January 17, 2020

Submission to: **The Honourable Rod Phillips**
Minister of Finance

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Subject: **2020 Ontario Budget**
& Take-Home Cancer Drugs

From: **The CanCertainty Coalition**

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CANCERTAINTY
EQUAL AND FAIR CANCER TREATMENT FOR ALL

Summary of Recommendations

Recommendation 1: Make necessary reforms to streamline the service delivery model of take-home cancer drugs (as recommended by Cancer Care Ontario) to ensure that all Ontarians receive consistent, safe, high-quality care in the community setting, while simultaneously affording the government opportunity to achieve cost-efficiencies, and eliminate waste.

Recommendation 2: Close the Gap on funding for take-home cancer drugs to ensure that all cancer patients, regardless of age or private insurance status, have access to the treatments they require – if they can be treated outside of the hospital setting.

About the CanCertainty Coalition

The CanCertainty Coalition is the united voice of 35 Canadian patient groups, cancer health charities, and caregiver organizations from across the country, joined together with oncologists and cancer care professionals to significantly improve the affordability, accessibility and safety of take-home cancer drugs (THTD) in Ontario and Atlantic Canada. Our focus on Ontario and Atlantic provinces is due to the fact that these are the remaining provinces that have yet to ensure that take-home cancer drugs (such as pills, capsules and self-injectables) are as accessible as hospital-based cancer treatments (such as intravenous, or IV, cancer drugs).

About Take-Home Cancer Drugs (THCD)

In the past, all cancer drugs were administered by IV in hospital. Today, almost half of drugs used to treat all types of cancer are taken at home. When an oncologist prescribes a patient a THCD it is because that medication offers the patient the most effective ways to treat their cancer. Secondary is the convenience and freedom from travel for patients and the reduced burden on over-crowded chemotherapy units within our hospitals and cancer centres. It is important to recognize that take-home cancer drugs are not an oral version of an IV drug. They are different chemicals that are often the first-line choice of therapy for many cancers.

Most cancer patients today will require a take-home cancer drug, either on its own or in simultaneous combination with an intravenous treatment. Patients may attend a hospital once per month for an infusion, but take the oral cancer medication every day from their home. Other patients require no intravenous therapy and take only the oral cancer medication – in their home, in their community, lessening the need for chemotherapy chairs, beds, nursing and in-hospital pharmacy services. Over three times more cancer patients are treated with THCD than intravenous drugs.

THCD refer to cancer drugs used for active treatment that are typically administered orally or sometimes by injection (e.g., drugs injected into the skin or muscle). THCD include cytotoxic chemotherapy (drugs that kill tumour cells), targeted therapies (drugs that target specific types of cancer cells with less harm to non-cancer cells), immunotherapy (drugs that help the immune system fight cancer) and some hormonal therapy (drugs that slow or stop the growth of hormone-sensitive tumours).

Enhancing the Delivery of Take-Home Cancer Drugs in Ontario

In Ontario, dispensing and delivery models for THCD have been documented to be inconsistent and pose serious safety concerns for patients and their families. Some patients receive their medication from hospital pharmacies, some from specialty pharmacies, and some from community pharmacies that lack specialization and training in the handling of toxic cancer medications. This contrasts with the robust guidelines and clear processes that have been developed for intravenous cancer drugs (IVCD) where delivery is more comprehensive, organized, safer and patient-centred than THCD.

There are numerous known safety and quality deficits related to the current method of community dispensing of THCD including incorrect dosing and handling, limited monitoring and non-adherence (which can lead to under or overdosing), serious toxicity, morbidity, and mortality. Patient lives and well-being are at stake. Ontario urgently needs to reform its systems for THCD dispensing that embed high-quality, safe practices that recognize the unique aspects of these drugs.

In April 2017, Cancer Care Ontario organized the Oncology Pharmacy Task Force with the mandate to advise Cancer Care Ontario (CCO) on how to enhance the current system for THCD delivery to optimize quality and safety; subsequently, to deliver a report to the Ministry of Health and Long-Term Care (MOHLTC) based on the findings of the Task Force. The Task Force included representatives from patient advocacy groups, pharmacy and pharmacist associations, regulatory and standard setting organizations, and subject matter experts.

On March 25th, 2019 the report was completed and published on the CCO website, but there has been **no follow up or action taken to the many important recommendations**. The report *Enhancing the Delivery of Take-Home Cancer Drugs in Ontario* (March 2019) can be found at: https://www.cancercareontario.ca/sites/ccocancercare/files/guidelines/full/1_CCO_THCD_Report_25Apr2019.pdf

In the report various *next steps* are required for advancing system change including:

- CCO to work with the Ministry to understand how planned changes in health care delivery could enable a change in the THCD model (e.g. improvements in the electronic chart, developing in local networks of care, opportunities to use funding to increase safety of THCD delivery)
- CCO to support the MOHLTC with proposals including costing and timelines for potential system changes

CanCertainty urges the Ministry of Finance and the Ministry of Health and Long-term Care to prioritize reforms to the current system for THCD delivery. Costs to do so will be modest, with many cost offsets (see Cost Efficiencies and Offsets on page 6). But, most importantly lives will be saved and adverse events will be prevented.

While the focus of the Task Force was on delivery models, the CanCertainty Coalition believes that reimbursement reform and reforms in the THCD delivery system would optimally proceed at the same time as the government would then have the greatest potential of achieving cost-efficiencies, streamlining cancer drug systems, eliminating waste, and improving fairness.

Reimbursement of THCD in Ontario and other Provinces

The Western Provinces, the Northern Territories, and Quebec have all developed mechanisms to offer universal access to take-home cancer drugs regardless of one's age. In Nova Scotia, the government's fall 2017 budget addressed the funding gap for take-home cancer drugs, which will help eliminate much of the financial hardship and related stress for cancer patients in the province.

Policies from previous governments in Ontario did not keep pace with the evolution and advances in cancer care. In 2017, the Ontario Auditor General's Annual Report called for system change to remedy the numerous issues related to cancer patients who need take-home cancer drugs. The result: **Ontario continues to be an outlier in Canada with respect to the safe, fair and equitable provision of cancer treatment**.

Our Coalition is encouraged by your government's most recent efforts to advance pharmacare sensibly through adjustments to OHIP+, as it strongly indicates your commitment to fairness in our health care system. However, recognizing that Ontario is now lagging behind much of Canada with respect to streamlined access to take-home cancer drugs, we believe Ontario should, as a priority, solve this very serious cancer drug access problem.

The current system of access and delivery of THCD is extremely inefficient and unfair. By addressing this drug access issue, the government has a significant opportunity to achieve cost-efficiencies, eliminate waste and improve safety and overall care.

Budget Estimates for Fair Funding of THCD in Ontario

To assist the Ontario Government in determining the investment required to close the gap on cancer treatment, the CanCertainty Coalition has worked with a professional health economist to estimate the budget impact to Ontario for two scenarios: First Dollar Coverage and Closing the Gaps. Our estimates, along with assumptions are detailed below.

Who Pays for Cancer Drugs in Ontario?

Approved IV cancer drugs are 100% funded for all cancer patients regardless of age and income status.

For take-home cancer drugs on the Ontario Formulary, it gets complicated. Approximately 60% of Ontarians can access THCD through a myriad of government drug plans with varying patient copays. This includes seniors 65 years of age and older, who have a small patient copayment + deductible. It also includes people on social assistance, who pay a small patient copayment + deductible. Now, with OHIP+, individuals under the age of 25, who have no private, insurance can access THCD with NO copayment or deductible. Ontario also has the income-tested Trillium Drug Plan for those with very high drug costs.

The remaining 40% (estimated) either self-fund their cancer treatments (especially if costs are under 4% of net household income), or rely on private drugs plans that have varying patient copays (typically 20%) if available, and self-fund otherwise (again, if costs are under 4% of net household income).

MOHLTC Expenditures (2015/16)

IV Drugs: In 2015/16 the MOHLTC paid $344M for IV cancer drugs. All Ontarians who required IV cancer drugs were funded by the MOHLTC, with 100% coverage (no deductible, no copayment, no out-of-pocket cost).

Take-Home Cancer Drugs: In 2015/16 the MOHLTC paid $371M for THCD. Only about 60% of Ontarians who required THCD were funded by the MOHLTC, with varying levels of copayment, deductible, out-of-pocket expenses.

How Ontario Could Pay for THCD

The CanCertainty Coalition has costed out two options for the Ontario Government to consider with respect to paying for THCD:

Option #1: First Dollar Coverage

Cancer Care Ontario estimates that $200M is currently paid by private insurance for THCD. However, the Ontario government, as demonstrated with OHIP+ budget impact modeling, would not be assuming the full costs paid by private drug plans because:

i) private drug plans include more drugs, for more types of patients, and with fewer restrictions, than public plans;
ii) approximately 50% of private insurance claim costs might not be eligible for public coverage (as was estimated for OHIP+ patients);
iii) public drug plans negotiate significantly discounted prices, which are not available to private plans;
iv) public drug plans have rigid generic substitution requirements (private plans pay for more "brand").

As a result, CanCertainty has concluded that the $200M in current private insurance costs for THCDs would likely commute $100M in public costs. We have deducted costs already committed for the payment of cancer drugs through OHIP+, and have added in the estimated costs of covering the costs of THCD for individuals without private insurance who are 25 to 65.

Estimated additional cost to fully fund THCD for all Ontarians: $142M

Option #2: Closing the Gaps

In this estimate, we have modeled a scenario where Ontario would only 'close the gap', leaving private insurance in place. This resembles the approach taken by the current government in the adjustments it made to OHIP+. Essentially, we are proposing that Trillium Drug Plan be extended to all (cancer) patient out-of-pocket costs with no deductible/co-payment as is the case for IV drugs. Our estimates are that this would amount to $50M (estimated to be the current patient out of pocket expenses for THCD). We deduct costs already committed for OHIP+.

Estimated additional cost to eliminate patient-borne costs of THCD for all Ontarians: $42.5M

Cost Efficiencies and Offsets

Potential savings could be realized by streamlining two divergent systems into one.

- **Reduce/eliminate mark-ups.** Dispensing THCD through cancer clinic pharmacies (vs community pharmacies) could eliminate the 6 to 8% markup currently paid to community pharmacists on expensive cancer drugs. (Estimated at $26M in 2013.)
- **Reduce wastage**. THCD in many provinces are dispensed through community pharmacies, which may have only a few patients (or one patient) on any specific cancer medication. Dose changes or discontinuations are very common in cancer treatment, which results in a high amount of drug wastage, estimated to be in the 10% range. Cancer clinic pharmacies have a large volume of patients, and can dispense smaller, weekly amounts to these patients who frequently have dose changes or discontinuations.
- **Improvement in Computerized Physician Order Entry (CPOE) for THCD prescriptions**. Patients requiring THCD are (currently) subject to significant safety challenges, and health systems are subject to significant annual costs (physician office visits, hospitalizations, etc.). Most jurisdictions have Computerized Physician Order Entry (CPOE) systems in place to support improved patient safety, decrease costs, and improve compliance with treatment guidelines. In Ontario, for drugs administered intravenously (IV), CPOE is used comprehensively. From 2006 to 2011, it is estimated that Ontario's CPOE System (for IV drugs) prevented 8,500 adverse drug events, 5,000 physician office visits, 750 hospitalizations, 57 deaths, and saved millions in annual health care costs.[1] BUT not all prescriptions for THCD in Ontario are generated using CPOE. All prescriptions for initiating or renewing take-home cancer drugs should be generated using systemic treatment computerized prescriber order entry (CPOE). Implementing equivalent standards for THCD as IVCD will result in significant cost saving for the health care system through the reduction of physician office visits, unplanned emergency department visits and hospitalizations, but, more importantly it will save lives.

[1] CCO and eHealth. Cancer Care Ontario and eHealth Ontario Partner to Deliver Safer Chemotherapy Treatment. (2011).

Assumptions

• Utilizing the existing Ontario Drug Benefit Formulary ONLY – the list of THCD funded for people 65+, social assistance, <25, Trillium Drug Plan.

Note: Assumptions were based on original design of OHIP+ which saw **all** people <25 having THCDs funded. The current government redesigned the plan to see only individuals <25 **without private insurance** being funded for THCD. This redesign will reduce the estimated overall budget impact for government to eliminate patient-borne costs of THCD.

• Assumes per-patient THCD costs are the same across all ages.

• Limited data exist in the public domain, especially for private insurance costs.

• OHIP+ covers ~1,000 new cancer cases/year in Ontarians <25.

• Estimate accuracy could be improved by analysing MOHLTC data for THCD drug costs by patient age (ODP, TDP and CCO datasets) as well as mean per-patient out of pocket expenses (TDP dataset).

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