

PRESCRIPTION PLAN COVERAGE

Cupertino Union School District provides a prescription coverage to employees, retirees and their eligible dependents who are enrolled in the CUSD Prudent Buyer Medical Plan.

FOR ELIGIBILITY REFER TO GENERAL INFORMATION SECTION

PRESCRIPTION COVERAGE

Prescription Drugs that are FDA approved medication prescribed by a physician are covered and subject to the following:

The Caremark Prescription Program will encourage the use of generic medications in an effort to stabilize the cost of the prescription program. The current prescription drug copayments are listed below:

Generic: \$5.00 for a 34-day supply/\$10.00 for a 90-day supply
\$10.00 mail order for a 90-day supply

Brand Name: \$15.00 for a 34-day supply/\$25.00 for a 45-day supply exceeding 90-days
\$30.00 mail order for a 90-day supply

Effective September 1, 2008, if a doctor stipulates that a brand drug is mandatory and can not be substituted with generic, the participant will only pay the standard copay. If a doctor states that a generic is permissible and the participant fills the brand **by choice**, the participant will pay for the brand drug copayment **plus any difference in the cost** of the prescriptions between the brand and generic.

The plan will pay for covered generic drugs, brand drugs with no generic option and brand drugs where doctors mandate no generic substitution with **no penalty**.

Prescriptions Filled at Your Local Pharmacy through Caremark

An important part of your medical insurance program is the Caremark (formerly AdvancePCS) Retail prescription drug plan. Your prescription benefit is managed by Caremark - the nation's largest independent provider of health improvement services. Under this plan, the Prescription plan pays for a large part of the cost of medically necessary drugs and medicines. You and your dependents can buy the prescriptions you need to preserve your health.

You may fill your prescription at any of more than 50,000 pharmacies in the United States who transmit claim information via the Caremark Electronic System. Because of this technology, you will receive fast, accurate pharmacy service. Also, you will rarely need to submit a written claim form.

Getting Started is Easy! Fill your prescriptions in three simple steps:

1. Select a pharmacy
2. Present your benefit card to the pharmacist
3. Pay your portion of the medication cost

Over 90% of all pharmacies are Caremark members. However, there may be a rare occasion when you might not utilize a member pharmacy. Under these circumstances, you will have to submit a claim form for reimbursement. These forms can be obtained at the District Office Human Resources.

Your out of pocket costs at the retail pharmacy is \$5.00 for Generic Prescriptions and \$15.00 for Brand Name Prescriptions for a 34-day supply. Your local pharmacy is a good choice for short-term or one-time prescriptions. You may also use your local pharmacy for the first 90 days of long-term medication.

However, additional refills of long-term medication filled at your local pharmacy which exceed the first 90-day supply will be subject to an additional \$25 co-payment per 34-day supply. This will result in the pharmacist requiring full payment of the prescription at the time you receive your medications. A claim form must be filed with Caremark, and you will be reimbursed the cost of the prescription, less the applicable copayment, and less the additional \$25 penalty copayment. This additional co-payment may be avoided by utilizing the Mail Service Pharmacy.

Mail Service Pharmacy through Caremark.com

Employees may save time and money by obtaining their prescription medication through the Mail Service Pharmacy. Up to a 90-day supply of medication may be obtained for a \$10 copayment for generic medications and \$30 for brand name medications. The medication is mailed directly to your home. The Mail Service Pharmacy is designed mainly for maintenance type medication for treatment of chronic or long term conditions such as diabetes, arthritis, heart conditions, and high blood pressure, but may be used for any prescription medication, including oral contraceptives.

The Mail Service Pharmacy is through Caremark.com, a home RX delivery from Caremark. Order envelopes may be obtained through the school secretaries, or the Human Resources Department. Order envelopes contain complete information about this service.

Once you have sent in your doctor's prescription and the Mail Service order form, refills may be ordered over the telephone by calling 1-800-241-2784, or on-line at www.caremark.com. Using the Mail Service Pharmacy not only saves you time and money, but also yields significant savings to your health benefit plan, due to the lower cost of prescriptions obtained through the Mail Service Pharmacy.

To maximize these savings, members are encouraged to use the Mail Service Pharmacy for all maintenance medication beyond the initial 90-day supply, hereby avoiding the \$25 additional co-payment.

Mail Service Coordination of Benefits

The Retail and Mail Service Pharmacy is to be used only for the employee and eligible dependents with Prudent Buyer as their primary coverage. It should not be used for dependents having primary coverage under another medical plan.

Under both the Retail and the Mail Service program your co-payments will not be credited to the annual medical deductible. The co-payments, are not eligible for coordination of benefits.

Prescription Exclusions

- Contraceptive jellies, foams, diaphragms or contraceptive devices.
- Hair growth stimulants.
- Over the counter medications other than insulin.
- Non-legend drugs.
- Prescriptions which are covered by workers' compensation laws, or other county, state or federal programs.
- Drugs labeled "Caution: Limited by Federal Law to Investigational Use."
- Drugs dispensed or administered in an outpatient setting, including but not limited to outpatient hospital facilities and doctors' offices.
- Drugs taken while in a hospital, nursing home or similar facility.
- Immunization agents, blood, or blood plasma.
- Anabolic steroids.
- Anti-obesity medications.
- Anti-wrinkle agents.
- Cosmetic hair removal products.
- Fluoride Supplements.
- Growth Hormones.
- Hematinics
- Impotence medications. Exception: oral dosage forms are covered.
- Infertility medications.
- Levonorgestrel (Norplant).
- Mineral and Nutrient supplements.
- Pigmenting/Depigmenting agents.
- Smoking deterrent medications containing nicotine or any other smoking cessation aids, all dosage forms.

- Vitamins, singly or in combination.
- Therapeutic devices or appliances.
- Charges for the administration or injection of any drug.
- Drugs obtained outside the United States.

COORDINATION WITH PREPAID PLANS

Regardless of whether this Plan may be considered primary or secondary under its coordination of benefits provisions, in the event an Eligible Individual (i) has coverage under the indemnity portion of this Plan, and (ii) has coverage under a prepaid program under another Group Plan (regardless of whether the Eligible individual must pay a portion of the premium for such. plan), and (iii) incurs expenses. Normally covered under the prepaid program, then this Plan will only reimburse the co-payments required of the Eligible Individual under the prepaid plan, and only if such co-payments are required of every person covered by that program. Except for the co-payments specified above, the Plan will not pay expenses of eligible employees or dependents covered by prepaid programs of other plans. For purposes of this Plan, the term "prepaid program" shall include health maintenance organizations, individual practice associations and other programs that the District in its sole discretion deems to be essentially similar to such prepaid arrangements.