

Choosing the lowest priced drugs means **value** and **savings** for you and your drug plan



None of us like to spend more money than we have to on the things we need. You check flyers for the best deals on groceries, look for the lowest gasoline price for your car, and often wait for big ticket items to go on sale before you buy. It's simple: You want the best value for your money on every purchase you make.

But when it comes to prescription drugs, how do you know if you're getting the best value? And why should you care? After all, your employer's drug plan picks up most, if not all, of the cost.

Well, the answer is not as simple as that. Prescription drug costs continue to rise rapidly in Canada. In a published report, the Canadian Institute for Health Information (CIHI) projects that in 2017, total health spending will reach \$242 billion, a growth of 3.9% from 2016.*

Your drug plan

You are fortunate to work for an organization that helps share in the costs of prescriptions for you and your family. As the administrator of your group health plan, one of our key roles at Sun Life is to help your employer offer a sustainable drug plan for now and years to come. Generic substitution is a feature of your drug plan that helps provide the best value for your plan's money.

Generic substitution

Your benefit plan covers prescription drugs up to the lowest priced (usually generic) equivalent, if one exists. If your doctor prescribes a brand name drug that has a lower priced equivalent, **you'll be reimbursed up to cost of the lowest priced equivalent drug even if your doctor writes "no substitution" on the prescription.** You can still purchase the brand name drug, but your reimbursement will be based on the lowest-priced equivalent.

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Brand vs. generic drugs – what’s the best value?

Generic drugs are clinically identical to the counterpart brand name drug, with the same active ingredients. There is generally no difference in the quality, purity, effectiveness or safety between generic and brand name drugs. So your level of treatment is fully maintained when using a generic equivalent.

So which kind of drug – brand or generic – offers you and your plan the best value? Let’s look at an example.

A generic equivalent for Zocor, a drug used to lower high blood cholesterol, was introduced in 2010. Zocor has been widely prescribed, but the generic equivalent is currently about one-third of the cost. The generic drug generally offers the same drug effectiveness but at a significantly lower cost.

	Cost** of lowest priced equivalent (generic: simvastatin)	Cost** of brand name (Zocor)
Cost** of one-month supply (30 tabs)	\$20.24	\$126.48
Plan pays 80%*** of lowest priced equivalent	\$16.19	\$16.19
You pay the rest***	\$4.05	\$110.29

** Based on the total cost of the drug in Ontario, including mark-ups and dispensing fee. The cost may vary per province.

*** Example only, your plan may cover more or less than this amount.

From this example, you can see how choosing generic drugs gives you the best value for your money and can quickly result in substantial savings for you and your drug plan.

Is there a generic or lower priced equivalent to a drug you’re taking?

Your doctor or pharmacist are your best resources for determining whether a generic drug exists for the one you are taking, or if a generic equivalent is expected to be developed in the near future.

What if your doctor does not recommend a generic substitution?

There may be valid medical reasons for not substituting your brand name drug with a lowest priced equivalent. You and your doctor will need to complete the **Drug Exception Application** form. The section on the form that your doctor must complete asks for the medical reasons for the request. If the reasons are accepted by Sun Life, the plan will cover the cost of the brand name drug. Once accepted, Sun Life may request that you resubmit the exception request form in the future.

*Source: CIHI, National Health Expenditure Trends, 1975 to 2017.



If you have any questions or want more information about your benefits, please contact your HR benefits administrator.

You may also visit mysunlife.ca or the **my Sun Life Mobile app** (you’ll need to sign in with your access ID and password) and look up your drug coverage, or call Sun Life’s Customer Care Centre at **1-866-881-0583**.

Life’s brighter under the sun

Group Benefits are provided by Sun Life Assurance company of Canada, a member of the Sun Life Financial group of companies.

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