PACIFIC BLUE CROSS®

Plan Update

# A Healthy Plan for Biologic Medications



Pacific Blue Cross is the only health benefits society located right here in British Columbia offering health benefits and insurance. This provides us with a unique relationship with the BC Ministry of Health and deeper expertise in the BC health care system.

The Government of British Columbia and BC PharmaCare have announced the expansion of the use of biosimilars to create new opportunities for new drug listings. Coverage for the original biologic (originator) drugs Remicade®, Enbrel® and Lantus® will be discontinued for affected patients, and coverage will instead be provided for their biosimilar. New drug listings will include Jardiance® and Taltz®.

As new treatments are developed, and new drugs enter the market, there is a need for BC PharmaCare to carefully consider how to best meet the needs of British Columbians. This decision may affect costs related to your plan. Given the decision by BC PharmaCare, Pacific Blue Cross wants to ensure that the medications covered by your plan are the right drugs at the right price, to protect both the health of the Member and the sustainability of the plan.

## How effective are Biosimilars

Biosimilar drugs are designed to be as safe and effective as the originator drug, and to treat the same conditions. To be approved in Canada, a biosimilar must be proven to have the same chemical structure, be equally as safe, and have the same therapeutic effect as the originator. Studies must show that patients taking the biosimilar have the same outcomes as those taking the originator drug.

### What does this mean for me as a Plan Sponsor?

Based on the structure of your plan, members currently prescribed affected originator drugs, will be transitioned to the biosimilar by their physician to maintain BC PharmaCare and ongoing Pacific Blue Cross coverage. When your plan transitions to biosimilars, it will avoid the cost impact of the originator drugs and any savings from the new therapies will be passed along to the plan.



## Member story

Lisa has been prescribed Remicade®, a biologic drug, for her arthritis. She will likely require this treatment on an ongoing basis. Opting for Inflectra®, a biosimilar of Remicade®, can mean significant cost savings for your plan:

**Transition to New Biosimilar (After November 26, 2019)**

| BIOSIMILAR | PLAN PAYS | MEMBER PAYS |
|---|---|---|
| Inflectra® | $2,500* | Deductible and co-insurance |

*$2,500 represents the Fair PharmaCare deductible of the median household income in British Columbia

**Remain on Original Biologic (After November 26, 2019)**

| BIOLOGIC (ORIGINATOR) | PLAN PAYS | MEMBER PAYS |
|---|---|---|
| Remicade® | $40,000 | Deductible and co-insurance |

*Paid amounts based on average annual cost for listed drug

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NOTE: For PBC plans that do not follow the BC PharmaCare formulary, current patients taking Lantus® will continue with their medication. New starts will be offered Basaglar™, and Lantus® will be available on an exceptional basis.

**What does this mean for the Member?**
Physicians have been informed that as of November 26, 2019, BC PharmaCare will no longer be covering originator drugs and they should transition patients to biosimilars. Physicians were asked to book an appointment with their patients to discuss the details.

For more information about biosimilars, including a list of frequently asked questions, Members can visit gov.bc.ca/biosimilars. The BC Government is also providing a patient support program available at no cost to Members to offer support through their switch to biosimilars. They can also visit pac.bluecross.ca or give us a call at 1-877-722-2583, to speak with a local health benefits expert about their coverage.

**What if the doctor feels it isn't appropriate for the Member to transition?**
If the doctor feels that a transition isn't medically appropriate, a special authority request for continued coverage of the originator drug can be submitted to BC PharmaCare. Requests will be reviewed on a case-by-case basis. Pacific Blue Cross will honour the results of the review.

Thank you for your partnership in good health,



Anar Dossa, BScPharm, Pharm D, CDE, RPh
Director of Pharmacy Services, Pacific Blue Cross

If your plan is unique or you have questions on how this may impact your plan, please contact your Advisor or Account Executive for more information.

Plan Sponsors can log-in to hear a webinar at pacificbluecross.ca.

## The Rising Cost of Biologics

Across Canada, biologic drugs are a major contributor to healthcare costs increasing at an unsustainable rate. In 2017, Canada spent over $1.1 billion on Remicade® alone—more than on any other drug. With new drugs (including new biologics and innovative therapies) entering the market frequently, the cost pressures for Canada's drug plans will only continue to increase.

A solution to this challenge is already available: biosimilar versions of originator drugs offer significant cost savings. How much are the savings? In BC, Basaglar™ offers a 25% reduction in cost compared to Lantus®, a 28% reduction for etanercept biosimilars compared to Enbrel®, and a 50% reduction in cost for infliximab biosimilars compared to Remicade®.

Biosimilars offer major cost savings to the health care system, which allows for improved access to drug therapies for more people who need them. Biosimilars also contribute to a healthy and competitive drug market in Canada, supporting diversification of drug products and manufacturers, as well as driving both demand and capacity for newer, better drugs.