



Understanding Prescriptions

Unless you're a doctor, pharmacist or benefits expert, trying to make sense of how prescriptions work with your insurance—the terms, costs and different categories—can be like trying to read another language.

This flyer will help you get a basic understanding of popular terms associated with prescription medications, explain the difference between costs and how your Personal Health Advocate can help you with your prescription-related issues.



866.695.8622

Visit us online at:
[HealthAdvocate.com/members](https://www.healthadvocate.com/members)

HealthAdvocateSM



Know the Terms

Drug Formulary: A drug formulary is a list of prescription drugs, both generic and name-brand, that are preferred by your health plan. Your health plan may only pay for medications that are on this “preferred” list, to steer you to the least costly medications.

Generic Vs Name-brand: Generic drugs are drugs that are comparable, and often identical to name-brand drugs. Generic drugs are similar to their name-brand counterparts in strength, performance, side effects, and must meet the same quality and safety standards set by the U.S. Food and Drug Administration (FDA).

Specialty Drugs: Specialty drugs are prescription medications that require special handling, administration or monitoring. These drugs are used to treat complex conditions like cancer and multiple sclerosis.

Formulary Tiers: Tiers are groups of drugs that fall within description and pricing groups. Generally the higher the tier of the drug, the higher the out-of-pocket cost will be for the patient.

- **Tier 1 or Preferred Generic:** Tier 1 drugs are usually limited to the lowest cost generic drugs.
- **Tier 2 or Generic:** These drugs are also generic, but cost a little more than Tier 1.
- **Tier 3 or Preferred brand:** These are the lowest-cost brand-name drugs that don't have a generic equivalent.
- **Tier 4 or Nonpreferred brand:** These are higher-priced brand-name drugs, and often have generic equivalents.

How We Help

We can offer tips on how to save on out-of-pocket costs by:

- Possibly locating a lower-cost source for your prescriptions not covered by your plan.
- Checking to see whether or not your doctor could substitute a generic equivalent.
- Finding out if a mail-order program is available to you.

Your Personal Health Advocate can also help you get a better understanding of your medications by explaining how the drug works, possible side effects, how to take it and more.

Remember... Your Health Advocate benefit is available to you, your spouse, dependent children, parents and parents-in-law.



HealthAdvocateSM