

What is private health insurance?

This is health insurance sold directly to consumers or to employers/groups and can be:

- + Offered through your or a family member's work, or
- + Bought on a state-run exchange or at [HealthCare.gov](https://www.healthcare.gov) through the Patient Protection and Affordable Care Act (also known as Obamacare), or
- + Bought by individuals on their own

Some examples of private health insurance companies are:

- Aetna™
- Anthem®
- Blue Cross Blue Shield®
- Cigna®
- Humana®
- Kaiser Permanente®
- UnitedHealthcare®

What is public health insurance?

This type of health insurance is paid for and run by a federal or state agency:

Medicare is for people ages 65 or older, and for certain younger people with disabilities.

It has multiple parts:



helps pay for **inpatient care** in a hospital or skilled nursing facility (after a hospital stay)



helps pay for **outpatient services** from doctors and other healthcare providers



also known as **Medicare Advantage**, is offered by private insurance companies and approved by Medicare



helps pay for **prescription medicines**

Medicaid and the **Children's Health Insurance Program (CHIP)** are designed for low-income families and individuals.

TRICARE® is a government healthcare program for active duty service members, retirees, and their families.

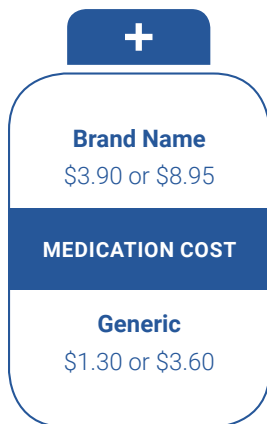
Other considerations:

Patients with Medicare who have limited income and assets may qualify for **Extra Help** with the costs of their prescription drugs. This program is also known as LIS, or the Part D Low-Income Subsidy.

Patients receive partial or full Extra Help based on eligibility:

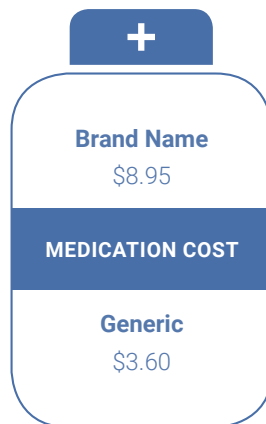
Full Extra Help

No monthly premium or deductible



Partial Extra Help

Sliding scale premium and an annual deductible of \$85



Visit [Medicare.gov](https://www.medicare.gov) to learn more or call **1-800-MEDICARE** (1-800-633-4227).

What if I have no health insurance?

Without health insurance, patients pay out of pocket for their medical services and prescriptions. Some manufacturers (including Allergan) may offer assistance to those who are unable to afford their medications.

Visit [allergan.com/responsibility](https://www.allergan.com/responsibility) and select Patient Resources to learn more.

Commonly used health insurance terms:

premium

The monthly cost for your insurance policy. For those with insurance offered through work, this is the cost deducted from your/your family member's paycheck.

deductible

The amount you have to pay out of pocket before your insurance plan starts paying for your medical expenses. Once you pay the full deductible, your plan will cover all or a percentage of the rest of your healthcare costs that year. The deductible may be a lump sum that includes doctor visits and prescriptions, or there may be separate deductibles for each.

copay

The portion you pay for medical services or prescriptions. A copay is usually a flat fee; for example, \$20 for each doctor visit.

coinsurance

Your share of the cost for a covered healthcare service. For example, if an office visit costs \$200 and you've met your healthcare plan's deductible, you would pay \$40 if you have 20% coinsurance.

supplemental insurance

This is extra insurance that can be purchased to help pay for services and out-of-pocket expenses that regular insurance does not cover. Some supplemental insurance plans will pay for out-of-pocket medical expenses, including prescription copays.

open enrollment

The period of time each year when you can sign up for health insurance. Medicare open enrollment runs October 15 to December 7 each year. Enrollment for plans run by state exchanges or at [HealthCare.gov](https://www.healthcare.gov) starts November 1 and ends December 15. Open enrollment for health plans you get through work is set by your employer and can happen at any time of the year.

Does my health plan cover my prescriptions?

While your insurance plan may offer prescription drug benefits, this coverage may be handled through a Pharmacy Benefit Manager, commonly referred to as a PBM. **This is a separate company that helps manage prescription drug benefits for health plans and employers.** That's why you may have 2 different insurance cards.

Medical Coverage

Name: Sam Jones
ID # 012345678



Prescription Coverage

ID: 0123456789
Name: Sam Jones
RxBin: 12345
PCN: CARD1
GROUP: PLAN01



Can a prescription copay card help lower my costs?

Many drug manufacturers offer savings through copay cards. These programs are typically for branded drugs, and can significantly lower the out-of-pocket costs of prescriptions for eligible patients with private insurance.

Ask your healthcare provider if the brand being prescribed offers a savings card, or visit that product's website.

explanation of benefits (EOB)

The EOB provides details about a medical insurance claim and explains what portion is covered by the plan and paid to the healthcare provider and what portion, if any, is the patient's responsibility.

place (or site) of service

Codes placed on healthcare professional claims to indicate where a service was provided (eg, hospital, clinic, doctor's office).

prior authorization (PA)

A request submitted by your doctor to your health plan to support your need for a specific prescription medicine. There are several reasons a medication may require a PA. The most common is that your plan requires the use of a generic alternative unless your doctor completes a PA request. If your doctor has not filled out a PA request, you will most likely find out at your pharmacy when you go to pick up the prescription.

step edit (or therapy)

Prescription plans put step edits in place so that their members try less expensive options before "stepping up" to drugs that cost more. For example, a plan may require you purchase an over-the-counter treatment, if available, or a generic product before agreeing to cover a branded prescription option.

benefits investigation (BI)

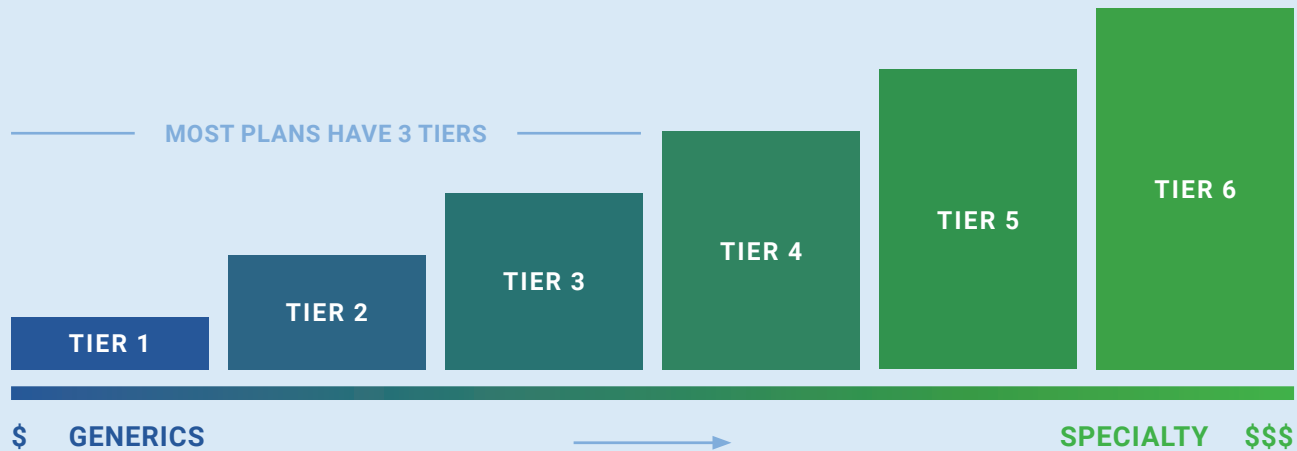
One of the first steps in a process to find out what your expected medical or prescription drug coverage benefits look like. This likely includes what your out-of-pocket costs will be and whether or not you will need a prior authorization.



formulary

A list of prescription drugs, generic and brand name, that have been approved for coverage by a plan.

The out-of-pocket or copay costs for prescriptions on formulary can vary depending on what “tier” the plan has put them in. Prescriptions in **tier 1** cost the least and have the lowest copay. These medicines are usually generic products. Typically, the higher the tier, the higher the copay.



Are there different ways to fill my prescription?

Yes. How you fill your prescription often depends on the type of medicine you need or the agreements in place between your insurance company and the makers of your medicine. Here are some common ways to fill your prescription:



At a Retail Pharmacy

Your healthcare provider may write your prescription on a form you bring to your local pharmacy, or send it to them electronically. Either way, you pick up your medicine at the pharmacy when it's ready.



From a Specialty Pharmacy (SPP)

SPPs often focus on more complex treatments. These may include medicines that are injected or infused through an IV or require special counseling, shipping, and handling. Some are shipped directly to a physician.



From a Mail Order (MO) Pharmacy

Some health plans prefer patients get their prescriptions filled by mail. Your doctor may send your prescription electronically, or you can mail your prescription form to them. Your medicine is then shipped directly to you.



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