

Notice: Proposals to Establish More Efficient Pharmacy Reimbursement Policies

April 25, 2019

On April 11, 2019 the government tabled its 2019 Budget. This year's budget reflects the outcomes of a comprehensive multi-year planning process that built on the findings of EY Canada's line-by-line review, and the ideas identified in the Planning for Prosperity Survey and the Big Bold Ideas Challenge. The government conducted a thorough review of all government programs in order to ensure investments are sustainable and modernized. The review is also meant to ensure that duplication is eliminated, and valuable programs and services are sustainable and delivering outcomes for the people of Ontario.

The purpose of this notice is to provide you with information regarding four proposals to modernize pharmacy reimbursement policies that would establish a smarter, more efficient and fiscally responsible system to deliver publicly-funded health benefits.

The proposed reforms include amendments to Ontario Regulation 201/96 (made under the *Ontario Drug Benefit Act*) that would, if approved, come into force at a future date. These proposed reforms include:

- 1) Prescribing a tiered mark-up payable to pharmacies and dispensing physicians for supplying listed drug products under the *Ontario Drug Benefit Act* that would be based on the cost of the drug dispensed.
- 2) Removing the payment of a dispensing fee for drug products supplied for a long-term care home resident by a pharmacy service provider retained by a long-term care home. Instead of a dispensing fee, these pharmacy service providers would receive a professional fee for all pharmacy services provided to the long-term care home that is based on the number of beds in the home.

A summary and draft of the proposed amendments to the regulation is available on the Regulatory Registry website at:

<https://www.ontariocanada.com/registry/view.do?postingId=29454&language=en>

Ministry of Health and Long-Term Care Drugs and Devices Division

Ontario is also considering proposing legislative and regulatory amendments that, if approved, would come into force at a future date. These reforms include:

- 3) Introducing an administration fee for the processing and payment of drug claims.

A summary and draft of the proposed amendments to the regulation are available on the Regulatory Registry website at:

<https://www.ontariocanada.com/registry/view.do?postingId=29431&language=en>

The Ministry of Health and Long-Term Care is also proposing the following policy change:

- 4) Modernizing the eligibility criteria of the MedsCheck Program to limit the service to patients that are in “transitions between care” (e.g. Hospital to Home) and focus resources where there is the greatest risk of medication related errors and have a greater impact on patient outcomes as patients transition between care settings.

The final content of any regulatory amendments described in this notice are at the discretion of the Lieutenant Governor in Council (“LGIC”) who may make the regulations with any changes that the LGIC considers appropriate.

The government is committed to embedding a focus on efficiencies into future multi-year planning processes and into the culture of the Ontario Public Service more broadly. To that end, the government will undertake program evaluations on a permanent and ongoing basis to ensure government services are meeting people’s needs and to identify ways to modernize programs and save money.

Interested parties are invited to provide written comments on the proposed changes to the regulations as part of the review. The ministry will consider comments received on or before **May 24, 2019 at midnight EST**. Please be advised that submissions received after this date may not be considered.

Please submit your written comments to:

Drugs and Devices Division
Ministry of Health and Long-Term Care
5700 Yonge Street, 3rd Floor
Toronto ON
M2M 4K5
Fax: 416-325-6647

Ministry of Health and Long-Term Care Drugs and Devices Division

E-mail: PublicDrugPgrms.moh@ontario.ca

Statement about Comments

Unless requested and otherwise agreed to by the ministry, all materials or comments received from organizations in response to the notice will be considered public information and may be used and disclosed by the ministry as part of its review. The ministry may disclose materials or comments, or summaries of them, to other interested parties during and after the comment period.

An individual who makes a submission and who indicates an affiliation with an organization in his or her submission will be considered to have made his or her submission on behalf of the affiliated organization. The ministry will not disclose any personal information contained in a submission of an individual who does not specify an organizational affiliation in his or her submission without the individual's consent unless required by law. However, the ministry may use and disclose the content of the individual's submission to assist the ministry in its review.

If you have any questions about the collection of this information, you can contact the ministry's Freedom of Information and Privacy Coordinator at (416) 327-7040.