

PHARMACARE 2020

Summary of Recommendations: Moving from Principles to Policies

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Summary of Recommendations: Moving from Principles to Policies

The World Health Organization has declared that all nations are obligated to ensure equitable access to necessary medicines through pharmaceutical policies that work in conjunction with broader systems of universal health coverage. To that end, every developed country with a universal health care system provides universal coverage of prescription drugs – except Canada.

Canadians deserve universal and equitable access to necessary medicines. Universal, comprehensive, public “Pharmacare” – working in conjunction with our universal “Medicare” system – is the best way to achieve this at a fair and affordable cost to patients and society as a whole.

This document summarizes the recommendations from *Pharmacare 2020*, a research-based report that provides a clear vision of what Pharmacare is – or should be – for Canada: a public drug plan that is universal, comprehensive, evidence-based, and sustainable.

The four sections that follow explain why Pharmacare is the best option for Canada to achieve the four core goals of prescription drug financing policy:

- **Access:** universal access to necessary medicines
- **Fairness:** fair distribution of prescription drug costs
- **Safety:** safe and appropriate prescribing, and
- **Value for money:** maximum health benefits per dollar spent.

The concluding section outlines the case for Canada's federal, provincial, and territorial governments to act now – together – to see full implementation of Pharmacare by 2020.

Access




Principle: All Canadians should have equitable access to medically necessary prescription drugs.

Equitable access to medically necessary prescription drugs does not require that every drug be covered for every use. It requires that all patients be able to access, without barriers, medicines selected with due regard to public health relevance, evidence on efficacy and safety, and comparative cost-effectiveness. This is not achieved through drug programs for select populations or the protection of all people against only “catastrophic” costs. Even small patient charges can deter patients of all income levels from filling necessary prescriptions, particularly preventive treatments that must be taken regularly to manage asymptomatic chronic diseases.

Recommendation 1: Provide universal coverage of selected medicines at little or no direct cost to patients through Pharmacare.

Fairness




Principle: No individual or group should be financially disadvantaged by their health needs.

All Canadians should have financial protection from the costs of medically necessary care. Needs-based means of paying for prescription drug costs – including deductibles, co-payments, and risk-rated premiums – are borne disproportionately by those with significant and/or ongoing health needs. Protecting individuals and groups from the cost of necessary prescription drugs, requires that the cost be shared fairly across the entire population. It also requires that decisions about what drugs to cover be taken at a population level to avoid inequities in financial protection based on age, occupation, or other characteristics.

Recommendation 2: Select and finance medically necessary prescription drugs at a population level without needs-based charges – such as deductibles, coinsurance, or risk-rated premiums – on individuals or other plan sponsors (e.g., businesses).

Safety




Principle: Prescription drugs should be funded, prescribed, and used only in accordance with the best available evidence concerning risks and benefits.

The safety of medicines as used by Canadians is of primary importance. Increased drug coverage by itself may address problems of underuse of needed therapies but may also exacerbate existing problems of overuse and misuse of prescription drugs in Canada. Pharmaceutical coverage therefore needs to be based on the best available evidence and integrated into the health care system in ways that increase the appropriateness of prescribing. A single, evidence-based formulary should be developed in a fair and transparent fashion by an accountable and representative body, and program implementation should foster the routine use of evidence and data for decision support and safety surveillance.

Recommendation 3: Establish a publicly accountable body to manage Pharmacare, one that integrates the best available data and evidence into decisions concerning drug coverage, drug prescribing, and patient follow-up.

Value for Money




Principle: The cost of medicines should be managed to achieve maximum value for Canadian society.

All Canadians should have access to a health care system that is efficient and sustainable. This requires careful management of administrative costs, drug prices, and treatments selected to meet health needs. It also requires attention to the fact that money spent on pharmaceuticals cannot be spent on other things – including other investments in health and health care. A single-payer system for covered medicines would lower administrative costs, increase purchasing power, and enable the program budget to be set in the context of broader health system management. An accountable management agency should apply best practices in procurement policy and contracting to ensure a safe and secure supply of covered medicines.

Recommendation 4: Establish Pharmacare as a single-payer system with a publicly accountable management agency to secure the best health outcomes for Canadians from a transparent drug budget.

Now is the Time to Act



Pharmacare is achievable and financially sustainable. Every comparable universal health care system in the world proves that this is the case, because they all provide better access to medicines for less than Canada now pays.


Given the recommendations for Pharmacare from multiple national commissions in the past, and with the mounting evidence and growing calls from a broad range of stakeholders and public interest groups, delaying implementation is no longer defensible.

Provinces can start right away by building on the successes to date with the Pan-Canadian Pharmaceutical Alliance, which jointly negotiates prices of patented drugs and works to set limits on generic prices. They could identify priority stages of Pharmacare development based on the priorities of the public health system – for example, increased access to and appropriate use of the medicines that would generate the greatest benefit to provincial health care systems.

A newly elected federal government should commit to supporting the nation-wide implementation of a comprehensive public Pharmacare system within the timeframe of a four-year mandate. This would allow the vision and objectives to be articulated at the outset, while allowing for careful implementation of this important, long-term program.

Recommendation 5: Fully implement Pharmacare – a public drug plan that is universal, comprehensive, evidence-based, and sustainable – by 2020.

Medicare Made Better

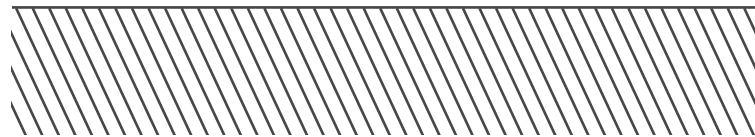


Although the proposed reforms will not go unopposed by interests that benefit from the status quo, both evidence and international experiences with similar policies clearly indicate that these reforms are an economically viable way to significantly improve Canadian Medicare.

For patients, Pharmacare designed to be consistent with these goals, principles, and recommendations will be a natural extension of their cherished Medicare system.

For Canadian society, Pharmacare will improve patient health, reduce demands elsewhere in the health care system, and produce substantial net savings for Canadian patients, businesses, and taxpayers. ■

Conclusion: Public “Pharmacare” – working in conjunction with our “Medicare” system – is the best way to give all Canadians equitable access to necessary medicines at a fair and affordable cost to patients and society as a whole.



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