Pharmaceutical Management Commercial Plans

2015



Toll Free Contact Number: (888) 327-0671 Medical Management: (810) 733-9711

> Visit our website at: MclarenHealthPlan.org

Introduction

Pharmaceutical Management promotes the use of the most clinically appropriate, safe and cost effective medications. 2014 is a challenging year as health carriers transition to be in compliance with the Affordable Care Act (ACA). McLaren Health Plan has responded to ACA requirements by developing new products for small groups (groups with 50 or less full-time equivalent employees) and individuals. The new products include a new drug formulary. Thus, for 2014, McLaren Health Plan is administering the following commercial formularies:

- If you enrolled or renewed with McLaren Health Plan as an individual or small group (50 full-time equivalent employees or less) On or Off the Exchange January 1, 2014 or later your benefits include the New Individual and Small Group Commercial Formulary.
- If you are an employee of a small group (50 full-time equivalent employees or less) that has not yet renewed with McLaren Health Plan in 2014, and your benefits include drug coverage, your formulary is the Standard Commercial Formulary.
- If you are an employee of a large group (51 or more full-time equivalent employees), and your benefits include drug coverage, your formulary is the Standard Commercial Formulary.

The McLaren Health Plan commercial drug formularies include one or more medications in each therapeutic class covered under a member's pharmacy benefit. The drug formularies can be found on our website *MclarenHealthPlan.org*, and through the SureScripts E-prescribing system.

In addition to the drug formulary, McLaren Health Plan has compiled a Quick Formulary Guide for each commercial formulary. The Quick Guide is a list of commonly prescribed medications which are covered under McLaren Health Plan. The Quick Guide is sorted by drug class and can be obtained in new member packets, on the website or by calling our Customer Service Department at (888) 327-0671.

Prescription Drug Rider

Coverage and applicable copayment amounts for medications are based on a member's specific Drug Rider. The member must have a Drug Rider to have pharmacy benefit coverage. A copy of the member specific Drug Rider is included in each new member packet. Please contact our Customer Service Department at (888) 327-0671 for Drug Rider related questions.

Covered Benefits

- Federal legend drugs identified on a McLaren Health Plan commercial drug formulary
- Select Over-The-Counter (OTC) items, identified on the drug formulary, prescribed by a prescribing provider
- Diabetic supplies limited to needles, syringes, alcohol swabs, lancets and Bayer® manufactured test strips

Non-Covered Benefits

- · Cosmetic medications or medications prescribed for cosmetic purposes
- Medications designated as experimental or investigational
- Medical foods or agents that are not regulated by the FDA
- Injectable medications normally administered in a physician's office
- Vaccines

In addition, the drug benefit does not reimburse for drug products acquired for or administered in an inpatient hospital, an outpatient hospital emergency room or clinic, or a physician's office or clinic.

Medication Copayment Tiers:

Pharmacy copayments are determined by the member-specific Drug Rider and by the placement of medications into copayment levels, also known as Tiers, on the drug formulary. The McLaren Health Plan commercial formularies have the following copayment structure:

- Tier 1: Formulary preferred generic medications, lowest copayment
- Tier 2: Formulary preferred brand name medications, medium copayment
- Tier 3: Non-formulary medications, highest copayment

To ensure ACA compliance, McLaren Health Plan also provides coverage for medications that have been included as "preventative services." These include certain birth control tablets, smoking cessation therapies and ferrous sulfate. Our members are not charged copayments for preventive service medications.

Dispense as Written (DAW) and Generic Mandate Policy

- There is automatic generic substitution required on all prescriptions.
- If a prescribing provider requests a brand name when a generic version is available, DAW-1 designated on the prescription, reimbursement to the pharmacy will be at the established Maximum Allowable Cost (MAC) limits. The member will be charged the difference in price between the brand name product and the generic product plus any applicable copayment unless a prior authorization request (see page 6), has been approved by the health plan.
- If a member requests a brand name medication when a generic version is available, DAW-2 designated on the prescription, reimbursement will be at the established Maximum Allowable Cost (MAC) limit. The member will be responsible for the difference in price between the brand name product and the generic product plus any applicable copayment.
- If a pharmacy is out of stock of a generic medication and chooses to dispense the brand name product, reimbursement to the pharmacy will be at the Maximum Allowable Cost (MAC) limit. The member has the option of obtaining the generic drug, covered in full, at another pharmacy within the McLaren Health Plan's pharmacy network.

Step Therapy Edits

Step Therapy Edits allow McLaren Health Plan to define a logical sequence of therapeutic alternatives. McLaren Health Plan provides coverage for medications indicated as "ST" (Step Therapy restricted) after a predetermined previous or concurrent drug therapy sequence has been met.

Prior Authorization/Drug Exception Request

McLaren Health Plan has placed a Prior Authorization (PA) restriction on certain medications within the drug formularies. A medication may require a prior authorization due to safety concerns or to ensure a more cost effective formulary alternative cannot be used. If a prescribing provider feels a medication which requires prior authorization is medically necessary than a prior authorization form,) (found on page 4,) should be completed by the prescribing provider and faxed to the number indicated on the form. Please contact McLaren Health Plan at (888) 327-0671 if you have questions regarding the prior authorization process or the status of a prior authorization request.

Note: If the member is in need of an emergency supply of a medication that requires prior authorization, please contact our Customer Service Department at (888) 327-0671 for assistance.

Compounded Medications

All compounded medications require prior authorization. Upon approval the medication must be obtained from an in-network compounding pharmacy. Paper claims submitted by an out-of-network compounding pharmacy will not be accepted.

Mail Order Pharmacy

McLaren Health Plan has contracted mail order pharmacies. Our members can fill up to a 90-day supply of brand name medications through the mail order after a 30-day trial has been completed. Mail order brochures are available on our website or by calling our Customer Service Department.

Note: Generic medications cannot be obtained by mail order.

Specialty Pharmacy Medications

Medications on a drug formulary identified with a Specialty Pharmacy (SP) restriction, must be obtained through a McLaren Health Plan approved specialty pharmacy. The specialty pharmacy will mail the specialty pharmacy medication to the member's home or to the prescribing provider's office. All specialty pharmacy medications are limited to no more than a 30-day supply. Medications used to treat cancer, endometriosis, Hepatitis C, multiple sclerosis, osteoporosis and rheumatoid arthritis are some examples of specialty pharmacy required agents.

Dose Optimization and Quantity Limits

Quantity limits are used to ensure patient safety, increase patient compliance and decrease pharmacy costs. Medications with quantity limits are identified on a drug formulary with a Quantity Limit (QL) restriction. The health plan may limit the quantity of a medication to:

- A specified quantity per day, month or year
- · A specified quantity per lifetime
- A specified quantity across a drug class

Note: If a prescribing provider feels a different quantity is medically necessary for a patient, a request for prior authorization (see page 4) should be submitted to the health plan for review.

Drug Formulary Review and Modification

A committee of health professionals (doctors, pharmacists and nurses) maintains the McLaren Health Plan commercial drug formularies. The following changes have an impact on the commercial drug formularies:

- Drug recalls
- Marketplace withdrawals
- New generic availability
- New medication releases

Prescribing Providers may ask for a modification to any drug formulary by contacting our Pharmacy Administration Department at (810)733-9727 or by faxing in a written request to (810) 733-9545 (Attn: Pharmacy Administration). Requests for formulary modification will be reviewed by our Pharmacy Administration Department and taken to the formulary committee for determination.

Request for Prior Authorization Form

Submit requests to: 4D Pharmacy Management 2520 Industrial Row Drive Troy, MI 48084 Phone: 248-540-6686 Fax: 248-540-9811



p: 248.540.6686 †: 248.540.9811

4dpharmacy.com

Please submit one drug per PA form

Prescribing Physician:		Benefick	<u> 77.</u>		
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4. Partinent laboratory test or procedure: (if applicable)

Procedure	Andings	Date

6. Other information:



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