

Generic drugs

THEIR POSITIVE EFFECT ON YOUR WALLET

A wise choice

Prescription drugs have a couple of things in common: they're designed to heal us or make us feel better, and most of them have unpronounceable names. However, they also have a number of differences, including what they look like and what they do.

But here's the intriguing part: you can have two equivalent drugs that are equally effective, one of which costs a lot less. That's what is known as a "generic" drug.

What is a generic drug?

When a new drug is developed, found to be safe and effective, and finally approved, it's usually patented. When a drug is patented, it is protected from replication for a period of 20 years. The new drug is marketed and sold by the pharmaceutical company that developed it.

When the patent-protected period ends, other companies can manufacture the same drug and sell these copies as generic equivalents. Using a proven recipe saves them research and development (R&D) costs so they can afford to charge less for the drug.

Why choose a generic drug?

It makes sense to choose generic drugs if they're available.

Here's why:

- The cost of drugs has gone up 71% over the past 20 years
- On average, drugs make up 75% of group insurance health claims
- Generic drugs cost an average of 35% to 70% less than brand name drugs

In short, to save money and help keep your insurance costs down!

Don't hesitate to ask for the generic

There are thousands of drugs on the market, and it's impossible to know them all by heart. So be sure to ask your doctor if the drug being prescribed is a generic. If it isn't, ask if there is a generic equivalent.

Your doctor and pharmacist are there to help you and answer your questions.

Some common drug myths

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| ⊗ | Myth | The more a drug costs, the better it is. |
| ⊙ | Fact | There's no direct link between a drug's cost and its effectiveness. |
| ⊗ | Myth | New drugs are better than older ones. |
| ⊙ | Fact | Older drugs have a proven track record. |
| ⊗ | Myth | Generic drugs are less effective than brand name drugs. |
| ⊙ | Fact | Generic drugs must be the same as brand name drugs in terms of quality, dosage and the way they work, before they can be approved by Health Canada. |
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Some of the ways we help you manage your prescription drug costs more effectively through your group insurance plan:

Mandatory generic substitution

If your plan includes mandatory generic substitution, your reimbursement will be based on the cost of the least expensive generic equivalent available on the market, even if your attending physician has indicated "no substitution" on your prescription. You can still get the brand name drug if you'd like, but you'll need to cover the cost difference.

If you can't take the generic version of a drug for medical reasons, you can get reimbursed for the cost of the brand name drug by having your attending physician complete the appropriate form and submitting it to us.

Non-mandatory generic substitution

If your plan includes non-mandatory generic substitution, your reimbursement will be based on the cost of the least expensive generic equivalent available on the market, unless your attending physician has indicated "no substitution" on your prescription. In this case, you can get reimbursed for the cost of the brand name drug.

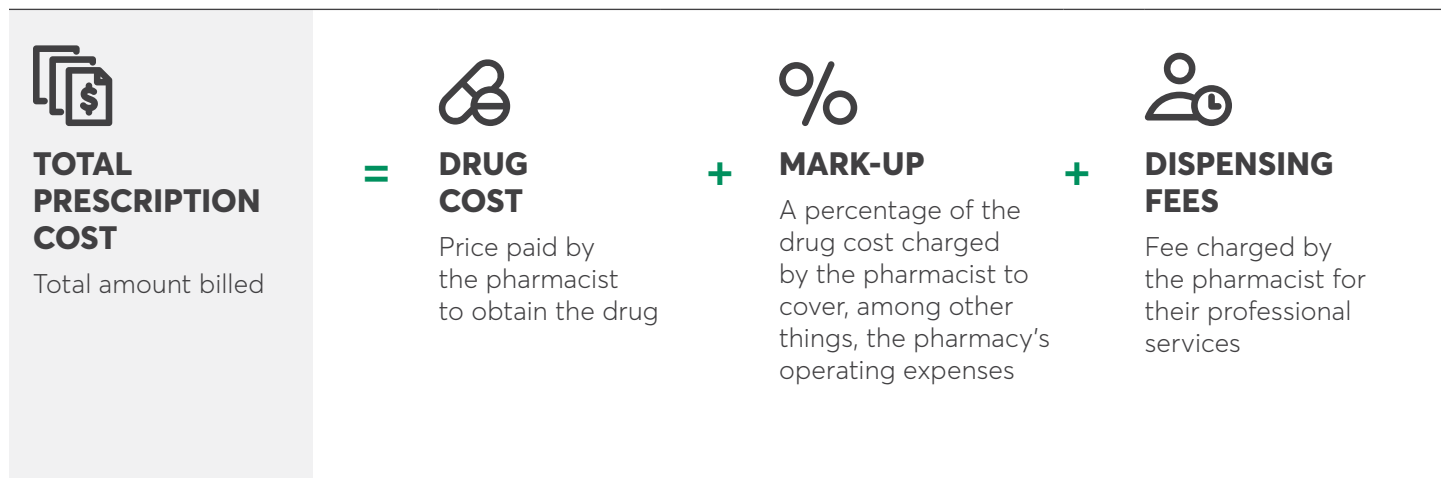
STOCK UP...

If you're taking prescription drugs over a long period of time, it makes sense to get a three-month supply instead of a 30-day supply. This will save you dispensing fees and trips to the pharmacy.

Important: In Quebec, pharmacists' dispensing fees do not appear on the bill, so it's difficult to determine whether it would be cheaper to buy a three-month supply of drugs. Be sure to check with your pharmacist.

Yes, you can shop around for your prescription drugs

Contrary to what many people believe, prescription drugs don't cost the same everywhere. This is primarily because mark-ups and dispensing fees vary from one pharmacy to the next. The total drug cost is made up of the following elements:¹



¹ In Quebec, invoices aren't broken down into these categories.

62% of group healthcare plan members are willing to shop around for lower prices, for example by going to a pharmacy with lower dispensing fees or switching to cheaper generic drugs (2012 Sanofi Canada Healthcare Survey).

How Mandatory Generic Substitution Works

	Generic drug	Brand name drug with a generic equivalent	Brand name drug without a generic equivalent
Total cost of prescription submitted by pharmacist	\$25	\$100	\$150
Cost of least expensive generic equivalent	\$25	\$25	N/A
Amount paid by Desjardins Insurance (80% of cost of least expensive generic equivalent)	$\$25 \times 80\% = \20	$\$25 \times 80\% = \20	$\$150 \times 80\% = \120
Amount paid by insured	$\$25 - \$20 = \$5$	$\$100 - 20 \$ = \80	$\$150 - \$120 = \$30$

Choosing generic drugs can save money for both you and your plan.

In Quebec, the reimbursement amount cannot be lower than the minimum set by RAMQ.

Responsible use of drug insurance

To find out more about drug insurance, go to desjardinslifeinsurance.com/planmember, click on **Group insurance** and then select **Reduce your prescription drug costs**.

This section of our website contains straightforward information to help you make informed decisions and take control of your drug expenses without ever compromising your health. It includes tips on how to reduce your drug costs, questions to ask your doctor and pharmacist, and an informative video about generic drugs and how much less they cost than brand name drugs.

Tips for buying prescription drugs

The best drugs in the world won't work if you don't use them properly. Here are a few tips to get the most out of your prescriptions:

- **Take the indicated dose:** This is essential for effective treatment
- **Don't take expired drugs and return unused drugs to your pharmacist:** Prescription drugs deteriorate over time and become less effective
- **Never share your drugs with anyone:** What's good for you can be harmful to someone else
- **Ask questions:** It pays to be well-informed
- **Consider alternatives:** Talk to your doctor, pharmacist or other healthcare provider about less expensive treatment alternatives

Look to the future with confidence

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Choose the strength and stability of a company specialized in life and health insurance and retirement savings that over five million Canadians count on each day to ensure their financial security. Backed by over a century of experience, it is also one of the country's leading life insurers.

Choose Desjardins Group, the leading cooperative financial group in Canada and one of the country's best capitalized financial institutions. Desjardins Group enjoys excellent credit ratings comparable to those of several major Canadian and international banks and is recognized as one of the most solid financial institutions in the world.

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