

To provide the best possible discounts on medications to employer groups, Blue Cross and Blue Shield of North Dakota (BCBSND) receives discounts, or rebates, from some drug manufacturers for certain medications. These rebates are passed to employer groups to help them afford the cost of prescription medications for their employees.

Now, a portion of these rebates will be passed directly to the member to offset their prescription drug out-of-pocket expense.

1. How does this program work?

BCBSND has set up a Member Rebate Account (MRA) in the member's name. Accounts are set up at the member level. For every eligible brand prescription medication a member purchases at the point-of-sale (electronic claim), they will receive an appropriate portion of the manufacturer rebate associated with that particular medication into their MRA. Please note this program does not apply to COB or paper claims.

2. How is the NDPERS member's portion of the rebate calculated?

Cost share may vary from plan to plan. The member's portion of the rebate is based on a percentage of out-of-pocket expenses, less any copayments. Keep in mind, not all prescription drugs are eligible for rebates, and rebates can vary from quarter to quarter.

3. When will these rebate amounts be available?

Due to invoicing and payment cycles, it takes 12 to 15 months for rebate dollars to be returned from the drug manufacturers. Because of this, the member's portion of the rebate dollars will not be available to them immediately. Once BCBSND receives the rebate dollars from the manufacturers, they will calculate the member's portion and transfer it into their specific MRA on a quarterly basis. The member's MRA dollars will be available to them beginning October 1, 2006 and will include rebate payments for all rebate-eligible medications they filled in 3Q 2005.

4. How will the NDPERS member be able to use the MRA dollars?

A member's out-of-pocket expense will automatically be reduced by the amount available in their MRA at the time of purchase at the pharmacy. Members will not receive rebate checks in the mail.

5. How can the NDPERS member check to see the balance of his/her MRA?

The member can check their MRA balance at any time by calling the Member Services number located on the back of their BCBSND identification card.

6. Will my pharmacist be able to give me the balance of my MRA?

No, the pharmacist will not be able to give the member their balance. If the member has any questions about the MRA program, they should call the Member Services number located on the back of their BCBSND identification card.

7. How often will my account be updated?

The member's MRA will be updated quarterly. However, claims that utilize MRA dollars will reduce the MRA balance on a real-time basis.

8. Will I receive a rebate for all drugs I receive?

No, only certain brand-name drugs on the BCBSND formulary are eligible for a rebate. As always, generic drugs are the most cost effective alternative. The member should work with their doctor to determine what is the most appropriate medication for them.

9. Who decides what drugs are eligible for a rebate?

Prime Therapeutics contracts with Pharmaceutical Manufacturers on behalf of BCBSND based on drugs on the BCBSND drug Formulary.

10. How do I as an NDPERS member determine how much of a rebate I receive for each drug?

Unfortunately, that information is not available since rebates can vary from quarter to quarter.

11. What if I switch employers or discontinue coverage, do I forfeit the dollars in my MRA?

MRA dollars will continue to apply as long as they remain a covered BCBSND member.

12. Why is BCBSND passing these savings on to me?

BCBSND is passing these savings on to the member because they are responsible for paying a portion of the prescription and should benefit from the rebates BCBSND receives from drug manufacturers.

13. Why hasn't BCBSND passed these savings on to me prior to 7/1/05?

Prior to this date, all rebates were used to help BCBSND and NDPERS reduce premiums.

14. Will the rebate amount I received be on the cash register receipt from the pharmacy?

The rebate amount will not be itemized on the receipt.

15. If I am terminating my coverage with BCBSND, can you issue me a check for the rebate dollars in my account?

No, if a member terminates coverage, any MRA balance is returned to BCBSND or NDPERS to help reduce premiums.

16. Can I apply my balance to the drug of my choice?

No, the amount in the member's MRA will automatically be deducted from the next medication that is purchased.

17. Why would my out-of-pocket expense go down one month and up again the next?

If all of the dollars in the MRA are used, the next claim that is processed will apply the normal cost share.

18. Do I have to use my MRA dollars within a certain time?

No, as long as the member has coverage through BCBSND, MRA dollars will continue to apply.

19. If I don't use all of my MRA dollars by the end of the year, will I lose it?

No, the member does not need to use their MRA dollars by the end of the year. As long as they remain a BCBSND member, their MRA dollars will be used.

20. Is there a max amount that I can earn in my MRA, or that I can use on a claim?

No, there is not a maximum amount of dollars that the member can accrue in their MRA.

21. What will BCBSND do with forfeited funds?

Forfeited funds will be returned to BCBSND and NDPERS to help reduce premiums.

22. Can I use my MRA dollars at any pharmacy?

Yes, as long as the member uses a participating pharmacy, available MRA dollars will be used.