

Reasonable and customary charges revision for drug claims in Quebec

This change impacts plan members making drug claims in Quebec under a Pay Direct/Deferred Drug (PDD) plans.

Starting June 1, 2016, Sun Life will be implementing a change to reasonable and customary (R&C) charges when adjudicating claims for prescription drugs purchased in Quebec. While our analysis shows that this will only impact a small number of claims (less than 2% in volume), Sun Life believes it is good governance for plan sponsors. As with other EHC benefits, we continuously review and adjust our claims adjudication processes, including the R&C charges.

The amount submitted by the pharmacy at the time of transaction may not be the amount that is considered for reimbursement, as the R&C impacts the amount considered to be eligible under the plan's reimbursement. In effect, a small number of plan members could end up paying an additional amount out-of-pocket.

What is 'reasonable and customary'?

There is a range of fees and prices that are normally charged in the regional area where the services or supplies are provided.

Additionally, the charges are assumed to represent a reasonable treatment, considering the duration and the frequency, for the condition being treated.

Insurance companies use these 'reasonable and customary' charges as the basis for pricing their benefit plans and paying claims.

Additional information

If you have your own dispensing fee cap on your plan, you will be excluded from the revised R&C functionality so that your contractual dispensing fee cap continues to apply. There will be no impact to plan rates as a result of Sun Life implementing this change and there will be no amendment to plan contracts or employee benefits booklet wording.

With regards to RAMQ, plan members will still receive the higher reimbursement level between the RAMQ minimum calculation and the revised R&C calculation.

Questions?

Contact your Sun Life Financial group benefits representative.