National Pharmacare Call to Action

From The Office of Councillor Stephanie McGowan Town of Comox

Dear Community Leaders,

With the economy in crisis because of COVID-19, now is the time for the federal government to fulfill its promise to implement a universal, public national pharmacare program. The need for pharmacare has never been starker.

Rapid implementation of a universal pharmacare system could help Canadian households, businesses, and municipalities and avoid needless suffering.

Prior to COVID-19, Canada's patchwork of private and public drug plans left 1 in 5 Canadians with little or no prescription drug coverage. Canadians were already three times more likely to skip prescriptions because they could not afford them than residents of comparable countries with universal pharmacare systems, like the United Kingdom. COVID-19 will make this worse.

Over 3 million Canadians have lost their jobs because of the COVID-19 pandemic and 2.5 million more are working less than half of their usual hours. All 5.5 million of these Canadians now have less income to pay for medicines that they or their family members need. Those who were fortunate enough to have had work-related health insurance may lose that too.

Even before COVID-19, thousands of Canadians already ended up in hospital and hundreds of Canadians died every year as a result of their inability to afford the medicines they need. More will do so as a result of their reduced incomes and loss of drug coverage – right at a time when we need Canadians to avoid hospitals as much as possible.

Canada's patchwork of private and public drug plans is not just letting patients down, it is also costing far more than a universal pharmacare system would. Canada spends at <u>least 50% more per person on pharmaceuticals</u> than countries with universal, single-payer pharmacare systems. Other countries spend less because they use their nation-wide purchasing power of to negotiate <u>lower prices for brand name</u> and generic drugs.

The inefficiency in Canada's system is placing a heavy financial burden on Canadian households and employers. Local governments are among those bearing this burden. In 2015, Canada's local governments spent an estimated \$500 million to provide private drug coverage for our public sector employees. The costs of these plans have increased dramatically since, driven by increased availability and use of high-cost medicines, the costs of which are very difficult for individual employers to manage.

Having multiple drug plans operating in every province – including multiple private plans for public sector employees – needlessly duplicates administrative costs and reduces Canada's power to effectively manage prices. Wasteful spending on these drug plans has long diverted resources from services that Canadians need from local governments. Now, with reduced local government revenues stemming from the COVID-19 mitigation efforts, the cost of these plans are an even greater problem across the country.

It is therefore time for the federal government to implement the long-promised universal, comprehensive, public pharmacare plan. Since the 1960s, five separate national commissions have recommended that medically necessary prescription drugs be included in Canada's universal, public health insurance system. Just last year, Trudeau's <u>Advisory Council on the Implementation of National Pharmacare</u> produced an evidence-based and practical implementation plan that would begin this year.

The creation of a universal pharmacare plan was in the <u>Liberal platform</u>, in mandate letters for the <u>minister of health</u> and <u>deputy prime minister</u>, and a top of the priority of the <u>NDP</u>, whose support is critical in this minority parliament.

COVID-19 has made the case for implementing universal even stronger.

The federal government has the opportunity right now to provide an immediate \$3.5 billion for universal, public coverage of between 100 and 200 medicines of greatest importance to the health of the Canadian population. This would improve access to essential treatments when Canadians most need it while, according to the governments' own estimates, save Canadian households and employers billions of dollars more than it cost government to run.

We ask municipalities to join us in requesting that the federal government by sending your own message or inserting your community name and letterhead on the attached document requesting the Federal Government follow through with their Advisory Council's recommendations and move forward with implementing this program. All messages should be sent to:

Honourable Minister of Health
Patty Hadju
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Special thanks to:
Professor Steve Morgan, UBC
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Thank you,

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