# **Preferred provider pharmacies**

#### **General information**

Imperial Motus Med implemented preferred provider pharmacies since 1 January 2018.

### **Background**

To manage the escalation in the cost of chronic medication for the Scheme, preferred provider pharmacies were identified and the Scheme wishes to encourage the use of the preferred provider pharmacies by our members.

#### **Preferred provider pharmacies**

Imperial Motus Med, together with its managed care provider (Momentum Health Solutions), identified and contracted preferred provider pharmacies – currently approximately **1 849 pharmacies** – who have agreed to charge an agreed-upon dispensing fee. Any pharmacy that is not yet part of the group of preferred provider pharmacies can choose to participate. You can therefore request your pharmacy to contact Momentum Health Solutions in order to be included in the group of preferred provider pharmacies.

#### Important member notes

- 1. Imperial Motus Med pays medicine according to the Mediscor reference price (MRP). Some medicines are priced in excess of the MRP, which could result in a co-payment.
- The Scheme's standard dispensing fee is 27% on the single exit price per item with a maximum of R27 (excluding VAT) per item.

## Co-payments

It is important to note that you have freedom of choice in terms of where to obtain chronic medicine and that you could also have co-payments should you make use of a preferred provider pharmacy. However, generally your exposure to co-payments is likely to be higher if you make use of a non-preferred provider pharmacy. The Scheme therefore encourages you to make use of a preferred provider pharmacy where possible for chronic medication.

Co-payments may apply in the following instances:

- a) If you choose to use a more expensive generic or original, brand-name medication, you will be liable for the difference between the MRP and your chosen item.
- b) If you voluntarily use medication that is not on the Scheme's medicine formulary, you will be liable for a 25% co-payment.
- c) When you use a non-preferred pharmacy, you will be liable for the difference between the pharmacy's dispensing fee and the Scheme's standard dispensing fee of **27%/R27**.

# **Contractual arrangement**

The contractual arrangement with the preferred provider pharmacies is designed to incentivise the pharmacies to dispense cost-effective, generic substitutions and could create significant savings for the Scheme and its members.