



**Neighbourhood
Pharmacy**
Association of Canada

Association canadienne
**des pharmacies
de quartier**

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

Neighbourhood Pharmacy Association of Canada

February 9, 2024

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 over 12,000 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 pharmacies to support primary care while advocating for fair and sustainable funding for community pharmacies.

Pharmacies typically have extended hours, offering primary care with convenience and accessibility. Pharmacies are the first and often most frequent point of contact Canadians have with the healthcare system. Designated by governments as an essential service, pharmacies and pharmacy teams are critical links in the healthcare system, providing uninterrupted care and coordination with other healthcare providers.

Since the beginning of the pandemic and beyond, our members have offered accessible, critical support to patients and communities and continue to be a partner to public health, primary care providers and governments. 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, assessment services, prescribing and point of care testing; including administering almost a quarter of all COVID-19 vaccines in the country while dispensing over 820 million prescriptions valued at \$33.9 billion dollars annually.^{3,1} 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

The *Pre-Budget 2024 Consultations* provide an opportunity to re-examine and to better leverage the role of pharmacies in meeting the country's current and future healthcare needs. **We wish to highlight four key areas where the pharmacy sector can continue to be a valuable partner in providing Canadians with cost effective, accessible and timely healthcare.**

1. Leverage pan-Canadian best practices that optimize the role of pharmacies in providing cost-effective primary care and public health services.

With affordability and access to healthcare being top-of-mind for all Canadians right now, the changing role of pharmacy in the delivery of public health and primary care deserves renewed attention. Governments continue to seek pandemic recovery cost cutting measures while jurisdictional healthcare systems struggle to keep positions staffed, suffer from crowded emergency rooms and unacceptable wait times. An estimated 6.5 million Canadians report not having access to family physician.⁴

Leveraging the trusted role of pharmacies has never been more important. Many jurisdictions have recognized the value pharmacy-led community care services can provide in alleviating healthcare challenges. They have invested in integrating community pharmacies into 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 support the delivery of care and medications.

Monumental progress has occurred in 2023. Every jurisdiction in the country has increased the scope and/or funding of policies supporting expanded pharmacy services, with significant growth in service uptake.⁵ British Columbia rolled out a successful minor ailments program in June 2023, that has carried out 229,000 assessments to date. Seventy-nine per cent resulted in a prescription and ten percent were referred to another provider.⁶ Ontario expanded its own minor ailments program from 13 conditions to 19 (with more conditions planned for 2024/2025), enabled pharmacy professionals to provide more a greater variety of routine immunizations, and granted pharmacists the authority to prescribe antiviral treatments.⁷ Nova Scotia has led the way in the introduction and expansion of pharmacy-led clinics, including enabling additional prescribing authority for pharmacists to successfully alleviate the demand for non-urgent services from doctors and emergency rooms.⁸

The growth and expansion of pharmacy-based care across all jurisdictions has helped reduce the pressures on both the primary care and acute care systems, while offering timely and accessible care close to home. Community-based care through pharmacies also serves to streamline the patient journey by reducing the number of touchpoints with the healthcare system and hastens access to diagnosis and treatment. When appropriately funded, these services are sustainable and promote equitable access to care in every Canadian community, providing models that can be adopted or adapted to benefit the care of Canadians across every jurisdiction.

The pharmacy channel is an underused component of our healthcare system that can do more to provide efficient solutions for delivering accessible and timely care to Canadians in their communities. 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 primary care and public health capacity to healthcare systems across the country.**

2. Implement a national pharmacare program that prioritizes medication coverage for the uninsured without disrupting the coverage that most Canadians already have.

As Canadians remain concerned about being able meet their cost-of-living expenses, ensuring that all Canadians have access to medications without undue out of pocket hardship should continue to be a priority for the Government. All Canadians deserve access to the medications they need, regardless of where they live, if they are employed, or how much money they make. With national Pharmacare legislation anticipated to be tabled by March 1, 2024, we urge the Government to ensure the program:

- *Takes an equitable approach to removing barriers to drug access in Canada, ensuring that those who need support the most are given it. Canada has a resilient drug coverage*

system that has proven to be effective, even during the pandemic. The critical issues facing Canadians are those without coverage and those who lack sufficient coverage.

- *Prioritizes those without coverage:* About 10% of Canadians do not have or are not enrolled in prescription drug coverage.⁹ As the federal government continues to look at ways to address increasing pressures on the healthcare system, government policy should prioritize access for vulnerable Canadians without coverage who cannot afford their medications. Focusing on solutions to either raise coverage for those without access or remove the financial barriers to access would more efficiently solve issues of equitable access without disrupting the coverage most Canadians currently possess.
- *Builds on a robust minimum national formulary that meets or exceeds existing provincial public coverage.* Provincial formularies have been designed to balance pharmacoeconomics and public good, resulting in a diverse ecosystem. A restrictive formulary runs the risk of reducing therapeutic choices and creating shortages in the pharmaceutical supply chain. Moreover, private plans could be required to meet the minimum national formulary to ensure that existing private coverage is not offloaded to the public purse. The Government should also consider ensuring the rising influence of insurance providers and pharmacy benefit managers within the pharmacy landscape does not impact formulary decisions.
- *Protects access to critical health care services.* Pharmacies 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 pharmacare delivery be designed in collaboration with pharmacies to ensure there are no disruptions in access to care or services for Canadians. 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
- *Collaborates with the provinces.* As the federal government assesses the role that it can play, collaboration with the provinces is essential to ensure alignment and equity and to minimize any disruption to any public or private drug coverage that might exist today. It is critical to work with provinces to enhance the various programs already in place to help ensure Canadians get access to the medications they need.

The priority of governments at all levels should be to support those who do not have coverage and those with insufficient coverage, without disrupting the coverage that the majority of Canadians enjoy. By taking this approach, we can minimize unnecessary costs to government and the taxpayer and responsibly allocate money to other critical healthcare priorities.

3. Mobilize the funding to support Canadians living with rare diseases

We applaud the Government's March 2023 announcement of the strategy for Drugs for Rare Diseases (DRD), and we support the work done thus far to establish appropriate governance structures and advisory bodies to guide the overall strategy. However, funding continues to be delayed. Canada already has long review and reimbursement timelines for rare disease medicines compared to other high- and middle-income countries, with a mean time of 21 months from Health Canada approval to public coverage.¹¹ Canada's three million rare disease patients already face delays in diagnosis, lack of access to vital drugs, and a complex and often frustrating care journey.¹² We urge the Government to accelerate the funding process to improve the lives of these Canadians.

Rare diseases are likely to be complex conditions, and the medications to treat them may be similarly complex, often having narrow therapeutic windows and significant side effects. Many of these medications require specialized handling, administration and monitoring, as well as additional clinical services to ensure effectiveness, safety and stability. Canada's pharmacies already provide a significant amount of the specialized care and management of patients taking complex medications, offloading such care from hospitals or institutional settings. For complex patients taking complex medications, we have recently estimated that Canadian pharmacies themselves directly invest and offset an estimated \$1 billion, at minimum, in economic value to provide care and services which are not otherwise provided by the public health system.¹³

As the market trends toward more complex medications, the infrastructure and resources to deliver and appropriately support patients with rare diseases is also growing. Leveraging the existing integrated infrastructure, distribution channels, and associated care services (e.g., infusion clinics) developed and maintained by Canadian pharmacies can support care the care of rare disease patients in their communities while adding needed capacity to the healthcare system. Like the recommended approach for national pharmacare, the DRD strategy must preserve the level of care and service that currently exists, but also extend it to those who lack sufficient coverage, or do not have coverage at all through their current drug plan. It must focus on patient-centred value and consider access throughout the entire system, from approval and coverage of innovative therapies to the medication distribution and delivery of pharmacy services to support the wrap around and life-long care required for Canadians suffering from rare diseases in their communities.

Pharmacies have a valuable role to play in helping patients achieve the best outcome from the medicines they take. **Ensuring that the funding designed to facilitate patient access to drugs for rare disease also includes the services required to support patients taking these medications is a cost-effective way of meeting healthcare goals.**

4. Continue to apply 'whole-of-government' approach to balance cost-savings policies with patient-centred value.

As all levels of government seek to find healthcare savings, the interplay between diverse policies and their downstream impacts on patient access to medications and care must always be carefully considered. For example, policies intended to protect Canadians against prohibitive drug costs (such as through the work of the Patented Medicine Prices Review Board; PMPRB)

or to curtail public drug spending by switching to lower cost alternatives can have negative consequences on medication availability through Canada's pharmacies.

There are several national and jurisdictional policy pressures currently eroding the funding that supports the pharmacy business model. The latest pan Canadian Pharmaceutical Alliance (pCPA) generic pricing framework will remove an estimated \$23.4 million from pharmacy sector in the next five years.¹⁴ While it is difficult to predict the full impact of the latest PMPRB guidelines, the previous guidelines were estimated to cut \$113 million from the pharmacy sector.¹⁵ Evolving jurisdictional biosimilars transition policies will continue to diminish available pharmacy funding by approximately \$68 million a year.¹⁶ Should national pharmacare take the form of a single payor system rather than a fill the gap model, pharmacies could lose another \$1 billion.¹⁰

Government policies that determine medication pricing, coverage, supply and therapeutic outcomes all intersect at the pharmacy level. Access to prescription insurance is only good if the drug is available, and access to an affordable drug isn't beneficial unless there is support in place to ensure it is used safely and effectively. We are encouraged by the Federal Government's recent acknowledgment of this intersection in a number of policy dialogues. The launch of a refreshed PMPRB guideline consultation process is an excellent example of the Government's commitment to due consideration of other healthcare partners such as insurers, pharmacy and patients. As governments look for ways to reduce spending, we encourage the continued assessment of the downstream impacts of interconnected health policy changes. Canadians' access to medications and associated care through pharmacy must not be compromised so that pharmacies can remain an important and viable healthcare partner now and in the future. **We urge a "whole of government" approach that considers compounding policy decisions as well as the critical unintended consequences to the pharmacy sector and the patients we serve.**

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 affordable, equitable and accessible care for Canadians. 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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