

MANITOBA HEALTH

DEDUCTIBLE
INSTALMENT PAYMENT PROGRAM
FOR PHARMACARE GUIDE

Notice :

The information provided in this guide is current at the time of publication and distribution to pharmacies and members of the public; however, it is subject to change without prior notice.

It is the responsibility of every person using this guide to check with the Payment Program of Manitoba Health at 945-1733 (Winnipeg) or toll free at 1-888-519-3492 to confirm that they are using the latest version of the guide.

Should the terms and conditions of the Payment Program be modified by any regulations under The Prescription Drugs Cost Assistance Act, C.C.S. M.c.P115, those terms and conditions, as modified, will be applied.

Today, many Manitobans need prescription drugs to manage their illnesses, and are facing rapidly rising drug costs. This guide gives you information about a new program offered by Manitoba Health allowing eligible Manitobans and their families enrolled in Manitoba Pharmacare to pay their Pharmacare annual deductible in monthly instalments.

Under Manitoba Pharmacare, eligible individuals and their families are required to pay a part of the cost for their eligible prescription drugs. This amount is the Pharmacare annual deductible.

Manitoba Pharmacare sets your deductible based on your annual family income. Under Manitoba Pharmacare, eligible individuals and their families are required to first pay their entire deductible before benefits are paid out under Pharmacare.

In 2007, Manitoba Health introduced the Deductible Instalment Payment Program for Pharmacare. The payment program is a new option for eligible Manitobans to help them pay their Pharmacare annual deductible in monthly instalments. This option will give Manitobans who have high monthly drug costs compared to their monthly income a way to pay their Pharmacare annual deductible in interest-free monthly instalments. This option is expected to help reduce financial hardships where eligible drug costs are a significant part of the monthly family income.

ADMINISTRATION OF THE PAYMENT PROGRAM:

The payment program is a financing program administered under the direction of Manitoba Health.

This guide will:

- provide applicants with the information they need to apply for enrolment in the payment program;
- set out eligibility criteria for enrolment in the payment program; and
- provide information on how enrolled applicants must repay their annual deductible to the Government of Manitoba.

Manitoba Hydro is also participating in the payment program. Their role is to withdraw monthly payments from your account with your bank or credit union for the bill payment portion of the payment program.

WHO CAN APPLY FOR THE PAYMENT PROGRAM?

To be considered for the payment program, applicants and/or their families must:

- first be enrolled with Manitoba Pharmacare;
- have eligible Manitoba Pharmacare specified drug costs over a 30-day period that are equal to or above 20 per cent of their average monthly adjusted family income;
- have, as of the application date for enrolment in the payment program, reached or gone above their benefit limit for specified prescription drug coverage through another drug insurance or benefit plan*^{*}; and
- pre-authorize Manitoba Hydro to make automated monthly withdrawals from their bank or credit union account to pay for their Manitoba Pharmacare annual deductible by way of monthly instalments as well as their monthly Manitoba Hydro energy bill.

If you are not currently a customer of Manitoba Hydro or do not receive a monthly Manitoba Hydro energy bill, Manitoba Hydro will set up an account to issue you monthly billings for the monthly instalments of your Pharmacare annual deductible.

* *Other health and/or drug coverage that contributes towards or pays your prescription drug costs. Participation in the payment program would complicate and/or delay the reimbursement of those other benefits. You may be eligible to re-apply once all other benefits have been exhausted.*

IMPORTANT:

The payment program is for individuals and their families who have high monthly eligible prescription drug costs and who expect to reach their Pharmacare annual deductible by the end of the benefit year (March 31). You must meet all of the eligibility criteria for the payment program; otherwise, you will not be eligible to enrol. You will not be eligible to enrol in

the payment program if the total amount of your repayment of your Pharmacare annual deductible is greater than the cost of your eligible prescriptions.

HOW TO APPLY:

You must fully complete, sign and date the Application, Consent and Authorization Form that comes with this guide and return the completed form to your participating pharmacy. Your pharmacy will estimate your monthly eligible drug costs. Your pharmacist will then fax and mail the original copy of the form to the payment program. If the application form is incomplete, the administrator for the payment program will contact you.

The Application, Consent and Authorization Form is available at Manitoba pharmacies or by contacting the payment program at 945-1733 (in Winnipeg) or toll free at 1-888-519-3492.

The payment program will normally process your application within five business days. Once it is processed, you will be sent a letter telling you if you have been approved for enrolment in the payment program. If you are approved, the letter will also give the amount of your pre-authorized monthly withdrawal.

DRUG COVERAGE THROUGH ANOTHER DRUG INSURANCE OR BENEFIT PLAN:

If you receive or are entitled to receive drug benefit coverage through another drug insurance or benefit plan, you must have reached or gone above your coverage limit before applying for enrolment in the payment program. This is necessary to prevent payment complications or refusals by your drug insurance or benefit plan.

Once approved, your pharmacy will issue you official receipts for eligible Manitoba Pharmacare benefits stating the cost charged to you for your prescriptions is zero (\$0.00).

Manitoba Health and the payment program are not responsible for any complications, delays in reimbursement or payment refusals by your drug insurer or benefit plan.

NO APPEAL:

Any decision to not enrol someone in the payment program is not subject to appeal. However, if you have been refused enrolment you can reapply at a later date to the payment program if there is a change in your Pharmacare annual deductible or total eligible prescription drug costs.

HOW YOUR AVERAGE MONTHLY ADJUSTED FAMILY INCOME IS CALCULATED:

To determine your average monthly adjusted family income, the payment program office will use your current benefit year's Pharmacare annual deductible.

Your Pharmacare annual deductible is divided by the corresponding Pharmacare annual deductible rate to arrive at your estimated annual family income. Your estimated annual family income is divided by 12 to determine your average monthly adjusted family income.

HOW YOUR ESTIMATED MONTHLY ELIGIBLE DRUG COST IS CALCULATED :

The estimate is used to determine your monthly eligible drug cost and is subject to verification by the payment program.

A participating Manitoba pharmacy of your choice will calculate your estimated monthly prescription drug costs for eligible Manitoba Pharmacare benefits. Your pharmacy has the information they need to estimate your and/or your spouse's and family's prescription drug costs. The estimated monthly eligible prescription drug cost can be calculated by any member of the pharmacy staff; however, a licensed Manitoba pharmacist must sign in the space provided in the Application, Consent and Authorization Form.

The pharmacy will review your medication profile to:

- create a complete list of your current medication(s) that are eligible Manitoba Pharmacare benefits; and
- calculate the total cost of your medications over the next 30-day period based on the medication dosing instructions.

There may be cases where family members have combined eligible monthly prescription drug costs that equal or exceed 20 per cent of their average monthly adjusted family income. In these cases, Manitoba pharmacists will use the combined eligible monthly prescription drug costs for the family on the Application, Consent and Authorization Form.

BILL PAYMENT OPTIONS:

Under the payment program, Manitoba Health will, on behalf of the Government of Manitoba, cover an eligible applicant's Pharmacare annual deductible. The payment program offers two options to repay your Pharmacare annual deductible in full to the Government of Manitoba.

If you have any questions about the payment options or require more information to decide which option is best for you, you can contact the payment program at 945-1733 (in Winnipeg) or toll free at 1-888-519-3492.

Option 1: Current Year Option

This payment option is suggested for people who apply for the payment program in the first half (between April 1 and September 30) of the Pharmacare benefit year.

Under this option, the payment program requires you to simply repay your current benefit year's annual deductible within the current benefit year (that is, by March 31). The amount that you have paid out-of-pocket in the current benefit year for eligible (specified) prescription drugs under Pharmacare is subtracted from your Pharmacare annual deductible. This amount is then divided by the number of months remaining in the Pharmacare benefit year less one month for processing purposes. This is calculated as of the date when your Application, Consent and Authorization Form is

received by the payment program. Your last deductible instalment payment will occur around March/April of the current benefit year, no matter what month you apply to the payment program.

At the end of the current benefit year, you will receive a written statement from the payment program telling you the amount you have paid towards your Pharmacare annual deductible through Manitoba Hydro. There may be situations where the monthly payments received do not equal your Pharmacare annual deductible because of the timing of the first pre-authorized withdrawal. In these situations, your Pharmacare annual deductible for the following Pharmacare benefit year will be adjusted:

- up to reflect the amount that you still owe to the Government of Manitoba; or
- down to reflect the amount that you overpaid.

Option 2: Blended Payment Option

This payment option is suggested for people who apply for the payment program in the second half (between October 1 and March 31) of the Pharmacare benefit year.

This option allows you to divide your deductible payments over a longer period of time not to exceed the end (March 31) of the next immediate benefit year. If you have high drug costs towards the end of the benefit year, this option reduces the financial hardship of paying your current annual deductible by the end of the current benefit year.

Under this option, the payment program combines your current benefit year's annual deductible (Year One) with an estimate of your next immediate benefit year's annual deductible (Year Two). Your Year One annual deductible is your Pharmacare annual deductible minus the amount that you have paid out-of-pocket in the current benefit year for eligible (specified) prescription drugs under Pharmacare. Your Year Two annual deductible is estimated based on your Year One annual deductible. These two amounts become the total deductible amount that you must repay to the Government of Manitoba. This amount is then divided

by the number of months remaining until March of Year Two, less one month for processing purposes. This is calculated as of the date when your Application, Consent and Authorization Form is received by the payment program.

The total annual deductible, which is both your current benefit year's annual deductible (Year One) and the estimated next immediate year's annual deductible (Year Two) must be repaid by you and/or your spouse by the end (March 31) of the Year Two benefit year.

Your instalment payments will first be credited towards your Year One annual deductible. Once the Year One annual deductible is repaid in full, your Year Two annual deductible will be credited.

When your Year One deductible is repaid in full, you will be provided a written statement telling you the amount you have paid towards your Pharmacare annual deductible through Manitoba Hydro. There may be situations where the monthly payments received do not equal your Pharmacare annual deductible because of the timing of the first pre-authorized debit. In this situation, your Pharmacare annual deductible for the following Pharmacare benefit year (Year Two) will be adjusted:

- up to reflect the amount that you still owe to the Government of Manitoba; or
- down to reflect the amount that you overpaid.

When your Year Two Pharmacare annual deductible is finalized, there may be an adjustment made to your monthly payments if your deductible is above or below the estimate.

The payment program will automatically adjust your pre-authorized Manitoba Hydro automated monthly withdrawals for:

- any adjustments to your Year Two Pharmacare annual deductible because of overpayments or underpayments of your Year One Pharmacare annual deductible; and

- any adjustments to your Year Two Pharmacare annual deductible because your actual Year Two Pharmacare annual deductible is different from your estimated Year Two Pharmacare annual deductible.

The payment program will give you written notification of any changes to your automated monthly withdrawal at least 14 days before your payment withdrawal date.

When your Year Two annual deductible is repaid, you will be given a written statement telling you the amount you have paid towards your Pharmacare annual deductible through Manitoba Hydro. The statement will also tell you if any amount remains unpaid by you and/or your spouse to the Government of Manitoba.

THE PRE-AUTHORIZED PAYMENT PROCESS:

If you are accepted for enrolment in the payment program, the payment program staff will notify Manitoba Hydro. The amount of your monthly instalment repayment will appear on your next Manitoba Hydro energy bill.

You must allow Manitoba Hydro to make pre-authorized automated withdrawals from your bank or credit union account. Manitoba Hydro will withdraw your instalment payments from your account at your bank or credit union every month. Manitoba Hydro will send your monthly instalment payments to Manitoba Health to be credited against the balance owing on your Pharmacare annual deductible(s).

IMPORTANT:

It is important that you understand and fulfill your repayment obligations under the payment program. **Your Pharmacare annual deductible(s) must be repaid in full to the Government of Manitoba.** If you fail to make two (2) consecutive monthly instalment payments in full when they are due, you will be considered in default and ineligible for continued participation under the payment program. If you are found to be in default, you will be required to spend an amount equal to the entire outstanding balance of your annual

Pharmacare deductible amount on your family's eligible prescription drug costs before you, your spouse and dependants, if any, will receive any further Manitoba Pharmacare benefits.

Please note: If your Manitoba Hydro energy bill is currently in arrears, you should contact the Manitoba Hydro billing department at 480-5900 (in Winnipeg) or toll free at 1-888-MBHYDRO (624-9376) **before you complete and submit the Application, Consent and Authorization Form.** If you do not contact Manitoba Hydro, the first pre-authorized withdrawal made from your bank or credit union account will include all arrears you owe to Manitoba Hydro, your first monthly deductible instalment payment under the payment program and the amount of your regular monthly energy bill.

FAILING TO PAY YOUR DEDUCTIBLE INSTALMENT AMOUNT:

You are responsible for making sure that your bank or credit union account has enough money to cover the automated withdrawals you have pre-authorized with Manitoba Hydro. If the funds are not available (non-sufficient funds or "NSF"), Manitoba Hydro will make a second attempt five days later to withdraw the money you owe. If Manitoba Hydro is unable to withdraw the money after the second attempt, Manitoba Hydro will treat this as an NSF payment and charge you a \$20 NSF fee. You may also incur NSF charges from your bank or credit union if you do not have sufficient funds in your account.

If you fail to make two (2) consecutive monthly instalment payments when they are due, you will be in default under the payment program. You will be advised by letter that you are no longer eligible for enrolment in the payment program. Upon default, Manitoba Hydro will stop making any further automated withdrawals of your deductible instalment payment amounts.

You will be required to spend an amount equal to the entire outstanding balance of your annual Pharmacare deductible amount on your family's eligible prescription drug costs before you, your spouse and dependants, if

any, will receive any further Manitoba Pharmacare benefits. Manitoba Health will send you a statement indicating the outstanding balance of your Pharmacare annual deductible.

YOUR RESPONSIBILITIES AND OBLIGATIONS:

It is also important for you to fill out the Application, Consent and Authorization Form fully, correctly and truthfully. If you fail or refuse to provide correct, complete and true information or to notify the payment program of any changes to your personal or financial information, you may be removed from or denied future participation in the payment program.

As part of the Application, Consent and Authorization Form, you will be required to sign a declaration to confirm that you have read and understand your responsibilities and obligations under the payment program. All information that you have provided in your Application, Consent and Authorization Form will also be verified and audited by Manitoba Health.

It is important that you make sure you understand the terms and conditions of your account with your bank or credit union. You should also understand the terms and conditions of the services (including debit transactions, pre-authorized payments, NSF charges and overdraft protection) your bank or credit union provides. Talk to your bank or credit union for more information.

Once you are enrolled in the payment program, you will have to make sure that enough money is in your account to pay your monthly deductible instalment on the monthly due date.

Manitoba Hydro will **not** accept payment of your deductible instalment amount by any other means (such as cash, cheque or credit card) than the automated withdrawals you have pre-authorized in the Application, Consent and Authorization Form.

Should you become eligible for drug benefits through another drug insurance or benefit plan while you are enrolled in the payment program, you must contact the

payment program immediately. A client care representative will cancel your pre-authorized withdrawals until you have reached or exceeded your coverage limit offered by the other drug insurance or benefit plan.

CANCELLING YOUR PARTICIPATION IN THE PAYMENT PROGRAM:

If you have been approved for enrolment in the payment program but then later decide it is not benefiting you, you can cancel your enrolment at any time by contacting the payment program in writing at:

Manitoba Health - Deductible Instalment
Payment Program for Pharmacare
c/o 300 Carlton Street
Winnipeg, MB
R3B 3M9

Once you cancel, you will be required to spend an amount equal to the entire outstanding balance of your annual Pharmacare deductible amount on your family's eligible prescription drug costs before you, your spouse and dependants, if any, will receive any further Manitoba Pharmacare benefits. Manitoba Health will send you a statement indicating the outstanding balance of your Pharmacare annual deductible.

RELEASE OF PERSONAL INFORMATION:

Part of the application process for enrolment in the payment program includes providing your consent to Manitoba Health, the Manitoba Health Deductible Instalment Payment Program for Pharmacare office, and Manitoba Hydro to share and disclose personal information between their respective offices and organizations. This is needed to:

- verify and approve your application;
- administer the payment program;
- enforce the terms of the program; and
- maintain and analyze statistical data.

At no time will Manitoba Health provide Manitoba Hydro with any information about the drug history of you and/or your spouse and family or your family income.

VERIFICATION AND AUDIT:

All information provided by you in the Application, Consent and Authorization Form is subject to verification and audit by Manitoba Health.

CONTACT INFORMATION		
If you have questions about...	You should contact...	at...
<ul style="list-style-type: none"> • general information about the payment program; • eligibility for the payment program; • the status of your application; • your deductible instalment payment amount; or • changes to your address or phone number 	Manitoba Health Deductible Instalment Payment Program for Pharmacare	<p>Phone: (204) 945-1733 (in Winnipeg) or toll free at 1-888-519-3492</p> <p>Fax: (204) 948-3894 (in Winnipeg) or toll free at 1-888-519-3493</p> <p>Mail: Deductible Instalment Payment Program for Pharmacare c/o 300 Carlton Street Winnipeg, MB R3B 3M9</p>
<ul style="list-style-type: none"> • general information about Manitoba Pharmacare; • your Pharmacare deductible; or • changes in your family status 	Manitoba Pharmacare	<p>Phone: (204) 786-7141 (in Winnipeg) or toll free at 1-800-297-8099</p> <p>Text Telephone: (204) 774-8618</p> <p>e-mail: pharmacare@gov.mb.ca</p> <p>Mail: Manitoba Pharmacare 300 Carlton Street Winnipeg, MB R3B 3M9</p> <p>Online: www.gov.mb.ca/health/pharmacare</p>
<ul style="list-style-type: none"> • your Manitoba Hydro energy bill and account; or • changes to your banking information for your automated payments 	Manitoba Hydro	<p>Phone: (204) 480-5900 (in Winnipeg) or toll free at 1-888-624-9376</p> <p>In person – at your local district Manitoba Hydro office</p> <p>Online: www.hydro.mb.ca</p>

