Heart & Stroke submission to the Senate Standing Committee on Social Affairs, Science and Technology (SOCI) on:

Bill C-64, *An Act Respecting Pharmacare*

August 13, 2024

Introduction

Heart & Stroke (H&S) applauds the Government of Canada and Parliament for introducing pharmacare legislation (Bill C-64) on Feb. 29, 2024, laying the groundwork for equal access to lifesaving drugs for all. H&S is pleased to submit our recommendations and to work collaboratively with the Senate to build a healthier future for people in Canada through more equitable access to prescription medications.

Background

People in Canada are proud of our world-class healthcare system, but Canada is the only country with Medicare that does not include prescription drugs as part of its universal healthcare program. With the introduction of Bill C-64, *An Act respecting pharmacare*, the Government of Canada has laid the foundational principles for the first phase of the national universal pharmacare in Canada through the single-payer coverage of diabetes and contraception medications. Heart & Stroke believes the legislation is a step in the right direction to improve drug access, affordability, coverage, equity, and cost savings to our healthcare system.

Drug Coverage in Canada

The current patchwork of public and private drug plans in Canada has created fragmented drug access, leaving millions struggling to afford their prescription medications. While many people in Canada have some form of drug coverage, it is often not sufficient:

- The 2019 final report of the Advisory Council on the Implementation of National Pharmacare found that 7.5 million or one in five people in Canada, either do not have any prescription drug insurance or have inadequate insurance that does not sufficiently cover the cost of their medications.[1]
- The 2021 *Survey on Access to Health Care and Pharmaceuticals During the Pandemic* found that in 2021, one in five people in Canada did not have insurance to cover any of the cost of their prescription medications in the previous year.[2]
- A 2024 poll commissioned by Heart & Stroke and the Canadian Cancer Society found that one in five people in Canada do not have sufficient prescription drug coverage.[3]

A universal, single-payer national pharmacare program can provide equal drug coverage to all people in Canada, regardless of their geography, age, or ability to pay.

Drug Affordability in Canada

People in Canada face challenges in accessing necessary medications, regardless of their insurance coverage.

- In 2020, one in four households in Canada reported difficulty paying for medications.[4]
- In 2021, almost one in five (18%) people in Canada spent $500 or more in out-of-pocket spending on prescription medications.[2] The out-of-pocket spending on medications was higher among those without insurance as compared to those with insurance.[2]

- A 2024 poll commissioned by Heart & Stroke and the Canadian Cancer Society found that:
    - More than one in four (27%) people in Canada find it difficult to afford the cost of prescriptions.[3]
    - Nearly one-quarter of Canadians (22%) reported splitting pills, skipping doses, or deciding not to fill or renew a prescription due to cost.[3]
    - More than one in four (28%) people have had to make difficult choices to afford prescription drugs, such as cutting back on groceries, delaying rent, mortgage, or utility bills and incurring debt.[3]

Without a national program to help reduce the cost of prescription medications, too many Canadians end up making risky tradeoffs and taking on a financial burden. These costs are getting harder to manage as many people struggle with increases in the cost of living.

While the majority of people in Canada have some level of drug coverage, access to prescriptions is neither universal nor equitable. Some people face greater barriers to accessing medications, including women, Indigenous people, immigrants, racialized persons, younger people, and part-time workers.[5] The 2021 *Survey on Access to Health Care and Pharmaceuticals During the Pandemic* found that immigrants were twice as likely to have their prescription drug access affected by the COVID-19 pandemic than non-immigrants, (28% of immigrants versus 15% of non-immigrants).[2]

Heart & Stroke believes that all people in Canada, including refugees, no matter where they live, their socioeconomic status, age, ethnicity or sex/gender, should have equitable and timely access to proven and safe medically-necessary prescription drugs, without undue financial hardship or excessive waits. We are committed to the values of universality and equity in Canadian healthcare and drug access. A national pharmacare program would support groups who have less access to prescription drugs and don't take them as prescribed, including women, Indigenous people, low-income families and young adults.

Medications for Heart Conditions and Stroke

Heart disease has been the second leading cause of deaths in Canada across all ages in the last decade.[6] Heart failure and heart attack have remained among the top five causes of hospitalization in Canada over the last five years.[7] Furthermore, in 2022, 105 million prescriptions were dispensed for cardiovascular diseases – making it the second highest disease category.[8]

Diabetes is an important risk factor for heart disease and stroke. People with diabetes are more likely to develop heart disease at a younger age and three times more likely to die of it.[9] It is important to protect diabetes patients from cardiovascular risks through prescription medications, especially those that help patients manage their blood pressure and cholesterol levels.

Millions of people in Canada live with heart disease and rely on prescription medicines to help keep them alive and to manage their condition at home. However, many cannot afford them.

- In 2016, 16% of people in Canada went without medication for heart disease, cholesterol, or hypertension due to cost.[10]
- Additionally, a 2024 poll commissioned by Heart & Stroke and the Canadian Cancer Society found those who were diagnosed with a chronic health condition were significantly

more likely to not have taken medication due to cost.[3] The same poll also found that these choices often caused health complications that needed emergency room visits, with almost one in 10 people in Canada visiting an ER due to a worsening health issue because they were not able to afford their prescription medications.[3]

The affordability barriers that prevent people from following their doctor's instructions for their prescription drugs result in unnecessary hospitalizations, preventable deaths, and increased costs to the health care system. More than 600 people in Canada die every year from ischemic heart disease because they can't afford their medication.[11]

We commend the drafting of a framework that will provide everyone in Canada access to diabetes drugs and contraception. However, the government must take quick action to close the gap in coverage that leaves out essential medicines for chronic diseases that affect millions of people in Canada.

Universal coverage of essential medicines will reduce pressure on the healthcare system by cutting costs, because treating a condition such as high blood pressure (the leading risk factor for stroke)[12] is more cost effective for our health care system than the specialized care required to save a life after a stroke. A recent study conducted in Ontario showed that universal coverage of essential drugs can save the healthcare system an average of $1,488 per patient per year by preventing trips to the emergency room.[13]

Heart & Stroke is asking the federal government to work quickly to expand the program in a fiscally prudent way by adding to it a list of essential medicines, including prescription drugs for heart conditions and stroke, as recommended in the government's 2019 Hoskins Report on pharmacare. As a starting point this should include cardiovascular drugs commonly used by diabetics, such as blood pressure and cholesterol lowering medications. These include commonly prescribed statins like Atorvastatin, Fluvastatin, Lovastatin, Pravastatin, Rosuvastatin and Simvastatin; as well as blood pressure lowering medications like Perindopril, Ramipril and Telmisartan.[14] It is estimated that the cost of this initial expansion would be much less than the $1.6 billion cost of covering all cardiovascular medications.[15]

Recommendations

Heart & Stroke would like to present considerations to the Senate on the scope and timeline for the implementation of the National Pharmacare program.

1. The Senate of Canada pass Bill C-64, *An Act Respecting Pharmacare,* by October 2024 and without further amendments;
2. The Minister of Health finalize bilateral agreements with provincial and territorial governments and ensure the implementation of the initial phase of the national pharmacare program by April 2025, and;
3. The federal government expand the national formulary to cover prescription medications for heart disease and stroke. A feasible first step would include adding cardiovascular medications commonly used by people with diabetes.

Rationale

A national single payer pharmacare, covering essential drugs is cost-effective and fiscally responsible.

The federal government, as a single drug purchaser, would be able to negotiate much lower prices compared to the myriad of private and public plans. This would have a significant deflationary impact on drug prices. In fact, five national inquiries have concluded that universal, public pharmacare is the most fair and efficient way to provide all Canadians access to essential medicines.[1,16,17,18,19]

The 2019 report of the Advisory Council on the Implementation of National Pharmacare showed that a national pharmacare plan is affordable, recommending coverage of essential medicines for all people in Canada.[1] The report further estimates a basic basket of medications, known as essential medicines, would cost $3.5 billion annually.[1] This approach would come at only a fraction of the cost of a more comprehensive formulary and is thus very much affordable to the federal government. More recently, the 2023 Parliamentary Budget Officer report estimated essential medicines coverage to cost the overall drug system just $0.4 billion more than status quo in the year 2024-25.[20]

A fill-in-the-gaps approach that has private payer as the first payer will be significantly more expensive than having public payer as first payer.

Quebec provides decades of evidence that having a private payer as the first payer will result in substantial drug spending.[21] The Quebec government implemented a fill the gaps, public-private system in 1997, resulting in increased drug cost of $200 per capita as compared to the rest of Canada by 2017.[17] Implementing a system like Quebec would cost Canada $43 billion annually, while universal coverage of essential medicines will cost $3.5 billion annually.[17,1]

A phased-in pharmacare program where government is the first payer of drugs from the initial formulary of essential medicines would cut costs by containing drug prices, increasing buying and negotiating power, and reducing administration.[22]

A national Pharmacare program will not reduce drug coverage for people in Canada from their private and other public plans.

Canadians would continue to have full access to medications through their existing private and provincial public plans. A phased-in approach to pharmacare, where the government is the first payer of drugs from the initial formulary of essential medicines will allow private insurance and provincial plans to continue to cover other drugs. Through this hybrid approach, people can continue accessing non-essential drugs through their private coverage.

Also, drug coverage will increase in Canada with a national pharmacare program. This is because the 7.5 million people with no insurance or inadequate insurance would get improved coverage. As well, consumers would not have to be responsible for expensive copayments, deductibles and pharmacy dispensing fees.

Conclusion

Heart & Stroke applauds the federal government for the introduction of pharmacare legislation in February 2024, proposing an affordable plan that will give 7.5 million uninsured and underinsured people in Canada access to prescription drugs for diabetes and contraception. While it is a great first step in improving drug access, affordability, and equity, we need to

ensure that we are laying the groundwork with strong legislation. We are asking the federal government to work quickly to expand the program in a fiscally prudent way by adding to it a list of essential medicines, including prescription drugs for heart conditions and stroke, as recommended in the Final Report of the Advisory Council on the Implementation of National Pharmacare. As a starting point this should include cardiovascular drugs commonly used by people with diabetes, such as blood pressure and cholesterol lowering medications.

Too many people in Canada are making tradeoffs and tough choices to be able to afford their life-saving medications and stick to their prescribed medication regimen. The inability to pay for prescription medications are having a significant impact on both the health of people living in Canada and our health care system. It's time for Canada to fill this gap in our healthcare system and truly provide universal healthcare for all.

---

[1] Hoskins E. Interim Report of the Advisory Council on the Implementation of National Pharmacare.; 2019.
[2] Cortes, K. and L. Smith. 2022. "Pharmaceutical access and use during the pandemic." Insights on Canadian Society. Statistics Canada Catalogue no. 75-006-X.
[3] Heart & Stroke and Canadian Cancer Society public opinion polling conducted by Leger in January 2024. A total of 2,048 respondents 18 years and older were interviewed by online survey across 10 Canadian provinces via Leger's online panel, LEO.
[4] Angus Reid Institute. Access for all: Near universal support for a pharmacare plan covering Canadians' prescription drug costs. Angus Reid Institute. October 2020. https://angusreid.org/pharmacare-2020/.
[5] Cortes, K. and L. Smith. 2022. "Pharmaceutical access and use during the pandemic." Insights on Canadian Society. Statistics Canada Catalogue no. 75-006-X.
[6] Statistics Canada. Table 13-10-0394-01 Leading causes of death, total population, by age group
[7] *Hospital stays in Canada - series*. CIHI. February 23, 2024. https://www.cihi.ca/en/hospital-stays-in-canada-series
[8] IQVIA. Top 10 therapeutic classes in Canada 2022. https://www.iqvia.com/-/media/iqvia/pdfs/canada/2022-trends/english/03- top10therapeuticclasses_22.pdf.
[9] Diabetes in Canada: Facts and figures from a public health perspective [Internet]. Ottawa: Public Health Agency of Canada; 2011 p. 126. Available from: https://www.canada.ca/content/dam/phac-aspc/migration/phac-aspc/cd-mc/publications/diabetes-diabete/facts-figures-faits-chiffres-2011/pdf/facts-figures-faits-chiffres-eng.pdf
[10] Law MR, Cheng L, Kolhatkar A, et al. The consequences of patient charges for prescription drugs in Canada: a cross-sectional survey. CMAJ Open. 2018;6(1):E63-E70. doi:10.9778/cmajo.20180008
[11] Lopert R, Docteur E, Morgan S. Body Count: The Human Cost of Financial Barriers to Prescription Medications. 2018. Canadian Federation of Nurses Unions [serial on the Internet]. 2018; 1-6. Available from: https://nursesunions.ca/wp-content/uploads/2018/04/2018.04-Body-Count-Summary-FINAL-web.pdf
[12] Wajngarten M, Silva GS. Hypertension and Stroke: Update on Treatment. Eur Cardiol. 2019 Jul 11;14(2):111-115. doi: 10.15420/ecr.2019.11.1. PMID: 31360232; PMCID: PMC6659031.
[13] Persaud N, Bedard M, Boozary A, et al. Effect of Free Medicine Distribution on Health Care Costs in Canada Over 3 Years: A Secondary Analysis of the CLEAN Meds Randomized Clinical Trial. *JAMA Health Forum.* 2023;4(5):e231127. doi:10.1001/jamahealthforum.2023.1127
[14] Diabetes Canada. Prescription for Cardiovascular Protection with diabetes. Accessed from: https://www.diabetes.ca/diabetescanadawebsite/media/health-care-providers/2018%20clinical%20practice%20guidelines/prescription-for-cardiovascular-protection-with-diabetes.pdf?ext=.pdf
[15] IQVIA. Canadian Drugstore and Hospital Audit. MAT Dec 2023 DM. Accessed from: https://www.iqvia.com/-/media/iqvia/pdfs/canada/2023-trends/english/2023-yir-infographics_en.pdf
[16] 1964 final report of the Royal Commission on Health Services (Hall Commission)
[17] 1997 final report of the National Forum on Health

[18] 2002 final report of the Royal Commission on the Future of Health Care in Canada (Romanow Commission)
[19] 2018 final report on pharmacare by the all-party Parliamentary Standing Committee on Health
[20] Office of the Parliamentary Budget Officer, Cost Estimate of a Single-payer Universal Drug Plan. 2023
[21] Steven G. Morgan, Marc-André Gagnon, Mathieu Charbonneau, Alain Vadeboncoeur. Evaluating the effects of Quebec's private–public drug insurance system. CMAJ Oct 2017, 189 (40) E1259-E1263; DOI: 10.1503/cmaj.170726
[22] Newman, K. Canadian Health Coalition. The Economic Case for Universal Public Pharmacare. February 2019. Accessed from: https://www.healthcoalition.ca/wp-content/uploads/2019/04/Economic-case-for-pharmacare-4.pdf