



BC PharmaCare Newsletter

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QuickLinks

Blood Glucose Test Strips.....	1
Are You Following these PharmaCare Policies?.....	1
Need to Reset a PharmaNet Keyword?.....	2
Exchange Rate Update.....	2
Low Cost Alternative /Reference Drug Program—Reimbursement Changes for 2015/16.....	2
Benefits.....	7
PharmaCare Coverage Considerations—Generic Oxycodone Controlled-Release (CR).....	7
Designated High-Cost Drugs.....	7
Limited Coverage Drug Program Benefits.....	7
Non-Benefits.....	8

BLOOD GLUCOSE TEST STRIPS

Ensuring your patient’s quantity limit is correct

A patient’s quantity limit is based on the diabetes treatment they currently receive. If there is a change in their treatment, there will be a corresponding change in their quantity limit. Therefore, it is important to submit claims for any new anti-diabetic drug regimen **before** submitting a claim for the patient’s test strips.

ARE YOU FOLLOWING THESE PHARMACARE POLICIES?



PharmaCare does not allow the reversal and resubmission of claims for the purpose of securing PharmaCare coverage of a drug, device or supply to which the patient is not actually entitled.

Pharmacies are reminded that, on an ad hoc basis, PharmaCare Audit sends letters to PharmaCare beneficiaries asking them to confirm that they received items claimed on their behalf.

>> Refresh your knowledge of your obligations under PharmaCare policy. Read the [PharmaCare Policy Manual](http://www.health.gov.bc.ca/pharmacare/generalinfo/policy/index.html) at www.health.gov.bc.ca/pharmacare/generalinfo/policy/index.html. The most recent updates to the manual are in **red** and bear the date of the change.

The use of PharmaNet is not intended as a substitute for professional judgement.
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 for any given patient.
Health care professionals should confirm information obtained from PharmaNet, and ensure no additional relevant information exists, before making patient care decisions.

NEED TO RESET A PHARMANET KEYWORD?

Please remember that for patient requests to reset a keyword in PharmaNet, you should call the PharmaNet Help Desk, which is available 24 hours a day, 7 days a week, including statutory holidays (except Christmas Day).

EXCHANGE RATE UPDATE

The price list for prosthetic components is adjusted, as needed, based on the U.S. Exchange Rate published by the Bank of Canada.

Rates are reviewed regularly and adjusted whenever the rate changes by more than five cents and remains at a variance of five cents or more for at least five working days.

New U.S. Exchange Rate \$1.2107*

*Based on the [Bank of Canada](#) rate at the close of business on January 20, 2015.

LOW COST ALTERNATIVE /REFERENCE DRUG PROGRAM—REIMBURSEMENT CHANGES FOR 2015/16

On **April 1, 2015**, changes to reimbursement limits for Low Cost Alternative/Reference Drug Program drugs will take effect. These include changes to maximum PharmaCare reimbursement for drugs in the:

- Low Cost Alternative (LCA) Program
- Reference Drug Program (RDP)
- Pan-Canadian Competitive Value Price Initiative for Generic Drugs

The changes to the reimbursement limits for LCA/RDP drugs also resulted in some “single-source” listings (see **Single-Source Listings** on page 5 for more detail).

For information on all drugs affected by the price changes detailed below see “Upcoming LCA/RDP drug listing and reimbursement changes” at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html.

All PharmaCare reimbursement changes are effective April 1, 2015.

Low Cost Alternative (LCA) Program

Under the LCA Program, PharmaCare targets a maximum amount it will reimburse for each drug in an LCA category. The LCA price is set at the maximum price that manufacturers can charge (the Maximum Accepted List Price or “MALP”) plus 8%¹.

In 2010, PharmaCare began a phased decrease in the reimbursement for generic drugs. In this latest phase (**April 1, 2015—March 31, 2016**), the target MALP that manufacturers can charge for generic LCA drugs will continue to be:

- 20% of the equivalent brand product’s list price for oral solids
- 35% of the equivalent brand product’s list price for drugs available in other forms
- 18% of the equivalent brand product’s list price for drugs subject to Pan-Canadian pricing (see **Generic Drugs Subject to Pan-Canadian Pricing** on page 4)

¹ 5% markup for LCA drugs subject to the [High-Cost Drugs](#) policy

PharmaCare coverage under the new price targets

Normally, PharmaCare covers only the generic drugs priced at or below the LCA Price stated in the **LCA Spreadsheet**. The April 1 reimbursement limits for LCA drugs are published in the “Max Price” column of the **advance-notice LCA Spreadsheet**. www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html

Note: PharmaCare covers some generic drugs at a higher price on a “provisional basis.” Coverage for these higher-priced generic drugs may be discontinued if a product becomes available at a better price.

Drugs becoming non-benefits

A list of the drugs that will no longer be covered as of April 1, 2015, is available in the **advance-notice Non-benefits spreadsheet** available at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html.

Note: For LCA/RDP drugs, manufacturers will reflect the new pricing at **start of day March 1, 2015** (30 days before the new pricing takes effect).

Discontinued LCA categories

PharmaCare reviewed categories for which no generic product met the MALP. When determining whether to discontinue a category, careful consideration was given as to whether other product strengths or therapeutic alternatives were available. As of April 1, 2015, some of these LCA categories will no longer be covered. Discontinuing these categories reduces costs for PharmaCare and for patients who pay a portion of their own drug cost and opt for the lower cost product.

In some cases, a lower strength product can be substituted—for instance, two or more tablets/capsules—for a higher strength that is no longer covered. (In accordance with the College of Pharmacists of BC’s Professional Practice Policy 58, pharmacists may substitute a lower strength for a higher strength product.)

PharmaCare is also discontinuing some LCA Categories for which patient usage is low to nil. For drugs in these categories, other therapeutic alternatives exist.

The following categories will be discontinued on April 1, 2015:

DIN	DRUG NAME
CEPHALEXIN CAP 250MG	
253154	CEPOREX CAP 250MG
342084	TEVA-CEPHALEXIN
CEPHALEXIN CAP 500MG	
253146	CEPOREX CAP 500MG
342114	TEVA-CEPHALEXIN
DOXEPIN CAP 100MG	
326925	SINEQUAN CAP 100MG
842796	TRIADAPIN CAP 100MG
1913468	NOVO-DOXEPIN
2050048	APO-DOXEPIN
ERYTHROMYCIN STEARATE TAB 500MG	
266515	ERYTHROCIN FILMTAB 500MG
688568	ERYTHRO-S

Reference Drug Program (RDP)

The Reference Drug Program is a PharmaCare policy to encourage cost-effective first-line prescribing for common medical conditions. Under the RDP, PharmaCare coverage is based on the cost of the reference drug or drugs in a therapeutic category. This is the drug(s) considered to be equally efficacious and the most cost effective in that category.

If an RDP drug is also an LCA drug, the reimbursement limit for drugs in that RDP category is the lower of the RDP or LCA Price.

The list of RDP drugs and RDP prices is provided in the [RDP Spreadsheet](http://www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html) available at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html.

Generic Drugs Subject to Pan-Canadian Pricing

In January 2013, under the Pan-Canadian Competitive Value Price Initiative for Generic Drugs, the Council of the Federation announced that, to achieve better value for generic drugs, its member provinces and territories would establish price points for the most common generic drugs.

Currently, the price for the following generic drugs is set at 18% of the equivalent brand product list price:

- **Atorvastatin**—used to treat high cholesterol
- **Ramipril**—used to treat high blood pressure and other cardiovascular conditions
- **Venlafaxine**—used to treat mental health conditions such as depression
- **Amlodipine**—used to treat high blood pressure, chest pain and other cardiovascular conditions
- **Omeprazole**—used to treat a variety of gastrointestinal conditions
- **Rabeprazole**—used to treat a variety of gastrointestinal conditions
- **Rosuvastatin** —used to treat high cholesterol
- **Citalopram**—used to treat mental health conditions such as depression
- **Simvastatin**—used to treat high cholesterol
- **Pantoprazole**—used to treat a variety of gastrointestinal conditions

Effective **April 1, 2015**, the following four generic drugs will also be priced at 18% of brand:

- **Clopidogrel** —used to treat cardiovascular conditions
- **Olanzapine**—used to treat mental health conditions such as schizophrenia or other psychosis
- **Metformin**—used to treat diabetes
- **Gabapentin**—used to treat epilepsy

The Pan-Canadian prices are included in the April 1, 2015, advance notice [LCA Spreadsheet](http://www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html) available at www.health.gov.bc.ca/pharmacare/lca/lcabooklets.html. Drugs subject to Pan-Canadian pricing are flagged with a “Y” in the **Pan-Canadian** column.

Continued...

Generic Drugs Subject to Pan-Canadian Pricing continued...

Below is a summary of the changes that will occur in Pan-Canadian pricing leading up to April 1, 2015:

Pan-Canadian Generic Drug	Manufacturer price changes and PharmaCare coverage effective as of:	
	March 1, 2015	April 1, 2015
Atorvastatin, ramipril, venlafaxine, amlodipine, omeprazole, rabeprazole, rosuvastatin, simvastatin, pantoprazole, citalopram and metformin*	PharmaCare continues to reimburse up to 18% of the equivalent brand name drug plus an 8% markup.	
Clopidogrel, olanzapine, and gabapentin	Manufacturers do not reduce pricing on March 1. PharmaCare continues to reimburse at the current manufacturer list price plus an 8% markup until March 31, 2015.	Manufacturers reduce pricing to Pan-Canadian levels. PharmaCare reimburses up to 18% of brand plus an 8% markup.
	Exception: olanzapine 20mg odt - Manufacturers reduce pricing from 42% to 25% of the equivalent brand name drug. PharmaCare continues to reimburse up to 42% of brand plus an 8% markup.	Manufacturers further reduce the price from 20% to Pan-Canadian levels. PharmaCare reimbursement drops to the Pan-Canadian price plus an 8% markup.

*As a result of previous cost-savings arrangements, PharmaCare already reimburses metformin at 18% of the brand product price. So although Pan-Canadian pricing for metformin will not affect PharmaCare reimbursement, it does mean that PharmaCare will cover a wider range of metformin products as of April 1, 2015.

Single-Source Listings

During the current pricing period (April 1, 2014—March 31, 2015), PharmaCare has provisionally listed certain higher-priced generic products for the following drugs, as no products met the MALP set out in the Drug Price Regulation (20% of the brand name for oral solids):

- **alendronate sodium 10mg & 70mg tablet**
- **celecoxib 100mg & 200mg capsule**
- **escitalopram oxalate 10mg & 20mg tablet**
- **fluoxetine 10mg & 20mg capsule**
- **quetiapine fumarate 25mg, 100mg, 200mg & 300mg tablet**
- **topiramate 25mg, 100mg & 200mg tablet**
- **zolmitriptan 2.5mg odt tablet**

PharmaCare has confirmed a lower price for these products that meet the MALP for the pricing period April 1, 2015—March 31, 2016. Please note that currently the products listed on page 6 are the only ones covered for these LCA categories during that pricing period.

Continued...

Single-Source Listings continued...

PharmaCare takes great care in evaluating and assessing the feasibility of single-source listing opportunities. Based on our experience and stakeholder feedback, the following additional steps were taken:

- a clinical assessment to ensure minimal risk or impact for patients
- a review of recent and past performance for each manufacturer(s)
- the manufacturer's formal commitment to a minimum of two months' supply availability in B.C. on or before the effective listing date and on an ongoing basis
- the manufacturer's agreement to cover financial costs, including the price differential in the event of a temporary shortage

Through a careful and extensive assessment, PharmaCare has confirmed that additional requirements have been met to support a single-source listing for the seven molecules as noted above.

PharmaCare is working with stakeholders to provide advanced notification and the communication of this single-source change to ensure a seamless transition for pharmacies.

Effective April 1, 2015, the following new products will be covered under the LCA Program:

DIN	Drug Name	Product Name
2401126	ALENDRONATE SODIUM TAB 10MG	ACCEL-ALENDRONATE 10 MG TABLET
2401134	ALENDRONATE SODIUM TAB 70MG	ACCEL-ALENDRONATE 70 MG TABLET
2435632	CELECOXIB CAP 100MG	ACCEL-CELECOXIB
2435640	CELECOXIB CAP 200MG	ACCEL-CELECOXIB
2385481	ESCITALOPRAM OXALATE 10MG TAB	RAN-ESCITALOPRAM
2385503	ESCITALOPRAM OXALATE 20MG TAB	RAN-ESCITALOPRAM
2400391	FLUOXETINE CAP 10MG	ACCEL-FLUOXETINE 10 MG CAPSULE
2400405	FLUOXETINE CAP 20MG	ACCEL-FLUOXETINE 20 MG CAPSULE
2400359	QUETIAPINE FUMARATE TAB 100MG	ACCEL-QUETIAPINE 100 MG TABLET
2400375	QUETIAPINE FUMARATE TAB 200MG	ACCEL-QUETIAPINE 200 MG TABLET
2400340	QUETIAPINE FUMARATE TAB 25MG	ACCEL-QUETIAPINE 25 MG TABLET
2400383	QUETIAPINE FUMARATE TAB 300MG	ACCEL-QUETIAPINE 300 MG TABLET
2435349	TOPIRAMATE TAB 100MG	ACCEL-TOPIRAMATE
2435357	TOPIRAMATE TAB 200MG	ACCEL-TOPIRAMATE
2435330	TOPIRAMATE TAB 25MG	ACCEL-TOPIRAMATE
2428474	ZOLMITRIPTAN ODT TAB 2.5MG	SEPTA-ZOLMITRIPTAN ODT 2.5 MG

Please note: Products currently covered on a provisional basis that are not listed above will no longer be eligible for PharmaCare coverage as of April 1, 2015.

BENEFITS

PharmaCare Coverage Considerations—Generic Oxycodone Controlled-Release (CR)

PharmaCare coverage of OxyContin, a form of oxycodone controlled-release, ended on March 8, 2012, after a discontinuation notification from the manufacturer.

OxyNEO, a newer, tamper-resistant formulation of oxycodone CR—was reviewed and became eligible for PharmaCare coverage in February 2012 for patients covered by the Palliative Care Drug Plan (Plan P) and, for other patients on an exceptional basis, through PharmaCare’s Special Authority process. This restrictive coverage approach with OxyNEO was based upon the general concern by PharmaCare and other provincial jurisdictions around the potential misuse of oxycodone CR, and the uncertainty that tamper resistant formulations could alone be effective in reducing misuse.

In November 2012, Health Canada granted a Notice of Compliance for generic forms of oxycodone CR. Health Canada deemed OxyNeo bioequivalent to OxyContin. In March 2013, the College of Pharmacists of BC issued a statement indicating that pharmacists are to use their professional judgement in determining the interchangeability of OxyNeo and the new generic oxycodone CR products on the market.

In April 2013, the U.S. Food and Drug Administration rejected approval of generic versions of oxycodone CR that were not tamper resistant due to concerns of potential misuse.

In June 2014, Health Canada initiated public consultation on proposed regulations, under the *Controlled Drugs and Substances Act* that would require that drugs at high risk for abuse, like controlled-release oxycodone, have tamper-resistant properties before they can be sold in Canada.

PharmaCare takes prescription opioid misuse seriously. After careful review of the various regulatory, practice and utilization information, PharmaCare has decided not to cover any currently available generic forms of oxycodone CR at this time. Similarly, PharmaCare will not make any changes to its current coverage of OxyNEO. PharmaCare will continue to monitor and assess any new regulatory or other relevant information to inform any future coverage policy adjustments.

Designated High-Cost Drugs

Certain high-cost drugs are subject to a specific reimbursement limits under the Drug Price Regulations. In order to assist pharmacies with inventory maintenance, going forward we will provide details of new additions to the [List of Designated High-Cost Drugs](http://www.health.gov.bc.ca/pharmacare/pdf/hi-cost-mrkup.pdf) (www.health.gov.bc.ca/pharmacare/pdf/hi-cost-mrkup.pdf) in the PharmaCare newsletter.

Effective March 3, 2015, the following product is considered a designated high-cost drug and PharmaCare will reimburse up to a maximum price based on the sum of the manufacturer list price for the drug and 5% of that price.

DIN	DRUG NAME
02416328	teriflunomide (Aubagio) 14 mg tab

For more information on how to properly enter a claim for drugs with this designation, please see the [PharmaCare Policy Manual, Section 5.8](#).

Limited Coverage Drug Program Benefits

The following product is an eligible benefit 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](http://www.health.gov.bc.ca/pharmacare/sa/saindex.html) page on the PharmaCare website at www.health.gov.bc.ca/pharmacare/sa/saindex.html.

DIN	DRUG NAME	PLAN G	PLAN P
02410818	ocriplasmin (Jetrea) 2.5 mg/ml intravitreal injection	N	N

Non-Benefits

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

DIN	DRUG NAME
02409100	guanfacine hydrochloride (Intuniv XR™) 1 mg extended release tablet
02409119	guanfacine hydrochloride (Intuniv XR™) 2 mg extended release tablet
02409127	guanfacine hydrochloride (Intuniv XR™) 3 mg extended release tablet
02409135	guanfacine hydrochloride (Intuniv XR™) 4 mg extended release tablet
02418304	phleum pratense standardized allergenic extract (Grastek™) 2800 BAU sublingual tablet