



Government of
Saskatchewan

Annual Statistical Report 2002-03

Saskatchewan Health

Drug Plan and Extended
Benefits Branch

Preface

This document is a statistical supplement to the Annual Report of Saskatchewan Health for the fiscal year 2002-03. It contains statistical data concerning the programs administered by the Drug Plan and Extended Benefits Branch, including the Drug Plan, Supplementary Health Program, Family Health Benefits and Saskatchewan Aids to Independent Living.

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Drug Plan & Extended Benefits Branch

The Drug Plan and Extended Benefits Branch was formed on April 1, 1996 by amalgamating the Drug Plan program, the Supplementary Health program, the Saskatchewan Aids to Independent Living program, and the Income testing for Special Care Homes.

MISSION STATEMENT

Drug Plan and Extended Benefits Branch provides benefits to the eligible Saskatchewan population by:

- promoting optimal, cost-effective drug therapy and extended benefits
- subsidizing qualifying residents and
- facilitating the use of the database

The following kinds of activities contribute to achieving the Mission:

- leading policy development on Drug Plan, SAIL, Supplementary Health and Family Health Benefits related issues
- providing Drug Plan benefits to the eligible Saskatchewan population
- providing non-insured health benefits to residents nominated for Supplementary Health benefits by Saskatchewan Social Services, and for residents receiving Family Health Benefits
- providing Saskatchewan Aids to Independent Living (SAIL) Program benefits to eligible residents
- administering, on behalf of Health Districts, income tested resident charges for residents of Special Care Homes
- providing case management services in appropriate areas
- improving program delivery and accountability to the public and the Legislature through trends analysis and annual statistical reports
- providing funds for various initiatives that encourage appropriate use of drugs, e.g. RxFiles Academic Detailing Program
- using the claims paid database for various studies to promote appropriate use of drugs

Eligibility for Coverage

Drug Plan

Eligible

All Saskatchewan residents with valid Saskatchewan Health coverage unless coverage is provided by another federal or provincial government or non-government agency.

Active beneficiaries

A resident of Saskatchewan who received an eligible prescription.

Not Eligible

Beneficiaries eligible under the Medical Services Division of Indian Health Canada, Department of Veteran Affairs, Royal Canadian Mounted Police, Canadian Forces, Workers' Compensation, and Federal Penitentiary.

Supplementary Health

Eligible

People nominated for coverage by Saskatchewan Social Services, inmates of correctional institutions, nominated seniors in special care homes or hospitals whose incomes are below the Saskatchewan Income Plan level and Saskatchewan Income Plan recipients living in the community.

Family Health Benefits

Eligible

Families who receive the Saskatchewan Child Benefit and/or the Saskatchewan Employment Supplement.

Saskatchewan Aids to Independent Living (SAIL)

Eligible

People with long term disabilities or illnesses, which leave them unable to function fully, may receive specialized benefits to help them achieve more independent and active lifestyles.

Saskatchewan residents with valid Saskatchewan Health coverage.

Not Eligible

Beneficiaries eligible under departments or agencies of the Government of Canada, the Workers' Compensation Board, Saskatchewan Government Insurance, or are residents of general, rehabilitation or extended care hospitals.

Highlights for 2002-03

Drug Plan

- One in every four families that received a prescription received a financial benefit.
- At June 30, 2002 a total of 928,075 individuals, representing approximately 524,522 family units were eligible to receive Drug Plan benefits.
- A total of 620,866 individual beneficiaries representing 433,044 family units, purchased eligible prescriptions. This represents 67% of eligible individuals.
- Tendering of certain high volume interchangeable drug groups helped to keep Formulary drug prices low. Estimated savings for Saskatchewan residents and the Drug Plan in 2002-2003 were approximately \$6.0M.
- Terminally ill patients covered under the Palliative Care Program received 81,675 prescriptions at no charge. The Drug Plan payment for Palliative Care was \$4.0 million.
- **The Special Support Program:**
 - helped 48,455 families (70% were senior families)
 - provided benefits in the amount of \$75.7 million
 - dispensed an average of 40.7 prescriptions to each active beneficiary
 - dispensed an average of 55.9 prescriptions to each family unit
 - assisted on average 67.8% of the total prescription costs.
- **Active beneficiaries not subject to a deductible:**
 - helped 53,692 families
 - provided benefits of \$43.9 million
 - dispensed an average of 14.0 prescriptions to each active beneficiary
 - dispensed an average of 18.4 prescriptions to each family unit
 - assisted on average 98.6% of the total prescription costs.
- **Active beneficiaries who are subject to a deductible and a co-payment:**
 - provided benefits of \$12.7 million
 - dispensed an average of 9.6 prescriptions to each active beneficiary
 - dispensed an average of 14.1 prescriptions to each family unit
 - assisted on average 8.9% of the total prescription costs.
- **Drug claims processed for Formulary and Exception Drug Status drugs:**
 - processed 8.4 million prescriptions during April 1/02 to March 31/03
 - provided benefits in the amount of \$132.3 million
 - average drug acquisition cost per prescription was \$26.60
 - average mark-up paid to pharmacies was \$2.51
 - average dispensing fee paid to pharmacies was \$6.56

Supplementary Health

- The average number of eligible beneficiaries under the program was 44,794.
- Net payments for the program were \$13.36 million during the fiscal 12-month period.
- Program expenditures per eligible beneficiary rose from \$156.61 in 1997-98 to \$298.26 in 2002-03. These figures do not include Formulary Drugs (covered by the Drug Plan).

Family Health Benefit Program

- The average number of eligible beneficiaries under the program in 2002-03 was 63,218 (27,262 adults and 35,956 children). This is a decrease of 3,743 beneficiaries over the previous year. The number of eligible families was 21,863.
- Net payments for the program were \$4.19 million from April 1, 2002 to March 31, 2003. This is a decrease of \$176,000 from the previous year. These figures do not include Formulary Drugs (covered by the Drug Plan).

Saskatchewan Aids to Independent Living (SAIL)

- Net payments during the 12-month period were \$2.39 million for Orthopaedic services and \$3.42 million for Special Needs Equipment.
- The SAIL Oxygen program was changed in 1996-97 to provide benefits according to medical criteria. The program cost in 2002-03 was \$8.20 million.
- Net payments for approved beneficiaries were \$7.36 million for non-formulary drugs and \$0.77 million for ostomy supplies.
- A total 4,473 orthopaedic issues were made in 2002-03, a slight decrease from the previous year. The number of repairs was 3,294, also a slight decrease from the previous year.
- A total 20,610 wheelchairs and other special needs equipment aids were loaned to beneficiaries in 2002-03, a small increase over the previous year. The number of needs equipment repairs was 1,782, also a small increase over the previous year.

The Drug Plan

Background

- Enabling legislation for the Drug Plan, The Prescription Drugs Act, was assented to on May 10, 1974.
- The Drug Plan began providing benefits on September 1, 1975. A review process was established to recommend which drugs should be covered under the Drug Plan. The actual acquisition cost plus a dispensing fee comprised the total cost of a Formulary drug. During the first full year, \$14.9 million was paid in benefits; the average prescription cost was \$6.04; and the average consumer share was \$1.96 per prescription.
- On July 1, 1987, a mark-up on the cost of a drug was added. Mark-up was calculated on the acquisition cost before the dispensing fee was added.
- On July 1, 1987, the Drug Plan was changed from a fixed co-payment coverage program to a basic deductible* and percentage co-payment program. Those residents entitled to special health benefits were exempted.
- On July 1, 1987, Palliative Care coverage was introduced.
- On January 1, 1989, Point of Sale terminals were installed for each pharmacy to submit claims information electronically for adjudication on-line real time.
- On January 1, 1989, eligible drugs purchased anywhere in Canada by all eligible Saskatchewan residents became a benefit.
- On March 8, 1991, beneficiaries in Special Care Homes who previously paid a maximum \$3.95 for each prescription, became part of the deductible plan.
- On July 1, 1991, the coverage policy for drugs in an interchangeable group was changed. The actual acquisition cost of every product in the interchangeable group is covered only up to lowest listed price in the group.
- In October 1997, implemented a Managed Care Fee for community-based pharmacies that provide monitoring, supervision and other required activities to administer the Methadone Program.
- In December 1997, the Task Force on High Cost Drugs was appointed to determine improvements that would be appropriate to the way government evaluates new pharmaceuticals such as bringing greater transparency to the process; review the implications of providing new drugs in the scope of the Saskatchewan Prescription Drug Plan; and identify actions Saskatchewan should take at the federal, provincial and territorial level, including approaches to a National Pharmacare Program.

-
- In August 1999, implemented a Trial Prescription Program.
 - In 2000, the Prescription Drug Plan, in partnership with the Saskatoon Health District (SHD) implemented the RxFiles Academic Detailing Program as an educational program aimed at assisting physicians in selecting the most appropriate and cost-effective drug therapy for their patients. This program is an extension of the Community Drug Utilization Program, established in 1997 as a pilot project in the SHD.
 - In July 2002, the Income-based program was implemented to replace the \$850 semi-annual deductible.

* Refers to *History of Deductibles*.

History of Deductibles:

- **July 1, 1987**
 - Annual deductible of \$125 (regular family), then a co-payment of 20%.
 - Annual deductible of \$75 (senior family), then a co-payment of 20%.
 - Annual deductible of \$50 (single senior), then a co-payment of 20%.

- **March 8, 1991**
 - Annual deductibles as above (1987), then a co-payment of 25%.
 - Residents of Special Care Homes became part of the deductible program.

- **May 19, 1992**
 - Semi-annual deductible of \$190 (regular family), then a co-payment of 35% to a \$375 maximum, then 10% co-payment.
 - Single Senior and Senior family deductibles at 1987 level but became semi-annual, with a co-payment of 35% to a \$375 maximum, then 10% co-payment.

- **March 19, 1993**
 - Families became eligible for the Special Support program, where families and the Drug Plan share the cost of prescriptions if the cost for covered drugs exceeds 3.4% of the family income. The family co-payment for each covered prescription is set based on the relation between family income and eligible drug cost.
 - Family Income Plan recipients, Saskatchewan Income Plan recipients, and Guaranteed Income Supplement recipients in special care homes, a semi-annual deductible of \$100 then a co-payment of 35%.
 - All other Guaranteed Income Supplement recipients, a semi-annual deductible of \$200 then a co-payment of 35%.
 - All other family units subject to a deductible and not approved for Special Support, a semi-annual deductible of \$850, then a co-payment of 35%.

- **December 1, 1997**
 - The \$50,000 family income cap for the Special Support program was removed.

- **August 1, 1998**
 - The Family Health Benefits program was introduced to replace the Family Income Plan, adults a semi-annual deductible of \$100 then a co-payment of 35%, and children no charge.

- **July 1, 2002**
 - The Income-based program replaced the semi-annual deductible of \$850 that began in 1993.

OBJECTIVES

The Drug Plan has been established to:

- provide coverage to Saskatchewan residents for quality pharmaceutical products of proven therapeutic effectiveness;
- reduce the direct cost of prescription drugs to Saskatchewan residents;
- reduce the cost of drug materials;
- encourage the rational use of prescription drugs.

Table 1 - Prescription Use & Drug Plan Payment

Type of Beneficiary	Active Beneficiaries ¹	Number of Prescriptions ²	%	Total Drug Plan Payment ³	%
April 2002 - March 2003					
Saskatchewan Assistance Plan Recipients					
-Prescription Charge Subsidized, (Plan One)	18,934	303,864	3.6	\$ 12,007,221	9.1
-Prescription Charge Fully Covered					
Special Drugs for Plan One	2,138	33,287	0.4	1,066,649	0.8
Plan One Dependents to Age 18	8,797	42,859	0.5	1,143,071	0.9
Plans Two and Three	9,717	300,881	3.6	10,307,237	7.8
Special Beneficiaries					
-Paraplegics	1,261	39,678	0.5	1,419,342	1.1
-Cystic Fibrosis	94	2,851	0.0	794,407	0.6
-Chronic Renal Disease	789	54,938	0.7	3,932,998	3.0
-Others for Certain Drugs ⁴	1,768	35,945	0.4	6,891,712	5.2
Family Health Benefits					
-Children	24,471	93,223	1.1	2,408,184	1.8
-Adults	17,430	106,423	1.3	966,361	0.7
Palliative Care	2,605	81,675	1.0	3,970,537	3.0
Emergency Assistance	128	643	0.0	14,993	0.0
Special Support	66,606	2,708,227	32.4	75,680,720	57.2
Income Supplement Recipients					
-Saskatchewan Income Plan	5,235	120,449	1.4	1,707,189	1.3
-Guaranteed Income Supplement					
Special Care Home	1,979	71,337	0.9	1,042,583	0.8
Community	20,103	402,355	4.8	4,237,930	3.2
Other Drug Plan Beneficiaries	438,811	3,952,220	47.3	4,683,097	3.5
Total	620,866	8,350,855	100.0	\$132,274,231	100.0

1 Active Beneficiaries are more than in other tables as a beneficiary can appear in more than one type in the same year.

2 Refers to Formulary and Exception Drug Status drugs.

3 Drug Plan Payment is the total of the Drug Material Cost and Dispensing fee; less deductibles, the co-payment, and prescription charges paid by the consumer to the pharmacy.

4 Prescriptions for certain drugs have been restated to show under Special Beneficiaries to conform with co-payments policies established when approving coverage of new high cost MS drugs.

Types of Drug Plan Coverage

1. Saskatchewan Assistance Plan Coverage

Residents receiving benefits through the Saskatchewan Assistance Plan (SAP) are entitled to Drug Plan benefits at a reduced charge, or at no charge depending on their level of coverage. Deductibles are waived for these beneficiaries.

a. Plan One

Plan One beneficiaries 18 years or older are entitled to receive insulin, oral hypoglycemics, injectable vitamin B12, allergenic extracts, oral contraceptives and some products used in megavitamin therapy at no charge. These beneficiaries pay a reduced charge, to a maximum of \$2.00, for all Formulary and approved Exception Drug Status drugs.

Dependents under 18 years of age are entitled to receive the above benefits at no charge.

b. Plan Two

Beneficiaries receiving Plan Two coverage are entitled to receive the same benefits as Plan One patients at no charge.

Plan One beneficiaries requiring several Formulary drugs on a regular basis can be considered for “Plan Two” drug coverage. Plan Two drug coverage may be initiated by contacting the Drug Plan. The request can be made by the patient or a health professional (i.e. physician, social worker). Eligibility for Plan Two coverage is determined on the basis of a physician’s review of medication requirements, and application to the Drug Plan and Extended Benefits Branch.

c. Plan Three

Plan Three beneficiaries are entitled to receive all Formulary drugs and certain non-Formulary drugs at no charge.

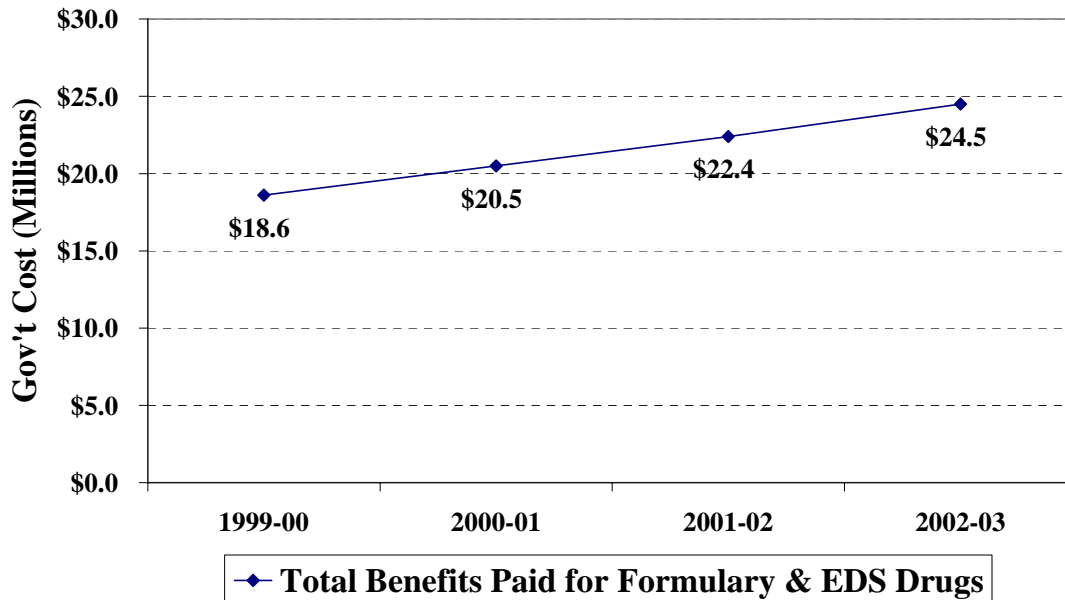
The Supplementary Health program covers the cost of certain non-Formulary drugs as well as the cost of megavitamins and allergenic extracts for Plan One and Plan Two beneficiaries.

Plan Three beneficiaries are residents receiving supplementary assistance who live in Special-Care homes licensed under *The Housing and Special-Care Homes Act*, Approved Homes licensed under *The Mental Health Act*, wards of the province and inmates of provincial jails.

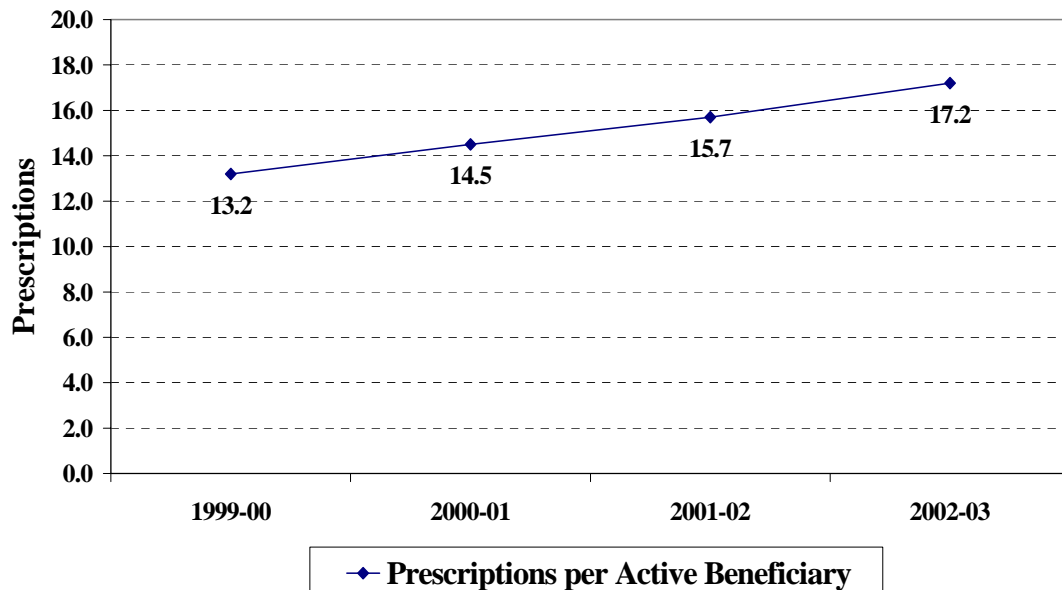
Saskatchewan Assistance Plan Coverage (Continued)

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Number of SAP Active Beneficiaries	48,435	45,732	43,143	39,586

Saskatchewan Assistance Plan Drug Coverage



Saskatchewan Assistance Plan Drug Coverage

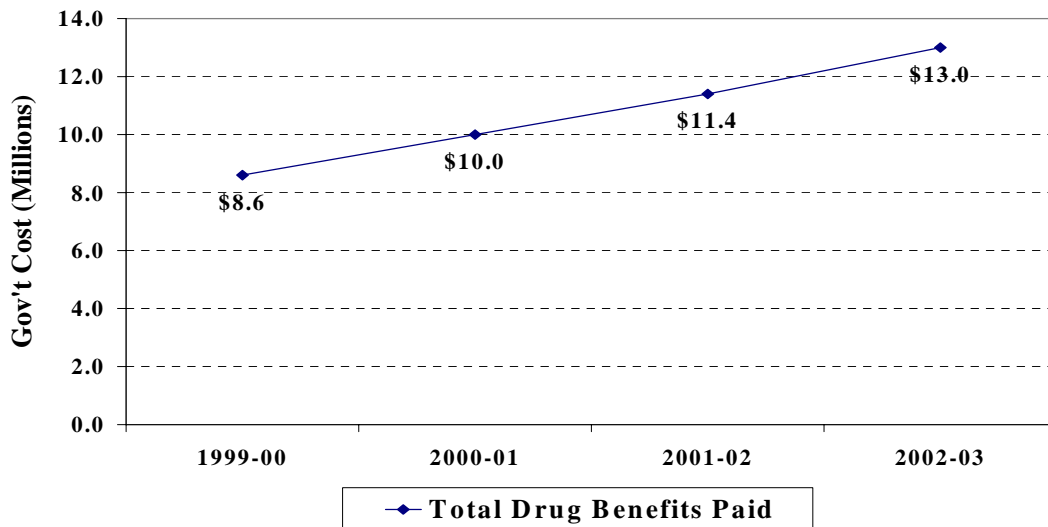


2. Special Beneficiaries

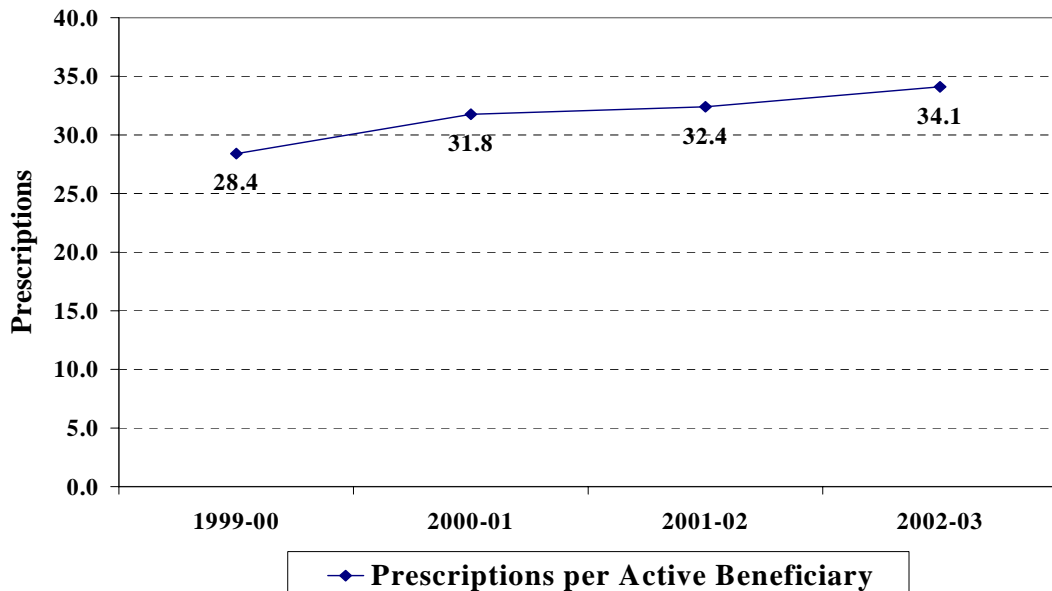
Special Beneficiaries include persons under the paraplegic program, cystic fibrosis program, chronic end-stage renal disease program, and users of certain no charge high cost drugs. These beneficiaries are entitled to receive certain non-Formulary drugs, Exception Drug Status drugs, and all prescribed Formulary drugs at no charge under the Drug Plan.

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Number of Active Beneficiaries	3,446	3,501	3,785	3,912

Special Beneficiary Drug Coverage



Special Beneficiary Drug Coverage



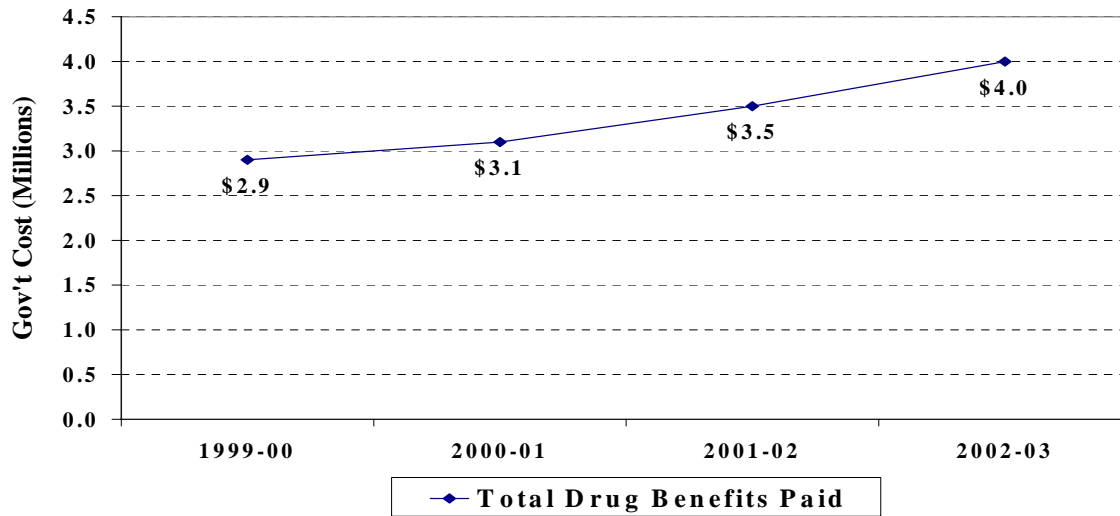
3. Palliative Care Coverage

Persons in late stages of terminal illness are entitled to receive at no cost:

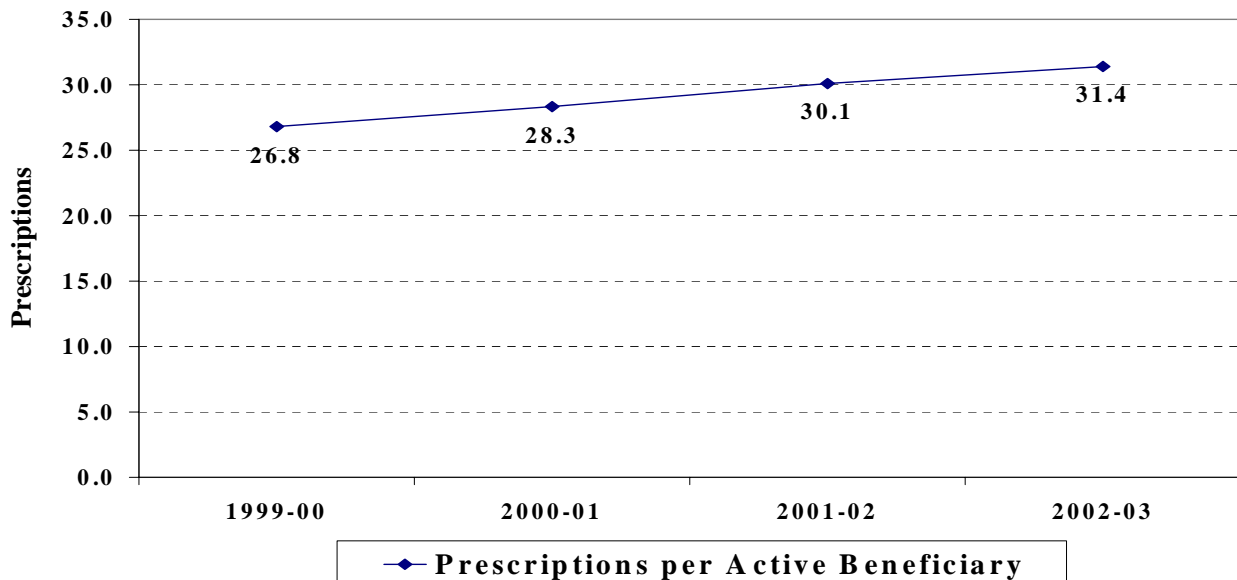
- regular Formulary drugs;
- EDS drugs where prior approval has been granted;
- most laxatives.

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Number of Active Beneficiaries	2,387	2,412	2,528	2,605

Palliative Care Drug Coverage

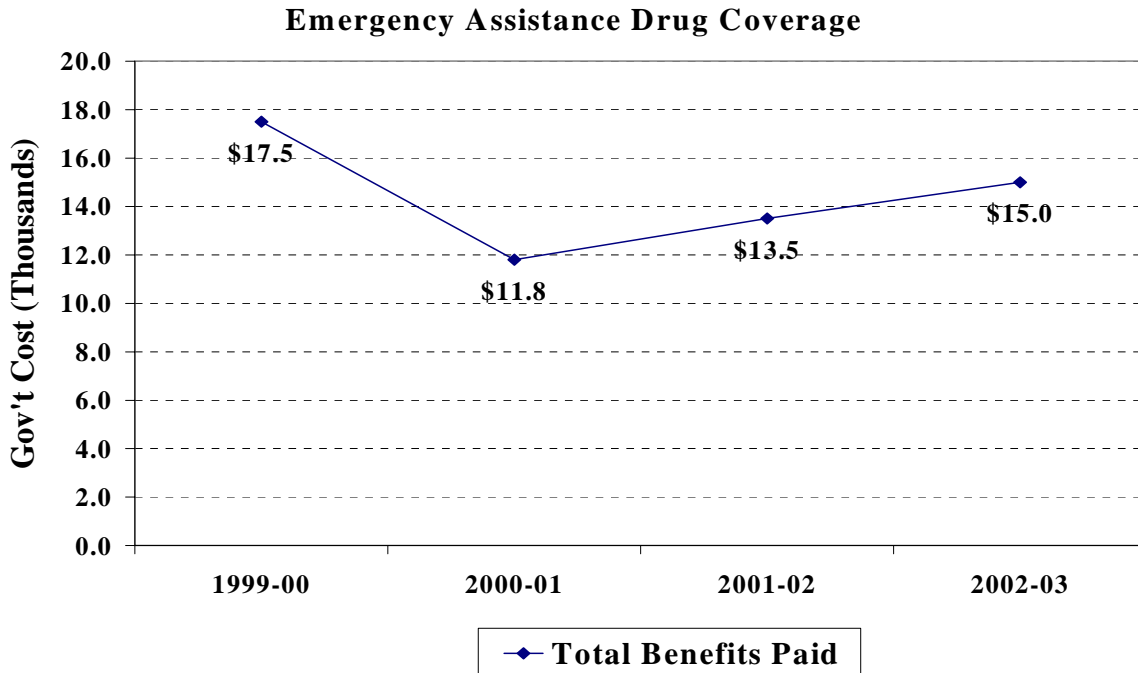


Palliative Care Drug Coverage



4. Emergency Assistance

Residents who require immediate treatment with covered prescription drugs and who are unable to cover the cost, may access emergency assistance. An eligible beneficiary may obtain a limited supply of covered prescription drug(s) at a reduced cost. The level of assistance provided will be in accordance with the consumer's ability to pay. Emergency assistance is available on one occasion, after which the beneficiary is then encouraged to apply for Special Support.



5. Income-based program - Special Support Coverage

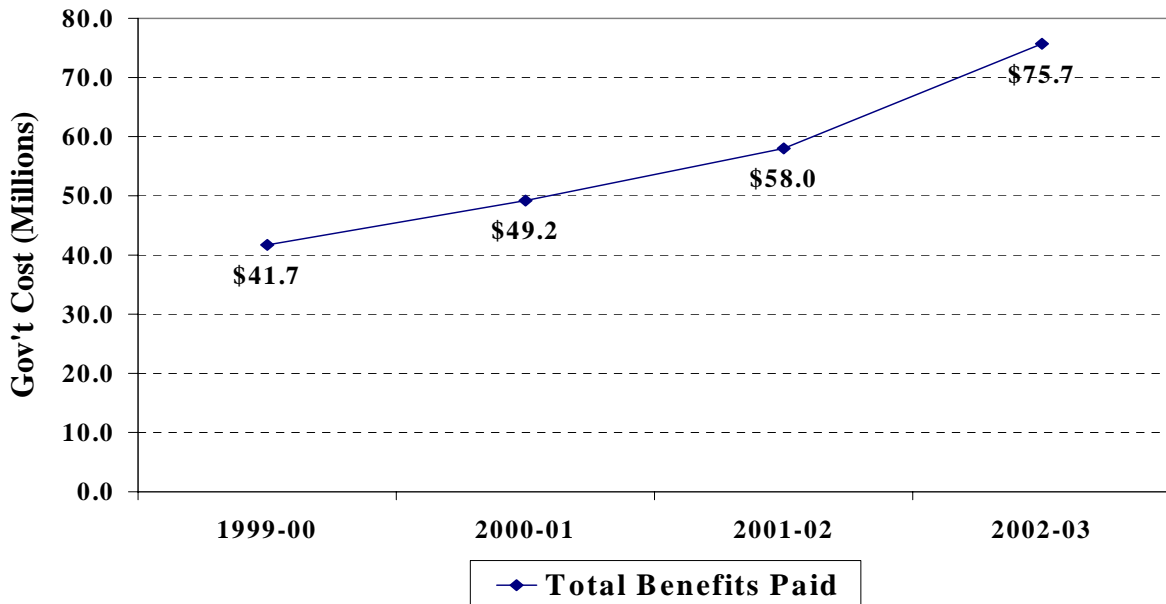
The Special Support program helps **those families whose drug costs are high in relation to their income**. If the annual drug costs exceed 3.4% of the family adjusted income (income after adjusting for the number of dependents), the family is eligible for Special Support benefits. Residents must apply for the Special Support benefits as the Drug Plan does not have access to the required information related to income.

If a family is eligible for this benefit, the family and the Drug Plan share the prescription cost, the family co-payment calculated by the formula estimated drug cost divided by adjusted family income.

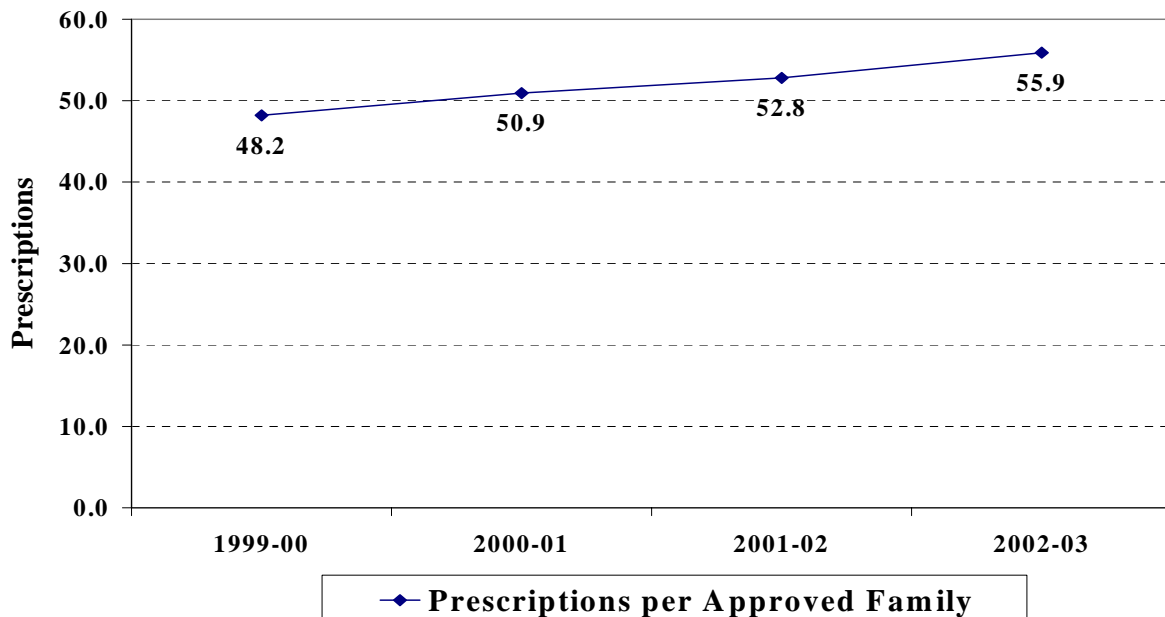
Income-based program - Special Support Coverage (Continued)

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Number of approved Special Support Families	38,912	40,585	42,508	48,455

Special Support Coverage



Special Support Coverage

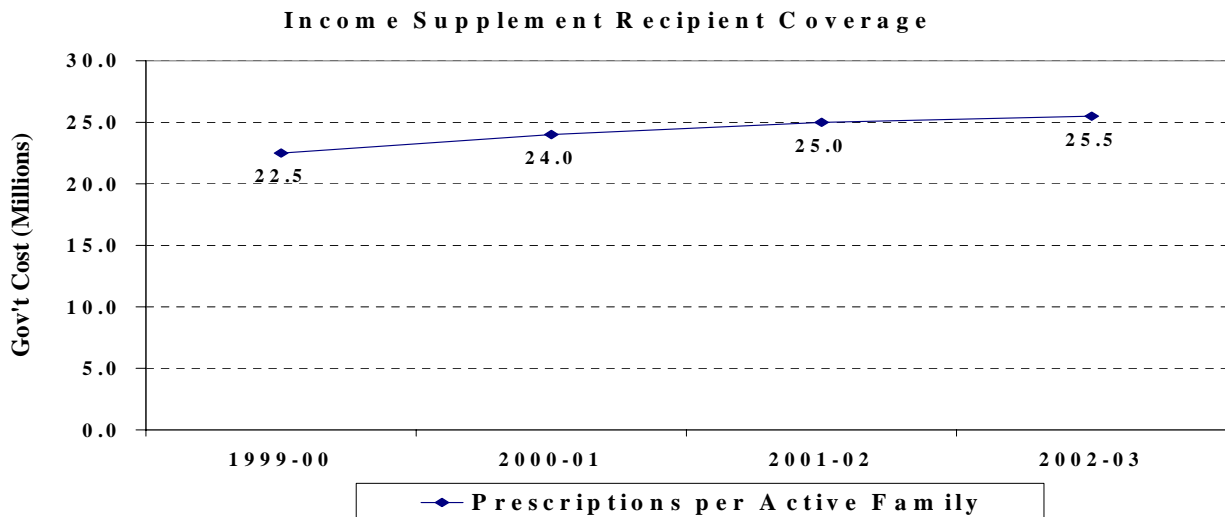
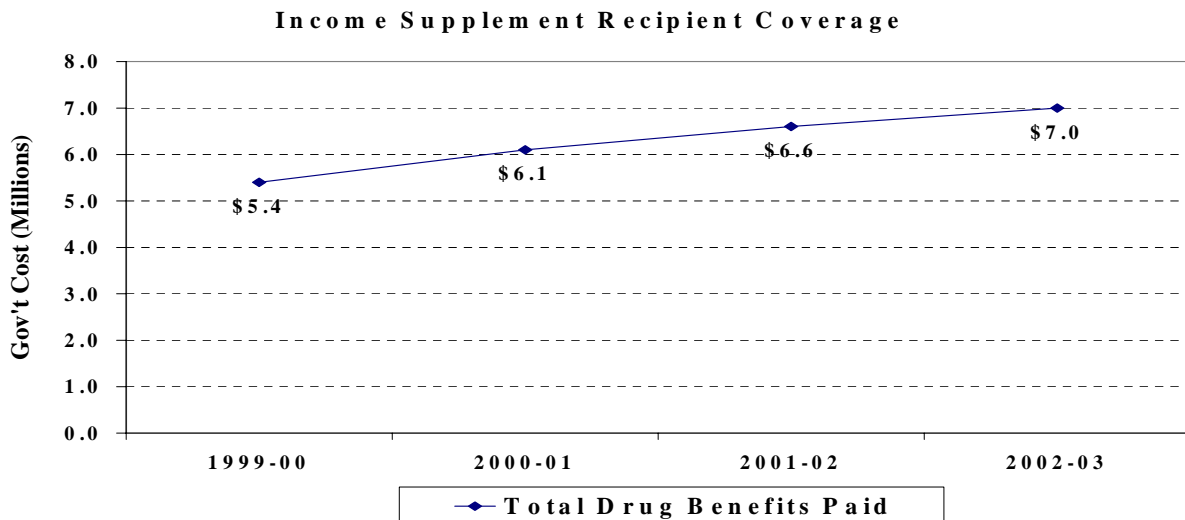


6. Income Supplement Recipients

Single seniors and senior families receiving the Saskatchewan Income Supplement (SIP) or receiving the federal Guaranteed Income Supplement (GIS) and residing in a nursing home have a \$100 semi-annual deductible. Other single seniors and senior families receiving GIS have a \$200 semi-annual deductible. The number of active families continues to decline as more income supplement families begin to incur high drug costs, and apply for Special Support. Other seniors who have higher incomes paid the full cost of their prescriptions up to the regular \$850 semi-annual deductible until June 30, 2002. Starting July 1, 2002, these seniors became eligible for benefits under the income based program.

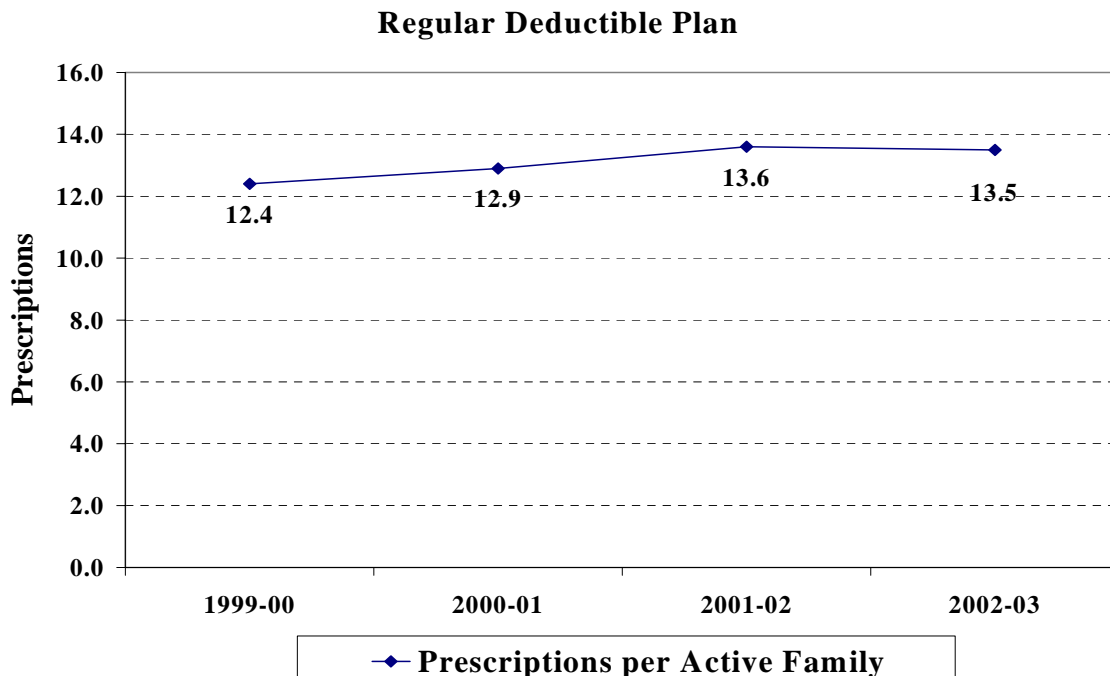
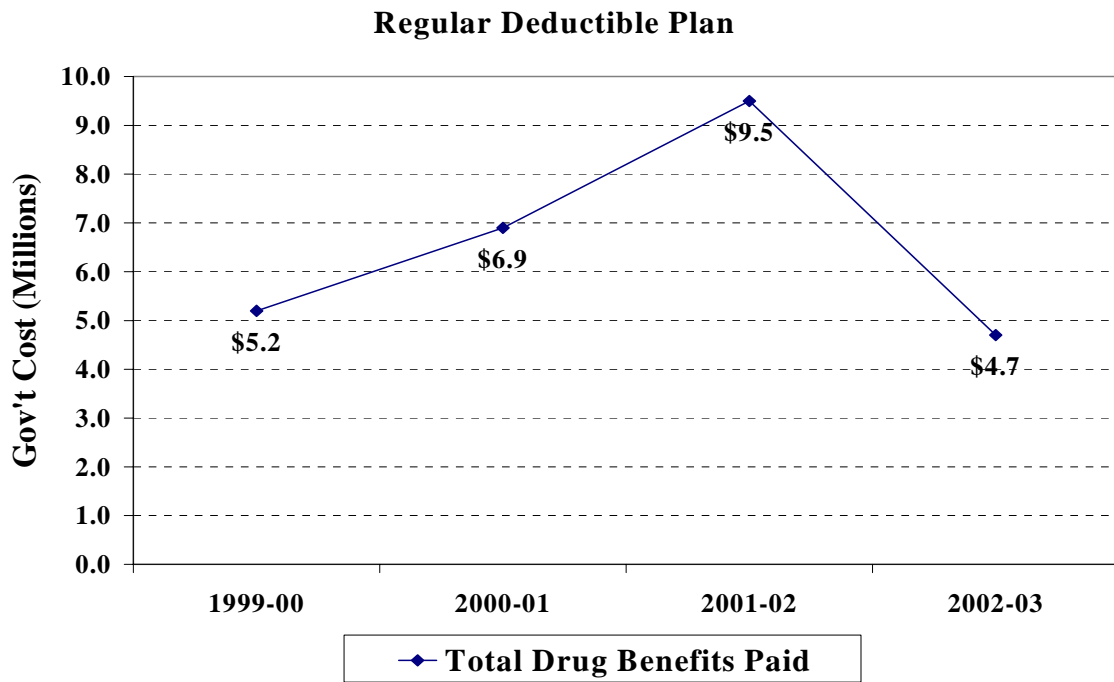
Note: Families approved for Family Health Benefits are not included in this chart.

	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
Number of Active Families	27,351	26,199	24,849	23,284



7. Regular Deductible Program (ended June 30, 2002)

Prior to July 1, 2002, families who are not eligible for any other Drug Plan coverage have an \$850 semi-annual deductible, and pay a 35% co-payment after they have reached their deductible. During April to June 2002 \$4.7M was paid in benefits on behalf of these families. This program was replaced with an income based program on July 1, 2002.



Family Health Benefit Program

Effective August 1, 1998, families who received the Saskatchewan Child Benefit, and/or the Saskatchewan Employment Supplement were eligible for the new Family Health Benefits.

Comprehensive Supplementary Health Benefits became available to children under the age of 18 who qualified (dental, optical, Formulary drugs, medical supplies and appliances and ambulance services).

Partial benefits became available for adults in qualifying families (eye examinations, chiropractic co-payments, \$100 semi-annual Family Drug Plan deductible with a 35% consumer co-payment thereafter).

	1999-00	2000-01	2001-02	2002-03
Number of Active Children Beneficiaries	28,749	27,551	26,423	24,471
Average Number of Prescriptions per Child	3.7	3.7	3.7	3.8
Cost of the Program	\$2.3M	\$2.3M	\$2.4M	\$2.4M

	1999-00	2000-01	2001-02	2002-03
Number of Active Adult Beneficiaries	20,868	19,743	18,927	17,430
Average Number of Prescriptions per Adult	5.1	5.6	6.0	6.1
Cost of the Program	\$0.6M	\$0.8M	\$0.9M	\$1.0M

Note: Not included in the above chart for is the program cost for Active Adults approved for special support. This program cost in 2001-02 was \$1,771,352 and in 2002-03 was \$1,954,833.

Drugs Covered by the Drug Plan

With the exception of insulin, blood testing agents and urine testing agents, a prescription is required from a licensed prescriber for all drugs eligible for coverage under the Drug Plan.

The Formulary

The Drug Plan and Extended Benefits Branch prepares, maintains, and distributes the Saskatchewan Formulary. The Formulary is a listing of therapeutically effective drugs of proven high quality that have been approved for coverage under the Drug Plan.

Drugs listed in the Formulary are periodically reviewed and additions and deletions are recommended when necessary. Revised editions of the Formulary are published yearly in July, followed up with updates approximately every quarter. The goal of the Formulary is to list a range and variety of drugs that will enable prescribers to select an effective course of therapy for most patients. The July 2002 Saskatchewan Formulary that was not published until October 2002 and followed by two updates, lists 2,937 Formulary drug products and 571 published Exception Drug Status (EDS) products.

Exception Drug Status

Certain drugs are reviewed and recommended by the Saskatchewan Formulary Committee for coverage under Exception Drug Status. All recommendations must be approved by the Minister of Health. The drugs usually fall into one of the following categories:

1. The drug is ordinarily administered only to hospital in-patients but is being administered outside of a hospital because of unusual circumstances.
2. The drug is not ordinarily prescribed or administered in Saskatchewan, but is being prescribed because it is required in the diagnosis or treatment of an illness, disability, or condition rarely found in Saskatchewan.
3. The drug is infrequently used since therapeutic alternatives listed in the Formulary products are usually effective, but are contraindicated or found to be ineffective due to the clinical condition of the patient.
4. The drug has been deleted from the Formulary but is required by patients previously stabilized on the drug.
5. The drug has potential for use in other than approved indications.
6. The drug has potential for the development of widespread inappropriate use.
7. The drug is more expensive than listed alternatives and offers an advantage in only a limited number of indications.

Drugs approved for Exception Drug Status coverage are subject to the same deductible and co-payment as the patient's Formulary drugs.

Over-the-Counter Products

Over-the-counter (OTC) products are generally not included as benefits under the Drug Plan.

Saskatchewan Formulary Process

Product Selection

The Minister of Health relies on the recommendations of two expert committees; the Drug Quality Assessment Committee, and the Saskatchewan Formulary Committee in order to decide which products will be listed as benefits under the Drug Plan.

The Drug Plan and Extended Benefits Branch provides resources and staff support to the Committees in the review of products for listing in the Saskatchewan Formulary. This support includes forecasting drug costs and preparing use/cost analysis reports.

- **Drug Quality Assessment Committee**

The Drug Quality Assessment Committee (DQAC) is appointed by the Minister of Health to:

- evaluate manufacturer submissions for consideration for coverage of new drugs and report its findings to the Saskatchewan Formulary Committee.
- review available manufacturing documentation including clinical documents, reports of scientific studies and published literature.
- evaluate comparative bioavailability studies and/or comparative clinical studies to determine compliance with accepted standards for interchangeability.

- **Saskatchewan Formulary Committee**

The Saskatchewan Formulary Committee (SFC), appointed by the Minister of Health, has the following functions:

- recommends to the Minister of Health additions and deletions to the Saskatchewan Formulary. The SFC considers economic information including utilization patterns as well as the clinical assessment of the DQAC.
- provides advice in compiling and maintaining the Saskatchewan Formulary.
- identifies those products which are “interchangeable”. Interchangeable products are different brands of the same drug that are equivalent in therapeutic effectiveness and quality.
- conducts reviews of new drug products and re-evaluation of listed products based on new information about use, efficacy and cost.

Product Interchangeability and Pricing

One function of the Saskatchewan Formulary Committee is to identify interchangeable drug groups. Interchangeable products are different brands of the same drug with the same strength and dosage form that are equivalent in therapeutic effectiveness and quality. The Formulary lists two types of interchangeable drug groups; Low Cost Alternative, and Standing Offer Contract.

- **Low Cost Alternative**

In order to ensure price stability for the Formulary period, the Drug Plan and Extended Benefits Branch requires drug manufacturers to provide guaranteed maximum prices for the period. The prices constitute the maximum price that the Drug Plan will allow for those products during the effective Formulary period.

Any drug in a Low Cost Alternative interchangeable group can be used to fill a prescription. The drug cost component in the approved prescription price is the actual acquisition cost of the drug up to the lowest price listed in the Formulary within that interchangeable group.

- **Standing Offer Contract (SOC)**

The Drug Plan tenders the drugs in certain interchangeable groups to obtain the lowest possible price. An accepted tender, called SOC, requires the manufacturer to guarantee delivery of the specific drug to pharmacies through approved distributors at the contracted price. In return, the manufacturer's product will be used almost exclusively. This tender process saved an estimated \$6.0M in 2002-03 for beneficiaries and government combined.

Only the accepted tendered drug can be used to fill a prescription in an SOC interchangeable group. If a prescription is ordered as "no substitution" for any brand other than the SOC brand listed, the Drug Plan will cover the actual acquisition cost up to the listed SOC unit price. The difference in acquisition cost between the brand dispensed and the cost covered by the Drug Plan is the responsibility of the consumer.

"No Substitution" Prescription Drug Coverage

It is recognized that extremely rare cases may exist in which a person is not able to use a particular brand of product. In such cases, the physician may request exemption from full payment of incremental cost when a specific brand of drug in an interchangeable category is found to be essential for a particular patient. There is no provision for "blanket" exemptions. Each request must be patient and product specific.

Encouraging Appropriate Drug Use

The Drug Plan uses a number of activities to encourage appropriate use of drugs:

- Use of the claims processing system to perform various edit and assessment checks.
- Use of Exception Drug Status coverage where drugs are only intended for use in certain circumstances. e.g. products intended for second line use.
- Provides funding support for:
 - a) The College of Medicine Drug Evaluation Support - Roving Professorship Program to assist in the drug review process, to provide expert opinions on an ad hoc basis, and to deliver drug information to promote the optimal use of pharmaceuticals in the province.
 - b) The College of Pharmacy & Nutrition Drug Information Services provides a province-wide drug information service for health professionals and consumers.
 - c) The Triplicate Prescription Program operated by the College of Physicians and Surgeons, a two part written prescription to monitor prescribing for a select panel of prescription drugs with intent to reduce abuse and diversion.
 - d) The RxFiles Academic Detailing Program operated by the Saskatoon Health District as an educational program aimed at assisting physicians in selecting the most appropriate and cost-effective drug therapy for their patients.
- The trial prescription program, started as a joint project with the Saskatchewan College of Pharmacists, and later became a benefit of the Drug Plan. The pharmacist is encouraged to dispense a seven to ten day supply for the initial prescription of certain drugs, monitor the effect on the patient and if the outcomes are positive, dispense the full prescription as directed by the physician. There is no additional cost to the resident for this service.

Pharmacy Claims Processing

An on-line computer network transmits prescription information from the pharmacy to the central computer where it is checked against stored data to determine whether it can be approved for payment. Checking includes: is the drug a benefit, does the beneficiary have health coverage and the type, is the quantity dispensed within appropriate levels, is the number of prescriptions for the beneficiary within limits, is the prescription a duplicate or possible duplicate of another dispensed prescription, is the prescriber authorized, are the unit costs within limits. The prescription claim is adjudicated and cost information is then transmitted back to the pharmacy, detailing the consumer share and Drug Plan share.

- **Pharmacy Reimbursements**

At March 31, 2003, there were 379 pharmacies providing Drug Plan eligible services.

According to the Agreement between Saskatchewan Health and pharmacy proprietors, the prescription cost is calculated by adding the acquisition cost of the drug material, the submitted mark-up and dispensing fee (up to a maximum).

The maximum dispensing fee was increased on March 1, 2003 to \$7.74. The maximum mark-up allowance calculated on the prescription drug cost is: 30% for drug cost up to \$6.30, 15% for drug cost between \$6.31 and \$15.80, 10% for drug cost of \$15.81 to \$200.00, and a maximum mark-up of \$20.00 for drug cost over \$200.00.

For urine-testing agents the pharmacy receives acquisition cost along with the mark-up and a 50% mark-up in place of the dispensing fee. For insulin, the pharmacy receives acquisition cost plus a negotiated mark-up.

- **Prescription Quantities**

The Drug Plan places no limitation on the quantities of drugs that may be prescribed. Prescribers shall exercise their professional judgment in determining the course and duration of treatment for their patients. However, in most cases, the Drug Plan will not pay benefits or credit deductibles for more than a 3-month supply of a drug at one time.

The pharmacist may charge one dispensing fee for each prescription for most drugs listed in the Formulary. If a prescription is for a duration of one month or more, the pharmacist is entitled to charge a dispensing fee for each 34 day supply, however the Agreement does not prohibit the pharmacist from dispensing more than a 34 day supply for one fee. The Agreement also contains a list of Two-Month and 100-day supply drugs. Prescribing and dispensing should be in these quantities once the medical therapy of a patient is in the maintenance stage, unless there are unusual circumstances that require these quantities not be dispensed.

Formulary and EDS Drug Utilization 2002-03

At June 30, 2002, a total of 928,075 individuals, representing approximately 524,522 family units were eligible to receive Drug Plan benefits.

A total of 620,866 individual beneficiaries representing 433,044 family units, purchased eligible prescriptions. This represents 67% of eligible individuals.

1. Overall 2002-2003 Utilization

Figure 1 compares active Drug Plan beneficiaries to the eligible population and shows the percentage of total prescriptions dispensed to each age group. This shows that the 65+ age group is 15.7% of the eligible population, represents 21.2% of Drug Plan active beneficiaries, and receive 47.3% of all prescriptions.

Table 2 presents prescription drug utilization by age and sex of the beneficiary. It also shows that drug utilization increases with age, with the larger increases beginning at age 45.

Figure 1
Prescriptions Dispensed by Age Groups, Eligible and Active Beneficiaries

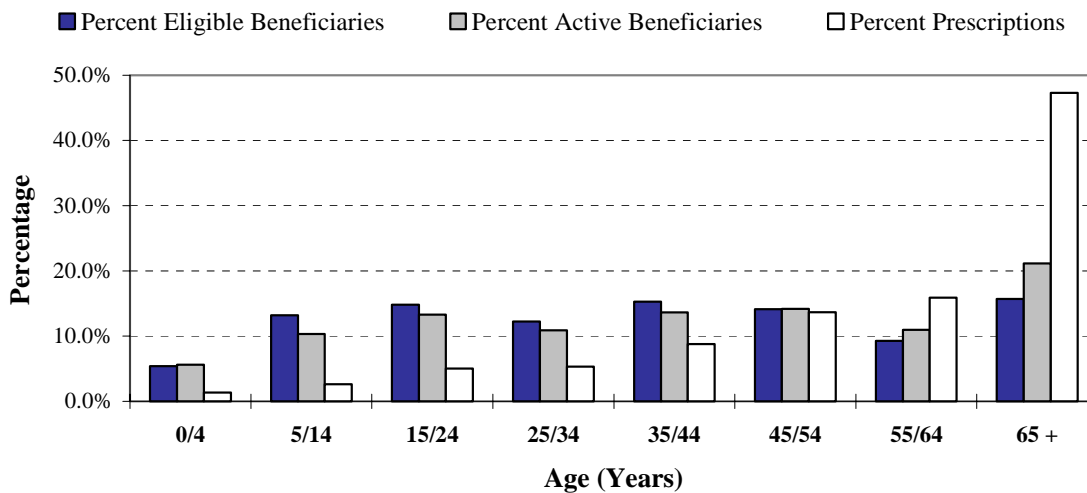


Table 2 presents prescription drug utilization by age and sex of the beneficiary. It also shows that drug utilization increases with age, with the larger increases beginning at age 45.

Table 2
Prescription Drug Utilization by Age and Sex of Active Beneficiary

Age of Consumer ⁵	Active Beneficiaries	Number of Prescriptions ¹	Drug Material Cost ²	Dispensing Fee ³	Total Drug Plan Payment ⁴
April 2002 - March 2003 (as submitted for all prescriptions to all beneficiaries)					
Male					
0 - 4	18,027	60,571	\$ 646,900	\$ 407,856	\$ 477,284
5 - 14	32,687	121,632	2,853,369	802,130	1,825,478
15 - 24	33,040	139,355	4,245,793	892,780	2,334,520
25 - 34	26,036	145,546	5,047,430	956,427	3,209,394
35 - 44	36,312	293,761	11,117,880	1,946,324	6,643,118
45 - 54	39,964	490,281	17,617,011	3,210,310	8,163,224
55 - 64	31,444	588,173	19,676,150	3,775,273	8,981,611
65 - 74	28,191	707,476	21,335,453	4,520,882	11,112,519
75 - 84	18,958	564,818	15,336,928	3,720,406	8,529,206
85 and over	6,849	231,309	5,274,713	1,579,064	3,444,129
Male Total	271,508	3,342,922	\$ 103,151,627	\$ 21,811,452	\$ 54,720,483
Female					
0 - 4	16,790	52,677	\$ 539,734	\$ 355,138	\$ 423,491
5 - 14	31,411	97,774	2,397,442	648,857	1,702,195
15 - 24	49,358	279,074	7,076,165	1,812,005	2,805,087
25 - 34	41,589	300,076	8,970,397	1,943,185	4,076,405
35 - 44	48,216	439,218	15,333,106	2,862,070	8,145,146
45 - 54	48,076	651,823	20,914,553	4,236,118	9,726,330
55 - 64	36,573	740,178	21,292,118	4,765,206	10,556,608
65 - 74	32,288	856,380	24,117,296	5,559,178	13,673,206
75 - 84	29,495	993,475	26,083,125	6,668,598	16,591,840
85 and over	15,562	597,258	13,181,140	4,125,970	9,853,440
Female Total	349,358	5,007,933	\$ 139,905,076	\$ 32,976,325	\$ 77,553,748
Both Sexes					
0 - 4	34,817	113,248	\$ 1,186,634	\$ 762,994	\$ 900,775
5 - 14	64,098	219,406	5,250,811	1,450,987	3,527,673
15 - 24	82,398	418,429	11,321,958	2,704,785	5,139,607
25 - 34	67,625	445,622	14,017,827	2,899,612	7,285,799
35 - 44	84,528	732,979	26,450,986	4,808,394	14,788,264
45 - 54	88,040	1,142,104	38,531,564	7,446,428	17,889,554
55 - 64	68,017	1,328,351	40,968,268	8,540,479	19,538,219
65 - 74	60,479	1,563,856	45,452,749	10,080,060	24,785,725
75 - 84	48,453	1,558,293	41,420,053	10,389,004	25,121,046
85 and over	22,411	828,567	18,455,853	5,705,034	13,297,569
Grand Total	620,866	8,350,855	\$ 243,056,703	\$ 54,787,777	\$ 132,274,231

1 Refers to Formulary and Exception Drug Status drugs.

2 Includes mark-up on drug acquisition cost.

3 The Dispensing fee charged by pharmacy for the prescriptions dispensed.

4 Drug Plan Payment is the total of the Drug Material Cost and Dispensing fee; less deductibles, the co-payment, and prescription charges paid by the consumer to the pharmacy.

5 Age of beneficiary as at March 31, 2003.

2002-03 Utilization by Type of Beneficiary

Drug Plan benefits are directed at families with low incomes, families with high drug costs and those with a combination of the two. Table 3 summarizes the beneficiaries into five main groups:

1. beneficiaries approved for an Income-based Special Support co-payment;
2. beneficiaries exempt from paying a deductible, who are on Saskatchewan Assistance Plan (SAP), S.A.I.L. beneficiaries, palliative care, or receive certain drugs;
3. beneficiaries approved for Family Health Benefits;
4. beneficiaries approved for Income Supplement under Saskatchewan Income Plan (SIP), and Guaranteed Income Supplement (GIS);
5. other Drug Plan beneficiaries.

Table 3
Prescription Drug Utilization by Over/Under 65

April 2002 - March 2003

Type of Beneficiary	Active Beneficiaries	Number of Prescriptions ¹	Payment Patient Paid	Average Cost to Patient	Drug Plan Payment ²	Average Cost to Drug Plan
Beneficiaries approved under Income-based Special Support Program						
Under 65	22,929	682,853	\$ 10,927,203	\$ 476.57	\$ 28,828,758	\$ 1,257.31
65 and over	<u>43,677</u>	<u>2,025,374</u>	<u>25,082,405</u>	574.27	<u>46,851,962</u>	1,072.69
Sub-Total	<u>66,606</u>	<u>2,708,227</u>	<u>\$ 36,009,608</u>	\$ 540.64	<u>\$ 75,680,720</u>	\$ 1,136.24
Beneficiaries exempt from paying a Deductible (e.g. SAP, SAIL, Palliative Care)						
Under 65	41,362	715,797	\$ 599,547	\$ 14.50	\$ 33,686,923	\$ 814.44
65 and over	<u>4,741</u>	<u>180,181</u>	<u>22,128</u>	4.67	<u>7,846,251</u>	1,654.98
Sub-Total	<u>46,103</u>	<u>895,978</u>	<u>\$ 621,675</u>	\$ 13.48	<u>\$ 41,533,174</u>	\$ 900.88
Beneficiaries receiving Family Health Benefits (excludes prescriptions under Special Support)						
Under 65	41,843	198,893	\$ 2,022,172	\$ 48.33	\$ 3,364,681	\$ 80.41
65 and over	<u>58</u>	<u>753</u>	<u>11,900</u>	205.17	<u>9,864</u>	170.06
Sub-Total	<u>41,901</u>	<u>199,646</u>	<u>\$ 2,034,072</u>	\$ 48.54	<u>\$ 3,374,545</u>	\$ 80.54
Beneficiaries receiving Income Supplements (SIP & GIS not covered under Special Support)						
Under 65	2,236	35,579	\$ 658,272	\$ 294.40	\$ 371,474	\$ 166.13
65 and over	<u>25,081</u>	<u>558,562</u>	<u>9,109,250</u>	363.19	<u>6,616,228</u>	263.79
Sub-Total	<u>27,317</u>	<u>594,141</u>	<u>\$ 9,767,522</u>	\$ 357.56	<u>\$ 6,987,702</u>	\$ 255.80
Other Drug Plan Beneficiaries (under the \$850 semi-annual deductible to June 30, 2002, or not eligible for any other Drug Plan coverage)						
Under 65	381,153	2,767,017	\$ 83,064,284	\$ 217.93	\$ 2,818,055	\$ 7.39
65 and over	<u>57,786</u>	<u>1,185,846</u>	<u>34,072,730</u>	589.64	<u>1,880,035</u>	32.53
Sub-Total	<u>438,939</u>	<u>3,952,863</u>	<u>\$117,137,014</u>	\$ 266.86	<u>\$ 4,698,090</u>	\$ 10.70
Grand Total	620,866	8,350,855	\$165,569,891		\$132,274,231	

1 Refers to Formulary and Exception Drug Status drugs.

2 Drug Plan Payment is the total of the Drug Material Cost and Dispensing fee; less deductibles, the co-payment, and prescription charges paid by the consumer to the pharmacy.

3. 2002-2003 Utilization by Families

Tables 4, 5, and 6 show the breakdown of prescription utilization, family cost, and government cost for all families using one or more prescriptions in the fiscal year by three categories of families:

1. Families that applied for Special Support and were granted a reduced co-payment because their annual drug costs exceeded 3.4% of their annual family income;
2. Families exempt from the deductible program. (e.g. Saskatchewan Assistance Plan families, S.A.I.L. beneficiaries, Palliative Care, children of families approved for Family Health Benefits);
3. Families that reached a deductible before a reduced co-payment was granted.

In 'Families Approved under the Special Support Program' (Table 4), 48,455 families who had high drug costs in relation to their income received \$75.7 million in benefits, which equals an average payment of \$1,561.88 per family which is an increase of 14.5% over the previous year.

In 'Families Exempt from the Deductible Program' (Table 5), the average payment on behalf of each active family was \$818.40 which is an increase of 16.5% over the previous year.

In 'Families Under the Deductible Program' (Table 6), the average payment on behalf of each active family was \$38.24. Families included in this table are:

- Those that have a \$100 semi-annual deductible because they are adults of families approved for Family Health Benefits (FHB), single seniors and senior families receiving the Saskatchewan Income Supplement (SIP), or are receiving the federal Guaranteed Income Supplement (GIS) and residing in a nursing home.
- Those that have a \$200 semi-annual deductible because they receive GIS.
- Those that are not eligible for any other Drug Plan coverage and had to reach a \$850 semi-annual deductible prior to June 30, 2002.

Table 4**Prescription Cost to Families Approved Under Special Support Program**

April 2002 - March 2003

Cost to Family Unit	Number of Family Units	Number of Prescriptions ¹	Drug Material Cost ²	Approved Prescription Cost	Net Family Payments ³	Total Drug Plan Payment
\$ 00.01 - 25.00	1,015	9,760	\$ 285,314	\$ 350,312	\$ 9,173	\$ 341,139
25.01 - 50.00	614	8,498	299,612	355,190	22,765	332,425
50.01 - 75.00	566	9,151	294,081	355,522	35,341	320,181
75.01 - 100.00	561	9,127	316,872	376,479	49,428	327,051
100.01 - 125.00	566	11,178	374,654	449,325	63,620	385,705
125.01 - 150.00	573	12,742	465,386	548,235	78,958	469,277
150.01 - 175.00	629	14,622	546,152	642,599	102,541	540,058
175.01 - 200.00	643	16,154	522,337	629,021	120,852	508,169
200.01 - 250.00	1,446	41,879	1,468,868	1,744,973	325,693	1,419,280
250.01 - 300.00	1,801	58,957	1,704,962	2,096,329	497,136	1,599,193
300.01 - 350.00	2,233	84,707	2,437,864	3,003,206	728,183	2,275,023
350.01 - 400.00	2,753	122,802	3,445,631	4,271,093	1,033,450	3,237,643
400.01 - 450.00	3,042	144,280	4,141,092	5,109,753	1,294,458	3,815,295
450.01 - 500.00	2,970	150,141	4,224,558	5,236,823	1,410,442	3,826,381
500.01 - 600.00	5,021	273,680	8,157,957	9,982,610	2,750,972	7,231,638
600.01 - 725.00	4,956	298,011	9,066,002	11,051,928	3,273,048	7,778,880
725.01 - 850.00	3,987	258,055	8,200,967	9,903,594	3,128,248	6,775,346
850.01 - 1000.00	3,619	253,187	8,546,998	10,209,346	3,337,725	6,871,621
1000.01 - 1250.00	4,194	307,597	10,913,914	12,919,139	4,683,106	8,236,033
1250.01 - and over	7,266	623,699	28,435,786	32,454,851	13,064,469	19,390,382
All	48,455	2,708,227	\$ 93,849,007	\$ 111,690,328	\$ 36,009,608	\$ 75,680,720

1 Refers to Formulary and Exception Drug Status drugs.

2 Includes mark-up on drug acquisition cost.

3 Net Family Payments is the total cost paid by families granted a reduced co-payment.

Table 5
Prescription Cost to Families Exempt from paying a Deductible

April 2002 - March 2003

Cost to Family Unit	Number of Family Units	Number of Prescriptions ¹	Drug Material Cost ²	Approved Prescription Cost	Net Family Payments ³	Total Drug Plan Payment
\$ NIL	33,939	570,172	\$ 24,724,931	\$ 28,631,228	\$ -	\$ 28,631,228
00.01 - 25.00	12,708	106,508	2,483,429	3,216,250	109,701	3,106,549
25.01 - 50.00	3,124	77,747	2,529,063	3,070,979	113,961	2,957,018
50.01 - 75.00	1,518	57,794	1,966,097	2,374,824	94,282	2,280,542
75.01 - 100.00	957	48,282	1,711,800	2,053,151	83,241	1,969,910
100.01 - 125.00	519	35,177	1,080,983	1,334,885	57,861	1,277,024
125.01 - 150.00	374	29,494	942,039	1,154,099	51,146	1,102,953
150.01 - 175.00	201	18,568	637,501	767,897	32,667	735,230
175.01 - 200.00	131	13,770	482,614	581,138	24,439	556,699
200.01 - 250.00	125	16,308	550,030	666,762	27,685	639,077
250.01 - 300.00	40	6,294	242,689	288,717	10,920	277,797
300.01 - 350.00	29	5,320	245,638	283,484	9,334	274,150
350.01 and over	27	3,767	112,394	139,676	6,495	133,181
All	53,692	989,201	\$ 37,709,208	\$ 44,563,090	\$ 621,732	\$ 43,941,358

1 Refers to Formulary and Exception Drug Status drugs.

2 Includes mark-up on drug acquisition cost.

3 Refers to the maximum \$2 per prescription charge paid by the family.

Table 6
Prescription Cost to Families Under a Deductible Program ⁴

April 2002 - March 2003

Cost to Family Unit	Number of Family Units	Number of Prescriptions ¹	Drug Material Cost ²	Approved Prescription Cost	Net Family Payments ³	Total Drug Plan Payment
\$ 00.01 - 25.00	49,404	57,852	\$ 313,277	\$ 695,855	\$ 683,803	\$ 12,052
25.01 - 50.00	36,544	87,213	767,080	1,344,611	1,330,103	14,508
50.01 - 75.00	23,885	88,389	925,999	1,506,265	1,482,796	23,469
75.01 - 100.00	18,033	89,436	1,008,602	1,594,337	1,573,894	20,443
100.01 - 125.00	14,572	87,149	1,096,067	1,663,724	1,631,742	31,982
125.01 - 150.00	12,813	88,626	1,221,189	1,796,176	1,760,696	35,480
150.01 - 175.00	11,700	91,749	1,351,682	1,942,984	1,900,994	41,990
175.01 - 200.00	10,900	94,721	1,500,803	2,108,607	2,044,335	64,272
200.01 - 250.00	19,139	192,121	3,198,946	4,444,659	4,289,029	155,630
250.01 - 300.00	14,321	175,681	2,990,008	4,133,877	3,919,539	214,338
300.01 - 350.00	10,855	155,039	2,780,756	3,789,125	3,519,129	269,996
350.01 - 400.00	9,565	152,303	2,938,740	3,924,363	3,583,434	340,929
400.01 - 450.00	8,601	149,951	3,047,364	4,017,330	3,650,599	366,731
450.01 - 500.00	7,735	150,277	3,116,025	4,089,480	3,673,471	416,009
500.01 - 600.00	13,322	287,041	6,341,348	8,202,446	7,300,577	901,869
600.01 - 725.00	13,199	331,328	7,810,607	9,964,518	8,716,336	1,248,182
725.01 - 850.00	10,269	289,138	7,304,147	9,177,285	8,065,747	1,111,538
850.01 - 1000.00	9,533	303,064	7,957,406	9,914,322	8,788,712	1,125,610
1000.01 - 1250.00	11,134	405,204	11,114,513	13,728,753	12,433,701	1,295,052
1250.01 - and over	25,373	1,377,145	44,713,929	53,551,987	48,589,914	4,962,073
All	330,897	4,653,427	\$ 111,498,488	\$ 141,590,704	\$ 128,938,551	\$ 12,652,153

1 Refers to Formulary and Exception Drug Status drugs.

2 Includes mark-up on drug acquisition cost.

3 Net Family Payments is the net cost to a family for the total of the deductible and the family co-payment once the deductible has been met.

4 Includes beneficiaries receiving Income Supplements and beneficiaries under the Regular Deductible program, who are not approved under the Special Support Program

4. 2002-03 Utilization by Pharmacologic - Therapeutic Classification

Table 7 shows prescription volume and Drug Plan expenditures by Pharmacologic - Therapeutic Classification. Four categories; Central Nervous System (CNS) Drugs, Cardiovascular Drugs, Gastrointestinal Drugs, and Hormones and Substitutes, accounted for 66.6% of all prescriptions and 61.6% of all Drug Plan payment.

Table 7
Prescriptions by Pharmacologic - Therapeutic Classification

Pharmacologic - Therapeutic Classification ¹	Number of Prescriptions ²	Drug Material Cost ³	Total Drug Plan Payment
April 2002 - March 2003			
As submitted for all beneficiaries			
8:00 Anti-Infectives	639,048	\$ 9,455,811	\$ 5,196,982
10:00 Antineoplastic agents	1,043	105,041	75,639
12:00 Autonomic Drugs	266,165	7,089,374	4,622,815
20:00 Blood Formation and Coagulation	168,285	6,054,540	4,514,049
24:00 Cardiovascular Drugs	2,271,413	75,405,712	31,301,106
28:00 Central Nervous System Drugs	1,714,968	51,923,261	31,123,120
36:00 Diagnostic Agents	106,611	7,486,439	3,762,920
40:00 Electrolytic, Caloric, and Water Balance	582,745	2,158,142	2,601,109
48:00 Cough Preparations	867	194,292	197,923
52:00 Eye, Ear, Nose and Throat Preparations	270,729	6,003,743	2,259,189
56:00 Gastrointestinal Drugs	421,519	16,495,201	9,423,662
60:00 Gold Compounds	294	16,371	8,804
64:00 Metal Antagonists	357	50,354	39,836
68:00 Hormones and Substitutes	1,155,371	23,374,020	9,694,255
84:00 Skin and Mucous Membrane Preparations	269,634	5,575,603	2,155,423
86:00 Spasmolytics	42,820	824,186	610,046
88:00 Vitamins	73,117	198,315	320,446
92:00 Unclassified and others	365,869	30,646,298	24,366,907
Total	8,350,855	\$ 243,056,703	\$ 132,274,231

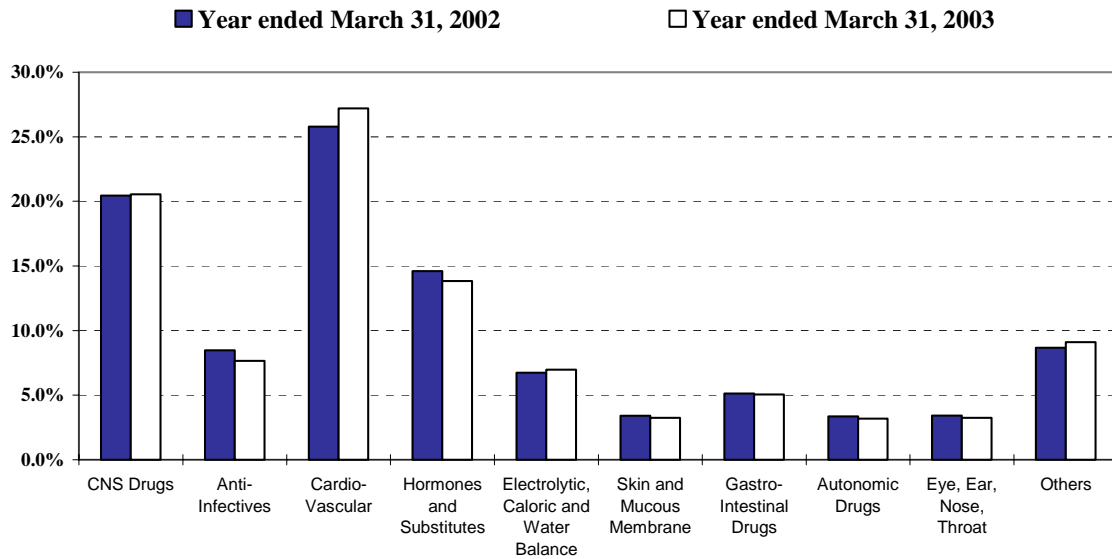
1 The drug classification system used is that of the American Society of Hospital Pharmacists.

2 Refers to Formulary and Exception Drug Status drugs.

3 Includes Mark-up on drug acquisition cost.

Figure 2 shows the Table 7 prescription volume by Pharmacologic – Therapeutic Classification.

Figure 2
Prescription Volume by Pharmacologic - Therapeutic Classification



Pharmacies

A total of 379 pharmacies held agreements with Drug Plan & Extended Benefits Branch on March 31, 2003. Of these, 63.8% were independent pharmacies, 28.0% were chain outlets, and 5.3% were co-operatives.

Table 8
Pharmacies by Location

April 2002 - March 2003

Location of Pharmacy	Number of Pharmacies ¹
Single Pharmacy Communities	95
2 - 5 Pharmacy Communities	62
Communities with More Than 5 Pharmacies	
Moose Jaw	12
Nipawin	6
North Battleford	7
Prince Albert	15
Regina	57
Saskatoon	72
Swift Current	8
Weyburn	6
Yorkton	9
Dispensing Doctors	8
Border Pharmacies	19
Hospital Outpatient	3
Total	379

¹ Includes all pharmacies operating under agreement with the Prescription Drug Plan on March 31, 2003.

Table 9
Pharmacies by Type of Ownership

Type of Ownership	Number of Pharmacies ¹	Percent
Independent	242	63.8%
Chain	106	28.0%
Co-operatives	20	5.3%
Dispensing Doctor	8	2.1%
Hospital Outpatient	3	0.8%
Total	379	100.0%

¹ Includes all pharmacies operating under agreement with the Prescription Drug Plan on March 31, 2003.

Manufacturers

Drug Acquisition Cost by manufacturer is presented in Table 10.

Table 10
Drug Acquisition Cost by Manufacturer

April 2002 - March 2003

Manufacturer	Drug Material Acquisition Cost
3M Pharmaceuticals, 3M Canada	104,132
Abbott Laboratories Ltd.	3,180,431
Actelion Pharmaceutiques Canada	174,695
Agouron Pharmaceuticals Canada Inc.	139,111
Alcon Canada Inc.	368,342
Allerex Laboratory Ltd.	178,903
Allergan Inc.	578,643
Altimed Pharmaceutical Company	818,102
Amgen Canada Inc.	711,200
Apotex Inc.	10,756,646
Astrazeneca	10,417,320
Aventis Pharma Inc.	6,916,446
Axcan Pharma	454,752
Bayer Inc. - Consumer Care Division	27,272
Bayer Inc. - Healthcare Division	4,570,264
Berlex Canada Inc.	2,381,935
Bioenhance Medicines Inc.	453,720
Biogen Canada Inc.	178,181
Biovail Pharmaceuticals	651,984
Boehringer Ingelheim (Canada) Ltd.	3,859,578
Bristol Pharmaceutical Products	213,397
Bristol-Myers Squibb Canada Inc.	3,667,338
Canderm Pharma Inc.	11,271
Carter-Horner Inc.	19,150
Celgene Corporation	22,074
Chiron Canada Ltd.	270,745
Cytex Pharmaceuticals Inc.	11,199
Dermik Laboratories Canada Inc.	46,602
Dominion Pharmacal	5,636,322
Draxis Health Inc.	225,605
Duchesnay Inc.	233,555
Eli Lilly Canada Inc.	4,740,878
Enzon Inc.	165,355
ERFA Canada Inc.	5,713
Ferring Inc.	533,963
Fournier Pharma Inc.	9,932
Fujisawa Canada Inc.	761,895

Manufacturer	Drug Material Acquisition Cost
Galderma Canada Inc.	224,060
Genpharm Inc.	1,373,242
Genzyme Canada Inc.	114,490
Glaxosmithkline	15,999,457
Glaxosmithkline Consumer Health.....	117,242
Glenwood Laboratories Canada Ltd.	13,201
Hill Dermaceuticals, Inc.	10,830
Hoffman-LaRoche Ltd.	3,734,509
ICN Canada Ltd.	335,677
Janssen-Ortho Inc.	10,982,541
Johnson & Johnson-Merck	5,308
Key, Div. Of Schering Canada Inc.	1,148,097
Lee-Adams Labs	5,486
Leo Pharma Inc.	558,355
Lifescan Canada Ltd.	3,603,646
Linson Pharma Inc.	122,883
Lioh Inc.	22,033
Lundbeck Canada Inc.	1,953,513
Mayne Pharma (Canada) Inc.	237,593
McNeil Consumer Products	66,459
Medicis Canada Ltd.	27,121
Medisense Products - Division of Abbott	961,386
Merck Frosst Canada & Co.	18,677,588
Novartis Ophthalmics	41,690
Novartis Pharmaceuticals Canada Inc.	8,173,406
Novo Nordisk Canada Inc.	1,308,775
Novopharm Ltd.	2,810,900
Nu-Pharm Inc.	11,844,436
Odan Laboratories Limited	53,225
Optimapharma Division of Taro	44,517
Organon Canada Ltd.	1,268,965
Orphan Medical Inc.	26,095
Paladin Labs Inc.	79,213
Pangeo Pharma Inc.	6,432
Pfizer Canada Inc.	19,973,753
Pfizer Canada-Consumer Health Care	58,075
Pharmacia Canada Inc.....	8,205,739
Pharmascience Inc.	3,580,664
Pharmel Inc.	17,944
Princeton Pharmaceutical Products	10,886
Procter and Gamble Pharm. Canada, Inc.	3,084,612
Purdue Pharma	2,272,847
Ratiopharm	2,547,319
Rhodiapharm	31,958
Rhoxalparma Inc.	192,211
Roche Diagnostics, Division of Hoffmann-LaRoche Limited	1,385,480

Manufacturer	Drug Material Acquisition Cost
Rougier Pharma Inc., Division of Technilab	13,728
Sabex 2002 Inc.	252,171
Sanofi-Synthelabo Canada, Inc.	2,747,854
Schering Canada Inc.	6,612,987
Schircks Laboratories, Switzerland	10,835
Serono Canada Inc.	1,741,426
Servier Canada Inc.	694,650
Shire Biochem Inc.	233,007
Solvay Pharma Inc.	2,607,043
Squibb Pharmaceutical Products	77,100
Stiefel Canada Inc.	182,324
Taro Pharmaceuticals Inc.	1,088,028
Technilab Inc.	72,613
Teva Neuroscience	3,200,917
Theramed Corporation	88,999
Therasense Canada	40,225
Ucyclid Pharma	192,858
Virco Pharmaceuticals (Canada) Co.	662,266
Vita Health Products	5,223
Wellspring Pharmaceutical Canada	13,266
Westwood Squibb Canada	115,410
Wyeth Pharmaceuticals	9,479,157
Extemporaneous Preparations ¹	1,112,939
Others (each under \$5000)	42,596
Total	\$ 222,098,126

¹ Extemporaneous Preparations are compounded by the pharmacist.

2002-2003 Utilization Trends

1. Cost to Beneficiaries

Trends from Table 11 information for the past four years shows that the number of active beneficiaries are declining while the number of prescriptions and total prescription cost is increasing.

	<u>Active Beneficiaries</u>	<u>Number of Prescriptions</u>	<u>Total Cost of Prescriptions</u>	<u>Total Drug Plan Payment</u>
1995-96	633,333	5,798,090	\$157,194,207	\$ 59,492,033
1996-97	626,953	5,996,106	\$162,165,923	\$ 61,863,705
1997-98	620,258	6,261,167	\$171,208,698	\$ 65,199,190
1998-99	633,020	6,622,455	\$189,003,078	\$ 75,892,289
1999-00	633,259	7,014,580	\$204,982,067	\$ 85,368,696
2000-01	633,698	7,534,187	\$232,474,567	\$ 98,907,678
2001-02	629,090	7,979,826	\$261,413,126	\$114,865,694
2002-03	620,866	8,350,855	\$297,844,480	\$132,274,241

Table 11 was prepared to highlight three factors that might contribute to the increased growth: number of prescriptions per beneficiary; average prescription cost; and cost of prescriptions per beneficiary.

In Table 11, the total cost of prescriptions per active beneficiary has grown an average of 30.8% between 2000-01 and 2002-03 for all beneficiaries. The range of increases, based on age, was 11.8% to 33.1%.

The cost of prescriptions per beneficiary increased for all age groups from both an increased average prescription cost and increased number of prescriptions per beneficiary.

Table 11
Prescription Drug Utilization Trend by Age of Active Beneficiary
Information Source: Table 2

Age of Consumer	2000-01	2001-02	2002-03	% increase (decrease) 00-01 to 02-03
April 1- March 31				
Average Number of Prescriptions Per Active Beneficiary				
0 - 4	3.3	3.3	3.3	(1.4%)
5 - 14	3.3	3.4	3.4	3.7%
15 - 24	4.7	4.9	5.1	8.0%
25 - 34	6.1	6.3	6.6	8.0%
35 - 44	7.7	8.2	8.7	12.6%
45 - 54	12.0	12.6	13.0	8.1%
55 - 64	17.8	18.8	19.5	9.7%
65 - 74	23.2	24.7	25.9	11.5%
75 - 84	29.0	30.6	32.2	10.9%
85 and over	33.4	34.8	37.0	10.7%
Total	11.9	12.9	13.5	13.0%
Average Prescription Cost ¹				
0 - 4	\$ 15.22	\$ 15.87	\$ 17.22	13.1%
5 - 14	26.13	28.41	30.55	16.9%
15 - 24	30.02	32.02	33.52	11.7%
25 - 34	32.90	35.24	37.96	15.4%
35 - 44	35.93	38.51	42.65	18.7%
45 - 54	33.59	36.19	40.26	19.8%
55 - 64	31.79	33.70	37.27	17.2%
65 - 74	31.40	32.89	35.51	13.1%
75 - 84	29.51	30.90	33.25	12.7%
85 and over	25.70	27.17	29.16	13.5%
Total	\$ 30.86	\$ 32.76	\$ 35.67	15.6%
Total Cost of Prescriptions Per Active Beneficiary				
0 - 4	\$ 50.07	\$ 51.69	\$ 56.00	11.8%
5 - 14	87.40	96.13	104.56	19.6%
15 - 24	142.13	157.30	170.23	19.8%
25 - 34	199.17	222.46	250.17	25.6%
35 - 44	277.84	317.54	369.81	33.1%
45 - 54	404.60	456.48	522.24	29.1%
55 - 64	564.57	633.95	727.89	28.9%
65 - 74	729.75	810.82	918.22	25.8%
75 - 84	855.87	945.57	1,069.26	24.9%
85 and over	858.01	946.36	1,078.08	25.6%
Total	\$ 366.85	\$ 415.54	\$ 479.72	30.8%

¹ Includes Drug Acquisition Cost, mark-up and dispensing fees paid to pharmacies.

2. Costs by Therapeutic Classification

Table 12 shows the cost of drugs covered by the Drug Plan by therapeutic classification.

During the three-year period from 2000-01 to 2002-03, the total cost of all prescriptions varied from a decrease of 0.1% to an increase of 33.2% for the following reasons:

- Gastrointestinal Drugs increased the most due to a combination of a 23.9% increase in average prescription cost and a 7.5% increase in the number of prescriptions.
- The next greatest increase was for Cardiovascular Drugs due to a combination of a 8.2% increase in average prescription cost and a 22.2% increase in the number of prescriptions.
- Electrolytic, Caloric and Water Balance Drugs showed an increase of 31.9% as a result of a 17.1% increase in the number of prescriptions and an increase in average prescription cost of 12.6%.
- Diagnostic Agents and Central Nervous System Drugs also increased due to significant increases in both the average prescription cost and increase in number of prescriptions.
- The total prescription cost of Autonomic Drugs increased by 28.7% as a result of a 29.0% increase in the average prescription cost.
- The total prescription cost of Hormones and Substitutes increased by 13.9% as a result of a 10.4% increase in average prescription costs.
- Eye, Ear, Nose and Throat Preparations increased mostly due to a 7.6% growth in average prescription costs.
- Anti-infectives showed an increase in total cost of prescriptions and average prescription cost while showing a decrease in number of prescriptions.
- The only class to show a decrease in total prescription cost was the Skin & Mucous Membrane Preparations class at (0.1%).

Table 12
Prescription Trend by Pharmacologic - Therapeutic Classification

Pharmacologic - Therapeutic Class	2000-01	2001-02	2002-03	% increase (decrease) 00-01 to 02-03
April 1 - March 31				
Total Cost of all Prescriptions				
Cardiovascular Drugs	\$ 68,421,997	\$ 77,631,789	90,463,405	32.2%
Central Nervous System Drugs	49,590,879	55,908,693	63,384,923	27.8%
Hormones and Substitutes	26,314,355	28,763,534	29,972,896	13.9%
Gastrointestinal Drugs	14,501,953	16,137,901	19,315,411	33.2%
Anti-Infectives	13,154,165	13,466,825	13,755,043	4.6%
Skin & Mucous Membrane Preparations	7,371,909	7,565,846	7,367,711	(0.1%)
Eye, Ear, Nose and Throat Preparations	7,081,918	7,573,714	7,805,343	10.2%
Autonomic Drugs	6,899,415	7,698,760	8,879,972	28.7%
Diagnostic Agents	6,334,657	7,152,006	8,139,325	28.5%
Electrolytic, Caloric, and Water Balance	4,609,984	5,027,243	6,078,687	31.9%
Others	28,193,335	34,486,809	42,681,406	51.4%
Total	\$ 232,474,567	\$ 261,413,119	\$ 297,844,122	28.1%
Number of Prescriptions				
Cardiovascular Drugs	1,859,084	2,058,163	2,271,413	22.2%
Central Nervous System Drugs	1,534,485	1,630,600	1,714,968	11.8%
Hormones and Substitutes	1,120,153	1,164,994	1,155,371	3.1%
Gastrointestinal Drugs	392,269	409,692	421,519	7.5%
Anti-Infectives	704,289	675,175	639,048	(9.3%)
Skin & Mucous Membrane Preparations	268,093	271,544	269,634	0.6%
Eye, Ear, Nose and Throat Preparations	264,319	272,028	270,729	2.4%
Autonomic Drugs	266,763	267,901	266,165	(0.2%)
Diagnostic Agents	89,994	97,923	106,611	18.5%
Electrolytic, Caloric, and Water Balance	497,623	538,105	582,745	17.1%
Others	537,115	593,701	652,652	21.5%
Total	7,534,187	7,979,826	8,350,855	10.8%
Average Prescription Cost				
Cardiovascular Drugs	\$ 36.80	\$ 37.72	\$ 39.83	8.2%
Central Nervous System Drugs	32.32	34.29	36.96	14.4%
Hormones and Substitutes	23.49	24.69	25.94	10.4%
Gastrointestinal Drugs	36.97	39.39	45.82	23.9%
Anti-Infectives	18.68	19.95	21.52	15.2%
Skin & Mucous Membrane Preparations	27.50	27.86	27.32	(0.6%)
Eye, Ear, Nose and Throat Preparations	26.79	27.84	28.83	7.6%
Autonomic Drugs	25.86	28.74	33.36	29.0%
Diagnostic Agents	70.39	73.04	76.35	8.5%
Electrolytic, Caloric, and Water Balance	9.26	9.34	10.43	12.6%
Others	52.49	58.09	65.40	24.6%
Total	\$ 30.86	\$ 32.76	\$ 35.67	15.6%

Table 13
Prescription Drug Plan Payments Summary
April 2002 - March 2003

Statistical Tables

Payments on behalf of families (exempt from deductible program)	
Drug Material Acquisition Cost.....	\$ 34,622,910
Mark-up.....	3,086,298
Dispensing Fee Subsidy.....	6,232,157
Pharmacy Discounts and others.....	<u>(7)</u>
Total Payments for families exempt from deductible.....	\$ 43,941,358
Payments to or on behalf of families (deductible and Special Support program)	
Drug Material Acquisition Cost.....	\$ 187,475,216
Mark-up.....	17,872,279
Dispensing Fees.....	47,933,888
Pharmacy Discounts and others.....	<u>(351)</u>
Total Approved Prescription Cost.....	\$ 253,281,032
Less: Deductible Credits.....	<u>136,249,406</u>
	\$ 117,031,626
Less: Family Co-Payment.....	<u>28,698,753</u>
Total Payments for families subject to deductible.....	\$ 88,332,873
Total Prescription Drug Plan Payments ¹	\$ 132,274,231
Manual Adjustments ²	(16,529)
Third Party payments ³	<u>1,793,302</u>
Net Payments by Revenue and Expenditure System	\$ 134,051,004

1 Drug Plan payments refer to formulary drugs and exception status drugs. All Statistical Tables do not reflect manual adjustment expenditures.

2 Manual adjustments include year-end adjustments made in accordance with accounting policies and other adjustments.

3 Third Party payments includes payments to RHA's for visudyne and to pharmacies for the Methadone Managed Care Fee.

Supplementary Health and Family Health Benefits

BACKGROUND

- On April 1, 1966 the Saskatchewan Assistance Plan was instituted. Several categories of beneficiaries under the Medical Services Division were combined into one program with the basis of need becoming the criteria to determine eligibility.
- On September 1, 1968, coverage for refractions was moved to the Saskatchewan Medical Care Insurance.
- On September 1, 1975, payment responsibility of formulary drugs and of prosthetic and orthotic appliances for Social Assistance beneficiaries was taken over by the Saskatchewan Prescription Drug Plan and by the Saskatchewan Aids to Independent Living respectively.
- On July 1, 1981, program eligibility was expanded to include benefits for non-recipients of Social Assistance receiving level 2,3,and 4 Special Care Home or long term hospital care and where incomes are at or below the Saskatchewan Income Plan level.
- On May 1, 1984, responsibility for emergency medical transportation costs by road ambulance and Saskatchewan Government air ambulance for Supplementary Health beneficiaries was transferred from the Department of Social Services.
- On June 1, 1992, eye examinations were added to coverage for Supplementary Health beneficiaries over the age of 17, and for adults receiving the Family Income Plan and the Saskatchewan Income Plan supplements.
- On September 8, 1992, services of chiropractors became fully covered for Supplementary Health, Family Income Plan, and Saskatchewan Income Plan beneficiaries.
- On June 30, 1993, Supplementary Health began providing dental coverage for children in families that received the Family Income Plan supplement.
- On May 1, 1997, began providing all Supplementary Health Benefits for children in FIP families.
- On August 1, 1998, began providing Family Health Benefits for families who received the Saskatchewan Child Benefit, and/or the Saskatchewan Employment Supplement. Family Income Plan recipients became part of Family Health Benefits.

OBJECTIVES

To provide for payment of accounts for non-insured health services to people nominated for coverage by Saskatchewan Social Services.

ELIGIBLE BENEFICIARIES

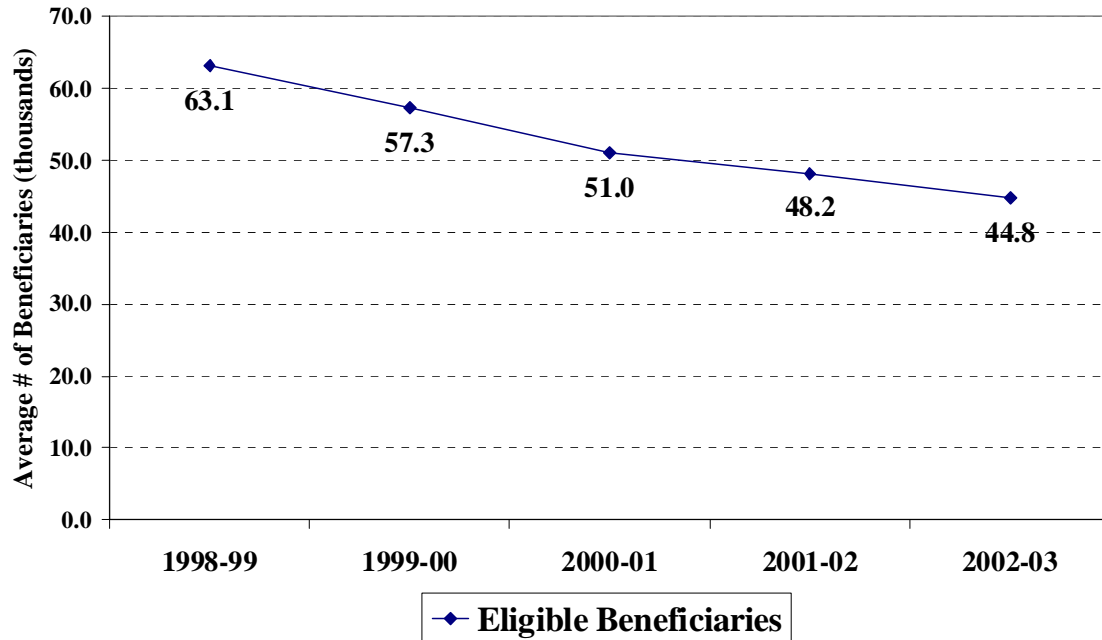
The Supplementary Health program provides benefits for the following types of beneficiaries:

- Supplementary Health beneficiaries:
 - Saskatchewan Assistance Plan recipients nominated by Saskatchewan Social Services.
 - Government Wards
 - Inmates of correctional institutions.
 - Nominated persons 65 years and older who are in special care homes or hospitals and whose income is at or below the Saskatchewan Income Plan level.
- Saskatchewan Income Plan recipients living in the community.

The Family Health Benefits program provides benefits for:

- Families receiving benefits under the Family Income Plan between April and July 1998.
- Children covered by the Child Benefit Program up to July 31, 1998.
- Families approved under the Family Health Benefits program beginning August 1, 1998.

Supplementary Health Program



The above chart shows on average, 44,794 persons receiving full Supplementary Health benefits. Families receiving Family Health Benefits or SIP income supplements receive only partial Supplementary Health benefits and are not included in the numbers above.

During 2002-03, the average number of families eligible for Family Health Benefits was 21,863. This includes 27,262 adults and 35,956 children.

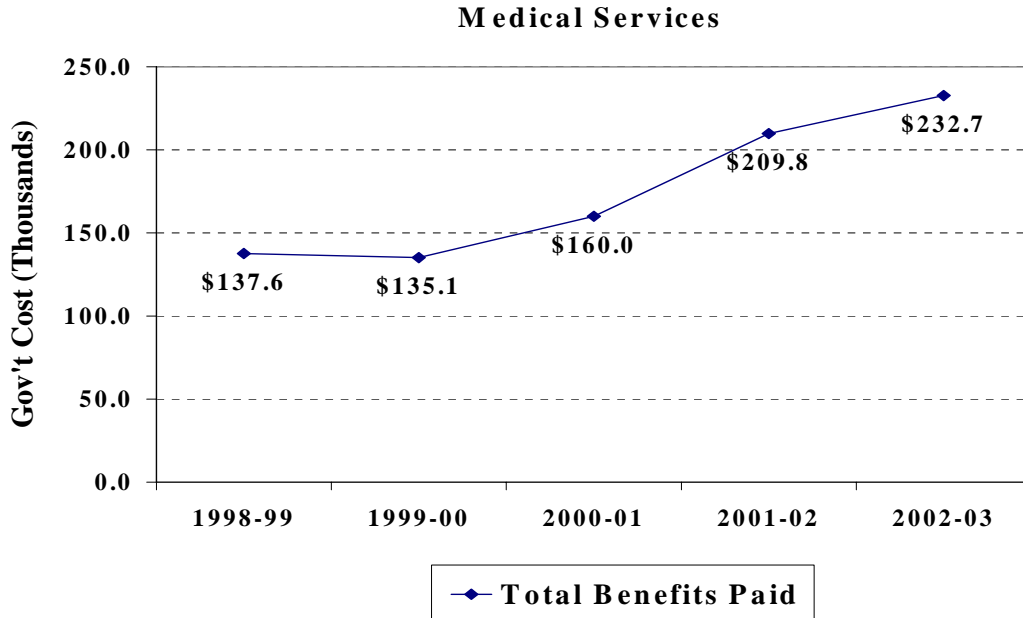
Table 14
Supplementary Health Program and Family Health Benefits Payments

April 2002- March 2003

Services	Sask. Assistance Plan	Government Wards	Provincial Correctional Institutions	Sask. Income Plan Recipients in Special Care Homes	Family Health Benefits	Other Beneficiary Categories	Totals
Medical Examinations and Reports.....	\$ 226,195	\$ 3,675	\$ 432	\$ -	\$ 1,638	\$ 771	\$ 232,711
Dental Services.....	\$ 3,640,782	\$ 233,951	\$ 282,915	\$ 15,855	\$ 2,377,954	\$ 126,330	\$ 6,677,787
Non-Formulary Drugs (Plan 3).....	\$ 1,262,366	\$ 118,271	\$ 103,690	\$ 709,196	\$ 149	\$ 2,526	\$ 2,196,198
Medical Appliances and Supplies.....	\$ 668,922	\$ 23,710	\$ 5,151	\$ 83,203	\$ 123,798	\$ 7,544	\$ 912,328
Optical Services.....	\$ 1,089,858	\$ 65,513	\$ 68,136	\$ 10,392	\$ 611,737	\$ 167,772	\$ 2,013,408
Chiropractic Services.....	\$ 578,645	\$ 7,566	\$ 15,856	\$ 2,561	\$ 899,533	\$ 142,491	\$ 1,646,652
Ambulance.....	\$ 1,522,956	\$ 46,923	\$ 24,420	\$ 56,229	\$ 120,322	\$ 16,755	\$ 1,787,605
Medical Transportation (Aircraft).....	\$ 398,660	\$ -	\$ -	\$ -	\$ 16,652	\$ -	\$ 415,312
Medical Transportation (Ground).....	\$ 1,590,424	\$ 16,607	\$ 3,740	\$ 200	\$ 40,345	\$ 19,462	\$ 1,670,778
Totals: Supplementary Health and Family Health Benefits.....	\$ 10,978,808	\$ 516,216	\$ 504,340	\$ 877,636	\$ 4,192,128	\$ 483,651	\$ 17,552,775

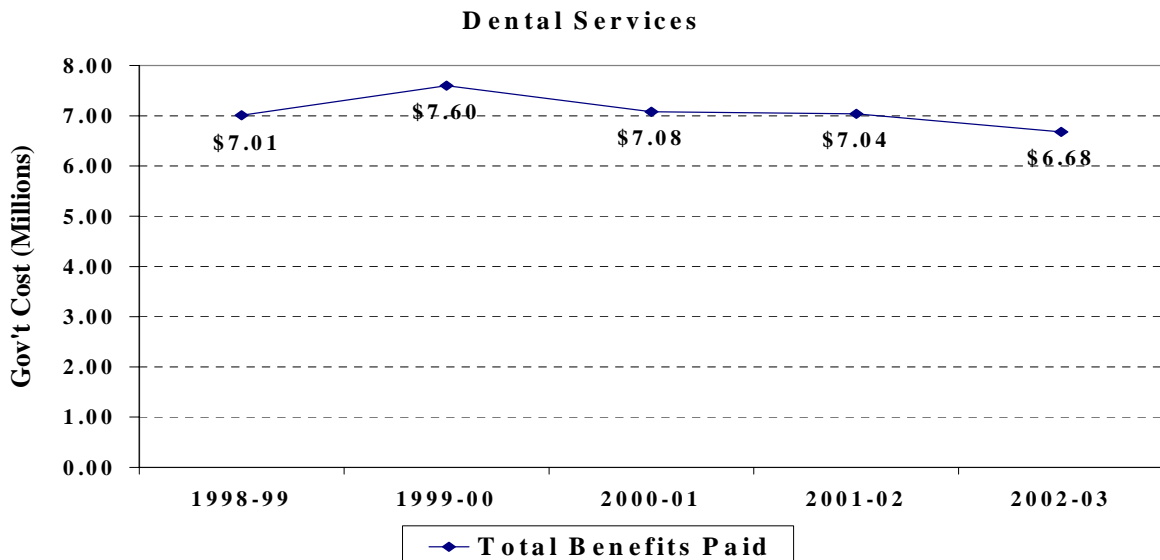
1. Medical Services

Supplementary Health and Family Health Benefits pays the full cost for non-insured third party medical examinations and reports requested by Saskatchewan Social Services. These examinations are to determine the level of required nursing care, rehabilitation potential and employability.



2. Dental Services

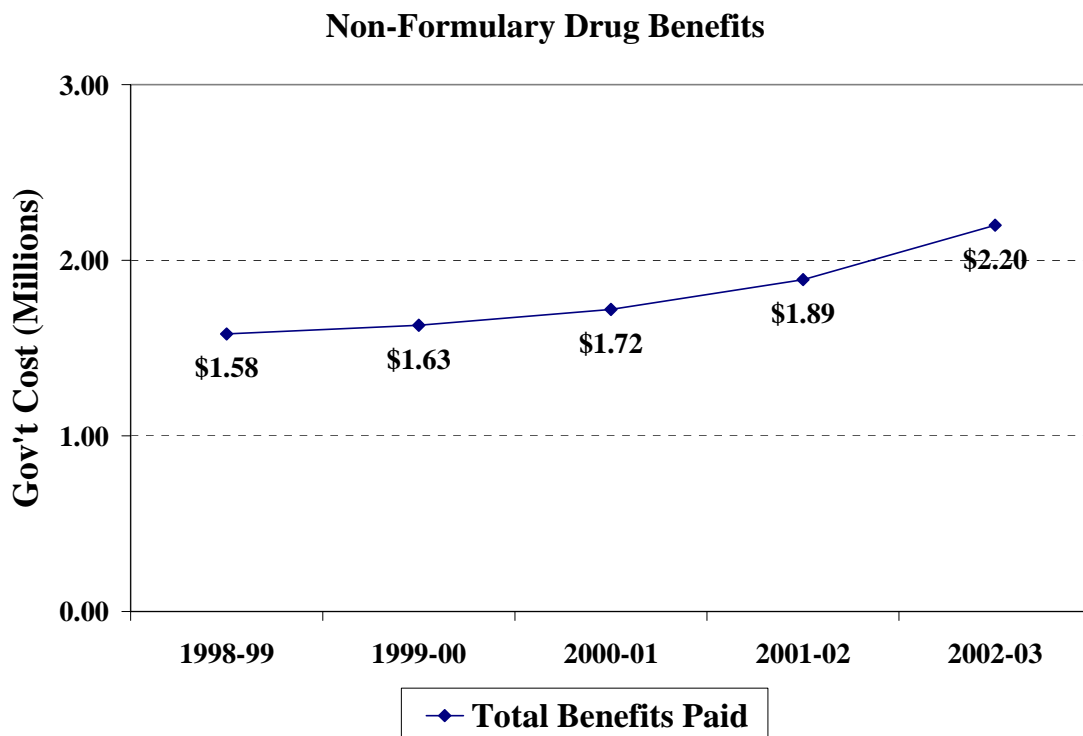
Coverage includes preventive, restorative, exodontic, and prosthetic dentistry for eligible beneficiaries. Coverage for Family Health Benefits children began August 1, 1998.



3. Non-Formulary Drug Benefits

Supplementary Health provides certain non-Formulary drugs without charge for Plan Three residents in nursing and approved community homes, government wards and provincial correctional centre inmates. Formulary and non-Formulary drug benefits for the different levels of Social Assistance Plan coverage are outlined earlier in the report on page 9.

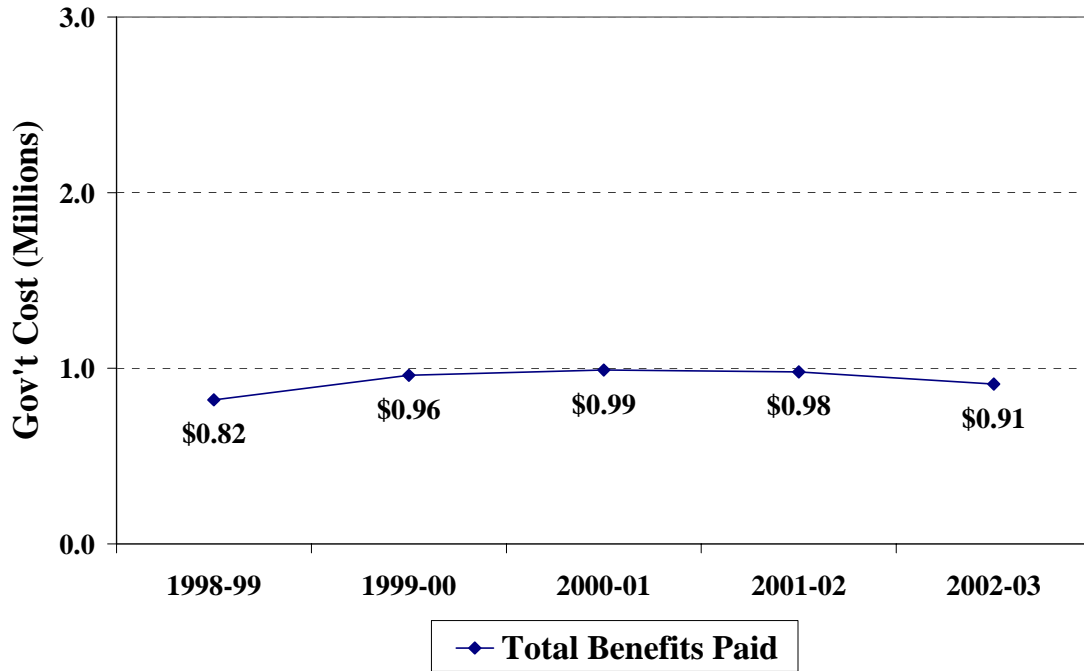
Coverage may also be granted in unusual circumstances for Plan One and Two beneficiaries where drug requirements are not met by Formulary drugs or products approved under Exception Drug Status.



4. Medical Supplies and Appliances

Supplementary Health and Family Health Benefits covers the full cost of most medical supplies and appliances prescribed by a physician for covered beneficiaries.

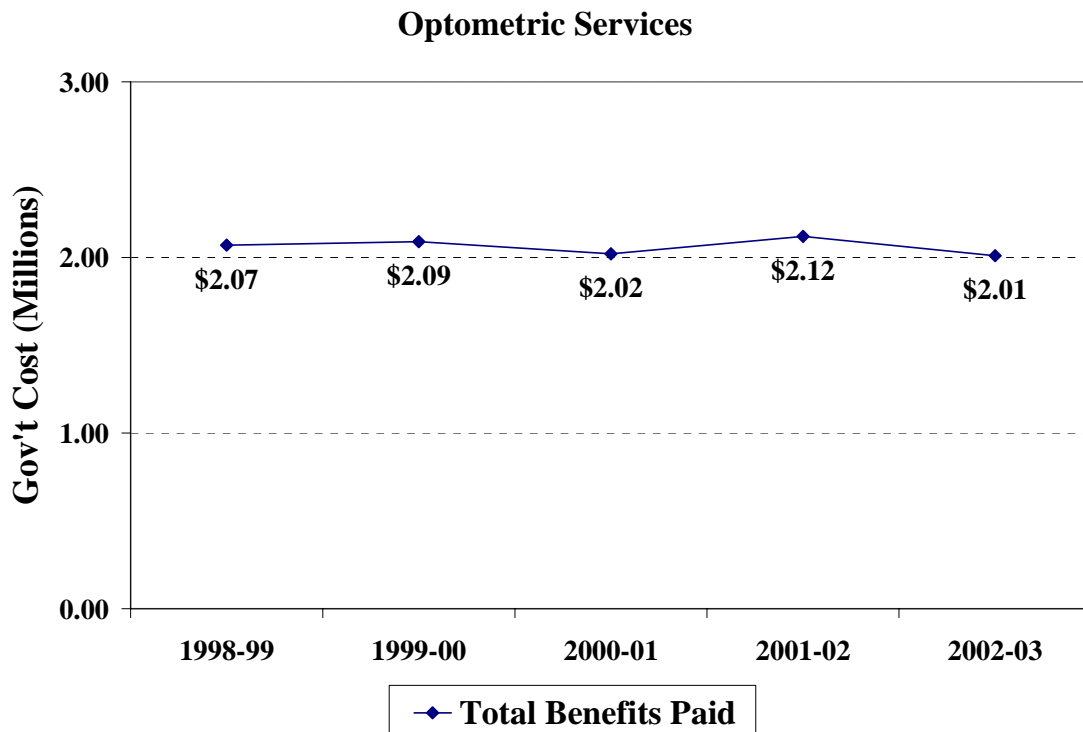
Medical Supplies and Appliances



5. Optometric Services

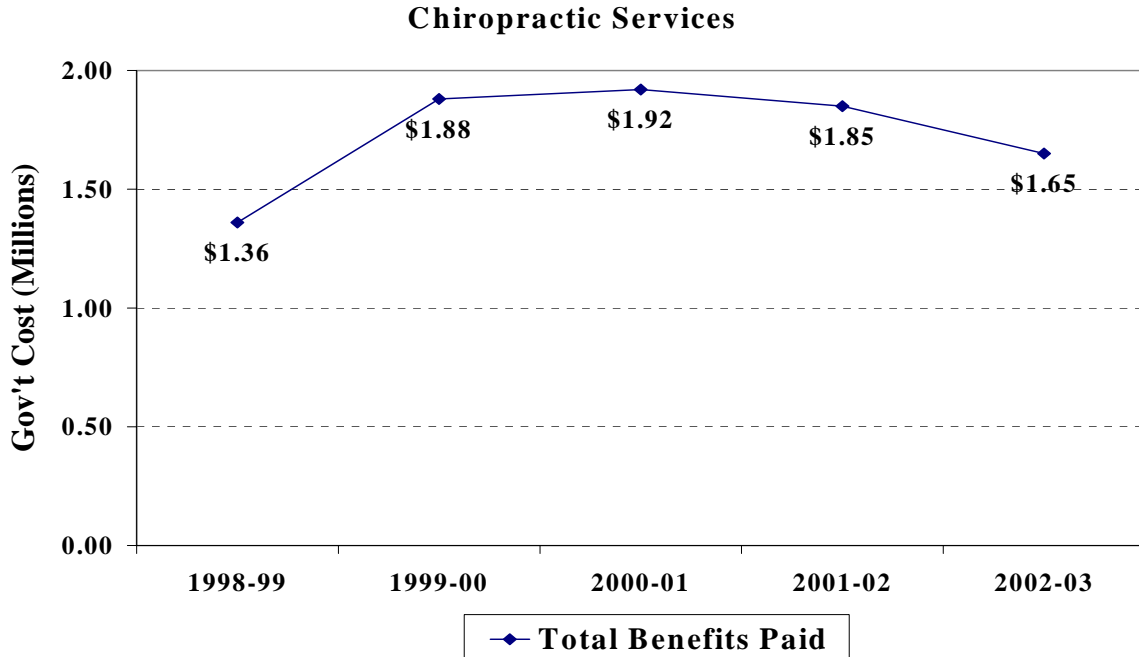
Eyeglasses are covered for Supplementary Health beneficiaries and children of families approved for Family Health Benefits, whether provided by an optometrist or ophthalmic dispensary. Payment is made on the basis of laboratory costs plus a dispensing fee. Fees are paid according to negotiated payment schedules. There is an upper limit on the amount paid for eyeglass frames.

The cost of eye examinations is covered for all Supplementary Health beneficiaries age 18 and over. Children are covered on a universal basis by the Medical Services Plan.



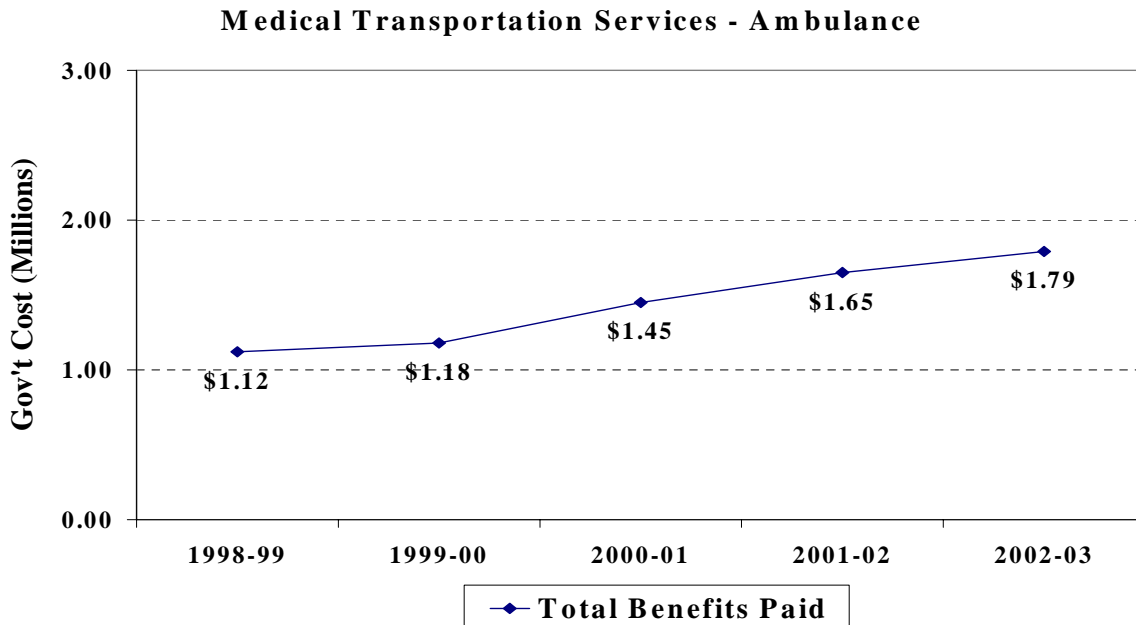
6. Chiropractic Services

The services of chiropractors are fully covered for Supplementary Health, Family Health Benefits and Saskatchewan Income Plan beneficiaries.



7. Medical Transportation – Ambulance

Benefits include coverage for emergency medical transportation by road ambulance.



8. Medical Transportation – Northern Medical Transportation Program

The Northern Medical Transportation Program, and long-distance medically related transportation for social assistance recipients living in the North is managed by the Northern Health Services Branch.

Effective April 1, 1998, Supplementary Health became responsible for payment of the medical transportation component of the program. During 2002-03 the cost of the medical transportation for the Northern Medical Transportation Program was \$2.1 million an increase of \$0.1M over the previous year.

Saskatchewan Aids to Independent Living (SAIL)

BACKGROUND

- SAIL began providing benefits on April 1, 1975, providing eligible residents with prosthetic/orthotic devices.
- On August 1, 1975, SAIL benefits expanded to providing equipment loans and equipment repairs for all residents of the province.
- On April 1, 1976, SAIL took over responsibility for: the Paraplegia Program which covers the cost of appliances recommended by the attending physician; the Cystic Fibrosis Program which provides drugs and special appliances for certain beneficiaries; and the Chronic End Stage Renal Disease Program which provides assistance with the cost of necessary medications for certain beneficiaries.
- In 1979-80, the Ostomy and Home Hemophilia programs were added.
- In 1984-85, coverage expanded to include aids and services required by the blind residents in the province.
- In June 1987, the responsibility for the acquisition, distribution and repair of Special Needs Equipment (eg. wheelchairs, patient lifts, etc.) was transferred to the Saskatchewan Abilities Council. SAIL continued to fund the full cost of the program.
- In August 1987, took over administration of the Home Oxygen Program from the Drug Plan.
- In September 1987, transferred responsibility for the acquisition, distribution and repair of equipment required by the blind to the Canadian National Institute for the Blind (CNIB). SAIL continues to provide funding to CNIB for delivery of these services.
- In 1996-97, benefits of the Home Oxygen program were changed to provide benefits according to certain medical criteria.

ELIGIBLE BENEFICIARIES

People with long term disabilities or illnesses which leave them unable to function fully may receive specialized benefits through the SAIL program to help them achieve more independent and active lifestyles.

All Saskatchewan residents, with certain exceptions, are eligible for the Universal Benefits of Orthopaedic Services, Special Needs Equipment, and Home Respiratory Services.

Beneficiaries with particular disabling conditions are eligible under the various Special Benefit Programs; Paraplegia, Cystic Fibrosis, End Stage Renal Disease, Ostomy, and Aids to the Blind.

PROGRAM OBJECTIVES

SAIL has been established to provide aids and services to the physically disabled residents of Saskatchewan.

Table 15
Caseloads and SAIL Payments

	2001-02		2002-03	
	Caseload	Expenditures	Caseload	Expenditures
Orthopaedic Services.....	n.a.	\$ 2,243,728	n.a.	\$ 2,388,668
Special Needs Equipment.....	n.a.	3,797,001	n.a.	\$ 3,421,408
Home Oxygen.....	2,281	7,706,364	2,408	\$ 8,198,066
Respiratory Equipment.....	n.a.	612,000	n.a.	\$ 1,056,015
Paraplegia.....	1,818	3,164,563	1,792	\$ 3,456,756
Cystic Fibrosis.....	111	301,802	109	\$ 228,477
Renal Disease.....	792	2,958,419	823	\$ 3,677,406
Ostomy.....	n.a.	692,999	1,944	\$ 768,193
Aids to the Blind.....	725	280,284	n.a.	\$ 292,641
Other Payments	n.a.	85,961	n.a.	\$ 90,909
Total		\$ 21,843,121		\$ 23,578,539

NOTE: n.a. is not available

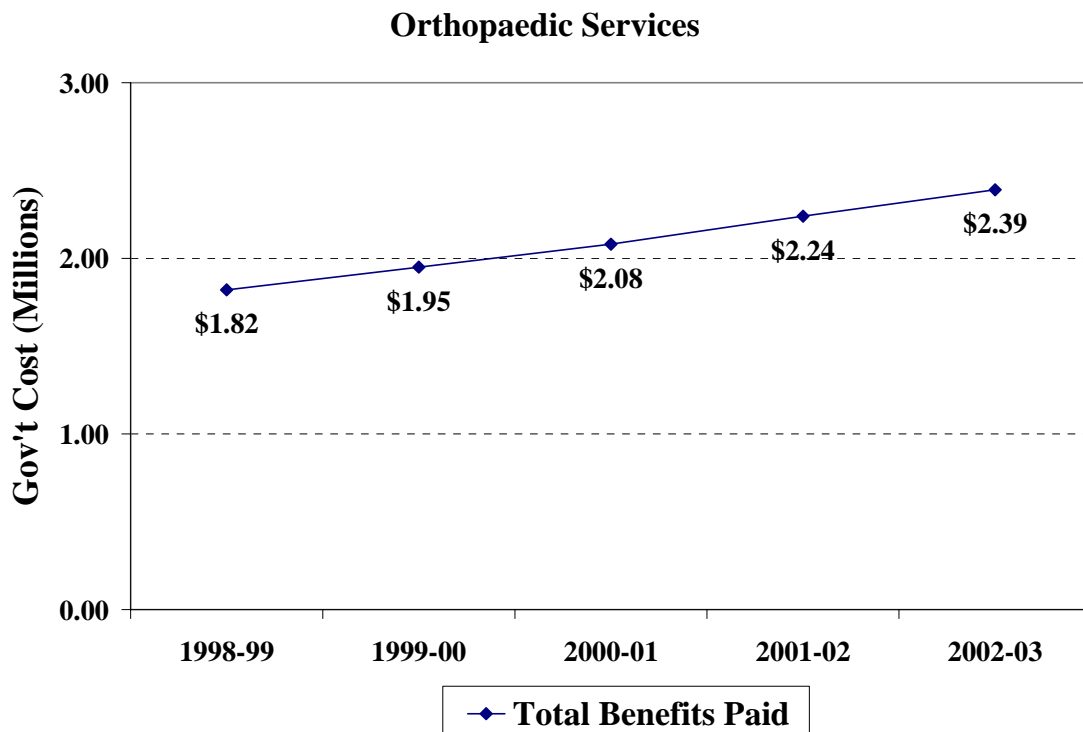
1. Orthopaedic Services

Prosthetic Appliances – Artificial limbs and accessories are supplied, fitted, adjusted and repaired without charge.

Orthotic Appliances – Higher-cost back braces, knee braces and splints are supplied, fitted, adjusted, and repaired without charge.

Specialized and adaptive seating, and custom-built footwear are also provided by SAIL. All of the above services are supplied by the orthotics and prosthetics departments of the Wascana Rehabilitation Centre in Regina and the Saskatchewan Abilities Council in Saskatoon.

Custom pressure or burn garments are supplied and fitted without charge. SAIL arranges for the supplier to provide garments.

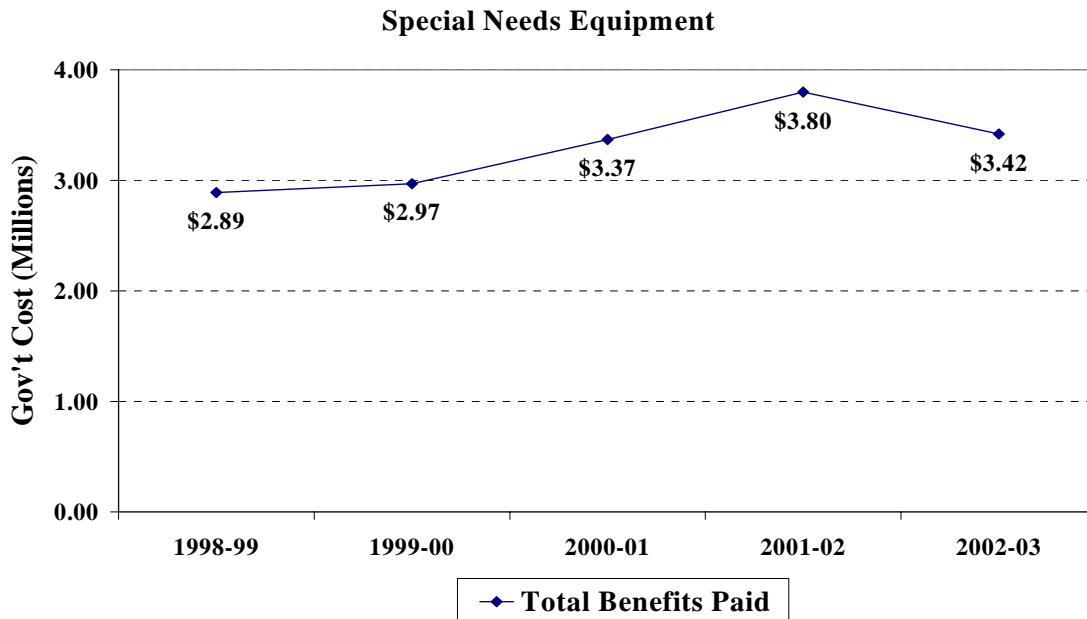


1. Special Needs Equipment

Mobility Aids – Wheelchairs, walkers, and specialized crutches are loaned, maintained and repaired without charge. Eligibility is based on assessed long-term need.

Environmental Aids – Higher-cost equipment such as hospital beds and accessories, transfer assists and commodes are loaned, maintained and repaired without charge. Eligibility is based on assessed long-term need.

The Special Needs Equipment Program is operated by the Saskatchewan Abilities Council under contract with SAIL. Equipment depots are located in Prince Albert, Regina, Saskatoon, Swift Current and Yorkton.

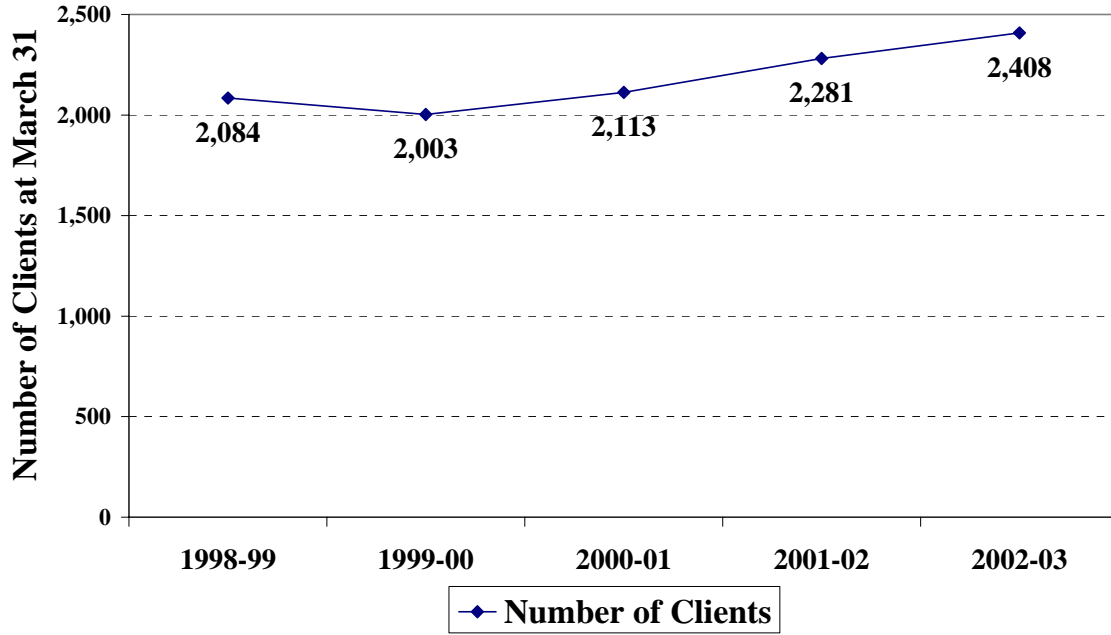


3. Home Respiratory Services

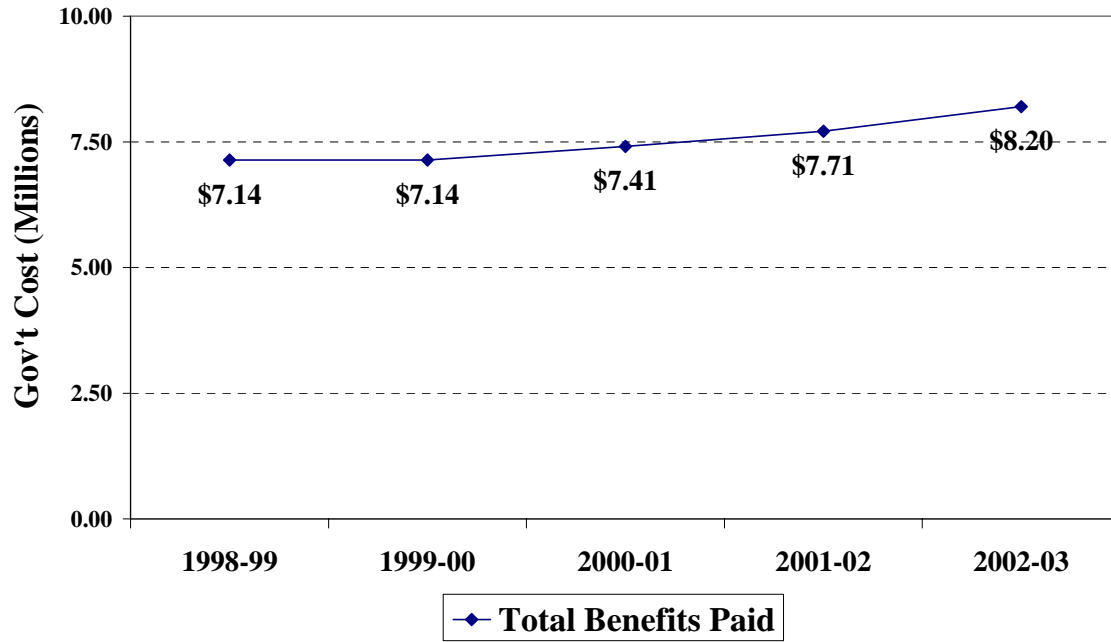
Home Oxygen Therapy – Home oxygen and related equipment are benefits under SAIL for Saskatchewan residents who meet the medical criteria for home oxygen therapy. The systems are supplied by private medical oxygen supply firms under contract with SAIL. SAIL covers the full cost of the basic systems.

Respiratory Equipment – SAIL shares the purchase cost of aerosol therapy compressors for eligible beneficiaries, who are responsible for maintenance and repairs. Home respiratory equipment such as ventilators, CPAP units, suction pumps, percussors, postural drainage boards and tracheostomy humidification packs are loaned, maintained and repaired without charge. Eligibility is based on specific medical criteria.

Home Oxygen Services



Home Oxygen Services



4. Special Benefit Programs

In addition to regular SAIL Program benefits, extended coverage is provided to beneficiaries with particular disabling conditions.

Paraplegia Program – Drugs listed in the Saskatchewan Formulary and certain drugs approved for coverage under the Drug Plan Exception Drug Status are available at no charge.

Incontinence management and dressing supplies for chronic conditions are available without charge.

Specialized rehabilitation equipment is loaned, maintained and repaired without charge. Financial assistance for vehicle hand controls, ramps and wheelchair lifts is also provided.

Cystic Fibrosis Program – Drugs listed in the Saskatchewan Formulary and certain drugs approved for coverage under the Drug Plan Exception Drug Status are available at no charge. In addition, food supplements and digestants are covered.

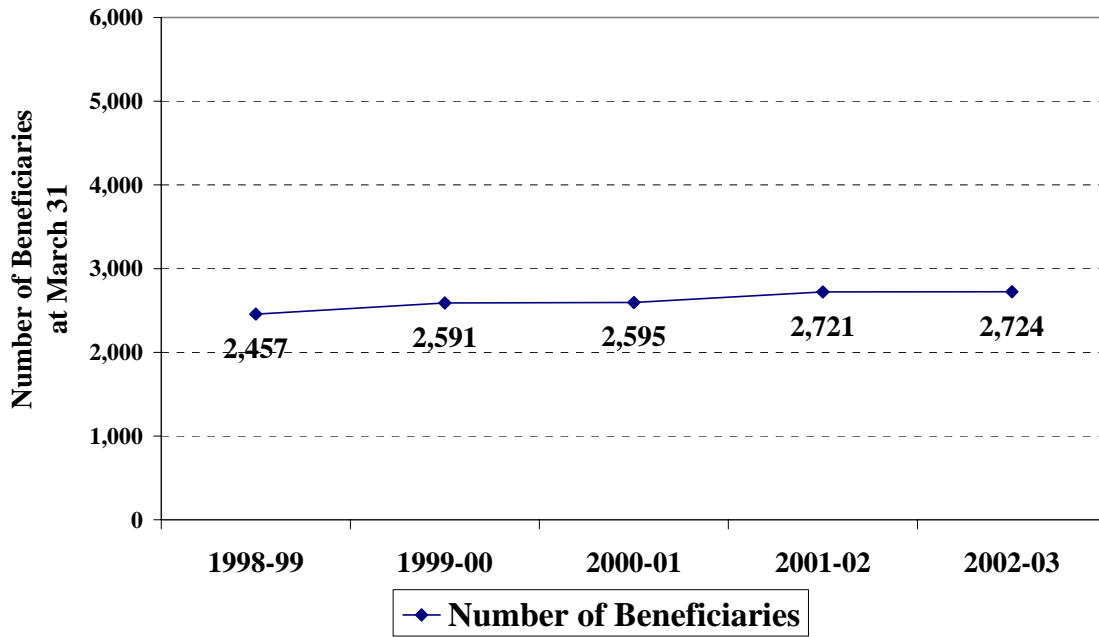
End Stage Renal Disease Program – Drugs listed in the Saskatchewan Formulary and certain drugs approved for coverage under the Drug Plan Exception Drug Status are available at no charge.

Ostomy Program – SAIL provides reimbursement of half the cost of ostomy supplies, such as appliances, adhesives and adhesive removers, to eligible persons referred by enterostomal therapists.

Aids to the Blind Program – Financial assistance is provided for aids such as braille watches, talking calculators and low-vision eyewear. Brailers, talking book machines, tape players and recorders are loaned, maintained and repaired without charge. Magnifiers and telescopes are supplied without charge.

Low vision eyewear is provided through optometric/ophthalmic dispensers. Equipment services are provided by the Canadian National Institute for the Blind (CNIB) under contract with SAIL.

Special Benefit Programs



Note: The Special Benefits Programs charts show only the number of caseloads and program expenditures for Paraplegia, Cystic Fibrosis and Renal Disease.

Special Benefit Programs

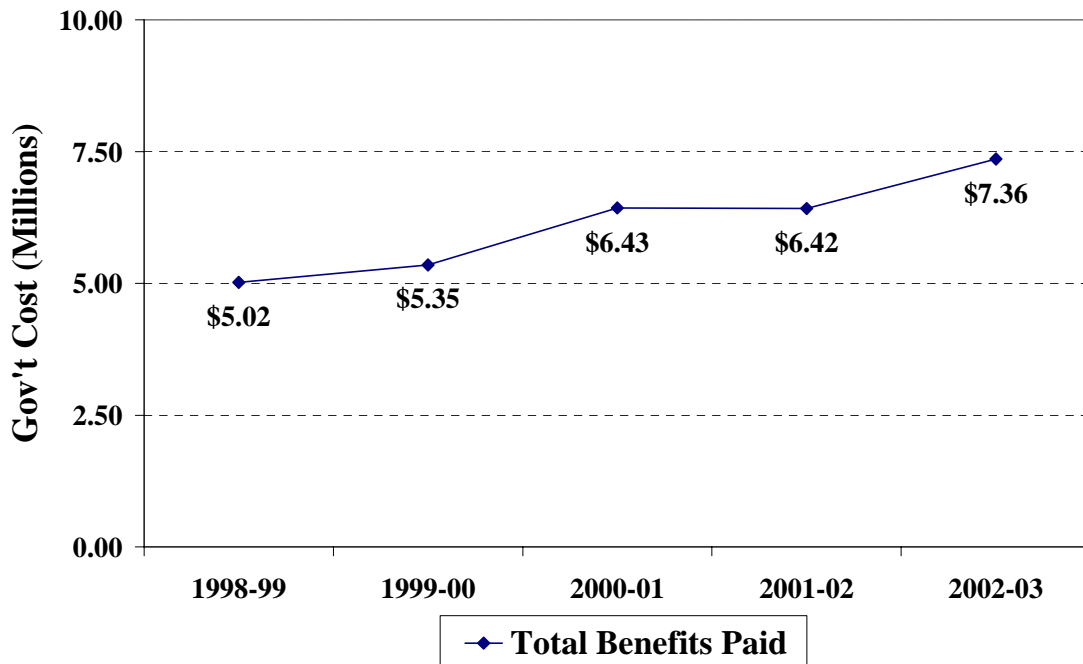


Table 16
Special Needs Equipment Program - Loans

April 1- March 31	1999-00	2000-01	2001-02	2002-03
Wheelchairs				
- Manual.....	4,493	4,755	4,216	4,084
- Power (electric).....	98	219	195	135
Other Aids.....	19,091	14,350	16,187	16,391
Total Loans	23,682	19,324	20,598	20,610

Table 17
Special Needs Equipment Program - Repairs

April 1- March 31	1999-00	2000-01	2001-02	2002-03
Wheelchairs				
- Manual.....	1,333	1,030	1,190	1,353
- Power (electric).....	451	334	438	311
Other Aids.....	242	81	89	118
Total Repairs	2,026	1,445	1,717	1,782

Table 18
Orthopaedic Services - Appliances Issued

April 1- March 31	1999-00	2000-01	2001-02	2002-03
Prosthetics.....	174	171	172	230
Orthotics.....	3,215	3,040	3,111	2,708
Footwear (braced).....	67	103	85	102
Adaptive and Specialized Seating for Wheelchairs.....	1,155	1,215	1,232	1,433
Total Issues	4,611	4,529	4,600	4,473

Table 19
Orthopaedic Services - Appliances Repaired

April 1- March 31	1999-00	2000-01	2001-02	2002-03
Prosthetics.....	1,278	1,153	1,227	1,278
Orthotics.....	1,526	1,589	1,508	1,399
Footwear (braced).....	118	100	105	82
Adaptive and Specialized Seating for Wheelchairs.....	452	526	589	535
Total Repairs	3,374	3,368	3,429	3,294