



BC PharmaCare Newsletter

February 29, 2012 Edition 12-004

Published by the Pharmaceutical Services Division to provide information for British Columbia’s health care providers

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PHARMACY SERVICES AGREEMENT TO END APRIL 1, 2012

The Ministry of Health is terminating its generic drug pricing agreement with the B.C. Pharmacy Association and the Canadian Association of Chain Drug Stores, effective April 1.

In July 2010, the Ministry of Health reached an agreement with the B.C. Pharmacy Association and the Canadian Association of Chain Drug Stores to significantly lower the price of generic drugs. The estimated savings were not realized and the Province is therefore terminating the agreement.

Effective April 2, 2012, a previously scheduled change will result in generic drugs costs of 35 per cent of the brand name price (see [Reimbursement Changes for LCA/RDP Drugs—April 2, 2012](#) below). Through legislation, the Province will aim for a reduction to 25 per cent of the cost of the brand name drug by April 1, 2013. For more information, please see the [Ministry of Health news release](#) of February 29, 2012.

Despite termination of the agreement, the Ministry has committed to maintain dispensing fees at \$10 and the Plan B capitations fee at \$43.75. Clinical services funding will also be maintained at \$10 million. However, future increases will not be implemented as scheduled under the Agreement.

The use of PharmaNet is not intended as a substitute for professional judgment.
Information on PharmaNet is not exhaustive and cannot be relied upon as complete.

The absence of a warning about a drug or drug combination is not an indication that the drug or drug combination is safe, appropriate or effective in any given patient. Health care professionals should confirm information obtained from PharmaNet, and ensure no additional relevant information exists, before making patient care decisions.

REIMBURSEMENT CHANGES FOR LCA/RDP DRUGS—APRIL 2, 2012

In 2010, PharmaCare began a phased decrease in reimbursement for generic drugs in the Low Cost Alternative (LCA) and Reference Drug programs. In this latest phase, the maximum allowable list price (MALP) that manufacturers can charge for generic LCA products will be reduced to 35% of the equivalent brand product's list price.

With the exception of drugs subject to the [Reduced Mark-up for High Cost Drugs policy](#), drug products will be reimbursed up to the established MALP, plus a mark-up of 8%. To confirm, generic drugs subject to the Reference Drug Program (RDP) will still be subject to limitations on maximum reimbursement cost.

The revised reimbursement prices for generic LCA/RDP products take effect on April 2, 2012.

Any generic products deemed ineligible for PharmaCare coverage as a result of PharmaCare's price confirmation process will be removed from the PharmaCare formulary and will no longer be covered by PharmaCare as of April 2, 2012.

As usual, the Ministry is posting the reimbursement limits and product de-listings in advance to provide pharmacies with a transition period in which to make any necessary inventory adjustments.

LCA/RDP spreadsheets detailing the changes are now available in Excel format at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html.

Note: PharmaCare expects manufacturers to reflect the new April 2, 2012, reimbursement limits in their list prices by start of day March 3, 2012 (30 days before the new reimbursement limits take effect).

END OF ALTERNATE DISPUTE RESOLUTION PROCESSES

Effective immediately, the Alternative Dispute Resolution policy in section 6.7.3 Pharmacy Audit Program of the PharmaCare Policy and Procedures Manual has been rescinded. In response to Final Audit reports, the Alternative Dispute Resolution process is no longer available to providers.

SPECIAL SERVICES FEES

The number of Special Services fees that PharmaCare paid each month over the past year:

| | | |
|---------------------|---------------------|---------------------|
| Jan 2012.....1,409 | Sep 20111,949 | May 2011.... 1,959 |
| Dec 2011..... 2,112 | Aug 2011.....1,804 | Apr 2011..... 1,654 |
| Nov 2011.....2,002 | Jul 2011.....1,838 | Mar 2011 1,556 |
| Oct 20111,891 | Jun 2011.....1,921 | Feb 2011..... 1,262 |



BENEFITS

Changes to BC PharmaCare's Coverage for Controlled-release Oxycodone (Oxycontin®)

Effective March 8, 2012, PharmaCare is discontinuing PharmaCare coverage for controlled-release oxycodone (Oxycontin®) used to treat moderate to severe pain and will consider only exceptional case-by-case coverage of the new product, OxyNEO®. This follows the manufacturer's decision to discontinue production of Oxycontin® and market the new product, OxyNeo®.

- For patients with current annual Special Authority approval for OxyContin®, PharmaCare will continue to cover Oxycontin® and OxyNEO® until their Special Authority approval ends. After reassessment and if still appropriate, physicians may request exceptional coverage by providing supporting rationale in a letter to Special Authority.
- Patients with indefinite Special Authority approval will be granted transitional coverage until February 28, 2013, for Oxycontin® and OxyNEO® to allow time for physicians to reassess the appropriateness of the patient's pain management.
- Palliative care patients will continue to receive coverage for Oxycontin® and OxyNEO® through PharmaCare Plan P.

PharmaCare encourages physicians to work with their patients to reassess the appropriateness of pain management. For patients continuing on controlled-release oxycodone with OxyNEO®, **a new prescription will have to meet the requirements for controlled drug products.** The B.C. College of Physicians and Surgeons' **Duplicate Prescription Program** and **Prescription Review Program** ensure that drugs like OxyContin® are securely and appropriately prescribed. For more information, please visit the College's website at www.cpsbc.ca.

To find out when their Special Authority approval will end, patients can contact Health Insurance BC from Vancouver at 604-683-7151 or from the rest of B.C. toll-free at 1-800-663-7100, Monday to Friday, 8:00 a.m. to 8:00 p.m. (except statutory holidays) and Saturday from 8:00 a.m. to 4:00 p.m.

The Ministry of Health supports appropriate pain management but recognizes the risks associated with opioid addiction. For more information on the use of opioids for the treatment of chronic non-cancer pain, please see the Canadian Guideline for Safe and Effective Use of Opioids for Chronic Non-Cancer Pain available at <http://nationalpaincentre.mcmaster.ca/opioid/>.

PharmaCare's **Restricted Claimant Program** reduces misuse by limiting certain patients to a single prescriber and/or a single pharmacy for medications with a potential for abuse. Pharmacists and physicians can call the PharmaNet Help Desk for more information.

Non-Benefits

The following products have been reviewed and will be added as Palliative Care Drug Plan benefits.

| DIN | DRUG NAME | SA | PLAN G | PLAN P |
|----------|----------------------------------|----|--------|--------|
| 02372525 | OxyNEO® (oxycodone) 10 mg tablet | No | No | Yes |
| 02372533 | OxyNEO® (oxycodone) 15 mg tablet | No | No | Yes |
| 02372797 | OxyNEO® (oxycodone) 20 mg tablet | No | No | Yes |
| 02372541 | OxyNEO® (oxycodone) 30 mg tablet | No | No | Yes |
| 02372568 | OxyNEO® (oxycodone) 40 mg tablet | No | No | Yes |
| 02372576 | OxyNEO® (oxycodone) 60 mg tablet | No | No | Yes |
| 02372584 | OxyNEO® (oxycodone) 80 mg tablet | No | No | Yes |

Discontinuations of Coverage

Effective March 8, 2012, PharmaCare Limited Coverage will be discontinued for the following OxyContin® (oxycodone) products. These products will remain a benefit under the Palliative Care Drug Plan.

| DIN | DRUG NAME |
|---------|--|
| 2258129 | OxyContin® (oxycodone) 5 mg tablet (extended release) |
| 2202441 | OxyContin® (oxycodone) 10 mg tablet (extended release) |
| 2323192 | OxyContin® (oxycodone) 15 mg tablet (extended release) |
| 2202468 | OxyContin® (oxycodone) 20 mg tablet (extended release) |
| 2323206 | OxyContin® (oxycodone) 30 mg tablet (extended release) |
| 2202476 | OxyContin® (oxycodone) 40 mg tablet (extended release) |
| 2323214 | OxyContin® (oxycodone) 60 mg tablet (extended release) |
| 2202484 | OxyContin® (oxycodone) 80 mg tablet (extended release) |