

# THE INSIDE STORY<sup>®</sup>

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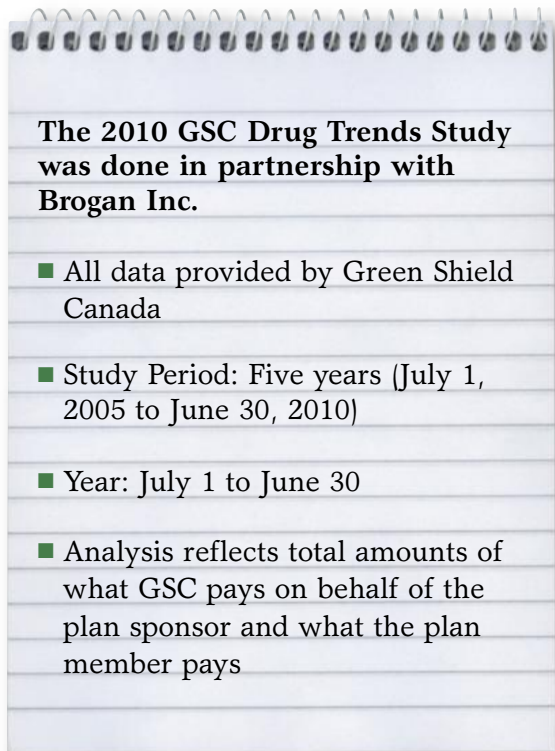
## Thinking beyond the DIN

Cut through the noise on drug costs with a precise look at your top categories

Private health plan managers are always on the hunt for opportunities to save money while also seeking to ensure that employees stay healthy and on the job.

No wonder, then, that constant monitoring of a plan's drug spend is a big part of any assessment of current cost trends and key to defining policies and charting future plans. The cornerstone of keen drug spend oversight is running the tried-and-true top drug identification number (DIN) list - a simple tally of the most expensive individual medications within a plan. Makes sense - but this most common of metrics may not be telling the whole story about the health of your employees. Not so many years ago, you could look at a top DIN report and see that cholesterol, ulcers, hypertension and depression were affecting your plan members the most. This is not the case anymore.

# DRUG TRENDS STUDY



paid read like a greatest hits list for blockbuster drugs. Topping the charts are Lipitor for cholesterol, Losec, Pantoloc and Nexium for gastroesophageal reflux disease (GERD) and related disorders, and Altace for high blood pressure. Together, these medications accounted for billions of dollars in global pharmaceutical sales that year. Close to the bottom of the list, we see Remicade which is a complex and costly biologic drug used to treat autoimmune disorders like rheumatoid arthritis and Crohn's Disease.

top ten DINs

2009/10 Top DINs
REMICADE 100MG INJ
NEXIUM 40MG TABLET
LIPITOR 20MG TABLET
CRESTOR 10MG TABLET
ENBREL 50MG/ML PRE-FILLED SYR
LIPITOR 10MG TABLET
HUMIRA 40MG/ML INJ
PLAVIX 75MG TABLET
LIPITOR 40MG TABLET
EZETROL 10MG TABLET

Green Shield Canada (GSC)'s *2010 Drug Trends Study*, conducted in partnership with Brogan Inc., takes a close look at more than 56 million drug claims across our entire client base from 2005 to 2010 to assess how drug spending and utilization changed over that period. The data in this survey represent the entire amounts paid out for each claim, including what GSC paid on behalf of plan sponsors and what plan members paid out-of-pocket.

Looking back at 2005-2006, the top 10 DINs for claims

top ten DINs

2005/06 Top DINs
LIPITOR 20MG TABLET
LIPITOR 10MG TABLET
LOSEC 20MG TABLET
PANTOLOC EC 40MG TABLET
NEXIUM 40MG TABLET
ALTACE 10MG CAPSULE
PLAVIX 75MG TABLET
EFFEXOR XR 75MG CAPSULE
REMICADE 100MG INJ
PREVACID 30MG CAPSULE

By 2010, five of those products had disappeared from the top DIN list thanks to expired patents: Altace, Losec, Pantoloc, Prevacid (also for GERD), and Effexor (an antidepressant). In the top position for 2010 is Remicade, which represents a significant jump over the five-year study period. It's joined in the top 10 by two other tumor necrosis factor (TNF) inhibitors with similar indications: Enbrel and Humira. The rise of the biologics has been an important development for plan sponsors, given both their high price tag and their effectiveness in treating potentially debilitating diseases such as rheumatoid arthritis, juvenile rheumatoid arthritis, Crohn's Disease and psoriasis. Their emerging impact on private plans cannot be underestimated. But this list offers another important hint at what's happening in the shifting Canadian drug landscape. The other seven drugs on the list – all proton pump inhibitors (PPIs) for GERD or drugs for lowering cholesterol – will likely be genericized over the next few years, making room for newer agents (most likely more biologics) to take their place.

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# DRUG TRENDS STUDY

Going forward, this means that the top DINs list will be populated with extremely expensive drugs that are prescribed to relatively few people. But the reality is that most of the volume of claimants that put the drugs on the top DIN list from 2005 are still taking them (or drugs like them) today. However, instead of there being only a single patented version of the drug available, utilization is now split between ten or more different generic versions (none of which have the volume or cost to make a Top DIN list). The take home message? If tracking top DINs continues to be a focus of health benefits management metrics, plan sponsors run the risk of missing the true health trends that are occurring within their plan member population. In short, just because the drugs for conditions such as GERD and high blood pressure disappear from the list doesn't mean the conditions themselves have disappeared.



The real story in terms of drug plan costs and the correlating health of plan members becomes clear only when drug spends are viewed through the lens of drug categories and therapeutic classes. Over the five-year period of the study, *Drug Trends Study* findings make it clear that not much changed in terms of drug categories associated with total drug spending. The top three categories (statins for lowering cholesterol, followed by PPIs for GERD and anti-

depressants) were more or less unchanged. In addition, the proportion of the total drug spend for the top 10 categories remained relatively the same (42.1% versus 42.5%).

And looking at therapeutic classes, the *Drug Trends Study* found that the top three – cardiovascular drugs (including statins), biologics (which includes antineoplastics for treating cancer and immunomodulators for treating Crohn's, rheumatoid arthritis, etc.) and central nervous system drugs (such as antidepressants and pain medications) – together accounted for 67% of the change in drug costs over the course of the study. Cardiovascular drugs alone accounted for one-quarter of the growth in costs due to an increase in the use of statins and anti-hypertensives. The biologics accounted for approximately 20% of the increase in drug costs. Central nervous system drugs accounted for another 20% of the increase, thanks to new

top therapeutic classes

THERAPEUTIC CLASS	% OF CHANGE
CARDIOVASCULAR DRUGS	25.6%
ANTINEOPLASTIC AND IMMUNOMODULATING AGENTS	21.3%
CENTRAL NERVOUS SYSTEM DRUGS	21.0%

agents to treat fibromyalgia (Lyrica, Cymbalta), increased opiate use and the introduction of new antidepressants such as Cipralex and Pristiq.

There is no question that managing the biologics (and the rest of the Top DINs) is important. But it is equally important to track the conditions that are affecting a far greater proportion of the plan's population – with cumulative costs that may be greater than the biologics when you combine all of those people. *"The time has come to stop only looking at individual drugs and start focusing on top categories and therapeutic classes,"* says Steve Moffatt, GSC's senior vice-president for sales and marketing. For plan sponsors, the *Drug Trends Study* findings should be a warning to target these few but significant disease states,

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top ten categories

2005/06 Top Categories		2009/10 Top Categories	
Statin	7.50%	Statin	8.59%
Proton Pump Inhibitors	7.29%	Proton Pump Inhibitors	6.45%
Antidepressants	6.59%	Antidepressants	6.37%
ACE Inhibitors	4.01%	Injectable Biotechnology Agents	5.66%
Narcotics	3.71%	Angiotensin II Receptor Blockers	3.22%
Injectable Biotechnology Agents	3.14%	ACE Inhibitors	3.11%
NSAIDs	2.70%	Anticonvulsants	2.39%
Calcium Channel Blockers	2.68%	Calcium Channel Blockers	2.36%
Oral Contraceptives	2.31%	Long Acting Bronchodilators	2.22%
Angiotensin II Receptor Blockers	2.16%	NSAIDs	2.16%
	42.10%		42.51%

which are clearly affecting a large number of plan members and exerting significant influence on costs.

The depth and breadth of GSC's data mining capabilities through innovative programs such as Passport to Health™ and Benefit Insight™ allow plan sponsors to clearly understand how disease states are affecting plan members. The Passport to Health™ program is comprised of three evidence-based, customizable modules for assessing employee health risks, providing comprehensive illness prevention programs and motivating behavioural change via plan member outreach initiatives.



Benefit Insight™ reports analyze a plan's data to provide detailed analyses on benchmarking, claims patterns and future benefit planning. These tools allow plan managers to anticipate health benefits spending shifts and make informed decisions about employees' wellness needs and where savings can be found.

*"Taking this holistic view can help employers design wellness programs and benchmark their progress against these types of data,"* Moffatt concludes.

*"The key is to be able to collect and analyze the information in a meaningful way."*



## Do today's trends create the "perfect storm" for unique health care delivery models of the future?

**Health care economics, population demographics, and technology innovation combine to influence change**

Although predicting the future involves a range of complex variables, today's trends like rising health care cost pressure (especially where chronic health conditions are concerned) as well as our aging population make one thing clear—we can't afford to keep going down the chronic conditions road. We can't afford it in terms of both the health of our society, and the health of our private and public health plans. Prevention is on the agenda of the future, but just how will it play out?

As today's trends combine to influence change, we are already seeing signs of a different future – one that includes unique health care delivery models. For instance, in the *November 2010 Inside Story* we discussed the possibility of new delivery models for pharmacy services—the possibility of pharmacies becoming 'health care wellness hubs'. This would mean a move away from product-focused pharmacy services to outcome-focused medica-

tion management by broadening the pharmacist's role beyond product expertise to include activities like wellness education and counseling related to medication management.

Across the country, we are seeing examples of the pharmacist's evolving role. However, now it appears that experimentation with the 'health care wellness hub' model may be underway. For example, some pharmacies are



now putting healthy living front and centre with a total wellness approach that includes initiatives directed at disease management as well as

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prevention. This approach not only emphasizes the numerous ways the pharmacist can help patients lead healthier lives, it also includes a wide range of in-store initiatives specifically focused on communication, education, and prevention – everything from the ability to consult with a range of health experts to the chance to try out various new technological tools related to both disease management and prevention.

### **The pharmacy of the future, or just a competitive niche?**

Does the introduction of additional wellness options at the pharmacy represent the way *all* pharmacies are headed, or is this just an example of competitive positioning? This kind of initiative also makes you wonder, is the pharmacy the only setting that will see a shift in how or what services are delivered? Based on other developments in the news, a solid prediction for the future would likely include limitless possibilities for health care roles and health care settings.



### **Familiar settings, new roles:**

For example, as of July 1, 2011, Regulated Pharmacy Technicians became Alberta's newest regulated health professional.

This means that the prescription processing and preparation will shift from the pharmacist to the pharmacy technician, freeing up the pharmacist to be more involved in patient care.

Pharmacists will still review prescriptions to make sure they best meet patient needs, and will provide patients with drug and therapy information however, once reviewed by the pharmacist, the pharmacy technician can compound and dispense the drugs.

### **Familiar roles, new settings:**

For example, this June the Manitoba government announced plans to put 10 pharmacists on staff at four of their busiest hospital emergency rooms across the province. Having pharmacists as part of hospital emergency room teams will improve patient safety by decreasing drug-related complications, re-admissions, and other critical incidents.

In addition, we are also seeing the introduction of completely new health care roles that are specifically focused on prevention. For example, to allow the pharmacist to spend more time with patients on primary care, some pharmacies have introduced Healthy Living Advisors to help patients better understand pharmacy products and then refer



them to the pharmacist when needed. These advisors have backgrounds in nutrition, fitness, and kinesiology, as well as specific health and product training.

### **Ideally a rainbow after the "perfect storm" ...**

Today's trends mean there is no "if" we will see changes in the future – change is a given. In fact, the possibilities for specifically where we see changes seems endless. Although change rarely comes easy, ideally the result of shifting roles and shifting settings will be more opportunities for plan members to take responsibility for their health. Hopefully, plan sponsor efforts will be complemented in a range of settings with more communication about health issues, more educational opportunities, and more support. In theory, these kinds of initiatives should lead to increased disease prevention as well as enhanced disease management – good news for plan member health – and good news for plan sponsor costs.

# Community Giving Program

## Here's how we add to the greater good...

Creating a brighter future for those most in need is what we do. Through our Green Shield Canada Community Giving Program, we make a difference by providing critical funding that community-based not-for-profit organizations need to achieve significant, concrete results.



### Community Outreach & Ambassador Program (COAP) at Hope Air

In 25 years, Hope Air has arranged over 66,000 free flights for Canadians in need of medical attention outside of their local communities. Their mission is to ensure that vulnerable, low-income families have equal access to health care services, regardless of their financial or distance barriers. Given that many medical specialists are only accessible in large urban centres, and provincial governments do not always provide travel assistance, obtaining the necessary treatment can be overwhelming for those suffering medically and financially. Hope Air's goal is to provide this service by offering medical travel support programs. In the past year alone, they have arranged 3,675 free flights – of which almost half were provided for children.

Hope Air is the only national charity of its kind, and an essential service for many Canadians. But their "unknown" or "secret" status limits the amount of people that could potentially benefit from their program. The funds received through the Community Giving Program will go towards Hope Air's Community Outreach and Ambassador Program (COAP), an awareness building campaign. The COAP initiative will educate networks of key contacts, such as medical professionals, organizations and members of the community on the existence of medical travel assistance services. As well as increasing awareness among target audiences, the program will engage community ambassadors as volunteers to help build the Hope Air network and continue with outreach efforts.



*"Hope Air charity service means, at its core, increased access to our universal health care system. But it also means a swifter return to work for many adults, less time lost from school for children and teens, and improved quality of life for the individuals we serve as well as for the communities they live in."*

**Marc Garneau, National  
Honourary Patron of Hope Air**

*"The COAP program directly impacts and improves access to health care for a considerable number of Canadian residents, which is well aligned with the mission of both Green Shield Canada and the Community Giving Program."*

**David Garner, Board Member, Hope Air  
Past President and CEO of Green Shield Canada**

Interested in learning more? Please contact us at [communitygiving@greenshield.ca](mailto:communitygiving@greenshield.ca)

# NEWS & EVENTS

## Out and About – Events you won't want to miss

Why not attend one of these upcoming industry events? You'll be glad you did – it will be packed with the latest and greatest industry news, interesting opinions from industry leaders, and loads of innovative ideas.



September 8th

### Solutions in Drug Plan Management

Sheraton Toronto Airport Hotel and Conference Centre  
Mississauga, Ontario

<http://www.canadianhealthcarenetwork.ca/solutions/conference>

September 12 - 14th

### CPBI Québec 17e Conférence Régionale

Hilton Lac Leamy  
Gatineau, Quebec

[www.cpbi-icra.ca/fr/event\\_details.ch2?event\\_id=1069](http://www.cpbi-icra.ca/fr/event_details.ch2?event_id=1069)

September 7- 9th

### LIMRA Group and Worksite Benefits Conference

Marriott Downtown Magnificent Mile  
Chicago, Illinois

[www.limra.com](http://www.limra.com)

September 14 - 16th

### CPBI Atlantic Regional Conference

Delta Prince Edward  
Charlottetown, PE

[www.cpbi-icra.ca/en/event\\_details.ch2?event\\_id=1073](http://www.cpbi-icra.ca/en/event_details.ch2?event_id=1073)

## Winner of the draw for a 'night out on the town'



Congratulations to **Bradley Deibert**, of Calgary, AB, the winner of Green Shield Canada's monthly draw for gift certificates for a 'night out on the town'. Through this contest, one name will be drawn each month from plan members who have registered for Plan Member Online Services for that month. To learn more, visit [greenshield.ca](http://greenshield.ca).

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