

Endeavor Risk Advisors

Mastering Your Prescription Plan

Navigating Terms, Requirements, and Savings
for Optimal Medication Management



Mastering Your Prescription Plan: Navigating Terms, Requirements, and Savings for Optimal Medication Management

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Chapter 1: Decoding Essential Prescription Plan Terms

Prescription Tiers: Unraveling the Cost Structure

Prescription tiers are like the price tags attached to your medications. They categorize drugs based on their cost, helping you understand what you'll be paying for each. Let's break it down:

Generic Drugs

These are the wallet-friendly options. They're equally effective as brand-name drugs but come at a fraction of the cost. In some cases, your plan might even offer a zero-dollar option for certain generics.



Preferred Brand Drugs

These are trusted brand-name medications that are favored by your plan. They may have a higher cost than generics, but they're still more budget-friendly than non-preferred brands.

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Non-Preferred Brand Drugs

These are the premium options. They can be pricier, but your plan might still cover them to a certain extent.

Specialty Drugs

These are specially formulated medications, often used for complex or rare conditions. They come with a higher price tag due to their unique formulations.



Co-pays: Navigating the Costs

Co-pays are your out-of-pocket expenses for each prescription tier. Understanding them is crucial for

budgeting your healthcare expenses:

Generic drugs typically have the lowest co-pays, making them an economical choice.

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Specialty drugs, on the other hand, usually come with the highest co-pays due to their specialized nature.

Deductibles: Meeting the Pre-Requirements

Before your co-pays kick in, some plans have a prescription deductible. This is an initial amount you must pay out-of-pocket before your plan starts to cover costs. It's important to note that this deductible might be separate from your medical plan deductible.



Max Out-of-Pocket: The Financial Finish Line

Once you've hit the maximum out-of-pocket limit for the plan year, you'll no longer have to pay co-pays. This is like a safety net for your wallet, providing relief when you need it most.

Formulary or Drug List: Your Medication Atlas

Your plan's formulary is like a treasure map to covered medications. It's a comprehensive list of drugs approved for coverage by your prescription plan. Understanding what's on this list can save you from unexpected expenses.

Non-Formulary: Beyond the Covered List

Conversely, non-formulary drugs are not on the covered list. It's essential to be aware of these, as you might need to explore alternative options or consider additional costs.



Chapter 2: Tailoring Your Medication Journey

Customizing with Your Carrier's Formulary

Every carrier has its unique formulary or drug list. This means that what's covered by one insurance company may not be covered by another. It's crucial to acquaint yourself with your carrier's specific list to avoid any surprises when filling prescriptions.

Company-Specific Inclusions and Exclusions

Inclusions: These are the drugs that your carrier has approved for coverage. Knowing them can save you from unexpected expenses.



Exclusions: Conversely, these are the drugs that your carrier does not cover. If your medication falls under this category, it's time to explore alternatives or consider additional costs.

Filling Prescriptions: From Easy to Extra Steps

Filling a prescription can range from being a straightforward process to a series of additional steps. Let's walk through the two scenarios:

Streamlined Process

An Example of Filling a Prescription



*Remember each carrier has their own requirements, so be sure to review your plan document.
Call your benefits consultant/broker if you have any questions.*

Visit your doctor or have a telemedicine consultation.

Receive a prescription.

Head to an in-network pharmacy.

Confirm your insurance.

Pay your co-pay or deductible.

Collect your medication.

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Multi-Step Process

Certain medications may require extra steps before they can be filled. These could include prior

authorizations, step therapies, or additional documentation from your healthcare provider.

Remember, understanding your prescription plan's requirements can streamline the process and help you get the medications you need, hassle-free.

Chapter 3: Unlocking Discounts and Savings

Discount Programs: Your Cost-Saving Arsenal

In your quest for affordable prescriptions, discount programs can be invaluable tools. These programs help you find the lowest prescription costs available in your area. Here are a few examples:

Discount Programs



Online Resources

Numerous websites and apps specialize in helping you compare prescription prices at different pharmacies. In some cases,

these programs may offer a lower cost than your insurance plan.

Manufacturer Discounts

Don't forget to check with the drug manufacturer. Many pharmaceutical companies offer savings cards that you can download and use at the pharmacy. This can result in a zero-dollar or discounted co-pay for a specified period.

Drug Manufacturer Programs



Chapter 4: Making Informed Decisions

Understanding your plan's terms, requirements, and available discounts is the key to making informed decisions about your medications.

Navigating your prescription plan isn't just about understanding costs and formularies. There are additional requirements to be aware of:

OTC Equivalent: When Over-the-Counter Beats Prescription

Many medications now have over-the-counter equivalents. These are typically not covered by your



prescription plan. For example, most reflux and allergy medications have transitioned to over-the-counter status. They do not require a prescription and are not covered by your insurance company.

Supply or Quantity Limits: Maximizing Your Benefits

Your plan may set a maximum quantity that can be received as a covered benefit within a specific time limit. The reasons for quantity limits are multifaceted:

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Safety and Appropriate Use

To ensure the medication is used safely and appropriately.

Cost Spreading

Spreading the cost over time benefits both you and the insurance carrier.

Prescribing Appropriately

Encouraging physicians to prescribe medications judiciously.

Prior Authorization: The Necessity Clarifier

Certain prescriptions may require prior authorization. Your doctor must provide an explanation for why you need the medication. This step is essential in ensuring appropriate and cost-effective therapy.



Step Therapy: The Path to Cost-Efficiency

Step therapy is a strategy to manage high costs. It involves trying a lower-cost medication before approving a more expensive one prescribed by your doctor.

Step 1: Your doctor will prescribe a first-line medication, usually a generic or less expensive option.



Step 2: If the first-line medication doesn't yield desired results, your doctor can submit a prior authorization request for the second-line option.

Remember, each carrier has its own set of requirements. Mastering these terms and conditions can lead to significant savings and smoother medication management.

Conclusion: Your Prescription Plan, Your Way

Congratulations! You've now armed yourself with a wealth of knowledge about navigating your prescription plan. By understanding the terms, requirements, and available discounts, you're in the driver's seat of your healthcare journey.

Remember, each carrier has its unique set of rules and offerings. Knowing your plan inside and out empowers you to make informed decisions about your medications.

Embracing Confidence in Medication Management

With this newfound knowledge, you're equipped to confidently manage your prescriptions. Whether it's deciphering prescription tiers, understanding co-pays, or exploring alternative options, you're well-prepared to handle it all.

We Hope You Found This Information Helpful

If you ever have further questions or need assistance with your prescription plan, don't hesitate to reach out to your plan provider. They're there to support you on your journey to optimal health.

Wishing you a seamless and cost-effective medication management experience!

Endeavor Risk Advisors

Endeavor Risk Advisors is founded on the principle of always putting our clients' needs first.

We are an independent, boutique benefits consulting and brokerage firm that advocates for our clients, their employees, and employees' families... not driven by sales quotas.

We serve our clients as consultants by navigating the benefits landscape to meet their strategic objectives.

We specialize in helping companies reduce their healthcare costs and the time spent on the administration of the benefits plans.

To explore how your benefits challenges can be solved, contact us at clientservice@endeavorrisk.com.

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