

January 30, 2014

Changes to the Extended Health Plan under Health Science Professionals Collective Agreement

Please find attached information regarding changes to the Extended Health plan under the Health Science Professionals Collective Agreement.

If you have any questions about the attachments, please feel free to contact:

- Wendy Fullerton (wendy.fullerton@hbt.ca or 604-678-8316)
- Darren McKnight (darren.mcknight@hbt.ca or 604-678-8512)
- Toll free at 1-888-736-2087

HEALTHCARE BENEFIT TRUST

Please ensure that this communication is distributed to the appropriate people within your organization.



To: Benefit Administrators at Healthcare Benefit Trust Member Organizations

c: Payroll Department
Head of Organization

Date: January 30, 2014

Subject: Extended Health Care Changes

We have received confirmation from HEABC regarding changes to the Extended Health Care (EHC) plan under the Health Science Professionals Agreement (HSP).

Please find attached:

- Administrative Guideline #1 - 2014
- Information for employees that you may wish to distribute or post.

The new provisions apply to the following HBT Class Codes: 9, 38, 117, 147, and 347.

If you have any questions regarding this communication, please contact:

- Wendy Fullerton (wendy.fullerton@hbt.ca) or 604-678-8316
- Darren McKnight (darren.mcknight@hbt.ca) or 604-678-8512
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New Health and Welfare Benefit Provisions Health Science Professionals Agreement

2014 – 2019

Administrative Guideline #1 – 2014

This Administrative Guideline is to advise you of the new Extended Health Care (EHC) provisions that were recently negotiated under the 2014 – 2019 Health Science Professionals Collective Agreement.

Changes to Extended Health Care Provisions Effective September 1, 2013

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|---------------------------|--|
| Prescription Drugs | <p>The following drugs will be reimbursed at 100% subject to the annual deductible:</p> <ul style="list-style-type: none"> - All PharmaCare approved drugs - Prometrium, standard oral contraceptives and contraceptive injectables - Drugs that have approved Special Authority <p>The following drugs will be reimbursed at 50% subject to the annual deductible:</p> <ul style="list-style-type: none"> - Non-PharmaCare eligible drugs not outlined above. |
| Effective Date | September 1, 2013 |
| Impact of Change | <p>The 80% co-insurance provision of the EHC plan no longer applies to the reimbursement of drugs. The BC PharmaCare policies of Low Cost Alternative (LCA), Reference Based Pricing (RBP), drug mark-up and dispensing fees continue to apply to the reimbursement of all eligible drugs.</p> <p>The overall health coinsurance rule of the EHC plan of 80% for the first \$1,000 reimbursed in a year and 100% thereafter will not apply to drugs.</p> <p>There is no change to the reimbursement of other EHC benefits.</p> |
| Cost | There will be no change to the monthly EHC contribution rates for September 1, 2013 or April 1, 2014. |

| Changes to Extended Health Care Provisions Effective September 1, 2013 | |
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| Reimbursement of New Claims | <p>All drugs purchased on or after January 31, 2014 will be reimbursed as per the new benefit provisions outlined above with the exception of Prometrium and Special Authority drugs. Because Prometrium and Special Authority drugs are part of the non-PharmaCare drug group, the pharmacist will require the employee to pay 50% of the prescription cost. Pacific Blue Cross (PBC) will automatically reimburse the employee the other 50% within 10 business days of the date of purchase. Please note that this is an interim process. PBC are working on an upgrade to their system to enable 100% coverage of these drugs at the pharmacy counter by mid-2014.</p> |
| Retroactive Claim Reimbursement Process | <p>Eligible non-PharmaCare drugs purchased on or after September 1, 2013 are eligible for reimbursement at 50%. Employees will be required to submit an EHC claim to PBC for reimbursement.</p> <p>Note: For any further questions regarding the retroactive reimbursement of drugs, employees should contact PBC directly.</p> |
| Employee Communication | <p>A dedicated website for HSPBA members has been developed for your employees. This website includes information on how to apply for Special Authority and retroactive reimbursement for previously refused claims. We encourage you to direct employees to this website:</p> <p>http://www.pac.bluecross.ca/hsp/</p> <p>In addition, PBC will be communicating directly with your employees regarding the change in the coverage and the reimbursement process.</p> <p>Attached to this Guideline is a notice for your employees. We encourage you to distribute a copy of the notice to all eligible employees.</p> <p>At a later date, revised benefit booklets will be produced that will include these new benefit provisions.</p> |



Notice to Employees covered by Health Science Professionals Collective Agreement

Change in Extended Health Plan Provisions Effective September 1, 2013

January 30, 2014

A new agreement between the Health Science Professionals Bargaining Association (HSPBA) and Health Employers Association of BC (HEABC) includes revisions to your drug plan. This notice includes important information about:

1. Your Drug Coverage, effective September 1, 2013
2. Your Extended Health Co-Insurance, effective September 1, 2013
3. **Reimbursement Notice: Upfront Payment at Pharmacy Required for Prometrium and Approved Special Authority drugs** until mid-2014 due to system issues impacting pay direct coverage.

Your Drug Coverage

- Your plan now covers 100% of eligible expenses* for drugs listed on the BC PharmaCare formulary, drugs approved by Special Authority, Prometrium, standard oral contraceptives and contraceptive injectables.
- Your plan now covers 50% of eligible expenses* for prescription drugs that are not listed in the BC PharmaCare formulary (also called “non-PharmaCare” drugs).
- If you paid out-of-pocket for a non-PharmaCare drug on or after September 1, 2013, you can apply for 50% reimbursement of eligible expenses.*

Changes to your Extended Health Co-Insurance

- Prior to September 1, 2013, your plan reimbursed 80% of eligible expenses until your cost for drugs and non-drug benefits reached a \$1,000 co-insurance threshold. After \$1,000, your plan paid you 100%. Effective September 1, 2013, your drugs are reimbursed as outlined above and drug costs no longer apply to your \$1,000 threshold. Your \$1,000 threshold now only applies to your non-drug expenses.
- As a result of this change, your drug costs from September 1, 2013, onward will not be applied to your \$1,000 threshold. If you have already reached the \$1,000 threshold for 2013 due to prescription drug costs, you may fall back below the threshold. Your non-drug benefits will then be reimbursed at 80% until your total spend for non-drug benefits reaches \$1,000.

Notice to Members for Prometrium and Approved Special Authority Drugs: Upfront Payment Required at Pharmacy until Mid-2014

- Your plan includes 100% coverage of eligible expenses for Prometrium and approved Special Authority drugs. The Pacific Blue Cross (PBC) pay direct system is currently able to reimburse only 50% of eligible costs for these drugs at the pharmacy. PBC will automatically reimburse the 50% you pay within 10 business days of purchase. You do not need to submit a claim form.
- PBC will be completing a system upgrade to enable 100% coverage for these drugs at the pharmacy by mid-2014. We apologize for the inconvenience and are committed to addressing this service as soon as possible.

Notice to Members with Assumed Special Authority

Some physicians – usually specialists – have agreements with BC PharmaCare that exempt them from applying for Special Authority approval for drugs they prescribe. This exemption is known as Assumed Special Authority.

If your physician has Assumed Special Authority, do one of the following to have your drug added to your benefit plan:

1. Send in your drug claim to PBC and write 'Assumed Special Authority' on the pharmacy receipt. PBC will process your claim and add the drug to your pay direct (ID) card for future prescriptions.
2. While filling your prescription, ask your pharmacist to call PBC to have this applied to your pay direct (ID) card. PBC will confirm your physician's exemption over the phone and have it added to your coverage.

After the drug is added to your benefits, you will be reimbursed 100% for eligible expenses for this drug – 50% at the pharmacy counter and 50% in 10 business days. After the PBC system upgrade, 100% of eligible expenses will be covered at the pharmacy.

For all other types of Special Authority, PBC requires a copy of the BC PharmaCare approval document before we can cover your eligible expenses.

Please visit www.pac.bluecross.ca/hsp/ to view frequently asked questions about BC PharmaCare Special Authority, including how to apply for coverage.

Where to go for Information

Web: Visit PBC's dedicated HSPBA drug plan website at <http://www.pac.bluecross.ca/hsp/>.

Telephone: Contact PBC between 8:00am – 4:30pm, Monday to Friday at 604-419-2600 (toll-free 1 888-275-4672).

Please note that PBC administers the HSPBA drug plan based on the provisions of your collective agreement and is not authorized to change or make exceptions to coverage.

*BC PharmaCare mark-up and dispensing fee limits are 8% and \$10, respectively. Drugs costing more than \$40 per day are limited to a 5% mark-up. BC PharmaCare Low Cost Alternative and Reference Based Pricing limits continue to apply under your plan provisions. Reimbursement is subject to the annual deductible of \$100 per person or family per calendar year.