

# TIPS ON HOW TO BE DRUG \$MART

Manulife has created a new information brochure entitled “Your Prescription for a Healthy Plan” to help plan members understand the differences between brand name drugs and generic alternative, and how you can save money when filing a prescription. Please read the excerpts from the Manulife brochure below to gain some insight on how you can save yourself and the plan money every time you go to the pharmacy.

## DID YOU KNOW?

- Prescription drugs account for up to 80% of your health plan’s cost.
- The premiums paid for benefits are driven up by the rising cost of prescription drug claims.
- You can save on prescriptions and help reduce drug plan costs without compromising the quality of care or service you receive.

## \$ INQUIRE ABOUT GENERIC ALTERNATIVES

Newer drugs just entering the market tend to be more costly than other tried and true therapies that deliver similar results. For instance, generic drugs provide the same therapeutic benefits as brand-name drugs – usually at a lower cost.

Other manufacturers are allowed to produce and sell generic drugs after the brand name drug’s patent has expired. Generic drugs have the same active ingredients as brand name drugs, but differ by their inactive ingredients (binders, fillers and dyes). These differences have no effect on the active drug or its effectiveness.

## \$ SHOP AROUND FOR THE BEST PRICE

Dispensing fees and drug costs (including pharmacy mark-ups) vary from pharmacy to pharmacy. Canadian brand drug manufacturers are limited to what they can charge for drugs – pharmacies are not. In Canada, dispensing fees can range anywhere from \$4 to \$16 for each prescription you have filled – up to 1/3 of the average prescription cost. Before filling a prescription, ask how much it will cost. You may discover that it pays to shop around.

## \$ FOR REGULAR PRESCRIPTIONS, PICK-UP A THREE-MONTH SUPPLY

Filling your regular prescriptions (such as cholesterol-lowering, blood pressure medication, oral contraceptives, insulin or other drugs taken regularly on a long-term basis) every three months, instead of monthly, reduces the number of dispensing fees you are charged and saves a few trips to the pharmacy.

On the other hand, if you are trying a prescription for the first time, it’s wise to wait. It’s important to get a sense for a medication’s effectiveness and your reaction to a new drug before having a three-month supply dispensed.

## \$ PHARMA-SENSE

Since the cost of prescription drugs will vary depending on where you shop, call the pharmacies in your local area.. You may discover it pays to shop around.

This comparison uses the cholesterol-lowering drug, Lipitor, to show how much prescription costs vary at four local pharmacies\*. For a plan with 80% coverage, you could expect to save up to \$4.58 on a single prescription. And your plan would save even more...

Prescription drug Lipitor	Pharmacy 1	Pharmacy 2	Pharmacy 3	Pharmacy 4	Savings on a single prescription
<b>Total drug cost</b>	<b>\$208.76</b>	<b>\$219.90</b>	<b>\$225.61</b>	<b>\$231.64</b>	
Member cost 20%	\$41.75	\$43.98	\$45.12	\$46.33	<b>You save: \$1.21 to \$4.58</b>
Plan Cost 80%	\$167.01	\$175.92	\$180.49	\$185.31	<b>Your plan saves: \$4.83 to \$18.31</b>

\* Pricing comparison courtesy of ESI Canada. Actual costs may differ at the time of purchase.

## \$ THE COST OF PICKING UP YOUR PRESCRIPTION

Although costs vary depending on where you shop, two factors determine the price of prescription drugs:

Drug Costs (including Pharmacy Mark-up)	Total Cost of the Prescription
Dispensing Fees	

- The **drug cost** is the amount the pharmacist pays to buy the drug.
- A pharmacy **mark-up** refers to any additional amount a pharmacist may charge for a drug, above the original drug or ingredient cost. The mark-up is applied to pay for the costs of running the pharmacy.
- A **dispensing fee** is the professional fee a pharmacist charges to fill your prescription. The practice in Quebec is to use Usual and Customary pricing methodology; pharmacists do not have to disclose the details described above.

The excerpts above were taken from Manulife's brochure on "Your prescription for a healthy plan". If you wish to download and read the complete brochure, you can download it by clicking on the following link.  
[http://groupbenefits.manulife.com/canada/GB\\_v2.nsf/LookupFiles/DownloadableFiledruSMARTGC2237E/\\$File/druSMARTGC2237E.pdf](http://groupbenefits.manulife.com/canada/GB_v2.nsf/LookupFiles/DownloadableFiledruSMARTGC2237E/$File/druSMARTGC2237E.pdf)