

Pharmacare

- 1. RNAO believes that a national pharmacare program covering all medically necessary drugs, without means testing, user-fees and/or co-payments is the way to go. Does your party stand with RNAO?**

Pharmacare:

Some Canadians are covered by a patchwork of existing drug plans.¹ Currently the Ontario Drug Benefit Program covers senior citizens and those receiving social assistance, while the Trillium Drug Program subsidizes those whose costs are high relative to their income.^{2 3} Public drug spending in Ontario consumes nine per cent of the health budget - up from 1.2 per cent in 1975.⁴ The province has an interest in pharmacare and this is evident through the Minister of Health and Long-Term Care, Dr. Eric Hoskins, who has written op-eds calling for a national pharmacare program.^{5 6}

A commentary written for the C.D. Howe Institute neatly summarizes the case for pharmacare in Canada:^{7 8} It would deliver equitable access to medicines; it would protect the ill from exorbitant costs for drugs; and it would result in a net saving of money. The savings come from reduced administrative, marketing and regulatory costs (due to a single-payer system), from integration of decisions on pharmaceutical care into overall health care (e.g., health-care providers have more incentive to rationally optimize between medical and pharmaceutical care), from pooling of risk over larger populations, from value-for-money testing, and from use of purchasing power to reduce drug prices. In a related study, the same authors make the case against means testing and copayments for pharmacare.⁹ A 2010 study quantified the potential savings of a comprehensive first-dollar pharmacare programs for Canadians at up to \$10.7 billion annually (or 42.8 per cent of total spending on pharmaceuticals).¹⁰ A 2015 Canadian Medical Association Journal article provided a range of estimates of saving: \$7.3 billion expected, with savings ranging from \$4.2 billion to \$9.4 billion (worst-case scenario to best-case scenario). Expected savings to the private sector would be \$8.2 billion, with net costs to government rising by about \$1.0 billion.¹¹

The list of organizations calling for a national pharmacare program is long: RNAO,¹² Canadian Federation of Nurses Unions^{13 14}; Canadian Medical Association,¹⁵ Standing Senate Committee on Social Affairs, Science and Technology,¹⁶ Canadian Health Coalition,¹⁷ Canadian Association of Retired Persons,^{18 19} Canadian Doctors for Medicare,²⁰ the Nurse Practitioners' Association of Ontario, the Canadian Association of Community Health Centres, the Association of Ontario Health Centres, the Association of Family Health Teams of Ontario, Unifor, the College of Family Physicians of Canada, the United Steelworkers, the Canadian Diabetes Association, the Phoenix Centre for Families and Children, the National Council of Women Canada, The Canadian Treatment Action Council, the Council of Canadians, the Canadian AIDS Society, the Association of Local Public Health Agencies, the National Union of Public

and General Employees, the Canadian Union of Public Employees, 25 in 5: Network for Poverty Reduction, Planned Parenthood Toronto, the Human Development Council, the Child Poverty Action network, Alternatives North, and the Centre for Social Justice.²¹ There are very active campaigns for a national pharmacare program, including the Campaign for National Drug Coverage of which RNAO is a founding member,²² and the Campaign for a National Drug Plan.²³ Newspapers such as the Toronto Star have also called for a national pharmacare program, and not just some national bulk buying arrangement.²⁴

Members of the public agree. According to a May 22, 2013 poll by EKOS, 78 per cent of Canadian respondents supported a universal public drug plan for all necessary prescription drugs.²⁵ Support was even stronger in a July 2015 Angus Reid poll in which 91 per cent of those polled supported the concept of pharmacare in Canada, and 87 per cent supported adding prescription drugs to the universal health coverage of Medicare. One reason for the overwhelming support is the fact that almost a quarter of - 23 per cent of respondents - households had one or more members who were not taking medicines as prescribed because of the cost.²⁶

With the October 2015 election, the federal context has changed and pharmacare advocates are now looking to Ottawa for leadership on this issue given the interest across the country. On January 20 and 21, federal and provincial/territorial health ministers met in Vancouver to lay the groundwork for a new Health Accord, and they promised to work together on drug policy.²⁷ That opens the door to advance a national pharmacare program without co-payments, means-testing or user fees.

References:

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⁵ Hoskins, E. (2014). Eric Hoskins: The time for national pharmacare has come. Dec. 15. *Toronto Star*. Retrieved January 15, 2016 at http://www.thestar.com/opinion/commentary/2014/12/15/eric_hoskins_the_time_for_national_pharmacare_has_come.html.

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- ¹⁵ Canadian Medical Association. (2013). *Healthier Generations for a Prosperous Economy: Canadian Medical Association 2013-2014 pre-budget consultation submission to the Standing Committee on Finance*. November 6. P. 4. "Recommendation # 7: The CMA recommends that the federal government, in consultation with the provincial and territorial governments, health care providers, the life and health insurance industry and the public, establish a program of comprehensive prescription drug coverage to be administered through reimbursement of provincial/territorial and private prescription drug plans to ensure that all Canadians have access to medically necessary drug therapies " Retrieved January 15, 2016 from https://www.cma.ca/Assets/assets-library/document/en/advocacy/Pre-Budget-Submission-2013-2014_en.pdf.
- ¹⁶ Standing Senate Committee on Social Affairs, Science and Technology. (2012). *Time for Transformative Change: A Review of the 2004 Health Accord*. P. xviii. Retrieved January 15, 2016 from <http://www.parl.gc.ca/content/sen/committee/411/soci/rep/rep07mar12-e.pdf>. "Recommendation 28: That the federal government work with the provinces and territories to develop a national pharmacare program based on the principles of universal and equitable access for all Canadians; improved safety and appropriate use; cost controls to ensure value for money and sustainability; including a national catastrophic drug-coverage program and a national formulary."
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²⁷ BC Gov News. (2016). *Statement of the Federal-Provincial-Territorial Ministers of Health*. Retrieved January 27, 2016 at <https://news.gov.bc.ca/releases/2016HLTH0004-000070>.