

DRUG TRENDS

The annual TELUS Health Conference was held on April 29, 2025. Their reports on the key topics are now available. Not surprisingly, in the era of technology and now AI, much focus was on themes of connected care, and digital innovation and transformation initiatives, in addition to drug trends and national benchmarks.

This month's Journal highlights some of the reported key drug trends that are impacting Canadian group insurance health plans. We note that medical inflation continues to affect health plan costs, much as it has in the past few years. There are, however, some interesting areas of health trends addressed by the TELUS Health reports that we want to share. More detailed information in all the topics discussed at the conference can be found at telus.com/en/health/annual-conference#future-connected-care.

Generic Medications

Their share of the prescription claims grew slightly in 2024, to just beyond two-thirds. Generics do not yet exist for most of the remaining prescriptions.

Biosimilar Drugs

By the end of 2024, public-plan switching policies were in place across Canada. The share of claimants in private plans who took a biosimilar was 56.9%, up from 44.6% in 2023. Of interest, fewer than one in 10 claimants for a biologic drug were using a biosimilar at the start of 2019.

Health Canada defines a "biosimilar" as a biologic drug that is highly similar to a biologic drug that was already authorized for sale. The biosimilar is produced after patent expiry of the reference biologic drug. A "reference biologic" is defined as first-on-market, large-molecule drug that comes from living organisms or from their cells, also referred to as an "originator" or "innovator" biologic.

Specialty Drugs

After two years of no growth, specialty drugs' share of spending by private plans resumed its upward trek. Making up just 1.9% of claimants, specialty drugs accounted for 32.8% of total eligible costs in 2024.

Diabetes (including devices)

Diabetes is the top category of prescriptions, remaining well ahead of the runner-up category of inflammatory disease and the third category of skin disorders. Supply issues and a shift in prescribing patterns are behind the decline in the diabetes category (ie. Ozempic). In addition, the growing use of more effective glucose monitoring devices is also an important factor. Flash glucose monitors and continuous blood glucose monitors, which use 24/7 wearable devices and are more than twice the price of first-generation monitors.

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Note, the next four categories are well behind the top three, but within striking distance of each other. The category for attention deficit hyperactivity disorder (ADHD) ranked fourth with a share of 5.6%, just ahead of the categories for depression (5.3%) and asthma (5.1%).

Weight Management Drugs

Once a peripheral category, weight management has surged from 54th place in 2016 to 17th place in 2024. In just the past year, claims jumped 90.6%, driven by the launch of Wegovy and a growing recognition of obesity as a chronic disease.

Migraine Drugs

This category is setting a rapid pace, growing from 23rd to 19th.

By 2023, the new migraine drug class known as CGRPs was available in both injection and oral formats. Two are indicated for the alleviation of acute migraine and the third is the first oral drug for the prevention of migraine. CGRPs are indicated for those who suffer most from migraines, ie. those with episodic (between four and 14 in a month) or chronic (15 or more a month) migraines. This translates into a quarter of the total patient population of approximately 3.3 million Canadians—and enough of these people began taking a CGRP to grow the market.

Alzheimer's Drugs

This disease does not normally cross paths with private drug plans—but that will soon change. The first drugs that slow the progression of Alzheimer's disease are due to arrive in Canada and the small subset of patients diagnosed in their 40s, 50s and 60s will surely see these medications as a lifeline—and turn to their private plan for coverage.

Jurisdictional Factors

Government policies, dispensing practices and the model for public coverage specific to each province and territory drive important regional variations in eligible amounts and utilization. The number of claims was a bigger driver of growth in the overall cost of drugs in Atlantic Canada, Ontario and Western Canada, while the average amount per claim was a

bigger driver in Quebec. Regional variations also reflect the influence of public drug plans, resulting in, for example, a higher number of claims per claimant but a lower average amount per claim in Quebec. In Western Canada, the Pharmacare plans in British Columbia and Manitoba and the universal drug plan in Saskatchewan resulted in much lower annual amounts per claimant.

SICK NOTES...CHANGES ARE COMING

It is estimated that over 1.6 million sick notes were written by BC doctors in 2024.

To help reduce the administrative burden on BC's healthcare providers, the provincial government has proposed legislation to update the Employment Standards Act by removing the requirement of sick notes for short-term absences from work.

Currently, the act allows employers to request "reasonably sufficient proof" of illness, which may include a sick note. One of the proposed changes clarifies that employers cannot request – and employees are not required to provide – a sick note for a short-term absence.

New regulations will define what qualifies as a short-term absence and how frequently an employee can be absent before a sick note may be required. These changes are expected to take effect in the fall of 2025, prior to the respiratory illnesses season.

In addition to addressing unnecessary sick notes, the regulation update includes replacing fax and paper-based processes with digital systems, streamlining referral processes, consolidating and standardizing forms, and improving information-sharing between providers. As reported by the provincial health ministry, changes are also being implemented related to the scheduling of medical imaging appointments, which are anticipated to save more than 180,000 physician hours per year.

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