



"Reducing Costs, Increasing Access, Improving Health"

**NPDP Presentation
June 2010**

Organization of Presentation

Statement of Problem

The Action Program

Other Drug Plans Reviewed

Key Features of Plan

Contracts and Participating Pharmacies

Supply and Purchase of Drugs

Claims Processing /IT Systems

Payment Arrangements

Audits

Copayments and Coordination of Benefits in Other Phase(s)

Statement of Problem



Health burden of chronic diseases - 1 in 3 Bahamians

- Many days of illness, disability, hospitalization
- Reduced length and quality of life.



Inadequate access to prescription drugs and supplies

- Long waiting/uncertain supplies in public facilities
- Cost barriers in private pharmacies
- Many chronic patients do not seek treatment



Major financial burden

- High expenses by individuals, families, government
- Productivity losses by businesses

The Action Program

Treatment—Prescription Drug Program

- Enhance access to drugs in public and private pharmacies
 - Reduce patient burden of paying for drugs
 - Improve patient compliance in managing condition

Prevention—Healthy People Program

- Provide funds to support well-designed projects in health promotion, wellness and health education.

Other Drug Plans Reviewed

Barbados Drug Service (1980)

T'dad & T'bgo Chronic Disease Assistance Program (2003)

Jamaica National Health Fund (1996)

Australia Pharmaceutical Benefit Scheme (1948)

Drug Plans in Canadian Provinces eg British Columbia's Pharmacare and Ontario's Drug Benefit Program

UK NHS Pharmacy Services

US 340B Drug Program (1992)

PLAN FEATURES

COVERAGE - Phase 1

NIB
Pensioners

NIB
Invalids

Bahamian
Citizens
Over Age
65

Children

- Under age 18
- Under age 25
(if full-time students)

Members will incur no expenses as financing will come from the Medical Benefits Branch of NIB.

COVERAGE - Phase 2

NIB Contributors

- Employed
- Self-employed

Voluntarily Insured

Other Groups

- Indigent
- Institutions

Funding – mix of contributions, copayments, grants, coordination of benefits.

DEFINED LIST OF DISEASES

Criteria for Inclusion

- **high prevalence**
- **financially burdensome to patient**
- **available drug treatment**

11 Chronic Diseases (in first round)

List will be reviewed and amended over time.

COVERED CONDITIONS

Arthritis



COVERED CONDITIONS

Asthma



COVERED CONDITIONS

Breast Cancer



COVERED CONDITIONS

Diabetes



COVERED CONDITIONS

Glaucoma



COVERED CONDITIONS

High
Cholesterol



COVERED CONDITIONS

Hypertension



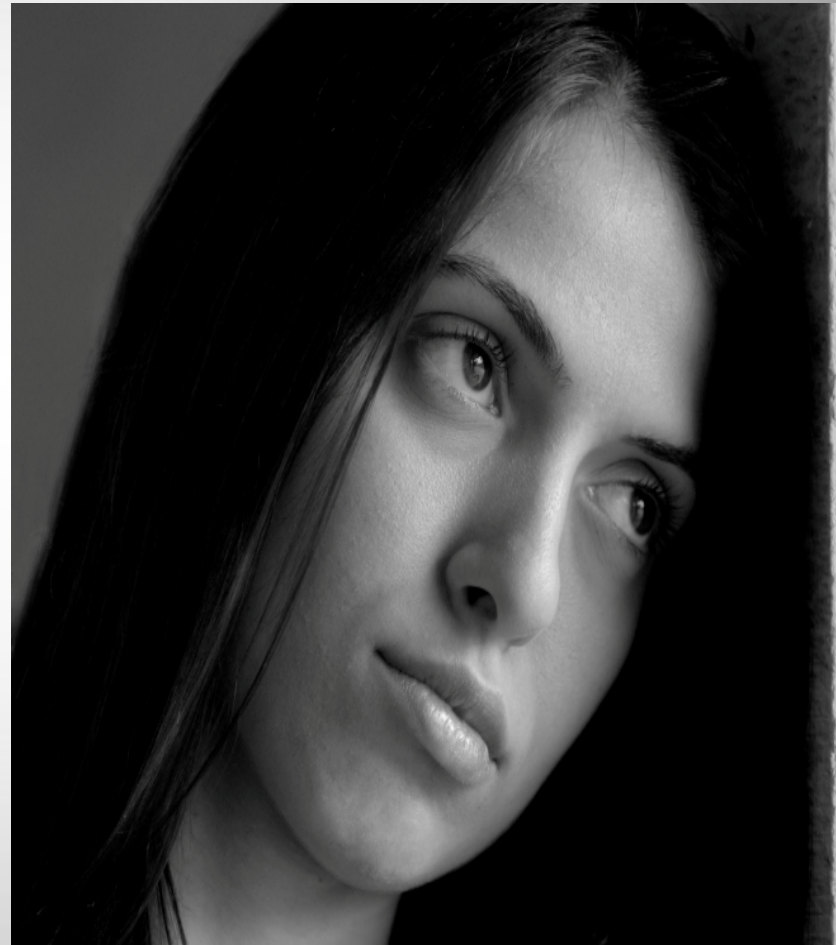
COVERED CONDITIONS

**Ischaemic
Heart Disease**



COVERED CONDITIONS

**Major
Depression**



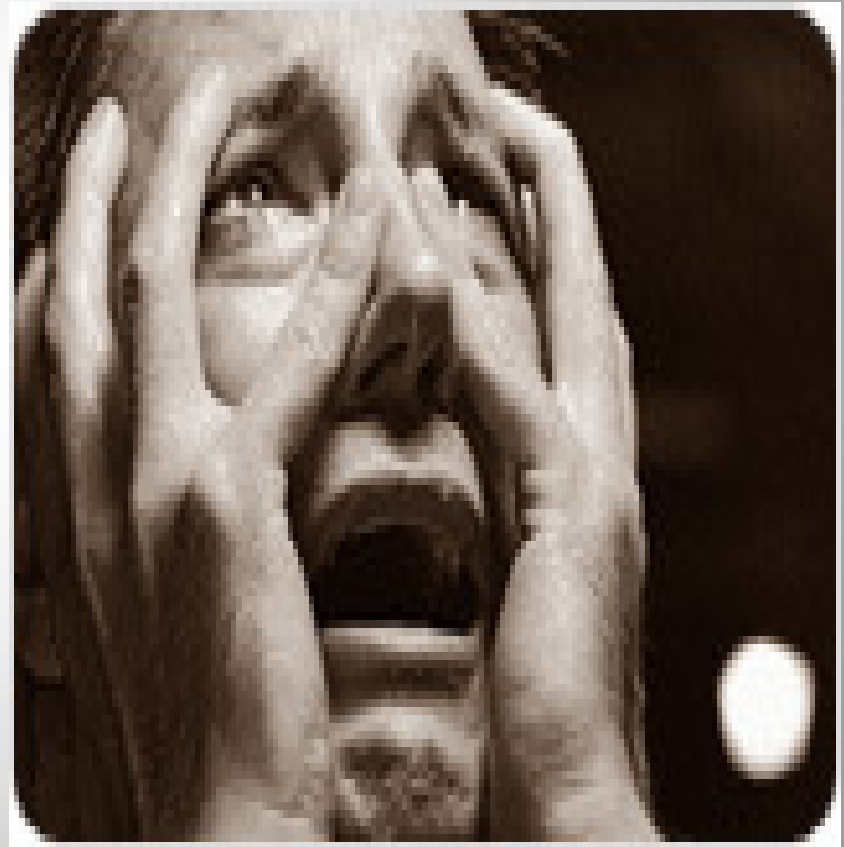
COVERED CONDITIONS

Prostate Cancer



COVERED CONDITIONS

Psychosis



COVERED CONDITIONS FOR PHASE ONE

Asthma

Arthritis

Breast Cancer

Diabetes

Glaucoma

Hypertension

High
Cholesterol

Ischaemic
Heart Disease

Major
Depression

Prostate
Cancer

Psychosis

DEFINED MEMBERSHIP

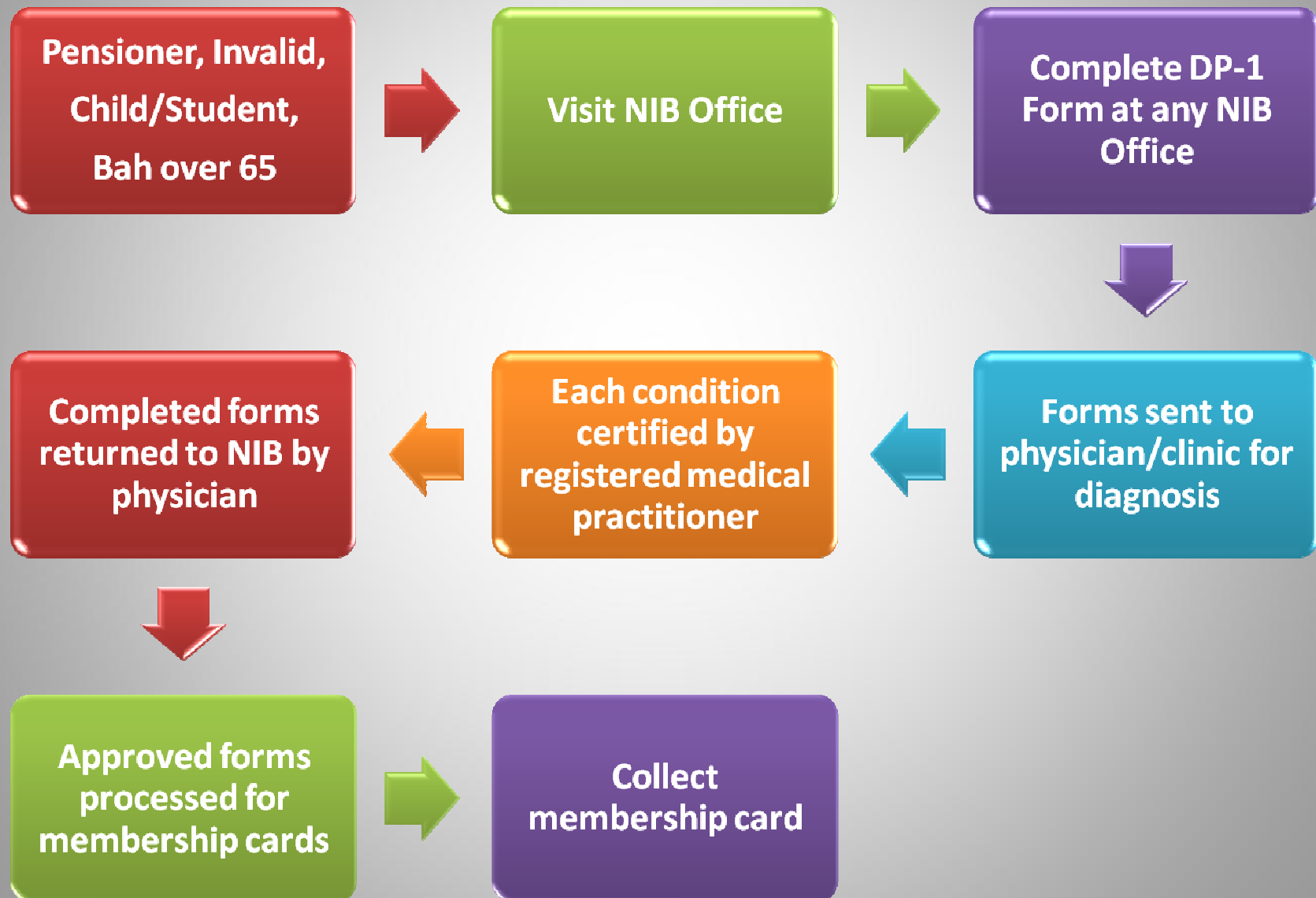
Must be

- NIB pensioner
- NIB invalid
- Bahamian citizen over 65
- child under 18 or under 25 (if full-time student)



Certified by
registered
medical
practitioner
with 1 or more
of listed
diseases

Issued with
unique drug
plan
membership
card

REGISTRATION PROCESS



NPDP MEMBERSHIP CARD

	NATIONAL PRESCRIPTION DRUG PLAN	
NIB NUMBER: XXXXXXXX		VER: 0XX
FIRST NAME: XXXXXXXX		ISLAND CODE: XXXX
SURNAME: XXXXXXXX		
DATE OF BIRTH: XX/XX/XX		GENDER: XX

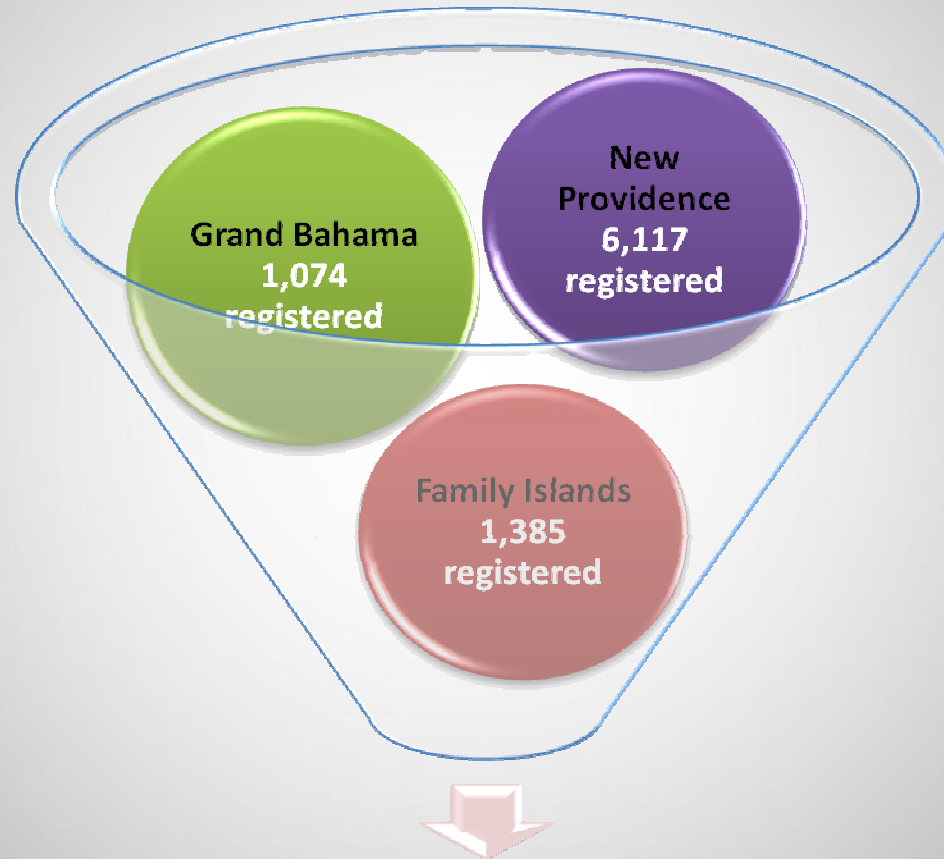
FRONT OF CARD

Signature:
<p>The cardholder is a registered member of the National Prescription Drug Plan.</p> <p>This card is the property of the National Insurance Board, Commonwealth of the Bahamas</p> <p>TEL: [242]-502-1500 Web address: www.nibdrugplan.com</p> <p>If found please return to the nearest National Insurance Board Office.</p>

BACK OF CARD

**NOTE: CARDS AVAILABLE FOR COLLECTION FROM
MID-JULY**

REGISTRATION PROGRESS



8,576 Registrants as at May 27, 2010

ADMINISTRATION

Administered by The National Insurance Board



Support from *Strategic Planning Committee*

- Assess performance and recommend action measures.

Annual and other reports to NIB Board, Minister, Parliament

BUSINESS MANAGEMENT

Computerized applications for efficient management of:

- Enrollment - Registration of members
- On-line claims adjudication (validation) and processing
- Drug stock flow monitoring and auditing
- Data on drug interaction
- Prescribing and dispensing reviews
- Detecting fraud and abuse
- Performance monitoring and assessment

BUSINESS MANAGEMENT

Emphasis on customer-centered services:

- **Help Desk for software and claims processing matters**
- **Call Center for customers (members, others)**
- **Pharmacist for pharmaceutical matters**

PHARMACIES

Public and private pharmacies are invited to participate.

Pharmacy must:

- **Have valid business license**
- **Meet requirements of Pharmacy Act**
- **Be up to date with payments to NIB**
- **Accept and sign provider contract.**

PARTICIPATING PHARMACIES



**Lowe's
Pharmacy**

**Betande
Pharmacy**

**Walk-In
Medical Clinic
Pharmacies**

**The People's
Pharmacy**

**Centreville
Pharmacy**

**Wilmac's
Pharmacy**

DRUG BENEFITS

Over 160 approved drugs and medical supplies

A monthly maximum assigned to each drug.

Some drugs to be prescribed by specific physicians.

List of drugs will be reviewed and amended.

Drugs available to public and private patients.

SPECIAL ARRANGEMENTS

Home-bound persons.

Dispensing in remote Family Islands

Dispensing in specialized treatment centers.

SUPPLY AND PURCHASE OF DRUGS

Pre-Tender

- Pharmacies send expected sales/requirements to Drug Plan for feeding into tender process.

Tender

- Drug Plan collaborates with BNDA in tender process and contracts for supplies with wholesalers-distributors.

Post-Tender

- Pharmacies make own arrangements to purchase drugs from contracted suppliers at agreed prices.
- Pharmacies send copy of orders for supplies to Drug Plan; Suppliers send copy of invoices to Drug Plan.

CLAIMS PROCESSING/IT SYSTEMS

Electronic claims processing with software, upgrades and training provided by the Plan.

Members must present card when filling prescriptions .

Swiping card activates the on-line claims adjudication system (business rules for eligibility/validity, drug supplies)

Instant Processing

Accepted claims will be logged for payment. Rejected claims will receive an explanatory statement.

Drug Plan's Customer Services, Help Desk and Pharmacist may be called as necessary.

PAYMENTS – FORMULA & TIMING

Drug Plan will pay on a cost plus mark-up basis.

Cost prices of drugs will be placed in 3 bands and percentage mark-up will vary inversely to cost (i.e. lower cost, higher percentage mark-up and vice versa).

All accepted claims for payments will be paid once per week through transfers to pharmacy bank account.

Pharmacy can request update on its claims activity to verify payments.

PAYMENT SCHEDULE & FORMULA

Band	Cost of Drug	% Mark-up	Fixed Fee
1	0 - \$5.00	45%	\$3.00
2	\$5.01 - \$25.00	35%	\$3.00
3	> \$25.00	25%	\$3.00

Mark-up Formula =
Drug Cost + (Drug Cost × %MU) + FF

COPAYMENTS & COORDINATION OF BENEFITS

In the next phase(s), provisions will be made for

- **copayments by some categories of members**
- **coordination of payments for benefits with private insurance carriers**

The IT claims processing system will provide on-line applications for managing these payments.

AUDITS

Drug Plan audits will be conducted periodically to match supplies received (invoice) with claims activity/dispensed items.

Audits will also match payments received against signed receipts for items dispensed.

**When will I get my
medication?**

AUGUST 2010

HEALTHY PEOPLE PROGRAM

Objective

- To provide grant funds to local organizations for well-designed community projects fostering healthy lifestyles and wellness



HEALTHY PEOPLE PROGRAM

Proposed Priority Project Areas

- **Diet, nutrition and obesity control**
- **Self-management training and toolkits for chronic diseases**
- **Screening for cancer, diabetes, hypertension**
- **Health education**
- **Research**



SUMMARY OF KEY POINTS

Objectives:

- Reduce costs, increase access, improve health.

Diseases covered:

- 11 Chronic conditions

Defined list of drugs and supplies

- Over 160 items

Defined membership:

- Condition certified by physician

Phase 1:

- NIB pensioners, NIB invalids, Bahamians over 65, Children/Students

Next Phase(s):

- Workers, Wards of state, Other indigents, Voluntarily insured

SUMMARY OF KEY POINTS

Providers:

- Contracted public and private pharmacies

Supply of drugs:

- Negotiated (through BNDA) with wholesalers.

Claims processing and Payments:

- On-line claims adjudication with payments based on cost-plus formula and made once per week.

Administration:

- NIB

Key efficiency measures:

- IT-driven applications; performance targets

Comparable plans:

- Jamaica, Trinidad & Tobago, Barbados

Q & A

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