

# Lesson Objectives

## Pharmacy

**After this lesson, you should be able to:**

- State the purpose of the TRICARE Pharmacy Benefits Program
- Explain features of the various pharmacy options
- Explain the pros and cons for each of the pharmacy options



# Overview

**The TRICARE Pharmacy Program is made up of four options:**

- Military treatment facility
- TRICARE Mail Order Pharmacy
- Retail Networks
- Non-network Retail Pharmacies

**And three Tiers:**

- Generic Formulary
- Brand Name Formulary
- Non-Formulary



# Four Pharmacy Options

<b>Military Treatment Facility (MTF) Pharmacy</b>	<b>TRICARE Mail Order Pharmacy (TMOP)</b>
<b>TRICARE Network Retail Pharmacies</b>	<b>Non-network Retail Pharmacies</b>



# Prescription Safety

**Through an automated tool, the Pharmacy Data Transaction Service (PDTs) reviews new prescriptions against all previous prescriptions filled through the military treatment facility, network and mail order pharmacy options, reducing the likelihood of adverse drug to drug interactions and duplicate treatments.**

- PDTs will trigger an alert if the prescription being filled will adversely interact with the beneficiary's current medications.
- The pharmacy then notifies the beneficiary and the provider that the prescription cannot be filled.

Information about the PDTs can be found at:

<http://www.pec.ha.osd.mil/pdts.htm>



# MTF Pharmacy

- The Military Treatment Facility (MTF) pharmacy option is the most convenient to those who live close to a military installation that has a medical facility with a pharmacy.
- Any TRICARE-eligible beneficiary may use the pharmacy at a Military Treatment Facility (MTF) simply by showing a valid uniformed services ID card.
  - Occasionally, a small clinic or pharmacy with limited resources, called a "Troop Clinic," may only permit active duty service members to access its services.

Beneficiaries may have prescriptions filled (up to a 90-day supply for most medications) at an MTF pharmacy free of charge.



# MTF Pharmacy Formulary

A **formulary** is a list of the drugs that each full-service military treatment facility (MTF) pharmacy must have in stock.

- The DoD Pharmacy and Therapeutics (P&T) Committee determines the Basic Core Formulary (BCF) at a given MTF.
- Each MTF may carry additional drugs based on its scope of care.



# MTF Pharmacy Formulary

**The formulary is divided into three cost tiers:**

- Tier 1: Formulary-Generic
- Tier 2: Formulary-Brand Name
- Tier 3: Non-Formulary



# MTF Pharmacy Formulary

- Military treatment facility (MTF) pharmacies will fill civilian prescriptions written by non-MTF providers only if they are medications on the MTF's Basic Core Formulary.
- If a patient under the care of an MTF provider requires a non-formulary medication, the provider can request a special order through the pharmacy at no cost to the patient.
- In some cases, a medical necessity justification may be required.



# Non-Formulary Medications

- Any drug in a therapeutic class determined to be not as relatively clinically effective or not as cost-effective as other drugs in the class may be recommended for placement in the non-formulary tier, Tier 3.
- Any drugs placed into Tier 3 are available from the mail-order or retail network pharmacies, but at a higher cost.



# Non-Formulary Medications

- Non-formulary medications are not included on an MTF's Basic Core Formulary.
- Non-formulary prescriptions can be filled at the formulary costs if your provider can establish medical necessity.
- See the following website for details:  
<http://www.tricare.mil/mybenefit/home/Prescriptions/Medications/Non-FormularyMedications/MedicalNecessity>



# Medications Not Covered By TRICARE

**Medications excluded from the TRICARE benefit by statute or regulation include:**

- Smoking cessation products
- Weight reduction products
- Food supplements
- Homeopathic and herbal preparations
- Multivitamins (except prenatal vitamins for pregnant women)
- Drugs prescribed for cosmetic purposes
- Fluoride preparations
- Over-the-counter products (except insulin and diabetic supplies)



# Medications Not Covered By TRICARE

Medications that are not medically or psychologically necessary for the diagnosis or treatment of a covered illness are not covered by TRICARE. Medications not covered by statute or regulation include:

- Smoking cessation products
  - Weight reduction products
  - Food supplements
  - Homeopathic and herbal preparations
  - Multivitamins (except prenatal vitamins for pregnant women)
  - Drugs prescribed for cosmetic purposes
  - Fluoride preparations
  - Over-the-counter products (except insulin and diabetic supplies)
- Details on individual medications may be found by using the Formulary Search Tool at:  
<http://www.tricareformularysearch.org/dod/medicationcenter/default.aspx>



# TRICARE Mail-Order Pharmacy (TMOP)

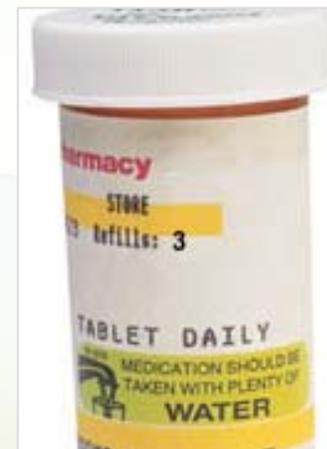
- TRICARE beneficiaries who do not live close to a military treatment facility pharmacy can take advantage of the TRICARE Mail-Order Pharmacy option (TMOP).
- This is a great service for TRICARE beneficiaries who take prescription medications for long-term, ongoing conditions (such as asthma).



# TMOP: Formulary

The TRICARE Mail Order Pharmacy (TMOP) formulary is determined by the Department of Defense (DoD) Pharmacy and Therapeutics (P&T) Committee.

- For non-formulary medications, a physician's medical necessity justification and prior authorization needs to be provided that explains the patient's diagnosis and previous reaction to drugs.
- A non-formulary medication may be considered medically necessary if a beneficiary had an allergic reaction, experienced a side effect or adverse reaction to a formulary medication, or the formulary medication failed to achieve the desired effect.
- A beneficiary also needs medical justification to fill a prescription for brand-name drugs when a generic version exists.
- This ensures the appropriate treatment regimens for the beneficiary.



# TRICARE Mail Order Pharmacy: Supply

Under the TRICARE Mail Order Pharmacy (TMOP), the health care provider can write a prescription for up to a 90-day supply with up to 3 refills for medications considered “maintenance medications.”

- For certain types of medications, such as controlled substances, there is a 30-day supply limit imposed by law, so prescriptions can only be written for 30-day supplies.
- In addition, the Department of Defense placed limits on the quantity that can be issued for specific drugs such as Viagra and compounded drugs - those that are unique or specific to an individual that a pharmacist must create manually.



# TMOP: Costs

TRICARE Mail Order Pharmacy (TMOP) is free for active duty service members and is a low-cost option for all other beneficiaries.

- It is ideal for people who require on-going medications, such as those with chronic conditions.

- For generic medications, the copay is \$3 per prescription for up to a 90-day supply.

- Non-formulary medications (generic or brand-name) have a \$22 copay for up to a 90-day supply.

- For brand-name prescriptions the copay is \$9 for up to a 90-day supply .



# TMOP: Filling Prescriptions

Because mail-order processing takes 10-14 days to fill and ship, it's best to get two prescriptions for new medications.

- One can be filled immediately by a local pharmacy, and the other can be sent to the TRICARE Mail Order Pharmacy (TMOP) contractor.
- Once the patient's prescription is on file, refills can be ordered via the Internet, by phone, or by mail.
- The TRICARE Mail Order Pharmacy (TMOP) can only mail overseas prescriptions to an Aerial Post Office (APO) or Fleet Post Office (FPO) address.

A toll-free phone consultation service with a pharmacist is also available 24 hours a day, 7 days a week at (866) 363-8667.



# TMOP: Filling Prescriptions

- A new prescription can be sent by **faxed by a provider** to the TRICARE Mail Order Pharmacy at (877) 895-1900.
  - Only prescriptions faxed from the provider's office will be accepted.
  - The fax cover sheet should include the provider's name and telephone number in case it is necessary to clarify any part of the medication order.



# TMOP: Payment

- TRICARE Mail Order Pharmacy users may submit payment via mail once the medication is received or they can pre-pay using a credit card if they order online or by phone.
- There are no additional shipping or processing charges and the individual does not have to file a claim reimbursement form.
- The easiest way to access account information is to register online at [www.express-scripts.com/TRICARE](http://www.express-scripts.com/TRICARE) .
- Those who don't use the website can obtain forms by calling The TRICARE Mail Order Pharmacy contractor at (866) 363-8667 (currently Express Scripts).

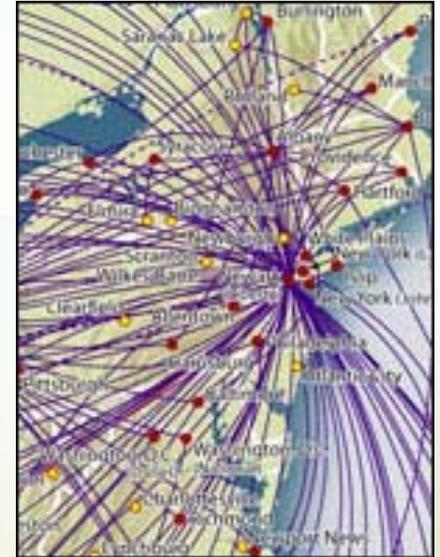


# Network Retail Pharmacy Option

The Network Retail Pharmacy option is best for people whose treatment can not wait for mail order service, do not live near a military treatment facility (MTF), or want to use a local TRICARE retail/civilian pharmacy.

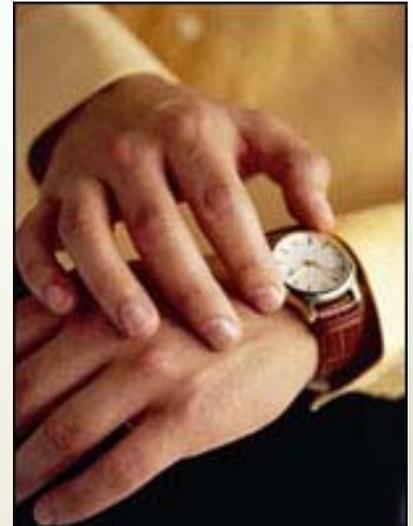
- For instance, antibiotics and pain medications may be needed quickly to treat a condition, so the Network Retail Pharmacy Option would be ideal in either of those situations.

There are approximately 55,000 retail pharmacies that are contracted to serve TRICARE beneficiaries at discounted prices throughout the United States, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.



# Network Retail Pharmacy: Costs and Filling Prescriptions

- Under the TRICARE Network Retail Pharmacy option a healthcare provider can provide a prescription for up to a 30-day supply with refills.
- The copay is \$3 for generics and \$9 for brand-name prescriptions for up to a 30-day supply.
  - This is the same copay TMOP users pay for a 90-day supply.
- If a provider orders 31 days or more on a prescription, the beneficiary pays two \$3 or \$9 copays.



# Network Retail Pharmacy: Costs and Filling Prescriptions

- Verification of medical necessity or prior authorization may be required for some medications.
- Patients must present a Uniformed Services ID card with their written prescription and tell the pharmacist they are TRICARE beneficiaries.
- There are no processing charges and no claim forms (unless the beneficiary also has other health insurance).
- Beneficiaries can obtain while-you-wait service at a retail network pharmacy in most communities.
- Locate a participating pharmacy by going to [www.express-scripts.com/TRICARE](http://www.express-scripts.com/TRICARE) , by calling (866) 363-8779, or by contacting a local pharmacy.



# Providing Prescriptions

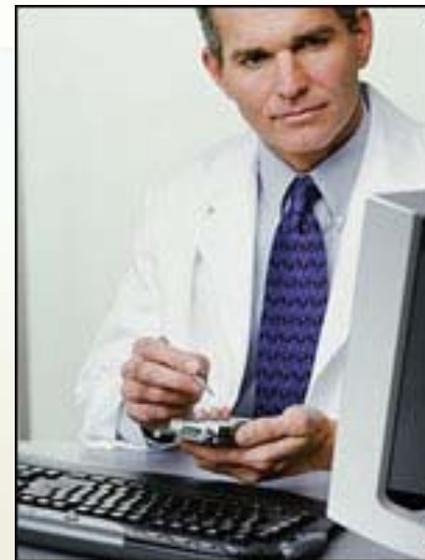
- Beneficiaries should contact their local pharmacy to find out what method their provider should use to submit prescriptions to make sure the prescription can be processed in a timely fashion.
- Beneficiaries should be sure to talk with their provider to discuss their medication options for where or how their prescriptions may be filled.
- Valid prescriptions must be issued by a provider and may be submitted electronically, by fax, or by phone to a pharmacy, in accordance with state pharmacy laws or given directly to the beneficiary to take directly to the pharmacy.



# Network Retail Pharmacy: Portability and Safety

The Retail Pharmacy Program is fully portable.

- It allows beneficiaries to access network pharmacies while traveling outside of their region and ensures consistency by providing access to drugs and application of standardized benefits across all regions.
- In addition, the service provides pharmacists with complete access to prescription data to ensure the highest quality of care.
- Beneficiaries do not have to file claims when using network pharmacies.



# Non-Network Retail Pharmacy: Costs

In most non-network retail pharmacy cases, the beneficiary pays full retail price at the pharmacy first and then files a claim for reimbursement.

- Active duty service members are reimbursed 100%
- Others pay 100% of the prescription costs until they meet an annual deductible.
  - For Standard and Extra beneficiaries, the deductible, which starts on October 1 each year, is \$150 per individual or \$300 per family (\$50 and \$150 for E-4s and below).
- After the deductible is met, beneficiaries pay either \$9 or 20% of the full retail cost for each prescription, whichever is greater.



# Non-Network Retail Pharmacy: Costs

TRICARE Prime beneficiaries using a non-network pharmacy will be subject to the Point of Service (POS) option.

- The POS deductible is \$300 per individual and \$600 per family.
- After the deductible is met, the beneficiary pays half (50%) of the TRICARE allowable charge for each prescription.



# Non-Network Retail Pharmacy: Reimbursement

**To seek payment for out-of-pocket expenses when using a non-network retail pharmacy, the beneficiary usually has to file for reimbursement.**

**First they have to submit a claim form for reimbursement.**

**The reimbursement form is called the *Patients Request for Medical Payment, DD Form 2642*. Beneficiaries may obtain the form:**

- Online at <http://www.tricare.mil/mybenefit/Forms.do>
- By mailing a request to:  
TRICARE Management Activity  
16401 E. Centretech Parkway  
Aurora, Colorado 80011-90430
- From the regional managed care support contractor – call the toll free number
- From a Beneficiary Counseling and Assistance Coordinator or Health Benefits Adviser at a military treatment facility



# Non-Network Retail Pharmacy: Reimbursement

Second,

The beneficiary must, beneficiaries must enclose the completed DD Form 2642, attach the required paperwork (specified on the DD F2642), and mail the documents:

Express Scripts

P.O. Box 66518

St. Louis, MO 63166-6518

Beneficiaries should keep copies of all submitted documents.



# Summary of TRICARE Pharmacy Options

	Prescription Supply	Generic Drugs	Brand Name Drugs	Non-formulary Drugs
MTF	90-days	\$ 0	\$ 0	May be available
TMOP	90-days	\$ 3	\$ 9	\$ 22
Network	30-days	\$ 3	\$ 9	\$ 22
Non-Network	30-days	\$ 9 or 20% of total drug cost (whichever is greater) plus applicable deductible: -E-4 and below: \$50 person, \$100 family -Standard: \$150 person, \$300 family -Prime: \$300 person, \$600 family (POS fee 50%)		\$ 22 or 20% of total drug cost (whichever is greater) plus applicable deductible: -E-4 and below: \$50 person, \$100 family -Standard: \$150 person, \$300 family -Prime: \$300 person, \$600 family (POS fee 50%)



# Other Health Insurance and Pharmacy Benefits

Some beneficiaries have another source of health insurance besides TRICARE.

- In these cases, the other health insurance is considered the primary payer for medication expenses and TRICARE is the secondary payer.
- TRICARE may reimburse a lot of the expense not covered by the other health insurance, so that between the two payers, most of the beneficiary's medication expenses should be covered.



# Other Health Insurance and Pharmacy Benefits

- **A beneficiary uses the other health insurer's mail-order or retail pharmacy plan and pays the plan copayment. The beneficiary then submits a claim to the pharmacy contractor to be reimbursed for the expense. (see claims filing information in non-network retail pharmacy section.)**
- **The least expensive solution when using other health insurance and TRICARE is to use a retail pharmacy that is in both TRICARE's and the other health insurer's network.**
  - **Otherwise the beneficiary would be subject to the TRICARE non-network deductible when filing a claim.**



# Other Health Insurance and TMOP

A beneficiary can't use the TRICARE Mail Order Pharmacy (TMOP) option if he/she has other health insurance (OHI) with a prescription benefit... **UNLESS:**

- **The beneficiary's other health insurance doesn't cover a particular medication, or**
- **The beneficiary reached the other plan's pharmacy benefit cap.**

**If the medication needed is not covered by the OHI,** the beneficiary submits the prescription, along with the OHI's explanation of benefits (showing that the medication is not covered or the pharmacy benefit plan is exhausted) to the TMOP contractor (Express Scripts).

- **If the drug is covered by the TMOP, Express Scripts will fill the prescription.**

**If a beneficiary reaches the OHI's benefit cap,** he/she submits a copy of the cap notice to Express Scripts with the prescription.

- **If the drug is covered by TMOP, Express Scripts will fill the prescription until the OHI pharmacy benefit is renewed.**



# Pharmacy Benefits for Dependent Parents and Parents-in-Law

Parents and parents-in-law may be eligible for the TRICARE pharmacy benefit if they meet the Uniformed Service's requirements to be considered a dependent of an active duty or retired uniformed services sponsor.

## Besides being meeting the criteria for being a dependent:

- Parents and parents-in-law must be enrolled in DEERS. If they are 65 years of age or older they must be enrolled in DEERS and entitled to Medicare Part A.
- If they turned 65 on or after April 1, 2001, must be enrolled in DEERS, entitled to Medicare Part A, and have purchased Medicare Part B.

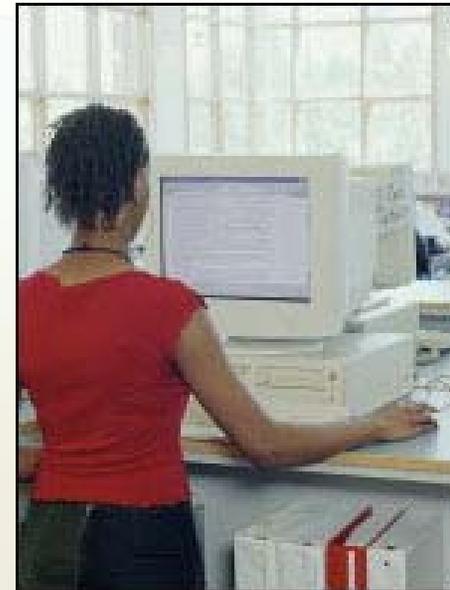
Eligible dependent parents and parents-in-law may obtain their prescription medications through any of the four pharmacy options.



# More Information

## More information can be obtained from:

- Pharmacy Web page: [www.tricare.mil/pharmacy/](http://www.tricare.mil/pharmacy/)
- Express Scripts, Inc.: [www.express-scripts.com](http://www.express-scripts.com)
  - For TMOP: (866) DOD-TMOP / (866) 363-8667
  - For Retail Pharmacy: (866) DOD-TRRX / (866) 363-8779



# Summary

**Congratulations, you've finished Pharmacy!**

**You should now be able to:**

- State the purpose of the TRICARE Pharmacy Benefits Program
- Explain features of the various pharmacy options
- Explain the pros and cons for each of the pharmacy options

