

P.E.I. Pharmacare

Pharmacists' Bulletin

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Catastrophic Drug Program

The Catastrophic Drug Program (CDP) announced in the Spring of 2013 will come into effect as of October 1, 2013. This program will provide assistance to residents who do not have drug coverage, or who are experiencing high drug costs not covered by their private or other public insurance. The CDP allows Islanders to accumulate their out of pocket costs of eligible prescription drugs which are not covered by "other funding", towards their annual household cap. "Other funding" includes any funding sources such as private insurance coverage, public insurance coverage, Workers Compensation drug coverage, Disability Support Programs, etc. All other funding must be applied first and any remaining eligible costs can be accumulated towards the annual household cap.

For your information, medications eligible for the CDP are highlighted in the online Formulary with a red Q program code at www.healthpei.ca/formulary (although the program is not effective until Oct 1).

Permanent PEI residents are eligible to apply to the CDP if they:

1. Have a valid PEI Health Card at the time of dispense of eligible medication(s) **and** at the time of request for enrollment in the CDP.
2. Have filed a tax return for the tax year immediately prior to the year of CDP application.

The CDP sets an annual maximum on "out of pocket eligible drug expenses" depending on a household's annual income (annual household cap). The annual household cap is a calculation based on the household's annual income from their income tax filings (see below).

Annual Household Income Ranges			Annual Household Cap
\$0	to	\$20,000	3%
\$20,001	to	\$50,000	5%
\$50,001	to	\$100,000	8%
> \$100,001			12%

The first year of the program will run from October 1, 2013, and will end on June 30, 2014. For this partial year, the established cap will be set at 75% of the annual household cap. After the initial year, the program will begin on July 1 and end on June 30 of the following year. Clients will have to apply for the program on an annual basis.

The following are some key points:

- Eligible medications will be marked in the online Formulary with a red Q program code - if the medication is not listed in the Formulary with this program code, it is not eligible to be added to a household cap accumulator.
- Eligible medications will be subject to existing Pharmacare rules ie daily maximums, Special Authorization Criteria requirements, etc. all apply to the new CDP. The online Formulary will list any Special Authorization Criteria if applicable.
- The eligible medication expense will be based on the PEI Pharmacare Maximum Reimbursable Price (MRP), or the client's out of pocket expense, whichever is less.
- Once a registered client has reach their household cap, the CDP will automatically pay their eligible medication expense(s) not covered by "other funding" for the remainder of their current program year.

Additional information regarding application forms and program submission details, as well as any Formulary additions to this new program, will be made available in the near future.