Maximize Your Drug Plan

How to save money without sacrificing safety.

BY KIMBERLEE ROTH

arianna Spanaki, M.D., a senior neurologist at Henry Ford Health System in Detroit, MI, shares her patients' concerns about high prescription drug costs. Dr. Spanaki says she has increasingly been seeing patients skip doses of their medications to make them last longer or alter the doctor-recommended schedule, say, from two pills a day to one. Other patients aren't renewing their prescriptions on time or they're calling their doctor's office for drug refills instead of making appointments.

"I spend a lot of time counseling my patients against such cost-saving practices that go against medical advice," Dr. Spanaki says.

Neurological conditions are frequently chronic, progressive, or relapsing-remitting, so patients need to work

closely with their physician to adjust or change medications, minimize side effects, and optimize treatment, says Dr. Spanaki. Not following doctors' orders when it comes to taking medication "may lead to serious con-

sequences and generally increases the cost if symptoms reoccur or side effects develop," she says.

High out-of-pocket drug costs can indeed impact your health. Research conducted by the RAND Corporation, a nonprofit policy analysis organization, found that doubling patients' prescription drug co-payments reduced their use of certain common medications by 25 to 45 percent. Even people trying to manage chronic illnesses such as diabetes cut their drug use between eight and 23 percent, according to the study's findings.

Unfortunately, out-of-pocket costs aren't likely to fall anytime soon. Data from the Henry J. Kaiser Family Foun-



dation, which studies health care trends,

show that co-payments for drugs not on a plan's "preferred" list (a.k.a. formulary, or list of approved drugs) more than doubled between 2000 and 2006. Co-pays for preferred drugs rose by 84 percent in the same time period.

So is it possible to lower your out-ofpocket spending while maintaining the medications your doctor prescribed? Yes. And here are a few key strategies to be the smartest shopper possible and make the most of your prescription coverage.

KNOW YOUR PLAN

Almost three-fourths of people with employer-sponsored drug coverage have a "tiered" cost-sharing arrangement, according to 2006 research also conducted by the Kaiser Family Foundation. Under this structure, co-pays for generic drugs are the lowest, followed by "preferred" drugs, i.e., those that are listed on the drug plan's formulary, such as a brand-name drug that has no generic equivalent. Drugs not listed on the formulary carry the highest co-payments.

"I see a lot of confusion [among employees] about what their co-pays are for generic, brand, and formulary drugs," says Lane Transou, a member of a Society of Human Resource Management Special Expertise Panel on benefits. Transou is also president of the Houston Business Group on Health, an association of Houston-area employers focused on health policy and cost issues affecting the work-

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place. Most companies release their formularies toward the end of the year for the following year, she says, and "[People] need to know what's on that list."

Take a copy of the formulary to your doctor each time you go, or have your doctor add it to your medical record, she recommends. That way, it's always nearby when you have a discussion about medicine (don't forget to bring updated versions). Call your drug plan customer service number or check its Web site if you're not familiar with the formulary.

If your doctor wants you to have a brand-name drug or a drug that isn't on your formulary, be sure he or she indicates "Dispense as Written" on your prescription. Otherwise, depending on state laws and your drug plan, the pharmacist filling your prescription may be required to substitute with a generic version of the drug or another drug that is on your formulary that is believed to have the same effect. (And generics don't always have the same effect. See "Generic Vs. Brand-Name Drugs" in the Sept/Oct 2007 issue of *Neurology Now*, also available at **neurologynow.com**.)

Some drugs have little difference in the per-pill price between pills with different doses. As a result, doctors sometimes prescribe half as many pills that contain twice the dose—for example, fifteen 100-mg pills instead of thirty 50-mg pills. A few plans have instituted pill-splitting programs, in which patient co-payments are reduced if patients split a higher-dose pill into two lower doses. Patients can buy an inexpensive pill-splitting device through their plan or at most drug stores and split the pill.

But not all drugs can be halved safe-

ly, and the practice only saves out-of-pocket costs if lower co-pays are built into the plan structure, explains Hae Mi Choe, Pharm.D., assistant clinical profes-

sor at the University of Michigan, who has studied the impact of pill splitting on cost and patient adherence.

Knowing what your drug plan covers also applies to so-called "specialty drugs," a phrase that refers to medicines prescribed for chronic, complex diseases such as multiple sclerosis, cancer, or rheumatoid arthritis. These drugs often require special handling, administration, or physician monitoring—and tend to carry a hefty price tag. Many benefit plans have separate specialty drug programs that spell out how and where to purchase these medications, so be sure to make contact by phone or by visiting the specialty program's Web site for information.

PLAN AHEAD AND SHOP AROUND

Getting medicine through the mail is an underutilized service offered by many drug plans for "maintenance" medications taken on a regular basis, such as cholesterol-lowering or bloodpressure drugs, says Transou. While going the mail-order route may save you money, it also requires that you think ahead. First find out what the process is for getting both new and refilled prescriptions. Then ask your doctor for two prescriptions, one for a larger supply that you will buy through the mail-order program and a small one to fill locally so you have a supply in the meantime. It can take a couple of weeks for mail-order pharmacies to process and ship your order and for it to reach you through the postal service (or you can usually pay more for expedited shipping services). "You have to take a longer outlook," says Transou.

That said, don't automatically assume mail order provides the best price—it may not. Shop around. First find out from your drug plan if it has a network of pharmacies, where presumably you'll pay less as a covered member. Then check prices with each pharmacy individually, rather than rely on price comparison Web sites. The Center for Studying Health System Change found "extensive gaps" in pricing information on many state-run Web sites during a recent analysis. Even when information is accurate, prices can change at any time, and it may take time before Web sites catch up.

Many stores, including supermarkets and buying clubs, are instituting inexpensive—under \$10—generic drug programs. You don't necessarily have to be a member of a buying club to use its pharmacy, so call to check. Prices through generics programs may be lower than your plan's co-payment; if your doctor agrees generics are safe for you, be sure to compare your co-pay with the store's advertised price.

There is one caveat with basing buying decisions on price alone, says Choe. There's always the potential for drugs to interact with each other. "If you consolidate your prescriptions at one pharmacy, the pharmacist can run through them to make sure there are no duplication or interactions. When you go to different pharmacies, you can lose that element of safety and of the pharmacist getting to know you personally."

Kimberlee Roth is a freelance health writer. She is a regular contributor to the Chicago Tribune and other health publications and is the author of Surviving a Borderline Parent (New Harbinger, 2003).