

The Ancillary Charge Program

Guiding you to lower-cost generic medication options, while preserving choice and access.

Prescription medications make up a big part of health care costs in America. We understand that your out-of-pocket cost for a prescription medication can often vary depending on whether you receive a generic or a brand-name medication. We are providing this information about our Ancillary Charge Program to help you understand your options for choosing between a generic and a brand-name medication and how your choice affects how much you will contribute toward the price of your medication.

How the Ancillary Charge Program works

The Ancillary Charge Program has two options for members:

- **If you choose a lower-cost generic medication** – you will pay only your cost share (e.g., copayment, coinsurance) with no additional charge.
- **If you choose a higher-cost brand-name medication when a chemically equivalent prescription drug is available on a lower tier (e.g., generic)** – you will pay your cost share, plus the difference in price between the brand-name and the generic drug.

In the example below, the brand-name medication costs \$200 and the lower-cost generic is \$35. The ancillary charge for a member who purchases the brand medication would be \$165.

Type of Prescription Medication	Point of Purchase / Supply	Cost of Prescription Medication	Copayment / Coinsurance (Tier 1)	Ancillary Charge	Total Amount Member Pays Out-of-Pocket
Brand Medication	Retail Pharmacy 1-month supply	\$200	\$10	\$165	\$175
Generic Equivalent Medication	Retail Pharmacy 1-month supply	\$35	\$10	\$0	\$10

The ancillary charge is the difference in price between the brand-name medication and the lower-cost generic equivalent medication. It is the non-covered amount that the member pays in addition to his or her cost share. In this example, the member's cost share is \$10. When added to the ancillary charge, the total cost to the member for the brand-name medication is \$175 (\$165 + \$10). The member has the option to pay only \$10, if he or she chooses the lower-cost generic medication.

Your Oxford plan will continue to provide reimbursement for a covered brand drug at the agreed upon rate, if you choose the brand drug. But you will pay the difference in price between the brand and the generic, plus the higher-tier cost share.

The ancillary charge currently applies toward (reduces) your plan's maximum out-of-pocket amount. Upon your 2017 policy effective or renewal date, the ancillary charge will not apply toward your maximum out-of-pocket amount unless through our review process we determine that the lower-tier prescription drug is not medically appropriate for you.

Medications included in the Ancillary Charge Program

Any brand-name medication with a lower-cost generic equivalent is subject to the ancillary charge. Listed below are examples of **commonly prescribed brand-name medications that are also available in a generic form** and, therefore, subject to the ancillary charge.

Brand	Generic
Aciphex	rabeprazole enteric coated tablet
Diovan HCT	valsartan-hydrochlorothiazide
Lexapro	escitalopram
Lamictal	lamotrigine
Lipitor	atorvastatin
Cytomel	liothyronine
Wellbutrin	bupropion
Antara	fenofibrate micronized
Effexor XR	venlafaxine extended-release tablet
Adderall	amphetamine-dextroamphetamine
Lamictal XR	lamotrigine extended-release
Singulair	montelukast
Topamax	topiramate
Xanax	alprazolam
Focalin XR	dexmethylphenidate extended-release
Monodox	doxycycline monohydrate
Depakote ER	divalproex sodium extended-release
Keppra	levetiracetam
Lidoderm	lidocaine patch
Maxalt-MLT	rizatriptan orally disintegrating tablet
Cymbalta	duloxetine
Prometrium	progesterone micronized
Retin-A Micro	tretinoin microsphere
Valtrex	valacyclovir
Zoloft	sertraline
Avapro	irbesartan
Keppra XR	levetiracetam extended-release
Zomig	zolmitriptan
Carbatrol	carbamazepine
Imitrex	sumatriptan tablet
Plavix	clopidogrel
Celexa	citalopram
Ambien CR	zolpidem controlled-release
Maxalt	rizatriptan
Pred Forte	prednisolone acetate ophthalmic suspension

This list is a representative sample only, based on annual retail and mail service internal claims analysis. The list is not complete and is subject to change. More than one generic-equivalent may be available.

What you can do to avoid the Ancillary Charge

- If your doctor prescribes one of these or another brand-name medication for you, talk with your doctor about whether a lower-cost generic equivalent medication is right for you so you can recognize a cost-savings opportunity that might be available.
- You can also ask the pharmacist about lower-cost options when you present a prescription at a participating retail pharmacy.
- If you use our pharmacy mail service and a prescription will cost you \$250 or more, a representative will contact you about the Ancillary Charge Program option.
- To find out if other medications not included in the above list have a lower-cost generic-equivalent and are subject to the ancillary charge, go to the **oxfordhealth.com** member website and log in. Click the Pharmacies & Prescriptions tab. Then choose Online Pharmacy and log in to the OptumRx® website. Next, click Drug Pricing and enter the name of the medication you wish to research in the box entitled Price a Medication.¹

You may also call the phone number on the back of your health plan ID card for assistance.

Your doctor can log in to **oxfordhealth.com** or call Provider Services for assistance with determining brand versus generic-equivalent medication availability and lower-cost medication options.

Before you make a change, you should always discuss your medications with your doctor.

More information to help you make an informed choice

We want to help you with your medication discussions with your doctor. Following are several commonly asked questions about the Ancillary Charge Program and generic versus brand medications. The responses are meant to help you, as a health care consumer, understand your prescription options, make the right choices and avoid paying too much.

- Q. If I have tried a generic medication with poor results, and my doctor put me back on the higher-cost brand medication, must I still pay the ancillary charge?**
- A. Yes. If you have tried a generic medication and still prefer a higher-cost brand medication, you are responsible for paying the non-covered portion (ancillary charge) of the higher-cost brand, in addition to your cost-share (copay or coinsurance).
- Q. If my doctor has indicated “dispense as written” with a prescription for a brand medication, am I required to pay the ancillary charge?**
- A. Yes. If you or your doctor has requested that your prescription for a brand medication be “dispensed as written” and a lower-cost generic medication is available, you will be responsible for the ancillary charge, in addition to your cost share. If you do not want to pay the ancillary charge, ask your doctor if a lower-cost generic equivalent medication is right for you.
- Q. What is the difference between brand-name and generic medications?**
- A. Generic and brand-name drugs contain the same active ingredient. While you may be familiar with a brand-name medication because of advertising, often there are several prescription drugs that contain the same active ingredient and treat the same condition. Some drugs may cost much more than others, even though they share the same active ingredient. Both brand and generic prescription medications are approved by the U.S. Federal Drug Administration (FDA).
- Q. Why do brand and generic medications differ in price?**
- A. When a new brand-name medication becomes available, it may be the only drug to treat a certain condition and, therefore, command a high price. The developer’s new drug research and start-up costs can contribute to a high market price, and advertising can drive up the price of a medication. Over time, other medications are developed to treat a condition. This creates competition, which can lead to lower prices. Also, once a brand medication’s patent protection ends, generic versions can be made by multiple companies. This can also lead to less expensive options. Generic medications are usually your lowest-cost option, but not always.
- Q. How can I tell if a drug is brand or generic?**
- A. The Oxford Prescription Drug List (PDL), which can be found at oxfordhealth.com, organizes commonly prescribed brand and generic drugs according to the condition they’re meant to treat. The cost level (tier) is included. We encourage you to bring the PDL with you to your doctor’s appointment so you and your doctor can discuss the most cost-effective prescription medication options for you.



Pharmacy benefit information

To learn more:



Call our Customer Care department

Call the toll-free phone number on the back of your health plan ID card. (The “For Members” phone number.) We can answer questions about your Oxford pharmacy benefit plan, including questions about lower-cost medications and mail service.



Visit the oxfordhealth.com Member Website

Log in and click on “Pharmacies & Prescriptions” to find more information about your medications and your pharmacy benefit plan.



Talk to your doctor

You and your doctor make decisions about your medications, so we encourage you to discuss generic options that also treat your condition.

Through the Ancillary Charge Program, we encourage you to discuss your prescription medication options with your doctor and to price check these options. If your doctor can recommend a lower-cost generic medication to treat your condition over a brand-name medication, you can avoid paying the ancillary charge.

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Q. How can I find out how much a drug costs — and whether the ancillary charge was applied correctly if I received a brand-name drug rather than a generic?

A. To check medication prices, members can log into the Pharmacy Benefit Manager website, OptumRx, by clicking the Online Pharmacy link, under Your Pharmacy Coverage in the Tools & Resources section of the oxfordhealth.com member website. Use the online medication price check feature of the OptumRx website or call Customer Care for assistance. You can also price check brand versus generic medications at your retail pharmacy by giving the pharmacist the names of the brand and generic medications recommended by your doctor. Keep in mind that drug classifications and pricing are continually changing so you should check these sources each time you fill a prescription for the most current information.

Q. Do all brand-name drugs have generic equivalents?

A. No. All brand-name drugs do not necessarily come in generic form. Generic versions cannot be produced until after the patent on the brand drug expires and they are tested and approved by the FDA. A brand-name prescription medication without a lower-cost generic alternative is not subject to the ancillary charge.

Note:

- The Ancillary Charge Program applies to members of a New York Oxford benefit plan. It is a requirement of fully insured small group plans (up to 100 eligible employees) and may be optional for other plans.
- It is the member's responsibility to follow the requirements of his or her plan. Check with your employer to confirm your group size, if you are uncertain. Refer to your benefit plan documents or ask your employer about specific pharmacy benefit guidelines, including ancillary charge, coverage for medications, cost-share details, appeal rights and other programs that may apply (e.g., precertification/preauthorization).
- OptumRx is your plan's Pharmacy Benefit Manager, a UnitedHealthcare affiliate.



¹ The savings shown in our online drug pricing tool is an estimate. It is based on information available to us at the time you use the tool. The information we use to make this estimate includes your benefit, the price paid to the retail or the mail order pharmacy, and your cost share information. Your actual savings could be different on the date you purchase a prescription medication and may vary during the year.