

Tips for reducing prescription drug costs in 2016

Prescription drugs can be costly and it may be beneficial to start thinking about cost savings measures to offset some of the growing expenses. There are many prescription drug plans available through the OPERS Medicare Connector, administered by OneExchange. As you narrow down your plan options it will be important to think about the medications you are currently taking and how much they cost. Keep a list of these medications and review them during your enrollment call with a Licensed Benefit Advisor. OneExchange advisors are well trained to know the available prescription plan options and will be able to help you select a plan that best fits your budgetary needs.

Use your resources

One method to offset costs may include selecting a 2016 medical plan with a lower monthly premium so there is money left over in your Health Reimbursement Arrangement (HRA) to reimburse for out-of-pocket drug costs. Beginning in 2016, eligible plan participants will have access to an HRA with monthly deposits made by OPERS that can be used to reimburse medical and prescription plan premium costs. In addition to a monthly allowance amount, retirees will receive a \$300 lump sum deposit each January through 2018. This lump sum could also be used to offset some prescription drug costs.

Know your options

Prescription drugs are commonly categorized into buckets or tiers. These tiers start with less expensive to more expensive generic options and then move into preferred and non-preferred brand name drugs before topping out with the more costly specialty medications.

- Many **brand name medications** have generic or over-the-counter alternatives. Generic drugs by law must be the same exact drug as brand name counterparts with perhaps a different filler or coloring. You and your doctor know what is best and it is important to follow what your doctor prescribes; however, for most people, generic drugs provide a safe, affordable option. Be sure to ask your doctor if a generic version of your prescribed medication is available.
- **Specialty medications** are high-cost drugs used to treat serious medical conditions such as multiple sclerosis, rheumatoid arthritis and cancer. These drugs are expensive and often require close monitoring, frequent dosage adjustments and special storage requirements.

A OneExchange Licensed Benefit Advisor is available to discuss plan options that would best fit your medication needs. If you are treating an illness with specialty medications, below are a few tips to help maximize your savings:

- 1 **Start saving for higher out-of-pocket expenses**
Beginning next year, OPERS Medicare participants taking specialty drugs covered under Medicare Part D may experience higher monthly out-of-pocket expenses during the year. The out-of-pocket costs will drop significantly in subsequent months if you reach the annual out-of-pocket maximum. A Licensed Benefit Advisor is available to help you navigate plan options and costs.

See reverse side for more information on specialty medications.



Tips for reducing prescription drug costs in 2016 *(continued)*

2 Consider changing to a drug covered by Medicare Part B typically administered in a doctor or hospital setting

Drugs administered in a doctor's office are often processed through Medicare Part B and this could lower your out-of-pocket costs. Talk to your provider to find out if having a provider administer the drug in their office is an option for you.

- As an example, rheumatoid arthritis drugs like Remicade and Orencia, both of which are infused medications, may come with a lower participant cost share when processed through Medicare Part B as opposed to through a Part D drug plan. Conversely, Enbrel or Humira, which are self-injectable and administered through the Part D drug plan, will likely result in more costs for participants. The bottom line is provider injected/infused drugs may be a more cost-effective approach compared to self-injectable or oral medications processed through Part D for participants, so talk to your doctor about your options.

3 Consider switching to lower cost oral or self-injectable traditional, specialty or biosimilar drugs

Biosimilar drugs are just coming to the market and are essentially a copy of a drug made by a different company and are expected to be 25 to 30 percent less expensive. Talk to your provider to find out if there are lower cost drug options available to you. You may also ask your pharmacist about drug options and prices, and then talk to your doctor.

- **Switch from a specialty medication to a traditional drug.** Traditional, or non-specialty drugs, offer a significant cost savings in comparison to specialty drugs. For example, hydroxychloroquine is a non-specialty drug used to treat rheumatoid arthritis that on average can cost \$93 per month. Whereas specialty drugs such as Humira and Enbrel can range from \$3,100 to more than \$6,000 for a one month supply.
- **Switch to a lower cost specialty drug.** If changing to a traditional drug is not an option, an alternative may be to try a lower cost specialty drug. As an example, psoriasis treatments range in monthly costs from \$2,000 to more than \$6,000¹. Note that some specialty drug categories have multiple brand medications available and the prices vary.

4 Maximize the effectiveness of specialty medications

By taking advantage of individualized counseling and education sessions provided by specialty pharmacies such as Accredo, Express Scripts' specialty pharmacy. Discuss with a pharmacist how to get the maximum benefit from your specialty medications including, for example, how to manage side effects.

¹ <http://www.consumerreports.org/cro/2014/08/biologics-for-psoriasis/index.htm>

