



Government of
Saskatchewan

Annual Statistical Report 2003-04

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 2003-04. 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 the Department of Community Resources and Employment, and for residents receiving Family Health Benefits
- providing Saskatchewan Aids to Independent Living (SAIL) Program benefits to eligible residents
- administering, on behalf of Health Regions, 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 First Nations and Inuit Health Branch of Health Canada, Department of Veteran Affairs, Royal Canadian Mounted Police, Canadian Forces, Workers' Compensation, and inmates of a federal penitentiary.

Supplementary Health

Eligible

People nominated for coverage by the Department of Community Resources & Employment (eg. persons receiving social assistance), inmates of provincial correctional institutions, nominated seniors in special care homes or hospitals whose incomes are below the Saskatchewan Income Plan level.

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 and Saskatchewan Government Insurance.

Highlights for 2003-04

Drug Plan

- One in every four families that received a prescription received a financial benefit.
- At June 30, 2003 a total of 910,497 individuals, representing approximately 517,306 family units were eligible to receive Drug Plan benefits.
- A total of 623,914 individual beneficiaries representing 435,908 family units, purchased eligible prescriptions. This represents 68.5% 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 2003-04 were approximately \$9.0 M.
- Terminally ill patients covered under the Palliative Care Program received 87,626 prescriptions at no charge. The Drug Plan payment for Palliative Care was \$4.4 million.
- **The Special Support Program:**
 - helped 52,854 families (69% were senior families)
 - provided benefits in the amount of \$87.5 million
 - dispensed an average of 40.5 prescriptions to each active beneficiary
 - dispensed an average of 56.5 prescriptions to each family unit
 - assisted on average 67.1% of the total prescription costs.
- **Active beneficiaries exempt from being income-tested:**
 - helped 53,256 families
 - provided benefits of \$49.1 million
 - dispensed an average of 14.8 prescriptions to each active beneficiary
 - dispensed an average of 19.4 prescriptions to each family unit
 - assisted on average 98.7% of the total prescription costs.
- **Active beneficiaries receiving income supplements and not income-tested:**
 - provided benefits of \$12.6 million
 - dispensed an average of 9.6 prescriptions to each active beneficiary
 - dispensed an average of 14.0 prescriptions to each family unit
 - assisted on average 8.5% of the total prescription costs.
- **Drug claims processed for Formulary and Exception Drug Status drugs:**
 - processed 8.6 million prescriptions during April 1/03 to March 31/04
 - provided benefits in the amount of \$149.2 million
 - average drug acquisition cost per prescription was \$28.35
 - average mark-up paid to pharmacies was \$2.58
 - average dispensing fee paid to pharmacies was \$7.00.

Supplementary Health

- The average number of eligible beneficiaries under the program was 42,808
- Net payments for the program were \$14.03 million during the fiscal 12-month period.
- Program expenditures per eligible beneficiary rose from \$156.61 in 1997-98 to \$327.84 in 2003-04. 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 2003-04 was 59,679 (25,457 adults and 34,222 children). This is a decrease of 6,461 beneficiaries from the previous year. The number of eligible families was 20,194.
- Net payments for the program were \$4.09 million from April 1, 2003 to March 31, 2004. This is a decrease of \$100,000 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 \$3.48 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 2003-04 was \$8.71 million.
- Net payments for approved beneficiaries were \$8.40 million for non-formulary drugs and \$0.83 million for ostomy supplies.
- A total 4,645 orthopaedic issues were made in 2003-04, a slight increase from the previous year. The number of repairs was 3,200, also a slight decrease from the previous year.
- A total 21,571 wheelchairs and other special needs equipment aids were loaned to beneficiaries in 2003-04, a small increase over the previous year. The number of special needs equipment repairs was 979, a decrease from 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. The program provides adults with 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 2003 - March 2004					
Saskatchewan Assistance Plan Recipients					
-Prescription Charge Subsidized, (Plan One)	18,591	305,472	3.5	\$ 13,106,510	8.8
-Prescription Charge Fully Covered					
Special Drugs for Plan One	1,970	37,224	0.4	1,280,962	0.9
Plan One Dependents to Age 18	8,521	41,565	0.5	1,145,659	0.8
Plans Two and Three	9,611	322,731	3.7	11,915,707	8.0
Special Beneficiaries					
-Paraplegics	1,314	41,513	0.5	1,606,401	1.1
-Cystic Fibrosis	91	2,681	0.0	708,274	0.5
-Chronic Renal Disease	820	59,260	0.7	4,390,141	2.9
-Others for Certain Drugs ⁴	2,422	39,945	0.5	7,943,301	5.3
Family Health Benefits					
-Children	23,558	93,700	1.1	2,589,273	1.7
-Adults	16,553	105,738	1.2	1,083,630	0.7
Palliative Care	2,664	87,626	1.0	4,389,532	2.9
Emergency Assistance	162	1,019	0.0	55,392	0.0
Special Support	73,712	2,987,998	34.6	87,481,432	58.6
Income Supplement Recipients					
-Saskatchewan Income Plan	5,167	126,691	1.5	2,037,982	1.4
-Guaranteed Income Supplement					
Special Care Home	2,065	87,098	1.0	1,512,526	1.0
Community	19,758	414,947	4.8	5,264,829	3.5
Other Drug Plan Beneficiaries	<u>436,935</u>	<u>3,886,647</u>	45.0	<u>2,652,383</u>	1.8
Total	623,914	8,641,855	100.0	\$ 149,163,934	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 the portion paid by consumers; such as deductibles, co-payments, prescription charges and the full cost if not income tested.

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).

c. Plan Three

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

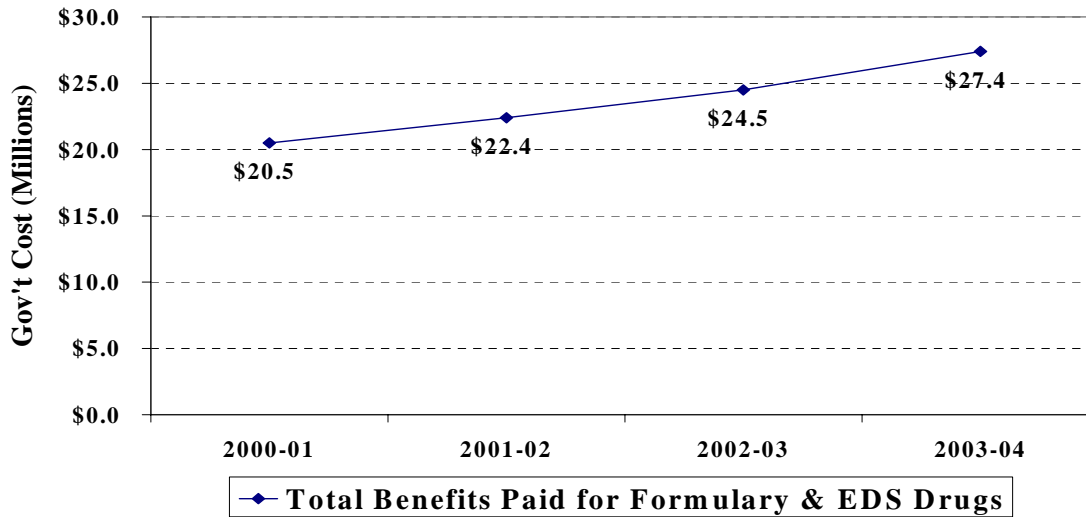
The Supplementary Health program covers the cost of certain non-Formulary drugs as well as the cost of megavitamins and allergenic extracts for Plan One and Plan Two beneficiaries.

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 correctional institutions.

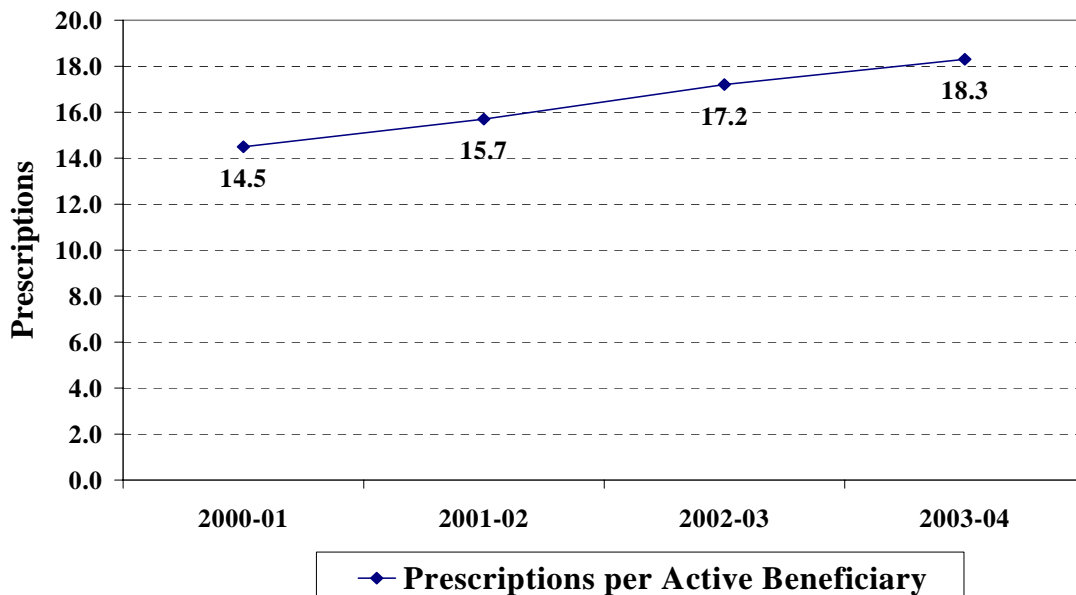
Saskatchewan Assistance Plan Coverage (Continued)

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Number of SAP Active Beneficiaries	45,732	43,143	39,586	38,693

Saskatchewan Assistance Plan Drug Coverage



Saskatchewan Assistance Plan Drug Coverage

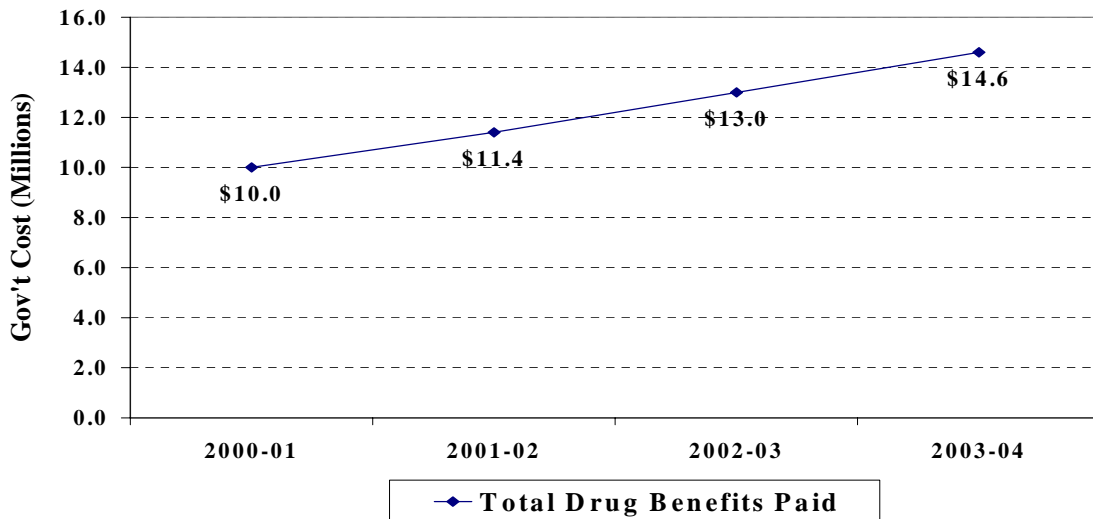


2. Special Beneficiaries

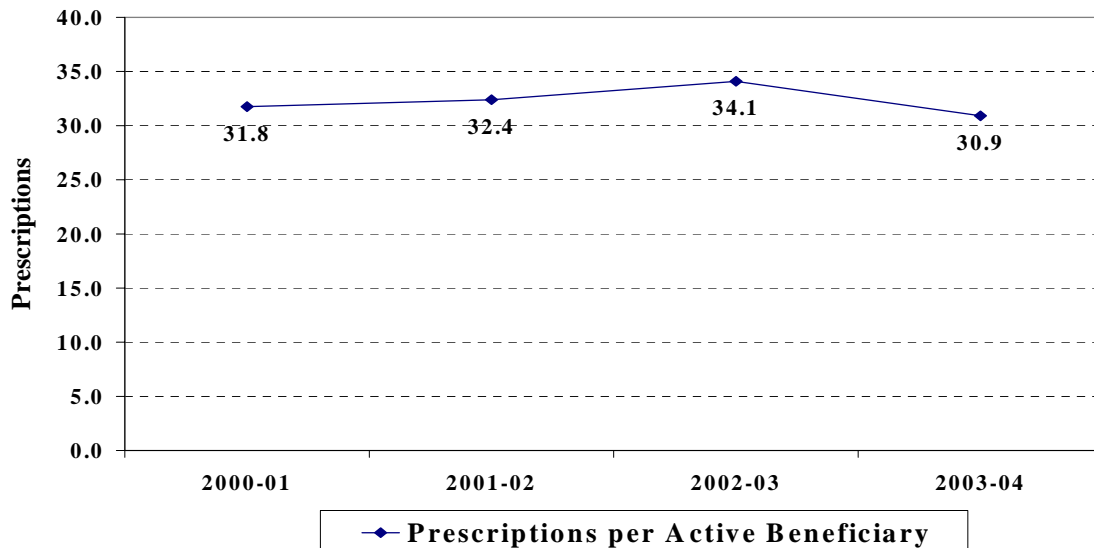
Special Beneficiaries include persons approved for coverage under the paraplegic program, cystic fibrosis program, chronic end-stage renal disease program, and users of certain no charge high cost drugs. These beneficiaries are entitled to receive certain non-Formulary drugs, Exception Drug Status drugs,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

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Number of Active Beneficiaries	3,501	3,785	3,912	4,647

Special Beneficiary Drug Coverage



Special Beneficiary Drug Coverage



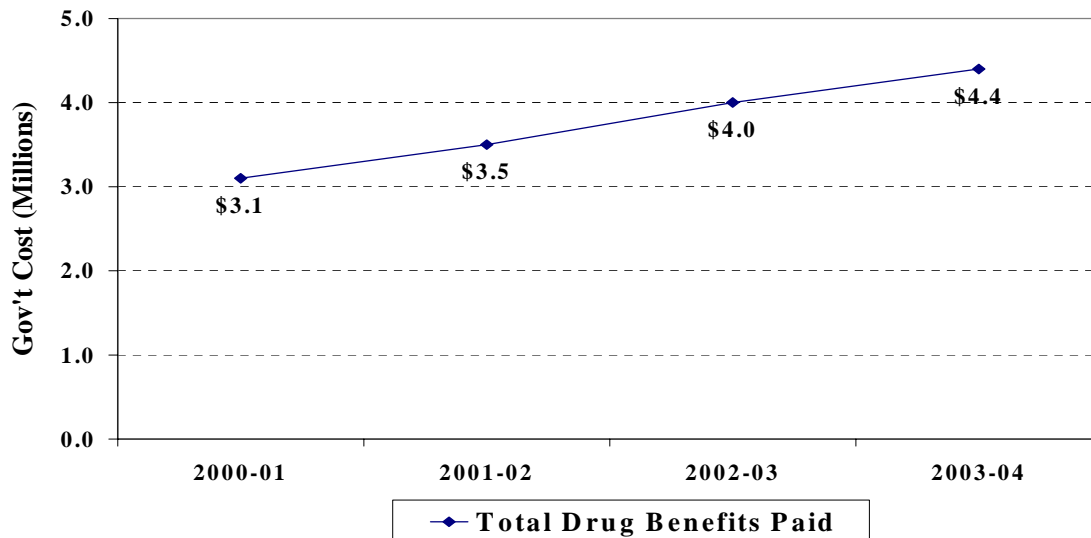
3. Palliative Care Coverage

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

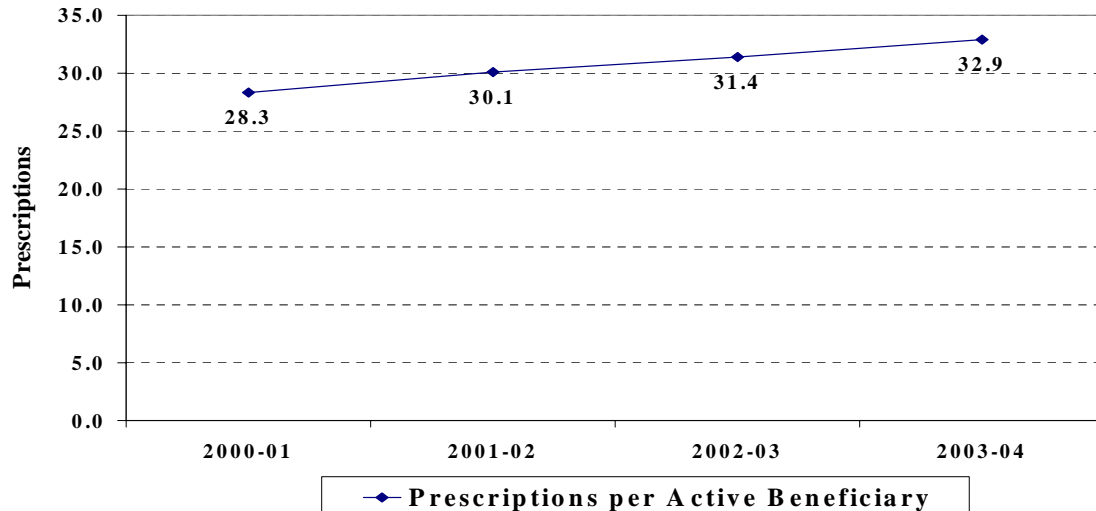
- regular Formulary drugs;
- Exception Drug Status drugs where prior approval has been granted;
- most laxatives.

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Number of Active Beneficiaries	2,412	2,528	2,605	2,664

Palliative Care Drug Coverage

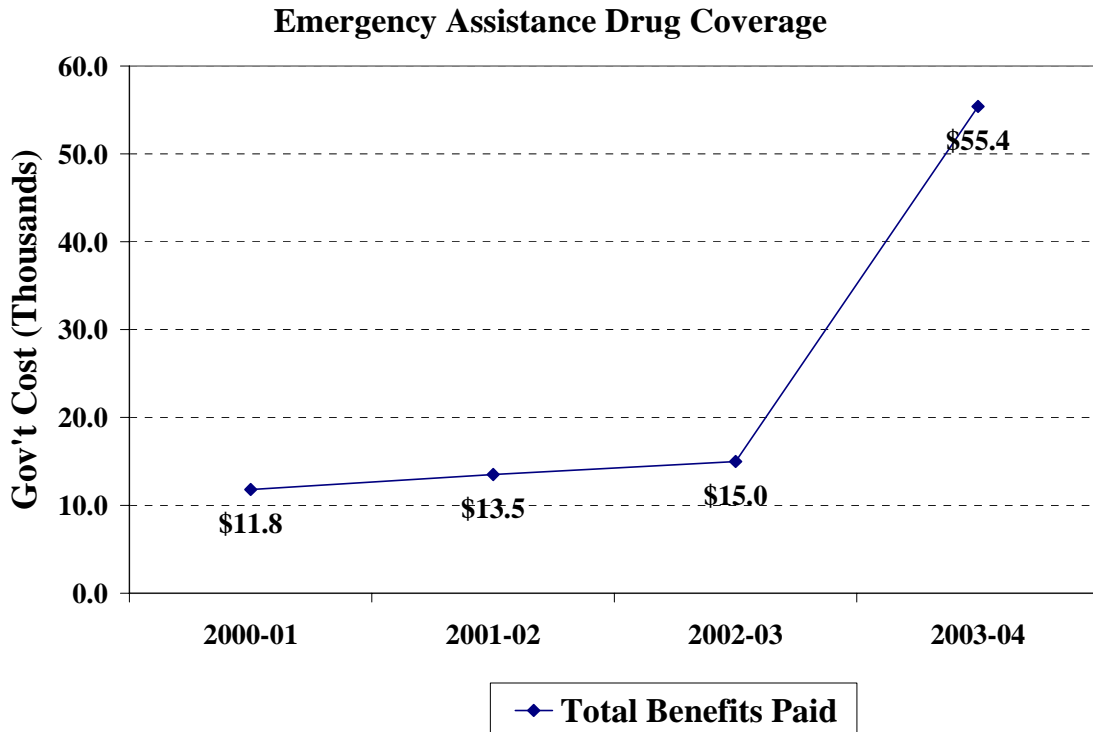


Palliative Care Drug Coverage



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

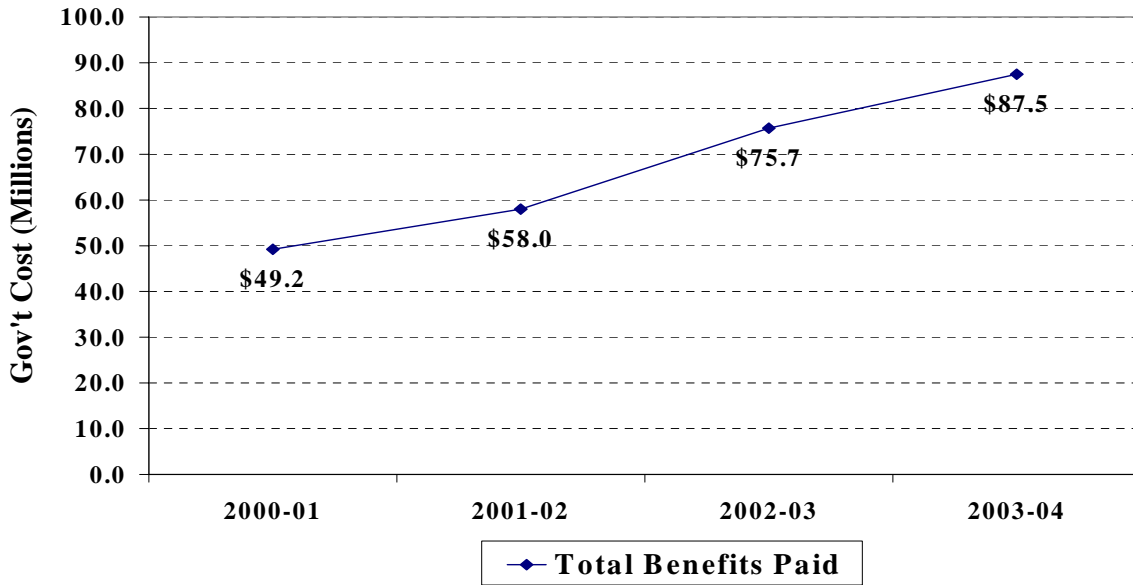
The Special Support program helps **those families whose drug costs are high in relation to their income**. If the annual drug costs exceed 3.4% of the family adjusted income (income after adjusting for the number of dependents), the family is eligible for Special Support benefits. Residents must apply 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.

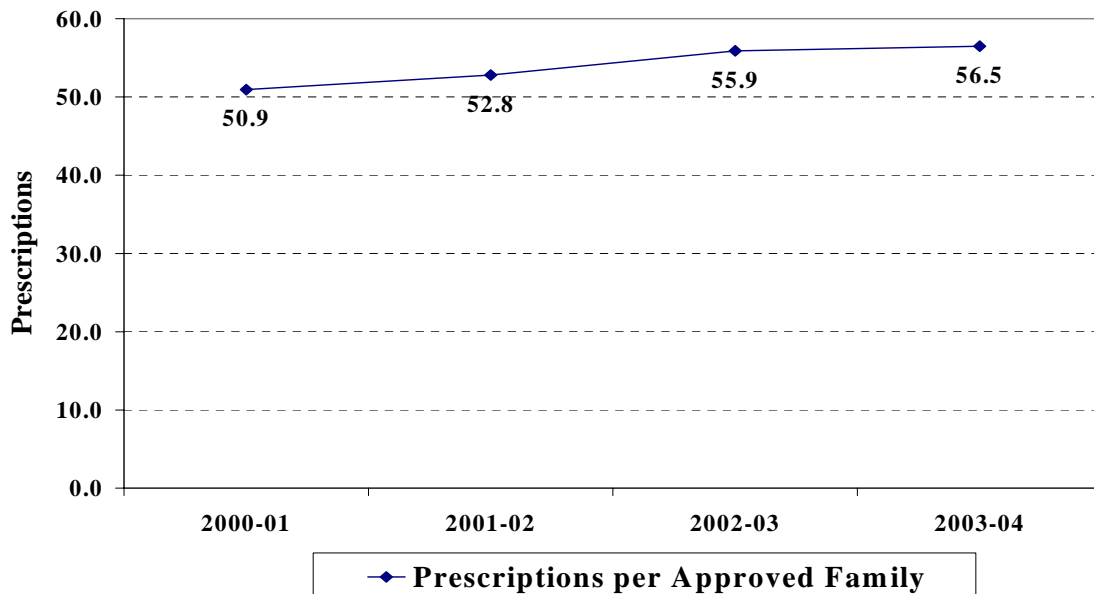
Income-based program - Special Support Coverage (Continued)

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Number of approved Special Support Families	40,585	42,508	48,455	52,854

Special Support Coverage



Special Support Coverage



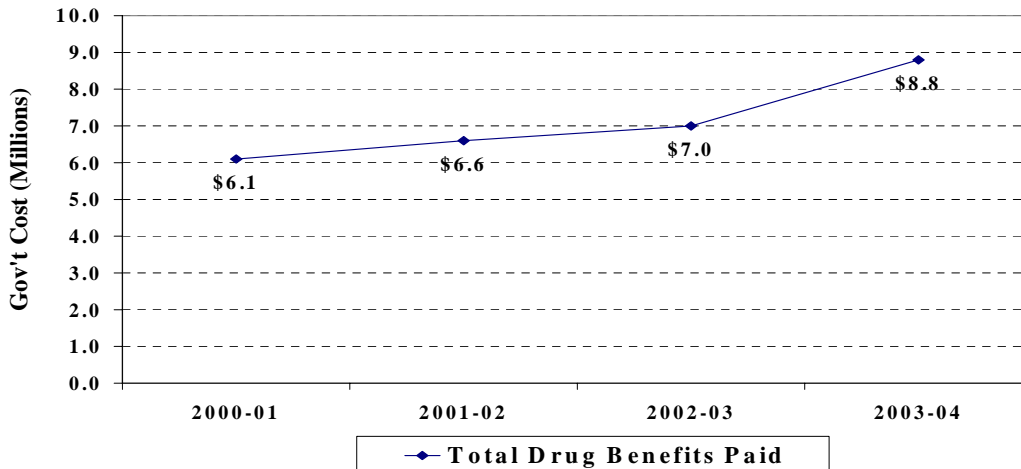
6. Income Supplement Recipients

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.

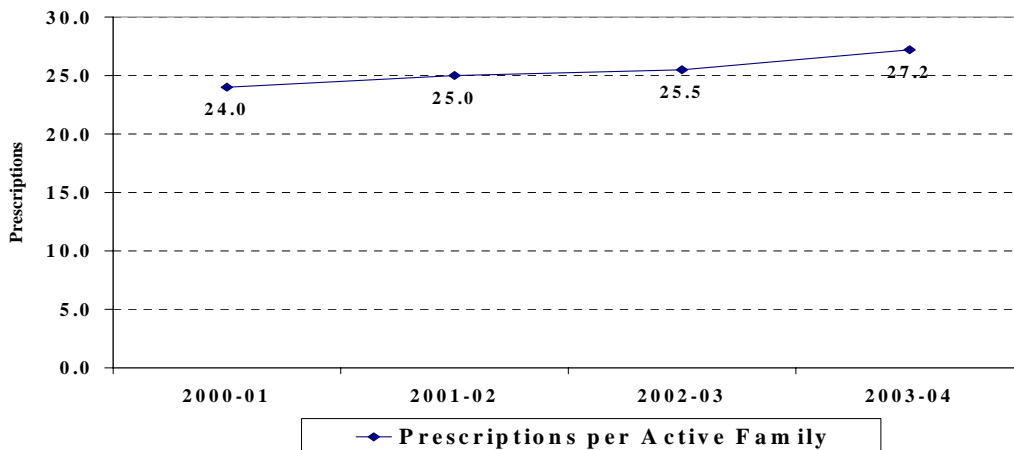
Note: Families approved for Family Health Benefits are not included in this chart.

	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Number of Active Families	26,199	24,849	23,284	23,088

Income Supplement Recipient Coverage



Income Supplement Recipient Coverage



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).

	2000-01	2001-02	2002-03	2003-04
Number of Active Children Beneficiaries	27,551	26,423	24,471	23,558
Average Number of Prescriptions per Child	3.7	3.7	3.8	4.0
Cost of the Program	\$2.3M	\$2.4M	\$2.4M	\$2.6

	2000-01	2001-02	2002-03	2003-04
Number of Active Adult Beneficiaries	19,743	18,927	17,430	16,553
Average Number of Prescriptions per Adult	5.6	6.0	6.1	6.4
Cost of the Program	\$0.8	\$0.9M	\$1.0M	\$1.1M

Note: Not included in the above chart is the program cost for Active Adults approved for special support. This program cost \$1,954,833 in 2002-03 and \$2,045,756 in 2003-04.

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 2004 Saskatchewan Formulary lists 2,964 Formulary drug products and 629 published Exception Drug Status products.

Exception Drug Status

Certain drugs are reviewed and recommended by the Saskatchewan Formulary Committee for coverage under Exception Drug Status (EDS). 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 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.

Saskatchewan is participating in the Common Drug Review (CDR). The CDR provides participating federal, provincial and territorial drug benefit plans with a systematic review of the available clinical evidence, a critique of manufacturer-submitted pharmaco-economic studies and a formulary listing recommendation made by the Canadian Expert Drug Advisory Committee (CEDAC).

Note: The Drug Review process described below is in transition and will be changing to reflect the CDR process.

- **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 \$9.0M in 2003-04 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 came under 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, 2004, there were 365 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 to \$7.97 on September 1, 2003. From March 1, 2003 to August 31, 2003, the maximum dispensing fee was \$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 2003-04

At June 30, 2003, a total of 910,497 individuals, representing approximately 517,306 family units were eligible to receive Drug Plan benefits.

A total of 623,914 individual beneficiaries representing 435,908 family units, purchased eligible prescriptions. This represents 68.5% of eligible individuals.

1. Overall 2003-04 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 15.9% of the eligible population, represents 21.2% of Drug Plan active beneficiaries, and receive 47.1% 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

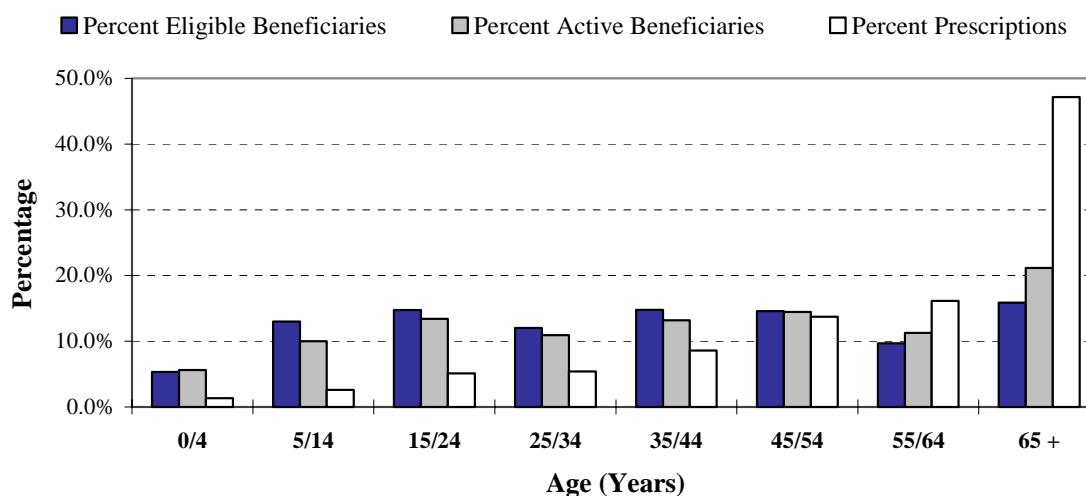


Table 2
Prescription Drug Utilization by Age and Sex of Active Beneficiary

Age of Consumer ⁵	Active Beneficiaries	Number of Prescriptions ¹	Drug Material Cost ²	Dispensing Fee ³	Total Drug Plan Payment ⁴
April 2003 - March 2004 (as submitted for all prescriptions to all beneficiaries)					
Male					
0 - 4	18,148	62,199	\$ 735,074	\$ 444,250	\$ 527,082
5 - 14	31,767	123,074	3,087,439	859,917	1,943,753
15 - 24	33,549	146,810	4,714,753	1,012,661	2,638,716
25 - 34	26,153	151,677	5,318,957	1,059,016	3,345,468
35 - 44	35,378	300,399	11,984,135	2,133,789	7,248,269
45 - 54	41,066	520,796	19,786,810	3,644,205	9,426,893
55 - 64	32,898	637,430	22,325,995	4,364,878	10,445,792
65 - 74	28,089	729,257	23,120,247	4,946,802	12,456,051
75 - 84	19,543	602,670	17,333,760	4,225,991	10,121,529
85 and over	6,921	236,681	5,739,647	1,732,801	3,869,763
Male Total	273,512	3,510,993	\$ 114,146,817	\$ 24,424,310	\$ 62,023,316
Female					
0 - 4	16,857	53,468	\$ 577,377	\$ 382,821	\$ 439,514
5 - 14	30,658	100,817	2,654,613	704,759	1,883,569
15 - 24	50,078	293,843	7,699,702	2,029,460	2,996,708
25 - 34	41,946	314,755	9,888,667	2,162,098	4,653,449
35 - 44	47,036	442,489	16,300,698	3,078,003	8,724,709
45 - 54	48,962	664,494	23,487,813	4,602,567	11,192,633
55 - 64	37,358	755,465	23,772,525	5,179,913	12,131,465
65 - 74	32,045	854,770	25,515,801	5,903,217	15,041,133
75 - 84	29,484	1,020,453	28,361,804	7,324,248	18,693,149
85 and over	15,978	630,308	14,896,808	4,693,892	11,384,289
Female Total	350,402	5,130,862	\$ 153,155,808	\$ 36,060,978	\$ 87,140,618
Both Sexes					
0 - 4	35,005	115,667	\$ 1,312,451	\$ 827,071	\$ 966,596
5 - 14	62,425	223,891	5,742,052	1,564,676	3,827,322
15 - 24	83,627	440,653	12,414,455	3,042,121	5,635,424
25 - 34	68,099	466,432	15,207,624	3,221,114	7,998,917
35 - 44	82,414	742,888	28,284,833	5,211,792	15,972,978
45 - 54	90,028	1,185,290	43,274,623	8,246,772	20,619,526
55 - 64	70,256	1,392,895	46,098,520	9,544,791	22,577,257
65 - 74	60,134	1,584,027	48,636,048	10,850,019	27,497,184
75 - 84	49,027	1,623,123	45,695,564	11,550,239	28,814,678
85 and over	22,899	866,989	20,636,455	6,426,693	15,254,052
Grand Total	623,914	8,641,855	\$ 267,302,625	\$ 60,485,288	\$ 149,163,934

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 co-payment and prescription charges paid by the consumer to the pharmacy.

5 Age of beneficiary as at March 31, 2004.

2003-04 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 co-payment, some of which are on Saskatchewan Assistance Plan (SAP), S.A.I.L. beneficiaries, palliative care, or receive certain high cost drugs grandfathered at 100%;
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 2003 - March 2004

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	26,879	816,954	\$ 14,807,025	\$ 550.88	\$ 34,190,907	\$ 1,272.03
65 and over	<u>46,833</u>	<u>2,171,044</u>	<u>28,054,092</u>	599.02	<u>53,290,525</u>	1,137.88
Sub-Total	<u>73,712</u>	<u>2,987,998</u>	<u>\$ 42,861,117</u>	\$ 581.47	<u>\$ 87,481,432</u>	\$ 1,186.80
Beneficiaries exempt from paying a Deductible (e.g. SAP, SAIL, Palliative Care)						
Under 65	41,270	753,075	\$ 601,862	\$ 14.58	\$ 37,610,687	\$ 911.33
65 and over	<u>4,734</u>	<u>184,942</u>	<u>20,049</u>	4.24	<u>8,770,360</u>	1,852.63
Sub-Total	<u>46,004</u>	<u>938,017</u>	<u>\$ 621,911</u>	\$ 13.52	<u>\$ 46,381,047</u>	\$ 1,008.20
Beneficiaries receiving Family Health Benefits (excludes prescriptions under Special Support)						
Under 65	40,061	198,744	\$ 2,063,024	\$ 51.50	\$ 3,768,756	\$ 94.08
65 and over	<u>50</u>	<u>694</u>	<u>10,005</u>	200.09	<u>9,586</u>	191.72
Sub-Total	<u>40,111</u>	<u>199,438</u>	<u>\$ 2,073,029</u>	\$ 51.68	<u>\$ 3,778,342</u>	\$ 94.20
Beneficiaries receiving Income Supplements (SIP & GIS not covered under Special Support)						
Under 65	1,955	31,692	\$ 578,611	\$ 295.96	\$ 380,440	\$ 194.60
65 and over	<u>25,035</u>	<u>597,044</u>	<u>9,732,034</u>	388.74	<u>8,434,897</u>	336.92
Sub-Total	<u>26,990</u>	<u>628,736</u>	<u>\$ 10,310,645</u>	\$ 382.02	<u>\$ 8,815,337</u>	\$ 326.61
Other Drug Plan Beneficiaries (families whose Income Supplement coverage or special support benefits ended by fiscal year end)						
Under 65	381,689	2,767,251	\$ 88,344,350	\$ 231.46	\$ 1,647,229	\$ 4.32
65 and over	<u>55,408</u>	<u>1,120,415</u>	<u>34,412,919</u>	621.08	<u>1,060,546</u>	19.14
Sub-Total	<u>437,097</u>	<u>3,887,666</u>	<u>\$122,757,269</u>	\$ 280.85	<u>\$ 2,707,775</u>	\$ 6.19
Grand Total	623,914	8,641,855	\$178,623,971		\$ 149,163,934	

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 the portion paid by consumers; such as deductibles, co-payments, prescription charges and the full cost if not income tested.

3. 2003-04 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 a co-payment program. (e.g. some Saskatchewan Assistance Plan families, S.A.I.L. beneficiaries, Palliative Care, children of families approved for Family Health Benefits);
3. Families Receiving Income Supplements, and not income-tested. 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 paid the full cost of prescriptions as they have not applied to be income tested by the Income-based Special Support Program.

In 'Families Approved under the Special Support Program' (Table 4), 52,854 families who had high drug costs in relation to their income received \$87.5 million in benefits, which equals an average payment of \$1,655.15 per family which is an increase of 6.0% over the previous year.

In 'Prescription Cost to Families Exempt from being Income Tested' (Table 5), the average payment on behalf of each active family was \$921.51 which is an increase of 12.6% over the previous year.

In 'Prescription Cost to Families Receiving Income Supplements, and Not Income Tested' (Table 6), the average payment on behalf of each active family was \$38.23.

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

April 2003 - March 2004

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	1,266	12,547	\$ 361,758	\$ 449,020	\$ 468	\$ 448,552
25.01 - 50.00	715	11,021	390,237	468,779	26,682	442,097
50.01 - 75.00	593	10,732	401,429	477,175	37,000	440,175
75.01 - 100.00	579	10,662	369,271	443,849	50,612	393,237
100.01 - 125.00	549	11,480	449,629	528,554	61,743	466,811
125.01 - 150.00	575	12,781	483,657	572,754	79,129	493,625
150.01 - 175.00	638	16,920	700,826	817,647	103,793	713,854
175.01 - 200.00	701	18,985	665,863	800,595	131,749	668,846
200.01 - 250.00	1,419	41,705	1,686,177	1,977,399	319,932	1,657,467
250.01 - 300.00	1,744	60,173	2,024,174	2,446,404	480,397	1,966,007
300.01 - 350.00	2,135	82,966	2,624,339	3,212,790	696,309	2,516,481
350.01 - 400.00	2,604	110,435	3,379,135	4,168,780	979,196	3,189,584
400.01 - 450.00	3,028	141,305	4,077,974	5,090,999	1,287,296	3,803,703
450.01 - 500.00	2,968	146,055	4,487,570	5,539,288	1,408,841	4,130,447
500.01 - 600.00	5,275	285,889	8,937,624	10,993,643	2,895,868	8,097,775
600.01 - 725.00	5,450	319,935	10,109,990	12,372,115	3,595,489	8,776,626
725.01 - 850.00	4,250	275,660	9,152,281	11,101,464	3,335,906	7,765,558
850.01 - 1000.00	4,249	289,875	9,975,020	12,006,614	3,914,357	8,092,257
1000.01 - 1250.00	4,829	351,355	12,791,088	15,249,391	5,389,045	9,860,346
1250.01 - and over	9,287	777,517	36,254,248	41,625,289	18,067,305	23,557,984
All	52,854	2,987,998	\$ 109,322,290	\$ 130,342,549	\$ 42,861,117	\$ 87,481,432

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 being Income-tested

April 2003 - March 2004

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	33,744	606,689	\$ 27,968,667	\$ 32,460,836	\$ -	\$ 32,460,836
00.01 - 25.00	12,348	103,771	2,515,846	3,286,658	107,829	3,178,829
25.01 - 50.00	3,235	79,969	2,805,435	3,403,021	118,110	3,284,911
50.01 - 75.00	1,433	54,303	2,066,878	2,486,244	88,489	2,397,755
75.01 - 100.00	983	52,025	1,849,425	2,256,693	85,402	2,171,291
100.01 - 125.00	573	37,878	1,287,088	1,582,173	64,067	1,518,106
125.01 - 150.00	359	29,583	1,041,575	1,270,553	49,295	1,221,258
150.01 - 175.00	215	19,630	681,166	830,013	34,784	795,229
175.01 - 200.00	130	13,836	487,259	590,964	24,202	566,762
200.01 - 250.00	118	15,050	561,062	672,752	26,204	646,548
250.01 - 300.00	46	7,526	304,556	363,593	12,417	351,176
300.01 - 350.00	23	4,365	206,079	236,999	7,516	229,483
350.01 and over	49	7,092	209,270	265,591	12,015	253,576
All	53,256	1,031,717	\$ 41,984,306	\$ 49,706,090	\$ 630,330	\$ 49,075,760

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 Receiving Income Supplements, and Not Income-Tested ⁴**

April 2003 - March 2004

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	47,022	53,820	\$ 300,890	\$ 672,228	\$ 651,577	\$ 20,651
25.01 - 50.00	36,463	84,109	761,082	1,349,878	1,325,297	24,581
50.01 - 75.00	23,438	83,409	905,152	1,484,171	1,451,190	32,981
75.01 - 100.00	17,292	82,946	967,738	1,539,071	1,505,117	33,954
100.01 - 125.00	14,678	83,620	1,115,257	1,689,293	1,642,184	47,109
125.01 - 150.00	12,355	82,285	1,191,898	1,754,070	1,696,323	57,747
150.01 - 175.00	11,224	84,371	1,305,753	1,880,271	1,820,020	60,251
175.01 - 200.00	10,177	85,876	1,424,934	2,000,512	1,906,962	93,550
200.01 - 250.00	19,141	182,165	3,247,587	4,489,839	4,289,793	200,046
250.01 - 300.00	14,307	165,168	3,029,382	4,167,305	3,915,446	251,859
300.01 - 350.00	11,068	150,105	2,880,805	3,907,722	3,585,628	322,094
350.01 - 400.00	9,547	144,156	2,989,461	3,976,155	3,576,587	399,568
400.01 - 450.00	8,478	142,488	3,054,112	4,030,057	3,600,290	429,767
450.01 - 500.00	7,930	146,010	3,270,459	4,273,942	3,764,596	509,346
500.01 - 600.00	13,900	289,771	6,808,422	8,801,578	7,624,976	1,176,602
600.01 - 725.00	13,866	340,662	8,412,572	10,767,264	9,147,173	1,620,091
725.01 - 850.00	10,730	295,822	7,838,555	9,878,965	8,421,637	1,457,328
850.01 - 1000.00	9,957	311,497	8,441,823	10,584,099	9,170,294	1,413,805
1000.01 - 1250.00	11,765	417,342	11,970,638	14,840,990	13,136,852	1,704,138
1250.01 - and over	26,460	1,396,518	46,079,509	55,651,856	52,900,582	2,751,274
All	329,798	4,622,140	\$ 115,996,029	\$ 147,739,266	\$ 135,132,524	\$ 12,606,742

1 Refers to Formulary and Exception Drug Status drugs.

2 Includes mark-up on drug acquisition cost.

3 Net Family Payments is the full cost of prescriptions for those families who are not income-tested, and is the net cost to an Income Supplement family for the total of the deductible and the family co-payemtn once the deductible has been met.

4 Includes beneficiaries covered under the semi-annual Income Supplement deductibles, and those families who are not income-tested to receive benefits

4. 2003-04 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, Hormones and Substitutes and Anti-Infectives, accounted for 69.0% of all prescriptions and 57.6% 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 2003 - March 2004			
As submitted for all beneficiaries			
8:00 Anti-Infectives	659,307	\$ 10,342,316	\$ 5,767,045
10:00 Antineoplastic agents	972	91,415	69,462
12:00 Autonomic Drugs	273,314	7,866,291	5,090,016
20:00 Blood Formation and Coagulation	184,445	7,178,374	5,497,646
24:00 Cardiovascular Drugs	2,391,878	81,501,384	34,616,131
28:00 Central Nervous System Drugs	1,801,664	57,551,163	34,827,732
36:00 Diagnostic Agents	113,314	8,267,414	4,276,765
40:00 Electrolytic, Caloric, and Water Balance	537,391	2,357,806	2,779,992
48:00 Cough Preparations	768	194,947	195,936
52:00 Eye, Ear, Nose and Throat Preparations	285,127	6,507,296	2,493,702
56:00 Gastrointestinal Drugs	429,383	18,185,565	10,698,530
60:00 Gold Compounds	282	14,432	8,562
64:00 Metal Antagonists	304	61,701	54,032
68:00 Hormones and Substitutes	1,113,676	24,358,107	10,693,028
84:00 Skin and Mucous Membrane Preparations	272,113	5,726,263	2,145,437
86:00 Spasmolytics	44,502	913,837	683,588
88:00 Vitamins	80,205	213,536	372,576
92:00 Unclassified and others	453,210	35,970,778	28,893,754
Total	8,641,855	\$ 267,302,625	\$ 149,163,934

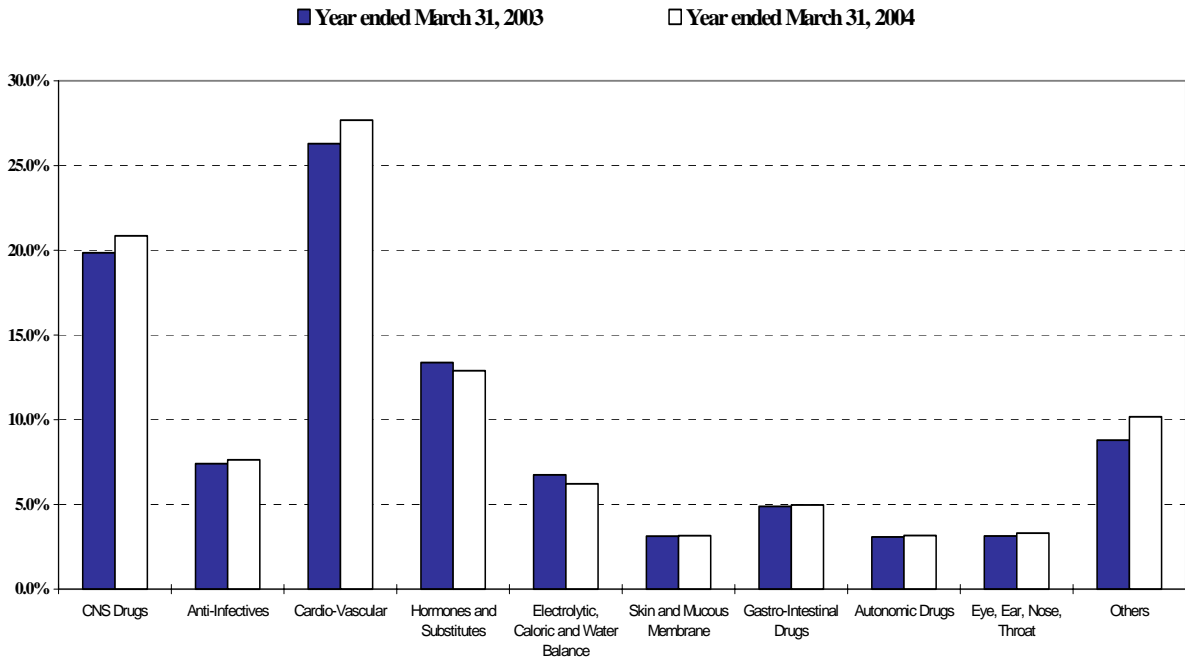
1 The drug classification system used is that of the American Society of Hospital Pharmacists.

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 365 pharmacies held agreements with Drug Plan & Extended Benefits Branch on March 31, 2004. Of these, 63.8% were independent pharmacies, 28.2% were chain outlets, and 5.2% were co-operatives.

Table 8
Pharmacies by Location

April 2003 - March 2004

Location of Pharmacy	Number of Pharmacies ¹
Single Pharmacy Communities	93
2 - 5 Pharmacy Communities	63
Communities with More Than 5 Pharmacies	
Moose Jaw	12
North Battleford	7
Prince Albert	15
Regina	57
Saskatoon	69
Swift Current	8
Weyburn	7
Yorkton	7
Dispensing Doctors	7
Border Pharmacies	17
Hospital Outpatient	3
Total	365

¹ Includes all pharmacies operating under agreement with the Prescription Drug Plan on March 31, 2004.

Table 9
Pharmacies by Type of Ownership

Type of Ownership	Number of Pharmacies ¹	Percent
Independent	233	63.8%
Chain	103	28.2%
Co-operatives	19	5.2%
Dispensing Doctor	7	1.9%
Hospital Outpatient	3	0.8%
Total	365	100.0%

¹ Includes all pharmacies operating under agreement with the Prescription Drug Plan on March 31, 2004.

Manufacturers

Drug Acquisition Cost by manufacturer is presented in Table 10.

Table 10
Drug Acquisition Cost by Manufacturer

April 2003 - March 2004

Manufacturer	Drug Material Acquisition Cost
3M Pharmaceuticals, 3M Canada	232,032
Abbott Laboratories Ltd.	3,384,616
Actelion Pharmaceutiques Canada	271,228
Agouron Pharmaceuticals Canada Inc.	85,313
Alcon Canada Inc.	433,840
Allerex Laboratory Ltd.	285,465
Allergan Inc.	709,930
Amgen Canada Inc.	2,631,545
Apotex Inc.	11,175,843
Astrazeneca	12,766,126
Aventis Pharma Inc.	7,941,241
Axcan Pharma	518,240
Bayer Inc. - Consumer Care Division	26,865
Bayer Inc. - Healthcare Division	5,029,508
Becton-Dickinson Canada Inc.	425,944
Berlex Canada Inc.	2,143,271
Biogen Canada Inc.	515,366
Biomed 2002 Inc.	132,644
Biovail Pharmaceuticals	1,158,753
Boehringer Ingelheim (Canada) Ltd.	3,982,337
Bristol Pharmaceutical Products	217,979
Bristol-Myers Squibb Canada Inc.	6,530,685
Canderm Pharma Inc.	10,449
Carter-Horner Inc.	15,963
Celgene Corporation	25,867
Chiron Canada Ltd.	306,506
Cobalt Pharmaceutucals Inc.	5,535
Columbia Laboratories Canada Inc.	5,194
Cytex Pharmaceuticals Inc.	6,952
Dermik Laboratories Canada Inc.	85,944
Dominion Pharmacal	8,012,310
Draxis Health Inc.	103,219
Duchesnay Inc.	272,676
Eli Lilly Canada Inc.	5,260,282
Enzon Inc.	158,759
ERFA Canada Inc.	22,928
Ferring Inc.	599,714
Fournier Pharma Inc.	7,367

Manufacturer	Drug Material Acquisition Cost
Fujisawa Canada Inc.	867,313
Galderma Canada Inc.	242,285
Genpharm Inc.	3,105,163
Genzyme Canada Inc.	159,535
Glaxosmithkline	15,252,035
Glaxosmithkline Consumer Health.....	267,782
Glenwood Laboratories Canada Ltd.	12,788
Hill Dermaceuticals, Inc.	14,304
Hoffman-LaRoche Ltd.	4,253,820
ICN Canada Ltd.	1,197,766
Insight Pharmaceuticals Corp.	22,031
Janssen-Ortho Inc.	12,892,035
Key, Div. Of Schering Canada Inc.	1,189,824
Lee-Adams Labs	7,733
Leo Pharma Inc.	579,572
Lifescan Canada Ltd.	4,075,228
Linson Pharma Inc.	5,046
Lundbeck Canada Inc.	2,635,135
Mayne Pharma (Canada) Inc.	149,908
McNeil Consumer HealthCare	23,240
Medicis Canada Ltd.	27,632
Medisense Products - Division of Abbott	891,498
Merck Frosst Canada & Co.	14,976,931
Novartis Ophthalmics	42,882
Novartis Pharmaceuticals Canada Inc.	8,801,291
Novo Nordisk Canada Inc.	1,609,457
Novopharm Ltd.	2,698,716
Nu-Pharm Inc.	14,122,631
Odan Laboratories Limited	89,462
Optimapharma Division of Taro	70,243
Organon Canada Ltd.	1,515,096
Orphan Medical Inc.	25,878
ORTX Pharmaceuticals Inc.	8,304
Paladin Labs Inc.	223,545
Pangeo Pharma Inc.	43,792
Pfizer Canada Inc.	23,674,607
Pfizer Canada-Consumer Health Care	34,623
Pharmacia Canada Inc.....	5,858,620
Pharmascience Inc.	3,209,119
Pharmel Inc.	25,913
Prempharm Inc.	1,341,481
Princeton Pharmaceutical Products	11,112
Procter and Gamble Pharm. Canada, Inc.	3,188,613
Purdue Pharma	2,586,848
Ratiopharm	3,753,027
Rhodiapharm	53,045
Rhoxalparma Inc.	144,294
Roche Diagnostics, Division of Hoffmann-LaRoche Limited	1,603,124

Manufacturer	Drug Material Acquisition Cost
Rougier Pharma Inc., Division of Technilab	11,031
Sabex 2002 Inc.	327,588
Sanofi-Synthelabo Canada, Inc.	670,806
Schering Canada Inc.	7,579,667
Schircks Laboratories, Switzerland	8,438
Serono Canada Inc.	1,957,315
Servier Canada Inc.	924,175
Shire Biochem Inc.	313,678
Solvay Pharma Inc.	3,380,819
Squibb Pharmaceutical Products	59,764
Stiefel Canada Inc.	268,839
Taro Pharmaceuticals Inc.	888,089
Teva Neuroscience	3,408,961
Theramed Corporation	89,280
Therasense Canada	170,373
Tyco Healthcare	88,283
Ucyclid Pharma	219,698
Virco Pharmaceuticals (Canada) Co.	620,007
Wellspring Pharmaceutical Canada	8,452
Westwood Squibb Canada	100,460
Wyeth Pharmaceuticals	9,522,533
Extemporaneous Preparations ¹	1,288,887
Others (each under \$5000)	43,965
Total	\$ 245,033,867

¹ Extemporaneous Preparations are compounded by the pharmacist.

2003-2004 Utilization Trends

1. Cost to Beneficiaries

Trends from Table 11 information for the past four years shows that the number of active beneficiaries has remained fairly constant 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
2003-04	623,914	8,641,855	\$327,787,913	\$149,163,934

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 26.4% between 2001-02 and 2003-04 for all beneficiaries. The range of increases, based on age, was 17.5% to 28.0%.

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	2001-02	2002-03	2003-04	% increase (decrease) 01-02 to 03-04
April 1- March 31				
Average Number of Prescriptions Per Active Beneficiary				
0 - 4	3.3	3.3	3.3	0.1%
5 - 14	3.4	3.4	3.6	5.5%
15 - 24	4.9	5.1	5.3	7.5%
25 - 34	6.3	6.6	6.8	8.7%
35 - 44	8.2	8.7	9.0	9.9%
45 - 54	12.6	13.0	13.2	4.5%
55 - 64	18.8	19.5	19.8	5.5%
65 - 74	24.7	25.9	26.3	6.6%
75 - 84	30.6	32.2	33.1	8.2%
85 and over	34.8	37.0	37.9	8.8%
Total	12.9	13.5	13.9	7.4%
Average Prescription Cost ¹				
0 - 4	\$ 15.87	\$ 17.22	\$ 18.50	16.6%
5 - 14	28.41	30.55	32.64	14.9%
15 - 24	32.02	33.52	35.08	9.5%
25 - 34	35.24	37.96	39.51	12.1%
35 - 44	38.51	42.65	45.09	17.1%
45 - 54	36.19	40.26	43.47	20.1%
55 - 64	33.70	37.27	39.95	18.5%
65 - 74	32.89	35.51	37.55	14.2%
75 - 84	30.90	33.25	35.27	14.1%
85 and over	27.17	29.16	31.22	14.9%
Total	\$ 32.76	\$ 35.67	\$ 37.93	15.8%
Total Cost of Prescriptions Per Active Beneficiary				
0 - 4	\$ 51.69	\$ 56.00	\$ 61.12	18.2%
5 - 14	96.13	104.56	117.05	21.8%
15 - 24	157.30	170.23	184.83	17.5%
25 - 34	222.46	250.17	270.62	21.6%
35 - 44	317.54	369.81	406.44	28.0%
45 - 54	456.48	522.24	572.28	25.4%
55 - 64	633.95	727.89	792.01	24.9%
65 - 74	810.82	918.22	989.23	22.0%
75 - 84	945.57	1,069.26	1,167.64	23.5%
85 and over	946.36	1,078.08	1,181.85	24.9%
Total	\$ 415.54	\$ 479.72	\$ 525.37	26.4%

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 2001-02 to 2003-04, the total cost of all prescriptions increased from 1.1% to 31.7% for the following reasons:

- Gastrointestinal Drugs increased the most due to a combination of a 25.7% increase in average prescription cost and a 4.8% increase in the number of prescriptions.
- The next greatest increase was for Autonomic Drugs due to a combination of a 25.1% increase in average prescription cost and a 2.0% increase in the number of prescriptions.
- Cardiovascular Drugs showed an increase of 26.7% as a result of a 16.2% increase in the number of prescriptions and an increase in average prescription cost of 9.1%.
- Diagnostic Agents and Central Nervous System Drugs both showed increases of 25.9% in total prescription cost as well as increases in the average prescription cost and in the number of prescriptions.
- The total prescription cost of Electrolytic, Caloric and Water Balance Drugs increased by 24.5% as a result of a 24.6% increase in the average prescription cost.
- The total prescription cost of Eye, Ear, Nose and Throat Preparations increased by 12.6% as a result of a 7.4% increase in average prescription costs and a 4.8% increase in the number of prescriptions.
- Anti-infectives and Hormones and Substitutes showed an increase in total cost of prescriptions and average prescription cost while showing a decrease in number of prescriptions.
- Skin & Mucous Membrane Preparations class showed small increases in total prescription cost, average prescription cost and total number of prescriptions.

Table 12
Prescription Trend by Pharmacologic - Therapeutic Classification

Pharmacologic - Therapeutic Class	2001-02	2002-03	2003-04	% increase (decrease) 01-02 to 03-04
April 1 - March 31				
Total Cost of all Prescriptions				
Cardiovascular Drugs	\$ 77,631,789	\$ 90,463,405	98,390,048	26.7%
Central Nervous System Drugs	55,908,693	63,384,923	70,413,428	25.9%
Hormones and Substitutes	28,763,534	29,972,896	31,092,185	8.1%
Gastrointestinal Drugs	16,137,901	19,315,411	21,252,932	31.7%
Anti-Infectives	13,466,825	13,755,043	15,065,019	11.9%
Skin & Mucous Membrane Preparations	7,565,846	7,367,711	7,646,469	1.1%
Eye, Ear, Nose and Throat Preparations	7,573,714	7,805,343	8,526,012	12.6%
Autonomic Drugs	7,698,760	8,879,972	9,828,486	27.7%
Diagnostic Agents	7,152,006	8,139,325	9,005,335	25.9%
Electrolytic, Caloric, and Water Balance	5,027,243	6,078,687	6,257,171	24.5%
Others	34,486,809	42,681,406	50,310,821	45.9%
Total	\$ 261,413,119	\$ 297,844,122	\$ 327,787,913	25.4%
Number of Prescriptions				
Cardiovascular Drugs	2,058,163	2,271,413	2,391,878	16.2%
Central Nervous System Drugs	1,630,600	1,714,968	1,801,664	10.5%
Hormones and Substitutes	1,164,994	1,155,371	1,113,676	(4.4%)
Gastrointestinal Drugs	409,692	421,519	429,383	4.8%
Anti-Infectives	675,175	639,048	659,307	(2.4%)
Skin & Mucous Membrane Preparations	271,544	269,634	272,113	0.2%
Eye, Ear, Nose and Throat Preparations	272,028	270,729	285,127	4.8%
Autonomic Drugs	267,901	266,165	273,314	2.0%
Diagnostic Agents	97,923	106,611	113,314	15.7%
Electrolytic, Caloric, and Water Balance	538,105	582,745	537,391	(0.1%)
Others	593,701	652,652	764,688	28.8%
Total	7,979,826	8,350,855	8,641,855	8.3%
Average Prescription Cost				
Cardiovascular Drugs	\$ 37.72	\$ 39.83	\$ 41.14	9.1%
Central Nervous System Drugs	34.29	36.96	39.08	14.0%
Hormones and Substitutes	24.69	25.94	27.92	13.1%
Gastrointestinal Drugs	39.39	45.82	49.50	25.7%
Anti-Infectives	19.95	21.52	22.85	14.6%
Skin & Mucous Membrane Preparations	27.86	27.32	28.10	0.9%
Eye, Ear, Nose and Throat Preparations	27.84	28.83	29.90	7.4%
Autonomic Drugs	28.74	33.36	35.96	25.1%
Diagnostic Agents	73.04	76.35	79.47	8.8%
Electrolytic, Caloric, and Water Balance	9.34	10.43	11.64	24.6%
Others	58.09	65.40	65.79	13.3%
Total	\$ 32.76	\$ 35.67	\$ 37.93	15.8%

Table 13
Prescription Drug Plan Payments Summary
April 2003 - March 2004

Statistical Tables

Payments on behalf of families (exempt from deductible program)	
Drug Material Acquisition Cost.....	\$ 38,650,421
Mark-up.....	3,333,885
Dispensing Fee Subsidy.....	7,091,456
Pharmacy Discounts and others.....	<u>(2)</u>
Total Payments for families exempt from deductible.....	\$ 49,075,760
Payments to or on behalf of families (deductible and Special Support program)	
Drug Material Acquisition Cost.....	\$ 206,383,446
Mark-up.....	18,934,873
Dispensing Fees.....	52,763,502
Pharmacy Discounts and others.....	<u>(6)</u>
Total Approved Prescription Cost.....	\$ 278,081,815
Less: Deductible Credits.....	<u>144,853,225</u>
	\$ 133,228,590
Less: Family Co-Payment.....	<u>33,140,416</u>
Total Payments for families subject to deductible.....	\$ 100,088,174
Total Prescription Drug Plan Payments ¹	\$ 149,163,934
Manual Adjustments ²	260,689
Third Party payments ³	<u>2,008,316</u>
Net Payments by Revenue and Expenditure System.....	\$ 151,432,939

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

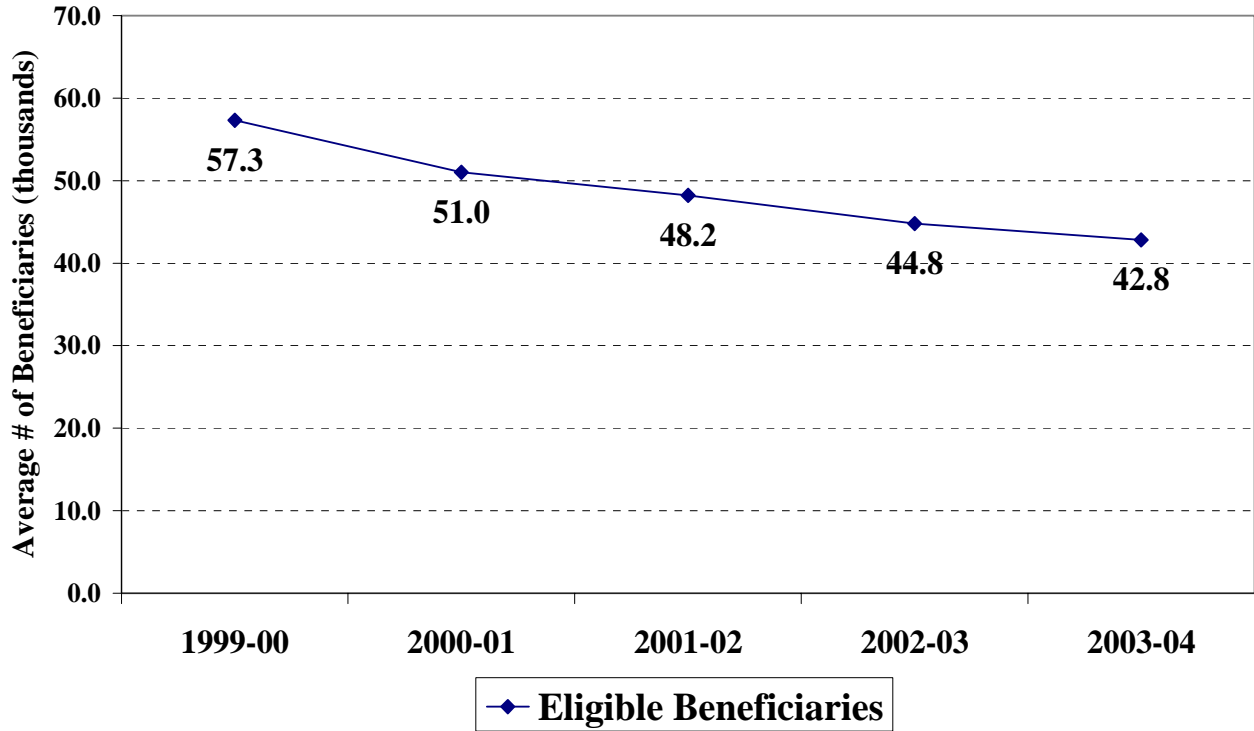
To provide for payment of accounts for non-insured health services to people nominated for coverage by Saskatchewan Community Resources and Employment.

ELIGIBLE BENEFICIARIES

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

- Supplementary Health beneficiaries:
 - Saskatchewan Assistance Plan recipients nominated by Saskatchewan Community Resources and Employment.
 - 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.
- The Family Health Benefits Program provides benefits for families with at least one child under the age of eighteen who may be receiving the Saskatchewan Child Benefit, the Saskatchewan Employment Supplement or the National Child Benefit.

Supplementary Health Program



The above chart shows on average, 42,808 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 2003-04, the average number of families eligible for Family Health Benefits was 20,194. This includes 25,457 adults and 34,222 children.

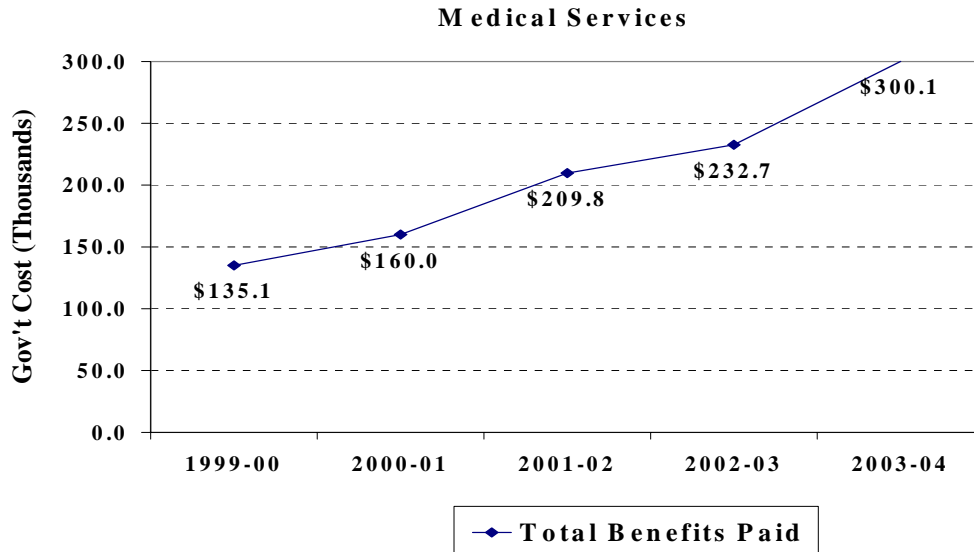
Table 14
Supplementary Health Program and Family Health Benefits Payments

April 2003- March 2004

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.....	\$ 292,627	\$ 4,555	\$ 304	\$ 50	\$ 1,821	\$ 695	\$ 300,052
Dental Services.....	\$ 3,982,011	\$ 241,224	\$ 225,271	\$ 27,049	\$ 2,300,231	\$ 116,451	6,892,237
Non-Formulary Drugs (Plan 3).....	\$ 1,442,264	\$ 135,990	\$ 151,893	\$ 660,647	\$ 101	\$ 6,307	2,397,202
Medical Appliances and Supplies.....	\$ 618,514	\$ 44,071	\$ 2,495	\$ 99,790	\$ 119,159	\$ 7,667	891,696
Optical Services.....	\$ 1,128,083	\$ 66,344	\$ 62,911	\$ 10,529	\$ 590,214	\$ 157,514	2,015,595
Chiropractic Services.....	\$ 579,209	\$ 5,435	\$ 14,057	\$ 2,305	\$ 879,412	\$ 146,703	1,627,121
Ambulance.....	\$ 1,591,147	\$ 52,927	\$ 21,182	\$ 51,529	\$ 150,215	\$ 16,735	1,883,735
Medical Transportation (Aircraft).....	\$ 476,217	\$ 2,673	\$ -	\$ -	\$ 15,791	\$ 9,260	503,941
Medical Transportation (Ground).....	\$ 1,521,499	\$ 33,833	\$ 957	\$ -	\$ 31,837	\$ 23,236	1,611,362
Totals: Supplementary Health and Family Health Benefits.....	\$ 11,631,571	\$ 587,052	\$ 479,070	\$ 851,899	\$ 4,088,781	\$ 484,568	\$ 18,122,941

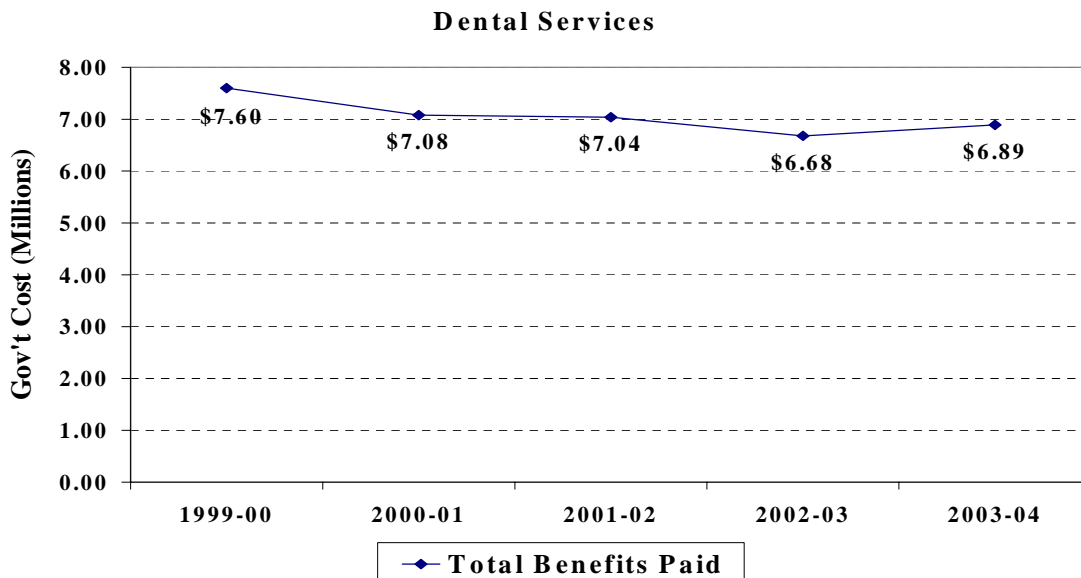
1. Medical Services

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



2. Dental Services

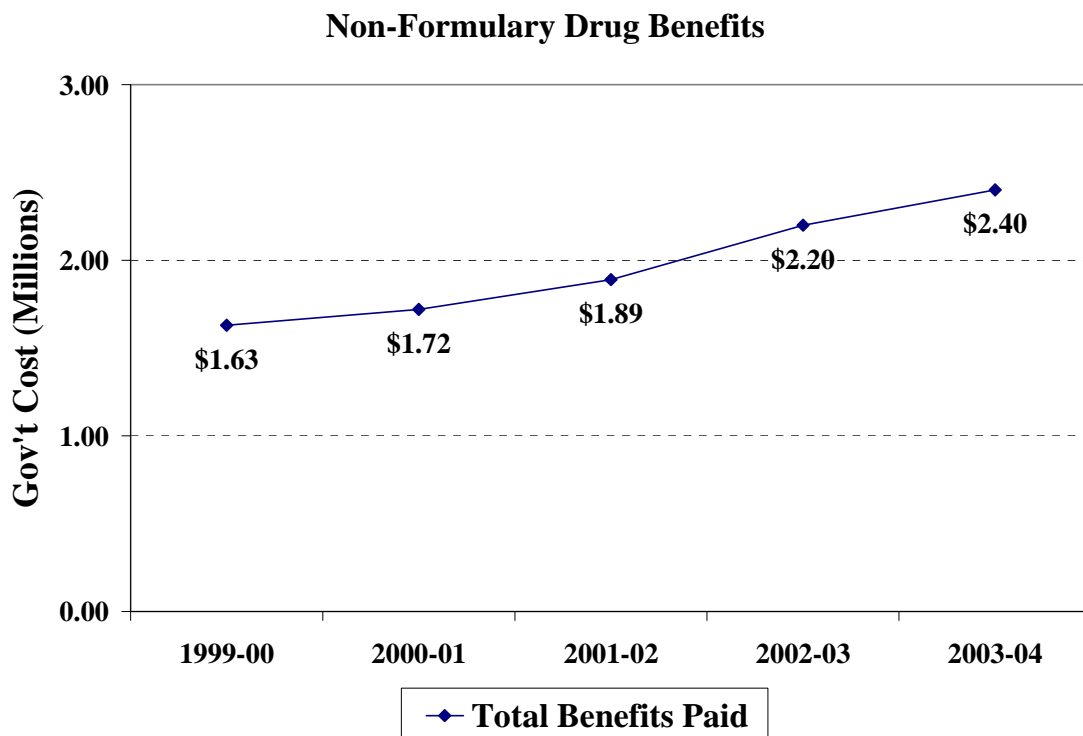
Coverage includes preventive, restorative, exodontic, and prosthetic dentistry for eligible beneficiaries. Coverage for Family Health Benefits is limited to children.



3. Non-Formulary Drug Benefits

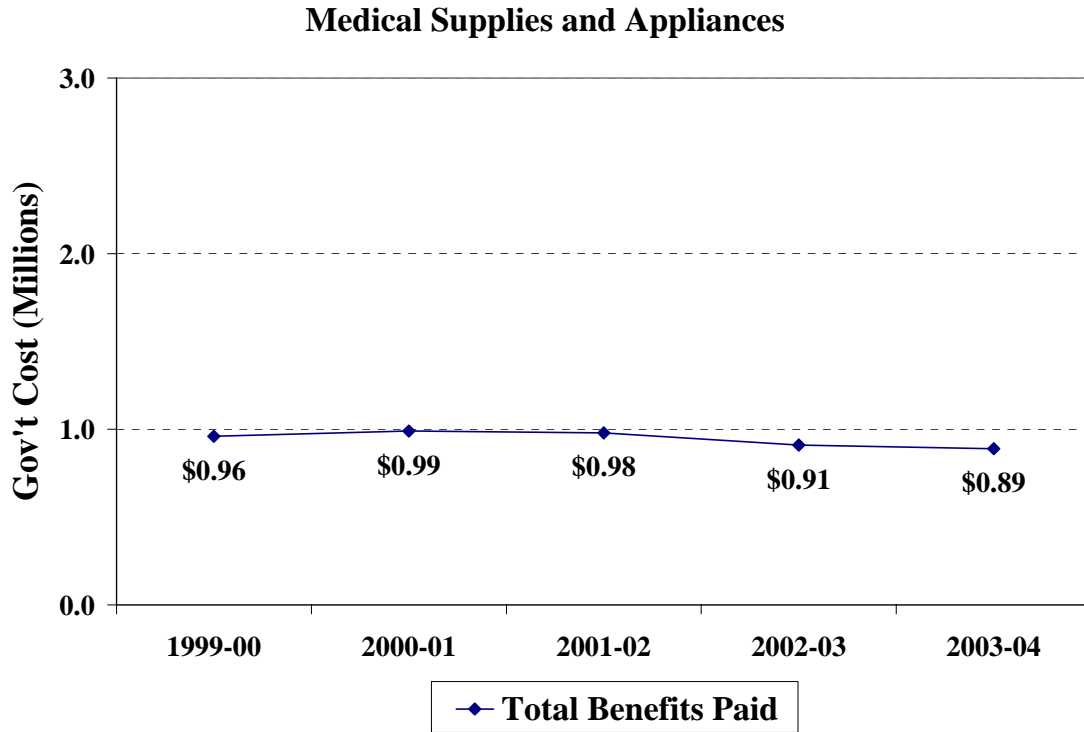
Supplementary Health provides certain non-Formulary drugs without charge for Plan Three residents in nursing and approved community homes, government wards and provincial correctional centre inmates. Formulary and non-Formulary drug benefits for the different levels of Social Assistance Plan coverage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

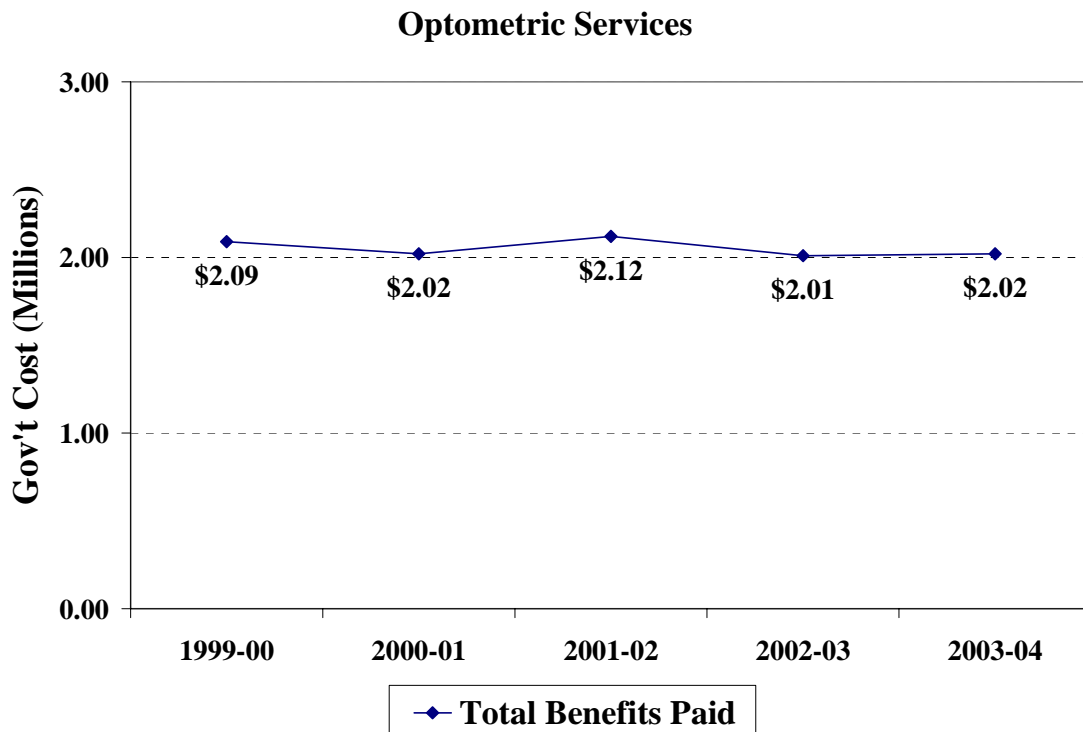
Supplementary Health and Family Health Benefits covers the full cost of most medical supplies and appliances prescribed by a physician for covered beneficiaries.



5. Optometric Services

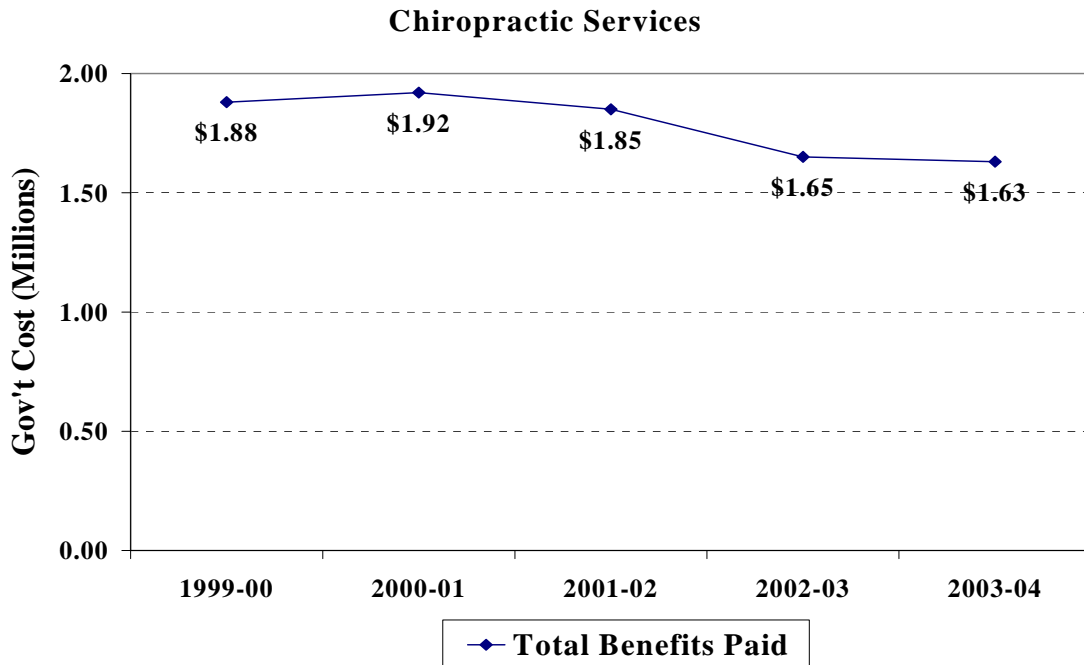
Eyeglasses are covered for Supplementary Health beneficiaries and children of families approved for Family Health Benefits, whether provided by an optometrist or ophthalmic dispensary. Payment is made on the basis of laboratory costs plus a dispensing fee. Fees are paid according to negotiated payment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



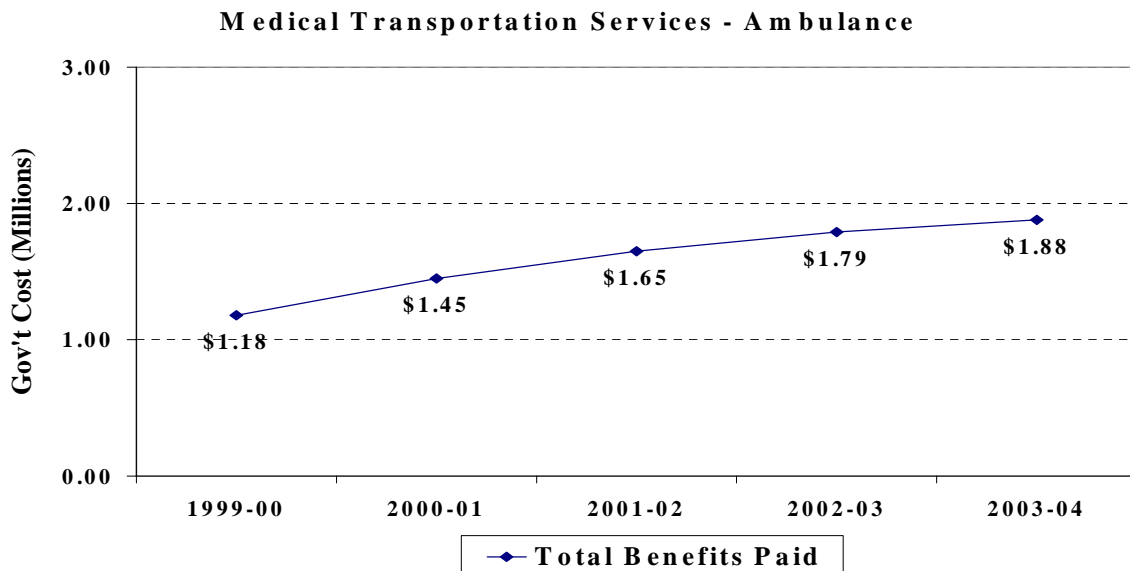
6. Chiropractic Services

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

This Program supports:

- emergency medical evacuation from sites in the North for Saskatchewan residents; and
- non-emergent medical transportation for Supplementary Health beneficiaries and Family Health Benefits children, residing in the North.

During 2003-04, the costs of the medical transportation for the Northern Medical Transportation Program was \$2.1 million.

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 continues 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.
- In 2003-04 the Nutritional Products program was added to assist with the incremental cost associated with using nutritional products in place of a regular diet.

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, Home Respiratory Services and Nutritional Products.

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

	2002-03		2003-04	
	Caseload	Expenditures	Caseload	Expenditures
Orthopaedic Services.....	n.a.	\$2,388,668	6,190	\$2,391,728
Special Needs Equipment.....	n.a.	\$3,421,408	n.a.	\$3,477,887
Home Oxygen.....	2,408	\$8,198,066	2,509	\$8,712,418
Respiratory Equipment.....	n.a.	\$1,056,015	n.a.	\$772,408
Paraplegia.....	1,792	\$3,456,756	1,835	\$3,686,414
Cystic Fibrosis.....	109	\$228,477	107	\$244,961
Renal Disease.....	823	\$3,677,406	873	\$4,465,413
Ostomy.....	1,944	\$768,193	2,004	\$826,024
Aids to the Blind.....	n.a.	\$292,641	n.a.	\$285,018
Other Payments	n.a.	\$90,909	n.a.	\$153,783
Total		\$23,578,539		\$25,016,054

NOTE: n.a. is not available

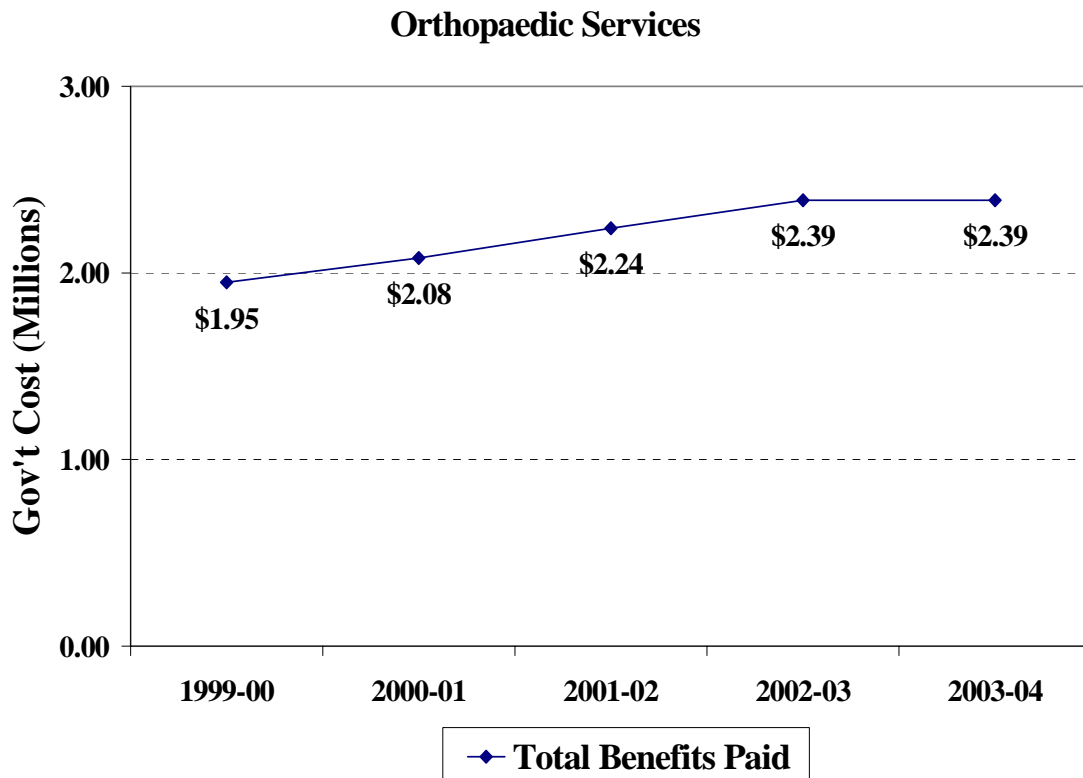
1. Orthopaedic Services

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.

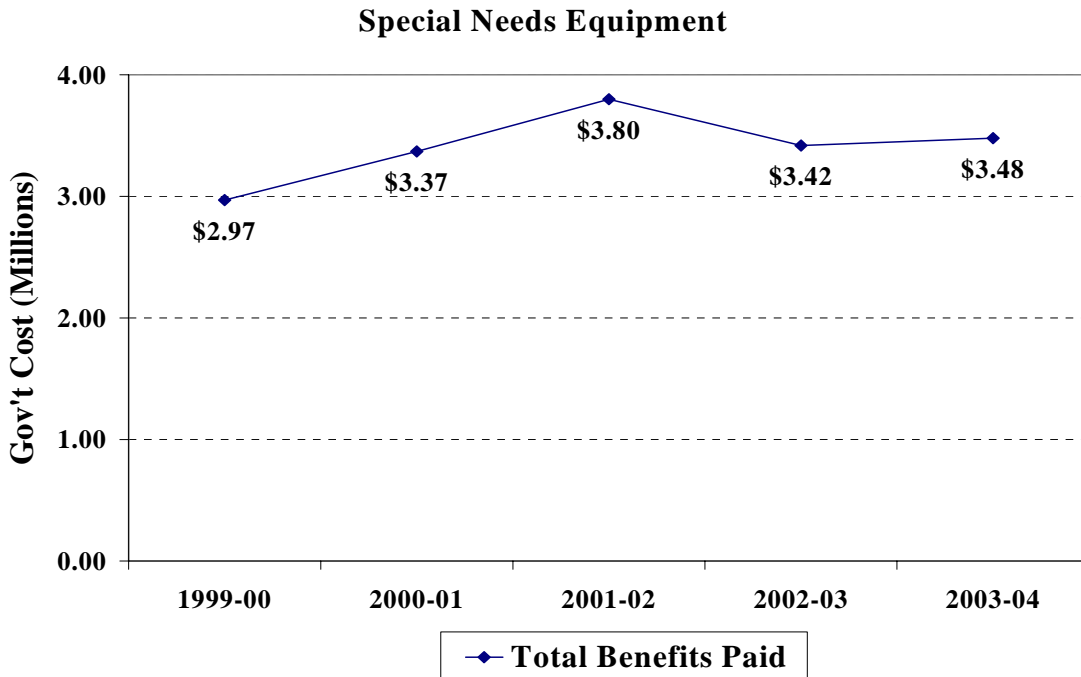


1. Special Needs Equipment

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.

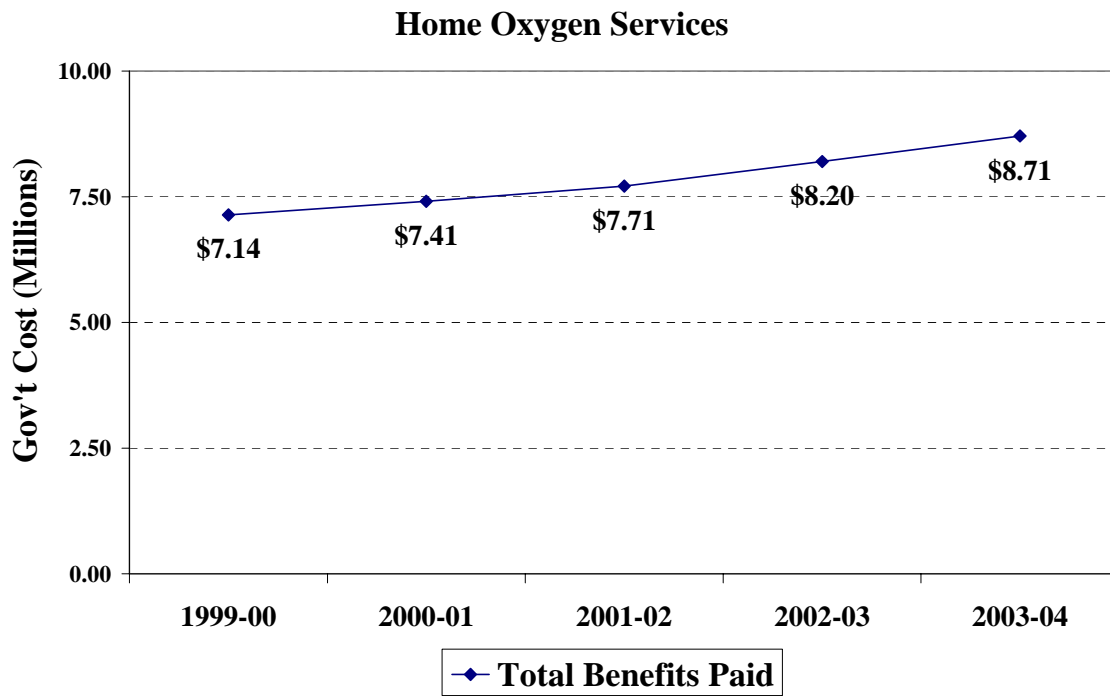
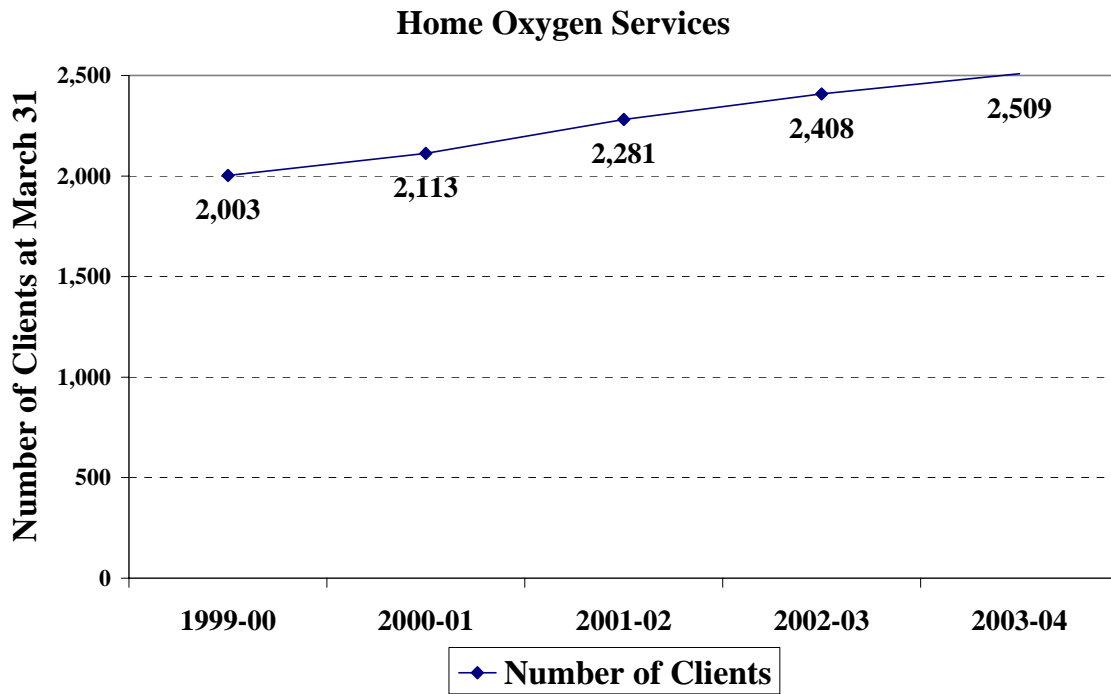
The Special Needs Equipment Program is operated by the Saskatchewan Abilities Council under contract with SAIL. Equipment depots are located in Prince Albert, Regina, Saskatoon, Swift Current and Yorkton.



3. Home Respiratory Services

Home Oxygen Therapy – Home oxygen and related equipment are benefits under SAIL for Saskatchewan residents who meet medical criteria. The systems are supplied by private medical oxygen supply firms under contract with SAIL.

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.



4. Nutritional Products

The program assists with the cost of specialized nutritional products for persons with complex medical conditions who rely on those products as their primary nutritional source. Program benefits are cost shared between clients and Saskatchewan Health, with the patient's portion varying based on a number of factors, including family income.

The program commenced September 1, 2003. During 2003-04, 33 clients were receiving benefits with expenditures totaling \$9,000.

5. 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.

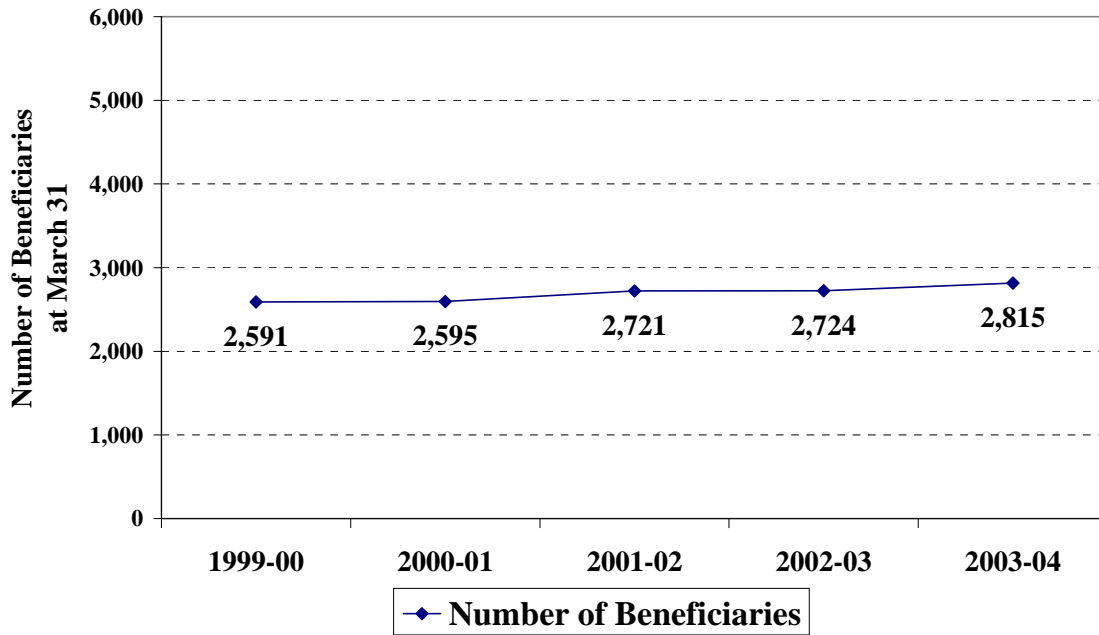
End Stage Renal Disease Program – Drugs listed in the Saskatchewan Formulary and certain drugs approved for coverage under the Drug Plan Exception Drug Status are available at no charge to persons with end-stage renal disease or renal transplant recipients.

Ostomy Program – SAIL provides 50% reimbursement of certain 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

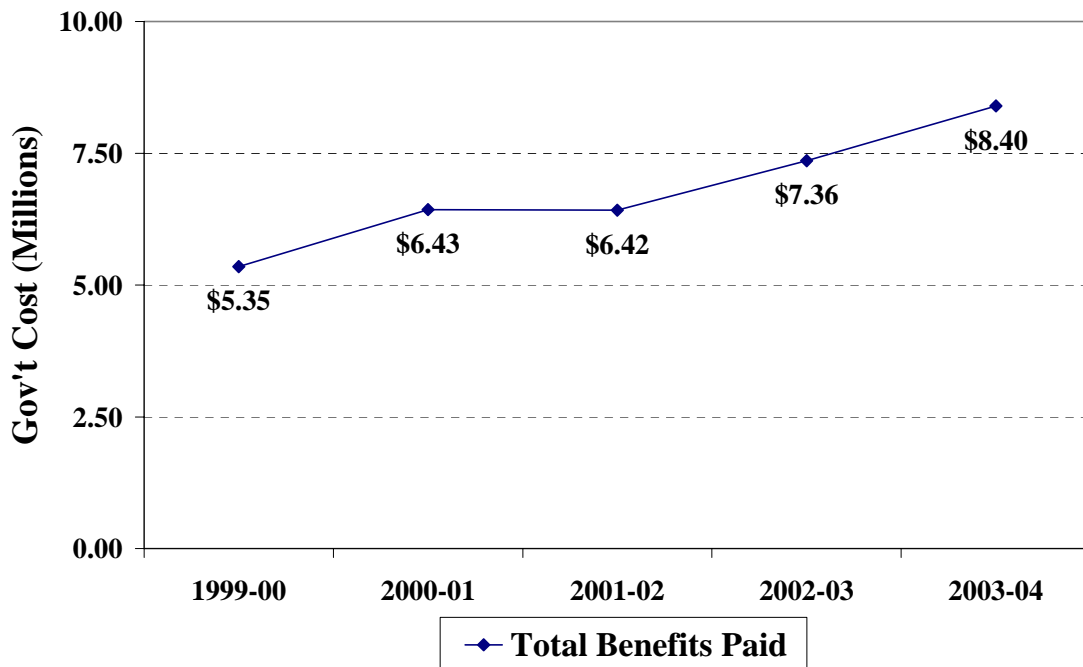


Table 16
Special Needs Equipment Program - Loans

April 1- March 31	2000-01	2001-02	2002-03	2003-04
Wheelchairs				
- Manual.....	4,755	4,216	4,084	4,303
- Power (electric).....	219	195	135	137
Other Aids.....	14,350	16,187	16,391	17,131
Total Loans	19,324	20,598	20,610	21,571

Table 17
Special Needs Equipment Program - Repairs

April 1- March 31	2000-01	2001-02	2002-03	2003-04
Wheelchairs				
- Manual.....	1,030	1,190	1,353	757
- Power (electric).....	334	438	311	142
Other Aids.....	81	89	118	80
Total Repairs	1,445	1,717	1,782	979

Table 18
Orthopaedic Services - Appliances Issued

April 1- March 31	2000-01	2001-02	2002-03	2003-04
Prosthetics.....	171	172	230	164
Orthotics.....	3,040	3,111	2,708	2,989
Footwear (braced).....	103	85	102	89
Adaptive and Specialized Seating for Wheelchairs.....	1,215	1,232	1,433	1,403
Total Issues	4,529	4,600	4,473	4,645

Table 19
Orthopaedic Services - Appliances Repaired

April 1- March 31	2000-01	2001-02	2002-03	2003-04
Prosthetics.....	1,153	1,227	1,278	1,219
Orthotics.....	1,589	1,508	1,399	1,345
Footwear (braced).....	100	105	82	92
Adaptive and Specialized Seating for Wheelchairs.....	526	589	535	544
Total Repairs	3,368	3,429	3,294	3,200