

June 1, 2022 Changes

Manulife made changes, starting in the Spring, to the adjudication of prescription drug claims. These changes included imposing new limits on eligible amounts based on a stricter analysis of 'reasonable and customary' (R&C) pricing in the market. The changes also implemented a new formula for paying claims when a plan member is coordinating benefits with their spouse, which considered the R&C eligible amount rather than the original submitted amount. Following recommendations by the insurance regulatory body, Manulife made these changes in an effort to pressure pharmaceutical companies and dispensaries to limit cost increases.

GSI was not made aware of the changes prior to their being applied to our plan, due to an omission on Manulife's part. At the recent GSI Board meeting, these changes were reviewed with detailed examples of the adjudication outcomes and in discussion with GSI's independent consultant. The GSI Board concluded that the extent of the changes to the R&C amount were not warranted for our members. The adjudication will therefore revert back to the policy GSI had prior to June 1, 2022.

In light of this decision, Manulife has agreed to re-adjudicate the claims made since June 1, 2022 based on the previous R&C limits and coordinated claims payment method. **Please check your Manulife online account in the coming weeks to review your prescription drug claims and check for corrections to your assessment.** Manulife has committed to completing this by November 30, 2022. If you have any concerns after that date, please contact GSI, and we will follow up for you.

January 1, 2023 Changes

In the new year, the claims adjudication for prescription drugs will follow a new R&C policy that attempts to provide better coverage for our members while still protecting the sustainability of the plan. Dispensing fees will be capped at \$25 per claim. The balance of the prescription (excluding the dispensing fee) will be limited to R&C plus a margin. Any amount that is not covered within this policy can be claimed under your Health Care Spending Account (HCSA).

Manulife has developed a tool to assist you with choosing a pharmacy and this video provides instruction on how to use the tool.

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A margin will also be applied to R&C for eye exams in recognition of the importance of a thorough and complete check of eye health. As with dispensing fees, any amount that is not covered within this policy can be claimed under the HCSA.

The cost of professional services will no longer be subject to R&C limits, as the plan already has maximum limits of coverage by professional. For those, any amount for co-pay or after the maximum is reached can be claimed under the HCSA.