

PEEHIP Hospital Medical Plan (PPO)

(Active Members and Non-Medicare-Eligible Retirees)

The PEEHIP Hospital Medical Plan is administered by BCBS of Alabama.

Hospital Benefits

- Inpatient Hospitalization: Plan pays 100% of the allowed amount for the first 365 days subject to a \$200 per admission deductible and \$25 per day copayment for days 2-5 (maximum copayment of \$300). The plan allows for a semi-private room. The member is responsible for the difference in cost of a private and semi-private room and other non-medical items, such as TV, phone, etc.
- Preadmission Certification (PAC): All hospital admissions require preadmission certification. To obtain PAC, call 800.248.2342.
- Inpatient Physical Rehabilitation: Plan pays 100% of the allowed amount, subject to a \$200 per admission copayment and a \$25 per day copayment for days 2-5 (maximum copayment of \$300). Coverage in a rehabilitation facility requires Preadmission Certification and is limited to a lifetime maximum of 60 days per member.
- Outpatient Hospital Benefits: Plan pays 100% of the allowed amount, subject to a \$150 facility copayment for outpatient surgery and \$150 facility copay for medical emergencies and accidents.
- Hemodialysis, radiation therapy, chemotherapy, and IV therapy: \$25 copay
- Non-medical Emergencies: Plan pays 80% of the allowed amount, subject to the \$300 calendar year deductible.

Major Medical Benefits

- Calendar Year Deductible: \$300 per person; \$900 maximum per family per year.
- Coinsurance: Once deductible is met, benefits are payable at 80% of the allowed amount. The member is responsible for the remaining 20% when using an in-network provider. There is a \$400 per member out-of-pocket maximum for each plan year.
- Covered Services: Physician services for medical and surgical care when a PMD physician is not used; laboratory and X-rays (outpatient MRI's must be pre-certified); ambulance service; blood and blood plasma; oxygen, casts, splints, and dressings; prosthetic appliances and braces; podiatrist services; physical therapy; and allergy testing and treatments.
- Sleep Studies: Services are covered when rendered by a BCBS approved sleep facility. The following copayments apply:
 - Free-standing sleep clinic: \$10 facility copayment
 - Hospital outpatient facility: \$150 facility copayment for adults and \$10 copay for children 18 and under
- Medical and prescription calendar year out-of-pocket combined maximum is **\$8,150 for individual and \$16,300 for family coverage for calendar year 2020; and \$8,550 for individual and \$17,100 for family coverage for calendar year 2021.**

Major medical claims incurred in the 4th quarter of the calendar year are not carried over and applied towards the following year's deductible.

Preferred Medical Doctor (PMD)

- Office Visit and Consultations: \$30 copayment per visit
- Routine Preventative Office Visit: No copayment for one routine preventative visit per year (adults 19 and older)
- Specialist Office Visit and Consultations: \$35 copayment per visit (Does not apply to Family/General Practice, Internal Medicine, Gynecology, Obstetrics, Pediatrics, Certified Nurse Practitioner, Physician Assistant, Clinic, and Midwives)
- Outpatient Diagnostic Lab and Pathology: \$5 copayment per test (including pap smears)
- Outpatient Diagnostic X-ray: No deductible or copayment
- Teladoc®: **No copayment per Teladoc® consultation**

PPO Blue Card Benefits (*Out-of-State Providers*)

- The Blue Card PPO program offers “PMD-like” benefits when members access out-of-state providers if the physician or hospital is a participant in the local BCBS PPO program in that state. This program allows members to receive PMD benefits such as well baby care, routine physicals, and routine mammograms when accessing out-of-state PPO providers.

Non-Participating Hospitals and Outpatient Facilities

- Currently there are no non-participating inpatient or outpatient facilities in Alabama. However, when choosing a hospital or outpatient facility located outside Alabama, you may want to consider checking with the facility first to determine if they are a BCBS participating provider. With your health plan benefits, you have the freedom to choose your healthcare provider.
- To maximize your coverage and minimize your out-of-pocket expenses, you should always use network providers for services covered by your health plan. Your out-of-pocket expenses will be significantly higher in a non-participating hospital or facility. When you choose a network provider, you don’t have to worry about extra out-of-pocket expenses.

Out-of-Country Coverage

- If you receive medical treatment outside of the United States and the services are medically necessary, PEEHIP will pay primary under the major medical benefits. All PEEHIP deductible and coinsurance amounts and contract limitations will apply. The claims must be stated in U.S. dollars and filed with BCBS of Alabama.

Excluded Services and Prescription Drugs

- Excluded services include but are not limited to nursing home costs, vision and dental care (except accidental injuries), cosmetic surgery, hearing aids, and experimental procedures. Certain prescription drugs may be excluded to drive utilization to lower cost therapeutic alternative drugs. Bulk chemical powders **are not** covered under PEEHIP.
- PEEHIP **does not** allow mail order for Retail drugs.

Prescription Drug Benefits – Participating Pharmacy (*Administered by MedImpact*)

All drug lists can be found on the PEEHIP website at www.rsa-al.gov/peehip/pharmacy-benefits/.

Participating Pharmacy Copayments:

Tier Number: Drug Type	Day Supply: 1-30 Copay	Day Supply: 31-60 Copay	Day Supply: 61-90 Copay
Tier 1: Generic	\$ 6	\$ 12	\$ 12
Tier 2: Preferred Brand	\$40	\$ 80	\$120
Tier 3: Non-Preferred Brand	\$60	\$120	\$180
Tier 4: Specialty Drug	20% coinsurance with a minimum copay of \$100 and a maximum copay of \$150.		
	The Dispense As Written (DAW) cost differential applies for multi-source brand drugs with a generic chemical equivalent.		

The drug must be on the approved maintenance list and must be prescribed as a maintenance drug. First fill for a maintenance drug will be a 30-day supply.

- Participating pharmacies will file all claims electronically for you. Most major pharmacy chains in-state and out-of-state participate with the PEEHIP MedImpact prescription drug plan.
- The PEEHIP prescription drug plan includes Step Therapy, Prior Authorization, and Quantity Level Limitations for certain medications.
- Refills on Retail and Specialty drugs (30-day supply) are allowed only after 75% of the previous prescription has been used (for example, 23 days into a 30-day supply). Refills are allowed for maintenance drugs (90-day supply) only after 75% of the previous prescription has been used (for example, 67 days into a 90-day supply). For Opioid and Benzodiazepine prescriptions, refills are allowed only after 90% of the previous prescription has been used (for example, 27 days into a 30-day supply).
- Pharmacists shall dispense a generic equivalent medication when one is available unless the physician indicates in longhand writing on the prescription, indicates by mark or signature in the appropriate place on the prescription, or indicates in an electronic prescription, the following: “medically necessary” or “dispense as written” or “do not substitute.” The generic equivalent drug product dispensed shall be pharmaceutically and therapeutically equivalent and contain the same active ingredient(s) and shall be of the same dosage, form, and strength.
- Drug benefits for medically necessary fertility drugs are covered at 50% copay for any fertility drug up to a lifetime maximum of \$2,500 cost to the PEEHIP plan.
- Over-the-counter (OTC) medications are not covered, even if prescribed by a physician, unless mandated by the Affordable Care Act. The prescription version of an OTC medication is not covered. OTC equivalent drugs, vitamins, food supplements, and medical foods are not covered, even if prescribed by a physician, unless mandated by the Affordable Care Act.

Flu vaccines are allowed at most participating retail pharmacies at no cost.

DAW (Dispense as Written) Cost Differential

For multi-source brand drugs with a generic chemical equivalent, the total amount covered by PEEHIP will not exceed the amount that would have been covered if the generic equivalent were dispensed. Members will be subject to the difference between the cost of the brand drug and its generic equivalent, regardless of whether the physician indicates the brand must be taken. This does not apply to the Narrow Therapeutic Index (NTI) drugs such as seizure medications.

PEEHIP Maintenance Drug List – Copay Change for Preferred & Non-Preferred Brands Only

Three (3) copayments are charged for a 3-month supply of all brand drugs on the PEEHIP Maintenance Drug List. Two copayments are charged for a 3-month supply of all generic drugs on the list. The DAW cost differential applies for multi-source brand drugs with a generic chemical equivalent.

Specialty Drugs – 4th Tier

A 4th tier copay was implemented for specialty drugs: 20% coinsurance with a minimum copay of \$100 and a maximum copay of \$150. The DAW cost differential applies for multi-source brand drugs with a generic chemical equivalent.

Specialty Drugs – Copay Assistance Programs

Copays for certain specialty medications may vary and be set to the maximum of any available manufacturer-funded copay assistance programs. PEEHIP and MedImpact will offer copay assistance programs for certain specialty drugs so the member copayment will normally be less than the otherwise applicable copayment.

Compound Drugs

PEEHIP does not cover ingredients in a compound that are currently excluded from coverage in non-compound prescriptions, such as OTC medications. This exclusion applies to PEEHIP's non-Medicare (commercial) plan and the Medicare Part D plan.

Drug Utilization Management

PEEHIP works with the Pharmacy Benefit Manager to review and update the drug utilization management policies such as the drug formulary status, step-therapy programs, quantity level limits, prior authorizations, and other utilization management programs to reduce unnecessary spending by both the plan and members and to ensure the most effective drugs are used in the most appropriate ways. These programs are implemented throughout the plan year to keep your PEEHIP plan as beneficial and affordable as possible.

Excluded Drugs

Certain prescription drugs and medications are excluded from PEEHIP coverage. To verify the formulary and coverage status of a medication, please visit the MedImpact website at <https://mp.medimpact.com/ala>.

Non-Participating Pharmacy (*Coverage at a non-participating pharmacy inside or outside of Alabama*)

If members use a non-participating pharmacy, they will be required to pay the full cost of the prescription. Members can submit a claim form to MedImpact to be reimbursed at the Participating Pharmacy rate. All PEEHIP copayments and clinical utilization management programs will apply. The member out-of-pocket expenses will be higher when using a non-participating pharmacy.

Step Therapy Prescription Program

The PEEHIP prescription drug program includes Step Therapy for certain medications. The Step Therapy program was implemented to keep PEEHIP sound and premiums and copayments at a reasonable and affordable level. The Step Therapy program applies to "new" prescriptions that have not been purchased in over 130 days. Step Therapy is organized in a series of "steps" with your doctor approving your medication every step of the way. It is developed under the guidance and direction of independent, licensed doctors, pharmacists, and other medical experts. Together with MedImpact, Inc., they review the most current research on thousands of drugs tested and approved by the Food and Drug Administration (FDA) for safety and effectiveness. Members can reference the *Summary Plan Description* at www.rsa-al.gov/peehip/publications/ for detailed information about the Step Therapy program.