

The Co-operators Standard Drug Plan

The Co-operators Standard drug plan provides coverage for:

- > Most prescription drugs that require a prescription by law
- > Non-prescription life sustaining drugs, when prescribed (e.g. Nitro-glycerine)
- > Oral or injectable vitamin B12

The following drugs are not covered under the Standard drug plan:

- > Over-the-counter drugs (OTC)
- > Smoking cessation
- > Anti-obesity drugs
- > Sexual dysfunction drugs
- > Fertility drugs
- > Vaccines (travel, preventative)
- > Allergy serums/extracts
- > Vitamins, whether prescribed or purchased over-the-counter (with the exception of oral or injectable vitamin B12)

Finding the right balance between the health benefits of having access to drugs and the cost sustainability of the drug plan is key to the plan's overall success. The Co-operators Standard drug plan provides essential drug coverage, while helping plan sponsors contain costs with the following features:

- > **Mandatory Generic Substitution:** reimbursement of claims for drugs with an available generic equivalent is cut back to the equivalent of the lowest cost generic drug. If a plan member wishes to have the brand name drug dispensed, they are responsible for paying the difference in cost.
- > **Co-insurance:** the percentage of the prescription claim that the plan will cover. The plan member must pay the difference, making this an effective tool for cost sharing with plan members.
- > **Per Prescription Deductible:** flat amount the plan member must pay for each prescription they claim. The plan sponsor chooses the deductible from a number of options.
- > **Dispensing Fee Maximum:** maximum dispensing fee the plan will pay. Dispensing fees can vary significantly by pharmacy and this option encourages plan members to find a pharmacy that offers them the best value. The plan sponsor chooses the maximum from a number of options.
- > **Drug Maximum:** maximum dollar amount of drug claims payable by the plan per covered individual in a calendar year. The plan sponsor chooses the maximum from a number of options.
- > **Drug Pricing:** The Co-operators uses reasonable and customary drug pricing to reimburse drug claims. This is the maximum amount we will pay for the actual cost and retail mark-up of a drug. This standard ensures that plan members receive fair reimbursement for drug claims, while helping control costs to protect the plan and keep it affordable.