

Here's how

Your drug formulary can help you estimate your medical costs

Do you want to learn how to use your formulary to help you figure out how much your medication will cost? If so, you're in luck! We've created a step-by-step example guide to help you out.

Steps and Examples

Step 1

Identify what medication you will be taking, the dosage, the quantity and the price. It is a good idea to get both the generic and brand-name drugs.

Example

Lisinopril (for high blood pressure)
10 mg dosage
30 tablet quantity
\$58.

Step 2

Look up your medication in your drug formulary (you can find a copy of your formulary on your plan's website or you can request one by calling your plan's number). Take note of the tier your drug is on and if it has any restrictions.

Example

On our drug formulary, Lisinopril is in Tier 1 and has no restrictions.

Step 3

Refer to your pharmacy benefits to find out if your insurance plan requires copay or coinsurance for medication. Copayments mean you pay a flat-dollar amount whereas coinsurance requires you pay a percentage of your drug's cost.

Example

Our plan has a 40% coinsurance for tier 1 drugs after deductible.

Step 4

First, find out what your deductible is, then see if you still have to meet it. Your plan will likely have a deductible, ranging from a few hundred dollars to thousands. Until you have paid an amount in medical costs equal to your deductible, your insurance will not pay for anything.

Example

Our deductible has been paid in full.

Step 5

Research the average cost of your medication using online tools, calling your insurer, or by speaking to a pharmacist.

Example

See how much your plan will have you pay based on what tier your drug falls in.

Step 6

Bust out your calculator to see what your actual cost will be.

Example

Seeing as how our drug was \$58 and our coinsurance was 40% our actual cost will be \$23.20
($58 \times 0.4 = 23.2$).

