



BUILDING A BETTER PUBLIC DRUG SYSTEM, TOGETHER

Ontario Public Drug Programs

March 2012

Letter from the Executive Officer

It is with great pride that I submit the Ontario Public Drug Programs (OPDP) 2012 annual report. It is an annual report in name only, covering as it does a period of more than four years, beginning in January 2008. Our organization was born amid a certain amount of controversy, with a mandate to effect significant transformation in a field that had historically resisted change. The time period covered in this report constitutes what many of us here at OPDP regard as the first full chapter in the life of Ontario Public Drug Programs.

I must say that to call it a full chapter is to seriously understate the case. The past several years have seen a great many fundamental changes made to an extremely complex and volatile system. This report outlines those changes, explains why they were made, and paints an exciting picture of the system that has emerged as a result.

Decisions about public drug funding are never easy. They haven't gotten any easier as a result of the past few years, but they are now being made with the confidence that comes from having the very best evidence at our disposal. We are guided, always, by a spirit of the very highest compassion, but we know we have tough decisions to make, and we make them responsibly.

As this report will make clear, we are driven by three basic imperatives: We are always looking to achieve more access for greater value; we are working to build a better system; and we are guided in our efforts, as the title of this report indicates, by an unwavering commitment to citizen engagement.

Originally signed by

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Introduction

Every year, more than 3.5 million eligible recipients receive benefits from one of Ontario's several different public drug programs. These programs combine to form one of the most generous public drug systems in Canada, with some 3,800 drugs listed on the province's Formulary and another 850 provided on an exceptional basis to Ontarians who are in need. Public drug systems exist to ensure that people who would otherwise be forced to go without important medications can receive the drugs they need, and Ontario's system is one of the best anywhere. It is administered by Ontario Public Drug Programs (OPDP) which, since being established in 2007, has been responsible for making funding decisions, negotiating agreements with drug manufacturers as appropriate, and determining which products should be listed on the drug Formulary.

This report covers the period from January 2008 to March 31, 2012. In doing so, it encompasses the first four complete years of existence for Ontario Public Drug Programs, outlining the many significant accomplishments of our organization during that period. It also examines the overarching motivation and specific objectives that guided OPDP decision-making, as we evolved from a fledgling organization into a secure and well-established driver of important public policy in this province. Finally, it highlights the commitment of this organization – reflected in the title of the report – to ensure that all we do, we do with the knowledge, approval and support of the people of Ontario.



Ontario's Public Drug Programs

OPDP administers several different public drug programs. These programs provide drug benefits to those Ontarians who need them most – seniors, people on social assistance, those with disabilities, or people facing drug costs that are exceptionally high compared to their household income.

Ontario Drug Benefit (ODB) Program

The ODB program provides drug benefits for Ontarians who are:

- 65 years of age and older
- residents of long-term care homes and homes for special care
- enrolled in the Home Care program
- recipients of social assistance through either *Ontario Works* or *Ontario Disability Support Program*

Trillium Drug Program

The Trillium Drug Program provides drug benefits to Ontario residents who face high drug costs in relation to their household income. Any Ontario resident that does not qualify under the ODB Program can apply for the Trillium Drug Program.

New Drug Funding Program

The New Drug Funding Program (NDFP) funds new, and often very expensive, cancer drugs. The program, which is administered by Cancer Care Ontario for OPDP, was created in 1995 to ensure that Ontario patients have equal access to high-quality intravenous (IV) cancer drugs.

Special Drugs Program

The Special Drugs Program provides drug benefits for Ontarians for certain expensive outpatient drugs used to treat specific diseases or conditions.

Inherited Metabolic Diseases

The IMD program covers the full cost of certain outpatient drugs, supplements and specialty foods used to treat metabolic disorders.

Respiratory Syncytial Virus (RSV) Program for High-Risk Infants

This program covers the full cost of the drug palivizumab used to prevent a serious lower respiratory tract infection in certain high risk infants.

Visudyne (Verteporfin) Program

This program covers the full cost of the drug Verteporfin, used to slow the advance of age-related macular degeneration (an eye condition).

About Ontario Public Drug Programs

Ontario Public Drug Programs was created by the Transparent Drug System for Patients Act, 2006 (TDSPA), the legislation drafted by the Ontario government to enable a dramatic restructuring of the provincial drug system. The goal was to build a sustainable and transparent system that would help achieve positive health outcomes for patients, and also increase value for money. The five stated objectives of the TDSPA, which have in effect become a mission statement for OPDP, are as follows:

- Improving patient access to drugs
- Ensuring better value for money
- Promoting the appropriate use of medications
- Investing in innovative health system research
- Strengthening the transparency and accountability in the public drug system



Citizen Engagement

Looking back over the past several years, it is very clear that when it comes to publicly-funded prescription drugs, the landscape has changed dramatically. This is in large measure because of the progress made by Ontario Public Drug Programs on all five of our objectives. Between January 2008 and March 2012, we set ourselves a number of important goals, including:

- reducing generic drug prices
- getting more value for taxpayers' money
- improving patient access to drugs, and
- transforming the pharmacy reimbursement system to focus on value-added patient services.

As this report will make clear, we accomplished these goals.

At OPDP we take pride in everything that we have accomplished, but if there is one area that stands out for the people who work in this organization, it is the progress we have made strengthening transparency and accountability – specifically by engaging the public in a meaningful way in order to inform the decisions we make and help shape the policies we implement.

The words ‘transparency’ and ‘accountability’ are used a great deal in discussions about health care, to the point where they don’t always mean as much as they should. This is not the case at OPDP, where we regard strengthening transparency and accountability in the public drug system as not only an important goal, but also as a means to achieving all of our other goals. When we work to improve patient access to drugs, we want to do it with input from the patients whose access we are improving. When we work to ensure better value for money, we do so knowing that the money in question belongs to taxpayers, who have a vested and well-earned interest in knowing how we are spending it, and what we’re doing to save it. In short, we understand that in order to fulfill our responsibilities to the people of Ontario, we need to be guided by the people of Ontario. If we’re going to build a drug system for them, we have to build a drug system with them. And thanks to the Ontario Citizens’ Council, we are doing just this.

Ontario Citizens’ Council

The Ontario Citizens’ Council reflects a commitment to citizen engagement that is seldom seen in health care. It is an advisory body to the Executive Officer of OPDP and the Minister of Health and Long-Term Care. The Council – the first of its kind in Canada, and one of only a handful in the world – allows interested Ontarians to have a voice in the operations of the province’s public drug system. Its work is used to support the Ministry of Health and Long-Term Care in developing future drug funding policies and programs that ensure a sustainable and more effective drug system for Ontarians.

The Citizens' Council was born of a commitment in the TDSPA to meaningfully engage ordinary citizens on an ongoing basis in discussions about specific policy questions related to the public drug system. It consists of 25 members, all of whom have been screened to exclude health and policy professionals, and were chosen as being representative of a broad cross-section of Ontarians.

Since 2010, the Council has been meeting two or three times a year to discuss topics selected by the Executive Officer (EO) of OPDP. The meetings feature experts, patients or professionals, who are brought in to present various sides of the topic of discussion. A report is created by Council members based on this discussion. That report is submitted to the EO for her review and response.

One of the Council's earliest recommendations was for an expansion of Ontario's Compassionate Review Policy (CRP). That recommendation was accepted. As of January 19, 2011, the EO can consider requests to cover drugs in situations where a product has been reviewed by the Committee to Evaluate Drugs (CED) and the ministry is in protracted negotiations with the manufacturer. Prior to this change, patients could not be approved for coverage under the CRP in those cases.

In the spirit of true citizen engagement, parts of the Council's meetings are open to the public, and the Council's reports, as well as the EO's responses, are publicly available on the ministry website: www.ontario.ca/citizens_council

Reflecting the Values of Ontarians

At the third meeting of the Ontario Citizens' Council the following question was discussed; *"What values or principles should the Ontario Public Drug Programs (OPDP) consider most important to the stewardship of Ontario's drug Formulary?"*

The question provoked spirited discussion and members brought forward many different views, but they did reach consensus on the key values considered most important.

The EO is currently reviewing the Council report on the question, and OPDP will strive to incorporate the values identified through this process of citizen engagement in all its future work.

A research team is currently evaluating the citizen engagement process with an eye to identifying any improvements that might be required. This team utilizes video-based research methods and will be developing a report and documentary-style video based on the experience of Council members during the engagement process.

Looking ahead, there will be significant turnover on the Council as a number of members' terms expire in early 2012. The ministry will be launching a recruitment campaign in the coming months to refresh the Council with 12 new members.

Patient Evidence Submission Process

The other clear indication of OPDP's determination to reflect the views of the people it serves is the Patient Evidence Submission Process. In April 2010, OPDP began listening to the voice of patients during deliberations about new drug funding. A formal process was established to allow patient advocacy groups to make submissions on new drugs undergoing funding review by the Committee to Evaluate Drugs (CED).

How the Drug Funding System Works

Drugs funded through Ontario Public Drug Programs are either listed in the Formulary or they are approved through the Exceptional Access Program (EAP).

Ontario's drug Formulary identifies more than 3,800 drug products designated as benefits under the program. Another 850 drug products are provided on an exceptional basis to Ontarians who are in dire need. For drug products to be eligible for listing in the Formulary, they must undergo a thorough review by the Committee to Evaluate Drugs (CED). The CED is the Ministry of Health and Long-Term Care's expert advisory committee on drug-related issues.

Following its review, the CED makes recommendations to the Executive Officer as to whether a drug product should be listed in the Formulary. As well, CED makes recommendations as to drug products that should be available through the Exceptional Access Program. The final decision on listing or designating a drug rests with the Executive Officer of Ontario Public Drug Programs.

In addition to those drugs listed in the Formulary, Ontario facilitates patient access to another 850 drugs under the EAP.

We did this because we know that patients and caregivers have valuable insight to offer that could make our CED review process richer and more well-rounded. It is part and parcel of OPDP's commitment to citizen engagement on every level. Patients and caregivers can provide important information and insights about the impact of a disease and the potential of new drug treatments. They can also raise important concerns about potential new treatments that other committee members might not have considered. These perspectives can help set the context for the evaluation of clinical and economic data.

Fact

The Committee to Evaluate Drugs is generally composed of physicians, pharmacists and health economists. Since 2007, there have also been two patient members on the committee.

Ontario is only the second province in Canada to have a formal process for soliciting patient input in the drug review process. In 2010, the first year that it began receiving patient submissions, CED received 46 submissions from 40 different patient groups. There is real consensus among patient groups, CED members and other stakeholders that patient evidence is an important and valuable component of the drug review and funding process.

The success of the process notwithstanding, we are aware that there is room for improvement. OPDP is currently conducting an evaluation to identify ways of making participation in the process easier, and also of further increasing the value of patient perspectives in the decision-making process.

One of the most important aspects of the EO role at OPDP is to engage with patients and citizens about the work that OPDP is undertaking on their behalf. The EO has regular meetings with patients group to hear their concerns and seek their input on drug funding and drug policy matters. In addition, the EO regularly participates in national forums and engages with patient groups across the country.



More Access, Greater Value

If citizen engagement is at the heart of what we do at OPDP, then access and value are really the nuts and bolts. We administer a system that exists to provide access to drugs for millions of vulnerable Ontarians. It is a system funded by the province's taxpayers, and our responsibility is to ensure that in the process of providing that access, we are also obtaining the best possible value for money.

The Transparent Drug System for Patients Act, 2006 came about as a result of a comprehensive review of Ontario's provincial drug system. That review was undertaken because there was a clearly identified need for reform. Drug costs were skyrocketing, easily the fastest growing area of health care. They had grown 140 per cent since 1997, and were continuing to climb by 15 per cent per year. The province was faced with the choice of either changing the system, or watching it become too expensive to sustain. What the review indicated was that there existed several ways to improve patient access to drugs, and for the province to receive better value for the money it spends on providing prescription drugs. What the past several years have indicated is that those ways do indeed work very well.

Access and Value

Access

Since October 1, 2006:

- 144 new brand-name drugs have been funded, including new drugs funded through the Exceptional Access Program
- Access to 101 drugs has been increased
- 81 new generic drugs have been listed on the Formulary as benefits
- 66 cancer drugs/indications have been listed
- After consulting with patient groups, clinicians and manufacturers, we decided that the best evidence supported us moving certain drugs used to treat Attention Deficit Hyperactivity Disorder (ADHD) from the EAP onto the Formulary

Value

- Spending by OPDP in 2010-11 was down by 4.6 per cent from the previous year
- Since 2006, the Ontario government has been able to reinvest \$1.5 billion into the drug system, as a result of savings caused by drug system reform

Drugs for Rare Diseases

One of the biggest challenges facing public drug programs is posed by rare diseases, the treatments for which are almost always harder and more expensive to develop. Drugs that are developed to treat these diseases are seldom able to meet the traditional criteria for public funding. This is because there is a large gap between the information that is available around rare diseases and the information customarily required to approve drugs for public coverage.

Until a few years ago, this meant that many Ontarians with serious, but rare, diseases simply did not have access to drugs that could have improved or in some cases extended their lives. In 2008, OPDP began working on a way of resolving that problem.

The result was a Drugs for Rare Diseases (DRDs) Framework – the first of its kind in Canada. The innovative approach considers clinical evidence, patient need, current funding gaps, and best achievable evidence about the disease in question. OPDP spent more than 1,000 hours building the framework, which has resulted in our funding a number of drugs to help Ontarians with serious and very rare diseases live longer, better lives.

Drugs for Rare Diseases

DRDs evaluated via the evaluation framework and funded through the ODB program:

- Elaprase/idursulfase for Hunter Syndrome
- Myozyme/αglucosidase for Adult Pompe Disease
- Zavesca/miglustat for the treatment of Niemann Pick Type C (NPC)
- Aldurazyme/laronidase for the treatment of MPS I
- Naglazyme/galsulfase for Maroteaux-Lamy Syndrome (MPS VI)
(individual, case-by-case review)

The DRD Framework was also a product of OPDP's citizen engagement process. The Citizens' Council met in January 2010 to discuss DRDs and provided recommendations to the Executive Officer on the values/approaches they felt were important in any funding framework for DRDs. The Citizens' Council recommendations were provided to the ministry in April 2010 for consideration and have been incorporated into the DRD evaluation framework. One of those recommendations was that a definition of rare diseases be established and published.

The success of the DRD Framework is evident in the interest it has generated in other jurisdictions. In June 2010, Ontario took on the role of Chair of a Provincial/Territorial (P/T) working group for the development of a national framework to evaluate DRDs. We have also shared details of our work and experiences process with Australia's PBAC (Pharmaceutical Benefits Advisory Committee) and the National Health Service (NHS) in the UK.

Exceptional Access Program

The Exceptional Access Program (EAP) was designed to facilitate patient access, in exceptional circumstances, to drugs approved for sale in Canada but not listed on the ODB Formulary. It was designed to address those gaps where listed drugs have been tried and are ineffective or not tolerated, and no listed alternative is available.

In November, 2008, the staff of the EAP Branch (EAPB) were transferred from the Corporate and Direct Services Division to the Ontario Public Drug Programs Division. This organizational change facilitates implementation of the Executive Officer's policy framework for drugs reviewed through EAP, and ensures close collaboration between EAP and the CED. All requests made under the EAP are reviewed according to guidelines recommended by the CED and are then subject to approval by the Executive Officer for OPDP.

Fact

In 2010-11, the EAP received 64,533 requests. 42,506 of these were approved.

In March 2010, EAP implemented the first stages of a new operating system, called the Exceptional Access Request Management System (EARMS) project. The previous system used for processing exceptional access requests had a limited database and document management capacity supporting what was almost entirely a paper-based, manual system. Among other problems, the system was unable to support the reforms promised under the Transparent Drug System for Patient Act, 2006, intended to reduce the administrative burden for physicians in submitting requests to the EAP.

The new EAP system replaced the old paper-based processes, added new and innovative ways to submit, track and process EAP requests, provided automated workflow, and provided greater accountability by enhancing access security and “real-time” tracking. Of direct benefit to patients, it speeded up internal processing for certain drugs and indications, meaning that people needing exceptional access receive it in a timely manner.

A future phase of the EARMS project will provide a secure online website for prescribers to submit EAP requests, check the status of requests and review previous requests, and be alerted to upcoming renewals. For many drugs the request will be assessed in real time by an automated system, further increasing the responsiveness of the system to the needs of patients.

The following are OPDP initiatives that are administered by EAP:

Telephone Request Service (TRS)

In November, 2008, OPDP introduced a Telephone Request Service (TRS) for the Exceptional Access Unit. The TRS offers physicians another way to submit requests for selected drugs not listed in the ODB Formulary. In most cases, these requests are assessed in ‘real-time’ and physicians or their agents are provided with a verbal response immediately and faxed confirmation within 24 hours for requests that were approved.

Exceptional Access

The TRS is currently providing timely patient access to funding for over 40 drug products for specific, often urgent, indications. The turnaround time for EAP drug requests assessed through the TRS typically averages one business day.

Inherited Metabolic Diseases (IMD) Program

The Inherited Metabolic Diseases Program, which was transitioned to the OPDP in April 2008, provides full funding of specific out-patient drugs, supplements, and specialty foods used in the treatment of specific inherited metabolic diseases. The treatments are distributed through designated facilities in order to ensure that IMD patients are receiving exactly what they need.

The OPDP has reviewed the governance and delivery of the program and implemented changes to ensure its drug policies and reimbursement practices are aligned with the ministry's other public drug programs.

Visudyne

Also in April, 2008, funding and policy direction for the Visudyne program were transferred to the OPDP in order to ensure alignment with our other drug programs. The program provides reimbursement for Visudyne, a drug that treats specific eye-related conditions that lead to blindness. The funding model and delivery of this program were reviewed and proper governance implemented to achieve greater accountability, eliminate possible drug wastage, and maximize savings.

Respiratory Syncytial Virus Prophylaxis for Infants Program

The Respiratory Syncytial Virus (RSV) Prophylaxis for High-Risk Infants Program became a ministry managed program under the OPDP as of April 1, 2009. This program covers the cost of the drug Synagis (pavalizumab) used to reduce the risk of infection with a respiratory syncytial virus in premature and high-risk infants under the age of two. The OPDP, in consultation with a medical advisory group, has established eligibility criteria that ensure evidence-based, cost-effective use of the drug and accountability for the program.

The program involves hospitals, community health clinics, nursing stations in Northern Ontario and family paediatricians. A long-term strategy is being developed to ensure consistent delivery among these health care providers and equal access to all eligible infants across Ontario. As part of that strategy, the Executive Officer approved the transfer in 2011 of ongoing administration of the program for at least two years to Abbott Canada. This transfer ensures a more efficient and cost-effective service delivery model.

Trillium Drug Program

Clients of the Trillium Drug Program benefit from an automated renewal process every year. This helps ensure that these clients, who face high drug costs in relation to their household income, don't have their service interrupted. To ensure that households are renewed prior to the start of the upcoming benefit year and that requests for outstanding documentation occur smoothly, the Trillium Drug Program (TDP) has implemented enhancements to the automated renewal process. These enhancements include:

- Sending reminders to households that if they are missing documentation, they run the risk of not being automatically renewed.
- Sending letters to households whose previous taxation year's net income information cannot be confirmed through the automated CRA process that they must submit the information themselves, otherwise they risk not being renewed.
- Households that have not made contributions towards their deductible or accessed benefits for one full benefit year plus the first two quarters of the next benefit year are now being terminated from the program. They are then sent a letter with instructions on how to re-apply for the subsequent benefit year if TDP enrollment is still required.

Compassionate Review Policy

The Compassionate Review Policy (CRP), which was implemented in April 2009, allows for funding of requests under the Exceptional Access Program in cases where patients are suffering from immediate life-threatening, limb-threatening, or organ-threatening conditions.

Since its implementation, OPDP has expanded the CRP to make it work even better for Ontarians. In January 2011, the Executive Officer approved revisions allowing for consideration of requests in cases where:

1. an individual has been urgently hospitalized due to an immediate life, limb or organ-threatening condition
2. the requested drug therapy involves a product that has been reviewed by the Committee to Evaluate Drugs (CED), and
3. where Ontario is in funding negotiations with the manufacturer.

This now allows applicants who could not be approved for coverage in cases where the CED had made a recommendation, but the ministry was still in negotiations with the manufacturer.

As noted earlier in this report, the expansion of the Compassionate Review Policy was a recommendation from the Citizens' Council, stemming from their discussion of Drugs for Rare Diseases.

Compassionate Review

In 2010/11, approximately 285 applications were reviewed and 206 (72.3 per cent) were approved

In 2011/12, approximately 316 applications were reviewed under the CRP, and 205 (65 per cent) were approved

Evidence Building Program and Case-by-Case Review Program for Cancer Drugs

The Evidence Building Program (EBP) and the Case-by-Case Review Program (CBCRP) for cancer drugs both arose from our study of the Compassionate Review Policy, which indicated that cancer drugs often present unique and difficult circumstances. They are both administered by Cancer Care Ontario (CCO) on behalf of OPDP.

For a cancer drug to be included in Ontario's EBP there must be evolving, but incomplete evidence of benefits. This will allow CCO to fund the drug on a time-limited basis to collect real-world data on its clinical and cost effectiveness. Input on the program was sought from clinicians, researchers, pharmacists, the pharmaceutical industry, cancer disease site groups, patient advocacy groups, members of the public and academics. More than 140 organizations and individuals contributed feedback during the consultation period. On September 12th, recommendations on the draft EBP policy were submitted to the Executive Officer. The final EBP policy was introduced on November 15, 2011.

CBCRP was also launched on November 15, 2011. The program considers funding requests for oral and injectable cancer drugs for cancer patients who have rare clinical circumstances that are immediately life threatening, and who require treatment with an unfunded drug because there is no other satisfactory and funded treatment.

Much of what we do at Ontario Public Drug Programs involves system-building. Our organization was created to reform a system that in a great many ways was not performing the way it should. As a result, in addition to focusing on individual initiatives that will improve access and value, we are building a vehicle for achieving those priorities. Only a public drug system that is open, transparent, efficient and sustainable can hope to deliver better access and value today, tomorrow, and for years to come.

Building A Better System

MedsCheck program

The MedsCheck program was created in 2007. It gives Ontarians the opportunity to consult with their pharmacist about the medications they have been prescribed. MedsCheck supports safer, healthier use of prescription drugs by Ontarians, ensuring that they are taking the right medications, at the right time and in the right amounts.

MedsCheck was borne of the understanding that Ontario's pharmacists have skills and expertise that for too long had been going unused. The program encourages pharmacists to employ those skills to the benefit of Ontarians, and compensates them fairly for doing so.

The program began as an annual and follow-up medication review program provided by community pharmacists to all Ontarians taking three or more chronic prescription medications. It was expanded in 2010 to include consultations for Ontarians who have diabetes, patients who are home-bound, and residents of long-term care homes.

Pharmaceutical Opinion Program

On April 1, 2011, the Pharmaceutical Opinion Program (POP) was announced. This program allows for a clinical intervention by a pharmacist who identifies a potential concern at the time of dispensing. On September 1, 2011, POP was expanded to also include drug-related problems identified at the time of conducting a MedsCheck.

Pharmacy Smoking Cessation Program

Also on September 1, 2011, a Pharmacy Smoking Cessation program was implemented. Through this program, community pharmacists provide support and advice to ODB beneficiaries who want to give up smoking. Patients can enroll in a smoking cessation program with the pharmacy, and are also eligible for a number of follow-up counselling sessions over a one-year period.

Fact

Between April 1, 2007 and March 31, 2012, more than 1.3 million Ontarians received a MedsCheck service from a pharmacist



MedsCheck Five Year Statistics – *MedsCheck Annual and Follow Up Only*
(From April 1, 2007 – March 31, 2012)

| | Year 1 (2007/08) | Year 2 (2008/09) | Year 3 (2009/10) | Year 4 (2010/11) | Year 5 (2011/12) |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| # of Ontarians who received a MedsCheck (Annual) | 195,772 | 204,545 | 258,764 | 432,613 | 549,210 |
| Total # of MedsCheck (Annual) Claims | 201,101 | 216,678 | 275,808 | 432,613 | 549,212 |
| Total Government Cost (payment to pharmacies) | \$12.9M** | \$10.5M | \$13M | \$26.2M | \$32.9M |

** Includes \$2.9M in transition payments to pharmacies provided in the first year of the program.

MedsCheck Expanded Programs (September 13, 2010 – March 31, 2012)

| | # of Participating Pharmacies | Payment to Pharmacy per MedsCheck | # of Recipients | # of Claims | Total Government Cost from Sept. 13/11 – March 31/11 |
|------------------------------|--------------------------------------|--|------------------------|--------------------|---|
| MedsCheck LTC Annual | 313 | \$90 | 81,765 | 99,317 | \$8.9M |
| MedsCheck LTC Quarterly | 298 | \$50 | 84,627 | 249,584 | \$12.5M |
| MedsCheck at Home | 1,613 | \$150 | 25,449 | 28,017 | \$4.2M |
| MedsCheck Diabetes Annual | 3,279 | \$75 | 170,619 | 188,714 | \$14.1M |
| MedsCheck Diabetes Follow-Up | 1,956 | \$25 | 18,695 | 25,009 | \$0.6M |

Professional Pharmacy Services

The MedsCheck program was one of the first significant achievements of the Ontario Pharmacy Council, which was created in 2006 to provide a forum for pharmacists and the ministry to discuss drug-related policy.

In August 2010, the Expanding Professional Pharmacy Services Working Group (EPPS) was appointed with a mandate to recommend professional pharmacy services that improve access and outcomes to Ontarians in a cost-effective way, and that could be implemented in the short term. In October 2010, EPPS submitted its report to the Minister of Health and Long-Term Care and the OPDP Executive Officer.

As a result of that report, phased implementation of professional pharmacy services began in April 2011 with the introduction of dispensing related services. A second phase of services, involving scheduled consultations between patients and pharmacists, was implemented on September 1, 2011 with advice from the Pharmacy Council.

Drug Innovation Fund

As part of its commitment to innovative health system research, the Ontario government established the Drug Innovation Fund (DIF) in 2007. The fund provides eligible Ontario researchers and organizations in Ontario with stable, short-term and multi-year funding to support evidence-based research into the impact of drugs on patient and health system outcomes.

The mandate of the Drug Innovation Fund is to:

- Generate strong, high-quality, independent scientific evidence on the impact and value of new and existing drugs across the health care system, by linking drug interventions to health or health system outcomes.
- Support linkages between researchers, clinicians and drug policy decision-makers to ensure the timely and effective application of relevant evidence-based scientific information and to support the objectives and priorities of OPDP.
- Support and develop research capacity in the area of drugs and health outcomes in Ontario.

Fact

Since the introduction of the Drug Innovation Fund (DIF), the ministry has received 87 Letters of Intent, reviewed 34 full proposals, approved 18, and dispersed total funding of \$9.7 million.

In 2011/12, DIF is funding two significant projects:

“Paediatric Pharmacogenomics Medicine: *GeneMed*”

This program aims to evaluate existing evidence and produce new knowledge on genetic testing for the prevention of drug side effects in children. The program will receive approximately \$590,000 in one-time funding from 2011/12 to 2014/15.

“The Ontario Drug Policy Research Network”

This initiative is a continuation of the Ontario Drug Policy Research Network’s (ODPRN) successful pharmaco-epidemiological research, as well as a proposed new infrastructure expansion. This includes:

- a pharmacoeconomics program,
- a policy-focused knowledge translation unit,
- a formal student training program, and
- linkages to the Canadian Drug Safety and Effectiveness Research Network

The DIF has provided 18 eligible researchers and organizations in Ontario with stable short-term, and multi-year funding to support evidence-based research examining the impact of drugs on patient outcomes and health system outcomes (including non-drug costs).

The program will receive \$2.8M in one-time funding from 2011/12 to 2014/15.

Pan-Canadian Oncology Drug Review

Since 2007, Ontario has taken a national leadership role in the interim Joint Oncology Drug Review (iJODR) by sharing recommendations arising from the CED/CCO and CED reviews and making recommendations about cancer drugs based on this province’s funding decisions.

The interim nature of the arrangement has now ended. Thanks in large part to Ontario’s leadership, together with Manitoba and Saskatchewan, the pan-Canadian Oncology Drug Review was created in early 2011. Participating jurisdictions now have access to best practices and best evidence from across the country to help guide their funding decisions.

Pan-Canadian Purchasing

Ontario, like every other jurisdiction in Canada, is dealing with an increasingly expensive public drug program. This is due to increasing drug costs, an aging population, expansion in the number of recipients under the public program, and an increase in the quantity of drugs used per person. Two years ago, all Canadian provinces and territories (except Quebec) banded together to try to bring those costs down.

In August 2010, premiers committed to establish a pan-Canadian alliance to use the combined purchasing power of jurisdictions to jointly negotiate prices for common drugs and medical supplies. The objective of this initiative is to obtain the best possible prices for drugs for public plans.

Ontario took a leadership role in co-ordinating common pricing negotiations with pharmaceutical companies for public drug programs. It began with Soliris, a drug which is used to combat a rare blood disease. It is one of the most expensive drugs in the world. Funding of Soliris began in July 2011, and is available to eligible patients under the EAP.

Next steps include working collaboratively with other provinces and territories to pursue other joint negotiations for drugs listed under public programs, and looking for ways to build on our first success.

Narcotics Strategy

The inappropriate use, abuse and diversion of prescription narcotics has emerged as a serious public health and safety issue in Canada, as well as for other jurisdictions around the world.

In this country, Ontario is at the top of the list of narcotic use per capita. Almost 10,000 ODB recipients are being prescribed narcotics in doses that exceed clinical guidelines. The ministry has noted a dramatic rise in the use of narcotic and controlled substances prescriptions funded through the public and private drug programs, as well as a dramatic rise in diversion of narcotics and deaths related to that diversion.

In response to this growing problem, OPDP established the Narcotics Advisory Panel (NAP) in 2009. NAP is a 12-member multi-disciplinary group with a mandate to provide expert recommendations on appropriate prescribing, dispensing, and utilization related to narcotics and controlled substances and pain management strategies.

Based on advice from NAP, the ministry launched the Narcotics Strategy on August 27, 2010. In developing their advice, the NAP did extensive consultations with physicians (family practice, specialists in pain and addiction), pharmacists, the Coroner's Office, professional regulatory bodies, law enforcement, as well as special populations such as Métis and First Nations. In addition, the ministry consulted various stakeholders, including pharmaceutical manufacturers, family members who have lost children to narcotics overdose, third party payers, other public plans, certain First Nations communities, law enforcement, and other ministries.

The purpose of the Narcotics Strategy is to strike a balance between ensuring access for people to the medications they need while also preventing their possible abuse. There are five key elements:

- Legislation to support the development of a narcotics monitoring database
- Partnering with the health care sector to educate on appropriate prescribing
- Partnering with the health care sector to educate on appropriate dispensing
- Education to prevent excessive use of prescription narcotics
- Treatment of addictions

As part of the first key element, the Ontario government introduced the Narcotics Safety and Awareness Act, 2010, in September, 2010. The legislation, which was passed in November 2010, allows the ministry to track narcotics and other controlled substances dispensed in Ontario through a new provincial database, the Narcotics Monitoring System (NMS).

In addition, as of November 1, 2011, all Ontarians are now required to provide identification to prescribers and dispensers in order to receive a prescription for a monitored drug. Dispensers are now required to keep a record of a patient's identification, as well as the prescriber's College registration number. These requirements are intended to increase patient safety by ensuring that monitored drugs are properly prescribed and dispensed.

OxyContin

One of the biggest problems to emerge on the prescription drug landscape in recent years has been OxyContin (oxycodone), an opioid generally prescribed for the relief of moderate to severe pain. Under prescribed dosage, OxyContin is an effective pain reliever, but when taken in excess, or crushed and snorted or injected, the drug produces a quick and powerful "high" that has been compared to the feeling produced by heroin.

Between 1991 and 2009, there was a 900 per cent increase in OxyContin prescriptions in Ontario. There were reports of hundreds of related deaths, as well as a growing number of addiction cases, particularly in remote First Nations communities. Each year in Ontario, between 300 and 400 people die from overdoses involving prescription opioids.

Effective February 20, 2012, OxyContin was removed from the ODB Formulary. The manufacturer's replacement drug, OxyNeo, is instead being funded through the EAP and Facilitated Access to Palliative Care Drugs mechanisms. This change will provide a better balance between appropriate use and patient care and help alleviate the growing problem of opioid addiction in Ontario. At the same time, it will ensure that patients who need the drug to manage their pain will continue to have access to it. These changes were made after extensive discussions with practicing pain specialists, addiction experts and other health care providers.

Generic Pricing Reforms

If there has been a single defining Ontario Public Drug Programs initiative since our organization was created in 2007, it would have to be the reforms we have introduced to the system of generic drug pricing in this province. This initiative incorporates four of our key priorities:

1. Increasing access
2. Obtaining better value
3. Promoting the appropriate use of medications, and
4. Strengthening transparency and accountability.

The work began with the TDSPA in 2006, which set the reimbursement price of generic drugs at a fixed 50 per cent of the price of the equivalent brand name product. In addition, the TDSPA banned rebates – money paid by generic drug manufacturers in exchange for pharmacies carrying their products – a practice that kept drug prices much higher than they should have been.

In response to concerns raised by pharmacies, the legislation permitted pharmacists to receive defined “professional allowances” – up to 20 per cent of generic sales in the public system – which must be used on activities that directly benefit patients, such as flu clinic days and high blood pressure testing.

In 2009, OPDP initiated a review of the public drug sector. This review included consultation with stakeholders such as drug manufacturers, wholesalers, pharmacies, private payers, employer groups, and patient and consumer groups. What the review found was that the government, and Ontarians not covered by public drug programs, were paying too much for generic drugs.

In response, in 2010, OPDP introduced changes that were focused on improving patient care, lowering drug prices, encouraging pharmacists to use their skills, and fairly compensating them for the services they provide. The reforms also made important changes to the pharmacy reimbursement system to focus on patient services that add value to the health care system and improve patient outcomes.

Effective July 1, 2010, the changes include:

- Lowering the cost of most generic drugs listed on the ODB Formulary for all Ontarians by half, to 25 per cent of the cost of the original brand name drug purchased under the public drug system.
- Gradually decreasing generic drug pricing in the private market for people who have private insurance through their employer and for those who pay out-of-pocket.
- By April 1, 2013, most generic drugs in Ontario will be sold for no more than 25 per cent of the cost of the original brand name drug.

- Completely eliminating professional allowances to make Ontario's drug system more accountable and transparent. All professional allowances paid by generic companies to pharmacy owners for drugs purchased through the ODB Program have been eliminated, and those paid in the private market will be phased out gradually and completely eliminated by 2014.
- Ensuring that pharmacists are fairly compensated for helping patients by increasing dispensing fees government pays and paying for additional pharmacy services. All dispensing fees paid under the public drug program have increased, and will continue to increase annually.

Fact

OPDP's generic price reforms will save the government approximately \$439M a year. All savings will be reinvested in improving health services for Ontarians.

OPDP's generic price system reforms stand as a clear testament to the kind of organization we want to be, and the kind of public drug system we want to create. With respect to the generic pricing changes specifically, we wanted all Ontarians to benefit from our reforms, regardless of how their prescription drugs were paid for. The end result – generic prices coming down across the board – is that our changes leave no Ontarian behind.

The system is also now open and transparent. Manufacturers are being paid a fair price for their products. In addition, pharmacists are valued and respected in a manner that was lacking a decade ago, and they are being fairly compensated for the skills they use and the services they provide. Most importantly – our reason for being – Ontarians have better access than ever before to the prescription drugs they need.



Conclusion

Looking ahead to 2012/13, OPDP will continue to fund more drugs for Ontarians while looking for savings and efficiencies wherever they might be found. The Province's challenging fiscal situation and the drive to eliminate the deficit by 2017-18, means that overall government program spending growth must be kept to approximately 0.9 per cent. For OPDP, our spending growth will be limited to 1.6 per cent each year over the next three years. As always, our funding decisions will be informed by the best evidence available – on both the clinical benefits and savings or costs that might occur elsewhere in the health care system.

We will also pursue our commitment to citizen engagement and building a better public drug system. The Citizens' Council has meetings planned for both the Summer and Fall of 2012, providing Ontarians with an ongoing voice in our decision-making process. At the same time, we will continue to work with the Pharmacy Council and other stakeholders as we continue to expand professional pharmacy services and look for ways of leveraging the skills and commitment of our pharmacists while fairly compensating them for the excellent work that they do.

The implementation of Ontario's Narcotics Strategy will continue throughout the coming year. As noted earlier, as of April 2012 the new Narcotics Monitoring System (NMS) will allow the ministry to examine drug utilization patterns and identify gaps in care. It can also be used to inform education initiatives. In addition, the ministry will conduct a thorough review of all pain management medications currently listed on the Formulary.

OPDP will also be working on a major structural change to the program. The Ontario government's 2012 Budget announced that in the future, the highest income seniors in the Ontario Drug Benefit will be asked to pay a higher and fairer share of their prescription drug costs. We are extremely mindful that this is a sensitive issue for many seniors. We will be working to implement this change in a manner that is respectful and fair to high income seniors, but which is also in the best long-term interests of our publicly-funded drug system.

The past four years at OPDP have been both challenging and productive. This organization was created with a mandate to improve a system on which a great many Ontarians depend. We have done that. Patients who depend on our public drug programs have better access to more drugs than they did four years ago, and we are getting better value for the money we are spending on those drugs. We have systems in place to enable our pharmacists to promote more appropriate use of medications, and we are investing in more innovative research to ensure that all of our decisions are informed not only by compassion but by the very best available evidence. And through our relentless commitment to citizen engagement, we have significantly strengthened the transparency and accountability of our public drug system.

Our goal for the coming year is to build on these successes, never losing sight of our obligation both to the people who benefit from the programs we administer, and the taxpayers who fund those programs.

