PharmaCare Trends 201%1&

Medical Beneficiary and Pharmaceutical Services Division Published: May 2015



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1. Introduction

This document updates information previously made available in *PharmaCare Trends* and the Pharmaceutical Services Division Annual Performance reports published by the B.C. Ministry of Health. It provides information on the PharmaCare program to health researchers, government officials, and the public.

Data in this publication are provided for the fiscal year.

1.1 Citations

This document must be cited as the source for any information extracted from it. Suggested citation: PharmaCare Trends 2013/14, Medical Beneficiary and Pharmaceutical Services Division, BC Ministry of Health, Victoria, BC. (2013/14).

1.2 Comments and Inquiries

Please direct comments and inquiries:

- by e-mail to <u>pharma@gov.bc.ca</u>; or
- by mail to Policy, Outcomes Evaluation & Research Branch, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health, PO Box 9652, Victoria BC V8W 9P4

1.3 Data Sources

Unless otherwise noted, data in this publication was drawn from the Ministry of Health, PharmaNet/HealthIdeas Data.

2. PharmaCare Plans

2.1 Fair PharmaCare (Plan I)

The Fair PharmaCare plan took effect May 1, 2003, and is the largest of the drug coverage plans under the B.C. PharmaCare program. Assistance for individuals is based on their annual net income. For families, assistance is based on the combined annual net income of both spouses. At the end of March 2014, 1,226,344¹ families were registered for Fair PharmaCare.

2.2 Permanent Residents of Licensed Residential Care Facilities (Plan B)

B.C. provides dedicated coverage of prescription medications for permanent residents of licensed residential care facilities. Individuals in residential care receive 100% coverage of eligible prescription costs. They are not required to meet a deductible or make co-payments and coverage is provided automatically beginning the first day the patient becomes a resident at a facility. In 2013/14, approximately 29,000 British Columbians benefited from this coverage.

2.3 Recipients of B.C. Income Assistance (Plan C)

The B.C. drug plan for recipients of provincial income assistance does not require them to meet a deductible or make any co-payments.

PharmaCare coverage (100% of eligible prescription costs) has been available to recipients of B.C. income assistance from the Ministry of Social Development and Social Innovation since the 1970s. In 2003, when Fair PharmaCare was introduced, Plan C was expanded to include all seniors receiving income assistance.

Registration in Plan C is automatic and coverage remains in place until a person's income assistance ends, at which time they can receive coverage under the incomebased Fair PharmaCare plan.

In 2013/14, Plan C expenditures represented just over 74% of the total expenditure for all specialty plans (i.e., plans other than Fair PharmaCare), providing coverage to approximately 173,000 residents.

2.4 Patients Registered with a Provincial Cystic Fibrosis Clinic (Plan D)

Since 1995, individuals with cystic fibrosis who register with a provincial Cystic Fibrosis Clinic have received coverage of eligible digestive enzymes. PharmaCare pays 100% of the drug cost (up to the maximum price recognized by PharmaCare) and the dispensing fee, up to the accepted maximum.

In 2013/14, over 320 individuals with cystic fibrosis received coverage under this plan. Only four other provinces have designated plans for cystic fibrosis.

¹ Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 02, 2014, HealthIdeas Data.

2.5 Children Eligible Through the At Home Program of the Ministry of Children and Family Development (Plan F)

The At Home Program provides community-based, family-style care for children with disabilities age 18 or under who would otherwise become reliant on institutional care.

Plan F provides eligible benefits—at no charge—to children eligible for "full" or "medical only" benefits under the At Home Program. Both the dispensing fee and 100% of the eligible drug cost are covered. In 2013/14, there were 2,900 children eligible for this plan.

2.6 No-Charge Psychiatric Medication Plan (Plan G)

B.C. PharmaCare delivers a plan dedicated to assisting mental health patients. In 2013/14, approximately 32,000 patients who were registered with a mental health services centre, and who demonstrated clinical and financial need, qualified for 100% coverage of the eligible cost of certain psychiatric medications. Mental health services centres determine individual patient eligibility.

2.7 Palliative Care Drug Plan (Plan P)

PharmaCare funds and administers the drug plan portion of the B.C. Palliative Care Benefits Program. Local health authorities retain full responsibility for provision of medical supplies and equipment covered by the program. The drug program is called the B.C. Palliative Care Drug Plan ("Plan P").

All B.C. residents enrolled in the Medical Services Plan are eligible for the BC Palliative Care Benefits Program if they:

- are living at home (defined as wherever the person is living, whether in their own home, with family or friends, or in a supportive living residence or hospice not covered under PharmaCare Plan B);
- have been diagnosed with a life-threatening illness or condition;
- have a life expectancy of up to six months; and
- consent to the focus of care being palliative rather than treatment aimed at cure.

The individual's physician determines their medical eligibility under these criteria.

Roughly 11,000 patients received coverage under this plan in 2013/14.

2.8 Smoking Cessation-Nicotine Replacement Therapies (Plan S)

The Smoking Cessation Program, introduced on September 30, 2011, covers smoking cessation products for eligible B.C. residents who wish to stop smoking or using other tobacco products.

Individuals are covered for eligible prescription smoking cessation drugs under the rules of their primary PharmaCare plan (including any annual deductible or family maximum requirement).

Eligible nicotine replacement therapy products are provided at no cost to all eligible individuals regardless of the rules of their primary PharmaCare plan.

In 2013/14, the program provided 40,000 patients with free nicotine replacement therapy.

2.9 B.C. Centre for Excellence in HIV/AIDS Expenditures

Established in 1992, the B.C. Centre for Excellence in HIV/AIDS is Canada's largest HIV/AIDS research and treatment facility. It provides support and treatment services for persons living with HIV.

Residents of B.C. infected with HIV who are eligible for health care services and benefits receive all anti-HIV medications at no cost through the centre's drug treatment program.

Since 2001, the Centre for Excellence has received funding for its drug treatment program from PharmaCare. Funding for administration and research flows through the Provincial Health Services Authority.

For more information on PharmaCare programs and policies, visit our website at <u>www.gov.bc.ca/pharmacare</u>.

3. PharmaCare History

Since PharmaCare's inception in 1974, the Ministry of Health has delivered high quality prescription drug coverage that is responsive to the needs of British Columbians.

| 1974 | BC PharmaCare Program becomes operational under the Ministry of Human Resources. |
|------|---|
| | BC PharmaCare Plan A established to provide coverage for seniors. Plan B becomes the prescription drug subsidy plan for low-income individuals not on B.C. income assistance. Plan C introduced for B.C. income assistance clients. |
| 1977 | Plan B replaced by universal plan for residents under 65 (Plan E). |
| | BC PharmaCare expanded to provide services to long-term care facilities and private hospitals (Plan B). |
| 1978 | A drug usage review program established to monitor drug utilization and educate practitioners. |
| 1987 | Administration of BC PharmaCare transferred to the Ministry of Health. |
| | Plan A (seniors) co-payment scheme introduced. |
| 1989 | Plan F introduced, allowing severely disabled children to live at home by assisting the children's families with the cost of their drugs. |
| 1990 | Triplicate Prescription Program and Rural Incentive Program begin. |
| 1993 | Trial Prescription Program begins. |
| 1994 | The Low Cost Alternative (LCA) Program introduced to encourage the use of equally effective lower cost drugs. |
| | Drug Benefit Committee established. |
| | Therapeutics Initiative established at the University of BC. |
| 1995 | Reference Drug Program (RDP) launched. |
| | Pharmacoeconomic Initiative established at the University of BC. |
| 1996 | PharmaNet (province-wide network for prescription claim processing) implemented. |
| | Maximum Days' Supply policy introduced. |
| 1997 | RDP expanded to ACE inhibitors and Calcium Channel Blockers. RDP evaluations begin. |
| | Plan G coverage of psychiatric medications begins. |
| 1999 | Hospital Emergency Departments Access to PharmaNet launched. |
| 2000 | Medical Practice Access to PharmaNet pilot project begins. |
| 2001 | Responsibility for all drugs acting on cancerous tumours transferred to the BC Cancer Agency. |
| 2002 | Plan A splits into two components - regular Plan A and Plan A1 for seniors receiving Premium Assistance for their Medical Services Plan payments. |
| | Coverage of Early Fills Policy is introduced. |
| 2003 | Income-based Fair PharmaCare Plan introduced focusing resources on BC families who are most in need. Fair PharmaCare replaces both the Universal Plan (Plan E) and the Seniors Plan (Plan A). |

| 2005 | Fair PharmaCare Monthly Deductible Payment Option introduced to help families distribute their expenses over the course of the year. |
|------|--|
| | Health Insurance BC becomes the alternate service delivery provider for BC PharmaCare and Medical Services Plan operations. |
| | Medical Practice Access to PharmaNet implemented. |
| | BC PharmaCare assumes responsibility for funding and administering the BC Palliative Care Drug Plan, the drug plan portion of the B.C. Palliative Care Benefits program. |
| 2007 | Alzheimer's Drug Therapy Initiative (ADTI) launched. |
| | Hospital Access to PharmaNet launched. |
| 2008 | Provincial Academic Detailing launched. |
| | The Province and BC Pharmacy Association sign an Interim Agreement to implement the drug procurement patient care options recommended in the report of the Pharmaceutical Task Force. |
| | Travel Supply Policy introduced. |
| | Expanded scope of practice for pharmacists takes effect (prescription renewal and adaptation) |
| 2009 | Interim Multi-Source Generics Pricing policy implemented. |
| | Interim policy introduced to support clinical services fees associated with prescription renewals and adaptations. |
| | Frequency of Dispensing policy introduced. |
| | Expansion of pharmacists' scope of practice and PharmaCare payment to include the administration of vaccines by pharmacists. |
| | Drug Benefit Committee reconstituted as the "Drug Benefit Council" (DBC) to more appropriately reflect the arms-length role expected in carrying out the drug review process. DBC modified to include the participation of three public members. |
| 2010 | The Province, the BC Pharmacy Association and the Canadian Association of Chain Drug Stores sign the Pharmacy Services Agreement initiating changes to BC PharmaCare fees and policies. |
| | The Province establishes a maximum accepted list price for all generic drugs subject to the LCA Program. Interim Multi-Source Generics Pricing policy discontinued. |
| | Full Payment Policy introduced. |
| | Medication Management pilot project begins. |
| | PharmaCare begins accepting public input to drug coverage reviews through the <u>Your Voice</u> website. |
| | BC PharmaCare online Formulary Search launched. |
| | Updated Rural Incentive Program for pharmacies introduced. |
| 2011 | Province covers smoking cessation products. |
| | PharmaCare Payment for medication review services begins. |
| 2012 | Medication Management pilot project ends. |
| | Pharmaceutical Services Act comes into force. |
| 2013 | PSA Drug Price Regulation enacted. |

4. PharmaCare Plan Expenditures, 2007/08 to 2013/14

4.1 Interpreting PharmaCare Data

The following data regarding costs, expenditures and paid amounts refer only to PharmaCare plan expenditures—i.e., costs associated with Plans B, C, D, F, G, P, S and Fair PharmaCare (indicated in the tables as "Plan I"). Expenditures for drugs provided through the B.C. Centre for Excellence in HIV/AIDS and additional pharmacy expenditures are captured only in Section <u>4.2</u>, Table A under "Additional Payments and Recoveries."

In addition, claims expenditures are based only on claims submitted by community pharmacies and do not include hospital in-patient prescription drug expenditures.

Subject to general PharmaCare coverage rules and the rules of their particular PharmaCare plan, beneficiaries may be responsible for paying some of their prescription costs. Thus, the claims data refer only to claims to which PharmaCare contributed a portion of the cost.

Significant policy changes to PharmaCare Plans

Significant changes in plan coverage policies affecting PharmaCare expenditure data, such as the introduction of Fair PharmaCare and the Frequency of Dispensing Policy are noted in Section <u>3</u>, PharmaCare History.

Data Quality Note

Data were extracted from the Ministry of Health HealthIdeas database and may not reconcile exactly with previous reports due to data quality improvements.

Definitions

| Claim(s) | A request to PharmaCare for payment of the cost of processing a prescription. For example, a prescription for a 90-day supply of medication, dispensed at 30-day intervals, would count as three claims. |
|---|--|
| Days' Supply | The length of time a supply of medication dispensed will last based on the dosage prescribed (e.g., 60 tablets at a dosage of one tablet twice daily would equal a 30-day supply). |
| Dispensing fee/ Professional fee | The fee a pharmacy charges to process a prescription. |
| Ingredient cost paid / Professional fee paid / Total paid costs | Amounts paid by PharmaCare (i.e., excluding amounts paid by beneficiaries). |

4.2 PharmaCare Plan Expenditure Tables

Table A—Total Claims Expenditures: All Plans (B, C, D, F, G, I, P and S)

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|---|------------|------------|------------|------------|------------|------------|------------|
| Number of claims (millions) | 24.08 | 26.14 | 26.69 | 28.03 | 29.77 | 30.83 | 31.87 |
| Number of beneficiaries (millions) | 0.79 | 0.77 | 0.78 | 0.79 | 0.82 | 0.79 | 0.76 |
| Ingredient costs paid (millions) | \$690.55 | \$723.16 | \$769.36 | \$784.36 | \$767.49 | \$748.98 | \$722.98 |
| Professional + capitation fees paid (millions)* | \$171.20 | \$182.63 | \$170.33 | \$187.94 | \$215.29 | \$222.83 | \$227.04 |
| Total amount paid (millions) | \$861.75 | \$905.79 | \$939.69 | \$972.30 | \$982.78 | \$971.81 | \$950.02 |
| Avg number of claims per beneficiary | 30.44 | 33.82 | 34.24 | 35.49 | 36.49 | 38.87 | 42.03 |
| Avg total paid cost per beneficiary | \$1,089.61 | \$1,171.66 | \$1,205.55 | \$1,231.17 | \$1,204.64 | \$1,225.36 | \$1,252.75 |
| Avg professional fees paid per claim | \$7.11 | \$6.99 | \$6.38 | \$6.71 | \$7.23 | \$7.23 | \$7.12 |
| Avg ingredient cost paid per claim | \$28.68 | \$27.66 | \$28.83 | \$27.99 | \$25.78 | \$24.29 | \$22.68 |
| Avg total amount paid per claim | \$35.79 | \$34.65 | \$35.21 | \$34.69 | \$33.02 | \$31.52 | \$29.81 |
| Avg days' supply per claim | 26.38 | 24.23 | 24.20 | 23.51 | 22.40 | 21.16 | 19.90 |
| | | | | | | | |
| Additional Payments and Recoveries (millions)^ | \$85.03 | \$83.38 | \$92.41 | \$120.97 | \$126.33 | \$129.07 | \$126.13 |
| | | | | | | | |
| Total Annual Expenditure (millions) | \$946.78 | \$989.17 | \$1,032.10 | \$1,093.27 | \$1,109.11 | \$1,100.88 | \$1076.15 |

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2007, to March 31, 2014.

Notes:

* Includes both dispensing fees and residential care facility capitation fees.

^ Includes additional payments that are not adjudicated in the same manner as regular prescription claims in PharmaNet. These include—but are not limited to—payments and reimbursements to the BC Centre for Excellence, methadone interaction fees, multisource generic pricing policy, audit recoveries, pharmacist injections, rural incentive program and through various contracts.

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Number of claims (millions) | 2.57 | 3.28 | 3.72 | 3.99 | 4.23 | 4.41 | 4.75 |
| Number of beneficiaries (millions) | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 |
| Ingredient costs paid (millions) | \$33.42 | \$35.26 | \$37.59 | \$37.37 | \$34.36 | \$32.53 | \$30.75 |
| Capitation fees paid (millions)* | \$8.15 | \$8.58 | \$8.96 | \$9.64 | \$11.59 | \$11.76 | \$12.93 |
| Total amount paid (millions) | \$41.57 | \$43.84 | \$46.55 | \$47.01 | \$45.95 | \$44.29 | \$43.68 |
| Avg number of claims per beneficiary | 101.85 | 122.31 | 135.00 | 141.52 | 148.91 | 151.81 | 161.30 |
| Avg total paid cost per beneficiary | \$1,646.95 | \$1,634.41 | \$1,688.64 | \$1,668.57 | \$1,618.42 | \$1,524.10 | \$1,484.43 |
| Avg professional fees paid per claim | \$3.17 | \$2.62 | \$2.41 | \$2.42 | \$2.74 | \$2.67 | \$2.72 |
| Avg ingredient cost paid per claim | \$13.00 | \$10.75 | \$10.10 | \$9.37 | \$8.13 | \$7.37 | \$6.48 |
| Avg total amount paid per claim | \$16.17 | \$13.36 | \$12.51 | \$11.79 | \$10.87 | \$10.04 | \$9.20 |
| Avg days' supply per claim | 14.04 | 11.49 | 10.61 | 10.07 | 9.69 | 9.35 | 8.83 |

Table B—PharmaCare Claims Expenditures: Plan B (Permanent Residents of Licensed Residential Care Facilities)

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2007, to March 31, 2014.

Notes:

* Plan B does not have a professional fee; pharmacies are paid a monthly capitation rate. This amount is included in the above table.

As of October 10, 2010, the Plan B pharmacy monthly capitation rate was increased from \$35.00 per month per serviced bed to \$43.75.

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Number of claims (millions) | 8.16 | 8.99 | 9.31 | 10.02 | 10.92 | 11.59 | 12.26 |
| Number of beneficiaries (millions) | 0.15 | 0.16 | 0.17 | 0.18 | 0.18 | 0.17 | 0.17 |
| Ingredient costs paid (millions) | \$177.24 | \$190.61 | \$207.26 | \$214.09 | \$206.33 | \$202.12 | \$191.14 |
| Professional fees paid (millions) | \$68.52 | \$74.97 | \$70.63 | \$79.93 | \$93.18 | \$98.79 | \$103.00 |
| Total amount paid (millions) | \$245.76 | \$265.58 | \$277.89 | \$294.02 | \$299.51 | \$300.91 | \$294.14 |
| Avg number of claims per beneficiary | 55.41 | 57.84 | 54.51 | 56.45 | 61.19 | 66.46 | 70.68 |
| Avg total paid cost per beneficiary | \$1,669.53 | \$1,709.58 | \$1,627.59 | \$1,656.81 | \$1,677.90 | \$1,725.84 | \$1,695.34 |
| Avg professional fees paid per claim | \$8.40 | \$8.34 | \$7.59 | \$7.98 | \$8.53 | \$8.53 | \$8.40 |
| Avg ingredient cost paid per claim | \$21.73 | \$21.21 | \$22.27 | \$21.37 | \$18.89 | \$17.44 | \$15.59 |
| Avg total amount paid per claim | \$30.13 | \$29.56 | \$29.86 | \$29.35 | \$27.42 | \$25.97 | \$23.98 |
| Avg days' supply per claim | 14.84 | 14.11 | 14.71 | 14.42 | 13.80 | 13.14 | 12.60 |

Table C—PharmaCare Claims Expenditures: Plan C (Recipients of B.C. Income Assistance)

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Number of claims | 1,724 | 1,788 | 1,779 | 1,830 | 1,985 | 1,938 | 1,987 |
| Number of beneficiaries | 277 | 275 | 282 | 289 | 294 | 306 | 324 |
| Ingredient costs paid (millions) | \$1.00 | \$1.00 | \$1.11 | \$1.12 | \$1.28 | \$1.28 | \$1.50 |
| Professional fees paid | \$14,577.95 | \$15,153.90 | \$14,903.63 | \$15,954.04 | \$18,859.26 | \$18,409.85 | \$18,833.35 |
| Total amount paid (millions) | \$1.01 | \$1.02 | \$1.12 | \$1.14 | \$1.30 | \$1.30 | \$1.52 |
| Avg number of claims per beneficiary | 6.22 | 6.50 | 6.31 | 6.33 | 6.75 | 6.33 | 6.13 |
| Avg total paid cost per beneficiary | \$3,650.65 | \$3,679.03 | \$3,977.92 | \$3,944.55 | \$4,410.73 | \$4,242.19 | \$4,675.84 |
| Avg professional fees paid per claim | \$8.46 | \$8.48 | \$8.38 | \$8.72 | \$9.50 | \$9.50 | \$9.48 |
| Avg ingredient cost paid per claim | \$578.10 | \$557.37 | \$622.19 | \$614.22 | \$643.78 | \$660.32 | \$752.96 |
| Avg total amount paid per claim | \$586.56 | \$565.85 | \$630.56 | \$622.94 | \$653.28 | \$669.82 | \$762.44 |
| Avg days' supply per claim | 43.20 | 40.18 | 41.53 | 41.36 | 39.42 | 42.18 | 43.42 |

Table D—PharmaCare Claims Expenditures: Plan D (Cystic Fibrosis)

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Number of claims | 38,389 | 39,574 | 39,598 | 42,314 | 45,262 | 46,206 | 47,012 |
| Number of beneficiaries | 2,390 | 2,441 | 2,490 | 2,625 | 2,722 | 2,784 | 2,873 |
| Ingredient costs paid (millions) | \$3.96 | \$3.92 | \$4.22 | \$4.45 | \$4.80 | \$4.64 | \$4.97 |
| Professional fees paid (millions) | \$0.31 | \$0.33 | \$0.32 | \$0.37 | \$0.42 | \$0.44 | \$0.45 |
| Total amount paid (millions) | \$4.27 | \$4.25 | \$4.54 | \$4.82 | \$5.22 | \$5.08 | \$5.42 |
| Avg number of claims per beneficiary | 16.06 | 16.21 | 15.90 | 16.12 | 16.63 | 16.60 | 16.36 |
| Avg total paid cost per beneficiary | \$1,787.50 | \$1,739.79 | \$1,825.07 | \$1,834.02 | \$1,916.67 | \$1,822.36 | \$1,885.02 |
| Avg professional fees paid per claim | \$8.18 | \$8.21 | \$8.11 | \$8.65 | \$9.28 | \$9.49 | \$9.47 |
| Avg ingredient cost paid per claim | \$103.11 | \$99.10 | \$106.65 | \$105.13 | \$105.98 | \$100.31 | \$105.73 |
| Avg total amount paid per claim | \$111.29 | \$107.31 | \$114.76 | \$113.78 | \$115.27 | \$109.80 | \$115.20 |
| Avg days' supply per claim | 30.37 | 29.98 | 30.79 | 30.43 | 30.02 | 30.11 | 30.55 |

Table E—PharmaCare Claims Expenditures: Plan F (At Home Children)

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Number of claims (millions) | 0.50 | 0.53 | 0.54 | 0.60 | 0.69 | 0.75 | 0.82 |
| Number of beneficiaries (millions) | 0.02 | 0.02 | 0.02 | 0.03 | 0.03 | 0.03 | 0.03 |
| Ingredient costs paid (millions) | \$16.91 | \$17.45 | \$18.05 | \$19.38 | \$19.11 | \$20.31 | \$20.04 |
| Professional fees paid (millions) | \$4.24 | \$4.44 | \$4.32 | \$5.06 | \$6.15 | \$6.73 | \$7.32 |
| Total amount paid (millions) | \$21.15 | \$21.89 | \$22.37 | \$24.44 | \$25.26 | \$27.04 | \$27.36 |
| Avg number of claims per beneficiary | 23.35 | 23.87 | 22.86 | 22.87 | 23.59 | 24.49 | 25.36 |
| Avg total paid cost per beneficiary | \$981.30 | \$993.24 | \$943.43 | \$924.24 | \$869.22 | \$880.36 | \$846.08 |
| Avg professional fees paid per claim | \$8.42 | \$8.44 | \$7.97 | \$8.37 | \$8.97 | \$8.95 | \$8.93 |
| Avg ingredient cost paid per claim | \$33.61 | \$33.18 | \$33.30 | \$32.04 | \$27.87 | \$26.99 | \$24.44 |
| Avg total amount paid per claim | \$42.03 | \$41.61 | \$41.27 | \$40.41 | \$36.84 | \$35.94 | \$33.36 |
| Avg days' supply per claim | 22.88 | 22.32 | 23.23 | 23.05 | 22.73 | 22.23 | 21.72 |

Table F—PharmaCare Claims Expenditures: Plan G (No-Charge Psychiatric Medication Plan)

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|-----------|-----------|-----------|------------|------------|------------|------------|
| Number of claims (millions) | 12.49 | 12.97 | 12.71 | 12.98 | 13.35 | 13.46 | 13.40 |
| Number of beneficiaries (millions) | 0.61 | 0.58 | 0.57 | 0.57 | 0.57 | 0.55 | 0.52 |
| Ingredient costs paid (millions) | \$448.17 | \$464.10 | \$489.02 | \$494.71 | \$479.84 | \$467.15 | \$455.30 |
| Professional fees paid (millions) | \$87.36 | \$91.49 | \$83.33 | \$89.83 | \$99.34 | \$100.19 | \$98.34 |
| Total amount paid (millions) | \$535.53 | \$555.59 | \$572.35 | \$584.54 | \$579.18 | \$567.34 | \$553.64 |
| Avg number of claims per beneficiary | 20.39 | 22.17 | 22.15 | 22.60 | 23.57 | 24.65 | 25.97 |
| Avg total paid cost per beneficiary | \$874.46 | \$949.89 | \$997.44 | \$1,017.83 | \$1,022.51 | \$1,038.86 | \$1,073.50 |
| Avg professional fees paid per claim | \$6.99 | \$7.05 | \$6.56 | \$6.92 | \$7.44 | \$7.44 | \$7.34 |
| Avg ingredient cost paid per claim | \$35.88 | \$35.78 | \$38.47 | \$38.12 | \$35.94 | \$34.70 | \$33.99 |
| Avg total amount paid per claim | \$42.88 | \$42.84 | \$45.03 | \$45.05 | \$43.38 | \$42.14 | \$41.33 |
| Avg days' supply per claim | 36.85 | 34.76 | 35.40 | 34.91 | 33.62 | 32.06 | 30.61 |

Table G—PharmaCare Claims Expenditures: Plan I (Fair PharmaCare)

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2007, to March 31, 2014.

- Deductibles and annual family maximums are based on a family's net annual income. Registrants born in or before 1939 are eligible for enhanced assistance:
 - Individuals and families registered for Fair PharmaCare pay full drug costs and dispensing fees until they reach their deductible. Once the deductible is met, PharmaCare pays 70% of eligible costs until they reach their annual family maximum. Once the annual family maximum is met, PharmaCare covers 100% of all eligible costs.
 - Individuals and families receiving Fair PharmaCare Enhanced Assistance pay full drug costs and dispensing fees until they reach their deductible.
 Once the deductible is met, PharmaCare pays 75% of eligible costs, until they reach their annual family maximum. Once the annual family maximum is met, PharmaCare covers 100% of all eligible costs.
- For more information on deductibles and annual family maximums, visit the PharmaCare website at www.gov.bc.ca/fairpharmacareregistration

| | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Number of claims (millions) | 0.32 | 0.34 | 0.37 | 0.40 | 0.43 | 0.48 | 0.52 |
| Number of beneficiaries | 8,895 | 9,179 | 9,862 | 10,579 | 10,924 | 11,084 | 11,251 |
| Ingredient costs paid (millions) | \$9.85 | \$10.82 | \$12.11 | \$13.23 | \$13.91 | \$13.67 | \$13.21 |
| Professional fees paid (millions) | \$2.60 | \$2.81 | \$2.75 | \$3.10 | \$3.63 | \$4.02 | \$4.26 |
| Total amount paid (millions) | \$12.45 | \$13.63 | \$14.86 | \$16.33 | \$17.54 | \$17.69 | \$17.47 |
| Avg number of claims per beneficiary | 35.48 | 37.18 | 37.19 | 37.38 | 39.44 | 42.93 | 46.49 |
| Avg total paid cost per beneficiary | \$1,400.16 | \$1,485.47 | \$1,507.18 | \$1,543.44 | \$1,605.08 | \$1,595.52 | \$1,552.76 |
| Avg professional fees paid per claim | \$8.25 | \$8.25 | \$7.51 | \$7.84 | \$8.41 | \$8.44 | \$8.14 |
| Avg ingredient cost paid per claim | \$31.21 | \$31.70 | \$33.02 | \$33.45 | \$32.28 | \$28.72 | \$25.26 |
| Avg total amount paid per claim | \$39.46 | \$39.95 | \$40.53 | \$41.29 | \$40.69 | \$37.16 | \$33.40 |
| Avg days' supply per claim | 15.51 | 15.19 | 15.57 | 15.29 | 14.86 | 13.71 | 12.39 |

Table H—PharmaCare Claims Expenditures: Plan P (Palliative Care)

| | 2011/2012 | 2012/2013 | 2013/2014 |
|--------------------------------------|-----------|-----------|-----------|
| Number of claims (millions) | 0.10 | 0.09 | 0.08 |
| Number of beneficiaries | 51,985 | 49,743 | 40,406 |
| Ingredient costs paid (millions) | \$7.85 | \$7.29 | \$6.08 |
| Professional fees paid (millions) | \$0.95 | \$0.88 | \$0.73 |
| Total amount paid (millions) | \$8.80 | \$8.17 | \$6.81 |
| Avg number of claims per beneficiary | 1.95 | 1.85 | 1.90 |
| Avg total paid cost per beneficiary | \$169.43 | \$164.22 | \$168.58 |
| Avg professional fees paid per claim | \$9.43 | \$9.58 | \$9.55 |
| Avg ingredient cost paid per claim | \$77.57 | \$79.07 | \$79.17 |
| Avg total amount paid per claim | \$87.00 | \$88.65 | \$88.72 |
| Avg days' supply per claim | 27.12 | 27.23 | 27.13 |

Table I—PharmaCare Claims Expenditures: Plan S (Smoking Cessation Nicotine Replacement Therapies)

5. PharmaCare Data

| Fiscal Year | 4 Years Ago 2009/2010 | 1 Year Ago 2012/2013 | 2013/ 2014 | 1 Year Change | 4 Year Change |
|--|--------------------------|-------------------------|---------------|------------------|------------------|
| | | | - | | |
| Number of claims (millions) | 26.69 | 30.83 | 31.87 | 3.4% | 19.4% |
| Number of beneficiaries (millions) | 0.78 | 0.79 | 0.76 | -3.8% | -2.6% |
| Avg number of claims per beneficiary | 34.24 | 38.87 | 42.03 | 8.1% | 22.8% |
| Ingredient cost paid (millions) | \$769.36 | \$748.98 | \$722.98 | -3.5% | -6.0% |
| Professional and capitation fees paid (millions) | \$170.33 | \$222.83 | \$227.04 | 1.9% | 33.3% |
| Total amount paid (millions) | \$939.69 | \$971.81 | \$950.02 | -2.2% | 1.1% |
| Avg total amount paid per claim | \$35.21 | \$31.52 | \$29.81 | -5.4% | -15.3% |
| Avg days' supply per claim | 24.20 | 21.16 | 19.90 | -6.0% | -17.8% |
| Avg total paid cost per beneficiary | \$1,205.55 | \$1,225.36 | \$1,252.75 | 2.2% | 3.9% |
| Total B.C. population (millions) | 4.44 | 4.59 | 4.64 | 1.1% | 4.5% |

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2013, to March 31, 2014.

- Dollar amounts refer to amounts paid by PharmaCare. Depending on coverage rules, beneficiaries may also pay a portion of the total drug cost. Data include Plan P claims expenditures.
- Professional fees increased from \$8.60 to \$9.10 in July 2010. A further increase to \$9.60 occurred in October 2010, followed by a rise to \$10.00 in July 2011.

5.1 Number of Drugs Covered

PharmaCare is often asked how many drugs it covers. This number changes constantly as new drugs, and lower-cost versions of existing drugs, are introduced to the market.

The number of drugs eligible for some degree of PharmaCare coverage can be expressed in two ways:

- 1. As the number of distinct DINs (Drug Identification Numbers) assigned by Health Canada.
- 2. As the number of distinct active chemical ingredients.

The same active chemical ingredient may be available in varying strengths or formulations and be marketed by a number of different manufacturers. PharmaCare takes this into consideration by tracking its coverage of both the number of distinct products (DINs) and the number of unique chemical ingredients.

The number of unique chemicals indicates the variety of *treatments*; the number of DINs indicates the variety of individual *products*.

Table K—Number of DINs Covered

| DINs approved for use by Health Canada 2013/14 ^a | 9,643 |
|---|-------|
| DINs eligible for PharmaCare coverage in 2013/14 ^{a,b} | 4,716 |
| DINs that received PharmaCare reimbursement in 2013/14 ^{a, b, c} | 4,682 |

Table L—Unique Chemicals Covered

| Unique chemicals approved for use by Health Canada in 2013/14 ^a | 1,425 |
|---|-------|
| Unique chemicals eligible for PharmaCare coverage in 2013/14 ^{a,b} | 656 |
| Unique chemicals that received PharmaCare reimbursement in 2013/14 ^{a, b, c} | 723 |

Sources:

(1) Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthNet. Data for the period April 1, 2013, to March 31, 2014.

(2) Health Canada, Drug Product Database. Published September 2014.

- ^a This includes only those DINs/chemicals that are (i) found in the Health Canada database, (ii) approved by Health Canada for human use, and (iii) currently available.
- ^b On March 31, 2014, each DIN/chemical was covered under at least one PharmaCare plan.
- ^c In the last fiscal year, one or more PharmaCare beneficiaries were reimbursed for this DIN/chemical.

5.2 Formulary Expansion

Between April 1, 2013, and March 31, 2014, PharmaCare funded 15 new brand name drugs². In addition, 253 generic drugs were added to the formulary (27 to new LCA categories and 226 to existing LCA categories).³

5.3 Top Ten Drugs

The division is often asked which drugs are most commonly prescribed in B.C. Although all prescriptions filled at B.C. community pharmacies are processed on PharmaNet, Medical Beneficiary and Pharmaceutical Services Division tracks only those prescriptions for which PharmaCare paid a portion of the cost.

| Generic Name | Typical Usage | PharmaCare Reimbursement |
|------------------------|--|-----------------------------|
| INFLIXIMAB | Rheumatoid arthritis, Ankylosing Spondylitis, Crohn's disease, Psoriasis | \$60.68 million |
| ADALIMUMAB | Rheumatoid Arthritis, Psoriatic Arthritis, Ankylosing Spondylitis, Crohn's disease, psoriasis | \$42.52 million |
| METHADONE | Opioid addiction / Pain | \$26.62 million |
| ETANERCEPT | Rheumatoid Arthritis, Psoriatic Arthritis, Ankylosing Spondylitis, Crohn's disease, psoriasis | \$25.17 million |
| ESCITALOPRAM OXALATE | Depression, anxiety | \$17.75 million |
| QUETIAPINE FUMARATE | Schizophrenia, psychosis | \$17.6 million |
| SALMETEROL/FLUTICASONE | Chronic obstructive pulmonary disease, asthma | \$14.81 million |
| ATORVASTATIN | High cholesterol | \$13.31 million |
| INTERFERON BETA | Multiple sclerosis | \$12.26 million |
| CLOZAPINE | Schizophrenia, Bipolar disorder | \$12.17 million |

Table M—Top Ten Drugs by PharmaCare Reimbursement 2013/14

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2013, to March 31, 2014.

- 1. PharmaCare reimbursement includes amounts paid to pharmacies for both the ingredient and dispensing fees.
- 2. PharmaCare reimbursement for methadone does not include interaction fees for pharmacists witnessing methadone ingestion.

² This is the number of new chemical entities approved for coverage including new drugs, new indications for existing drugs, modifications to Special Authority criteria, and new strengths or dosage formats of drugs already covered. Formulary Management database, Pharmaceutical Services Division, Ministry of Health.

³ Business Management Supplier Relations and Systems, Pharmaceutical Services Division, monthly updates to Low Cost Alternative Program/Reference Drug Program information.

| Generic Name | Typical Usage | Distinct Beneficiaries |
|---------------------------------|--------------------------|---------------------------|
| AMOXICILLIN | Bacterial infection | 110,000 |
| ACETAMINOPHEN WITH CODEINE 30MG | Pain and fever | 106,000 |
| RAMIPRIL | High blood pressure | 100,000 |
| LEVOTHYROXINE | Hypothyroidism | 96,000 |
| ATORVASTATIN | High cholesterol | 94,000 |
| METFORMIN | Diabetes | 85,000 |
| SALBUTAMOL | Asthma and lung diseases | 84,000 |
| HYDROCHLOROTHIAZIDE | High blood pressure | 78,000 |
| LORAZEPAM | Anxiety | 77,000 |
| ROSUVASTATIN | High cholesterol | 68,000 |

Table N—Top Ten Drugs by Number of PharmaCare Beneficiaries 2013/14

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2013, to March 31, 2014.

Note: Includes all medication strengths.

5.4 PharmaCare Beneficiaries

PharmaCare Beneficiaries 2013/14

As shown below, a total of 758,356 provincial residents (16.4% of the entire B.C. population) received PharmaCare benefits in 2013/14.

The table below documents the number of PharmaCare beneficiaries in 2013/14 by five-year age groups, showing that the percentage of individuals receiving assistance from PharmaCare in 2013/14 increased with age.

| Age | Total BC | Number of PharmaCare | Percentage of Age Group |
|-------|------------|----------------------|-------------------------|
| Group | Population | Beneficiaries | Receiving Benefits |
| 0-4 | 222,238 | 11,463 | 5.2% |
| 5-9 | 230,423 | 13,138 | 5.7% |
| 10-14 | 231,221 | 12,163 | 5.3% |
| 15-19 | 271,062 | 20,371 | 7.5% |
| 20-24 | 298,228 | 30,404 | 10.2% |
| 25-29 | 307,724 | 33,973 | 11.0% |
| 30-34 | 312,305 | 31,143 | 10.0% |
| 35-39 | 293,590 | 28,288 | 9.6% |
| 40-44 | 317,131 | 31,603 | 10.0% |
| 45-49 | 336,485 | 37,416 | 11.1% |
| 50-54 | 371,704 | 48,110 | 12.9% |
| 55-59 | 349,830 | 53,165 | 15.2% |
| 60-64 | 306,644 | 57,467 | 18.7% |
| 65-69 | 254,807 | 61,543 | 24.2% |
| 70-74 | 182,209 | 61,926 | 34.0% |
| 75-79 | 134,521 | 78,227 | 58.2% |
| 80-84 | 102,635 | 69,246 | 67.5% |
| 85-89 | 65,916 | 47,190 | 71.6% |
| 90+ | 49,123 | 31,520 | 64.2% |
| TOTAL | 4,637,796 | 758,356 | 16.4% |

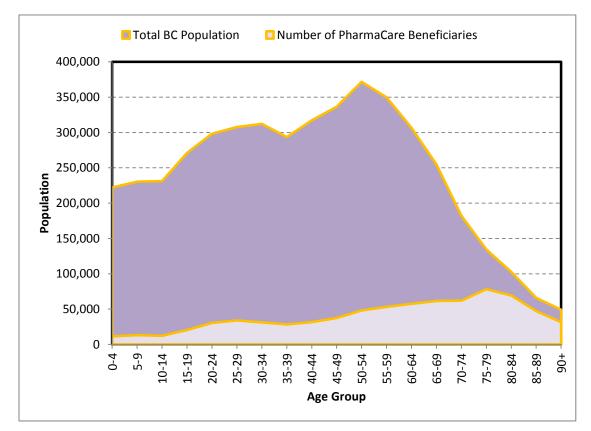
Table O—PharmaCare Beneficiaries by Age Group 2013/14

Source: Retrieved September 2, 2014, HealthIdeas. Data for period April 1, 2013, to March 31, 2014.

Notes: The above table reflects patient ages at March 31, 2014.

PharmaCare Beneficiaries Compared to B.C. Population 2013/14

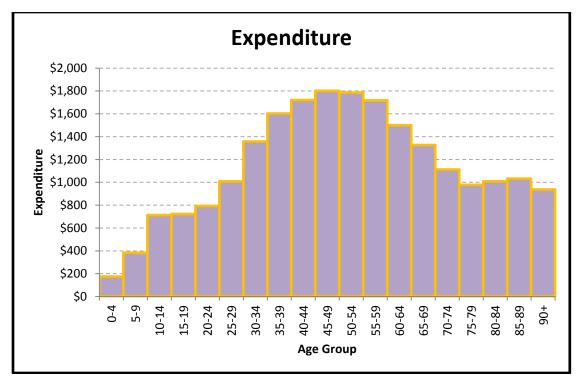
The graph below depicts data from the preceding table and compares the number of PharmaCare beneficiaries to B.C.'s total population by five-year age groups.



Graph A—PharmaCare Beneficiaries in 2013/14 Compared to B.C. Population

Source: Retrieved September 2, 2014, HealthIdeas. Data for period April 1, 2013, to March 31, 2014.

Average Annual PharmaCare Expenditures per Beneficiary by Age Group 2013/14



Graph B—Average Annual PharmaCare Expenditure per Beneficiary by Age Group in 2013/14

- Excludes capitation fees.
- Excludes additional fees and recoveries (e.g., methadone interaction fees, audit recoveries, pharmacist injection fees, rural incentive program fees, multisource generic pricing policy).

Source: Policy, Outcomes Evaluation and Research, Medical Beneficiary and Pharmaceutical Services Division, Ministry of Health. Retrieved September 2, 2014, HealthIdeas. Data for the period April 1, 2013, to March 31, 2014.

5.5 Payments to Pharmacies for Clinical Services, Medication Reviews and Publicly Funded Vaccines provided by pharmacies

 Table P—Payments to Pharmacies for Clinical Services, Pharmacist-Administered Publicly

 Funded Vaccines and Medication Review Services

| Fiscal Year (By payment date) | Clinical Services (Prescription renewals and adaptations) | Injections | Medication Review Services |
|----------------------------------|---|-------------|-------------------------------|
| 2009/2010 | \$812,924 | \$316,590 | - |
| 2010/2011 | \$916,708 | \$490,000 | - |
| 2011/2012 | \$1,533,377 | \$922,860 | \$7,112,305 |
| 2012/2013 | \$1,686,344 | \$2,209,550 | \$9,881,235 |
| 2013/2014 | \$1,804,411 | \$4,099,480 | \$14,448,130 |

6. Resources

The websites listed below may provide relevant information about drug programs and policies in B.C. and in Canada.

British Columbia websites

- BC PharmaCare <u>www.gov.bc.ca/pharmacare</u>
- BC Mental Health and Substance Use <u>www.health.gov.bc.ca/mhd</u>
- Therapeutics Initiative <u>www.ti.ubc.ca</u>
- BC Centre for Excellence in HIV/AIDS <u>www.cfenet.ubc.ca</u>
- College of Pharmacists of BC <u>www.bcpharmacists.org</u>
- College of Physicians & Surgeons of BC <u>www.cpsbc.ca</u>
- College of Dental Surgeons of BC <u>www.cdsbc.org</u>
- College of Midwives of BC <u>www.cmbc.bc.ca</u>
- College of Registered Nurses of British Columbia <u>www.crnbc.ca</u>
- British Columbia Nurse Practitioner Association <u>www.bcnpa.org</u>
- College of Optometrists of BC <u>www.optometrybc.com</u>
- British Columbia Podiatric Medical Association <u>www.foothealth.ca</u>
- BC Medical Association <u>www.bcma.org</u>
- BC Pharmacy Association <u>www.bcpharmacy.ca</u>

Provincial websites

- Alberta Health and Wellness <u>www.health.alberta.ca/AHCIP/prescription-program.html</u>
- Saskatchewan Health <u>www.health.gov.sk.ca/ps_drug_plan.html</u>
- Manitoba PharmaCare Program <u>www.gov.mb.ca/health/pharmacare/index.html</u>
- Ontario Drug Benefit
 Program <u>www.health.gov.on.ca/en/public/programs/drugs/default.aspx</u>
- Quebec Prescription Drug Insurance <u>http://www.ramq.gouv.qc.ca/fr/citoyens/assurance-medicaments/Pages/assurance-medicaments.aspx</u>
- Newfoundland & Labrador Prescription Drug Program <u>www.gov.nf.ca/health/nlpdp</u>
- Nova Scotia Pharmacare <u>www.gov.ns.ca/health/pharmacare/</u>
- New Brunswick Prescription Drug Program <u>www.gnb.ca/0051/0212/index-e.asp</u>
- Prince Edward Island Health Services <u>www.healthpei.ca/index.php3?number=1026180&lang=E</u>
- Northwest Territories Health Programs <u>www.hlthss.gov.nt.ca</u>
- Yukon Health & Social Services <u>www.hss.gov.yk.ca</u>
- Nunavut Health and Social Services <u>www.gov.nu.ca/health</u>

Federal websites

- Health Canada <u>www.hc-sc.gc.ca</u>
- Health Canada, Drug Product Database <u>www.hc-sc.gc.ca/dhp-mps/prodpharma/databasdon/index_e.html</u>
- Public Health Agency of Canada <u>www.phac-aspc.gc.ca</u>
- Canadian Institute for Health Information <u>www.cihi.ca</u>
- Patented Medicine Prices Review Board <u>www.pmprb-cepmb.gc.ca</u>

National websites

- Canadian Agency for Drugs and Technologies in Health, Common Drug Review <u>www.cadth.ca/en/products/cdr/cdr-overview</u>
- Canadian Agency for Drugs and Technologies in Health, Canadian Optimal Medication Prescribing & Utilization Service <u>www.cadth.ca/index.php/en/compus</u>

Canadian association websites

- Canadian Pharmacists Association <u>www.pharmacists.ca</u>
- Canadian Medical Association <u>www.cma.ca</u>