



May 2, 2020

Mr. Patrick Dicerni
Assistant Deputy Minister and Executive Officer
Drugs and Devices Division, Ministry of Health
438 University Avenue, 10th Floor
Toronto, ON M7A 1N3

Via Email: Patrick.Dicerni@ontario.ca

Dear Patrick:

Re: COVID-19 Pandemic Response: Relief from Additional Copayments – Proposal No. 20-HLTC017

On behalf of the respective Boards and broader memberships of the Ontario Pharmacists Association ('OPA') and the Neighbourhood Pharmacy Association of Canada ('Neighbourhood Pharmacies'), and collectively known for the purposes of this submission as the 'Associations', we are pleased to provide you with comments on the proposed regulatory amendments toward O. Reg. 201/96 of the *Ontario Drug Benefit Act, 1990*.

The Associations can only support the proposed regulatory amendments if they can be operationally implemented without increasing the administrative burden on frontline pharmacy professionals. We remain disappointed that the Government of Ontario continues to assert that pharmacies incur the cost of the third copayment among the other extraordinary costs associated with increasing home medication deliveries and implementing measures such as the private procurement of personal protective equipment and installation of physical barriers to protect and ensure the continued safety of patients and pharmacy staff. This disappointment is exacerbated when there are continual demonstrations of financial and other supports from government to other frontline healthcare professionals.

Introduction

It is well-established that the Executive Officer Notice of March 20, 2020 entitled *ODB Program Changes and Guidance for Dispensers during the COVID-19 Public Health Emergency*, also known as the 30-day dispensing policy, is a preventative measure introduced by the Government of Ontario to protect the provincial drug supply and ensure that all Ontarians have access to the medicines they require and when they are needed. This policy was triggered by initial hoarding behaviours among patients in anticipation of and in response to the declaration of a pandemic. Not only did the province of Ontario and the Associations support this policy – so too did Health Canada, most provincial governments and provincial pharmacy regulators and associations. In addition, key drug supply stakeholders strongly support the increased controls during the early days of the pandemic and assert that these are still critical to safeguarding the pharmaceutical supply chain, especially during a time of continued uncertainty on both the supply and demand sides. These stakeholders include:

- the Canadian Association of Pharmaceutical Distribution Management ('CAPDM')
- Innovative Medicines Canada ('IMC'), and
- the Canadian Generic Pharmaceutical Association ('CGPA')

Operational Challenges Associated with the 30-Day Supply Policy

While the purpose of this submission is not intended to rearticulate the Associations' continued support for the 30-day policy, we feel that it is critical to underscore for the Government of Ontario the immense contribution and commitment of pharmacy professionals toward this policy. These essential healthcare providers – and the small and large pharmacy business owners who employ them – are alone at the front line of healthcare explaining and defending the government's policy, despite rigorous yet uninformed abuse and vitriol from patients and the media in the performance of their duty as stewards of our medication supply. Pharmacies and pharmacy professionals have no control whatsoever on the stability of the supply chain except until the products ordered arrive in the pharmacy. Accordingly, pharmacies cannot and must not be held financially responsible for costs incurred to protect Ontarians' access to life-saving pharmaceuticals in the face of an uncertain distribution model during a global pandemic.

Copayment Relief

It continues to be our position that neither patients nor pharmacies should be responsible for any unintended costs associated with short-term increased frequency of dispensing that is required to protect Ontario's medication supply. The Canadian Association of Retired Persons ('CARP') agreed and, in conjunction with OPA, signed a joint letter urging the Ontario government to take quick action to cover these costs currently impacting Ontario's seniors and pharmacy owners. There were some encouraging signs as a result of this joint letter, such as the two public statements by Deputy Premier and Minister of Health Christine Elliott indicating imminent relief for seniors' copayment burdens.

On Friday, April 17, the Associations met with Ministry representatives to engage in a preliminary discussion on a mutually workable solution. At that time, the Associations were informed of the intent of the government to pursue a 50/50 cost-sharing approach to eradicate out-of-pocket copayment costs to ODB patients and mitigate pharmacy costs related to the 30-day policy. Later that same day, the Associations received an emailed Executive Officer communication expressing the outline of an approach from government to address the issues. OPA and Neighbourhood Pharmacies issued a joint response by return email on April 19 conveying the Associations' discomfort with the proposal – and in particular the administrative burden and red tape the proposal would place on pharmacy professionals – but with the desire to meet quickly to discuss them and to seek a mutually acceptable solution. Unfortunately, due to various pressures facing the Ontario government, no response was received from the Ministry until April 29.

Formal Consultation Response

Notwithstanding OPA's and Neighbourhood Pharmacies' original joint request for 100 per cent coverage by government of all ODB patient copayments for the next two 30-day dispensing events, the Associations principally accept the language expressed in the draft amendments to O. Reg. 201/96 of the ODBA, with the proviso that a completely new operational policy be derived jointly by the Ministry and the Associations.

In the mid-afternoon of May 2, 2020, the Associations received an embargoed copy of the draft wrap-around policy guidance document in the form of "Frequently Asked Questions" ('FAQ'). As currently drafted, this document, which is intended to guide implementation, is almost impossible to operationalize. Pharmacy professionals are currently operating under extreme stress on account of the pandemic, and the complexity articulated in the guidance document is estimated to increase the time to dispense a single eligible drug product by a minimum of 40 per cent. On top of all other operational challenges, including but not limited to the management of risk of contracting COVID-19 through patient interactions, we anticipate another significant problem in the time it will take to explain this complicated copayment policy patients. Respectfully, this is not a workable solution from our perspective, and as such, we are unable to support a process that will create chaos and significant red tape in pharmacies. Accordingly, we implore you to consider alternative options.

Given the exceptionally short timelines with this consultation, we have provided two potential options in Appendix 1 for the Ministry's consideration, acknowledging that there may, in fact, be other viable alternatives. As previously mentioned, the Associations principally support the direction of the regulations if we can agree to a mutually workable implementation option.

Once again, the Ontario Pharmacists Association and the Neighbourhood Pharmacy Association of Canada appreciate the opportunity to provide these comments toward the important goal of mitigating unintended costs of the 30-day dispensing policy on patients and pharmacy providers. We are certain that with continued and committed discussions, the Associations and the Ministry can arrive at a mutually acceptable model during these very challenging times.

Respectfully,



Justin J. Bates
CEO
Ontario Pharmacists Association



Sandra Hanna
CEO
Neighbourhood Pharmacy Association of Canada

cc: Angie Wong, Director, Drug Programs Policy and Strategy Branch, Ministry of Health
Rana Shamoan, Director, Health Policy, Office of the Premier of Ontario
Laurel Brazill, Director, Stakeholder Relations, Minister's Office, Ministry of Health
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Jen Baker, Chair, Board of Directors, Ontario Pharmacists Association
Allan Malek, EVP and Chief Pharmacy Officer, Ontario Pharmacists Association
Jeff Mehlretter, VP, Pharmacy/Business Development, Neighbourhood Pharmacy Association of Canada

Appendix 1

It is acknowledged that the primary, high-level goal of the regulatory amendment and supporting policy for both the Ministry and OPA/Neighbourhood Pharmacies in regard to the 30-day dispensing initiative is:

- To eradicate additional out-of-pocket expenses to ODB-eligible patients stemming from policy, and
- To cost-share the deferred copayments normally attributed to ODB patients between the Ministry and Ontario’s community pharmacies for each of the next two 30-day dispensing cycles.

It has been determined that the administrative burden to community pharmacies will be overly excessive and completely unsustainable at this time based on current discussions with Ministry staff:

- Highly complex and confusing wrap-around guidance document (provided by the Ministry in embargoed format) highlighting the time-sensitive PIN process to reclaim the value of the copayment from the Ministry
- Inefficiency and labour-intensive manual tracking requirement by pharmacy staff of a patient’s specific claim as to whether it is the first, second or third dispense of a 30-day supply
 - Adding approximately 40% more time to the average dispense
- Strong likelihood of retrospective and labour-intensive post-payment audits.

Therefore, the Associations are proposing two options for the Ministry’s consideration as an alternative to the proposed PIN-based implementation guidance document.

Option #1 – Reconciliation Approach:

Ministry to adjudicate claims in the following manner:

- May 2020 Dispense of 30-Day Supply
 - \$8.83 dispensing fee paid with a newly created intervention code (IC#1) denoting the “first 30-day dispense for COVID-19”
 - Use of the new intervention code effectively zeroes out high- and low-income copayment amounts (this code would be deactivated at end of May 2020), or
 - \$6.11 or \$2.00 copayment assessed but waived manually (documented by pharmacy and with patient attestation) with reconciliation payment made at end of month where Ministry pays pharmacy for the waived copay
- June 2020 Dispense of 30- Day Supply
 - \$8.83 dispensing fee paid with use of a newly created intervention code (IC#2) denoting the “second 30-day dispense for COVID-19”
 - Use of the new intervention code effectively zeroes out the copayment amount (this code would be deactivated at end of June 2020), AND
 - At the end of June, the Ministry would reconcile all claims with this intervention code and would reconcile either \$6.11 or \$2.00 depending on the income category of the patient (or if patient is OW, ODSP, Home Care or Trillium)

Option #2 – Aggregate (Lump Sum) Payment Approach:

Looking retrospectively at two or three representative months from 2019 (pre “snowbird” season), the Ministry would determine the average breakdown of monthly claims for every pharmacy based on the following patient categories:

Total Number of Rx’s for High Income Seniors	Total Number of Rx’s for Low Income Seniors
Total Number of Rx’s for Ontario Works	Total Number of Rx’s for Home Care
Total Number of Rx’s for ODSP	Total Number of Rx’s for Trillium
Total Number of Rx’s for Homes for Special Care	

- Using the weighted average of copayments assessed across all patient categories and the average number of claims per month per pharmacy, the Ministry could calculate an average lump-sum payment to be made for dispenses in the month of May 2020.
- This could be identified on the pharmacy’s remittance advice notice for the end of May 2020, with a lump sum payment being deposited into the pharmacy’s account.
- Options for the month of June – to be discussed by the Ministry and the Associations:
 - Business as usual or automatically revert to 90-day dispensing