



**Neighbourhood
Pharmacy**
Association of Canada

Association canadienne
**des pharmacies
de quartier**

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**Government of Canada
Pre-Budget Consultation 2024**

Neighbourhood Pharmacy Association of Canada

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Recommendations

1. Leverage pan-Canadian innovations and best practices that optimize the use of pharmacies and the pharmacy workforce in providing primary care and public health services.
2. Apply 'whole-of-government' approach government approach to balance drug pricing policies with patient-centred value.
3. Implement national pharmacare that prioritizes medication coverage for the uninsured

The Neighbourhood Pharmacy Association of Canada (Neighbourhood Pharmacies) represents leading pharmacy organizations across the country, including chain, banner, long-term care, grocery chains, specialty pharmacies, and mass merchandisers with pharmacies. We advance the delivery of care through close to 11,500 pharmacies and their teams, that serve as integral community health hubs in urban, suburban, rural, remote and First Nations neighbourhoods.¹

Canada's pharmacies directly generate \$9.5 billion in Gross Domestic Product for the Canadian economy and employ almost 189,000 Canadians.² As the association representing pharmacy operators across the country, we act at a pan-Canadian level to support policy makers with the development of innovative solutions that allow pharmacy teams to support primary care while advocating for fair and sustainable funding for community pharmacies.

Pharmacies in all jurisdictions have adapted their practices to serve as community health hubs, bringing necessary health services to Canadians in their own neighbourhoods. Canada's pharmacies have responded to healthcare system challenges common across the country by adding capacity to the primary care system through expanded authority for disease screening, chronic disease management, assessment services, prescribing and point of care testing. Pharmacies have also been instrumental in protecting Canada's medication supply by mitigating medication shortages directly at the pharmacy counter while maintaining patient access to essential medications.

During the pandemic, pharmacies further expanded their role as integrated healthcare hubs in all communities. Pharmacies are the first and often most frequent point of contact patients have with the healthcare system.

Budget 2024 provides an opportunity to better leverage the role of pharmacies in meeting the country's current and future healthcare needs. We wish to highlight three key areas where the federal government can further unlock the pharmacy sector's potential.

1. Leverage pan-Canadian innovations and best practices that optimize the use of pharmacies and the pharmacy workforce in providing primary care and public health services.

Many jurisdictions have recognized the value pharmacy-led community care services can provide and have invested in integrating community pharmacies into healthcare strategies to ensure that patients get access to the right care in the right place at the right time. This 'pharmacies as community health hubs' approach has been facilitated by expansions in the scopes of practice of pharmacy professionals, remuneration frameworks to ensure services are sustainable, and other policy changes that allow the adoption of new technology to deliver care and medications.

Alberta has led the change with advanced scope and a comprehensive remuneration model to support the delivery of a multitude of pharmacy-led assessment and prescribing services. All provinces in Canada now authorize pharmacists to assess and prescribe for minor ailments, with B.C. enabling this activity in early 2023. These services are in high demand; when the pharmacy minor ailments program was first launched in Ontario this past January 2023, more than 40,000 pharmacy-led assessments were carried out in the first month alone.³ Québec led

the world in leveraging pharmacy remuneration and scope to enable pharmacies to administer point of care tests, assess patients, prescribe and dispense Paxlovid, hastening patient access to this time-sensitive COVID-19 treatment. The first ever pharmacy-led primary care walk-in clinic was launched in Nova Scotia in early 2022, and the province is now piloting multiple government-funded pharmacy-led clinics that offer a comprehensive suite of pharmacy assessment, prescribing and treatment services including chronic disease management. New Brunswick has announced a similar pilot project to allow pharmacies to prescribe and help manage chronic diseases and strep throat. Pharmacies in PEI also gained the ability to renew prescriptions for patients at the pharmacy counter, without requiring a separate visit to a physician. When appropriately funded, these services are sustainable and promote equitable access to care in Canada's communities and provide models that can be adopted or shared across jurisdictions.

The growth and expansion of these pharmacy innovations helps reduce the pressures on both the primary care and acute care systems. Timely and accessible care close to home both provides a valuable safety net for patients without a family physician and diverts routine care from hospitals. Community-based care through pharmacies also serves to uncomplicate the patient's journey by reducing the number of touchpoints with the healthcare system and hastens access to diagnosis and treatment.

Continued negotiations between the federal government and the provinces on healthcare funding represents a unique opportunity to encourage the modernization of resilient, sustainable healthcare systems across the country. The pharmacy channel is a key component of delivering accessible and timely care and Canadians themselves are very supportive of pharmacies filling gaps in the system. We urge the federal government to support continued evaluation and expansion of publicly funded pharmacy services to add capacity and delivery care in healthcare systems across the country.

2. Apply 'whole-of-government' approach government approach to balance drug pricing policies with patient-centred value.

Pharmacies depend almost entirely on the funding generated through dispensing fees and markups tied to drug prices to support all the clinical and patient care services they provide. Pharmacies use these funds to pay their staff, maintain their inventories, and other operational costs. While such fees are provincially negotiated, any changes at the federal level on medication pricing policies have profound consequences on pharmacy's ability to sustain the delivery of medications, care and services.

The upcoming Patented Medicine Prices Review Board guidelines are expected to remove millions from the pharmacy sector; the prior October 2022 guidelines were estimated to cause a loss of up to \$113 million.⁴ The pan-Canadian Pharmaceutical Alliance (pCPA) generic drug pricing framework likely removed \$30 million from the pharmacy sector as of March 2023; and the sector is preparing for similar impacts as the new agreement is implemented.^{5,6} Biosimilars switching policies in various provinces will reduce pharmacy funding by an anticipated \$44 million in 2023.⁷

These combined impacts come at a time when the sector is operating under considerable strain due to increases in labour, warehousing, and fuel costs, combined with record inflation and

workforce shortages. Operating costs are rising, critical funding tied to medication pricing is decreasing, and the pharmacy sector has no avenue through which to offset these losses, severely constraining the sector's ability to provide care and service. Without our services, Canadians cannot get their medications. This reinforces the need for government to holistically review the pharmacy funding model and determine how any changes to drug pricing in Canada could have impacts on the equitable access to medication and healthcare services by Canadians.

We encourage a 'whole of government' approach to the development of policies that could have downstream impacts to medication access and care for Canadians, involving all stakeholders and patients in the care delivery pathway. As pharmacies continue to play a greater role as community health hubs, delivering primary care and public health services across all jurisdictions, we further recommend the inclusion of the pharmacy sector in policy discussion that impact medication access and ultimately to the patients we serve.

3. Implement national pharmacare that prioritizes medication coverage for the uninsured

All Canadians deserve access to the medications they need regardless of where they live, if they are employed or how much money they make. As the country looks towards implementing national pharmacare for all Canadians, we urge the government to work with provinces and territories in a patient centred and principle-based approach that encompasses equity, timeliness of access, appropriateness of therapy, affordability and sustainability.

An overwhelming majority of Canadians have access to drug coverage in Canada. A report released by the Conference Board of Canada in May 2022 estimates that 97.2% of Canadians have or are eligible for prescription drug coverage.⁸ Canada's public/private mixed system works well for Canadians and helps to protect its long-term sustainability. Public opinion polling finds that Canadians want a pharmacare program that provides coverage to those who don't have it (80%), most Canadians are satisfied with their drug coverage (80%) and do not want to see their benefits replaced (75%).⁹ It is crucial that any new program focuses on those without coverage and does not erode or disrupt the benefits that Canadians depend on. Universal access to prescription drug coverage that builds on the public and private systems already in place can and should be achieved while respecting provincial and territorial jurisdiction for the delivery of healthcare.

Protecting access to critical health care services is also necessary. Pharmacists play a critical role in ensuring access to care across Canada – and specifically in rural and remote regions, with Canadians seeing their pharmacists up to ten times more frequently than any other healthcare provider. It is essential that as we design a pharmacare program there is close collaboration with pharmacists to ensure there are no disruptions in access to care or services. A single-payer pharmacare program is estimated to have \$1 billion annual impact to Canada's pharmacy sector – equal to cutting approximately 20 million pharmacist hours annually and risking care disruption for Canadians.¹⁰

The priority of governments at both the federal, provincial and territorial levels should be helping those who do not have coverage and those with insufficient coverage, without disrupting the majority of Canadians who have drug coverage.

As the government looks at all aspects of pharmacare and drug coverage in Canada, we must ensure that a strategy for rare diseases continues to ensure patient support services to maintain specialized care for patients with complex conditions. This means both preserving the level of care and service that currently exists, but also extending it to those who lack sufficient coverage, or do not have coverage through their current drug plan. To best support Canadians and ensure access to the medications they need, we must maintain and build on the current drug coverage millions of Canadians currently receive through private and public drug plans. While our advocacy around a national pharmacare plan seeks to ensure that we are building on the extensive coverage Canadians currently have, we strongly believe that a strategy for rare diseases is an entirely separate issue that deserves a more drastic intervention.

Conclusion

On behalf of the pharmacy sector, we want to thank the Government of Canada for its leadership and commitment in developing a sustainable, resilient healthcare system for Canadians. We are encouraged by the range of opportunities on the horizon for the pharmacy sector to support the government in ensuring equitable and accessible care for Canadians while appropriately mobilizing health human resources. We look forward to partnering with governments and stakeholders to continue to leverage the pivotal role pharmacies can play in ensuring that Canadians have timely access to care and treatment in their own communities.

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