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Direction de
l'analyse des
politiques et
de la liaison

Policy Analysis
and Liaison
Branch

**SUMMARY OF PROVINCIAL
DRUG COST REIMBURSEMENT
SCHEMES - 1984**

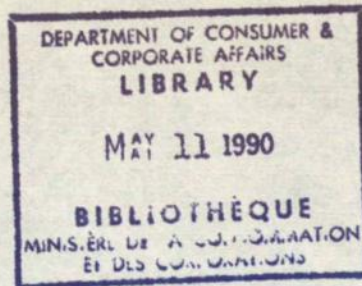


Consommation
et Corporations
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Consumer and
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Canada

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**SUMMARY OF PROVINCIAL
DRUG COST REIMBURSEMENT
SCHEMES - 1984**

The descriptions contained herein were prepared with the generous assistance of provincial drug plan managers. Their cooperation is greatly appreciated.

Tom Brogan
Policy Analysis and Liaison Branch
Consumer and Corporate Affairs Canada

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NEWFOUNDLAND AND LABRADOR

NAME OF PLAN

The drug reimbursement scheme is called the Newfoundland and Labrador Prescription Drug Program.

LEGISLATIVE AUTHORITY

No specific legislation exists but authority has developed as follows:

Senior Citizen: Treasury Board approval
Social Welfare: general power in Social Assistance Act

No regulations have been prescribed.

There is an agreement negotiated between the Pharmacists Association and the Department of Health.

ADMINISTRATIVE BODY

The administrative body is the Department of Health Policy of the Government of Newfoundland and Labrador.

CONTACT PERSON

Mr. Gerry White
Director of Health Policy
Department of Health
Government of Newfoundland and Labrador
St. John's, Newfoundland
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ELIGIBLE RECIPIENTS

There are two categories of eligible recipients. They are:
1) Residents who receive social assistance, and
2) Residents age 65 and over who receive Guaranteed Income Supplement (GIS).

BENEFITS

Scope

The Newfoundland and Labrador Prescription Drug Program covers all prescription drugs, a few over-the-counter drugs, selected single entity vitamins, and syringes. These are identified in a benefit list which is revised annually.

Amount Reimbursed

Social assistance recipients - the total cost of prescriptions is paid directly to the pharmacist by the plan.

GIS recipients - the plan covers the cost of the drug and not the dispensing fee.

PAYMENT SYSTEM

Claims are processed on behalf of the Newfoundland government by Blue Cross under a contractual arrangement. The data available includes:

1. Number of the pharmacy (for billing purposes)
2. The (Drug Identification Number) DIN
3. The quantity dispensed
4. The prescription number
5. Only the total price
6. Whether or not the pharmacist was prevented from any substitution by the physicians instructions.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

For products listed in the interchangeable formulary, pharmacists are required to charge the lowest price listed regardless of which brand is dispensed. This applies to both plan recipients and to private customers (i.e. other third party payers or cash paying customers.) Maximum prices for single source drugs are listed in a comprehensive price list which is distributed to pharmacists.

The prices in the formulary and price lists are based on manufacturer's quotes which are updated semi-annually. Prices are for quantities stipulated in the formulary and are generally for small package sizes. In order for a manufacturer's quote to be accepted he must guarantee to supply every pharmacy in the province at the price quoted.

Prices are not necessarily the true acquisition costs to the pharmacist.

Newfoundland authorities allow a mark-up of up to 15% on drugs which pharmacists cannot purchase directly from manufacturers (i.e. an allowance for the wholesaler charge).

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee paid to pharmacists by the government for prescriptions filled for welfare recipients is collectively bargained for. It is presently \$5.25 as compared with the market fee (i.e. the usual and customary fee) of \$5.45.

The fee for GIS recipients is the "market fee" which is paid by the patient. This provision was designed to encourage competition among pharmacists although there is little evidence that the fee is being discounted.

The limit on quantity reimbursed for any given prescription is either 34 days dosage or 120 doses whichever is greater. The Pharmacist's Association would prefer a strict 34 day limit. To date the government has not penalized anyone for exceeding dose limits (for instance, they have reimbursed claims for 3 or 4 months supply from one prescription).

DETERMINATION OF INTERCHANGEABLE PRODUCTS

The drugs allowed into the interchangeable formulary are those which have a demonstrated efficiency in the eyes of the board of consultants which advise the government on pharmacological matters. Some consideration is also given to the economic benefits of listing products. (Recommendations are made to the Minister who authorizes inclusion.)

The members of the Formulary and Theurapeutics Committee use the results available from the federal government, Ontario, Quebec and Saskatchewan tests on the substitutability of drugs.

BENEFITS LIST

There is a benefits list which is updated annually.

FORMULARY

The formulary is revised every 6 months.

COMPETITION AND LEGAL RESPONSIBILITY

If a pharmacist so wishes, he can advertise a lower fee. This practice occurs rarely.

PRINCE EDWARD ISLAND

Prince Edward Island is currently modifying its program. A description will be prepared at a later date.

NOVA SCOTIA

GENERAL NOTE

Nova Scotia provides for the purchase of pharmaceuticals under a number of separate programs, the largest of which is a senior citizens plan. Other programs reimburse drug purchases for those on welfare, the disabled, diabetics, cancer patients, and those suffering from Cystic Fibrosis.

Benefits (\$30M in 1984) for senior citizens (MSI Pharmacare) are provided under the direction of the Nova Scotia Health Services Insurance Commission which is established under the Health Services Insurance Act.

The Commission also administers the social services plan which provides drugs to individuals who are disabled and receiving a provincial disability allowance.

Medicines for welfare recipients are paid for by municipal authorities which are partially financed by the provincial and federal governments under the Canadian Assistance Program (CAP). There are 66 municipal plans in force and little systematic information is available on these. The total cost of these programs is currently about \$1.3M annually.

NAME OF PLAN

The largest plan in Nova Scotia for the purchase of pharmaceuticals is MSI Pharmacare.

LEGISLATIVE AUTHORITY

Health Services Insurance Act

ADMINISTRATIVE BODY

Nova Scotia Health Services Insurance Commission

CONTACT PERSON

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and Insurance Commission
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(902) 424-7733

CCAC 04/10/84

ELIGIBLE RECIPIENTS

Benefits are provided to residents of the province who are 65 years of age and over.

BENEFITS

Scope

The program (as directed by the Act) includes all drugs for which a prescription is required plus a number of non-prescription pharmaceutical products (see attachment 1).

Amount Reimbursed

There is no co-payment and the full purchase price and dispensing fee are covered.

PAYMENT SYSTEM

Pharmacists are reimbursed directly, with payments being made every two weeks. Pharmacists are paid for the material and the dispensing fee as submitted to the Commission (via Maritime Medical - a private third party payer that administers the Nova Scotia program under contract).

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

Reimbursement prices are subject to negotiations between the Commission and the Pharmacy Association of Nova Scotia. Pharmacists may charge the "usual and customary" charge of the pharmacy or the defined cost. Defined costs are described below.

a) Prescription Drugs

Reimbursement for single source products (i.e. products with no generic substitutes) is the usual and customary charge plus a maximum dispensing fee of \$5.50¹. For certain major products listed below, prices are based on the pharmacist's cost of 1,000 or 500 package size.

¹ There are exceptions for certain compounds and oral contraceptives.

1000 Package Size to be used in Determining
Maximum Tariff of the Following:

Aldoril	15mg	Lanoxin	.25mg
Aldoril	25mg	Lanoxin	.125mg
Entrophen	10mg	Motrin	300mg
Hydrodiuril	25mg	Motrin	400mg
Indocid	25mg	Slow-K	
Inderal	80mg	Zyloprim	100mg

500² Package Size to be Used in Determining
Maximum Tariff for the following:

Aldomet	250	Hydrodiuril	50
Entrophen	5	Lasix	20

Prices for the multiple source products (i.e. those for which generic substitutes are available) from Apotex, ICN and Novopharm, are based on the lowest regular price shown in any price list for these companies.

The Commission has recently introduced the Maximum Allowable Cost concept which defines the maximum amount that will be paid to the pharmacist, regardless of the brand dispensed. It has been applied to the following drugs:

Cimetidine	Bactrim D.S. and	Naprosyn
Propranolol	Septra D.S.	
Hydrochlorothiazide	Dalmane	
and Triamterene	Librium	
Bactrim and Septra	Valium	

There is a further special case for TAGAMET. Where TAGAMET is prescribed with "no substitute", the price reimbursed will be the pharmacist's actual acquisition price including consideration of any deals or discounts.

The plan will not pay a pharmacy more than its "usual and customary charge", (in general based on smallest package size), when that charge is less than the tariff under the methods outlined above.

b) Over the Counter Drugs

Over the counter drugs (OTC's) are reimbursed at the suggested retail price (SRP), or if there is no SRP, the cost from the supplier plus 66.6%, or the defined costs

² Note: If product is not packaged in 500 size, the price for the package size nearest to 500 will be used.

plus a professional fee. As with prescription drugs, OTC's will not be reimbursed at a price higher than the pharmacy's "usual and customary charge". Other special products are reimbursed as per appendix 2.

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee is subject to negotiation between the Commission and the Pharmacy Association of Nova Scotia. The fee is negotiated once yearly and currently stands at \$5.50. The quantity which may be dispensed at one time is normally 34 days supply but may be up to 100 days supply on instructions from a physician.

DETERMINATION OF INTERCHANGEABLE PRODUCTS

Companies wishing to have a product listed in the formulary as interchangeable must make application to the Drug and Therapeutics Committee which then reviews the evidence and makes the determination. Products must be identical in dosage strength and form to be listed in the formulary as substitutes.

The Drugs and Therapeutics Committee reviews the product to determine if it contains the same active ingredient(s) in the same amount and in the same dosage form as that directed by the prescriber. The review includes consideration of reports from the Bureau of Drug Quality Assessment (QUAD) evaluation of documents related to individual products and experience with manufacturing practices and drug usage at the clinical level.

Substitution of products listed in the formulary can be made providing the physician has not indicated "no substitution".

The pharmacist is reimbursed for the product actually dispensed and therefore substitution of less expensive products is not required nor is it prohibited. Regulations provide that if a prescription is written generically, the pharmacist must dispense the lowest priced product in his/her inventory.

FORMULARY

The formulary lists the products and their prices for which there are interchangeable brands without discriminating between subsidized or non subsidized drugs. The list of substitutable products is extensive.

BENEFITS LIST

There is no benefit list.

COMPETITION AND LEGAL RESPONSIBILITY

Pharmacists are not officially absolved from liability for substitution. The Nova Scotia Pharmaceutical Society is responsible for the ethics of its member pharmacies. Violations to the Pharmacy Act are dealt with according to sections 40 through 47 of the Pharmacy Act.

Supplementary Benefit List

The following is a list of drugs which do not by law require a prescription but are covered by the Nova Scotia Government "Pharmacare" Plan when they are prescribed.

Drugs that are insured in oral dosage form are insured in all other dosage forms unless otherwise specified.

Any unlisted drug that is chemically identical to a listed drug is also insured.

A	Buro-Sol	Dyphylline	Hip-Rex
Accelerase	Buscopan	Dysne-Inhal	Histantil
Acet-Am.Preps			Homachol
Acidulin	C	E	Homatropine
Acth Inj	Calcium Gluconate	Elixophyllin	Hyoscine Ophth
Acthar	Calcium Lactate	Elixophyllin-KI	Hypotears
Acthar Gel	Calcium-Rougier	Elaste	Hytakerol
Actidil	Calcium Sandoz Eff. Tablets	Entair Preps	
Adrenalin	Carbachol	Entozyme	I
Adsorbonac	Cardilate	Entrophen	Idrocrine
Adsorboteat	Cardioquin	Enuclene	Imferon
Airbron	Cedilanid Preps.	Enzymucase Oral	Insulin Preparations
Akineton	*Cephulac	Ephedrine	Intrafer
Albalon Liquifilm	Cerevon	Epifrin	Isopto Atropine
Albalon A Liquifilm	Chlor-Tripolon	E-Pilo	Isopto Carbachol
Alcaine	Choledyl Preps	Epinephrine	Isopto Carpine
Alevaire	Citro Carbonate	Epinal	Isopto Frin
Aminophylline Oral	Cogentin	Epitrate	Isopto Homatropine
Ammonium Chloride	Celchicine		Isopto Hyoscine
Anacobin	Complamin	F	Isopto Tears
Antistine	CoPyronil	Fergon	Isordil
Aparkane	Coramine Oral	Fer-In-Sol	
Aqua Mephyton	Coronex	Fermentol	J
Arlidin	Corophyllin	Fero-Grad	Jectofer
Arlidin Forte	Cotazym	Feroton	
Artane	Cyanabin	Fersamal	K
Arthropan	Cyanocobalamin	Fertinic	KalForte
Asbron	Cyclobec	Fesofor	Kaochlor
Asthmophylline	Cyclospasmol	Ferofume	Kaochlor-20
Atropine Preps		Ferrous Fumarate	Kaon
Avlosulfon	D	Ferrous Gluconate	Kardonyl
Azo-Mandelamine	Daranide	Ferrous Succinate	Kay Ciel Elixir
	Daraprim	Ferrous Sulfate	Kayexalate
B	Darbid	Ferrosulph	Kemadrin
Bacid	Deaner-100	Festal	K-10
Bal In Oil	Debrisan	Fluotic	K-Lyte
Banlin	Degest-2	Forhistal	K-Lyte/CL
Basajel	Dehydrocholic Acid	Folic Acid	K-Med
Basic Nebulizer Sol'n	Dicyclomine HCL	Formulex	KCL-Rougier
Bedoz	Digitalis	Folvite	Ku-Zyme
Belladonna Tr	Digitoxin		L
Benadryl	Digoxin	G	Lacril
Benemid	Dilosyn	Glaucan	Lacri-Lube
Bensylate	Dimetane Preps	Glaucagon Inj	Lactinex
Bentylol	(Dimetane Expectorant	Glutamic Acid HCL	Lanoxin
Benuryl	Excluded)	Gramcal	Lasan Ointment
Benztropine Mesylate	Disipal	H	L-Tryptophan
Betadine Vag Supps	Domeboro Preparations	Hematon	Levsin
Betaxin	Duoderm	Hepalean	Linodil
Bio-12	Duracton	Hepamig	Liquifilm Forte
Bio-Phylline	Duratears	Heparin Inj	Liquifilm Tears
Biquin Durules	Dycholium	Hexa-Betalin	
Bridine Preps	Dynaphylline		
Bronkaid Mistometer			

*Cephulac — Refer to the section "Preparations Subject To Special Provisions".

M

Mandelamine
Medichol
Medihaler-EPI
Mephenesin
Mephyton
Mestinon
Miocarpine
Miochol
Mucomyst
MVI-1000
Mycostatin Preparations
Mydrin
Myplegic Ophth.
Mydriacyl Ophth.
Myochrysine Inj.

N

NAC
Nadostine
Naphcon Forte
Nemasol
Neo Fer
Neo Fer-50
Neo-K
Neo-Synephrine Ophth.
Neo Tears
Niacin
Niacinamide
Nitrol
Nitroglycerin
Nitrostat
Nitrong
Nitrostabilin
Norflex
Norgesic
Norgesic Forte
Novocolchine
Novoferrosulfa
Novoferrogluc
Novofolacid
Novofumar
Novohexidyl
Novopheniram
Novoquinidin
Novoquinine
Nystaform Ung.

O

Ocusert Pilo
Ophthaine
Ophthetic
Optocrymal
Orenzyme
Organidin

P

Palafer
Palaron
Panteric
Papaverine
Papase
Parafon Forte
Parsitan
PAS
Pentaerythritol Tetranitrate
Periaclin
Peritrate
Persantine
Pervadil
Phazyme
Phenergan
(Phenergan Exp. Excluded)
Phosphate Eff
Pilocarpine Preps.
Polaramine
Pontocaine
Potassium Rougier
Potassium Salts
Potassium-Sandoz
Pragmatar
Prefrin Liquifilm
Prefrin A
Priscoline
Privine
Pro-Banthine
Probenecid
Procyclid
Procyclidine HCL
Promaquid
Propanthel
Proparacaine HCL
Prostigmin
Propine
Protamide

Protophylline

P.V. Carpine Liquifilm
Pyribenzamine
Pyridium
Pyridoxine

Q

Questran
Quibron
Quinaglute
Quinidex Extentabs
Quinate
Quinidine Sulfate
Quinine Sulfate

R

Regonol
Resyl
Rhino-Mex-N
Riboflavin
Robaxin
Robaxin-750
Robaxisal
Robinul
Roniocol Supraspan
Roychlor
Royonate
Rubion
Rubramin

S

Santyl
Sal Adult Supp.
Segontin
Slow-FE
Slow-FE Folic
Slow-K
Somophyllin
Sterine
Sulfarlem
Sulfarlem-Choline
Supasa
Sus-Phrine
Synkavite

T

Tavist
Tears Naturale
Tessalon

Theo-Dur

Theolair
Theolixir
Theophylline Choline
Theo-Organidin
Thiamine
Travase
Trihexyphenidyl HCL
Trimo-San
Tronothane

U

Ultras
Urecholine
Uremeth
Urologic Sol'n

V

Vagisec Liquid
Valpin
Vaponefrin
Varidase
Vasocon
Vasocon-A
Vasodilan
Vasoverine Forte
Verban
Vimicon
Vit B1
Vit B2
Vit B3
Vit B6
Vioform
Viokase
Vit B 12
Vit K

W

Wel-K
Wydase

X

Xylocaine Preparations
Xylocaine Viscous

Y

Yohimbine

Z

Zincfrin
Zincfrin-A

NEW BRUNSWICK

NAME OF PLAN

The New Brunswick drug program is comprised of two plans.
They are:

1. Prescription Drug Program
2. Health Services (Pharmaceutical Benefits)

LEGISLATIVE AUTHORITY

Prescription Drug Payment Act (Chapter 15.01)
Pharmacy Act

ADMINISTRATIVE BODY

Medicare, New Brunswick Department of Health, oversee the program's operation. Billings are processed by Atlantic Blue Cross under contract to Medicare.

CONTACT PERSONS

Mr. R. O. Stafford
Director
Prescription Drug Program
Fredericton, New Brunswick
E3B 5G8
(506) 453-8266

OR

Mr. R.W. Gamble
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P.O. Box 5100
Fredericton, New Brunswick
E3B 5G8
(506) 453-2415

ELIGIBLE RECIPIENTS

The Prescription Drug Program provides coverage for eligible residents 65 years of age and over, confirmed cystic fibrosis patients and eligible resident of a New Brunswick Licensed Nursing Home. The Health Services Program covers eligible Social Assistance recipients and their dependents and Child Welfare recipients.

BENEFITS

Scope

The benefit scheme includes, by legislation, all drugs requiring a prescription by law plus a number of non-prescription products as outlined in the New Brunswick Prescription Drug Common Usage Drug Schedule.

Amount Reimbursed

Programs are aided in the financing of drug and dispensing fees with the following prescription co-payments. For eligible senior citizens 65 years of age and older a \$3.00 per prescription co-payment is in effect with a maximum total calendar year co-payment required of \$30.00 (10 prescriptions). Co-payments collected in excess of this amount are refunded periodically to the recipient by cheque throughout the year. Residents of a licensed New Brunswick Nursing Home and confirmed cystic fibrosis cases are not required to pay a prescription drug co-payment. For eligible adult Social Assistance recipients the co-payment is \$2.00 per prescription with a \$1.00 per prescription co-payment being applicable to children who have not reached their 18th birthday. Child welfare cases are not subject to the co-payment. There is no maximum co-payment ceiling in respect to Social Assistance Cases.

PAYMENT SYSTEM

The system is a direct payment system with pharmacists submitting their cost and payment being made every two weeks. Claims are submitted to Blue Cross of Atlantic Canada who administers the Program for the Department of Health and payment is forwarded from them.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

The Pharmacists' Association circulates to pharmacists a full price list which catalogues agreed upon prices between the province and the association. Prices are based on the smallest package size except for 22 largest selling drugs. Prices for these are based on sizes of 500 or 1,000. In addition, certain designated products are priced according to the nearest package size (e.g. ointments, creams).

DISPENSING FEES AND QUANTITY DISPENSED

The pharmacy dispensing fee is currently \$5.55 per prescription. The dispensing fee for authorized dispensing physicians is \$4.44 per prescription. The pharmacy fee is subject to negotiation between the Pharmacists Association and the province. The dispensing fee for authorized dispensing physicians is based on a percentage of the pharmacy dispensing fee (e.g. 1985 80% of 5.55) as per an agreement between the Province and the Medical Society. Future increases in the co-payment will be tied to increases in the dispensing fee.

In general, the province reimburses up to a 34 day supply. A prescription for a quantity greater than a 34 day supply will be filled as prescribed providing it does not exceed a 100 day supply.

DETERMINATION OF INTERCHANGEABLE PRODUCTS

Basically, products have to be approved by OUAD (Bureau of Drug Quality Assessment) before they are considered by the province's Product Selection Committee as being interchangeable. This, in addition to other established criteria, is required for Committee use in determining interchangeability.

Product substitution is mandatory where indicated by the Physician, voluntary where not. Substitutes must be selected from the formulary.

FORMULARY

The formulary lists the interchangeable products and the prices for each. The formulary reflects prices contained in the full price list from the Pharmacists' Association.

BENEFITS LIST

The province maintains a "Common Usage Drug Schedule" which lists the drugs which will be reimbursed. Prices are not included in this schedule. Benefits are determined by the Product Selection Committee based on an assessment of several aspects including: demand, utilization, cost etc.

COMPETITION AND LEGAL RESPONSIBILITY

Pharmacists are not permitted to advertise price as per the Pharmacy Act.

QUEBEC

NAME OF PLAN

The Quebec drug reimbursement scheme is called "Programme de médicaments".

LEGISLATIVE AUTHORITY

The Health Insurance Act

ADMINISTRATIVE BODY

The body which administers the Quebec drug plan is the "Régie de l'assurance-maladie du Québec" (RAMQ).

CONTACT PERSON

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1125, chemin St-Louis, 7e étage
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ELIGIBLE RECIPIENTS

All social assistance recipients are eligible (as defined by the Canada Assistance Plan) as well as all persons 65 years of age and over and those between 60 and 64 years of age who receive an allowance under the Old Age Security Act in lieu of social aid.

BENEFITS

Scope

The plan covers all prescriptions for drugs listed in the drug list. Although most of the drugs listed are single therapeutic entities, there are some over-the-counter (OTC) drugs and composites but no GP products*. Some drugs, not listed, may be provided as benefits if the prescriber asks for a special authorisation.

Amount Reimbursed

The plan is a 100% reimbursement, with no copayment or deductible.

* GP products are patented drugs which may be sold to the general public in any retail establishment. They may be identified by the letters GP followed by a 6 digit number in place of a DIN number.

PAYMENT SYSTEM

The plan which is administered by the RAMQ reimburses the pharmacists.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

Single Source

Prices for single source products are determined by quotes from the manufacturer. The prices indicated in the drug list are the prices at which the manufacturer sells to the wholesalers, plus 9%, which is the average wholesaler's markup.

Multiple Source

In the case of multiple source drugs, the RAMQ will reimburse the pharmacist only up to the median price for each specific set of drugs as listed in the formulary.

Example

For drug X with prices as follow:

<u>Company</u>	<u>Price</u>
A	.025
B	.019
C	.017 -
D	.012
E	.011

.017 is the maximum price which will be reimbursed.

In all cases, the patient can refuse the substitution; he then must pay the difference between the median price and the price of the particular brand name drug desired. However, if the prescriber indicates in his own hand-writing that he does not want the substitution, then the RAMQ will pay the listed price.

For the following six entities:

CIMETIDINE
ISOSORBIDE DINITRATE
IBUPROFEN
NAPROXEN
PROPRANOLOL
TRIAMTERENE/HYDROCHLOROTHIAZIDE

the RAMQ will reimburse the pharmacist his acquisition costs up to a maximum. The acquisition cost is defined as the invoiced price from which must be subtracted the value of rebates, free goods and all other forms of allowances which reduce the invoiced price.

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee is \$3.62 per prescription for the first 20,000 prescriptions filled per year and \$3.12 for each prescription filled thereafter. The fees are subject to negotiation.

There is no limit on the quantity which may be dispensed at one time.

FORMULARY

The formulary is a benefits list. It includes all drugs with proven therapeutic value as assessed by the "Conseil consultatif de pharmacologie".

Items for inclusion in the formulary are suggested by the "Conseil consultatif de pharmacologie" and are approved by the "Ministre des Affaires sociales".

COMPETITION AND LEGAL RESPONSIBILITY

Competition is limited to the posting of price inside the pharmacy. This is policed by the "Ordre des pharmaciens du Québec".

Liability for product selection rests entirely with the pharmacist.

ONTARIO

NAME OF PLAN

The province operates the Ontario Drug Benefit Plan which reimburses pharmacists, a small number of dispensing physicians and hospital dispensaries for providing approved prescribed drugs to senior citizens, those receiving social assistance and other eligible groups. The program ensures that the drugs provided meet recognized standards of quality and safety, and are valid therapeutic agents.

In addition, the province operates a PARCOST program with the objective of assisting the people of Ontario to obtain prescribed drug products of quality at reasonable cost. The program is neither a purchasing program nor a prescription insurance program. It is a plan aimed at developing economies throughout the pharmaceutical industry and health professions by encouraging fair competition and more efficient methods of distribution and utilization of pharmaceutical preparations available to the people of Ontario, through community pharmacies or while in hospitals.

LEGISLATIVE AUTHORITY

Ontario Drug Benefit - Ministry of Health Act
R.S.O. 1980 Chap. 196, June 1982

Eligibility is established under

- Family Benefits Act
R.S.O. 1980 Chap. 151 and
Regulation 318 Jan. 1983

and the

- Health Insurance Act
R.S.O. 1980 Chap. 197 and
Regulation 452 R.S.O. 1980 Dec. 1982

PARCOST

- Health Disciplines Act
R.S.O. 1980 Chap. 196
as amended by 1983, Chap. 59
February 1984

ADMINISTRATIVE BODY

Drug Programs and Policy Branch
Ministry of Health

CCAC 05/10/84

CONTACT PERSON

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ELIGIBLE RECIPIENTS

The following two groups are covered:

- a) All persons aged 65 and over who receive Old Age Security, or who have been residents of Ontario for the past 12 months and are either Canadian citizens or landed immigrants;
- b) All persons receiving Family Benefit Assistance, General Welfare Assistance, Extended Health Care benefits, Home Care benefits; Residents of Homes for Special Care are also eligible.

BENEFITS

Scope

All products listed in the Drug Benefit Formulary can be obtained at no charge by an eligible individual when these products are prescribed by a licensed registered Ontario physician or dentist. The benefit list is comprehensive. Some drugs not listed may be provided as benefits under Special Authorization.

Amount Reimbursed

Ontario Drug Benefit claims for approved prescribed drugs provided to eligible recipients are reimbursed on the following bases:

Pharmacies

An amount that is equal to the lesser of:

- (a) the Pharmacy's usual and customary price, including the cost of the drug plus the dispensing fee charged the general public for the same quantity of the same drug; or

- (b) the lowest cost listed in the Index (Drug Benefit Formulary) for the drug dispensed, together with the PARCOST fee (presently in the amount of \$5.00).

Dispensing Physicians

The lowest drug cost listed in the Drug Benefit Formulary plus a fixed "dispensing service fee"
(amounts - urban physicians \$3.30)
rural physicians \$3.92))

Hospital Dispensaries

The lowest drug cost listed in the Drug Benefit Formulary plus a cost allowance (currently \$2.49)

PAYMENT SYSTEM

Pharmacists and other providers are reimbursed directly.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

The costs of drugs for reimbursement are listed in the Formulary. These are established through a system of submissions from the manufacturers. Prices are based on individual package sizes which are the most economical and efficient for the average community pharmacy to purchase. Prices of most solid oral dosage forms such as tablets and capsules are based on package sizes of 100. Prices of thirty-six high volume multiple-source drugs have been based on package sizes of 1000 since 1979.

Products listed in the Formulary and designated as "OTC" are paid at the lesser of the lowest price listed in the Formulary (includes 66-2/3 percent mark-up in lieu of a fee) or the price charged to cash paying customers.

Prices of 30 high volume drug products in the February 84 Formulary and July 84 Addendum are notably the result of negotiations between the Ministry of Health, and the Ontario Pharmacists' Association and individual manufacturers. This is a temporary situation pending the outcome of the Gordon Commission of Inquiry into the current Ontario pricing mechanism for multiple-source drugs.

DISPENSING FEES AND QUANTITY DISPENSED

a) Drug Benefit

The dispensing fee is subject to annual negotiation between the Ontario Pharmacists' Association and the Ministry of Health. The maximum allowable fee is currently \$5.00

b) PARCOST

The dispensing fee is set as with Drug Benefit and for prescriptions filled in accordance with product selection legislation. The maximum fee is \$5.00

Drug Benefit Prescription Quantity

Subject to the prescriber's approval the normal quantity dispensed shall be that which is sufficient for one month, except for drugs which normally have a course of treatment of less than one month, in which case the quantity dispensed shall be sufficient for the course of treatment.

Senior citizens who are holders of numbered Senior Citizen Privilege Cards are eligible for multiple months' supply of medication. The maximum quantity allowable is that sufficient for a six month course of treatment, subject to the person having a valid prescription for that quantity and subject to the pharmacists' professional discretion. Drugs purchased outside the province are not covered.

Persons issued a paper eligibility card are eligible month by month and are not eligible for drugs for months for which they do not have an eligible card.

DETERMINATION OF INTERCHANGEABLE PRODUCTS

Manufacturers wishing to have products listed as interchangeable in the Formulary must make application with submitted documentation to the Ministry (in accordance with specific submission guidelines listed in the preface to the Formulary). The submissions are assessed by the Drug Quality and Therapeutics Committee, an independent advisory body of experts in the fields of medicine, pharmacy, and pharmacology. The criteria used are published in the Preface to the Formulary. Based on this assessment a recommendation list is made to the Minister of Health. An appropriate regulation is then made by the Lieutenant Governor by Order-in-Council.

Product selection from the drug products listed as "interchangeable" in the PARCOST Comparative Drug Index (Formulary) can be made unless the physician has specifically indicated "no substitution". Drug Benefit claims are reimbursed on the basis of the lowest drug price listed for interchangeable products in the Formulary regardless of the product dispensed. In the case of "no substitution" indicated on prescription, claims are reimbursed on the basis of the drug product dispensed and the price for that product listed in the Formulary, provided that a "no substitution" Form (P.C.34) signed by the prescriber accompanies the claim.

FORMULARY

a) Drug Benefit

The formulary is the listing of drug benefits available under the program and the drug costs at which they will be reimbursed. The Formulary lists approximately 2400 single and multiple-source, quality-assured drugs to meet most therapeutic needs.

The Drug Quality and Therapeutics Committee reviews and makes recommendations for all products listed as benefits in the Formulary. The Ministry's decisions are based on the Committee's recommendations. Comprehensive testing is carried out by the Ministry's Drug Testing Service.

b) PARCOST

The Formulary is also the PARCOST Comparative Drug Index. It is established by regulation under the Health Disciplines Act. (Sec.155) as the reference to determine which multiple source drugs are listed as interchangeable for product selection. Maximum Allowable Costs for the listed products are also established.

COMPETITION AND LEGAL RESPONSIBILITY

Advertising of prices and dispensing fees is under the jurisdiction of the Ontario College of Pharmacists and not widely practised.

Section 119 of the Health Disciplines Act applies. A copy is attached.

Ontario Regulation 451, R.S.O. 1980 under the Health Disciplines Act (Pharmacy) February 1982 also applied in respect of advertising, specifically Section 42, and Section 47, in respect of "professional misconduct" as might be related to advertising or any representation. A copy is also attached.

STATISTICS

ONTARIO DRUG BENEFIT

<u>Year</u>	<u>Number of Claims</u>	<u>Amount Paid</u>
1981-82	21,307,000	\$191,177,000
1982-83	23,346,000	\$243,009,000
1983-84	25,153,000	\$292,959,000

be carried out with reasonable dispatch and the books, records or documents in question shall be promptly thereafter returned to the member whose practice is being investigated.

(6) Any copy made as provided in subsection (5) and certified to be a true copy by the person making the investigation is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, record or document and its contents. Admissibility of copies

(7) The Registrar shall report the results of the investigation to the Council or the Executive Committee or such other committee as he considers appropriate. R.S.O. 1980, c. 196, s. 40. Report of Registrar

41.—(1) Every person employed in the administration of this Part, including any person making an inquiry or investigation under section 40 and any member of the Council or a Committee, shall preserve secrecy with respect to all matters that come to his knowledge in the course of his duties, employment, inquiry or investigation under section 40 and shall not communicate any such matters to any other person except, Matters confidential

(a) as may be required in connection with the administration of this Part and the regulations and by-laws or any proceedings under this Part or the regulations;

(b) as may be required for the enforcement of the *Health Insurance Act*; R.S.O. 1980, c. 197

(c) to his counsel; or

(d) with the consent of the person to whom the information relates.

(2) No person to whom subsection (1) applies shall be required to give testimony in any civil suit or proceeding with regard to information obtained by him in the course of his duties, employment, inquiry or investigation except in a proceeding under this Part or the regulations or by-laws. R.S.O. 1980, c. 196, s. 41. Testimony in civil suit

★ 42.—(1) Where it appears to the College that any person does not comply with any provision of this Part or the regulations, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other rights it may have, the College may apply to a judge of the High Court for an order directing such person to comply with such provision, and upon the application the judge may make such order or such other order as the judge thinks fit. Restraining orders

Appeal (2) An appeal lies to the Divisional Court from an order made under subsection (1). R.S.O. 1980, c. 196, s. 42.

Penalties 43.—(1) Every person who is in contravention of section 28 is guilty of an offence and on conviction is liable to a fine of not more than \$5,000 or to imprisonment for a term of not more than six months, or to both.

Idem, use of titles (2) Subject to the provisions of Parts III and V, any person not licensed under this Part who takes or uses any name; title, addition or description implying or calculated to lead people to infer that he is licensed or registered under this Part or that he is qualified or recognized by law or otherwise as a dentist, dental surgeon, oral surgeon, orthodontist, pedodontist, periodontist, oral pathologist, endodontist or any other designated specialties in the practice of dentistry, or who assumes, uses or employs the description or the title "dentist", "doctor" or "dental surgeon", or any affix or prefix indicative of such titles or qualifications as an occupational designation relating to the treatment of human ailments or physical defects or advertises or holds himself out as such is guilty of an offence and on conviction is liable for the first offence to a fine of not more than \$1,000 and for each subsequent offence to a fine of not more than \$2,000.

Idem (3) Any person who obstructs a person appointed to make an investigation under section 40 in the course of his duties is guilty of an offence and on conviction is liable to a fine not exceeding \$2,000. R.S.O. 1980, c. 196, s. 43.

Regulations re dental hygienists 44. Subject to the approval of the Lieutenant Governor in Council, the Council may make regulations,

- (a) providing for the establishment, development, regulation and control of an ancillary body known as dental hygienists;
- (b) regulating the conditions and prescribing the qualifications for admission to such body;
- (c) prescribing the admission and annual fees payable by members of such body;
- (d) generally for the defining, regulating and controlling of the practice of dental hygiene. R.S.O. 1980, c. 196, s. 44.

(e) to administer this Part and perform such other duties and exercise such other powers as are imposed or conferred on the College by or under any Act;

(f) such other objects relating to human health care as the Council considers desirable,

in order that the public interest may be served and protected.
R.S.O. 1980, c. 196, s. 46.

Membership in the College ★ 47.—(1) Every person licensed by the College is a member of the College subject to any term, condition or limitation to which the licence is subject.

Resignation of membership (2) A member may resign his membership by filing with the Registrar his resignation in writing and his licence is thereupon cancelled subject to the continuing jurisdiction of the College in respect of any disciplinary action arising out of his professional conduct while a member.

Cancellation for default of fees (3) The Registrar may cancel a licence for non-payment of any prescribed fee after giving the member at least two months notice of the default and intention to cancel subject to the continuing jurisdiction of the College in respect of any disciplinary action arising out of his professional conduct as a member. R.S.O. 1980, c. 196, s. 47.

Council of the College 48.—(1) The Council of the College is continued and shall be the governing body and board of directors of the College and shall manage and administer its affairs.

Composition of Council (2) The Council shall be composed of,

- (a) one person who is appointed by the faculty of medicine of each university in Ontario that conducts a course in medicine and is authorized to grant degrees in medicine, such person to be appointed from among the members of the faculty;
- (b) not fewer than four and not more than six persons who are not members of a Council under this Act or registered or licensed under this Act or any other Act governing a health practice, and are appointed by the Lieutenant Governor in Council; and
- (c) not fewer than twelve and not more than sixteen persons who are members and are elected by the members in the manner provided by the regulations.

following the election of members to Council held next after the effective date of his appointment, and a person whose appointment expires is eligible for reappointment.

Qualifications to vote

(5) Every member who is,

(a) resident in Ontario; and

(b) not in default of payment of the annual fee prescribed by the regulations.

is qualified to vote at an election of members of the Council.

President and Vice-President

(6) The Council shall elect a President and Vice-President from among its members.

Registrar and staff

(7) The Council shall appoint during pleasure a Registrar and may appoint a deputy registrar who shall have the powers of the Registrar for the purposes of this Part, and may appoint such other persons as are from time to time necessary or desirable in the opinion of the Council to perform the work of the College.

Quorum

(8) A majority of the members of the Council constitutes a quorum.

Meetings of Council

(9) The Council shall meet at least twice a year. R.S.O. 1980, c. 196, s. 117.

Powers of Minister

118. In addition to his powers and duties under Part 1, the Minister may,

(a) review the activities of the Council;

(b) request the Council to undertake activities that, in the opinion of the Minister, are necessary and advisable to carry out the intent of this Act;

(c) advise the Council with respect to the implementation of this Part and the regulations and with respect to the methods used or proposed to be used by the Council to implement policies and to enforce its regulations and procedures. R.S.O. 1980, c. 196, s. 118.

Regulations

★ **119.**—(1) Subject to the approval of the Lieutenant Governor in Council and with prior review by the Minister, the Council may make regulations,

(a) fixing the number of members to be elected to the Council and establishing the regional and other representation for elections;

- (b) respecting and governing the qualifications, nomination, election and term of office of the members to be elected to the Council, and controverted elections;
- (c) prescribing the conditions disqualifying elected members from sitting on the Council and governing the filling of vacancies on the Council;
- (d) respecting any matter ancillary to the provisions of this Part with regard to the issuing, suspension and revocation of licences and registrations;
- (e) prescribing classes of licences and governing the requirements and qualifications for the issuing of licences or any class thereof and prescribing the terms and conditions thereof;
- (f) prescribing the qualifications for and conditions of registration of students and interns and governing in-service training for students and interns;
- (g) providing for the maintenance and inspection of registers;
- (h) governing standards of practice for the profession;
- (i) respecting the advertising of professional services;
- (j) prescribing the books and records to be kept, returns to be made and information to be furnished with respect to pharmacies and the practice of pharmacists and providing for the examination and audit of such books and records as the regulations prescribe;
- (k) regulating advertising by members;
- (l) providing for the designation of honorary members of the College and prescribing their rights and privileges;
- (m) prohibiting practice by pharmacists where there is a conflict of interest and defining the activities that constitute a conflict of interest for the purpose;
- (n) defining professional misconduct for the purposes of this Part;
- (o) providing for a program of continuing education of members to maintain their standard of competence and requiring members to participate in such continuing education;

- (p) regulating, controlling and prohibiting the use of terms, titles or designations by members or groups or associations of members in respect of their practices;
- (q) respecting the reporting and publication of decisions in disciplinary matters;
- (r) providing for the compilation of statistical information on the supply, distribution and professional activities of members and requiring members to provide the information necessary to compile such statistics;
- (s) respecting the duties and authority of the Registrar;
- (t) requiring the payment of annual fees by members, students and interns and fees for licensing, registration, examinations and continuing education, including penalties for late payment, and fees for anything the Registrar is required or authorized to do, and prescribing the amounts thereof;
- (u) prescribing forms and providing for their use;
- (v) providing for the exemption of any member from any provision of the regulations under such special circumstances in the public interest as the Council considers advisable.

Amendment
of electoral
divisions

(2) The number of members to be elected to the Council and the electoral divisions and other representation fixed and established under clause (1)(a) shall not be altered or amended more than once in any five year period. R.S.O. 1980, c. 196, s. 119.

By-laws

120.—(1) The Council may pass by-laws relating to the administrative and domestic affairs of the College not inconsistent with this Act and the regulations and without limiting the generality of the foregoing,

- (a) prescribing the seal of the College;
- (b) providing for the execution of documents by the College;
- (c) respecting banking and finance;
- (d) fixing the financial year of the College and providing for the audit of the accounts and transactions of the College;
- (e) providing procedures for the election of President and Vice-President of the College, the filling of a

MANITOBA

NAME OF PLAN

There are three provincial drug plans which operate in Manitoba. They are:

1. Pharmacare
2. Personal Care Home Drug Program
3. Social Allowances Health Services

LEGISLATIVE AUTHORITY

1. The Prescription Drug Cost Assistance Act
2. The Health Services Insurance Act
3. The Social Allowances Act

ADMINISTRATIVE BODY

1. Manitoba Health Services Commission
2. Manitoba Health Services Commission
3. Department of Employment Services and Economic Security

CONTACT PERSON

Mr. Kenneth Brown
Pharmaceutical Consultant
Manitoba Health Services Commission
P.O. Box 925
599 Empress Street
Winnipeg, Manitoba
R3C 2T6
(204) 786-7233

ELIGIBLE RECIPIENTS

Pharmacare covers residents of Manitoba not covered by other federal or provincial benefits. The Personal Care Home Drug Program covers Manitoba residents in personal care homes. The Social Allowances Health Services plan covers individuals receiving social assistance.

BENEFITS

Scope

The Manitoba drug plans cover all drugs for which a prescription is required by law, plus a limited number of non-prescription drugs. Some vitamins are included (mostly megavitamins) plus diabetic supplies (insulin, syringes, diagnostic supplies).

Amount Reimbursed

Under the Pharmacare program there is an annual deductible per family of \$50.00 for residents aged 65 and over, and \$75.00 for residents under the age of 65 years. Beneficiaries are then covered for 80% of prescription costs (i.e. there is a 20% copayment).

The Personal Care Home Drug Program and the Social Allowances Health Services plan both provide full coverage for beneficiaries.

PAYMENT SYSTEM

Under the Pharmacare program, the customer pays the pharmacist and is reimbursed upon submission of receipts. The other two plans pay the pharmacist directly.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

Non-Formulary Products

Pharmacists must charge the manufacturer's published price to pharmacies, or if prices are not published the lowest wholesale price for the smallest quantity available. Pharmacists must maintain the principle of the usual or customary charge in that pharmacy.

Formulary Products

A Package Size Committee determines the appropriate package size used in determining formulary prices. Appropriate package size is based on quantities dispensed in the average pharmacy. Formulary prices are determined from information received from manufacturers and wholesales. The province will pay the lower of the maximum allowable cost identified in the formulary, the cost of the lowest priced interchangeable product or, the usual and customary charge in the pharmacy.

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee is subject to negotiation. There is a current maximum of \$5.05 per prescription. The province imposes no limit on the quantity which may be dispensed at any one time.

DETERMINATION OF INTERCHANGEABLE PRODUCTS

Pharmacists may dispense any product that is interchangeable but must charge the lowest price listed unless the physician

indicates "no substitution" in which case the pharmacist may charge the price listed for that product. Products are determined to be interchangeable by the Drug Standard and Therapeutics Committee. This committee is appointed by the Lieutenant Governor in Council on nomination by the various professional associations and the Faculties of Medicine and Pharmacy. Decisions regarding equivalence are based on bioavailability, clinical data and the quality of dosage form and manufacturing standards.

FORMULARY

The Manitoba Drug Standards and Therapeutics Formulary identifies interchangeable products and the maximum allowable cost that the province will reimburse.

BENEFITS LIST

Schedule C to the Regulations under the Prescription Drugs Cost Assistance Act (attachment 1).

COMPETITION AND LEGAL RESPONSIBILITY

Pharmacists are not permitted to advertise drug prices or dispensing fee.

STATISTICS

PHARMACARE

<u>YEAR</u>	<u>CLAIMS PROCESSED</u>	<u>AMOUNT PAID</u>
1975	80,329	\$4,305,995
1976	89,859	\$5,520,184
1977	98,330	\$6,741,433
1978	109,110	\$8,132,814
1979	101,984	\$8,434,959
1980	111,933	\$10,336,613
1981	123,416	\$12,891,769
1982	137,856	\$16,829,159
1983 (Processed to July 31 1984)	153,957	\$20,773,592

P H A R M A C A R EEFFECTIVE JANUARY 1, 1984

1. Clause 1(e) of Manitoba Regulation 141/81 is amended by adding thereto immediately after the word "for" therein, the words "its approved medical indications for".
2. Schedule C of the Regulation is amended by deleting therefrom:

- ARTHRALGEN	- PARALICE
- BENYLIN SYRUP	- SANTYL
- BENYLIN DECONGESTANT SYRUP	- SCORBAMIDE 500
- ENZYMUCASE PREPARATIONS	- SPRAY - PAX
- PANTERIC PREPARATIONS	
3. Schedule C of the Regulation is amended by adding thereto:

- Acetaminophen suppositories only	- ELTOR AF
- AEROCHAMBER INHALER	- GLUCOSCAN STRIPS
- Anetholtrithion	- MEDI-JECTOR
- BENYLIN DECONGESTANT COUGH SYRUP	- P AND S PLUS
- Beta-carotene	- PARA
- DEXTRO CHECK	- SULFARLEM - CHOLINE
	- Terfenadine
	- VISIDEX

NOTE: 1. The following anabolic steroids and/or growth hormones will not be considered eligible drugs unless prescribed for their approved medical indications: Pharmacies, if they fill a prescription for one of these drugs, can issue an official Pharmacare receipt. Pharmacare, if and when a claim is received, will determine their eligibility for reimbursement based on whether they have been prescribed for their approved medical indications:

- Chorionic Gonadotropin (A.P.L.)
- Ethyl Estrenol (MAXIBOLIN)
- Fluoxymesterone (HALOTESTIN)
- Methandrostenolone (METABOLINE, DANABOL)
- Methyltestosterone (METANDREN)
- Nandrolone Decanoate (DECA-DURABOLIN)

- Nandrolone Phenpropionate (DURABOLIN)
- Norethandrolone (NILEVAR)
- Oxymetholone (ANAPOLON)
- Stanozolol (WINSTROL)
- Testosterone (MALOGEN)
- Testosterone Cypionate (DEPO-TESTOSTERONE CYPIONATE)
- Testosterone Enanthate (DELATESTRYL)
- Testosterone Propionate (MALOGEN IN OIL)

NOTE: 2. Deletions

ENZYMUCASE PREPARATIONS are still eligible as they are included under INJECTABLE PRODUCTS.

ARTHRALGEN, PANTERIC PREPARATIONS, SANTYL, SCORBAMIDE 500 and SPRAY-PAX are drugs which have been discontinued by the manufacturer for at least two years.

BENYLIN SYRUP and BENYLIN DECONGESTANT SYRUP which are no longer brand names are replaced by BENYLIN DECONGESTANT COUGH SYRUP.

PARALICE is replaced by the new brand name PARA.

NOTE: 3. Additions

Single ingredient products are listed by their generic name in lower case type. The brand name products for these generics are:

- Acetaminophen suppositories only - ACETAMINOPHEN
SUPPOSITORIES - BEECHAM
- Anetholtrithion - SULFARLEM
- Beta-carotene - SOLATENE
- Terfenadine - SELDANE

PHARMACARE

Schedule 'C'

Effective January 1, 1983

The following changes, additions and deletions to the previous Schedule 'C' - specified drug list - are incorporated in the attached:

- (1) Single entity products are listed by their generic name and are shown in lower case type.
- (2) Multiple ingredient products are listed by their brand name and are shown in capital letters.
- (3) Deletions include:

(a) drugs which have been discontinued for two years:

Alverine Citrate
Anthra Derm Oil
Calcium Zurich
Cerutin
Citralka
Dihexyverine HCl
E-Carpine
Fruitol
Hepacholine Sorbitol
Idrocol
Mephenesin
Neo Ferment
Niclosamide
Proquanyl HCl
Theolixir-K1
Veracolate

(b) drugs which are now classified as Schedule F - prescription only status:

Neo Vagex

(c) drugs which are now part of Schedule A, Part I, The Pharmaceutical Act (Manitoba) and are prescription only status:

Chymotrypsin
Colchicine
Dichlorphenamide
Dihydrotachysterol
Ephedrine and its Salts
Methoxamine HCl
Nikethamide
Probenecid
Quinidine and its Salts
Theophylline and its Salts

(d) drugs now listed under their generic name:

Lasan - Anthralin
Dioctyl Calcium Sulfosuccinate - Docusate Calcium
Dioctyl Sodium Sulfosuccinate - Docusate Sodium

(4) Additions include:

Anthralin (ANTHRANOL)
BENYLIN EXPECTORANT
BIOTUSSIN DM
BIOTUSSIN-F
BM-TEST GLYCEMIE
CALCIUM - STANLEY
CAL-K
CHEMSTRIP UG 5000
CHEMSTRIP UG 5000K
CONGESTEX
CONGESTINE
CORICIDIN COLD TABLETS
CORICIDIN PEDIATRIC MEDILETS
DOAK OIL
DOAK OIL FORTE
DUO-C.V.P. PREPARATIONS
Hydroxypropyl Cellulose Ophthalmic Insert (LACRISERT)
MUROCOLL-2
MUROS OPCON A
MURO TEARS
OS-CAL
Oxymetazoline HCl Ophthalmic Drops (OCUCLEAR)
SPRAY-PAX
SUDAFED DM
TEARS PLUS
VASOFRINIC SYRUP
VASOFRINIC TABLETS
Yohimbine (YOHIMBINE)

PHARMACARE

EFFECTIVE JANUARY 1, 1983

Schedule C

Specified drug means:

A drug specified in Part 1 of Schedule A to The Pharmaceutical Act (Manitoba), or
a drug specified in the Schedule to The Narcotic Act (Canada), or
a drug specified in Schedule C to The Food and Drugs Act (Canada), or
a drug specified in Schedule D to The Food and Drugs Act (Canada), or
a drug specified in Schedule G to The Food and Drugs Act (Canada), or
a drug specified in Schedule F to The Regulations under The Food and Drugs Act (Canada), or any one of the following:

- ACCELERASE
- ACETEST
- Acetylcysteine
- Acetylsalicylic Acid - enteric coated tablets only
- Acetylsalicylic Acid Suppositories
- ACIDOBYL
- ACIDOBYL WITH CASCARA
- ACI-JEL
- ACTIFED
- ADSORBANAC
- ADSORBOTEARS
- AGOBYL
- ALANTEX
- ALANTEX FORTE
- ALBALON - A LIQUIFILM
- ALEVAIRE
- Allergens and specific desensitization extracts
- ALPHOSYL
- Aminosalicylic Acid
- Ammonium Chloride

- AMYL NITRITE
- Anisotropine Methylbromide
- Antazoline HCl
- Anthralin
- ARTHRALGEN
- ARTHROPAN
- Ascorbic Acid 500 mg or more of Ascorbic Acid only per tablet or capsule
- Atropine and its salts
- A.T.S.
- A-200 PYRINATE
- AZO-MANDELAMINE
- BACID
- Bacitracin
- BASALJEL
- BENDECTIN
- BENYLIN EXPECTORANT
- BENYLIN SYRUP
- BENYLIN DECONGESTANT SYRUP
- BENYLIN DIETETIC
- Benzonatate
- Benztropine Mesylate
- BETADINE DOUCHE
- BETADINE VAGINAL GEL
- BETADINE VAGINAL SUPPOSITORIES
- Bethanechol Cl
- BILOGENE
- BIOTUSSIN DM
- BIOTUSSIN-F
- Biperiden HCl
- BM-TEST GLYCEMIE
- BRIDINE DOUCHE
- BRIDINE VAGINAL GEL
- Brompheniramine Maleate
- Bufexamac
- BURO-SOL
- Calcium Disodium Edetate
- Calcium Gluconate
- Calcium Lactate
- Calcium Pantothenate 250 mg or more of Calcium Pantothenate only per tablet or capsule
- Calcium Ascorbate 600 mg or more of Calcium Ascorbate per tablet or capsule
- CALCIUM - ROUGIER
- CALCIUM - SANDOZ
- CALCIUM - STANLEY
- CAL-K
- Carbachol
- CHEMSTRIP - BG
- CHEMSTRIP - G
- CHEMSTRIP - GK
- CHEMSTRIP - GP
- CHEMSTRIP - K
- CHEMSTRIP UG 5000
- CHEMSTRIP UG 5000K

- Chlrophedianol HCl
- Chlorpheniramine Maleate
- Chlorphenoxamine HCl
- CHLOR-TRIPOLON DECONGESTANT
- CHOLEDYL EXPECTORANT
- CITROCARBONATE
- Clemastine
- CLINISTIX
- CLINITEST
- COLDECON PLUS
- COMBISTIX
- CONGESTEX
- CONGESTINE
- COPYRONIL
- CORICIDIN COLD TABLETS
- CORICIDIN PEDIATRIC MEDILETS
- CORTUNON
- COTAZYM
- C.V.P. PREPARATIONS
- Cyclandelate
- Cyclopentolate HCl
- Cyproheptadine HCl
- CYTAL
- Dapsone
- Deanol Acetamidobenzoate
- DEBILINE
- DEBILINE "H"
- Dehydrocholic Acid
- Dexchlorpheniramine Maleate
- Dextromethorphan HBr - syrup or liquid only
- DEXTROSTIX
- DIASTIX
- DICALCIUM PHOSPHATE
- DICALCIUM PHOSPHATE WITH VITAMIN D
- Dicyclomine HCl
- DIMEDRINE
- Dimenhydrinate
- Dimethothiazine Mesylate
- Dimethpyrindene Maleate
- Diphenhydramine HCl
- Dipivefrin HCl
- Dipyridamole
- DOAK OIL
- DOAK OIL FORTE
- Docusate Calcium
- Docusate Sodium
- DOMEBORO OTIC
- DOMEBORO TOPICAL PREPARATIONS
- DRIXORAL

- DRIXTAB
- DUO-C.V.P. PREPARATIONS
- DUOLUBE
- DURATEARS
- ELASE PREPARATIONS
- EMETROL
- ENTOZYME
- ENUCLENE
- ENZYMACHOL
- ENZYMUCASE PREPARATIONS
- E-PILO
- EPINAL
- Epinephrine and its salts
- EPPY/N
- Erythrityl Tetranitrate
- ESTAR
- Ethopropazine HCl
- EURAX
- FERMALAC
- FERMALAC VAGINAL
- FERMENTOL
- FERRO-FOLIC - 500
- FERRO-GRAD - 500
- Ferrous Ascorbate
- Ferrous Fumarate
- Ferrous Gluconate
- Ferrous Succinate
- Ferrous Sulfate
- FERTINIC C
- FESTAL
- Folic Acid
- Gamma Benzene Hexachloride
- GLUCALOIDS
- GLUCODEX
- GLUCOLA
- Glutamic Acid HCl
- Glycopyrrolate
- GRAMCAL
- Guaifenesin
- Haloproglin
- HEMIC
- HISTASPAN - P
- Homatropine HBr - Ophthalmic only
- Hydroquinone
- Hydroxypropyl Cellulose Ophthalmic Insert
- Hyoscine and its salts
- HYPOTEARs
- l-Hyoscyamine Sulfate
- Inositol Niacinate

- INTAL SPINHALER
- INTRAFER
- IODAMINOL
- Iodochlorhydroxyquin
- Isopropamide Iodide
- ISOPTO TEARS
- Isosorbide Dinitrate
- Isoxsuprine HCl
- KALFORTE
- KAYEXALATE
- KETO-DIASTIX
- KETOSTIX
- KU-ZYME
- LACRIL
- LACRI-LUBE
- LACTINEX
- Lactulose
- LEDERON
- LIDOSPORIN
- LIPOTROPE
- LIQUIFILM FORTE
- LIQUIFILM TEARS
- LYTREN
- Magnesium Gluconate 500 mg or more of Magnesium Gluconate only per
tablet or capsule
- MAGNESIUM - ROUGIER
- Menadiol Sodium Diphosphate
- Metaxalone
- Methdilazine HCl
- Methenamine and its salts
- Methocarbamol
- MINIMS
- Monobenzene
- MUROCEL
- MUROCOLL - 2
- MUROS OPCON A
- MURO TEARS
- Naphazoline HCl - Ophthalmic only
- NAPHCN - A
- NEO - K
- NEO-NASOL TABLETS
- Neostigmine Br
- NEO-TEARS
- Niacin
- Niacinamide
- NicotinyI Alcohol Tartrate
- NINOL
- Nitroglycerin
- N.K.P.
- NORGESIC

- NORGESIC FORTE
- Noscapine
- NOVAHISTEX CAPSULES
- NOVAHISTEX LIQUID
- NOVAHISTEX TABLETS
- NOVAHISTINE
- Nyliadin HCl
- NYSTAFORM
- Nystatin
- ONYCHO-PHYTEX
- ORENZYME
- ORGANIDIN
- ORNADE SPANSULES AND LIQUID
- ORNADE - A.F.
- Orphenadrine and its salts
- OS-CAL
- Oxtriphylline
- Oxychlorosene Sodium
- Oxygen
- Oxymetazoline HCl Ophthalmic Drops
- PALAFER CF
- PANTERIC PREPARATIONS
- Pantothenic Acid 250 mg or more of Pantothenic Acid only per tablet or capsule
- PAPASE
- PARAFON FORTE
- PARA LICE
- PEDIALYTE
- Pentaerythritol Tetranitrate
- PHAZYME PREPARATIONS
- Phenazopyridine HCl
- PHENERGAN EXPECTORANT PLAIN
- Phentolamine HCl
- Phenylephrine HCl - Ophthalmic only
- Phenylpropanolamine HCl
- PHOSPHATE SANDOZ
- Pilocarpine and its salts
- Pinaverium Bromide
- Piperazine and its salts
- POLYSPORIN PREPARATIONS
- Potassium and its salts
- POTASSIUM SANDOZ
- PRAGMATAR
- PREFRIN - A
- Prenylamine Lactate
- Primaquine Sulfate
- Procyclidine HCl
- Promethazine HCl
- Propantheline Br
- Proparacaine HCl
- PROVIODINE DOUCHE
- PROVIODINE OVULES
- PROVIODINE VAGINAL GEL

- Pseudoephedrine HCl
- PSORIGEL
- Pyrantel Pamoate
- Pyridostigmine
- Pyridoxine 250 mg or more of Pyridoxine only per tablet or capsule
- Pyrimethamine
- Pyrvinium Pamoate
- QUESTRAN
- Quinacrine HCl
- Quinine Sulfate
- RESALTAR
- RESONIUM CALCIUM
- ROBAXISAL
- ROBITUSSIN - DM
- ROBITUSSIN - PE
- ROWACHOL
- RYNACROM NASAL INSUFFLATOR
- SANTYL
- SCABANCA
- SCORBAMIDE 500
- SINE-AID
- SLOW-FE FOLIC
- Sodium Chloride Ophthalmic Ointment
- Sodium Fluoride
- SPRAY-PAX
- SUDAFED DM
- SUDAFED EXPECTORANT
- SYM-FER
- TAR DOAK LOTION
- TARGET PREPARATIONS
- TARPASTE
- TEARS NATURALE
- TEARS PLUS
- TES-TAPE
- Tetracaine HCl - Ophthalmic only
- Thiamine 500 mg or more of Thiamine only per tablet or capsule
- TINVER
- Tolazoline HCl
- Tolnaftate
- TRAVASE
- Trihexyphenidyl and its salts
- Trimethobenzamide HCl
- Tripelennamine HCl
- TRIPLE ANTIBIOTIC OINTMENT
- TRIPROFED
- Triprolidine HCl
- Tropicamide
- Tryptophan
- ULTRASE
- UNGUENTUM BOSSI
- URASAL
- UREMETH

- URISTIX
- VAGISEC LIQUID
- VAPONEFRIN NEBULIZER
- VARICYL
- VARIDASE
- VASOCON - A
- VASOFRINIC SYRUP
- VASOFRINIC TABLETS
- VERBAN
- VIOKASE
- Vitamin B12
- Vitamin B12A
- Vitamin K
- VOSOL
- Xanthinol Niacinate
- XYLOCAINE VISCOUS
- Yohimbine
- ZETAR EMULSION
- ZINCFRIN
- ZINCFRIN - A
- Zinc Gluconate - oral only
- Zinc Sulphate - oral only

Injectable Products

Needles, Syringes, Alcohol Swabs, and Capillary Blood Letting Blades and Devices, where supported by claims for Injectables.

Prescriptions requiring the combination of two or more ingredients.

SASKATCHEWAN

NAME OF PLAN

Saskatchewan Prescription Drug Plan.

LEGISLATIVE AUTHORITY

Prescription Drugs Act

ADMINISTRATIVE BODY

Prescription Drug Plan

CONTACT PERSON

Mr. Ron J. Waschuk
Executive Director
Saskatchewan Prescription Drug Plan
Regina, Saskatchewan
(306) 565-3301

ELIGIBLE RECIPIENTS

All Saskatchewan residents are covered under the Saskatchewan Prescription Drug Plan with the exceptions noted below. The residency requirement is 3 months. Individuals leaving the province are covered for the first 3 months of non-residency, provided that the drugs are obtained in a pharmacy contracted with the Drug Plan.

Status Indians are covered under a federal drug reimbursement program operated by Indian and Northern Affairs and therefore are not included in the provincial plan. Also excluded are persons covered by the Workman's Compensation Board, Department of Veteran Affairs, or plans covering members of the RCMP and Canadian Forces.

BENEFITS

For most provincial residents, the plan covers the cost of medicines listed in the formulary and the dispensing fee with a maximum \$3.95 co-payment per prescription. Almost all products which require prescription are covered. There are also some selected OTC items covered. In addition, exceptional drugs may be made available to individuals as described later in this section.

Social assistance beneficiaries are determined by the administrators of the welfare program, nominated for supplementary health services coverage, and categorized as follows:

- Level 1 - This group includes all social assistance recipients who are not in levels 2 and 3. All formulary drugs are covered with a reduced co-payment of \$2.00, except certain drugs for which the co-payment is waived. These include birth control pills, insulins, oral hypoglycemics, megavitamins, allergenic extracts and vitamin B-12 injectables.
- Level 2 - The full price and dispensing fee are covered for all formulary drugs for level 2 recipients. This category includes children under 18 years of age of level 1 recipients and social assistance beneficiaries who have long term need for a number of pharmaceuticals. For the latter, the individual's doctor makes the application. Those that qualify generally require 2 or more prescriptions monthly for six months or more.
- Level 3 - All social assistance beneficiaries who are residents of approved special care homes are entitled to full coverage for all formulary drugs, and for selected (CPS) non-formulary drugs. This coverage level also applies to child wards of the Minister and inmates of Provincial correctional facilities.

A number of specialized categories are covered and generally funded by other agencies but administered by the drug plan. Included in these are paraplegics, persons having cystic fibrosis, and end-stage renal disease patients. These individuals are granted coverage for formulary and non-formulary products that are listed in the CPS. Other specified products including syringes, some appliances, surgical dressings, other contraceptives, some orthopedic supports, trusses and elastic stockings are also available to all Social Assistance Beneficiaries (regardless of level of coverage) at no charge, through other Health agencies.

Certain specific drugs not listed in the formulary are covered for individuals suffering from rare diseases, or for other specific circumstances. The doctor makes application for the particular drug(s) involved. The regular co-payment applies. This coverage is referred to as "Exception Drug Status" coverage.

A limited number of individuals are covered for nutritional products which are not in the formulary. The province pays 70% of the retail cost for specific products after the first \$100.00. There are also provisions to provide for the cost of medical oxygen and administration equipment at no charge to the patient, except for tank rentals and/or local delivery charges.

PAYMENT SYSTEM

Payment is made to pharmacies for the cost of the drug plus the prescription fee less the amount of the co-payment. Pharmacists are paid after submitting required documentation.

DETERMINATION OF ACCEPTABLE PRICES FOR DRUGS

Reimbursement prices follow two general categories - those subject to standard offer contract (SOC) and those not under SOC. In both cases pharmacists are reimbursed the lower of the formulary price* or actual acquisition cost.

a) Standing Offer Contract (SOC)

Tenders are released twice annually for most high volume multiple source products.

Smaller volume multiple source drugs may be excluded. The Drug Plan sends manufacturers the request for tender with the expected volume. The successful supplier is guaranteed the entire market for that product for the six month period. The pharmacists must dispense that product identified in the formulary unless the prescribing physician denotes "No Substitution".

b) Non Standing Offer Contract

Manufacturers submit price lists which guarantee that price for the 6 month period related to the formulary. Some multiple source products are under this category and the pharmacist can provide any brand listed, but will be paid at acquisition cost up to the lowest price quoted in the formulary unless the prescribing physician denotes "No Substitution".

* Formulary price listed includes an 11% markup at the wholesale level.

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee is subject to annual negotiation between the Ministry and the Saskatchewan Pharmaceutical Association. The Minister determines the level of co-payment independently from total fee negotiated. In general, some of the increases in the dispensing fee have been passed on to the consumer through relatively small increases in the co-payment. The dispensing fee for those prescriptions that are benefits under the Saskatchewan Prescription Drug Plan is \$5.30 for each of the first 20,000 prescriptions filled annually by a pharmacy and \$4.80 for each of those filled in excess of 20,000.

Pharmacists are entitled to one dispensing fee for every 34 day supply for most products. A limited number of products, such as birth control pills and estrogens, are under a two month supply and the pharmacist is entitled to one fee. There is a further list of 100 day supply items available to the patient for one fee. A six month supply for any formulary drug is the maximum which the province will reimburse for at one time.

DETERMINATION OF INTERCHANGEABLE PRODUCTS

The Formulary Committee determines if a product is interchangeable. There is mandatory substitution for interchangeable "SOC" designated drugs, unless "no substitution" has been indicated. The pharmacist has the option of product selecting for non designated SOC products (providing the physician has not indicated "no substitution") but is reimbursed only up to the lowest price listed in the formulary. This provision also applies to the few multiple source drugs which are non SOC products.

FORMULARY

- a) The Drug Quality Assessment Committee (DQAC) determines the therapeutic benefits offered by a product and therefore determines its potential acceptability as a benefit under the provincial plan. The DQAC does some product testing, plant inspection, documentation review, etc. to determine if the drug is efficacious and safe. The committee may make some judgement of the quality of a particular product relative to others in that therapeutic class.

The Drug Quality Assessment Committee is made up of representation from each of the following:

- College of Medicine
- College of Pharmacy
- Saskatchewan Medical Association
- One member of the Saskatchewan Formulary Committee with support functions provided by the Prescription Drug Plan

The DQAC must accept a product before it can be listed in the formulary but its approval does not constitute acceptance as a substitute for an existing product or as a benefit of the program.

The Saskatchewan Formulary Committee, which is comprised of representatives of:

- College of Pharmacy
- Saskatchewan Pharmaceutical Association
- Saskatchewan Medical Association
- College of Medicine
- Saskatchewan Registered Nurses Association
- Saskatchewan Health Department

with support functions provided by the Prescription Drug Plan, make recommendations to the Minister of Health as to whether a product should be listed as a benefit offered under the provincial plan and determines if it is interchangeable.

The formulary lists benefits offered by the provincial program, identifies interchangeable products and provides the maximum reimbursement price. For drugs under Standing Offer Contract, the formulary indicates which product will be dispensed.

COMPETITION AND LEGAL RESPONSIBILITY

Each pharmacy is contracted with the Prescription Drug Plan. The co-payment portion of patient costs only reflect maximum co-payments which can be collected by the pharmacy. The pharmacy may choose to charge something lower than the maximum, and a few do, although not many.

The Prescription Drugs Act combined with the Pharmacy/SPDP contracts, constitute legal authorities of the Prescription Drug Plan. Thus, pharmacies contracted with the Drug Plan are bound to operate within the guidelines and rules of the plan.

ALBERTA

NAME OF PLAN

1. Income Security Programs (Social Allowance Program.
Assured Income for the Severely
Handicapped Program. Child
Welfare Program.)
2. Senior Citizens Program
3. Group Coverage Program

LEGISLATIVE AUTHORITY

All Plans
Pharmaceutical Association Act

- Plan 1. a) Social Development Act
Assured Income for the Severely Handicapped Act
Child Welfare Act
- b) Agreement with Alberta Pharmaceutical Association
- Plan 2. & 3. Agreement between Blue Cross and Alberta
Pharmaceutical Association

ADMINISTRATIVE BODY

- Plan 1) Department of Social Services and Community Health
Plans
- 2) and 3) Alberta Blue Cross administers the day-to-day
operation of the plan. The Ministry of Health
manages the plans.

CONTACT PERSON

Blue Cross: Peter Schmid,
Assistant Executive Director of Administration
Edmonton, Alberta
(403) 423-5221

Social Services Les Healy
and Community Acting Program Planner
Health: Edmonton, Alberta
 (403) 427-6431

Ministry of Health: David Bougher, Pharmacy Consultant
Dept. of Hospitals and Medical Care
Edmonton, Alberta
(403) 427-1041

Alberta Pharmaceutical Association: Larry Shipca,
Registrar Treasurer
Edmonton, Alberta
(403) 488-8152

ELIGIBLE RECIPIENTS

Plan 1: Persons receiving benefits under the Social Allowance program, the Assured Income for the Severely Handicapped Program or the Child Welfare Program.

Plan 2: Persons age 65 and over.

Plan 3: Alberta residents who are not covered under a private third party payer scheme or in either of the above two plans but wish to be covered.

BENEFITS

Scope

All prescription drugs and many over-the-counter (OTC) products are eligible for benefits under the plans. Most drug categories included in the CPS (Compendium of Pharmaceutical Specialties) are included. A list of excepted categories is provided in Appendix I.

Amount Reimbursed

Plan 1: The full cost of pharmaceutical products is covered. There is no co-payment.

Plan 2: There is a 20% co-payment required.

Plan 3: For these individuals there is an annual deductible of \$15.00 after which 80% of the prescription cost is reimbursed (i.e. there is a 20% co-payment). In addition, individuals in this program pay premiums to Alberta Blue Cross. These premiums are equivalent to rates charged to the average Alberta Blue Cross subscriber under private agreements. The difference between actual program cost and the subscribers premium is paid by the Ministry of Health.

PAYMENT SYSTEM

- Plan 1: Payments are made directly to pharmacists. The pharmacist submits a claim form containing DIN and cost. These records are not mechanized.
- Plan 2: Pharmacists are paid for materials and dispensing fees upon submitting invoices to Alberta Blue Cross except in the case of a small proportion of individuals that are reimbursed upon submitting receipts. This includes individuals not registered at the time of purchase due to them reaching 65 years of age or recently moving to Alberta.
- Plan 3: Individuals submit receipts to Alberta Blue Cross for reimbursement.

The Alberta Department of Social Services and Community Health administers plan 1. Alberta Blue Cross is a private third party payer that administers plans 2 and 3 under contract.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

Pharmacists may charge the wholesale cost plus up to a 25% markup to cover the wholesaling charge. Costs are based on package sizes most practically purchased by the pharmacy and costs therefore include discounts for quantity purchases and other promotions. Blue Cross audits pharmacy acquisition costs.

DISPENSING FEES AND QUANTITY DISPENSED

The dispensing fee is subject to negotiations between the Alberta Pharmaceutical Association and Alberta Blue Cross. It is currently \$5.50 per prescription. Fees for special products vary according to the contract.

Quantity Dispensed

Most products are dispensed in 34 day supplies although certain exemptions permit 100 day supplies of particular medicines (i.e. Vitamins, etc.).

The maximum quantities to be dispensed at a time are set out in the agreement with the Pharmaceutical Association.
(See Appendix 3)

DETERMINATION OF INTERCHANGEABLE PRODUCTS

There is no therapeutic committee. Product selection can be made freely at the pharmacist's discretion provided that the physician has not indicated "no substitution".

FORMULARY

There is no formulary.

BENEFITS LIST

There is no benefits list. (All products listed in CPS are benefits with exception of classes listed in the agreement with pharmacists).

COMPETITION AND LEGAL RESPONSIBILITY

Pharmacists are not permitted to advertise either dispensing fee or drug prices.

ALBERTA BLUE CROSS
APPENDIX "B"

1. All products listed in the current Compendium of Pharmaceuticals and Specialties (C.P.S.) on the prescription of a physician, dentist or podiatrist, are "prepaid pharmaceutical services" or "prepaid services" as defined in this agreement, except for the following categories which do not qualify as "prepaid pharmaceutical services" or "prepaid services" unless a prescription is required by law.

1. Contact Lens Care Products
2. Diagnostic Aids
3. Diets
4. Infant Foods
5. Lozenges
6. Mouthwashes
7. Non-Medicated Shampoos
8. Salt Substitutes
9. Skin Cleaners, including soaps
10. Sugar substitutes
11. Skin Protectives and Emollients
12. Surgical Supplies

2. In addition, all prescriptions compounded in the pharmacy are "prepaid pharmaceutical services" or "prepaid services" as defined in this agreement.

3. All new products that will qualify for inclusion in a subsequent issue of the Compendium of Pharmaceuticals and Specialties (C.P.S.) are "prepaid pharmaceutical services" or "prepaid services" as defined in this agreement.

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ALBERTA BLUE CROSS
APPENDIX "C"

Medications considered as maintenance or long term therapy in the following therapeutic class may be dispensed for up to 100 days as outlined under Article 4:1 of this Agreement:-

- (i) Anticoagulants
- (ii) Anticonvulsants
- (iii) Digitalis and Digitalis Glycosides
- (iv) Hypoglycemic Agents
- (v) Thyroid Preparations
- (vi) Vitamins
- (vii) Oral Contraceptives
- (viii) Antihypertensive Agents
(refer to C.P.S. Therapeutic Index)
- (ix) Conjugated Estrogens

APPENDIX 3

AGREEMENT

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, as represented herein by the Minister of Social Services and Community Health (hereinafter referred to as "the Minister")

- and -

THE ALBERTA PHARMACEUTICAL ASSOCIATION, a body incorporated in accordance with the laws of Alberta with its office located in the City of Edmonton in the Province of Alberta (hereinafter referred to as "the Association")

AS the Minister wishes to provide for pharmaceutical and prescription services to persons being assisted under the Social Allowance, Child Welfare, and Assured Income for the Severely Handicapped programs administered by the Department of Social Services and Community Health;

AND AS the Minister and the Association have negotiated an Agreement for the provision of such services by the Association through its members and for continued auditing and monitoring services by the Association:

THE PARTIES AGREE AS FOLLOWS:

1. The Association shall provide:

- a. through its members, all pharmaceutical and prescription services, are defined in paragraph 2, to eligible persons being assisted by the Department of Social Services and Community Health under the Social Allowance, Child Welfare and Assured Income for the Severely Handicapped programs,
- b. audit and monitoring services in respect of the services provided by members of the Association pursuant to this Agreement and the accounts submitted therefor,
- c. reports of their findings and recommendations, in a manner and in a form satisfactory to the Minister, on the following days in every

year of this Agreement: September 30, December 31, March 31 and July 31.

2. For purposes of this Agreement, pharmaceutical and prescription services shall consist of the following services which have been authorized or ordered by a physician, dental surgeon or podiatrist:

- a. All prescriptions compounded in the pharmacy, and
- b. All products in the current Compendium of Pharmaceuticals and Specialties, excepting the following classes of products, unless a prescription is required by law:

- i. Contact Lens Care Products,
- ii. Diagnostic Aids,
- iii. Diets,
- iv. Lozenges,
- v. Mouthwashes,
- vi. Non-medicated Shampoos,
- vii. Salt Substitutes,
- viii. Sugar Substitutes,
- ix. Skin Cleaners, including soaps,
- x. Skin Protectives and Emollients
- xi. Infant Foods,
- xii. Medical and Surgical Supplies.

3. The Minister shall:

- a. Pay Association members the cost of providing pharmaceutical and prescription services to eligible persons, calculated on the following basis:

- i. Subject to this paragraph and to paragraph 4 of this Agreement, the basis of payment shall be the cost of the ingredients to which is added a dispensing fee.

- ii. The cost of the ingredients shall not exceed the price on the current microfiche film from either Alberta National Drug Company Ltd. or Northwest Drug Company Ltd., for the size most frequently purchased by the particular licensed pharmacy, plus a maximum upcharge of 25%.
 - iii. The dispensing fee shall not exceed \$5.50 for each prescription dispensed from July 1, 1984 to June 30, 1985.
 - iv. The dispensing fee shall not exceed \$5.80, for the period July 1, 1985 to June 30, 1986, providing, however, that if professional fee schedule adjustments are made in the major health professions, effective January 1, 1985, the parties shall give consideration to amending this Agreement to increase the dispensing fee, effective January 1, 1985.
- b. Pay to the Association \$42,000 for the audit and monitoring services referred to in clause (b) of paragraph 1 of this Agreement, with payment of \$21,000 to be made on August 1, 1984 and \$21,000 to be made on August 1, 1985.
4. Notwithstanding the provisions of paragraph 3 of this Agreement:
- a. The usual and ordinary over-the-counter price shall be charged for:
 - i. injectables, and
 - ii. prescription accessories.
 - b. The amount charged for pharmaceutical and prescription services under this Agreement shall not exceed the amount that would have been charged to an Alberta resident who is not an eligible person under this Agreement.
5. The dispensing fee provided for in paragraph 3, clause (a) (iii) and (iv) of this Agreement shall apply to that amount of drug or medication which,

if consumed according to either the prescriber's directions or, in the absence of such directions, the usual and normal dosage, will supply the patient for a period of up to 34 days except that, for drugs in the following therapeutic classes, the period of time shall be up to 100 days:

- i. Anticoagulants,
- ii. Anticonvulsants,
- iii. Digitalis and Digitalis Glycosides,
- iv. Hypoglycemic Agents,
- v. Thyroid Preparations,
- vi. Vitamins,
- vii. Oral Contraceptives,
- viii. Antihypertensives,
- ix. Conjugated Estrogens.

- 7. The Minister shall provide to every person eligible to receive pharmaceutical and prescription services under this Agreement an eligibility identification which will enable the Association members to determine eligibility.
- 8. Association members shall render accounts, on such forms as may be prescribed by the Minister, to the Department of Social Services and Community Health in Edmonton, Alberta on or before the last day of the calendar month immediately following the month in which pharmaceutical and prescription services were provided.
- 9. Association members shall include the following information on their accounts:
 - a. The drug identification number,
 - b. The prescription number, and
 - c. The usual dispensing fee applied.

10. a. This agreement shall be in force for the period July 1, 1984 to June 30, 1986, subject to earlier termination as provided for in Clause (b) of this paragraph.
- b. This Agreement may be terminated, without cause or reasons therefor, by either party giving 60 days' written notice to the other.
- c. On termination pursuant to clause (b) of this paragraph, the Minister shall only be liable to pay Association members for those services rendered up to and including the date of termination, and a proportionate amount of the fee for monitoring and audit services shall be refunded by the Association.

11. a. Any notice to be given or sent hereunder by any party to the other shall be given by serving same upon the person to whom the notice is addressed personally at the address below provided, or by serving notice by way of registered mail and addressed as follows:

TO THE MINISTER: Social Services and Community Health
 8th Floor, Seventh Street Plaza
 10030 - 107 Street
 Edmonton, Alberta
 T5J 3E4

TO THE ASSOCIATION: 10615 - 124 Street
 Edmonton, Alberta
 T5N 1S5

or to such other addresses as either party may designate by notice as above provided.

- b. Notwithstanding clause (a) of this paragraph, in the event of a general disruption of the postal service, notices required to be given hereunder shall be personally delivered and served.
12. The Minister shall not be liable nor responsible for any bodily or personal injury or property damage of any nature whatsoever that may be suffered or sustained by the Association, its members, employees, or agents in the performance of this Agreement unless that personal injury

or property damage was actually caused by the gross negligence of the Minister, his agents or employees.

13. The Association shall not be liable for any act or omission of any of its members in the performance of this agreement.

14. No member of the Association shall be liable for any act or omission of any other member of the Association in the performance of this agreement.

IN WITNESS WHEREOF the Minister has affixed his signature on the 29 day of October, 1984 and the Association has hereto affixed its corporate seal attested by its proper officers in that behalf on the 16th day of October, 1984.

HER MAJESTY THE QUEEN IN RIGHT OF
ALBERTA, as represented herein by the
Minister of Social Services and
Community Health

PER:

C. Gaspari
Witness

[Signature]

ALBERTA PHARMACEUTICAL ASSOCIATION

PER:

[Signature]
Witness

[Signature]
President

[Signature]
Witness

[Signature]
Registrar-Treasurer

BRITISH COLUMBIA

NAME OF PLAN

There are two plans for reimbursement of pharmaceuticals in British Columbia which operate under the Pharmacare program. They are the Wholly-assisted plan and the Partially-assisted plan.

LEGISLATIVE AUTHORITY

The program operates under a provision of the G.A.I.N. Act, which provides spending authority.

The Pharmacy Act controls some aspects of pharmacy operation.

ADMINISTRATIVE BODY

Both the Wholly-assisted and Partially-assisted plans are administered by Pharmacare which is an agency of the Government of British Columbia which administers prescription drug benefit programs.

CONTACT PERSON

Mr. Patrick Tidball
Manager, Pharmacare
Government of British Columbia
Vancouver, B.C.
(604) 736-1414

ELIGIBLE RECIPIENTS

a) Wholly-assisted plan (Group 1)

The Wholly-assisted plan provides coverage to provincial residents aged 65 and over, social assistance recipients, and residents of nursing homes.

b) Partially-assisted plan (Group 2)

The Partially-assisted plan provides coverage to provincial residents who are not covered under the Wholly-assisted plan and who are registered with the Medical Services Plan of British Columbia.

BENEFITS

Scope

All prescription drugs are included. Non-prescription drugs which are restricted from public access on recommendation of the College of Pharmacy (i.e. they must be requested from the pharmacist), are benefits. OTC drugs which are restricted to sale in pharmacies are not benefits with the exception of 6 such products. Some supplies for chronic patients (ie. syringes, ostomy supplies, etc.) are included as benefits.

Amount Reimbursed

a) Wholly-assisted plan

The full purchase price of medication and dispensing fee is covered. There is no co-payment.

b) Partially-assisted plan

Eighty percent of the purchase price of medication and dispensing fee is covered in excess of \$175 annual deductible.

PAYMENT SYSTEM

a) Wholly-assisted plan

Pharmacists are reimbursed directly every two/three weeks. The Pharmacist submits invoices to Pharmacare and is reimbursed for the product that is dispensed.

b) Partially-assisted plan

Payment is made by the individual who must remit, to Pharmacare, pharmacy receipts.

DETERMINATION OF ACCEPTABLE PRICE FOR DRUGS

Single Source

Reimbursement is based on the pharmacy's acquisition cost. This cost includes allowances for discounts, free goods and other promotional consideration. Invoices are subject to audit. A wholesale markup of 12% is permitted. The province does not attempt to influence manufacturer or pharmacy prices. Payments limited to 100 days supply, maximum.

Multiple Source

Same as above.

DISPENSING FEES AND QUANTITY DISPENSED

a) Pharmacy

The province will reimburse the pharmacist the average dispensing fee of that pharmacy up to a maximum of 15% above the average for provincial pharmacies in the previous month. There is a further overall maximum of \$6.75. The current average is \$5.85.

Prescriptions for up to 100 days supply can be filled without prior approval and providing that this would be consistent with good pharmaceutical practice.

b) Nursing Homes

Pharmacist are contracted to supply service to nursing homes based on a capitation rate. This rate depends on the number of beds serviced and is independent of the number of prescriptions filled. The rates are as follows:

<u>Number of beds</u>	<u>Monthly rate per bed</u>
1 - 200	\$21.00
201 - 400	\$17.00
401 - 800	\$15.00
801 +	\$13.00

DETERMINATION OF INTERCHANGEABLE PRODUCTS

The province accepts as interchangeable, a generic product from firms which have a signed QUAD (Drug Quality Assessment Program) agreement and if the product has the same active ingredient, dosage strength and works equally as well. There is no Therapeutics Committee.

For the guidance of pharmacists, the B.C. Pharmacy Act outlines some criteria for interchangeable products. For example, products listed in the Ontario Parcost formulary are considered interchangeable in British Columbia.

Product selection to a lower cost interchangeable product is permitted at the pharmacist's discretion unless the physician has indicated "no substitution".

FORMULARY

There is no comprehensive drug formulary.

BENEFITS LIST

There is no comprehensive benefits list.

COMPETITION AND LEGAL RESPONSIBILITY

Pharmacists are not permitted to advertise in the media: dispensing fees or drug prices. Pharmacists are permitted to display price lists in the store. The College of Pharmacists of B.C., police the operations of pharmacies.

NORTHWEST TERRITORIES

Description to follow.

YUKON

Description to follow.

QUEEN HD 9670 .C22 B766 1984
Brogan, Tom
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