



How Anthem Chooses Drugs for the Drug List (Formulary)

Why doesn't Anthem cover all the drugs approved by the FDA?

The FDA (Food and Drug Administration) decides if drugs can go on the market.

The FDA:

- makes sure a drug does what it is supposed to do and is safe.
- approves each drug for a specific use.

But the FDA does not compare drugs to find out which drug is best for a specific health condition. That's why Anthem is always reviewing the latest research.

Why does Anthem have a drug list (formulary)?

For most health problems there are several drug options. Anthem's goal is to provide benefits for the best drug options for each health issue. The list of covered drugs is called a formulary. Using drugs that work well at a good price makes wise use of everyone's health care dollars.

Why does my drug coverage change?

Anthem changes the drug list (formulary) to keep it up-to-date. New brand-name and generic drugs come on the market all the time. After the drugs are on the market, researchers look at how well they work in everyday situations. This means that we are learning more each day about which drugs work best.

Who decides which drugs are on the drug list (formulary)?

The Pharmacy and Therapeutics (P&T) Committee decides which drugs are on the drug list (formulary).

- This committee includes an independent group of 30 doctors, pharmacists and specialists.
- These clinicians are not employees of Anthem. They give unbiased opinions about the benefits and risks of the drugs.

How does Anthem use medical research?

Anthem gathers up all the medical research findings about a specific drug or group of drugs (drug class). The findings come from researchers around the world.

- Effectiveness research looks at how well each drug works.
- Safety research looks at the side effects of the drug and if there is a chance of serious problems (risks).
- Some medical research compares different drugs for the same condition. It compares how well the drugs work and their side effects. This research may find that some drugs work better than other drugs. Or, this research may find that many drugs work well to treat the same health condition.
- This research is published in medical journals (like the *New England Journal of Medicine*). We regularly search these journals to keep up-to-date.
- Anthem also looks at the details about how each research study was done. We check to see that the researchers used careful methods and good science.
- We write a report about the research and how well it was done. This medical research report is the most important information we bring to the P&T Committee.

See the chart on the next page for details about how the P&T Committee makes changes to the drug list (formulary).

Anthem starts with an independent review of the research.

This chart shows how Anthem's P&T Committee chooses drugs for the drug list (formulary).

Step 1 Clinical Review And Rating

In this step, the committee members discuss the medical research report and information from the FDA. They:

Look at the research on drugs, including:

- How well each drug works for a specific condition (effectiveness research)
- The chance of side effects or serious risks with each drug (safety research)
- How different drugs compare for the same condition
- How well each drug helps people do everyday tasks at home and at work

Look at the FDA information on drugs, including:

- The ages and health conditions approved for each drug
- The doses (strengths) and dose forms (capsules, tablets or liquids) for each drug

Hear from specialist doctors and experts.

Look at data from Anthem, including:

- The kind of prescriptions doctors write for plan members with a specific condition
- How many members use each drug for that condition

Rate the drugs, including:

- Weighing all the information to come up with the ratings. The committee members who rate the drugs are not Anthem employees.

Step 2 Amount Of Use & Cost Review

In this step, the committee members start with the drug ratings from Step 1. Then they look at the use and cost of the best-rated drugs for that condition. They:

- Check which of the best-rated drugs are prescribed most often.
- Look at costs to members and the health plan. They look at differences in costs only after they know the drug's rating.

Step 3 Set Drug Coverage Level

In this step, the committee members discuss all the information from Steps 1 and 2. Then they decide on the drug coverage level.

LOWER COST TO YOU	MODERATE COST TO YOU	HIGHER COST TO YOU
Drugs that work well and have lower cost	Drugs that work well and have moderate cost	Drugs that work the same as other drugs but have higher cost
Most generics and some brands	Preferred brands and some generics	Drugs that don't work as well as other drugs
		Drugs that work well but have very high cost (highly specialized drugs)

Where Can I Get More Information?

Medical research

Effective Health Care Program
This website is from the U.S. Agency for Healthcare Research and Quality. It has short guides that compare treatments.

Health issues and treatments

WebMD

WebMD is a private company that provides health information. Anthem works with WebMD to provide information on health topics.

Health Finder

Health Finder is run by the U.S. Department of Health and Human Services. It is an online health library that looks at treatments for hundreds of different health conditions.

Medline Plus

Medline Plus brings together up-to-date information from government health care programs and health research. This site is run by the National Library of Medicine. It gives you access to Medline, which has publications and summaries from all major medical journals published in English.

