



Supplemental Discount Program Fact Sheet

OVERVIEW

Often, when a medication is not covered under a plan's benefit, the member has no other option than to pay full-price at the pharmacy. Not only can this be expensive, but, when the member pays 100% out-of-pocket, the prescription usually does not go through full clinical safety checks. The Supplemental Discount Program (SDP) helps alleviate both of these issues. It gives members access to discounts for medicine excluded under the benefit, while ensuring these not covered prescriptions go through the same health and safety checks as any other medicine filled through your plan benefit.

- SDP is a value-added service that we offer to clients with no enrollment or membership fees.
- It provides seamless access to medicine excluded from the benefit, usually at a discounted rate.
- Members pay 100% of the medicine's cost. Any amount paid does not apply toward plan deductibles or maximums.
- The program has both participating retail and the Express Scripts PharmacySM options.
- We retain visibility to claims that would otherwise reject, making it possible to perform more complete health and safety checks.
- The program excludes rejects for non-formulary medicines or products within utilization management programs so that it does not circumvent plan designs.
- These claims process separately from the prescription plan, so they do not have any impact on drug trend or financials. They are excluded from client rebates, guarantees, and reporting.

DRUG & CLAIM TYPES

- SDP offers a wide range of federal legend drugs. The most commonly processed medicines are vitamins, gastrointestinal medicines, antihistamines, lifestyle drugs, and electrolyte/caloric/H₂O products. Many are over-the-counter products.
- OTCs are eligible at participating retail pharmacies. Select OTCs are available at home delivery — based on a list of OTCs that the ESI Pharmacy stocks at home delivery.

Program exclusions include:

- Compounds, vaccines, controlled substances, specialty products, any drugs with plan coverage limitations, certain unit dose packaging, and certain clinical exclusions.
- Direct claims are excluded from SDP.
- Claims with other payers in their claim response (COB) are excluded from SDP.

ELIGIBLE CLIENT TYPES

- SDP **can be offered** to Commercial, Exchange plans, Retiree Drug Subsidy (RDS) and Health plans unless part of the following excluded groups.
- SDP **cannot be offered** to the following client types: Medicare (including EGWP, MAPD, PDP, and Med Advantage) Medicaid, Externally Adjudicated clients, Workers' Compensation plans or any plans affiliated with the DOD.

THE MEMBER EXPERIENCE

The program starts when the member presents a valid prescription to the pharmacy under their plan, just like they do today. If the Rx is excluded under the plan, the client's enrolled in SDP, and the drug's SDP eligible — the claim does not reject under the plan, minimizing disruption, but instead pays under SDP. All SDP claims go through the same health and safety checks as any other medicine under the plan.

AT RETAIL

- The member benefits from discounted rates at pharmacies who participate in ESI's cash network.
- The member pays the lesser of a discounted cash OR 100% of the Usual & Customary/submitted rate by the retailer.
- SDP-specific messaging goes with every paid claim to the retailer to let them know how the medicine paid (at an ESI discounted rate OR at the pharmacy's U&C) and that any amount paid will not apply toward plan accumulators.

AT THE EXPRESS SCRIPTS PHARMACY

- Depending on the medicine's cost and the member's payment profile, the pharmacy may first contact the member and secure payment before processing their order. Medicines under specified dollar amounts are automatically dispensed under the program.
- Every order is shipped directly to the member with messaging on the Invoice to let members know their plan didn't cover the medicine, our pharmacy filled it at a discounted price, and its cost won't apply toward their plan's deductibles or maximums. Members can call Customer Service with any questions.

Messaging on the home delivery invoice:

- Rx level: Your plan didn't cover <Drug Name>. Our pharmacy filled it and charged you a discounted price. Its cost won't apply toward your plan's deductible or maximums.
- Order level: The Express Script Pharmacy offers discounts on products your plan doesn't cover to help make them more affordable. This is separate from your prescription plan.

