

Submit by Email

Township of  
Langley

Est. 1873

## Delegation Request To Appear Before Township Council

I/we would like to appear as a delegation at the Council meeting on

JANUARY 15, 2018 at the  
(Council meeting date requested)☒ 4:00pm Regular Afternoon Meeting☐ 7:00pm Regular Evening Meeting

Name of delegate or organization wishing to appear

TIM CHEUNG / UNIFOR LOCAL 2002

### 1 Topic

The topic of discussion is (be specific, provide details, and attach additional information, if required)

PHARMACARE - SEE ATTACHED INFORMATION  
ON PHARMACARE

### 2 Additional Information

Purpose of presentation

☐ Information only ☒ Request letter of support ☐ Request funds ☐ OtherDesired resolution THAT THE TOWNSHIP OF LANGLEY CALL ON THE FEDERAL  
GOVERNMENT TO WORK WITH THE PROVINCES & TERRITORIES TO DEVELOP  
Activities to date relative to the matter AND IMPLEMENT A NATIONAL PHARMACARE PROGRAM  
- SEE ATTACHED RESOLUTION.

### 3 Meeting Location

Fraser River Presentation Theatre, 4<sup>th</sup> Floor  
Township of Langley Civic Facility  
20338 - 65 Avenue, Langley, BC V2Y 3J1

Office use only

☐ Approved ☐ Declined ☐ Other

Applicant informed



## **B122 NATIONAL PHARMACARE PROGRAM**

WHEREAS the City of Victoria has been recognized and demonstrated its commitment to the importance of healthy citizens as the foundation of a healthy, engaged and economically vibrant community; and Canada is currently the only country with a national medicare program that does not have a national pharmacare program, with over 3 million Canadians unable to afford the cost of medicines prescribed by doctors, and the risk of having no insurance for medicines particularly high among lower income Canadians, including many workers with precarious and seasonal employment;

AND WHEREAS research suggests that adding a national pharmacare program to our national health care system is sound policy, both economically and socially; would lower costs to businesses by as much as \$8 billion per year, with a corresponding competitive advantage for Canadian companies; and could produce substantial cost savings for local government expenditures on employee benefits;

AND WHEREAS a national prescription drug formulary, would support better quality prescribing; including reducing dangerous and inappropriate prescribing to Canadian seniors:

THEREFORE BE IT RESOLVED that the Government of British Columbia work with all provinces and the federal government to develop and implement a national pharmacare program as an extension of Canadian Medicare, to improve the health outcomes of citizens, ensure fairness in access to medicine, and provide for greater efficiency and effectiveness in Canada's health care system.

### **RESPONSE: Ministry of Health**

Under the *Canada Health Act* all necessary drug therapy administered within a Canadian hospital setting is insured and publicly funded. Outside of the hospital setting, provincial and territorial governments are responsible for the administration of their own publicly-funded prescription drug benefit programs.

Most Canadians have access to insurance coverage for prescription medicines through public and/or private insurance plans. The federal, provincial and territorial governments offer varying levels of coverage, with different eligibility requirements, premiums and deductibles. The publicly-funded drug programs generally provide insurance coverage for those most in need, based on age, income, and medical condition.

In January 2016, the Federal/Provincial/Territorial Health Ministers committed to work together to address the issues of affordability, accessibility and appropriate use of pharmaceuticals. On the topic of a proposed "national pharmacare program" there remains a lack of consensus of what "national pharmacare" means as there are differing definitions and interpretations since drugs are currently funded privately (predominantly) and publicly. Further, depending on what model of national pharmacare is contemplated, the potential financial costs/savings and complexity of implementation will vary tremendously. Due to the lack of clarity, there is no consensus at this time on any specific action, although there remains ongoing exploration of this highly complex proposal.

In British Columbia, PharmaCare is the Ministry of Health program that provides public drug coverage through ten drug plans. The Fair PharmaCare plan provides assistance to residents with the cost of eligible prescription drugs and designated medical supplies based on their net income reported to the

Canada Revenue Agency. The lower their income, the more help they receive. British Columbians with the lowest incomes do not need to meet a deductible and receive immediate assistance.

The federal government did address the idea of a national PharmaCare program during the 2015 election campaign. They said that they will work with the provinces to lower drug costs and determine how to make measurable progress on the health care issues that matter to Canadians, including the affordability of prescription drugs. They also said that they are committed to creating a plan that covers the catastrophic costs associated with major diseases like cancer, diabetes, and arthritis.

On August 6, 2010, at a meeting of the Council of the Federation, Premiers agreed to establish a pan-Canadian Purchasing Alliance (pCPA) to consolidate public sector procurement of common drugs (brand and generic), medical supplies, and equipment, where appropriate. The alliance is intended to leverage the combined purchasing power of public drug plans in multiple jurisdictions, leading to lower drug costs, increased access to drug treatment options and increased consistency of listing decisions across participating provinces and territories.

BC has strongly supported pCPA and remains very active. As a result, a total of 63 brand pharmaceutical negotiations were concluded by March 31, 2015, resulting in an estimated annual savings of \$315 million to provincial and territorial drug plans. In addition, the prices of 14 of the most common generic drugs have been reduced to 18 percent of the brand name prices since 2012, which is projected to result in annual savings of \$190 million to provincial and territorial drug plans.

Besides building on the overall success that is being achieved by the pCPA, and establishing a pCPA Office to provide additional support for this initiative, further analysis at the provincial and federal levels is required to provide a better understanding of the potential for additional savings, and evidence-based decision making for improved access and consistency across Canada, before a national PharmaCare program can be developed.

# Background: Canadian Pharmacare

Unifor advocates for the creation of a public, national pharmacare program. Providing a robust social system that includes universal access to health care is critically essential for Canada to succeed in a global economy. However, Canada remains the only developed country with a universal health care system that has no universal prescription drug coverage.

## The High Cost of Prescription Drugs in Canada

Canadians (and often employers on their behalf through workplace drug plans) pay more for pharmaceuticals than almost any country in the world. Our country's drug spending on a per capita basis is 30 per cent above the OECD average and second amongst OECD countries only after the United States. This is clearly unsustainable in the longer term and workplace drug plans are under enormous pressure to contain, if not shift costs (possibly onto the workforce).

When it comes to prescription drug coverage, Canadians face a bewildering patchwork of programs and plans. An estimated 43 per cent of spending on prescription drugs is through publicly-funded plans providing coverage for the elderly, disabled and/or low-income Canadians. More than one third, or 35 per cent, is funded by private insurance, with the remainder including another 22 per cent that is paid out-of-pocket by Canadians.

Prescription drug spending in the private sector has increased drastically over the last two decades from \$3.6 billion in 1993 to almost \$11 billion in 2015. The lack of universal access often results in real harm - with non-adherence or drug interactions resulting in hospital admissions and additional public costs and loss of life. It is estimated that private drug plans reimbursed for \$5.1 billion in 2012 alone without evidence of that spending yielding any therapeutic benefits in return.

Recent research has documented a significant international difference in average per capita expenditures on primary care pharmaceuticals - those routinely prescribed by primary care providers in six therapeutic categories: hypertension, pain, cholesterol, diabetes, ulcers and antidepressants - across other high-income nations with universal health systems. Spending was consistently lower among single-payer pharmaceutical systems due to lower prices and selection of lower cost treatment options. Compared to the ten countries with universal coverage of outpatient prescription drugs, Canada recorded list prices about 61 per cent higher despite having a comparable volume - representing an estimated \$2.3 billion 'oversend' relative to average costs in these other countries.

## What Pharmacare Can Do For Us

A universal pharmacare plan for Canada would improve access and affordability through bulk purchase and negotiated pricing with drug manufacturers; it would eliminate duplication and cost-shifting amongst

existing payers while promoting integration amongst health care providers. A universal pharmacare plan including an evidence-driven drug assessment process could also help distinguish and discriminate between drug products in order to ensure the quality, safety, and cost-effectiveness of prescribed medicines. Recent studies show a national drug plan through bulk purchasing could lower the costs of drugs enough to finance a full pharmacare system with no increase to government costs, and in fact a net savings of up to \$7 billion annually to Canadians. Even the federal Parliamentary Budget Office (PBO) estimates minimum savings of at least \$4 billion annually based on the most comprehensive drug coverage.

As far back as 1964, the Royal Commission on Health Services recommended that a universal drug insurance plan be established for all Canadians. The National Health Forum, under Jean Chrétien in 1997, also recommended universal drug coverage. The Romanow Commission in 2002 recommended catastrophic drug coverage as a first step towards universal pharmacare.

## The Time to Act is Now

We stand at a unique juncture in Canadian history in terms of the transformative change necessary to address the critical issues of access, appropriateness, value and safety through a universal national pharmacare strategy. Unifor's call for a national pharmacare program in Canada is not only rooted in the well-established economic benefits of implementing such a program, but is also based on the principle that all Canadians should have equitable access to medically necessary prescription drugs without financial or other barriers. Currently, about 8.4 million working Canadians do not have any prescription drug coverage.

A universal pharmacare has even more pharmacare champions today such as Ontario's Health Minister Eric Hoskins, a passionate advocate willing to state the obvious case that access to prescription medicine must be more equitable in Canada and would improve health outcomes, but also that such a plan would generate savings for all Canadians of up to \$10.7 billion in prescription drugs. Both the Ontario Liberal and Ontario New Democratic Party have proposed significant policy initiatives to support evolving towards a universal pharmacare plan. At the Premiers conference this past July, Premiers, including Ontario Premier Kathleen Wynne, Newfoundland Premier Dwight Ball and Manitoba Premier Brian Pallister all joined together to call on the Federal government to bring prescription medications under our Medicare system.

Latest polls show 91 per cent of Canadians want a national drug plan.

## Take Action

Visit [www.unifor.org/en/take-action/campaigns/universal-pharmacare](http://www.unifor.org/en/take-action/campaigns/universal-pharmacare) to sign the petition and find out more about getting involved in the campaign for a national pharmacare plan.

SA:amvcope343



## Resolution

## Sponsor(s)

WHEREAS, The City of Vancouver has recognized and has demonstrated over the past years its commitment to the importance of healthy citizens as the foundation of a healthy, engaged and economically vibrant community; and

WHEREAS, The over 3 million Canadians, including many in our local communities, don't take medicines prescribed by their doctors because they can't afford them; and

WHEREAS, Canada is currently the ONLY country with a national medicare program that does not have a national pharmacare program; and

WHEREAS, The risk of having no insurance for medicines is high among lower income Canadians which includes the service industry, precarious working and seasonal workers; and

WHEREAS, The studies show that adding a national pharmacare program to our national health care system would lower costs to businesses by over \$8 billion per year, providing Canadian companies competitive advantages in international trade; and

WHEREAS, The recent research confirms that these gains can be achieved with little or no increase in public investment; and

WHEREAS, Municipal government expenses for employee benefits would be significantly reduced by a national pharmacare program; and

WHEREAS, A national prescription drug formulary would support better quality prescribing, including reducing dangerous and inappropriate prescribing to Canadian seniors; and

WHEREAS, A National Pharmacare plan is a sound policy, both economically and socially, the City of Vancouver express its support for the creation of a National Pharmacare program as an extension of Canadian Medicare, since health and economic studies now show that such as policy would improve health in municipalities, give local businesses a competitive advantage in the global marketplace and lower costs for municipal

Regional Municipality of Durham, ON

City of Vancouver, BC

City of North Vancouver, BC

City of Burnaby, BC

Region of Peel, ON

City of Nelson, BC

Town of Ajax, ON

Cape Breton Regional Municipality, NS

WHEREAS, The Township of Langley has recognized and has demonstrated over the past years its commitment to the importance of healthy citizens as the foundation of a healthy, engaged and economically vibrant community; and

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BE IT RESOLVED, That The Township of Langley call on the Federal Government to work with the provinces and territories to develop and implement a National Pharmacare program.