

Using Your Tiered Prescription Drug Plan

Generic Drugs

Generic drugs have the same active ingredients as their brand name counterparts. In addition, the U.S. Food and Drug Administration (FDA) requires all drug manufacturers to meet the same production process and control standards. Therefore, the use of generic drugs offers a simple and safe alternative to help reduce prescription costs for both you and your employer. Generic drugs offer the best value, and your plan encourages the use of generics whenever possible. All covered generic drugs are available for your plan's Tier 1 (generic) copayment.

A Note About Generic Substitution

Your pharmacist may dispense generic substitutes whenever they are available and legally permitted. If your doctor specifically indicates "dispense as written" on a prescription, you will not receive a generic substitute.

The Preferred Drug List

The PacificSource Preferred Drug List is a guide to excellent values on brand name prescription drugs. It will help your doctor identify medications that can provide the

best clinical results at the lowest cost. There are hundreds brand name drugs on the list, and they are available for your plan's Tier 2 (preferred) copayment. The list is subject to change as new drugs constantly enter the market. The most current Preferred Drug List can be found online at PacificSource.com/pdl.

Your plan also covers brand name medications not on the Preferred Drug List. Those drugs are available for your Tier 3 (nonpreferred) copayment. A list of alternatives to nonpreferred drugs is available on our Web site at PacificSource.com/PDL.

Preauthorization

Certain drugs require preauthorization by PacificSource in order to be covered. An up-to-date list of drugs requiring preauthorization is available online at PacificSource.com. For Our Members > Prescription Drug Information > Prescription

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Your prescription drug plan consists of three benefit tiers:

Tier 1 includes all covered generic drugs.

Tier 2 includes most drugs on our Preferred Drug List.

Tier 3 includes all other prescription medications covered by your health plan.



Drug Lists > Drugs that require preauthorization.

If you order one of those drugs at a participating pharmacy and a preauthorization has not been approved, your pharmacist will be alerted electronically. The pharmacist may then contact your doctor to request preauthorization for you before filling the prescription.

Questions and Answers

How do I know what my copayment will be?

Your Member Benefit Summary shows your plan's specific copayment amounts. Your prescription drug plan has three "tiers" of copayments.

- Your lowest (Tier 1) copayment applies to all generic drugs.
- Your Tier 2 - Preferred copayment applies to most drugs on our Preferred Drug List.
- Your Tier 3 - Nonpreferred copayment applies to all other covered medications.

Specialty drugs may have a different copay outside the three tiers. Refer to your pharmacy benefit summary for more details.

Why are some drugs excluded from the Preferred Drug List?

When drugs are not granted preferred status, it is due to one or more of the following reasons:

- There is a federally approved generic equivalent. For example, brand name drug Motrin is nonpreferred because a generic equivalent (ibuprofen) is available.
- There are many other drugs available to treat the same condition, and one drug is proven less safe or more expensive and offers no particular medical advantage over others. For example, the cholesterol-lowering agent Zocor is nonpreferred because it is more expensive and offers no advantage over its preferred alternatives (lovastatin, Lipitor).
- A new product offers no particular advantage over existing products used to treat the same condition. An example is the antibiotic Ceclor CD, which offers no real advantages over the preferred generic antibiotic cefaclor.

Who determines if a drug is included on the Preferred Drug List?

A committee made up of physicians and pharmacists reviews drug therapies to determine if they are granted preferred status. These committee members do not have a direct financial interest in the decision, and are generally very sensitive to the needs of patients and their doctors. When drugs are evaluated for preferred status, many factors are considered, including:

Drugs Excluded from Coverage:

Not all drugs on our Preferred Drug List are covered by all health plans. Your plan may exclude coverage for certain types of drugs. Your coverage is determined by your insurance contract. For questions about coverage, you are always welcome to contact our Customer Service Department.

If you have more questions after reviewing this material, we're just a phone call or e-mail away—and we're always happy to help.

Customer Service:
(541) 684-5582 in Eugene
toll-free (888) 977-9299
e-mail cs@pacificsource.com

- Clinical components (safety, efficacy, adverse effects, patient compliance, outcome studies, comparison studies)
- Ingredient cost (cost per day of therapy)
- Demand (medical demand and consumer demand)

How can I find out if a specific medication is preferred?

The most up-to-date Preferred Drug List is always available on our Web site at PacificSource.com/pdl. Our list is updated every month. You are also welcome to call our Customer Service Department at (541) 684-5582 or toll-free at (888) 977-9299 for questions about a specific drug or to request a printed copy of the current Value Drug List.

My doctor prescribes a brand name drug that's not on the Preferred Drug List because it works best for me. What will my cost be?

Most conditions and patients can be successfully treated with generic and preferred brand name medications. However, we realize that each patient is different and there will always be exceptions. That's why your plan provides coverage for nonpreferred Tier 3 medications.

The medication I take used to be on the Preferred Drug List, but now it's not. What does that mean for me?

When a medication drops off the Preferred Drug List, it's because there is now a generic equivalent or another therapy that provides better clinical and economic benefits. Check with your doctor to see if there's a generic or preferred brand medication that would work for you. If you continue to take the same medication, you'll pay your plan's Tier 3 (nonpreferred) copayment.

Are generic drugs really as good as brand name?

Yes. Generic and brand name drugs work exactly the same because they are made of the same active ingredients. The FDA's job is to ensure that the generic is equal to the brand name drug. The FDA has set high standards to make sure all approved generic medicines are the therapeutic equivalent of their brand name counterparts. That means the generic drug can be substituted and it will produce the same clinical effect, and meet the same safety profile and other standards as the brand name drug.

What can I do to make sure I get the most cost effective medications available?

At the pharmacy, ask for generics. Take the Preferred Drug List to your doctor's appointment and tell your doctor that paying the lowest copayment possible is important to you. Ask your doctor to prescribe generics or write "may substitute" on your prescriptions. If a generic isn't available, ask your doctor to consider a brand

Our Preferred Drug List is posted on our Web site and updated monthly. You'll find it at PacificSource.com/pdl.

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*If you have questions,
you are welcome to
contact our Customer
Service Department at
888.977.9299 or e-mail
cs@pacificsource.com.*

name drug from the Preferred Drug List.

How can I find out more about generic drugs?

To learn more about generics and how they impact your health and financial well being, visit Caremark.com/countongenerics.

To find out whether a prescription drug is available in a generic form or to determine the FDA status of a generic drug, visit FDA.gov/cder/ogd/index.htm.



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