

# **Notice: Amendments to Ontario Regulation 201/96 made under the *Ontario Drug Benefit Act* and Regulation 935 made under *the Drug Interchangeability and Dispensing Fee Act* to reduce restrictions on Private Label Products and Ordinary Commercial Term benefits**

**December 16, 2019**

The government is committed through the Open for Business/Red Tape Reduction initiative to provide timely access to new clinically proven medicines and reduce the administrative burden for businesses and red tape for the industry.

The Ministry of Health proposed a number of opportunities in response to feedback from stakeholders that would reduce technical requirements, address discrepancies and misalignments with industry standards and policies in other provinces, territories (P/Ts) and nationally, and modernize existing processes for drug manufacturers and Ontario pharmacies.

Following public consultations, the ministry is announcing here changes to the Ordinary Commercial Term (OCT) benefits and Private Label Products (PLP). Other changes will be provided through separate announcements accordingly.

- **On January 1, 2020, regulatory amendments to remove the financial cap on Ordinary Commercial Term (OCT) benefits will come into effect; and**
- **On July 1, 2020, regulatory amendments to revoke provisions that restrict Private Label Products from being designated as listed drug products or as interchangeable products on the Ontario Drug Benefit Formulary / Comparative Drug Index will come into effect.**

Stakeholders were invited to provide written feedback through the Regulatory Registry on proposed changes relating to private label products in fall 2018

and invited to provide feedback on proposed changes relating to OCT in fall 2019.

The removal of the financial cap on OCT benefits is responsive to stakeholder feedback to provide support to wholesalers and pharmacies, including smaller independent pharmacies. Currently, the value of an OCT benefit cannot exceed 10% of the value of the generic drug as set out in the Ontario Drug Benefit Formulary. Amendments have been made to Ontario Regulation 201/96 under the *Ontario Drug Benefit Act* (ODBA) and Regulation 935 under the *Drug Interchangeability and Dispensing Fee Act* (DIDFA) to remove the 10% cap, effective January 1, 2020.

Allowing private label products to be designated as listed drug products or as interchangeable products will reduce the regulatory burden on companies that wish to develop and sell private label products in Ontario. Private label products are available in other province and territories. Amendments have been made to Ontario Regulation 201/96 under the ODBA and Regulation 935 under the DIDFA to revoke provisions that restrict private label products from being designated as listed drug products under the ODBA or as interchangeable products under the DIDFA, effective July 1, 2020.

**Additional Information:**

**For pharmacies:**

Please call ODB Pharmacy Help Desk at: 1-800-668-6641

**For all other Health Care Providers and the Public:**

Please call ServiceOntario, Infoline at 1-866-532-3161 TTY 1-800-387-5559.  
In Toronto, TTY 416-327-4282