

## Prescription Drug Benefits

Plan participants must be enrolled in a basic health plan to be eligible for the Medco Prescription Drug Program. Participating members will receive a Medco prescription **drug card** unless they elect to purchase an optional drug rider through certain basic health programs. Those who elect a rider over the card should refer to the *Stipend* section below. *Please note that the Medco Prescription Drug Program restricts coordination of benefits with other drug coverage.*

### **Medco Drug Card**

*Scope of Benefit* The plan covers most drugs that legally require a prescription and have FDA approval for treatment of the specified condition. Drugs available without a prescription or are classified as "over the counter" (OTC) are not covered, regardless of the existence of a physician's prescription. The Welfare Fund program through Medco encourages utilization of (a) generic equivalent medications, (b) selected drugs among clinical equivalents and (c) use of mail order (home delivery) systems to help contain costs.

(a) If a **generic equivalent** medication is available and you or your physician chose it, you pay the standard co-payment for a generic drug. If you choose a brand name drug (either preferred or non-preferred) when a generic is available, you will pay the brand name drug's co-payment *plus* the difference in cost between the generic drug and the brand name drug.

(b) Medco has determined a list of drugs that treat medical conditions in the most cost-efficient manner. This list—or **formulary**—is regularly reviewed and updated by physicians, pharmacists and cost analysts. In order to encourage formulary compliance, the program assesses a higher co-payment on prescriptions filled with non-formulary drugs.

(c) **Home delivery** (mail-order) is encouraged as a less costly way to fill prescriptions for long-term (maintenance) drugs. Using the mail-order program for a larger prescription (i.e. 3-month or 100-day supply) reduces the overall co-payment. After an initial fill and a two re-fills of any prescription at a local pharmacy, higher levels of co-payment are assessed for continued use of the retail pharmacy.

### **Maximum Annual and Lifetime Payment**

The program carries a \$10,000 annual maximum and \$100,000 lifetime maximum for each individual covered.

## Co-payment

A co-payment is the part of the drug cost that is paid by the plan participant. Co-payments calculations are based on the *category* (generic, formulary, and non-formulary) and *place of purchase* (retail pharmacy or mail-order pharmacy).

### **Retail** Pharmacy Co-payments (Maximum days' supply = 30 days)

#### *First three* prescriptions filled

- Greater of \$ 5.00 or 20% for generic drugs
- Greater of \$15.00 or 20% for formulary drugs
- Greater of \$30.00 or 20% for non-formulary drugs

#### *All subsequent* fills of same medication

- Greater of \$ 5.00 or **35%** for generic drugs
- Greater of \$15.00 or **35%** for formulary drugs
- Greater of \$30.00 or **35%** for non-formulary drugs

### **Mail-Order** Pharmacy Co-payments (Maximum days' supply) = 100 days]

- Greater of \$10.00 or 20% for generic drugs
- Greater of \$30.00 or 20% for formulary drugs
- Greater of \$60.00 or 20% for non-formulary drugs

## Non-Covered or Restricted Drugs

The program does **not** cover the following

- Fertility drugs
- Growth hormones
- Needles and syringes
- Experimental and investigational drugs
- **PICA** drugs (see **PICA** on page 11)
- Over the counter drugs (i.e., not requiring a prescription)
- Diabetic medications (refer to your NYC Health Benefit Plan carrier, i.e., GHI, HIP, etc.)
- Cosmetic medications
- Therapeutic devices or applications
- Charges covered under Workers' Compensation
- Medication taken or administered while a patient in a hospital, rest home, sanitarium, extended care facility, convalescent hospital, nursing home or similar institution.
- Shingles vaccine

- Weight Management drugs

The following drugs are covered with limitations:

- Drugs for erectile dysfunction up to an annual maximum reimbursement of \$500, with a maximum of 18 tablets every 90 days.
- Smoking cessation drugs up to an 84-day supply

## **Reimbursement Practices**

Prescriptions filled at participating pharmacies will require presentation of a valid drug card. The co-payment must be met in order to acquire medication.

Prescriptions filled at non-participating pharmacies or without presenting a drug card may require payment in full. In such cases, Medco will honor a Direct Reimbursement Claim for payment, but only to the extent of the amount that would have been paid to a participating pharmacy, adjusted for co-payment and deductible.

## **Using Mail Order**

Participants may obtain a "Home Delivery Pharmacy Service Order" form by contacting Medco. Physicians may call 1-888-327-9791 for instructions on how to FAX a prescription.

Standard Shipping and handling is free, express delivery is available for an added charge. Temperature-sensitive items are packaged appropriately, but special measures may be necessary if there are delivery and receipt issues at an additional cost to the member.

## **Special Accommodations**

### *Travel or Vacation*

If a larger- than-normal supply of medication is required, a participant may contact the Welfare Fund - at least three weeks in advance - so that appropriate arrangements can be made with the prescription drug plan.

### *Eligible dependent children away at school*

If an eligible dependent child is away at school, a separate card may be made available for that child by contacting the Fund. The initial card is issued at no cost and a payment of \$10.00 is required each time a card is re-issued. Prescriptions filled in other manners will require the student to pay the full cost of the prescription and submit a claim for direct (partial) reimbursement.

## **Contact with Medco**

***For information on***

Customer Service (866) 386-3797

- Location of Pharmacies
- Direct Reimbursement
- Eligibility issues
- Mail Order Forms

Web Site [www.medco.com](http://www.medco.com)

- Interactive Pharmacy Locator
- Claim Form Download
- Mail-order tracking
- Formulary Drug Listing

### **Non- Medco Drug Coverage**

#### **PICA for Medco members**

There are some drugs for which participants do *not* use the Medco card, but instead use another card, *not* issued by the Welfare Fund. For eligible full-time active participants, **I**njectable and **C**hemotherapy medications are available (only) through the **PICA** program, which is sponsored by the NY City Employee Health Program, and – at the time of this writing – administered by Express Scripts. The NY City Employee Health Program should be consulted for further detail and updates. Eligible individuals will be issued a drug card for PICA coverage.

#### **Stipend for Rx coverage in lieu of Medco**

Eligible full-time active participants who wish to opt out of Medco may purchase a drug rider through their basic health carrier if their carrier is Aetna US Health Care, CIGNA, HIP Prime POS, or GHI HMO. This may be elected at the time of employment or during any open enrollment period through the city of New York. The plan participant will receive a stipend to offset cost. The current stipend is:

|            |                |
|------------|----------------|
| Individual | \$300 per year |
| Family     | \$700 per year |

Payment is made within 45 days of the end of a calendar year. If rider coverage was only in effect part of the year reimbursement will be pro-rated. The Fund office will provide claim forms on request.

Members who participate in a drug rider plan through a basic health carrier will automatically be dropped from the Medco plan.