

Section 7: PHARMACY

In health plans that include a prescription drug benefit, a comprehensive pharmacy services program is provided that includes formulary and Preferred Drug List (PDL) management, drug preauthorization, drug limitations, step therapy protocols, and a specialty drug program.

7.1 Formulary and Preferred Drug List (PDL)

PacificSource uses a formulary and a PDL. With input from Caremark®, the pharmacy benefit manager (PBM) under contract to PacificSource, the formulary and PDL were developed to provide a broad range of medications. The PDL is a more restrictive sub list of the formulary providing medications with superior cost advantages in select therapeutic classes.

Our pharmacy benefits are based on one of these two documents. You should use these documents to prescribe the most clinically appropriate and cost-effective medications for the member. Generics are generally available for the lowest cost. Preferred brands are available at a higher cost with nonpreferred brands available for the highest cost.

7.2 Drug Preauthorization

Certain drugs require preauthorization for members with pharmacy or major medical prescription plans. Preauthorization is a service provided for the member and provider. Its purpose is to:

- Determine benefits and provider contract status
- Facilitate improved quality of care and service
- Anticipate and plan potential additional services that might be needed
- Facilitate timely payment of claims

This process includes an assessment of both the member's available benefits and medical indications for use. If you do not preauthorize a medication when required, a member could unknowingly become responsible for payment.

We base our preauthorization guidelines on current medical evidence, and review and update them to accommodate changing recommendations for these medications. We will also incorporate guidelines for newly approved medications as they are developed. If we find it appropriate, these new drugs will be added to our preauthorization list.

Providers and members can access the current Prescription Drug Preauthorization List in the on our Web site at www.pacificsource.com.

To request preauthorization:

The ordering physician is required to contact either Caremark® or our Pharmacy Department for preauthorization. (Our online Prescription Drug Preauthorization List indicates which drugs we manage, and which ones Caremark® manages.)

- For drugs managed by Caremark®, call (888) 413-2723
- For drugs managed by PacificSource, call (800) 624-6052, ext. 3784, or fax (541) 225-3665.

The Drug Preauthorization Request Form is available in the For Providers section of our Web site, www.pacificsource.com (click on Forms). You may also obtain the form by contacting our Pharmacy Department by phone at (541) 225-3784, or toll-free at (800) 624-6052, or by e-mail at pharmacy@pacificsource.com.

Note: The member's group contract determines benefits. Prescription drugs that are contract exclusions will not be preauthorized and will not be approved via notification to the pharmacy at the time of dispensing. Drugs that are not approved may be appealed through our Customer Service Department.

Drugs may be added to or removed from this list as clinical indications dictate.

7.3 Drug Limitations

Drug limitations are online, real-time edits for specific drugs. These edits limit drugs to specific quantities over defined time periods. The drug limitations help manage utilization and drug costs, reduce overall healthcare costs, and provide sound, cost effective options for the choice and utilization of effective drug therapies. The program enables the coverage of selected drugs within defined guidelines at the point of service. It also prevents hoarding and wastage of medications.

Effective May 1, 2006, we implemented limitations for certain drugs covered on our prescription drug plan. The 45 drugs on this list will have a limit on the quantity allowed in a 30-day period, and the plan will only consider claims for this limited amount.

Limiting quantities helps ensure that our members are using these products appropriately and in a safe manner according to the FDA-approved dosing guidelines.

Your patients may obtain more medication than the specific dispensing limits if necessary; however, they will be responsible for the cost of the additional quantity. We may cover the additional quantities of these drugs in some cases. If you feel that clinical indications warrant a quantity above the limit, please contact our Pharmacy Department for preauthorization.

To view a list of the drugs affected by this policy, please visit the For Providers section of our Web site at www.pacificsource.com or contact your Provider Service Representative to request a copy.

PacificSource manages this program. To request an override, use the procedure outlined in the Drug Preauthorization section (7.2) above.

7.4 Step Therapy Protocols

Caremark®'s Integrated Claims Adjudication System can view claims history during the adjudication process in supporting a step therapy protocol or therapy protocol. A therapy protocol, through system automation, reviews a participant's claim history and checks for medications at the national drug code (NDC) or generic product indicator (GPI) level to administer a step therapy program.

This program can monitor and manage specific medication dosages, medication use across therapeutic categories, medications prescribed by particular specialists, and previous use of specific medications. The types of step therapies include:

- Mandatory use of first-line agents prior to higher cost, new-generation therapies
- Closed physician-specialty networks
- Duration of therapy timeframes
- Pre- and post-product-specific utilization
- Co-utilization requirements
- Day/dose limitations

PacificSource manages this program. To request an override, use the procedure outlined in the Drug Preauthorization section (7.2) above.

7.5 Specialty Drugs

Caremark® Specialty Pharmacy Services is our provider for high-cost injectable medications and biotech drugs. This pharmacy provides individual follow-up care and support by a pharmacist led CareTeam to our members with the following conditions:

- Asthma
- Crohn's Disease
- Enzyme Replacement
- Gaucher's Disease
- Hematopoietics
- Hepatitis C
- Hormonal Therapies
- Immune Disorders
- Multiple Sclerosis

- Oncology
- Hypertension
- Rheumatoid Arthritis
- Psoriasis
- Pulmonary Disease
- Growth Hormone Deficiency
- Pulmonary Arterial
- RSV Prevention

The Caremark CareTeam provides comprehensive disease education and counseling, assesses patient health status, and offers a supportive environment for patient inquiries. We not only ensure that our members receive strong clinical support, but we also ensure the best drug pricing for these specific medications and biotech drugs.

Caremark provides quality care and service to PacificSource members with chronic conditions.

For more information, please contact Caremark at (800) 237-2767.

