

## Section 10

### Prescription Benefits - Health Choice Generations Formulary

Health Choice Generations, an HMO, is offered by Health Choice Arizona, Inc. (Health Choice Generations is not a “Medigap” or supplemental Medicare insurance policy.)

Health Choice Generations is a Medicare Advantage Special Needs Plan (SNP) with Medicare Part D Prescription Drug Coverage.

HC Generations Formulary is only available on the website.

Web Address: [www.hcgenerations.com](http://www.hcgenerations.com)- Select Medicare Part D Plans

Note: if you do not have internet access, contact your Network Services Representative to arrange for a CD or assistance.

#### Download Formulary to a PDA

Providers may also download the formulary to a PDA for their convenience and ease of use by taking either of the two following steps:

1. If the user has Internet access from his PDA (i.e. Palm), then the user can access the HC Generations website(s), go to the Formulary page, and download the PDF.
2. The user can access the HC Generations website(s) via any personal computer, download the PDF, link the PDA to the computer, and then transfer the PDF over to the PDA.

NOTE: Either technique requires the user to have Adobe Reader loaded on the PDA, which has generally been a free program accessed at the following web site:

[http://www.adobe.com/products/acrobat/readstep2\\_mobile.html](http://www.adobe.com/products/acrobat/readstep2_mobile.html)

#### Health Choice Generations Formulary

Providers may go to Health Choice Generations website ([www.hcgenerations.com](http://www.hcgenerations.com)) for an electronic version to the Health Choice Generations Comprehensive Formulary. If you do not have Internet capability, contact your Network Services Representative who can arrange to mail or deliver a CD of the Formulary.

HC Generations formulary lists all drugs covered by HC Generations. We will generally cover the drugs as long as the drug is medically necessary, the prescription is filled at a network pharmacy, or through our network mail order pharmacy service and other coverage rules are followed. For certain prescription drugs, we have additional requirements for coverage or limits on our coverage.

The drugs on the formulary are selected by CMS certified Medical and Pharmacist team of providers. We select the prescription therapies believed to be a necessary part of a quality CMS approved Medicare program and both brand-name drugs and generic drugs are included on the formulary. A generic drug has the same active-ingredient formula as the brand-name drug.

Generic drugs usually cost less than brand-name drugs and are rated by the Food and Drug Administration (FDA) to be as safe and as effective as brand-name drugs.

Not all drugs are included on the formulary. In some cases, the law prohibits coverage of certain types of drugs (see “Drug Exclusions,” later in this section, for more information about the types of drugs that cannot be covered under a Medicare Part D Prescription Drug Plan.) In other cases, we have decided not to include a particular drug.

### **Prescription drugs covered by HC Generations can change during the year**

The Medicare Part D program allows HC Generations to make changes in our prescription drug formulary list at any time during the calendar year. A change in our drug formulary list could affect which drugs are covered for HC Generations Members.

### **Three-Day Override**

Health Choice Generations will cover prescriptions that are written by an ER physician, Urgent Care or hospital based physician for up to **three-day override**. After this time, if the drug prescribed requires prior authorization, the PCP or specialist must obtain coverage determination for the HC Generations member to continue or prescribe a medication that is on the formulary.

### **Coverage Determination for Prescription Drugs**

HC Generations require providers to get prior authorization for certain drugs. This means that your enrollees will not get prescriptions filled unless certain drugs have been authorized.

In some cases, HC Generation requires providers to try one drug to treat a medical condition before covering another drug for that condition, this is called Step Therapy.

Certain prescription drugs will have maximum quantity limits. Providers must get prior authorization for these extra prescription drug quantities.

Covered Part D drugs are available at out-of-network pharmacies in special circumstances or while traveling outside of the plan’s service area where there is not network pharmacy.

### **Which HC Generations Enrollees Must Pay For Prescription Drugs**

People who have low incomes, who live in long term care facilities or who have access to Indian/Tribal/Urban (Indian Health Services) facilities may have different out-of-pocket drug costs. Contact HC Generations for details.

Depending on the HC Generations Member’s income they may pay a co-payment for Part D Prescription Drugs. Note: The 2007 co-pays set by CMS are:

- \$1 or \$2.15 for generic drugs (including brand drugs treated as generic),
- \$3.10 or \$5.35 for brand name drugs

After the member’s yearly out-of-pocket drug costs reach \$3,850 (both paid by enrollees or others on their behalf and any extra help they got from Medicare), member pay the following for your drugs: \$0 for any drugs

**Important Note:**

On October 1, 2006 AHCCCS began paying Medicare Part D prescription drug co-payments for those eligible for full AHCCCS benefits. AHCCCS will continue to pay Medicare prescription drug co-payments as long as enrollee remains eligible with AHCCCS.

HC Generations enrollees may receive maintenance drugs from an In-Network pharmacy for the following:

One-month (30 day supply) and a Three month (90 day) supply

**Mail Order Prescriptions**

HC Generations enrollees can use our network mail order pharmacy service to fill prescriptions for what we call “maintenance drugs.” These are drugs that you take on a regular basis, for a chronic or long-term medical condition. These are the only drugs available through our mail order service. When ordering prescription drugs through our network mail order pharmacy service, at least a 90-day supply must be ordered.

Generally, it takes us 14 days to process the order and ship it to the member. However, sometimes mail order prescriptions may be delayed. If members do not receive their order within 14 days, or want to check on the status of a recent order, call:

Express Scripts at 1-866-833-2336 (TDD for Hearing Impaired should call 1-800-899-2114) 24 hours a day, 7 days a week.

HC Generations enrollees are not required to use our mail order services to get an extended supply of maintenance medications. Extended supply is also available through some retail network pharmacies.

**Network Pharmacies**

The HC Generations pharmacy directory can be viewed on the Web site [www.hcgenerations.com](http://www.hcgenerations.com). Or you may contact your Network Services Representative for assistance.

With few exceptions, HC Generations enrollees must use network pharmacies to get your prescription drugs covered.

A network pharmacy is a pharmacy at which enrollees can get Part D prescription drug benefits. We call them “network pharmacies” because they contract with HC Generations. In most cases, prescriptions are covered only if they are filled at one of our network pharmacies.

HC Generations enrollees may switch to a different network pharmacy at any time. Providers must either provide a new prescription written or have the previous pharmacy transfer the existing prescription to the new pharmacy if any refills remain.

### **Formulary Over-rides or Exception Request**

Providers can use the Health Choice Generations Coverage Determination Request Form located on the website to request formulary over-rides which documentation of medical necessity must be included. This exception request can cover non-formulary medications, or enrollees on multiple medications whose quantity limits are exceeded based on the current drug formulary. If the Health Choice Generations Medical Director approves the exception request, the approval is valid for the remainder of the Plan year so long as the Plan provider continues to prescribe the drug and the member continues to be eligible under Health Choice Generations.

Web Address: [www.hcgenerations.com](http://www.hcgenerations.com)

Section: Provider, then Commonly Used Forms

### **Over-the-Counter (OTC) Drugs**

Health Choice Arizona Plan (AHCCCS) has specified that OTC drugs will continue to be a covered benefit under the Medicaid program and the member must use their HCA/AHCCCS member ID card at the Network pharmacy. There are no mandatory CMS enforced co-pays for these drugs. In some cases where the Regional Behavioral Health (RBHA) physician/provider is ordering the OTC drugs, the RBHA will be responsible for payment, not Health Choice Arizona.

### **Prescription Drugs**

Drugs covered under Original Medicare (Part B Drugs) are covered for everyone with Medicare. “Drugs” includes substances that are naturally present in the body, such as blood clotting factors.

- Drugs that usually are not self-administered by the patient and are injected while receiving physician services. Health Choice Generations also covers some drugs that are “usually not self-administered” even if you inject them at home.
- Drugs used with durable medical equipment (such as nebulizers or blood glucose testing meters) that were authorized by Health Choice.
- Clotting factors you give yourself by injection if you have hemophilia.
- Immunosuppressive drugs, if you have had an organ transplant that was covered by Medicare.
- Injectable osteoporosis drugs, if you are home bound, have a bone fracture that a doctor certifies was related to post-menopausal osteoporosis, and cannot self-administer the drug.
- Antigens.
- Certain oral anti-cancer drugs and anti-nausea drugs.
- Certain drugs for home dialysis, including heparin, the antidote for heparin when medically necessary, topical anesthetics, Erythropoietin (Epoen) or Epoetin alfa, and
- Darboetin Alfa (Aranesp)
- Erythropoietin (Procrit or Epogen)
- Intravenous Immune Globulin for the treatment of primary immune deficiency diseases in your home.

### **Specialty Pharmacies**

Specialty Drug Products are expensive biologically engineered medications that are supplied by HC Generations via a designated mail order specialty pharmacy, which require prior authorization. HC Generations will coordinate the provision of these approved medications to you patients.

### **Home infusion pharmacies**

Health Choice Generations will cover home infusion therapy if:

- The prescription drug is on HC Generations formulary or a formulary exception has been granted for your prescription drug;
- HC Generations has approved the prescription for home infusion therapy; and
- The prescription is written by an authorized prescriber.

Please refer to the Pharmacy Directory to find a home infusion pharmacy provider, or contact Network Services, please contact Member Services.

### **Long-term Care Pharmacies**

In some cases, residents of a long-term care facility may access their prescription drugs through the facility's long-term care pharmacy or another network long-term care pharmacy. Please refer to the Pharmacy Directory to find out what long-term care pharmacies are part of the network. Contact your Network Services Representative for assistance.

### **Indian Health Service / Tribal / Urban Indian Health Program (I/T/U) Pharmacies**

Only Native Americans and Alaska Natives have access to Indian Health Service/Tribal/Urban Indian Health Program (I/T/U) Pharmacies through Health Choice Generations pharmacy network. Those other than Native Americans and Alaskan Natives may be able to access these pharmacies under limited circumstances (e.g. emergencies).

Please refer to the Pharmacy Directory to find an I/T/U pharmacy. Contact your Network Services Representative for assistance.

### **Drug Tiers**

Drugs on our formulary are organized into different drug tiers, or groups of different drug types. Health Choice Generations Formulary is broken down into three (3) tiers, Generic, Brand and Specialty. The co-payment depends on which drug tier your drug is in.

### **Formulary Changes**

HC Generations may add or remove drugs from the formulary during the year. Changes in the formulary may affect which drugs are covered and how much you will pay when filling prescriptions. If HC Generations remove drugs from the formulary, add prior authorizations, quantity limits, and/or step therapy restrictions on a drug, and HC Generations enrollee is taking the drug affected by the change, we will notify providers of the change at least 60 days before the date that the change becomes effective. If we do not notify you of the change in advance, we will give a 60-day supply of the drug when the member requests a refill of the drug. However, if

a drug is removed from our formulary because the drug has been recalled from the market, we will not give 60 days notice before removing the drug from the formulary or give a 60-day supply of the drug when a requesting a refill. Instead, we will remove the drug from our formulary immediately and HC Generations enrollees and providers will be notified about the change as soon as possible.

Immediately after receiving the 60-day notice or 60-day supply, providers should work with HC Generations Members to either switch to a drug we cover or request an exception (which is a type of coverage determination). If the provider determines that the drug being removed is needed and none of the drugs we cover is medically appropriate for the member, the provider may request an exception.

Similarly, should providers determine that HC Generations Members are not able to meet a coverage determination, quantity limit, step therapy restriction, or other utilization management requirement for medical necessity reasons, the HC Generations Member and/or the provider may request an exception.

### **Formulary Over-rides or Exception Request**

Providers can use the Health Choice Generations Coverage Determination Request Form and include documentation of medical necessity. This exception request can cover non-formulary medications, or HC Generations enrollee on multiple medications whose quantity limits are exceeded based on the current drug formulary. If the Health Choice Generations Medical Director approves the exception request, the approval is valid for the remainder of the Plan year so long as the Plan provider continues to prescribe the drug and the member continues to be eligible under Health Choice Generations.

### **Drug is not on the Health Choice Generations Formulary**

If the drug is not listed on the formulary, you should first contact Pharmacy Coverage Determination to be sure it is covered.

If confirmed that it is not covered, there are three options:

- Switch to another drug that is covered by us. Contact Pharmacy Coverage Determination for a list or visit our Web site.  
Web Address: [www.hcgenerations.com](http://www.hcgenerations.com)  
Select: Medicare Part D Plans
- Request an exception (which is a type of coverage determination) to cover the drug.
- Enrollees may pay out-of-pocket for the drug and request that the plan reimburse them by requesting an exception. If the exception request is not approved the plan is not obligated to reimburse the member. If the exception is not approved, enrollees may appeal the plan's denial.

Enrollees who recently joined HC Generations may be able to get a temporary supply of a drug they are taking when they joined HC Generations if it is not on our formulary.

### Transition Policy

New enrollees in our plan may be taking drugs that are not on our formulary, or that are subjected to certain restrictions, such as prior authorization or step therapy. HC Generations Members should talk to their doctors to decide if they should switch to an appropriate drug that we cover or request a formulary exception (which is a type of coverage determination) in order to get coverage for the drug.

While these new enrollees might talk to their doctors to determine the right course of action, we may cover the non-formulary drug in certain cases during the first 90 days of new membership.

For each of the drugs that are not on our formulary or if the drugs have coverage restrictions or limits, HC Generations will cover a **temporary 30-day** supply (unless the prescription is written for fewer days) when the new member goes to a network pharmacy. After the first 30-day supply, we will not pay for these drugs, even if the new member has been a member of the plan less than 90 days.

If a new HC Generations enrollee is a resident of a long-term care facility, we will cover a drug up to a **31-day** transition supply (unless you have a prescription written for fewer days). HC Generations will cover more than one refill of these drugs for the first 90 days for a new member of our plan. If a new enrollee needs a drug that is not on our formulary or subject to other restrictions – such as step therapy or dosage limits – but the new enrollee is past the first 90 days of new membership in the HC Generations Plan, we will cover up to 31-day emergency supply of that drug (unless the prescription is for fewer days) while the new member pursues a formulary exception.

Please note that the transition policy applies only to those drugs that are “Part D drugs” and that are purchased at a network pharmacy. The transition policy cannot be used to purchase a non-Part D drug or drug out-of-network.

In some cases, we will contact you if the enrollee is taking a drug that is not on our formulary. We can give you the names of covered drugs that also are used to treat the enrollee’s condition so you can if any of these drugs are an option for the enrollee’s treatment.

### Drug Exclusions

By law, certain types of drugs or categories of drugs are not covered by Medicare Part D Prescription Drug Plans. These drugs are not considered Part D drugs and may be referred to as “exclusions” or “non-Part D drugs.” These excluded drugs include:

Nonprescription Over-the-Counter (OTC) drugs	Drugs when used for anorexia, weight loss, or weight gain
Drugs when used to promote fertility	Drugs when used for cosmetic purposes or hair growth or erectile dysfunction
Drugs when used for the symptomatic relief of cough or colds	Prescription vitamins and mineral products, except prenatal vitamins and fluoride

	preparations
Outpatient drugs for which the manufacturer seeks to require that associated tests or monitoring services be purchased exclusively from the manufacturer as a condition of sale	Barbiturates and Benzodiazepines

Note: Due to a change in Medicare, most Medicare Drug Plans will no longer cover erectile dysfunction (ED) drugs like Viagra, Cilais, Levitra, and Caverject starting January 1, 2007. Call your Medicare Drug Plan for more information.

In addition, a Medicare Part D Prescription Drug Plan cannot cover a drug that would be covered under Medicare Part A or Part B.

A Medicare Part D Prescription Drug Plan can cover off-label uses of a prescription drug; we cover the off-label use only in cases where the use is supported by certain Peer Review reference book citations. Congress specifically listed the reference books that list whether the off-label use would be permitted.

If the use is not supported by one of these reference books (known as compendia), then the drug would be considered a non-Part D drug and would not be covered by our plan.

## **Drug Management Programs**

### **Utilization management:**

For certain prescription drugs, we have additional requirements for coverage or limits on our coverage. These requirements and limits ensure that our HC Generations Members use these drugs in the most effective way and help us control drug plan costs. A team of doctors and pharmacists developed the following requirements and limits for our Plan to help us to provide quality coverage to our enrollees.

### **Coverage Determination:**

We require you to get an approved coverage determination for certain drugs. This means the provider will need to get approval from HC Generations before the enrollee can fill your prescription. If the enrollee does not get prior approval, HC Generations may not cover the drug.

These compendia are: (1) American Hospital Formulary Service Drug Information; United States Pharmacopoeia-Drug Information; and (3) the DRUGDEX Information System.

### **Quantity Limits:**

For certain drugs, we limit the amount of the drug that we will cover per prescription or for a defined period. For example, we will provide up to 9 pills per prescription for Imitrex, 15 pills for some sedatives per 30 day supply.

**Step Therapy:**

In some cases, HC Generations may require providers to try one drug to treat HC Generations Members medical condition before covering another drug for that condition. For example, if Drug A and Drug B both treat your patients medical condition, we may require you to prescribe Drug A first. If Drug A does not work for your patient, then we will cover Drug B.

**Generic Substitution:**

When there is a generic version of a brand-name drug available, our network pharmacies will automatically give the generic version, unless the provider has provided documentation to HC Generations that the member must take the brand-name drug.

The provider can find out if the drug taken is subject to these additional requirements or limits by looking in the formulary. If your drug is subject to one of these additional restrictions or limits and the provider must determine that the HC Generations Member is not able to meet the additional restriction or limit for medical necessity reasons, the provider can request an exception (which is a type of coverage determination).

**Drug Utilization Review**

HC Generations conducts drug utilization reviews on our HC Generations Members to make sure they are receiving safe and appropriate care. These reviews are especially important for enrollees who have more than one doctor who prescribe their medications. We conduct drug utilization reviews each time prescriptions are filled by HC Generations Members and on a regular basis by reviewing our records. During these reviews, we look for medication problems such as:

- Possible medication errors.
- Duplicate drugs that are unnecessary because another drug being taken treat the same medical condition.
- Drugs that are inappropriate because of age or gender.
- Possible harmful interactions between drugs taken.
- Drug allergies.
- Drug dosage errors.

If HC Generations identifies a medication problem during our drug utilization review, we will work with the provider to correct the problem.

**Medication Therapy Management Programs**

HC Generations offers medication therapy management programs at no additional cost for enrollees who have multiple medical conditions, who are taking many prescription drugs, or who have high drug costs. These programs were developed for us by a team of pharmacists and doctors. HC Generations uses these medication therapy management programs to help us provide better coverage for our HC Generations Members. For example, these programs help us make sure that our enrollees are using appropriate drugs to treat their medical conditions and help us identify possible medication errors.

We offer a medication therapy management program(s) for HC Generations Members that meet specific criteria. HC Generations may contact enrollees who qualify for these programs.

If providers have HC Generations Members who meet the criteria, contact Medical Services to enroll your patients into a medication therapy management program. HC Generations will send information about the specific program, including information about how to access the program.

### **Prescription drug coverage if you go to a hospital or skilled nursing facility**

#### **If HC Generations Enrollees are admitted to a hospital for a Medicare-covered stay:**

Medicare Part A will cover the cost of prescription drugs while enrollees are in the hospital. Once they are released from the hospital, HC Generations will cover prescription drugs as long as all coverage requirements are met (such as the drugs being on our formulary, filled at a network pharmacy, etc.). They are not covered by Medicare Part A or Part B, or are part of the formulary and are purchased at one of our network pharmacies. HC Generations will also cover prescription drugs if they are approved under the coverage determination, exceptions, or appeals process.

**If HC Generations Members are admitted to a skilled nursing facility for a Medicare-covered stay:** After Medicare Part A stops paying for prescription drug costs, HC Generations will cover prescriptions as long as the drug meets all of our coverage requirements (including the requirement that the skilled nursing facility pharmacy be in our pharmacy network, unless meet standards for out-of-network care, and that the drug would not otherwise be covered by Medicare Part B coverage). When a HC Generations Member enters, lives in, or leaves a skilled nursing facility they are entitled to a special enrollment period, during which time they will be able to leave HC Generations and join a new Medicare Part D Prescription Drug Plan.

#### **Extra help is available**

Medicare provides “extra help” to pay prescription drug costs for people who meet specific income and resources limits. Resources include your savings and stocks, but not your home or car. If the HC Generations Member qualifies they will get help paying for your Medicare drug plan’s monthly premium, yearly deductible and prescription drug co-payments. All Health Choice Generations Members automatically qualify for extra help since they are eligible for Medicaid (AHCCCS).

#### **Does your HC Generations Patient Qualify for Extra Help?**

People with limited income and resources may qualify for extra help one of two ways.

The amount of extra help HC Generations Members get will depend on their income and resources.

- HC Generations Members automatically qualify for extra help and do not need to apply if they have full coverage from:
  - A state Medicaid program (AHCCCS) or
  - If they get Supplemental Security Income benefits

Medicare mails letters monthly to people who automatically qualify for extra help.

- HC Generations Members apply and qualify. If the member qualifies due to:

- their yearly income is less than \$14,700 (single) or \$19,800 (married and living with your spouse),
- Their resources are less than \$11,500 (single) or \$23,000 (married and living with your spouse).

Resources include savings and stocks but not home or car. If the provider believes a HC Generations Member may qualify, have the member call Social Security at 1-800-772-1213, visit [www.socialsecurity.gov](http://www.socialsecurity.gov) on the web, or apply at your State Medical Assistance (Medicaid) office.

TTY users should call 1-800-325-0778. After the HC Generations Member applies, they will get a letter in the mail letting them know if they qualify and what steps are next.