

Dear Pharmacist

Changes to funding for prescribed, authorised non-formulary medicine

We will be making changes to the way we fund medicine or items not on the medicine list (formulary). These changes impact members who are on Discovery Health Medical Scheme health plans where a Chronic Drug Amount (CDA) does not apply.

Currently, where generic equivalents to the medicine list (formulary) item are available, the Scheme pays up to the Reference Price of the generic item, with no funding for therapeutic equivalents where the formulary item does not have a generic equivalent.

Following an annual review to broaden the list of medicine funded for approved Prescribed Minimum Benefit (PMB) conditions, this reference price is changing as of 3 April 2023. Medicine or items that are not on the medicine list (formulary), including those that do not have a generic equivalent available, will be funded up to the Reference Price. Members who are impacted by these changes will receive communication outlining the steps they should take.

Important information for you to know

- The change will come into effect on **3 April 2023**.
- Funding for non-formulary medicine or items will no longer be limited only to generics of the formulary medicine. Funding will apply to all medicine or items clinically appropriate to treat the condition, including *therapeutic equivalents*.
- This change provides greater choice to prescribers and members. The member must get a chronic authorisation for the non-formulary medicine or item through the normal application process.
- Non-formulary medicine or items will be funded up to a defined rand amount. Depending on the chosen (generic) brand, members may have to make a co-payment.
- These amounts will be communicated to members to allow them to make informed choices regarding the funding for their treatment.
- This change will apply to all Chronic Illness Benefit and HIV medicine as well as medicine included for acute Prescribed Minimum Benefit treatment. It will also apply to oncology medicine items later on (this change will be communicated to you at the time).
- Formulary items will continue to be funded in full.

- On the Discovery Health Medical Scheme Executive, Comprehensive, Priority, Saver and Core plans, non-formulary items are funded up to the Chronic Drug Amount (CDA). There will be no changes to how non-formulary medicine is funded on these plans.

Support Discovery Health Medical Scheme members

We hope you feel empowered to assist members with product selection to limit or avoid co-payments, where appropriate. You will recognise these claim lines flagged as:

Pharmacy	1569: Paid up to Therapeutic Reference Price.
Member statement message	This medicine is not on the formulary. We will pay for it up to the monthly Therapeutic Reference Price

If you would like any additional information on funding for supportive medicine, please email us at healthpartners@discovery.co.za.

Regards



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