

BULLETIN NUMBER: 08-2019
TITLE: PRESCRIPTION DRUGS
DATE: OCTOBER 1, 2018

PURPOSE:

The purpose of this bulletin is to clarify what is covered in the schedule of benefits for Prescription Drugs (Pharmacy). Since the Healthcare Fund lacks a list of approved Formulary Drug listing, this bulletin also facilitates clarification to coverage criterion for prescription medications under NHI for off-island referral and local inpatient care.

BACKGROUND:

HCF regulation relating to MOH operations as adopted on February 17, 2011 states that the Medical Referral Committee approves direct admission costs for drugs and biological for off-island referral. Within broad and general guidelines to prescription medication coverage, Health care Fund had flexibility to limit the amount, duration, and scope of prescription drug coverage under the National Health Insurance. However, HCF's ability to restrict or impose limitation on prescription drug coverage is not unbridled. When HCF regulations were revised and adopted on October 2017, it was listed in the schedule of benefits that prescription drugs such as formulary generic, formulary brand name, non-formulary and specialty drugs are not covered both in Palau and Off-island referral, however, may be covered if sufficient in amount, duration, or scope to an eligible member because of diagnosis, type of illness or condition.

INTERPRETATION**OFF-ISLAND REFERRAL**

- Prescription Drugs are not covered EXCEPT for a list of drugs that are involved in Catastrophic Care and are deemed medically necessary.
- Limited supply of Drugs & Pharmaceuticals consumed while inpatient is covered under the Plan.
- Prescription drugs are covered up to a consecutive 30 day supplies, excluding Specialty Medications at retail participating pharmacies unless approved by Plan Administrator.
- Maintenance Drugs is not covered under the Plan, but is payable under MSA.
- Chemo related Drugs & other Specialty Drugs requires prior authorization (PA) and maybe covered under the Plan up to 90 days supplies upon approval of Plan Administrator. Providers will be notified that prior to prescribing chemo related drugs and/or specialty drugs they must show the medically necessity of the drug and the effectiveness to prolong or improve one's life. Pre authorization is required for any

Chemo related drugs and other Specialty Drugs. Approval of chemo related drugs and other specialty medication may be approved depending on treatment responder and prognosis.

- In the event the member insist on more expensive “brand name” drugs where a “generic” drug would have been dispensed, the member will be financially responsible for the amount by which the cost of the brand name drug exceeds the cost of the “generic” drug.

Prescription Drugs Excluded from the Plan:

- Fertility Drugs, Drugs for cosmetic purpose, Drugs for symptomatic relief cough and cold, Drugs used to promote smoking cessation, Prescription Vitamins and Minerals, Non prescription drugs, Barbiturates, Benzodiazepines, Drugs for weight loss. The list may be revised and adjusted by the Governing Committee as part of an overall review and adjustment of coverage limitation under the Plan.

LOCAL INPATIENT

- For Prescription Medication while admitted at Belau National Hospital are as follows:

CPT Code	Amt	CPT Code	Amt
A	\$ 5	E	\$ 47.60
B	\$ 5	F	\$ 1
C	\$ 5	G	\$ 17.95
D	\$ 6	H	\$ 11.90