



Essential PDL

Broad medication coverage at an economical cost.

Despite the growing number of generics, pharmacy costs continue to rise. Innovative strategies and new solutions are needed to help reduce these costs while maintaining member choice.

To achieve these goals, we have created the **Essential Prescription Drug List (PDL)**. This PDL for All Savers® Alternate Funding members combines a unique benefit design that has four tiers and is a closed formulary, which means medications not on Tiers 1 through 4 are excluded from coverage. Members using an excluded medication do have the capability to meet criteria for review and approval for coverage. Exclusions, while potentially disruptive, have the power to significantly reduce costs. In most therapeutic classes, there are multiple medication options that all work the same or similar way. By covering only those drugs that offer both unique clinical value as well as competitive prices, we provide coverage for treatment options your patients need while achieving lower total pharmacy costs.

Essential PDL benefit design and management strategies

To keep health care costs low, the Essential PDL has a unique benefit design compared to other PDLs available. Affordable cost-share amounts for Tier 1 and Tier 2 medications drive members to use these more cost-effective options, compared to a Tier 3 or Tier 4 medication they may be using. Most Tier 4 medications have a Tier 1 or Tier 2 option available.

Example: Cost-Share Structure

Tier	Member Cost	Covered Drugs
Tier 1	\$0-\$15 copay range	Many generic drugs, select highest value brand drugs. Some preventive medications may be \$0 per Health Care Reform
Tier 2	\$45-55 copay range	Lower-value generic drugs and high-value brand drugs
Tier 3	\$150 -20% coinsurance (whatever is greater)	Limited number of lower-value drugs and high-value specialty drugs
Tier 4	\$300/30% coinsurance (whatever is greater)	Lowest-value drugs and highest-cost specialty drugs

NOTE: If the cost of the drug is less than the member's copay or coinsurance cost-share, the member will pay no more than the cost of the drug. If a medication is not on Tier 1 – 4, it is excluded from benefit coverage.

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Exclusion savings

In addition to strong tier placement strategies, the Essential PDL allows for more extensive medication exclusions. With several covered drug options available for an excluded medication, members must try all covered options first unless there is a contraindication. If an excluded medication is necessary, coverage could be requested through a review process, and if approved, the medications would be covered at the higher copay/coinsurance. We offer comprehensive member communications and resources so individuals are aware of their lower-cost options. Because many classes are flooded with clinically similar options, you can be assured your employees will have the medications they need.

Helping members make better decisions

We provide members with the information, tools and support they need to make better health care decisions. Members will receive letters if they are impacted by a medication update; these letters will provide lower-cost options available.

- **Online at myallsaversconnect.com:** Members can price medications before buying them at the pharmacy.
- **At the pharmacy:** A computer messaging system alerts pharmacists to dispense the lowest-cost medication, which could be a brand or generic.
- **Over the phone:** Members can call the number on the back of their health plan ID card for more information on lower-cost options and to learn more about their benefit plan.

Response to market changes

The Essential PDL allows us to quickly respond to market trends, price changes and new clinical information by making changes twice a year, January 1 and July 1. For example, when a medication's price increases in the middle of the year, we are able to react promptly by making a mid-year up-tier. This helps us manage your patient's pharmacy benefit responsibly—providing more affordable options and reducing excess costs.



The graphic compares the Essential PDL's response to market changes with other PDLs. On the left, two calendar icons labeled 'JAN' and 'JUL' are shown, with the text 'Quicker response means better value' below them. A vertical line separates this from the right side. On the right, two dollar bill icons are shown, with the text 'The Essential PDL quickly responds with up-tiers twice a year: January 1 and July 1.' below them. To the right of these is the word 'vs.' followed by another dollar bill icon and the text 'Other PDLs respond just once a year, typically January 1.'

Obtain a copy of the Essential PDL

To assist providers, a copy of the Essential PDL can be found at myallsaversconnect.com.



Questions?

Contact your UnitedHealthcare representative to learn more.

Tier cost share requirements apply to all plans with the exception of any HSA plan where the deductible is equal to the out-of-pocket limits and the plan offers 100 percent coinsurance.

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8948630.0 5/19 ©2019 United HealthCare Services, Inc. 19-12090

