2023 Blue Cross and Blue Shield Service Benefit Plan - FEP Blue Focus Section 5(f). Prescription Drug Benefits What is covered

• What is covered. We use a closed formulary.

If you purchase a drug that is not on the formulary, you will pay the full cost of that drug.

The FEP Blue Focus Formulary includes a list of preferred drugs that are safe, effective and appropriate for our members and are available at lower costs than other drugs.

Some drugs, nutritional supplements, and supplies are not covered (see page <u>99</u>); we may also exclude certain U.S. FDA-approved drugs when multiple generic equivalents/alternative medications are available. If you purchase a drug, nutritional supplement, or supply that is not covered, you will be responsible for the full cost of the item.

Notes:

- Before filling your prescription, please check the FEP Blue Focus Formulary drug list and tier assignment of the drug. Other than changes resulting from new drugs or safety issues, the preferred drug list is updated periodically during the year and not considered a benefit change.
- 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 brandname 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.