DIABETES CANADA



Pre Budget Submission 2026 - FINA Committee

DIABETES CANADA

May 2026

EXECUTIVE SUMMARY

Diabetes affects more than four million people in Canada and remains one of the most significant, costly, and preventable drivers of health system expenditure.[1] Beyond its direct clinical burden, diabetes contributes substantially to hospitalizations, emergency department use, disability claims, and lost productivity, placing sustained pressure on provincial, territorial and federal budgets.[2] Complications from diabetes are a leading cause of cardiovascular disease, kidney failure, blindness, and lower-limb amputation, resulting in avoidable health care spending and long-term fiscal liability.[3]

Despite Canada's global leadership in the discovery of insulin and ongoing excellence in diabetes research, people living with diabetes continue to face uneven access to medications, essential devices, and equitable care.[4] Fragmented research investments, inconsistent provincial coverage, and heavy reliance on foreign pharmaceutical supply chains further compound these challenges.[5] Without deliberate federal action, these gaps risk widening as national pharmacare is implemented and global supply risks intensify.

Diabetes Canada's 2026 Pre-Budget Submission calls on the federal government to:

1. Safeguard diabetes care during implementation of the National Pharmacare Program;
2. Advance targeted, equity-focused diabetes research aligned with modern federal funding and data strategies;
3. Expedite and stabilize a standalone Federal Diabetes Device Access Fund; and
4. Strengthen Canada's supply security for essential diabetes medicines through strategic domestic capacity.

Strategic federal investment in these areas will reduce long-term health system costs, improve outcomes for millions of Canadians, and strengthen Canada's health, economic, and supply-chain resilience. [26]

SAFEGUARDING DIABETES CARE DURING IMPLEMENTATION OF NATIONAL PHARMACARE

As the federal government proceeds with bilateral negotiations under the Pharmacare Act (SC 2024, c.24), it is essential that implementation does not inadvertently disrupt access to diabetes medications and technologies that people rely on to stay alive and avoid complications.[7] Diabetes is a heterogeneous, lifelong condition that requires individualized treatment plans tailored to age, comorbidities, disease progression, and patient response.[8] Effective management often depends on timely access to the full range of clinically indicated therapies.

Coverage decisions that are misaligned with clinical practice guidelines—or that unintentionally replace existing public, private, or employer-sponsored benefits—risk destabilizing care, increasing complications, and driving higher downstream system costs.[9] For people with complex chronic conditions, even short interruptions in treatment can result in emergency care, hospitalization, and accelerated disease progression.[10]

Federal leadership is therefore required to ensure early pharmacare pilots, bilateral agreements, and formulary decisions strengthen, rather than constrain diabetes care.

Priority Actions

1. Adopt a Multi-payer Approach to Protect Existing Coverage

A strictly single-payer pharmacare design risks undermining existing private and employer-sponsored drug plans, potentially forcing individuals to lose access to medications they already rely on.[11] For people managing diabetes, loss of coverage can result in treatment disruption, reduced adherence, and worsening clinical outcomes.[2]

The federal government must adopt a multi-payer pharmacare framework that allows public pharmacare to complement—not replace—existing coverage. This approach protects continuity of care for those currently insured while expanding access for uninsured and underinsured Canadians, advancing equity without eroding benefits for people with complex health needs.[11]

2. Structured Engagement with the Diabetes Community

The federal government must establish formal, condition-specific engagement mechanisms involving people with lived experience, healthcare providers, and diabetes organizations. These mechanisms must be embedded throughout pharmacare design, implementation, and evaluation, rather than treated as one-time consultations. Ongoing engagement will help identify unintended consequences early, ensure formularies reflect evolving clinical practice, and build public confidence in the program.[12]

3. Supporting Healthcare Providers During Transition

Pharmacare represents a significant system change for prescribers, pharmacists, and diabetes educators. Targeted federal investment is needed to support updated clinical tools, education modules, and practice guidance to help providers navigate formulary changes, patient transitions between public and private coverage, and continuity-of-care requirements. Supporting providers during this transition will reduce administrative burden and prevent avoidable prescribing delays.[13]

4. Targeted Impact Analysis

The federal government must fund a national evaluation examining pharmacare's impacts on people living with diabetes, including:

- Access to diabetes medications;
- Financial impacts across public and private systems;
- Effects on continuity of care, treatment escalation, and clinical outcomes; and
- Differential impacts across income, geography, age, and equity-deserving populations.[14]

Findings must directly inform future bilateral agreements and iterative program improvements to ensure pharmacare advances equity rather than entrenching gaps.

ADVANCING RESEARCH TO IMPLEMENT THE FRAMEWORK FOR DIABETES IN CANADA

Canada's diabetes research ecosystem spans biomedical discovery, clinical trials, population health, and health services research. However, funding remains fragmented, equity-focused research is under-supported, and translation into policy and practice is too slow to keep pace with the growing burden of diabetes.[4][15]

Federal investments should align with existing mechanisms, such as CIHR institutes, digital health initiatives, and health data modernization efforts to maximize impact, accelerate translation, and avoid duplication.[16]

Priority Areas

- Strengthen National Collaboration and Research Capacity
    - The federal government must support a coordinated, pan-Canadian diabetes research ecosystem by:
    - Enabling national research networks through CIHR and data infrastructure initiatives;[15]
    - Funding interdisciplinary and intersectoral research addressing upstream drivers of diabetes, including housing, food security, and environmental exposures;[17] and
    - Strengthening secure, interoperable data-sharing platforms to accelerate translation into practice.[16]
- Advance Research on Social Determinants and Health Equity
    - To align with federal priorities on equity, data modernization, and Indigenous self-determination, diabetes research must better reflect the realities of populations most affected. Federal funding must:
    - Modernize national diabetes surveillance by integrating disaggregated data into federal health data strategies;[18]
    - Support diabetes-specific biobanks and linked data platforms that connect clinical, social, and environmental data;[16] and
    - Prioritize community-led, culturally safe research with Indigenous, racialized, remote, and low-income communities, consistent with Indigenous data governance principles.[19]
    - Improved access to timely, high-quality linked data will support more cost-effective policy design by allowing governments to evaluate interventions in real time, target resources where they deliver the greatest benefit, and avoid costly downstream complications.[20]
- Improve Health Services and Policy Research
    - Federal funding must support:
    - Health services and implementation research embedded in diabetes registries and quality-improvement initiatives;[15] Policy research evaluating prevention strategies and medication and device access under pharmacare;[14] and
    - Patient- and community-oriented research assessing new models of primary, virtual, and community-based care, particularly for underserved populations.[21]

EXPEDITING A STANDALONE FEDERAL DIABETES DEVICE ACCESS FUND

Access to insulin pumps, continuous glucose monitors, and other essential diabetes technologies remains highly variable across Canada. These devices are proven to prevent complications, reduce hospitalizations, and improve quality of life, yet eligibility criteria and coverage vary widely by province and territory.[22]

Integrating device funding solely within pharmacare risks diluting accountability and delaying implementation.

Diabetes Canada urges the federal government to establish and expedite a standalone, clearly budgeted Federal Diabetes Device Access Fund, as announced in February of 2024.

Priority Actions

- Eliminate age caps, income-based exclusions, and restrictive eligibility criteria;
- Support sustained federal–provincial–territorial coordination to close coverage gaps; and
- Design the Device Fund as a durable program with continuity across election cycles.[23]

A coordinated national approach will save lives, improve outcomes, and reduce avoidable health system costs.[22]

STRENGTHENING SUPPLY SOVEREIGNTY FOR ESSENTIAL DIABETES MEDICINES

Canada does not currently manufacture insulin, glucagon, or several other essential diabetes medicines domestically. Instead, Canadians rely almost entirely on a small number of foreign multinational manufacturers. Recent global supply disruptions—including injectable glucagon shortages that required exceptional importation—have exposed the fragility of this approach.[2425]

As national pharmacare is implemented, secure and reliable access to life-sustaining medicines becomes foundational to program sustainability. A publicly funded drug program cannot function effectively if Canada lacks the capacity to secure supply, prioritize Canadian patients, and manage allocation risks during global disruptions.[26]

Leveraging the Canada Defence Industrial Strategy to Incent Domestic Manufacturing

Canada's Defence Industrial Strategy (DIS) provides a timely and underutilized policy framework for addressing vulnerabilities in the supply of essential diabetes medicines. The DIS explicitly recognizes the importance of securing domestic supply chains for strategic goods that are critical to national resilience. Life-sustaining medicines such as insulin and glucagon meet this threshold: they are high-volume, non-substitutable products relied upon daily by millions of Canadians and indispensable to the viability of publicly funded drug programs.

Despite insulin having been discovered in Canada, domestic manufacturing capacity has been ceded almost entirely to foreign multinational producers. Applying the tools of the DIS, such as targeted capital investment, procurement guarantees, advance purchase commitments, and public-private partnerships, would allow the federal government to strategically incent Canadian pharmaceutical manufacturers to establish or expand end-to-end production of insulin and other essential diabetes therapies, including active pharmaceutical ingredient (API) manufacturing and fill-finish capacity

Aligning health security objectives with industrial and economic policy would strengthen supply resilience, protect Canada from external market shocks and foreign policy decisions, support high-skilled domestic employment, and create the predictable supply conditions necessary for long-term pharmacare sustainability. Treating essential diabetes medicines as strategic national assets, rather than ordinary commodities, is a fiscally responsible investment in both health system stability and broader economic security.

A Comprehensive Strategy for Supply Security

Diabetes Canada urges the federal government to adopt a multi-pronged approach by:

- Diversifying procurement and establishing supplier priority agreements;
- Supporting domestic manufacturing capacity for insulin, and glucagon, and other important diabetes medinces/therapies including API production and fill-finish;
- Strengthening regulatory controls to prevent diversion of Canadian supply;
- Addressing risks posed by U.S. state drug importation programs;[27]
- Combating illegal online pharmaceutical diversion; and
- Establishing strategic reserves of essential diabetes medicines.[26]

These measures align with federal approaches emphasizing sovereign supply chains and strategic goods essential to national resilience, providing a strong policy framework applicable to life-sustaining medicines.[28]

CONCLUSION

Diabetes care sits at the intersection of health policy, research, industrial strategy, and social equity. With targeted federal investment, Canada can protect patients, strengthen pharmacare, advance world-class research, and secure access to essential medicines.

Diabetes Canada urges the Standing Committee on Finance to recommend investments that reflect the urgency, scale, and opportunity of addressing diabetes as both a health challenge and a critical component of Canada's long-term fiscal and supply-chain resilience.

REFERENCES

1. Diabetes Canada. Diabetes in Canada: Backgrounder.
2. Canadian Institute for Health Information. Diabetes and Health System Use in Canada.
3. Public Health Agency of Canada. Diabetes in Canada: Economic Impact.
4. Public Health Agency of Canada. Framework for Diabetes in Canada. 2022.
5. Health Canada. Drug Shortages and Supply Chain Vulnerabilities.
6. Parliamentary Budget Officer. Chronic Disease and Fiscal Sustainability.
7. Government of Canada. Pharmacare Act, SC 2024, c.24.
8. Diabetes Canada Clinical Practice Guidelines Expert Committee. Clinical Practice Guidelines.
9. Health Canada. National Pharmacare Advisory Council Reports.
10. CIHI. Interruptions in Chronic Disease Treatment and Hospital Use.
11. Conference Board of Canada. Private Drug Coverage and Chronic Disease Continuity.
12. Health Canada. Best Practices for Stakeholder Engagement.
13. Canadian Medical Association. Administrative Burden in Prescribing.
14. Health Canada. Pharmacare Monitoring and Evaluation Framework.
15. Canadian Institutes of Health Research. Institute of Nutrition, Metabolism and Diabetes.
16. Government of Canada. Pan-Canadian Health Data Strategy.
17. PHAC. Social Determinants of Diabetes Risk.
18. Statistics Canada / PHAC. Health Equity Data Modernization.
19. CIHR / Indigenous Services Canada. Indigenous Health Research Framework.
20. CIHI. Value of Linked Health Data for Policy Decision-Making.
21. SPOR / CIHR. Patient-Oriented Research in Chronic Disease.
22. Diabetes Canada. Diabetes Technologies and Outcomes.
23. Health Canada. Federal Diabetes Device Fund Commitments.
24. Diabetes Canada. Update: Supply of glucagon remains secured for Canadian use. Oct 15, 2024.
25. Canadian Society of Endocrinology and Metabolism. Glucagon Shortage and Impending Discontinuation. Oct 9, 2024.
26. Health Canada. Health Product Shortage Action Plan 2024–2028.
27. U.S. Food and Drug Administration. Section 804 Drug Importation Program.
28. Government of Canada. Security, Sovereignty and Prosperity: Canada's Defence Industrial Strategy. 2026.

DIABETES CANADA

diabetes.ca

National Office
1000-170 University Ave.
Toronto, ON M5H 3B3
416-363-3373

Glenn Thibeault
Executive Director, Government Affairs, Advocacy &Policy
Diabetes Canada
437-440-8953
glenn.thibeault@diabetes.ca