

Pharmacare makes Health Care whole.¹

The Problem

It is undeniable that without the advancement of pharmaceutical science, health care would still be relying on home remedies. Although Canada can be proud of its health care system, it is a different story when it comes to the availability of affordable medication. Often when leaving the hospital patients are burdened by the cost of the prescriptions they are supposed to get filled. Some people don't bother to see their doctor simply because they can't afford the prescriptions. Even if some may have a drug plan at work, there is often a significant cost involved.

Regardless that the World Health Organization has stated that everyone should have access to necessary medicine, Canada is the only country with universal health care that does not have a nation-wide drug plan².

The Facts

Since 1960 there has been an awareness that if universal health care is to be effective, the cost of prescription drugs must be included. In 1997 the issue came to the fore again when the National Forum on Health asserted that "*Canada should take the necessary steps to include drugs as part of its publicly funded health care system*"³. Finally, in 2002 the Romanow Commission called once more for cooperation between the Federal and Provincial governments to establish a securely funded pharmacare program.

For Pharmacare to be effective and cost-efficient the following components must be in place:

- **Access:** *All Canadians should have equitable access to medically necessary prescription drugs.*
- **Fairness:** *No one should be financially disadvantaged by their health needs.*
- **Safety:** *Prescription drugs should only be funded, prescribed, and used in accordance with the best available evidence concerning risks and benefits.*
- **Economic Efficiency:** *The cost of medicines should be managed to achieve maximum value for money from the perspective of Canadian society.*

Equitable access means that all Canadian regardless of age or income can be confident that all necessary medicines are there for them. Because many people cannot afford their prescriptions they simply go without. This obviously results in additional emergency care which is always more expensive than the medicine would have been in the first place. Indeed, preventable underuse of medicines in Canada has been estimated to cost between \$1 billion and \$9 billion annually.⁴

Pharmacare would protect people from the excessive financial burden of prescriptions. The core premise of the Canadian health care system is to share the total costs of necessary care including medicines. Health care should never put patients or families at a financial disadvantage. Annually one in five Canadian households spends \$500 or more on prescriptions, and almost one in 10 (8%) spends \$1,000 or more for their prescriptions.⁵ With pharmacare, millions of households would no longer face the constant worry of how to pay for health costs.

Without a strategy that ensures the safe use of medicines, Canadians are left vulnerable. An

estimated 1 in 3 elderly Canadians receives prescriptions known to pose health risks for older patients⁶ and an estimated 1 in 6 hospitalizations in Canada could have been prevented if prescription drugs were used more appropriately.⁷ An even more important component of pharmacare would be the prevention of the over-prescription of opioids. Pharmacare would be integrated with the management of medical and hospital care in Canada. This integration opens opportunities for health care professionals and health system managers not only to encourage appropriate use of medicines but also to guard against misuse.

Because Canada's current complicated multi-payer system is among the most expensive systems in the world, pharmacare would significantly reduce cost. The prices of generic drugs in Canada are nearly double (79% higher than) the median of prices found in other OECD countries and more than four times (445%) higher than the best available prices in the OECD.⁸ Similarly, the prices of brand-name drugs in Canada are 30% higher than in comparable countries like the United Kingdom.⁹ Pharmacare would use the combined purchasing power of the federal government and all provinces to ensure that Canadians receive the best possible drug prices.

The administrative costs of the single-payer pharmacare system would be \$1 billion to \$2 billion less than what is spent now.¹⁰ Independent studies confirm this, estimating that pharmacare would save Canadians between \$4 billion and \$11 billion per year under reasonable assumptions.¹¹ Thus, when it comes to a prescription drug plan for Canada, the best system for patients and population health just happens to be the most economical.

The Way Forward

For far too long, Canada's health care system has been missing a crucial component. Universal access to necessary medications for all Canadians makes the system whole.

It is up to us to convince our provincial and federal members of parliament to prioritize the health of Canadians ahead of pharmaceutical corporate profits and short sighted, politically opportunistic policy initiatives.

Therefore, in the next provincial and federal elections, tell your candidates that you support pharmacare. Seek out advocacy groups that share this goal and offer your support through petitions, letter writing campaigns and other ways. Only together can we make it happen!

¹ Morgan, S.G., D. Martin, MA Gagnon, B Mintzes, J.R. Daw, and J. Lexchin. (2015) *Pharmacare 2020: The future of drug coverage in Canada*. Vancouver, Pharmaceutical Policy Research Collaboration, University of British Columbia.

² "The Selection of Essential Medicines." WHO Policy Perspectives on Medicines, 004. World Health Organization. June 2002.

³ *ibid*

⁴ Clinical Service Proposal: Medication Adherence Services. British Columbia Pharmacy Association. 2013. http://www.bcpharmacy.ca/uploads/Medication_Adherence.pdf

⁵ *Rethinking Pharmacare in Canada*. C.D. Howe Institute. 2013. <https://www.cdhowe.org/rethinking-pharmacare-in-canada/22009>; and *Prescription drug access and affordability an issue for nearly a quarter of all Canadian households*. Angus Reid Institute. 2015 <http://angusreid.org/>

⁶ Drug Use Among Seniors on Public Drug Programs in Canada, 2012. Canadian Institute for Health Information. 2014. <https://secure.cihi.ca/estore/productFamily.htm?locale=en&pf=PFC2594>

⁷ "Drug-related hospitalizations in a tertiary care internal medicine service of a Canadian hospital: A prospective study" *Pharmacotherapy*. 2006. <http://www.ncbi.nlm.nih.gov/pubmed/17064202>

⁸ Generic Drugs in Canada, 2013. Patented Medicine Prices Review Board. 2014. <http://www.pmprb-cepmb.gc.ca/view.asp?ccid=1122>

⁹ "Comparison of Canadian prices to foreign prices," in Annual Report 2013. Patented Medicine Prices Review Board. 2014. <http://www.pmprb-cepmb.gc.ca/view.asp?ccid=938#1765>

¹⁰ Administrative Costs of Health Insurance Schemes: Exploring the Reasons for their Variability. World Health Organization. 2010. http://www.who.int/health_financing/documents/cov-dp_e_10_08-admin_cost_hi/en/

¹¹ A Roadmap to a Rational Pharmacare Policy in Canada. 2014. Canadian Federation of Nurses Unions. https://nursesunions.ca/sites/default/files/pharmacare_report.pdf. "Estimated cost of universal public coverage of prescription drugs in Canada." *Canadian Medical Association Journal*. 2015. <http://www.cmaj.ca/content/early/2015/03/16/cmaj.141564>