

Glossary of Terms

Brand drug

Drugs that are protected by a patent, supplied by a single company and marketed under a brand name. Prices of patented brand drugs are regulated by the Patented Medicine Prices Review Board. A patent provides the holder (the drug manufacturer) with exclusive rights to manufacture the drug for the patent's duration.

Cash payment

Payment for prescription drugs not covered by any type of insurance plan, where an individual pays the full cost of the drug out-of-pocket and receives no reimbursement from an insurance plan.

Co-payments

The portion of the cost that the individual enrolled in the plan pays out-of-pocket at the time they receive a prescription that is eligible for coverage.

Deductibles

The amount of the cost of a prescription eligible for coverage through an insurance plan that an individual beneficiary must pay out of pocket, within a certain period of time, before the plan will begin to pay for eligible prescription expenses.

Dispensing fee or professional fee

The fee that a pharmacist is paid for their service, which covers the services performed by the pharmacist after receiving a prescription, such as:

- checking and updating your personal medication record
- checking the prescription, and how much medicine you are supposed to take
- checking for possible side effects, possible reactions between your medicine and other medicines or food
- checking information you need to know when taking the medication and giving advice on how to take the medicine
- calling your doctor if there are any questions
- preparing the medicine for you
- processing the cost of the medicine through your personal or government payment plan, if required

Federal drug programs

Drug programs through which the federal government provides assistance to eligible residents to help pay for the cost of prescription drugs and supplies. These programs include: Veterans Affairs Canada Prescription Drug Program; Non-Insured Health Benefits for First Nations and Inuit; Canadian Forces Health Services; and Interim Federal Health Program.

Generic drug

A less expensive version of a brand name drug that is usually produced by several different generic companies once the patents expire on the brand name drug. Generic drugs are proven to be as safe and effective as brand drugs.

Independent pharmacy

A retail pharmacy that is not directly affiliated with any chain of pharmacies. An independent pharmacy is one which is not owned (or operated) by a publicly traded company.

Premium

The amount an individual pays to be entitled to insurance coverage. This amount is payable whether or not the individual uses his or her benefits under the insurance plan.

Prescription drugs

Drugs that require a prescription for sale and are provided to people by a pharmacist following the diagnosis of a medical practitioner, such as a doctor. The sale of prescription drugs is controlled in a regulated environment, as laid out by provincial pharmacy legislation.

Private benefit programs

Insurance that is not funded by a provincial or federal government agency. Private benefit programs include:

- **Group insurance:** Insurance issued, usually without medical examination, to a group of people under one "master" contract. It is usually issued to an employer for the benefit of employees. The individual members of the group hold certificates as proof of their insurance.
- **Individual insurance:** Insurance purchased on an individual basis, covering only one person or, in some cases, members of his or her family as well.