

Submission to the Advisory Council on the Implementation of Pharmacare

*Submitted by
the Nova Scotia Health Coalition on September 28, 2018*

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Introduction

The Nova Scotia Health Coalition is a non-partisan organization representing individuals and organizations committed to protecting, improving and expanding public health care in the province. We believe that the introduction of a national, public, single-payer pharmacare program is a necessary expansion of public medicare in Canada and that such a program must be universal, accessible, comprehensive, evidence-based, accountable, publicly administered, and fully funded. Research shows this is the best approach to fund pharmaceuticals for all Canadians. Nova Scotia's small and aging population, combined with high poverty rates, are features that support the need for such a plan in this province.

With a population of only 924,000, Nova Scotia has one of the smallest populations in the country, comprising only 2.6% of the national total. This severely limits the provincial government's tax base and its bargaining power in negotiations with drug companies. Furthermore, 19.9% of the province's residents are over 65 compared to the national mean of 16.98% (2017 figures). This population distribution contributes to higher than average pharmaceutical needs, since drug needs typically increase with age.

At the same time, poverty rates are the highest in the country (2016 census data). Seventeen percent of Nova Scotians are considered low income earners and 22% of families with children live below the poverty line. Geography and race/ethnicity produce wide income disparities: in rural areas and many small towns, poverty rates reach 30% or higher. In particular, 39.6% of African Nova Scotian children up to 17 years old live in poverty. Poverty is a major social determinant of health, so it is not surprising that the health status of Nova Scotians is below the national average on many key indicators. Based on the latest CIHI statistics, Nova Scotians have a lower life expectancy than other Canadians (80.5 versus 81.8), more avoidable deaths from preventable causes (154 versus 132 per 100,000), more avoidable deaths from treatable causes (82 versus 69 per 100,000) and more heart attacks that required hospitalization (310 versus 247

per 100,000). The province scored worse than the national average in potentially inappropriate medication prescribed to seniors (58.6% versus 46.8%).

A patchwork of programs currently assists Nova Scotians with drug costs (e.g., the Family Pharmacare Program, the Nova Scotia Seniors Pharmacare Program, the Nova Scotia Diabetes Assistance Program, the under-65 Long-term Care Pharmacare Plan). Multiple programs are confusing and leave gaps; furthermore, these programs have co-pays and thus do not eliminate the burden of drug costs.

Universal

The starting-point for a new National Pharmacare Program is it must be universally available to all Canadians. As defined under the Canada Health Act*, universality means that all residents or citizens are eligible for coverage on uniform terms and conditions. A National Pharmacare Program must not be restricted in any way to any resident or citizen. The whole population should be eligible as soon as a new National Pharmacare Program is established.

Accessible

Similarly, all citizens should be able to access the National Pharmacare Program without any barriers or preconditions; whether they be financial, geographic, social, or cultural. In other words, it is one thing to say that all citizens are eligible; it is another thing to ensure that they can access the services of a National Pharmacare Program when needed. This access means that the new Program is free at the time of service.

As is defined under the Canada Health Act,* accessibility should mean that all citizens should be able to access the services of a National Pharmacare Program on uniform terms and conditions, and that there will be no means to impede or preclude their access directly or indirectly whether by charges or otherwise.

This means that all citizens should be able to participate without having to first pay user fees, premiums, copayments, deductibles or any other financial mechanism.

Neither should they have to face geographic, social or cultural barriers in order to receive services. They must have reasonable access to this Program.

Comprehensive

A national pharmacare plan must be both comprehensive and based on independent evidence of safety and effectiveness. As a wealthy country, Canada needs to provide coverage beyond the most essential and catastrophic drugs. This must be guided by the needs of our population as well as the safety and effectiveness of available drugs. Providing full coverage of all safe, effective, and medically-necessary drugs is the only way to ensure that all Canadians receive the treatment that they need, regardless of how much money they have in their pockets or where they live. In addition, a plan that is too restrictive will not gain the broad acceptance that is needed for its successful implementation. More importantly, a restrictive plan risks discriminating against those with rare diseases as well as those with treatable diseases and conditions (e.g., Hep-C, HIV/AIDS) which are more prevalent in marginalized populations.

Evidence-based

It would be in the best interest of all Nova Scotians for the plan to be decided by a panel of independent experts, free from the influence of the pharmaceutical industry. Industry funding, gifts and other perks can subtly bias the judgement of expert advisors. A rigorously-developed national formulary that places patient health and safety at its centre, has the potential to improve drug safety. The majority of new drugs are no more safe or effective than old drugs but are heavily promoted by drug companies because they are more expensive. The history of drugs like Vioxx, SSRIs and drugs for dementia, show that significant morbidity and mortality can occur when standards of evidence for safety and effectiveness are not met. The decision process of the panel should be transparent and supplemented by independent education for prescribers and the public to counter misleading industry promotion.

Truly National in Scope

We believe that a national program must have a single, national formulary, all provinces must offer the same level of coverage to residents, and that coverage must be portable between jurisdictions. A national pharmacare program that reinforces, or ignores, existing geographic inequality will be a failure.

In addition, we believe that a national insurance program is the first step in creating a national pharmacare system. Once insurance is established, a national system of distribution and manufacturing of medications should be considered.

Transparent and Accountable

In order to gain widespread support and deliver quality care, a national pharmacare plan must be publicly accountable and transparent. It is imperative that the process for the inclusion of specific medications be made clear to the public. The formulary must be publicly available and easily accessible to all medical professionals and patients alike. . In addition, a national plan must include a significant public education component aimed both at patients and prescribers to reduce the influence of pharmaceutical companies.

Publicly Administered

Like the public healthcare system, a public pharmacare program must be publicly administered. We oppose any plan that would contract-out any element of the program to the private sector as that reduces accountability, inflates prices, and does nothing to reduce the power that for-profit companies have over the health of Canadians.

Fully Funded

A national pharmacare plan must be backed by significant funding and paid for out of general tax revenues. To ensure that a national plan is both sustainable and adopted by all provinces, the federal government must commit to providing at least 50%

of funding needed for such a plan. In addition, there must be a long-term commitment to stable, consistent funding that increases along with costs.