

## NOTICE FROM EXECUTIVE OFFICER

December 1, 2008

### **Enhancements to Health Network System to Support the Conditions for Payment of Dispensing Fees under the Ontario Drug Benefit (ODB) Program**

On July 28, 2008, the ministry posted notices on its website and the Bulletin Board System (BBS) regarding the new conditions for payment of dispensing fees under the ODB Program, as set out under section 18 of O. Reg. 201/96 made under the *Ontario Drug Benefit Act*. The new dispensing fee conditions came into effect on August 1, 2008. Additional changes to the exemptions list were communicated in BBS No. 8092 posted October 30, 2008 and became effective November 1, 2008. Information about the conditions for payment of dispensing fees and exemptions may be found at:

[http://www.health.gov.on.ca/english/providers/program/drugs/odbf/odbf\\_conditions\\_for\\_payment.html](http://www.health.gov.on.ca/english/providers/program/drugs/odbf/odbf_conditions_for_payment.html)

I am pleased to announce that enhancements to the Health Network System (HNS) to support adjudication of the new dispensing fee conditions have been completed and will be implemented **effective December 1, 2008**.

Ontario Public Drug Programs has received a number of questions from pharmacists regarding claims for dispensing fees. The following questions and answers are intended to address some common questions that may arise when submitting claims to the HNS for adjudication.

#### **Questions & Answers**

**Q1. Will an intervention code be required when submitting a third or subsequent claim for the same "non-exempted" drug in the same calendar month?**

A1. Any third or subsequent claim for a non-exempted drug will not require any additional intervention codes in order to adjudicate properly. The claim may be submitted with or without a fee. Unless the medication or the recipient is exempted from the dispensing fee conditions, no fee will be paid.

**Q2. Will I receive a message that no fee is paid?**

A2. Yes. The pharmacist will receive a 'UL' Response Code which indicates 'zero dispensing fee-monthly limit exceeded'.

**Q3. Do the dispensing fee conditions allow 2 dispensing fees per month or 2 dispensing fees every 28 days? What happens if I dispense a 2-week supply three times in one month?**

A3. For the majority of ODB-eligible medications dispensed to ODB-eligible recipients, pharmacists will be reimbursed a maximum of 2 dispensing fees per medication per recipient in any *calendar* month. Some exceptions are allowed, where reduced quantity dispensing is warranted for patient care and safety.

If a pharmacist dispenses a 2-week supply three times in one month, only 2 dispensing fees are payable, unless the medication or the patient is exempted from the dispensing fee conditions. For the third claim, the pharmacist is entitled to be reimbursed the drug cost plus the mark up.

**Q4. What are the exemptions to the dispensing fee conditions?**

A4. The dispensing fee conditions do not apply to:

- residents of long-term care (LTC) homes;
- residents of Homes for Special Care (effective November 01, 2008);
- drug products or categories of drug products listed on the Exempted Medications List that have been designated by the Executive Officer and posted on the ministry website (see above).

**Q5. How will residents of Homes for Special Care residences be identified when claims are submitted on the HNS?**

A5. The Homes for Special Care (HSC) list has been updated with **ODP numbers** for the purposes of electronic claim adjudication on the HNS. For a complete list of HSC homes which were be exempted from the dispensing fee conditions as of November 1st, please refer to the exempted HSC list on the ministry website at:

[http://www.health.gov.on.ca/english/providers/program/drugs/odbf/exempted\\_hsc\\_homes.pdf](http://www.health.gov.on.ca/english/providers/program/drugs/odbf/exempted_hsc_homes.pdf)

Pharmacists must provide the ODP number in order for the claim to be exempted from the dispensing fee conditions. This is the same process that is currently followed for claims for residents of LTC homes.

**Q6. Will the ministry audit pharmacies/dispensaries and process recoveries when overpayments are identified?**

A6. Yes. Pharmacists are required to submit all claims to the ministry in accordance with applicable legislation and ministry policies. Any claims that have been improperly submitted are subject to audit and recovery.

Please note that we continue to review questions and concerns raised by the Ontario Pharmacists' Association, the Canadian Association of Chain Drug Stores and individual pharmacists.

If you have additional questions concerning the enhancements to the HNS, please contact the ministry's Help Desk at 1(800) 668-6641.

Helen Stevenson  
Executive Officer, Ontario Public Drug Programs