Questions and Answers

Q1  What prices is the Assistive Devices Program (ADP) changing?

A1  The ADP is reducing the ADP approved price for all ADP funded PAP systems:
   • the Program will reduce the ADP approved price for a Continuous Positive Airway Pressure (CPAP) systems to $860.00;
   • the Program will reduce the ADP approved price for an Auto-titrating Positive Airway Pressure (APAP) systems to $1020.00; and
   • the Program will reduce the ADP approved price for a Bi-level Positive Airway Pressure (BPAP) system to $1120.00.

Along with the price reduction, the Program is also changing the funding model for BPAP systems from a maximum contribution model to a fixed price model.

Q2  Why are the prices changing?

A2  Based on the 2009 report from the Office of the Auditor General of Ontario, the ADP has completed a market analysis and jurisdictional review on ADP funded PAP systems. As a result, the ADP has confirmed that the Canadian cost for each ADP funded CPAP, APAP and BPAP system is lower than the current ADP approved price.

Q3  How will the price reduction affect clients?

A3  There will be a cost saving for clients. Those who receive 75% funding and pay the 25% client portion, will see the client portion reduced. The client portion will be reduced by the following amounts:
   • $45.00 for CPAP systems;
   • $141.00 for APAP systems; and
   • $553.00 (minimum) for BPAP systems.

If the client is on social assistance, the ADP pays 100% of the ADP approved price - there is no client portion. The price reduction will not affect these clients.
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The Program has reduced the ADP approve price for these devices to a level that is current, fair and reflects the market value.

Q4 When will the new price take effect?
A4 The new prices and funding model will take effect on March 1, 2014. Therefore, any applications with a delivery date of March 1, 2014 or after will be subject to the new prices and funding model.

Q5 What is covered under the ADP approved price?
A5 ADP registered vendors must be a resource for the applicant regarding the different makes and models of PAP systems available.
Once the vendor’s client has selected their PAP system, the vendor must provide the client with a complete PAP System.
Finally, they must provide the initial training and education on the effective use, care, and maintenance of that device.

Q6 What items are included in a complete PAP System?
A6 A complete PAP system includes the following items:
- a PAP system;
- a heated humidifier;
- a mask and headgear;
- a 6 ft. tubing;
- all necessary caps;
- all necessary filters;
- an instruction manual; and
- a carrying case.

A basic mask and headgear is included in the ADP approved price. If the basic mask and headgear does not meet the client’s needs and they require an upgraded mask and headgear, the upgrade item is not included in the ADP approved price.
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Q7 Can the vendor charge the client for supplies or services provided after the initial training and education?

A7 Yes, the vendor can charge extra for the following:
- an upgraded mask and headgear;
- a service package; or
- any on-going services they provide after the initial training.

Q8 Are there any changes to the medical eligibility criteria?

A8 There are no changes to the medical eligibility criteria.

Q9 Can the vendor charge the client more than the ADP approved price?

A9 The ADP approved price is for a complete PAP system. The vendor cannot charge more than the ADP approved price for any ADP approved PAP system, unless the vendor has provided an upgrade mask and headgear, or one of the services listed in A7.

Q10 Does the ADP provide funding for the disposable supplies used with the PAP system?

A10 The ADP does not provide funding assistance for any on-going supplies used with the PAP system. Therefore, the client is free to purchase these items from any business regardless of their registration status with the ADP.

All clients are encouraged to “shop around” since prices may vary from business to business.
Q11 How did the ADP calculate the new price?

A11 To calculate the new prices, the ADP completed the following steps:
- collected information from the US retail market on the cost of purchasing PAP systems in the US;
- calculated the cost of bringing the device to Canada, taking into consideration the foreign exchange rate, freight and shipping costs and a 15 – 20% volume discount for bulk purchasing (Canadian cost); and
- set the new price for a CPAP, APAP and BPAP system at a level equal to the Canadian cost for the CPAP, APAP and BPAP model with the highest utilization based on ADP data from 2012/13.

Q12 Why did the ADP use the US retail market to calculate the new price?

A12 To conduct the market analysis, the Program turned to the US retail market for the following reasons:
- the Canadian retailers do not publish their prices;
- the ADP-registered vendors purchase PAP systems manufactured in the US;
- the US retail market is a very large market with many retailers; and
- the majority of US buyers purchase their device without government assistance.

Q13 Are there any other changes to the Respiratory Equipment Policy and Administration Manual?

A13 To clarify ADP’s policy regarding what items are included in a PAP system, ADP has made some “wording” changes to the Respiratory Equipment Policy and Administrative Manual.

Currently the manual says:
- a PAP system includes a basic mask and headgear (225.01); and
- the vendor may bill the client 100% of the cost for items not included in a PAP System (610).
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The manual has been changed to say:

- a PAP system includes a basic mask and headgear, or an upgraded mask and headgear (225.01);
- the upgraded mask and headgear is an item not included in the funding amount provided for a PAP system (225.01); and
- the vendor may bill the client 100% of the cost for items not included in a PAP system, for example an upgraded mask and headgear (610).