



Express Scripts Canada Service Fee

Key messages for pharmacy professionals

CPhA remains strongly opposed to the new Express Scripts Canada (ESC) service fee that is expected to come into effect January 1, 2024. Given the significant impact that these fees will have on pharmacies across the country, we encourage you to reach out to your federal Member of Parliament to share your concerns and to urge them to relay these concerns to the Competition Bureau. You can find the contact information for your MP [here](#). We have also provided some key messages below that can help you in your outreach efforts.

Some tips

- ✓ Most Canadians do not understand the role that pharmacy benefit managers (PBMs) play, so if you speak with your MP, ask if they would like more information about what PBMs do.
- ✓ Share your personal stories. While the fee will impact almost all pharmacies in Canada, these impacts will be felt differently by each pharmacy. Make sure you convey how this will impact your own pharmacy.
- ✓ Listen. This is a complicated issue so encourage a dialogue that allows your MP to ask questions and truly understand the issue.

Key messages

1. Introduction of new service fee: As of January 1, 2024, Express Scripts Canada, the biggest pharmacy benefit manager in Canada, has implemented a new service fee for all pharmacies. This mandatory fee essentially just allows pharmacists to continue to directly submit claims electronically on behalf of their patients. If pharmacies do not pay this fee, they will no longer be able to submit claims on behalf of patients. Direct billing is a service that pharmacists provide to their patients and shouldn't be expected to pay for. And Canadians agree – 61% of Canadians oppose insurance companies charging pharmacies for these services, indicating a significant disconnect between industry practices and public opinion.

- The fee was introduced with no consultations and is reportedly being implemented for new services that have not been launched and that pharmacies have not asked for.

- 2. Concerns about abuse of dominance:** We believe that this fee represents an abuse of market dominance under the Competition Act. Express Scripts Canada, as a major player in the pharmacy benefits management sector, is using its position to impose unfair costs on pharmacies. We understand that our national association is submitting a complaint to the Competition Bureau on this matter and that the practices of pharmacy benefit managers in the US is under significant scrutiny.
- 3. Impact on pharmacies and patients:** This fee not only burdens pharmacies financially but also risks increasing health-care costs for patients. In a time when health-care affordability is crucial, such measures are counterproductive and harmful to public health. If left unchecked, such practices could lead to a monopolistic control over pharmacy services, reducing competition and choice for consumers, and potentially limiting access to essential health-care services.
- 4. Request for intervention:** We respectfully request your support in addressing this issue. As my/our elected representative, your voice in bringing this matter to the attention of the Competition Bureau is critical. We need your help to ensure fair competition and to protect the interests of both pharmacies and the patients we both serve in our riding.
- 5. Urgency of addressing the issue:** We urge you to recognize the urgency of this situation. The introduction of this fee sets a concerning precedent for the pharmacy benefit managers in Canada.
- 6. Call for transparency and fair play:** We believe that transparency and fairness in the pharmacy services market is important. Interventions from regulatory bodies like the Competition Bureau are essential to ensuring a level playing field and to safeguarding the interests of both service providers and consumers.
- 7. Commitment to patient care:** As front-line pharmacists, our primary commitment is to patient care and public health. The introduction of such fees hinders our ability to serve our patients effectively and affordably.
 - Please include specifics about how this fee could impact your specific pharmacy practice and your ability to invest in new services.

For more information, visit: www.pharmacists.ca/esc.



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