Pharmacy Benefit Programs

Reducing costs and supporting better health

Our pharmacy benefit programs range from those based on the U.S. Food and Drug Administration (FDA) guidelines to innovative initiatives. We provide you with a wide range of programs that help to promote appropriate use, reduce costs and ultimately, improve health status.

PDL Programs
• Exclude at Launch¹
• Strategic Exclusions¹

Clinical and Utilization Management Programs
• Supply Limits
• Notification/Prior Authorization

Specialty Pharmacy Program

Network Programs
• Limited Medications Through Mail Service

Mail Service and Lower-cost Options
• OptumRx® Mail Service Pharmacy
• Lower-Cost Options
• Manage My Prescriptions

¹. This program does not apply for New Jersey fully-insured members.
Exclude at Launch
We carefully evaluate medications as they come to market to determine if they add any value or simply add cost. If those newly launched high-cost medications meet certain criteria, we promptly exclude them from benefit coverage until formally reviewed by our National Pharmacy Therapeutics and PDL Management committees. By taking this proactive approach, we are able to quickly respond to new medication launches — managing your benefit responsibly, minimizing member disruption and eliminating unnecessary costs.

Strategic Exclusions
We continuously evaluate medications that are priced at a premium, but fail to offer additional health care value over their therapeutic equivalent alternatives. We do not make the decision to exclude a medication from benefit coverage lightly and only do so when the medication meets our pre-defined criteria. For example, we may exclude a medication when it is therapeutically equivalent to another covered prescription that either:

- contains the same active ingredient, or
- contains a modified version of the active ingredient.

Strategic Exclusions can then be leveraged to negotiate lower costs for other medications within the same therapeutic class to reduce the overall class costs and promote the use of lower-cost medications.

Nine branded medications make up the Growth Hormones class. They all contain the same active ingredient (somatropin) and are therapeutically equivalent to one another. We excluded four of the more expensive medications, maintaining the remaining three in Tier 2 with two in Tier 3.

Specialty Pharmacy Program
Improving health outcomes and lowering costs through total condition management.

The Specialty Pharmacy Program provides total care coordination for members with chronic and complex conditions that are often life-threatening or debilitating. Since these conditions require expensive medications and treatment, a more comprehensive approach to treatment can result in significant cost savings. Through our standard program, members are directed to a specialty pharmacy and provided support through utilization management programs.

Personalized Care Management
Our comprehensive approach to care management helps members be more engaged in their care. This can lead to increased adherence, better health decisions and lower health care costs.
Clinical and Utilization Management Programs
Encouraging appropriate medication use to promote safety and reduce waste.

Supply Limits
Supply Limits help address safety concerns and minimize waste by setting limits on the amount of medication that can be dispensed for one month (i.e. 1-month supply for one month) or one copayment (e.g. 1-month supply for one copayment). These limits are carefully considered by our National Pharmacy and Therapeutics (P&T) Committee and are based on guidelines included in FDA labeling, dosing recommendations, medical literature and our claims data.

Notification/Prior Authorization
Notification/Prior Authorization requires physicians to provide additional clinical information to verify benefit coverage. This ensures the physician is prescribing the medication that meets coverage guidelines or a covered condition.

For example, Actiq is used to treat cancer pain. Actiq may also be prescribed off-label for migraines though it is not approved for this use. Notification/Prior Authorization helps promote safety and may help reduce costs.

Reducing waste with supply limits for members not on insulin without affecting members on insulin.

<table>
<thead>
<tr>
<th>Number of Test Strips²</th>
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<tbody>
<tr>
<td>Before</td>
</tr>
<tr>
<td>No Insulin</td>
</tr>
<tr>
<td>Insulin</td>
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The program created a 14% increase in adherence for oral oncology patients. This results in fewer emergency room visits, less hospitalization, reduced drug waste and lower total health care costs.

2. Quantity limits based on an automated look back into member claims history. This is not a guarantee. Individual plan results may vary.
Comprehensive member engagement

From letters highlighting savings to extensive online information and one-on-one support through the Customer Care Center, we provide members with the tools and information they need to help them better manage their pharmacy benefit.

The OptumRx Mail Service Pharmacy
A large portion of drug spend is attributed to maintenance medications. That’s why it is important to take advantage of a smart solution - OptumRx Mail Service Pharmacy. The OptumRx mail service program uses customized letters and outbound calls to inform members about the opportunity to save money on select maintenance medications.

- Optimized Costs
  Driving mail service utilization may reduce costs for you, and lead to greater savings for your employees and plan members.

- Enhanced Safety
  Each new prescription goes through a minimum of 16 quality checks to help ensure each order is processed safely and accurately.

Price a Medication
The “Drug Pricing” tool lets members search for medications before buying them at the pharmacy. Pricing will include costs for the OptumRx Mail Service Pharmacy and participating retail pharmacies. The tool also displays the cost based on their specific benefit plan.

Lower-Cost Options
Lower-cost alternatives are available to treat most conditions. Members should work with their doctor to find the best medication for them. Members can visit www.uhcsr.com and click on "Login To My Account" link to find a listing of lower-cost medications available.

Mail Service Member Select
The new Mail Service Member Select program allows employers to capitalize on the many advantages of a mail service benefit, while giving members the flexibility to fill their maintenance medications via mail service or at a retail pharmacy. Members are automatically enrolled in Mail Service Member Select and can begin realizing the benefits of prescription home delivery immediately. If members choose not to participate in the program, they will need to take an active step to disenroll in order to continue filling their maintenance drugs at a local pharmacy at their retail cost share amount. The ability to disenroll from home delivery helps maintain member satisfaction while continuing to help manage pharmacy benefit costs.

For more information about these programs, please contact your UnitedHealthcare StudentResources representative.

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All PEPM savings noted are based on our commercial membership who implemented the programs and are not guarantees. Actual savings may vary.

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