

## **Iowa Bankers Benefit Plan (IBBP) Changes Effective January 1, 2010**

### **Prescription Drugs:**

In an attempt to manage our prescription drug expenses that increased over 11 % from last year and to incent members to use generic prescriptions when available, the IBBP has added a prescription drug deductible.

Beginning January 1, 2010, members will pay a \$100 prescription drug deductible for single coverage and a \$200 prescription drug deductible for employee/child, employee/spouse and family coverage. Any combination of family members can meet the \$200 deductible, however, one family member will not have to meet any more than the single deductible.

The deductible applies toward the Tier 2 (\$25 co-pay), Tier 3 (\$40 co-pay) and Tier 4 Specialty Drug (\$85 co-pay). Generic prescriptions are not subject to the deductible.

**REMEMBER:** A member could have additional liability if they purchase a brand name drug when a generic drug is available. In that case the member will pay the difference between the brand name drug cost and the generic cost in addition to the deductible and co-pay.

This provision does not apply to the \$2000 HDHP/HSA qualified plan.

#### **Example #1:**

A member goes to pharmacy and purchases a generic drug. The member will be responsible for the generic copayment level of \$10. The deductible is waived for all generic drugs.

#### **Example #2:**

A member goes to pharmacy and purchases a Tier 2 brand name drug (\$25 co-pay). The charge is \$160 and the Wellmark discounted allowance is \$120 for that drug. The member will be responsible for the \$100 deductible and then the appropriate copayment will be applied. In this situation the member will have \$100 deductible + \$20 copayment (not \$25 because the allowance is only \$120).

The next time the member goes to pick up this same prescription the deductible is now met so they would pay the \$25 copayment.

#### **Example #3:**

A member goes to the pharmacy and purchases a specialty drug that costs \$1,000 with an allowance of \$785. Specialty drugs are subject to the deductible as well so the deductible would first apply and then the member would be responsible for the \$85 copayment. Member responsibility would be \$100 deductible + \$85 copayment = \$185.

The next time the member goes to pick up this same prescription the deductible is now met so they would pay the \$85 specialty copayment.

### **Domenici and Wellstone Mental Health Parity and Addiction Equity Act:**

Effective January 1, 2010 this Federal Act removes any limitations such as separate deductibles, co-pays, coinsurance and out-of-pocket limits for mental health and addiction services. These services will now be payable the same as other major medical expenses covered under the IBBP.

### **Michelle's Law**

Effective January 1, 2010, this Federal Law is designed to protect full time students who develop a serious illness while at school and can no longer continue their full time student status due to their illness.

A dependent child must be unmarried and must be one of the following:

- Under age 25.
- A full-time student under age 25 enrolled in an accredited educational institution. Fulltime student status continues during:
  - Regularly scheduled school vacations; and
  - Medically necessary leaves of absence for up to one year from the first day of leave or until coverage would have otherwise ended.
- Totally and permanently disabled, physically or mentally. The disability must have existed before the child turned age 25, or while the child was a full-time student. In addition, the child must have had creditable coverage without a break of 63 days or more since turning age 25 or since becoming a fulltime student.

The 2010 summary plan descriptions will be updated with these new provisions.