

Insurance Drug Formulary (IDF)



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Understanding the Insurance Drug Formulary

CHI's Formulary is an evidence-based, disease-focused, open formulary which provides an essential drug list, either for prescription or over the counter (OTC) dispensing, that is necessary to treat a certain disease. CHI's Formulary is maintained and continuously updated to make sure that all SFDA medications, based on the most recent clinical national and international guidelines, and the provided drugs are safe and effective for the community of Saudi Arabia.



Value-Added Outcomes and Practices Initiated through the Formulary

Equity

Standardization of treatment through equitable distribution of medication, further assuring greater equity amongst treated patients.

Evidence-Based Approach

The formulary is built on clinical guidelines and evidence that shall rationalize the use of medicines that are therapeutically accurate and effective.

Governance

Improved governance across the private health care insurance sector, leading to better care for beneficiaries.

Standardized Implementation

Indication/ICD-10 code-linked formulary ensuring ease of implementation for Payers & Providers

Use of Generics

Introduction of therapeutically equivalent and more affordable generic medications as against brand-name medications.

Improved Utilization of Premium

Affordability in medication access shall create room for adopting additional services.

Medications Co-payment

Co-Payment based on the Medication Type:

- Generic medications (prescription or OTC):
0% - 20% with a maximum pay of 30 SAR, for the total prescription.
- Brand medications (prescription or OTC): With available registered generics
Co-payment for brands is 0% to 50% for each medication.
- Brand medications (prescription or OTC): Without available registered generics:
0% - 20% with a maximum pay of 30 SAR, for the total prescription.

- Beneficiary must be given the choice between generics and brands with explanation on the coinsurance impact to them.
- Medications that should not be replaced as per the SFDA, bylaws, will be considered as generics in term of coinsurance.
- When drugs are unavailable, healthcare service providers must contact the Saudi Food and Drug Authority via email:
Shortage.Drug@sfda.gov.sa
- In the absence of a generic alternative drug agreed upon between insurance companies and healthcare service providers, which is registered with SFDA, maximum tolerated dose for drugs is calculated based on difficulty of generic or innovative drug.
- Healthcare service providers must provide a generic alternative within a similar price category to the beneficiary when the drug is discontinued and not listed among the discontinued drugs in local market by SFDA.
- The insurance company, in coordination with healthcare service providers, must work to update the Insurance Drug Formulary (IDF) and provide an alternative trade name in case any drug listed in IDF is discontinued, withdrawn or stopped by SFDA.

Prescription Filling Process

- Physicians should comply with prescribing medicines by scientific medicines only and include medical indications based on ICD-10 codes.
- Pharmacists should dispense with prescriptions written by scientific name only.
- HICs must cover all SFDA registered medicines prescribed without exception.

In some cases, branded medications can be dispensed by the pharmacist. These exceptions are as follows:

- If the branded medications cannot be replaced in accordance with the regulations of the Saudi Food and Drug Authority (SFDA).
- If the attending physician requests not to replace the name of the medications with a generic, based on specific regulations, guidance, or medical justification and this is accepted by the HIC/TPA.
- If the beneficiary requests that medicines be dispensed by a specific brand name, beneficiary needs to pay a co-payment according to their policy.

On Use of a Particular Medication

- (If patient has used same medication for 20 years, and wants to know if they will have to change their medication).

You don't need to change your medication, but the brand name of the medication will be replaced by similar generic medication. If you wish to continue with the branded medication, you may have to pay an additional co-payment based on your policy document.



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