

Working together to be Drug-\$mart

We all recognize the value of our drug plan. As drug and health care costs continue to rise, we are faced with the challenge of providing you with comprehensive, yet cost-effective coverage. Members of the Pension Committee and its various sub-committees are regularly reviewing programmes and looking for efficiencies, while maintaining the quality of the benefits provided.

Effective January 1, 2014, our Plan has implemented mandatory generic substitution for coverage of drug expenses, under direction from the Pension Committee. This means that, the Plan insurer, Manulife Financial, will cover the cost of the best available priced alternative for the prescribed drug, which is typically a generic drug.

What is a “generic drug”?

“Generic” is the term used to describe a drug product that is equivalent to a “brand-name” drug, for which the patent has expired. When applying to sell the generic equivalent of a brand-name drug, manufacturers must prove to Health Canada, that their product equals the brand-name drug in purity of active ingredients and in manner and rate of dissolution and absorption. The only difference is in the make-up of the inactive ingredients: the binders, fillers and dyes used to give the drugs their shape and colour. According to Health Canada, generic drugs are equally safe and effective as brand-name drugs.

If there is a medical reason why you cannot take the generic alternative, your doctor may fill in a form for submission to Manulife, and the brand name drug will then be covered. This form can be found on the Pension Office website www.anglicanpension.ca

How to be a \$mart \$hopper

Manulife Financial offers some tips that you can use to reduce prescription drug costs, save money and help keep your plan affordable.

Did you know...?

-Prescription drugs account for up to 80% of your health plan's cost.

-The premiums paid by you and the Diocese are driven up by the rising cost of prescription drug claims.

-You can save on prescriptions and help reduce drug plan costs without compromising the quality of care or service you receive.

-Like with other products, being a “Smart Consumer” applies to prescription drugs as well. You can save a few dollars and at the same time do your part to help manage your drug plan costs.

Cost-\$aving ideas you can use at the doctor's office

Talk to your medical professionals

Your doctor and pharmacist are experts who can help you learn about the medications you may be taking. Be sure to tell your doctor and pharmacist about any known drug allergies, or if you have experienced side effects while taking a certain medication. You may be seeing two doctors for different medical conditions. Without knowing, they may prescribe drugs that interact and cause a bad reaction when taken together. The more information you are able to share, the better equipped they will be to assist you with your health and medication needs. These up-front discussions will help you avoid getting a prescription that is not right for you.

Inquire about generic drug alternatives

Newer drugs just entering the market tend to be more costly than other tried and true therapies that deliver similar results. For instance, generic drugs provide the same therapeutic benefits as brand-name drugs – usually at a lower cost. Other manufacturers are allowed to produce and sell generic drugs after the brand name drug's patent has expired. These differences have no effect on the active drug or its effectiveness. However, switching from a brand name drug to a generic alternative could reduce the chances of you being out-of-pocket.

Cost-Saving ideas you can use at the pharmacy

Shop around for the best price

Dispensing fees (the amount the pharmacy charges for the service they are providing) and drug costs (including pharmacy mark-ups) vary from pharmacy to pharmacy. Canadian brand drug manufacturers are limited in what they can charge for drugs – pharmacies are not, so their mark-ups vary and are often flexible. In Canada, dispensing fees can range anywhere from \$4 to \$16 for each prescription you have filled. Before filling a prescription, ask how much it will cost. You may discover that it pays to shop around. Your relationship with your pharmacist, as well as the level and amount of service they provide, are also important factors in finding a pharmacy that meets your needs.

For regular prescriptions, pick-up a three month supply

Filling your regular prescriptions (drugs taken regularly on a long-term basis) every three months, instead of monthly, reduces the number of dispensing fees you are charged and saves a few trips to the pharmacy. On the other hand, if you're trying a prescription for the first time, it's wise to wait. It's important to get a sense for a medication's effectiveness and your reaction to a new drug before having a three-month supply dispensed.

Pharma-Sense

Since the cost of prescription drugs will vary depending on where you shop, call the pharmacies in your local area. You may discover it pays to take a few minutes to shop around.

The cost of picking up your prescription

Although costs vary depending on where you shop, three factors determine the price of prescription drugs:

-The drug cost is the amount a pharmacist pays to buy the drug.

-A pharmacy mark-up refers to any additional amount a pharmacist may charge for a drug, above the original drug or ingredient cost. The mark-up is

applied to pay for the costs of running the pharmacy.

-A dispensing fee is the professional fee a pharmacist charges to fill your prescription. The practice in Quebec is to use Usual and Customary pricing methodology; pharmacists do not have to disclose the details as described above.

Cost-Saving ideas you can use at home

Take medication exactly as prescribed

Many people skip doses or stop taking their medication when they start to feel better. Not following the instructions provided on your prescription can cause a condition to return – even worsen. In the end, you may have to take the medication longer or take additional medication to get better – all of which increase drug costs and place added strain on your benefits plan.

Maximize coverage available through your spouse's plan

If you and your spouse both have family coverage under your drug benefits plans, you can submit claims under both plans to recover up to 100% of your prescription drug costs. Insurance companies call this Coordination of Benefits (COB).

Make healthy lifestyle choices

A balanced lifestyle includes proper diet, regular physical activity and annual medical check-ups. These choices are vital to your ongoing health and well-being. The great thing about adopting a healthier lifestyle is that it's never too late to start. Steps you take today may reduce the medication you require later on in life.

Tax considerations

You should check with your tax advisor, but often premium costs and out-of-pocket health care expenses may be taxable deductions in your annual income tax filing.