be waived, for example, to allow for travel or an increase in dosage.

Appeal Process

A member, parent, legal guardian or representative may initiate an appeal when an eligible drug benefit has been denied. For a case to be appealed, a signed note or letter from the member, parent or legal guardian, accompanied by supporting information from the service provider or prescriber (e.g. a doctor) must be submitted to PharmAvail at 3380 Trickum Road, Bldg. 400, Suite 100, Woodstock, GA 30188 or by fax at 678-236-0415. When you make an appeal, we review the coverage decision we have made to check to see if we were following all of the rules properly. Your appeal is handled by different reviewers than those who made the original unfavorable decision. When we have completed the review, we give you our decision within 72 hours.

Summary of Prescription Benefit

Each Prescription Drug will be subject to a member cost share (e.g., Copayment) as described below. If your Prescription Order includes more than one Prescription Drug, a separate cost share will apply to each covered drug. You will be required to pay the lesser of your scheduled cost share or the Maximum Allowed Amount.

Day Supply Limitations

Prescription Drugs will be subject to various day supply and quantity limits. Certain Prescription Drugs may have a lower day-supply limit than the amount shown below due to other Plan requirements such as Prior Authorization, quantity limits, and/or age limits and utilization guidelines.

Community Retail Pharmacy – Non-Maintenance/Acute Medications	up to 30 days
Community Retail Pharmacy – Maintenance/Chronic Medications	up to 90 days
Home Delivery / Mail Service Pharmacy – Maintenance/Chronic Medications	up to 90 days

Prescription Co-Payments (Member Share)

Retail Pharmacy (One Copayment For Each 30-Day Supply)

	POS Copay Base Plan (Per Month Supply)	PPO Coinsurance Plan (After Deductible is Met)
Generic Drug (Tier 1) Copayment	\$10	20 %
Preferred Brand (Tier 2) Copayment	\$40	25 %
Non-preferred Brand (Tier 3) Copayment	\$65	30 %
Specialty Medications (Tier 4) Copayment (30-day's supply limit)	20% of Total Allowable Cost (Up To a Maximum of \$400/Rx)	30%
Non-Preferred Specialty (Tier 5) Copayment (30-day's supply limit)	10% of Total Allowable Cost	10% of Total Allowable Cost

Home Delivery / Mail Service Pharmacy (Up to a 90-Day Supply)

	POS Copay Base Plan	PPO Coinsurance Plan
Generic Drug (Tier 1) Copayment	\$20	20 %
Preferred Brand (Tier 2) Copayment	\$80	25 %
Non-preferred Brand (Tier 3) Copayment	\$130	30 %
Specialty Medications (Tier 4) Copayment (30-day's supply limit)	20% of Total Allowable Cost (Up To a Maximum of \$400/Rx)	30%
Non-Preferred Specialty (Tier 5) Copayment (30-day's supply limit)	10% of Total Allowable Cost	10% of Total Allowable Cost

MEDVANTX PHARMACY SERVICES, PO Box 5736, Sioux Falls SD 57117-5736

Member and Prescriber Toll Free Phone Contact: 866.744.0621 or MedVantxRx.com

Note: Generic drugs contain the same chemical agent(s) and have been proven to be therapeutically as effective as the brand-name versions by the FDA. If a generic is available, you will be dispensed the generic. Should you purchase a brand name drug when a generic is available, you will be required to pay the price difference between the brand and generic in addition to the applicable copayment or coinsurance amount.

Drug Exclusions

- Drugs being utilized to treat non-FDA approved indications
- Smoking Cessation Products
- Drugs or supplies considered experimental or investigational
- Drugs newly approved by the Food and Drug Administration (FDA) are not covered until sufficient time has elapsed "post-approval" to determine and insure patient safety through actual clinical practice. Exceptions are made to these coverage exclusions for any new drug product or medication that has been determined by the FDA to be a significant therapeutic advance over similar drugs within the same therapeutic treatment class.
- Clinically unnecessary, brand-name (so-called "Me-Too") medications where therapeutic or compounded alternatives are readily available (i.e., Solodyn, Vimovo, Epiduo Oracea, Doryx, Androgel, Testim, Fortesta, Axiron, Androderm, Striant, Azasite, Finacea, Amrix)

The PharmAvail Drug Formulary detailing preferred medications is available by download at www.pharmavail.com or by calling PharmAvail Member Services at 800-933-3734.



Member Customer Service Phone: 800-933-3734

Fax: 678-236-0415

www.pharmavail.com

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