

SUMMARY OF BENEFITS



SmartHealth™ for Business
\$10/250+30%/50% \$5,000 Mac A

Your PacificSource health plan includes coverage for prescription drugs and certain other pharmaceuticals, subject to the information below. Your prescription drug plan qualifies as creditable coverage for Medicare Part D.

PRESCRIPTION DRUG DEDUCTIBLE \$250

The deductible is an amount of covered pharmacy expenses the member pays each calendar year for brand name medications before the plan's pharmacy benefits begin. Copayments, differential costs between generic and brand drugs, charges incurred at nonparticipating pharmacies, and expenses for drugs obtained without using your PacificSource ID card do not accumulate toward the deductible.

COPAYMENTS

Each time a covered pharmaceutical is dispensed, you are responsible for a copayment. Copays are as follows:

From a participating Caremark® retail pharmacy using the PacificSource Pharmacy Program (see below):	Tier 1: <u>Generic</u>	Tier 2: <u>Preferred</u>	Tier 3: <u>Nonpreferred</u>
Up to a 31-day supply:	\$10	30%	50%
From a participating Caremark® pharmacy without using the PacificSource Pharmacy Program, or from a nonparticipating pharmacy (see below):	Same as the retail pharmacy copayment above		
From a mail order service (see below):			
Up to a 90-day supply:	\$20	30%	50%

COPAYMENTS FOR SPECIALTY DRUGS

Participating provider benefits for specialty drugs are available when you use Caremark® Specialty Pharmacy Services. The Caremark® Specialty Pharmacy Service is not available through the Caremark® retail pharmacy network, and participating provider benefits for specialty drugs are available at a Caremark® retail pharmacy only when preauthorized by PacificSource. An up-to-date list of drugs requiring preauthorization and/or are subject to pharmaceutical service restrictions is available on the PacificSource Web site. Each time a specialty drug is dispensed, you are responsible for a copayment as follows:

From Caremark® Specialty Pharmacy Services:	
Up to a 30-day supply:	Same as the retail pharmacy copayment above
From a participating Caremark® pharmacy, or from a nonparticipating pharmacy:	Same as the retail pharmacy copayment above

WHAT HAPPENS WHEN A BRAND NAME DRUG IS SELECTED

Your pharmacist can fill your prescription with a generic drug when available and permissible by Idaho law. If you receive a brand name drug or if your physician prescribes a brand name drug when a generic is available, you must pay the brand name drug's copay plus the difference in cost between the brand name drug and its generic equivalent.

PRESCRIPTION DRUG OUT-OF-POCKET LIMIT \$5,000

The copay for prescription drugs obtained from a participating pharmacy is waived at participating pharmacies during the remainder of a calendar year in which you have satisfied the Prescription Drug Out of Pocket Limit of \$5,000. The limit applies to each member. Claims must be submitted by a participating pharmacy electronically. Differential between brand and generic drugs, and drugs at a nonparticipating pharmacy do not apply toward the limit.

USING THE PACIFICSOURCE PHARMACY PROGRAM

The Caremark® retail pharmacy network is the participating retail pharmacy network for this plan. The Caremark® retail pharmacy network includes about 98% of all retail pharmacies in the United States. It also includes *drugstore.com*, an Internet-based pharmacy service.

To use the PacificSource pharmacy program, you must show the Caremark® plan number on your PacificSource ID card at the participating pharmacy to receive your plan's highest benefit level.

When obtaining prescription drugs at a participating Caremark® retail pharmacy, the PacificSource pharmacy program can only be accessed through the pharmacy plan number printed on your PacificSource ID card. That plan number allows the pharmacy to collect the appropriate copay from you and bill PacificSource electronically for the balance. When you use your PacificSource ID card at participating pharmacies, the pharmacy will charge you the lesser of your copay or the pharmacy's discounted drug cost plus service fee. For example, if your copay is \$10 and the drug's discounted cost plus service fee is only \$7.50, a participating pharmacy will only charge you \$7.50. When the pharmacy plan number is not used at the time of purchase, PacificSource will reimburse you the prescription drug expense after subtracting the out-of-plan copayment shown above.

Mail Order Service

Mail order prescription service is also available through your plan for most prescription drugs. If you take a medication on a regular basis, CVS Caremark Mail Service and Wellpartner Mail Order Pharmacy are convenient ways to order prescriptions and have them delivered directly to your home; there is no shipping or handling charge. For more information, please see the CVS Caremark Mail Service brochure and Wellpartner Mail Order Pharmacy brochure available from your plan administrator or PacificSource, or on the For Members area of our Web site, www.pacificsource.com.

CAREMARK® SPECIALTY PHARMACY PROGRAM

Caremark® Specialty Pharmacy Services is your provider for many specialty and biotech drugs often used to treat chronic or genetic disorders. The program is designed to help PacificSource members with the following health conditions maximize the value of their health plan benefits:

Asthma	Growth hormone deficiency	Immune disorders	Pulmonary arterial hypertension
Crohn's disease	Hematopoietics	Multiple sclerosis	Pulmonary disease
Enzyme replacement	Hepatitis C	Oncology	RSV prevention
Gaucher's disease	Hormonal therapies	Psoriasis	Rheumatoid arthritis

A complete list of medications covered under this program is available on the For Members area of our Web site, www.pacificsource.com. If you are using a covered medication, you will be contacted and invited to participate in the program. The Caremark® Specialty Pharmacy Program offers:

- Personal attention from a pharmacist-led CareTeam that provides condition-specific education, medication administration instruction, and expert advice to help you manage your therapy
- Easy access to pharmacists and other health experts 24 hours a day, seven days a week
- Easy ordering with a dedicated toll-free number
- Confidential and convenient delivery of medications to the location of your choice

OTHER COVERED PHARMACEUTICALS

Supplies covered under pharmacy are in place of, not in addition to, those same covered supplies under the medical plan. Your plan's Tier 1, Tier 2, or Tier 3 copayment will apply depending on the specific prescription purchased unless otherwise noted.

Contraceptives

- Oral contraceptives.
- Depo Provera or Lunelle injections, Ortho Evra Transdermal Patch, NuvaRing Vaginal Contraceptive Ring, or Preven.
- Diaphragm or cervical caps are available.

Diabetic Supplies

- Insulin and diabetic syringes are available.
- Lancets and test strips are available.
- Glucagon recovery kits are available for your plan's Tier 2 copayment. You may purchase up to two kits at one time, but no more than four kits in any calendar year (unless preauthorized by PacificSource).
- Glucostix and glucose monitoring devices are not covered under this pharmacy benefit, but are covered under your medical plan's durable medical equipment benefit.

Bee Sting Kits

Anaphylactic recovery kits for people with severe allergic reactions to bee stings are available for your Tier 2 copayment. You may purchase up to two kits at one time, but no more than four kits in any calendar year (unless otherwise preauthorized).

Tobacco Cessation

Program specific tobacco cessation medications are covered with active participation in a PacificSource approved tobacco cessation program.

LIMITATIONS AND EXCLUSIONS

- This plan only covers drugs prescribed by a licensed physician (or other licensed practitioner eligible for reimbursement under your plan) prescribing within the scope of his or her professional license, except for:
 - Over-the-counter drugs or other drugs that federal law does not prohibit dispensing without a prescription (even if a prescription is required under state law).
 - Drugs for any condition excluded under the health plan. That includes drugs intended to promote fertility, treatments for obesity or weight loss, tobacco cessation drugs (except as specifically provided for under Other Covered Pharmaceuticals), experimental drugs, drugs prescribed or used for cosmetic purposes, and drugs available without a prescription (even if a prescription is provided).
 - Immunizations (although certain immunizations are covered under your health plan's preventive care benefit – please see the Covered Expenses – Preventive Care section of your Member Benefit Handbook).
 - Drugs and devices to treat erectile dysfunction.
 - Drugs used as a preventive measure against hazards of travel.
- Certain drugs require preauthorization by PacificSource in order to be covered. An up-to-date list of drugs requiring preauthorization is available on the For Members area of our Web site, www.pacificsource.com.
- PacificSource may limit the dispensing quantity through the consideration of medical necessity, generally accepted standards of medical practice, and review of medical literature and governmental approval status.
- Quantities for any drug filled or refilled are limited to no more than a 30-day supply when purchased at retail pharmacy or a 90-day supply when purchased through mail order pharmacy service or a 30-day supply when purchased through a specialty pharmacy.
- For drugs purchased at nonparticipating pharmacies or at participating pharmacies without using the PacificSource pharmacy program, reimbursement is limited to an allowable fee. That fee is the wholesale acquisition cost of the medication plus 20%.
- Your share of the cost for prescription drugs does not apply to your medical plan's out-of-pocket maximum. Prescription drugs copays are still your responsibility even if the medical plan's out-of-pocket maximum is satisfied.
- Prescription drug benefits are subject to your plan's coordination of benefits provision. (For more information, see Claims Payment–Coordination of Benefits in your Member Benefit Handbook.)

GENERAL INFORMATION ABOUT PRESCRIPTION DRUGS

Preferred Drugs

A *drug formulary* is a list of preferred medications used to treat various medical conditions. The formulary for this plan is known as the Preferred Drug List (PDL). The PDL is used to help control rising healthcare costs while ensuring that you receive medications of the highest quality. It is a guide for your doctor and pharmacist in selecting drug products that are safe, effective, and cost efficient. The PDL is made up of name brand products. The current PDL includes approximately 650 commonly prescribed brand name medications. A complete list of medications covered under the PDL is available on the For Members area of our Web site, www.pacificsource.com. The PDL is developed by Caremark® in cooperation with PacificSource. *Nonpreferred drugs* are covered brand named medications not on the PDL.

Generic Drugs

Generic Drugs are equivalent to name brand medications. Name brand medications (such as Valium) lose their patent protection after a number of years. At that time any drug company can produce the drug, and the manufacturer must pass the same strict FDA standards of quality and product safety as the original manufacturer. Generic drugs are less expensive than brand name drugs because there is more competition and there is no need to repeat costly research and development. Your pharmacist and doctor are encouraged to use generic drugs whenever they are available.