Unlike most employers in Canada, plan sponsors that offer prescription drug benefits in Quebec have no choice but to pay for pharmacy services.

Last summer, Quebec’s public drug plan announced coverage for several new pharmacy services. With provincial legislation requiring private plan sponsors to cover them as well, employers face new obligations and may not be happy about it.

“It is an irritant for companies like ours that have employees across the country when we have to offer different benefits in Quebec,” says Jean-François

By Sonya Felix
Provincial pharmacists’ associations have long advocated for the added recognition and are working to convince private payers to follow suit by creating fee guides, conducting studies, sharing positive outcomes and collaborating with stakeholders. But for now, most private payers are still uneasy about adding drug plan costs despite suggestions that pharmacy services could help manage them and improve outcomes.

“Whether or not pharmacy services in benefits plans is a good idea depends on who you talk to,” says Mike Sullivan, president of Cubic Health. “There is certainly more talk about it these days, but that hasn’t translated into much activity. Plan sponsors need a reason to invest in pharmacy services. There is a real need to measure value, to quantify that value in reduced absence and disability and lower cost. That’s a work in progress, but there needs to be better evidence to support implementing a pharmacy service.”

At the moment, most plan sponsors are focusing on sustaining their drug plans as prices rise, says Jean-Michel Lavoie, director of pharmaceutical benefits at Sun Life Financial.

“It’s not hard to convince payers that pharmacist prescribing adds value from an access-to-care perspective. If a pharmacist can prescribe, then the employee doesn’t have to take time off work to see a physician. It has historically been a little harder to build a solid case study showing health outcome benefits of medication reviews and coaching. Although we believe the value is there, the onus is on the pharmacy community to do more research.”

Phil Emberley, director of pharmacy innovation at the Canadian Pharmacists Association, agrees integrating pharmacy services into benefits plans is taking a long time.

“With drug costs and economic pressures, there is little wiggle room for insurers and sponsors as they focus on meeting the drug needs of employees. We need data to show how we can help through medication reviews, minor ailment prescribing and promoting adherence. Although we believe the value is there, the onus is on the pharmacy community to do more research.”

One group trying to make a difference is the Pharmacy and Health Insurance Steering Coalition, a group comprised of senior leaders from the insurance and pharmacy industries. Over the past two years, the coalition has developed a strategy to help payers view pharmacy services as a solution rather than a cost centre. “We understand that payers have to focus on value and return on investment,” says Peter Zawadzki, a pharmacy consultant representing the Neighbourhood Pharmacy Association of Canada on the coalition. “We need to show how health outcomes link back to workplace absenteeism, presenteeism, disability and productivity. [The coalition] has been honing a list of potential pharmacy services that will be shared with pharmacy retailers, provincial associations, insurers, benefits consultants and plan sponsors. We’re also working on a reasonable and customary suggested fee list.”

Mongeau, Montreal-based manager of benefits and human resources programs at Louisiana-Pacific. “In the 10 years I’ve been at [the company], I’ve never heard of an employee asking for pharmacy services to be covered. But we have to respect the law.”

Under the changes, Quebec’s pharmacists now receive payment for four services: adapting a prescription, extending a prescription, prescribing for a condition that doesn’t require a diagnosis, and prescribing for minor ailments. Although Mongeau isn’t happy about the added costs, he recognizes the potential advantages for employers.

“If employees can renew prescriptions at the pharmacy, they won’t need a short-time absence to see the doctor,” he says. “That means more productivity from [the company]’s perspective and more convenience for our employees.”

Time will tell whether Quebec employers will notice a positive impact from the new services. In the meantime, a small but growing number of private payers in the rest of the country are looking at how pharmacists’ expanded scope of practice and the growing range of services could help manage rising drug costs and improve health outcomes for staff.

**Pharmacy services a hard sell**

Depending on the jurisdiction, public payers now reimburse pharmacists for a range of non-dispensary services such as medication reviews, prescribing, minor ailments, counselling on smoking cessation and administering injections.
Some insurers making moves

While concerns may persist among private payers, some insurers are already confident enough to offer select pharmacy services under group plans.

At Sun Life, for example, the company integrates pharmacy services in different ways, says Lavoie. “The services are recognized by [CRA], so are eligible for health spending accounts. They could also be included under a paramedical plan at the request of an employer. And sometimes, pharmacy services are incorporated as a core benefit.”

Lavoie says insurers are starting to have relationships with pharmacies. Sun Life, for example, has a preferred-provider partnership with McKesson Canada that includes more than 2,500 pharmacies across the country. “For now, we are focused on dispensing and case management of high-cost specialty medications, but the natural next step is to expand and pay for services for a particular disease such as diabetes. This is a trend that will continue.”

When a recent joint study by the Ontario Pharmacists Association and Green Shield Canada showed significant reductions in blood pressure as a result of pharmacist counselling on hypertension, the insurer launched an employer-paid cardiovascular coaching program as part of its standard administration plan. Out of about 1,000 companies, only a handful chose to opt out. “When we look at data showing the rise of chronic disease, we believe there is value in paying a relatively small sum for pharmacist coaching compared to the high long-term costs for disease,” says David Willows, vice-president of strategic market solutions at Green Shield Canada.

“There is potential return on investment from our cardiovascular program, but we are still in the early days of evaluating [it].”

Green Shield Canada is now launching a program using pharmacists for counselling on smoking cessation and is contemplating the integration of other health-care practitioners, such as registered dietitians, into employee benefits. “As the health-care system exists today, it doesn’t support the needs of patients, especially those with chronic diseases,” says Willows. “Wouldn’t it be great to combine different services by creating a one-stop-shop approach with pharmacists and dietitians?”

Great-West Life also believes pharmacy services can improve health outcomes. Working with the Canadian Diabetes Association, Shoppers Drug Mart and Bayer, it tailored a diabetes support program for its clients.

Offered through Shoppers Drug Mart pharmacists, the program is voluntary, says Barbara Martinez, practice leader for drug benefits solutions at Great-West Life. Last year, a Shoppers Drug Mart report on the service’s outcomes showed the number of patients who reached their A1C target (a measure of average blood-sugar level over two-to-three months) tripled after a 30-minute consultation with a pharmacist.

“There is no cost to the plan sponsor or member to participate, and it provides increased access to diabetes care,” says Martinez. “This is important because, although there are some provincial government programs for diabetes, patients may need a referral and/or be charged a fee to participate. Programs may be limited to business hours when many people are unable to attend. With our diabetes support program, participation is free … and appointments can be scheduled at their convenience.”

In addition to the diabetes program, Great-West Life offers pharmacy-based services such as medication counselling with Shoppers Drug Mart and a health case-management program with HealthForward to help patients who require specialty drugs.

“Plan sponsors are on board with our pharmacy services and demand is growing,” says Martinez. “I don’t see skepticism from our clients. Our job is to deliver services and ensure value, and we need to balance cost with outcomes and health needs of members. [Pharmacists] can help do that.”

With drug prices rising quickly, employers may be more apt to consider pharmacists’ services as a way to minimize the costs of medications. But Sullivan warns employers to be careful. “A lot of programs, such as preferred-provider networks, are nice in theory but aren’t necessarily implemented with substance. Unless [networks] are embedded into plans, there isn’t the appropriate uptake and you won’t see cost benefits. It’s just a Band-Aid.”

One area where Sullivan does see great potential for pharmacists is in active clinical management to help contain costs in a responsible manner. At Cubic Health, where a team of pharmacists analyzes claims data, the process for assessing prior authorization has revealed a high number of claims requiring pushback because there wasn’t evidence to support the claim. “In 2015, for one client we found 40% of prior authorization claims required pushback that resulted in savings of $460,000 in that year alone,” says Sullivan. “We were blown away by the opportunity here to add value responsibly.”

The goal for plan sponsors, of course, is to ensure the responsible use of drugs and have employees benefit from the medications prescribed to them. If pharmacists can convince payers they can help, they’ll listen, says Louisiana-Pacific’s Mongeau. “We are now considering creating an employee wellness program that may include drug management and health coaching,” he says. “Our company already has a reputation for safety, and managing drugs and chronic disease are just as important as safety. It’s about taking care of our employees.”

Sonya Felix is a Vancouver-based freelance writer.