



# BC PharmaCare Newsletter

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## PHARMACY SERVICES AGREEMENT UPDATE

July 28, 2010, marked the first increase in the maximum dispensing fee and changes to the Cost Reduction Factors for drugs included under the New Multiple-Source Generics Pricing Policy.

This newsletter provides information on some of the additional aspects of the Pharmacy Services Agreement that will be implemented in the coming weeks. (Other aspects of the agreement will be addressed in later newsletters). Please see pages 2 and 3 for information on the following upcoming changes:

<b>September 1, 2010</b>	New Pharmacy Enrolment Agreements will be mailed to all community pharmacies in the province for their signature. These agreements replace the current Pharmacy Participation Agreements.
<b>September 15, 2010</b>	Changes to reimbursement for drugs included in the Low Cost Alternative (LCA) Program will be published in preparation for implementation of the new LCA pricing on October 15, 2010.
<b>October 15, 2010</b>	New LCA pricing goes into effect. The New Multiple Source Generics Pricing Policy will be discontinued on this date.

Please note that the Pharmacy Services Agreement does not affect the Frequency of Dispensing policy or the payment of Clinical Services Fees. These policies remain in place and unchanged.

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.

## New PharmaCare Enrolment Agreements

No later than **September 1, 2010**, Pharmaceutical Services Division (PSD) will be mailing a PharmaCare Enrolment Agreement to all pharmacies setting out terms for participation in the PharmaCare program. On that date, the agreement will also be available in the Pharmacist section of our website at [www.health.gov.bc.ca/pharmacare/suppliers.html](http://www.health.gov.bc.ca/pharmacare/suppliers.html). This agreement will replace the Pharmacy Participation Agreements currently in place.



PSD has already provided a draft version of the agreement to the BC Pharmacy Association and Canadian Association of Chain Drug Stores for consultation.

The **deadline for submitting signed agreements will be October 1, 2010**. Only pharmacies who return a signed agreement by that date will be eligible for the increased maximum dispensing fee and Plan B capitation fee that take effect October 15, 2010. For pharmacies submitting signed agreements after that date, fee adjustments will be delayed.

The agreement must be signed by the person or entity that owns the pharmacy. Local pharmacy managers no longer need to sign the PharmaCare Enrolment Agreement. For your convenience, the new agreement will be formatted to allow transmission by fax or e-mail.

Further details will accompany the new agreement when it is mailed to pharmacies.

## Upcoming Changes to Low-Cost Alternative (LCA) Program

The Low Cost Alternative Program is a PharmaCare drug reimbursement program that ensures the best value is obtained for expenditures on multiple-source drugs. The program works by limiting PharmaCare reimbursements for generic and brand name drugs to a Low Cost Alternative (LCA) price.

LCA categories consist of multiple-source drugs sharing the same active ingredient (chemical entity) recognizing the strengths and dosage forms that provide the best value.

**Under the terms of the Pharmacy Services Agreement, changes have been made to the way prices are applied to drugs in the LCA Program.**

When the new LCA pricing comes into effect on October 15, 2010, the New Multiple-Source Generics Pricing Policy will be discontinued. The final payment for claims under the policy will be made on December 6, 2010. For information on submitting claims during the transition period, please see "Transition to the new LCA pricing" on page 3.

*On September 15, 2010, PharmaCare will publish a new Low Cost Alternative/Reference Drug Program (LCA/RDP) Booklet on the PharmaCare website.*

*Prices in the booklet will come into effect on **October 15, 2010**.*

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## Understanding the new LCA pricing model (and its impact on the Reference Drug Program)

**Pricing** — Under the revised pricing structure for LCA products, LCA prices are set at the maximum accepted list price (MALP) for generic drugs in an LCA category plus an 8% mark-up. The MALP for products within an LCA category is a percentage of the list price for the brand product in that category.

**Effect on Reference Drug Program (RDP) pricing** — At this time, the drug used to set the reference price will not change unless a product is discontinued or no longer qualifies for PharmaCare coverage. The reference price will reflect any change to the price of the drug on which the reference price is based; this includes changes resulting from the new LCA Program pricing. Drugs that do not meet the new LCA pricing requirements, and therefore are no longer covered by PharmaCare, will be removed from the RDP category, if applicable.

**Full, partial and non-benefit LCA products** — If there is no designated LCA category for a drug, it is covered under existing PharmaCare policies. If the drug is – or would be – part of a LCA category, the following applies:

<b>Full benefits</b>	These products are priced at or below the LCA price for the category. They adjudicate at the lesser of the PharmaCare maximum price for the product or any applicable RDP price.
<b>Partial benefits</b>	These are usually* brand products within an LCA category priced above the LCA price. They adjudicate at the lesser of the LCA price, the PharmaCare maximum price for the product, or any RDP price applicable to the product.  The patient is required to pay any portion of a drug’s cost that exceeds the LCA price (or RDP price, if applicable).
<b>Non-benefits</b>	Generic drugs that are priced above the MALP will no longer be covered by PharmaCare. This includes products discontinued by the manufacturer.

\* Some exceptions may apply. This information will be included in the LCA/RDP Booklet.

**Transition to the new LCA pricing for New Generic Drugs**— From the date the new booklet is published (September 15) until the new prices come into effect on October 15, 2010, pharmacies can claim the **current list price + 7%** for drugs included in the New Multiple-Source Generics Pricing Policy (MSGPP).

**Only for the period of September 15 to October 15, and only for drugs subject to this policy, pharmacies are NOT required to reduce the ingredient cost claimed to reflect reduced acquisition cost.**

A list of drugs included in the MSGPP is available at [www.health.gov.bc.ca/pharmacare/suppliers/multigen.html](http://www.health.gov.bc.ca/pharmacare/suppliers/multigen.html).

### DEFINITIONS

**Maximum Accepted List Price (MALP)** – Manufacturer list price for generic products and the amount on which the LCA price is based.

**LCA price** – MALP plus 8%

**Maximum Price** – The manufacturer list price plus 8%.

\*Definitions as of October 15, 2010

## PHARMACEUTICAL SERVICES DIVISION – IN SUPPORT OF PHARMACIST PRACTICE CHANGE

The British Columbia Medication Management Project (BCMMP) is a collaboration between the Pharmaceutical Services Division (PSD) and the BC Pharmacy Association arising from the 2008 Interim Agreement, funded via savings generated through this agreement and managed by the current Pharmacy Services Agreement Management Committee.

The purpose of this project is to improve patient care, health outcomes, and sustainability of the health care system by having pharmacists provide medication management to patients in the community setting. Medication management promotes the safe and effective use of medications, increases patient ownership of their health, and helps patients achieve targeted medication therapy outcomes. The project involves 300 pharmacists at 100-125 pharmacies throughout BC.

Find out more about how the Pharmaceutical Services Division is supporting the evolution of pharmacist practice in British Columbia by visiting the Recent Updates section of our Pharmacist & Medical Supplier Web page at [www.health.gov.bc.ca/pharmacare/suppliers.html](http://www.health.gov.bc.ca/pharmacare/suppliers.html).

## SPECIAL SERVICES FEES

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

Jul 2010..... 1,999	Mar 2010 ....2,109	Nov 2009 .... 2,584
Jun 2010..... 2,233	Feb 2010 .....1,832	Oct 2009..... 2,758
May 2010 ... 2,097	Jan 2010.....1,731	Sep 2009 .... 2,643
Apr 2010 .... 2,108	Dec 2009.....3,103	Aug 2009 .... 2,212

## BENEFITS

### Changes to reimbursement of short-acting insulin analogues

Effective **August 24, 2010**, reimbursement for these products will be as indicated below. Please note the short-acting insulin analogue products have been divided into three categories for reimbursement purposes.

NEW CATEGORY	DIN	BRAND NAME	CURRENT REIMBURSEMENT PER ML*	NEW REIMBURSEMENT PER ML*
<b>Humalog®</b> <b>NovoRapid®</b> <b>Apidra™</b>	02279460	APIDRA™ (INSULIN GLULISINE) 10 mL vial	\$2.6177	<b>\$2.7751</b>
	02279479	APIDRA™ (INSULIN GLULISINE) 3 mL cartridge	\$2.6177	<b>\$2.7751</b>
	02294346	APIDRA™ (INSULIN GLULISINE) 3 mL SoloSTAR pen	\$2.6177	<b>\$2.7751</b>
	02229704	HUMALOG® (INSULIN LISPRO) 10 mL vial	\$2.6177	<b>\$2.7751</b>
	02229705	HUMALOG® (INSULIN LISPRO) 3 mL cartridge/KwikPen	\$2.6177	<b>\$2.7751</b>
	02241283	HUMALOG® (INSULIN LISPRO) 3 mL pen	\$2.6177	<b>\$2.7751</b>
	02244353	NOVORAPID® (INSULIN ASPART) 3 mL cartridge	\$2.6177	<b>\$2.7751</b>
	02245397	NOVORAPID® (INSULIN ASPART) 10 mL vial	\$2.6177	<b>\$2.7751</b>
<b>Humalog® Mix 25</b> <b>NovoMix® 30</b>	02240294	HUMALOG® MIX 25 (INSULIN LISPRO/ INSULIN PROTAMINE) 3 mL cartridge/ KwikPen	\$2.6177	<b>\$2.9638</b>
	02240295	HUMALOG® MIX 25 (INSULIN LISPRO/ INSULIN PROTAMINE) 3 mL pen	\$2.6177	<b>\$2.9638</b>
	02265435	NOVOMIX® 30 (INSULIN ASPART/ INSULIN PROTAMINE) 3 mL Penfill cartridge	\$2.6177	<b>\$2.9638</b>
<b>Humalog® Mix 50</b>	02240297	HUMALOG® MIX 50 (INSULIN LISPRO/ INSULIN PROTAMINE) 3 mL cartridge/ KwikPen	\$2.6177	<b>\$3.2800</b>

\* Each mL contains 100 units of the specified insulin, for all the products above.

## Regular Benefits

The following new products are now eligible PharmaCare benefits for Fair PharmaCare and Plans B, C, F, and, if indicated below, Plan G and/or Plan P.

DIN	DRUG NAME	PLAN G	PLAN P
02331624	AZARGA® (BRINZOLAMIDE-TIMOLOL MALEATE) 1 %-0.5 % ophthalmic suspension	N	N
02321157	YAZ® (DROSPIRENONE-ETHINYL ESTRADIOL) 0.02 mg-3 mg tablet	N	N

## Limited Coverage Drug Program Benefits

The following products are eligible benefits under the Limited Coverage Program—by Special Authority only—for Fair PharmaCare and Plans B, C and F. For the Special Authority criteria, please visit the [Special Authority Information](#) page on the PharmaCare website at [www.health.gov.bc.ca/pharmacare](http://www.health.gov.bc.ca/pharmacare).

DIN	DRUG NAME	PLAN G	PLAN P
02242119	AGGRENOX® (DIPYRIDAMOLE-ACETYLSALICYLIC ACID) 200 mg-25 mg capsule for secondary prevention of cerebrovascular occlusion and embolization in patients who have experienced recurrent TIA or stroke while receiving ASA alone	N	N
02230845	FLOLAN® (EPOPROSTENOL) 0.5 mg vial	N	N
02230848	FLOLAN® (EPOPROSTENOL) 1.5 mg vial	N	N
02230857	FLOLAN® (EPOPROSTENOL) diluents vial	N	N
02246552	REMODULIN® (TREPROSTINIL SODIUM) 1 mg/mL vial	N	N
02246553	REMODULIN® (TREPROSTINIL SODIUM) 2.5 mg/mL vial	N	N
02246554	REMODULIN® (TREPROSTINIL SODIUM) 5 mg/mL vial	N	N
02246555	REMODULIN® (TREPROSTINIL SODIUM) 10 mg/mL vial	N	N
02239766	SILDENAFIL 25 mg tablet	N	N
02239767	SILDENAFIL 50 mg tablet	N	N
02239768	SILDENAFIL 100 mg tablet	N	N
02244981	TRACLEER® (BOSENTAN) 62.5 mg tablet	N	N
02244982	TRACLEER® (BOSENTAN) 125 mg tablet	N	N
02307065	VOLIBRIS® (AMBRISANTAN) 5 mg tablet	N	N
02307073	VOLIBRIS® (AMBRISANTAN) 10 mg tablet	N	N

*continued...*

### Limited Coverage Drug Program Benefits, continued

DIN	DRUG NAME	PLAN G	PLAN P
02324032	XEOMIN® (BOTULINUM NEUROTOXIN TYPE A, FREE FROM COMPLEXING PROTEINS) 100 unit vial for the treatment of blepharospasm, cervical dystonia of a predominantly rotational form (spasmodic torticollis) and post-stroke spasticity of the upper limb	N	N
02282097	ORENCIA® (ABATACEPT) 250 mg vial for children with juvenile idiopathic arthritis. Initial treatment should be limited to a maximum of 16 weeks and retreatment should only be permitted for children who have had an adequate initial treatment response and subsequently experience a disease flare	N	N

### Non-Benefits

The following products have been reviewed and will not be added as benefits under PharmaCare.

DIN	DRUG NAME
02239505	ALDARA® (IMIQUMOD) 5% cream
02253186	NUVARING® (ETONOGESTREL-ETHINYL ESTRADIOL) 0.12 g – 0.015 g vaginal ring
02295636	THELIN® (SITAXSENTAN) 100 mg tablet
02268272	XYREM® (SODIUM OXYBATE) 500 mg/ml oral solution