

# Key Facts for Pharmacists:

## Improving the value of pharmacy payments in Long-Term Care Homes

### What is changing?

Starting on January 1, 2020, the payment model for pharmacies that provide professional pharmacy services to long-term care (LTC) homes will change.

- The changes mainly apply to primary pharmacy service providers.
  - A primary pharmacy service provider is defined as the pharmacy that is under contract with a LTC home to provide pharmacy services to residents of the LTC home.
  - A secondary pharmacy service provider is defined as a community pharmacy that may dispense a prescription for a LTC home resident through an arrangement with the contracted pharmacy service provider for emergency prescriptions. On rare occasions, it could be a pharmacy that the resident attends for emergency purposes, for example, while on a visit with family outside the LTC home.
- The primary pharmacy service provider will be paid an annual fee-per-bed (on a monthly schedule) for all dispensing and professional pharmacy services based on the number of licensed LTC home beds serviced:
  - \$1,500 in 2019/20 (i.e., total of \$375 for the remainder of 2019/20)
  - \$1,500 in 2020/21 (\$125/month)
  - \$1,400 in 2021/22 (\$116.67/month)
  - \$1,300 in 2022/23 (\$108.33/month)
  - \$1,200 in 2023/24 (\$100/month)
- The \$2 copayment will be eliminated for all LTC home residents for eligible Ontario Drug Benefit (ODB) claims submitted through the Health Network System (HNS).
- ODB eligible prescription claims submitted for residents of LTC homes will change to reflect a zero-dollar dispensing fee.
  - Secondary pharmacy service providers for LTC homes (that provide emergency prescription supplies to residents of LTC homes) may submit a claim to the HNS to be paid a dispensing fee (see Table 1 below for the assigned PINs).

- The fee-per-bed includes all pharmacy services provided for that resident including:
  - dispensing fee claims for eligible ODB products,
  - professional pharmacy services fees\* including:
    - MedsCheck LTC annual and quarterly,
    - Pharmaceutical Opinion Program (POP), and
    - Pharmacy Smoking Cessation Program.

\*Note: MedsCheck LTC annual and quarterly medication review PINs will be discontinued in the HNS. Claims for providing POP and Smoking Cessation services to residents of LTC homes should not be submitted to the HNS and overpayments due to inappropriate claim submissions are subject to recovery.

- The requirement for funding under the capitation model is that the primary pharmacy service provider will continue to provide professional pharmacy services including medication reviews/reconciliation and assessments to residents of the LTC homes. Pharmacy service providers cannot submit claims for any professional pharmacy services through the HNS.
- Claims for LTC home residents, including those submitted by secondary pharmacy service providers, will be exempt from the Reconciliation Adjustment process to be implemented on January 1, 2020 that impacts all other ODB claims submitted for reimbursement.

### **What remains the same?**

- All pharmacies will continue to be reimbursed for the ODB allowable drug cost, applicable mark-up and compounding fee (if applicable). The dispensing fee will be zero.
- Secondary pharmacy service providers (as defined above) will continue to receive a dispensing fee (\$5.57 for most retail locations and a range from \$6.67 to \$9.99 for rural pharmacies) by submitting a second HNS claim using the PIN that is assigned to the dispensing fee applicable to the pharmacy. The patient copay is zero. (see Table 1)
- Pharmacies will no longer submit claims through the HNS for MedsCheck LTC (both annual and quarterly assessments). The PINs will be discontinued. Primary pharmacy service providers are expected to continue to provide professional pharmacy services including medication reviews/reconciliation and assessments to residents of the LTC homes as part of their capitation payment and in accordance with their contracts with LTC homes.

- Claims for LTC home residents submitted by secondary pharmacy service providers will continue to be exempt from the dispensing fee rules 2 fees/28 days and 5 fees/365 days.
- All other HNS rules, ministry program policies and guidelines remain the same.

**How to submit ODB claims for residents of LTC homes**

- Primary and secondary pharmacy service providers must submit ODB-eligible claims through the HNS as per the normal process for claim submissions. No dispensing fee will be paid. A valid LTC agency ID number (ODP number) must be included as part of the claim submission for LTC residents. Failure to do so could result in a rejection by HNS with response code **“31”- Group Number Error**
- Secondary pharmacy service providers must submit a second claim for each ODB-eligible drug product claimed/dispensed in order to be paid the dispensing fee. The second claim must be submitted the same day as the initial claim submission. For each claim, secondary pharmacies must submit 2 claims as follows:
  1. for the drug cost and mark-up, and compounding fee if applicable, as per the normal process for a resident of a LTC home
  2. for the dispensing fee portion using the assigned PIN (see Table 1 below)
- Secondary pharmacy service providers must ensure that when submitting a claim using the Secondary Pharmacy Service Provider PIN that documentation is cross-referenced with the drug claim to which it relates.
- Claims for dispensing fees using the PINs may only be submitted for residents of LTC homes by the secondary pharmacy providing emergency prescriptions.

**Table 1: LTC Home Secondary Pharmacy Service Provider Dispensing Fee PINs**

The following PINs will be used for the dispensing fee claim for LTC home residents depending on the location of the pharmacy:

<b>Accredited Pharmacy Type*</b>	<b>Dispensing Fee**</b>	<b>PIN</b>
1. For most pharmacies and Hospital Outpatient Dispensary	\$5.57	09857623
2. When there is only one pharmacy within 5kms OR when the nearest pharmacy is within 5 to 10kms.	\$6.67	09857624

3. When the nearest pharmacy is within 10 to 25kms	\$8.88	09857625
4. When there are no other pharmacies within 25kms	\$9.99	09857626

\* For Pharmacy Type 2, 3 and 4 above: Pharmacy is located in a postal code with the second figure of 0 or with a score on the Ministry of Health and Long-Term Care’s Rurality Index for Ontario of more than 40

The claim submission follows the normal process for submitting claims on the Health Network System with the following additional information:

- Intervention code ‘PS’: (Professional Care Services)
- PIN: as per the pharmacy’s assigned dispensing fee based on rural indexing for residents of LTC homes (see Table 1)
- Valid Pharmacist ID

Note: The submission of 2 claims for each eligible drug product dispensed is a temporary process while enhancements to the HNS are completed.

\*\* No copay is to be collected from the LTC home resident. The co-pay portion of the dispensing fee has been removed.

If more than one claim using the LTC home Secondary Pharmacy Service Provider Dispensing Fee PIN is submitted for payment on the same day for the same patient, the HNS will reject the second claim with response code “**A3**” - **Identical claim processed** which can be overridden with the intervention code “**UF**” - **patient gave adequate explanation, Rx filled as written**. Subsequent claims using the same PIN for the same patient on the same day at the same pharmacy can be overridden using the same intervention code as long as there is a corresponding claim for an ODB eligible product (e.g., a LTC home resident requires 3 emergency prescriptions from the secondary pharmacy service provider and 3 secondary claims for the dispensing fee using the appropriate PIN above is submitted).

**Additional information:**

**For the complete Policy for Pharmacy Payments under the Long-Term Care Home Capitation Funding Model, 2020:** please access the Executive Officer Communications website at:

[http://www.health.gov.on.ca/en/pro/programs/drugs/opdp\\_eo/eo\\_communiq.aspx](http://www.health.gov.on.ca/en/pro/programs/drugs/opdp_eo/eo_communiq.aspx)

**For questions on ODB claim submissions:** Please call the ODB Pharmacy Help Desk at 1-800-668-6641

**Additional Information:**

**For pharmacies:**

Please call ODB Pharmacy Help Desk at: 1-800-668-6641

**For all other Health Care Providers and the Public:**

Please call ServiceOntario, Infoline at 1-866-532-3161 TTY 1-800-387-5559. In Toronto,  
TTY 416-327-4282