

## **8 Pharmacy Fees and Subsidies, and Provider Payment**

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## 8.11 Rural Incentive Program

### General Policy Description

- Rural pharmacies that meet certain criteria can apply to receive a subsidy for each claim submitted for any month in which the volume of claims submitted and paid (fully or partially) by PharmaCare is below a specific threshold. Payments are made directly to the pharmacy by PharmaCare.

### Policy Details

#### Program overview

- Under the program, rural pharmacies receive a subsidy for each claim submitted if the volume of claims submitted and paid (fully or partially) by PharmaCare during the month is below a specific threshold.
- Payments are made directly to the pharmacy by PharmaCare on a monthly basis.
- Pharmacies do not have to change the way in which claims are submitted.

### Qualifying Criteria

- The enhanced program is extended to rural community pharmacies if the:
  - pharmacy applies for the program; and
  - pharmacy is the only pharmacy in the community; and
  - next nearest pharmacy is at least 25 km away; and
  - number of PharmaCare claims submitted by the pharmacy does not exceed 1700 per month.

### Subsidies

- Pharmacies with lower monthly claim volumes receive a larger subsidy for each claim. If PharmaCare-paid claims for a particular month exceed 1700, no subsidy is paid.
- The subsidies, calculated and paid monthly, are based on a sliding scale:
  - The maximum is \$10.50 per claim.  
*With each additional claim made within a month, the per-claim amount for the month decreases.*
  - The minimum subsidy is \$3.00 per claim.
- For example, a pharmacy that submits 425 PharmaCare-paid claims over the course of a month will receive a subsidy of \$8.63 per claim. A pharmacy that submits 1700 PharmaCare-paid claims in a month will receive a subsidy of \$3.00 per claim.

### Payment limits

- Payments cannot be made for partial months.
- New pharmacies become eligible for the subsidy the month following the month in which their application is accepted.

## *Procedures*

- Complete the [Application for the Rural Incentive Program](#) form or contact the PharmaNet HelpDesk to request a form.

## *Tools & Resources*

- [Application for the Rural Incentive Program](#)

## 8.12 Payments to **Providers**

### General Policy Description

Each week, PharmaCare processes payments to pharmacies and **device providers** and remits the payments by Electronic Funds Transfer (EFT).

### Details

#### Applying for Electronic Funds Transfer (EFT)

- Payments to **providers** are deposited electronically into a designated account at a financial institution as specified on the *Direct Deposit Application* form. This form must be mailed, along with an original void cheque, to:
  - PharmaCare Information Support  
PharmaCare  
P.O. Box 9655 Stn Prov. Govt.  
Victoria B.C. V8W 9P2
- **Providers** must also submit a *Direct Deposit Application* form to PharmaCare when:
  - the EFT bank account changes, or
  - any other information about the EFT bank transaction changes.
- Direct Deposit Application forms are available upon request from [PharmaCare Information Support](#).
- Only Parts 1, 2 and 3 of the *Direct Deposit Application* form should be completed. If an original void cheque is not attached to the form, then the “Bank or Financial Institution Verification” section in Part 2 must be completed.
- A **provider** representative must sign in the “Supplier/Employee Signature” area of Part 3 of the *Direct Deposit Application* form. If the form is not signed, HIBC will return it unprocessed.

#### Information about payments

- The first electronic deposit is made approximately eight to 12 weeks after receipt of the *Direct Deposit Application* form. Ongoing payments by EFT are scheduled for deposit on the Monday following the end of each payment period.
- If, for any reason, the EFT payment cannot be deposited to the bank account on file with PharmaCare, the funds are returned to the Ministry of Finance.

#### Changes to Banking Information

- When a **provider** changes its banking information for Electronic Funds Transfer (EFT), PharmaCare must receive a completed *Direct Deposit Application* form and a void cheque for the new account at least eight to 12 weeks before the change takes effect. This ensures that EFT payments will not be interrupted due to the change.
- The old account must be left open until a payment has been received in the new account.

## Accessing **Provider** Payment Data on PharmaNet

- Pharmacy Remittance Advice Forms are sent only to:
  - suppliers who are not connected to PharmaNet
  - **providers**, dispensing physicians/clinics, or non-pharmaceutical suppliers if payment adjustments have been made.

*All payments processed as adjustments (including Plan B capitation rates and Methadone Maintenance Program interaction fees) are included in the final payment run of each month.*

***Providers** receive payment at the end of the month following the month of service.*

- Payment data (except payment adjustment information) can be accessed on PharmaNet using the Daily Totals (TDT) retrieval transaction.

*All Pharmacy Software Vendor (PSV) products contain the Retrieve Daily Totals feature although it may be called by a different name. **Providers** can consult their software user manual or call their vendor for information on using this feature.*

- To calculate your expected remittance amount, add the Daily Totals for a payment period.

*This summary of payment for a pay period may already be provided by your PSV product or by your current accounting procedures.*

- The payment period is Tuesday to Monday, with payments scheduled for deposit on the following Monday. (For example: For the payment period August 4, 2009, to August 10, 2009, the day of deposit would be August 17, 2009.) A statutory holiday would delay the deposit.

*Daily Totals data are available only for the current date and the preceding 45 days. If you require payment data from before that period, contact the PharmaNet Help Desk. The Help Desk can retrieve earlier data on request.*

### *Payment of Claims by PharmaCare*

- **PharmaCare will reimburse a provider any amounts payable not more than thirty (30) days after the adjudication of a claim submitted on behalf of a beneficiary.**
- **PharmaCare's obligation to pay a provider is subject to the *Financial Administration Act*.**