



Your
Prescription-
Drug
Benefit
Program
For Annual
Employees And
Retirees In
The PPO
Medical Plan



Effective September 1, 2000



Your prescription-drug benefit program is administered by Merck-Medco Managed Care, L.L.C. and is available to annual employees and retirees (and their eligible dependents) covered under the Preferred Provider Organization Medical Plan. This program is not available to employees and retirees covered under health-maintenance organizations or the Medicare supplement plan.



**Merck-Medco
Managed Care, L.L.C.**

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Mail-Service Pharmacy Program

through Merck-Medco Rx Services

MMRx[®] Merck-Medco
Rx Services

When to use mail service

For prescriptions you use on an ongoing basis — for example, medication to reduce blood pressure

Supply of medication

Up to a 90-day supply for each prescription/refill

Your copayment for each supply of medication

The current copayment amounts are shown in the letter accompanying this brochure. Keep this and future letters for your reference.

Ordering new prescriptions

The first time you are prescribed a medication to be used on an ongoing basis, ask your doctor for two prescriptions. The first is up to a 30-day supply to be filled at a participating retail pharmacy. The second is for the balance, up to a 90-day supply, to be filled through the mail-service pharmacy.

By fax from your doctor

Give your member ID number to your doctor, and have your doctor call **1-888-EASYRX1 (1-888-327-9791)** to obtain fax instructions.

By mail

Mail your prescription and required copayment along with an order form in the envelope provided to: Merck-Medco Rx Services
PO Box 650322
Dallas TX 75265-9946

Refills

On the Internet

www.merckmedco.com

By phone

Call **1-800-4REFILL (1-800-473-3455)**

Have your member ID, prescription numbers and credit card ready.

By mail

Use the refill forms and order form provided when you receive your medication.



Retail Pharmacy Program



through PAID Prescriptions, L.L.C.

When to use a retail pharmacy

When you need a prescription on a short-term basis or when you fill the first prescription of a long-term maintenance medication. See page 16 for information on participating pharmacies.

Supply of medication

Up to a 30-day supply for each prescription/refill

Your copayment for each supply of medication

The current copayment amounts are shown in the letter accompanying this brochure. Keep this and future letters for your reference.

Ordering new prescriptions

At participating pharmacies

Show your prescription-drug identification card to the pharmacist each time you order a new prescription or refill. Pay the required copayment when you pick up your medication.

At non-participating pharmacies

Pay in full when you receive your medication and submit a claim form to Merck-Medco. You will be reimbursed the amount that would have been charged by a participating pharmacy, less the required copayment.

Refills

Have your member ID and prescription numbers ready when you order refills from the pharmacy.

At participating pharmacies, pay the required copayment when you receive your medication. At non-participating pharmacies, follow the steps for Ordering New Prescriptions.



Other Plan Features

Drug Utilization Review As a safety measure, all medication will be reviewed for any type of interaction at the time of filling. Some medications are recommended for limited duration and therefore may be contraindicated for long-term use. Others may have interactions with other medications. This review will ensure safety and appropriate use of medication. The drug-utilization review is especially important if you or your covered dependents take many different medications or see more than one doctor. This provides a supportive service to both you and your physician for potential problems.

Education and Safety Information is included with every new prescription ordered through the mail-service pharmacy. Information also is available online at www.merckmedco.com.

Health Management Some programs may be offered to assist you with your health needs by providing educational materials or other voluntary programs to support your doctor's care.

Managed Rx Coverage™ Your prescription-drug program provides coverage for some drugs only if they are prescribed for certain uses, durations or quantities. For this reason, some drugs must receive authorization before they can be covered under your benefit plan. See page 11 for more information on Managed Rx Coverage.

Generic Drugs Ask your doctor to prescribe generic drugs whenever possible. This will help us provide the highest-quality medication and program benefits while keeping costs down. We will remind your doctor when a generic equivalent is available for brand-name drugs.

Preferred Prescriptions® Formulary This is a program to help control the cost of care by asking your doctor to prescribe from a list of preferred medications. These were selected for their clinical effectiveness and opportunities to help contain the plan's costs. The list of commonly prescribed preferred medications is included in this package and also is available online at www.merckmedco.com.

Prior Authorization Your prescription program provides coverage for some drugs only if they are prescribed for certain uses. For this reason, some drugs must receive prior authorization before they can be covered under your benefit plan. See page 11 for more information on prior authorization.

Quantity Limits The plan specifies coverage limits for some drugs based on usual duration of use. If your physician prescribes quantities in excess of those approved limits, you may purchase additional quantities, but you will pay the full cost.

General Provisions

The eligibility for coverage under this prescription-drug program is the same as that for preferred provider (PPO) medical-plan options. You and your covered dependents are eligible for the benefits under this program if you are covered under one of the PPO medical-plan options. You are not eligible for this program if you are covered under a health-maintenance organization or the Medicare supplement plan available to TVA retirees.

The official plan document can be reviewed by all members of the plan. This document is available in the Employee Benefits office in Knoxville during normal business hours. You may obtain a copy of this document by submitting a written request to Employee Benefits, ET 8C-K. A reasonable charge may be made for all copies provided.

Covered employees and retirees who believe they have not received the appropriate benefits under this plan may submit written appeals for consideration by the health-care committees, consisting of represented and management employees, responsible for the oversight of the medical plan. If a covered employee or retiree believes a benefit claim has not been properly paid or was improperly denied by Merck-Medco, he or she should contact TVA's Employee Service Center at 1-888-275-8094 (1-800-848-0298 TDD/TTY-TN Relay Service) for information on the appeals process.

The Mail-Service Pharmacy: for your ongoing prescription-drug needs

Use the mail-service pharmacy if you're taking medication to treat any ongoing health condition, such as high blood pressure, asthma, or diabetes.

With the mail-service pharmacy:

- Merck-Medco Rx Services fills every prescription following strict quality and safety controls.
- Licensed, registered, highly trained professionals staff our pharmacies.
- You can order your refills directly over the Internet or phone in your order toll-free.
- Consultations with a registered pharmacist are available around the clock.
- EasyRxSM makes ordering new or refill prescriptions simpler. Just follow the steps below.

EasyRxSM—the simple way to use your mail-service pharmacy

1 Ordering new prescriptions

Ask your doctor to prescribe your medication for up to the number of days your Plan allows (summarized in the front of this brochure), plus refills, if appropriate. Mail your prescription and required copayment along with an order form in the envelope provided or ask your doctor to call 1-888-EASYRX1 (1-888-327-9791) for instructions on how to fax the prescription. You will need to give your doctor your member ID number.

2 Refilling your medication

A few simple precautions will help ensure you don't run out of your prescription. Remember to reorder on or after the refill date indicated on the refill slip or on your medication container. You also can reorder when you have less than 14 days of medication left.



Refills online

Log on to our website at **www.merckmedco.com**. Have your member ID number, the prescription number (the 12-digit number on your refill slip) and your credit card ready when you log on. Credit-card information is secure on this site.

Refills by phone

Call **1-800-4REFILL** (1-800-473-3455) and use the automated refill system. Have your member ID number, refill slip with the prescription number, and your credit card ready.

Refills by mail

Use the refill and order forms provided with your medication.

Mail them with your copayment to: Merck-Medco Rx Services
PO Box 650322
Dallas TX 75265-9946

3 Delivery of your medication

Prescription orders receive prompt attention and, after processing, are usually sent to you by U.S. mail or UPS in about a week. Your enclosed medication will include instructions for refills, if applicable. Your package may also include information about the purpose of the medication, correct dosages and other important details. Special packaging is available for medications that require special handling such as refrigeration.

4 Paying for your medication

You may pay by check, money order, VISA, MasterCard, Discover/NOVUS, American Express or Diners Club. If you prefer to pay for all orders by credit card, consider joining our automated payment plan. Call us at 1-800-948-8779, and we'll ask you to enter your credit-card number and expiration date, allowing you to charge future orders.

Please note: The pharmacist's judgment and dispensing restrictions, such as quantities allowable, govern certain controlled substances and other prescribed drugs. Federal law prohibits the return of dispensed controlled substances.



The Retail Pharmacy Program: for your immediate prescription-drug needs

If you use a participating pharmacy:

Simply present your prescription-drug identification card and prescription(s) to the pharmacist. Our computerized system will confirm your eligibility for benefits.

The pharmacist will tell you the copayment you are required to pay.

You do not have to file a claim form for prescriptions filled at a participating retail pharmacy.

Finding a Participating Pharmacy

A list of participating chains is enclosed. To find the participating pharmacies nearest you, visit our website at www.merckmedco.com and use our interactive pharmacy locator. You also can use the Pharmacy Locator System by calling our toll-free Member Services number, 1-800-818-0890 (TTY 1-800-759-1089).

At non-participating pharmacies:

After you have paid for a prescription filled at a non-participating pharmacy submit a completed claim form to Merck-Medco. The prescription receipt must be attached to the form. To obtain claim forms, visit us at www.merckmedco.com or call Member Services and use our automated ordering system.

- You must pay 100% of the prescription price at the time of purchase.
- You will usually be reimbursed within 21 days from receipt of your claim form. The amount you receive will be based on your plan's reimbursement schedule.



Other Important Features of Your Prescription-Drug Program

Your program is designed to provide the care and service you expect, whether it's keeping a record of your medication history, providing toll-free access to a registered pharmacist, or keeping you in touch with any changes to your program.

Merck-Medco and TVA may use the health and prescription information you provide solely to administer your benefit program. In addition, Merck-Medco may use this information and prescription data from claims submitted nationwide for reporting and analysis without identifying individual patients. Information may be shared with TVA and TVA's contractors as necessary to administer TVA's benefit programs.

When your prescriptions are filled at one of the Merck-Medco Rx Services mail-service pharmacies, our pharmacists use the health and prescription information on file for you to consider many important clinical factors, including drug selection, dosing, interactions, duration of therapy and allergies. Information from your retail pharmacy is also available. Merck-Medco may contact your doctors to discuss certain clinical factors and benefit-management matters, including the preferred medication list, better known as a formulary. The results of these discussions sometimes lead to changes in your prescription. If your doctor authorizes a change in your prescription, we will send a confirmation letter to you and your doctor. You will only be dispensed the medication authorized by your doctor.

Drug Utilization Review: Safe and Appropriate Use of Medications

Under the drug-utilization review program, prescriptions filled through the mail-service pharmacy, or a retail network pharmacy are examined for potential problems based on your personal medication profile. The drug-utilization review is especially important if you or your covered dependents take many different medications or see more than one doctor. If there is a question about your prescription, your pharmacist may contact your doctor before dispensing the medication.

Education and Safety

You will receive information about critical topics like drug interactions and possible side effects with every new prescription that we mail. By visiting www.merckmedco.com, you also can access other health-related



information. Click on Optimal Health to browse health and wellness brochures, get safety tips and answers to the most commonly asked medication questions, or just keep up with timely health issues. Any written health information cannot replace the expertise and advice of health-care practitioners who have direct contact with a patient. All Merck-Medco health information is designed to help you communicate more effectively with your doctor and, as a result, understand more completely your situation and choices.

Health Management

Some programs may be offered to assist you with your health needs. An example of such a program is Merck-Medco's Partners for Healthy Aging. The program provides educational intervention for physicians, pharmacists and patients and provides patient care services for older adults. Other voluntary programs may be offered to support your care. You or your physician may be contacted about your eligibility or participation in these programs.

Generic Drugs

The brand name of a drug is the product name under which the drug is advertised and sold. Many brand-name medications have become well known through advertising. Generic medications are sold under generic, often unfamiliar names, yet by law they must have the same active ingredients and are subject to the same rigid U.S. Food and Drug Administration (FDA) standards for quality, strength and purity as their brand-name counterparts. Generic drugs usually cost less than brand-name drugs, so please ask your doctor to prescribe generic drugs whenever appropriate.

Sometimes your doctor may prescribe a medication to be dispensed as written when a preferred brand-name or generic drug is available. As part of your prescription-drug plan, the pharmacist may discuss with your doctor whether a generic drug might be appropriate for you. Your doctor always makes the final decision on your medication, and you can request to keep the original prescription. If your doctor approves a generic drug but you request the brand-name drug, you will pay the brand-name copayment plus the difference between the costs of the two drugs.



The Preferred Prescriptions® Formulary

Your prescription-drug program includes a formulary feature. By asking your doctor to prescribe formulary medications, you maintain high-quality care for yourself while helping control rising health care costs. A formulary is a list of commonly prescribed medications that are preferred based on their clinical effectiveness and opportunities to help contain your plan's costs. The list includes medications from most major pharmaceutical manufacturers, including Merck & Co., Inc.

Visit our website at www.merckmedco.com to view the Preferred Prescriptions® Formulary. Use of a formulary drug is voluntary. However, you will pay less if you need a brand-name drug and use a drug on the formulary.

Sometimes your doctor may prescribe a medication when a formulary brand-name drug is available. In such cases, your doctor may specify that the prescription be dispensed as written. As part of your prescription-drug plan, the pharmacist may ask your doctor whether an alternative formulary drug might be appropriate for you. If your physician agrees, your prescription will be filled with the alternative drug. **Your doctor always makes the final decision on your medication.** Ask your doctor if you have any questions about a change in prescription. We will only dispense the medication authorized by your doctor.

Managed Rx Coverage/Prior Authorization

Your prescription-drug program provides coverage for some drugs if they are prescribed for certain uses, durations or quantities. For this reason, some drugs must receive authorization before they can be covered under your benefit plan. If the prescription medication must be pre-authorized, your pharmacist will tell you and you may ask that your pharmacist contact your physician to request that the physician initiate the review. It may shorten the review time, however, if you contact your physician directly and request that he or she call Merck-Medco at 1-800-818-0890 to initiate the review. It typically takes two business days. The patient and the physician will be notified when the process review is completed. If your medication is not approved for plan coverage, you will have to pay the full cost of the drug. You may appeal the decision. For more information on appeals, call Member Services at 1-800-818-0890 (TTY 1-800-759-1089).



Answers to Your Questions

Q How do I get started using the mail-service pharmacy?

A Let your doctor know that you have a mail-service prescription-drug program that permits up to a 90-day supply of medication, plus refills, for up to one year. Mail your prescription(s) along with an order form and required copayment in the envelope provided or ask your doctor to call 1-888-EASYRX1 (1-888-327-9791) for instructions on how to fax the prescription. If your order is faxed, your doctor must have your member ID number.

Q How do I order a larger supply of medication from the mail-service pharmacy?

A Your doctor determines the amount of medication prescribed. Tell your doctor that you are covered under a mail-service prescription-drug program. Advise him or her of the 90-day maximum supply permitted by your plan.

Q How soon will I receive my mail-service prescription?

A Orders are usually processed and mailed within 48 hours of receipt. Please allow 7–11 days from the day you mailed in your prescription for normal mail delivery. To check the status of your refill orders, visit us at **www.merckmedco.com** or call Member Services and use the automated system. You'll need to provide your member ID number and the 12-digit prescription number found on the refill slip or on the medication container.

Q How do I order additional mail-service order forms or claim forms?

A Order via the Internet at **www.merckmedco.com** or call your Member Services toll-free number to use the automated system. We mail your requested materials to you right away.

Q What if I send in the wrong copayment?

A If there is a balance due, an invoice will be included with your prescription order. If you overpaid, your account will be credited



Q How do I find a participating pharmacy?

A Visit our website www.merckmedco.com or call your Member Services toll-free number 1-800-818-0890 (TTY 1-800-759-1089). You will be asked for your member ID number and the area where you want to find a pharmacy.

Q Who has access to my prescription information?

A Merck-Medco has a strong commitment to your privacy. We have established effective administrative and technical safeguards to protect the confidentiality of your prescriptions and other information and to prevent unauthorized access to or disclosure of this information.

Q Do you sell my personal information to people outside Merck-Medco?

A Merck-Medco does not sell individually identifiable information or lists of our members and their covered dependents to outside companies for solicitation or marketing purposes.

Q Do I have to participate in Merck-Medco's health-management programs?

A Your participation in our health-management programs is completely voluntary. You can choose not to participate or you can discontinue participation at any time. The availability of your prescription-drug benefit will not be affected.

Q Why should I use the mail-service pharmacy?

A When you use the mail-service feature for your long-term medications, you save money because you can purchase up to a 90-day supply for a lower copayment than you would pay if you purchased three 30-day supplies at your local pharmacy. In addition to the cost savings, you enjoy the convenience of home delivery.



Q Are all prescription drugs covered by the plan?

A Your plan covers only legend drugs—that is, drugs that can only be dispensed without a prescription. The covered drugs must be prescribed in accordance with the guidelines of the Food and Drug Administration. Drugs that can be purchased without a prescription, or over-the-counter drugs, are not covered by this plan.

Drugs that are not covered include: appetite suppressants or other weight-loss medications, medications for cosmetic purposes, smoking-cessation products, and drugs with over-the-counter equivalents.

If you are purchasing a noncovered drug at a local pharmacy, the pharmacist will inform you that the drug is not covered. If you order a noncovered drug through the mail service, you will be notified that your plan does not include coverage for such drug.

Q Will I get a new identification card?

A Yes. Employees and retirees with individual coverage will receive one card. Employees and retirees with family coverage will receive two identification cards. If you need additional cards, you can order them by using the Internet at www.merckmedco.com or calling Member Services at 1-800-818-0890 (TTY 1-800-759-1089).

If you have family coverage, only your name will appear on the identification card, but your covered family members may use that card as well.

Q Who do I call if I have questions?

A If you have questions about your eligibility or your dependents' eligibility for this plan, you can call TVA's Employee Service Center at 1-888-275-8094 (1-800-848-0298 TDD/TTY-TN Relay Service) or send an e-mail to esc@tva.gov.

If you have questions about specific drugs, claims you have filed or mail-service orders, call Merck-Medco at 1-800-818-0890 (TTY 1-800-759-1089).



Q How do I know if my local pharmacy is participating in this plan?

A A list of participating pharmacy chains is included in the booklet. You can also obtain information about participating pharmacies through the Internet at **www.merckmedco.com** or by calling Member Services at 1-800-818-0890 (TTY 1-800-759-1089).



Participating Pharmacy Chains

To find the participating retail pharmacies nearest you, in addition to the chains listed here, visit our website at www.merckmedco.com and use our interactive pharmacy locator or use the Pharmacy Locator System by calling our toll-free Member Services number 1-800-818-0890 (TTY 1-800-759-1089).

A & P	Dahl's Food	Fred's Pharmacy
ABCO Foods	Delchamps	Friendly Hills Pharmacy
Acme	Dierbergs Family Pharmacies	Fruth
Albertson's	Dillon Stores	Fry's Food and Drug
Arrow Prescription Center	Discount Drug Mart	Furr's
Aurora Pharmacies	Docs	Gemmel
Bakers	Dominicks	Genovese Drug
Bartell's	Drug Emporium	Gerbes Pharmacy
Basha's United Pharmacy	Drug Fair	Giant
Bel Air Pharmacies	Drug Mart	Giant Eagle
Bi-Lo	Drug Town	Giant Food & Discount Drug
Bi-Mart	Drug Warehouse	Good Neighbor
Big Bear	Duane Reade	Grand Union
Biggs Pharmacy	Duluth Clinic Pharmacy	H.E.B. Pharmacy
Brooks Pharmacy	Eagle Pharmacies	Haggen
Brookshire	Eaton Apothecary	Hannaford Food & Drug
Caremax	Eckerd Drug	Happy Harry's
Carle Rx Express	Emerald	Harp's
Carr-Gottstein	Fagen Pharmacy	Harris Teeter Pharmacy
Cashwise	Fairview Pharmacies	Hart Drug Stores
City Drug	Farmco Drug Centers	Harvest Foods
City Market	Farmer Jack	HealthPartners
Clinic	Fedco Professional Pharmacy	Hen House
Coborn's, Cash Wise	Felpausch Pharmacies	Henry Ford Medical Center
Compumed	Finast	Hi-School
Consumers Food & Drug	Foodarama	Homeland Stores
Costco	Food City Pharmacy	Horizon Pharmacy
CRX & Shop N' Save	Food For Less	Horton & Converse Pharmacies
Cub Pharmacy	Foodtown Pharmacy	Huron Pharmacy
CVS	Foodworld	Hy-Vee
D & W Food Center	Fred Meyer	Ike's



Integrity Healthcare Services	Pamida Pharmacy	Solo
IPS Pharmacy	Pathmark Pharmacy	Stadtlanders Pharmacy
K Mart Pharmacy	Paul's Cut-Rate	Star Pharmacy
Kare	Phar-Mor	Strand Pharmacy
Keltsch Pharmacies	PharMerica	Stop & Shop Pharmacy
Kerr Drug	Pharmhouse	Super 1
Keystone Pharmacy	Planned Parenthood of NJ	Super D
King Kullen	Price Chopper	Super Foodmart
King Soopers	Price Cutter	Super Fresh
Kinney	Price Rite	Super G
Knight Drug	Publix	Super Sav-on-Drugs
Kroger	Quality Food Centers	Super Saver
L & M	Quality Markets	Superfresh
Leader Drug Stores	Quick Check	Talbert
Lewis Drug	Rainbow Pharmacy	Target Stores
Longs Drug Store	Raley's Pharmacies	Texas Drug Warehouse
Lucky	Randalls Food & Pharmacy	Thriftway
Marc's Pharmacy	Rite Aid	Thrifty
Marsh Drugs	Riverside	Thrifty White
Martin's	Rosauers	Times
Maxi Drug	Rx Place	Tom Thumb
Mays	RXD	Tops Markets
Med-X	Safeway	TOPS Pharmacy Services
Medic Drug	Sak N' Save	Twin Knolls Pharmacy
Medical Arts	Sartoris Pharmacy	Ukrop's
Medicap Pharmacy	Sav-A-Center	United Pharmacy
Medicine Chest	Sav-On	USA Drug
Medicine Shoppe	Sav-RX @	ValuRite
Mediserve	Save Mart	Vix
Medistat Pharmacies	Schnuck's Pharmacies	Wal*Mart Pharmacy
Medsav	Schwegmann	Waldbuams
Meijer Pharmacy	Scolaris	Walgreens
Minyard	Sentry Pharmacy	Wegmans
National Markets	Shopko Pharmacy	Weis
NCS Healthcare	Shoprite	Winn Dixie
NeighborCare	Simon's Warehouse	Xpect Discounts
OSCO	Smith's Food & Drug	
P & C	Smitty's	
Pack N Save	Snyder Drug Stores	



How to reach us

On the Internet

www.merckmedco.com

Visit our website anytime to learn about patient care, refill your mail-service prescriptions, check the status of your mail-service pharmacy order, request claim forms and mail-service order forms, view the Preferred Prescriptions[®] Formulary or find a participating retail pharmacy near you.

By telephone

Call Member Services at **1-800-818-0890 (TTY 1-800-759-1089)**.

Monday–Friday 8 a.m.–Midnight; and Saturday, 8 a.m.–6 p.m., Eastern Time.

Special Services

We continually strive to meet the special needs of our members:

- You can call a registered pharmacist at any time for **consultations** at the Member Services telephone number above.
- Visually impaired members can request that their mail service prescriptions include **labels in Braille** by calling Member Services at the above number.
- This brochure will be made available in alternative format, such as Braille, large print or audiocassette, upon request. For information, call TVA's Employee Service Center at 1-888-275-8094 (1-800-848-0289 TDD/TTY-TN Relay Service).



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