

NOTICE FROM EXECUTIVE OFFICER, July 28, 2008

Conditions for Payment of Dispensing Fees under the Ontario Drug Benefit (ODB) Program

A notice was posted on the ministry's website on April 30, 2008 that provided stakeholders with information on proposed amendments to O. Reg. 201/96 under the *Ontario Drug Benefit Act* (the "ODBA Regulation") and Regulation 935 under the *Drug Interchangeability and Dispensing Fee Act*. Stakeholders were given a 30-day period to comment on the proposed regulatory amendments.

I would like to thank all those who submitted comments and participated in the consultation process. In regards to that portion of the consultation package pertaining to price increase criteria for listed drug products, be advised that the review and approval process in respect of those proposed regulations is still underway.

The purpose of this notice is to provide you with information regarding changes that have been made to the ODBA Regulation, establishing conditions for the payment of dispensing fees under the ODB Program. These regulatory changes are effective as of **August 1, 2008**. Set out below is a description of the new dispensing fee billing rules followed by a summary chart.

To receive payment of a dispensing fee under the ODB Program, the dispenser must supply at one time the lesser of: (a) the entire quantity of the listed drug product that is specified on the prescription to be dispensed at one time; or (b) the maximum quantity permitted under section 18 of the ODBA Regulation¹ ("Maximum Quantity"). In other words, the dispenser is required to dispense at one time the Maximum Quantity unless the prescriber has directed that a smaller quantity be dispensed. In cases where the prescriber has directed the dispensing of a reduced quantity (i.e. less than the Maximum Quantity), the ministry will provide payment for a maximum of two (2) dispensing fees per medication per recipient per calendar month.

Dispensers may also dispense less than the Maximum Quantity in cases where the dispenser has determined, in his or her professional opinion, that the ODB patient is incapable of managing his/her medication regimen as a result of physical, cognitive or sensory impairment. In cases where the dispenser has determined that reduced quantity dispensing is warranted due to patient impairment, the dispenser must maintain a written record of the reasons for this opinion, as well as a record of the authorization received from the ODB patient (or person presenting the prescription) for dispensing in reduced quantities. Under these circumstances, dispensers would receive payment under the ODB Program for no more than two (2) dispensing fees per medication per recipient per calendar month.

Although claims submitted for dispensing fees in excess of the monthly 2-fee limit are not eligible for payment under the ODB Program, dispensers would still receive payment for the drug benefit price plus any applicable markup. Pharmacists are encouraged to work with prescribers to facilitate the dispensing of the Maximum Quantity provided for under the ODBA Regulation.

¹ For most ODB recipients, the maximum quantity would be a supply sufficient for a 100-day course of treatment; for ODB recipients who are eligible for benefits under the Ontario Works program, the maximum quantity is a 35-day supply; and in the case of medications to which the Trial Prescription Program applies, the maximum quantity for which the EO is required to pay is a quantity sufficient for 30 days.

The foregoing conditions *do not apply* if: (i) the ODB recipient is a resident of a long-term care home, or (ii) the medication being dispensed is one which I have designated for an exemption. These exempted medications are generally those that are normally prescribed for periods of short duration (e.g. antibiotics) or products where there is risk of abuse or diversion (e.g. narcotics and controlled drugs). The list of exempted medications is available at http://www.health.gov.on.ca/english/providers/program/drugs/odbf/dispensing_fees_drug.pdf.

Although work is underway to incorporate the new dispensing fee rules into the Health Network System (HNS), this work will not be completed until Fall 2008. Until that time, if more than two (2) claims for the same medication for the same recipient are submitted in the same calendar month, the dispenser is responsible for ensuring that no dispensing fee is claimed. Dispensers are reminded that all claims made under the ODB Program are subject to audit and that payments for improper claims are subject to recovery.

If you have additional questions, please refer to the Questions and Answers document which is attached, and also posted on the ministry website, or contact the ministry's Help Desk at telephone 1(800) 668-6641.

Helen Stevenson

Executive Officer, Ontario Public Drug Programs

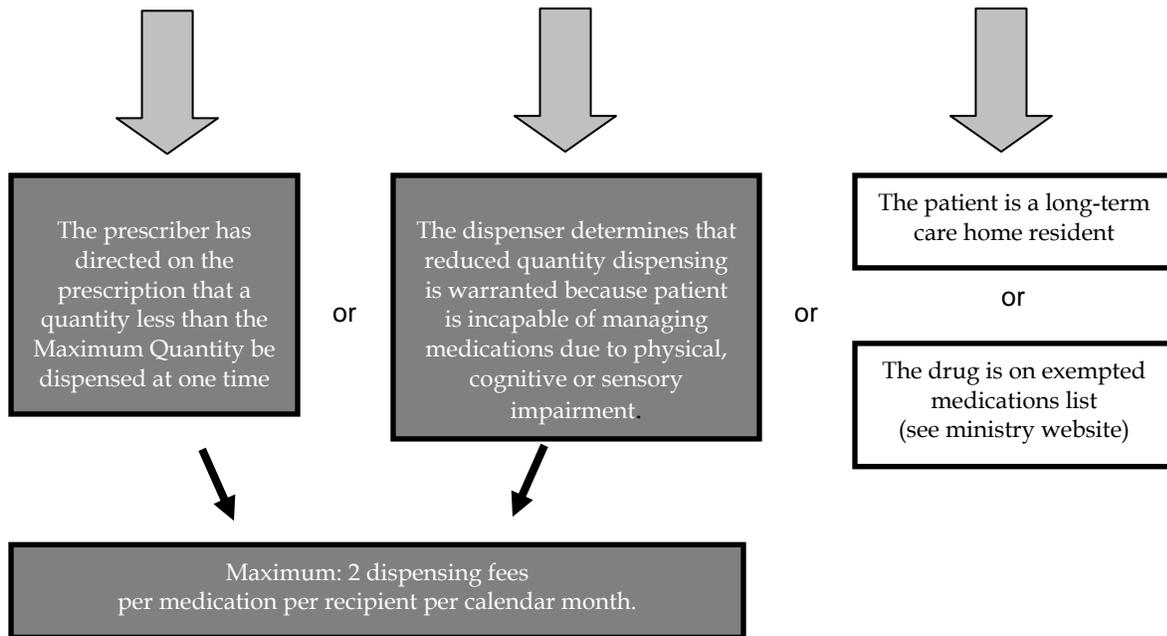
[chart follows]

CONDITION FOR PAYMENT OF DISPENSING FEE - ODB PROGRAM:

Dispense at one time the Maximum Quantity

- maximum 35-day supply for Ontario Works recipients
- maximum 30-day supply for trial prescriptions
- maximum 100-day supply in all other cases

UNLESS:



NB: This notice is intended to provide a summary description of the regulations for convenience only, and is not an authoritative version of the regulations. A copy of the regulation is available on the Government of Ontario e-Laws website at www.e-laws.gov.on.ca and official copies of regulations are printed and distributed by the Queen's Printer (Publications Ontario).