

The Allied National Outpatient Prescription Formulary

What is a formulary? How does it work?

The Allied formulary, through Partners RX, places each prescription into one of five cost tiers that determines your cost share. These tiers, from lowest to highest copay, are:

Tier 0 – Prilosec and Claritin Over the Counter

Tier 1 – All generic medications

Tier 2 – Formulary brand medications

Tier 3 – Non-formulary brand medications

Tier 4 – Specialty medications

Tier Zero (OTC) Information

Two widely used drugs (Prilosec and Claritin) changed from prescription to over-the-counter (OTC) status in the past two years. OTC drugs cost much less than their non-OTC counter parts. To take advantage of this savings, your health plan covers these two OTC drugs. These medications are the same strength as they were when a prescription was required. The only difference now is they are significantly less expensive as an OTC product.

Your health plan covers these OTC medications to help you save money on your co-payment as long as a physician orders them for you. Should you, or a family member, need a prescription for an allergy or a treatment for intermittent or occasional GI upset please consult with your physician. If an OTC product is right for you, please ask your doctor to write or telephone a prescription to your pharmacy. To be covered under your OTC benefit, these drugs must be dispensed with a doctor's prescription and purchased with your drug card.

Tier One Information

Tier one contains all FDA approved generic medications. A generic medication is the same chemical compound as the brand name version. A generic medication is not just therapeutically equivalent to the brand name drug, it is chemically identical to the brand name drug and therefore identical in effect. Always ask your doctor if a generic alternative is available. The use of generics will save you money.

Tier Two and Three Information

Today there are many different medications available to treat the same condition. Sometimes there is a generic version available, sometimes only a brand. However, not all brand name drugs are priced the same and the more expensive ones are not necessarily better. Utilizing a committee of physicians and pharmacists, Partners RX has grouped all brand medications into one of three tiers – formulary brand, non-formulary brand and specialty (see Tier Four Information below). Formulary brands

either have no alternative available or they are a lower cost, therapeutic alternative to a non-formulary brand.

You, your doctor and your pharmacist must always determine which drug is right for you. When a formulary brand drug is chosen, the savings of the lower cost drug are passed on to you via a lower copay.

Tier Four Information

Tier four is for specialty pharmaceuticals – very expensive and not used by many people. These drugs, also called biotech or biologicals, are drug products engineered from human, animal, viral or bacterial cells, usually by recombinant DNA technology. They are used to treat chronic and complex conditions such as multiple sclerosis, growth hormone deficiency, Hepatitis C, hemophilia and rheumatoid arthritis, to name a few.

These therapies often require supervision by a healthcare professional, usually a specialist, and are often given by injection. More and more of these therapies are becoming available for patient self-administration. Since your pharmacy benefit plan utilizes a formulary, you have a choice as to how these drugs are purchased. They may be purchased from the doctor's office, through our specialty pharmaceutical vendor (Precision RX Specialty Solutions) and sometimes they may be purchased from a retail pharmacy. If the drug requires preparation or injection by your physician it can be purchased for direct delivery to his/her office.

The choice of where to purchase is yours, but reimbursement is based upon the Partners RX contracted network rate. Often this rate is less than your doctor's office charges. You will be responsible for any amount in excess of the contracted rate.

If you need to utilize Tier Four prescription medications, we encourage you to read the Specialty Drug ordering information on our website.