

BC reduces generic drug prices for public and private payors

On Friday July 16th, a new agreement between BC Ministry of Health Services, the BC Pharmacy Association and the Canadian Association of Chain Drug Stores was announced. This Agreement is effective July 28, 2010 through to March 31, 2013.

Overview of Key Changes

Topic	Current Program	Changes to Public Plan
Pricing for generics listed on the Provincial PharmaCare Formulary	<p>Existing generics: 65% of the cost of brand</p> <p>New generics: (generics launched from Nov 2008 to present) 50-70% of the cost of brand</p>	<p>Effective July 28 2010: New generics (generics launched since Jan 1, 2009 reduced to 42% of brand</p> <p>Effective Oct 15/10: Existing generics reduced to 50% of brand New generics continue to be priced at 42% of brand</p> <p>Effective July 04/11: All generics reduced to 40% of brand</p> <p>Effective April 02/12: All generics reduced to 35% of brand</p>
Dispensing fees	The current dispensing fee paid by PharmaCare is \$8.60	<p>Effective July 28/10: increased to \$9.10</p> <p>Oct 15/10: increased to \$9.60</p> <p>July 04/11: increased to \$10.00</p> <p>April 02/12: increased to \$10.50</p>
Markup on drug costs	The current markup allowed by PharmaCare is 7%	Effective Oct 15/10: increased to 8%

Great News! Reduced generic drug pricing will be extended to the private market so now residents in British Columbia have access to more affordable medications. We will continue to monitor the impact of these policy changes and provide you with regular updates.

Need additional information?

You can find more information on the government of BC [website](#).

Questions?

Please contact your Sun Life Financial group benefits representative.