



**A DECADE OF THE
CADTH COMMON
DRUG REVIEW
2003 – 2013**

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CANADIAN AGENCY FOR DRUGS AND TECHNOLOGIES IN HEALTH

CADTH

The Canadian Agency for Drugs and Technologies in Health (CADTH) is an independent, not-for-profit producer and broker of health technology assessments. Federal, provincial, and territorial health care decision-makers rely on our evidence-based information to make informed policy and practice decisions about drugs and other health technologies.

Our Product Lines

CADTH supports the effective management of drugs and other health technologies in Canada by providing a wide range of products and services, namely:

- **Formulary Reviews** (including the CADTH Common Drug Review): Formulary listing recommendations on drug technologies provided to participating drug plans and scientific reports provided to the pan-Canadian Oncology Drug Review process.
- **Optimal Use Products** (including therapeutic reviews): Comprehensive assessments of drugs and other health technologies identified as priorities by member jurisdictions.
- **Rapid Response Reports**: Information tailored to meet urgent jurisdictional needs to inform policy and practice decisions.
- **Environmental and Horizon Scans**: Alerts and reports about new and emerging health technologies that support effective planning within the health care system.



Dr. Brian O'Rourke
President and Chief Executive Officer

Dr. Terrence Sullivan
Chair, Board of Directors

A MESSAGE FROM TERRENCE AND BRIAN

The Canadian health care system is perpetually in flux. New drugs and indications for existing drugs, devices, procedures, and diagnostic tools continue to appear. The practice of health care continues to evolve and the challenge of balancing quality with the cost of delivering health care continues to intensify.

Despite this changing environment, CADTH has followed a consistent path. Since 1989, CADTH has contributed to the value and sustainability of health care in Canada by providing credible, evidence-based information and advice to health care decision-makers.

While CADTH's goal has remained unchanged, it is our commitment to continually improve that has enabled us to provide evidence with impact.

We are proud of CADTH's accomplishments. For example, our recent reports on new oral anticoagulants guided decisions in jurisdictions across Canada. Our brokering work extended the impact of CADTH's recommendations on the optimal use of self-monitoring of blood glucose test strips and other topics.

This year, we marked the tenth anniversary of the CADTH Common Drug Review. As a key CADTH program, it has become an essential component of the Canadian health care system. Further, the basic principles of what makes the CADTH Common Drug Review successful — transparency, quality, engagement, and continuous improvement — are mirrored in everything CADTH does.

With health care ever-changing, CADTH plays an important role in keeping health care in Canada resilient and affordable.

Dr. Terrence Sullivan
Chair, Board of Directors

Dr. Brian O'Rourke
President and Chief Executive Officer

A DECADE OF THE CADTH COMMON DRUG REVIEW



The CADTH Common Drug Review exemplifies the benefit of a collaborative approach, whereby 18 publicly funded drug plans rely on one pan-Canadian process to make decisions about funding and listing pharmaceuticals.

In 2002, Canada's federal and provincial health ministers (except Quebec) developed a common drug review process to ensure a consistent and rigorous approach to drug reviews across the country. CADTH was asked to administer the program beginning in 2003.

This year marks the 10th anniversary of this successful program. The CADTH Common Drug Review involves:

- comparing drugs against available alternatives and evaluating if the drug provides value for money (this includes conducting reviews of the clinical and cost-effectiveness of drugs, and considering patient group input)
- providing evidence-based formulary listing recommendations.

A decade after the program was established, it continues to achieve the objectives originally set out by the First Ministers of Health — to reduce the duplication of drug reviews, and to provide the participating drug plans with equal access to timely, evidence-based information and expert advice.



“Canada’s publicly funded drug plans make tough decisions about which drugs to list on our formularies. A decade ago, each of us conducted our own reviews on a drug’s clinical and cost-effectiveness. Since 2003, the CADTH Common Drug Review has been there to help us by conducting these reviews, and providing advice and listing recommendations.”

Kevin Wilson, Executive Director, Drug Plan and Extended Benefits, Saskatchewan Health

SUPPORTING CANADIANS

Pharmaceuticals are an important part of patient care, and they represent a significant component of health care expenditures. But health care dollars are limited, and funding a new drug may mean foregoing other effective therapies.

Through the CADTH Common Drug Review, CADTH sources and assesses the best available evidence on a drug’s clinical and cost-effectiveness. This enables participating publicly funded drug plans to make the best decisions for Canadian patients. The CADTH Common Drug Review facilitates a standardized process across drug plans to help them make the best use of health care dollars. This includes assessing pharmaceutical and manufacturer submissions, and patient group input, and conducting literature searches of published articles. The information is used by the Canadian Drug Expert Committee or CDEC — a CADTH advisory body — to make formulary listing recommendations to participating drug plans.

WE SUPPORT CANADIANS

18

18 publicly funded drug plans



serving 7.8 million people



PAN-CANADIAN PROCESS:

Conducting reviews of the clinical, cost-effectiveness, and patient group input for drugs

Providing evidence-based formulary listing recommendations





“Our job is to make the general public’s voice heard, recognized, and understood.”

Frank Gavin and Cate Dobhran, *Public Members, Canadian Drug Expert Committee*

ASSESSING EVIDENCE

When it comes to assessing evidence, the CADTH Common Drug Review examines input from many sources:

- scientific and economic evidence from pharmaceutical and manufacturer submissions
- patient group input
- systematic and thorough literature searches.

Ensuring that input is considered from multiple perspectives increases transparency, accountability, and equity.



WE ASSESS EVIDENCE

72

pharmaceutical manufacturers have filed submissions since 2003

80

patient groups have provided input since 2010

100,320

published articles have been reviewed since 2003

264

recommendations by Canadian Drug Expert Committee since 2003



“The CADTH Common Drug Review provides timely, rigorous reviews on the clinical and cost-effectiveness of drugs. We are proud that our work provides good value for money for Canadians.”

*Elaine MacPhail, Former Director of CADTH's Common Drug Review
(Currently Senior Advisor, Advancing the Science and Strategic Initiatives, CADTH)*

PROVIDING VALUE

The CADTH Common Drug Review provides value to Canada's health care system, eliminating duplication and maximizing expertise and resources.

As part of the CADTH Common Drug Review process, the Canadian Drug Expert Committee makes recommendations to each of the participating publicly funded drug plans. These 18 drug plans typically agree with the Canadian Drug Expert Committee recommendations more than 90 per cent of the time. This increases coverage consistency for Canadians. The time has also decreased for patients waiting for drug plan listing decisions. The CADTH Common Drug Review has reduced time to listing by a median of 67 days.

Canadians are demanding that their publicly funded institutions be increasingly transparent in their use of tax dollars. CADTH has made tremendous progress in expanding the transparency of its processes and work.

WE PROVIDE VALUE



90% RELEVANCE
90% of the time, participating drug plans agree with CDEC recommendations, increasing coverage consistency for Canadians



TIMELINESS
Reduced time to listing by a median of 67 days



TRANSPARENCY
Recommendations and reasons are always shared publicly

Currently, the reasons and recommendations of the Canadian Drug Expert Committee are publicly shared. Later this year, CADTH Common Drug Review clinical and economic reports will be available to the public, as well.





“We’ve come a long way with CADTH. I’ve come to appreciate their challenges and efforts towards full transparency. They also try hard to act on the recommendations coming out of their evaluations.”

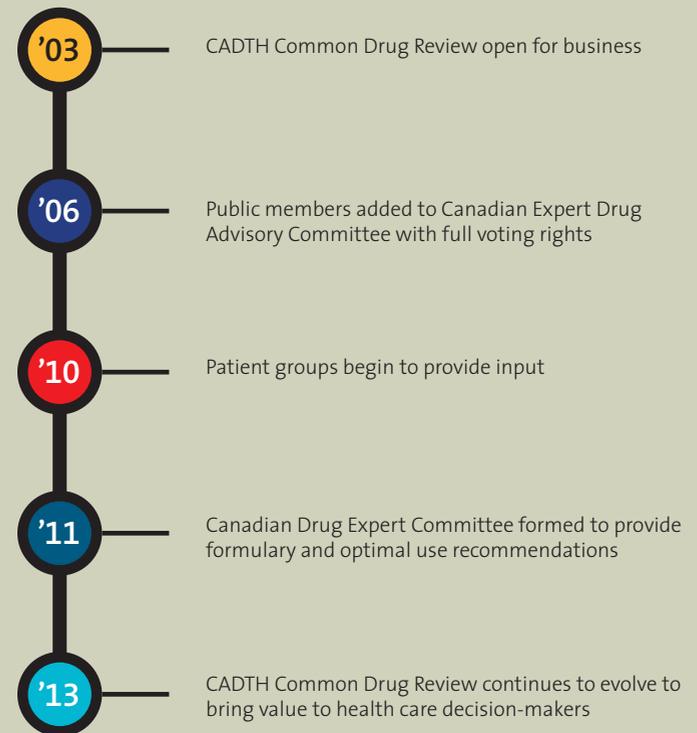
Dr. Durhane Wong-Rieger, President and CEO, Institute for Optimizing Health Outcomes

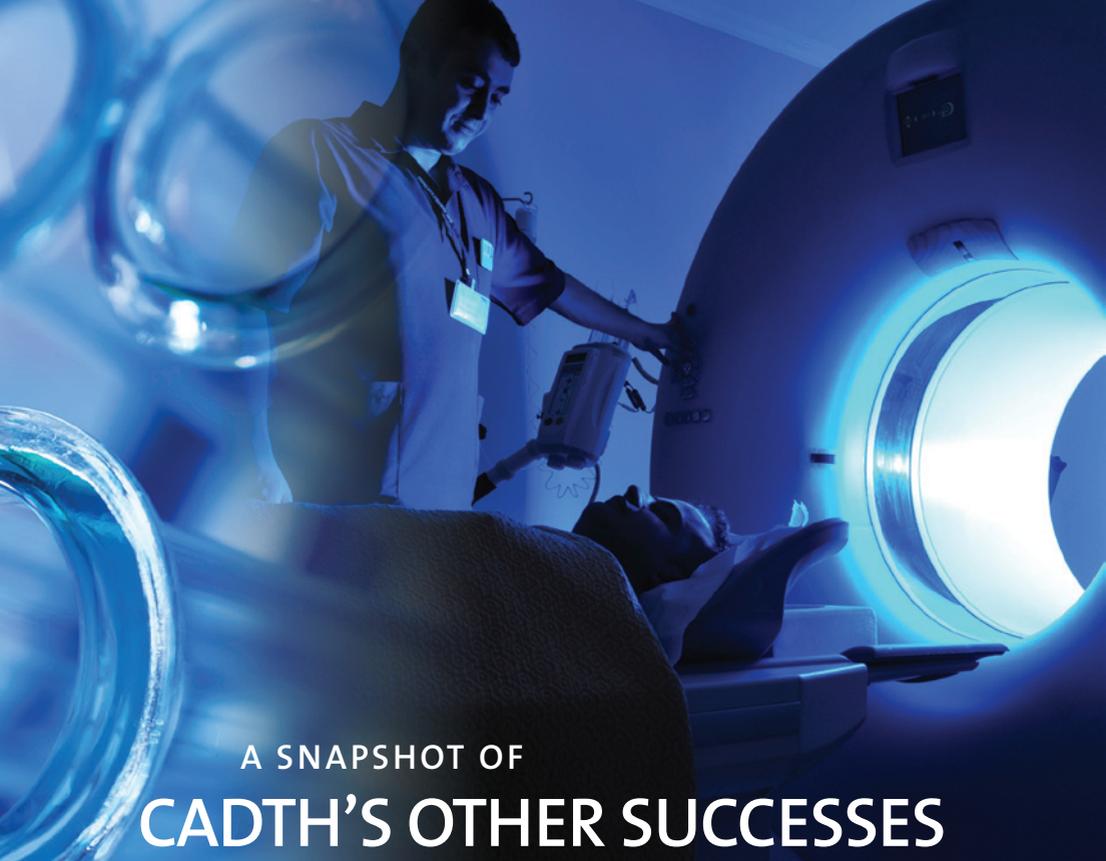
CONTINUING TO EVOLVE

WE CONTINUE TO EVOLVE

The CADTH Common Drug Review has evolved in many ways throughout the past 10 years, including incorporating members of the public as full voting members of its advisory/expert committee, seeking input from patient groups, providing industry with the opportunity to offer feedback on clinical and economic assessments, and sharing drug listing recommendations publicly.

As the CADTH Common Drug Review enters its second decade, CADTH will continue to increase stakeholder involvement, advance the methodology of its clinical and economic analyses, and expand the transparency of the process and the rationale behind recommendations. The CADTH Common Drug Review process will continue to evolve and adapt to meet the needs of Canada’s participating drug plans.





A SNAPSHOT OF CADTH'S OTHER SUCCESSES IN 2012–2013

Optimal Use Products

CADTH Optimal Use products are comprehensive assessments of drugs and other health technologies, as well as therapeutic reviews.

Examples of work in this area include:

- High-sensitivity cardiac troponin for the rapid diagnosis of acute coronary syndrome in the emergency department
- Antithrombotic therapy for patients with atrial fibrillation.

CADTH also supported educational needs in Canadian jurisdictions by producing summary reports, newsletters, conference presentations, and webinars to support the policy implications of various optimal use products.

Rapid Response Reports

In 2012-2013, CADTH responded to more than 230 requests for Rapid Response reports from health care jurisdictions on medical, dental, and surgical devices; procedures; and diagnostics to help inform urgent policy and practice decisions. Rapid Response reports include work in both our

drug and non-drug portfolios; 65% of the responses from this year pertain to our non-drug-related work.

Environmental and Horizon Scans

Alerting health care decision-makers about new and emerging health technologies not yet used (or widely diffused) in Canada is an important part of what we do. This past year, we continued to produce our *Issues in Emerging Health Technologies* — a series of concise bulletins describing drug and non-drug technologies. Work in this area focused on:

- genetic testing and cardiovascular disease
- inhaled insulin for diabetes mellitus
- population screening and diagnostic testing for breast cancer.

Environmental scans — short reports on current or emerging issues in health care technology — developed to support health care decision-making and policy development, included:

- cardiac troponin assays for the diagnosis of acute coronary syndrome
- falls prevention strategies in adult outpatient or community-based mental health and/or addiction programs
- evaluation frameworks for genetic tests.

Brokering Role

This year, CADTH enhanced its role as a broker of health technology assessments. An example of our brokering efforts spotlights Newfoundland and Labrador. Decision-makers at Eastern Health were receiving requests from oncologists to use Oncotype DX — a diagnostic test that quantifies the likelihood of disease recurrence in women with certain types of breast cancer. The health authority did not fund the test, and had concerns about its clinical and cost-effectiveness. CADTH linked its customer to work done by another Canadian health technology assessment body, and also provided a tailored report.

Eastern Health now provides Oncotype DX, assisting oncologists in making evidence-informed decisions for their patients about its use. And the linkages continue. CADTH has connected other jurisdictions with the reports and helped facilitate inter-jurisdictional dialogue on the diagnostic test.



LOOKING AHEAD

As we celebrate the 10th anniversary of the CADTH Common Drug Review and look ahead to our 25th anniversary in 2014, we are embarking on a number of initiatives to enhance and broaden our products and services to better meet customer needs. Among them:

- strengthening our drug and non-drug portfolios
- working more closely with the national and international health technology assessment (HTA) community
- actively brokering HTA work by sharing expertise, and supporting collaborative partnerships and capacity building
- focusing on using knowledge mobilization practices that promote the use of HTA in health care decision-making.

We recognize the importance of our work to our customers. Policy-makers and health care professionals need evidence, analysis, advice, recommendations and tools that harness the benefits of technology while getting the best value out of every health care dollar. We will continue to support our customers with the information they need to make informed health care decisions.

Our future progress will be based on the same guiding principles central to our CADTH Common Drug Review — transparency, quality, engagement, and continuous improvement.

FINANCIALS

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARIZED FINANCIAL STATEMENTS

To the Members of Canadian Agency for Drugs and Technologies in Health

The accompanying summarized financial statements, which comprise the summarized statements of financial position as at March 31, 2013 and 2012 and the summarized statements of operations and changes in net assets for the years then ended, are derived from the audited financial statements of Canadian Agency for Drugs and Technologies in Health for the years ended March 31, 2013 and 2012.

The summarized financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summarized financial statements, therefore, is not a substitute for reading the audited financial statements of Canadian Agency for Drugs and Technologies in Health.

Management's responsibility for the summarized financial statements

Management is responsible for the preparation of a summary of the audited financial statements without statements of cash flows and without certain note disclosures.

Auditor's responsibility

Our responsibility is to express an opinion on the summarized financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summarized financial statements derived from the audited financial statements of Canadian Agency for Drugs and Technologies in Health for the years ended March 31, 2013 and 2012 are consistent, in all material respects, with the audited financial statements, without statements cash flows and without certain note disclosures.

Comparative information

Without modifying our opinion, we draw attention to the note to the summarized financial statements, which describes that the Canadian Agency for Drugs and Technologies in Health adopted Canadian accounting standards for not-for-profit organizations on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retrospectively by management to the comparative information in these summarized financial statements, including the summarized statements of financial position as at March 31, 2012 and April 1, 2011, and the summarized statement of operations and changes in net assets for the year ended March 31, 2012. We were not engaged to report on the restated comparative summarized statement of financial position as at April 1, 2011.

PricewaterhouseCoopers s.n.c./s.e.n.c.r.l.

Chartered Accountants,
Licensed Public Accountants

SUMMARIZED STATEMENTS OF FINANCIAL POSITION

For the years ended March 31, 2013 and 2012

	March 31, 2013 \$	March 31, 2012 \$	April 1, 2011 \$ (unaudited)
ASSETS			
Current assets			
Cash and cash equivalents	4,795,167	3,345,474	4,196,694
Investments	1,096,580	959,883	1,372,208
Accounts receivable	79,310	216,098	443,938
Prepaid expenses	303,862	280,436	402,939
	6,274,919	4,801,891	6,415,779
Investments	732,075	1,575,837	1,119,200
Capital assets	753,841	913,925	1,201,458
	7,760,835	7,291,653	8,736,437
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable and accrued liabilities	1,723,200	1,546,496	3,176,462
Grants payable	303,828	289,401	–
Deferred revenue	316,065	309,425	234,916
	2,343,093	2,145,322	3,411,378
Deferred contributions related to capital assets	236,264	265,410	371,707
Deferred leasehold inducement	591,886	693,499	795,112
	3,171,243	3,104,231	4,578,197
Net assets			
Unrestricted	839,666	437,496	408,314
Internally restricted	3,749,926	3,749,926	3,749,926
	4,589,592	4,187,422	4,158,240
	7,760,835	7,291,653	8,736,437

Approved by the Board of Directors,

Diane McArthur *John Sullivan*



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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

SUMMARIZED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

For the years ended March 31, 2013 and 2012

	Budget \$ (unaudited)	2013 Actual \$	2012 Actual \$
Revenue			
Grants and service revenue	22,165,512	21,578,830	23,670,408
Interest and other income	315,000	433,949	378,115
	22,480,512	22,012,779	24,048,523
Expense			
Products and Services	11,136,333	10,197,206	10,657,604
Programs	5,614,140	5,732,375	5,545,883
Advancing the Science	1,739,308	1,674,445	1,580,280
Corporate Services	3,990,731	4,006,583	4,525,275
Isotopes	–	–	1,710,299
	22,480,512	21,610,609	24,019,341
Net revenue for the year	–	402,170	29,182
Net assets – Beginning of year		4,187,422	4,158,240
Net assets – End of year		4,589,592	4,187,422

Note

Effective April 1, 2011, the Canadian Agency for Drugs and Technologies in Health (“the Organization”) elected to adopt Canadian accounting standards for not-for-profit organizations (“Part III” of the Handbook of the Canadian Institute of Chartered Accountants) as issued by the Canadian Accounting Standards Board. The accounting policies selected under this framework have been applied consistently and retrospectively as if these policies have always been in effect. The transition had no material impact on the Organization’s comparative summarized statements of financial position or operations and changes in net assets.

BOARD AND EXECUTIVE

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(as at March 2013)

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Alberta Health and Wellness
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Services, Government of Yukon
Whitehorse, Yukon

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Assistant Deputy Minister
and Executive Officer,
Ontario Public Drug Programs,
Ministry of Health and Long-Term Care
Toronto, Ontario

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Ms. Paula English

Chief, Program Standards and Quality
Nova Scotia Department of Health
and Wellness
Halifax, Nova Scotia

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Interior Health Authority
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Dr. Édouard Hendriks

Vice-President, Medical and
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Victoria, British Columbia

OBSERVER

Dr. Juan Roberto Iglesias

President & CEO, Institut national
d’excellence en santé et en
services sociaux
Montreal, Quebec

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(as at March 2013)

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President and CEO

Dr. Tammy Clifford

Vice-President, Strategic Initiatives,
and Chief Scientist

Mr. Matthew Brougham

Vice-President, Products and Services

Ms. Lynda Jobin

Vice-President, Corporate Services