

Report of the Provincial Working Group on the Delivery of Oncology Medications for Private Payment in Ontario Hospitals

Questions and Answers

For Patients and Public

Q. What is the Report of the Provincial Working Group on the Delivery of Oncology Medications for Private Payment in Ontario Hospitals ?

Some drugs are not approved for public funding because they don't meet the test for medical benefit and cost-effectiveness.

The only options for most patients who seek these drugs have been to go to a single private clinic in Toronto or to go to the U.S. and pay substantially more than they would in Ontario hospitals.

Some patients have been seeking to have these drugs provided in Ontario hospitals because they want to receive these treatments in a safe and familiar environment, closer to home.

A working group with representatives from the hospital sector, oncology, pharmacy and patient advocacy groups, supported by Cancer Care Ontario, was created to recommend to the ministry and hospitals an approach to providing unfunded cancer drugs in Ontario. The report recommends consistent and high-quality standards for providing unfunded IV cancer drugs to adult cancer patients in hospitals.

The report provides recommendations to the Ministry for their direction. In the interim, these recommendations are to be used as guidance to hospitals who administer unfunded cancer drugs.

These recommendations do not affect in any way patients' access to high-quality drugs covered by public plans. The working group will continue to promote and work with the government to strengthen publicly programs for high-quality cancer medications.

Q. What is the working group recommending?

The working group believes that patients need to be able to receive unfunded cancer treatments in the safe and familiar environment of an Ontario hospital, under the care of their own physician and team. There needs to be a consistent approach across the province to ensure the highest quality standards of care are available every region.

The group recommended an approach to private payment for unfunded cancer drugs.

Their recommendations do not affect in any way cancer drugs that are or will be covered by public plans.

Highlights:

- Hospitals should continue to cover cancer drugs that they currently fund.
- Hospitals should provide unfunded IV cancer drugs for private payment as long as they have been approved by Health Canada and are supported by Cancer Care Ontario clinical guidelines. These include drugs that the province has decided not to fund, and those that are under review or for which a decision has not yet been made.
- The recommendations spell out that privately funded patients should not displace publicly funded patients from treatment.
- The group recommends that patients or private insurers should be charged for the cost of the drug only, with no mark up or dispensing fee. They also suggest that there should be a set fee per patient for additional non-drug related costs (e.g., pharmacy, laboratory, finance, etc.) associated with the infusion of IV cancer drugs.

Q. When will patients be able to get these drugs in Ontario hospitals?

- A. These are recommendations only and not provincial policy at this point. We anticipate the Ontario Ministry of Health and Long-Term Care will provide direction to hospitals on the recommendations. In the meantime, hospitals that are providing unfunded cancer drugs should use these recommendations as guidance.

Q. Aren't these recommendations against the Canada Health Act?

- A. A legal opinion commissioned in advance of the working group found that the practice of hospitals providing unfunded IV drugs for private payment does not go against the Canada Health Act or the Health Insurance Act because unfunded drugs are not publicly insured services. The working group did not look at the legal dimensions of the issue and operated on the assumption that there are no legal impediments in Ontario.

Q. Are other provinces charging privately for unfunded cancer drugs?

- A. Every province grapples with difficult decisions about which cancer drugs (and other drugs) they will fund by evaluating the medical benefits relative to costs. No province funds all cancer drugs. While this may seem desirable, if they did it would quickly consume their ever-growing health care budgets. Hospitals in a

number of provinces are providing unfunded drugs for private payment using a variety of approaches.

The government is considering an exceptional access program that might address access to IV cancer drugs for special clinical circumstances. In addition, a catastrophic drug program as part of the national pharmaceutical strategy could support access to expensive drugs for patients with rare conditions.

Q. Won't this open the door to more two-tier access to drugs?

- A. The working group's primary commitment is to a strong public system for medically beneficial cancer drugs. These recommendations do not affect in any way cancer drugs that are or will be covered by public plans. Patients will still have access to high-quality cancer drugs through the New Drug Funding Program, Ontario Drug Benefit Plan, Trillium Drug Program and hospital budgets, as they do today.

CCO and the working group members will continue to work with government to strengthen publicly funded programs for cancer drugs and improve patients' access to high-quality cancer drugs.

It's important to recognize that there has never been one uniform tier for access to pharmaceuticals in Canada.

These recommendations will allow patients to receive unfunded cancer drugs in the safe and familiar environment of an Ontario hospital, under the care of their own physician and at a lower cost than they would if they went to the U.S. or a private clinic. This will ensure better access and a more consistent and high standard of care for these patients.

Q. Will *all* unfunded cancer drugs be available through hospitals?

- A. The group recommends that hospitals should administer only those cancer medications that are proven to be safe and offer some benefit to patients. In order to be administered in hospitals, unfunded drugs must be approved by Health Canada (or available through the Special Access Program) and supported by clinical guidelines. This includes drugs that the province has decided not to fund and those that are under review or for which a decision has not yet been made.

Q. Will patients be able to go to *any* Ontario hospital to receive unfunded cancer drugs?

- A. The working group is recommending first administering unfunded drugs for private payment through the 12 existing regional cancer centres and cancer centres in development in Barrie and Newmarket. This would provide improved regional access to these drugs, but in a manageable way that allows us to evaluate the impacts and make improvements before providing these drugs more

widely. We do, however, anticipate some community hospitals that treat a lot of cancer patients would be asked to offer this service sooner rather than later.

These are recommendations only. We anticipate the Ministry of Health and Long-Term Care will provide policy direction to hospitals on this report.

General

1. Who pays for cancer drugs?

There are several different payment sources for cancer drugs, depending on the medication and how and where it is delivered.

- At least 75% of the funding for new IV drugs given in hospitals is provided through the **New Drug Funding Program (NDFP)**, which is administered by Cancer Care Ontario.
- **Hospital budgets** provide up to 25% of the funding spent, on older intravenous cancer drugs that were approved before the NDFP was established.
- Some new and expensive intravenous drugs that are not funded through the NDFP are available for **private payment (either third-party insurance or self-pay)** out of province or at a private clinic. Some patients are beginning to have these drugs administered at Ontario hospitals under the care of their own oncologists for private payment.

2. What is the New Drug Funding Program?

The New Drug Funding Program (NDFP), administered by Cancer Care Ontario, funds new and often very expensive intravenous cancer drugs administered in hospitals. It funds about 75% of the total cost of all IV cancer drugs given in hospitals. Hospitals cover the other 25%, for older drugs approved before the NDFP was created.

The NDFP was created to improve consistency and equity for patients. Before this program, each hospital paid for its own IV cancer drugs, which created a patchwork of access at hospitals across the province. Decisions were not always based on best medical and economic evidence.

Today the NDFP covers 19 new drugs and 48 new indications for existing cancer drugs. In recent years, when new indications and new drugs have been added, the program has been growing about 35% a year.

Every drug funded by the NDFP is supported by clinical guidelines developed by Cancer Care Ontario's internationally recognized Program in Evidence-Based Care. This ensures drugs are delivered according to the best standards of care.