



EXPAND MEDICARE: PHARMACARE

Canadians need a national pharmacare program to ensure universal access, safe and appropriate prescribing, and value for money. Prescription drugs are largely excluded from Medicare. We have a patchwork of programs that are costly, leave millions uninsured, and expose all Canadians to unsafe regulation and prescribing.

A national pharmacare program must provide universal, public first-dollar coverage for essential drugs on a national formulary, bulk purchasing, evidence-based drug evaluation and prescribing, and stricter controls on drug company marketing. In the near term, the federal government must reject the EU demand for increased patent protection, which would increase drug costs by \$2.8 billion a year.

Many Canadians cannot afford essential medicines, and access is unequal.

- Up to eight million Canadians do not have coverage for prescription drugs,¹ and nearly one in 10 Canadians cannot afford to fill, renew or follow a prescription.²
- Canadians have differential access to drugs, depending on their location and income³ as well as age, gender, health and employment status.⁴

Unsafe prescribing is widespread, and drug safety regulation is weak.⁵ Adverse drug reactions continue to be a leading cause of death in Canada.⁶

The federal government contributes by ignoring post-market drug safety concerns,⁷ keeping important research and drug approvals information secret,⁸ and by letting pharmaceutical companies:

- Market to doctors and influence researchers, with few restrictions;⁹
- Conduct unethical clinical trials;¹⁰
- Ghost-write articles and hide negative results;¹¹

CUPE calls on the federal government to:

Establish a national pharmacare program, and exempt health care from trade agreements, starting with CETA.

- Advertise direct-to-consumer;¹²
- Expand the boundaries of illnesses and lower the threshold for treatment;¹³ and,
- Unduly influence the drug regulatory system.¹⁴

Health Canada wants to weaken drug safety regulation and speed up drug approvals.¹⁵ The Auditor General reports that Health Canada already fails to give timely safety warnings, disclose information on drug trials and address conflicts of interest.¹⁶

Canadians spend far more than necessary for prescription drugs.

- Drugs are the second highest spending area in health care, and public spending on prescription drugs has risen on average 9.4 per cent a year since 1985.¹⁷
- Patent expiry on blockbuster drugs and new provincial purchasing policies have slowed the rate of increase, but a new era of specialized medicine and niche drugs is driving unprecedented prices, and Canadians continue to pay dearly for prescription drugs. Prescription drugs in Canada are 30 per cent more expensive than the international average.¹⁸



A national pharmacare program would improve safety and access, and it would save us a lot of money.

- In our vision, pharmacare would provide first-dollar coverage for necessary drugs and promote safe and effective drug use. Catastrophic coverage helps Canadians with huge drug bills, but this is not enough; we need full public insurance for essential medicines together with bulk buying, evidence-based prescribing and drug evaluation, and stricter controls on drug company marketing.
- A universal public drug plan would save Canadians up to \$10.7 billion a year, or 43 per cent of our prescription drug bill.²⁰

Canada is the only country with a universal health insurance system that excludes universal coverage of prescription drugs.²¹ Many countries, including France, Germany, the Netherlands, Norway, Sweden, Denmark, Switzerland, Australia, New Zealand and the UK have universal drug plans. They pay less than Canada and provide better, more equitable access.²²

Instead of catching up, the Canadian government is negotiating a trade agreement with the European Union (CETA) that would increase our prescription drug costs by \$2.8 billion a year.²³ The large drug companies argue that longer monopolies will boost innovation, but they spend twice as much on marketing than on research and development,²⁴ and half of their R&D spending is tax subsidies.²⁵ A strong majority of Canadians (69 per cent) oppose the drug patent provisions in CETA.²⁶

Prescription drug coverage was originally envisioned as part of Medicare, and a series of government commissions and experts over the years have called for pharmacare reform.²⁷ Provinces and territories are now cooperating to bulk-buy several drugs,²⁸ but we need a more ambitious program and federal leadership to make prescription drugs affordable and safe for Canadians.

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No. 6 in a series of fact sheets on CUPE's health accord proposals
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