



Pharmacy Benefit programs.

Reducing costs and supporting better health.

Prescription Drug List (PDL) programs.

Engaging members to promote better medication choices and adherence.

Our pharmacy benefit programs range from those based on the U.S. Food and Drug Administration (FDA) guidelines to innovative initiatives. We provide you with a wide range of programs that help to promote appropriate use, reduce costs and ultimately, improve health status.

PDL Programs.

- Exclude at Launch.
- Strategic Exclusions.
- Refill and Save.

Clinical and utilization management programs.

- Step Therapy.
- Supply Limits.
- Notification/Prior Authorization.

Mail Service and Lower-cost options.

- OptumRx® Mail Service Pharmacy.
- Lower-Cost Options.
- Manage My Prescriptions.

Exclude at launch.

We carefully evaluate medications as they come to market to determine if they add any value or simply add cost. If those newly launched high-cost medications meet certain criteria, we promptly exclude them from benefit coverage until formally reviewed by our National Pharmacy Therapeutics and PDL Management committees. By taking this proactive approach, we are able to quickly respond to new medication launches – managing your benefit responsibly, minimizing member disruption and eliminating unnecessary costs.

Strategic exclusions.

We continuously evaluate medications that are priced at a premium, but fail to offer additional health care value over their therapeutic equivalent alternatives. We do not make the decision to exclude a medication from benefit coverage lightly and only do so when the medication meets our pre-defined criteria. For example, we may exclude a medication when it is therapeutically equivalent to another covered prescription that either:

- contains the same active ingredient, or
- contains a modified version of the active ingredient.

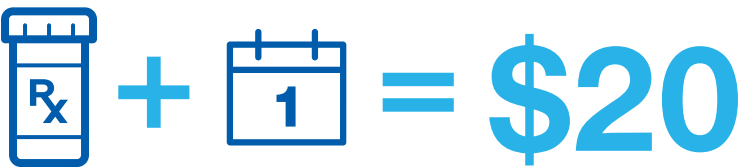
Strategic Exclusions can then be leveraged to negotiate lower costs for other medications within the same therapeutic class to reduce the overall class costs and promote the use of lower-cost medications.



Nine branded medications make up the Growth Hormones class. They all contain the same active ingredient (somatropin) and are therapeutically equivalent to one another. We excluded four of the more expensive medications, maintaining the remaining three in Tier 2 with two in Tier 3.

Refill and save.

This first-of-its-kind program encourages members with certain chronic disease states to comply with their treatment regimen. It rewards members with a \$20 discount (approximately \$50 at mail) on their copayment for timely prescription refills on select medications. Actively engaged members are better able to remain adherent and manage their condition.



Members who refill their eligible prescription on time receive a \$20 discount on their copay.
That's \$240 in savings per year.

Ancillary Charge.

Ancillary Charge is designed to incent members to choose generic medications that offer greater value at a lower price. The program encourages members to lower their out-of-pocket expenses and become more engaged in their pharmacy decisions. Your members may still choose covered brand-name medications, but they must pay the difference between the brand-name drug and the generic option, plus their copayment or coinsurance.

Ancillary charges are calculated based on the difference between the drugs' costs. In the example below, the difference in cost between the brand (higher-tier) and the generic (lower-tier) medication is \$165 (\$200 - \$35 = \$165).

Type of Medication	Cost of Medication	Copayment/Coinsurance	Ancillary Charge	Member Pays)
Brand Medication	\$200	\$10 (Tier 1)	\$165	\$175
Generic Equivalent	\$35	\$10 (Tier 1)	\$0	\$10

With Ancillary Charge, members can choose either the higher-cost brand or lower-cost generic option, but if they select the brand, they will pay the difference between the cost of the drugs, plus their lower-tier copayment or coinsurance. In this example, the member would pay \$165 + \$10 = \$175.

Clinical and utilization management programs.

Encouraging appropriate medication use to promote safety and reduce waste.

Step therapy³.

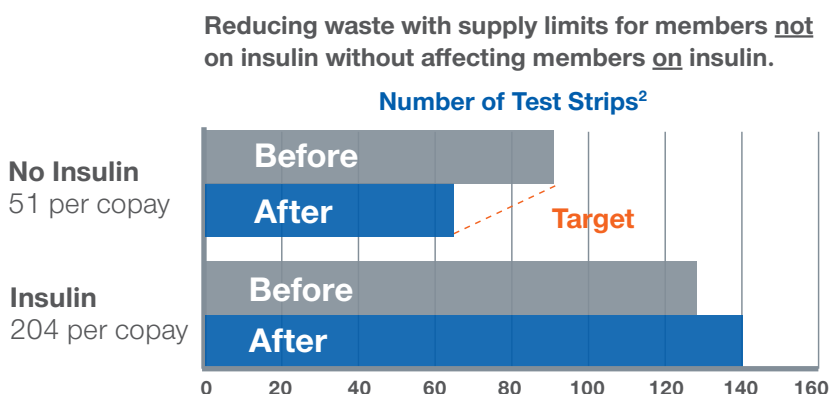
Step therapy helps curb the cost of medications and lower the total costs in categories where clinically similar, more cost-effective medications are available. The program directs members to a lower-cost medication (known as Step 1) before providing coverage for a higher-cost alternative (known as Step 2). Members currently using a Step 2 medication may be grandfathered and therefore are unaffected by this program¹.



Supply limits.

Supply Limits help address safety concerns and minimize waste by setting limits on the amount of medication that can be dispensed for one month (i.e., 1-month supply for one month) or one copayment (e.g., 1-month supply for one copayment). These limits are carefully considered by our National Pharmacy and Therapeutics (P&T) Committee and are based on guidelines included in FDA labeling, dosing recommendations, medical literature and our claims data.

Reducing waste with supply limits for members not on insulin without affecting members on insulin.



¹ Members currently taking one of the Sleep Aid, Seizure, or Butrans Step 2 medications included in the program will not be grandfathered, but may request a coverage review.

² Quantity limits based on an automated look back into member claims history. This is not a guarantee. Individual plan results may vary.

³ Information based on UnitedHealthcare claims data evaluating change in utilization based on mailings in 2012.

Notification/prior authorization.

Notification/prior authorization requires physicians to provide additional clinical information to verify benefit coverage. This ensures the physician is prescribing the medication that meets coverage guidelines or a covered condition.

For example, Actiq is used to treat cancer pain. Actiq may also be prescribed off-label for migraines though it is not approved for this use. Notification/Prior Authorization helps promote safety and may help reduce costs.

High narcotic utilization.

This program identifies and monitors members who may be inappropriately using narcotics (pain medications) and/or seeking them from several physicians/other prescribers and filled at numerous pharmacies. Patient-specific prescription information is provided to those physicians who prescribed the narcotics. This information helps them review medication use and promote coordination of care.

Recent annual review reveals the program continues to demonstrate success with a 51 percent decrease in total number of prescriptions and a 53 percent decrease in the number of prescribers³.

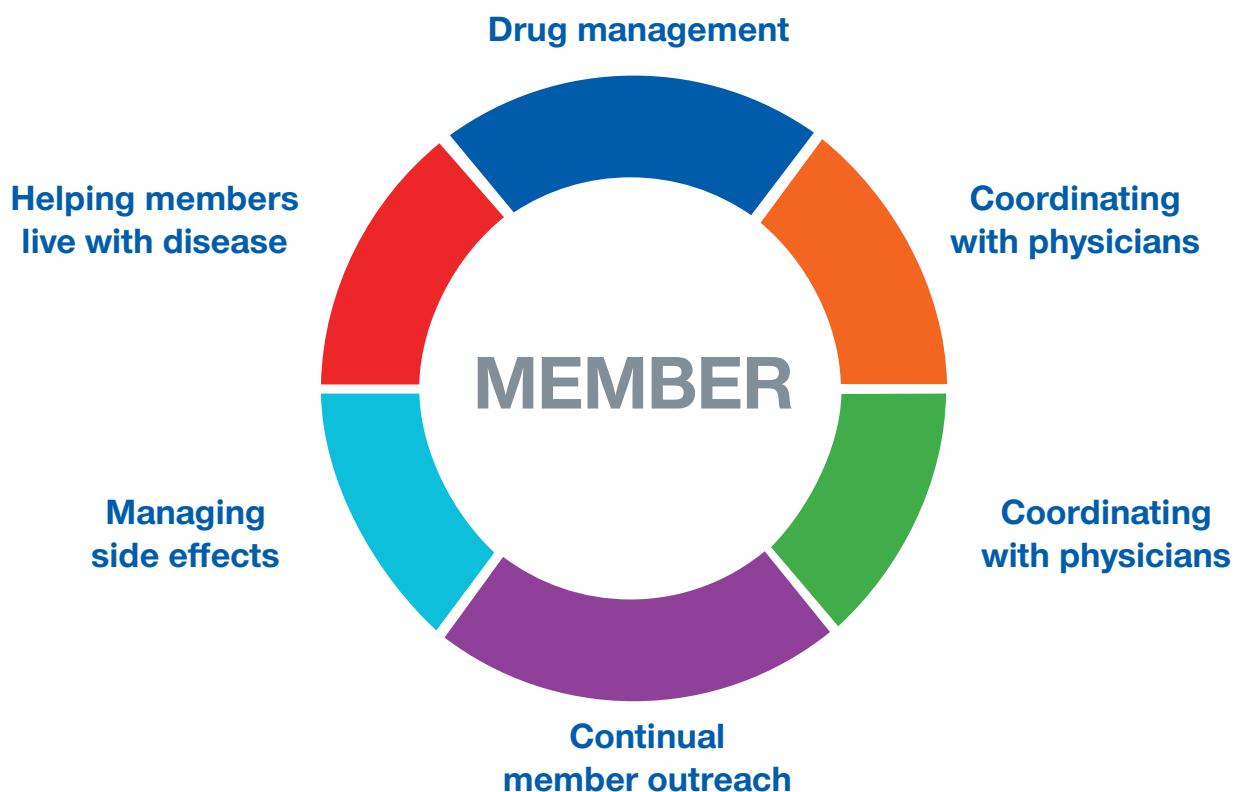
Specialty Pharmacy program.

Improving health outcomes and lowering costs through total condition management.

The Specialty Pharmacy program provides total care coordination for members with chronic and complex conditions that are often life-threatening or debilitating. Since these conditions require expensive medications and treatment, a more comprehensive approach to treatment can result in significant cost savings. Through our standard program, members are directed to a specialty pharmacy and provided support through utilization management programs.

Personalized care management.

Our comprehensive approach to care management helps members be more engaged in their care. This can lead to increased adherence, better health decisions and lower health care costs.



The program created a 14 percent increase in adherence for oral oncology patients⁴. This results in fewer emergency room visits, less hospitalization, reduced drug waste and lower total health care costs.

⁴ UnitedHealthcare study data as reported in The American Journal of Pharmacy Benefits, Vol. 4, No. 4. Outcomes of a Specialty Pharmacy Program for Oral Oncology Medications. July/August 2012.

Lower-cost options.

Promoting savings opportunities for members.

The OptumRx Mail Service Pharmacy.

A large portion of drug spend is attributed to maintenance medications. That's why it is important to take advantage of a smart solution - OptumRx Mail Service Pharmacy. The OptumRx mail service program uses customized letters and outbound calls to inform members about the opportunity to save money on select maintenance medications.

- **Optimized costs.**

Driving mail service utilization may reduce costs for you, and lead to greater savings for your employees and plan members.

- **Enhanced safety.**

Each new prescription goes through a minimum of 16 quality checks to help ensure each order is processed safely and accurately.

Price a medication.

The *Drug Pricing* tool lets members search for medications before buying them at the pharmacy. Pricing will include costs for the OptumRx Mail Service Pharmacy and participating retail pharmacies. The tool also displays the cost based on their specific benefit plan.

Lower-cost options.

Lower-cost alternatives are available to treat most conditions. Members should work with their doctor to find the best medication for them. Members can log-in to myallsaversmember.com to find a listing of lower-cost medications available.



Half Tablet program.

The Half Tablet program is an easy way to save money by splitting select medications in half. When members choose to split their pills, they get a new prescription for half the quantity and double strength, resulting in their current dosage when split. The result is up to 50 percent in additional savings for you and your employees.



Case study (employer with 23,000 members)¹.

Member savings:	\$41,000
Plan savings:	\$40,000
Total Half Tablet savings:	\$81,000

Comprehensive member engagement.

From letters highlighting savings to extensive online information and one-on-one support through the Customer Care Center, we provide members with the tools and information they need to help them better manage their pharmacy benefit.

For more information about these programs, please contact your UnitedHealthcare representative or broker.

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All branded medications are trademarks or registered trademarks of their respective owners.

All PEPM savings noted are based on our commercial membership who implemented the programs and are not guarantees. Actual savings may vary.

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