Ensuring Indigenous Inclusion in National Pharmacare: Bill C-64

BRIEFING NOTE SENATE OF CANADA

September 25th, 2024

EXECUTIVE SUMMARY

The National Indigenous Diabetes Association (NIDA) supports the intent of Bill C-64 to establish a national universal pharmacare program proposing "foundational principles for the first phase of national universal pharmacare in Canada". However, we are concerned that the implementation of the bill, especially through existing provincial and territorial pharmacare systems, may inadvertently exclude many Indigenous Peoples, primarily due to the reliance on income testing and tax filings. Furthermore, the program could create confusion for Status First Nations and Inuit, who already receive coverage under the Non-Insured Health Benefits (NIHB) Federal program. While we have concerns about the proposed implementation, **we do not wish for the Senate to delay or amend this bill.** Access to a number of diabetes and contraception medications is urgently needed by some of the most vulnerable Indigenous Peoples—particularly Non-Status First Nations and Métis—who currently fall outside the NIHB program.

PURPOSE

This brief reviews Bill C-64: *An Act respecting pharmacare* from an Indigenous perspective and, specifically, the proposed national universal coverage of diabetes-related pharmacological treatments. This document outlines considerations for accessibility and availability of diabetes medications for Indigenous Peoples within the context of the introduction of national universal pharmacare.

INTRODUCTION

Indigenous Peoples in Canada, First Nations, Inuit and Métis, continue to face significant health disparities, with disproportionately high rates of chronic disease, such as diabetes mellitus, which includes Type 1 Diabetes Mellitus (T1DM), Type 2 Diabetes Mellitus (T2DM), and Gestational Diabetes Mellitus (GDM) (See Table 1). While Bill C-64 presents an opportunity to address medication access issues, its reliance on provincial and territorial pharmacare systems raises concerns about accessibility for Indigenous Peoples. For example, according to Canadian Centre Policy Alternatives Alternative Federal Budget Report (2022):

"[…] Income benefit transfers to people in need are currently delivered through the personal income tax system managed by the Canada Revenue Agency. While this system of delivery is the broadest available, it is not universal. In 2018, 73.4% of people in Canada filed taxes. Marginalized people are less likely to file their taxes; these include people who are living on low- or no income, Indigenous Peoples, those living in remote communities, women fleeing domestic violence, 2SLGBTQQIA+ and gender-diverse people, newcomers, undocumented people, homeless people, those working in informal and criminalized economies and under/ unbanked individuals."

Table 1.
PREVALENCE OF SELF-REPORTED DIABETES* among First Nations, Inuit, and Métis individuals, 2020

	Prevalence (%) (Age-standardized**)
Non-Indigenous	**5.0%**
First-Nations (on-reserve)	**17.2%**
First Nations (off-reserve)	**12.7%**
Inuit	**4.7%*** **
Métis	**9.9%**

* Gestational diabetes cases excluded from CCHS and RHS data.
** Age-standardized to the 2016 Canadian population.
*** Crude
Source: Government of Canada Health Inequalities Data Tool, 2023

KEY OBSERVATIONS WITH BILL C-64

1. Potential Overlap with NIHB Coverage for Status First Nations and Inuit

Status First Nations and Inuit Beneficiaries have access to some diabetes medications through the NIHB program, which does not require income testing. Bill C-64, if implemented without clarity, could lead to confusion from double-coverage of medications by these overlapping programs. The Assembly of First Nations (AFN) has previously rejected the national pharmacare model in favor of the superior coverage provided by NIHB (Assembly of First Nations, 2019).

It is essential that any implementation of Bill C-64 ensures that existing NIHB coverage for Status First Nations and Inuit will be maintained and remains unaffected.

2. Challenges for Non-Status First Nations and Métis not covered under NIHB

While Bill C-64 is the start to ensuring greater access to medications and diabetes treatment for non-status First Nations and Métis peoples in Canada, there are still significant challenges to overcome. The reliance on provincial and territorial pharmacare systems, which typically use means-based testing, could disproportionately impact Indigenous peoples who are less likely to file taxes (approximately 1 in 4 Canadians do not file taxes annually), mainly due to socio-economic barriers.

Even if mechanisms are put in place to accommodate individuals who do not file taxes, any additional administrative burden could deter access to benefits. Without careful implementation, the pharmacare program may benefit only the more privileged segments of the population, leaving behind those who need it most.

3. Opportunities

There exist many medications to treat Type 2 Diabetes, and the number and quality are constantly increasing. The medications covered should include the latest and best, in order to provide all Canadians with equal opportunity to treat their illness. The program should ensure that brand name medications for diabetes care should be included in the formulary when generics are unavailable.

RECOMMENDATIONS FOR THE SENATE

Bill C-64 is a positive development for many Canadians. The following considerations must also be made, with consideration for vulnerable Indigenous populations:

- Ensure that existing NIHB coverage for Status First Nations and Inuit will be maintained: Wherever there is overlap between NIHB coverage and National Pharmacare, clear communication by Canada to stakeholders regarding coverage is essential. This communication should begin before rollout.

- Expanded Coverage & Drug Options: To ensure inclusivity for all, comprehensive pharmacological care options must be available for Indigenous Canadians, designed to augment or *extend* existing NIHB coverage as applicable, to meet unique and complex care needs.

- Inclusion of Brand Name Drugs: Brand name medications for diabetes care should be included in the formulary when generics are unavailable.

- Progressive, not Regressive: Bill C-64 must be a progressive strategy for care of Indigenous Peoples living with prediabetes and diabetes. It should increase existing coverage, while ensuring no additional administrative burden for patients and health care providers. Any alternative represents a significant hazard to rollout.

- Modify Income Testing Requirements: The Provinces and Territories must modify income testing criteria to reflect the unique socio-economic circumstances of Indigenous Peoples, particularly Non-Status First Nations and Métis. Alternative methods that do not increase the administrative burden on the individual should be considered, while ensuring Indigenous perspectives are heard to protect against the development of a two-tiered pharmacare system.

- Indigenous Engagement and Consultation: Once passed, and during the implementation phase, Canada must incorporate Indigenous leaders and organizations in the implementation and oversight of the pharmacare program to ensure it meets implicit and explicit goals, and that Indigenous priorities are incorporated.

CONCLUSION

An Act respecting pharmacare is a critical step in addressing gaps in access to prescription medications for many Canadians, including Indigenous peoples. While we urge the Senate to carefully consider the unique challenges Indigenous peoples face under the current structure of Bill C-64, we emphasize that we do not support any delay in the bill's passage. Indigenous Peoples, including Non-Status First Nations and Métis, urgently need access to the benefits the Pharmacare Act promises, and it is essential that Indigenous Peoples, Nations and Organizations are engaged in the program's rollout.

By moving this bill forward and addressing these concerns simultaneously, the Senate can ensure that Canada's most vulnerable populations receive the care they need without unnecessary barriers.

REFERENCES

Assembly of First Nations. (2019). Reject the National Pharmacare Plan and any other plan that will violate the Medicine Chest for First Nations. Assembly of First Nations. https://www.afn.ca/wp-content/uploads/2019/08/19-23-Reject-the-National-Pharmacare-Plan-and-any-other-plan-that-will-violate-the-Medicine-Chest-for-First-Nations.pdf

Canadian Centre for Policy Alternatives. (2022). Alternative Federal Budget 2022. Canadian Centre for Policy Alternatives. https://policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2021/11/AFB%202022.pdf

ABOUT NIDA

The National Indigenous Diabetes Association Inc. (NIDA) is a charitable, not-for-profit members-led organization established in 1995 as a result of the rising rates of diabetes among First Nations, Inuit, and Métis Peoples in Canada.

Since its inception in 1995, NIDA has created and implemented a wide range of clinical, health promotion and support activities which include a national diabetes conference, a national diabetes resource directory, resources, web links, diabetes presentations, webinars, and public service announcements.

All products produced by NIDA and its partners aim to reduce the incidence and prevalence of diabetes among First Nations, Inuit, and Métis Peoples and to improve health outcomes of First Nations, Inuit and Métis individuals, families, and communities.

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