

## Alberta Blue Cross Pharmaceutical Services Provider Agreement update #3

As announced in Pharmacy Benefact 725, February 28, 2018, Alberta Blue Cross will be answering your questions about the changes introduced in the new Alberta Blue Cross Pharmaceutical Services Provider Agreement effective May 17, 2018. This third update is intended to provide clarity on the Frequent Dispensing Policy (FDP). Update #1 addressed the Holdback policy and Update #2 addressed the Compensation Plan for Pharmacy Services. These Benefacts can be viewed online at [www.ab.bluecross.ca/pdfs/pharmacy-benefacts/pharmacy-home.php](http://www.ab.bluecross.ca/pdfs/pharmacy-benefacts/pharmacy-home.php).

**Frequent Dispensing Policy (FDP)** is applied to all Alberta Blue Cross plan sponsors including both public and private plans.

Documentation requirements in order to meet the compliance verification requirements under the FDP include the entry of **two** Special Services Codes (SSC), which denote:

1. The requirement for either daily dispensing claims or two to 27-day dispensing claims; and
2. The patient eligibility (supported by documentation completed at least annually).

For each drug being dispensed for chronic or long-term use on a frequent basis, both SSCs must be included with each claim.

### **The first SSC (frequency):**

- For daily dispensing claims use SSC 8
- For two to 27-day claims use SSC letter O

### **The second SSC (eligibility):**

Eligibility	Special Service Code
Physical Impairment/Sensory Impairment	<b>Use SSC W</b> (EC consultation level 1)
Mental/Cognitive Impairment	<b>Use SSC X</b> (EC consultation level 2)
Medication Safety	<b>Use SSC Y</b> (EC consultation level 3)
Facility Living	<b>Use SSC 5</b> (Approved for home care service*)

Physical or Sensory Impairment: a medical condition that limits a person's physical or sensory function to an extent where the patient requires frequent dispensing of medications.

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**Mental or Cognitive Impairment:** a medical condition that may impair the mental or cognitive functioning of a patient, necessitating more frequent dispensing of medications.

**Medication Safety:** a broad category that includes complex medication regimens that require more frequent dispensing but also includes safety issues such as a patient history or risk of abuse, poor compliance, dependence, misuse or loss of belongings.

**Facility Living:** patients who reside in a continuing care facility.

- Remember, for claims to be paid for frequent dispensing, the documentation must also include a written (electronic or paper) annual assessment that includes:
  - the patient and/or healthcare provider request for the drug to be dispensed for less than 28 days or other documentation reduced to writing
  - the patient identification information including name, PHN, date of birth,
  - the date of request for frequent dispensing,
  - the name of each drug being frequently dispensed as written on the prescription or added to the patient documentation,
  - the duration expected for frequent dispensing and the required frequency (i.e. weekly dispensing for six months), and
  - the rationale for why less frequent dispensing is not appropriate. For example, daily dispensing rationale must indicate why weekly dispensing is not appropriate.
- This documentation must be kept for compliance verification purposes. This documentation must be completed prior to the initiation of frequent dispensing for each drug and is valid for one year effective from the date of assessment for each drug. In cases where the requirement for frequent dispensing of each drug extends beyond one year, documentation must be completed each year. For clarity, the documentation of the assessment of eligibility for each drug can be consolidated into one record for the patient.
- **Failure to enter the SSC will not prevent a claim from being adjudicated, however this may result in the claim being subject to claims verification and possible recovery as the documentation requirements will be deemed to have not been met.** Using the SSC without completing the above documentation does not fulfil the documentation requirements for the FDP.

### **Appropriate application of FDP?**

The FDP applies the rates and rule limits to the remuneration of dispensing fees only. The determination of how often a prescription is dispensed is determined by the pharmacist through collaboration with the patient and other health-care providers involved in the care of the patient.

If a patient does not meet the eligibility requirements for a prescription to be claimed under the FDP as well as the rules under Quantitative Limits published in the *Reference Guide for Alberta Pharmacies*, then as per the *Reference Guide for Alberta Pharmacies*, prescriptions should be claimed for the longest period of time which is appropriate for that product and the patient, up to 100 days at a time.

This information is consistent with the policy and coverage requirements as published in the *Reference Guide for Alberta Pharmacies*, under Quantitative Limits, which is available at [www.ab.bluecross.ca/pdfs/82477-ab-pharmacy-reference-guide.pdf](http://www.ab.bluecross.ca/pdfs/82477-ab-pharmacy-reference-guide.pdf) and has been publicly posted for pharmacies to refer to as a policy guide in its current update since May 26, 2015. An update to the manual to incorporate the FDP will be posted prior to May 17, 2018.

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**The following examples are to provide clarity on circumstances when daily dispensing or two to 27-day dispensing under the FDP could be applied, and the proper application of eligibility criteria and SSC.**

**Daily dispensing**

A physician has indicated on the prescription that the patient requires daily dispensing of their drug products for safety reasons. As the physician has provided a written request for daily dispensing, in order for the pharmacy to make eligible claims under the FDP they must:

- ensure the documentation requirements for the FDP are met, including the request by the physician, and
- submit the claims for the eligible drug products under SSC 8 and SSC Y.

**Two to 27-day dispensing**

The patient resides in a continuing care facility and has indicated that their facility requires bi-weekly dispensing of their drug products. The pharmacist working with the patient has documented the request for two to 27-day dispensing. In order for the pharmacy to make eligible claims under the FDP they must:

- ensure the documentation requirements for the FDP are met, including the request by the patient, and
- submit the claims for the eligible drug products under SSC letter O and SSC 5.

**The following examples are to provide clarity on circumstances when daily dispensing or two to 27-day dispensing under the FDP would not be applied correctly or the improper application of eligibility criteria and SSC.**

**Daily dispensing**

The patient resides in a continuing care facility, which has a licensed practical nurse providing daily medication assistance to all patients and has indicated that their facility requires bi-weekly dispensing of their drug products. As the pharmacist working with the patient has documented the request for two to 27-day dispensing, in order for the pharmacy to make eligible claims under the FDP they must:

- ensure the documentation requirements for the FDP are met, including the request by the patient for two to 27-day dispensing; and
- submit the claims for the eligible drug products under SSC letter O and SSC 5.
- Claims for daily dispensing would not be eligible, as the patient has a daily medication assistance program. Rationale for daily dispensing therefore cannot be established.

**Two to 27-day dispensing**

A Nurse Practitioner (NP) has indicated on the prescription that the patient requires weekly dispensing of only one of their drug products for safety reasons. The patient is taking several other drugs, but the NP does not indicate they required frequent dispensing. Please note that even though the NP has indicated the patient should have weekly dispensing, under the FDP the patient is only eligible for two fees per drug grouping per 28-day period.

For the one drug that the NP has requested frequent dispensing, since the NP has provided a request for weekly dispensing, in order for the pharmacy to make eligible claims under the FDP they must:

- ensure the documentation requirements for the FDP are met, including documentation of the request by the NP; and
- submit the claims for the eligible drug products under SSC O and SSC Y.

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### **FDP monitoring**

The rationale for providing frequent dispensing for any patient must be documented and must be accompanied by the documented request from the patient and/or health-care provider. **Providing frequent dispensing without all of the supporting documentation will result in possible recovery of any and all frequent dispensing claims during a compliance verification review.**

Alberta Health, the Alberta Pharmacists' Association and Alberta Blue Cross will be working collaboratively to monitor claims patterns and billing behaviors of pharmacies. Alberta Blue Cross will be conducting compliance verification reviews to ensure proper application of the FDP.

Should it be required, further policy steps may be enacted to ensure that the provision of frequent dispensing is done in accordance with the intent of the FDP.

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### **When you have questions:**

For assistance with benefit or claim inquiries, please contact an Alberta Blue Cross Pharmacy Services Provider Relations contact centre representative at:

**780-498-8370** (Edmonton and area) • **403-294-4041** (Calgary and area) • **1-800-361-9632** (toll free)

**FAX 780-498-8406** (Edmonton and area) • **FAX 1-877-305-9911** (toll free)

Alberta Blue Cross offers online access to current Pharmacy Benefacts and supplemental claiming information to assist with the submission of your direct bill drug claims. **Visit [ab.bluecross.ca/providers/pharmacy-home.php](http://ab.bluecross.ca/providers/pharmacy-home.php)**



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