



Pharmacare Facts and Figures

As Canadians, we take pride in our public health care system. And with good reason – there’s a lot for us to be proud of!

If you’re sick, medicare ensures you have equal access to everything you need to get you back on your feet again. Everything except for one thing: prescription medicine. Whether it’s antibiotics to treat an infection, insulin to manage diabetes, or an epipen to have on hand in case of a potentially fatal allergic reaction, chances are the prescription drugs you need to get and stay healthy aren’t covered unless you’ve been hospitalized.

For years, Canadians across the country have been asking for a universal, national drug plan. As drug prices and the cost of employer-funded drug plans continue to soar, there is no better time than now for a universal pharmacare program.

Here are some facts and figures about pharmacare. Use these to speak to your Member of Parliament about why we need a national drug coverage plan.

- » **In 2016, Canadians spent 30 billion dollars to fill more than 600 million prescriptions.** That’s more than four times what we spent on prescriptions 20 years ago. No other part of our health care system has increased in cost so quickly
- » **The cost of maintenance drugs, like those used to control high blood pressure, has gone up 58 per cent since 2005. Meanwhile, specialty drugs including those used to treat cancer have skyrocketed 325 per cent.** What’s more, our costs here in Canada are going up faster than other countries. Between 2000 and 2012, our prices increased at a greater rate than any other comparator country, even the United States.
- » **A year’s supply of the cholesterol-busting drug lipitor costs more than \$800 in Canada.** In New Zealand, where a public authority negotiates drug prices on behalf of the entire country, a year’s supply of lipitor costs just \$15.
- » **Canada is the only developed country with a universal health care system that does not include prescription drug benefits for everyone.**
- » **Canadians pay about 22 per cent of our drug costs out of our own pockets** – not counting what we spend on insurance premiums. The rest is covered by a patchwork of 19 public and 24 private insurance providers, all with different eligibility criteria and different coverage levels depending on where you live or work.
- » **Quebec’s model is not the answer.** In Quebec, the costs of the public plan are shifted onto private plans, which are then passed onto individual beneficiaries.
- » **Three and a half million Canadians don’t have even basic prescription drug coverage.**

- » One in three people with incomes less than \$50,000 fail to take needed medication because of cost. Overall, **one in 10 Canadians can't afford to fill their prescriptions**. Many people have to choose between paying for their rent and getting the medications they need.
- » Pharmacare would give our government stronger negotiating power with drug companies. **Studies show that we can save \$14 billion a year** by using this negotiating power for lower drug costs and reducing administration costs.
- » **Canadian companies spend about \$200 million per week on prescription drug costs** incurred by employer-provided benefit plans. 2017 projections show that the medical costs for group benefit plans will increase by eight per cent largely due to increasing drug costs and Canada's aging population.
- » Removing private drug plans and replacing them with a **pharmacare program would save Canadian companies an estimated \$8 billion annually**.
- » Medicare gives Canada a \$4 an hour competitive advantage over other countries, including the U.S. **This economic advantage would increase by another \$1 an hour with universal pharmacare**, and would make it even more economically attractive for companies to set up shop here.
- » Full time workers are more likely to have an employer-provided drug and benefits plan than part time employees. **Canadians working low-income jobs are the most vulnerable** as they don't usually have drug coverage, but they earn "too much" to be covered under public plans.
- » **Workers over the age of 65 are also vulnerable since many employers use this age as the cut-off point for benefits**. This comes at a time when more people are working past the age of 65.
- » **As the cost for employee benefits packages rise, employers are giving employees less** by asking them to pay for larger shares of premiums, putting on maximum limits, or increasing out-of-pocket costs with higher co-payments or deductibles.
- » **Every day \$17.1 million is wasted in expenditures because Canada does not have a universal pharmacare plan**. Over the last 10 years, the amount of money that has been wasted on higher drug costs or administration fees has been estimated at \$62 billion.
- » According to a recent poll, **91 per cent of Canadians support the creation of a universal pharmacare plan**.

The time to act is now. The facts and figures show that private drug plans are not sustainable since they cannot control rising drug costs. It is in the interest of all Canadians to call on the federal government to implement universal pharmacare.

For more information visit canadians.org/pharmacare and read the Council of Canadians' report, *A Prescription for Better Medicine: How universal pharmacare would give Canada an economic advantage*.

