Introduction to CADTH Common Drug Review (CDR) and pan-Canadian Oncology Drug Review (pCODR)

In Canada, our federal, provincial, and territorial governments manage their own health care budgets. Budgets are used to pay for hospitals, physicians, long-term care homes, drugs, and other necessities for health. Policy-makers are faced with making difficult decisions for delivering, maintaining, and improving health care in their jurisdictions. For example, if money is used to reimburse a new drug, that money isn’t available to cover other drugs or health priorities.

How are such decisions made? How do policy-makers decide which drugs provide the greatest value? That’s where the CADTH Common Drug Review (CDR) and the CADTH pan-Canadian Oncology Drug Review (pCODR) come in (Figure 1).

Through CDR and pCODR, CADTH rigorously evaluates clinical and economic evidence and considers input by patients, clinicians and pharmaceutical companies, to make drug reimbursement recommendations to Canada’s federal, provincial, and territorial drug plans and cancer organizations, with the exception of Quebec.

CADTH asks how each new drug compares to existing treatment options. Based on the evidence assessed by CADTH, expert committees make recommendations as to whether a new drug should be publicly reimbursed. Each year, CADTH reviews 60 to 80 drugs.

**Figure 1: How Drugs are Approved in Canada**

![Figure 1: How Drugs are Approved in Canada](image)

**Drug Review**

Before a drug is authorized for sale in Canada, it has to be approved by Health Canada. Health Canada approval does not necessarily mean that Canadian jurisdictions will fund it. Individual federal, provincial, and territorial drug plans or cancer organizations make those decisions.

To initiate a CADTH drug review, a pharmaceutical company, or recognized tumour group decides that they want the drug to be publicly reimbursed, so they submit an application to CADTH. CADTH then develops a protocol, or plan, for how a drug will be reviewed. Multiple perspectives are needed to develop a robust protocol, so for every review, CADTH seeks patient input and the advice of medical specialists and methodologists.

CADTH clinical reviewers then conduct a systematic review of clinical trials. Trial data are collected in a number of ways. It is submitted by the pharmaceutical companies and identified through a comprehensive search of the medical literature conducted by a CADTH medical librarian and information specialist.
Through the systematic review, our clinical reviewers assess the beneficial and harmful outcomes of the new drug, as compared with the benefits and harms of current alternatives to treat or manage the illness in question. Key outcomes, including those identified by patient groups, are assessed. Sometimes outcomes that are important to patient groups were not measured in the clinical trials. CADTH may highlight this in the review, with a suggestion that it be studied in future clinical trials.

Our reviewers also examine how well clinical trials were designed and conducted, and how well the results can be applied in a Canadian context. For example, the reviewers consider if the trial setting was representative of a typical Canadian hospital or community setting. They look at the types of patients included, or excluded, in the trial as compared with Canadian patients with the illness. They also look for sources of bias that may cause the trial results to be contrary to the true effect of the drug.

CADTH health economists participate in the consideration of submissions by critically examining the economic assessments provided by the pharmaceutical company. The assessments estimate the differences between the cost and effects of the treatment options.

**Committee Deliberation**

The CADTH Canadian Drug Expert Committee (CDEC) is composed of physicians, pharmacists, economists, and members of the public. The pCODR Expert Review Committee (pERC) is composed of oncologists, health economists, an ethicist, pharmacists, and patient members. These expert committees make drug reimbursement recommendations, based on CADTH assessments, as to whether a drug should be publicly reimbursed.

At CDEC meetings, patient input allows committee members to hear what it is like to live with the illness, and the treatment outcomes that are important to those with the illness. In its structured deliberations, CDEC considers clinical and economic evidence, as well as patient input.

pERC develops its reimbursement recommendations by considering elements such as clinical benefits, patient values, economic evaluations, adoption, and feasibility. By identifying patient values, pERC considers what matters to patients and caregivers when receiving cancer treatment.

For each drug, an initial recommendation is made. If there isn’t good data to show that a new drug provides greater value than existing treatment options, it is unlikely to be recommended for reimbursement. Sometimes, the clinical trials suggest the drug might provide some added value for certain patients. To reflect this, a recommendation with specific conditions and/or criteria may be issued.

For cancer drugs, the pharmaceutical company or tumour group, the Provincial Advisory Group, clinicians, and patient groups can provide feedback on an initial pERC reimbursement recommendation. The final reimbursement recommendations are posted on the CADTH website, along with the rationale for the recommendation and the information that contributed to the recommendation.

Following the completion of a CADTH drug review, the pan-Canadian Pharmaceutical Alliance (pCPA) conducts joint federal, provincial, and territorial negotiations to achieve greater value for public drug programs and patients. All brand name drugs recommended for reimbursement through CDR or pCODR are considered for negotiation through the pCPA.

Finally, federal, provincial, and territorial drug plans and cancer organizations make their reimbursement decisions based on the CADTH recommendations and other factors, such as drug plan mandates, jurisdictional priorities, and budget impact.

**Further reading:**

- [How Cancer Drug Funding Decisions are Made](#)
- [Procedure and Submission Guidelines for the CADTH Common Drug Review](#)
- [pCODR Procedures](#)
- [Guidelines for the Economic Evaluation of Health Technologies: Canada](#)
- [The pan-Canadian Pharmaceutical Alliance](#)