

## *Section 3: Pharmacy Services*



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## *Overview of Pharmacy Services*

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**What the department does**

The primary responsibilities of Pharmacy Services are to:

- Facilitate the availability of high-quality cost-effective pharmaceutical care for members
  - Provide access to drug therapy
  - Process pharmaceutical claims
  - Ensure accurate administration of the BCN drug benefit
  - Monitor clinical standards involving the use of pharmaceuticals
  - Assist in drug therapy evaluation
  - Monitor drug therapy for members
  - Educate practitioners and members regarding drug therapy
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**Primary objective**

BCN encourages the use of the lowest-priced treatment alternative when safety and efficacy are equivalent. We offer a variety of drug benefit options with a wide range of coverage levels and copayment amounts to meet the employer's benefits strategy. Our drug riders are designed to ensure quality of care and appropriate drug selection.

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**Drug therapy assistance**

BCN employs full-time clinical pharmacists to assist physicians in prescribing medications for members.

## *BCN's Custom Formulary*

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### **About our formulary**

To help our members make the most of their prescription benefit dollars, the Blues have compiled a formulary with the most cost-effective therapies.

The BCBSM/BCN Custom Formulary is a regularly updated list of FDA-approved medications, representing the clinical judgment of Michigan physician, pharmacists and other experts in the diagnosis and treatment of disease and promotion of health.

Medications are selected based on clinical effectiveness, safety and opportunity for cost savings. The formulary is categorized by tiers, indicating the level of copayment required.

The BCBSM/BCN Custom Formulary can reduce the patient's out-of-pocket expenses as well as overall pharmacy costs.

You can access the Custom Formulary and the Formulary Quick Guide for Members online at **[MiBCN.com/drugformulary](http://MiBCN.com/drugformulary)**.

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### **Compliance with the formulary**

BCN pharmacy staff monitor the prescription patterns of practitioners and their use of formulary medications. BCN communicates with practitioners and other health care providers about alternative therapies to optimize compliance with the BCBSM/BCN Custom Formulary.

## *Prescription drug benefits*

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### **Drug coverage options**

Our members have different prescription copayment amounts and benefits based on the prescription drug rider purchased. Copayment responsibility can be a dollar amount or a percentage of the total prescription cost.

The various drug benefit options are shown in the following table.

<b>Level</b>	<b>Flat Rx rider</b>	<b>Percentage Rx rider</b>	<b>Two-tier Rx rider</b>	<b>Three-tier Rx rider</b>
<b>Tier 1 Formulary Preferred</b> Most generic medications	Covered at flat copay amount	Covered at stated percentage	Covered at lowest copay	Covered at lowest copay
<b>Tier 2 Formulary Options</b> Brand-name medications	Covered at flat copay amount	Covered at stated percentage	Covered at highest copay	Covered at middle copay
<b>Tier 3 Nonformulary</b> Medications may not be covered	Covered at flat copay amount	Covered at stated percentage	Not covered	Covered at highest copay

**Note:** Some drugs in the formulary require prior authorization or must meet step-therapy requirements, regardless of the member's prescription benefit.

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### **Quantity dispensed**

BCN members with a drug benefit can obtain a 30-day supply of covered drugs from any BCBSM/BCN participating retail pharmacy for one copayment.

A 90-day supply of most maintenance medications is also available through most participating pharmacies for two copayments and through our mail order vendor (Medco) for one or two copayments, depending on the member's drug benefit.

## *Prescription drug benefits (continued)*

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**Savings Plus new option** The Savings Plus Approved Drug List is a new pharmacy benefit option that offers exceptional value to Blue Care Network customers.

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**Focus on generics** The Savings Plus Approved Drug List includes most generic drugs and some brand-name drugs. Drugs on the list meet the clinical needs of most members, and 90 percent of prescriptions are covered at the member's lowest copayment. Specialty drugs may be covered with this option. Drugs that are not on the Savings Plus Approved Drug List and are not excluded may be purchased from the pharmacy at 75 percent copay. The tiered benefit is based on an Approved Drug List that consists mainly of generic drugs.

<b>Level</b>	<b>Copayment</b>	<b>Includes</b>	<b>Requirement</b>
<b>Tier 1</b>	Lowest copayment	<ul style="list-style-type: none"> <li>• Most critical and maintenance drugs</li> <li>• Select generic and over-the-counter smoking cessation products</li> </ul>	
<b>Tier 2</b>	Brand copayment	Brand-name drugs in critical categories that lack generic option: <ul style="list-style-type: none"> <li>• Insulin</li> <li>• Inhaled formulary asthma controller medications</li> <li>• Select specialty drugs</li> </ul>	Some drugs require prior authorization and require documentation of medical necessity. Clinical criteria must be met
<b>Tier 3</b>	75% copayment	Drugs <ul style="list-style-type: none"> <li>• Not on the Savings Plus Approved Drug List</li> <li>• Not excluded from coverage</li> </ul>	

**Quantity dispensed** BCN members with a drug benefit can obtain a 90-day supply of generic medications through a retail pharmacy or by mail order for two copayments.

## *Prescription drug benefits (continued)*

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### **Items covered as medical benefits**

Some of the items that are covered as medical rather than prescription drug benefits for most BCN members, include:

- Medical supplies (durable medical equipment)
  - Injectable drugs that require supervision by health care personnel or are administered in the doctor's office
  - Drugs requiring home infusion (certain antibiotics, pain medications)
  - Drugs used to treat infertility
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### **Exclusions**

The following items are not covered under most BCN prescription drug riders:

- Drugs for which there are over-the-counter equivalents in both strength and dosage (Note: BCN does cover — with a prescription and the required copayment — select over-the-counter medications. These are listed in the formulary.)
  - Cosmetic drugs or drugs used for cosmetic purposes
  - Drugs used for experimental or investigational purposes
  - Prescriptions filled after the individual's membership ends (includes prescription refills for more than 34 days past the termination date)
  - Drugs included as a benefit under the member's coverage
  - Drugs included as a benefit under Medicare or under any other federal or state health care program
  - New drugs not yet added to the formulary
  - Replacement prescriptions resulting from loss, theft or mishandling
  - Drugs acquired without cost to the providers or included in the cost of other services or supplies
  - Durable medical equipment and supplies, such as inhaler spacer devices and blood glucose monitors
  - Drugs that are not FDA approved, including medical foods and supplements
  - Creams and other products approved as devices
  - Syringes and needles except for those dispensed with insulin
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### **Contraceptive coverage**

Contraceptive benefits are not part of BCN's basic prescription drug program. Groups can elect to add contraceptive coverage to their BCN drug rider.

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## *Options for filling prescriptions*

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### **Retail pharmacies**

Our members may fill prescriptions at any participating BCN pharmacy.

More than 2,300 retail pharmacies in Michigan and 60,000 retail pharmacies nationwide participate with BCN.

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### **90-day supply from retail pharmacies**

BCN members can obtain a 90-day supply of most maintenance medications from most retail pharmacies. Members are eligible once they've filled a one-month prescription for the brand-name maintenance medication. The one-month trial helps ensure that the drug and dosage are correct for the member.

All members who have a BCN drug rider will be charged two copayments for a 90-day supply instead of three. This provides savings of one copayment every three months. Our members may fill prescriptions at any participating BCN pharmacy.

For a list drugs that are not included in our 90-day program, please visit Pharmacy Services at **MiBCN.com**.

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### **Mail order prescriptions through Medco**

Medco<sup>®</sup> offers mail order prescription services to BCN members with BCN prescription coverage.

Mail order prescriptions for maintenance medications or contraceptive drugs can be written for up to a 90-day supply for one or two copayments, depending on the member's drug rider. A minimum lead time of about 10 to 14 days is required for mail order prescriptions.

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### **Refills through Medco**

Medco will not accept new prescriptions by phone, but the company will accept prescription refills by phone. Call Medco's Customer Service at 1-800-229-0832.

## *Options for filling prescriptions (continued)*

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### **Diabetic supplies and other devices**

BCN members can obtain diabetic supplies and devices required for medical management (such as insulin pumps, blood glucose meters, test strips and lancets) through our contracted supplier, J&B Medical Supply Company. For more information, call J&B Customer Service at 1-888-896-6233.

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### **Specialty medications**

Only Walgreens Specialty Pharmacy handles mail order prescriptions for specialty drugs, used to treat complex or rare conditions such as arthritis, asthma, multiple sclerosis, hepatitis C, and others.

BCN members can fill prescriptions for injectable and other specialty drugs through either a participating BCBSM/BCN retail pharmacy or through Walgreen's mail order program.

Prescriptions for specialty drugs are limited to a 30-day supply.

A list of medications included in the BCBSM/BCN Specialty Drug Program is available on our Web site at:

**[MiBCN.com/drugformulary](http://MiBCN.com/drugformulary)**

For more information, call Walgreens Specialty Pharmacy Customer Service at 1-866-515-1355.

## *Medications requiring prior authorization*

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**BCN's  
Quality  
Interchange  
Program  
(prior  
authorization/  
step therapy)**

BCN's Quality Interchange Program helps ensure that safe, high quality, cost-effective drug therapy is prescribed before more expensive agents or drugs that have not been proven to offer additional value over formulary medications.

To meet this objective, we require prior authorization or step-therapy for certain medications, and clinical criteria must be met before coverage is approved. Clinical criteria are based on current medical information and recommendations of the BCBSM/BCN Pharmacy and Therapeutics Committee. Drugs that are subject to step therapy may require previous treatment with one or more formulary agents prior to coverage.

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**Copy of the  
program**

You can view the list of drugs that require prior authorization or step therapy at **MiBCN.com**. From the home page, click on *I Am an Employer* and then click *pharmacy programs*.