



# BC PharmaCare Newsletter

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## LOW COST ALTERNATIVE/REFERENCE DRUG PROGRAM REIMBURSEMENT CHANGES FOR 2017

On April 1, 2017, changes to reimbursement limits for Low Cost Alternative (LCA)/Reference Drug Program (RDP) drugs will take effect.

For information on all drugs affected by the price changes, refer to the Upcoming LCA/RDP Data Files at [www.gov.bc.ca/pharmacarecostalternativeprogram](http://www.gov.bc.ca/pharmacarecostalternativeprogram).

### Low Cost Alternative (LCA) Program

Under the LCA Program, PharmaCare targets a maximum accepted list price (MALP) it will reimburse for each drug in an LCA category. The LCA price is set at the sum of the MALP plus 8% (or 5% or less for drugs subject to the High-Cost Drugs policy).

For the pricing period starting April 1, 2017, the maximum price that suppliers can charge for generic LCA drugs will continue as

- 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% or 15% of the equivalent brand product’s list price for drugs subject to Pan-Canadian pricing

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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.

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## PharmaCare Coverage under 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, 2017, reimbursement limits for LCA drugs are published in the Max Price column of the upcoming [LCA Spreadsheet](#).

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.

For LCA/RDP drugs, suppliers will reflect the new pricing at start of day March 1, 2017 (31 days before the new pricing takes effect).

## Drugs Becoming Non-benefits

A list of the drugs that will no longer be covered as of April 1, 2017, is available in the upcoming [Removal Spreadsheet](#).

## Reference Drug Program (RDP)

The Reference Drug Program encourages 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 current list of RDP drugs and RDP prices is provided in the [RDP Spreadsheet](#).

## 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 its member provinces and territories would establish price points for the most common generic drugs.

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

- Citalopram
- Donepezil
- **Ezetimibe** (not covered by PharmaCare)
- Gabapentin
- Metformin
- Olanzapine
- Omeprazole
- Rabeprazole
- Rosuvastatin
- Quetiapine
- Venlafaxine
- Zopiclone

PharmaCare will continue to reimburse up to 18% of the equivalent brand name drug plus an 8% markup for these drugs (excluding ezetimibe).

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Effective April 1, 2017, the following drugs already priced at 18% will be reduced to 15% of the equivalent brand product list price:

- Atorvastatin
- Amlodipine
- Clopidogrel
- Pantoprazole sodium
- Ramipril
- Simvastatin

Suppliers will not reduce pricing for these drugs until April 1, 2017.

PharmaCare will continue to reimburse up to 18% of the equivalent brand name drug plus an 8% markup until March 31, 2017. After April 1, 2017, PharmaCare will reimburse up to 15% of brand plus an 8% markup.

The Pan-Canadian prices are included in the April 1, 2017, upcoming [LCA Spreadsheet](#). Drugs subject to Pan-Canadian pricing are flagged with a “Y” in the Pan-Canadian column.

## CHANGES TO GENERIC DRUG PRICING PROCESSES

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Effective April 1, 2017, there will no longer be an annual confirmation of generic drug pricing. The current annual pricing period (April 1 to March 31) will be replaced with an indefinite pricing period, except for competitive MALP (maximum accepted list price) generic drug listings. The monthly LCA updates will continue to list new generic drugs and price decreases for listed generic drugs as they are processed throughout the year. Price increases will be accepted once a year, announced on March 1, to be effective April 1.

Starting April 1, 2017, a competitive MALP generic drug listing may be granted to a supplier who lowers a drug price to MALP or below and satisfies certain requirements. In this case, a drug would be the only generic drug covered in an LCA category for a period of up to one year. Notice of a competitive MALP generic drug listing will be communicated in the monthly updates to the LCA/RDP Spreadsheets.

## REMINDER: VERBAL PRESCRIPTIONS AND FREQUENT DISPENSING AUTHORIZATIONS

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Verbal prescriptions must be documented at the time of dispense. As required by the [Health Professions Act bylaws](#), pharmacies must retain a written record of the prescription, signed or initialed by the pharmacist.

In the case of a verbal authorization for frequent dispensing, under the [Frequency of Dispensing](#) policy, the pharmacist must:

- complete the [Frequent Dispensing Authorization \(HLTH 5378\)](#) form
- note “physician authorized frequency of dispensing” in the Rationale section
- fax the form to the prescriber, and
- retain the form with the fax verification/confirmation (fax reports listing multiple faxes are not permitted)

*Note: we strongly recommend that Frequent Dispensing Authorization forms be kept in a separate binder or folder for each year. Within the binder, forms should be filed alphabetically by patient last name, then chronologically.*

In the event of an audit, records of all verbal prescriptions or Frequent Dispensing Authorizations must be available at the pharmacy **at the time of the on-site audit**. PharmaCare Audit will not accept records of verbal prescriptions or Frequent Dispensing Authorizations provided after a site visit.

## BENEFITS

### Regular Benefits

The following product is now an eligible benefit for all PharmaCare plans except Plan G.

DIN	DRUG NAME
02445158	CREON Minimicrospheres® (lipase-amylase-protease) 5,000 Ph. Eur. units/5,100 Ph. Eur. units/320 Ph. Eur. Units MICRO granules

### Medical Assistance in Dying (MAiD) Benefits

The following product has been added to the list of benefits under the MAiD Program.

DIN	DRUG NAME	STRENGTH-PACK SIZE
00001732	Lidocaine (AstraZeneca) polyamp	1% - 50x5ml

### Publicly Funded Vaccines

The following products have been added to the list of publicly funded vaccines.

PIN	VACCINE NAME	PRODUCT GROUP
66124791	Recombivax HB Pediatric	Hepatitis B
66128130	Energix® B Pediatric	Hepatitis B
66128131	Adacel® Polio	Tetanus, Diphtheria, Acellular Pertussis, Polio Adsorbed

### Limited Coverage Drugs

The special authority criteria has been updated for the following products.

<b>DRUG NAME</b>	<a href="#">tinzaparin</a>	
<b>INDICATION</b>	venous thromboembolism	
<b>DIN</b>	02229755	Innohep® 2,500 IU/0.25 mL syringe
<b>DIN</b>	02358158	Innohep® 3,500 IU/0.35 mL syringe
<b>DIN</b>	02358166	Innohep® 4,500 IU/0.45 mL syringe
<b>DIN</b>	02429462	Innohep® 8,000 IU/0.4 mL syringe
<b>DIN</b>	02231478	Innohep® 10,000 IU/0.5 mL syringe
<b>DIN</b>	02429470	Innohep® 12,000 IU/0.6 mL syringe
<b>DIN</b>	02358174	Innohep® 14,000 IU/0.7 mL syringe
<b>DIN</b>	02429489	Innohep® 16,000 IU/0.8 mL syringe
<b>DIN</b>	02358182	Innohep® 18,000 IU/0.9 mL syringe
<b>DIN</b>	02167840	Innohep® 10,000 IU/mL vial
<b>DIN</b>	02229515	Innohep® 20,000 IU/mL vial
<b>PLAN G BENEFIT?</b>	No	
<b>PLAN P BENEFIT?</b>	No	

<b>DRUG NAME</b>	<a href="#">denosumab</a>	
<b>INDICATION</b>	osteoporosis and related fracture, contraindication to oral bisphosphonates	
<b>DIN</b>	02343541	Prolia® 60 mg/mL syringe
<b>PLAN G BENEFIT?</b>	No	
<b>PLAN P BENEFIT?</b>	No	