



# *PacifiCare* Health Watch

## *Pharmacy Questions & Answers for Managed Formulary*

HMO/MCO/POS

### What is a Formulary?

A Formulary is a list of medications that are covered under your prescription drug benefit and available to your health care provider for use in your treatment. Most hospitals have used these medication lists for years to control costs while still providing quality medications. Health plans and even some large medical groups have turned to these medication lists to help reduce rising drug costs. Drugs on the Formulary can generally be prescribed by your Participating or Contracting Physician or any licensed provider without preapproval by PacifiCare. All other medications, called non-Formulary, are not covered unless preauthorized through PacifiCare's Preauthorization process.

### How are medications selected for the Formulary?

Drugs are added or removed from the covered medication list only after careful review by a committee of practicing physicians and pharmacists. This committee decides which drugs provide quality treatment at a good value.

### What if my medication is not on the Formulary?

Formularies list alternative medications, which are safe and effective. The medications often have the same action on your body. If your medication is not listed, ask your doctor or pharmacist for a formulary alternative.

### Does my health care provider know which drugs are on the Formulary?

PacifiCare distributes our Formulary to contracted health care providers annually. In addition, any changes to the Formulary are communicated to your participating or contracting physician on a regular basis. We also maintain a current Formulary list on [www.pacificare.com](http://www.pacificare.com).

**What should I do if I'm told at the pharmacy that my medicine isn't covered by my plan?**

When you have a prescription filled at a PacifiCare participating or contracting pharmacy, the pharmacy's computer system will indicate whether the medication is on our Formulary. If it is a non-Formulary drug, you or your pharmacist may call your physician to discuss Formulary alternatives. If you are concerned about the switch, talk with your physician.

**May I request a non-Formulary medication?**

You are free to request non-Formulary medications, but you will have to pay the entire cost of the prescription unless your doctor has received prior authorization for a non-Formulary medication. Your doctor will need to complete a form indicating the requested medication and the reasons for the non-Formulary request, and submit it to PacifiCare for review and possible approval.

**What is a generic drug?**

A new drug is given two names. One is the generic, or chemical, name. The other is the brand name, which is what the manufacturer chooses to call the product. Every drug has a generic name to describe its chemical makeup.

**Why are generic drugs less expensive than brand-name products?**

When a company develops a new drug, it has a patent for 17 years. The patent protects the drug company's right to be the only manufacturer of that drug. After the patent expires, other companies can then manufacture and sell the drug under either a different brand name, or the generic name. Because of lower research costs and more competition, the new product is usually sold at a lower price than the original, brand-name product.

**Who manufactures generic drug products?**

Many drug companies that manufacture brand-name products also manufacture generic products. In fact, approximately 70 – 80 percent of all generic drugs are made by the same companies who make brand-name products.

**How are generic drugs approved for use?**

All brand-name and generic products are reviewed for safety and effectiveness by the Food and Drug Administration (FDA). Before a generic drug is approved for use in the United States, its manufacturer must provide proof to the FDA that the product has the identical active chemical compound when compared to the brand-name product. In addition, the generic product must meet FDA standards for the amount of active ingredient and speed of absorption into the body. When the generic product meets these standards, it is considered equivalent.

**Are generic drugs safe?**

The FDA requires that all drugs be safe and effective, whether they are generic or brand-name products. The FDA also monitors reports from health care providers, including doctors and pharmacists, on adverse drug reactions and has found that there is no difference between generic and brand-name products.

**Why does my health care plan have generic drugs on its Formulary?**

Generic drugs offer you a better value, because they are less expensive than brand-name products. In addition, the use of generic drugs help to hold down rising health care costs for you and your employer.

*Questions?*

*Call the*

*Customer Service*

*department*

*toll-free at*

*1-800-531-3341.*