



We've all heard in the news about rising health care costs. As costs increase, so do the premiums we pay for our health coverage. Prescription drugs make up the majority of all health claims Pacific Blue Cross pays each year — this can range anywhere from 60% to 75%.

Everyone values his or her health coverage. Your drug plan will help you get prescription medications that you would otherwise have to pay for out of your own pocket. To get the most out of your plan, it's important to know how your drug plan works.

The more you know, the more you can save on your prescriptions helping to manage plan costs without compromising the quality of care or services you receive.

How your drug plan is funded

When you have coverage through your workplace, your group plan's sponsor makes decisions about the kind of drug coverage your health plan provides and pays premiums for your coverage. You might also pay a portion of the premium through a payroll deduction. If you've purchased an individual plan on your own, you select the plan that best suits your needs and pay for your coverage through a monthly or annual premium.

Pacific Blue Cross administers the plan, pays claims and provides service to you such as answering questions about your coverage.

Show your ID card to make a claim

If you have a pay direct drug plan (most do), show your Pacific Blue Cross ID card to your pharmacist when you hand in your prescription. Your drug claims are submitted directly to Pacific Blue Cross. Be sure to show your card before your prescription is filled otherwise you'll end up waiting while your pharmacist re-enters the transaction.

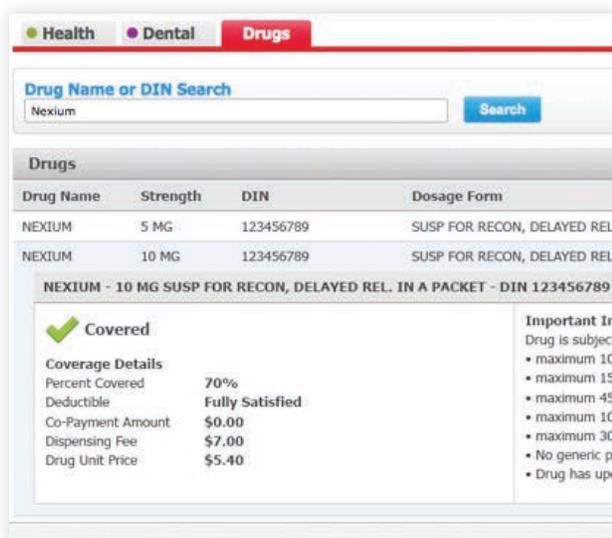
When your claim is submitted, Pacific Blue Cross sends a message back to your pharmacy indicating if your prescription is covered and automatically pays the portion covered by your plan. The pharmacist will collect any portion not covered by your plan directly from you.

Always keep your card with you. If you go to a different pharmacy you'll need to present your card. Even within drug store chains, stores are not necessarily connected to each other.

Know the details of your drug coverage

Keep in mind that pharmacists only know what the system tells them about your drug plan — they don't know the details. If there's a problem at the pharmacy that can't be fixed right away, like the system has a wrong birth date, or maybe your coverage has changed, you'll be better prepared if you know how your plan works.

Pacific Blue Cross provides some great resources like CARESnet® where you can review all your information to ensure everything is correct. You can also see a summary of all your coverage. Before going to the pharmacist to fill a prescription, use the *Drug Lookup* tool to find out if your medication is covered and how much you're eligible to claim. If your drug isn't covered, you might be able to save by switching to an alternative drug in consultation with your doctor or pharmacist.



The screenshot shows a web interface with tabs for Health, Dental, and Drugs. The Drugs tab is active. A search bar contains 'Nexium' and a 'Search' button. Below the search bar, a table lists drug details:

Drug Name	Strength	DIN	Dosage Form
NEXIUM	5 MG	123456789	SUSP FOR RECON, DELAYED REL.
NEXIUM	10 MG	123456789	SUSP FOR RECON, DELAYED REL.

Below the table, a section for 'NEXIUM - 10 MG SUSP FOR RECON, DELAYED REL. IN A PACKET - DIN 123456789' shows a green checkmark and 'Covered' status. Coverage details include:

Percent Covered	70%
Deductible	Fully Satisfied
Co-Payment Amount	\$0.00
Dispensing Fee	\$7.00
Drug Unit Price	\$5.40

Important information on the right includes: 'Drug is subject to maximum 10%', 'maximum 15%', 'maximum 45%', 'maximum 10%', 'maximum 30%', 'No generic price', and 'Drug has updated information'.

Before you fill a prescription, use our online Drug Lookup tool shown here to find out if your medication is covered.

Keep your pharmacist informed

It's up to you to tell your pharmacist when your policy or ID number changes, or if you've made changes with your plan's administrator when you got married, changed your name, had a baby or added any new dependents to your plan — you'll want to do this before they enter your claim into the system. The same goes if coverage provided by your spouse's plan changes. Always request that all members of your family are updated at the same time.

Understanding drug costs



1 Ingredient cost — the cost of the drug from the manufacturer (Manufacturer List Price or MLP)

2 Wholesaler mark-up — distribution allowance for drugs shipped to pharmacies via wholesaler

3 Pharmacist mark-up — like most retail businesses, the pharmacy often applies a mark-up when they sell the medication

4 Dispensing fee — in addition to the cost of the drug, the pharmacy charges the customer a dispensing fee when they fill the prescription

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When your plan doesn't pay

There are various reasons why a drug plan might not cover a prescription. Not all plans are the same.

The drug is excluded from your plan

Drug plans can be customized to exclude certain drugs. There's a fancy term for this called a "drug formulary," which is just a list of drugs covered by your plan.

Special/prior authorization required

Some medications may be covered by your plan only if prescribed for certain conditions and in predefined amounts. These drugs must be approved according to established criteria upon review of your doctor's written request before they can be covered.

Each medication will have its own guidelines for approval. Once special authorization has been approved, your pharmacy can submit the pay direct drug claim for that medication to Pacific Blue Cross. Go to www.pac.bluecross.ca/advicecentre to learn more about Special Authorization.

Dispensing limits

Your drug claim may be rejected because you're trying to refill your prescription too early or cut back to a 100-day supply if you are requesting a greater amount. This helps prevent wastage when dosages and treatments change over time.

Medical necessity

Some drugs can be used for both cosmetic reasons and to treat a medically necessary condition. Drugs are only covered if they are medically necessary.

Pre-existing conditions

If you have a pre-existing health condition (such as asthma, diabetes, high cholesterol) and you buy a new individual plan because of a change of employment, retirement, etc., your new plan may not cover medications used to treat your pre-existing condition. Be sure to ask about any medications you're already taking before you purchase your plan.

You've reached your plan maximum

Some plans have a maximum dollar amount they'll pay. This maximum can be set annually or over your lifetime on the plan.

Public funding is available

Many drugs are provided through provincial agencies like the BC Cancer Agency or the BC Centre for excellence in HIV/AIDS. Others are provided by hospitals. Your plan will not pay for drugs where public or agency funding is available.

In some of these cases, there may be another drug that will work as well and that is covered (in which case your doctor can write you a new prescription). Or if you want the original prescription, you always have the option of paying for it yourself.

When your plan pays only a portion

Coinsurance and deductibles

Most plans have a coinsurance, which is a percentage of the total cost that you pay, such as 20%. Some plans also require a deductible every year. For example, you might have to pay for the first \$100 of prescriptions before your coverage kicks in.

Co-pay or a per-script deductible

Some plans require that you pay part of the cost of each prescription. It would be the same amount each time, like \$5.

Dispensing fee caps

Your drug plan may not pay the full amount of the pharmacy's dispensing fee charged on the prescription. If your drug plan has a cap on the amount paid for dispensing fees, you would pay the difference between the capped fee and what the pharmacy usually charges.

NOTE: COST SAVINGS MAY VARY FROM PATIENT TO PATIENT.



**Pharmacy
COMPASS**

Do you know what you're paying for your medication? Learn more at www.pharmacycompass.ca

Get up to 100% coverage through your spouse's plan

If you and your spouse both have coverage under different health plans, submit claims to both and recover up to 100% of your costs. If both pay for drugs directly at the pharmacy, ask your pharmacist to coordinate claim payments to both plans.

If the prescription is for	First submit the claim to	Submit unpaid balance to
You	Your Pacific Blue Cross plan	Your spouse's plan
Your spouse	Your spouse's plan	Your Pacific Blue Cross plan
Dependent children (if your birth date is EARLIER in the year than your spouse)	Your Pacific Blue Cross plan	Your spouse's plan
Dependent children (if your birth date is LATER in the year than your spouse)	Your spouse's plan	Your Pacific Blue Cross plan

Every insurance company in Canada follows these guidelines developed by the Canadian Life and Health Insurance Association (CLHIA). Learn more at www.pac.bluecross.ca.

When you find savings, so does your plan

Compare prices

The price of drugs varies from store to store because pharmacies charge different mark-ups and dispensing fees. With Pharmacy Compass, you can compare pharmacy mark-ups and dispensing fees for prescription pills and tablets — quickly reaping the rewards of lower prescription drug prices.

Visit www.pharmacycompass.ca.

Ask for the generic

Generic drugs are just as safe, are equal in quality, and much lower in cost than brand-name drugs. Choosing generic drugs means you can keep money in your pocket where it belongs while helping manage the cost of your health plan.

Maximize savings on regular prescriptions

If you're filling a prescription you take regularly (like medications for cholesterol, blood pressure, etc.) picking up a three month supply reduces the number of dispensing fees you are charged. We don't recommend this if you're trying a prescription for the first time because you want to be sure the new medication is effective and you don't have any adverse reaction.

Beware of Drug Coupon Cards

They won't save you any money in the long run. These cards pay the difference between a brand-name and generic drug only after all other sources of coverage have been applied. This means your health plan takes the hit, which means the premiums you pay for your health plan go up as plan costs become unsustainable.

Treasure your good health

Preventing the onset of chronic conditions is something you have control over. The lifestyle choices you make today can reduce your need to take medications later on in life. My Good Health® can help you get started. Visit www.pac.bluecross.ca.

Extended Health Claims 604 419-2600

Toll-free 1 888 275-4672

www.pac.bluecross.ca

