

**Puga, Sergio A Mr WBAMC**

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**From:** Gonzalez, Lorenzo Civ WBAMC  
**Sent:** Wednesday, August 11, 2004 8:54 AM  
**To:** Reyes, Antonio F LTC WBAMC; Puga, Sergio A Mr WBAMC  
**Subject:** RE: TRICARE Fact Sheet: TRICARE Pharmacy Program-revised August 10, 2004



TRICARE Management Activity

## Fact Sheet

**March 26, 2004**

**Revised Aug. 10, 2004**

### **The TRICARE Pharmacy Program**

TRICARE provides a world-class pharmacy benefit to all Uniformed Service members eligible for TRICARE, including TRICARE for Life (TFL) beneficiaries entitled to Medicare Part A and B based on their age, disability or end-stage renal disease. Eligible beneficiaries may fill prescription medications at military treatment facility (MTF) pharmacies; through the TRICARE Mail Order Pharmacy (TMOP); at retail network pharmacies; and at non-network pharmacies. All beneficiaries must have their address and other information updated in the [Defense Enrollment Eligibility Reporting System \(DEERS\)](#). To have a prescription filled, beneficiaries will need a written prescription and a valid Uniformed Services identification card. TFL beneficiaries who turned age 65 on April 1, 2001, or later, must be enrolled in [Medicare Part B](#). TFL beneficiaries who turned age 65 before April 1, 2001, are not required to be enrolled in Medicare Part B for the pharmacy program, but are required to be enrolled in Medicare Part B for all other benefits available under TRICARE for Life.

As with most prescription drug plans, beneficiaries can enjoy a significant cost savings by asking their doctors to prescribe the generic equivalent of a brand-name drug. In the U.S., all generic drugs must undergo Food and Drug Administration (FDA) testing and approval and are considered safe alternatives to brand-name drugs. To learn more about any medication, check for generic equivalents, and even learn about common food and drug interactions, beneficiaries may use the many Pharmacy resources, to include the "Rx Checker", available under the TRICARE Online General Health Information link on [www.tricareonline.com](http://www.tricareonline.com). For more information on how to save costs and make the most of your benefit go to [www.tricare.osd.mil/pharmacy](http://www.tricare.osd.mil/pharmacy) or use the Pharmacy link found on [www.tricareonline.com](http://www.tricareonline.com).

**MTF Pharmacy:**

Prescriptions may be filled (up to a 90-day supply for most medications) at a MTF pharmacy free of charge. Beneficiaries should contact their local MTF for specific details about filling and refilling prescriptions at its pharmacy.

**TRICARE Mail Order Pharmacy (TMOP):**

TMOP is available for prescriptions that beneficiaries take on a regular basis. Beneficiaries may receive up to a 90-day supply for most medications. TMOP is administered by Express Scripts, Inc. Through this program, beneficiaries register with TMOP then mail their health care provider's written prescription, along with the appropriate cost share, to TMOP and the medications are sent directly to the beneficiary. Prescriptions may be refilled by mail, phone or online.

For more information about how to use TMOP, beneficiaries may visit the Express Scripts Web site at [www.express-scripts.com](http://www.express-scripts.com) or contact TMOP member services at (866) DOD-TMOP, (866) 363-8667, within the United States, or toll-free, (866) ASK-4PEC, (866) 275-4732, outside the United States. They may also visit the TRICARE pharmacy Web site at [www.tricare.osd.mil/pharmacy/tmop.cfm](http://www.tricare.osd.mil/pharmacy/tmop.cfm). Or, search [Frequently Asked Questions \(FAQs\)](#). Select "Pharmacy" as a category.

**The New TRICARE Retail Pharmacy Program (TRRx)**

Beginning June 1, 2004, beneficiaries in the United States and its territories may now use an expanded, nationwide network of more than 53,000 retail pharmacies to fill prescriptions without having to file claims for reimbursement if the pharmacy is outside the beneficiary's primary region. To find a network pharmacy anywhere in the 50 United States, Puerto Rico, the U.S. Virgin Islands and Guam, beneficiaries may use the [TRICARE pharmacy locator service](#) available on the Express Scripts Web site at <http://member.express-scripts.com/pharmacyLocator/openPharmacyLocator.do?portal=dodCustom&net=1991> or call (866) DoD-TRRx, (866) 363-8779. For more information on the retail pharmacy program, visit the TRICARE Web site at [www.tricare.osd.mil/pharmacy/](http://www.tricare.osd.mil/pharmacy/). Or, search [Frequently Asked Questions \(FAQs\)](#). Select "Pharmacy Program" as a category.

The new contract with Express Scripts, Inc. (ESI) provides beneficiaries with one central point of contact for pharmacy customer services and claims processing. If a beneficiary has other health insurance, or needs to file a pharmacy claim for a non-network pharmacy, retail pharmacy claims should be mailed to: Express Scripts, P.O. Box 66518, St. Louis, Mo., 63166-6518. A downloadable TRICARE claim form is available on the [Express Scripts Web site](#) at <http://member.express-scripts.com/dodCustom/welcome.do>. Beneficiaries may call Express Scripts at the numbers above for assistance.

**Special Bulletin: Transition to ESI, Published June 18, 2004**

In the transition to a new retail contract beginning on June 1, 2004, some patients and providers may have been inconvenienced by the enforcement of TRICARE's long-standing mandatory [generic drug policy](#). TRICARE recognizes that enforcing this policy under the new TRICARE Retail pharmacy (TRRx) program may have caused a hardship for beneficiaries previously taking brand-name medications. In the interim, while the Department of Defense (DoD) seeks documentation that may have been previously submitted to validate medical necessity, any beneficiary who has received a brand-name product when a generic alternative exists within the last 180 days will be allowed to continue receiving the brand-name product for a grace period of 120 days (until Oct. 13, 2004).

On the next visit to the doctor, beneficiaries should ask if a generic medication is appropriate for them. Generics are an FDA-approved, safe and effective alternative to brand-name products.

### **Making the Benefit More Cost-Effective: the Uniform Formulary Process**

In the Fiscal Year 2000 National Defense Authorization Act, Congress directed DoD to establish a Uniform Formulary process. As part of this process, a DoD Pharmacy & Therapeutics (P&T) committee, composed of pharmacists and physicians, will systematically review and evaluate FDA-approved prescription medications to determine their relative clinical and cost effectiveness. The committee will make a recommendation as to which formulary tier a drug should be placed (generic, formulary or non-formulary), and will forward that recommendation to the Director of TRICARE Management Activity (TMA). Prior to the TMA decision, the recommendations will be reviewed by a new Beneficiary Advisory Panel (BAP) who can provide comments to the TMA Director.

Currently, medications are available under one of two tiers: generic and brand name. Any drug in a therapeutic class determined to be either not as clinically effective or as cost effective as other drugs in the class may be recommended for placement in the third, "non-formulary" tier. Any drug placed into the third tier will still be available to beneficiaries in retail pharmacies or through the TRICARE mail order pharmacy Program but at a higher cost. Non-formulary tier drugs will not be available in MTFs unless the prescription was written by a MTF provider and medical necessity for the drug has been established. The new cost-share structure will affect all beneficiaries with the exception of active duty members who never pay cost shares for prescriptions. The evaluations of therapeutic drug classes are underway; however, **there are currently no drugs in the third (non-formulary) tier**. As the process continues, some drugs will be placed in the third tier based on their relative clinical and cost effectiveness. Any change will be widely publicized prior to implementation.

### **Special Cases: "Non-Formulary" Medications That Are Medically Necessary**

Beneficiaries may be able to request special review of medications in the third tier to make them available at second-tier costs. If a drug is classified in third tier, i.e., "non-formulary," but is deemed "medically necessary" by the beneficiary's provider for treatment of a TRICARE-covered service, meaning that there is a valid clinical reason the beneficiary must use the "non-formulary" medication, it

may be considered as a special case. These special cases may include allergies to alternate medications, or interactions with other prescriptions a beneficiary is taking. Specific guidelines for requesting the review of a prescription medication as "medically necessary" will be available to both beneficiaries and providers.

### Pharmacy Copay Structure:

The current pharmacy cost share structure is based on whether a prescription medication is a brand-name pharmaceutical or a "generic" equivalent. The cost share chart below outlines the costs and includes the new third tier, which is not yet in place. This copay structure applies to all beneficiaries, regardless of their TRICARE Prime enrollment status. Active duty do not pay copayments for medications; however, if they fill prescriptions at non-network pharmacies, they will be required to pay 100 percent of the cost out-of-pocket and file a claim through which they will be reimbursed 100 percent for covered products.

<b>TRICARE Pharmacy Copayments</b>			
<b>Place of Service</b>	<b>Tier 1 Generic</b>	<b>Tier 2 Formulary (brand name)</b>	<b>Tier 3* Non-formulary</b>
Military treatment facility (MTF) Pharmacy	\$0	\$0	\$0
TRICARE Mail Order Pharmacy (TMOP) (up to a 90-day supply)	\$3	\$9	\$22
Retail Network Pharmacy (up to a 30-day supply)	\$3	\$9	\$22
Non-network Retail Pharmacy (up to a 30-day supply) <b>Note: Beneficiaries using non-network pharmacies may</b>	\$9 or 20% of total cost, whichever is greater, after deductible is met (E1-E4: \$50/person; \$100/family; All others \$150/person, \$300/family)		\$22 or 20% of total cost, whichever is greater, after deductible is met (E1-E4: \$50/person; \$100/family; All others \$150/person, \$300/family)

<p>have to pay the total amount of their prescription first and file a claim to receive partial reimbursement.</p>	<p>TRICARE Prime: 50% cost-share after point-of-service (POS) deductibles (\$300 per person/\$600 per family deductible; 50 percent cost-share)</p> <p><u>Overseas active duty family members enrolled in TRICARE Prime</u> (other than Guam, Puerto Rico or Virgin Islands): No cost share</p> <p><u>Overseas active duty family members not enrolled in TRICARE Prime:</u> \$9 or 20% of total cost (whichever is greater) after deductible is met for generic and formulary drugs, and \$22 or 20% (whichever is greater)</p>	<p>TRICARE Prime: 50% cost-share after point-of-service (POS) deductibles (\$300 per person/\$600 per family deductible; 50 percent cost-share)</p> <p><u>Overseas Retirees and family members:</u> \$9 or 20% of total cost , whichever is greater, after deductible is met for generic and formulary drugs, and \$22 or 20%, whichever is greater, for non-formulary drugs.</p>
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**\*There are no medications yet listed in the third tier. Third-tier medications are generally unavailable in the MTF.**

#### **Non-network Pharmacies:**

Filling prescriptions at non-network pharmacies is the most expensive option and is not recommended. **Beneficiaries may have to pay for the total amount first and file a claim to receive a partial reimbursement.**

#### **Using Other Health Insurance:**

Beneficiaries who have prescription drug coverage from another health insurance plan may not use TMOP unless the medication is not covered under the other plan, or unless the beneficiary exceeds the dollar limit of coverage under the other plan. When using a retail pharmacy, the other policy must be used first to cover any costs. Beneficiaries may be eligible for full or partial reimbursement from TRICARE for out-of-pocket costs. Beneficiaries should call Express Scripts at (866) DoD-TRRx, (866) 363-8779, for specific instructions about filing pharmacy claims if they have other health insurance.

For more information about the TRICARE Pharmacy program, please visit the TRICARE pharmacy Web site at [www.tricare.osd.mil/pharmacy/](http://www.tricare.osd.mil/pharmacy/) or call (877) DoD-MEDS, (877) 363-6337.

\*\*See also: [TRICARE Eligibility](#) Fact Sheet  
[TRICARE Prime Point-of-Service Option](#) Fact Sheet  
[Defense Eligibility Enrollment Reporting System \(DEERS\)](#) Fact Sheet  
[TRICARE for Life and Medicare Part B](#) Fact Sheet