

## Section 5(f). Prescription Drug Benefits

### Important things you should keep in mind about these benefits:

- We cover prescribed drugs and medications, including most specialty drugs, as described in the chart beginning on the next page.
- Please remember that all benefits are subject to the definitions, limitations, and exclusions in this brochure and are payable only when we determine they are medically necessary.
- Your prescribers must obtain prior approval/authorizations for certain prescription drugs and supplies before coverage applies. Prior approval/authorizations must be renewed periodically.
- Federal law prevents the pharmacy from accepting unused medications.
- We have a \$250 calendar year pharmacy deductible that applies to all drugs in Tier 2, Tier 3 and Tier 4.
- Be sure to read Section 4, *Your costs for covered services*, for valuable information about how cost-sharing works. Also read section 9 about coordinating benefits with other coverage, including with Medicare.
- Here are some things to keep in mind about our prescription drug program:
  - A generic equivalent will be dispensed if it is available, unless your physician specifically requires a brand name.
  - If you request a brand name prescription medication over an available generic version then you will be responsible for the Tier 1 copayment plus the difference in price of brand name and generic drugs.

### There are important features you should know about your prescription drug benefit. These include:

- **Who can write your prescription?** A licensed physician or dentist, and in states allowing it, licensed/certified providers with prescriptive authority prescribing within their scope of practice must prescribe your medication.
- **Where can you obtain your prescriptions?** You must fill the prescription at a network retail pharmacy, or network mail service pharmacy for a maintenance medication; however, specialty drugs must be filled by a Network Specialty pharmacy. To select a Network Specialty pharmacy you may go to [www.blueshieldca.com/federal](http://www.blueshieldca.com/federal), click on Blue Shield Plans and Benefits>Pharmacy Benefits, or call toll-free Member Services at (800) 880-8086. Blue Shield Pharmacy Services serves as its own pharmacy benefits manager (PBM). In this role, we provide the following PBM services internally: drug formulary management; development and maintenance of drug coverage policies; pharmacy utilization management programs; clinical pharmacy programs; specialty drug management including utilization and site of service management programs; member service; and provider and member education programs.
- **Specialty Drugs** are specific Drugs used to treat complex or chronic conditions which usually require close monitoring such as multiple sclerosis, hepatitis, rheumatoid arthritis, cancer, and other conditions that are difficult to treat with traditional therapies. Specialty Drugs are listed in the Blue Shield Outpatient Drug Formulary. Specialty Drugs may be self-administered in the home by injection by the patient or family member (subcutaneously or intramuscularly), by inhalation, orally or topically. Infused or Intravenous (IV) medications are not included as Specialty Drugs. These Drugs may also require special handling, special manufacturing processes, and may have limited prescribing or limited pharmacy availability. Specialty Drugs must be considered safe for self-administration by Blue Shield's Pharmacy's specialty pharmacy, CVS Specialty Pharmacy, provides convenient mail delivery of specialty medications as well as access to personalized, supportive, and clinically-effective pharmaceutical care. In addition, CVS Specialty Pharmacy's team of dedicated pharmacists and nurses are available to answer member questions, and all supplies required for administration of specialty medications that are injectable (such as needles/syringes, alcohol swabs, sharps containers, etc.) are included at no additional charge. Members also have the option of picking up their specialty drugs at select retail CVS pharmacy locations.

- **We use a formulary.** Prescription drug coverage is based on the use of the prescription drug formulary, a copy of which is available to you. Medications are selected for inclusion in Blue Shield's Outpatient Prescription Drug Formulary based on safety, efficacy, and FDA bio-equivalency data. The Blue Shield Pharmacy and Therapeutics Committee reviews new drugs and clinical data four times a year. Members may call Blue Shield Member Services at 800-880-8086 to find out if a specific drug is included in the formulary. Formulary information is available on Blue Shield's website at [www.blueshieldca.com/federal](http://www.blueshieldca.com/federal).

Selected drugs and drug dosages and most specialty drugs require prior authorization for medical necessity. You should not become directly involved with us for this pre-authorization process. Your physician is responsible for obtaining prior authorization and documenting medical necessity. If all necessary documentation is available from your physician, prior authorization approval or denial will be provided to your physician within five working days of the request.

- **In lieu of brand name drugs, generic drugs will be dispensed** when substitution is permissible by the physician. If you request a brand name drug when a generic drug is available, you pay the difference between the cost of the brand name drug and its equivalent generic drug, plus the Tier 1 copayment.
- **Prescription Days Supply Covered:** A retail Plan pharmacy may dispense up to a 30-day supply for the appropriate copayment. Some prescriptions have specific limits on how much of the medication you can get with each prescription or refill. This is to ensure that you receive the recommended and proper dose and length of drug therapy for your condition. Quantity limits are based on medical necessity and appropriateness of therapy as determined by Blue Shield's Pharmacy and Therapeutics Committee. You will pay the appropriate copayment per prescription for out-of-state emergencies. Only maintenance drugs are available for up to a 90-day supply at the appropriate copayment per prescription through the Plan mail service pharmacy. You pay the applicable 30-day retail pharmacy Copayment or Coinsurance for a 30-day supply or less from the Plan mail service pharmacy. Maintenance drugs are drugs commonly prescribed for six months or longer to treat a chronic condition and are administered continuously rather than intermittently. Call Member Services at (800) 880-8086 to receive a packet for ordering prescriptions through the mail.

If a member requires an interim supply of medication due to an active military duty assignment or if there is a national emergency, up to a 90-day supply will be approved for covered medications. Contact Member Services at (800) 880-8086 for immediate assistance.

- **Why use generic drugs?** Generic drugs offer a safe and economic way to meet your prescription drug needs. The generic name of a drug is its chemical name; the brand name is the name under which the manufacturer advertises and sells a drug. Under federal law, generic and brand name drugs must meet the same standards for safety, purity, strength, and effectiveness. A generic prescription costs you -- and us -- less than a brand name prescription.
- **Step Therapy** Step therapy is a component of prior authorization. This program requires that members must try one or more "pre-requisite" drug(s) first before the "step-therapy" product will be covered. If a "prerequisite" drug is not effective in treating the member's condition or if it is documented that the member has previously attempted the use of one or more step therapy prerequisite medications, then the member's physician may apply for an exception.
- **Drug Discounts** - Drug manufacturers or other third parties may offer drug discounts, or co-payment assistance for certain drugs. These types of programs can lower your out-of-pocket costs. If you receive any discounts or co-payment assistance at the Network Specialty Pharmacy, only the amount you pay will be applied to any Out-of-Pocket Maximum.

Benefit Description	You pay
<p><b>Preventative Care medications to promote better health as recommended by ACA</b></p>	<p><b>High Option</b></p>
<p>The following drugs and supplements are covered without cost-share, even if over-the-counter, when prescribed by a health care professional and filled at a network pharmacy.</p> <ul style="list-style-type: none"> <li>• Aspirin (81mg) for adults age 50-59 and women age 55-79 and women of childbearing age</li> <li>• Folic acid supplements for women of childbearing age 400 &amp; 800 mcg</li> <li>• Liquid iron supplements for children age 6 months to 12 months</li> <li>• Vitamin D supplements (prescription strength) (400 units) for members 65 or older</li> <li>• Pre-natal vitamins for pregnant women</li> <li>• Fluoride tablets, solution (not toothpaste, rinses) for children.</li> </ul> <p>Note: To receive this benefit a prescription from a doctor must be presented to pharmacy</p> <p>Preventive Medications with a USPSTF recommendation of A or B are covered without cost-share when prescribed by a healthcare professional and filled by a network pharmacy. These may include some over-the-counter vitamins, nicotine replacement medications, and low dose aspirin for certain patients. For current recommendations go to <a href="http://www.uspreventiveservicestaskforce.org/BrowseRec/Index/browse-recommendations">www.uspreventiveservicestaskforce.org/BrowseRec/Index/browse-recommendations</a></p>	<p>Covered without cost-share, even if over-the-counter, when prescribed by a health care professional and filled at a network pharmacy</p>
<p>We cover the following medications and supplies prescribed by a Plan physician and obtained from a retail Plan pharmacy or through our mail service pharmacy:</p> <ul style="list-style-type: none"> <li>• Diabetic supplies limited to disposable insulin syringes, needles, pen delivery systems for the administration of insulin as determined by Blue Shield to be medically necessary and glucose testing tablet strips.</li> <li>• Formulary and non-formulary drugs for sexual dysfunction or sexual inadequacies will be covered when the dysfunction is caused by medically documented organic disease. Prior Plan approval is required and the maximum dosage dispensed will be limited by the protocols established by us. Certain drugs for these conditions are not available through the Mail Service option.</li> <li>• Drugs and medicines that by Federal law of the United States require a physician's prescription for their purchase except those listed as Not Covered.</li> <li>• Insulin</li> <li>• Diabetic supplies limited to:             <ul style="list-style-type: none"> <li>- Disposable needles and syringes for the administration of covered medications</li> </ul> </li> </ul>	<p>Retail (30-day supply)</p> <ul style="list-style-type: none"> <li>• \$10 per Tier 1 retail Plan pharmacy prescription</li> <li>• \$50 per Tier 2 retail Plan pharmacy prescription, applicable to \$250 deductible</li> <li>• 50% per Tier 3 retail Plan pharmacy prescription, \$50 minimum/\$200 maximum, applicable to \$250 deductible</li> <li>• 30% per Tier 4 retail Plan pharmacy prescription, up to \$150 maximum (excluding specialty drugs), applicable to \$250 deductible</li> </ul> <p>Retail (90-day supply)</p> <ul style="list-style-type: none"> <li>• \$30 per Tier 1 retail Plan pharmacy prescription</li> <li>• \$150 per Tier 2 retail Plan pharmacy prescription, applicable to \$250 deductible</li> <li>• 50% per Tier 3 retail Plan pharmacy prescription, \$150 minimum/\$600 maximum, applicable to \$250 deductible</li> <li>• 30% per Tier 4 retail Plan pharmacy prescription, up to \$450 maximum (excluding specialty drugs), applicable to \$250 deductible</li> </ul> <p>Mail Service (31-to 90-day supply)</p>

*Preventative Care medications to promote better health as recommended by ACA - continued on next page*

Benefit Description	You pay
<p><b>Preventative Care medications to promote better health as recommended by ACA (cont.)</b></p>	<p><b>High Option</b></p>
<ul style="list-style-type: none"> <li>• Drugs for sexual dysfunction</li> <li>• Drugs to treat gender dysphoria</li> <li>• Inhalers and inhaler spacers for the management and treatment of asthma</li> <li>• Formulary and non-formulary oral contraceptive drugs and diaphragms</li> <li>• Self-applied continuous blood glucose monitors, and all related necessary supplies</li> <li>• Self-administered injectable and Oral Fertility Drugs. note: Covered self-administered injectable and oral fertility drugs are: <ul style="list-style-type: none"> <li>- Self-administered drugs associated with standard fertility preservation services in the setting of Iatrogenic Infertility</li> <li>- Self-administered drugs associated with artificial insemination procedures</li> <li>- Self-administered drugs associated with in-vitro fertilization (IVF)</li> </ul> </li> </ul> <p>Note: If the Plan allowance for the prescription at Plan pharmacies is less than the copay, you will pay the lesser amount.</p>	<p>Retail (30-day supply)</p> <ul style="list-style-type: none"> <li>• \$10 per Tier 1 retail Plan pharmacy prescription</li> <li>• \$50 per Tier 2 retail Plan pharmacy prescription, applicable to \$250 deductible</li> <li>• 50% per Tier 3 retail Plan pharmacy prescription, \$50 minimum/\$200 maximum, applicable to \$250 deductible</li> <li>• 30% per Tier 4 retail Plan pharmacy prescription, up to \$150 maximum (excluding specialty drugs), applicable to \$250 deductible</li> </ul> <p>Retail (90-day supply)</p> <ul style="list-style-type: none"> <li>• \$30 per Tier 1 retail Plan pharmacy prescription</li> <li>• \$150 per Tier 2 retail Plan pharmacy prescription, applicable to \$250 deductible</li> <li>• 50% per Tier 3 retail Plan pharmacy prescription, \$150 minimum/\$600 maximum, applicable to \$250 deductible</li> <li>• 30% per Tier 4 retail Plan pharmacy prescription, up to \$450 maximum (excluding specialty drugs), applicable to \$250 deductible</li> </ul> <p>Mail Service (31-to 90-day supply)</p> <ul style="list-style-type: none"> <li>• \$20 per Tier 1 mail service prescription</li> <li>• \$100 per Tier 2 mail service prescription, applicable to \$250 deductible</li> <li>• 50% per Tier 3 mail service prescription, \$100 minimum/\$400 maximum, applicable to \$250 deductible</li> <li>• 30% per Tier 4 mail service prescription, up to \$300 maximum (excluding specialty drugs), applicable to \$250 deductible</li> </ul> <p>Network Specialty Pharmacy (up to 30 day supply)</p> <ul style="list-style-type: none"> <li>• 30% per Tier 4 prescription, up to \$150 maximum (includes home self-injectable and specialty drugs)</li> </ul>
<p>Contraceptive drugs and devices as listed in the ACA/HRSA site</p> <p>Contraceptive coverage is available at no cost to FEHB members. The contraceptive benefit includes at least one option in all methods of contraception (as well as the screening, education, counseling, and follow-up care). Any contraceptive that is not already available without cost sharing on the formulary can be accessed through the contraceptive exceptions process described below.</p>	<p>No Copayment</p>

*Preventative Care medications to promote better health as recommended by ACA - continued on next page*

Benefit Description	You pay
<p><b>Preventative Care medications to promote better health as recommended by ACA (cont.)</b></p>	<p><b>High Option</b></p>
<ul style="list-style-type: none"> <li>• Exceptions are available through the Prior Authorization (PA) process for medical necessity. Members can initiate the exception process via logging into the member portal at <a href="http://blueshieldca.com">blueshieldca.com</a>. Providers can initiate the exception process by calling 800-535-9481.</li> <li>• Reimbursement requests for contraceptives obtained at non-participating pharmacies can be submitted to: Blue Shield of California, P.O. Box 52136, Phoenix, AZ 85072-2136</li> </ul> <p>Blue Shield will reimburse you as shown in this Benefit Brochure, based on the price you paid. Claim forms may be obtained by calling 800-880-8086 or visiting <a href="http://blueshieldca.com">blueshieldca.com</a>. Claims must be received within one year from the date of service to be considered for payment.</p>	<p>No Copayment</p>
<p>Value-Based Tier Drugs (VBTD)</p> <p>Note: Value-Based Tier Drugs are specific preventive drugs taken when risk factors are present for a disease that has not manifested (or is asymptomatic), or to prevent the occurrence of a disease from which an individual has recovered. Value-Based Tier Drugs are select generic and brand-name drugs that are FDA-approved for high blood pressure, high cholesterol, diabetes, and asthma. These drugs are covered at no charge.</p> <p>Medical food formulas ordered by a healthcare provider that are medically necessary to treat specific nutritional risks, including Phenylketonuria (PKU) and other Inborn Errors of Metabolism.</p> <p>Note: Medical foods for conditions other than permanent inborn errors of metabolism are not considered a covered benefit.</p>	<p>No copayment</p>
<p>Smoking Cessation Medication</p> <p>Note: Over-the-counter and prescription drugs approved by the FDA to treat tobacco dependence are covered under the Smoking cessation benefit. (See page 38)</p> <p>If you request a brand name prescription medication over an available generic version then you will be responsible for the Tier 1 copayment plus the difference in price of brand name and generic drugs.</p>	<p>No copay for generic, brand name and over-the-counter tobacco cessation medications when prescribed by a physician.</p>

*Preventative Care medications to promote better health as recommended by ACA - continued on next page*

Benefit Description	You pay
<p><b>Preventative Care medications to promote better health as recommended by ACA (cont.)</b></p>	<p><b>High Option</b></p>
<p><i>Not covered:</i></p> <ul style="list-style-type: none"> <li>• <i>Drugs available without a prescription or for which there is a nonprescription equivalent available unless specifically indicated elsewhere</i></li> <li>• <i>Drugs obtained at a non-Plan pharmacy; except for out-of-area emergencies</i></li> <li>• <i>Compounded medication with formulary alternatives or those with no FDA approved indications</i></li> <li>• <i>Medical supplies such as dressings and antiseptics</i></li> <li>• <i>Drugs and supplies for cosmetic purposes except for Medically Necessary treatment of resulting complications</i></li> <li>• <i>Drugs to enhance athletic performance</i></li> <li>• <i>Drugs prescribed for the treatment of dental conditions. This exclusion does not apply to antibiotics prescribed to treat infection and medications prescribed to treat pain.</i></li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Intravenous fluids and medications for home use and some injectable drugs including office injectables and injectables administered by a medical professional for the treatment of infertility are not covered under the prescription drug benefit. Please refer to Section 5(a), 5(b) and 5(c) for coverage information</i></li> <li>• <i>IUDs and implanted contraceptives dispensed by your physician are covered under Section 5(a), not the Prescription Drug Benefit.</i></li> <li>• <i>Over-the-counter and appropriate prescription drugs approved by the FDA to treat tobacco dependence are covered under the Tobacco cessation/E-cigarettes benefit. (See page 38)</i></li> </ul>	<p><i>All Charges</i></p>