

Notice: Proposed Amendments to Ontario Regulation 201/96 made under the Ontario Drug Benefit Act to Extend Reconciliation Adjustment to Pharmacy Payments

February 28, 2023

The Ministry of Health (ministry) is proposing amendments to Ontario Regulation 201/96 under the *Ontario Drug Benefit Act* that, if approved, would extend, on a time-limited basis, the current reconciliation adjustment to pharmacy payments under the Ontario Drug Benefit (ODB) Program.

The current reconciliation adjustment was put in place effective January 1, 2020, following a public posting of a proposal on the Regulatory Registry available [here](#).

This reconciliation adjustment was initially planned for the period of January 1, 2020 to March 31, 2023.

The purpose of this time-limited extension is to ensure the continued financial sustainability of the Program, and cooperation on necessary sector innovations and improvements are advanced. This extension is in parallel with recently implemented expansions to pharmacy scope of practice, including new abilities for pharmacists to prescribe medication for common ailments. As part of this consultation, the Ministry is interested in better understanding unique challenges faced by rural and independent pharmacies, and what can be done to overcome these challenges and support their growth and success.

No changes would be made to the method of calculating the reconciliation adjustment. The reconciliation adjustment would continue to reduce an amount from the biweekly payments made to pharmacies under the ODB Program. The amount reduced is a percentage of the sum of the dispensing fee and mark-up paid to pharmacies based on the cost of the drug dispensed, as follows:

- Up to 16% for drug costs equal to or over \$1,000; and

- Up to 4% for drug cost under \$1,000.

The reconciliation percentages listed above are maximums that would be allowed under the regulation. The reconciliation adjustment would not apply to professional services, compounding fees, drug costs, co-payments or payments for pharmacy services provided to long-term care home residents.

Regulatory Registry Posting

A summary and draft of the proposed amendments to the regulation for the reconciliation adjustment are available on the Regulatory Registry website at:

[Pharmacy Reconciliation Adjustment Extension \(ontariocanada.com\)](https://www.ontariocanada.com/Pharmacy-Reconciliation-Adjustment-Extension)

The final content of any regulatory amendments described in this notice are at the discretion of the Lieutenant Governor in Council (“LGIC”) who may make the regulatory amendments with any changes that the LGIC considers appropriate.

The government is committed to embedding a focus on efficiencies into future multi-year planning processes and into the culture of the Ontario Public Service more broadly. To that end, the government will undertake program evaluations on a permanent and ongoing basis to ensure government services are meeting people’s needs and to identify ways to modernize programs and save money.

Interested parties are invited to provide written comments on the proposed changes to the regulation as part of the review. The ministry will consider comments received on or before **March 29, 2023 at midnight EST**. Please be advised that submissions received after this date may not be considered.

Please submit your written comments to:

Health Programs and Delivery Division
Ministry of Health
5700 Yonge Street, 3rd Floor
Toronto ON
M2M 4K5
Fax: 416-325-6647

E-mail: PublicDrugPgrms.moh@ontario.ca

Statement about Comments

Unless requested and otherwise agreed to by the ministry, all materials or comments received from organizations in response to the notice will be considered public information and may be used and disclosed by the ministry as part of its review. The ministry may disclose materials or comments, or summaries of them, to other interested parties during and after the comment period.

An individual who makes a submission and who indicates an affiliation with an organization in his or her submission will be considered to have made his or her submission on behalf of the affiliated organization. The ministry will not disclose any personal information contained in a submission of an individual who does not specify an organizational affiliation in his or her submission without the individual's consent unless required by law. However, the ministry may use and disclose the content of the individual's submission to assist the ministry in its review.

If you have any questions about the collection of this information, you can contact the ministry's Freedom of Information and Privacy Coordinator at (416) 327-7040.