

Retirees Over 65

State of New Hampshire
Prescription Drug
Benefits Booklet

July 1, 2007

Your Pharmacy Benefit

The Local Government Center (LGC), in coordination with Caremark, administers the State of New Hampshire's employee and retiree prescription drug benefits.

- This plan has a pharmacy deductible.
- This plan is not subject to a "Drug List."
- Co-payments and co-insurance are the amount paid by you for each prescription, or authorized refill. The co-payments for each category provided above are based on a single prescription, or refill. Each prescription shall not exceed a ninety (90)-day supply for the Mail Service Program and a thirty-one (31) day supply for the Retail Pharmacy Program. This is subject to exceptions for certain pre-packaged drugs with greater than a 31-day supply which may require multiple co-payments, certain controlled medications.

Retirees Over 65

Retail Pharmacy Program All Covered Drugs	\$100 deductible per person per calendar year; then 20% co-insurance for next \$400 in expenses; covered at 100% thereafter
Mail Service Program All Covered Drugs	\$4.00 co-payment
Annual Out-of-Pocket Maximum	None

Your Pharmacy Options

Mail Service Program

All enrollees are offered the option of having their long-term medications (those taken for 3 months or more) delivered to their home or office. Medications are dispensed by Caremark pharmacists through its network of mail-order pharmacies.

Mail Service Program Basics

- You may obtain up to a 90-day supply (compared with a typical 31-day supply at retail) of each covered medication for one mail-order co-payment. When using the Mail Service Program, you should ask your doctor to write a prescription for up to a 90-day supply of each medication (plus refills for up to 1 year, if appropriate).
- Registered pharmacists are available 24 hours a day, 7 days a week.
- Order refills online, by mail, or by phone—anytime day or night. To order online, register at www.caremark.com. Refills are usually delivered within 3 to 5 days after your order is received.
- Choose a payment option—check, money order, credit card, or Caremark's "Bill Me Later" program.
- Standard shipping is free.

How to initiate the Mail Service Program

You can expect new prescriptions to arrive 10-14 calendar days after Caremark receives your order. Refills are usually delivered within 7 days following Caremark's receipt of your refill request. If you are currently taking a medication, be sure to have at least a 14-day supply on hand when ordering. If

you do not have enough, ask your doctor to give you a second prescription to fill it at a participating retail pharmacy while your mail-order prescription is being processed.

You are encouraged to register online. To register, visit www.caremark.com and click on the “not registered?” prompt at the top of the home page. You will fill out a brief registration form to ensure the security and privacy of your account. You will also be prompted to create a username and password (choose ones you will remember for logging on in the future). Once you have reviewed all the information you have entered and make any necessary changes you will need to read and accept the Caremark terms and conditions. Once this is complete a “registration confirmed” message should appear. You are then all set to begin utilizing the online services outlined below.

- Review plan highlights and get health and wellness information
- Compare brand-name and generic drug prices
- Obtain order forms, claim forms, and envelopes
- Submit mail-order refills
- Check the status of Mail orders
- Check and pay mail-order account balances

You may also request by phone that Caremark contact your doctor to submit a prescription to the Mail Service Program on your behalf. You may also have your doctor fax your prescriptions. Ask your doctor to call 1.800.378.5697 for faxing instructions.

Mail Service Program Co-Payments

You will be responsible to pay the applicable co-payment to Caremark for each prescription, or refill, dispensed by Caremark, under the Mail Service Program, as provided in the applicable plan design option. In those instances where your co-payment would otherwise be greater than the pricing for any drug covered, you will pay the lower price. Caremark may suspend the Mail Service Program services to you if you are in default of any co-payment amount due.

Mail Service Program pharmacies will dispense covered drugs to you, and dispense generic drugs when authorized, in accordance with applicable laws and regulations in the state in which the Mail Service Program pharmacy is located. All matters pertaining to the dispensing of covered drugs or the practice of the pharmacy in general, are subject to the professional judgment of the dispensing pharmacist. Any drug that cannot be dispensed in accordance with the manufacturer, or regulatory protocols, may be excluded from coverage by Caremark.

Certain Limits

Caremark’s Mail Service Program Pharmacies will not be required to dispense prescriptions for greater than a ninety (90)-day supply of covered drugs per prescription or refill, subject to the professional judgment of the dispensing pharmacist, limitations imposed on controlled substances, and the manufacturer’s recommendations. Prescriptions may be refilled provided it is stated in the prescription.

Prescriptions will not be filled: (i) more than twelve (12) months after issuance; (ii) more than six (6) months after issuance for controlled drug substances; or (iii) if prohibited by applicable law or regulation.

Retail Pharmacy Program

- You may obtain up to a 31-day supply of covered medication for each prescription or refill.
- You may want to use a participating retail pharmacy for short-term prescriptions (such as antibiotics to treat infections). Be sure to show your prescription drug ID card to the pharmacist, and pay your retail co-payment for each prescription.

At the point of sale, you will be responsible to pay the applicable co-payment for each prescription or authorized refill dispensed under the Retail Pharmacy Program as provided in the applicable plan design

option. At the point of sale, your payment will not be greater than the Usual and Customary (U & C) price of the participating pharmacy. The U & C price means the usual and customary retail price charged by a participating pharmacy to individual retail customers in the ordinary course of business for a prescription or refill. In those instances where your co-payment would otherwise be greater than the U & C Price of the participating pharmacy, you will pay only the U & C cost.

Participating pharmacy means a retail pharmacy that has entered into an arrangement with Caremark to participate in Caremark's Network. The network of participating pharmacies that comprises Caremark's network may be modified from time to time.

A non-participating pharmacy is a licensed retail pharmacy that is not a participating pharmacy. If you use a non-participating retail pharmacy, you must pay the entire cost of the prescription and then submit a reimbursement claim to Caremark. When you use a non-participating pharmacy, you will be reimbursed the amount the drug would have cost at a participating retail pharmacy, minus your retail co-payment.

To find a participating retail pharmacy near you:

- Log-on to www.caremark.com
- Ask at your retail pharmacy whether it participates in the Caremark network.

The Generic Drug Advantage

Generic drugs may have unfamiliar names, but they are safe and effective. Generic drugs and their brand-name counterparts:

- Have the same active ingredients
- Are manufactured according to the same federal regulations

Generic drugs may differ in color, size, or shape. However, the U.S. Food and Drug Administration require that the active ingredients have the same strength, purity, and quality as the brand-name alternatives. Prescriptions filled with generic drugs often have a lower co-payment. Therefore, you may be able to get the same health benefits at a lower cost. You should ask your doctor, or pharmacist, whether a generic drug would be right for you. You may be able to receive the same high-quality medication and reduce your expenses.

Medications Preferred By Your Plan Design

The State of New Hampshire's pharmacy plan includes a list of prescription drugs that are preferred by Caremark because of their safety, clinical effectiveness and ability to help control prescription drug costs. This drug list has a wide selection of generic and brand-name medications that have been evaluated for inclusion. The drug list may be modified by Caremark from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebate arrangements, and patent expirations. Medco implements formulary management programs, which may include cost containment initiatives, communications with you, participating pharmacies and/or physicians (including communications regarding generic substitution programs), and financial incentives to participating pharmacies for their participation.

For additional information visit Caremark at www.caremark.com, or call Caremark toll-free at 1.888.726.1630.

What is Covered

Covered drugs are drugs, which under New Hampshire or federal law, require a prescription and are designated as part of the plan design outlined below. Excluded from covered drugs are: (i) cosmetic drugs; (ii) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances; and (iii) health and beauty aids, cosmetics, and dietary supplements, unless otherwise required by New Hampshire or federal law, and is a prescription drug provided through Caremark.

All State of New Hampshire plan design options cover the following:

- State-restricted drugs
- Compound medications
- Diabetes supplies, including insulin syringes
- Insulin by prescription only
- Federal legend drugs, including:
 - Cardiovascular drugs
 - Anti-infectives
 - Dermatological therapies
 - Ear, nose, and throat medications
 - Ophthalmology drugs
 - Respiratory, allergy, cough, and cold medications
 - Oral diabetes drugs
 - Growth hormones and injectables
- Birth control devices and oral contraceptives
- Immunizing agents

Certain controlled substances, and other prescribed medications, may be subject to dispensing limitations and to the professional judgment of the pharmacist. Prescriptions for certain controlled substances may be shipped under separate cover.

What is Not Covered

All plan design options exclude coverage for the following:

- Therapeutic devices or appliances
- Anorexients
- Non-federal legend drugs, except insulin
- Smoking deterrents – Smoking deterrents may be obtained at a discount through Caremark’s Mail Service Program.
- Drugs labeled “Caution—Limited by Federal Law to Investigational Use,” or experimental drugs, regardless of whether a charge is made to the member
- Medication for which the cost is recoverable under any workers’ compensation or occupational disease law or any state or government agency, or medication furnished by any other pharmaceutical or medical service for which no charge is made to the member
- Medication taken or administered to the member while he or she is a patient in a licensed hospital, rest home, sanitarium, extended care facility, skilled nursing facility, convalescent hospital, nursing home, or similar institution that operates on its premises, or allows to be operated on its premises, a facility for dispensing pharmaceuticals
- Any prescription that has reached the maximum number of refills specified by the physician, or any prescription that is more than one year old

Your Plan Has Prior Authorization Requirements and Coverage Limits

All plan design options are subject to prior authorization and certain coverage limits from Caremark for the following drugs:

Drugs that may require prior authorization

- Erectile dysfunction agents
- Erythroid stimulants
- Injectable Fertility agents
- Growth hormones
- Interferon agents
- Multiple sclerosis agents

- Myeloid stimulants
- Platelet Proliferators
- Injectable Rheumatoid Arthritis Agents
- Xolair
- Raptiva
- Tysabri
- Apokyn
- *Wellbutrin*

Drugs with quantity limits

- Erectile dysfunction agents

For example, prescription drugs used for cosmetic purposes may not be covered, or a medication may be limited to a certain amount (such as the number of pills or the total dosage) within a specific time period. If you submit a prescription for a drug that has coverage limits, your pharmacist will tell you that approval is needed before the prescription may be filled. The pharmacist will give you, or your doctor, the toll-free number 1.800.626.3046 to call. If you use Mail Service Program, your doctor will be contacted directly. When a coverage limit is triggered, more information is needed to determine whether your use of the medication meets your plan's coverage conditions. Your doctor will be notified of the decision in writing. If coverage is approved, the letter will indicate the amount of time for which coverage is valid. If coverage is denied, an explanation will be provided, along with instructions on how to submit an appeal.

Caremark's Specialty Pharmacy

Some conditions, such as multiple sclerosis, Hepatitis C, rheumatoid arthritis, cystic fibrosis, infertility, pulmonary hypertension, RSV prophylaxis, Gaucher disease, and growth hormone deficiency, are treated with specialty drugs. Specialty drugs means those pharmaceutical products that are generally biotechnical in nature, with many requiring injection, or other non-oral methods of administration, and that have special shipping or handling requirements. Caremark's Specialty Pharmacy provides the following, with respect to specialty drugs:

- Access to nurses who are trained in specialty medications
- Answers to your questions about specialty medications from a pharmacist 24-hours a day, 7-days a week
- Coordination of home care and other healthcare services

For additional information, call the Caremark at 1-800-237-2767.

Appeals

The Local Government Center, in conjunction with Caremark, administers the appeals process on behalf of the State of New Hampshire for any claim denials or prior authorization denials.

There are two types of appeals:

- Administrative – These are benefit coverage decisions that are strictly based on the Plan's benefit design. These appeals do not require additional information to be obtained from the prescribing doctor, but may require additional information from you.
- Clinical – These are benefit coverage decisions that are based on the plan's prior authorization requirement and require additional information to be obtained from the prescriber.

Once you are notified that a claim is denied in whole or in part, you have the right to appeal. Requests for appeals need to be received within 180 days of the initial denial. Appeals must be submitted in writing. Acceptable submission methods include fax or mail directly to Caremark. All administrative and clinical appeals are reviewed according to the plan design provisions and a

decision will be mailed within 15 business days of receipt of a written request by Caremark for pre-service claims and within 30 days for post-service claims. Urgent pre-service claims will be processed within 72 hours from the receipt of the inquiry by Caremark.

To submit an appeal either fax Caremark at 1.866.689.3092 or in writing to:

Caremark, Inc.
Attention: Appeals Department
MC 109
PO Box 52084
Phoenix, AZ 85072-2084

Coordination of Benefits

If any covered dependents have primary prescription drug coverage through another employer-sponsored plan or Medicare, you have the ability to submit deductibles, co-payments, or co-insurance not covered by the primary plan for reimbursement under this plan. Reimbursement will be provided for covered drug as outlined in the "What is Covered" section of this Benefits Booklet and subject to any plan design limitations.

General Information

- **Caremark Customer Care**
Caremark Customer Care is available 24-hours a day, 7-days a week (except Thanksgiving and Christmas) by calling toll-free 1.888.726.1630 or by e-mail at customerservice@caremark.com. Caremark's Customer Care Representatives will:
 - Help you find a participating retail pharmacy
 - Send you order forms, claim forms, benefit coverage request forms and envelopes
 - Answer questions about your prescriptions or plan coverage
- **Local Government Center**
Local Government Center's Member Service Department is available Monday – Friday from 8:30 a.m. to 4:30 p.m. by calling 603.224-7447 or toll-free 1.800.527-5001. Local Government Center's Member Care Representatives will:
 - Help you find a participating retail pharmacy
 - Send you order forms, claim forms, benefit coverage request forms and envelopes
 - Order replacement Identification Cards
 - Confirm eligibility status
- **Accessing Caremark by TTY**
TTY is available for hearing-impaired members. Call 1.800.231.4403.
- **Ordering Prescription Labels Printed in Braille**
Braille labels are available for mail-order prescriptions. Call 1.888.726.1630.

Other Things You Should Know

- **Drugs and your safety**
The risks associated with drug-to-drug interactions and drug allergies can be very serious. Caremark will check for potential interactions and allergies, whether you use the Mail Service Program or the Retail Program. Caremark will also send this information electronically to participating retail pharmacies.
- **Caremark may contact your doctor about your prescription**
If you are prescribed a drug that is not on the preferred drug list but an alternative preferred drug exists, Caremark may contact your doctor to ask whether that drug would be appropriate for you.

Please be assured that your doctor will always make the final decision on all your medications. If your doctor agrees to use a plan-preferred drug, you will never pay more and will usually pay less.

- **Local Government Center and Caremark protect your privacy**

Because your privacy is important, the Local Government Center and Caremark comply with federal privacy regulations. They use health and prescription information about you and your dependents only to administer the State of New Hampshire's prescription drug plan and to fill your mail-order prescriptions.