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## **Pharmacare deductible and insulin pumps**

The [BC Pharmacare deductible is complex](#). In brief, once Pharmacare-approved expenditures exceed approximately 2% of net family income Pharmacare covers 70% of the cost of Pharmacare-approved items. Once Pharmacare-approved expenditures exceed approximately 3% of net family income Pharmacare covers 100% of the cost of Pharmacare-approved items. Many very effective diabetes devices and medications ironically are not Pharmacare-approved.

There are currently four insulin pumps on the Canadian market which are eligible for Pharmacare approval. These are: the Omnipod from Insulet, the Veo 630G & 770 G from Medtronic and the Ypsopump from Ypsomed. Note, the Medtronic 770G is a benefit only for individuals living with Type 1 diabetes. Pumps being considered by Pharmacare include the Tandem T:slim X2. Click [this link](#) for an update on hybrid closed loop pump technology.

When considering insulin pumps and the Pharmacare deductible it is important to differentiate between pump hardware that is disposable & pump hardware that is not disposable.

The non-disposable part of the Omnipod, the controller, retails at \$800 - this cost is not subject to the Pharmacare deductible - this cost is covered 100% by BC Pharmacare. Ongoing cost is \$300/month (each pod costs \$30 and lasts 80 hours = 3 days & 8 hours).

The Ypsopump Starter Kit price of \$800 is subject to PharmaCare deductible/family maximum. The Ypsopump starter kit includes the Ypsopump, 4 boxes of reservoirs, 4 boxes of infusion set of choice (Orbit or Inset) and several accessories. This covers all requirements, other than insulin, for the first 3 months.

The non-disposable part of Medtronic pump systems (the pump itself) retails at \$6600. Unlike the Omnipod pump controller this cost is subject to the Pharmacare deductible. The \$6600 pump is a Pharmacare-approved item but it will NOT BE FREE unless you have already hit the 3% deductible. You will have to pay ALL of the cost until you hit the 2% mark; between the 2% & 3% mark you will still have to pay 30% of the cost until you hit the 3% mark.

The disposable parts of these pumps are subject to the Pharmacare deductible. These include the pods for the Omnipod system (\$300 per month) & the tubing for the Medtronic system

*(\$270/month). Note the continuous glucose meter (CGM) that is integrated with Medtronic pumps is not a Pharmacare-approved item. Thus no expenditures incurred for the Medtronic CGM will go towards the Pharmacare deductible.*

Extended medical insurance, if available, may cover the costs incurred for both insulin pumps and disposables until the 3% threshold has been reached.

Based on the above it is evident that the upfront costs of the Omnipod & Medtronic pumps may be quite different depending on whether or not the 2% & 3% thresholds have been reached. As such there may be financial implications between choosing the Omnipod and Medtronic systems.

Here is an example for a family with a net income of \$150,000 (2% = \$3000, 3% = \$4500).

As of the date of purchase of Medtronic pump, let's assume Pharmacare-approved expenses are at \$1500. Remember, the pump costs \$6600. The first \$1500 for the pump comes out of the user's pocket to get the family to the 2% threshold. Of the next \$1500 required to get the family to the 3% threshold, another \$450 (30% of \$1500) also comes out of the user's pocket.

So of the \$6600 for the Medtronic pump the user pays  $\$1500 + \$450 = \$1950$ . The province pays \$4650. Ongoing costs for Medtronic pump users, tubing and reservoirs, cost around \$270/month.

If an Omnipod pump is chosen, upfront costs are \$0 regardless of family income. Ongoing costs are \$300/month. If an Ypsopump is chosen, upfront costs are \$800 (subject to the deductible) and include tubing and reservoirs for 3 months. For the fourth month and onwards ongoing costs (tubing and reservoirs) are \$270/month.

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