

The CADTH Common Drug Review – Myths versus Facts

The Common Drug Review

The Canadian Agency for Drugs and Technologies in Health (CADTH) conducts reviews of the clinical and cost effectiveness of new drugs under the Common Drug Review (CDR) program and provides recommendations to publicly funded drug plans in Canada. The jurisdictions make final drug formulary listing and coverage decisions based on the CDR recommendation and their plan mandates, jurisdictional priorities and fiscal resources.

Because CDR advises on difficult decisions that can impact patients, physicians, and the manufacturers, it can be expected that the program will generate attention and scrutiny. It is important, therefore, that the FACTS are well known.

1 MYTH: CDR duplicates the work of Health Canada

- FACT:** CDR does not duplicate the work of Health Canada. Health Canada reviews and authorizes drugs for sale based on safety, efficacy and quality, as compared to placebo, and does not consider cost. CDR reviews the clinical and cost effectiveness of the drug compared to alternative therapies, looks at whether the drug improves health outcomes and provides good value to the health care system.

2 MYTH: Drug plans duplicate the work of CDR

- FACT:** Drug plans do not duplicate CDR's work. CDR recommends whether a drug should be listed. Jurisdictions evaluate the impact of adding the drug to their formularies. Their considerations include: non-drug treatment options, policy, budget impact, and other economic considerations. Drug plans also assess drugs not covered by CDR (e.g. generics), monitor drug utilization, promote optimal prescribing, and manage the overall formulary.

3 MYTH: The CDR is not transparent.

- FACT:** The CDR has set new transparency standards for drug reimbursement and is recognized as an international leader in this area:
- CDR makes the reasons for its recommendations publicly available
 - Manufacturers can comment on draft reviews and recommendations
 - CDR publicly releases the status of reviews
 - Two public representatives with full voting rights sit on CDR's expert committee, the Canadian Expert Drug Advisory Committee (CEDAC)
 - Starting in 2007-2008, for each drug submission, CDR will publish: a plain language version of the final recommendation and reasons for recommendation, an overview of the CDR clinical and pharmaco-economic reports and a summary of the CEDAC discussion relating to the drug.
 - However, manufacturers continue to restrict publication of proprietary information.

4 MYTH: The CDR delays the listing of drugs on public formularies

- FACT:** The total time from market authorization by Health Canada to listing by drug plans has not changed significantly with CDR.¹

5 MYTH: The drug plans don't follow the CDR recommendations

- FACT:** Participating drug plans are in agreement with the CDR recommendations more than 90% of the time, which translates into increased consistency of drug coverage across Canada.

6 MYTH: The CDR is a barrier to access of new treatments by patients

- FACT:** CDR has not created a new barrier to access. In the 5 years before CDR, the Ontario Drug Benefit program approved 44% of new drugs, CDR has recommended listing 50%. CDR recommendations to list include biologics, HIV/AIDS, cancer drugs and an enzyme replacement therapy for a rare disease.

7 MYTH: The CDR restricts choices patients have compared to other countries.

- FACT:** Canada ranks third among OECD countries in drug expenditures per capita (CIHI²). A study by Rx&D found CDR's recommendation rate is in the mid-range of other countries for the same drugs.³

8 MYTH: CDR only controls costs and does not recommend expensive drugs

- FACT:** A review of drugs submitted to CDR for priority review shows there is little difference between the costs of the drugs that CDR recommended for listing vs. those not recommended. The health outcomes of target patient groups are of paramount importance. Cost-effectiveness is only considered once improved health outcomes have been demonstrated.

9 MYTH: CDR reviews lack input from relevant clinical experts

- FACT:** Every CDR review involves input from relevant clinical specialists. CEDAC members are specialists in drug appraisal and review; CEDAC can also call upon additional experts.

10 MYTH: The CDR is not accountable to the public and governments

- FACT:** CADTH is owned by, and reports directly to, the 13 Provincial/Territorial Deputy Ministers of Health and the Federal Deputy Minister of Health. Under this governance structure, CADTH and CDR are very much accountable.

11 MYTH: Establishment of a new Joint Oncology Drug Review (JODR) suggests CDR is not meeting the needs of jurisdictions

- FACT:** The JODR is a one-year pilot project to increase the consistency of cancer care across the country. CDR is participating in JODR by contributing to reviews and as an observer on the JODR Steering Committee. Upon completion of an evaluation of this pilot project, one option will be to bring the JODR process under CDR.

CDR's success and evolution

The CDR continues to achieve the objectives originally set out by the First Ministers of Health, to reduce duplication of drug reviews and provide the drug plans with equal access to timely, evidence-based information and expert advice.

The National Pharmaceutical Strategy (NPS) report of June 2006 noted that CDR exemplifies the benefit of a collaborative, national approach in the area of pharmaceuticals, and recommended a staged expansion of the Common Drug Review.

¹ IMS Provincial Reimbursement Advisor, FAME data, May 2007

² Canadian Institute for Health Information (CIHI), Drug Expenditure in Canada 1985 - 2006, May 2007

³ Rx&D International Comparison of CEDAC and CDR Recommendations, November 2006