

# Ancillary Charge Program



## Guiding members to lower-cost generic medication options while providing choice and access

UnitedHealthcare has developed a program for members that maintains access to medications while providing choice. The Ancillary Charge Program encourages members who take higher-cost brand-name medications to switch to lower-cost generic equivalents. This flexibility empowers members to choose their medications and ultimately lowers overall health care services costs.

### A cost reduction strategy for you and your employees

The program encourages members to lower their out-of-pocket expenses and become more engaged in their pharmacy decisions. Your members may still choose covered brand-name or higher-cost medications. But they must pay the difference between the brand-name drug and the generic option, plus their copayment or coinsurance.

Ancillary charges are calculated based on the difference between the medications' costs. In the example below, the difference in cost between the brand (higher-tier) and the generic (lower-tier) medication is \$165 (\$200 - \$35). If a member chooses the brand, they will pay the difference between the cost of the medications, plus their lower-tier copayment or coinsurance. In this example, the member would pay \$175 (\$165 + \$10).

	Ancillary charge example	
Brand medication		Generic equivalent
\$200	Cost of medication	\$35
\$10 <small>(Tier 1)</small>	Copayment / coinsurance	\$10 <small>(Tier 1)</small>
\$165	Ancillary charge	\$0
\$175	Member pays	\$10