

# The Use and Costs of Catastrophic Drug Coverage Has Increased Substantially in Ontario

# ODPRN

ONTARIO DRUG POLICY  
RESEARCH NETWORK

## Background

### Why is this important?

- The Ontario Trillium Drug Program (TDP) is a catastrophic drug coverage program available to all Ontario residents (with or without insurance) that helps to reduce out-of-pocket expenses for those who have high drug-costs.
- With rising drug prices and a growing number of new therapies, questions around the burden of increasing drug costs in Ontario have been raised.

### What were we investigating?

- This study examined changing patterns of utilization, government spending and characteristics of people accessing the Ontario TDP to help better understand the burden of rising drug costs and use of catastrophic drug coverage in Ontario. Individuals over the age of 65 were excluded because they have universal access to public drug coverage in Ontario.

## Study Details

### How was the study conducted?

- We conducted a cross-sectional time series analysis to examine quarterly trends in drug use and government spending for medications that are reimbursed through the TDP between January 1, 2000 and December 31, 2016.
- We reported the total number and population-adjusted rate of active beneficiaries, total spending by the Ontario Public Drug Program, and the proportion of beneficiaries with a single claim over \$1,000 in each quarter over the study period.
- In our secondary analysis, we created annual cohorts of beneficiaries under the age of 65 at 4 time points over our study period (2000, 2005, 2010, and 2015). We reported demographics, deductible status, quarterly deductibles (low (<\$350), medium (\$351-\$499) and high (>\$500)), use of expensive medications (one or more claim costing greater than \$1,000) and use of a high-cost biologic drug.

### What did we find?

- During the study period, the rate of beneficiaries in the TDP increased 202% from 3.6 beneficiaries per 1,000 (2000) to 10.9 beneficiaries per 1,000 Ontarians (2016).
- Annual government spending increased 840% over the same period from \$51 million (2000) to \$487 million (2016).
- Between 2000 and 2015, more beneficiaries were under the age of 35 (19.6% to 25.3%;  $p < 0.0001$ ), did not have a hospitalization (68.3% to 80.5%;  $p < 0.0001$ ), and had high deductibles (2.3% to 8.0%;  $p < 0.0001$ ).
- There has been a large increase in the proportion of users with single drug claims greater than \$1,000 (3.4% to 10.4%;  $p < 0.0001$ ) and those dispensed a high-cost biologic (1.6% to 5.5%;  $p < 0.0001$ ).



## Key Points

- Use of the TDP has increased 3-fold between 2000 and 2016. There has also been an 840% increase in spending which appears to be correlated with an increase in the use of high-cost medications, including biologic treatments.
- The majority of beneficiaries who are accessing high-cost drugs through the TDP appear to be younger, healthier adults and more middle and high deductible individuals.

## Recommendations

### Policymakers

- Given the substantial increase in the number of users of the TDP, policymakers should consider addressing the rising costs of new medications when developing provincial and national pharmacare strategies.

### Patients

- If you are spending 4% or more of your household income on prescription drugs, talk to your doctor or pharmacist to see if you may be eligible for drug coverage through the TDP.
- For more information visit the [Government of Ontario website](https://www.ontario.ca).

## For more information

Tadrous M et al. Catastrophic Drug Coverage: Utilization Insights from the Ontario Trillium Drug Program. CMAJ Open, 2018.

[www.odprn.ca](http://www.odprn.ca)



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