Chronic ‘Condition-Basket’ Authorisations and Therapeutic Reference Pricing (TRP)

With reference to Circular DR007/2012 dated 5 July 2012, and Circular DR011/2012 dated 7 November 2012 please note that from 7 May 2013, Bankmed will implement chronic ‘condition-basket’ authorisations and therapeutic reference pricing to products used for additional registered chronic conditions (see below) as the third phase of the implementation.

Medicine Basket Authorisations

When a chronic condition is registered, a basket of medicines appropriate to the condition will be authorised. A registered member has access to these medicines without requiring any further authorisation. Please note that access to products in the basket is limited as follows:

- The quantity of a product in the basket is limited to the most commonly prescribed monthly therapeutic dose of the medication. If higher quantities are required, then pre-authorisation is required.
- The basket is subject to reference pricing. A reference price refers to the maximum price that Bankmed Medical Scheme will fund for a drug. Therapeutic reference pricing and generic reference pricing (MMAP®) will apply. Please see below for details.
- Duplication of medicine e.g. claiming 2 or more products from the same therapeutic class will not be allowed unless pre-authorised.

Should a medication not be available in the basket or a medication requires motivation, pre-authorisation and motivation will then be required for that specific product.

Therapeutic Reference Pricing

Therapeutic reference pricing applies to drugs that are in the same drug class or have a similar therapeutic action on the body. It is not limited to drugs with generic equivalents.

- If the cost of the prescribed drug is higher than the applicable therapeutic reference price, the member can obtain the prescribed medicine but will need to pay the difference between the cost of the drug and reference price at the point of dispensing.
- Alternatively the member can ask the prescribing doctor to consider a therapeutic alternate that is below reference price.
- Should a member require a medicine above the Reference Price because of valid, demonstrated clinical reasons, it is possible to discuss this with the managed care team at the scheme and a special authorisation can be created to lift the Reference Price Surcharge.

It is important to note that there are always drugs available that are below the reference price for a therapeutic class (drugs with similar ingredients).

Implementation

Phase 3 of Therapeutic Reference Pricing will be implemented from 7 May 2013 on new authorizations only for the following additional conditions:
- Addison’s Disease
- Asthma
- Bipolar Affective Mood Disorder
- Bronchiectasis
- Chronic Obstructive Pulmonary Disorders (COPD)
- Crohn’s Disease
- Diabetes Insipidus
- Epilepsy
Please note that MMAP (generic reference pricing) will continue to apply.

For further information:
- Medication allowed from the chronic condition-basket: Available on the Bankmed website at www.bankmed.co.za. Alternatively, contact the Pharmacist-On-Line call centre on 0861 888 100 to discuss available treatments within the chronic condition-basket.
- To determine the value that the Scheme will reimburse and whether a co-payment applies to a drug in the chronic condition-basket: Available at:
  - Categories to which MMAP applies and the limits applicable: Available on the MediKredit website at www.medikredit.co.za

The following table lists the Bankmed options to which therapeutic reference pricing will apply.

<table>
<thead>
<tr>
<th>SCHEME/PLAN/OPTION NAME</th>
<th>OPTION CODE</th>
<th>LEVY/SURCHARGE</th>
<th>MMAP*</th>
<th>TRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>BANKMED COMPREHENSIVE CHRONIC</td>
<td>BKGDC 641416</td>
<td>Check HealthNet ST Response</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>BANKMED CORE SAVER CHRONIC</td>
<td></td>
<td>Check HealthNet ST Response</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>BANKMED PLUS CHRONIC</td>
<td></td>
<td>Check HealthNet ST Response</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>BANKMED TRADITIONAL CHRONIC</td>
<td></td>
<td>Check HealthNet ST Response</td>
<td>Yes</td>
<td>Yes</td>
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