

Pan-Canadian Competitive Value Price Initiative for Generic Drugs

On April 1, 2013, the pricing for the Pan-Canadian Competitive Value Price Initiative for Generic Drugs was implemented. The pricing for six molecules were decreased to 18 per cent of the lowest brand price in participating provinces/territories. The molecules affected are: Atorvastatin, Ramipril, Venlafaxine, Amlodipine, Omeprazole and Rabeprazole, excluding the 10 mg strength for Omeprazole.

Manufacturers have confirmed through a Pan-Canadian Price Confirmation process their ability to supply to pharmacies in participating provinces/territories, including Alberta, the drugs included in this Initiative at the 18 per cent price reduction.

The calculation to 18 per cent of the lowest brand price has been made using the published price of the brand product listed in the January 1, 2013 *Alberta Drug Benefit List (ADBL)* for all of the identified products with the exception of the products listed below, Atorvastatin 80 mg and Venlafaxine (all strengths). In these cases, due to Alberta's participation in the initiative, the brand price utilized for the calculations were as follows:

Molecule	Alberta January 1, 2013 ADBL published price	Lowest brand price in the provinces/territories	18 per cent of lowest brand price
Atorvastatin:			
80mg	2.3421	2.3420	0.4216
Venlafaxine:			
37.5mg	0.9242	0.9126	0.1643
75mg	1.8488	1.8252	0.3285
150mg	1.9517	1.9271	0.3469

The price listed on an invoice from the wholesaler for these brand products is inclusive of a Distribution Allowance. It should be noted that the use of an invoice price to calculate the percentage of reduction may cause confusion as it was the base price, which is the price published on the ADBL, which was used in the calculations for the initiative.

It should be noted that for generic products within an Interchangeable grouping (fixed price product according to the definition in the Alberta Price Policy), regardless of distribution method, a Distribution Allowance is not permitted. For additional information regarding what products are permitted a Distribution Allowance, please refer to the *Alberta Drug Benefit List (ADBL)*, *Human Services Drug Benefit Supplement (HSDBS)* and *Palliative Care Drug Benefit Supplement (PCDBS)* excel publications that are available online at www.health.alberta.ca/services/drug-benefit-list.html during the first week of each month.

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Please refer to Benefact 380 (March 2013) or the April 1, 2013 updates to the *ADBL* posted online at www.health.alberta.ca/services/drug-benefit-list.html for a listing of the affected products and their applicable pricing.



For more information on pharmacy topics, please contact your Pharmacy Services representatives at:

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