



Prescription Benefits Frequently Asked Questions

1. Who is MEDCO?

Medco is a leading pharmacy benefit manager (PBM), with the nation's largest mail order pharmacy operation, serving the needs of more than 60 million people. Medco, the world's most advanced pharmacy®, provides clinically driven pharmacy services designed to improve the quality of care and lower total health care costs for private and public employers, health plans, labor unions, and government agencies of all sizes, and for individuals served by Medicare Part D Prescription Drug Plans. About one-third of the companies on the Fortune 500 list are Medco clients. Medco employs approximately 22,000 people nationwide, including 2,650 pharmacists and 650 nurses.

Medco is listed on the New York Stock Exchange (NYSE) under the ticker MHS. Medco was listed on the NYSE on August 19, 2003, in the largest domestic corporate spin-off of that year. Medco is also a member of the S&P 500.

Additionally, in 2009, Medco captured the No. 1 position in the Health Care: Pharmacy and Other Services sector on Fortune's World's Most Admired Companies List for the second consecutive year. Of all companies surveyed globally, Medco ranked No. 5 in innovation and No. 10 in people management. In the health care sector, Medco ranked No. 1 in seven attributes: innovation, people management, use of corporate assets, quality of management, financial soundness, quality of products/services and global competitiveness. It also ranked No. 2 in the categories long-term investment and social responsibility.

2. Why is Ball State University changing from Anthem to MEDCO for our prescription benefit?

In 2004, the state of Indiana passed a law which mandated a state prescription drug purchasing program - IAPPP (Indiana Aggregate Prescription Purchasing Program) for governmental entities, including state educational institutions like Ball State University. This is why we switched to Anthem in 2005. Late in 2009, after a detailed review and selection process, the State of Indiana awarded the contract to provide the IAPPP benefit to Medco Health Solutions,

Inc. Although further legislative developments would have allowed us to remain with Anthem, we have chosen to go with the State's decision; not only because of the expected financial savings to the University and Plan members, but more importantly because of what we believe will be an improvement in customer service for our employees.

3. Are there new benefits available under MEDCO that we didn't have under Anthem?

Although our benefit design will remain the same, there are some advantages to having Medco as our PBM (Prescription Benefit Manager), including:

Specialist pharmacists who are trained in the medications used to treat specific chronic conditions, such as diabetes, asthma, and heart disease. They use their expertise to counsel you and help you stay on your medications as prescribed;

*Medco's industry leading **My Rx Choices® application**, which gives members real-time information on the cost of their drugs and potential lower-cost alternatives, and was used more than 10 million times in 2008 to help members save on their prescription costs;*

Access to one of the largest and most experienced online pharmacies in the industry. Millions of Medco members use Medco.com to save time, order and manage their prescriptions, research health information, and identify savings opportunities.

4. Is NextRx going to be filling any of our prescriptions after January 1, 2010?

No. Any current refills you have on file with NextRx, with the exception of those for controlled substances, will be automatically transferred to the Medco Pharmacy after January 1, 2010. Also, when it's time to refill your medication or if you have a new prescription, you can request your refill or new prescription online, by telephone, or through the mail.

5. I take a drug that was not covered by Anthem but BSU authorized an override so now it is covered. Is this override going to be transferred to MEDCO on January 1, 2010 so I can get my prescription filled?

No, unfortunately Anthem is not able to transfer current overrides to Medco. Please contact the PEB office at (765) 285-8461, or by email at peb@bsu.edu to request a new override if applicable. Please note that a previous override approval does not necessarily guarantee future approvals. All override requests will be thoroughly reviewed at the time of request.

6. The letter I got in the mail about the change to MEDCO only shows three (3) pharmacies. Is that all I can go to now under MEDCO?

No, absolutely not! The three pharmacies listed on your Welcome Letter are only three of nearly 60,000 retail pharmacies that are members of the Medco network. Medco simply identified the three in-network pharmacies that were closest to your home address. You can visit www.Medco.com and click "Locate a pharmacy" or call Member Services at 1-877-476-9242 to obtain a full listing of in-network pharmacies.

7. I go to a local pharmacy that I like and trust. Am I going to have to use another pharmacy once MEDCO starts filling our prescriptions?

There are over 60,000 pharmacies in the MEDCO network so there is a good chance your pharmacy is already in the network and you can continue to get your prescriptions filled there. Go to www.medco.com to check if your pharmacy is in the MEDCO network. You are not required to use a pharmacy in the MEDCO network but if you use a pharmacy that is not in the network your out-of-pocket expenses will be significantly higher than if you use a network pharmacy. Prior to going active with MEDCO we compared the pharmacies currently used by our employees and only a handful of pharmacies were not in the network. These few non-participating pharmacies have been invited to join the MEDCO network.

8. What if I use mail order, will I have to get new prescriptions?

No, current mail order prescriptions on file with Anthem will be transferred to MEDCO with no interruption in your prescription coverage. The only exception is for controlled substances and compound medications. You will need to request a new prescription from your doctor for these types of drugs.

9. My mail order prescription is due to run out in December, should I wait and file that under MEDCO?

We recommend that you go ahead and refill your prescription under Anthem before the end of December to avoid any transitional problems. Although this transition to MEDCO has been well planned to minimize problems, there is always the potential for unexpected issues which could temporarily impact the processing of some prescriptions.

10. I have a prescription on file that allows three refills. I have two left as of December. Do I need to have my doctor write another prescription?

No, current prescriptions on file with Anthem will be transferred to MEDCO with no interruption in your prescription coverage. After January 1, 2010 just present your new MEDCO ID to your pharmacist and your prescription will be refilled and processed by MEDCO with no impact or break in your prescription coverage.

- 11. Under Anthem I could fill our maintenance drugs three (3) times at the pharmacy and pay the regular cost but for the fourth (4th) and more refills it cost me an extra 15% to fill the same prescription at the same pharmacy. Will this change after January when we switch to MEDCO?**

No, this practice of charging a member extra after three refills of a maintenance drug through a retail pharmacy is part of the University's prescription drug coverage plan. The intent of this provision is to reduce the cost of maintenance drugs for both employees and the healthcare plan by adopting the use of mail order prescriptions.

- 12. I see that MEDCO has over 60,000 pharmacies in its network. What happens if I go to a pharmacy that is not in the network?**

If you go to a Pharmacy that is not in the MEDCO network for a non-emergency situation then you will have to pay significantly more for your prescription than if you used a network pharmacy. You will be responsible for all costs that exceed the normal network discounts and none of these costs will be applied to your annual out-of-pocket expenses.

- 13. What if it is an emergency situation and the only pharmacy that can be accessed is not in the MEDCO network?**

In the emergency situation as described, your prescription will be paid as if it was processed by a network pharmacy. Remember, in an emergency situation where medical care is needed, always be sure to notify KBA within 48 hours of the event to ensure the services are processed correctly. If a prescription is needed as a result of an emergency situation, we recommend using a pharmacy in the MEDCO network. If the pharmacy is not in the MEDCO network, you will have to pay for the prescription and then file for reimbursement. Contact the Benefits staff (M-F 8 am to 5 pm) at 765-285-8461 if you need assistance or have any questions.

- 14. My spouse has to take a Specialty drug. Are we going to be impacted by this change to Medco?**

Specialty medications will be ordered through a personalized service called Accredo. By ordering your specialty medications through Accredo, you can receive toll free access to specialty-trained pharmacists and nurses 24 hours a day, 7 days a week. Refill reminders will be sent by Accredo and can be filled for up to a 90 day supply of medication. For more information about Accredo, or to order your specialty medications, please call member services at 1-877-476-9242.

- 15. I need additional prescription cards for my children who are away in college. How can I get these cards?**

Extra or replacement member cards can be ordered by either calling Member Services at 1-877-476-9242 or visiting the Medco website at www.Medco.com and select “cards and forms” on the home page.

- 16. I have family coverage under the HSA Health Plan and don't have much coverage paid until after our family deductible is reached. In the past KBA never knew about our prescription costs until long after our deductible was reached and then would have to make retroactive adjustments. Is this process going to continue under Medco?**

If you have family coverage under the HSA Plan, prescription coverage will be monitored by both KBA and Medco to provide accurate and timely coverage for HSA Plan members. Medco is capable of providing a more frequent exchange of data with KBA than our previous PBM (Prescription Benefit Manager).

- 17. Is using my flex card for prescription costs going to be impacted by this change to Medco?**

No, you will be able to use your flex card for prescriptions from Medco just as you did in the past.

- 18. How can I get information on what is covered and not covered under my health plan for the medical, dental and prescription plans?**

The complete medical and dental plan documents are located on the Ball State website at www.bsu.edu/payroll. You can also contact the benefits department at 765-285-8461. To find a complete list of medications covered under Medco, please visit www.Medco.com.

- 19. I am a new hire and need to get a prescription filled but I haven't received my card yet. What can I do so I don't have to pay cash for the prescription and then file for reimbursement?**

Even if you have not received your card yet, you may already be set up in the Medco system. If you are, you can print a temporary card by going to www.medco.com and selecting “Cards and Forms” on the home page. The temporary card can be presented to the pharmacist to get your prescription filled. Call the BSU benefits department at 765-285-8461 if you need assistance in this process.

If you have to have your prescription filled before you are active in the system, you will have to pay for the prescription and file for a reimbursement with MEDCO.

- 20. How is my pharmacist going to know not to bill Anthem for any prescriptions I get filled after January 1, 2010?**

You should provide the pharmacist with the new card provided in the Medco welcome packet each member received in the mail. All pharmacies have also been notified by Medco of this new change. Anthem coverage will be denied as of January 1, 2010.

21. What will happen if I do get a prescription filled after January 1, 2010 but Anthem gets the bill rather than MEDCO?

If you are using the Medco ID card at the retail pharmacy this should not occur. Anthem will have a 12-31-09 termination date in their system. Beginning 1-1-10 be sure to present your Medco ID card to the pharmacy prior to filling any prescriptions. If you are filing a paper claim for a prescription purchased 1-1-10 or after contact Medco Member Services at 1-877-476-9242 or visit their website at www.Medco.com to obtain a claim form.

22. I don't know anything about a new drug my doctor has prescribed for my child to take. Where can I go to get some information about it?

Contact Medco Member Services at 1-877-476-9242 or visit their website www.Medco.com and look in the section "Drug Information."

23. If I have a question about my coverage, the amount I was charged for a prescription, or anything else related to my prescription benefit, who should I call?

Contact Medco Member Services at 1-877-476-9242. The Member Services representative has all the information on our plan, access to your prescription claims history, and an in-depth knowledge of Medco so they will be able to provide a quick and accurate response to your questions.

24. Are the pharmacies used by nursing homes covered by MEDCO?

Many pharmacies affiliated with nursing homes are part of the Medco network. Any prescription filled through a pharmacy in the Medco network will be processed through Medco with all the discounts applied. If the pharmacy used by a nursing home is not in the Medco network, the prescription will have to be paid by the employee, who will then have to file a claim for reimbursement.

25. I received a prescription benefit description in my welcome packet, but it is for the wrong plan. Who should I contact to make sure Medco has me under the correct plan? Can I use this card even if the plan name is wrong?

Contact Payroll and Employee Benefits at 765-285-8461 or email PEB@bsu.edu explaining that Medco has you enrolled in the wrong plan. We will work with Medco to ensure they get the correct information. You can still use the ID card they provided unless we advise you otherwise.

26. I take a medication that is a controlled substance and have an override in place so that I can pick it up at the pharmacy and not have to pay the extra 15% for not going to mail order after 3 fills. Is this override going to stay in place?

No, unfortunately Anthem is not able to transfer current overrides to Medco. Please contact the PEB office at (765) 285-8461, or by email at peb@bsu.edu to request a new override if applicable. Please note that a previous override approval does not necessarily guarantee future approvals. All override requests will be thoroughly reviewed at the time of request.

27. Are our health insurance premiums going to change with this switch to MEDCO?

No, the change to Medco will not have any effect on health care premiums.

28. How should my doctor write my mail order prescription?

To maximize your savings:

- *Ask your doctor to write your prescription for a 90-day supply (or your plan's mail order limit) with refills when appropriate instead of 30-day supply with refills.*
- *It is important to ask for a 90-day supply, as opposed to a 30-day supply, in order to receive up to 90 days of medication for one mail-order co-payment. Please note that you will be charged a mail-order co-payment regardless of the number of days supply written on the prescription, so make sure your doctor has written the prescription for 90 days.*

Please note that the actual quantity and/or days supply may vary for each drug. Your doctor's instructions on how to take the medication, state and federal dispensing guidelines, or how the medication is packaged may impact the quantity and/or days supply you can receive.

29. If I have a prescription benefit program administered by Medco, what additional advantages can I expect from registering online?

As an eligible Medco plan member, registering online gives you access to up to 18 months of prescription history, easy-order prescription refills and renewals, prescription coverage and pricing information, personalized health information and more --- all with an easy, one-time registration.

30. Why do I need to provide my e-mail address and how will it be used?

To help ensure uniqueness, your e-mail address -- along with your password -- is used to identify you as a registered online user each time you log on. As part of your registration, you will receive e-mail communications about your account and about new features available at this site. If you would prefer not to receive e-mail communications, you can update your online profile after you register.

31. How will my medications be packaged?

In most cases, Medco uses heat- or glue-sealed plastic pouches, or "poly bags," to protect the prescription orders that they send from their pharmacies. This protective packaging enables Medco to fulfill their goal of delivering medications safely to members, and it has met the laboratory test standards set by the International Safe Transit Association. It works well with the automated packaging process used by Medco By Mail.

When shipping your medications, Medco may also use a gray plastic pouch, a brown or white corrugated box, a padded manila envelope, or an expedited carrier (for example, UPS). All of the packaging Medco uses is "tamper evident," which will help members determine whether their order has been damaged or tampered with during delivery. Medco's "MHS Services" label appears on the side of each package. The label does not display the name "Medco" or indicate that the package contains medications. This is done to protect your confidentiality and to reduce the possibility of theft.

For prescription orders that are breakable, Medco packages them by hand with bubble wrap and places them into corrugated boxes for maximum protection during delivery. Orders that are temperature sensitive require special packaging.

32. What is a controlled substance or controlled medication?

The federal government has categorized a class of medication as having a higher-than-average potential for abuse or addiction. Such medications, known as controlled substances, are divided into categories based on their potential for abuse or addiction. They range from illegal street drugs (Schedule 1, or C1) to medications with decreasing potential for abuse (C2 through C5). Prescriptions containing narcotics or amphetamines are often classified as C2, since they have a relatively high potential for abuse or addiction.

33. Are controlled substances shipped differently than other medications?

Medco ships controlled substances with a high potential for addiction or abuse (C2) via 2-day air and requires a signature upon receipt to ensure that the medications have been received. If you are not home, the carrier will leave a notice that delivery was attempted, along with instructions on how you can schedule redelivery or pick up your package. Medco ships controlled substances with a lower potential for abuse (C3 - C5) by regular mail through the U.S. Postal Service.

34. How are medications shipped?

Most medications are shipped via the U.S. Postal Service at no cost to you. Medications containing certain controlled substances are shipped United Parcel Service (UPS). If necessary, you can request express shipping. Express shipping is available for an additional fee.

35. How do I pay for my mail-order prescriptions?

If you mail your prescription to Medco, you can enclose your payment with your order or Medco can bill you. If you use Medco's online services, you will be prompted for credit card information

online or Medco can bill you as well. For your convenience, Medco offers Autocharge, which allows you to place a credit card on file with Medco. When you enroll, Medco will automatically charge any orders covered under your member number (all covered household members) to the card of your choice: American Express, Diner's Club, Discover® Network, MasterCard or Visa. To enroll, just call 1 800 948-8779, or select this option online when you place an order for a refill or renewal of a current prescription. Your credit card information is secured using the latest advances in commercially available security products.

36. I have a credit due from NetRx. Will I still receive that credit?

Anthem will have to issue you a check for the amount of the credit. Please contact the Benefits staff at 765-285-8461 or via e-mail at peb@bsu.edu about this credit. We will work with Anthem to ensure a check is issued to you for the credit.

37. I received two cards with my name on them. Won't my husband need one with his name on it?

No, all cards issued by Medco will have the employee's name on them.

38. Some of the medicines I take are on the Wal-Mart \$4 list and are even available in 90-day quantities for \$10. Will I be able to get a 90-day supply at Wal-Mart without having to use the Medco mail order program?

You cannot get more than a 30-day supply at a retail pharmacy (like Wal-Mart) and use the Medco benefit. If you want to get the \$10, 90-day supply, you should tell the pharmacist that you do not want the prescription ran through your insurance. In some cases, it may be less expensive for you to just pay the \$10 and obtain your 90-day supply through retail.

39. I would like to do mail-order, but I have several prescriptions and cannot afford to pay for a 90-day supply of them up front. What can I do?

Medco has created a program to help make your mail-order prescriptions more affordable. It's called the Extended Payment Program (EPP).

EPP allows you to spread your prescription payments over three credit or debit card installments so you don't have to pay all at once. And there's no waiting – your medication will be shipped after the very first payment.

To get started with EPP call Member Services using the toll free number on the back of your prescription card or visit Medco at www.medco.com to enroll.