



The Co-operators Pharmacare Integration Policy

Benefitting plan sponsors and members in BC, MB and SK

Pharmacare at a glance

What is Pharmacare?

Every province and territory has a drug program that helps residents pay for expensive medical prescriptions and supplies, each with unique guidelines.

Typically, Pharmacare is for:

- People who aren't part of a Group Benefits (GB) plan or whose medical costs exceed their GB plan
- Those who have higher-than-average drug costs in relation to their income
- Seniors and children who may not have coverage

This bulletin will focus on Pharmacare programs in British Columbia (BC), Manitoba (MB) and Saskatchewan (SK). These provinces are “first payer” for eligible drugs listed in the respective provincial formulary once residents have met a set deductible based on their family income. When residents are enrolled with Pharmacare, eligible drug costs are reimbursed first through Pharmacare, then through your group benefits plan. As such, The Co-operators has a Pharmacare Integration Policy specifically for BC, MB and SK.

Note: In BC, MB and SK, residents are not automatically enrolled in their provincial Pharmacare program; they must apply for coverage.

Pharmacare Integration Policy

How it works

In accordance with policy provisions, our Pharmacare Integration Policy ensures that plan members in [British Columbia](#), [Manitoba](#) and [Saskatchewan](#) register for their provincial Pharmacare plans. This is an industry best practice. Once registered and once plan members reach their Pharmacare deductible, the Pharmacare plan will cover all or part of the eligible costs that plan sponsors would otherwise cover.

To co-ordinate claims, we use a threshold-based claims tracking system:

- After we have paid \$1,500 in prescription drug claims to a plan member within a calendar year, we will send a letter advising them that they need to apply to their provincial Pharmacare plan. The letter also indicates that if we do not receive confirmation of their enrolment in their provincial Pharmacare plan within eight weeks of the letter, we will suspend their drug coverage.

Note: The threshold amount is periodically reviewed and subject to change.

The benefits

It's important to remember that both plan sponsors and plan members pay for the cost of prescription drug benefits. Our Pharmacare Integration Policy ensures that plan members get maximum financial assistance from *both* plans, minimizing out-of-pocket expenses for plan members and containing costs for plan sponsors.



The Co-operators Pharmacare Integration Policy

Benefiting plan sponsors and members in BC, MB and SK

The following example illustrates the value of enrolling in provincial Pharmacare:

- **The prescribed drug:** A plan member in Saskatchewan diagnosed with Hepatitis C may be prescribed *Harvoni*, which costs approximately \$135,000 for 24 weeks of treatment.
- **The deductible:** If the plan member's annual prescription drug amount exceeds the Saskatchewan Special Support threshold (3.4% of annual income in 2018), they would qualify for assistance. The assistance is communicated as a deductible and/or coinsurance amount. For illustration purposes, we will say the resident had a deductible of \$2,210 and was responsible for 35% of the cost of their prescription drugs for the remainder of the calendar year.
- **The example:** After the \$2,210 deductible is met, Pharmacare will pay 65% of the member's eligible prescription drug costs. The province will therefore pay \$86,314 (65% after deductible) and the group benefits plan, which offers 100% coverage (if the *Harvoni* was approved through The Co-operators Prior Authorization Program), will pay \$48,686 (\$2,210 plus remaining 35%). If this individual was *not* enrolled in Pharmacare, the group benefits plan would pay the entire \$135,000.

Mandatory provincial Pharmacare enrolment enables The Co-operators to reduce plan sponsors' exposure to high-cost drugs, while ensuring that plan members get maximum financial support and the prescription medication they need. In the above example, the group benefits plan *saved* \$86,314. That's the benefit of an integration policy!

Submitting claims

Once plan members meet their Pharmacare deductible, the plan assists with eligible drug costs for the rest of the calendar year. Each year, the Pharmacare plan does an income assessment to establish the annual deductible and co-insurance amount paid. Submitting claims is a seamless process with no action required on the plan member's behalf; pharmacies will automatically co-ordinate benefits between the provincial Pharmacare plan and The Co-operators plan. This ensures that plan sponsors and members are *not* paying for drugs eligible under the provincial Pharmacare program.

For more information about provincial Pharmacare programs, including how to apply, [visit Health Canada online](#).

Questions about Pharmacare?

Contact the Group Client Service Centre using the Ask a Question feature in Benefits Now® for Plan Members or by calling 1-800-667-8164.

The Co-operators® is a registered trademark of The Co-operators Group Limited used with permission.

The Co-operators® used by Co-operators Life Insurance Company under license from The Co-operators Group Limited. The Co-operators is committed to protecting the privacy, confidentiality, accuracy and security of the personal information it collects, uses, retains and discloses in the course of conducting business. To learn more, visit www.cooperators.ca.