Prescription Drug Rider

This Rider is part of the *Evidence of Coverage* and is effective on the date Your group is effective or renews its coverage with Southern Health Services, Inc. Benefits are available to Employees and their Qualified Dependents. This assumes that the Group pays the initial Premium. It also assumes that statements in the Group’s application and Employees’ Enrollment/Change Forms are true and accurate. All definitions, terms and conditions of the *Evidence of Coverage* apply hereto unless expressly stated to the contrary.

**Accessing Your Benefits**

Subject to the Exclusions, Deductibles, Copayment and Coinsurance described in this Rider, benefits are available for outpatient Prescription Drugs when the prescription is written by a provider licensed to prescribe Prescription Drugs and when the Member uses a Participating Pharmacy. Your benefit described in this Rider includes a mail order option as well as an option to obtain up to a 90-day supply of maintenance drugs at Participating Pharmacies. Drugs will be dispensed according to Southern Health’s Prescription Drug List. Participating Physicians have a copy of the Prescription Drug List. If a Member plans to visit a non-participating physician on a regular basis, the physician should contact Southern Health for information regarding Southern Health’s Prescription Drug List. The Prescription Drug List is also available on the Southern Health website at www.southernhealth.com. If You have questions about Your group’s Prescription Drug coverage, please consult the Supplementary Schedule of Benefits at the end of this Rider or call the Pharmacy Help Desk at 800-378-7040.

A Copayment and/or Coinsurance applies to each covered prescription or refill. The Prescription Drug benefit for Your group includes one Copayment and/or Coinsurance for Tier 1 (preferred generic drugs), one Copayment and/or Coinsurance for Tier 2 (preferred brand drugs), and one Copayment and/or Coinsurance for Tier 3 (nonpreferred drugs). The Copayment and/or Coinsurance amounts for covered prescriptions are shown on the Supplementary Schedule of Benefits at the end of this Rider. Copayment and/or Coinsurance amounts for covered prescriptions do not apply to the benefit year maximum out-of-pocket that is described in the *Evidence of Coverage*.

If a physician prescribes a medication in a dose that requires two separate strengths and a pharmacy must dispense two separate prescriptions to accommodate the prescribed dose, You will be required to pay the required Copayment and/or Coinsurance for each pharmacy prescription dispensed. Southern Health’s Pharmacy Department may require two separate strengths for cost-effectiveness.

Any covered medication that has a duration of action extending beyond one month shall require the number of Copayments and/or Coinsurance that is equal to the anticipated duration of the medication. For example: Depo-Provera is effective for three months. It is covered under this Rider and will require three Copayments and/or Coinsurance.

If your medical plan has a Deductible, which is stated in your Schedule of Benefits, that Deductible does not apply to this Rider. You will be able to receive the services covered under this Rider without meeting Your medical plan Deductible.
**Retail Benefit**

A Copayment and/or Coinsurance applies to each initial and refill prescription. When the stated quantity is not available, Southern Health will cover the nearest available refill. A prescription refill will not be honored unless 75% of the initial prescription has been utilized. This retail benefit also includes coverage for the following self-administered injectable drugs: injectable diabetes agents (such as Insulin and Glucagon), Bee-Sting kits, Imitrex, and injectable contraceptives. Some of these injectable drugs may require Prior Authorization.

In order to receive this benefit, You must present Your Southern Health Member ID card at the time the prescription is filled. Prescriptions filled at Participating Pharmacies must be submitted through the online claims adjudication process. The pharmacy will then charge You the applicable Copayment, Coinsurance and/or Deductible amount up to the cost of the drug. Southern Health will not reimburse Members who fail to follow this procedure.

Except as otherwise indicated in this Rider, the quantity of a prescription dispensed by a retail pharmacy for each prescription or refill is limited to the lesser of the following and will be considered a Prescribing Unit:

- The amount prescribed in the prescription order or prescription refill;
- A 31 days’ supply as defined by Southern Health;
- The amount necessary to provide 31 days’ supply according to the maximum dosage approved by the Food and Drug Administration for the indication for which the drug was prescribed; or
- Depending on the form and packaging of the product, the following:
  - 480 cc. of oral liquids,
  - a sufficient amount to provide the prescribed dosage for four weeks (for drugs prescribed based on the number of doses per week),
  - one inhaler or one commercially prepackaged set of doses (for inhaled drugs),
  - one commercially prepared or packaged tube of topical medications including salves, creams, ointments, suppositories or patches,
  - the number of vials of one type or strength of insulin needed to provide the prescribed dosage for 31 days, or
  - one commercially prepackaged set of doses, (i.e. tablets, capsules).

Coverage for certain drugs, established by Southern Health’s Pharmacy and Therapeutics Committee, is subject to specific quantity or dosage limits. You can get information on specific quantity limits from the Southern Health website at www.southernhealth.com or by contacting the Pharmacy Help Desk at 800-378-7040. If a drug is not covered at the dosage or quantity prescribed by Your physician and Your physician deems that the noncovered dosage or quantity is Medically Necessary, then the physician may request payment for the noncovered dosage or quantity by contacting Southern Health. If Southern Health, after reasonable investigation and consultation with the prescribing physician, approves an exception, the prescription will be covered at the applicable Copayment and/or Coinsurance. Such an exception will be acted on within two working days of Southern Health’s receipt of the request. However, for a prescription known to be for the alleviation of cancer pain, Southern Health’s Medical Director will review the issue of medical necessity with Your physician and notify him of any adverse decision within 24 hours. If an exception is not granted, please consult your Evidence of Coverage for a description of your Reconsideration and Appeal rights.

**Mail Order Benefit**

The Copayment and/or Coinsurance listed on the Supplementary Schedule of Benefits for this option will apply to each initial and refill prescription for up to a 90-day supply of maintenance drugs. A prescription refill will not be honored unless 75% of the initial prescription has been utilized. You will need to allow at least a 14 day turnaround time to receive Your mail order prescription. Only maintenance drugs, as defined by Southern Health, are available through mail order. Controlled substances are not available through the mail order program. Please refer to the Mail Order Exclusion list for additional information.

**Retail Maintenance Drug Benefit**

In addition to the Mail Order Benefit, you also have the option to obtain up to a 90-day supply of maintenance drugs from a Participating Pharmacy. You will pay one Copayment and/or Coinsurance for each Prescribing Unit.
in a 90-day supply. Only the maintenance drugs defined by Southern Health will be available at the Retail Maintenance Drug Benefit. Controlled substances and certain other medications are not available at the Retail Maintenance Drug Benefit.

**Self-Administered Injectable Drugs**
A Self-Administered Injectable Drug is a Prescription Drug, other than those listed in the Retail Benefit section of this Rider, that is given by injection under the skin or into the muscle and is commonly and customarily administered by the patient or caregiver in the home setting. Please note that Self-Administered Injectable Drugs administered by a provider or in a provider's office are not covered under this Rider. Examples of Self-Administered Injectable Drugs include, but are not limited to, the following: multiple sclerosis agents, colony stimulating factors given more than once monthly, chronic medications for hepatitis C, certain rheumatoid arthritis medications, growth hormones, certain injectable HIV drugs, certain osteoporosis agents, and certain anticoagulant products. These types of Self-Administered Injectable Drugs require Prior Authorization. A list of Self-Administered Injectable Drugs which require Prior Authorization is available on the Southern Health website at www.southernhealth.com or by contacting the Pharmacy Help Desk at 800-378-7040. These Self-Administered Injectable Drugs are NOT available through Participating Retail Pharmacies or the Mail Order Program. They must be obtained through a specialty pharmacy specifically identified by Southern Health to provide Self-Administered Injectable Drugs to Members and are limited to a maximum of up to a 31 day supply per prescription filled.

**Coventry Health Care Pharmacy Services Specialty Medications**
Specialty Medications, as defined by Southern Health, are typically high-cost drugs, including but not limited to the oral, topical, inhaled, and injected routes of administration. Included characteristics of Specialty Medications are:

- drugs that are used to treat rare or complex diseases
- require close clinical monitoring and management
- frequently require special handling
- may have limited access or distribution

Except in urgent situations, all Specialty Medications are distributed by a Plan approved Specialty Pharmacy and are limited to no more than a 30 day supply per fill. Specialty Medications require Prior Authorization, unless specified elsewhere and are subject to quantity limits.

**General Information**
Southern Health requires mandatory generic substitution. If a brand name Prescription Drug is dispensed, and an equivalent generic Prescription Drug is available, the Member will pay an Ancillary Charge directly to the pharmacy in addition to the brand name Copayment and/or Coinsurance. The Ancillary Charge is the difference between the price of the brand name drug and the generic drug. Member payments shall not exceed the price of the prescription drug.

Certain drugs require Prior Authorization by Southern Health prior to coverage under Your Prescription Drug benefit. Your Participating Physician and Southern Health’s Customer Service Department have a current list of these medications. This list is also available on Southern Health’s website at www.southernhealth.com. If you need to take a drug that requires Prior Authorization, you should request that Your physician contact Southern Health with the medical indications for prescribing the medication. Prior Authorization is determined using criteria based on FDA approved uses and laws of the Commonwealth of Virginia. If you arrive at a pharmacy and Prior Authorization has not been obtained, the pharmacist may contact Southern Health to initiate the Prior Authorization process.

Southern Health reserves the right to include only one manufacturer’s product on our Prescription Drug List when the same drug (i.e., a drug with the same active ingredient) is made by two or more different manufacturers. The product that is listed on the Prescription Drug List will be Covered at the applicable Copayment and/or Coinsurance. The product or products of the same drug not listed on the Prescription Drug List requires Prior Authorization by Southern Health prior to coverage under Your Prescription Drug benefit. Southern Health also reserves the right to include only one dosage or form of a drug on our Prescription Drug List when the same drug
(i.e., a drug with the same active ingredient) is available in different dosages or forms (i.e., dissolvable tablets, capsules, etc) from the same or different manufacturers. The product, in the dosage or form, that is listed on the Prescription Drug List will be covered at the applicable Copayment and/or Coinsurance. The product or products, in different forms or dosages, not listed on the Prescription Drug List require(s) Prior Authorization by Southern Health prior to coverage under Your Prescription Drug benefit. You should request that Your physician contact Southern Health with the medical indications for prescribing a specific dosage or form of a medication. If an exception is not granted, please consult your Evidence of Coverage for a description of your Reconsideration and Appeal rights.

In addition, High dollar claims will be reviewed by Southern Health for efficacy and cost effectiveness in conjunction with FDA standards of care.

We reserve the right to limit the location at which a Member can fill a covered prescription order or refill to a pharmacy that is mutually agreeable to both Us and the Member. Such limitations may be enforced in the event that We identify an unusual pattern of claims for Covered Services.

In certain situations, Southern Health can, upon written notification to the Member, give notice that the Member’s Prescription Drug benefit is in jeopardy. These situations include, but are not limited to, a Member using medications in a manner that contradicts his/her prescription or standard prescribing practices, consistently using multiple pharmacies, or obtaining prescriptions for the same medication from multiple physicians. Continued abuse of this nature may result in restrictions in the Member’s Prescription Drug benefits including termination upon 31 days written notice for the Subscriber and all Covered Dependents. Please contact Southern Health’s Customer Service Department at 800-627-4872 if You have any questions.

What is covered

- Medically Necessary drugs:
  - obtained from a Participating Pharmacy\(^1\) (including mail order);
  - for which a prescription is required by federal or state law; and
  - which are not specifically excluded in this Rider.
- Self-Administered Injectable Drugs.
- Diabetic supplies, including insulin, syringes, blood glucose strips, lancets, and glucose monitors.
- Compounded prescriptions when all of the following apply:
  - no suitable commercially-available alternative is available;
  - the main active ingredient is a covered Prescription Drug;
  - the purpose is solely to prepare a dose form that is Medically Necessary and is documented by the prescribing doctor; and
  - when the claim for the prescription is submitted electronically.

These compound drugs will be covered at the Tier 3 Copayment and/or Coinsurance unless the main active ingredient is a Tier 1, Tier 2, or Tier 3 drug. In those cases, the cost of the compound drug will be the Copayment and/or Coinsurance of the active ingredient.

What is not covered

- Drugs which are not Medically Necessary
- Drugs obtained from non-participating pharmacies in a non-emergency situation when such pharmacies have not previously notified Southern Health, by facsimile or otherwise, of their agreement to accept as payment in full reimbursement for their services at rates available to pharmacies that are Participating Providers, including any Copayment, Coinsurance and/or Deductible consistently imposed by Southern Health
- Any Prescription Drug which is to be administered, in whole or in part, while a Member is in a hospital, medical office or other health care facility
- Travel prophylaxis
- Growth Hormone for adults
- Any Prescription Drug that is being used or abused in a manner that is determined to be furthering an addiction to a habit-forming substance
- Drugs which do not require a prescription by federal or state law, with the exception of over-the-counter (OTC)
programs sponsored by Southern Health. For example: Legend drugs for which there is a non-prescription drug alternative (such as over-the-counter), over-the-counter drugs (like aspirin, antacids, herbal products, medicated soaps, food, food supplements, food replacements, and bandages) or over-the-counter equivalents, behind-the-counter drugs, nutraceuticals or medical foods.

- Contraceptive implant systems and intrauterine devices (IUDs). Coverage for contraceptive implant systems and IUDs are covered as described in the Evidence of Coverage.
- Dietary supplements, appetite suppressants, drugs used to treat obesity or assist in weight reduction or weight gain, and malabsorption agents
- Drugs and products for smoking cessation, including Prescription Drugs such as Zyban and Chantix, with the exception of OTC programs sponsored by Southern Health
- Medications prescribed for cosmetic purposes, including but not limited to, tretinoin for aging skin and minoxidil lotion
- Drugs and products used to treat infertility
- Injectable medications, with the exception of Self-Administered Injectable Drugs as described in this Rider or any programs sponsored by Southern Health
- Refill of prescriptions resulting from loss or theft or resulting from damage by the Member
- Medications for treatment of diseases of teeth and gums, except fluoride tablets or drops
- Devices or supplies of any type, regardless of having a Prescription Order, unless specifically listed as covered in this rider. These include, but are not limited to tubing for insulin pumps; ostomy supplies, including bags, adhesives, tubing, therapeutic devices, support garments, corrective appliances, non-disposable hypodermic needles, or other devices regardless of their intended use. Your prescription drug coverage does not extend to drugs or products that are not FDA approved prescription medications, such as those without an approved FDA application (NDA, ANDA or BLA). Insulin pumps and ostomy supplies are covered as stated in the Evidence of Coverage.
- Allergy supplies, including syringes
- Experimental and Investigational Drugs; products not approved by the FDA; drugs with no FDA-approved indications, medications prescribed at dosages in excess of FDA approval; drugs prescribed for purposes other than the FDA approved use, unless a drug is recognized for treatment of the covered indication in one of the Standard Reference Compendia or in substantially accepted Peer-reviewed Medical Literature. Cancer drugs that are FDA approved for a certain cancer type may be used for treatment of other types of cancer, provided the drug has been recognized as safe and effective for treatment of that specific type of cancer in any of the Standard Reference Compendia. Any drug approved by the FDA for use in the treatment of cancer pain shall not be denied for coverage on the basis that the dosage is in excess of the recommended dosage of the pain relieving agent, if the prescription in excess of the recommended dosage has been prescribed in compliance with Virginia law for a patient with intractable cancer pain.
- Vitamins and minerals (both OTC and legend), except legend prenatal vitamins for pregnant and nursing females, liquid or chewable legend pediatric vitamins for children under age 13, and potassium supplements to prevent/treat low potassium
- Immunizing agents, biological sera, and Hemophilia blood factors with the exception of programs sponsored by Southern Health
- Medications used to enhance athletic performance, including but not limited to, anabolic steroids
- Medications related to sexual transformation or transgender
- Medications for a condition or injury related to a Worker’s Compensation claim
**Supplementary Schedule of Benefits**

<table>
<thead>
<tr>
<th>PRESCRIPTION DRUGS</th>
<th>MEMBER PAYS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Participating pharmacies must be used</td>
</tr>
<tr>
<td><strong>Tier 1 (Preferred Generic Drugs)</strong></td>
<td></td>
</tr>
<tr>
<td>Copayment /Coinsurance for 1 Prescribing Unit</td>
<td>$10*</td>
</tr>
<tr>
<td>Copayment /Coinsurance for 3 Prescribing Units (mail order drugs)</td>
<td>$10</td>
</tr>
<tr>
<td><strong>Tier 2 (Preferred Brand Drugs)</strong></td>
<td></td>
</tr>
<tr>
<td>Copayment /Coinsurance for 1 Prescribing Unit</td>
<td>$30*</td>
</tr>
<tr>
<td>Copayment /Coinsurance for 3 Prescribing Units (mail order drugs)</td>
<td>$60</td>
</tr>
<tr>
<td><strong>Tier 3 (Nonpreferred Drugs)</strong></td>
<td></td>
</tr>
<tr>
<td>Copayment /Coinsurance for 1 Prescribing Unit</td>
<td>$55*</td>
</tr>
<tr>
<td>Copayment /Coinsurance for 3 Prescribing Units (mail order drugs)</td>
<td>$165</td>
</tr>
</tbody>
</table>

*For Retail Maintenance Drugs, the Member pays a Copayment for each Prescribing Unit.

**Note**

1. Participating Pharmacies may include non-participating pharmacies that have previously notified Southern Health, by facsimile or otherwise, of their agreement to accept as payment in full reimbursement for their services at rates available to pharmacies that are Participating Providers, including any Copayment, Coinsurance and/or Deductible consistently imposed by Southern Health. When a Member obtains Prescription Drugs from a non-participating pharmacy, except as an emergency benefit, all conditions of coverage described in this Rider must be met.

**Your coverage under this Rider ends when Your coverage under the Group Agreement ends.**

**All other terms and conditions of Your coverage will remain unchanged.**