



Increased Cost Sharing for Brand Name Level 3 Drugs

This change does *not* apply to retirees with Medicare.

Some doctors write prescriptions as "DAW-1," or "dispense as written." This means the pharmacist will fill the brand name drug as written and will not substitute an available generic equivalent.

Starting in 2019, you will pay more for "DAW-1" brand name level 3 drugs unless you cannot take the generic equivalent due to a medical need. If you have a medical need, your doctor must submit a one-time FDA MedWatch form to Navitus for the prescription. Have your doctor contact Navitus for the form.

The FDA MedWatch form must be submitted the first time you are prescribed the medication. Under normal circumstances, the form will be processed within 72 hours. For urgent/emergent situations, the form will be processed within 24 hours. After the form is submitted, it will stay on file with Navitus. Your doctor will not need to resubmit the form.

Without the form, you will pay the 40% coinsurance *plus* the cost difference between the brand name drug and its generic equivalent. See the examples below for more explanation.

Example 1: Level 3 "DAW-1", No Medical Need for Brand Name Drug



Your doctor prescribes you BrandNameStatin and marks it as "DAW-1". You do not have a medical need so your doctor does not submit the FDA MedWatch form

30-Day Supply Costs

Your Costs with Insurance

- BrandNameStatin: **\$1,250**
- Generic equivalent: **\$5**

Cost Before Insurance:

- BrandNameStatin: \$2,000
- Generic equivalent: \$900

BrandNameStatin Cost Calculation

$$\$2,000 \times 40\% = \$800 \rightarrow \$150$$

You pay 40% of the original drug price. There is a limit of \$150

$$\$2,000 - \$900 = \$1,100$$

You also pay the cost difference between the brand name drug and the generic equivalent

$$\$150 + \$1,100 = \mathbf{\$1,250}$$

When having a brand name drug is not medically necessary, you can save money by getting the generic. In this example you'd save \$1,245 each time you fill your prescription.

Example 2: Level 3 "DAW-1", Medical Need for Brand Name Drug



Your doctor prescribes you BrandNameStatin and marks it as "DAW-1". The **brand name drug is medically necessary** because you are allergic to an ingredient in the generic equivalent. Your doctor submits the FDA MedWatch form to Navitus.

30-Day Supply Costs

Your Costs with Insurance

- BrandNameStatin: **\$150**

Cost Before Insurance:

- BrandNameStatin: \$2,000

BrandNameStatin Cost Calculation

$$\$2,000 \times 40\% = \$800 \rightarrow \mathbf{\$150}$$

You pay 40% of the original drug price. \$800 is higher than the max, you are only responsible for \$150.