



## Health Net \*\*\* New Pharmacy (Rx) Plan Designs for 2-50 in NY Effective 7/1/09 \*\*\*

Introducing new Pharmacy (Rx) plan designs for New York Small Group (2-50). The new plans mimic the Large Group plan designs N1L and N1Q, but with the addition of deductible options of \$0, \$50 or \$100. In addition, it is important to note that the base plans N1L and N1Q are now available for Small Group.

### 2009Q3 New York Rx Benefit Comparison

Rider Code	Tier 1	Tier 2	Tier 3	Deductible <sup>1</sup>	Formulary Design	Retail Days Supply <sup>2</sup>	Mail Order Days Supply <sup>3</sup>	MAC <sup>4</sup>	Diabetic Modifiers <sup>5</sup>
<b>N1L<sup>6</sup></b>	\$20	\$40	\$60	\$0	3 Tier	Up to 30 days	Up to 90 days	C	Yes
<b>N1U</b>	\$20	\$40 After Deductible	\$60 After Deductible	\$50	3 Tier	Up to 30 days	Up to 90 days	C	Yes
<b>N1V</b>	\$20	\$40 After Deductible	\$60 After Deductible	\$100	3 Tier	Up to 30 days	Up to 90 days	C	Yes
<b>N1Q<sup>7</sup></b>	\$25	\$50	\$75	\$0	3 Tier	Up to 30 days	Up to 90 days	C	Yes
<b>N1W</b>	\$25	\$50 After Deductible	\$75 After Deductible	\$50	3 Tier	Up to 30 days	Up to 90 days	C	Yes
<b>N1X</b>	\$25	\$50 After Deductible	\$75 After Deductible	\$100	3 Tier	Up to 30 days	Up to 90 days	C	Yes

### 2009Q3 New York Rx Pricing Comparison

Rx Rider	Rx Benefit	Decrements <sup>8</sup>
<b>Base Plan</b>	\$15/\$25/\$40; PA	0.00%
<b>N1L</b>	\$20/\$40/\$60; PA	-13.69%
<b>N1U</b>	\$20/\$40/\$60; PA; \$50 ded	-20.60%
<b>N1Q</b>	\$25/\$50/\$70; PA	-24.20%
<b>N1V</b>	\$20/\$40/\$60; PA; \$100 ded	-26.64%
<b>N1W</b>	\$25/\$50/\$70; PA; \$50 ded	-30.26%
<b>N1X</b>	\$25/\$50/\$70; PA; \$100 ded	-35.57%

#### Product Highlights

- **Plan design:** Both designs provide for the next logical step in the benefit design continuum.
- **Target:** Groups that can tolerate higher co-payments and/or a front-end deductible. One of the major selling points is that generics are not subject to the deductible. A generic drug is identical, or bioequivalent to a brand name drug in dosage form, safety, strength, route of administration, quality, performance characteristics and intended use. Although generic drugs are chemically identical to their branded counterparts, they are typically sold at substantial discounts from the branded price<sup>9</sup>. Lastly, there are significant decrements associated with these plans when compared to the most popular NY SG plan of \$15/\$25/\$40.

<sup>1</sup> Deductible applies to Brand only

<sup>2</sup> For one co-pay

<sup>3</sup> For two co-pays

<sup>4</sup> MAC C does not penalize covered individuals for choosing a brand name drug when a generic equivalent is available. Covered Individuals pay the appropriate co-pay for the prescription with no additional charges.

<sup>5</sup> Plans have incorporated the appropriate diabetic mandate riders SW, SX, SY, SZ, SC, SP, 8R, 8S, which set diabetic supplies to the same co-pay amount as the Primary Care Physician co-pay amount.

<sup>6</sup> Both Large Group and Small Group share this base plan code

<sup>7</sup> Both Large Group and Small Group share this base plan code.

<sup>8</sup> Decrements to Rx premium only

<sup>9</sup> <http://www.fda.gov/cder/ogd/#introduction>