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**Report to the Senate Social Affairs, Science, and Technology
Committee**

**Examination into the 2004 10-Year Plan to Strengthen Health
Care (2004 Health Accord)**

Submitted by Canadian Pharmacists Association

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The Canadian Pharmacists Association (CPhA) appreciates the opportunity to offer its observations on the progress that governments have made with regard to implementation of the 2004 10-Year Plan to Strengthen Health Care (the “Health Accord”). CPhA is the national organization of pharmacists, committed to providing leadership for the profession and improving the health of Canadians.

The 2004 Health Accord committed governments to undertake reforms in 10 key areas: reducing wait times and improving access, health human resources, home care, primary care, access to care in the north, a National Pharmaceuticals Strategy, prevention and promotion, health innovation, accountability, and dispute avoidance. The federal government also committed to increasing Canada Health Transfer payments by 6 percent per year over the 10 year duration of the Accord.

Although each of these commitments are important measures necessary to strengthen the health care system, CPhA will use this opportunity to focus on 4 key areas: the national pharmaceuticals strategy, health human resources, e-health, and the Canada Health Transfer. These are issues that are of particular concern to pharmacists.

National Pharmaceuticals Strategy (NPS)

The NPS originally contained 9 elements in the 2004 Health Accord, to which a 10th was added by Ministers of Health in 2005. These 10 items included:

- Develop, assess, and cost options for catastrophic pharmaceutical coverage
- Establish a common National drug Formulary for participating jurisdictions based on safety and cost effectiveness
- Accelerate access to breakthrough drugs for unmet health needs through improvements to the drug approval process
- Strengthen evaluation of real-world drug safety and effectiveness
- Pursue purchasing strategies to obtain best prices for Canadians for drugs and vaccines
- Enhance action to influence prescribing behaviour of health care professionals so that drugs are used only when needed and the right drug is used for the right problem
- Broaden the practice of e-prescribing through accelerated development and deployment of the Electronic Health Record
- Accelerate access to non-patented drugs and achieve international parity on prices of non-patented drugs
- Enhance analysis of cost drivers and cost effectiveness, including best practices in drug plan policies
- Undertake research on expensive medications for rare diseases (added in 2005)

In January 2009, the Health Council of Canada issued a report entitled “The National Pharmaceuticals Strategy: A Prescription Unfilled”. CPhA supported the findings of that report, and agreed with its observations and conclusions. CPhA would urge the Social Affairs Committee to review that report as a valuable resource into its examination of progress on the 2004 Accord. To that Health Council of Canada report, CPhA would offer the following additional observations and updates with respect to particular elements of the 2004 NPS:

Strengthen evaluation of drug safety and effectiveness: CPhA feels that there has been insufficient progress in strengthening the infrastructure to evaluate drug safety and effectiveness. Although the announcement in 2009 of \$31 million for the Drug Safety and Effectiveness Network was welcome, the

fact remains that drug safety and effectiveness remain issues that require much greater focus. When one considers that medication errors cost the health system upwards of \$9 billion annually, and that the vast majority of these errors are preventable, there is an obvious need for greater evaluation. In representations to the House of Commons Standing Committee on Finance, CPhA has long argued for greater support for drug data reporting infrastructure as a means to obtain better data and conduct more thorough research on quality of drug use and effectiveness with the aim of establishing routine indicators on the safety and quality of drug use. More specifically, CPhA has recommended that the federal government provide funding to Health Canada to establish a National Medication Management Centre that would act as a key driver to reducing adverse drug events and enhance medication management for patients.

In order to fully fulfill the 2004 Health Accord commitments in this area, CPhA repeats its recommendations made to the House Finance Committee regarding drug data reporting infrastructure and establishment of a National Medication Management Centre.

Develop, assess, and cost options for catastrophic pharmaceutical coverage: In its 2009 report, “The National Pharmaceuticals Strategy: A Prescription Unfilled”, the Health Council of Canada observed that whereas many statements have been made by jurisdictions since 2004 on the need for catastrophic drug coverage, very little has been achieved in terms of providing additional pharmaceutical coverage to Canadians. The 2009 report recommended that governments “proceed quickly” on implementing catastrophic drug coverage programs, but since that time, little more has been achieved.

In 2008, CPhA released a position paper on catastrophic drug coverage. The paper stated, “CPhA supports the development of a national catastrophic drug plan, integrated with existing drug plans wherever possible, to ensure all Canadians have equitable access to medically necessary drugs and are protected from undue financial hardship.” It went on to recommend that governments introduce a variable income threshold model, whereby patients would be required to pay for a certain percentage of their drug costs, up to a percentage of their income. The paper also recommended that covering the cost of drugs alone was insufficient; a catastrophic drug program also needed to cover the costs associated with the medication therapy management services that a pharmacist provides, in order to ensure proper adherence and to reduce the risk of adverse drug events.

CPhA urges jurisdictions to recommit to implementing policies and programs aimed at covering catastrophic drug costs, in partnership with the private payer community and other stakeholders.

Pursue purchasing strategies to obtain best prices for Canadians for drugs and vaccines: At the conclusion of the Council of the Federation meeting in August 2010, provincial premiers, with the support of the federal government, agreed to pursue a bulk purchasing strategy for medically necessary drugs. The intent of the policy was to realize cost efficiencies through volume purchases. Since that time, there has been little progress made on a provincial bulk purchasing scheme.

From the perspective of CPhA, although the evidence from smaller purchasing groups suggests that cost savings may be achieved, there is a greater risk that bulk purchasing could exacerbate the problem of drug shortages that Canada, and many countries around the world, are currently experiencing. As large purchasers enter into bulk purchasing arrangements, supply of particular drugs will tend to concentrate to a small number of manufacturers. As the number of suppliers of a particular drug is reduced, the risk of shortages increases. If supply from a particular manufacturer is interrupted (due to plant malfunctions, or inability to source raw materials, or a failed inspection), a shortage will be felt

throughout the entire supply chain. The Canadian Society of Hospital Pharmacists have stated that of 30 drugs in short supply in the hospital sector in early 2011, over 20 were sole-sourced. As a result, CPhA would caution governments to thoroughly review bulk purchasing as a strategy to lower costs to ensure that such purchasing plans would not impede supply of those particular drugs.

Enhance action to influence prescribing behaviour of health care professionals: Over the past several years, most provinces have taken steps to enhance the scope of responsibilities under which pharmacists can practice. Appendix A summarizes the province-by-province services that pharmacists are now able to offer. This is a positive development, and one that CPhA supports and is helping to lead. Greater scope of practice will enable pharmacists to deliver better quality medication therapy management services to patients, while leading to lower health system costs.

CPhA would recommend that governments continue to pursue expanded scope of service. The recently completed Canadian Pharmacy Services Framework (CPSF), an initiative led by the Canadian Pharmacists Association and the Canadian Association of Chain Drug Stores, offers a full list of the services that pharmacists could potentially provide. CPhA would be pleased to provide a copy of this document to the Committee.

Health Human Resources (HHR)

In its 2008 brief to the House of Commons Standing Committee on Health (HESA), as part of its statutory review of the 2004 Accord, CPhA welcomed the creation by the Canadian Institute of Health Information of a new database to track the number of pharmacists in Canada, and a 2008 national human resources study for pharmacists. However, since that time, little progress has been made on advancing health human resources.

In 2010, HESA issued a report on health human resources that made a number of recommendations that CPhA actively supported. In particular, as a way of meeting the original HHR goals as identified in the 2004 Accord, CPhA has identified recommendations regarding the need for a National HHR Observatory and greater interprofessional collaboration as two key recommendations that governments should pursue. A HHR National Observatory would provide the health care community with a forum whereby research could be undertaken and strategies developed that would forecast the need for individual health human resources.

The report also made two recommendations with regard to promoting greater interprofessional collaborative practice. First, the report recommended that the federal government identify and address systemic barriers to the implementation of interprofessional collaborative practice within its own jurisdiction, and second, that it consider sustained funding mechanisms to promote interprofessional collaborative practice in the provinces and territories. CPhA fully supports these recommendations, and would urge the federal government to consider them as part of its ongoing response to the 2004 Accord commitments on health human resources.

Primary Care Reform / E-Health

Electronic health records (EHR) and telehealth are key technologies to enable health system renewal, particularly for Canadians who live in rural and remote areas. Adoption of computer technology and the EHR by clinicians remains a challenge. However, progress since 2004 has been slow.

Drug Information Systems (DIS), which include complete drug profile and e-prescribing applications, are in various stages of deployment across Canada. While pharmacy is working with the governments to address policy, privacy, business and patient care issues as they relate to information technology, pharmacies are often faced with challenges which include insufficient resources and support for IT adoption, changes to the work environment required to accommodate additional work stations, and the inability of IT solutions to address evolving work force roles and expanded scope of practice. The support by provincial governments for pharmacies facing these challenges has been minimal, which has led to disruptions in health care services.

CPhA believes that the EHR will enable primary care reform and allow health care practitioners to better care for their patients. More complete and better information will facilitate informed health care decisions. Implementation of electronic prescribing and DIS applications will lead to enhanced drug safety. To this end, funding from Canada Health Infoway should be increasingly tailored to facilitate the emergence of e-prescribing and DIS applications.

Canada Health Transfer

The 2004 Health Accord committed to maintaining the Canada Health Transfer at a 6% per annum rate for the 10 year life of the Accord. This predictable, sustainable, long-term funding commitment was welcome, as it has allowed provinces and territories to better plan their health care delivery systems with greater predictability. The 6% rate is almost double that of health inflation, so it has allowed for expansion in the health care system beyond inflationary pressures.

During the 2011 election campaign, Prime Minister Harper committed to maintaining the 6% escalator for an additional 2 years beyond the 2014 expiry of the Accord. CPhA would recommend that the 6% escalator be extended for an additional 10 year period, in order to continue the predictable, sustainable long-term funding that was a hallmark of the 2004 Accord.

Conclusion

The 2004 Health Accord was a valuable opportunity for governments in Canada to define and prioritize their vision for the future of health care in Canada. Progress since 2004 has been spotty; different jurisdictions have pursued different objectives, on different timeframes. In the final years before the expiration of the Accord, CPhA would encourage all jurisdictions to recommit to the vision contained in the 2004 Accord. Furthermore, we would encourage the federal government to carry forth that same vision and spirit of collaboration, in consultation with key stakeholders, in the lead up to the renegotiation of the 2004 Accord by 2014.

Appendix 1: Summary of Pharmacists' Expanded Scope of Practice Across Canada