

## Daily News Alerts

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### **Pooling Not Ready For Prime-time**

'Industry Pooling' is not ready for prime-time, says Greg Pallone, principle and managing director of TRG Group Benefits in Vancouver, BC. Johnny Ma, president of Mapol Inc., told a session on the topic at its 'Benefits Advisors Annual Drug Plan Outlook Meeting' that pooling insures plans against the impact of high cost drugs. He said the number of claims for drugs costing more than \$25,000 doubled to more than 4,000 in the first two years of the program. However, some of those in attendance challenged its usefulness. Dave Patriarche, founder of Mainstay Insurance Brokerage in Toronto, ON, said it has resulted in higher costs and an extra layer of administration for small plans. As well, he said it was not designed to protect plan sponsors as many already had stop loss programs in place. In fact, it protects the insurers. Part of the problem is no-one really understands it and even insurers don't know how it will work, said Pallone. "I don't think they thought it through." Noel MacKay, a senior director at the Williamson Group in Brantford, ON, said another issue is that no-one knows what the rules are going to be the next year. This means a decision could be made on plan design, but the pooling rules could change next year making it somewhat arbitrary

### **Future Of Plans Unclear**

Brian Lindenberg, a senior partner with Mercer in Calgary, AB, doesn't know if drug plans are sustainable because he "can't tell with absolute certainty what the future is going to look like." During a discussion at Mapol's 'Benefits Advisors Annual Drug Plan Outlook Meeting' on the 'Sustainability of Private Drug Plans,' he said people have been talking about sustainability forever, but the sky hasn't fallen yet. Sponsors are talking about it because "we are talking about it." And while employers are concerned, they get "cold feet" in terms of fundamental change to the benefit promise if there is any concern it will disrupt the plan members. However, Sarah Beech, president of Accompass in Toronto, ON, said it is a mistake to focus on drugs. They are one piece of the benefit plan and "as an industry, we need to look at it with the whole lens," and not "silo" off little parts of the coverage.

### **Uncontrolled Switching Real Issue**

'Mandatory Generic Drug Plans' can result in significant savings for plan sponsors, but extra care is needed when prescribing them in critical dose drug cases, says Geoff Loucks, national private payer manager, patient access and government relations, at Astellas Pharma Canada, Inc. Speaking at Mapol's 'Benefits Advisors Annual Drug Plan Outlook Meeting,' he said the challenge is not generic substitution, it is uncontrolled switching in a generic environment. In this multi-generic environment, uncontrolled switching means healthcare professionals don't know what drugs patients are taking and changing the drug therapy without proper monitoring can have a negative impact, especially in, for example, transplant cases. For optimal outcomes, the drug use needs to be monitored making it more than a cost issue.