

# Percentage of Prescribed Drug Spending Financed by Public Sector

Name	Percentage of Prescribed Drug Spending Financed by Public Sector
Short/Other Names	Not applicable
Description	The indicator measures the share of prescribed drug spending financed by the public sector.
Interpretation	The higher the result, the larger the share of total prescribed drug spending financed by the public sector.
HSP Framework Dimension	Health System Inputs and Characteristics: Health system resources
Areas of Need	Not applicable
Geographic Coverage	All provinces/territories
Reporting Level/Disaggregation	National, Province/Territory
Indicator Results	<a href="https://www.cihi.ca/en/national-health-expenditure-trends">https://www.cihi.ca/en/national-health-expenditure-trends</a>
<b>Identifying Information</b>	
Name	Percentage of Prescribed Drug Spending Financed by Public Sector
Short/Other Names	Not applicable
<b>Indicator Description and Calculation</b>	
Description	The indicator measures the share of prescribed drug spending financed by the public sector.
Calculation: Description	The indicator is calculated by dividing public-sector prescribed drug spending by total prescribed drug spending.
Calculation:	
Geographic Assignment	Place of service
Calculation: Type of Measurement	Percentage or proportion
Calculation: Adjustment Applied	None
Calculation: Method of Adjustment	Not applicable
	<b>Description:</b> Total prescribed drug spending
	<b>Inclusions:</b> 1. Substances considered to be drugs under the <i>Food and Drugs Act</i> that are sold for human use as the result of a prescription from a health professional
Denominator	2. Dispensing fees, markups and appropriate taxes
	<b>Exclusions:</b> 1. Therapeutic drug products not requiring a prescription
	2. Personal health supplies
	3. Drugs dispensed in hospital and, generally, in other institutions
	<b>Description:</b> Prescribed drug spending financed by the public sector
	<b>Inclusions:</b> 1. Substances considered to be drugs under the <i>Food and Drugs Act</i> that are sold for human use as the result of a prescription from a health professional and that are financed by the public sector
	2. Dispensing fees, markups and appropriate taxes
Numerator	<b>Exclusions:</b> 1. Substances considered to be drugs under the <i>Food and Drugs Act</i> that are sold for human use as the result of a prescription from a health professional and that are financed by the private sector
	2. Therapeutic drug products not requiring a prescription
	3. Personal health supplies
	4. Drugs dispensed in hospital and, generally, in other institutions
<b>Background, Interpretation and Benchmarks</b>	
Rationale	The indicator provides information on how much is spent on public sector–financed prescribed drugs in Canada. Factors influencing the indicator results are the prescribed drug spending financed by the public sector and total prescribed drug spending in Canada.
Interpretation	The higher the result, the larger the share of total prescribed drug spending financed by the public sector.
HSP	
Framework Dimension	Health System Inputs and Characteristics: Health system resources
Areas of Need	Not applicable
Targets /Benchmarks	Not applicable
References	Not applicable
<b>Availability of Data Sources and Results</b>	
Data Sources	NHEX

**Type of Year:**  
 Calendar  
**First Available Year:**  
 1975  
**Last Available Year:**  
 2018

Available Data Years

Geographic Coverage All provinces/territories

Reporting Level/Disaggregation National, Province/Territory

Result Updates

Update Frequency Every year

**Web Tool:**  
 Indicator Results National Health Expenditures Trends  
**URL:** <https://www.cihi.ca/en/national-health-expenditure-trends>

Updates Not applicable

Quality Statement

**Caveats and Limitations** Data contained in the National Health Expenditure Database is estimated. The data is collected from diverse sources and includes varying classes of financial information. The data is collected and classified according to methods established by a review committee. CIHI's analysts and external experts continue to improve the comprehensiveness, accuracy and currency of the data to provide the most complete and objective estimates possible. Notwithstanding this, national health expenditure data is estimated and should be used accordingly.

**Trending Issues** In the process of compiling the national health expenditure series from year to year, new information becomes available, methods and concepts are refined and data sources are improved. The data is revised to reflect these enhancements.

**Comments** Not applicable