



# BC PharmaCare Newsletter

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## INTRODUCTION OF TIERED PRICING IN B.C.

### Background

As you know, the provinces and territories are working together to get greater value for brand name and generic drugs for publicly funded drug programs. These initiatives, formerly known as the Pan-Canadian Pricing Alliance and the Generic Value Price Initiative, are now referred to collectively as the “pan-Canadian Pharmaceutical Alliance (pCPA).”

By capitalizing on the combined “buying power” of drug plans across multiple provinces and territories, the pCPA aims to increase access to drug treatment options; achieve lower drug costs and consistent pricing; and improve consistency of coverage criteria across Canada.

The Canadian Generic Pharmaceutical Association (CGPA) and B.C. and other participating provinces and territories—as part of the Council of the Federation—reached an agreement on a **Tiered Pricing Framework**. BC PharmaCare is making best efforts to implement the framework to the BC generic drug pricing process. It is important to note that the tiered pricing is not intended to supercede the existing provincial regulation and policies.

*Continued on page 2...*

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.

Tiered pricing, shown in the table below, is being applied to certain LCA categories based on the number of competitors in that LCA category.

Tier	Product scenario	Maximum participating provinces or territories will reimburse
<b>Tier 1</b>	New single source drug (that is, a drug available only from one manufacturer)	75% of the brand price or, if no product listing agreement exists in any jurisdiction, 85% of the brand price
<b>Tier 2</b>	Two generics	50% of the brand price
<b>Tier 3</b>	Three or more generics	25% of the brand price for oral solids 35% of the brand price for all other dosage forms

In principle, for each product scenario, as soon as another manufacturer begins selling a new version of a drug, the pricing drops to the next lower tier. For instance, if only one manufacturer is selling a drug, reimbursement is at 75% or 85% of the brand price (providing there is no product listing agreement in place in a province or territory). If another manufacturer begins selling a new version of that drug, the maximum reimbursement drops to 50% of the brand price. In other words, increased competition initiates a price reduction.

For more details on the TPF, please refer to <http://formulary.drugplan.health.gov.sk.ca/PanCanadian.aspx>.

Note, just as tiered pricing does not supercede existing BC regulation and policies, tiered pricing also does not replace Pan-Canadian pricing. The price for oral solid versions of the following molecules remains at 18%:

amlodipine besylate	metformin	ramipril
Atorvastatin	olanzapine	rosuvastatin calcium
citalopram hydrobromide	omeprazole 20mg	simvastatin
clopidogrel bisulfate	pantoprazole sodium	venlafaxine HCl
Gabapentin	rabeprazole sodium	

## Notification of Price Changes Resulting from Tiered Pricing

To help pharmacies manage their inventory and to lessen the impact of price reductions, PharmaCare will give pharmacies **14 days' advance notification** of changes in pricing resulting from the new tiered pricing model through an update to the Low Cost Alternative/Reference Drug Program (LCA/RDP) data files. Please note that during the 14-day notification period, manufacturers are **not** obligated to reduce their drug price.

As you are already aware, the LCA/RDP data files are updated on the first Thursday of each month and, occasionally, PharmaCare makes updates between these monthly updates.

To allow you to monitor changes, we recommend you **check the [LCA/RDP Updates Workbook \(Excel file\)](#) on the first Thursday of the month, then again about two weeks later**. The Summary Spreadsheet within the file summarizes the most recent changes.

## COVERAGE INCREASES FOR MASTECTOMY AND LUMPECTOMY PROSTHESES

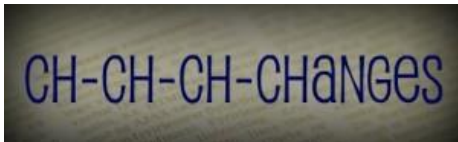
To help more women purchase their choice of mastectomy and lumpectomy prostheses, as of **June 24, 2015**, PharmaCare will increase its maximum coverage for these items. The new maximum reimbursement for a mastectomy prosthesis is \$450 and for a lumpectomy prosthesis is \$350.

As is currently the case, women who have had a mastectomy or lumpectomy can access coverage for a prosthesis immediately after surgery and then every two years thereafter.

These increases will be funded by discontinuing coverage of post-mastectomy brassieres. Until now, post-mastectomy brassieres were covered on a one-time basis within six months immediately following surgery. As these brassieres do not serve a medical purpose, are affordable for most women, and are a one-time benefit only, the Ministry believes women will benefit more from ongoing coverage of new and replacement prostheses.

Claims for post-mastectomy brassieres dispensed **before June 24, 2015** remain eligible for coverage. Claims submission procedures for mastectomy and lumpectomy prostheses remain the same; only the coverage amount will change.

## CHANGE FORM AVAILABLE ONLINE—REMINDER



As outlined in the [Enrollment Guide](#)—and in the Welcome Packages that are being sent to enrolled providers—the Provider Regulation requires providers to notify Health Insurance BC of changes in their enrollment information.

[PharmaCare Provider Change \(HLTH 5433\)](#) is now online and providers are asked to use this new form to report any future changes.

To submit a change, complete the first page of the form and any relevant parts (A through K) required.

**Important: Failure to abide by your duties and obligations may result in delay or suspension of payments.**

All enrollment information, including the Enrollment Guide, enrollment forms, and the PharmaCare Provider Change form are available on the Pharmacy Provider web page ([www.gov.bc.ca/pharmacarepharmacists](http://www.gov.bc.ca/pharmacarepharmacists)) and the Device Provider web page ([www.gov.bc.ca/pharmacaredeviceproviders](http://www.gov.bc.ca/pharmacaredeviceproviders)).

## PROVIDER DUTIES AND OBLIGATIONS

Please note that approved providers are required to abide by PharmaCare policies as published in PharmaCare policy manuals and in PharmaCare Newsletters and PharmaNet Bulletins.

In your Welcome Package, under the heading *Your Duties and Obligations*, you will find information on the Pharmaceutical Services Act, the Provider Regulation, and the policies and procedures that govern all PharmaCare providers. It also explains your obligation to notify PharmaCare of specific business changes.

Please read the information. It is critical to maintaining your standing with the PharmaCare program. Failure to abide by your duties and obligations may result in delay or suspension of payments.

## NEWSLETTER SUBSCRIPTION SIGN-UP

If you would like to receive an e-mail whenever a newsletter or bulletin is published, visit the PharmaCare Newsletter page at [www.gov.bc.ca/pharmacarenewsletter](http://www.gov.bc.ca/pharmacarenewsletter) today to subscribe.

## BENEFITS

### Limited Coverage Drug Program

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.

DIN	DRUG NAME	PLAN G	PLAN P
02408872	Breo® Ellipta® (fluticasone furoate-vilanterol) 100 mcg/25 mcg dry powder for oral inhalation	N	N
02418282	Ultibro® Breezhaler® (indacaterol/glycopyrronium) 110 mcg/50 mcg inhalation powder hard capsule	N	N

### Changes to PharmaCare Benefit Status

Effective **July 24, 2015**, the following products are no longer PharmaCare benefits at the request of the manufacturer.

DIN	DRUG NAME
02322765	Granisetron hydrochloride injection (granisetron HCL) 1mg/mL vial
02230593	Neostigmine Omega (neostigmine methylsulfate) 0.5 mg/mL vial for injection
00511234	Tromboject (sodium tetradecyl sulfate) 1 % vial for injection
00511226	Tromboject (sodium tetradecyl sulfate) 3 % vial for injection
00623571	Saliject (sodium salicylate) 570 mg/mL vial for injection
02020939	Sclerodex (sodium chloride/dextrose) 100 mg/mL-250 mg/mL vial for injection
02242810	Scopolamine Hydrobromide Injection (scopolamine hydrobromide) 0.4 mg/mL vial

### Non-Benefits

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

DIN	DRUG NAME
02408295	Jaydess® (levonorgestrel-releasing intrauterine system) 13.5 mg
02417189	Nesina™ (alogliptin) 6.25 mg tablet
02417197	Nesina™ (alogliptin) 12.5 mg tablet
02417200	Nesina™ (alogliptin) 25 mg tablet
02430789	Fragmin® (dalteparin sodium) 3500 IU/0.28 mL prefilled syringe
02417219	Kazano™ (alogliptin-metformin) 12.5 mg/500 mg fixed-dose combination oral tablet
02417227	Kazano™ (alogliptin-metformin) 12.5 mg/850 mg fixed-dose combination oral tablet
02417235	Kazano™ (alogliptin-metformin) 12.5 mg/1000 mg fixed-dose combination oral tablet