



# THE advantage<sup>®</sup>

OCTOBER 2017

THE STUFF YOU NEED TO KNOW...

## VALUE-BASED PHARMACY SET TO HIT THE STAGE

In July we released a GSC Update introducing our innovative Value-based Pharmacy initiative as part of the SMARTspend™ banner – which houses cost-management strategies focused on value. GSC will be the first payor (public or private) in Canada to start measuring pharmacy performance on an individual pharmacy basis and providing feedback to help pharmacies gain insight into what they're already doing well, and areas where there's room for improvement.

We've let pharmacies know that this week they will start receiving an easy-to-understand Patient-Impact Scorecard, based on GSC drug claims data, which highlights key information regarding GSC patient adherence, safety, and disease management. The scorecards, which will be provided monthly, will rate the pharmacy's performance on a set of eight evidence-based measures (created by an independent organization).

### What does this mean for you?

The goal of the Value-based Pharmacy initiative is to drive accountability in our health care system and ensure that your plan members are getting the best quality of care possible. Ultimately, this means better value for the dollars you invest in your plan members' health.

In future phases of the initiative, pharmacy performance information will be made available to plan members through an online search tool. This will enable them to choose a pharmacy not only based on factors such as cost and location, but also actual quality of care delivered by that pharmacy. This feature is currently being developed and is expected to launch in 2018.

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- Change4Life® access for non-plan members now available
- Quebec industry news roundup
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# SMARTspend™

## SMARTSPEND IS ALL ABOUT VALUE

*Value* means it's not enough that a health care product, service, organization, or provider just delivers something – it's about the quality and health outcomes associated with that something. The idea is that every investment in health care – including providing plan members with health benefits – should produce a high-quality outcome relative to its costs. As a plan sponsor, it's up to you to decide how you are investing in health care services that deliver the value and results you desire or require. At GSC we offer, and continue to develop, a full suite of strategies to support your plan philosophy. The GSC offerings grouped under the SMARTspend umbrella are designed to attach value to your health benefits spend. For more on these SMARTspend offerings, contact your GSC account executive.

# Change4Life®

## CHANGE4LIFE® ACCESS FOR NON-PLAN MEMBERS NOW AVAILABLE

The Change4Life health portal is an easy and free way for plan members to take small (and achievable) steps towards getting healthier. Since the launch two and a half years ago, over 75,000 plan members are using it across the country. Now access to the portal is available for a reasonable fee to spouses, dependents, and/or any employees not included within your GSC health and dental benefits plan. Once the access is set up, registration is quick and easy, and non-plan members will have full access to everything that plan members can access, including points that can be earned and used towards great rewards.

This is one of the many ways we're evolving the portal to make it even better. Many people feel that working as a whole family to change health behaviours is more effective than going it alone, so access for spouses and dependents could help boost overall employee health. Looking for other ways to increase participation on Change4Life? Speak to your GSC account executive for more ideas, or download promotional materials [here](#). And if you're not sure if you have a clear picture of your current Change4Life participation rate or the general health of your employee population, remember GSC has robust health risk assessment (HRA) reporting available – so be sure to ask about that as well.

## QUEBEC INDUSTRY NEWS ROUNDUP

There's certainly been a lot going on in Quebec lately on the pharmacy front, so we thought a summary of a couple of items might be helpful for those of you who have plan members in the province.

### Changes to pharmacy receipts

First up, let's look at Bill 92, which passed in the Quebec legislature late last year and came into effect on September 15, 2017. The legislation requires pharmacies to include three separate line items on their receipts: the price of the drug itself (i.e., the manufacturer's list price), the wholesaler's margin, and the pharmacist's professional fees (including their margin and dispensing fee). The legislation brings Quebec in line with other provinces when it comes to pharmacy receipt details. Since we last wrote about this legislation in the February 2017 issue of *The Advantage*, the *Association québécoise des pharmaciens propriétaires* (AQPP) – which represents pharmacies in Quebec – has taken the issue to court. The AQPP is arguing that their pharmacy members shouldn't have to provide the new itemized receipts to insurance carriers, just to patients. A final decision from the courts isn't expected for another 12 to 18 months.

Regardless of the court ruling, this change will provide plan members with a better understanding of the breakdown of drug costs so they can comparison-shop accordingly. But what will all this mean from a plan management perspective? There are still a lot of changes needed before carriers and plan sponsors can implement commonplace cost-containment strategies like caps on fees or markups in Quebec. Even if the legislation remains as is, and pharmacies have to provide the itemized receipts to carriers, the ability of carriers and adjudicators to restrict fees or markups is limited by regulatory issues in the province, as well as current contractual arrangements with the provincial pharmacy association, which would first need to be renegotiated.

### Quebec's new deal with generic manufacturers

The Quebec government announced in July that it had reached an agreement with generic drug manufacturers to lower prices for generic drugs. The province said the deal, which came into effect October 1, will save at least \$1.5 billion over five years. The details of the deal are confidential as drug manufacturers are brokering similar deals in other provinces. GSC is involved in discussions with the Canadian Life and Health Insurance Association (CLHIA), and we'll provide any further details in future publications.

## AN UPDATE ON THE NEW ALBERTA DENTAL FEE GUIDE

As you may have heard, the Alberta Dental Association and College (AD&C) released the province's first dental fee guide in August. But the Alberta health minister quickly asserted that the guide, which was to come into effect on September 1, didn't meet expectations in making dental services more affordable for Albertans. Following discussions with the health ministry, the AD&C agreed to revise the dental fee guide. We've been informed that a new version will come out later this year, with a targeted implementation date of January 1, 2018. In the meantime, we will continue to use our own fee guide for Alberta until a final version is released.

## OHIP+ COMING JANUARY 2018

Starting January 1, 2018, the Ontario government will provide drug coverage for all Ontarians age 24 and under, regardless of family income. Called "OHIP+," the public benefit will cover the cost of all drugs funded through the Ontario Drug Benefit (ODB) program (over 4,000 drugs) with no deductible or co-payment. GSC will no longer reimburse ODB listed drugs as of January 1, as the OHIP+ program will provide full coverage. We will be ready for this change, and we have been working with the CLHIA and the Ontario Ministry of Health and Long-Term Care to ensure a seamless transition for impacted plan members (via direct communications), and in particular those who are currently taking drugs that are part of the Exceptional Access Program (EAP).

The ultimate impact of the program on drug plan costs remains uncertain. If there are any changes to benefits plan costs as a result of OHIP+, they will flow through the experience of your plan.