

New pay-direct drug claim process starts April 1

As we explained during the renewal process a year ago, **effective April 1, 2020, your plan is moving to a pay-direct model for drug claims.** You'll keep using your current drug card to submit your claims; however, the reimbursement process will be a little different.

How does it work?

When you fill a prescription today, you are required to pay the full amount upfront and then get reimbursed later. Starting April 1, there's no more waiting for reimbursement – and no extra paperwork required!

Making a drug claim is quick and easy....

1. Use your drug card when you fill your prescription, just like you do now.
2. Your claim will automatically be submitted to Green Shield Canada (GSC).
3. GSC will immediately send back the reimbursement results to the pharmacist.
4. You'll pay for any portion of the claim that isn't covered.

How does this change impact me?

The pay-direct model will make it faster and easier for you to submit your drug claims. You'll also pay less out-of-pocket up front – a real advantage if you have high or ongoing drug costs.

As a result of this change, you will now be responsible for paying the dispensing fee directly (i.e., what the pharmacist charges to fill your prescription). Dispensing fees can range from as low as \$4 to \$12 or more. Make sure you know what your pharmacy charges and consider shopping around for a lower fee.

GSC has also negotiated a cap on the drug markup – a pharmacy charge added to the drug's base cost – for plans using the pay-direct model. Depending on the drug and where you fill your prescription, savings from the lower drug markup may partially – or even fully – offset the extra cost for the dispensing fee. Here's an example, with the following assumptions:

- Coverage under the Standard Plus Plan = 80%
- Base drug cost = \$80
- Dispensing fee = \$8.99
- Drug markup = 15% under old model; 10% under new model (different drugs have different markups)

| | Old Deferred Payment Model | New Pay-Direct Model |
|---|--------------------------------|--|
| Drug markup | \$12 | \$8 |
| Total cost (base + markup + dispensing fee) | \$100.99 | \$96.99 |
| OASSIS reimbursement (80%) | \$80.79 (80% of total cost) | \$70.40 (80% of total cost, excluding the dispensing fee) |
| You pay (total cost - OASSIS reimbursement) | \$20.20 | \$26.59 |

As you can see, the reduced drug markup helps balance out the dispensing fee cost (a difference of \$6.39), and you no longer have to wait for reimbursement. Keep in mind, using a pharmacy with a high dispensing fees will erode this effect.

What happens next?

There's nothing you need to do: your current deferred payment card will automatically switch to a pay-direct drug card on April 1, 2020. You can keep using your drug card just like you do now.

If you have any questions on your drug card or the claims process, visit GSC's website at www.greenshield.ca/en-ca/plan-members or call your OASSIS Benefits Administrator.

- Please note: This change applies to packaged benefit plans only.