

SISC Evidence of Coverage Pharmacy Benefit

Effective November 1, 2020



SISC

Self-Insured Schools
of California

Schools Helping Schools

Dear Plan Member:

The benefits of this plan are provided for certain pharmacy services and supplies for the subscriber and enrolled dependents for a covered condition, subject to all of the terms and conditions of this plan, the participation agreement between the participating employers and SISC III, and the eligibility rules of SISC III.

This SISC pharmacy benefit Evidence of Coverage provides a summary of your prescription drug benefits, limitations and other plan provisions which apply to you.

Subscribers and covered dependents (“members”) are referred to in this booklet as “you” and “your”. The plan administrator is referred to as “we”, “us” and “our”.

All italicized words have specific definitions. These definitions can be found either in the specific section or in the DEFINITIONS section of this booklet.

Please read this Benefit Booklet (“benefit booklet”) carefully so that you understand all the benefits your plan offers. Keep this Benefit Booklet handy in case you have any questions about your coverage.

Important: This is not an insured benefit plan. The benefits described in this Evidence of Coverage or any rider or amendments hereto are funded by participating employers who are responsible for their payment. Navitus Health Solutions provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

Important: For all members outside of the United States, contact the operator in the country you are in to assist you in making a toll-free number call.

CUSTOMER SERVICE

For information regarding the Prescription Drug Program call or visit on-line:

Navitus Customer Care

1-866-333-2757 (toll-free) TTY (toll free) 711 www.navitus.com

Mailing Address: Navitus Health Solutions

P.O. Box 999 Appleton, WI 54912-0999

SISC ELIGIBILITY AND ENROLLMENT

If you have a question about your eligibility, you should contact your school district.

IMPORTANT INFORMATION

No person has the right to receive any benefits of this Plan following termination of coverage, except as specifically required under COBRA.

Patient Protection and Affordable Care Act

Health Care Reform

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010, has resulted in many changes to health care benefits. As federal regulations and guidance are released for various measures of the law, SISC may need to modify benefits accordingly.

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Outpatient Prescription Drug Benefits

The Outpatient Prescription Drug Benefit Program is administered by Navitus Health Solutions. This program will pay for Prescription Medications which are: (a) prescribed by a Prescriber in connection with a covered illness, condition, or accidental injury; (b) dispensed by a registered pharmacist; and (c) included within the Navitus Formulary. Prescription Medications are subject to clinical drug utilization review and to the Navitus Formulary exclusions.

Covered outpatient Prescription drugs prescribed by a Prescriber in connection with a covered illness or accidental injury and dispensed by a registered pharmacist may be obtained either through a retail pharmacy within the Navitus Pharmacy Network or the Costco Mail Service Program.

SISC's Outpatient Prescription Drug Benefit Program is designed to be cost-effective without compromising safety and effectiveness standards by encouraging you to ask your physician to prescribe Generic Drugs whenever possible and to also prescribe Medications on the Navitus Formulary. Members may still receive any covered Medication, and your physician still maintains the choice of medication prescribed, but this may increase your financial responsibility.

Summary of Benefits Copayment Structure

Your copayment will vary depending on whether you utilize a retail or mail service pharmacy and whether you fill a generic or brand medication.

Please refer to the Pharmacy Benefit Schedule for your specific plan provided by your school district

The copayment applies to each Prescription and to each refill. Under some circumstances your Prescription may cost less than the actual copayments, and you will be charged the lesser amount.

All Prescriptions filled by Mail Service will be filled with a FDA-approved bioequivalent generic, if one exists, unless your physician specifies otherwise.

Although Generic Medications are not mandatory, the Plan encourages you to purchase Generic Medications whenever possible. Generic equivalent Medications may differ in color, size, or shape, but the U.S. Food and Drug Administration (FDA) requires that they have the same quality, strength, purity and stability as the Brand Name. Prescriptions filled with Generic equivalent Medications have lower copayments and also help to manage the increasing cost of health care without compromising the quality of your pharmaceutical care.

Maintenance Medications

Maintenance Medications for long-term or chronic conditions may be obtained at participating retail pharmacy locations. Only Costco retail and Costco Mail Order offer up to a ninety (90) day supply. Specialty restrictions apply.

Effective 10/1/2014 generic medications are available for \$0 co pay up to a 90-day supply at Costco retail and Mail Service. (Not applicable to all SISC groups, restrictions apply to specialty, narcotic pain, and cough medications.) The \$200/ \$15-\$50 Rx Plan features reduced generic copays at Costco, but not \$0 generic copays at Costco.

Brand Drug (DAW (Dispense as Written) Penalty)

- If a Brand Name Drug is selected when a generic equivalent is available, Members will pay the difference in cost between the Brand Name Drug and the generic equivalent, plus the generic copayment.
- Exceptions will only be considered for physician requested Brand Name Drugs with a generic equivalent for Medical Necessity. Documentation from your physician will be required. Contact Navitus Customer Care at 866-333-2757 for additional details.
- If the exception request is approved, members will pay the BRAND copayment. Subsequent coverage reviews may be necessary. Exceptions to the Brand Drug Penalty will be entered from the date of the approval. Retroactive reimbursement requests will not be granted.

Examples of Member Pays the Difference Claims for Non-Preferred Brand-Name Medications*

Drug	Brand plan cost	Generic plan cost	Difference	Generic copay	Member pays*
Zocor®	\$100 -	\$15 =	\$85 +	\$5	\$90
Valium®	\$79.64 -	\$7.50 =	\$72.14 +	\$5	\$77.14

***Dollar amounts listed are for illustration only and will vary depending on your particular prescription and applicable copay structure.**

Retail Pharmacy Program

Medication for a short duration, up to a 30-day supply, may be obtained from a Participating Pharmacy in the Navitus Pharmacy Network by using your SISC Member ID card.

At Participating Pharmacies, simply show your ID card and pay the applicable copayment for your prescriptions.

If the pharmacy does not accept your ID card and is a Non-Participating Pharmacy there is additional cost to you.

To find a Participating Pharmacy close to you, simply visit the Navitus Website at www.navitus.com or contact Navitus Customer Care at 1-866-333-2757(toll-free) TTY (toll-free) 711.

How to Use the Retail Pharmacy Program

Participating Pharmacy

1. Take your Prescription to any Participating Pharmacy. To locate a Participating Pharmacy near you, visit the Navitus Website at www.navitus.com or contact Navitus Customer Care at 1-866-333-2757 (toll-free) TTY (toll-free) 711.
2. Present your current SISC ID card to the pharmacist. The pharmacist will fill the Prescription for up to a 30- day supply of medication or possibly up to a 90-day supply, if applicable. When presenting your prescription at the pharmacy, verify that the pharmacist has accurate information about you and your covered dependents, including current address, date of birth and gender.
3. You will be required to pay the pharmacist your appropriate copayment for each prescription or refill. You may be required to sign a receipt for your prescription at the pharmacy.

In the event you do not have your ID card prior to going to the pharmacy, contact Navitus Customer Care at 1-866-333-2757 TTY (toll-free) 711 for assistance with processing your Prescription at a Participating Pharmacy so you do not have additional out of pocket expenses. Members may contact the medical vendor for a replacement card.

Non-Participating Pharmacy/Out-of-Network/Foreign Prescription Claims

If you fill Medications at a Non-Participating Pharmacy **you will be required to pay the full cost of the Medication at the time of purchase.** To receive reimbursement, complete a Navitus Direct Member Reimbursement Form and mail it to the address indicated on the form. **Claims must be submitted within twelve (12) months from the date of purchase to be covered. Any claim submitted outside the twelve (12) month time period will be denied.**

Payment will be made directly to you. It will be based on the amount that SISC would reimburse a Participating Pharmacy minus the applicable copayment.

Example of Direct Reimbursement Claim for a Non-Participating Pharmacy

1.	Pharmacy charge to you (Retail Charge)	\$	48.00
2.	Minus Navitus Negotiated Network Amount		
			(\$ 30.00)
3.	Amount you pay in excess of allowable amount due to using a Non-Participating Pharmacy	\$	18.00
4.	Plus your copayment	\$	20.00
5.	Your total out-of-pocket cost would be	\$	38.00

If you had used a Participating Pharmacy, your out-of-pocket cost would only have been the \$20.00 copayment.

***Dollar amounts listed are for illustration only and will vary depending on your particular prescription**

As you can see, using a Non-Participating Pharmacy or not using your ID card at a Participating Pharmacy usually results in substantially more cost to you than using your ID card at a Participating Pharmacy. Under certain circumstances your copayment amount may be higher than the cost of the Medication, and no reimbursement would be allowed.

Foreign Prescription Drug Claims: There are no participating pharmacies outside of the United States. To receive reimbursement for outpatient Prescription Medications purchased outside the United States, complete a Navitus Direct Member Reimbursement Claim Form and mail the form along with your pharmacy receipt to address on the claim form. The Non-Participating Pharmacy must still have a valid pharmacy ID (NPI) in order for the Plan to approve the paper claim. This can be obtained from the pharmacy that you filled the Prescription. To obtain a claim form, visit the Navitus web site at www.navitus.com, or contact Navitus Customer Care at 1-866-333-2757 (toll-free) TTY 711 (toll-free).

Reimbursement for drugs will be limited to those obtained while living or traveling outside of the United States and will be subject to the same restrictions and coverage limitations as set forth in this Evidence of Coverage document. Excluded from coverage are foreign drugs for which there is no approved U.S. equivalent, Experimental or Investigational drugs, or drugs not covered by the Plan (e.g., drugs used for cosmetic purposes, drugs for weight loss, etc.)?

Direct Reimbursement Claim Forms

To obtain a Navitus Direct Member Reimbursement Claim Form and information on Participating Pharmacies, visit the Navitus website at www.navitus.com, or contact Navitus Customer Care at 1-866-333-2757 (toll-free) TTY 711 (toll-free). You must sign any Direct Member Reimbursement Claim Forms prior to submitting the form (and Direct Member Reimbursement Claim Forms for Plan Members under age 18 must be signed by the Plan Member's parent or guardian).

Compound Medications

Compound Medications, in which two or more ingredients are combined by the pharmacist, may be covered by the SISC's Prescription Drug Program if medically appropriate and at least one of the active ingredients requires: (a) a Prescription; (b) is FDA-approved; and (c) is covered on the Navitus Formulary. Only products that are FDA-approved and commercially available will be considered for purposes of determining copay. The copayment for a compound Medication is the copayment on the highest tier of the benefit structure. Compounds that include a Brand Name Drug with a generic equivalent will be subject to the Brand Drug (DAW Penalty). Compound ingredients prescribed for "off label" use are not covered. Compounds must be obtained through a Participating Retail Pharmacy. If a Participating Pharmacy or a Non-Participating Pharmacy is not able to bill on-line, you will be required to pay the full cost of the compound Medications at the time of purchase and then submit a Direct

Member Reimbursement Claim for reimbursement. To receive reimbursement, complete a Navitus Direct Member Reimbursement Claim form and mail to the address on the form. Certain fees charged by compounding pharmacies may not be covered by your insurance. Please call Navitus Customer Care at 1-866-333-2757 (toll-free) TTY 711(toll-free) for details.

Mail Service Program

Maintenance Medications for long-term or chronic conditions may be obtained by mail, for up to a 90-day supply, through Costco Mail Order. Mail Service offers additional savings and convenience if you need prescription medication on an ongoing basis. For example:

- **Additional Savings:** You can receive a **90-day supply** of generic medication for \$0 copay. In addition to out-of-pocket cost savings, you save additional trips to the pharmacy (restrictions may apply).
- **Convenience:** Your Medication is delivered to your home by mail.
- **Peace of mind:** You can receive up to a 90-day supply of Medication at one time.
- **A toll-free customer service number:** Your questions can be answered by contacting Costco Mail Order at 1-800-607-6861.

How to Use Costco Mail Service

If you must take Medication on an ongoing basis, Costco Mail Service is suitable for you. To use this program, just follow these steps:

1. Enroll

Register online at www.pharmacy.costco.com. Under “New Patients” create an account. Enter all required information to set up your online patient account including information regarding drug allergies, medical conditions, payment, etc. Please note each patient will need his/her own email address to create an online account.

2. Fill Your Prescription

Request your new prescription online at www.pharmacy.costco.com. Provide prescription information including physician name, drug name, and shipping method. Confirm your order and mail the original prescription to the address provided. Or have your health care provider send the prescription directly to the Costco Mail Order. Your provider can send the prescription using one of the following options:

- i. Call 1-800-607-6861
- ii. Fax: 1-800-633-0334
- iii. E-Prescribe

Costco Pharmacy will begin processing your order once you have placed a request and the original prescription is received at their facility.

3. Obtaining Refills

Once you have received your first prescription via mail order, refills can be ordered using any of the following methods

- i. Online: www.pharmacy.costco.com
- ii. Call 1-800-607-6861
- iii. Costco's 24-hour automated telephone system guides you through the refill ordering process. Be sure to have your prescription number available.
- iv. Or enroll in the auto-refill program online.

4. Payment

- i. For your convenience and to make quick and secure payments Costco Mail accepts American Express, Visa, MasterCard, Discover, and Costco Credit Card.

PRESCRIPTION DRUG COVERAGE MANAGEMENT PROGRAMS

Coverage Management Programs

SISC's Prescription Drug Program includes a Prior Authorization and Utilization Review Program. Additional programs may be added at the discretion of the Plan. **The Plan reserves the right to exclude, discontinue or limit coverage of drugs or a class of drugs, at any time.**

SISC may implement additional new programs designed to ensure that Medications dispensed to its Members are covered under this Plan. **As new drugs are developed, including generic versions of Brand-Name Drugs, or when drugs receive FDA approval for new or alternative uses, the Plan reserves the right to review the coverage of those drugs or class of drugs under the Plan. Any benefit payments made for a Prescription Medication will not invalidate the Plan's right to make a determination to exclude, discontinue or limit coverage of that Medication at a later date.**

The purpose of Prescription Drug Programs, which is administered by Navitus Health Solutions in accordance with SISC, is to ensure that certain medications are covered in accordance with specific plan coverage rules.

Prior Authorization/Point of Sale Utilization Review Program

If your Prescription requires a Prior Authorization, the dispensing pharmacist is notified by an automated message before the drug is dispensed. **The dispensing pharmacist may receive a message such as "Plan Limits Exceeded" or "Prior Authorization Required" depending on the drug category.** Your physician should contact Navitus Health Solutions to determine if the prescribed Medication meets the plan's approved coverage rules. Approvals for prior authorizations are typically granted for twelve (12) months; however, the time frame may be greater or less than one year depending on the drug. This process is usually completed within forty-eight (48) hours. You and your prescriber will receive notification from Navitus of the Prior Authorization outcome. Some drugs that require prior authorization may be subject to a quantity limitation that may differ from the 30-day supply.

Please visit the Navitus Health Solutions Web site at www.navitus.com, or contact Navitus Customer Care at 1-866-333-2757 (toll-free) TTY 711(toll-free) to determine if your drug requires prior authorization.

Retrospective Drug Utilization Review Programs

Retrospective drug utilization programs play a key role in helping members identify way to improve drug therapy, enhance patient care, and help reduce unnecessary costs. Each of the programs identified below are voluntary ways to help reduce overall healthcare costs without compromising patient care.

Program Name	Description/Goal
RxCents (Tablet Splitting)	Encourage tablet splitting of certain drugs to reduce member out-of-pocket expenses and increase compliance practices.
Generic Availability	Navitus will notify members of available generics in lieu of the brand dispensed. Reduces member’s out-of-pocket costs.
Lower Cost Alternatives	Therapeutic interchange when a medication dispensed has lower cost therapeutic alternatives available to reduce member drug spend.
Dose Consolidation	Fewer tablets or doses per day reducing member drug spend and/or improving ease of dosing and therefore compliance.

Specialty Pharmacy Services

Navitus SpecialtyRx is a specialty pharmacy program offered through a partnership that helps manage high-cost and injectable drugs with a focus on patient care.

Injectable drugs and other specialty medications have become a vital part of the treatment for chronic illnesses and complex diseases such as multiple sclerosis, rheumatoid arthritis and cancer. Some medications may involve special instructions that not all pharmacies can easily provide. Navitus SpecialtyRx offers high-touch patient care for these types of treatments and can help you follow your treatment and improve your health.

Navitus SpecialtyRx offers services with the highest standard of care. You will get one-on-one services with skilled pharmacists. They will answer your questions about side effects, and give you advice on how to stay on course with your treatment. Specialty drugs are delivered free of charge and come right to your door or physician’s office via Fed Ex.

Local courier service may be available for emergency, same-day medication needs. To start using Navitus SpecialtyRx, please call toll free 855-847-3553. A representative will work with your prescriber for current or new specialty prescriptions

Specialty Medications will be limited to a maximum 30-day supply

The Plan may offer a specialty copay assistance program offered by a manufacture for certain specialty drugs included in the specialty tier and dispensed only through the specialty pharmacy, Lumicera. This program will help manage your expenses for eligible specialty medications while also lowering the Plan's overall cost if copay assistance is available. If a specialty drug does not qualify or is removed from the program, your copay will default to the formulary's current tiered coinsurance/copay. Please contact Navitus at 866-333-2757.

Health Care Reform Preventive Drug Coverage Guidelines

The Affordable Care Act (ACA) requires that eligible people get certain preventive services at no cost. The following four categories and related drugs are clinical recommendations in the ACA. They are included in the ACA as preventive services. The ACA was passed in 2010.

Persons at risk of HIV infection include men who have sex with men, persons at risk via heterosexual contact, and persons who inject drugs. Within these groups, certain risk factors or behaviors (outlined below) can place persons at high risk of HIV infection.

Men who have sex with men, are sexually active, and have 1 of the following characteristics:

- serodiscordant sex partner (ie, in a sexual relationship with a partner living with HIV)
- Inconsistent use of condoms during receptive or insertive anal sex
- An STI with syphilis, gonorrhea, or chlamydia within the past 6 months

Heterosexually active women and men who have 1 of the following characteristics:

- A serodiscordant sex partner (ie, in a sexual relationship with a partner living with HIV)
- Inconsistent use of condoms during sex with a partner whose HIV status is unknown and who is at high risk (eg, a person who injects drugs or a man who has sex with men and women)
- An STI with syphilis or gonorrhea within the past 6 months

Persons who inject drugs and have 1 of the following characteristics:

- Shared use of drug injection equipment
- Risk of sexual acquisition of HIV (see above)

Persons who engage in transactional sex, persons who are trafficked for sex work, men who have sex with men and women, and transgender women and men who are sexually active can be at high risk of HIV infection, and should be considered for PrEP based on the criteria outlined above.

Breast Cancer Prevention: Prescribe for women who are at increased risk of breast cancer (5-year risk of three percent or greater) and at a low risk for adverse drug effects. This applies to women without symptoms age 35 years or older. Also, they should not have a prior diagnosis of breast cancer, ductal

carcinoma in situ (DCIS) or lobular carcinoma in situ (LCIS). These drugs should not be used in women who have a history of thromboembolic events (deep venous thrombosis, pulmonary embolus, stroke, or transient ischemic attack).

Cardiovascular Disease Primary Prevention: To prevent cardiovascular events and mortality, prescribe low-to-moderate statins for adults without a history of cardiovascular disease when they 1) are 40 to 75 years of age, 2) have greater than or equal to one risk factor, such as dyslipidemia, diabetes, hypertension, or smoking, and 3) when the calculated 10-year risk of a cardiovascular event is greater than or equal to 10 percent.

Breast Cancer Prevention		
Medications	Coverage Guideline	Age Guideline
Tamoxifen	20 mg daily for up to 5 years	Women, age 35 and older
Raloxifen (Evista equivalent)	60 mg daily for up to 5 years	Postmenopausal women
Cardiovascular Disease Primary Prevention		
Medications	Coverage Guideline	Age Guideline
Atorvastatin	10-20 mg for moderate-intensity regimen.	Adults aged 40-75 years
Lovastatin	20 mg for low-intensity regimen 40 mg for moderate-intensity regimen.	Adults aged 40-75 years
Pravastatin	10-20 mg for low-intensity regimen 40-80 mg for moderate-intensity regimen.	Adults aged 40-75 years
Rosuvastatin	5-10 mg once daily for moderate-intensity regimen. Quantity Limits	Adults aged 40-75 years

	apply.	
Simvastatin	10 mg for low-intensity regimen 20-40 mg for moderate-intensity regimen.	Adults aged 40-75 years
Colorectal Cancer Screening		
Medications	Coverage Guideline	Age Guideline
Bowel Prep: Peg 3350/electrolytes solution and trilyte	Limited to 2 fills/calendar year	Covered for screening for colorectal cancer in adults between the ages of 50 and 75.
Heart Attack Prevention		
Medications	Coverage Guideline	Age Guideline
Aspirin	Prescribe when potential benefit (due to reduced heart attacks) outweighs the potential harm (due to an increase in GI hemorrhage) in men ages 45-79 years and women ages 55-79 years.	Aspirin is covered for pregnant women who are at high risk for preeclampsia and for men between the ages of 45 and 79.
Smoking Cessation		
Medications	Coverage Guideline	Age Guideline
Bupropion (Zyban equivalent)	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older
Nicotrol Nasal Spray Nicotrol Inhaler	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter	18 years and older

	medications).	
Nicotine Kits	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older
Nicotine Patch (Nicoderm equivalent)	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older
Nicotine gum (Nicorette equivalent)	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older
Nicotine lozenge (Commit equivalent)	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older
Chantix	Provide tobacco cessation intervention to those adults that use tobacco products. Includes FDA-approved tobacco cessation medications (including both prescription and over-the-counter medications).	18 years and older

Vitamins and Minerals		
Medications	Coverage Guideline	Age Guideline
Fluoride	Prescribe to preschool children older than 6 months of age whose primary water source is deficient in fluoride.	Fluoride needs to be covered for children of both sexes: ages 0 months to five years.
Folic Acid	Prescribe to women planning or capable of pregnancy as a daily supplement containing 0.4 to 0.8 mg (400 to 800 ug) of folic acid.	No age guidelines.
Iron	Prescribe to children aged 6 to 12 months who are at increased risk of iron deficiency anemia.	Iron needs to be covered for children of both sexes: ages 0 months to 1 year.
Vitamin D 400unit & 1000unit	Covered for men and women 65 years or older.	Prevention of falls in community-dwelling adults aged 65 years or older who are at increased risk for falls.
HIV Prevention		
Medications	Coverage Guideline	Age Guideline
Truvada	Once-daily oral treatment with combined tenofovir disoproxil fumarate and emtricitabine is the only formulation of PrEP (preexposure prophylaxis) currently approved by the US Food and Drug Administration for use in the United States in persons at risk of sexual acquisition of HIV infection.	Persons at risk of HIV acquisition
Breast Cancer Prevention		
Medications	Coverage Guideline	Age Guideline
anastrozole (Arimidex equivalent)	1mg per day	Postmenopausal woman
exemestane (Aromasin equivalent)	25mg per day	Postmenopausal woman

The following are excluded under the Outpatient Prescription Drug Program:

- Non-medical therapeutic devices, durable medical equipment, appliances and supplies, including support garments, even if prescribed by a physician, regardless of their intended use.
- Drugs not approved by the U.S. Food and Drug Administration (FDA).
- Off label use of FDA approved drugs, if determined inappropriate through Navitus Prior Authorization Review.
- Any quantity of dispensed medications that is determined inappropriate as determined by the FDA or through SISC plan guidelines as administered by Navitus Health Solutions.
- Drugs or medicines obtainable without a Prescriber's Prescription, often called Over-the-Counter (OTC) drugs or Behind-the-Counter (BTC) drugs. For example: Prilosec, Nexium OTC and Claritin
- Dietary and herbal supplements, minerals, health aids, homeopathic agents, and any product containing a medical food, and any vitamins whether available over the counter or by prescription (e.g., prenatal vitamins, multivitamins, and pediatric vitamins), except prescriptions for single agent vitamin D, vitamin K and folic acid.
- A Prescription Drug that has an over-the-counter alternative and not covered under the Navitus Formulary.
- Anorexiant and appetite suppressants or any other anti-obesity Drugs.
- Supplemental fluorides (e.g., infant drops, chewable tablets, gels and rinses).
- Charges for the purchase of blood or blood plasma.
- Hypodermic needles and syringes, except as required for the administration of a covered Drug.
- Drugs which are primarily used for cosmetic purposes rather than for physical function or control of organic disease.
- Drugs labeled "Caution – Limited By Federal Law to Investigational Use" or non-FDA approved Investigational Drugs. Any Drug or Medication prescribed for experimental indications.
- Any Drugs prescribed solely for the treatment of an illness, injury or condition that is excluded under the Plan.

- Any Drugs or Medications which are not legally available for sale within the United States.
- Any charges for injectable immunization agents (except when administered at a Participating Pharmacy), desensitization products or allergy serum, or biologicals, including the administration thereof.
- Professional charges such as office visit copays for the administration of Prescription Drugs or injectable insulin.
- Drugs or medicines, in whole or in part, to be taken by, or administered to, a Plan Member while confined in a hospital or skilled nursing facility, rest home, sanatorium, convalescent hospital or similar facility.
- Drugs and Medications dispensed or administered in an outpatient setting (e.g., injectable Medications), including, but not limited to, outpatient hospital facilities, and services in the Member's home provided by Home Health Agencies and Home Infusion Therapy Providers.
- Medication for which the cost is recoverable under any workers' compensation or occupational disease law, or any state or governmental agency, or any other third-party payer; or Medication furnished by any other drug or medical services for which no charge is made to the Plan Member.
- Any quantity of dispensed Drugs or medicines which exceeds a 30-day supply at any one time, unless obtained through Costco Mail Order or select 90-day retail programs. Prescriptions filled using Costco Mail Service or are limited to a maximum 90-day supply of covered drugs or medicines as prescribed by a Prescriber. Specialty Medications are limited up to a 30-day supply.
- Refills of any Prescription in excess of the number of refills specified by a Prescriber.
- Any Drugs or Medicines dispensed more than one (1) year following the date of the Prescriber's Prescription Order.
- Any charges for special handling and/or shipping costs incurred through a Participating Pharmacy, a non-Participating Pharmacy, or the Costco Mail Order program.
- Compounded Medications if: (1) there is a medically appropriate formulary alternative or (2) the compounded medication contains any ingredient not approved by the FDA. Compounded medications that do not include at least one Prescription Drug are not covered.
- Replacement of lost, stolen or destroyed Prescription Drugs.
- Drugs recently approved by the U.S. Food and Drug Administration may be excluded until reviewed by Navitus' Pharmacy and Therapeutics Committee, which determines the therapeutic advantage of the drug and medically appropriate application.

SUBROGATION AND REIMBURSEMENT

These provisions apply when the plan pays benefits as a result of injuries or illnesses you sustained and you have a right to a Recovery or have received a Recovery from any source. A "Recovery"

includes, but is not limited to, monies received from any person or party, any person's or party's liability insurance, uninsured/underinsured motorist proceeds, worker's compensation insurance or fund, "no-fault" insurance and/or automobile medical payments coverage, whether by lawsuit, settlement or otherwise. Regardless of how you or your representative or any agreements characterize the money received as a Recovery, it shall be subject to these provisions.

Subrogation

- The plan has the right to recover payments it makes on your behalf from any Recovery from any source r compensating you for your illnesses or injuries. The following apply:
- The plan has first priority from any Recovery for the full amount of benefits it has paid regardless of whether you are fully compensated, and regardless of whether the payments you receive make you whole for your losses, illnesses and/or injuries.
- You and your legal representative must do whatever is necessary to enable the plan to exercise the plan's rights and do nothing to prejudice those rights.
- In the event that you or your legal representative fails to do whatever is necessary to enable the plan to exercise its subrogation rights, the plan shall be entitled to deduct the amount the plan paid from any future benefits under the plan.
- The plan has the right to take whatever legal action it sees fit against any person, party or entity to recover the benefits paid under the plan.
- To the extent that the total assets from which a Recovery is available are insufficient to satisfy in full the plan's subrogation claim and any claim held by you, the plan's subrogation claim shall be first satisfied before any part of a Recovery is applied to your claim, your attorney fees, other expenses or costs.
- The plan is not responsible for any attorney fees, attorney liens, other expenses or costs you incur without the plan's prior written consent. The "common fund" doctrine does not apply to any funds recovered by any attorney you hire regardless of whether funds recovered are used to repay benefits paid by the plan.

Reimbursement

- If you obtain a Recovery and the plan has not been repaid for the benefits the plan paid on your behalf, the plan shall have a right to be repaid from the Recovery in the amount of the benefits paid on your behalf and the following provisions will apply:
- You must reimburse the plan from any Recovery to the extent of benefits the plan paid on your behalf regardless of whether the payments you receive make you whole for your losses, illnesses and/or injuries.
- Notwithstanding any allocation or designation of your Recovery (e.g., pain and suffering) made in a settlement agreement or court order, the plan shall have a right of full recovery, in first

priority, against any Recovery. Further, the plan's rights will not be reduced due to your negligence.

- You and your legal representative must hold in trust for the plan the proceeds of the gross Recovery (i.e., the total amount of your Recovery before attorney fees, other expenses or costs) to be paid to the plan immediately upon your receipt of the Recovery. You must reimburse the plan, in first priority and without any set-off or reduction for attorney fees, other expenses or costs. The "common fund" doctrine does not apply to any funds recovered by any attorney you hire regardless of whether funds recovered are used to repay benefits paid by the plan.
- If you fail to repay the plan, the plan shall be entitled to deduct any of the unsatisfied portion of the amount of benefits the plan has paid or the amount of your Recovery whichever is less, from any future benefit under the plan if:
 1. The amount the plan paid on your behalf is not repaid or otherwise recovered by the plan; or
 2. You fail to cooperate.
- In the event that you fail to disclose the amount of your settlement to the plan, the plan shall be entitled to deduct the amount of the plan's lien from any future benefit under the plan.
- The plan shall also be entitled to recover any of the unsatisfied portion of the amount the plan has paid or the amount of your Recovery, whichever is less, directly from the Providers to whom the plan has made payments on your behalf. In such a circumstance, it may then be your obligation to pay the Provider the full billed amount, and the plan will not have any obligation to pay the Provider or reimburse you.
- The plan is entitled to reimbursement from any Recovery, in first priority, even if the Recovery does not fully satisfy the judgment, settlement or underlying claim for damages or fully compensate you or make you whole.

Your Duties

- You must notify the plan promptly of how, when and where an accident or incident resulting in personal injury or illness to you occurred and all information regarding the parties involved.
- You must cooperate with the plan in the investigation, settlement and protection of the plan's rights. In the event that you or your legal representative fails to do whatever is necessary to enable the plan to exercise its subrogation or reimbursement rights, the plan shall be entitled to deduct the amount the plan paid from any future benefits under the plan.
- You must not do anything to prejudice the plan's rights. You must send the plan copies of all police reports, notices or other papers received in connection with the accident or incident resulting in personal injury or illness to you.
- You must promptly notify the plan if you retain an attorney or if a lawsuit is filed on your behalf.

The plan administrator has sole discretion to interpret the terms of the Subrogation and Reimbursement provision of this plan in its entirety and reserves the right to make changes as it deems necessary.

If the covered person is a minor, any amount recovered by the minor, the minor's trustee, guardian, parent, or other representative, shall be subject to this provision. Likewise, if the covered person's relatives, heirs, and/or assignees make any Recovery because of injuries sustained by the covered person, that Recovery shall be subject to this provision.

The plan is entitled to recover its attorney's fees and costs incurred in enforcing this provision.

The plan shall be secondary in coverage to any medical payments provision, no-fault automobile insurance policy or personal injury protection policy regardless of any election made by you to the contrary. The plan shall also be secondary to any excess insurance policy, including, but not limited to, school and/or athletic policies.

PRESCRIPTION DRUG CLAIM REVIEW AND APPEALS PROCESS

When you have a question or concern about a benefit, claim or other aspect of service, we encourage you to call Navitus Health Solutions Customer Care at 1-866-333-2757. Navitus' specialists try to answer your questions and resolve your concerns promptly. Your input allows us to better meet your health care needs. To help serve you better, please have your member ID available when you call.

If you are not satisfied with how your issue or concern is resolved, you have the right to file a written appeal with Navitus Health Solutions within 180 days. You need to include chart documentation, along with your written request. Chart documentation is a document about alternatives you have tried that lists the specific side effects or how the drug was ineffective. All of this is needed in order for a complete, fair review of the appeal. Any and all documentation that is available should be submitted with the initial request.

If your request involves a non-formulary brand drug and there is a generic equivalent, the FDA Medwatch Form 3500 must be completed by your prescriber unless the urgent nature of an appeal prevents that.

Your prescriber may visit www.fda.gov/medwatch/getforms.htm to submit the form. A copy of the completed form will need to be attached to the request for review. MedWatch reporting alerts the FDA to potential medication problems.

Please send your appeal, along with any other information from your prescriber to:

Navitus Health Solutions
Attn: Appeals/Grievance Coordinator
P.O. Box 999
Appleton, WI 54912-0999

Fax: (855) 673-6507
Attn: Appeals/Grievance Coordinator

Within 5 business days of Navitus' receipt of your appeal or such shorter period required by law, you will receive a letter from an Appeals Coordinator. This letter will acknowledge the receipt of your appeal. You will be notified in writing of the outcome of this review within thirty (30) calendar days of the receipt of your appeal or such shorter period required by law.

If you don't agree with this decision, you may be entitled to an external review by an Independent Review Organization (IRO) if the outcome of your appeal involves care that has been determined not to meet the policy requirements for medical necessity, appropriateness, health care setting, level of care, effectiveness of care or where the requested services are considered experimental or investigational. . If you or your authorized representative wish to file a request for an independent review, your request must be submitted in writing to the address listed above and received within four months of the decision date of your appeal. Upon receipt of your request, a Utilization Review Accreditation Commission (URAC) accredited IRO will be assigned to your case through an unbiased random selection process. The assigned IRO will send you a notice of acceptance within one business day of receipt, advising you of the right to submit additional information. The assigned IRO will also deliver a notice of the final external review decision in writing to you and Navitus within 45 calendar days of their receipt of the request. A decision made by an IRO is binding for both Navitus and the member. You are not responsible for the costs associated to the IRO.

DEFINITIONS

Brand Drug: A drug with a proprietary, trademarked name, protected by a patent by the U.S. Food and Drug Administration (FDA). The patent allows the drug company to exclusively market and sell the drug for a period of time. When the patent expires, other drug companies can make and sell a generic version of the brand-name drug.

Copayment/Coinsurance: Refers to that portion of the total prescription cost that the member must pay.

Formulary: A list of drugs that are covered under your benefit plan. The drugs on your formulary are chosen for your formulary by an independent group of doctors and pharmacists. These experts evaluate drugs based on effectiveness, side-effects, potential for drug interactions, and cost. Drugs that are both clinically sound and cost effective are added to your formulary.

Generic Drugs: Prescription drugs that have the same active ingredients, same dosage form and strength as their brand-name counterparts.

Out-of-Pocket Maximum: The maximum dollar amount the member can pay per calendar year.

Over-the-Counter Medication: A drug you can buy without a prescription.

Prescription Drug: Any drug you may get by prescription only.

Prior Authorization: Approval from Navitus for coverage of a prescription drug.

Specialty Drug: Drugs, such as self-injectables and biologics, typically used to treat patients with chronic illnesses or complex diseases.

Therapeutic Equivalent: Similar drug in the same drug classification used to treat the same condition.

Billed Charges — the amount the provider actually charges for services provided to a Member.

Prescription Drug

Claims Administered by:

Navitus Health Solutions, LLC