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## FREQUENCY OF DISPENSING POLICY

Effective **February 1, 2009**, PharmaCare is introducing a new policy regarding coverage of dispensing fees for frequent dispensing.

Under the new Frequency of Dispensing policy, PharmaCare will cover one dispensing fee when a single fill is provided for:

- the total quantity the prescriber specified on the written prescription, or
- no less than the Maximum Days Supply allowed under PharmaCare policy.

However, PharmaCare will limit the number of dispensing fees covered when:

- a prescriber orders daily dispensing, or
- a prescriber or pharmacist initiates more frequent dispensing.

The limit on the number of dispensing fees covered is described in the following sections "Daily dispensing—Fee limits" and "Dispensing a two- to 27-day supply—Fee limits."

*For information on the Maximum Days Supply policy, please refer to the PharmaCare/PharmaNet: Policies and Procedures manual, Section 10.4*

If PharmaCare is paying any portion of the patient's prescription cost, pharmacies are not permitted to charge a greater number of fees than the maximum number of dispensing fees PharmaCare covers.

If a patient is below the Fair PharmaCare deductible, PharmaCare will cover only the number of fees specified in the Frequency of Dispensing Policy and only the number of fees covered by PharmaCare will accumulate toward the Fair PharmaCare deductible. Pharmacies are permitted to charge patients directly for dispensing fees above the maximum number of fees allowed under this policy when a patient is below the Fair PharmaCare deductible.

To reduce the administrative burden on pharmacies, until changes to PharmaNet and upgrades to in-pharmacy software can be implemented, all fees claimed for Fair PharmaCare patients who are below the deductible will accumulate toward the deductible.

Actual reimbursement of dispensing fees continues to be subject to the rules of a patient's PharmaCare plan, including any annual deductible requirement.

### Exemption of residential care patients on PharmaCare Plan B

The Frequency of Dispensing policy does not apply to residential care patients covered under PharmaCare Plan B. All other plans are subject the maximum number of fees specified below.

## Daily dispensing—Fee limits

Daily dispensing can be authorized only by a prescriber and only in *handwriting* on the original prescription. If the prescriber handwrites an order to dispense daily on the original prescription, PharmaCare will cover:

- One (1) dispensing fee per patient, per drug (DIN), per day—to a maximum of three (3) dispensing fees per patient per day.

Please note:
- The maximum dispensing fee that PharmaCare covers is $8.60.
- Dispensing fees for methadone for maintenance are subject to this policy. For methadone for maintenance, PharmaCare continues to pay an interaction fee if ingestion is witnessed.

To qualify for dispensing fee coverage, the date of the original prescription must be no more than 60 days earlier than the dispensing date. If a prescription is dated more than 60 days earlier than the dispensing date, PharmaCare will cover dispensing fees only if the prescriber re-authorizes daily dispensing in *handwriting* on a new prescription.

## Dispensing a two- to 27-day supply—Fee limits

Dispensing of a two- to 27-day supply can be initiated by either a prescriber or a pharmacist.

### Prescriber-initiated frequent dispensing

If the prescriber orders the medication to be dispensed in a two- to 27-day supply, PharmaCare will cover:

- One (1) dispensing fee per patient, per drug (DIN), per prescribed supply—to a maximum of five (5) fees per patient, per prescribed supply.

- **Example 1**: If the prescriber orders weekly compliance packaging, PharmaCare covers one (1) dispensing fee per patient, per drug (DIN), per week—to a maximum of five (5) fees per patient per week.
- **Example 2**: If the prescriber orders bi-weekly dispensing, PharmaCare covers one (1) dispensing fee per patient, per drug (DIN), every two weeks—to a maximum of five (5) fees per patient every two weeks.

### Pharmacist-initiated frequent dispensing

Sometimes a pharmacist may have concerns about patient safety or compliance that render dispensing the full prescribed quantity inappropriate. In these cases, a pharmacist must follow the steps below to ensure the patient qualifies for coverage of additional dispensing fees.

Once these steps are completed, PharmaCare will cover:

- One (1) dispensing fee per patient, per drug (DIN), per authorized supply, to a maximum of five (5) fees per patient per authorized supply.

**Clinical criteria guideline for a two to 27-day supply**—To qualify for coverage of additional dispensing fees, a patient must be unable to manage their drug therapy independently. That is, a patient must exhibit one or more of the following:

- Cognitive impairment
- History of abuse or poor compliance
- No support structure (to assist with administration of drug therapy)
- Risk of dependence
- Susceptible to theft or loss of belongings
- Complex medication regime
- Physical or mental disability
- Literacy issues
- Language issues
- Non-compliance or misuse is suspected

**Required documentation—**If a patient exhibits one or more of the clinical situations above:

1. Complete the *Frequent Dispensing Authorization* (HLTH 5378) indicating the clinical criteria that support more frequent dispensing.
2. Obtain the signature of the patient or their representative.
3. Retain the form on file in accordance with College of Pharmacists of B.C. policies and bylaws.
4. Notify the prescriber of the change to the dispensing frequency by faxing the *Frequent Dispensing Authorization* to the prescriber.

   *If the prescriber disagrees with the frequency of dispensing, the prescriber may override the change by completing the last section of the form and faxing it to both the pharmacy and PharmaCare.*

The *Frequent Dispensing Authorization* form for each patient must be renewed each year, on or before the date the patient signed the original form.

A copy of the form is included with this newsletter and is also available on the PharmaCare website at www.health.gov.bc.ca/pharme/forms.html or on the BC Pharmacy Association website at www.bcpharmacy.ca. Printed supplies can be ordered through the PharmaNet HelpDesk.

## Requests from patients for smaller quantities or compliance packaging

If a patient requests less than a 28-day supply, or compliance packaging, but does not meet the clinical criteria above, additional dispensing fees are the responsibility of the patient.

## Claims submissions while changes to PharmaNet and in-pharmacy software are pending

Changes to PharmaNet to accommodate this policy will not be complete on February 1, 2009.

Until PharmaNet and in-pharmacy software upgrades are in place to accommodate the Frequency of Dispensing Policy, allowing automatic adjudication of claims for frequent dispensing:

- If PharmaCare is paying a portion of the prescription cost, pharmacies must enter a dispensing fee of **$0.00** if the maximum number of dispensing fees has already been claimed. Please contact your pharmacy software vendor for information on how to enter a fee of $0.00. This includes all claims for patients above their Fair PharmaCare deductible and patients covered under any other PharmaCare plan.
- If PharmaCare is not paying any portion of the prescription cost, pharmacies may enter a fee for all frequently-dispensed medications. Fees claimed for patients below the Fair PharmaCare deductible will count toward the deductible until PharmaNet changes and in-pharmacy software upgrades are complete.

## Claims submissions after PharmaNet and in-pharmacy software have been upgraded

When PharmaNet and in-pharmacy software are in place to accommodate the Frequency of Dispensing policy:

- For all PharmaCare patients, both above and below the deductible, PharmaCare will cover only the number of fees specified in the Frequency of Dispensing Policy and only the number of fees covered by PharmaCare will accumulate toward the Fair PharmaCare deductible.
- PharmaNet and in-pharmacy software changes will automatically adjudicate claims according to the Frequency of Dispensing policy.

## Adherence to policy

The Ministry of Health Services may audit pharmacy claim records and will recover funds if the number of dispensing fees paid on a patient's frequently-dispensed prescriptions exceeds the maximum when PharmaCare is paying a portion of the prescription cost.

# Frequency of Dispensing Questions & Answers

## Fee scenarios

### Are pharmacies allowed to charge patients dispensing fees if they do not meet the clinical criteria for frequent dispensing?

Yes. Nothing in this policy restricts patients from purchasing smaller quantities and paying the additional dispensing fees.

### Will PharmaCare cover dispensing fees if the prescriber phones in a prescription and requests frequent (e.g., daily or weekly) dispensing?

Fees are paid for frequent dispensing only if it is supported by appropriate documentation.

For daily dispensing, a prescriber's handwritten order on a prescription is required.

For two- to 27-day dispensing, if a prescriber has not ordered the frequent dispensing, completion of the *Frequent Dispensing Authorization* form is required.

### Does the policy restrict a pharmacy's usual dispensing fee?

No. The policy restricts only the number of dispensing fees PharmaCare will cover. Pharmacies can charge their usual and customary dispensing fee. PharmaCare will continue to cover dispensing fees up to the existing maximum allowable dispensing fee. The current maximum fee recognized by PharmaCare is $8.60. Amounts above these limits must be charged directly to the patient.

### What fees are covered when a pharmacist dispenses daily and in two- to 27- day supplies for a patient?

PharmaCare will cover:

- up to three (3) dispensing fees per patient for the drugs (DINs) dispensed daily
- up to five (5) dispensing fees per patient for the drugs (DINs) dispensed in a two- to 27-day supply.

For example, if a patient receives five prescriptions dispensed daily and six prescriptions dispensed weekly, PharmaCare covers three dispensing fees per day for the drugs dispensed daily and five fees per week for the drugs dispensed weekly.

### Will PharmaCare cover a dispensing fee for medications normally prescribed for 27 days or less (e.g., antibiotics)?

Yes. One fee would be paid.

### What if a patient has frequently-dispensed prescriptions at more than one pharmacy?

Each pharmacy can claim the maximum number of fees allowed under the policy. However, dividing patient claims between two or more pharmacies in order to circumvent the maximum number of fees covered under the Frequency of Dispensing Policy is not permitted and is subject to audit by the Ministry of Health Services.

**Are pharmacies allowed to charge frequent dispensing fees to patients who are not covered by any PharmaCare plan?**

Yes.

**What if a patient presents a prescription for, say, a three-month supply but asks the pharmacist to fill in smaller quantities?**

If the patient does not meet the criteria for frequent dispensing, PharmaCare does not cover additional dispensing fees.

## Frequent Dispensing Authorization Form requirements

**Which physician is notified when a patient has more than one physician?**

Notify the physician who prescribed the drug that is being dispensed. If a patient has multiple physicians and all the patient's prescriptions will be frequently dispensed (e.g., in a weekly blister pack), notify all the prescribing physicians.

**Who may act as a representative for a patient for the purposes of the *Frequent Dispensing Authorization* form?**

The only legal restriction for the purposes of the *Frequent Dispensing Authorization* form is that the representative cannot be a pharmacist or employee of the pharmacy in which the prescription is being filled. This restriction avoids any real or apparent conflict of interest.

## PharmaNet changes

**Will PharmaNet be changed to accommodate this new policy?**

Yes. Pharmaceutical Services Division, the PharmaNet system development team, the BC Pharmacy Association, and the College of Pharmacists of BC, will meet with software vendors to review the changes that will support the policies in the Interim Agreement between the Ministry of Health Services and the BC Pharmacy Association.

Regular progress updates will be provided regarding the implementation of these changes.

# CLINICAL SERVICES FEES (UPDATES AND CLARIFICATIONS)

## Agreement questions

**Can the completed agreements be faxed?**

Yes. You can submit a completed and signed Clinical Services Associated With Prescription Adaptation Agreement by mail or fax.

**Mail to**……. PharmaCare Information Support
Health Insurance BC
PO Box 9655 Stn Prov Govt
Victoria BC V8W 9P2

**Or fax to**….. 250-405-3599

**Are all pharmacies required to sign the agreement?**

Pharmacies must sign the agreement to qualify for clinical services fees.

**Who must sign the agreement?**

Both the pharmacy owner and pharmacy manager. If the owner and manager are the same person, that person's signature should appear on both signature lines.

**When do agreements come into effect?**

If a pharmacy's signed agreement is received by Health Insurance BC and signed by the ministry on or before March 31, 2009, clinical services fees will be paid retroactive to January 1, 2009.

If an agreement is received after March 31, 2009, clinical services fees will be paid from the date agreement is signed by the ministry.

**How should the agreement be completed?**

Pharmacies must complete two sections of the form.

Page 1: Fill out the following section as indicated in the example below:

> _Parker Drugs Inc._ incorporated in British Columbia under Incorporation Number _BC 123456_, having its registered office at _1234 Main St., Surrey_, British Columbia, _V1V 1V1_ and doing business as _Pharmasure 9999_ Pharmacy, having a place of business at _1235 Yates St., Victoria_, British Columbia

- The **first field** ("Parker Drugs Inc." in the example above) should be the name of the incorporated company that owns your pharmacy.
- The **second-last field** ("Pharmasure 9999") should show the name of your pharmacy as it has been entered in PharmaNet. If your pharmacy is a member of a pharmacy chain, this usually includes your store number.

Last page, above the signature section: Complete the information as indicated in the example below.

> SIGNED AND DELIVERED at _Victoria_, British Columbia, this _10_ day of _February_, 2009 on behalf of _Parker Drugs Inc._, by its duly authorized signatory

An example of a correctly completed agreement is available on the PharmaCare website at www.health.gov.bc.ca/pharme/suppliers/csapa.html.

### What if the owner and manager work in different locations?

Each must sign the same Agreement. When both the owner and manager sign the Agreement, specify the location of the pharmacy.

### What if the owner or manager is not the same person who signed the original Pharmacy Participation Agreement?

PharmaCare requires pharmacies to sign a new Pharmacy Participation Agreement when there is a change in the owner or manager. Please contact Health Insurance BC if this applies to your pharmacy.

## Policy questions

### How do I know if a prescription adaptation is eligible for payment?

If HIBC has a valid, signed *Clinical Services Associated with Prescription Adaptation Agreement* on file for your pharmacy, you are eligible for a clinical services fee if the adaptation is:

- for a BC resident, and
- consistent with the terms and conditions of the College of Pharmacists of BC's Professional Practice Policy 58.
- you enter the appropriate adaptation/renewal intervention code

### Are clinical services fees paid instead of dispensing fees?

No. Clinical services fees are paid in addition to dispensing fees.

### Do clinical services fees take the place of special services fees?

It depends on whether the situation is consistent with Professional Practice Policy 58.

If you are comfortable adapting the prescription in a situation where you would previously have referred a patient back to the prescriber, it is appropriate to enter a clinical services fee intervention code. If, however, you decide it is in the best interest to refer a patient to the prescriber without filling the prescription, you are not eligible for a clinical services fee.

A Clinical Services Fee and Special Services Fee will not be paid for a single claim.

### Are clinical services fees paid for prescription drugs that are not covered by PharmaCare?

Yes.

### Are clinical services fees paid for dispensing a refill that existed on the original prescription?

No. Clinical services fee are paid only if there are no refills left on the original prescription. Refills authorized under the original prescription are covered by the usual dispensing fee.

**Are clinical services fees paid if for (a) contacting a physician to clarify a concern or amend the prescription, (b) dispensing an emergency supply or (c) dispensing an interchangeable drug?**

No. Because you are not performing an adaptation included under the College of Pharmacists of BC's Professional Practice Policy 58, you would not be eligible for a clinical services fee.

**Is a pharmacy entitled to a clinical services fee for an out-of-province/country patient?**

No. Eligible prescription adaptations include only those for BC residents.

**If a patient is not registered for Fair PharmaCare, can a pharmacy still receive a clinical services fee?**

Yes. Any prescription adapted in accordance with Professional Practice Policy 58 for any BC resident is eligible for payment of a clinical services fee.

## Payment questions

**When will pharmacies be paid for clinical services fees associated with prescription adaptations?**

The first payment for clinical services associated with prescription adaptation will be paid on April 27, 2009.

The first payment will cover clinical services provided from January 1, 2009, to March 31, 2009.

Future payments will continue in the same manner, with clinical services fees payments being included with the payment for the last pay period of the month following the end of the quarter.

**Why is the ministry paying the fees quarterly?**

The actual amount paid for clinical services fees depends on the savings realized from the new Multiple-Source Generics Pricing policy and the Frequency of Dispensing policy.

The ministry will calculate the savings from these policies at the end of each quarter, determine the portion of the savings applicable to clinical services fees, then divide that amount by the total number of clinical services claimed for the quarter to arrive at a "per service" amount.

**Do the new intervention codes provide all the information needed to pay pharmacies?**

Yes. When a pharmacist processes a claim with their own Pract ID and Pract ID Ref #, indicates "Adapted" in the sig field and uses one of the new intervention codes, the claim is flagged for payment.

# MULTIPLE-SOURCE GENERICS PRICING POLICY (CLARIFICATIONS)

## Policy questions

### Will Low Cost Alternative rules apply to new multiple-source generic drugs?

Yes, however, the application of Low Cost Alternative Program rules to new multiple-source generics will be discussed by the Ministry of Health Services and the BC Pharmacy Association. In particular, the parties will review the effect of price increases or decreases on the benefit status of specific products before any changes are confirmed.

### The policy states it applies only when there are multiple sources of a new generic drug but says the effective date for the first generic version is its listing date. How does this work?

Two generic versions of a new generic drug must be available before a drug is considered to have multiple sources, so drugs will not be considered for inclusion under the policy until two generic versions of a drug are listed:

- If the first two generic versions are listed within 30 days of each other, each version will be subject to the policy from the date it was listed.
- If the first two generic versions are not listed within 30 days of each other, both versions will be subject to the policy from the date the second version was listed.
- Any subsequent generic versions will be subject to the policy on the date they are listed.

On an ongoing basis, PharmaCare will publish and update information on drugs subject to the policy along with the effective dates and cost reduction factors.

Information will be published in the PharmaCare Newsletter and on the PharmaCare website at www.health.gov.bc.ca/pharme/suppliers/multigen.html

### Will the policy affect consumers or private insurers?

Costs to consumers and third party insurers should not be affected as claims will adjudicate in the usual manner. The discounts will be applied after adjudication. The policy stipulates that pharmacies will not impose extra charges to recoup PharmaCare discounts on new multiple-source generic drugs.

## Payment calculation questions

### What will PharmaCare consider to be the "brand name drug price"?

The brand name drug price will be the average list price of the equivalent brand name drug over the 12 months immediately preceding the listing date of first generic version.