

RegenceRx Provider Basics

Introduction to RegenceRx

RegenceRx offers a wide variety of services devoted to keeping our providers and members better informed and intended to help slow the rising cost of prescription medications. This manual will give a general overview of Regence Pharmacy Services as well as serve as a resource for providers working to maximize their patients' prescription benefits, while minimizing their out-of-pocket costs. In it you will find information regarding:

- General descriptions of prescription benefit plan designs
- Background on our Preferred Medication List/Formulary (PML)
- General information on the coverage of specific medications, such as generics, injectables, and over-the-counter medications
- Instructions on submitting prior authorization requests
- Descriptions of RegenceRx provider services
- Basics on RegenceRx special member programs

Prescription Benefits – General Information

Any effort to assist providers in slowing the rising cost of medications for their patients must begin with a discussion of prescription benefit designs. Only through a general understanding of how benefit plans operate can a provider and member work together to make the most informed choices about the drugs that are prescribed. Obviously, not all pharmacy plans cover the same medications; or cover the same medications in the same way. The price your patient pays will depend on the pharmacy plan they belong to, as well as the drug you prescribe. Three of the most commonly purchased plans are outlined below.

Three-Tier Rx Benefits

A three-tier prescription benefit is designed to give members choice over which medications they use while balancing costs. A three-tier Rx benefit does this by breaking prescription medications into three categories: generic, formulary/brand-name, and non-formulary. In general, generic medications are in the first tier (lowest copay), brand name medications in the second, and non-formulary products in the third (highest copay).

Open Rx Benefits

An open prescription benefit is designed to give members the most choice over which medications they use and is the least restrictive about which drugs are available. For the most part, it does not attempt to control costs or change utilization habits. While our formulary remains a guide to the most efficient and/or cost effective medications, under an open Rx benefit plan design any prescription medication is available to members at either their generic or brand copayment.

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Closed Rx Benefits

A closed prescription benefit is designed to be simple to use, keep members' out-of-pocket expenses low, and control costs by promoting clinically sound, cost-effective medications. To do this, the closed Rx benefit plan design breaks prescription medications into two categories: generic and formulary/brand-name. Generics generally cost the least; brand drugs on the formulary have a higher copay, and non-formulary medications are not covered. Because it's the most economical of the benefit plans, a closed Rx benefit also the most restrictive.

Preferred Medication List/Formulary (PML)

The Preferred Medication List (PML) is a guide to which medications are covered and at what copay or coinsurance level. **As a general rule, our members will experience the highest out-of-pocket costs when a prescription is written and filled for a medication not on the PML.** Sometimes called a formulary, the PML is a list of prescription drugs that are encouraged by RegenceRx, based on scientific evaluation of their safety, effectiveness, value and overall impact on health outcomes.

Selection of Preferred Medication List/Formulary (PML) Medications

Before a medication is added to our PML, RegenceRx pharmacists perform an extensive evaluation, involving clinical reviews by our pharmacists and physicians, practicing specialists, and others in the medical community. We look beyond a manufacturer's claims, press releases, news reports, and even beyond Food and Drug Administration (FDA) recommendations, for information that is truly scientific and evidence based. Then RegenceRx pharmacists give recommendations to an independent committee of physicians and pharmacists who make the final formulary decisions they think make the most sense for their patients. We respect and abide by their advice. The PML is updated continually throughout the year to reflect the new products coming available on the market. At least one or more medications are available on the PML for each condition that is a covered benefit.

Originally developed by RegenceRx, this "evidence based" clinical review process has been adopted by the Academy of Managed Care Pharmacy for all of its members' formulary review decisions. We believe this meticulous process results in the safest, most cost-effective medication options for our members. RegenceRx is committed to identifying medications that provide significant value, while excluding products that add cost without improving treatment.

Where to find the Preferred Medication List/Formulary (PML)

The most current version of the PML can be found on the RegenceRx Web site at www.regencerox.com. This printer friendly online version is available in alphabetical or therapeutic class formats. You can also download a Personal Digital Assistant (PDA) version at www.epocrates.com. If you are unable to access the internet and need a paper copy of the PML for your office, please call provider customer services at **1 (800) 322-1737** to order one.

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Non-Formulary Medications

Any medication not listed on the PML is not on formulary. If your patient has a three-tier prescription benefit, non-formulary medications are only available at the highest copayment. If your patient has a closed formulary benefit, non-formulary medications are only available at the member's own expense.

Coverage for Specific Medications

Coverage of any specific medication depends on the member's individual prescription benefit plan. If your patients ever have questions on their prescription coverage, the best place to refer them to is the Member Services phone number listed on the back of their Regence ID card. Information covering some of the most common questions regarding prescription benefits for specific medications is listed below.

Generic Medications

One of the simplest things you can do to help your patients save on prescription expenses is to prescribe generics whenever possible. Marketing firms want consumers to believe the mistaken notion that generics are somehow of inferior quality. In fact, the FDA requires that generics meet the same strict standards of safety and effectiveness as the equivalent brand name drug. The generic may be a different shape or color than the expensive brand name, but the active ingredients inside remain the same. We encourage our members to ask their providers if therapeutic generic alternatives are an option for their prescription needs. We also encourage providers to consider generic alternatives for their patients where appropriate. Such generic medications will usually result in significant out-of-pocket savings for your patients. In support of this "save with generics" philosophy, we offer the Generic Incentive Program giving your patients taking specified generic medications the chance to receive up to a 30-day supply at no cost. For more information on this program, please see the Special Member Programs section below.

Injectable and High Cost Specialty Medications

Prescription benefit coverage of injectables and other high cost specialty medications depends on several factors: the specific medication, location of its administration (by the patient, in the provider's office, or some other ambulatory setting), and the benefit plan itself. If you have patients on high-cost injectable, oral, or inhalation medications for chronic conditions, we encourage you to go to our website at www.regencerox.com to learn more about the RegenceRx Specialty and Injectable Medication Program and to download a detailed Administrative Manual. To obtain a copy of this manual for your office, you may also call Provider Customer Services at **1 (800) 322-1737**. A brief description of the program follows below.

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RegenceRx Specialty and Injectable Medication Program

The RegenceRx Specialty and Injectable Medication Program, administered in conjunction with McKesson Specialty Pharmacy, focuses on the medical management of individuals requiring high-cost specialty and injectable medications for chronic conditions such as multiple sclerosis, growth hormone deficiency, hepatitis, rheumatoid arthritis, oncology, organ transplant, infertility, and HIV. This program offers an extensive support system provided by a dedicated team of pharmacists, nurses, and patient care specialists trained to assist people with these chronic conditions.

McKesson Specialty Pharmacy can provide medications directly to a member for self-injection or to a physician's office for administration to a specific member.¹ Depending on the benefit plan, obtaining prescriptions for these high cost injectable medications through McKesson Specialty Pharmacy may result in a significant cost savings for your patients. Providers may enroll members in this program for specialty and self-injectable medications. For more information on the program itself, including a detailed Administrative Manual and a list of common specialty and injectable medications offered by McKesson, please refer to our website at www.regencerox.com. You may also contact McKesson Specialty Pharmacy directly at **1 (888) 456-7274**. If you have questions regarding coverage of a particular medication, please contact Provider Customer Service at **1 (800) 322-1737**.

Insulin and Diabetic Supplies

Insulin is covered on all retail drug plans. Diabetic supplies are also covered on most plans, though, a prescription is required. Examples of covered supplies include: insulin pens, needles and syringes, blood glucose monitoring strips and lancets. Some plans have a dollar limit on pharmacy benefits, while other plans may place limits on the number of glucose test strips a patient may receive each month. If you have questions on coverage for insulin or diabetic supplies for a particular patient, please contact Provider Customer Service at **1 (800) 322-1737** for assistance.

Over-the Counter Medications

Non-prescription/over-the counter (OTC) medications are not covered by most plans. Exceptions to this include our *Prilosec OTCTM* special member program, which is discussed more fully below.²

¹ Generally, medications administered in a provider's office or ambulatory clinic setting are not covered on the retail drug benefit. Instead, these medications are usually covered under the member's medical benefits. Providers administering medications in their offices or in the ambulatory clinic setting may obtain such medications and supplies directly from McKesson Specialty Pharmacy. When the medication and supplies are obtained directly from McKesson, the provider should only bill for the administration fee, as McKesson Specialty Pharmacy will bill the plan directly for the medication and supplies. Providers may also choose to purchase the medication from their contracted vendors as office stock and submit a claim for reimbursement after the medication has been administered.

² In addition, the Healthy Options plan in Washington includes coverage of a limited number of over-the-counter medications. For a complete list of covered items under these particular plans, please see our website at www.regencerox.com.

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Vitamins and Mineral Supplements

Generic prenatal vitamins are covered on all plans. All other vitamins and mineral supplements are usually benefit exclusions.

Prior Authorization & Quantity Level Limits

Some medications may require prior authorization in order to be covered under your patient's pharmacy benefit plan. Some medications may also have limits on the quantities that can be covered. RegenceRx has implemented prior authorization and quantity level limits for select medications in order to promote their appropriate use, while deterring unproven or experimental usages.

Medications Requiring Prior Authorization

Non-formulary drugs must be approved for members on closed formulary plans. We require that the member have tried and failed formulary alternatives first. Other medications requiring prior authorization include those that may be prone to overuse or present potential safety issues, drugs that have limited uses based on scientific studies or FDA approval, and medications that may be prescribed for conditions which are not covered or that require diagnostic tests to ensure medical benefit. Finally, prior authorization may also be required for some medications with less expensive options. A list of drugs requiring prior authorization can be found on our website at: www.regencerox.com. This list also includes medications with set quantity limits.

As with the RegenceRx Preferred Medication List/Formulary (PML) selection process, the determination whether to require prior authorization or set quantity limits on a particular medication is only made after RegenceRx pharmacists have performed an extensive evidence based clinical review. Similar to the formulary process, our pharmacists make recommendations to a committee of physicians and pharmacists who then approve the medical policy and criteria for each medication. The medical policy and criteria for those medications requiring prior authorization may be found on our website at: www.regencerox.com.

Submitting a Pre Authorization Request

Prior Authorization requests may be submitted via mail, fax, or on-line. Prior Authorization forms can be downloaded from our website www.regencerox.com. Please be sure they are filled out completely, clearly, and accurately. Failure to do so may delay the request. **Certain medications require that corresponding chart notes be faxed with the form.** If you have any questions or require assistance submitting a prior authorization request for a specific member, please call **1 (800) 732-9157**.

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RegenceRx Provider Services

RegenceRx has developed a variety of services specifically designed with providers in mind. These services are intended to give our providers the latest clinical information on prescription medications and to suggest possible therapeutic alternatives. In addition, RegenceRx has developed on-line tools to help you understand the potential costs of prescription medications and minimize your patients' out-of-pocket expenses.

RegenceRx Website

Our website, www.regencerox.com, offers information on prescription benefits and medications to both our members and providers. By clicking on the link in the upper right hand of the home page labeled "For Physicians," you will be directed to the RegenceRx provider home page. From here, providers can research medications, use physician resources, download forms, get patient handouts on specific health issues, and obtain detailed information about our special member programs. All of the resources listed below can be easily accessed from the provider website.

ConsumerRx®

At RegenceRx, we encourage our members to play an active role in their health care. We believe the better informed our members are, the more successful their treatment is likely to be. It just makes good sense for them to talk openly with their providers about important medical issues that affect them directly—about generic alternatives, possible side effects, how to properly take their medication, and when to expect health improvements. To make sure your patients have the best available information, we developed educational summaries for a variety of medication classes that we've called *ConsumerRx*. They cover a wide variety of topics including allergy treatment, antidepressants, asthma, diabetes, flu, growth hormones, heartburn, migraine, pain and sleep medications, and cholesterol-lowering statins. We hope you will use these handouts to help your patients better understand their medication options. *ConsumerRx* handouts can be found on our website at www.regencerox.com.

PhysicianRxSM Summaries

The *PhysicianRx* educational summaries are designed to help providers better understand our evidence-based medication choices. These summaries offer references that explain how we formed our conclusions, information about generic medications, as well as other money-saving tips for your patients. The *PhysicianRx* summaries are available on our website at www.regencerox.com.

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Therapeutic Class ReviewSM Summaries

In addition to *PhysicianRx* summaries, we also offer executive summaries from our Therapeutic Class Review process. The full reviews are used by our Pharmacy and Therapeutics Committee in making formulary decisions. *Therapeutic Class Reviews Summaries* include the following information:

- Reason for the review
- Scientific evidence
- Product review of the class
- Available therapeutic alternatives
- Market analysis and promotional efforts
- References
- Pharmacy and Therapeutics Committee conclusion

Therapeutic Class Review Summaries for the most recently analyzed medications (2005 to current) are available on our website at www.regencerx.com.

RxPrice Guide

The *RxPrice Guide* is an on-line tool that gives pricing information to assist providers in understanding the cost of prescriptions they write. The *RxPrice Guide* permits providers to research medications and determine whether it is a brand or generic. In addition, the guide indicates whether the medication is a preferred or non-preferred and if it's under any formulary restrictions. Finally, the *RxPrice Guide* will display the total average cost³ for the medication and give potential alternatives, including generics. The *RxPrice Guide* is available on our website at www.regencerx.com.

RegenceRx Special Member Programs

RegenceRx has created several special programs to offer your patients information, cost savings, and new ways to manage how their prescription dollars are spent. These special programs are briefly described below. For more information on any particular program, please see our website at www.regencerx.com.

³ The *Average Cost/Rx* displayed by the *RxPrice Guide* on-line tool reflects the total allowed charges(s) for all prescriptions of the same medication, strength and form divided by the total number of claims for that medication. The price the member will actually pay may vary depending on the strength and quantity of medication purchased and the member's particular prescription benefit plan.

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Blood Glucose Meter Program

RegenceRx offers all members with diabetes the opportunity to receive a new Bayer *Ascensia*® blood glucose meter of their choice at no cost. A new meter can be shipped directly to the patient's home or office. All your patients need to do to request their free meter is call the toll-free number for Direct Meter Shipment: (888) 787-0233. Members can also request a free training video about using this meter. A comparison of the different types of Bayer *Ascensia*® blood glucose meters available to our members can be found on our website at www.regencerox.com. The Bayer *Ascensia*® meters are the only formulary choice for blood glucose meters. Other brands of meters and test strips are non-formulary. If your patients have questions when they start using the new meter, they can also call the Bayer Customer Service Help Line at (800) 348-8100, twenty-four hours a day, seven days a week, or visit Bayer's website at <http://www.ascensia.com>. For specific copay or coinsurance information on other brands of blood glucose meters and test strips, members should call the phone number on the back of their Regence ID card.

Generic Incentive Program

Under this program, eligible members⁴ taking specified generic medications may receive up to a 30-day supply at no cost. Twenty-three generic medications are currently part of the Generic Incentive Program, which is designed to concretely demonstrate that less expensive generics can be just as medically effective as brand name drugs. Previously, members only received samples of branded medications supplied to their physicians by pharmaceutical manufacturers. With this program, they can try a month's supply of a generic with no initial financial obligation and enjoy long term benefit in the form of lower copayments. A complete list of participating medications is available on our website, www.regencerox.com.

Half-Tablet Program

Some medications come in different strengths that are all similarly priced. The Half-Tablet Program allows your patients to cut specified higher-strength tablets in two, doubling their supply and saving up to six copays per year. Taking advantage of this program is simple. Patients need only ask you to change their current prescription to a double-strength tablet, which when split can provide them their usual daily dosage. A list of medications included in this program can be found on our website at www.regencerox.com. Eligible medications have been carefully chosen to ensure they can be safely split (based on once-a-day usage and the physical formulation of the tablet). In addition, RegenceRx will cover the cost of one tablet splitter a year for participants.

⁴ All members of RegenceRx will be eligible for this program as of November 1, 2006. Currently, Regence BlueShield members, Asuris Northwest Health members, and members of BlueCross BlueShield of Utah are eligible for the program. For a complete list of eligibility requirements, please see our website at www.regencerox.com.

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Prilosec OTC™ Program

RegenceRx offers prescription coverage of Prilosec OTC at the member's generic copay. We treat this over-the-counter product as a generic to encourage its use instead of other more expensive prescription products that have no proven additional benefit. Prilosec OTC will be covered when a member receives a prescription from their physician or when their physician gives the pharmacist a verbal authorization to dispense it.

Information on Other Patient Assistance Programs

The RegenceRx website provides links to a variety of patient assistance resources. If you have patients with limited means who are facing overwhelming expenses for prescription medications, we encourage you to help them explore the available assistance options. These include sources of financial assistance, as well as free-of-charge medications supplied directly from the pharmaceutical manufacturers.

Additional Notes for Providers

DEA Number and Claim Adjudication

When pharmacists transmit prescriptions electronically, the provider's DEA number is transmitted, not the provider name. In order for the correct provider to be associated with the prescription, it is very important that the pharmacy have the correct provider DEA number. We will notify you in the future when we require your National Provider Identifier (NPI) number to adjudicate prescription benefit claims. For more information on the NPI program, including how to apply for your NPI number, please see: <https://nppes.cms.hhs.gov>

Days Supply

Retail prescription benefits typically range from 30 to 34 days per copayment, dependent on the group contract. Where a member's prescription benefit includes a mail order option, typically a 90-day supply is allowed. Some additional quantity limits per month or per copayment may apply for select medications. See the Preferred Medication List/Formulary (PML)—discussed above—for details.

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Mail Order

Some RegenceRx members may have the option of receiving their prescriptions through the mail via Postal Prescription Service or Walgreens Healthcare Plus. Ordering prescriptions by mail is simple. Members with this benefit should send an order form along with a newly written prescription and the mail order copayment to the address listed on the mail-order service form. The member should allow up to two weeks for delivery. Additional information on mail order prescription benefits, including extra mail order forms, can be found on our website at: www.regencerox.com. If your patients have questions whether they qualify for mail order benefits, please refer them to the Member Services phone number found on the back of their Regence ID cards.

Contacting RegenceRx

By Mail:

RegenceRx
100 Southwest Market Street
P.O. Box 1271
Portland, OR, 97207

By Phone / Provider Customer Service (Providers only):

Regence BlueShield (Washington): **1 (800) 322-1737**

Member Customer Service:

When your patients have questions on their prescription benefits, please have them call the number on the back of their Regence ID card. The TTY line for people with hearing impairments is (800) 382-1003.