

Generic drugs are medications that are interchangeable to brand-name drugs based on factors such as dosage, strength, safety, quality, performance and intended use. However, they are typically sold under their chemical name rather than a brand name and are usually less expensive than their branded counterparts.

When a pharmaceutical company develops a new drug, they usually obtain a patent, giving them exclusive rights to sell for a period of time (typically 20 years). Once the patent expires, other manufacturers can produce generic versions of the drug. These manufacturers do not have to repeat the costly clinical trials and research necessary for the original drug, which allows them to produce and sell the drug at a lower cost.

The introduction of generic drugs into the market helps to increase competition, driving down the price of medications and making them more affordable for consumers. Health Canada ensures these generic drugs meet stringent quality and safety standards before they are approved for sale.

Generic drugs contain the same active ingredients as their brand-name counterparts; however, they may contain different ingredients, such as fillers or preservatives, which can affect factors like taste, appearance and/or have the potential to cause allergic reactions in some individuals. It is important to note for most patients, other than those who may experience allergic reactions or similar, these differences will not affect the drug's efficacy or safety. Some physicians may choose to prescribe brand name medications, as opposed to their generic equivalent for other reasons, such as time release formulations contained within the brand name medication.

How does this impact you?

When your doctor prescribes a medication, your pharmacist is authorized to dispense an interchangeable drug (i.e. brand for generic or vice versa) unless the prescription indicates "no substitutions". When your policy provides reimbursement of generic medications and you choose to take the brand name medication, the insurance company will reimburse based on the reasonable & customary cost of the generic medication. However, if you find that you cannot tolerate the generic version due to side effects or lack of efficacy, there may be a process in place to request coverage for the brand-name medication.

Know your Plan

- * **Plans with Enhanced Generic:** Your doctor can write "no substitutions" on your prescription to receive the brand name medication at the reasonable & customary charge for the brand name cost without prior approval.
- * **Plans with Mandatory Generic:** Your doctor can assist by completing a form outlining the reasons why the brand-name version is medically necessary. This documentation is then submitted to your insurance company for consideration and review.

It is the patient's responsibility to understand the eligibility of any prescribed medication under their program. Consult your benefits booklet to confirm which definition applies: Brand, Enhanced Generic, or Mandatory Generic. Discuss your coverage with your physician and/or pharmacist to ensure the best outcome for treatment and expense reimbursement.

** This is not a legal document, and is intended solely for informational purposes.*