

REGIONAL MUNICIPALITY OF OTTAWA CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

MEMORANDUM
NOTE DE SERVICE

Our File/N/Réf.
Your File/V/Réf.

Information Previously Distributed	
To Be Listed on Community Services	
Committee Agenda	16 Jan 97

DATE 7 January 1997

TO/DEST. Chair and Members of Regional Council

FROM/EXP. Commissioner, Social Services Department

SUBJECT/OBJET **RESPONSE TO OUTSTANDING RECOMMENDATIONS
FROM REPORT CSC NO. 25 - UPDATE ON EXPENDITURES
FOR THE DEDUCTIBLE TO THE TRILLIUM DRUG
PROGRAM**

BACKGROUND

This report responds to the direction of Regional Council. Its purpose is to provide information on the cost incurred to assist low income clients to pay the deductible required for application to the Trillium Drug Program of the Ministry of Health (see Annex A).

Effective April 1st 1996, the Ministry of Community and Social Services eliminated provincial cost sharing for prescription drugs and drug products for Special Assistance and Supplementary Aid recipients. Instead, low-income families with high drug costs are to apply to the Trillium Drug Program.

The Social Services Department submitted reports to Community Services Committee detailing the impact of the changes and made recommendations. On April 24, 1996 Council voted to authorise the use of \$175,000. of 100% Regional funds. These monies were available in the SSD budget to pay, on a one-time basis, up to the total deductible for low-income earners to help with the transition to the Trillium Drug Program. Regional Council directed staff to prepare an information report in six months on the proportion of those who formerly qualified for Special Assistance/Supplementary Aid (Spec/Sup) who moved to the Trillium Drug Program.

SUMMARY OF EXPENDITURES

The attached Annex B summarises the amount of financial assistance granted to former Special Assistance/Supplementary Aid clients (Table A) and new applicants (Table B). The statistics are further broken down by family status, family member requiring the medication, type of income and illness.

The same needs test used to determine eligibility for Special Assistance/Supplementary Aid, was also used to determine eligibility for assistance with the Trillium Drug Program deductible. In addition, all cases were reviewed for eligibility for General Welfare or Extended Health Benefits.

Former Special Assistance/Supplementary Aid Clients

Clients who had been receiving a drug card (377 cases) until April 1st 1996, were sent a letter (see Annex C) advising them that they may be eligible for assistance with the deductible and to invite them to contact the Department. Of the original 377 cases, 109 re-applied to the designated worker. Five qualified for General Welfare Assistance, 5 qualified for Extended Health Benefits, 10 were ineligible and the balance (89 cases) received funds up to the amount of their deductible for the Trillium Drug Program for a total cost of \$36,875..

The largest proportion of the clients received CPP benefits (48.3%) or were employed (31.5%). Not all clients chose to disclose their illnesses; however, of those that did (90%), the 4 most frequently reported illnesses were Diabetes (22.5%), Psychological Problems (18%), Heart Disease (12.5%) and Asthma (10%).

New Applications

From April 1st to October 15th, 1996, there were a total of 55 new requests for assistance. Of those, 2 applicants qualified for Extended Health Benefit, 11 were ineligible, and the remaining 42 cases were eligible for assistance with their deductible for a total cost of \$24,907.. Of the 55 new applications, 42% were in receipt of CPP, 24% Employment Insurance and 20% were employed. The 3 most frequently reported illnesses were Diabetes (22%), Asthma (16.5) and Heart Disease (13%).

Public Consultation

In addition to gathering statistics, RMOC staff consulted with community organisations to discuss the impact of the changes and to determine what other services may be available. Specifically, information sharing meetings were held with the local Pharmaceutical Association and the Health Department. It was determined that assistance may also be available through the Special Drug Program, The Red Cross or charitable organisations representing specific diseases or conditions.

As per Council direction, letters were written by both the Social Services Commissioner and the Regional Chair to raise concerns with the Ministry of Health (see Annexes D, E and F).

CONCLUSION

The Department is unable to provide an exact estimate of the number of clients who actually moved to the Trillium Drug Program. The statistics in Annex B represent the number of clients assisted with the deductible (144) with a total cost to the Region of \$61,782.. Clients were advised that it is their responsibility to apply to the Trillium Drug Program, on a personal and confidential basis.

The Social Services Department staff will continue assessing eligibility and granting the deductible to eligible clients until December 31, 1996.

*Approved by
Dick Stewart*

JEB

Attach. (6)

1994

Regional Council,
24 April 1996.**COMMUNITY SERVICES COMMITTEE REPORT NO. 25****PROVINCIAL POLICY CHANGES AFFECTING DRUG BENEFIT PROGRAMS****COMMITTEE RECOMMENDATIONS AS AMENDED**

- 1. That on a one-time basis the Social Services Department provide a 100% subsidy of Trillium Drug Program deductibles for low-income people who formerly qualified for drug benefits under Special Assistance and Supplementary Aid at an estimated cost of \$175,000.**
- 2. That Regional Council congratulate the provincial government for reducing the Trillium Drug Plan deductibles but notify the government that the deductibles are still so high as to be a barrier to the program for many people.**
- 3. That RMOC staff advocate with community partners to reform the Trillium Drug Plan.**
- 4. That staff be directed to prepare an information report in six months on the status of changes to the Trillium Drug Plan and the proportion of those who formerly qualified for special assistance/supplementary aid who have moved to the program.**
- 5. That the RMOC write to the Ministry of Health requesting that once the Trillium program is computerized, people with chronic diseases, and those whose previous year's pharmacy records establish ongoing high drug costs, be designated on-line as meeting threshold criteria. Those so designated would be immediately enrolled in the Trillium program and be allowed to reach their deductible each year on a gradual basis e.g. by paying a percentage of each prescription.**

“CARRIED” with Councillor Hunter dissenting

ANNEX B**EXTENDED HEALTH BENEFITS STATISTICS: REQUESTS FROM APRIL 1ST TO OCTOBER 15TH, 1996**

TABLE A

89 Former Spec./Supp.: TOTAL \$36,874.65

Family Status	Family Member Requiring Medication
56 singles	
33 families	21 applicant, 6 spouse, 6 dependent

TABLE B

55 New Applications Granted: TOTAL \$24,907.24

Family Status	Family Member Requiring Medication
29 singles	
26 families	16 applicants, 7 spouse, 3 dependents

Types of Income		Illness	
CPP	43	Diabetes	20
Earnings	28	Psychological	16
UIB	5	Heart	11
WCB	3	Asthma	9
OSAP	2	Not Disclosed	7
Private Pension	2	Arthritis	5
Support	2	Blood Pressure	4
OAS	2	Cancer	4
Other	1	Infection	4
		Osteoporosis	2
		MS	1
		Back Problem	1
		Organ Transplant	1
		Hernia	1
		Crohns Disease	1
		Surgery	1
		Thyroid	1

Ineligible: 10
 Extended Health Benefit: 5
 Eligible for General Welfare Assistance: 5

Types of Income		Illness	
CPP	23	Diabetes	12
UIB	13	Asthma	9
Earnings	11	Heart	7
Private Pension	2	Not Disclosed	7
OSAP	2	Infection	4
OAS	2	Psychological	3
Support	1	Arthritis	2
Other	1	Blood Pressure	2
		HIV	2
		Allergies	2
		Cancer	1
		Pregnancy	1
		Colitis	1
		Epilepsy	1
		Anaemic	1
		ADD	1
		Thyroid	1

Ineligible: 11
 Extended Health Benefits: 2
 Eligible for General Welfare Assistance: 0

TOTAL EXPENDITURES \$61,781.89 ÷ 144 (TOTAL CASES GRANTED) = \$429.05 AVERAGE PAYMENT TO TRILLIUM PER CASE

6 May 1996

Dear : _____

Re: Prescription Drug Costs

Recently, you were advised by the Social Services Department that the Ontario Government had made changes to the programs which provided drug cards to people who needed help to pay for prescription drugs.

You were also advised to make an application for assistance to the Trillium Drug Program, Ministry of Health, and that to qualify it would be necessary for you to pay a certain amount of your prescriptions (**deductible**) from your own funds. This deductible would be based on your family size and family income.

Since that time, the Regional Council of the Regional Municipality of Ottawa-Carleton has approved a small amount of money to assist people with the transition to the Trillium Program. This allows the Social Services Department to provide financial assistance **one time only** in 1996 to help people in need with the payment of prescriptions up to the amount of the deductible.

The Department will not pay the entire cost of your prescriptions, so it is still necessary for you to apply to the Trillium Program, if you need on-going assistance with your drug costs.

If you have on-going high prescription drug costs, and if you need help to pay the amount of the deductible to qualify for the Trillium Program, please contact me for a review of your eligibility for **one-time only** financial assistance from the Social Services Department.

Welfare Worker

Address

Telephone Number

ANNEX D

3 May 1996

Gayle Finlayson
Acting Co-ordinator of the Policy Unit
Drugs Programs Branch
Ministry of Health
3rd Floor
5700 Yonge Street
Toronto, Ontario
M2M 4K5

Dear Ms. Finlayson:

You may recall our telephone conversation several weeks ago concerning the Trillium Drug Program and more specifically the possibility of the Municipality making contributions on behalf of low income persons towards the deductible required before receiving Trillium Drug coverage.

I have attached for your information the report presented to the Community Services Committee of the Regional Municipality of Ottawa-Carleton on April the 18th, 1996 and the minutes from that meeting.

Beginning on page 11 of the minutes you will see a series of motions drafted by the Community Services Committee. All of these motions were subsequently passed by full Regional Council on April 24th, 1996.

In brief summary the Region of Ottawa-Carleton will be paying the deductible for very low income persons on a one time only basis (1996). The funds used to make these payments are 100% Regional funds; there is no Provincial cost sharing contained whatsoever.

The other important aspect of these motions is the proposal directed to the Trillium Drug Program to amend the method in which the deductible is assessed to reduce the possibility that the deductible in itself will deter people from acquiring vital medication. It essence the proposal calls for the deductible to be paid on a gradual basis as a small percentage of prescription cost. This proposal is made possible by the introduction of the on-line, real-time computer system we understand is scheduled to be in placed by January 1, 1997.

A formal transmittal of the Regional Council position has been sent to the Minister of Health from the Regional Clerk's office. I would be pleased to provide any clarification that you may require upon receipt of this correspondence. I can be reached at (613) 724-4112.

Sincerely,

Dick Stewart
Social Services Commissioner

cc: Regional Clerk

Attach. (2)

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Peter Clark

15 July, 1996

The Honourable Jim Wilson
Minister of Health
80 Grosvenor Street
10th Floor, Hepburn Block
Toronto, Ontario
M7A 2C4

Dear Mr. Wilson:

Re: Provincial Drug Benefit Programs

I am writing to seek clarification and to offer suggestions on the Province's Drug Benefit Programs.

Firstly, I commend your Ministry on the modifications it has made to date to the Drug Benefit Programs. The changes being proposed will alleviate, to some degree, the fiscal burden felt by a number of clients affected by these programs.

Nevertheless, it is my view that the Trillium Drug Program still presents major disincentives to low-income individuals wishing to take care of their health. Specifically, individuals with chronic diseases such as Parkinson's, cancer, cystic fibrosis, HIV/AIDS and psychiatric disabilities are faced with ongoing extensive monthly drug bills. Also concerned, though perhaps to a lesser extent, are those individuals with episodic high drug costs.

Of these two groups of individuals, those who are unable to pay for their medication might choose to forfeit their treatment in order to meet other basic needs such as housing and food. Still others, might choose to divest themselves of their personal assets and go on the welfare rolls. These same people are at greater risk of more frequent hospitalizations and the use of higher costing treatments. The financial impact on the health care system becomes greater. As an example, the cost of a single hospital bed per night in Ottawa-Carleton ranges from \$800 to \$1,300. This is a basic figure which does not take into account physicians' billing, diagnostic tests as well as the cost of medication.



While setting policy direction, the Province should allow for some exceptions. In my view, the Province should turn its mind to some longer term solutions, solutions that balance the policy objectives with the realities of those individuals faced with exorbitant medical costs.

To this end, I suggest the following options be explored, in addition to that which was raised in a previous letter. More specifically, it was suggested that the once the Trillium program is computerized, people with chronic diseases, and those whose previous year's pharmacy records establish ongoing high drug costs, be designated on-line as meeting threshold criteria. Those so designated would be immediately enrolled in the Trillium program and be allowed to reach their deductible each year on a gradual basis. The net effect of this would be to spread the cost to the individual over a longer period of time.

Another option warranting some discussion could be negotiating with pharmacies for delayed payments for drugs during the waiting period. Yet another option, with a view towards shaping a system which recognizes that one size does not fit all, could consider the elimination of deductibles below some income levels and reduce the waiting period.

I trust these will be received with the spirit in which they were intended. I look forward to your reply and am available to discuss this at your convenience.

Yours truly,



Peter Clark
Regional Chair

cc: D. Stewart, Commissioner Social Services, RMOC
G. Dunkley, Acting Medical Officer of Health, RMOC

Ministry
of
Health

Ministère
de
la Santé



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August 20, 1996

Mr. Peter Clark
Regional Chair
Regional Municipality of Ottawa-Carleton
111 Lisgar Street
Ottawa, ON K2P 2L7

Dear Mr. Clark:

The Honourable Jim Wilson, Minister of Health, has asked me to respond to your recent letter about the Trillium Drug Program.

The Ministry is continually reviewing and evaluating its programs to determine whether they are meeting their goals. As you know, the goal of the Trillium Drug Program is to provide assistance to individuals or families who spend a large part of their income for prescription drugs. We have now entered the second year of the Program and are in the process of evaluating the Program's effectiveness in achieving its goals.

The Ministry welcomes suggestions such as yours for improvements to the Program. You can be assured that we will review your suggestions within the context of the ongoing Program evaluation, as we work towards providing the most efficient and effective health care system for the residents of Ontario.

Thank you for sharing your suggestions with the Ministry of Health.

Sincerely,

Mary Catherine Lindberg
Assistant Deputy Minister

c.c. Hon. Jim Wilson
D. Stewart, Commissioner Social Services
G. Dunkley, Acting Medical Officer of Health