

"Fair Pharmacare" calculations reveal unfairness to many

To calculate the "Fair Pharmacare" cuts go to <u>www.healthservices.gov.bc.ca</u>. Here are some examples of what seniors and low-income earners can expect from this 'tax on the sick'.

The average working British Columbian family earns roughly \$55,000 a year. Here is what would happen to that family.

Average BC Family Earning \$55,000 Husband earns 35,000, Wife Earns 20,000 Medical Expenses for the year - \$2,000

	Pharmacare pre-	Pharmacare with	"Fair
	2002	preliminary	Pharmacare"
		changes	
Family Earnings	\$55,000	\$55,000	\$55,000
Drug costs	\$2,000	\$2,000	\$2,000
Pharmacare	\$800	\$1,000	\$1,600
Deductible			
Government Pays	\$840	\$700	\$240
70% - deductible			
to \$2,000			
Family Pays	\$1,160	\$1,300	\$1,760
Increased Cost		\$140	\$600

Those are cost increases for a working family. The cost increases for a retired family making the same amount of money are much, much higher.

A single pensioner with an income of only \$30,000 will see possible drug expenditures rise by 75 per cent over what they would have paid in 2001.

Single Pensioner Income \$30,000

	Pharmacare pre- 2002	Pharmacare with preliminary changes 2002	"Fair Pharmacare"
Pension Earnings	\$30,000	\$30,000	\$30,000
Drug costs	\$2,000	\$2,000	\$2,000
Pharmacare	\$200	\$275	\$0
Deductible	(dispensing fees	(both drugs and	(1% of income)
	only)	fees)	
Government Pays	\$1,800	\$1,750	\$1,650
Pensioner Pays	\$200	\$250	\$350
			(maximum
			possible)

Increased Cost	\$50	9	150

Even pensioners who would be eligible for MSP assistance will pay more. A pensioner with an income of \$25,000 will see a 50 per cent increase in what they would pay on \$2,000 in drug costs over what they paid in 2001.

Single Pensioner Income \$25,000

	Pharmacare pre- 2002	Pharmacare with preliminary changes 2002	"Fair Pharmacare"
Pension Earnings	\$25,000	\$25,000	\$25,000
Drug costs	\$2,000	\$2,000	\$2,000
Pharmacare	\$200	\$200	\$0
Deductible	(dispensing fees only)	(both drugs and fees)	
Government Pays 1	\$1,800	\$1,800	\$1,700
Pensioner Pays	\$200	\$200	\$300 (maximum possible)
Increased Cost		\$0	\$100

And the numbers get worse. For example, a retired British Columbian with an income of \$35,000 would have paid \$200 for drugs in 2001. This plan will bump those costs to \$700 – an increase of 250 per cent.