

Guide to Changes in Drug Coverage for Fully Insured Members in 2017

In 2017, Blue Cross and Blue Shield of Louisiana will implement a **closed formulary** for non-grandfathered individual and non-grandfathered small group (2-50) plans and make **annual formulary updates** to drug coverage for all other members. The Blue Cross Pharmacy and Therapeutics (P&T) Committee, a group of independent Louisiana doctors and pharmacists, has approved these formulary changes. Please read the following information about how these changes affect your clients.

When do these changes take effect?

Beginning Jan. 1, 2017, these changes take effect for new sales and upon renewal for existing plans.

New Covered Drug List

Affected Members: non-grandfathered individual and non-grandfathered small group (2-50) plans

- Today, our formulary is **open** for all members. This means we cover all contract-eligible prescription drugs at different cost-share levels. **Starting Jan. 1, 2017, drug lists for non-grandfathered individual and non-grandfathered small group (2-50) plans will be closed.** This means we will not cover every drug, only those on the list.
- For individual benefit plans only, **4-Tier** pharmacy benefit plans are **moving** to a new **3-Tier** pharmacy benefit design. See the charts below for details.

2016 Individual Benefit Plan Structure

Tier	Description	Copay Option 1	Copay Option 2
1	Value drugs	\$7	\$15
2	Preferred brand drugs	\$30	\$40
3	Non-preferred brand or generic drugs	\$70	\$70
4	Specialty drugs	10% (\$150 cap)	10% (\$150 cap)

2017 Individual Benefit Plan Structure

Tier	Description	Copay Option 1	Copay Option 2
1	Primarily generic drugs (traditional and specialty), although some brand-name drugs may fall into this category	\$7	\$15
2	Includes traditional brands and generics, specialty brands and generics, and biosimilars	20% (\$250 cap)	20% (\$250 cap)
3	Includes traditional and specialty brands and generics, biosimilars and covered compound drugs	30% (\$250 cap)	30% (\$250 cap)

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If an individual or small group member fills a prescription for a drug that is not on the covered drug list:

- If a member fills a prescription for a drug that is not on the covered drug list, he or she could have to pay the full cost of the drug out of pocket.
- For the first 90 days after renewal or plan effective date, a member may get a one-time fill of a non-formulary drug up to a 30-day supply covered under their health plan. Then he or she will get a letter from Express Scripts explaining that the drug will not be covered next time. The member's doctor will receive a similar letter.

If a member cannot take any of the covered drugs:

- Doctors may request coverage of a non-formulary drug if there is a medically necessary need for a drug that is not on the covered drug list.
- Certain criteria must be met before the drug may be covered. If those criteria are not met, the member will have to fill a covered alternative or pay full price for a drug not on the list.

When can you see the new covered drug list?

- The new covered drug list will be available at bcbsla.com/pharmacy by **Nov. 1, 2016**.

Annual Formulary Updates

Affected Members: All grandfathered individual and group members and non-grandfathered large groups (51+)

- Changes in tiers for some drugs.
- Additional drugs needing prior authorization.
- Drugs added to the quantity per dispensing limit list.
- Additions to the specialty drug program.

When can you see the updated open formulary?

- Updated open formulary drug lists will be available online by **Dec. 16, 2016**.

Updated Contract Exclusions

Affected Members: All fully insured members

- **Selected drugs with over-the-counter alternatives** will not be covered.
- **Selected drug kits** that include or are packaged with a non-prescription product will not be covered, but the prescription drug may be covered when purchased alone.
- **Medical marijuana** is excluded from coverage today for all benefit plans. A clarifying exclusion will be added to 2017 contracts.

Working with prescribers:

To help our customers more effectively manage healthcare costs, Blue Cross and HMO Louisiana are asking physicians to consider prescribing drugs that are covered or have lower copayments **when they believe it is appropriate for their patients**. We want to make sure members are informed of the changes, and we are encouraging them to discuss their prescription medications with their physicians.

When members need help:

Members may call Express Scripts* Customer Service toll free at the number on their ID card (1-866-781-7533) to get more information about their prescription benefits. Find more drug coverage information at www.bcbsla.com/pharmacy.

**Express Scripts is an independent company that serves as the pharmacy benefit manager for Blue Cross and Blue Shield of Louisiana and HMO Louisiana, Inc.*