

HOW TO COUNTER INCREASES IN DRUG PRICES

The increase in the cost of medications has slowed in recent years, notably through the introduction of generic equivalents. However, the development and manufacture of new drugs, such as biological drugs and treatments against cancer, may once again increase average prices. To avoid an excessive impact on drug insurance premiums and preserve access to insurance plans, it's important to immediately implement measures to control costs.

What consumers can do

People with group insurance plans can play a role in controlling the costs of drug insurance plans by reviewing their consumption habits. Here are five tips that can help:

1. Stock up on your medications.

For medications that are taken regularly, keeping a three-month supply on hand will save you money on prescription dispensing fees.

2. Shop around for a pharmacy.

Prescription dispensing fees can vary from one pharmacy to another depending on the services offered (extended business hours, delivery, etc.). Therefore, it may be worthwhile to compare prices and services before choosing a pharmacy.

3. Consider therapeutic alternatives.

By talking with your doctor and pharmacist, you can sometimes find less expensive medications or treatments that provide the best possible results.

4. Opt for a generic substitute.

A generic may be available if the patent on the original drug has expired. It's cheaper due to the lower costs associated with patent protection, research and development, and marketing.

5. Avoid waste.

Taking medications in their prescribed dosage and storing them in an appropriate place can avoid the risk of loss and waste.

Are generic drugs effective?

In general, there's no difference between a generic and the original brand-name drug in terms of quality, effectiveness and safety. All drugs sold in Canada (whether original or generic) are approved by Health Canada, which imposes the same quality and safety standards on all manufacturers. What's more, generic drugs must act on the body the same way as their brand-name counterparts and contain the same active ingredient in the same amount. When a generic drug is approved by Health Canada, it means that the treatment is safe and as effective as the original version.

How drug insurance plans work

To help keep drug coverage affordable, drug insurance plans may include generic substitution programs that limit the reimbursement of prescription drug expenses to the cost of the least expensive equivalent medication (usually a generic). In other words, drug insurance provides one of the following three options:

No substitutions – The plan covers the cost of the original drug, even if a less expensive equivalent medication is available.

Generic substitution – The plan covers the cost of the least expensive equivalent medication, unless the prescribing doctor indicated "no substitutions" on the prescription.

Mandatory generic substitution – The plan covers the cost of the least expensive equivalent medication, even if the prescribing doctor indicated "no substitutions" on the prescription. However, there is a specific procedure to claim the cost of the original brand-name medication if its prescription is justified for medical reasons.

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