



BC PharmaCare Newsletter

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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.

PHARMACY SERVICES AGREEMENT – UPDATE #4

Reminders

Deadline for submitting your PharmaCare Enrolment Agreement

The deadline for submitting signed agreements is **October 1, 2010**.

Only pharmacies who return a signed agreement by that date are eligible for the increased maximum dispensing fee and Plan B capitation fee taking effect on October 15, 2010.

For pharmacies submitting signed agreements after that date, fee adjustments will be delayed.

Upcoming Discontinuation of the Multiple-Source Generics Pricing Policy (MSGPP)

Until October 15, 2010, pharmacies should claim the pre-September 15th **list price + 7%** for drugs included in the MSGPP. This will offset the cost reduction factors that will continue to be applied to products included in the MSGPP up to and including October 14, 2010.

A list of the allowable claim amounts in effect through October 14 is available at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html.

Dispensing fee and capitation rate increases starting October 15, 2010

Dispensing Fee Increases to \$9.60 — Effective October 15, 2010, the maximum PharmaCare will reimburse for a dispensing fee will increase to \$9.60 for pharmacies that have submitted a properly completed and signed *PharmaCare Enrolment Agreement* by October 1, 2010.

Plan B Capitation Rate Increases to \$43.75 per serviced bed — Effective October 15, 2010, the capitation rate paid for providing services to residential care facilities will increase to \$43.75 per serviced bed for pharmacies that submitted to the Province a properly completed and signed *PharmaCare Enrolment Agreement* by October 1, 2010.

Pharmacies that submit their *PharmaCare Enrolment Agreements* after October 1, 2010, may experience a delay of up to four weeks before they become eligible for the increased dispensing fee capitation rate.

Note: The capitation rate used to calculate the October 2010 payment will be pro-rated resulting in a capitation rate of \$39.80 per serviced bed for that month.

Changes to the Maximum Pricing Policy starting October 15, 2010

PharmaCare's Maximum Pricing Policy is changing. Currently, the policy requires pharmacies to claim no more than their actual acquisition cost for a drug.

Starting October 15, 2010, pharmacies can charge the **manufacturer list price plus 8%** for any drug not subject to the Reference Drug Program (RDP), the Low Cost Alternative (LCA) Program, or any other PharmaCare reimbursement limit.

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As has been the case in the past, PharmaCare may reduce reimbursement if a drug is included in the RDP, LCA Program, or is subject to any other PharmaCare reimbursement limit.

When more than one PharmaCare pricing policy applies, the claim is adjudicated at the lowest price limit. Note that some PharmaCare benefits are reimbursed based on retail price or other pricing.

If your pharmacy claims a drug cost in excess of the applicable PharmaCare price limit, the claim will be automatically reduced to the maximum PharmaCare will reimburse.

Claims entry

There is no change to the way in which you enter drug costs for claims:

- In the **Drug Cost** field, enter the manufacturer list price plus up to 8%.
- In the **Cost Upcharge** field, enter any pharmacy charges in excess of the amount entered in the Drug Cost field.

Enhanced Rural Incentive Program begins November 1, 2010

Effective November 1, 2010, the Rural Incentive Program will be enhanced to more fully support community-based pharmacy in rural B.C. The qualifying claim volume is being increased from 750 to 1700 and the subsidy to rural pharmacies will increase.

Under the program, rural pharmacies receive a subsidy for each claim submitted for any month in which the volume of claims submitted and paid (fully or partially) by PharmaCare is below a specific threshold. Payments are made directly to the pharmacy by PharmaCare and do not affect the way in which claims are submitted.

New Qualifying Criteria

The enhanced program is extended to rural community pharmacies if:

- the pharmacy applies for the program; and
- the pharmacy is the only pharmacy in the community; and
- the next nearest pharmacy is at least 25 km away; and
- the number of PharmaCare claims submitted by the pharmacy does not exceed 1700 per month.

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| Already enrolled in the program? | <p>If your pharmacy is already enrolled in the Rural Incentive Program, you will be automatically re-enrolled in the enhanced program.</p> <p>You do not need to re-apply.</p> |
| Not enrolled? Do you think that your pharmacy may meet the new criteria for the program? | <p>Complete the Rural Incentive Program Application form available on our website at https://www.health.gov.bc.ca/exforms/pharmacare/5384fil.pdf or contact the PharmaNet HelpDesk to request a form.</p> <p>Submit your application before October 15, 2010, if you wish to be eligible for the November 2010 subsidy. Payments cannot be made for partial months.</p> |

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Subsidy increase

Pharmacies with lower monthly claim volumes receive a larger subsidy for each claim. If PharmaCare-paid claims for a particular month exceed 1700, no subsidy is paid.

The subsidies, calculated and paid monthly, are based on a sliding scale:

- The new maximum is \$10.50 per claim.

With each additional claim made within a month, the per-claim amount for the month decreases.

- The new minimum subsidy is \$3.00 per claim

For example, a pharmacy that submits 425 PharmaCare-paid claims over the course of a month will receive a subsidy of \$8.63 per claim. A pharmacy that submits 1700 PharmaCare-paid claims in a month will receive a subsidy of \$3.00 per claim.

The first payment under the revised program (for November 2010 claims) will be included in the first 2011 regular payment to pharmacies.

CLARIFICATION OF PROSTHETICS/ORTHOTICS PROCEDURES

Suction procedure

Coverage is available for the suction procedure listed in Appendix 3 of the [Prosthetic and Orthotic Program - Detailed Policy and Procedural Requirements](#) only if performed as part of the trans-femoral (T/F) level socket procedure.

Shipping and brokerage fees on repairs

Actual shipping and/or brokerage costs can be claimed only on repairs completed by the manufacturer when **no mark-up** (Girling Formula) has been applied to the repair invoice.

Shipping and/or brokerage invoices for the actual amount claimed **must** be available for audit verification.

See Section 8.1.5 of the [Prosthetic and Orthotic Program - Detailed Policy and Procedural Requirements](#) at www.health.gov.bc.ca/pharmacare/pdf/po-detailedpolicy.pdf for information on prosthetic adjustments and repairs.

BENEFIT UPDATES

Needles and syringes for insulin use

The following diabetic needles and syringes are now eligible PharmaCare benefits for insulin use.

| DIN / PIN | DRUG NAME |
|-----------|-----------------------------------|
| 999725 | ULTICARE™ Insulin Syringes |
| 999725 | ULTICARE™ Syringes with UltiGuard |
| 999725 | ULTICARE™ Pen Needles |