



# PHARMACY AND MEDICAL SUPPLIES AND EQUIPMENT BENEFIT NON-INSURED HEALTH BENEFITS

## Policy Framework

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The Non-Insured Health Benefits Program provides supplementary health benefits, including Pharmacy and Medical Supplies and Equipment benefits, to registered First Nations and recognized Inuit throughout Canada.

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**NON-INSURED HEALTH BENEFITS (NIHB) PROGRAM**

First Nations and Inuit Health Branch  
Health Canada

**PHARMACY AND MEDICAL SUPPLIES AND  
EQUIPMENT BENEFITS  
Policy Framework**

Ce document est aussi offert en français sous le titre :

**PRESTATIONS PHARMACEUTIQUES, ÉQUIPEMENT MÉDICAL ET  
FOURNITURES MÉDICALES – CADRE DE TRAVAIL**

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**PHARMACY AND MEDICAL SUPPLIES AND EQUIPMENT BENEFIT  
NON-INSURED HEALTH BENEFITS PROGRAM**

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*The purpose of this document is to explain the overarching policies that guide the administration of the pharmacy and medical supplies and equipment benefits under the Non-Insured Health Benefits Program of Health Canada’s First Nations and Inuit Health Branch (FNIHB).*

*This policy framework is intended to provide stakeholders, providers and clients with a broad overview of the parameters of the NIHB Program policies as they relate specifically to the pharmacy and medical supplies and equipment (MS&E) benefit area.*

## **1.0 THE NON-INSURED HEALTH BENEFITS PROGRAM**

### **1.1 Overview**

The *Canada Health Act* requires that provinces and territories provide coverage for “insured services” (medically necessary hospital and physician services) to all eligible residents including First Nations and Inuit. Individuals may have access to other health-related goods and services through other publicly-funded programs or through private insurance plans.

The Non-Insured Health Benefits Program is a national program that provides coverage to registered First Nations and recognized Inuit for a limited range of medically necessary health-related goods and services to which these individuals are not entitled through other plans and programs.

### **1.2 Program Objectives and Principles**

The objectives of the NIHB Program are to provide benefits to registered First Nations and recognized Inuit in a manner that:

- is suitable to their unique health needs;
- helps eligible First Nations and Inuit to reach an overall health status that is comparable to other Canadians;
- is cost-effective; and
- will maintain and improve health, prevent disease and assist in detecting and managing illnesses, injuries, or disabilities.

The NIHB Program operates according to a number of guiding principles:

- All registered First Nations and recognized Inuit who are normally residents of Canada, and not otherwise covered under a separate agreement with federal, provincial or territorial governments, are eligible for Non-Insured Health Benefits, regardless of location in Canada or income level.
- Benefits are based on the judgment of recognized medical professionals, consistent with the best practices of health services delivery and evidence-based standards of care.
- There is national consistency of mandatory benefits, equitable access and portability of benefits and services.
- The Program is to be managed in a sustainable and cost-effective manner.

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- Management processes will involve transparency and joint review structures whenever agreed to with First Nations and Inuit organizations.
- In cases where a benefit is covered under another health care plan, the NIHB Program will act to coordinate payment in order to help ensure that the other plan meets its obligations and that clients are not denied service.

### **1.3 Client Eligibility**

To be eligible for NIHB Program benefits from Health Canada, a person must be a Canadian resident and have the following status:

- is a registered Indian according to the *Indian Act*; or
- an Inuk recognized by one of the following Inuit Land Claim organizations - Nunavut Tunngavik Incorporated, Inuvialuit Regional Corporation or Makivik Corporation. For an Inuk residing outside of their land claim settlement area, a letter of recognition from one of the Inuit land claim organizations and a birth certificate are required; or
- an infant, less than age one, whose parent is an eligible client; and
- is currently registered or eligible for registration, under a provincial or territorial health insurance plan; and
- is not otherwise covered under a separate agreement (e.g. a self-government agreement such as the Nisga'a and Nunatsiavut agreements) with federal, provincial or territorial governments.

### **1.4 Coordination of Benefits**

Clients are required to access any public or private health or provincial/territorial programs for which they are eligible prior to accessing Non-Insured Health Benefits.

When an NIHB-eligible client is also covered by another public or private health care plan, claims must be submitted to the client's other health care/benefits plan first. The NIHB Program will then coordinate payment with the other payer on eligible benefits.

### **1.5 NIHB Program Client Reimbursement**

Service providers are encouraged to bill the NIHB Program directly so that clients do not face charges at the point of service when receiving health care goods or services.

When a client does pay directly for goods or services, he or she may seek reimbursement from the NIHB Program within one year from the date of service or date of purchase. In order to be reimbursed, the service or the item must be an eligible benefit under the NIHB Program.

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All requests for reimbursement of eligible benefits must include a completed NIHB Client Reimbursement Form, original receipts and a copy of the prescription.

Additional information on the NIHB Program client reimbursement process can be obtained from the nearest Health Canada regional office or found on the Health Canada website under the Benefits Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

## **1.6 NIHB Program Appeal Process**

NIHB-eligible clients have the right to appeal the denial of an NIHB benefit with the exception of items that are insured services or identified as exclusions. Appeals must be initiated and submitted in writing by the client, their legal guardian or representative (e.g. a physician, MS&E provider, authorized by the client or legal guardian). At each stage of the appeal process, supporting information/documentation from a health care provider(s) must also be provided to justify the grounds on which the appeal is based. If an appeal is denied, the reason for the denial will be provided to the client in a timely manner.

Additional information on the NIHB Program appeals process can be obtained from a Health Canada regional office or found on the Health Canada website under Benefits Information, Procedures For Appeals section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

## **1.7 NIHB Provider Audit Program**

Audit activities are conducted as part of the NIHB Program's need to comply with accountability requirements for the use of public funds and to ensure provider compliance with the terms and conditions of the Program, the NIHB Benefit Policy Frameworks and the NIHB Provider Guide provided to pharmacy and MS&E providers, along with other relevant documents.

The objectives of the NIHB Provider Audit Program are to:

- prevent and detect inappropriate billing practices;
- detect billing irregularities;
- validate active licensure of registered providers;
- ensure that services paid for were received by eligible NIHB Program clients; and
- ensure that providers have retained appropriate documentation to support submitted claims.

Audit activities are administrative in nature and based on accepted industry practices. Claims not meeting the billing requirements of the NIHB Program are subject to audit recovery.

## 1.8 Privacy

Health Canada's Non-Insured Health Benefits Program is committed to protecting clients' privacy and safeguarding the personal information in its possession. When a benefit request is received, the NIHB Program collects, uses, discloses and retains an individual's personal information according to the applicable federal privacy legislation. The information collected is limited to only that information required for the NIHB Program to administer and verify benefits.

As a program of the federal government, the NIHB Program must comply with the *Privacy Act*, the *Canadian Charter of Rights and Freedoms*, the *Access to Information Act*, the Treasury Board of Canada Privacy and Data Protection Policies, the Government Security Policy, and Health Canada's Security Policy.



## 2.0 PHARMACY BENEFITS

### 2.1 Objective

The objective of the pharmacy benefit is to provide eligible clients with access to pharmacy benefits and services in a fair, equitable and cost-effective manner that will:

- contribute to improving the overall health status of First Nation and Inuit clients, recognizing their individual health needs and the context of health service delivery; and
- provide coverage for a range of drug benefits and services based on professional judgment, consistent with the current best practices of health services delivery and evidence-based standards of care.

### 2.2 Client Safety

To help ensure that NIHB clients use prescription and other drug benefits in an appropriate and safe way, the NIHB Program has developed various mechanisms to guide the Program in identifying potential cases of drug misuse as well as to promote optimal drug use. These practices include:

- Rejection messages that are electronically generated and sent to pharmacists regarding potential severe drug-to-drug interactions and refilling repeat prescriptions too soon;
- Rejection messages that warn pharmacists of inappropriate client drug therapy based on their prescription history;
- Client and Program level trend analysis of prescription drug use that is conducted regularly; and
- An external expert advisory committee that provides input into evaluations and recommendations for improvements to the Program.

More information is available in the NIHB *Report on Client Safety*, published on an annual basis and available on the Health Canada website ([www.healthcanada.gc.ca/nihb-publications](http://www.healthcanada.gc.ca/nihb-publications)).

## **2.3 Pharmacy Benefits Coverage**

NIHB pharmacy benefits consist of items on the NIHB Drug Benefit List (DBL) when prescribed by an NIHB-recognized prescriber. The NIHB Drug Benefit List includes specific eligible items in the following categories:

- drug delivery devices, required to administer medications covered by the NIHB Program for certain conditions, when the drug delivery devices are integral to the drug product;
- extemporaneous mixtures / compounded prescriptions;
- injectable drugs, including injectable allergy serums;
- over-the-counter medications;
- prescription drugs;
- recognized non-oral contraceptive devices;
- special formularies for chronic renal failure and palliative care patients; and
- therapeutic vitamins and minerals.

## **2.4 Pharmacy Benefit Prescribers**

Pharmacy benefits must be prescribed by an NIHB-recognized prescriber, licensed and authorized to prescribe within their professional scope of practice in their province or territory. Scope of practice is determined by provincial/territorial regulatory bodies.

## **2.5 Pharmacy Benefit Providers**

Pharmacy benefits must be provided by an NIHB-recognized provider in accordance with the policies and procedures set out in the current NIHB Provider Guide given to pharmacy providers.

## **2.6 Accessing Benefits**

NIHB-eligible clients must obtain a prescription from an NIHB-recognized licensed prescriber.

Clients must bring the prescription to either:

- a pharmacy, or
- a nursing station or health centre, which may arrange to have the prescription sent to a local pharmacy.

In some cases, the pharmacist may be required to obtain prior approval from the NIHB Drug Exception Centre before filling the prescription.

Clients are encouraged to:

- inform the pharmacist/NIHB-recognized licensed prescriber if they have coverage under any other plan;
- inform the pharmacist/NIHB-recognized licensed prescriber that they are eligible to receive benefits under the NIHB Program;
- self-identify by providing their nine or ten-digit identification number (treaty/status, 'N' or 'B' number), band name and family number or other health care number; and
- talk to the pharmacist about medication prescribed and how to take it.

## **2.7 Types of Pharmacy Benefits**

A complete list of pharmacy benefits can be found in the NIHB Provider Guide provided to pharmacy providers and on the Health Canada website in the NIHB Health Provider Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

### **Open Benefits**

Open benefits are items listed on the NIHB Drug Benefit List that do not have established criteria or prior approval requirements.

### **Limited Use**

Limited use drugs are those which have been found to be effective in specific circumstances, or which have quantity or frequency limitations. For drugs in this category, prior approval must be given and specific criteria must be met to be eligible for coverage.

### **Exceptions**

Exceptions are items not listed as benefits on the NIHB Drug Benefit List and not exclusions under the NIHB Program. Requests may be considered on a case-by-case basis with written medical justification. The pharmacist should contact the NIHB Drug Exception Centre (DEC) to initiate the exception process at: Telephone: (Toll Free) 1-800-580-0950 or Fax: 1-800-281-5021 and obtain prior approval.

### **Exclusions**

Exclusions are items not listed as benefits on the NIHB Drug Benefit List and are not available through the exception process (eg. household products, cosmetics, hair growth stimulants and megavitamins). These items, therefore, are not considered for coverage under the NIHB Program. Exclusion items cannot be appealed. A complete list of pharmacy benefits exclusions can be found on the Health Canada website in the NIHB Health Provider Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

## **2.8 The NIHB Drug Review Process**

The NIHB Program, like other publicly-funded drug plans, makes listing decisions based on the recommendations of evidence-based review processes and other specific relevant factors, such as the Program's mandate and the specific circumstances of NIHB clients.

The NIHB Program participates in these evidence-based review processes in order to consider current medical and scientific knowledge, current clinical practice, health care delivery and specific client health needs. The Program makes decisions based on this expert advice with the goal of maintaining a comprehensive list of cost-effective drugs which will allow practitioners to prescribe an appropriate course of therapy for NIHB clients.

### **Canadian Expert Drug Advisory Committee (CEDAC):**

The NIHB Program is a member of the Federal/Provincial/Territorial (F/P/T) Common Drug Review (CDR) process, which reviews new chemical entities, existing drug products with a new indication and new combination drug products on the Canadian market on behalf of all F/P/T public drug plans (with the exception of Quebec).

Drug submissions for new chemical entities, existing drug products with a new indication and new combination drug products must be sent to the Canadian Agency for Drugs and Technologies in Health (CADTH). Clinical and pharmacoeconomic reviews are coordinated by the CDR Directorate and forwarded to the Canadian Expert Drug Advisory Committee (CEDAC) for recommendations on formulary listings. These recommendations are forwarded to participating drug plans, including the NIHB Program, for consideration.

### **Federal Pharmacy and Therapeutics Committee (FP&T)**

Modifications to existing drug products on the Drug Benefit List and Therapeutic drug class reviews are referred to the Federal Pharmacy and Therapeutics (FP&T) Committee, an advisory body of health professionals established by federal drug plans to provide evidence-based pharmacy and medical advice to participating federal departments. The FP&T Committee then makes recommendations on potential modifications to formulary listings to the NIHB Program and other participating federal drug plans.

### **Line extensions and Generics:**

Line extension drug products (i.e. a new dosage for the same drug) and generic drug products, are reviewed internally by NIHB health professionals. Line extension and generic drug products are considered for inclusion on the NIHB formulary based on therapeutic need, cost and provincial/territorial interchangeability.

### **3.0 NIHB PHARMACY PUBLICATIONS**

The NIHB Program maintains a broad list of pharmacy publications ranging from the Drug Benefit List, to an NIHB Provider Guide provided to pharmacy providers, to various information bulletins. For copies of NIHB pharmacy publications please consult the Health Canada website ([www.healthcanada.gc.ca/nihb-publications](http://www.healthcanada.gc.ca/nihb-publications)).

## **4.0 MEDICAL SUPPLIES AND EQUIPMENT BENEFITS**

### **Objective**

The objective of medical supplies and equipment (MS&E) benefit is to provide NIHB-eligible clients with access to MS&E goods and services in a fair, equitable and cost-effective manner that will:

- contribute to improving the overall health status of First Nation and Inuit clients recognizing their individual health needs and the context of health service delivery; and
- provide coverage for a range of MS&E benefits and services based on professional judgment, consistent with the current best practices of health services delivery and evidence-based standards of care.

### **4.1 Medical Supplies and Equipment Benefit Coverage**

The NIHB MS&E benefits are set out in the MS&E Benefit List and include specific eligible items in the following categories:

- audiology equipment (e.g. hearing aids);
- medical equipment (e.g. wheelchairs and walkers);
- medical supplies (e.g. bandages and dressings);
- orthotics and custom footwear;
- oxygen and respiratory supplies and equipment;
- pressure garments; and
- prosthetics.

Further details can be found in the NIHB Provider Guide available for MS&E providers.

## **4.2 Medical Supplies and Equipment Prescribers**

MS&E benefits must be prescribed by an NIHB-recognized prescriber. A list of recognized prescriber categories can be found on the Health Canada website in the NIHB Health Provider Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

## **4.3 Medical Supplies and Equipment Providers**

MS&E benefits must be provided/dispensed by an NIHB-recognized provider. A list of recognized provider categories can be found on the Health Canada website in the NIHB Health Provider Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

## **4.4 Accessing Medical Supplies and Equipment Benefits**

The NIHB Program provides a limited range of medically necessary health-related goods and services to eligible clients. The client obtains a prescription from an NIHB-recognized prescriber. The client submits the prescription to an NIHB-recognized provider.

In most cases the provider will have to obtain prior approval from a Health Canada regional office before providing the prescribed item.

Clients are encouraged to:

- inform the MS&E provider if they have coverage under any other plan;
- self-identify by providing their nine or ten-digit identification number (treaty/status, 'N' or 'B' number), band name and family number or other health care number;
- contact a Health Canada regional office or a local First Nation Health Authority and Inuit organizations if the equipment (e.g. wheelchair, walker) is no longer required to find out if it can be recycled.

## 4.5 Types of Medical Supplies and Equipment Benefits

A complete list of MS&E benefits can be found in the NIHB Provider Guide provided to MS&E providers and on the Health Canada website in the NIHB Health Provider Information section ([www.healthcanada.gc.ca/nihb](http://www.healthcanada.gc.ca/nihb)).

### Open Benefits

These are items listed on the MS&E Benefit List and do not require prior approval; they may, however, have quantity limitations. Requests for items beyond the established quantity limitations require prior approval with medical justification.

### Prior Approval Items

These are items that must be approved by the NIHB regional office before they are dispensed by an NIHB provider. These NIHB benefits have specific criteria and require medical justification in addition to a prescription.

### Exceptions

Exceptions are items not listed as benefits on the NIHB MS&E Benefit List and are not on the exclusion list. They may be considered on a case-by-case basis with written medical justification from an NIHB-recognized prescriber or health professional. The client or provider should contact the Health Canada regional office to initiate the exception process.

### Exclusions

Exclusions are listed in the exclusion list in the NIHB Provider Guide for MS&E providers and are not subject to the exception process. Items such as, but not limited to, those used exclusively for sports, work or education, items for cosmetic purposes, and experimental equipment, treatment and therapies are not considered for coverage under the NIHB Program and are not subject to the NIHB Program appeal process.



## **5.0 NIHB MEDICAL SUPPLIES AND EQUIPMENT PUBLICATIONS**

For additional information on NIHB MS&E benefits, please consult the Publications section of the Health Canada website ([www.healthcanada.gc.ca/nihb-publications](http://www.healthcanada.gc.ca/nihb-publications)).





