

PHARMACARE

The Issue

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.

Publicly Funded Health Care Costs in Canada



99%
of medical costs



90%
of hospital costs



44%
of prescription drug costs

While every province offers some level of coverage in addition to private insurance plans, many Canadians cannot afford to fill their prescriptions.

Current Situation

Public prescription drug insurance does exist in some capacity in every province and territory, but Canada lacks a national pharmacare strategy. Provincial programs provide some level of coverage for seniors and low-income Canadians, while the federal government provides coverage for eligible First Nations people and Inuit through the Non-Insured Health Benefits Program. These public plans, along with private insurance plans, account for 36% of prescription drug costs in Canada.

With a patchwork of differing provincial programs, the conversation on pharmacare continues because issues around drug access and equity remain unresolved.

The Pharmacare Conversation

The pharmacare conversation has been primarily focused on reducing cost and increasing access to medications, but little attention is paid to improving safety and drug therapy outcomes.

Much of the action from provincial and territorial governments on their public drug programs has been around cost control, with initiatives including the use of generics in provincial formularies and price negotiation based on bulk purchasing.

Cost Containment

Prescribed drug expenditures account for just 13.4% of Canada's total health spending (\$214.9 billion). A singular preoccupation on pharmaceutical cost containment risks missed opportunities for cost savings in other areas of the health system through improved medication adherence, early detection, chronic disease management, and preventative health measures.

Canadian Health Spending



\$214.9B
Canada's total health
spending in 2014



\$28.8B
amount Canada spent on prescription
drugs in 2014

Pharmacare 2.0

Rebooting the Pharmacare Conversation

While much of the pharmacare conversation has been focused primarily on the issue of cost containment, ensuring fair drug prices and access to necessary medications is only one piece of a sustainable pharmacare model. Patients also require access to the full range of pharmacy services, such as prescription renewals, injections, care plans and prescription modifications, to ensure safe and effective drug therapy and optimal health outcomes.

National discussion on a pan-Canadian pharmacare framework requires clear evidence for policymakers and a clear national consensus on priorities important to Canadians.

The Canadian Pharmacists Association, as the national voice of Canadian pharmacists, is committed to gathering this evidence and building consensus with its Pharmacare 2.0 initiative — a policy development process designed to build a Canadian consensus and reboot the pharmacare conversation.

A cooperative approach is required by governments, health care provider groups, private payers, and other stakeholders to reduce the barriers for Canadians to access necessary medications and services.

