

New pharmacy funding framework announced

The current *Alberta Blue Cross Pharmaceutical Services Provider Agreement* will be terminated at 11:59 p.m. May 16, 2018. You will receive a new *Alberta Blue Cross Pharmaceutical Services Provider Agreement* in March 2018. A new agreement is needed due to the new funding framework the Government of Alberta announced this month.

Overview of the funding framework

The Government of Alberta and the Alberta Pharmacists' Association have arrived at a new funding framework that will reduce the rate of growth on pharmacy spending—in the shared interest of ensuring the continued sustainability of the Alberta government-sponsored drug programs. This framework is the first of its kind for pharmacy funding in Alberta. Alberta Blue Cross was part of these discussions as the funding framework impacts the *Alberta Blue Cross Pharmaceutical Services Provider Agreement*.

Through the framework, pharmacy compensation will be adjusted to provide an estimated \$150 million in cost avoidance for the Alberta government over the next two years. The changes will also provide savings on out-of-pocket costs for Albertans in some instances, by reducing dispensing fees and by limiting recurring dispensing fees. The framework recognizes the critical role that pharmacists play in keeping Alberta's health care system financially sustainable and comes on the heels of collaboration between the Government of Alberta and other health professions including doctors, nurses and dentists to control costs.

How the framework affects the *Alberta Blue Cross Pharmaceutical Services Provider Agreement*

The new framework is facilitated through the *Alberta Blue Cross Pharmaceutical Services Provider Agreement* that each individual pharmacy signs with Alberta Blue Cross. Due to the changes in the funding framework, the existing *Alberta Blue Cross Pharmaceutical Services Provider Agreement*, which expires March 31, 2018, will be extended to 11:59 p.m. May 16, 2018, at which time it will be terminated. A new agreement will be issued in March and will become effective May 17, 2018.

More information to come

Alberta Blue Cross appreciates the close working relationship we have with the pharmacy community and are committed to sharing information about the new funding framework and how it impacts our partnership. Please anticipate more information in the coming weeks that will further outline specific details.

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Some specifics of the new funding framework

Change	Current	Effective May 17, 2018
The dispensing fee will be reduced.*	\$12.30	\$12.15
Reimbursement for daily dispensing and other frequent dispensing will be limited.*	No limits	Daily dispensing (Day supply=1): Three fees per day per patient Other frequent dispensing (2-27 day supplies): Two fees per drug grouping per 28 days per patient Opioid dependence treatments: Not subject to this policy
Pharmacists with additional prescribing authority will no longer be paid more than pharmacists without that authority for providing a patient with a comprehensive annual care plan.	Additional prescribing authority: \$125 No additional prescribing authority: \$100	All pharmacists: \$100
Pharmacists with additional prescribing authority will no longer be paid more than pharmacists without that authority for providing a patient with a standard medication management assessment.	Additional prescribing authority: \$75 No additional prescribing authority: \$60	All pharmacists: \$60
Pharmacists with additional prescribing authority will no longer be paid more than pharmacists without that authority for providing a patient with a comprehensive annual care plan follow-up or a standard medication management assessment follow-up.	Additional prescribing authority: \$25 No additional prescribing authority: \$20	All pharmacists: \$20
The number of comprehensive annual care plan follow-ups and standard medication management assessment follow-ups will be capped.	No limits	12 follow-ups annually per patient**
A new service will be added—an assessment to ensure continuity of care in the event of a declared state of emergency.	n/a	\$20
The fee for administering a publicly funded vaccine will be reduced.	\$20	\$13
New services will be added—pharmacists will have the authority to administer more publicly funded vaccines.	n/a	\$13 Phased in expansion planned

*Applies to all Alberta Blue Cross plan sponsors.

**Follow-up SMMA assessments for tobacco cessation services remains unchanged at only four after each SMMA.

The new funding framework will be in place until March 31, 2020.

Holdback

Starting April 1, 2019, at least 10 per cent of government payments to pharmacies (excluding the cost of drug products) will be withheld every two weeks to be used as needed to address any budget shortfall. While the percentage can increase if required to meet budget targets, where expenditures are less than budget, holdback funds may be re-distributed back to pharmacies.

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