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**2009 Generic Copayment Waiver Program  
FAQs for BCBSNC Producers**

**December 8, 2008**

**General Information**

Blue Cross and Blue Shield of North Carolina (BCBSNC) is pleased to announce a generic copayment waiver program that will help members better manage their prescription drug costs.

BCBSNC will **waive copayments and coinsurance for all generic prescriptions filled/refilled between** January 1, 2009 and June 30, 2009. Members must satisfy any prescription drug or plan deductible amounts prior to copayment or coinsurance amounts being waived for generic drugs. This program will be available for underwritten (fully insured) groups and individual members. ASO (self-funded) groups may also participate – see the section below for more details.

**Excluded Groups/Plans**

The following groups/plans are excluded from this program:

- State Health Plan and NC Health Choice
- Federal Employee Program
- Medicare Part D (Medicare Advantage PD and PDP)
- Groups processed at Blue Cross and Blue Shield of South Carolina
- Any group that has carved out pharmacy benefits

**ASO Groups – Options for Participation**

ASO groups must voluntarily opt-in to one of the following programs, as they will be responsible for covering the cost of their employees' waived copayments.

- Medication Dedication generic copayment waiver
  - Six-month generic copayment waiver (described above)
  - No generic copayment waiver
- } Groups may choose ONLY ONE of these options

**General Questions & Answers**

**Does the six-month generic copayment waiver program apply to individual business?**

Yes. This program applies to BCBSNC's individual business, including Medicare Supplement products. Members must satisfy any prescription drug or plan deductible amounts prior to copayment or coinsurance amounts being waived for generic drugs. However, if the member has exceeded their pharmacy maximum, they are not eligible for this program.

**Can individuals, including Medicare Supplement subscribers, have both the Medication Dedication and six-month generic copayment waiver program?**

No –members enrolled in an individual health policy are NOT eligible for the Medication Dedication program. Therefore, they will only have access to the six-month copayment waiver program through June 30, 2009. Their generic copayment will no longer be waived after the program concludes. Please note that for individual members, any prescription drug or plan deductible must be met prior to the copayment waiver being applied.

**What prescriptions are included in the six-month generic copayment waiver program?**

All covered generic prescriptions (including new fills and refills) are included in the six-month generic copayment waiver program.

**Does the six-month generic copayment waiver program also apply to members with drug coinsurance benefits?**

Yes. Members who have a coinsurance pharmacy benefit structure can take advantage of this program. If a member fills/refills a generic prescription at a participating pharmacy, and they owe a coinsurance amount, that coinsurance amount will be waived.

**Does the six-month generic copayment waiver program also apply to members with an HSA or HRA plan?**

Yes. Members who have an HSA or HRA plan can take advantage of this program. However, members must satisfy any prescription drug or plan deductible amounts prior to copayment or coinsurance amounts being waived for generic drugs. If a member fills/refills a generic prescription at a participating pharmacy, and they owe a coinsurance amount, that coinsurance amount will be waived.

**What if a member goes to an out-of-state pharmacy?**

Members may visit any pharmacy that participates in the pharmacy network nationwide and their copayment or coinsurance will be waived for any generic prescriptions filled/refilled.

**If a member switches from a brand-name drug to a generic, will they still be eligible for the copayment waiver program?**

Yes. Members that fill or refill a prescription for a generic drug are eligible for the waiver, regardless if it is their first prescription ever, or if they are switching from a brand-name drug.

**Are generic drug refills included in this waiver?**

Yes. The six-month generic copayment waiver applies to refills and new prescriptions.

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**How do members apply the generic copayment waiver when purchasing a drug through mail order instead of at a pharmacy?**

No additional action is required of our members when using mail service. They will just follow the same process for mail order that they usually do. BCBSNC's pharmacy claims system is configured to automatically waive the copayment amount whether it's through mail order or at a retail pharmacy for the first six months of 2009.

**How does the generic copayment waiver apply when ordering a 90-day supply through mail order or obtaining a 90-day supply at the pharmacy?**

If members fill their generic prescriptions for a 90-day supply on or after January 1, their 90-day copayment amount will be waived. Please note, however, that benefit rules still apply. This means that members can only receive a 90-day supply of drugs in a 90-day period.

**How will BCBSNC notify our customers and the general public about this?**

We will mail letters (attached) to all groups by Dec 15 to notify them of the program. Please note that the letter to ASO groups is different than the letter to underwritten groups.

In addition, we will send postcards to our Individual (non-group) customers about the program, and promote this program at [www.bcbsnc.com](http://www.bcbsnc.com). We also expect local news outlets to feature articles about this program beginning on December 8. Please begin sharing this information with your customers as is appropriate, and contact your BCBSNC producer manager for more information.

**Who can I contact with additional questions?**

Please see your BCBSNC sales representative for more information.

**Questions about Medication Dedication**

**Can fully insured groups have both the Medication Dedication and six-month generic copayment waiver program?**

No; the new six-month program waives copayments on all generic medications, while Medication Dedication only waives copayments on certain generics. Therefore, the six month generic copayment waiver program will replace the Medication Dedication program for group business through June 30, 2009. Then, beginning July 1, 2009 fully insured groups will have the Medication Dedication program. Fully insured groups do not need to opt-in to either of these programs.

**Can ASO groups have both the Medication Dedication program and six-month generic copayment waiver program?**

No; the new six-month program waives copayments on all generic medications, while Medication Dedication only waives copayments on certain generics. ASO groups must opt-in to their program of choice. If elected, the six month generic copayment waiver program will replace the Medication Dedication program through June 30, 2009 for ASO

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groups. ASO groups may elect to opt-in to Medication Dedication at the end of the six-month generic copay waiver program. See the opt-in instructions below for more details.

**What prescriptions are included in the Medication Dedication program?**

Generic copayments will be waived for four chronic conditions: congestive heart failure, diabetes, high blood pressure and high cholesterol. Please note that the Medication Dedication program only applies to group business.

You can find for more information on the “employers” section of [www.bcbsnc.com](http://www.bcbsnc.com) here: <https://www.bcbsnc.com/employers/group-administrators-toolkit/medadh.cfm>

**How does an ASO group opt-in to one of the copayment waiver programs?**

Please see your BCBSNC sales representative for more information about how ASO groups can opt into a copayment waiver program. Here is a summary of the process:

- a) ASO groups must complete an opt-in form that must be filled-out by the group. BCBSNC’s corporate pharmacy department must receive completed forms no later than December 15, 2008.
- b) The group must indicate on the document which program they prefer – fill in all of the applicable information (group name, number, address etc.), and sign the document.
- c) Groups must send the document back to their BCBSNC account representative via fax or scan/email.
- d) Groups whose forms are completed and sent to BCBSNC’s corporate pharmacy department by December 15 will have an effective date of January 1 (for the six-month generic copayment waiver or Medication Dedication program – whichever they choose).
- e) Groups whose forms are completed and sent to BCBSNC’s corporate pharmacy department between December 16, 2008 and January 12, 2009 will have an effective date of February 1, 2009 (for the six-month generic copayment waiver or Medication Dedication program – whichever they choose). The generic copayment waiver program will run through June 30, 2009, regardless of enrollment date.

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