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HAS YOUR PHARMACY SIGNED UP FOR PAYMENT OF CLINICAL SERVICES FEES?

As of March 24, 2009, signed agreements have been received from 800 pharmacies.

If your pharmacy is to qualify for clinical services fees retroactive to January 1, 2009, your signed *Clinical Services Associated With Prescription Adaptation Agreement* must be received by the ministry on or before **March 31, 2009**.

Download a standard agreement or, if you are a chain pharmacy who wishes to have the owner and manager sign separately, download the chain pharmacy agreement package. Both types of agreements are available on the PharmaCare website at

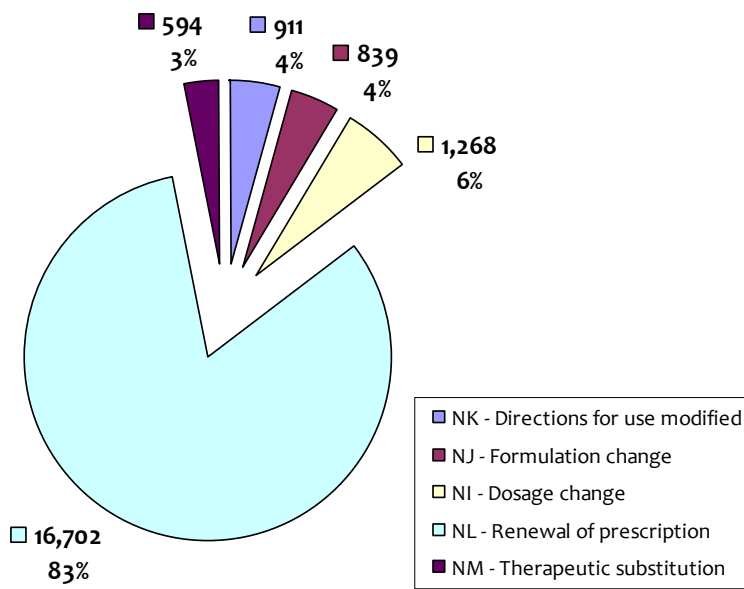
www.health.gov.bc.ca/pharme/suppliers/csapa.html.

When your agreement has been countersigned by the ministry, Health Insurance BC will send you a copy of the final document for your records.

CLINICAL SERVICES FEES CLAIMED

January 1, 2009 - March 17, 2009

Total: 20,314



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.

DEDUCTIONS FOR INTERIM MULTI-SOURCE GENERICS PRICING POLICY

The Remittance Advice for the March 30th payment will include information on amounts deducted under the Multiple-Source Generics Pricing Policy for the months of January and February 2009. In addition to the Remittance Advice, a new report will be enclosed providing information on the deductions under that policy.

In the future, deductions for each month will be made on the final payment of the following month (for instance, deductions for March will be made on the final payment in April).

Note that, currently, only one multi-source generic drug (quetiapine) is subject to deductions pursuant to the policy. For a list of the quetiapine DINs subject to the policy, please visit www.health.gov.bc.ca/pharme/suppliers/multigen.html.

Addition of Multi-Source Generics Pricing Policy Amounts to the Remittance Advice

If you dispensed generic quetiapine between January 1, 2009, and February 28, 2009, up to three new data lines will appear on your Remittance Advice:

- If you submitted claims for generic quetiapine in January and/or February, your Remittance Advice will have a line for each month indicating the total amount being deducted from the payment.
- If, in February, you reversed January claims for generic quetiapine, your Remittance Advice will also have a line indicating the total amount being credited for claims that were reversed.

Understanding the Summary Report of Adjustments Resulting from the Interim Multiple-Source Generics Pricing Policy

The summary reports (one for each month) contain:

- one line per drug claimed (identified by DIN)
- one line per drug for reversed claims (identified by DIN).

Ingredient Cost Claimed	Ingredient Cost Paid	(A) Ingredient Cost Subject to Reduction	(B) Cost Reduction Factor %	Discount Amount (A x B)
The total amount entered in the Drug Cost field for that DIN.	The total amount PharmaCare paid for Ingredient Costs claimed for that DIN.	96 per cent of the Ingredient Cost Paid.	The Cost Reduction Factor for that specific DIN.	For claims, the amount that will be deducted from the pharmacy payment. For reversed claims, the amount that will be credited to cancel out the discount for the original claim.

The **MSGPP Discount Adjustment** shows as a debit on your Remittance Advice.

The **MSGPP Discount Adjustment Reversal** shows as a credit on your Remittance Advice.

Note that, as with methadone interaction fee payments, the online Daily Totals feature of PharmaNet does not include information on deductions made under the Interim Multiple-Source Generics Pricing Policy.

Calculation of the Cost Reduction Factor

The cost reduction factor is expressed as a percentage of the manufacturer's submitted list price for the new version of a generic drug and is calculated as follows:

Formula	SAMPLE CALCULATIONS	
	Quetiapine DIN 2311704	Quetiapine DIN 2296551
Manufacturer's submitted list price for the new generic drug	0.3458	0.3433
<i>Minus</i>	<i>Minus</i>	<i>Minus</i>
50% of the brand name manufacturer's list price for the equivalent brand name drug (based on the average manufacturer list price for the previous 12 months).	0.2470 (Seroquel™ 0.4940)	0.2470 (Seroquel™ 0.4940)
<i>Divided by</i>	<i>Divided by</i>	<i>Divided by</i>
Manufacturer's submitted list price for the new generic drug	0.3458	0.3433
Cost Reduction Factor	28.57%	28.04%

Applying the Cost Reduction Factor

The cost reduction is applied to 96% of the Ingredient Costs Paid by PharmaCare for each generic version. For instance, if:

- Ingredient Costs Paid by PharmaCare: **\$100**
- Cost Reduction Factor: **28.04%**
- Payment deduction would be 28.04% of \$96 = **\$26.92**.

In this example, after the payment deduction, the pharmacy's total reimbursement for Ingredient Cost would be **\$73.08**.

EARLY FILLS (CL-EXCEEDS GOOD FAITH LIMIT MESSAGES)—REMINDER

When PharmaCare introduced coverage of travel supplies in May 2008, PharmaNet's Fill-too-Soon functionality was adjusted. It now reviews claims entered in the previous 100 days, rather than the previous 60 days. As a result of the change, there was an increase in PharmaNet "**CL-Exceeds Good Faith Limit**" responses.

This increased review period enables PharmaNet to calculate the remaining days supply for long-term drugs. It also prevents circumstances under which a claim could "fail" both the Early Fill and travel supply system check, preventing adjudication.

Dear PharmaCare

I recently went to my pharmacy to order a refill of a prescription because I was going to be travelling out-of-province. The pharmacy told me PharmaCare wouldn't cover the refill because your computer network was saying I had ordered the refill "in bad faith."

~ B.C. resident

When the "**CL–Exceeds Good Faith Limit**" response is received, pharmacists can submit an intervention code when circumstances warrant:

- **If the patient provides an adequate explanation of their need for an early fill**—submit the intervention code "UF-Patient gave adequate explanation. Rx filled as written." Document your use of the intervention code in a manner accessible to audit.

An adequate explanation might be that the patient lives in a remote area and cannot return to the pharmacy before their current supply runs out.

- **If the patient requests a travel supply**—submit the intervention code "MV-Vacation Supply." Ask the patient to complete a PharmaCare Travel Declaration. Retain the form on file.

Patients can "top-up" to the full, allowable days' supply before travelling out-of-province. PharmaCare covers a maximum of one travel supply every six months.

For more information on the PharmaCare Travel Supply policy, please see [PharmaCare Newsletter 08-004](#).