

SUPPLEMENTAL OUTPATIENT PRESCRIPTION DRUG BENEFIT
3-TIER PLAN 10/15/30

	Participating Pharmacy <i>up to a 30 day supply or one Prescription Unit</i>	Mail Service Pharmacy <i>up to a 90 day supply or three Prescription Units</i>
Formulary Generic	\$10	\$20
Formulary Brand	\$15	\$30
Non-Formulary	\$30	\$60

If a Deductible applies to the Plan's medical benefits, it does not apply to this benefit. Copayments/Coinsurance paid under this benefit do not count toward the Member's Out-of-Pocket Maximum and will still be required after the Out-of-Pocket Maximum is reached.

Covered Benefits

This Supplemental Outpatient Prescription Drug Benefit entitles you to coverage for FDA approved Prescription Drugs, subject to the following provisions:

- Covered Prescription Drugs must be for use in an Outpatient Setting;
- Covered Prescription Drugs must be prescribed in conjunction with services provided or authorized by your Contracting Medical Group or Primary Care Practitioner;
- Covered Prescription Drugs must be filled at a PacifiCare Contracting Pharmacy.

The following items are also covered under your prescription drug benefits: insulin, insulin syringes, blood or urine glucose test strips, lancets, glucagon kits, inhaler extender devices, prenatal vitamins, oral contraceptives, and anaphylaxis prevention kits (i.e. epipens and anakits). These supplies are subject to the applicable pharmacy copayment for each unit.

Copayment Amount

You are responsible for the applicable Copayment amount each time a Prescription is filled. The amount of the Copayment is determined by the classification of the drug as Formulary Generic, Formulary Brand, or Non-Formulary. If a Member is prescribed a Formulary Generic prescription drug, the Formulary Generic Copayment applies. If a Member is prescribed a Formulary Brand prescription drug, the Formulary Brand Copayment applies. If a Member is prescribed a Non-Formulary prescription drug, the Non-Formulary Copayment applies. If the retail cost of the drug is less than the Copayment, you will be charged the retail cost of the drug.

Pacificare Formulary

The PacifiCare Formulary is a list of outpatient prescription drugs created and regularly updated by the PacifiCare National Pharmacy and Therapeutics Committee, which consists of practicing providers and pharmacists. This committee has the responsibility of reviewing new and existing drugs and decides which drugs provide quality treatment at the best value. The PacifiCare Formulary classifies drugs as generic or brand name. Members can access the Formulary via the Internet at the PacifiCare web site, www.pacificare.com or request a written copy from our Customer Service Department at 1-800-932-3004 or TTY 1-800-786-7387.

Pre-Authorization

PacifiCare reserves the right to require pre-authorization and/or limit the quantity of any Prescription to ensure that the following coverage criteria are met:

- The Prescription is for treatment of a medical condition;
- There is sufficient evidence to draw conclusions about the effect of the Prescription on the medical condition being treated and on your health outcome;
- The expected beneficial effects of the Prescription outweigh the expected harmful effects;
- The Prescription represents the most cost-effective method to treat the medical condition.

Your Provider needs to complete the pre-authorization process. Prescriptions that require pre-authorization will be charged the applicable Copayment if approved. Please see the Copayment Amount Section for more information.

Purchasing Your Prescription

Your prescription drug benefit helps to cover the costs of medications prescribed by a PacifiCare Contracting Physician and filled at a PacifiCare Participating pharmacy. Using your benefit is simple.

- Present your prescription and PacifiCare ID card at any PacifiCare Participating Pharmacy. If ordering your prescription by phone, be sure to mention that you are a PacifiCare Member.
- Pay the copayment for a prescription unit or its retail cost, whichever is less
- Receive your medication.

Typically, you will receive up to a 30-day supply of medication, also known as a “prescription unit” from a retail pharmacy and up to a 90-day supply of medication or three “prescription units” from our mail service pharmacy.

Participating Pharmacies

PacifiCare has a well-established network of approximately 900 pharmacies in the Northwest, including most major pharmacy and supermarket chains as well as many independent pharmacies. A complete listing of contracted pharmacies is available in your Provider Directory. Our Customer Service Associates can also assist you in finding a pharmacy near you.

Participating Pharmacies have agreed to dispense covered Prescription Drugs to Members at the applicable Copayment, not to exceed the retail price. There are no claim forms to submit; the Pharmacy will bill PacifiCare directly. PacifiCare issues each Member an identification card that references this Plan’s Prescription Drug benefit. Members who buy covered drugs for the Member’s children should show the identification card of the child who will be taking the medicine. If the identification card is not used, and the pharmacy cannot reach PacifiCare to confirm that the Member is covered by this Prescription Drug Benefit, no benefits will be provided.

Point-of-Service Members may receive a Prescription from an Out-of-Network or an Out-of-Plan Practitioner, but must still use a PacifiCare Participating Pharmacy. Out-of-Area Members/Dependents should call the PacifiCare Customer Service Department at 1-800-932-3004 or TTY 1-800-786-7387 to obtain a listing of the Participating Pharmacies nationwide.

Mail Service Pharmacy Program

PacifiCare offers a Mail Service Pharmacy program through Prescription Solutions that provides convenient service and savings on medications that you may take on a regular basis. Members may receive a ninety (90)-day (3 Prescription Units) supply for only two copayments. You get high quality medications mailed directly to your home for added convenience.

To use the Mail Service Pharmacy benefit:

- Fill out the patient information questionnaire found on the prescription drug order form the first time the Plan Mail Service Pharmacy is used.
- Send the prescription drug order form and payment directly to the Mail Service Pharmacy's address shown on the form. Remember to include the physician's written prescription for three (3) prescription units or a ninety (90)-day (3 Prescription Units) supply with additional refills.
- All prescriptions are processed upon receipt and are usually returned in 10 to 14 days. If for any reason, the medication is not received within 14 days, you can call the Mail Service Pharmacy Help Desk at 1-800-562-6223 and arrangements will be made to make sure that you do not run out of medication.

Medication such as schedule II substances, (e.g., morphine, Ritalin, and Dexedrine), antibiotics and other medications for short-term or acute illness, and drugs with special packaging requirements, (e.g., M.U.S.E., Pulmozyme), are not available through our Mail Order Program.

For further information, call our Mail Service Customer Service Department at 1-800-562-6223. You can also access information on the Mail Service Pharmacy benefit via the web site at www.rxsolutions.com or www.pacificare.com.

Prescriptions Filled In Emergencies

Whenever possible, prescriptions should be filled at a PacifiCare contracted pharmacy. PacifiCare is contracted with a nationwide network of pharmacies for use when traveling. If you utilize a non-contracted pharmacy in the event of an urgent or emergency situation, the prescription must be paid in full at the time of service and you must submit a claim to PacifiCare for reimbursement. You are only eligible for reimbursement for prescriptions related to an Emergency. (Please see definition of Emergency Medical Condition in your Member Handbook/Evidence of Coverage.)

If you need to fill a Prescription in an emergency at a non-contracted pharmacy, you will be required to pay the price of the Prescription at the time it is filled. You should then submit the receipt to the address below. If your request is determined to be appropriate, you will be refunded the cost of the Prescription less any applicable Copayment that is due from you.

To receive a refund, you must send the following information to Prescription Solutions along with a completed claim form. (Claim forms are available from our Customer Service Department.)

- Copies of the receipts, showing Prescription number, name of the Prescription Drug, date filled, pharmacy name, name of the Member for whom the Prescription was written, and proof of payment.

- A statement describing why a PacifiCare Participating Pharmacy was not available to you.

The above information should be sent to the following address:

Prescription Solutions
Mail Stop LC07-290, ATTN: Claims Department
P.O. Box 6037
Cypress, CA 90630-0037

Vacation Supplies

The most convenient and affordable way to plan for your vacation is to take advantage of our Mail-Service program. It is important to plan ahead, because it takes approximately 10-14 days to receive your 90-day supply. Vacation overrides are also available in certain circumstances – talk with your pharmacist about obtaining a vacation override. Our customer service associates can also help you with planning for your medication needs while traveling.

Additional Questions?

State and federal laws establish standards to assure safe and effective pharmacy services and to guarantee your right to know what drugs are covered under this plan and what coverage limitations are in your contract. If you would like more information about the drug coverage policies under this plan, or if you have a question or a concern about your pharmacy benefit, please contact Customer Service, Monday through Friday, 7:00 a.m. to 6:30 p.m. at 1-800-932-3004, or TTY 1-800-786-7387.

Definitions

Formulary is a list of medications that are covered under your prescription drug benefit and serves as a guide for providers in the selection of appropriate pharmaceutical therapy. Medications are classified as Generic Formulary, Brand Name Formulary or Non-Formulary.

Outpatient Setting is any setting other than a Medical Facility or Contracting or Non-Contracting Medical Group.

Prescription Drugs are Food and Drug Administration (FDA) approved drugs, which by federal or state law, require a Prescription for access.

- **Federal Legend Drugs:** Any medicinal substance which bears the legend: "Caution: Federal law prohibits dispensing without a prescription."
- **State Restricted Drugs:** Any medicinal substance that may be dispensed by prescription only, according to State law.

Prescription Unit is the maximum amount (quantity) of medication that may be dispensed per single Copayment. For most oral medications, a prescription unit represents a thirty- (30) day supply of medication. A prescription unit may be set at a smaller quantity for the Member's protection and safety, as determined by the manufacturer's package insert. The prescription unit of

other medication will represent a single container, inhaler unit, package, or course of therapy.

Prescription Solutions™: Prescription Drug Benefits are administered by Prescription Solutions™, a subsidiary of PacifiCare Health Systems.

Exclusions & Limitations

While the prescription drug benefit covers most medications, there are some that are not covered. All medications within each of the following classifications will be excluded from coverage under this Supplemental Benefit:

- **Administered Drugs:** Drugs or medicines delivered or administered to you by a Provider or a Provider's staff are not covered. Note: Coverage for injectable drugs is provided under the Covered Benefits of the PacifiCare Health Plan when administered during the course of a physician's office visit or self-administered after training by an appropriate health care professional. These benefits may be subject to PacifiCare's pre-authorization requirements and process.
- **Compounded medications:** Any medicinal substance which has at least one ingredient that is Federal Legend or State Restricted in a therapeutic amount. All compounds are subject to PacifiCare's pre-authorization requirements and process.
- **Cosmetic Drugs.** Drugs, medicines or cosmetic aids prescribed to primarily improve or otherwise modify your external appearance are not covered.
- **Dietary supplements,** vitamins, nutritional supplements, health or beauty aids, herbal supplements and/or alternative medicine are not covered.
- **Drugs used for diagnostic purposes.** Not covered.
- **Elective or voluntary enhancement** procedures, services, supplies and medications, including but not limited to weight loss, hair growth, sexual performance, athletic performance, cosmetic purposes, discolored nails, anti-aging, and mental performance are not covered.
- **Experimental and Investigational Drugs:** There is no coverage for Experimental or Investigational Prescription Drugs. Investigational Prescription Drugs are those labeled, "Caution: Limited by federal law to investigational use." You will have to bear the full cost of these drugs. In some cases these types of drugs may be available free of charge as part of the research effort. Check with your Physician for more information. Further information about Experimental and Investigational procedures can be found in the Member Handbook/Evidence of Coverage.
- **Immunizing agents and injectable drugs** (except as noted in the Covered Benefits above), biological sera, allergy sera, blood or blood plasma or medication prescribed for parenteral use or administration, are not

covered. Some injectable drugs can be administered with the aid of a pen or a cartridge. These injectable aids are not covered.

- **Infertility:** Procedures, medications or supplies for the treatment of infertility are not covered.
- **Inpatient Prescription Drugs:** Medications to be taken or administered to you while you are a patient in a Medical Facility are not covered. Note: Inpatient pharmacy benefits are covered as a basic medical benefit.
- **Lost, stolen or destroyed medications:** Replacement of lost, stolen, or destroyed medications are not covered.
- **Methadone** for the treatment of narcotic addiction or detoxification is not covered under the pharmacy benefit. See Member Handbook for information on chemical dependency and methadone coverage criteria.
- **New Procedures, Services, Supplies and Medications:** PacifiCare reserves the right to exclude new procedures, services, supplies and medications until they are reviewed for safety, efficacy and cost effectiveness and approved by PacifiCare.
- **Non-covered medical condition:** Prescription medication for treatment of a non-covered medical condition is not covered
- **Non-Contracted Pharmacies:** Medications dispensed by a non-participating pharmacy (except for prescriptions required as a result of an Emergency or Urgently needed service for an acute condition) are not covered.
- **Over-the-Counter Drugs:** Medications available without a Prescription (over-the-counter) or for which there is a non-prescription equivalent available, even if ordered by a Physician, are not covered.
- **Prescriptions Prior to or Subsequent to Coverage:** Drugs or medicines purchased and received prior to your effective date or after your coverage ends are not covered.
- **Sales Tax or Surcharge.** Not covered.
- **Sexual Dysfunction.** Prescription medication for the treatment of sexual dysfunction, including but not limited to erectile dysfunction, impotence, and anorgasmia or hyporgasmia is not covered.
- **Smoking Cessation Aids.** Smoking Cessation Aids, including, but not limited to nicotine gum, nicotine patches, and nicotine nasal spray, are not covered by this benefit. See the StopSmoking Program benefit in the Member Handbook/Evidence of Coverage for coverage details.
- **Therapeutic devices** or appliances including hypodermic needles, syringes (except insulin syringes), injectable aids, pens or cartridges, support garments or other non-medicinal items. Birth control devices, supplies or preparations that do not require a provider's prescription by law are also not covered, even if prescribed by a provider.
- **Unit dose pre-packaged medications.** Not covered.
- **Utilization of Drugs for Non-FDA Approved Purposes:** Medications prescribed for experimental or non-FDA approved indications are not covered. Covered medications must be prescribed in a manner consistent with a specific indication in the Drug Information for Health Care Professionals (DIHCP) manual published by the United States Pharmacopoeia Convention, in the American Hospital Formulary Services edition of Drug Information, or in articles from two or more major peer-reviewed medical journals that present data supporting the proposed non-FDA approved use or uses as generally safe and effective unless there is clear and convincing contradictory evidence presented
- **Weight Loss Medications:** Services to treat obesity (excessive weight), including but not limited to prescription or non-prescription weight loss medications, weight control programs, supplies, or supplements are not covered.
- **Workers' Compensation:** Medications for which the cost is recoverable under any Workers' Compensation or Occupational Disease law or any state or government agency, or medication furnished by any other drug or medical service for which no charge is made to the patient.