

PHARMACY *Update*

SEPTEMBER 2015

CHANGE TO SECONDARY COORDINATION OF BENEFIT CLAIMS CALCULATION

Beginning October 1, 2015, Green Shield Canada (GSC) is changing the way we handle the coordination of benefits (COB) for pay-direct drug claims when GSC is the secondary plan. We have made the decision to apply GSC drug pricing to claims that have already been processed for payment by another private carrier (i.e., the primary plan).

In the past we have typically paid the balance of the claim once the primary plan has reimbursed its portion. In most cases pharmacies are reimbursed the full amount charged for a drug. However, we are noticing claims where the cost of the drug has been inflated above the amount our guidelines allow.

How does this impact you?

Combined with the primary carrier's payment, we will reimburse the secondary claim up to the full eligible price of the drug according to GSC pricing files. Any amount a pharmacy charges in excess of that amount will not be reimbursed, and this amount will not be eligible for manual pricing adjustments with GSC. Note that our provider agreements with pharmacies prevent any extra billing.

An industry-wide trend

As GSC is an industry leader in pharmacy benefit management, our goal is to provide sound drug claims management and high value for the dollars spent by GSC plan sponsors.

This administrative change ensures that claims are paid fairly and accurately for all plan members and carriers and is supported by Canadian Life and Health Insurance Association COB practice guidelines. We anticipate that a similar change will be implemented by other group benefit carriers in the future.