

CITY OF AMES PHARMACY PLAN PRESCRIPTION DRUG COVERAGE ADDENDUM

EFFECTIVE DATE: January 1, 2024

PLAN ADMINISTRATOR/PLAN SPONSOR:

City of Ames – Human Resources

515 Clark Ave

Ames, IA 50010

Phone: 515-239-5199

Fax: 515-239-5297

Website: www.cityofames.org/benefits

THE PHARMACY BENEFITS ADMINISTRATOR FOR THIS PLAN IS:

CarelonRx

450 Headquarters Plaza, Suite 710

East Tower, 7th Floor

Morristown, NJ 07960

Customer Service Number: 1-833-320-1156

Website: www.carelonrx.com

CarelonRx Pharmacy

Mail Order Service Number: 833-396-0309

This Prescription Drug plan is integrated with the medical plan (the “Plan”).

NOTE: The Medicare Prescription Drug Improvement and Modernization Act of 2003 provides all Medicare eligible individuals the opportunity to obtain prescription Drug coverage through Medicare. Medicare eligible individuals generally must pay an additional monthly premium for this coverage. Members may be able to postpone enrollment in the Medicare Prescription Drug coverage if their current drug coverage is at least as good as Medicare Prescription Drug coverage. If a Member declines Medicare Prescription Drug coverage and does not have coverage at least as good as Medicare Prescription Drug coverage, he or she may have to pay an additional monthly penalty if he or she changes his or her mind and signs up later. Members should have received a Notice telling them whether their current Prescription Drug coverage provides benefits that are at least as good as benefits provided by the Medicare Prescription Drug coverage. If a Member needs a copy of this Notice, he or she should contact the Plan Administrator.

DISCREPANCY

The prescription Drug benefits listed in this Addendum will supersede any prescription Drug benefit provisions in the Plan's medical Plan Document, Summary Plan Description (SPD), benefit booklets, prior summaries, and addenda.

DEFINITIONS

“Coinsurance”

“Coinsurance” shall mean a cost sharing feature of many plans which requires a Member to pay out-of-pocket a prescribed portion of the cost of prescription Drug expenses. The defined Coinsurance that a Member must pay out-of-pocket is based upon his or her health plan design.

“Copayment” or “Copay”

“Copayment” or “Copay” shall mean a dollar amount per prescription the Member pays for prescription Drug expenses.

“Drug”

“Drug” shall mean a Food and Drug Administration (FDA) approved Drug or medicine that is listed with approval in the *United States Pharmacopeia*, *National Formulary* or *AMA Drug Evaluations* published by the American Medical Association (AMA), that is prescribed for human consumption, and that is required by law to bear the legend: “Caution—Federal Law prohibits dispensing without prescription,” or a State restricted drug (any medicinal substance which may be dispensed only by prescription, according to State law), legally

obtained and dispensed by a licensed drug dispenser only, according to a written prescription given by a Physician and/or duly licensed Provider. "Drug" shall also mean insulin for purposes of injection.

"Member"

"Member" shall mean an employee and/or his or her dependent(s) who satisfies the eligibility and participation requirements specified in the Plan and is enrolled in the Plan.

"Physician"

"Physician" shall mean a Doctor of Medicine (M.D.), Doctor of Osteopathy (D.O.), Doctor of Dental Surgery (D.D.S.), Doctor of Podiatry (D.P.M.), Doctor of Chiropractic (D.C.), Psychologist (Ph.D.), Audiologist, Certified Nurse Anesthetist, Licensed Professional Counselor, Licensed Professional Physical Therapist, Master of Social Work (M.S.W.), Occupational Therapist, Physiotherapist, Speech Language Pathologist, psychiatrist, midwife, and any other practitioner of the healing arts who is licensed and regulated by a State or Federal agency, acting within the scope of that license.

BENEFITS

Summary of Benefits

Prescription Drug Plan	Out-of-Pocket Maximum, per Calendar Year
Individual	\$1,000
Family	\$2,000
Covered Prescription Drug Expenses:	Participating Pharmacy¹
Pharmacy Option:	
Copayment, per prescription or refill, for generic	\$5/prescription
Copayment, per prescription or refill, for formulary name brands ²	\$20/prescription
Copayment, per prescription or refill, for non-formulary name brands	\$35/prescription
Copayment, per prescription or refill, for specialty drugs	Up to \$85/prescription
Mail Order Option:	
Copayment, per prescription or refill, for generic	\$5/prescription
Copayment, per prescription or refill, for formulary name brands ²	\$60/prescription
Copayment, per prescription or refill, for non-formulary name brands	\$105/prescription
Copayment, per prescription or refill, for specialty drugs	Up to \$255/prescription

Participating pharmacies ("Participating Pharmacies") have contracted with the Plan to charge Members reduced fees for covered Drugs. CarelonRx is the administrator of the prescription drug plan. Members will be issued an identification card to use at the pharmacy at time of purchase. Members will be held fully responsible for the consequences of any pharmacy identification card after termination of coverage. No reimbursement will be made when the identification card is not used.

The Mail Order Option is available for maintenance medications (those that are taken for long periods of time, such as Drugs sometimes prescribed for heart disease, high blood pressure, asthma, etc.). Because of the volume buying, CarelonRx Pharmacy, the mail order pharmacy, is able to offer Members significant savings on their prescriptions.

The Copayment amount is applied to each charge and is shown on the Summary of Benefits, above.

¹ 100% payment by Plan after Copayment.

² Also includes cost difference between name brand and generic forms, unless prescription is not manufactured in generic form or Physician has indicated "dispense as written" or similar indication.

Limitations

The benefits set forth in this section will be limited to:

Dosages.

1. With respect to the Pharmacy Option, any one prescription is limited to a 30-day supply.
2. With respect to the Mail Order Option, any one prescription is limited to a 90-day supply.
3. With respect to the Specialty Drug Option, any one prescription is limited to a 30-day supply.

Refills.

1. Refills only up to the number of times specified by a Physician.
2. Refills up to one year from the date of order by a Physician.

Covered Expenses

The following are covered under this Addendum:

Acne Control. Drugs that help manage the severity and frequency of acne outbreaks that cannot be purchased over-the-counter. Covered for Members through age 29. Prior Authorization is required for Members age 30 and over.

ADHD Drugs.

AIDS/HIV Drugs.

Alcohol Deterrents.

Antineoplastics/Chemotherapy (Injectable and Oral).

Bee Sting Kits. Charges for EPI PEN and Ana Kit.

Compounded Prescriptions. All compounded prescriptions containing at least one prescription ingredient in a therapeutic quantity.

Contraceptives. All Food and Drug Administration (FDA)- approved, -granted, or -cleared contraceptives Drugs, in accordance with the Health Resources and Services Administration (HRSA) guidelines. **NOTE:** *All other contraceptive methods are covered under the preventive care benefit in the medical plan. Progestin implants, diaphragms, cervical caps, and IUDs are excluded under both the Prescription Drug and Medical Plans.*

Diabetes. Insulins, insulin syringes and needles, diabetic supplies – legend, diabetic supplies – over the counter, and glucose test strips, when prescribed by a Physician.

Growth Hormones. Charges for growth hormones.

HIV/Transplant Drugs. Limited to a 90 day supply.

Imitrex Injection. Charges for Imitrex injections (migraine auto-injector).

Immunizations. Immunization agents, biological sera, and immunologicals (vaccines).

Impotency. A charge for impotency medication, including Viagra.

Injectables. A charge for injectables.

Prescription Drugs.

1. Class V Drugs.
2. Diabetic Supplies.
3. Legend Drugs with over-the-counter equivalents.
4. Pre-natal vitamins.

5. Vitamins.

Nail Fungus Drugs.

Nutritional Diet Supplements.

Over-the-Counter (OTC) Drugs. OTC Drugs related to Preventive and Wellness Services as specified by the Affordable Care Act of 2010. While a summary of these services can be found at: <https://www.healthcare.gov/coverage/preventive-care-benefits/>, this is not an all-inclusive list of the OTC Drugs that are covered under these services.

This includes Food and Drug Administration (FDA)-approved generic Drugs and Over-the-Counter (OTC) Drugs, devices and supplies related to Women's Preventive Services, as specified by the Affordable Care Act of 2010.

A description of FDA-approved contraceptive methods can be found at: <http://www.fda.gov/ForConsumers/ByAudience/ForWomen/WomensHealthTopics/ucm117971.htm>.

Over-the-counter diabetic supplies are also covered.

Required by Law. All Drugs prescribed by a Physician that require a prescription either by Federal or State law, except the Drugs excluded below.

Respiratory Devices.

Smoking Deterrents. A charge for Drugs or aids for smoking cessation, including, but not limited to, nicotine gum and smoking cessation patches.

Coverage is limited to two smoking cessation attempts per calendar year, up to a 90-day supply of covered drugs for each attempt, or a 180-day supply total per calendar year. Further attempts after two attempts will process according to the Tier 1 (generic) level coverage and copays.

Steroids. Anabolic steroids.

Vitamins. Vitamins.

Exclusions

In addition to the exclusions section of the Plan, the following are not covered by this Addendum:

Administration. Any charge for the administration of a covered Drug.

Allergy Sera. Charges for allergy sera.

Anorexiants. Anorexiants (weight loss Drugs).

Anti-Aging Products. Drugs intended to affect the structure or function of the skin that cannot be purchased over-the-counter.

Blood and Blood Plasma. Charges for blood and blood plasma.

Blood Pressure Supplies.

Devices. Devices of any type, even though such devices may require a prescription, including, but not limited to, therapeutic devices, artificial appliances, braces, support garments or any similar device, unless noted elsewhere in this document.

Drug Efficacy Study Implementation (DESI) Drugs. Charges for DESI Drugs.

Experimental Drugs. Experimental Drugs and medicines, even though a charge is made to the Member.

Fertility Agents. Charges for fertility agents.

Institutional Medication. A Drug or medicine that is to be taken by a Member, in whole or in part, while confined in an Institution, including any Institution that has a facility for dispensing Drugs and medicines on its premises.

Investigational Use Drugs. A Drug or medicine labeled “Caution – limited by Federal law to Investigational use”.

Legend Drugs.

1. Diagnostics.

Medical Devices and Supplies. Charges for legend and over the counter medical devices and supplies.

No Charge. A charge for drugs which may be properly received without charge under local, State or Federal programs.

Non-Insulin Syringes/Needles. Charges for non-insulin syringes and needles.

Non-Prescription Drug or Medicine. A drug or medicine that can legally be bought without a prescription, except for injectable insulin.

Occupational. Prescriptions necessitated due to an occupational activity or event occurring as a result of an activity for wage or profit which an eligible person is entitled to receive without charge under any workers' compensation or similar law.

Over-the-Counter Drugs. Charges for over-the-counter drugs, except to the extent required by the Affordable Care Act and the Families First Coronavirus Response Act (FFCRA), as amended:

1. Class V Drugs.
2. Diagnostics.
3. Medical Devices and Supplies.
4. Pre-natal vitamins.
5. Vitamins.

Rogaine. Charges for Rogaine (topical minoxidil).

PRIOR AUTHORIZATION

Members should visit the CarelonRx website at www.carelonrx.com to verify the prior authorization and requirements.

COORDINATION OF BENEFITS

The prescription Drug benefits section of the Plan does not coordinate benefits.

CLAIMS AND APPEALS PROCEDURES

If a member has a concern with how a certain claim was handled or they wish to lodge an appeal to a processed claim, they may do so by mailing details to the following address:

CarelonRx
Attn: Appeals and Grievance
P.O. Box 775370
St. Louis, MO 63177