INTERIM AGREEMENT UPDATE - TRANSITION AGREEMENT DEVELOPED

Over the past twelve months an Interim Agreement between the British Columbia Pharmacy Association (BCPhA) and the government of British Columbia has been in place. As this agreement will expire on January 1, 2010, there was a need to develop a long-term agreement to replace the current agreement.

During recent discussions between BCPhA, the Canadian Association of Chain Drug Stores (CACDS) and the Ministry, it became clear that a Transition Agreement would be needed to bridge the six months required to develop a long-term agreement. All parties worked together to address this matter before year end. The parties collaborated to develop a Transition Agreement that would maintain the spirit of the previous process and ensure the continuation of benefits obtained through the original agreement.

On December 18, 2009, the Transition Agreement was signed by the BCPhA, the CACDS, and the government of British Columbia. This agreement will be in effect from January 1, 2010, to June 30, 2010, unless a long-term agreement is accepted before the expiration date.

As the following highlights demonstrate, the Transition Agreement aligns with the Interim Agreement:

- Clinical services fees for prescription adaptation and renewal will continue unchanged.
- The new multisource generic drug pricing policy will continue unchanged.

As part of the process, in the New Year, the Ministry will keep stakeholders informed as the parties move forward with developing the long-term agreement. This approach reflects the Ministry's continued commitment toward building a strong relationship with its stakeholders.

A copy of the Transition Agreement is available at www.health.gov.bc.ca/pharmacare/suppliers/ta.pdf.
PAYMENT FOR CLINICAL SERVICES TO CONTINUE

To enable continued payment of clinical services fees without necessitating each pharmacy to sign a new Clinical Services Associated with Prescription Adaptation Agreement, Pharmaceutical Services Division is providing the following policy statement. Pharmacies are required to adhere to this policy until June 30, 2010, or the date that a long-term agreement is signed by the government, BCPhA and CACDS.

Clinical Services Associated with Prescription Adaptation Policy

Effective January 1, 2010, PharmaCare will pay fees to all pharmacies for clinical services associated with prescription adaptation by a pharmacist. These fees are paid for all B.C. residents regardless of PharmaCare coverage status.

Definition of 'Prescription Adaptation'

Fees are paid only for prescription adaptation as defined by the College of Pharmacists of BC (the College) Professional Practice Policy 58 (PPP-58). That is:

1. Renewing a prescription.
2. Changing the dose, formulation or regimen of a prescription.
3. Making a therapeutic drug substitution within the same therapeutic class.

Clinical services fees claimed for services that are not consistent with the PPP-58 definition of prescription adaptation may be subject to recovery by the Ministry of Health Services.

Claims for emergency fills and emergency contraceptive claims are not eligible for payment of clinical services fees.

Fees

The ministry will pay a maximum of two clinical services fees per drug, per person during a six month period.

The clinical services fees paid are:

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewing, changing the dose, formulation or regimen of a prescription</td>
<td>$ 8.60</td>
</tr>
<tr>
<td>Therapeutic substitution</td>
<td>$17.20</td>
</tr>
</tbody>
</table>

Clinical services fees are paid in addition to the usual dispensing fee to which the pharmacy may be entitled.

Special services fees are not paid for any prescription for which a clinical service fee is paid.

Clinical services fees are paid in the quarter following the one in which the clinical service was provided.

Additional Charges to Patients

To remain eligible for clinical services fees, pharmacies cannot solicit or accept additional payment from a patient or any other party for services associated with prescription adaptation.

If the pharmacy does request or accept any such fees or payments, the Ministry of Health Services may recover all clinical service fees the ministry has paid to the pharmacy in relation to any prescription adaptations for that patient and may refuse to pay additional clinical service fees to the pharmacy.
Submitting claims for prescriptions renewed or adapted by a pharmacist

Clinical services fees will be paid based on the number of claims submitted with specific intervention codes. The clinical services fee amount itself should not be submitted with the claim.

When submitting claims eligible for a clinical services fee:

1. In the PRACT ID Ref field, enter P1 (for College of Pharmacists of BC)
2. In the PRACT ID field, enter your College ID.
3. At the beginning of the sig ("directions") field, type "Adapted"
   
   It is important that the word "Adapted" appear at the beginning of the SIG field to ensure other health care practitioners can easily recognize that this is not the original prescription.
4. Include the appropriate clinical services fee intervention code listed below to flag the claim as eligible for clinical services fee payment.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NI</td>
<td>dosage change</td>
</tr>
<tr>
<td>NJ</td>
<td>formulation change</td>
</tr>
<tr>
<td>NK</td>
<td>directions for use modified</td>
</tr>
<tr>
<td>NL</td>
<td>renewal of prescription</td>
</tr>
<tr>
<td>NM</td>
<td>therapeutic substitution</td>
</tr>
</tbody>
</table>

Procedure for entering emergency fill and emergency contraceptive claims

Please use the following procedure to submit claims for an emergency fill or for emergency contraceptives. These claims are not eligible for a clinical services fee.

1. In the PRACT ID Ref field, enter P1 — College of Pharmacists of BC
2. In the PRACT ID field, enter your College ID.
3. Include the appropriate intervention code.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NN</td>
<td>emergency supply of medication</td>
</tr>
<tr>
<td>NO</td>
<td>emergency contraceptive</td>
</tr>
</tbody>
</table>