



Important Information Regarding Blue Cross & Blue Shield of Rhode Island's Prescription Drug Program

Blue Cross & Blue Shield of Rhode Island (BCBSRI) is committed to providing the highest quality healthcare coverage at the most affordable price. In light of this goal, we are changing our prescription drug coverage to help you and your employees get the most value from your health plan. There are several components of our pharmacy benefits that are aimed at meeting this goal. These include:

Tiered Drugs

BCBSRI will continue to use a tiered formulary. The second tier of our formulary will now also contain several high cost generic drugs. These drugs are generally new on the market, and in most cases do not yet have any competition from other generics. As a result, they continue to be priced comparable to their brand drug equivalent. BCBSRI will continue to review and update our formulary, and will move these drugs down to a tier 1 position as marketplace changes warrant.

- Having a tiered formulary in place has been proven to encourage the use of effective, cost-effective drugs.

Value Driven Drug Alternatives

Another major component of BCBSRI's efforts to control costs is excluding drugs that have viable generic equivalents and/or over-the-counter alternatives from our formulary. These drugs are just as effective as brand name drugs, without the cost.

- Increasing generic drug utilization will save both members and employers thousands of dollars.

Ensuring Appropriate Drug Utilization

Prior authorization is the process used to promote the most clinically appropriate, and cost effective therapy. The goal is to make physicians more aware of lower cost alternatives. Authorization also helps counter the consumer response to prescription drug advertisements. These ads may convince members they need a specific medication, even if it is not appropriate or necessary for their condition.

- Prior authorization helps ensure members receive the right drugs for the right conditions.





The following summary illustrates the changes occurring as a result of the new formulary. Our new formulary is named Premier and goes into effect starting on November 1, 2010.

Premier Formulary

Generic Drugs in the Second Tier

The following high cost generic drug products will now require a second tier copayment:

- Alprostadil (Caverject[®])
- Benz Perox/Erythromycin (Benzamycin[®])
- Budesonide Respules (Pulmicort[®])
- Clindamycin/Benz Perox (Benzaclin[®])
- Desmopressin (DDAVP[®])
- Dextroamphetamine XR (Adderall XR[®])
- Famcyclovir (Famvir[®])
- Fentanyl (Duragesic[®])
- Fexofenadine (Allegra[®])
- Fexofenadine – D (Allegra-D[®])
- Isotretinoin (Accutane[®])
- Mycophenolate (Cellcept[®])
- Tacrolimus (Prograf[®])
- Tamsulosin (Flomax[®])
- Topiramate (Topamax[®])
- Urosodiol (Actigall[®])
- Valcyclovir (Valtrex[®])
- Venlafaxine ER (Effexor XR[®])

In addition, most generic benzoyl peroxide and sulfacetamide products used for treatment of Topical Acne will require a second tier copayment.

Tier Changes

The following categories of drugs will experience a change in tier status.

THERAPEUTIC CLASS	Tier Changes
Multisource Brands	Anticonvulsants, thyroid, and oral transplant brand name drugs with generic equivalents are moving from Tier 2 to Tier 3
Antipsychotics	Abilify is moving from Tier 2 to Tier 3
Contraceptives - All Oral Contraceptives/Inserts	All brand name contraceptive drugs (e.g. Ortho Tri-Cyclen Lo, Ortho Evra, and Nuvaring) are moving to Tier 3 .
Ophthalmic-Allergy	All brand name ophthalmic allergy products (e.g. Pataday, Patanol) are moving to Tier 3 .
Stimulants	Nuvigil is moving from Tier 3 to Tier 2 . Provigil is moving from Tier 2 to Tier 3 .



Ulcer Drugs-PPIDexilant is moving from Tier 3 to **Tier 2**.***Prior Authorizations (for Managed Plans)***

The following categories of drugs will experience additional requirements for Prior Authorization for coverage.

THERAPEUTIC CLASS	Prior Authorization Changes
Anticonvulsants	Required for Lamictal, Topamax, and Keppra.
Antidepressants-SSRI	Required for Lexapro.
Antipsychotics	Required for Abilify.
Stimulants	Required for Nuvigil and Provigil.

Product Exclusions

The following categories of drugs will **no longer be covered** under the prescription drug benefit program. Excluded drugs have generic and/or over-the-counter alternates available. Drugs that are excluded from coverage are not eligible for an exception process for coverage, and a member's provider cannot call for an authorization.

THERAPEUTIC CLASS	Excluded from Coverage
Antihistamines - Non-Sedating Oral Agents	All brand name drugs (e.g. Clarinex, Allegra, Allegra D, Xyzal)
Antihyperlipemic - Fibric Acid Derivatives	All brand name drugs (e.g. Trilipix, Tricor)
Dermatological - Acne Products (oral/topical)	All brand name drugs (e.g. Aczone, Benzaclin, Differin, Duac, Retin- A Micro, Ziana)
Dermatological -Rosacea Products (oral/topical)	All brand name drugs (e.g. Oracea, Monodox, Noritate) except for; Finacea and Metrogel.
Sedative Hypnotics	All brand name drugs (e.g. Ambien CR, Lunesta, Sonata) with exception of Rozerem.



Migraine -Triptans/Combos	Treximet
Ophthalmic-Lubricant	Restasis
Tetracycline	All brand name drugs (e.g. Doryx, Solodyn)
Ulcer Drugs-PPI	All brand name and generic drugs (e.g. Nexium, Aciphex, Prevacid, Prevpac, Zegerid, Lansoprazole, Pantoprazole). Except for: Omeprazole (20mg in Tier 1), Dexilant (in Tier 2) and Prevacid Solu-tab for children under 5 years old (only in Tier 3.)

In addition, all multi-source brand name drugs with generic equivalents will be excluded from coverage, however brand name drugs in the following categories are covered: anticonvulsants, thyroid, oral transplant medications and stimulants for ADHD.

Other important information:

Why are some generics expensive?

- Pharmaceutical companies typically inflate the price of the brand name drug in the last 6-8 months before the generic is available.
- When the generic first comes to the market, it is 10% lower than the cost of the brand
 - Example: Brand Name Drug X = \$200
 - Generic of Brand X = \$180
- Depending on the drug, there may be only one generic available for a period of time (6-18 months), which keeps the cost of the generic high and only slightly less than the brand.
- National industry standard to tier generics based on average cost per month, no longer treat all generics as the lowest tier.

How will my employees be notified?

- All plan subscribers will receive a notification in the mail of the formulary changes.
- Members who will be directly impacted by the changes will receive a personalized disruption letter detailing how their prescriptions will be effected.
- All plan subscribers will receive an educational mailer describing what BCBSRI and members can collectively do to curb prescription drug costs.

