Nova Scotia Prescription Monitoring Program

Business Plan 2013/14

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Prescription Monitoring Program
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History and Background

The Prescription Monitoring Association of Nova Scotia (PMANS) was incorporated in October 1991. In January 1992 the PMANS began operating a prescription monitoring program to monitor the prescribing and dispensing of specific narcotic and controlled drugs in Nova Scotia with the objective of curbing the overuse, misuse and diversion of these substances. Policy guidelines were established to give the program the ability to monitor the specific narcotic and controlled drugs through the use of a triplicate prescription pad. Pharmacists were required through legislation to dispense these drugs only when they were prescribed on a triplicate prescription pad.

Although PMANS was a voluntary association, it played a vital role in identifying the need to establish a legislative framework to support the operations of a prescription monitoring program. Consequently, *The Prescription Monitoring Act* was approved in October 2004 and subsequently proclaimed along with the Prescription Monitoring Regulations in June 2005. A Prescription Monitoring Board was appointed with the legislated mandate to establish and operate a prescription monitoring program for Nova Scotia. The objects of the Nova Scotia Prescription Monitoring Program (NSPMP) are to promote:

- the appropriate use of monitored drugs; and
- the reduction of abuse or misuse of monitored drugs.

Under the authority of *The Prescription Monitoring Act*, Medavie Blue Cross was appointed as the Administrator of the NSPMP.

In conjunction with the new legislation, the Administrator implemented an on-line system to receive prescription information for the specified list of monitored drugs. This information had historically been compiled using the part of the triplicate prescription pad which pharmacies were required to send into the program. By the end of 2007, all community pharmacies were submitting this information via the on-line system.

With the reduction in manual data entry work, the staff of the NSPMP became increasingly involved in customer service-oriented tasks and analytical processes. The services offered through the NSPMP were expanded and efforts to engage various stakeholders were initiated.

From 2009 through 2012, the NSPMP has continued to see growth in prescription volume, stakeholder usage/communication and media coverage related to increased public attention regarding prescription drug abuse and diversion. In April 2012, the NSPMP launched 24 hour e-Access for prescribers and dispensers of monitored drugs in response to stakeholder requirements for access to patient information during off-peak hours. Communication regarding law enforcement 'Notification of Charges', based on charges related to the

misuse and diversion of monitored drugs, is now provided to relevant prescribers and dispensers. In addition, the Office of the Auditor General of Nova Scotia completed an audit of NSPMP operations in May 2012.

Key considerations in forming the 2013/14 NSPMP Business Plan include recommended operational adjustments in accordance with the 2012 Auditor General's report, the review of the Drug Utilization Review committee and associated programming, the integration of data management processes with the Nova Scotia Drug Information System and continued development and implementation of a stakeholder communications plan.

Introduction

The development, approval, implementation and ongoing evaluation of an annual business plan are essential for the continued growth and success of the NSPMP. The Business Plan identifies the Prescription Monitoring Board's current and planned strategic business objectives in support of its mandate. The Business Plan is developed in collaboration with the Nova Scotia Department of Health and Wellness and the Administrator. The Business Plan draws from various documents and is intended to:

1. Track the progress of ongoing operational/strategic initiatives;
2. Document strategic initiatives planned for the upcoming year;
3. Provide the Program cost projections, based on estimates of operational costs; and
4. Provide estimated costs associated with strategic initiatives which require funding.

Within the Business Plan document, the previous year's outcomes will be reviewed, as well as the planned objectives for the upcoming fiscal period. The final sections of the Business Plan will provide information on the financial structure and cost projections associated with operational costs and costs associated with strategic initiatives.

Business Planning

Third Year of Strategic Planning Cycle (2010/2013)

Year-to-Date Outcomes (2012/13)

The following table documents the status of the operational and strategic outcomes established for the third year of the NSPMP Strategic Plan. The strategic planning cycle runs from April 2010 to March 2013 therefore the status reflected below represents year-to-date accomplishments:

Area	Year Three Outcomes (2012/13)	Status			Comments
		Complete	In Progress	Outstanding	
Reputation /Brand	• Re-survey prescribers and dispensers to determine their perceptions of the Program. • Consider options for communicating the value of the Program to the public		**X**	**X**	On hold as requested by Board due to Program staff workload with the DIS project and the AG Action Plan / Recommendations. Communications Plan is in draft format. Program is continuing to liaise with stakeholder groups within resource capacity.
Financial	• Board to begin developing a plan for the budgeting process when the current Medavie contract expires in 2015.	**X**			Administrator contract extended to 2017. Board to clarify role in financial management within the 2013-16 Strategic Plan

Area	Year Three Outcomes (2012/13)	Status			Comments
		Complete	In Progress	Outstanding	
Business Process Excellence	• Board to revisit Program governance in conjunction with the plan for a new administrative service contract.	**X**			Administrator contract extended to 2017. Board to clarify role in financial management within the 2013-16 Strategic Plan
Programs and Services	• Investigate options for the Program to actively promote its own education and research agendas.	**X**			Communication and promotional activities had been reduced over the past 8 months in order to accommodate the business area's workload as a result of e-Access and the Office of the Auditor General's Audit. Presentations to various stakeholder groups have returned to a pre-audit frequency.

Human Resources and Infra-structure	• Board to begin developing a plan for the division of functions between staff and Administrator when the current Medavie contract expires in 2015.	**X**			Administrator contract, including human resources and infrastructure funding, extended to 2017.
Stakeholder Relations	• Survey key stakeholders to determine their perceptions of the Program.			**X**	On hold as requested by Board due to Program staff workload with the DIS project and the AG Action Plan / Recommendations. Consideration for inclusion in 2013/14 Business Plan

Comments on the Year-to-Date Status of the Year Three Outcomes

The Program has made significant progress on many of the strategic initiatives to date. The preparation for the implementation of a provincial Drug Information System, the support and response to the Office of the Auditor General's Report and the launch of e-Access for prescribers and pharmacists represent three important initiatives which were significant focus areas in 2012/13 that were not reflected in the original development of the Business Plan.

First Year of the Strategic Planning Cycle (2013/2016)

Year 1 Planned Outcomes (2013/14)

The following table documents planned outcomes for the operational and strategic initiatives established for the first year of the strategic planning cycle. The identified activities and initiatives needed to achieve these outcomes are also noted.

Area	Year One Outcomes (2013/14)	Activities/Initiatives
Reputation/Brand	• Finalize communications plan with targeted activities including key messaging and community outreach. • Complete annual stakeholder survey and evaluation through an external service provider for efficiency and improved analytics.	• Revise current plan to prioritize target audiences, key messages and consider any additional resources for implementation (i.e. external support). • Consider external survey providers to support efficient administration and assessment of results. • Assess results of survey and determine next steps based on results.
Financial	• On an ongoing basis, the Board will provide input regarding current program resources and make recommendations regarding any potential adjustments	• Board to monitor best practice approaches and issues raised through their associations and bring forward to the board for discussion.

Area	Year One Outcomes (2013/14)	Activities/Initiatives
Business Process Excellence	• Complete Auditor General's Recommendations with 2013 completion dates. • Work with the Drug Utilization Review (DUR) and Multiple Prescriber Report (MPR) Working Group to complete report re-design. • Implement/manage changes related to data/program integration with the NS Drug Information System (DIS). • Complete a policy review to ensure all process adjustments related to the implementation of the DIS are reflected.	• Implement programming adjustments based on approved Auditor General's Audit response. • Working group to complete the review process and provide recommendations for implementation • First pharmacy to launch the DIS projected for July 2013. • Review to be completed by June 2013 to align with the DIS launch.
Programs and Services	• Complete Auditor General's Recommendations with 2013 completion date. • Pursue CME/CPE accreditation for community NSPMP presentations to increase attendance from physicians and pharmacists. • Complete assessment of value-added data services to enhance stakeholder access to information and monitoring analysis.	• Implement programming adjustments based on approved Auditor General's Audit response. • Assess potential for independent accreditation or inclusion of NSPMP content in existing accredited programming. • Review current requests for data to determine any trends to address

Area	Year One Outcomes (2013/14)	Activities/Initiatives
Programs and Services *(continued)*	• Advocate and facilitate support for education and research that meet the objects of the Program and/or measure its effectiveness.	• Program staff will continue to support data requests and research enquiries.
Human Resources and Infra-structure	• On an ongoing basis, the Board will provide input regarding current program resources and make recommendations regarding any potential adjustments	• Board to monitor best practice approaches and issues raised through their associations and bring forward to the Board for discussion.
Stakeholder Relations	• Align Communications Plan with the approach for meetings, conferences & workshop attendance (i.e. key messages, outcomes etc…) • Participate in National PMP strategy development and working groups where appropriate	• Complete Communications Plan with consideration of key stakeholder groups • Review Canadian Centre on Substance Abuse recommendations for potential opportunities for participation

Program Cost Projections (2012/13 and 2013/14)

The Administrator is funded to operate the NSPMP in accordance with the *Prescription Monitoring Act* and Regulations and based on Schedule D of the Service Agreement between Medavie Inc. and the Nova Scotia Department of Health (2005). A new pricing model was agreed upon and came into effect on December 1, 2011. This new model provides significant cost savings and is more reflective of the current state of the Program. Under the new model, Medavie Inc. bills the cost of administering the NSPMP to the Nova Scotia Department of Health & Wellness under three categories:

Fixed Costs:

Fixed costs for the NSPMP under the new model include the cost of salaries and overhead for all program staff members including Customer Service Representatives, Business Support Analysts, a Communication Liaison Officer and the Manager. The base annual fixed cost established in the new pricing model agreement was $642,187. This cost increases each year by the CPI (Consumer Price Index) as stipulated in the contract.

Variable Costs:

Under the new costing model the variable cost component consists of a fee per prescription processed by the Program and is only associated with the systems and systems maintenance required. This provides a significantly lower variable fee for the NSPMP and assists in managing costs associated with increasing volumes of prescriptions. The transaction fee per prescription processed increases each year by the CPI. Transaction fees under the Service Agreement are as follows:

2011/12: $0.133
2012/13: $0.135
2013/14: $0.137 (based on a projected 1.5% CPI over the 2012/13 transaction fee)

As well, the number of prescription pads will continue to be billed as a variable cost with the 2012/13 cost per pad for production and shipping as the follows:

1 pad - $8.297
3 pads - $4.815
6 pads - $3.95
Fee per blank pad produced (shipping extra) $3.085

Flow Through Charges:

Flow through charges represent billing items that are charged directly to the Department of Health and Wellness on an 'as incurred' basis. Areas of flow through costs include:

1. Board/Committee Expenses: all expenses related to Board and Committee meetings.
2. Line Charges: charges levied by the claims carriers (such as Emergis) to transmit claims through their lines.
3. Courier charges for the shipping of blank emergency pads.

Operational Costs under the Service Agreement

(Comparison of Actual and Projected Costs)

Cost Area	Actual 2011/2012[1]	Projections 2012/13[2]	Projected 2013/14[3]
Fixed Fees	410,181	642,187	651,819
Variable Fees	442,962	177,944	128,110
Flow Through (line charges)	71,906	72,165	54,124
Flow Through (Board/Committee Expenses)	10,559	13,455	15,000
Total	**935,608**	**905,751**	**849,053**

A reasonable determination of overall program expenses considers the fixed, variable and flow through charges, as well as new costs related to strategic initiatives. The need for

[1] The actual column is based on a combination of the old pricing model and the new pricing model that was implemented in December 2011.
[2] Projections for 2012/2013 are based on the actual results as of November 30, 2012, annualised.
[3] The projected numbers for 2013/14 are based on an anticipated Consumer Price Index (CPI) of 1.5% and a decrease of 25% of variable volumes due to the implementation of the Drug Information System (DIS). It does not include any cost associated with the additional effort due to the implementation of DIS.

funding to support strategic initiatives outside the Agreement is determined on an annual basis in the context of operational savings.

The province's move towards a Drug Information System (DIS) will result in system changes which will be necessary for the NSPMP to implement in order to receive prescription data from the DIS and maintain its system's functionality.

The following estimates include operational cost projections and costs related to strategic initiatives that are covered under the contract between Medavie Blue Cross and the Department of Health and Wellness. Although noted below as a strategic initiative, all costs associated with DIS Project change requests are the responsibility of the DIS Project and will not be incurred by NSPMP.

Estimated Operational Costs 2013/14	
Cost Area	**Projected Cost**
Fixed Costs	651,819
Variable Costs	128,110
Line Charges (flow through)	54,124
Committee (flow through)	15,000
Total Projected Program Budget:	**849,053**
Costs Related to Strategic Initiatives	
Initiative	**Projected Cost**
Assessment and completion of DIS work for PMP system functionality.	Required system changes are managed through the change request process between the DIS and the Administrator. There are two current change requests: 1. System interface 2. Out of province provider feed. All costs are the responsibility of the DIS Project
Subtotal	**---**
Total Projected Program Budget:	**849,053**

Note: Actual costs will fluctuate based on variable cost experience.