

Understanding Your Prescription Benefits

What You Need to Know

Most health plans help pay the cost of covered prescription drugs. Insurers often use a “formulary” that lists what medicines will be covered and how much of the cost you’ll pay. If you need a specific prescription, you can review the plan’s formulary, a listing of what medications are covered, to learn if the drug is covered. A formulary usually has different tiers based on the type of covered medicine. Prescription medicines listed in one tier may cost you more than those in another tier.

TOP CONSIDERATIONS

Always show your pharmacy your health insurance card. You may have to pay the full cost of prescription medicines until you reach your plan’s deductible for the year. Prescriptions that you pay for will count toward your annual out-of-pocket maximum.

To manage your costs, find out which prescriptions your plan covers. Visit your insurance company website to find your online health plan formulary, check your insurance policy or certificate to learn more about your formulary, or call your insurance company directly to find out what’s covered. Know that you can ask for an exception if a drug you need is not on your plan’s formulary.

THINGS YOU SHOULD KNOW

Prescription drugs are often categorized into tiers. Talk to your health care providers about the best affordable medications for you based on your plan. Your plan’s tiers may be organized like this:

- Tier 1 – Generic drugs. These are usually lower-cost drugs.
- Tier 2 – Preferred, brand-name drugs. These drugs cost more because they’re unique, and only one drug company makes them.
- Tier 3 – Non-preferred, brand name drugs. They may cost you more than other brand name drugs that treat the same condition.
- Tier 4 – Some plans use this tier for specialty drugs. Other plans have a separate “specialty” tier. These are usually high-cost drugs that treat rare or complex diseases.

If the pharmacy says your plan doesn’t cover a prescription drug you’ve been taking, some insurance companies may pay for you to refill the prescription once. That will give you time to talk with your health care provider about other options.

THINGS TO REMEMBER

If a drug is not covered under your plan and is expensive, contact the manufacturer for help. The company can help you determine if discounts are available.

You can also ask your provider to ask your health insurer for an exception. With an exception, you can get a prescription drug that your plan doesn't normally cover. Your health insurer might agree if all other drugs the plan covers haven't worked, or won't work, as well as the drug the provider prescribed. Another reason your insurer may make an exception is if all other drugs the plan covers have caused, or could cause, harmful side effects.

MORE INFORMATION

If you have insurance-related questions or concerns, please contact the Department of Insurance Consumer Affairs Division at 1-877-564-7323. Additional information is available on the Department of Insurance website at www.doi.nebraska.gov.