



Canadian Drug Insurance
Pooling Corporation

NEWS RELEASE

For Immediate Release

CDIPC'S POOLING FRAMEWORK HELPS TO MAINTAIN AFFORDABILITY OF INSURANCE PLANS, DESPITE HIGH-COST DRUGS FOR RARE DISEASES

(Toronto – March 7, 2024) – Through its 22-member insurance companies, the Canadian Drug Insurance Pooling Corporation's (CDIPC) high-cost drug framework provided insurance to over 15,000 Canadian employers and over 32,000 individuals and families whose annual drug costs exceeded \$10,000 in 2022. While individuals and families benefiting from high-cost drugs represented only 1.6% of insured persons, the cost of their medications represented 36% of all drugs paid.

Thirty-eight new drugs were reimbursed by member insurance companies in 2022, compared to 48 in 2021. While the number of new drugs decreased, the average annual amount reimbursed to plan members for these new drugs increased by 36% (from \$44,700 in 2021 to \$60,900 in 2022).

CDIPC's Executive Director Dan Berty noted: "The increase in the average cost for new drugs in 2022 was the most significant year over year jump that CDIPC member companies have seen since its inception in 2012. Because it takes two to three years to see the full uptake of new drugs by patients and their effect on the pool, we expect the drugs first claimed in 2022 to have already had a very material impact on 2023's high-cost drug experience."

CDIPC's pooling framework ensures that employers are shielded from direct premium increases resulting from an employee claiming a high-cost or rare disease drug treatment.

"While year over year growth of the number of plan members dipped in 2021, we saw it increasing again in 2022. This is a trend we expect to continue and is reflected in pooling premiums from insurers," stated Berty. "Despite this trend, and related pooling charge pressures, CDIPC's EP3 pooling continues to shield small, mid-size, and some larger employers from the full impact of high-cost drug claims."

Additional information about CDIPC's drug cost expense and pooling in 2022 is available on the [pooling results data section](#) of our website.

About CDIPC

Established by Canada's life and health insurers in 2012, the Canadian Drug Insurance Pooling Corporation is a not-for-profit corporation whose mission is help maintain sustainable drug coverage for Canadians and their employers by pooling the claims impacted by recurring high-cost drugs from claimants belonging to fully insured drug plans of Canadian life and health insurance companies.

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