RESEARCH MINUTE

Policy



The ODPRN examined the potential cost savings of blood glucose test strip (BGTS) quantity limits in Ontario and British Columbia (BC), Key information, policy recommendations and details from the study are highlighted

Various Policy Options Related to BGTS Can Result in **Substantial Cost Reductions**

Employing BGTS quantity limits to align with current evidence and negotiating lower unit costs can result in potential cost-reductions of up to \$58.4 million Ontario and \$11.7 million in BC

Why did we do this study?

To model 5-year utilization and cost implications of BGTS based on the following 3 policies: 2009 CADTH **COMPUS Expert Review Committee** Recommendations, 2011 Canadian Diabetes Association (CDA) briefing documents and the 2013 Ontario Public Drug Program policy

What were we investigating?

This study examined the potential costs savings of BGTS quantity limits that align with policies and recommendations

Where can I find more information?

The full study is available here

About ODPRN

We leverage cutting-edge research methodology and rapidly incorporate findings into policy reports for decisionmakers on real-world drug utilization, safety, effectiveness, and costs.

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KEY POINTS

- Over the past several years, new recommendations and drug insurance policies for the optimal use of BGTS have been developed.
- Policies for BGTS quantity limits aligned with the 2013 Ontario policy and/or the CERC recommendations could lead to considerable cost savings. In Ontario, potential 5-year cost reductions ranged from \$98.8 million (2013 Ontario policy), and \$224.1 million (CERC recommendations). Similarly, in BC, potential cost reductions ranged from \$23.1 million (2013 Ontario policy) and \$51.1 million (CERC).
- Negotiated price reductions for BGTS, would lead to even further cost-savings in both iurisdictions.

POLICY IMPLICATIONS

- Insurance policy changes that align with current recommendations would have considerable cost reduction implications in BC and Ontario. Similar policy changes should be considered across Canada.
- More work is needed to confirm the precise cost impact of the new BGTS quantity limits in Ontario and that there are no adverse clinical consequences of the new policy.

STUDY DETAILS

- The ODPRN conducted two cross-sectional time-series analyses among adults aged 18 or older in BC and those aged 65 or older in Ontario, who received a publicallyfunded prescription for BGTS between January 1, 2004 and December 31, 2012. Inclusion criteria were determined by data availability in each province.
- In 2012, there were 317,130 test strip recipients in Ontario and 136,659 recipients in BC, at a cost of \$104.4 million and \$22.6 million, respectively.
- Under the scenarios of reduced BGTS quantities, 5 year cost savings ranged between \$98.8 million (18.2% reduction) to \$224.1 million (41.4% reduction) in Ontario, and \$23.1 million (19.2% reduction) to \$51.1 million (42.4% reduction) in BC.
- Alternatively, negotiated price reductions of 15% would result in annual savings of \$14.4 million (13.7% reduction) in Ontario and \$3.4 million (14.1% reduction) in BC, even if no quantity limits were imposed.