Modernized Reference Drug Program

Monitoring Report

For the period ending May 31, 2017

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Executive Summary

Since 1995, the BC PharmaCare Reference Drug Program (RDP) has been encouraging cost-effective prescribing for common medical conditions without compromising patient care.

The RDP works by identifying categories of drugs (for example, statins for treating high cholesterol) in which all medications generally provide the same medical benefit and risk. PharmaCare establishes which drugs in each category are the most cost-effective at the usual dose. These drugs become the “reference drugs” and are fully covered. Other drugs within a category are covered only up to the usual daily cost of those reference drugs (i.e., partially covered). If a patient cannot take any of the reference drugs in a category, their prescriber can request Special Authority for full coverage of a non-reference drug.

In 2016, PharmaCare modernized the RDP in response to the availability of new therapies, changes in prescribing patterns, and changes in therapeutic requirements. Three new categories were added and three existing categories were updated.

The transition to the Modernized RDP began June 1, 2016. To minimize the impact of the changes to the RDP, more complex patients with existing coverage for non-reference RDP drugs were granted continued coverage. Full implementation of the changes to the RDP came into effect on December 1, 2016.

PharmaCare has been gathering data on the effects of the Modernized RDP on patients. The preliminary monitoring data provided in this report show that as of May 31, 2017 (one year after the start of the transition to the Modernized RDP):

- 28.6% of patients affected by the change switched to a fully covered RDP drug;
- most patients who did not receive continued coverage for a non-reference drug elected to stay on their non-reference RDP drug and pay the small difference in cost or rely on coverage from a private insurer;
- 10 to 70% of patients who were taking a non-reference drug in one or more of the six modernized RDP categories were granted Special Authority for continued full coverage;
- there was no increase in visits to prescribers by patients taking RDP drugs;
- patients continued their therapies, indicating patients are taking the medications they need; and
- there was no significant increase in Special Authority full coverage of non-reference RDP drugs; after the initial granting of continued coverage of affected patients, the number of Special Authorities granted has remained constant, indicating that new prescriptions are predominantly for reference drugs and/or patients are choosing to pay out-of-pocket for more expensive therapies.

After January 2018, financial data will be available, showing the extent of the cost savings attributable to the Modernized RDP.
Introduction

Since introducing the Modernized Reference Drug Program (RDP), PharmaCare has actively monitored, and will continue to monitor, various outcomes to gauge the effect of the revised program on British Columbians.

About the modernization of the RDP

The modernization of the RDP, which came into effect on December 1, 2016, included the addition of three new categories, the amendment of three original categories (by changing the PharmaCare coverage of specific drugs within those categories), and left two original categories unchanged.

Transition period

Implementation of the Modernized RDP was preceded by a six-month transition period (June 1, 2016, to November 30, 2016). During the transition, both fully covered original RDP drugs and fully covered Modernized RDP drugs were available. This allowed patients who might need to consider switching to make the change without any impact on their coverage.

For details on the drugs covered under Modernized RDP, please refer to the "Modernized RDP Status" (Column G) of the RDP Master Spreadsheet (XLS) or the online version of the Modernized RDP Poster (PDF).

About the reporting schedule

Reports are issued on a semi-annual basis.

About the data

There is a time delay before reliable data for a specific period is stable. For this reason, PharmaNet data is available approximately one month after the closing of the specific reporting period of the report. Hospital data has a longer delay and is available approximately 6 months after the closing of the reporting period.
Data Related to PharmaCare Beneficiaries for all Modernized RDP Categories

For the charts in this section, affected individuals refers to individuals who:
- received PharmaCare coverage in the past
- were taking a drug that would become a non-benefit under the Modernized RDP on December 1, 2016, and
- did not have PharmaCare Special Authority for full coverage of that drug, and
- refilled their prescription at least once after June 1, 2016.

Percentage of patients who switched to a fully covered (reference) drug

This graph shows the cumulative rate of switches to Modernized RDP fully covered (reference) drug among affected individuals from June 1, 2016 (the start date of the transition to the Modernized RDP).

Since the transition to the Modernized RDP began in June 2016, 28.6% of patients potentially affected by the change have chosen to switch to a fully covered RDP drug.

![Graph showing percentage of affected PharmaCare Beneficiaries switching to reference drugs over time. The transition period begins in 2016-05-31 and ends in 2017-05-31.](image)

Percentage of patients receiving Special Authority full coverage of a partially covered (non-reference) drug

Patients who do not have PharmaCare Special Authority coverage for a non-reference drug need to pay the difference in cost between the daily cost of the fully covered (reference) drug and the partially covered (non-reference) drug. An increase in the percentage of patients with Special Authority for full coverage of a non-reference drug indicates fewer patients paying out-of-pocket.

This graph shows the cumulative rate of Special Authority full coverage that was granted to patients for an RDP drug that would otherwise have been only partially covered from June 1, 2016 (the start date of the transition to the Modernized RDP).

The data includes individuals who were granted ongoing coverage of their drug through a grandfathering process (as described in the Guide to the Modernized RDP, Section 4.2) applied before, and shortly after, the full implementation of the modernized RDP on December 1, 2016.

As the data indicates, an increasing number of patients have a PharmaCare Special Authority, which grants full coverage of a drug that would otherwise be only partially covered. As a result of Special Authority provisioning, and of patients switching to fully covered reference drugs, the number of patients paying out-of-pocket (or accessing other drug insurance) for partially covered RDP drugs has dropped since June 2016, from 50,500 in June 2016 to 39,300 in May 2017.

Number of pharmacy-initiated therapeutic substitutions

- This table indicates the number of patients who, with their pharmacist’s assistance, switched to an alternative drug in an RDP category.
- The increase of approximately 2,000 therapeutic substitutions in December 2016 corresponds with the date that the Modernized RDP was fully implemented.

Data Related to B.C. Residents and Specific RDP Categories

The data in the following section includes all B.C. residents (whether or not they received PharmaCare coverage) who switched to another (reference or non-reference) drug in the same RDP category when they first refilled their prescription following the start of the transition to the Modernized RDP on June 1, 2016.

Integrated Analytics: Community and Cross Sector, Health Sector Information, Analysis and Reporting Division, Ministry of Health.

Patients who switched to another RDP drug after the start of transition to the Modernized RDP, compared to previous years

Angiotensin Receptor Blockers (ARBs)—New Category

![Percentage of Patients Who Switched to Another Drug in the Category](chart.png)
Proton Pump Inhibitors (PPIs)—New Category

Percentage of Patients Who Switched to Another Drug in the Category

Statins—New Category

Percentage of Patients Who Switched to Another Drug in the Category
Angiotensin Converting Enzyme Inhibitors (ACEIs)—Changed Category

Dihydropyridine Calcium Channel Blockers (CCBs)—Changed Category
Histamine, Receptor Blockers (H2 Blockers)—Changed Category

![Graph showing the percentage of patients who switched to another drug in the category over time.](image-url)
Patient visits to a prescriber after the start of transition to the Modernized RDP, compared to previous years

PharmaCare is monitoring physician visits and, as data becomes available, will also monitor hospital visits to ensure there is no negative impact on health outcomes following the shift to the Modernized RDP.


**Angiotensin Receptor Blockers (ARBs)—New Category**
Proton Pump Inhibitors (PPIs)—New Category

Percentage of Prescriber Visits Compared to Previous Years

Days 1-365 from Policy Start

Statins—New Category

Percentage of Prescriber Visits Compared to Previous Years

Days 1-365 from Policy Start
Angiotensin Converting Enzyme Inhibitors (ACEIs)—Changed Category

Dihydropyridine Calcium Channel Blockers (CCBs)—Changed Category
Histamine, Receptor Blockers (H2 Blockers)—Changed Category
Patients who re-filled a prescription for any drug included in the RDP after the start of transition to the Modernized RDP, compared to previous years.

Of the patients potentially affected by the policy, the percentage refilling a prescription for an RDP drug on any given day is comparable to previous years, indicating no negative impact on patient adherence to therapy.


**Angiotensin Receptor Blockers (ARBs)—New Category**
Proton Pump Inhibitors (PPIs)—New Category

Statins—New Category
Angiotensin Converting Enzyme Inhibitors (ACEIs)—Changed Category

Dihydropyridine Calcium Channel Blockers (CCBs)—Changed Category
Histamine, Receptor Blockers (H₂ Blockers)—Changed Category