



Level 3 Cost Sharing Example

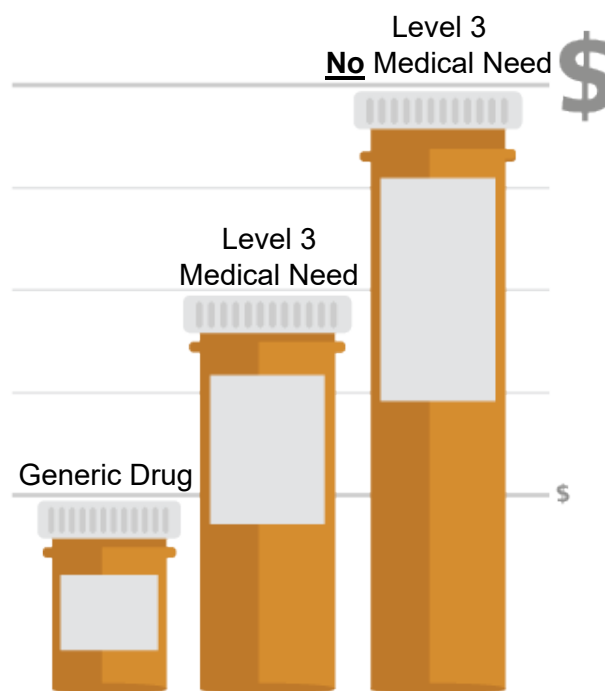
Pharmacy Benefits: Saving on Your Prescriptions

Level 3 drugs are typically brand name drugs with lower cost generic options at levels 1 or 2.

A doctor may write a prescription for a level 3 drug and mark it as “DAW-1” or “dispense as written.” This tells the pharmacist to fill the prescription with the brand name drug as written and not to substitute an available lower-cost version.

Doctors may write “DAW-1” prescriptions because of a patient’s request or for medical reasons.

How much you pay for a level 3 drug depends on if it is medically necessary that you take the brand name version of the drug instead of the lower cost alternative.



Medical Need

- Your doctor must submit an FDA MedWatch form to Navitus for the prescription.
 - Have your doctor contact Navitus for the form.
 - The form must be submitted the first time you are prescribed the medication. After it’s submitted and approved, it will stay on file.
 - For the first fill, you must wait until the form is approved. Form processing time:
 - Normal circumstances: within 72 hours
 - Urgent/emergency circumstances: within 24 hours
- Each time you fill the prescription, you will pay 40% of the cost (up to \$150).

No Medical Need

- Each time you fill your prescription, you will pay 40% of the cost (up to \$150) **plus** the cost difference between the brand name drug and its generic equivalent.
- Often you can save significant money by getting the generic version of the medication.

See the next page for examples of what your costs at the pharmacy counter could look like.



Example 1: Level 3 Drug Prescription, Medical Need

Your doctor prescribes you BrandNameStatin and marks it as “DAW-1”. The brand name drug is medically necessary because you are allergic to an ingredient in the generic equivalent. Your doctor submits the FDA MedWatch form to Navitus.

30-Day Supply Costs

Your Cost with Insurance:

- BrandNameStatin: **\$150**

Cost Before Insurance:

- BrandNameStatin: \$2,000

BrandNameStatin Cost Calculation

$$\text{\$2,000} \times 40\% = \text{\$800} \rightarrow \text{\$150}$$

You pay 40% of the original drug price. There is a limit of \$150

Example 2: Level 3 Drug Prescription, No Medical Need

Your doctor prescribes you BrandNameStatin and marks it as “DAW-1”. No FDA MedWatch form is submitted.

30-Day Supply Costs

Your Cost with Insurance:

- BrandNameStatin: **\$1,250**
- Generic equivalent: **\$5**

Cost Before Insurance:

- BrandNameStatin: \$2,000
- Generic equivalent: \$900

BrandNameStatin Cost Calculation

$$\text{\$2,000} \times 40\% = \text{\$800} \rightarrow \text{\$150}$$

You pay 40% of the original drug price. There is a limit of \$150

$$\text{\$2,000} - \text{\$900} = \text{\$1,100}$$

You also pay the cost difference between the brand name drug and the generic equivalent

$$\text{\$150} + \text{\$1,100} = \text{\$1,250}$$

When having a brand name drug is not medically necessary, you can save money by getting the generic version. In this example **you'd save \$1,245** each time you fill your prescription.

