

Ministry Ministère
of de
Health la Santé

Drug Programs Branch
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March 1, 1995

Mr. Glen Brown
AIDS Action Now
517 College Street
Suite 321
Toronto, Ontario
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Dear Dear Mr. Brown:

Further to my letter of February 13, 1995, I am pleased to inform you that we have scheduled our next meeting to discuss further details about the new Trillium Drug Program.

As you are aware, on January, 9, 1995, the ministry met with interest groups to discuss the new Trillium Drug Program. Since then, ministry staff have been working on the final details of the program. We would like to go over these details and the application kit with you and address any questions or concerns you might have. We are also hoping to address how to ensure members of your organization are made aware of the Trillium Drug Program.

We would be pleased to have a representative from your organization attend our next meeting on:

Monday, March 13, 1995
2:30 p.m. to 4:30 p.m.
Trent Room, McDonald Block
900 Bay Street, Queen's Park
Toronto

Please contact Ruth Alves at (416) 326-9142 to let us know if you or another representative of your group will be attending.

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I am enclosing a set of commonly asked questions and answers for your reference. I apologize for not including them in my February 17 letter.

We look forward to seeing you on March 13.

Yours sincerely,



Theresa Firestone
Director

Enclosure

cc: Helen Angus

COMMON QUESTIONS AND ANSWERS -- TRILLIUM DRUG PROGRAM

GENERAL

1. How does the program work? How do I apply?

Beginning April 1 each year, individuals and families should collect their receipts for out-of-pocket costs for prescription drugs, for the cost of private health insurance, and for any co-payments or deductibles paid for prescription drugs as part of their private insurance. They should also locate the notice of assessment(s) they received from Revenue Canada after they filed their income tax for the previous year.

People who want to know more about the program should pick up a program brochure at a variety of health care facilities and offices. If they think that they might qualify, they should obtain an application which will be available after March 15 for the Trillium Drug Program from their local pharmacy or a Ministry of Health office.

Using the instruction booklet and the worksheet accompanying the application form, they should determine their deductible based on their net family or individual income. When their out-of-pocket expenses are equivalent to their deductible, they should apply to receive benefits under the Trillium Drug Program. The Ministry of Health will notify individuals whether they and their family are eligible. Once eligible, beneficiaries will be able to receive prescribed benefits that are included in the Ontario Drug Benefit Formulary at no cost from any Ontario pharmacy that is linked to the Ministry's Health Network until March 31 of the following year. Beginning April 1 of the following year, they must start the process again.

2. What about people currently covered by the Ontario Drug Benefit Program?

This program will have no impact on those persons and drugs currently covered by the Ontario Drug benefit Program. Seniors and persons on social assistance will continue to receive their drugs at no cost to them.

3. What about the people already covered by the Special Drugs Program? Are there changes in the coverage that they currently get?

No changes are being implemented for people currently covered by the Special Drugs Program. Drugs currently covered will be grandparented, i.e., they will continue to be covered at no cost to the patient.

4. How many people does the Ministry expect to take advantage of this program in the first year?

Approximately 235,000 to 240,000 individuals could benefit from this program.

ELIGIBILITY

5. Who will be covered by this new program?

Any individual who is not currently receiving benefits under ODB and has high prescription drug costs in relation to their income will be in a position to benefit from the program. The person must be a resident of Ontario and be eligible for Ontario Health Insurance.

6. Is it possible for everyone in the province to have access to the new program?

Persons who already receive benefits under Ontario Drug Benefit will not need to apply for benefits under the Trillium Drug Program. However, anyone else who has high drug costs in relation to their income may be eligible for the program.

7. Will people who are eligible for the Ministry's regular ODB Program or the Special Drugs Program be eligible for coverage through the Trillium Drug Program as well?

Persons who are covered under Ontario Drug Benefit will not require assistance from this program since they already get eligible drugs at no cost to themselves. Some people currently covered through the Special Drugs Program may be eligible under the new program, after they have paid their annual deductible, for drugs not currently covered by the Special Drugs Program.

8. How will the unemployed, or the working poor, fit into this program?

The program provides benefits when drug costs exceed a certain proportion of income. As a result, the program will help eliminate the incentive to go on social assistance to get prescription drugs.

9. Besides income, are there any restrictions or exemptions in terms of who can use this program?

The program is only available to Ontario residents who have a valid Ontario health card.

10. Will there be an appeal mechanism for people who have been turned down for coverage?

People will be able to reapply for the program and will be able to have their application reconsidered if their circumstances change significantly (e.g., if they have lost their job).

11. **What disease groups, other than the ones that are currently covered under the Special Drugs Program, are most likely to be able to use this program?**

Eligibility to the program is related to the costs of prescribed drugs; there is no master list of diseases that would be covered and others that won't. The program will provide equal treatment for all diseases and conditions.

Examples of diseases that can generate high drug costs and haven't had access to coverage through the Special Drug Programs are:

- asthma, cardiac conditions, multiple sclerosis, Parkinson's and Alzheimer's diseases.

COSTS -- TO MOH

12. **How much will the Trillium Drug Program cost the Ministry? How will the Government pay for the program?**

The program will cost approximately \$75 million. The government's tough choices in health care reform and expenditure control have made it possible to provide this coverage.

13. **Is the Ministry planning any further delisting of benefits under the ODB in order to pay for this program or to meet other cost containment targets?**

This new program has absolutely no impact on the existing ODB benefit list.

COSTS -- TO CLIENTS

14. **Is the deductible based on individual or family income?**

It is based on a family's net income or on an individual's net income for single people.

15. **What is the definition of a "family"?**

The Ministry will use the same definition of "family" that is currently being used for income tax purposes. In other words dependents claimed here must be legitimate dependents for income tax purposes. We will also allow people in same sex relationships who have lived together for one year to be a family for the purposes of this program.

- 16. How much will the average person have to pay before they actually get their drugs paid for by the Ministry?**

The amount a family pays up front is dependent on the net family income and the number of family members. For example, a family of more than three people with a net income of \$20,000 will pay a deductible of \$300. An individual with the same net income will pay a deductible of \$500. (See summary chart for further examples).

- 17. At the same income level, a family will have a lower deductible than a single person. Why?**

Both have the same income but, in the case of a family, it is being used to support more people.

- 18. Are the benefits paid on a person's behalf by a private insurer counted towards their total out of pocket expenses?**

No, if benefits are paid by someone else they do not qualify. A portion of the premiums that are paid to get insurance, as well as all of the out-of-pocket expenses such as co-payments or deductibles required by their private plans, will be counted towards the annual deductible.

- 19. Can paying the deductible be spread out over the year?**

No. The deductible must be paid before the Ministry provides coverage.

- 20. What will happen if I meet my deductible in the first month? Will my drugs be covered for the rest of the year?**

Yes. Once the deductible is paid and an application is approved, eligible drugs will be covered for the remainder of the year.

- 21. What will happen if my circumstances change during the year and my income goes up or down after I have been approved for coverage?**

Families or individuals should notify the Ministry if they experience a significant change in their circumstances.

- 22. If there is more than one individual in the family with high drug costs, does the family need to pay two deductibles?**

No. Only one application is required per family. The program and deductible are based on net family income.

23. **Will there be a lifetime cap on what a person is expected to pay, or will he/ she have to pay the deductible forever?**

The deductible is related to an annual income, which is a good measure of ability to pay. There will be no lifetime cap.

24. **How does this relate to the federal income tax credit for medical expenses? Will it be affected?**

No. Funds paid toward the deductible will also count towards the medical expense credit on the income tax. Drugs paid for by the program will not.

BENEFITS

25. **Not all drugs are now covered under the Ontario Drug Benefit Program. Will the Ministry now be adding new drugs to cover these new diseases?**

The program will cover only those drugs currently covered by the Ontario Drug Benefit Program. There is a mechanism for exceptional requirements for rare conditions on an individual request basis.

26. **Does the Ministry have any examples of high cost drug therapies which will now be covered by this plan?**

The program is not geared to specific drugs, rather it is based on income and amount spent on drugs.

However, patients with the following conditions could benefit from the program: asthma, cardiac conditions, multiple sclerosis, Parkinson's and Alzheimer's diseases. There will be other patients who will also benefit, including those living with HIV and AIDS, who require medications other than the four drugs currently available under the Special Drugs Program.

27. **Will devices such as syringes, pumps, etc., be provided under this program?**

No. These are not eligible ODB benefits.

THE MECHANICS

28. **How do you calculate "net family income"?**

The new program will use the previous year's notice of assessment individuals receive from Revenue Canada after their income tax return has been processed as the basis for verifying net income.

29. Will this be calculated for the calendar year, the way that most people do their income taxes?

Yes.

30. How do I calculate my net income if I don't file an income tax form?

The application form will outline requirements for other ways to document net income for persons who did not file an income tax return in the previous year.

31. What will the Ministry consider to be a legitimate out-of-pocket expense which can be put towards the deductible limit?

Costs that will contribute toward the deductible will include a portion of the costs of premiums to obtain private insurance, deductibles and co-payments paid as part of private insurance, out-of-pocket expenses for prescription drugs and over-the-counter products covered under ODB purchased in Ontario and the dispensing fee.

32. How will people know when they can apply for coverage under the Trillium Drug Program?

Applications will be available in pharmacies or from the Ministry of Health after March 15. Brochures will be available at all health care facilities and offices throughout the province.

33. Will there be assistance to those who need help filling out the application form?

There will be a 1-800 number available to people who require assistance. A detailed instruction booklet and worksheet will accompany the application form.

34. Will a person have to re-apply every year, or will there be some sort of automatic renewal?

A person will have to re-apply each year in order to verify income and deductible levels. Individuals prescription requirements may change from year to year.

35. Will they have to provide original receipts, copies of the receipts or will a simple declaration be sufficient?

The instruction booklet which accompanies the application form will identify what documentation is required. Receipts or duplicates of receipts are a must.

36. How long will it take the Ministry to process an application?

This will depend on how many applications are received, however, we anticipate that applications can be processed within two to four weeks.

37. How will the government be letting people know about the program, and that they have to apply for the benefit?

The Ministry of Health will be distributing application kits to pharmacies, health and social service agencies, associations and hospitals. There will also be media announcements.

38. Where will someone be able to pick up an application kit?

Application kits will be available through the Ministry's 1-800 number and in pharmacies, hospitals, public health units, community health centres and other community agencies**AFTER MARCH 15, 1995.**

39. How will the Ministry handle the period between someone having paid the deductible for drugs, and making an application for benefits, and actually being able to get the coverage, i.e., the period for the processing of the application and informing a person that they are now eligible? Will the government reimburse people for the expenses they have had, over the deductible, during this period?

People will be reimbursed for eligible drugs purchased between the time of application and approval. A claim process will be identified in the instruction booklet.

40. How do I add a new family member after the original family application has been approved?

Any adjustments to the original application form must be made in writing to the program with supporting documentation. You will be required to submit documentation concerning the new member and their income, if applicable.

41. When does the "year" start? Does it start when I apply?

The year starts on April 1 for all applicants regardless of when you reach the deductible and regardless of application date.

42. How do I find out how to calculate my deductible?

The instruction booklet accompanying the application form will assist you in calculating your net income and your deductible.

43. Is there a maximum deductible?

No. There is no maximum deductible.

44. What happens if I haven't kept my receipts? I've always been healthy and I didn't anticipate I would run into these kind of high drug costs.

You should approach your pharmacist for duplicate receipts.