



Save money with the
Limited Number of Dispensing Fees Program



Cost savings for longer-term prescriptions

With the population aging and an increased prevalence of chronic conditions, drug costs are increasing – and so are the numbers of Canadians taking medications to manage their medical conditions. To help plan sponsors manage increasing drug plan costs, Manulife’s **Limited Number of Dispensing Fee (LNDF)** program is designed to help encourage plan members to be “smart shoppers” when it comes to having their prescriptions filled at the pharmacy for long term use. More importantly, it can reduce plan members’ out of pocket expenses – and help keep your drug plan costs in check.



Setting limits, experiencing savings

The LNDF allows for a limit of six dispensing fees over twelve months, for drugs prescribed for long-term use. Included in the program are:

- Drugs prescribed to treat chronic medical conditions, and
- Drugs that can be reasonably expected to be dispensed every three months, without negatively affecting the plan member's health.

Savings may be realized when drugs included in the LNDF program are dispensed every three months, since fewer dispensing fees are claimed. At the same time, by reducing the need for monthly pharmacy visits by the plan member to pick up a new prescription, medication adherence may be improved.¹

Not all drugs prescribed for long-term use fit into the LNDF program. Many drugs are considered "maintenance" drugs, but need to be dispensed more frequently – including biologics and specialty drugs and products where there is potential risk of abuse or misuse; for example, narcotics and controlled drugs. Drugs requiring more frequent dispensing are not included in this program.

Success of the program relies upon the plan member understanding the dispensing fee limitations within their drug plan and requesting their physician to write, or their pharmacist to fill their prescriptions in larger quantities when appropriate.

Express Scripts Canada (ESC) research finds that maintenance medications represent 55% of drug-benefit costs and 65% of drug-benefit claims, with an average supply of 46-days per prescription vs. the optimum of 90-days. An analysis of 2012 ESC claims data found that 63% of all maintenance drugs used on an on-going basis were filled with a 30-day supply.²

¹www.reuters.com/article/2012/11/07/idUS169296+07-Nov-2012+BW20121107

²ESC 2012 Drug Trend Report

How does the program work?

The LNDF program is designed to work in conjunction with all Manulife drug formularies.

Limited Number of Dispensing Fees Program

1

The maximum number of dispensing fees is set to six for drugs listed on the LNDF.

Once the member has reached the maximum of six dispensing fees, only the **dispensing fee portion** of the prescription cost is not covered by the drug plan. The member will still be reimbursed the cost of the drug (subject to plan design limitations).

2

If the physician changes the dosage or strength of the drug, for instance from 10 mg to 20 mg, the plan member will not be impacted negatively. Each drug and strength has a unique Drug Identification Number (DIN) assigned by Health Canada, so accumulations of the number of dispensing fees will start at zero each time a different DIN is prescribed. A resource centre on the Manulife Plan Member Secure Site can help plan members determine if a prescribed drug is **excluded** from the program or not.

3

An easy to understand guide is also available for plan members explaining the LNDF program and providing valuable tips to help them become smarter consumers at the pharmacy.

The program is applied in all provinces with the exception of Quebec as a result of unique pharmacy practices within the province.



Mayapple, used in manufacture of Teniposide, an Anti-tumor agent

What drugs qualify for this program?

The LNDF program is focused on drugs prescribed to treat chronic medical conditions, including, but not limited to high cholesterol, blood pressure, ulcers, acid reflux as well as other drugs taken regularly on a long-term basis, such as oral contraceptives.

Drugs on the LNDF are regularly reviewed by a team of Manulife pharmacy experts to ensure the drugs listed are appropriate. As new drugs enter the Canadian market, they are reviewed to determine whether they should be included in the LNDF program.

Did you know?

The cost of a prescription consists of:

- The drug **cost** – the amount a pharmacist pays to buy the drug.
- A **mark up** on the cost of the drug – an additional amount a pharmacist may charge for a drug, above the original drug or ingredient cost. The mark-up is applied to help pay for the costs of running the pharmacy and can vary by pharmacy and by province.
- The **dispensing fee** – the professional fee a pharmacist charges to fill your prescription. This too will vary by pharmacy and by province.

Plan member engagement – makes it or breaks it

A significant part of the program's success rests on plan member education and awareness. Most plan members don't realize that when filling a prescription at the pharmacy, as when purchasing groceries or other products, there is an advantage to being a "smart shopper". It can be an eye-opening experience.



The plan member guide encourages them to:

- Talk to their prescribing physician(s) to let them know that their drug plan limits the number of dispensing fees for which they will be reimbursed and to see if a drug that is prescribed on a long term basis can be prescribed in larger quantities. Many physicians are accustomed to prescribing a standard quantity of a drug and haven't considered an alternative quantity.
- Speak with their pharmacy to let them know there is a limit on the number of dispensing fees that their drug plan will reimburse for drugs prescribed for long-term use. Members may have to ask that the prescription be dispensed every three-months, as opposed to being filled monthly.

For more information, please contact your Manulife Group Benefits representative.



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