CALIFORNIA

UnitedHealthcare®
PacifiCare®

PacifiCare SignatureValue® Offered by PacifiCare of California

Pharmacy Schedule of Benefits

Summary of Benefits	Generic Formulary	Brand Formulary	Non-Formulary
Retail Pharmacy Copayment (per Prescription Unit or up to 30 days)	**$20**	**$35**	**$50**
Mail Service Pharmacy Copayment (three Prescription Units or up to a 90 day supply)	**$40**	**$70**	**$100**

This Schedule of Benefits provides specific details about your prescription drug benefit, as well as the exclusions and limitations. Together this document and the Supplement to the Combined Evidence of Coverage and Disclosure Form as well as the medical Combined Evidence of Coverage and Disclosure Form determine the exact terms and conditions of your prescription drug coverage.

What do I pay when I fill a prescription?

Deductibles:

You have a prescription deductible of $150 per person for covered medications consisting of brand name Formulary and brand non-Formulary drugs. This deductible applies to retail and mail prescriptions. Until you satisfy the deductible, you will pay 100 percent of PacifiCare's contracted rate with the pharmacy for the medication and that amount will be applied towards your deductible. The deductible is calculated on a Calendar Year basis and is not applied towards the deductible for the following year. Amounts previously applied to your deductible under a similar prescription drug plan from a different carrier or self-funded benefit plan are not applied to this prescription drug plan.

For Prescription Drug Products at a retail pharmacy, you will pay the applicable Copayment for a Prescription Unit or its retail cost, whichever is less. For Prescription Drug Products from Mail Order, you are responsible for paying the lower of either the applicable Copayment or the prescription drug cost for that Prescription Drug Product.

After satisfying your deductible, you will pay only a Copayment when filling a prescription at a PacifiCare Participating Pharmacy. You will pay a Copayment every time a prescription is filled. Your Copayments are as shown in the grid above.

There are selected brand-name medications where you will pay a generic Copayment of just $20. A copy of the Selected Brands List is available upon request from PacifiCare's Customer Service department and may be found on PacifiCare's web site at **www.pacificare.com.**

Selected Brands List is a list of brand-name drugs included on the PacifiCare Formulary in place of their generic equivalents. These drugs are available at the generic drug Copayment amount.

Preauthorization

Non-formulary drugs may be generic or brand name drugs. Selected generic Formulary, brand name Formulary and non-Formulary medications require a Member to go through a Preauthorization process using criteria based upon U.S. Food and Drug (FDA) approved indications or medical findings, and the current availability of the medication. PacifiCare reviews requests for these selected medications to ensure that they are Medically Necessary, being prescribed according to treatment guidelines consistent with standard professional practice and are not otherwise excluded from coverage.

Because PacifiCare offers a comprehensive Formulary, selected non-Formulary medications will not be covered until one or more Formulary alternatives, or non-Formulary Preferred drugs have been tried. PacifiCare understands that situations arise when it may be Medically Necessary for you to receive a certain medication without trying an alternative drug first. In these instances, your Participating Physicians will need to provide evidence to PacifiCare in the form of documents, lab results, records or clinical trials that establish the use of the requested medications as Medically Necessary. Participating Physicians may call or fax Preauthorization requests to PacifiCare. Applicable Copayments will be charged for prescriptions that require Preauthorization if approved.

For a list of the selected medications that require PacifiCare's Preauthorization, please contact PacifiCare's Customer Service department at

1-800-624-8822 or TDHI 1-800-442-8833 or view online at **www.pacificare.com**.

Medication Covered by Your Benefit

When prescribed by your Participating Physician as Medically Necessary and filled at a Participating Pharmacy, subject to all the other terms and conditions of this outpatient prescription drug benefit, the following medications are covered:

- **Disposable all-in-one pre-filled insulin pens**, insulin cartridges and needles for non-disposable pens devices are covered when Medically Necessary in accordance with PacifiCare's Preauthorization process.
- **Federal Legend Drugs**: Any medicinal substance which bears the legend**:** "Caution: Federal law prohibits dispensing without a prescription."
- **Generic Drugs**: Comparable generic drugs may be substituted for brand-name drugs. For brand-name drugs that have FDA approved equivalents, a prescription may be filled with a generic drug unless a specific brand-name drug is Medically Necessary and Preauthorized by PacifiCare, or is on PacifiCare's Selected Brands List. Preauthorization is necessary even if your Physician writes "Dispense as Written" or "Do Not Substitute" on your prescription. A copy of the Selected Brands List is available upon request from PacifiCare's Customer Service department and may be found on PacifiCare's website at www.pacificare.com.
- **Miscellaneous Prescription Drug Coverage:** For the purposes of determining coverage, the following items are considered prescription drug benefits and are covered when Medically Necessary: glucagons, insulin, insulin syringes, blood glucose test strips, lancets, inhaler extender devices, urine test strips and anaphylaxis prevention kits (including, but not limited to EpiPen®, Ana-Kits®, and Ana-Guard®). See the medical Combined Evidence of Coverage and Disclosure Form for coverage of other injectable medication and equipment for the treatment of asthma in Section Five under "Your Medical Benefits".
- **Oral Contraceptives:** Federal Legend oral contraceptives, prescription diaphragms and oral medications for emergency contraception.
- **State Restricted Drugs**: Any medicinal substance that may be dispensed by prescription only according to State law.

Exclusions and Limitations

While the prescription drug benefit covers most medications, there are some that are not covered or limited. These drugs are listed below. Some of the following excluded drugs may be covered under your medical benefit. Please refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form entitled "Your Medical Benefits" for more information about medications covered by your medical benefit.

- **Administered drugs**: Drugs or medicines delivered or administered to the Member by the prescriber or the prescriber's staff is not covered. Injectable drugs are covered under your medical benefit when administered during a Physician's office visit or self-administered pursuant to training by an appropriate health care professional. Refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form titled "Your Medical Benefits" for more information about medications covered under your medical benefit.
- **Compounded medication**: Any Medicinal substance that has at least one ingredient that is Federal Legend or State Restricted in a therapeutic amount. Compounded medications are not covered unless Preauthorized as Medically Necessary by PacifiCare.
- **Diagnostic drugs**: Drugs used for diagnostic purposes are not covered. Refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form for information about medications covered for diagnostic tests, services and treatment.
- **Dietary or nutritional** products and food supplements, whether prescription or non-prescription, including vitamins (except prenatal), minerals and fluoride supplements, health or beauty aids, herbal supplements and/or alternative medicine are not covered. Phenylketonuria (PKU) testing and treatment is covered under your medical benefit including those formulas and special food products that are a part of a diet prescribed by a Participating Physician provided that the diet is Medically Necessary. For additional information, refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form.
- **Drugs prescribed by a dentist** or drugs when prescribed for dental treatment are not covered.
- **Drugs when prescribed to shorten the duration of a common cold** are not covered.
- **Enhancement medications** when prescribed for the following non-medical conditions are not covered: weight loss, hair growth, sexual performance, athletic performance, cosmetic purposes, anti-aging for cosmetic purposes, and mental performance. Examples of drugs that are excluded when prescribed for such conditions include, but are not limited to, Penlac®, Retin-A®, Renova®, Vaniqa®, Propecia®, Lustra®, Xenical®, or Meridia®. This exclusion does not exclude coverage for drugs when Preauthorized as Medically Necessary to treat morbid obesity or diagnosed medical conditions

affecting memory, including but not limited to, Alzheimer's dementia.

- **Infertility:** All forms of prescription medication when prescribed for the treatment of infertility are not covered. If your employer has purchased coverage for infertility treatment, prescription medications for the treatment of infertility may be covered under that benefit. Please refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form entitled "Your Medical Benefits" for additional information.
- **Injectable medications**: Except as described under the section "Medications Covered By Your Benefit", injectable medications including, but not limited to, self-injectables, infusion therapy, allergy serum, immunization agents and blood products are not covered as an outpatient prescription drug benefit. However, these medications are covered under your medical benefit as described in and according to the terms and conditions of your medical Combined Evidence of Coverage and Disclosure Form. Outpatient injectable medications administered in the Physician's office (except insulin) are covered as a medical benefit when part of a medical office visit. Injectable medications may be subject to PacifiCare's Preauthorization requirements. For additional information, refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form under "Your Medical Benefits".
- **Inpatient medications**: Medications administered to a Member while an inpatient in a hospital or while receiving Skilled Nursing Care as an inpatient in a Skilled Nursing Facility are not covered under this Pharmacy Schedule of Benefits. Please refer to Section Five of your medical Combined Evidence of Coverage and Disclosure Form entitled "Your Medical Benefits" for information on coverage of prescription medications while hospitalized or in a Skilled Nursing Facility. Outpatient prescription drugs are covered for Members receiving Custodial Care in a rest home, nursing home, sanitarium, or similar facility if they are obtained from a Participating Pharmacy in accordance with all the terms and conditions of coverage set forth in this Schedule of Benefits and in the Pharmacy Supplement to the Combined Evidence of Coverage and Disclosure Form. When a Member is receiving Custodial Care in any facility, relatives, friends or caregivers may purchase the medication prescribed by a Participating Physician at a Participating Pharmacy, and pay the applicable Copayment on behalf of the Member.
- **Investigational or Experimental drugs:** Medication prescribed for Experimental or Investigational therapies are not covered, unless required by an external, independent review panel pursuant to California Health and Safety Code Section 1370.4. Further information about Investigational and Experimental procedures and external review by an independent panel can be found in the medical Combined Evidence of Coverage and Disclosure Form in Section Five, "Your Medical Benefits" and Section Eight, "Overseeing Your Health Care" for appeal rights.
- **Medications dispensed by a Non-Participating Pharmacy** are not covered except for prescriptions required as a result of an Emergency or Urgently Needed Service.
- **Medications prescribed by Non-Participating Physicians** are not covered except for prescriptions required as a result of an Emergency or Urgently Needed Service.
- **New medications that have not been reviewed for safety, efficacy and cost effectiveness and approved** by PacifiCare are not covered unless Preauthorized by PacifiCare as Medically Necessary.
- **Non-covered medical condition**: Prescription medications for the treatment of a non-covered medical condition are not covered. This exclusion does not exclude Medically Necessary medications directly related to non-covered services when complications exceed follow-up care, such as life-threatening complications of cosmetic surgery.
- **Off-label drug use**. Off-label drug use means that the Provider has prescribed a drug approved by the Food and Drug Administration (FDA) for a use that is different than that for which the FDA approved the drug. PacifiCare excludes coverage for Off Label Drug Use, including off label self-injectable drugs, except as described in the medical Combined Evidence of Coverage and Disclosure Form and any applicable Attachments. If a drug is prescribed for off-label drug use, the drug and its administration will be covered only if it satisfies the following criteria: (1) The drug is approved by the FDA. (2) The drug is prescribed by a participating licensed health care professional. (3) The drug is Medically Necessary to treat the medical condition. (4) The drug has been recognized for treatment of a medical condition by one of the following: The American Medical Association Drug Evaluations, The American Hospital Formulary Service Drug Information, *DRUGDEX System by Micromedex,* The United States Pharmacopoeia Dispensing Information or in two articles from major peer reviewed medical journals that present data supporting the proposed off-label drug use or uses as generally safe and effective. Nothing in this section shall prohibit PacifiCare from use of a Formulary, Copayment, technology assessment panel, or similar mechanism as a means for appropriately controlling the utilization of a drug that is prescribed for a use that is different from the use for which that drug has been

approved for marketing by the FDA. Denial of a drug as investigational or experimental will allow the Member to use the Independent Medical Review System as defined in the medical Combined Evidence of Coverage and Disclosure Form.

- **Over-the-Counter Drugs:** Medications (except insulin) available without a prescription (over-the-counter) or for which there is a non-prescription chemical and dosage equivalent available, even if ordered by a Physician, are not covered. All non-prescription (over-the-counter) contraceptive jellies, ointments, foams, or devices are not covered.
- **Prior to Effective Date**: Drugs or medicines purchased and received prior to the Member's effective date or subsequent to the Member's termination are not covered.
- **Replacement** of lost, stolen, or destroyed medications are not covered.
- **Saline and irrigation solutions** are not covered. Saline and irrigation solutions are covered when Medically Necessary, depending on the purpose for which they are prescribed, as part of the home health or durable medical equipment benefit. Refer to your medical Combined Evidence of Coverage and Disclosure Form Section Five for additional information.
- **Sexual dysfunction medication:** All forms of medications when prescribed for the treatment of sexual dysfunction, which includes, but is not limited to erectile dysfunction, impotence, anorgasmy or hyporgasmy, are not covered. An example of such medications includes Viagra®.
- **Smoking cessation products** including, but not limited to, nicotine gum, nicotine patches, and nicotine nasal spray are not covered. However, smoking cessation products are covered when the Member is enrolled in a smoking cessation program approved by PacifiCare. For information on PacifiCare's smoking cessation program, refer to the medical Combined Evidence of Coverage and Disclosure Form in Section Five, "Your Medical Benefits, in the section entitled "Outpatient Benefits", under "Health Education Services" or contact Customer Service or visit our web site at **www.pacificare.com**.
- **Therapeutic devices or appliances** including, but not limited to, support garments and other non-medical substances, insulin pumps and related supplies (these services are provided as durable medical equipment) and hypodermic needles and syringes not related to diabetic needs or cartridges are not covered. Birth control devices and supplies or preparations that do not require a Participating Physician's prescription by law are also not covered, even if prescribed by a Participating Physician. For further information on certain therapeutic devices and appliances that are covered under your medical benefit, refer to your medical Combined Evidence of Coverage and Disclosure Form in Section Five, entitled "Your Medical Benefits" under "Outpatient Benefits" located, for example, in subsections entitled "Diabetic Self Management", "Durable Medical Equipment", or "Home Health Care and Prosthetics and Corrective Appliances".
- **Worker's Compensation**: Medication for which the cost is recoverable under any Workers' Compensation or Occupational Disease Law or any state or government agency, or medication furnished by any other drug or medical service for which no charge is made to the patient is not covered. Further information about Workers Compensation can be found in the medical Combined Evidence of Coverage and Disclosure Form in Section Six under "Payment Responsibility".

PacifiCare reserves the right to expand the Preauthorization requirement for any drug product.

Questions? Call the HMO Customer Service department at 1-800-624-8822 or TDHI 1-800-442-8833.

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Customer Service:
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