Member cost-share for prescription drugs is determined by the tier to which a drug has been assigned. To determine the tier assignments for formulary drugs, we work with our Pharmacy and Medical Policy Committee, a group of physicians and pharmacists who are not employees or agents of, nor have financial interest in, the Blue Cross and Blue Shield Service Benefit Plan. The Committee meets quarterly to review new and existing drugs to assist us in our assessment. Drugs determined to be of equal therapeutic value and similar safety and efficacy are then evaluated on the basis of cost. The Committee's recommendations, together with our evaluation of the relative cost of the drugs, determine the placement of formulary drugs on a specific tier. Using lower cost preferred generic drugs will provide you with a high-quality, cost-effective prescription drug benefit.

Your cooperation with our cost-saving efforts helps keep your premium affordable.

Our payment levels are generally categorized as:

Tier 1: Preferred generic drugs obtained at a Preferred retail pharmacy Tier 2: Preferred brand-name drugs, preferred generic specialty drugs, and preferred brand-name specialty drugs obtained at a Preferred retail pharmacy or through the Specialty Drug Pharmacy Program.

You can view the formulary on our website at <u>www.fepblue.org</u> or call 800-624-5060, TTY: 711, for assistance. If you do not find your drug on the formulary, or the preferred drug list, please call 800-624-5060. Changes to the formulary are not considered benefit changes.

Any savings we receive on the cost of drugs purchased under this Plan from drug manufacturers are credited to the reserves held for this Plan.

Generic equivalents

Generic equivalent drugs have the same active ingredients as their brand-name equivalents. By filling your prescriptions (or those of family members covered by the Plan) at a Preferred retail pharmacy or through the Specialty Drug Pharmacy Program, you authorize the pharmacist to substitute any available U.S. FDA-approved generic equivalent, unless you or your physician specifically request a brand-name drug. However, if there is a generic substitution available and you or your provider requests a brand-name drug, you will be responsible for the applicable cost-share plus the difference in the costs of the brand-name and generic drugs. Keep in mind that FEP Blue Focus members **must use Preferred pharmacies in order to receive benefits**. See page <u>130</u> for more information about generic alternatives and generic equivalents.

• Disclosure of information. As part of our administration of prescription drug benefits, we may disclose information about your prescription drug utilization, including the names of your prescribing physicians, to any treating physicians or dispensing pharmacies.

• These are the dispensing limitations.

Subject to manufacturer packaging and your prescriber's instructions, you may purchase either up to a 30-day supply or a 31 to 90 day supply of covered drugs and supplies through the Retail Pharmacy Program or up to a 30-day supply through the Specialty Drug Pharmacy Program.

Notes:

 Certain drugs such as narcotics may have additional limits or requirements as established by the U.S. FDA or by national scientific or medical practice guidelines (such as Centers for Disease Control, American Medical Association, etc.) on the quantities that a pharmacy may dispense. In addition, pharmacy dispensing practices are regulated by the state where they are located and may also be determined by individual pharmacies. Due to safety requirements, some medications are dispensed as originally packaged by the manufacturer and we cannot make adjustments to the packaged quantity or otherwise open or split packages to create 30, and 90-day supplies of those medications. In most cases, refills cannot be obtained until 75% of the prescription has been used. Controlled substances cannot be refilled until 80% of the prescription has been used. Controlled substances are medications that can cause physical and mental dependence, and have restrictions on how they can be filled and refilled. They are regulated and classified by the DEA (Drug Enforcement Administration) based on how likely they are to cause dependence. Call us or visit our website if you have any questions about dispensing limits. Please note that in the event of a national or other emergency, or if you are a reservist or National Guard member who is called to active military duty, you should contact us regarding your prescription drug needs. See the contact information on page 92.

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