



June 17, 2024

Information About Kaiser Permanente’s HMO Drug Formulary

The Kaiser Permanente HMO Drug Formulary is updated bimonthly in February, April, June, August, October, and December. A newsletter, *Formulary Update*, is distributed bimonthly to highlight recent formulary changes. The newsletter and updated Formulary are placed on the affiliated community network provider website at: <http://providers.kp.org> under Provider Resources/Pharmacy. The drugs in the formulary are grouped into categories related to the medical condition being treated; an index is provided. Generic drug names are listed in lower case letters and brand drug names are listed in capital letters.

The Kaiser Permanente HMO drug formulary is a formulary of preferred drugs and is aligned with the member’s pharmacy benefits. Some plans have a two tier closed formulary benefit and some plans have a three tier open formulary benefit. For the two tier closed formulary benefit, only drugs listed in the formulary are available to the member for their copay. These tiers are called preferred generic and preferred brand. Benefits vary by plan and members can contact Member Services for specifics regarding their drug benefit and copay information. The copays for the HMO formularies are listed below based on the tiers:

Copay Range for KPGA HMO Formularies

	Two Tier Closed HMO Formulary		Three Tier Open HMO Formulary	
	KP Owned and Operated Pharmacies	Network Pharmacies	KP Owned and Operated Pharmacies	Network Pharmacies
Preferred Generic	\$5-\$35	\$11-\$45	\$5 to \$25	\$8 to \$30
Preferred Brand	\$10 to \$70	\$15 to \$80	\$15 to \$60	\$30 to \$70
Non-Preferred	N/A	N/A	\$30 to \$115	\$40 to \$115

Note: A coinsurance of up to 50% may be applied to specialty medications for some plans.

As drugs become available in generic form, the pharmacy can change from a brand to a generic if it is considered AB rated by the FDA. Generally, if a drug is available as a generic, the generic is on the formulary and the brand is not. Therapeutic interchange and step-therapy protocol are not employed for the Two Tier Closed HMO Formulary.

There may be rare occasions when non-formulary drugs are medically necessary to provide the best care for our members. A non-formulary drug is considered for coverage under the two tier closed formulary drug benefit if the member meets one of three criteria:

1. Allergic to formulary alternatives,
2. Intolerant to formulary alternatives, or
3. Failed treatment on formulary alternatives.

When prescribing, if you wish to request benefit coverage for a non-formulary (NF) medication, the physician can complete the *Non-Formulary* form with the appropriate reason for its use and fax to 404-467-2731 or call the Pharmacy Consult Service at 404-365-4159 Monday through Friday from 8:30 am to 5:30 pm to justify why over-the-counter or formulary drug(s) cannot be used. The non-formulary form is located on the affiliated community network provider website at: <http://providers.kp.org/ga> under Provider Resources/Forms. A pharmacist at the Pharmacy Consult Service will review the NF request and discuss why formulary alternatives cannot be used. If the benefit coverage is authorized during a call or based on the information submitted, the pharmacist will enter a benefit exception in the pharmacy

benefit manager (PBM). A listing of non-formulary drugs and alternatives is located online at <http://providers.kp.org> under Provider Resources/Pharmacy and is updated bi-monthly.

Some covered drugs may have requirements or limits on coverage. The requirements and limits may include:

- **Quantity Limits (QL):** For certain drugs, the P&T Committee may make recommendations to limit the quantity of medication dispensed per co-pay. Examples include drugs with significant potential for diversion or drugs with significant potential for waste due to special storage requirements, frequent changes in therapy, dose, or regimen, high potential for discontinuation or high cost of unused medication. Patients have the option to pay retail price for quantities that exceed the quantity limit. In the event of a drug shortage, a quantity limit may be imposed temporarily until the shortage resolves without awaiting P&T approval.
- **Age Restriction (Age):** For certain drugs, Kaiser Permanente limits coverage based on a designated age.
- **Criteria Restricted Medication:** For certain drugs, Kaiser Permanente requires review and authorization prior to dispensing. Criteria restricted medications continue to require review by our Quality Resource Management (QRM) department. Providers must call 404-364-7320 (Option 3) to initiate the QRM review for all QRM medications. The criteria restricted medication list is available online at <http://providers.kp.org> under the Provider Resources/Pharmacy and is updated bi-monthly.
- **Step Therapy (ST):** For the Three Tier Open HMO Formulary, drugs may be designated as step therapy required when they have criteria for approval which encourages use of safe and cost effective first line medications prior to second or third line medication options. A complete listing of drugs that require step therapy and alternatives is located online at <http://providers.kp.org> under Provider Resources/Pharmacy and is updated bi-monthly.
 - When prescribing, if you wish to request benefit coverage for a medication requiring step therapy, the physician can complete the *Non-Formulary* form with the appropriate reason for its use and fax to 404-467-2731 or call the Pharmacy Consult Service at 404-365-4159 Monday through Friday from 8:30 am to 5:30 pm to justify why over-the-counter or formulary drug(s) cannot be used. The non-formulary form is located on the network provider website at: <http://providers.kp.org/ga> under Provider Resources/Forms.

To request a change in formulary status of a drug (e.g., addition, deletion, restriction), the physician must complete the *Application Form for Addition of New Drug to the Formulary*. This form is located on the network provider website at: <http://providers.kp.org/ga> under Provider Resources/Forms. Practitioners requesting change in formulary status of a drug will also be asked to complete a Conflict of Interest disclosure form before the Pharmacy and Therapeutics Committee will consider the request.

To request a hard copy of the formulary and/or the *Non-Formulary Drug Prescription* form, or to request a change in formulary status of a drug (e.g., addition, deletion), please send your request via email to KPGA-DrugInformation@kp.org or via fax to 1-855-526-3294. Please contact Carole Gardner, MD, AGSF, Physician Program Director, Pharmacy and Therapeutics/Medication Safety, at carole.gardner@kp.org if you have any questions about our formulary process.