

Backgrounder

Saskatchewan Party Prescription Drug Plan

The Saskatchewan Party's New Ideas to Secure the Future

A Saskatchewan Party government will provide a \$15 per prescription cap on prescription drugs covered under the province's formulary for all children aged 14 and under, as well as seniors with net incomes under \$64,043, while continuing to provide subsidized drug care for all Saskatchewan residents whose prescription drug costs exceed 3.4% of their income.

In addition to funding regular growth of the provincial drug plan, a Saskatchewan Party government will provide an additional \$40 million over four years for the purpose of expanding the number of drugs covered under the formulary.

Benefits:

- Nearly 96,000 children aged 14 and under in Saskatchewan will have the cost of their prescription drugs capped at \$15 per prescription.
- 95% of Saskatchewan seniors will have the cost of their prescription drugs under the provincial formulary capped at \$15 per prescription.
- All Saskatchewan residents, regardless of income, will continue to be eligible for financial assistance under the prescription drug plan if their prescription drug costs exceed 3.4% of their income or they qualify under an existing special program provided under the drug plan.
- All Saskatchewan residents will benefit from the additional \$40-million over four years that will be dedicated to expanding the formulary to include new drugs.

Cost:

- A Saskatchewan Party government's enhancement of the prescription drug plan will result in an estimated annual savings of \$600,000 per year, or \$2.4-million over the next four years.
- Providing funding to expand the number of prescription drugs covered under the provincial formulary will result in a \$40-million investment over four years.

A Fair Plan For Families and Seniors

Under the Saskatchewan Party plan, approximately 140,600 of Saskatchewan's 148,000 seniors will continue to be eligible for a \$15 per prescription cap on their drug costs.

The 5% of Saskatchewan seniors whose incomes exceed \$64,043, and who therefore earn too much income to qualify for the federal age tax credit, will not be eligible for the \$15 cap on prescription drugs.

According to the 2005-06 prescription drug plan annual report, Saskatchewan seniors had an average of 33 prescriptions per year at an average cost of \$36.97 per prescription, resulting in annual average prescription drug costs of \$1,220 per year.

Under the current NDP plan which caps prescription drug costs at \$15 per prescription for all seniors regardless of income, seniors who are not otherwise covered by a program under the drug plan would see their prescription drug costs capped at an average of \$495 per year, while the provincial government would pay the remaining \$725.

Excluding the 7,400 Saskatchewan seniors with incomes over \$64,043 from the \$15 cap on prescription drugs under the Saskatchewan Party plan would result in an average annual saving to the drug plan of \$725 per person, for a total saving of \$5.4 million per year.

According to the 2005-06 provincial annual report on the prescription drug plan, there were 95,870 children age 14 and under who were active beneficiaries of the drug plan. Children age 14 and under had an average of 3.6 prescriptions per year at an average cost of \$28.92 per prescription, resulting in annual average prescription drug costs of \$104.11 per child.

Under the Saskatchewan Party plan, prescription drug costs for children aged 14 and under would be capped at \$15 per prescription. This means that the drug plan would cover an average of \$13.92 per prescription per child, or an average of \$50.11 per child per year. Extending this to all children aged 14 and under would result in an average annual cost to the drug plan of \$4.8-million per year.

As a result of the Saskatchewan Party plan, the total net savings to the provincial prescription drug plan would be approximately \$600,000 per year.

Additional Funding for New Prescription Drugs

A Saskatchewan Party government will provide an additional \$10-million per year, in addition to the normal growth of the provincial formulary, to fund new drugs under the formulary.