



CALIFORNIA HEALTHCARE FOUNDATION



Hidden from View: How Consumers Find Information About Prescription Coverage

AUGUST 2015

Contents

About the Authors

The HSM Group (HSM) is a health care market research and consulting firm based in Scottsdale, Arizona. Through qualitative and quantitative research, HSM gathers perspective and insight from a variety of stakeholders in the health care arena. HSM's team of researchers has extensive knowledge of the changing landscape of health care. Katy Wilson, MPH, of Wilson Analytics, led the secondary research and served as an advisor and partner to HSM throughout the study.

Acknowledgments

The authors would like to thank members of the advisory group for their contribution to this study: Beth Capell and Tam Ma, Health Access; Athena Chapman, California Association of Health Plans; Anne Donnelly and Emalie Huriaux, Project Inform; Betsy Imholz, Consumers Union; and Dana Malick, American Cancer Society Cancer Action Network. HSM would also like to express our gratitude to Caroline Pearson and her team at Avalere for their earlier work on existing online formulary examples that supplemented the secondary research phase of this project.

About the Foundation

The California HealthCare Foundation (CHCF) is leading the way to better health care for all Californians, particularly those whose needs are not well served by the status quo. We work to ensure that people have access to the care they need, when they need it, at a price they can afford.

CHCF informs policymakers and industry leaders, invests in ideas and innovations, and connects with changemakers to create a more responsive, patient-centered health care system.

For more information, visit www.chcf.org.

©2015 California HealthCare Foundation

3 Introduction

- Background
- Methods

4 The Shopping Experience

- What Is Most Important to Shoppers?
- Shopping for Drug Benefits Has Challenges
- Understanding Terms and Benefit Design
- Need for Information in Languages Other than English
- Preferences for Information Display

8 Considerations

- Make It Easier for Consumers to Find Drug Information
- Improve Formularies for Consumers
- Increase Consumer Education Efforts

10 Endnotes

11 Appendices

- A. Participant Details
- B. Consumer Stimuli: Examples of Online Formulary Search Tools
- C. Consolidated Prescription Drug Costs Table
- D. Criteria for Selection of Formularies as Best-in-Class Examples
- E. Selected Tools and Resources

Introduction

When shopping for health plans, consumers face many challenges in finding accurate information on prescription drug benefits. Publicly posted formularies are often incomplete, inaccurate, or difficult to navigate due to lack of standardization and confusing or inaccessible consumer cost information.¹

This paper seeks to provide insight into the consumer experience of accessing prescription drug coverage information, pinpoint consumer priorities and preferences for display of prescription drug benefit information, and identify opportunities for improving transparency of prescription drug benefit information.

Background

In the past two years, millions of Californians have gained coverage following the passage of the Affordable Care Act (ACA), which led to the establishment of the state-based marketplace, Covered California, and to the expansion of Medi-Cal coverage. Many of these individuals are new to shopping for health insurance, with little or no prior knowledge of health care benefits. While California went further than other states in standardizing plan designs to improve and simplify consumer shopping, significant variation persists among each plan's prescription drug benefits.

In an effort to improve consumer access to accurate prescription drug coverage information in California, SB 1052 was signed into law August 2014. The legislation requires:²

- ▶ Health plans and insurers that provide prescription drug benefits and maintain drug formularies to post the formulary or formularies for each product offered on the plan's website in a manner that is accessible and searchable by potential enrollees and providers.
- ▶ The Department of Managed Health Care (DMHC) and the California Department of Insurance (CDI) to develop a standard formulary template that contains specified information by January 1, 2017.³
- ▶ Health plans and insurers to use the standard formulary template within six months of the date the template is developed by DMHC and CDI.

- ▶ Health plans and insurers to update their posted formularies as needed on a monthly basis.

In light of this legislation, the goal of this research project is to share insights into consumers' drug benefit shopping experiences and preferences with health plans, insurers, and their regulators so they can improve consumer access to this information.

Methods

The research was designed to solicit first-hand experiences from state residents who shopped for their own health insurance in the past year. The information was gathered through focus groups, in-person interviews, telephone interviews, and an online bulletin board.

Participants included those purchasing insurance in the individual market (either through Covered California or elsewhere), as well as those choosing among employer-sponsored coverage options. A small number of participants found they were eligible for government subsidies or Medi-Cal because of Medicaid expansion under the ACA. Participants had shopped for health coverage in a variety of ways, including online, with assistance from insurance agents and enrollment counselors, and by calling insurance companies. Consumers were asked to complete a short written survey on drug benefits following the in-person discussions.

In preparation for this research, the authors examined the range of information and tools available to shoppers who prioritize drug coverage in choosing health insurance plans. Resources were evaluated in terms of how they could help shoppers understand their drug coverage and costs, using a selection of health plans and drugs as examples. This included review of existing plans on Covered California and formulary resources of plans sold on Covered California, as well as several best-in-class examples from outside the state. A subset of examples considered among the best available was selected for use as stimuli for feedback during the research, including formulary excerpts from two health plans sold through Covered California. For more on these resources, see Appendices B, C, and D.

The research covered the following topics:

- ▶ The experience of shopping for health insurance and steps taken by consumers
- ▶ Factors considered when choosing health plans
- ▶ Knowledge of specific terms related to prescription benefits and cost-sharing elements
- ▶ Information wanted about specific medications and drug coverage in general
- ▶ Preferences on display of formularies and select sections on www.coveredca.com
- ▶ Feedback on several best-in-class resources from outside of California

A wide range of consumers with different health care needs was included in this research, with focus groups and interviews segmented by target population:

- ▶ Generally **healthy** individuals who take one to four prescription medications voiced their opinions on an online bulletin board. Half took only generic drugs.
- ▶ People with a variety of **chronic conditions** such as asthma, diabetes, hypertension, multiple sclerosis, depression, or migraines participated in focus groups. The majority had at least two chronic conditions requiring prescription medication.
- ▶ Individuals requiring high-cost or **specialty medications** for their conditions (e.g., HIV/AIDS, hepatitis C, cancer) participated in individual, in-person interviews.

Defining Specialty Medications

While there is no standard definition of specialty drug, the term generally includes medicines that are complex to manufacture and that may require special handling or administration instructions. Increasingly the term is used to more broadly describe high-cost prescription drugs, which are sometimes placed on a health plan's highest cost-sharing tier. The term is used in this report to refer broadly to high-cost prescription medications used to treat complex, chronic conditions. Not all plans will place the same drugs in the specialty tier.

Research also included agents and enrollment counselors:

- ▶ Small group discussions were held with **insurance agents (Agents)** certified by Covered California.
- ▶ Telephone interviews were conducted with **Covered California-certified enrollment counselors (Counselors)** including those who assist clients speaking Mandarin, Cantonese, or Spanish.

A total of 95 individuals participated in the research. Telephone interviews and the bulletin board included people from around the state while in-person research was conducted in Los Angeles, San Francisco, and Fremont in April 2015. The bulletin board was live in late March 2015. The focus groups and interviews with people with chronic diseases and specialty medication needs were conducted in Spanish as well as English. The study population was diverse in terms of gender, race, education, and income. Appendix A provides further detail on research participants.

There are limitations to the findings produced from this research. Qualitative research such as this study is designed to provide an in-depth exploration into critical perceptions and experiences and does not constitute a statistically valid representative sample. Findings should be considered directional in nature.

The Shopping Experience

What Is Most Important to Shoppers?

Participants reported that the affordability of monthly premiums and other out-of-pocket costs is the foremost consideration in purchasing a health plan.

As important as prescription drugs are to people with medical conditions, when shopping for health insurance, drug benefits take a backseat in the decision process, according to participants in the study. Consumers described basing their health plan choices on affordability of monthly premiums, physician access, and out-of-pocket costs such as deductibles and copays for physician office visits. This proved true for those with greater medical needs as well as for healthier

participants. Agents and counselors confirmed that their clients express similar priorities.

Physician selection ranked high as a factor in choosing health insurance for all consumers, whether healthy or living with medical problems. Participants felt it was important to stay with physicians who know them and any medical issues they might have. Staying with institutions — hospitals and clinics — also played a role, albeit lesser than staying with physicians.

“As long as my primary care physician is covered in it [the plan]. I also look at what medical group and network for my plan is associated with that PCP. I have to go to a lot of specialists.”

— Consumer with chronic conditions

Although all respondents in the focus groups and interviews had several chronic conditions or took specialty medications, drug benefits were rarely the primary focus when shopping for coverage. Many times, participants said they assumed their drug(s) would be covered and did not think about the need to double-check their availability or potential cost. Some consumers have had to switch drugs in the past and assumed if a new plan does not cover what they currently take, there will be other options to consider or their doctor will advocate for an exception with the insurance company.

“I assumed drug benefits are the same — [that] all PPO plans will cover the drug I take. At the time, I didn’t have cancer. Now that you bring it up, I should have looked at the drug benefits.”

— Cancer patient

Consumers with HIV exhibited limited concern about the cost of their medications, primarily citing the safety net offered by the AIDS Drug Assistance Program, which helps provide medication to people living with HIV and AIDS who meet income requirements. There was also an assumption that doctors and staff specializing in HIV treatment would make certain that necessary drugs were covered.

Shopping for Drug Benefits Has Challenges

Although many consumers had not thought about checking whether their medications would be covered prior to selecting a health plan, those who did look for the information had difficulty locating it. Participants noted that prescription benefit information is not prominent on plan websites or on the Covered California website. For many participants, it took multiple clicks to locate a company’s formulary — if it was found at all.

“I looked and looked and looked for drug information but I never found it.”

— Spanish-speaking consumer

Regardless of health status or prescriptions needed, consumers reported that the task of finding information on drug coverage is frustrating and time-consuming. Most were unable to find all the information they wanted and resorted to calling each plan under consideration to check whether their own drugs were covered and details on their financial responsibility. For a few participants, the process lasted several weeks before they could gather sufficient information to make a comparison.

“I feel like there was information, but it lacked details. It needed to include easy and concise information about brand name medication copays.”

— Consumer with few prescription drug needs

Consumers also cited frustration with incomplete or vague information that could lead them to making less-than-optimal decisions on health plans.

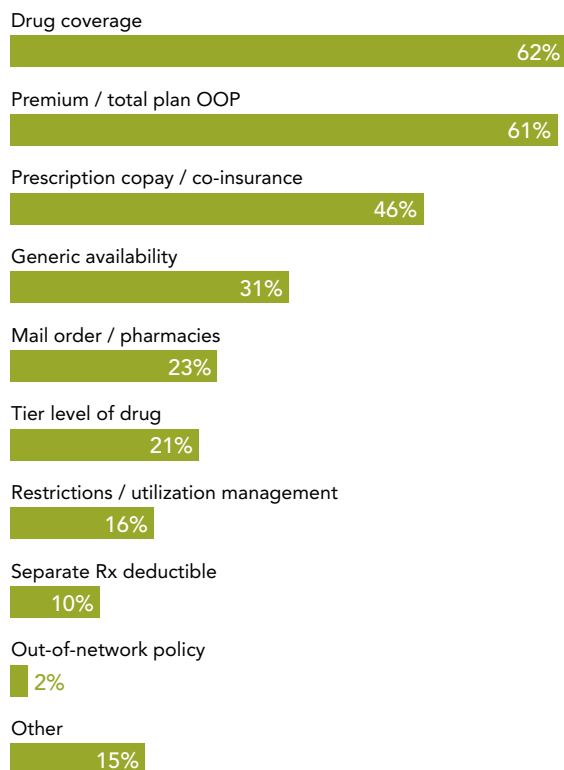
Neither agents nor counselors reported routinely helping clients conduct such drug benefit searches. Agents in the

“It’s not difficult, it’s tedious. When you sit down and start doing the cost analysis on what this client is costing me, as opposed to what I’m making on it.”

— Insurance agent

Choosing a Plan: What Prescription Drug Information Is Important to Consumers with Chronic Conditions?

After the conclusion of the focus groups and in-person interviews, a brief, written survey about prescription benefits was completed by 61 consumers with chronic conditions and those taking specialty drugs. Consumers were asked through an open-ended question to specify the three most important things to know about prescription medications before deciding on a health plan. Coverage of drugs they take and the overall premium amount were mentioned by three in five consumers. Specific out-of-pocket drug costs — copay and co-insurance amounts — were listed by nearly half.



study said they feel it is too time-consuming to be profitable, while counselors reported that they themselves have limited familiarity with the process.

Understanding Terms and Benefit Design

Participants were asked to review and discuss two excerpts from health plan formularies sold through Covered California and identified by researchers as best-in-class examples. (For more on the criteria for formulary selection, see Appendix D.) Both formularies are available in PDF format with each having several pages of introduction, including background on how formularies are developed, instructions on how to read the formulary, definitions of tiers, and coverage limits or restrictions, as well as available drugs, their tier placement, and any restrictions or utilization management requirements.

In general, respondents were not familiar with many of the terms used routinely in prescription benefit information.

Key examples include:

- ▶ A majority did not know the term **formulary**, and those who recognized the term were not certain of its definition. Not only were consumers unfamiliar with the concept of a drug formulary, some counselors also confessed to not knowing the term.
- ▶ **Co-insurance** was often mistaken as being secondary insurance that pays after primary insurance reimbursement. Few taking specialty drugs reported encountering the term.
- ▶ **Prescription drug tiers** were sometimes confused with ACA metal tiers for plans offered through Covered California.
- ▶ **Preferred** versus **nonpreferred**, in reference to medications, confused people. Many participants asked if preferred indicated a better drug, rather than a lower tier and lower copay brand medication.

"From my experience, formulary information would not be relevant. To me, this [sample PDFs] is not helping. It is confusing. Even if I was to know the definition of all of these terms, there's no way I would tell this to the client. They would look at me like, 'what are you talking about?' It would make it more difficult."

— Enrollment counselor serving Spanish-speaking consumers

- ▶ There was a lack of familiarity with the **exception or appeals process**, and many were not able to find this information easily when they needed it.

"It's not really reader friendly. They use terminology and language that I'm like, 'Okay, I don't know what that means.' Then you just say, 'Forget it, I'm not going to sit here and read all this.'"

— Consumer with hepatitis C

Need for Information in Languages Other than English

Although more than half of the Spanish-speaking respondents in this study reported being comfortable reading English, they (as well as participants who do not read English) said drug information such as formularies should be available in Spanish.⁴

Counselors stressed the need for a wider array of language translations of both formularies and other health plan information. They also noted that the type of language used, when information in languages other than English is available, is either too technical or translations are not standardized across terms and definitions.

Preferences for Information Display

Study participants were presented with examples of three online formulary search tools assessed by the authors and found to be among the best tools publicly available. In addition, several areas with prescription information on the Covered California website were reviewed with respondents. Screenshots of the examples are provided in Appendix B.

Participants were asked to react to the following tools:

- ▶ Medicare Plan Finder on www.medicare.gov
- ▶ Connect for Health Colorado Health Plan Finder (planfinder.connectforhealthco.com)
- ▶ Managed Markets Insight & Technology (MMIT) Mobile App and MMIT-powered California Choice
- ▶ Select pages on www.coveredca.com:
- ▶ **Prescription drugs.** Links to each Covered California health insurance plan formulary
- ▶ **Preview plans.** Qualified benefits based on household information
- ▶ **Shop and compare tool.** Available plans based on household information
- ▶ Table developed for this research consolidating drug benefit information from plans offered through Covered California

Not surprisingly, for the majority with chronic conditions or specialty drug needs, the Medicare Plan Finder was described as a "perfect" interactive tool. Some participants had used the tool with family members and raved about it, while others had favorable first impressions. Agents and counselors also cited this website as a model. Numerous features were considered valuable, including the drug search tool, dosage options, cost estimates for a consumer's own list of drugs for every plan under consideration, and ability to save and edit drug lists and compare across plans. The ability to recognize misspellings and suggest possible substitutes was seen as an added bonus since many participants find some drugs difficult to spell and pronounce. (Healthier consumers were not asked to review the Medicare tool.)

"[My mother] has to go through like 20, 30 different prescription plans. She gets to select all of her medicines [on Medicare Plan Finder] and it pops out and tells us exactly which one's the cheapest and everything. It's perfect."

— Consumer with chronic conditions

The Colorado Health Plan Finder tool was well-received by all consumers and agents (counselors were not presented this example). This online search tool offers a variety of filters that can be applied to refine plan options. A feature that was important to consumers and agents alike was the medication look-up filter where shoppers enter their prescription information and filter to see only plans that cover those specific drugs. The tool also displays the copays. Participants said it was important because it allowed them to figure out what they would be spending monthly on prescriptions.

“This [Connect for Health Colorado Health Plan Finder] appears to be quite useful and helpful in terms of being able to narrow down your choices faster especially with the drug look up tool. . . . I do appreciate that feature. I like how it listed the various prices of drugs and even had dosage amounts listed. This site seems to be designed with the customer in mind who wants to do their research.”

— Consumer with few prescription drug needs

Consumers were split on the MMIT mobile app, a formulary search tool that can be used to check the coverage level of a drug on multiple plans simultaneously. Many were concerned about security on mobile devices. Others rely heavily on their mobile Internet access through smartphones and liked the tool. Because formulary tier definitions are not standardized, MMIT’s initial search results categorize drug placement as “restricted,” “covered,” and “preferred” along with red, yellow, or green dots to indicate the coverage status of a drug. Some participants noted that the wording was counter-intuitive as “covered” seemed to imply a higher level of benefits than “preferred” which, in actuality, was not the case. A positive feature of MMIT mobile app is the ability to see what medications are possible substitutes for a noncovered drug.

During in-person research, a screenshot of a page from the Covered California website was shared that includes links to the formularies of all companies with plans sold through the Exchange (see Appendix B).⁵ Many participants who researched prescription coverage did not recall finding that information on the site.

As part of this research, information throughout the Covered California website was consolidated into a table to clarify relationships between prescription coverage and various metal tier options. Agents and consumers were asked to review and discuss the usefulness of the table. All of the agents reported that they would find information presented in this way useful when explaining drug cost details to clients. Consumers were split on whether they could understand all elements of the table without

additional explanation or definition of terms. Appendix C includes the table with suggestions for improvement.

Considerations

Respondents offered a range of ideas — from relatively straightforward fixes to ambitious undertakings to improve consumer access to and understanding of prescription drug information. Suggestions included actions that could be taken by regulators as they develop California’s standardized template, improvements to individual plans, and changes that purchasers and marketplaces, such as Covered California, could implement.

Make It Easier for Consumers to Find Drug Information

Create an interactive Internet formulary search tool.

This would streamline the process of finding out whether specific medications are covered by various health plans. All consumer groups, counselors, and agents agreed that such a tool would improve the insurance shopping process. Ideally, the tool would allow input of drug names, and results would include details such as cost and tier placement for each plan offered by a carrier. (Examples of interactive tools are included in Appendix E.)

Simplify path to formulary information. In lieu of an interactive search tool, locating plan formularies should be simplified. Once aware a link exists, most say they would want it to take them directly to the formulary PDF rather than to a company home page. Additionally, respondents said that it would be helpful if drug benefit information was consolidated on the plan’s site and made accessible through a clearly labeled tab using a minimum number of clicks.

“I want to see the name of the drug, the carrier, and breakdown to the plan, breakdown to the tier level, one-two-three-four, then breakdown to the actual cost of the copay. These can all be programmed. The data is there. That’s just extracting and putting it into the active model.”

— Insurance agent

Improve Formularies for Consumers

Six out of ten consumers with chronic conditions or who take specialty drugs preferred the term “Prescription Drug List” to “formulary.” This term was also preferred and considered less confusing for consumers by all agents and all but one counselor.

Other suggestions from research participants for making formularies easier to access and interpret included:

- ▶ Use consumer-friendly medical terms. Participants agreed that drug categories should use understandable terms like “high blood pressure” instead of “hypertension.”
- ▶ Standardize formulary terminology and abbreviations to make comparisons less confusing.
 - ▶ Replace word names and abbreviations (such as GP for generic drugs) with common tier definitions, or create standardized tier numbers that correspond to copay amounts (e.g., Tier 1 is least).
- ▶ Display copay information with tier placement to highlight monthly cost of prescriptions.
- ▶ Publish formularies in Spanish and other languages, and ensure translations are accurate, understandable, and standardized.
- ▶ Use graphic layout of the formulary (e.g., font size, tables, and white space) to improve ease of comprehension.
- ▶ Add key to abbreviations (i.e., drug tiers and utilization management notes) to every page of the formulary.
- ▶ Clearly differentiate between branded drugs and generics (e.g., capitalize all letters in brand name drugs and lowercase all letters for generic drugs).
- ▶ Specify information on step therapy (i.e., what drug[s] must be taken prior to approval of a certain brand-name medication).
- ▶ Provide information on the exception process within the introduction so consumers know what to do next if a drug is not on formulary.
- ▶ Include a list of pharmacies where prescriptions can be obtained.

- ▶ Indicate on the formulary cover page what type of plan corresponds with the formulary; three-quarters of respondents taking the written survey said it is very important for a formulary to specify whether it is for individual or group plans, or those included or excluded from Covered California.

Increase Consumer Education Efforts

Consumer education initiatives should address the substantial gap in knowledge about prescription drug benefits (e.g., meaning of terms and significance of differences among formulary designs). Particular attention should be paid to educating consumers on the exception and appeals process, including how and where consumers can appeal medication denials and seek redress of other prescription drug coverage issues. Enrollment counselors also admit to having insufficient knowledge about prescription coverage and would also benefit from additional education to bridge the gaps in client understanding of prescription benefits.

There are many opportunities for consumer education on formulary information, as well as the exceptions and appeals process. As Covered California, health plans, and regulators educate consumers on changes in a range of areas, these outreach efforts can serve as a vehicle for formulary education as well. Examples of these opportunities include communication of new requirements regarding specialty medications and prescription coverage, the transition to a uniform formulary template for health plans, and outreach about open enrollment periods.

Endnotes

1. "Digging for drugs and docs in Covered California is no easy task," HealthLeaders-InterStudy, hl-isv.com. *Better Shop Around: Out-of-Pocket Prescription Drug Costs in Covered California Plans* (May 2015), California HealthCare Foundation, www.chcf.org.
2. "California Legislative Information, SB-1052 Health care coverage," accessed February 9, 2015, Legislative Counsel of California, leginfo.legislature.ca.gov.
3. This includes information on cost-sharing tiers and utilization controls, drugs that are preferred over other drugs on the formulary, information to educate enrollees about the differences between a medical benefit and prescription benefit, how to obtain coverage information regarding drugs that are not covered under the plan's prescription drug benefit, and information to educate enrollees on methods to obtain prescription drugs not listed on their health plan if they are deemed medically necessary by a clinician.
4. Researchers reviewed formularies of the 10 carriers participating California's State Based Marketplace during February to March 2015 and found one plan offering a complete formulary in Spanish, one with introductory pages in Spanish, and one that included instructions in Spanish to call the plan for assistance in Spanish.
5. "Covered California, Prescription Drugs, Resources for Individuals and Families," accessed April 2, 2015, Covered California, www.coveredca.com.

Appendix A. Participant Details

Eligible consumer participants consisted of a mix of males and females, ages 18 to 63, who met the following criteria:


POPULATION	METHOD	LOCATION(S)	NUMBER OF PARTICIPANTS
People who take 1 to 4 Rx medications (~half get generics only, ~half take 1 to 2 brand drugs)	Online bulletin board	dispersed throughout California	18
Enrollment counselors* (including 1 who speaks Chinese and 1 who speaks Spanish)	Telephone interviews	dispersed throughout California	4
Insurance agents*	Small group discussion	SF Bay Area [†]	3
		Los Angeles	4
People with multiple chronic conditions (in Spanish)	Focus groups	Los Angeles	6
	Individual in-depth interviews		2
People with multiple chronic conditions (in English)	Focus groups	SF Bay Area [†]	17
		Los Angeles	14
People using specialty drugs	Focus groups	SF Bay Area [†]	6
		Los Angeles	10
Individuals with HIV/AIDS	Individual in-depth interviews	SF Bay Area [†]	5
		Los Angeles	1
Individuals with Hep C	Individual in-depth interviews	Los Angeles	2
Individuals with cancer	Individual in-depth interviews	SF Bay Area [†]	1
		Los Angeles	2
Total Number of Participants			95

*Certified insurance agents help small-business employers, their employees, and individuals select insurance plans while earning a commission for each plan they sell.

[†]SF Bay Area research conducted at research facilities located in San Francisco and Fremont.

Appendix B. Consumer Stimuli: Examples of Online Formulary Search Tools

Colorado Plan Finder (planfinder.connectforhealthco.com)



HOME

Plan Finder Tools

Plan Quick Filters

Use the filters below to narrow your plan search results.

Reset Filters

Apply Filters

Search by Providers

Provider Look-up

☐ Include my saved providers

Only show plans that include:

Search by Medication

Medication Look-up

☐ Include my saved medication

Adjust Monthly Premium

(\$260⁴⁶ to \$839⁶⁰)

\$260⁴⁶

\$839⁶⁰

Carriers

(Check boxes for carriers)

☐ Anthem Blue Cross and Blue Shield - HMO Colorado

☐ Kaiser Permanente

☐ Colorado Choice Health Plans

☐ Colorado HealthOP

☐ Humana

☐ Access Health Colorado

☐ Rocky Mountain Health Plans

Coverage Level

(Select from dropdown menu)

Select







The premiums shown below are based on the age, tobacco use status and zip code 80526 09-01-2015.

Please note, the rates you pay may be significantly lower if you are eligible for financial assistance or reduced copays and deductibles. Make note of your plan selection and details to save in your account when you begin shopping. ([Make Changes](#))

Shop Now


Compare 0 Plans

Sort By

MONTHLY PREMIUM	CARRIER DETAILS	PLAN DETAILS	ANNUAL DEDUCTIBLES	EST. OUT OF POCKET COSTS	1-10 of 66
\$260 ⁴⁶	 Rating in progress <input type="checkbox"/> Select to compare	Colorado HealthOP Bear HSA Qualified High Deductible Health Plan EPO Preferred Medication List EPO/Bronze	\$6,250 ⁰⁰ / Person \$12,500 ⁰⁰ / Family	Annual Max. Costs \$6,250 ⁰⁰ / Person \$12,500 ⁰⁰ / Family	
\$268 ⁷¹	 Rating in progress <input type="checkbox"/> Select to compare	Colorado HealthOP Bear EPO Preferred Medication List EPO/Bronze	\$6,500 ⁰⁰ / Person \$13,000 ⁰⁰ / Family	Annual Max. Costs \$6,500 ⁰⁰ / Person \$13,000 ⁰⁰ / Family	
\$295 ¹⁶	 Rating in progress <input type="checkbox"/> Select to compare	KP CO Bronze 5000/30%/HSA Preferred Medication List HMO/Bronze	\$5,000 ⁰⁰ / Person \$10,000 ⁰⁰ / Family	Annual Max. Costs \$6,350 ⁰⁰ / Person \$12,700 ⁰⁰ / Family	
\$306 ⁷⁸	 Rating in progress <input type="checkbox"/> Select to compare	KP CO Bronze 4500/50/HSA Preferred Medication List HMO/Bronze	\$4,500 ⁰⁰ / Person \$9,000 ⁰⁰ / Family	Annual Max. Costs \$6,350 ⁰⁰ / Person \$12,700 ⁰⁰ / Family	
\$321 ⁴²	 Rating in progress <input type="checkbox"/> Select to compare	Colorado HealthOP Bison Flex EPO Preferred Medication List EPO/Silver	\$3,900 ⁰⁰ / Person \$7,800 ⁰⁰ / Family	Annual Max. Costs \$6,600 ⁰⁰ / Person \$13,200 ⁰⁰ / Family	
\$328 ¹²	 Rating in progress <input type="checkbox"/> Select to compare	Colorado HealthOP Bison HSA Qualified High Deductible Health Plan EPO Preferred Medication List EPO/Bronze	\$2,050 ⁰⁰ / Person \$4,100 ⁰⁰ / Family	Annual Max. Costs \$4,200 ⁰⁰ / Person \$8,400 ⁰⁰ / Family	

California HealthCare Foundation

12



[Account Sign In](#) | [Español](#)

[EXPLORE](#)
What's Right For You

[PREVIEW](#)
Health Plans

[APPLY](#)
To Get Covered

[GET HELP](#)
Find Answers

[Home](#) > [Individuals and Families](#) > [Getting Covered](#) > [Prescription Drugs](#) >

Resources for Individuals and Families

Prescription Drugs

The Affordable Care Act requires health insurance plans to include 10 essential health benefits, one of which is prescription drug coverage. Health insurance plans cover many prescription drugs (also known as prescription medications) at various costs to the enrollee. The set of prescription drugs covered by a health insurance plan may also be called a formulary, prescription drug list, outpatient prescription drug list, or select drug list.

The table below shows where to find the prescription drug lists for each Covered California health insurance plan. To receive drugs at the policyholder price, a consumer would need to receive them through a pharmacy or a mailing program that participates in their specific health insurance plan's network. In most cases, information on participating pharmacies is also included on the health insurance plan website. If not, a consumer may call the insurance company to check whether the pharmacy is a participating pharmacy.

Health Insurance Plan	Formulary	Customer Service
Anthem Blue Cross of California	Formulary	1-855-634-3381
Blue Shield of California	Formulary	1-800-393-6130
Chinese Community Health Plan	Formulary	1-888-775-7888
Health Net	Formulary	1-888-926-5133
Kaiser Permanente	Formulary	1-800-464-4000
L.A. Care Health Plan	Formulary	1-800-788-2949
Molina Healthcare	Formulary	1-888-858-2150
Sharp Health Plan	Formulary	1-800-359-2002
Valley Health Plan	Formulary	1-888-421-8444
Western Health Advantage	Formulary	1-800-903-8664

Quick Links

- [Coverage Basics](#)
- [Coverage Levels](#)
- [Essential Health Benefits](#)
- [Prescription Drugs](#)
- [Covered California Health Plans](#)
- [The Application Process](#)
- [Health Care Costs and Getting Help Paying for Coverage](#)
- [COBRA vs. Exchange Coverage](#)
- [Consumer Protection](#)
- [Special Enrollment](#)
- [The Tax Penalty for Remaining Uninsured](#)
- [Medi-Cal for Low-Income Individuals and Families](#)

Type the name of your drug:

Or Browse A-Z:

A B C D E F G H I J K L M

N O P Q R S T U V W X Y Z

[Help with common drug abbreviations](#)
[Hints on how to enter drug information](#)
[Why can't I find my drug?](#)

Retrieve My Saved Drug List:

Your drug list has been saved. You can retrieve your selected drugs and pharmacies on future visits using this Drug List Id and Password Date.

Your personal information cannot be accessed using your drug ID list. Medicare doesn't share the drug information you enter.

Drug List ID: 3015796544

Password Date: 3/19/2015 ([change date](#))

Zip Code: 94122

My Drug List (Maximum 25 Drugs)

Total Drugs in My Drug List: 4

MEDICINE NAME	QUANTITY	FREQUENCY & PHARMACY	GENERIC OPTIONS	ACTION
Advair Diskus AER 250/50	1 X 1 Blister Pack of 60 aerosols	Every 1 Month Retail Pharmacy	Generic: Not Available	<input type="button" value="Change dose"/> <input type="button" value="Remove"/> <input type="button" value="Add"/>
Atorvastatin Calcium TAB 10MG	30	Every 1 Month Retail Pharmacy	Already Generic (You originally entered Lipitor) Switch Back	<input type="button" value="Change dose"/> <input type="button" value="Remove"/> <input type="button" value="Add"/>
Humira KIT 40MG/0.8	2 X 1 Box of 1 kits (sold in a package of 2 kits)	Every 1 Month Retail Pharmacy	Generic: Not Available	<input type="button" value="Change dose"/> <input type="button" value="Remove"/> <input type="button" value="Add"/>
Janumet TAB 50-1000	60	Every 1 Month Retail Pharmacy	Generic: Not Available	<input type="button" value="Change dose"/> <input type="button" value="Remove"/> <input type="button" value="Add"/>

Mobile App: MMIT

Verizon 7:46 AM 87%

Formulary Search

★ Advair Diskus Alt
 in California 📍
 for Health Exchange

Anthem, Inc.	Preferred ●
Blue Shield of California	Covered ●
Chinese Community He...	Preferred ●
Health Net, Inc.	Preferred ●
Kaiser Foundation Healt...	Preferred ●
L.A. Care Health Plan	Preferred ●
Molina Health Care, Inc.	Restricted ●
Sharp HealthCare, Inc.	Restricted ●

MMIT Name Lives Status 🔍

Verizon 7:47 AM 87%

< Back Anthem, Inc.


★ Advair Diskus Alt
 in California 📍
 for Health Exchange

Anthem Blue Cross of California HDHP HIX
 ● Preferred
 Status: Tier 2
 Restrictions: QL
 HDHP-HIX

Anthem Blue Cross of California HMO HIX
 ● Preferred
 Status: Tier 2
 Restrictions: QL
 HMO-HIX

Anthem Blue Cross of California PPO HIX
 ● Preferred

MMIT Name Lives Status 🔍


CaliforniaChoice®
 Your Health. Your Choice.®

[close window](#)

Drug Search
About This Data
Your Questions
Listing of Plans
Understanding Your Rx Choices
Your Comments

Drugs of the Lungs
Asthma
BRAND NAME: Advair Diskus

GENERIC NAME:
Fluticasone-Salmeterol

No Generic Available

	Status	Notes or Restrictions
Aetna - 2014	✓	
Aetna - 2013	✓	
Anthem Blue Cross - 2014 (HMO, PPO, EPO)	✓	
Anthem Blue Cross GenRx - 2013		
Anthem Blue Cross Healthy Support 1500 - 2013	✓	
Anthem Blue Cross of California - 2013	✓	
HealthNet - All plan years	✓	
Kaiser Foundation Health Plan Northern California - All plan years	✓	
Kaiser Foundation Health Plan Southern California - All plan years	✓	
Sharp Health Plan - All plan years	✓	
UnitedHealthcare - 2014	✓	
Western Health Advantage - All plan years	✓	

Preferred	Approved	Prior Auth.
Non-Formulary	Not Reimbursed	Not Listed
Benefits/Policies	Generic Available, Brand Listed for reference only. Brand may not be covered.	Notes or Restrictions

- **What is a formulary?**
- **Why does my health plan have a formulary?**
- **What if my doctor wants to prescribe a non-formulary medication?**

Appendix C. Consolidated Prescription Drug Costs Table

Table 3. Standard Cost Sharing Levels for Individual Coverage Products, Covered California, 2015

Metal/Product	1 Prescription Drug Cost Sharing					Plan Features Which May Apply		
	Generic	Preferred Brand	Non-Preferred Brand	Specialty Drugs	Brand Name Drug Deductible	2 Overall Deductible (Integrated Med/Rx)	Medical Deductible	OOP Max
Platinum	\$5	\$15	\$25	10%	\$0	\$0	\$0	\$4,000
Gold	\$15	\$50	\$70	20%	\$0	\$0	\$0	\$6,250
Silver	\$15	\$50	\$70	20%	\$250	n/a	\$2,000	\$6,250
Enhanced Silver 94	\$3	\$5	\$10	10%	\$0	0	\$0	\$2,250
Enhanced Silver 87	\$5	\$15	\$25	15%	\$50	n/a	\$500	\$2,250
Enhanced Silver 73	\$15	\$35	\$60	20%	\$250	n/a	\$1,600	\$5,200
Bronze	\$15	\$50	\$75	30%	n/a	\$5,000	n/a	\$6,250
Bronze H.S.A.	3 40%	40%	40%	40%	n/a	\$4,500	n/a	\$6,250
Catastrophic	0%	0%	0%	0%	n/a	\$6,600	n/a	\$6,600

4 Deductible Must Be Met First Deductible Amount Applicable to Drugs

Note: Eligibility for the enhanced silver plans is by income level (100-150% of FPL; 150-200% FPL; 200-250% FPL). Standard "copay" and "coinsurance" products available in each metal tier have identical cost sharing for the coverage items shown here (deductibles and drug cost sharing); therefore separate lines for each are not shown.

Sources: Office of Administrative Law, Approval of 2015 Standard Benefit Plan Designs, California Health Benefit Exchange. Covered California, Prescription Drugs
<http://www.coveredca.com/individuals-and-families/getting-covered/prescription-drugs/>

□

- 1 Avoid using "cost sharing"; find better term for title.
- 2 Add a "mouse-over" feature to explain confusing terms or abbreviations.
- 3 Additional information needed (e.g., a cost range or estimate).
- 4 The shading is well-liked. Possibly use more intuitive colors, such as "stoplight" green, yellow, and red.

Appendix D. Criteria for Selection of Formularies as Best-in-Class Examples

Researchers identified two best-in-class formularies based on a set of criteria that was developed with the help of consulting firm Avalere Health, which has conducted extensive work on online formulary design. Researchers asked consumers to look at each formulary and provide feedback on this same set of criteria:

- ▶ Layout and use of space on the formulary page
- ▶ Tier explanations
- ▶ Presence of information on options when a drug is not listed on the formulary (exception procedures)
- ▶ Presence of utilization management detail (for example, when quantity limits exist, does the formulary say two tablets/day; or when step therapy is required, does the formulary specify which drug[s] must be tried first?)
- ▶ Placement of the legend (e.g., bottom of every page or at the beginning)
- ▶ Methods for distinguishing “at a glance” between generic and brand name drugs
- ▶ Comprehensiveness of the list
- ▶ Organizing principles (e.g., by class of drug or alphabetically)
- ▶ Availability of the document in other languages
- ▶ Ability to use the list to determine the tier placement of six “sample” drugs*

*Criterion used by researchers only, not study participants, to identify best-in-class formularies.

Appendix E. Selected Tools and Resources

The following online tools were identified by researchers between January and April 2015 as resources offering consumers information on prescription drug coverage, cost, or both.

Table 1. Formulary Search Tools

Formulary search tools provide the tier placement of a drug on an insurer's formulary; they are not (currently) integrated with cost-sharing information (such as copays) or sample prices (e.g., for a user that might need to compute coinsurance). These tools are useful because tier placement determines the cost sharing amount for the consumer. Selected tools are third-party, standalone.

	Formulary Search	Limited to Participating Plans	See Results for Multiple Health Insurers or Benefit Plans at Once	Tier Detail Available	Mobile App Available	Individual	Commercial	Medi-Cal	Medicare	Source or Sponsor	Limitations
CaliforniaChoice (CalChoice) – Rx Search	✓	✓	✓				✓			CHOICE Administrators program, part of The Word & Brown Companies (Rx formulary data powered by MMIT)	No tier information
Fingertip Formulary	✓			✓	✓	✓	✓	✓	✓	A Decision Resources Group Company	Long plan selection list
MMIT Formulary Lookup	✓		✓	✓	✓ (main public-facing tool)	✓	✓	✓	✓	Managed Markets Insight & Technology, LLC	Initial comparisons limited to preferred, covered, restricted categories; tier detail on drill-down

Table 2. Cost Estimators and Plan Selectors

Researchers examined cost estimator and plan selector tools that take the user's prescription drugs into account. These tools can help consumers factor in drug coverage and costs when shopping for health insurance.

	User Can Specify Drugs	Provides Rx Drug OOP \$	Rx OOP Reflects Plan's Formulary	Provides Total Estimated OOP \$ (Premium + OOP \$)	Option to Filter Plan Results by Whether Drugs Are Covered	See Results for Different Local Pharmacies	Integrates Drug Cost with Insurance Coverage	Source or Sponsor	Limitations
Colorado Plan Finder	✓	Copays and coinsurance levels; not OOP \$ for the year	✓		✓		✓	State of Colorado Health Exchange	Shows cost-sharing levels; not \$ estimates for user-specified drugs
Medicare Plan Finder	✓	✓	✓	✓	✓	✓	✓	CMS	Medicare only
Putting Patients First	✓	✓		✓			✓ (but same formulary assumed for all coverage)	National Health Council	Cost estimator for Exchanges, not a plan selector
Stride Health (not fully tested by researchers)	✓	✓	✓	✓			✓	Startup	Emerging; evaluation in progress

Table 3. Price Checking Tools

Price checking tools provide drug store prices, including with discount coupons, for prescription drugs purchased without insurance. These sites can help users understand their up-front costs before deductibles are reached, and estimate coinsurance, for example, for specialty drugs.

	Retail Price	Discount Price	Discount Coupons Included	Prices Specific to Geographic Area and Store	Look Up Prices for a Class of Drugs	Check for Multiple Drugs at Once	Source or Sponsor	Limitations
Good Rx	✓	✓	✓	✓	✓ "Compare Similar Drugs" feature	✓ "My Best Pharmacy" feature	2011 Startup (founded by early Facebook employees, Scott Marlette and Doug Hirsch)	
WeRx		✓	✓	✓	✓		2011 Startup (Ali Khoshnevis; Amir Khoshnevis)	Line between crowdsourced and other-sourced data unclear
Health Care BlueBook	"Fair Price"	✓	✓	✓	✓		Founded 2007; owned by CareOperative, LLC; Rx Data from GoodRx	Available only for medications for 20 specific illnesses