



A Prescription for Better Medicine

by Michael Butler

This fall, the federal, provincial and territorial governments will enter into negotiations that will shape the future of medicare in Canada. The federal government is hoping to conclude negotiations on a new accord by the end of 2016. Many of the important topics being negotiated revolve largely around money.

But should negotiations centre only on money, or should they be about better health?

Medicare is Canada's most cherished social program. Canadians from coast to coast depend on it. The health accord negotiations need to be seen as an opportunity to confirm medicare, but also to expand quality public health care.

According to the Canadian Pharmacists Association, Canada is one of the few developed countries in the world without universal pharmacare, and the only country in the world with a universal health care system that excludes prescription drugs. A national drug coverage plan – known as universal pharmacare – was first recommended in 1964 by the Royal Commission on Health Services and in multiple reports since. It remains one of the core pieces missing from medicare.

Recent polls show 91 per cent of Canadians want a national pharmacare program.

Currently 10 per cent of Canadians (over 3.5 million people) are not covered by any type of drug plan and a further 11 per cent have limited drug coverage. Canadians spent \$29 billion in 2015 on prescription drugs – the equivalent of \$814 a year per Canadian.

At the same time, more than one in five Canadians (23 percent) reported

having trouble paying for the drugs their doctors prescribe, including critical medicines such as asthma inhalers, antibiotics, anticoagulants and insulin. People commonly split doses to make the medication last longer, or decide not to fill the prescription at all because it costs too much, which leads to increased costs in the public health care system. This means between 3 million and 8 million Canadians have worse health outcomes due to the cost of medication and the lack of a universal pharmacare program.

Canada has the second highest per capita spending on drug costs in the OECD, following only the United States. Since 2000, the growth in drug expenditures in Canada has outpaced the growth in all other countries. Canadian drug expenditures increased by 184.43 per cent between 2000 and 2012, a growth rate higher than any other comparator country. Even the U.S.-developed prescription medications cost on average 30 per cent more in Canada than they do in other industrialized countries.

Despite our high level of pharmaceutical spending, Canada attracts the lowest amount of pharmaceutical research among comparable countries. Big Pharma spent 4.4 per cent of earnings on research and development (R&D) in 2015, the lowest amount since reporting started in 1988. It's the twelfth consecutive year that Canadian pharmaceutical companies have not met the threshold of 10 per cent of domestic sales to be put into R&D. The companies promised this in 1987 in exchange for having their periods of market exclusivity increased.

According to Steve Morgan, a professor of health policy at the University of British Columbia, the patchwork system

between government jurisdictions and the lack of a national formulary (an evidence-based list of approved drugs) mean medication is not being prescribed appropriately. More than one in three Canadians (37%) over age 65 filled at least one prescription for medicines believed to pose unnecessary risks for older adults (at a cost of \$400 million).

Dr. Joel Lexchin, an emergency room physician and professor of health policy at York University, says medicines are commonly underused, overused or misused in Canada. It is estimated that 1 in 6 hospitalizations in Canada could be prevented through national regulation and better guidelines. This is compounded by a lack of transparency in the approvals of new medication and poor after-market surveillance.

This fall, the Council of Canadians will push the federal government to create needed checks and balances to protect Canadians from Big Pharma's influence on our health care. Not only can pharmacare be a tool to save money, it can also result in better medicine. Pharmacare requires a national formulary to achieve fair, equitable, appropriately prescribed and evidence-based drug coverage across Canada. This is an opportunity to improve the safety, monitoring and quality of prescription drugs, while controlling costs.

We believe all Canadians deserve access to the prescription drugs they need, regardless of place of residence, age, employment status, or income. No one should have to choose between paying rent, buying food or purchasing medicine they need.

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