

Uncovering the hidden costs of Take-Home Cancer Drugs

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BACKGROUND

The Canadian Cancer Society has partnered with PDCI to identify the gaps in access to Take Home Cancer Drugs (THCDs) in select provinces. Coverage eligibility for THCD varies significantly across Canadian provinces creating interprovincial differences.

OBJECTIVE

The objective of this analysis was to identify the gaps in access to oral THCD in Canada by modelling the financial burden to patients in Ontario (ON), Nova Scotia (NS), and New Brunswick (NB) and reporting on barriers to access.

METHODS

A five-step approach was used to build the model: 1.) Identification of cancer types and incidence, 2.) Search for oral THCDs covered in each jurisdiction, 3.) Identification of drug plan design by age and province, 4.) Defining the Canadian patient population by age, income, province, and cancer type, and 5.) Calculation of costs and utilization based on an assessment of private and public claims data.

Subsequent interviews with Patient Support Program (PSP) managers was conducted to understand the patient experience and to highlight potential barriers to access.

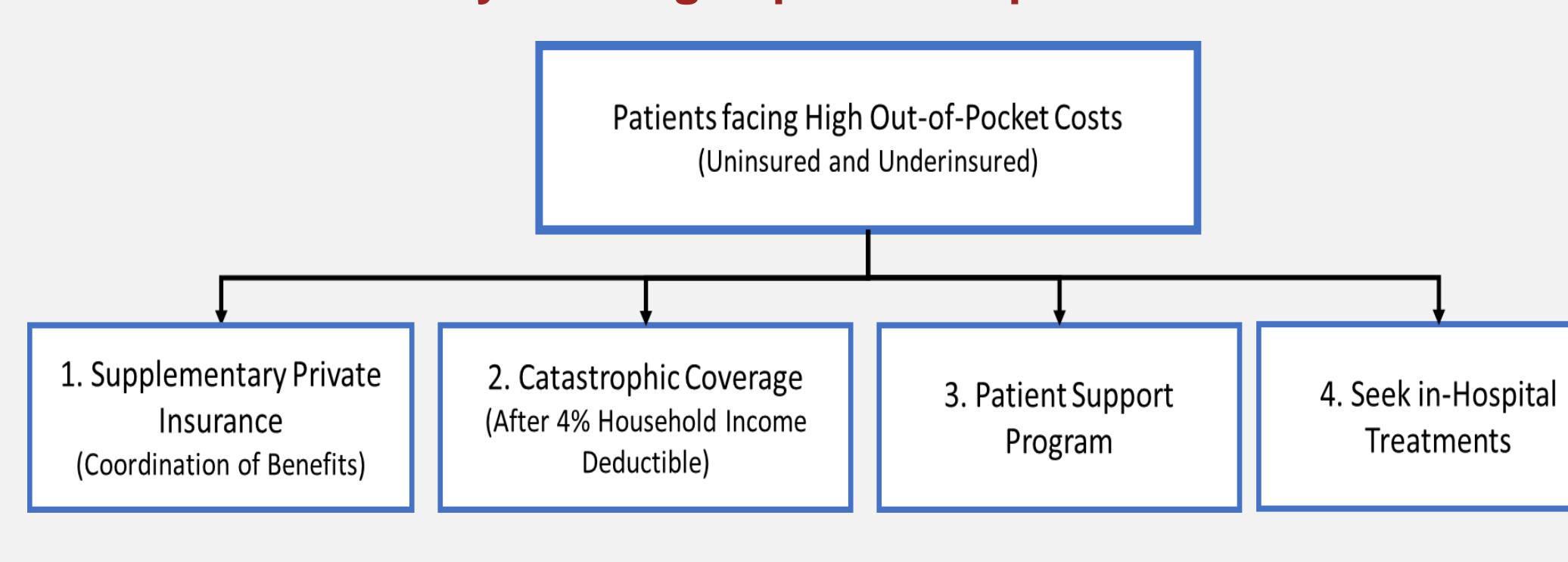
RESULTS

The analysis identified gross costs associated with funding THCD treatment ranging between \$19.4 and \$51.9 million. Provincially, the incremental cost to implement a THCD plan would be between \$12.3 and \$30.9 million in Ontario, \$0.9 and \$2.9 million in New Brunswick and \$0.7 and \$2.8 million in Nova Scotia. Today, these gaps are borne by third parties, including manufacturer sponsored patient support programs and the patients themselves, or result in reduced utilization and associated life benefits.

Components of Current Drug Plan Design for THCDs

Primary plan reimbursement for patients who are prescribed THCDs can be paid by several different drug plans, both private and public.

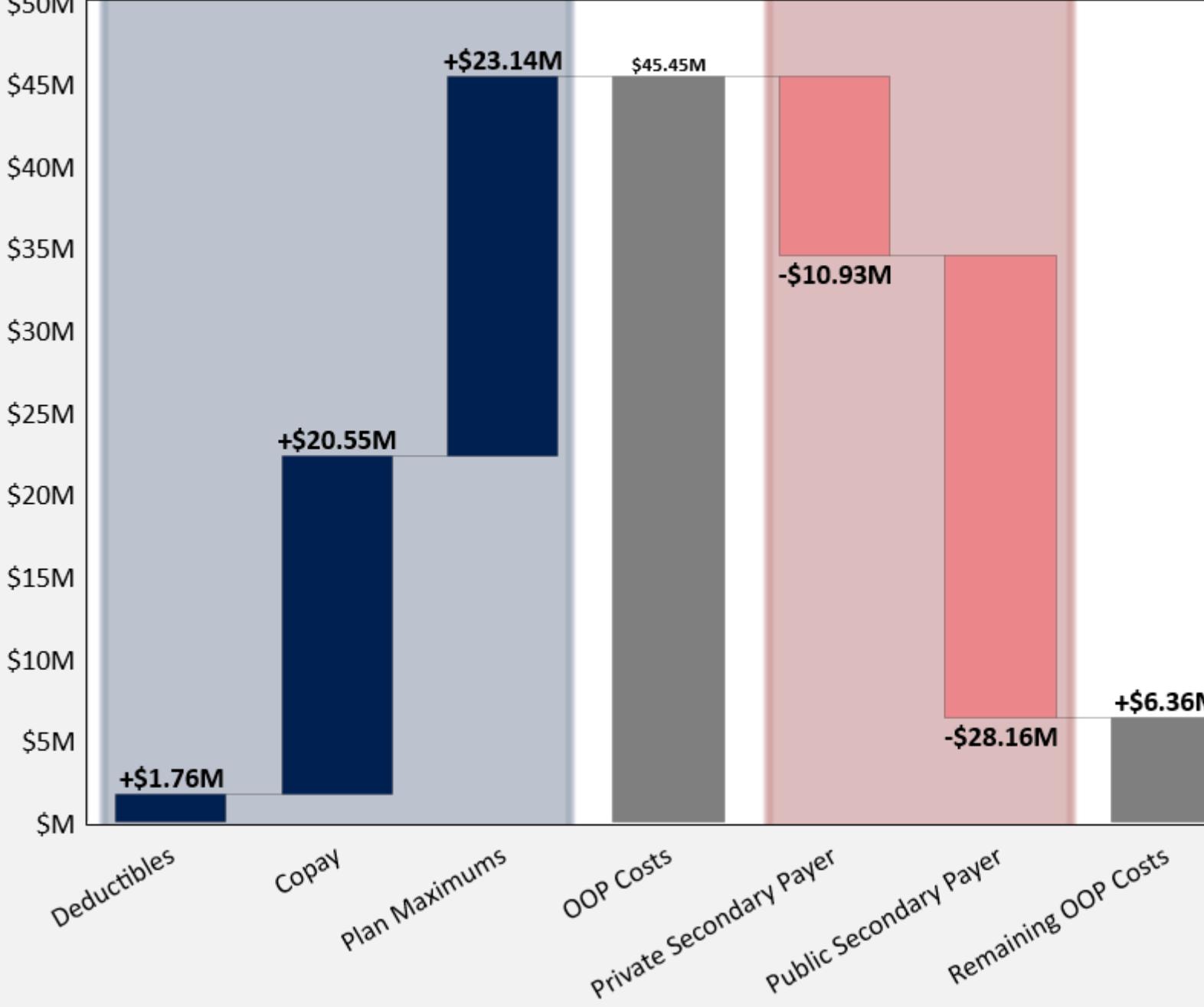
Patients with high out-of-pocket costs will seek Secondary coverage to fill gaps in Primary Coverage.



Publicly funded Catastrophic drug plans often have household-income based deductibles. Out-of-pocket costs exceeding the deductible limits are then reimbursed by the Catastrophic plans.

PROVINCE	CATASTROPHIC DRUG PROGRAM	DRUG PLAN: COST TO THE PATIENT
British Columbia	BC Cancer	Free of charge for THCD on formulary
Manitoba	Cancer Care Manitoba	Free of charge for THCD on formulary
Saskatchewan	Saskatchewan Cancer Agency	Free of charge for THCD on formulary
Alberta	Outpatient Cancer Drug Benefit Program	Free of charge for THCD on formulary
Ontario	Trillium Drug Program	Deductible: 4% of household income
Quebec	RAMQ Under 65	Annual OOP maximum: \$1,144
Nova Scotia	Take Home Cancer Drug Fund	Deductible: 4% of net family income
New Brunswick	New Brunswick Drug Plan	Annual premiums based on income
Newfoundland & Labrador	Assurance Plan	Deductible: 5-10% of net annual income
Prince Edward Island	Catastrophic Drug Program	Deductible: 3-12% of annual income

Current Costs



In this analysis, PDCI estimates a gap in current spending on THCDs of **\$0.6 million in New Brunswick, \$0.3 million in Nova Scotia, and \$5.9 million in Ontario.**

PDCI's analysis of current THCD spending shows an underutilization of THCDs in provinces without comprehensive and accessible drug programs. The introduction of a THCD program would potentially increase the number of patients treated. **The PDCI model predicted an increased utilization gap ranging between \$12.1M and \$44.6M.**

Summary of Incremental government costs to implement a THCD plan

Province	Current Government Costs	Current Spending Gap	Increased Coverage Effect	Increased Utilization Effect	THCD Plan Cost (Gross)	Incremental Cost (Gross)	Incremental Cost (Net of PLA)
New Brunswick	\$2.4M	+\$0.6M	+\$0.05M	+\$0.6M - +\$3.5M	\$1.3M - \$4.1M	\$3.6M - \$6.5M	\$0.9M - \$2.9M
Nova Scotia	\$3.3M	+\$0.3M	+\$0.05M	+\$0.7M - +\$3.7M	\$1.1M - \$4.0M	\$4.3M - \$7.3M	\$0.7M - \$2.8M
Ontario	\$59.9M	+\$5.9M	+\$0.9M	+\$10.8M - +\$37.4M	\$17.5M - \$44.2M	\$77.5M - \$104.1M	\$12.3M - \$30.9M
TOTAL	\$66.0M	+\$6.4M	+\$1.0M	+\$12.1M - +\$44.6M	\$19.4M - \$51.9M	\$85.4M - \$117.9M	\$13.9M - \$36.7M

THCD Plan Parameters

Beneficiary Eligibility	Patients without or with insufficient drug insurance benefits
Replaces	'Trillium-like' drug programs
Drug Coverage	Secondary payer, i.e., supplemental to existing benefits
Model Basis	Coverage based on OHIP+ system in Ontario
Limitation	Plan coverage limited to existing provincial formulary coverage

DISCUSSION

- THCDs are an essential part of the Canadian health system; especially in a time of crisis. In Canada, inequities in coverage create a significant gap paid as patient out-of-pocket expenses.
- While the range of costs needed to implement greater universality of THCD coverage may seem large (relative to each province's population), other provinces' experiences demonstrate the coverage gaps can be filled, removing the financial stress and burden from patients.
- In a small survey of oral oncology PSPs, it is reported that significant financial and drug access support is currently being provided to patients aged 40-65 years and older.
- Without patient assistance programs, patients would be stranded with current government programs as THCDs are not consistently covered by public drug programs and the specialized care and management of oral oncology patients may not be fully supported.
- This research highlights the financial gaps, and variability of coverage for patients based on where they live or their type of cancer. If coverage gaps do not appear evident to policymakers and patients, it may be attributed to financial and other support being offered by PSPs and their pharmaceutical company sponsors.
- As the concern of access to THCD continue to evolve, cancer agencies like the Canadian Cancer Society will help to shape health policies to support those living with the disease. This research identifies important cancer information for all Canadians and a call to action for policymakers to increase support services to help people better manage life with cancer.
- Further research in this area may help to further define the model. Access to more granular data that payers may collect would help provide a clearer picture of the actual THCD gap for policymakers and address the limitations and assumptions that form the basis of the model.

To view a copy of the full White Paper, please visit <https://www.pdci.ca/resources/publications/>

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