

## Questions and Answers About Maximum Co-Payment for Medications

### Introduction

From January 1, 2026, cost-sharing for certain medications will be based on the recommended maximum dose according to the drug's marketing authorization in Iceland. If usage exceeds the maximum dose, cost-sharing will not apply to the portion that exceeds it. The objective of this change is to promote a more responsible, safer, and more cost-effective environment for drug use, both for individuals and the healthcare system as a whole. First, such rules create a clear incentive for users and prescribers to follow the recommended maximum doses of medications. Second, the limitations are important to reduce potential misuse, particularly for drugs that can cause dependency or are vulnerable to improper use. Finally, the rules help ensure that public funds are used more efficiently.

### Questions and Answers

#### **1. Why was it decided to set limits on the co-payment of medications?**

The recommended maximum dose according to the marketing authorization of a medicine is the dose considered both safe and effective based on research and data submitted by the pharmaceutical manufacturer in the marketing authorization application. The change aims to enhance medication safety, prevent misuse, overuse, and risks to the user's health. This promotes a more responsible, safer, and cost-effective medication use environment.

#### **2. When does the change take effect?**

The regulation will take effect on January 1, 2026. Medication use, which forms the basis for assessing whether the maximum dose has been reached, will be calculated from that date.

#### **3. Does the maximum co-payment apply to all medications?**

No decision has been made to impose restrictions on co-payment for all medications. The aim was to implement the change in phases. In the first phase, restrictions apply to medications that analyses by Iceland Health have shown are used in quantities exceeding the recommended maximum doses, as well as medications that experience has shown are sold illegally without a prescription.

#### **4. How is the co-payment calculated?**

When medications are dispensed, the co-payment is calculated based on the individual's status in the drug co-payment system and on previous invoices that have been sent to Iceland Health upon the dispensing of medications from a pharmacy.

For each transaction, invoices (medication withdrawals) are reviewed for the past three months. When the total usage during this period exceeds the maximum dose, the co-payment is discontinued, and the individual pays for any amount exceeding the limit themselves. Medication use that serves as a basis for assessing whether the maximum dose has been reached during the period will begin to be calculated from January 1, 2026.

#### **5. What is the dosage standard?**

The recommended maximum dose according to the drug's marketing authorization is the intended standard. The recommended doses of medications can be found on the website [lyf.is](http://lyf.is).

#### **6. Could an individual or a pharmacy receive a back invoice for dispensed medication?**

Co-payment is calculated in real time at the point of dispensing. Therefore, no retroactive billing for medications should occur.

#### **7. Do pharmacies need to make changes to their systems?**

No, the activity is automatic.

#### **8. Is it possible to obtain a larger quantity of medication when individuals travel abroad?**

No, it is not possible to bypass the maximum co-payment limit. In most cases, it is possible to have medication dispensed abroad if necessary. Health insurance covers part of the cost of medication purchased abroad. Co-payment for medications abroad is treated the same as co-payment for medications within the country, provided the medications correspond to those covered by Iceland Health in Iceland. If a medication

card is available, Iceland Health takes it into account when calculating the co-payment. An application for reimbursement of foreign medical expenses must be sent to the international affairs department of Iceland Health, and the reimbursement is in accordance with the domestic co-payment for medications.