

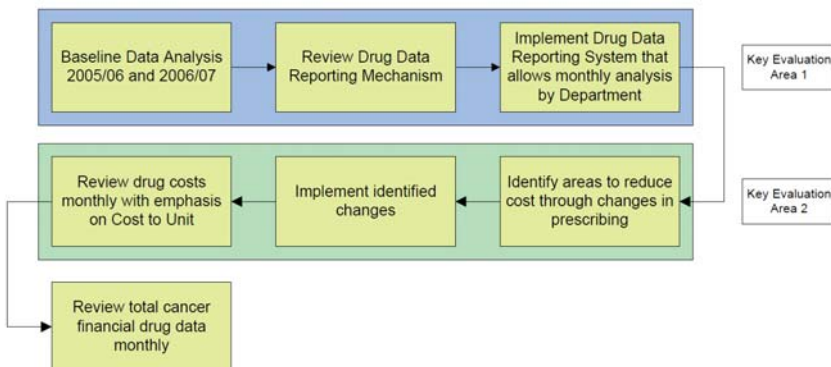
Reducing the cost of drugs to cancer services: Strategies and interventions

Introduction

Rising drug costs have put pressure on hospital budgets. This project was an initiative undertaken by the Sydney West Cancer Network (SWCN) in 2006 to address the issue of hospital drug costs. It was supported by the Cancer Institute NSW Health Services Innovation Grants Program, which provided \$2,949,716 in 2007–08 for the development of a number of clinical cancer service redesign initiatives.

Using data captured in the pharmacy database, the team identified medical oncology and clinical haematology as areas of high drug use. The top 10 drugs, by cost to facility and volume, were analysed and strategies developed to address use of individual drugs as well as to implement a range of strategies to address general issues.

The project aimed to develop a cost effective and sustainable model to address rising drug costs in cancer services while producing the best outcomes for patients. The following diagram outlines the process undertaken:



Key findings

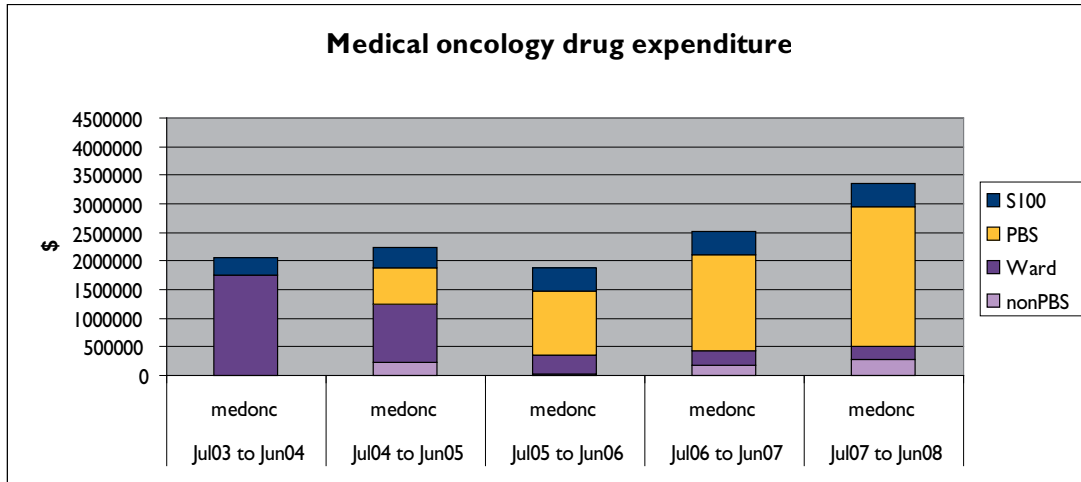
Two factors were identified as the main contributors to high drug costs in the facility. Limited feedback of timely and accurate drug usage data to clinicians was identified, as it impedes the ability of staff to isolate areas of high cost and intervene. The other major factor identified was the use of treatment schedules that are not PBS/SI00 reimbursed.

The cost of drugs to a facility can be greatly reduced through the use of the key strategies outlined below. To be successful, it is essential that departments have access to timely and accurate data on drug volume and cost, to allow them to identify possible areas for improvement. Staff attention must be frequently drawn to the issue of drug cost and the department must regularly review its use of best practice and guidelines. The use of standard treatment protocols generally corresponds to use of drugs that are covered by the PBS and also ensures that patients receive best evidence care.

Strategies to minimise cost of drugs to cancer services:

- Develop evidence based protocols to manage conditions such as fungal infections.
- Promote use of evidence based protocols (eviQ) which correspond to drugs listed on the PBS.
- Manage the appropriate use of non-PBS drugs for patients.
- Use expanded access schemes when necessary (e.g. Lapatinib).
- Ensure that appropriate patients are offered access to clinical trials.
- Offer patients the opportunity to be treated in a private hospital if covered by health insurance.
- Minimise inpatient chemotherapy and extend outpatient services.
- Reduce drug wastage by ensuring that patients are reviewed between cycles and changes to dosage and treatment are communicated to relevant parties prior to the drugs being made up.
- Initiate a weekly communal write up where all clinicians communicate directly with pharmacy and nursing staff about the treatments to be provided.
- Provide clinical heads of department with access to the pharmacy database to allow them to monitor drug costs.

Figure 1: Changes in medical oncology drug expenditure at SWCN 2003–04 – 2007–08



Conclusion

The adoption of the above strategies can help facilities to reduce their drug costs by:

- reducing the prescribing of inappropriate higher cost drugs
- increasing the appropriate use of standard treatment protocols.

As a result of undertaking this project, SWCN:

- saved \$1.95 million in drug costs over a four year period
- increased the use of PBS/S100 drugs from \$0.8 million in 2003 to \$4.5 million in 2008.

It should be noted that patient numbers, and therefore the amount of drugs required, actually increased over this period.