

PRINCIPLES & PRIORITIES

# Pharmacare 2.0



CANADIAN  
PHARMACISTS  
ASSOCIATION

ASSOCIATION DES  
PHARMACIENS  
DU CANADA

# Foreword

## Objective

Renewed national discussions on a pan-Canadian pharmacare framework require clear evidence for policy-makers. The Canadian Pharmacists Association (CPhA), as the national voice of Canadian pharmacists, is committed to gathering this evidence and building consensus through its Pharmacare 2.0 initiative.

## Pharmacare 2.0

Pharmacare 2.0 is a multi-phased policy development process designed to build a Canadian consensus and reboot the pharmacare conversation. While much of the pharmacare conversation to date has focused on cost containment, ensuring fair drug prices and access to necessary medications is only one piece of the puzzle. Patients also require access to the full range of pharmacist services, including prescription renewals, injections, care plans and prescription modifications, to ensure safe and effective drug therapy and optimal health outcomes. Through the identification of key principles, we present the building blocks for a comprehensive pan-Canadian framework to improve the health of Canadians that is attainable for governments and policy-makers.

## Principles & Priorities

As frontline health care professionals, Canadian pharmacists have first-hand knowledge of existing barriers to appropriate drug therapies. As a first step toward the development of a pan-Canadian pharmacare framework, the key principles and priorities presented in this document reflect the views



of the Canadian pharmacy profession, captured through direct engagement with member organizations and affiliates, individual pharmacists and a national poll of more than 2000 Canadians. The evidence is clear: a pan-Canadian pharmacare framework must address three key principles:

- 1 ACCESS & EQUITY:**  
Increased access to medications for all Canadians
- 2 SAFETY & EFFECTIVENESS:**  
Optimal drug therapy to achieve better health outcomes
- 3 INNOVATION & SUSTAINABILITY:**  
Innovative and sustainable coverage to support patient-centered care

All Canadians, regardless of their social, health, geographic or economic status, should have access to optimal drug therapy, which includes both medications and pharmacist services. It is essential that a pan-Canadian pharmacare framework recognize the dual importance of medications and pharmacist services in improving the health of Canadians.

# Principle 1: Access & Equity

All Canadians should have access to medically-necessary medication and pharmacist services, regardless of income, or province or territory of residence.

Universal health care in Canada provides access to medically-necessary hospital and physician services, but does not include prescription drugs outside a hospital setting. While each province and territory provides some form of prescription drug coverage, there is wide variation in the type and level of coverage. Some provinces provide coverage to select populations (usually seniors and people receiving social assistance), others cover individuals facing high drug costs relative to their income, and others provide insurance-based plans. While prescription drugs are among the most powerful tools of modern health care, too many Canadians are unable to fill their prescriptions.

While prescription drugs dispensed outside of hospitals were not included in the Canada Health Act (CHA), CHA principles are frequently invoked in calls for pan-Canadian pharmacare. Comprehensiveness, universality, portability and accessibility are patient-centred principles that ensure that all Canadians have access to public health care insurance, including medically-necessary hospital and doctor services. While a pan-Canadian pharmacare framework must prioritize access to pharmaceuticals for all Canadians, this requirement should

## How Big is the Problem?

Recent studies estimate that 1 in 10 Canadians cannot afford to fill their prescriptions. Others go further to suggest that this problem affects nearly 1 in 4 Canadian households.



While pharmacists experience first-hand Canadians who are unable to afford medically-necessary medication, questions remain about whether or not we fully understand the “access gap” facing Canadians when it comes to prescription drug coverage. In the design of a pan-Canadian pharmacare framework, governments and policy-makers must examine the evidence to gain a clear understanding of existing financial barriers to optimal health outcomes.

not necessarily be interpreted to mean identical coverage for all Canadians. Pharmacare should focus on ensuring that vulnerable Canadians who are not currently or adequately covered by an existing public or private plan be covered under a pan-Canadian pharmacare framework, and private insurance should continue to play a role.

## PRIORITY 1: No Canadian left out

A pan-Canadian pharmacare framework should prioritize coverage for vulnerable Canadians who are not currently or not adequately covered by an existing public or private plan.

While affordability is an issue across the income spectrum, there is particular concern for low-income Canadians, who are more likely to forego filling their prescriptions due to cost than middle or higher income Canadians. Middle- and higher-income Canadians are also more likely to have private insurance, either directly or through their employer, reducing their need for government assistance. While qualifying income levels vary across Canada, low-income Canadians have some degree of access to catastrophic insurance for prescription drugs. Recent polling shows that a majority of Canadians are satisfied with their private coverage. A more complete understanding of the gaps in existing public and private coverage for prescription drugs and pharmacist services would allow for the development of an efficient pan-Canadian pharmacare framework, without removing elements that appear to serve Canadians effectively.

## PRIORITY 2: More than just drugs

A pan-Canadian pharmacare framework should ensure that Canadians have access to the full range of pharmacist services.

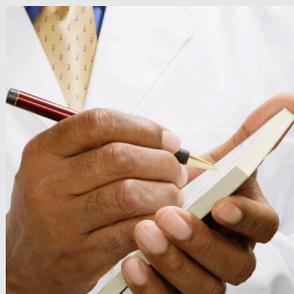
Safe and appropriate drug use is of primary importance to pharmacists. More than ever before, expanded scope of practice means that Canadians have direct access to pharmacist services, which support the safe and appropriate use of medication. Specific pharmacist services, such as adapting a prescription, treatment optimization, prescribing in

## Defining Pharmacist Services

The Canadian Pharmacy Services Framework (Blueprint for Pharmacy) defines three categories of pharmacist services:



Core dispensing services



Enhanced medication-related services



Expanded patient care services

Pharmacist services must be appropriate, effective, and safe.

an emergency and comprehensive medication management, provide Canadians with expert guidance to promote the safe and effective use of prescription drugs. Research shows that pharmacists practicing at the full extent of their scope will not only reduce health care costs in the short term, but will also create savings across the board by increasing system capacity and access to primary health services. A pan-Canadian pharmacare framework must include access to a full range of pharmacist services.

### PRIORITY 3: Coverage when and where it's needed

A pan-Canadian pharmacare framework should recognize the need for consistent coverage across the continuum of care.

The growing shift in care from institutions to the community raises questions about the ability of the existing patchwork of coverage to provide Canadians with the care they need. For example, while chemotherapy drugs administered in a hospital are fully funded, oral cancer treatments taken at home often are not. Comparable coverage regardless of location could help to address inequity as patients move along the continuum of care from long-term residential care to hospital, and the discontinuity of treatment that may arise if medication and pharmacist services are not covered in nursing homes and the community. Harmonization of available drug benefits across the continuum of care is an important consideration in achieving optimal drug therapy for Canadians. Moreover, consistent coverage across the continuum of care should be available to all Canadians, regardless of province or territory of residence.



# Principle 2: Safety & Effectiveness

Prescription drug coverage should be based on the best available evidence to support safe and effective drug therapy while providing timely access to new medication.

A pan-Canadian pharmacare framework must be informed by timely and accurate data on drug safety and effectiveness. Furthermore, all stakeholders must play a coordinating role in the management and appropriate use of safe and effective drug treatments. Expanded drug coverage can be expected to address the underuse of medications; however, a pan-Canadian pharmacare framework must also ensure that harmonization supports appropriate prescribing, helps prevent drug shortages and promotes the safe and effective use of medications.

## PRIORITY 1: Evidence-based coverage

A pan-Canadian pharmacare framework should ensure that eligible drugs are selected based on the best evidence and outcomes.

Prescription drug coverage in Canada is impeded by lack of harmonization with respect to coverage among provinces/territories and existing public and private plans. Pan-Canadian drug formulary standards would offer consistency across jurisdictions and plan types, while reducing duplication. Scientific evidence, including data from pharmaeconomic studies, should form the basis of decisions about what drugs

will be covered. While this has become a well-established process for most provincial drug plans, this evidence should be consistently applied across Canada. Streamlined formulary standards would increase equitable access to medication, while increasing the appropriateness of prescribing and improving the safety and effectiveness of patient care. A pan-Canadian pharmacare program must also seek to improve patient care through better patient monitoring and surveillance.

## PRIORITY 2: E-prescribing

A pan-Canadian pharmacare framework should include national standards for e-prescribing.

E-prescribing (also known as e-Rx) is the electronic creation and transfer of prescription information between health providers, from a prescriber's electronic medical record to pharmacy software. A major benefit of e-prescribing is its positive impact on patient care and safety. When implemented, e-prescribing reduces the possibility of errors, and reduces back and forth communication between health care providers. E-prescribing also allows for the integration of safety and alert systems when prescriptions are issued, and provides clinical decision-making support, along with formulary and cost information. These outcomes benefit not only the individual patient, but also the overall health care system by increasing the safety of dispensing and monitoring of medication therapy. E-prescribing also helps inform decision-making by ensuring that medication history, drug, therapeutic, formulary and cost information are available at the point of prescribing. A pan-Canadian pharmacare framework should capitalize on the provincial, territorial and regulatory harmonization required to enable e-prescribing to promote the safe and effective use of medication. Implementation should take into consideration patient confidentiality, security and choice.



### PRIORITY 3: Drug supply and quality

A pan-Canadian pharmacare framework should help prevent drug shortages and ensure drug quality.

Drug shortages are increasingly prevalent in Canada and may compromise patient safety. Surveys of health care professionals, including pharmacists, confirm that drug shortages have a significant negative impact on patient care and health outcomes. Canada currently lacks oversight of the drug distribution system, and no single organization holds accountability for the supply chain from a system-wide perspective. Drug shortages are a clear demonstration of the need for improved regulatory structures and greater focus on economic drivers affecting product quality and reliability. A pan-Canadian pharmacare framework should also include measures to help prevent drug shortages and ensure drug quality.

# Principle 3: Innovation & Sustainability

Targeted investments in innovative models of health care delivery will better ensure sustainability.

Keeping drug costs low is a critical component of sustainable pharmacare, but is an incomplete solution. Cost containment is only one consideration in the development of a pan-Canadian pharmacare framework. Other strategies, such as improving adherence to prescription regimes and reducing waste, are also required. Affordable and sustainable prescription drug coverage must prioritize optimal health outcomes and patient-centred care. Government focus on reducing drug prices to improve affordability and access to drugs must not come at the expense of improving care and health outcomes or value for health dollars.

Prescribed drug expenditures account for just 13.4% of Canada's total health spending (\$214.9 billion). A singular preoccupation on drug pricing 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.



Pharmacare 2.0 is supported by evidence that a pan-Canadian pharmacare framework should acknowledge the existing role played by public and private payers. Recent polling indicates that among those with prescription drug coverage in Canada, most are satisfied with their current plan. Moreover, Canadians believe that a pan-Canadian pharmacare framework should be targeted toward those who do not currently have coverage, or toward patients who are facing extreme circumstances. It is clear that a one-size-fits-all approach to prescription drug coverage is neither affordable, nor effective nor efficient.

## PRIORITY 1: Evolution not Revolution

A pan-Canadian pharmacare framework should be built on cooperation and collaboration between public and private plans.

Innovation doesn't always mean reinventing the wheel. While there is merit in pursuing expanded access for those in need, governments and policy-makers should be guided by principles of evolution, not revolution, in the development of a pan-Canadian pharmacare framework. Governments and the insurance industry should work cooperatively to define mechanisms for pooling risks, identifying gaps and addressing coverage. Together, the public and the private sector should consider these issues, propose options and consult employers and the public to ascertain their willingness to pay. While a pan-Canadian pharmacare framework should ensure equitable access to medically-necessary medication and pharmacist services, Canadians should be permitted to supplement their coverage beyond the base level of benefits.

## PRIORITY 2: Cost-Sharing

A pan-Canadian pharmacare framework should include means-tested patient contributions to support program sustainability, without creating a barrier to patient access.

Means-tested patient contributions to the cost of medication are an important component of existing public drug coverage in Canada. Through premiums and other cost-sharing mechanisms, provinces and territories seek to ensure the long-term sustainability of their drug programs. A pan-Canadian

pharmacare framework must implement program design mechanisms that do not penalize patients for their course of treatment or their ability to pay, while supporting long-term sustainability. Cost-sharing should promote efficiency, while guaranteeing equitable access to drug therapies for vulnerable Canadians.

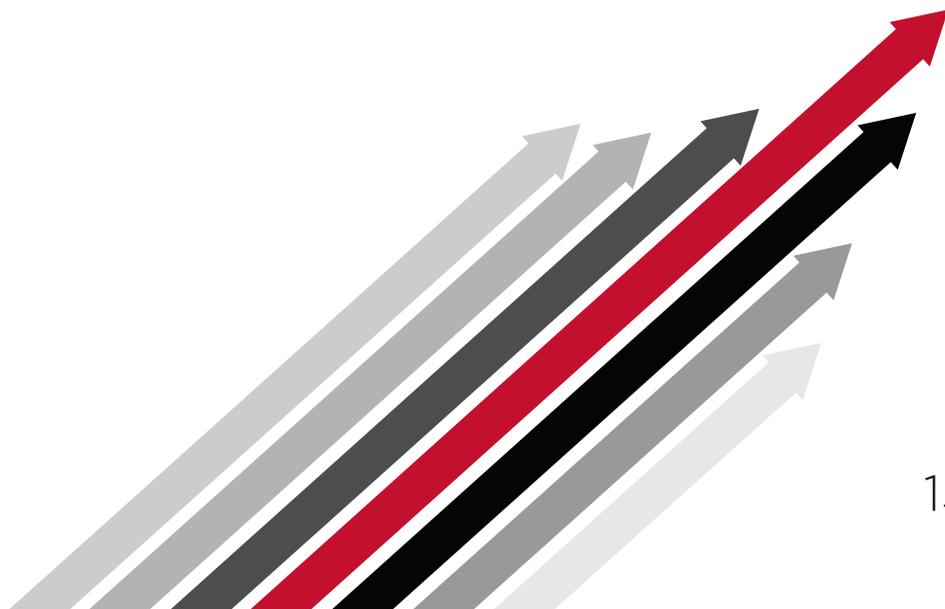
### PRIORITY 3: Investment in Innovation

A pan-Canadian pharmacare framework should include funding to support innovative models of health care delivery.

Changes in Canada's approach to prescription drug coverage will present costs and benefits to governments and private payers alike. The creation of a pan-Canadian pharmacare framework will provide an opportunity to integrate innovative models of health care delivery into program infrastructure, which will help to ensure its long-term sustainability.

Irrespective of the breadth of coverage that a pan-Canadian framework may provide, a new model requires a funding catalyst to allow for the establishment of innovative systems to improve patient safety and deliver value for money.

E-prescribing and comprehensive access to pharmacist services are both prime candidates for innovation funding to help ensure the long-term sustainability of a pan-Canadian pharmacare framework.





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