

Pharmacare

Unifor 2018 Lobby Document



Unifor represents more than 315,000 members, including 40,000 active retiree members. The 30,000 members that the union represents in the health care sector work in various areas including in hospitals, long-term care, retirement homes, emergency services and health-related community and social services. Unifor members, like most Canadians, raise the issues of affordability and accessibility of prescription drugs in discussions about how to improve Canada's health care system. The latest polls show 91 per cent of Canadians want a national drug plan.



What's the issue?

Canada is currently the only developed country with a universal health care system that has no universal prescription drug coverage, resulting in **8.4 million Canadians who do not have any prescription coverage.**

Prescription drugs cost too much in Canada

Canadians and employers 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 Organisation for Economic Co-operation and Development (OECD) average and second amongst OECD countries only after the United States.

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.

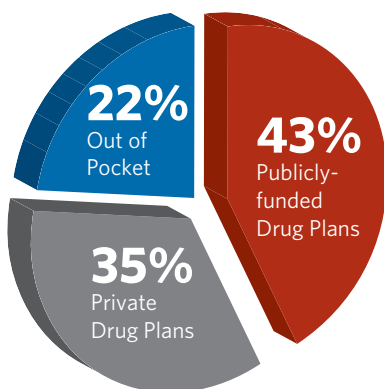
Pharmacare

Recent research has also documented a significant international difference in the average per capita expenditures on primary care pharmaceuticals. Compared to the 10 countries with universal coverage of outpatient prescription drugs, Canada's recorded list prices at about 61 per cent higher despite having a comparable volume – representing an estimated \$2.3 billion 'overspend' relative to average costs in these other countries.

Canadians have inconsistent coverage

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, people with disabilities, 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, when possible.**

The lack of universal access often results in real harm – with non-adherence to advice from medical professionals or drug interactions resulting in hospital admissions, the loss of life and additional public costs.



The 2015 Angus Reid survey found that 23 per cent of Canadians reported that in the last year, someone in their household did not take their medication as prescribed because of their cost.

How can we solve this?

Canada is at a unique juncture in history. The time to create transformative change necessary to address the critical issues of an aging population, along with access, value, safety and public ownership of health services is now. The majority of these evolving issues can be addressed through a universal national pharmacare plan.

The federal government should be introducing a public national universal pharmacare program because of the following reasons:

- **Universality**
- **Affordability**
- **Inclusivity**

Canada need pharmacare for a healthier population, for comprehensive coverage and for savings

Unifor is advocating 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. Building a stronger health care system for all Canadians to have access to the medication that they need is an important step towards ensuring a healthier population.

Pharmacare

Benefits for Canadians, governments and employers

A universal national pharmacare plan for Canada would improve access and affordability through bulk purchasing and negotiated pricing with drug manufacturers. A national plan would also eliminate duplication and cost-shifting amongst existing payers while promoting integration amongst health care providers.

Studies consistently 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 \$11 billion a year for federal, provincial and territorial governments, the private sector and individual Canadians.

Even the federal Parliamentary Budget Office (PBO) conservatively estimates minimum savings of at least \$4 billion annually based on the most comprehensive drug coverage.

The time to act is now!

As part of the 2018-2019 budget, the federal government signaled an openness to a possible pharmacare program when it announced the creation of an Advisory Council on the Implementation of National Pharmacare. However, the scope or focus of the advisory council is still unclear and Finance Minister Bill Morneau has hinted that a potential national pharmacare plan may not be universal.

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 it is also based on the principle that all Canadians should have equitable access to medically necessary prescription drugs without financial or other barriers. In fact, Unifor's view is a shared one by members of federal parties.

The all-party House of Commons Standing Committee on Health echoed Unifor's demand in its April 2018 report, "Pharmacare Now: Prescription Medicine Coverage For All Canadians," and called for a universal, public pharmacare program that would include all Canadians.



Pharmacare

Recommendations

Unifor has several recommendations to help facilitate the creation of a national universal pharmacare program:

- Voices of working people must be reflected on the new Advisory Council on the Implementation of National Pharmacare.
- Immediately begin implementing the recommendations from the House of Commons Standing Committee on Health report, *"Pharmacare Now: Prescription Medicine Coverage For All Canadians."*
- Budget 2019 must include a robust framework for pharmacare with a fast tracked implementation timeline.

It's time for universal
pharmacare

