

State Health Benefit Plan UPDATER, July 1, 2001

Prescription Drug Program Enhancements and Reminders

New Out-of-Pocket Spending Limit for Prescription Drug Co-payments

Effective July 1, 2001, the State Health Benefit Plan's (SHBP) Prescription Drug Program will include out-of-pocket spending limits on certain covered prescription drugs. The spending limits are calculated each calendar month and apply to co-payments for generic and preferred brand name prescription drugs. Here's how the spending limits can protect you and your family:

Individual Maximum

Once you pay \$100 in co-payments for generic and preferred brand name prescription drugs in any calendar month, future co-payments for generic and preferred brand name drugs will not be charged for the remainder of that month.

Family Maximum

If you have family coverage, you have an additional level of protection. If your combined prescription drug co-payments for generic and preferred brand name prescription drugs reach \$200 in any calendar month, then you and any covered dependents will not be charged co-payments for generic and preferred brand name prescription drugs for the remainder of that month.

If you meet either maximum, co-payments will resume at the start of the next calendar month and will be charged until either the individual or family maximum is reached again.

Other Important Notes

- Co-payments for non-preferred brand name prescription drugs do not apply toward the prescription drug out-of-pocket spending limit.
- Prescription drug co-payments do not apply toward any other spending limit under the SHBP.
- If you purchase a preferred brand name prescription drug when there is a generic alternative available and your physician does not require that you take the brand name prescription drug, then the \$10 generic co-payment is applied to the out-of-pocket spending limit. The amount you pay toward the difference in cost between the generic and preferred brand name prescription drugs is not applied toward the out-of-pocket spending limit.
- If you have primary and secondary SHBP coverage, please note that if you use both your primary and secondary insurance coverage for prescription drug purchases, you are subject to the out-of-pocket spending limits under both plans. You may save money by using only one SHBP ID card (primary or secondary) for prescription drug purchases.
- To assure that you pay the appropriate co-payment, you must present your SHBP ID card to the pharmacy at the time of purchase.
- The out-of-pocket spending limit is included in the Standard PPO, PPO Choice, and High options of the SHBP.

Assignment of Benefits for Prescription Drugs Discontinued

Effective July 1, 2001, assignment of benefits (AOB) for prescription drug costs will be discontinued, as you do not have to pay the full prescription drug cost up-front when using a network pharmacy. For out-of-network drug purchases, you will be required to pay the full cost of the prescription drug at the time of purchase and submit a paper claim for the applicable reimbursement on covered prescription drugs.

Reminders About Filing Paper Prescription Drug Claims

For paper claims on prescription drug purchases made prior to January 1, 2001, the SHBP will deny the claim unless PAID Prescriptions received the paper claim on or before March 31, 2001.

For paper claims on prescription drug purchases made from January 1, 2001 through June 30, 2001, Express Scripts will process those claims through September 28, 2001. If the paper claim is received by Express Scripts after September 28, 2001, the SHBP will deny the claim.

Paper claims for prescription drugs purchased on or after July 1, 2001 are subject to the normal 12-month timely filing limit.

This UPDATER constitutes official notification to State Health Benefit Plan (SHBP) members of Plan changes and, as such, supersedes any previously published information that conflicts with the material included in this UPDATER. Please keep this UPDATER with your Plan documents for future reference. It will be used in conjunction with the SHBP booklet dated November 1, 1995, the HMO Member Handbook dated March 1998, plus any UPDATER published after November 1, 1995, to administer the Plan until new booklets are published. If you are disabled and need this information in an alternative format, call TDD Relay Service at 800-255-0056 (text telephone) or 800-255-0135 (voice) or write the SHBP at P.O. Box 38342, Atlanta, GA 30334.